A Legacy Built on Passion
A Milestone for Celebration

FRASER AND NEAVE, LIMITED
annual report 2013

Contents

A Legacy Built on Passion
A Milestone for Celebration

Behind F&N's every great success story is a great vision and a partnership – a partnership between a company and its people – that stands the test of time.

Starting with two visionary men, John Fraser and David Chalmers Neave, to its current community of 10,000 employees, F&N's legacy of a pioneering spirit and entrepreneurial fervour has led it to boldly venture beyond the shores of Singapore to the rest of Asia. It is through the character of F&N's People that F&N has successfully become the giant that it is today.

One can still find the same commitment, inspiration and passion that have driven F&N's People for more than a century emanating from every corner of our organisation today.

That's what makes being part of our great organisation so special.

Our People not only genuinely care about getting the job done, they also take great pride in their work, every single day. It is undoubtedly their talent, knowledge, experience and zeal that have made our company what it is today.

On this anniversary, we can look back at our accomplishments with pride and joy. In 130 years, we have evolved into a leading conglomerate with strong brands that have touched and enriched lives for generations. All this, of course, would have been impossible without the drive, perseverance and teamwork of our People.

As we celebrate our 130th anniversary this year, we want to thank all those who have accompanied us through our journey, and who have made the F&N legacy a tale of ingenuity, devotion and passion.

Looking back on 130 years

1898

The Singapore and Straits Aerated Water Company becomes Fraser and Neave, Limited (F&N) upon issuing its shares to the public.

1883

Scotsmen John Fraser and David Chalmers Neave establish The Singapore and Straits Aerated Water Company, alongside their printing press, to produce carbonated soft drinks.

1931

The company enters into a joint venture with Heineken N.V. of Holland to form Malayan Breweries Limited to produce beer.

Tiger Beer is born as Singapore's first homegrown beer a year later.

1936

F&N is awarded the Coca-Cola bottling franchise for Singapore and Malaysia.

1959

The region's first sweetened condensed milk plant is built in Petaling Jaya, Malaysia, under a joint venture with Beatrice Foods of Chicago. The facility opens in 1961.

1974

In July, F&N launches the F&N corporate logo to better reflect its growing group of businesses and international expansion.

A state-of-the-art ice-cream manufacturing plant is built in Singapore.

1983

F&N marks its centennial; *100PLUS*, a carbonated isotonic sports drink, is launched to commemorate the milestone.

1985

F&N's breweries and soft drinks plant in Singapore are relocated for the vacated lands to be developed by F&N as it enters the property business.

1987

F&N, with Goodman Felders Watties, takes control of Cold Storage Holdings.

1990

Restructuring of Cold Storage Holdings – Centrepoint Properties becomes a member of F&N, and the Group acquires Cold Storage Holdings' dairy operations in Singapore.

Malayan Breweries Limited is renamed Asia Pacific Breweries Limited (APB).

Looking back on 130 years

1995

F&N sets up Myanmar Brewery Limited to register a foothold in the country's developing beer market.

1996

Fraser & Neave Holdings Bhd comes into being following the restructuring of the Group's Malaysian soft drinks, dairies and glass businesses, in compliance with Malaysia's New Economic Policy.

1998

Fraser Suites Singapore and *Fraser Place Robertson Walk* open for business as the first of F&N's serviced residence properties.

1999

F&N acquires a 20.1% stake in Times Publishing Group.

2000

A third core business is established when F&N assumes majority control of the Times Publishing Group.

2002

F&N delists Times Publishing and Centrepoint Properties through two voluntary conditional cash offers in 2001.

F&N returns capital of $0.80 per share to shareholders and cancels 1 ordinary share for every 10 ordinary shares held.

2006

F&N launches its retail REIT, Frasers Centrepoint Trust.

F&N announces the acquisition of Nestle's canned and liquid milk business in Malaysia and Thailand, and becomes the largest canned milk producer in Southeast Asia following its completion in February 2007.

2008

The Group acquires a 17.7% stake in SGX-ST listed Allco Commercial REIT, now known as Frasers Commercial Trust.

2012

F&N divests its entire interest in APB, which has grown to become one of the key players in the beer industry in the Asia Pacific region.

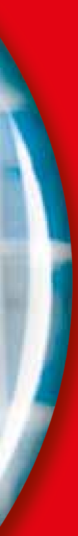
TCC GROUP

2013

F&N becomes a part of Thailand's TCC Group, which is engaged in food and beverage, real estate, industrial trading and consumer products, insurance and agriculture.

F&N distributes $3.28 per share in cash to shareholders, an aggregate amount of $4.73 billion, which is substantially the Company's gain from the APB sale.

F&N celebrates its 130th anniversary.



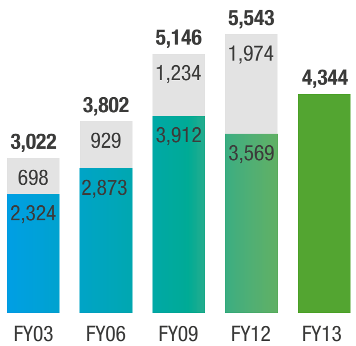
Performance at a Glance

Revenue ($M)

$4,344M

- F&B and Properties contributed strongly to topline growth

10-year CAGR 6%



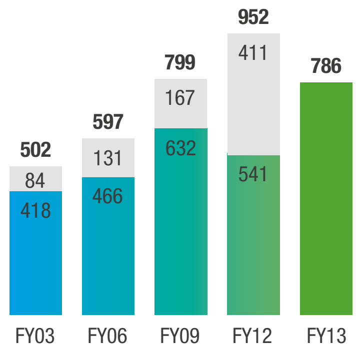
87%[3]
Increase from FY2003's $2,324M

Profit Before Interest & Taxation[4] ($M)

$786M

- F&B and Properties earnings each jumped more than twofolds

10-year CAGR 7%



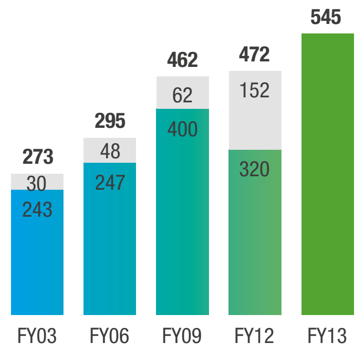
88%[3]
Increase from FY2003's $418M

Attributable Profit[4] ($M)

$545M

- 10-year compounded annual growth rate of 8%

10-year CAGR 8%



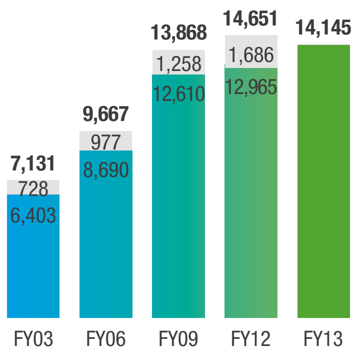
124%[3]
Increase from FY2003's $243M

Total Assets ($M)

$14,145M

- Properties accounted for around 71% of Group's total assets

10-year CAGR 8%

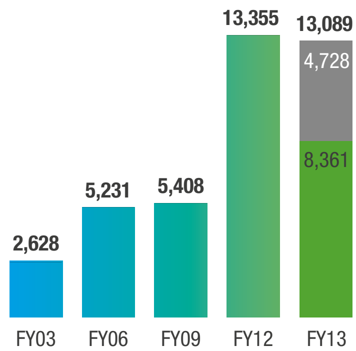


121%[3]
Increase from FY2003's $6,403M

Market Capitalisation[5] ($M)

$8,361M

10-year CAGR 12%[6]



218%
Increase from FY2003's $2,628M

Distribution

15.5¢

- Comprising a proposed final dividend of 12.0 cents and interim dividend of 3.5 cents paid earlier
- Dividend payout ratio remains in line with Group's dividend policy
- The Group distributed some $4.7b ($3.28 per share) to shareholders in a capital reduction exercise

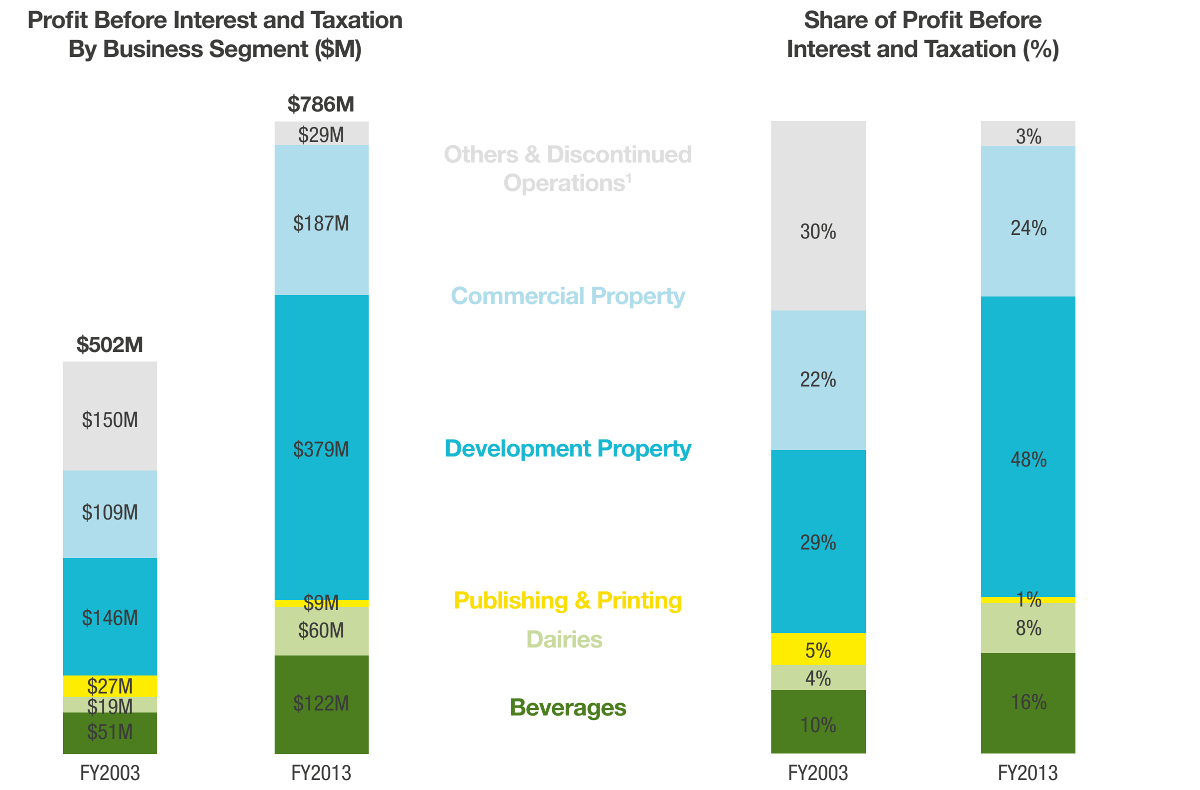
55%
Increase from FY2003's 10.0 cents

Discontinued operations (APB/APIPL)

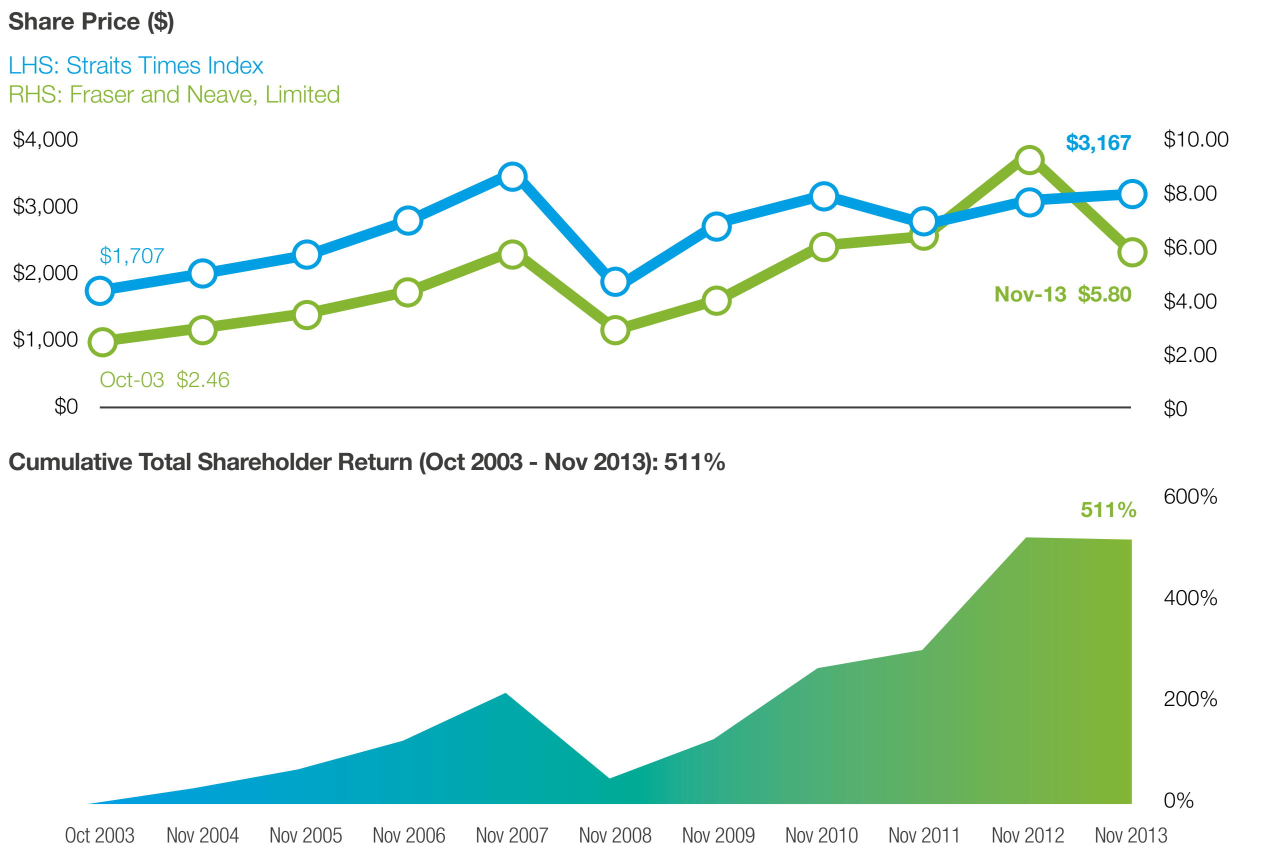
Capital distribution of $4.7b to shareholders

Note:

1 FY2003, FY2006 and FY2009: As previously reported; FY2012: Restated for amendments to FRS12 and to comply with FY2013's presentation
2 FY2003 - FY2012 includes the Group's share of Asia Pacific Breweries Limited/Asia Pacific Investment Pte Ltd ("APB/APIPL") results. APB/APIPL FY2012 results were presented separately as discontinued operations in the Group Financial Statements
3 Excludes discontinued operations of APB/APIPL
4 Before fair value adjustment and exceptional items
5 Based on issued shares at close of business on the first trading day after preliminary announcement of results
6 Based on post-capital distribution market capitalisation of $8,361m



Note:
1 Discontinued operations refer to the Group's share of APB/APIPL results



Corporate Profile

FRASER AND NEAVE, LIMITED

Established in 1883, Fraser and Neave, Limited (F&N) is a leading Asia Pacific Consumer Group with expertise and prominent standing in the Food & Beverage, Properties and Publishing & Printing industries.

Leveraging its strengths in marketing and distribution, research and development, brands and financial management, as well as years of acquisition experience, F&N provides key resources and sets strategic directions for its subsidiary companies across all three industries.

Listed on the Singapore stock exchange, F&N ranks as one of the most established and successful companies in the region with an impressive array of renowned brands that enjoy strong market leadership. It has shareholders' funds and total assets employed of over $8 billion and $14 billion, respectively. F&N is present in over 20 countries spanning Asia Pacific, Europe and the USA, and employs over 10,000 people worldwide.

For more information on F&N, please visit **www.fraserandneave.com**.

Our Vision

To be a world-class multinational enterprise with an Asian base, providing superior returns with a focus on Food & Beverage, Properties and Publishing & Printing businesses.

Our Growth Drivers

Forging strategic business partnerships and networks to gain entry and build our foundation in new markets

•

Leveraging our strong global network to expand our market reach and tap on new business opportunities

•

Harnessing R&D to enhance our innovative edge and deliver quality products in line with current lifestyle trends

•

Grooming leaders and developing staff systematically to ensure a continuous pool of talent

•

Sharpening capital management and extracting operational efficiencies to enhance shareholder return

Group Financial Performance

5-YEAR STATISTICS

Note	Year ended 30 September	FY2009	FY2010	FY2011	FY2012	**FY2013**
1, 2	**Profit Statement ($ million)**					
	Revenue	5,146	5,697	6,355	5,543	**4,344**
	Profit before taxation					
	- before interest	799	1,071	1,177	952	**786**
	- before impairment, fair value adjustment & exceptional items	737	1,009	1,123	868	**764**
	- after exceptional items	614	1,172	1,438	1,239	**908**
	Attributable profit					
3	- before fair value adjustment & exceptional items	462	584	643	472	**545**
	- after exceptional items	357	728	898	838	**5,431**
1	**Balance Sheet ($ million)**					
4	Net asset value	5,585	6,143	6,843	7,603	**8,507**
	Total assets employed	13,868	13,523	13,924	14,651	**14,145**
	Long-term borrowings	3,608	2,666	3,216	2,972	**2,583**
	Market Capitalisation ($ million)					
	at close of business on the first trading day after preliminary announcement of results	5,408	9,127	8,745	13,355	**8,361**[7]
1, 2	**Financial Ratio (%)**					
	Return on average shareholders' equity					
	- profit before impairment, fair value adjustment & exceptional items	13.6	17.2	17.3	12.0	**9.5**
3	- attributable profit before fair value adjustment & exceptional items	8.5	10.0	9.9	6.5	**6.8**
5	Gearing ratio					
	- without non-controlling interests	65.5	46.8	34.5	29.7	**17.6**
	- with non-controlling interests	54.7	41.4	30.8	27.3	**16.9**
1, 2	**Per Share**					
	Profit before impairment, fair value adjustment, taxation and exceptional items (cents)	53.0	72.2	79.8	61.1	**53.0**
	Attributable profit (cents) (basic)					
	- before fair value adjustment and exceptional items	33.2	41.8	45.7	33.2	**37.8**
	- after exceptional items	25.7	52.1	63.8	59.0	**376.8**
4	Net asset value ($)	4.01	4.38	4.85	5.32	**5.90**
	Dividend					
	- net (cents)	13.5	17.0	18.0	18.0	**15.5**
6	- cover (times)	2.5	2.5	2.5	1.8	**2.4**
	Stock Exchange Prices ($)					
	at close of business on the first trading day after preliminary announcement of results	3.88	6.51	6.20	9.35	**5.80**

Note:

1 FY2009 - FY2011: As previously reported; FY2012: Restated for amendments to FRS12 and to comply with FY2013's presentation

2 FY2009 - FY2012 includes the Group's share of Asia Pacific Breweries Limited/Asia Pacific Investment Pte Ltd ("APB/APIPL") results. APB/APIPL results were presented separately as discontinued operations in the Group Financial Statements

3 Attributable profit before fair value adjustment and exceptional items: Profit after taxation and non-controlling interests, but before fair value adjustment and exceptional items

4 Net asset value: Share capital and reserves

5 Gearing ratio: Sum of bank borrowings and term loans, less fixed deposits and cash and bank balances, expressed as a percentage of equity

6 Dividend cover: Attributable profit before fair value adjustment and exceptional items per share, divided by net dividend per share

7 In July 2013, the Group paid out some $4.7b (or $3.28 per share) to shareholders in a capital reduction exercise

Global Presence

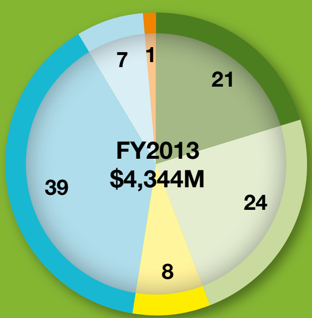
Properties[3]
Australia
Bahrain
China
France
Hong Kong
Hungary
India
Indonesia
Japan
Korea
Malaysia
New Zealand
Philippines
Qatar
Singapore
Thailand
Turkey
United Arab Emirates
United Kingdom
Vietnam

Publishing & Printing
Australia
Chile
China
Hong Kong
India
Malaysia
Singapore
Thailand
United States of America
United Kingdom

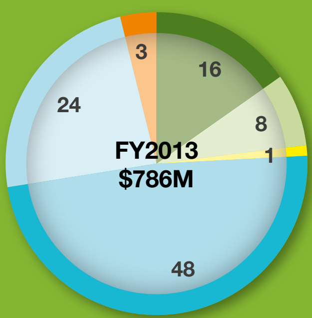
Food & Beverage
Soft Drinks & Dairies
Indonesia[1]
Malaysia
Singapore
Thailand
Vietnam[2]
Beer
Myanmar

Note:
1 Licensing to third-party
2 9.5% stake in Vinamilk
3 The Company has proposed a demerger of the Properties business through the dividend *in specie* distribution of all the issued shares in Frasers Centrepoint Limited to shareholders

Revenue (%)

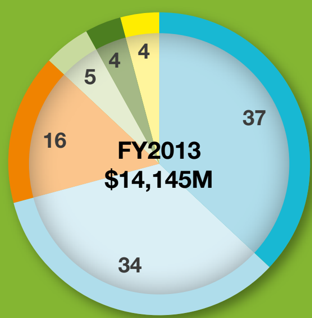


Profit Before Interest and Taxation (%)



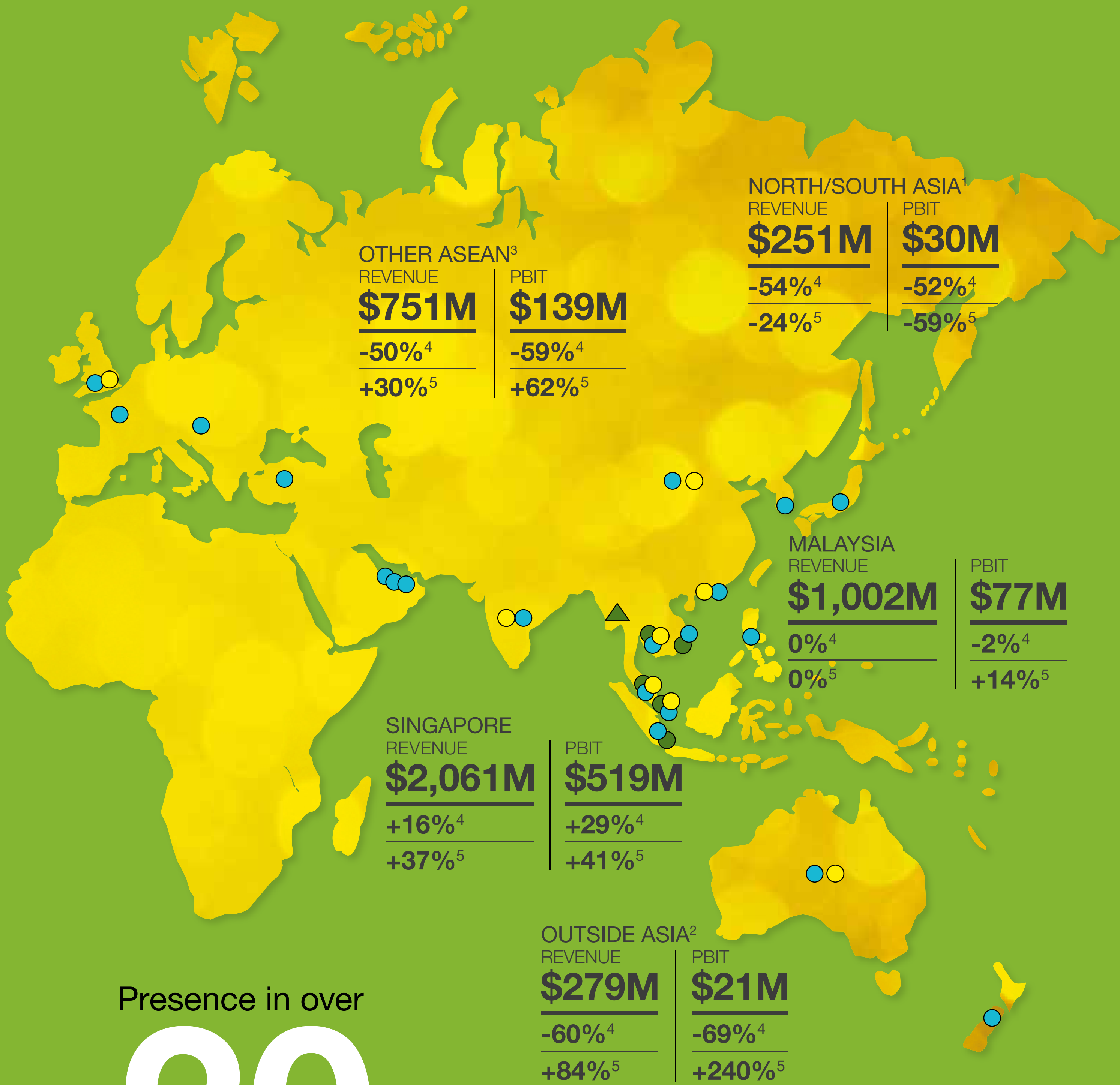
Attributable Profit Before Fair Value Adjustment and Exceptional Items (%)

Total Assets (%)



By Business Segment (%)

Beverages | Dairies | Publishing & Printing | Development Property | Commercial Property | Others



Presence in over

20 COUNTRIES

Leadership positions in our key markets

Note:

1 North/South Asia: China, Taiwan, Japan, Korea, Mongolia, Sri Lanka and India
2 Outside Asia: Australia, New Zealand, Papua New Guinea, New Caledonia, Solomon Islands, Europe and USA
3 Other ASEAN: Myanmar, Thailand, Cambodia, Vietnam, Philippines, Laos and Indonesia
4 Percentage (%) denotes growth from FY2012 to FY2013, including the Group's share of beer business in Asia Pacific Breweries Limited/Asia Pacific Investment Pte Ltd
5 Percentage (%) denotes growth from FY2012 to FY2013, excluding the Group's share of beer business in Asia Pacific Breweries Limited/Asia Pacific Investment Pte Ltd

Message from the Chairman

Charoen Sirivadhanabhakdi
Chairman

A passion to Lead

OVERVIEW

At the close of the general offer on 18 February 2013, TCC Assets Limited ("**TCC Assets**") together with Thai Beverage Public Company Limited ("**ThaiBev**") emerged with a 90.3%[1] interest in the Company. This takeover was the largest in Singapore's corporate history and marked a new beginning for F&N in its 130th year of operation.

TCC Assets and ThaiBev are part of the TCC Group, which has more than 60,000 employees, and operates in five core businesses; namely beverages, property, industrial trading, insurance and leasing, and agro-business. The TCC Group has always held F&N in high regard and believes that the Group's proven track record of delivering sustainable value and strong shareholder returns through successful execution of integrated strategies are beneficial to both groups.

Note:
1 As at 12 December 2013, the percentage of shareholding of the Company held by the public is about 12%

Message from the Chairman

I took on the chairmanship of the Company on 28 February 2013 and am glad to be able to play a part in charting the future direction of the Group. The members of the previous Board have provided fine stewardship for the Group and my appreciation goes to them for their contributions to the growth of the Group. I am delighted to report that the transition to the new Board has been smooth. I would also like to acknowledge the contributions of all past Directors, and current and past Management, who played a part in creating solid foundations for the Group's future growth.

In July 2013, the Company completed a capital reduction exercise when it returned $4.7 billion (or $3.28 per share) to shareholders. This is part of the Company's continuous active capital management efforts and completes the plan articulated by the previous Board to reward shareholders with the gains from the disposal of F&N's stakes in Asia Pacific Breweries Limited ("**APB**") and Asia Pacific Investment Pte Ltd ("**APIPL**").

During the year, we announced our first step towards redefining the organisational structure of the Group. Two separate Chief Executive Officers were appointed for the Food and Beverage ("**F&B**") Division, to oversee the Beer and the Non-Alcoholic Beverages businesses respectively. This initiative was to provide sharper operational focus to drive growth in shareholder value while fostering synergistic cooperation with our strategic partners.

Our F&B Division and ThaiBev have begun leveraging each other's distribution networks, product development capabilities and brand portfolio to expand and deepen regional market penetration. *Oishi* tea drinks have already made its debut in Malaysia. The plan is for F&N to work together with ThaiBev, to bring the Company's *100PLUS* isotonic drinks into their key markets. Our goal is to capitalise on our cross-geographical presence and to seize opportunities arising from the formation of the Asian Economic Community in 2015. We will also continue to invest in our iconic brands, in particular *100PLUS*.

A strategic review was conducted during the year to evaluate options to unlock shareholder value. This resulted in a proposal to move away from the conglomerate business model to a separation of the Company's property-related businesses from its F&B and Publishing & Printing ("**P&P**") businesses.

On 13 November 2013, shareholders unanimously approved the demerger of the Company's property business by way of a distribution *in specie* where all Frasers Centrepoint Limited ("**FCL**") shares will be distributed to our shareholders on the basis of two FCL shares for each F&N share held ("**FCL Distribution**"), at no cost. We will announce the effective date of the FCL Distribution and the listing of the FCL shares at the appropriate time, when the required consents, approvals and/or waivers have been obtained.

The Board believes that the demerger will unlock shareholder value and create investment flexibility for our shareholders. This exercise could better appeal to investors who are specially seeking investments in the F&B sector and could therefore contribute to a market re-rating of the Company's shares. Shareholders will also be able to realise value from the distributed FCL shares, which would otherwise not have been possible had FCL been listed directly by way of an initial public offering.

The demerger will enable F&N and FCL to each independently pursue its own business direction and strategies. F&N could focus greater management attention and resources on growth opportunities for the F&B business by pursuing strategies best suited to its markets and goals, including mergers and/or acquisitions, to become a leading consumer group in Southeast Asia.

FCL, the property arm of the Company, will be one of the largest property companies by market capitalisation when listed on the SGX-ST. It will continue to operate as an international real estate company focusing on property development, investment and management of commercial properties, serviced residences and property trusts.

After the FCL Distribution, the Company will continue to be engaged in two core businesses, namely F&B and P&P. The F&B Division will consist principally of our 55.8% investment in Fraser & Neave Holdings Bhd, unlisted soft drinks and dairy businesses in Singapore, the ice-cream business in Singapore, Malaysia and Thailand, and our 55% stake in Myanmar Brewery Limited[2] ("**MBL**"). P&P Division encompasses printing, publishing, and retail and distribution, undertaken through the Company's wholly-owned subsidiary, Times Publishing Limited.

FINANCIAL REVIEW

In the year under review, Group revenue grew a creditable 22% to $4.3 billion. With the exception of P&P, all business segments achieved improvement in revenue.

At the operating level, Group profit before interest and taxation ("**PBIT**"), before fair value adjustments on investment properties, rose 45% to $786 million. The earnings improvement was broad based, across all our business units, with F&B and Development Property being the primary contributors.

Group Attributable Profit before fair value adjustments on investment properties and exceptional items increased by 70% to $545 million. This year, the Group recorded a net gain of $280 million from fair value adjustments on our investment properties.

During the year, the Group realised an exceptional gain of $4.75 billion in November 2012 upon completion of the sale of APB and APIPL for $5.58 billion, bringing Group Attributable Profit after fair value adjustments on investment properties and exceptional items to $5.4 billion.

Earnings per share ("**EPS**") after fair value adjustments on investment properties and exceptional items rose $3.18 to $3.77 (compared to 59 cents last year). Excluding the gain on sale of APB and APIPL, fair value adjustments on investment properties and exceptional items, EPS improved 14% to 37.8 cents.

At the end of FY2013, Net Asset Value was at $5.90 per share, an increase of about 11% over last year. Our balance sheet remained strong with gearing at 17%, down from 27% at the end of FY2012.

Note:
2 This investment is currently under the subject of ongoing arbitration

Message from the Chairman

OPERATIONS REVIEW

The FY2013 performance by our F&B, Properties and P&P businesses are presented in the CEO Business Review section of this Annual Report.

Food & Beverage

For FY2013, our F&B operations posted 47% growth in PBIT to $182 million. The improvement came from both Beverages and Dairies. PBIT for Beverages rose 18% to $122 million on the back of higher soft drinks and beer volumes and favourable sales mix.

Our beer operations in Myanmar achieved record sales, delivering another set of strong results for the year. MBL continued to maintain its leadership market position in Myanmar with its strong brands.

This year, the Soft Drinks operations in Singapore and Malaysia continued to post volume and revenue growth, retaining their leadership positions in the ready-to-drink segments in the respective countries. The Group will continue to invest in brand building efforts and drive innovation, to defend and augment our market share.

Our Dairies profit recorded a three-fold increase from last year. This came mainly from Dairies business in Thailand, where sales have recovered to pre-flood levels in addition to higher exports to Indochina. In Malaysia, Dairies also benefitted from lower input costs and operating costs.

Properties

Properties recorded solid growth of 55% in PBIT to $566 million. It remained our main contributor, accounting for about 72% of Group PBIT. For FY2013, FCL sold about 1,900* residential units in Singapore and 1,440* units in China and Australia. These presold units, together with presold units from previously launched projects, are expected to deliver revenue of about $3.2 billion and will underpin earnings from development projects for the next few financial years. In Singapore, FCL's current land bank can yield about 1,600* residential units when fully developed. Our development pipeline overseas comprised 9,800* residential units in China, Australia and New Zealand.

FCL's two listed REITs, Frasers Centrepoint Trust ("**FCT**") and Frasers Commercial Trust have performed well, and are important platforms for our asset-light strategy. The next development in the pipeline for injection into FCT is *Changi City Point*, a 50:50 joint venture retail development with Ascendas Land (Singapore).

On 19 August 2013, FCL won the tender of a commercial site at Cecil Street/Telok Ayer Street for $924 million. The leasehold site could potentially yield an estimated net lettable area of 705,000 square feet. The plan is to build an iconic Grade A office tower on this prime site. FCL also secured an integrated mixed development land parcel at Yishun Central in September 2013 for $1.4 billion. This site could yield about 890 residential units and an estimated net lettable area of 330,000 square feet of retail space. As the site is located next to FCT's existing shopping mall, *Northpoint*, the two developments could be integrated for the benefit of FCT and the Group.

Frasers Hospitality has presence in over 30 cities worldwide, managing about 8,000 apartments. Another 7,100 apartments will be added to its existing portfolio over the next three years. We have received proposals from investment banks in relation to a

* Including share of JV partner

hospitality REIT to be listed on the SGX-ST. The proposals are currently under evaluation. With the support of the TCC Group, Frasers Hospitality could look forward to an accelerated growth in the future.

Publishing & Printing

In 2013, the P&P Division continued to focus on expanding its education publishing global footprint, making substantial investments into this area. Education publishing delivered strong results, which partly offset reduced earnings from printing and magazine distribution. However, Printing continued to face challenges of industry overcapacity and changing market conditions leading to price erosion.

This has resulted in lower print revenue despite a higher volume. In response to the changing competitive landscape, concerted actions were put in place to improve production efficiency. This has proven effective in reducing overall production costs. Moving forward, P&P can leverage on the extensive network of the TCC Group to offer another channel for P&P to tap opportunities for partnership and collaboration in the Thai market.

DIVIDENDS

The Directors recommend for shareholders' approval, a final dividend of 12.0 cents per share. This brings the total dividend for the year to 15.5 cents per share. The lower dividend is in line with the Group's reduced earnings following the sale of APB and APIPL, and the return of capital of $3.28 per share. This proposed payout represents a distribution of 41% of the Group Attributable Profit before fair value adjustment of investment properties and exceptional items for FY2013. The final dividend, if approved by shareholders, will be paid on 18 February 2014.

OUTLOOK

The global economic outlook continues to remain uncertain. However the Group remains cautiously optimistic that underlying F&B revenue can continue to improve in the new year, underpinned by favourable demographic trends and economic growth, our strong brand portfolio and robust distribution network.

ACKNOWLEDGEMENTS

On behalf of the Board, I wish to extend my sincere thanks to our Management and staff for their dedication, drive and foresight. These attributes have transformed F&N into a world-class multinational enterprise, conducting our business in a responsible and sustainable manner while fostering a customer-centred culture.

I warmly welcome the new members of the Board. The new Directors bring with them an extensive and balanced range of expertise. They have provided rich insights to issues under deliberation and I am grateful for their wise counsel.

My appreciation also goes to the members of the boards of our subsidiary companies for their active support in yet another eventful year. With their expertise in various fields, they have provided able stewardship for these subsidiaries.

Last but not least, on behalf of the Directors, I would like to thank our customers, business partners and shareholders. Our 130 years of legacy is a milestone for celebration and we look forward to your continuing support.

Charoen Sirivadhanabhakdi
Chairman

Board of Directors

Mr Charoen Sirivadhanabhakdi, 69

Role: Chairman
: Non-Executive and Non-Independent Director
Date of first appointment as a director: 28 Feb 2013
Date of last re-election as a director: -
Length of service as a director (as at 30 Sep 2013): 07 months

Board committee(s) served on:
Nil

Academic & Professional Qualification(s):

- Honorary Doctoral Degree in Agricultural Business Administration, Maejo Institute of Agricultural Technology, Thailand
- Honorary Doctoral Degree in Industrial Technology, Chandrakasem Rajabhat University, Thailand
- Honorary Doctoral Degree in Management, Huachiew Chalermprakiet University, Thailand
- Honorary Doctoral Degree in Business Administration, Eastern Asia University, Thailand
- Honorary Doctor of Philosophy Degree in Business Administration, Mae Fah Luang University, Thailand
- Honorary Doctoral Degree in Management, Rajamangala University of Technology Suvarnabhumi, Thailand
- Honorary Doctoral Degree in International Business Administration, University of the Thai Chamber of Commerce, Thailand
- Honorary Doctoral Degree in Sciences and Food Technology, Rajamangala University of Technology Lanna, Thailand

Present Directorships (as at 30 Sep 2013)
Listed companies

- Berli Jucker Public Company Limited (Chairman)
- Thai Beverage Public Company Limited (Chairman)

Others

- Beer Thai (1991) Public Company Limited (Chairman)
- Red Bull Distillery Group of Companies (Chairman)
- Southeast Group Co., Ltd. (Chairman)
- TCC Holding Co., Ltd. (Chairman)
- TCC Land Co., Ltd. (Chairman)

Major Appointments (other than Directorships)
Nil

Past Directorships in listed companies held over the preceding three years (from 01 Oct 2010 to 30 Sep 2013)
Nil

Others
Nil

Khunying Wanna Sirivadhanabhakdi, 70

Role: Vice-Chairman
: Non-Executive and Non-Independent Director
Date of first appointment as a director: 28 Feb 2013
Date of last re-election as a director: -
Length of service as a director (as at 30 Sep 2013): 07 months

Board committee(s) served on:
Nil

Academic & Professional Qualification(s):
- Honorary Doctoral Degree in Bio-Technology, Ramkhamhaeng University, Thailand
- Honorary Doctoral Degree in Agricultural Administration, Maejo Institute of Agricultural Technology, Thailand
- Honorary Doctoral Degree in Business Administration, Chiang Mai University, Thailand
- Honorary Doctor of Philosophy Degree in Social Sciences, Mae Fah Luang University, Thailand
- Honorary Doctoral Degree of Faculty of Business Administration and Information Technology, Rajamangala University of Technology Tawan-ok

Present Directorships (as at 30 Sep 2013)
Listed companies
- Berli Jucker Public Company Limited (Vice Chairman)
- Thai Beverage Public Company Limited (Vice Chairman)

Others
- Beer Thip Brewery (1991) Co., Ltd. (Chairman)
- Sangsom Group of Companies (Chairman)
- TCC Holding Co., Ltd. (Vice Chairman of Executive Board)

Major Appointments (other than Directorships)
Nil

Past Directorships in listed companies held over the preceding three years (from 01 Oct 2010 to 30 Sep 2013)
Nil

Others
Nil

Mr Mak Ming Ying Charles, 61

Role: Non-Executive and Independent Director

Date of first appointment as a director: 28 Feb 2013
Date of last re-election as a director: -
Length of service as a director (as at 30 Sep 2013): 07 months

Board committee(s) served on:
- Audit Committee (Chairman)

Academic & Professional Qualification(s):
- Master of Business Administration, PACE University, USA
- Bachelor of Business Administration, PACE University, USA

Present Directorships (as at 30 Sep 2013)
Listed companies
Nil

Major Appointments (other than Directorships)
- Morgan Stanley Asia Pacific (Vice Chairman)
- Morgan Stanley International Wealth Management (President)

Past Directorships in listed companies held over the preceding three years (from 01 Oct 2010 to 30 Sep 2013)
Nil

Others
- Previously Managing Director and Head of Morgan Stanley Asia Pacific Private Wealth Management
- Previously Executive Director and Senior Investment Adviser of Morgan Stanley's Private Wealth Management Group

Board of Directors

Mr Chan Heng Wing, 66

Role: Non-Executive and Independent Director

Date of first appointment as a director: 28 Feb 2013
Date of last re-election as a director: -
Length of service as a director (as at 30 Sep 2013): 07 months

Board committee(s) served on:
- Nominating Committee
- Risk Management Committee

Academic & Professional Qualification(s):
- Master of Science, Columbia Graduate School of Journalism, USA
- Master of Arts, University of Singapore, Singapore
- Bachelor of Arts (Honours), University of Singapore, Singapore

Present Directorships (as at 30 Sep 2013)
Listed companies
- Banyan Tree Holdings Ltd.
- Shanda Games Ltd.

Others
- Precious Quay Pte. Ltd.
- Precious Treasures Pte. Ltd.

Major Appointments (other than Directorships)
- Ministry of Foreign Affairs, Singapore (Senior Advisor)
- Milken Institute Asia Center (Chairman)

Past Directorships in listed companies held over the preceding three years (from 01 Oct 2010 to 30 Sep 2013)
Nil

Others
- Previously Managing Director of Temasek Holdings
- Previously Singapore's Consul General to Shanghai
- Previously Ambassador of Singapore to Thailand

Mr Eng Heng Nee Philip, 67

Role: Non-Executive and Independent Director

Date of first appointment as a director: 22 Feb 2013
Date of last re-election as a director: -
Length of service as a director (as at 30 Sep 2013): 07 months

Board committee(s) served on:
- Audit Committee
- Remuneration Committee (Chairman)

Academic & Professional Qualification(s):
- Bachelor of Commerce in Accountancy, University of New South Wales, Australia
- Associate Member, Institute of Chartered Accountants in Australia

Present Directorships (as at 30 Sep 2013)
Listed companies
- Ezra Holdings Limited
- Frasers Centrepoint Asset Management Ltd. (Chairman)
- mDR Limited (Chairman)
- PT Adira Dinamika Multi Finance Tbk (Commissioner)
- The Hour Glass Limited

Others
- Chinese Development Assistance Council
- Hektar Asset Management Sdn Bhd
- Heliconia Capital Management Pte. Ltd.
- KK Women's and Children's Hospital Pte. Ltd.
- NTUC Income
- OpenNet Pte. Ltd.
- Singapore Health Services Pte. Ltd.

Major Appointments (other than Directorships)
Nil

Past Directorships in listed companies held over the preceding three years (from 01 Oct 2010 to 30 Sep 2013)
- Asia Pacific Breweries Limited
- MCL Land Limited (Deputy Chairman)

Others
Nil

Mr Koh Poh Tiong, 66

Role: Non-Executive and Non-Independent Director
: Adviser to the Board
Date of first appointment as a director: 03 Apr 2013
Date of last re-election as a director: -
Length of service as a director (as at 30 Sep 2013): 05 months

Board committee(s) served on:
- Board Executive Committee (Vice Chairman)
- Food & Beverage Board Committee (Chairman)

Academic & Professional Qualification(s):
- Bachelor of Science, University of Singapore, Singapore

Present Directorships (as at 30 Sep 2013)
Listed companies
- Ezra Holdings Limited (Chairman and Senior Advisor)
- Petra Foods Limited
- Raffles Medical Group Ltd.
- SATS Ltd.
- United Engineers Ltd.

Others
- National Kidney Foundation (Chairman)
- PSA Corporation Ltd.
- PSA International Pte. Ltd.
- Singapore Kindness Movement (Chairman)
- The Great Eastern Life Assurance Company Limited

Major Appointments (other than Directorships)
Nil

Past Directorships in listed companies held over the preceding three years (from 01 Oct 2010 to 30 Sep 2013)
- Asia Pacific Breweries Limited Group of Companies
- Fraser and Neave, Limited Group of Companies

Others
- Previously Chief Executive Officer – Food & Beverage Division of Fraser and Neave, Limited
- Previously Chief Executive Officer of Asia Pacific Breweries Limited

Mr Weerawong Chittmittrapap, 55

Role: Non-Executive and Independent Director

Date of first appointment as a director: 03 Apr 2013
Date of last re-election as a director: -
Length of service as a director (as at 30 Sep 2013): 05 months

Board committee(s) served on:
- Nominating Committee (Chairman)
- Risk Management Committee

Academic & Professional Qualification(s):
- Thai Barrister-at-Law and the first Thai lawyer admitted to the New York State Bar
- Master of Law, University of Pennsylvania, USA
- Bachelor of Law, Chulalongkorn University, Thailand

Present Directorships (as at 30 Sep 2013)
Listed companies
- Berli Jucker Public Company Limited
- Golden Land Property Development Public Company Limited
- GMM Grammy Public Company Limited
- SCB Life Assurance Public Company Limited
- Thai Airways International Public Company Limited

Others
- National Power Supply Public Company Limited
- Weerawong, Chinnavat & Peangpanor Ltd. (Chairman)

Major Appointments (other than Directorships)
- Thai Institute of Directors (Special Lecturer)

Past Directorships in listed companies held over the preceding three years (from 01 Oct 2010 to 30 Sep 2013)
- Minor International Public Company Limited

Others
Nil

Board of Directors

Mrs Siripen Sitasuwan, 65

Role: Non-Executive and Independent Director

Date of first appointment as a director: 31 May 2013
Date of last re-election as a director: -
Length of service as a director (as at 30 Sep 2013): 04 months

Board committee(s) served on:
- Remuneration Committee

Academic & Professional Qualification(s):
- Master of Business Administration, Wichita State University, Kansas, USA
- Bachelor of Arts (Commerce), Chulalongkorn University, Thailand

Present Directorships (as at 30 Sep 2013)
Listed companies
- Thanachart Capital Public Company Limited
- Serm Suk Public Company Limited

Others
- Solaris Asset Management Co., Ltd.
- Thai Solar Energy Co., Ltd.

Major Appointments (other than Directorships)
Nil

Past Directorships in listed companies held over the preceding three years (from 01 Oct 2010 to 30 Sep 2013)
Nil

Others
Nil

Mr Chotiphat Bijananda, 50

Role: Non-Executive and Non-Independent Director

Date of first appointment as a director: 19 Feb 2013
Date of last re-election as a director: -
Length of service as a director (as at 30 Sep 2013): 07 months

Board committee(s) served on:
- Board Executive Committee (Chairman)
- Nominating Committee
- Risk Management Committee (Chairman)

Academic & Professional Qualification(s):
- Master of Business Administration, Finance, University of Missouri, USA
- Bachelor of Laws, Thammasat University, Thailand

Present Directorships (as at 30 Sep 2013)
Listed companies
- Serm Suk Public Company Limited
- Golden Land Property Development Public Company Limited

Others
- Southeast Group Co., Ltd. (President)
- Southeast Insurance Public Co., Ltd. (Chairman of Executive Board)
- Southeast Life Insurance Public Co., Ltd. (Chairman of Executive Board)
- Southeast Capital Co., Ltd. (Chairman of Executive Board)
- TCC Assets Limited
- TCC Technology Co., Ltd.

Major Appointments (other than Directorships)
Nil

Past Directorships in listed companies held over the preceding three years (from 01 Oct 2010 to 30 Sep 2013)
Nil

Others
Nil

Mr Thapana Sirivadhanabhakdi, 38

Role: Non-Executive and Non-Independent Director

Date of first appointment as a director: 19 Feb 2013
Date of last re-election as a director: -
Length of service as a director (as at 30 Sep 2013): 07 months

Board committee(s) served on:
- Board Executive Committee
- Food & Beverage Board Committee
- Remuneration Committee
- Risk Management Committee

Academic & Professional Qualification(s):
- Honorary Degree of Doctor of Philosophy in Department of General Management, Ramkhamhaeng University, Thailand
- Master of Science Administration in Financial Economic, Boston University, USA
- Bachelor of Business Administration (Finance), Boston University, USA

Present Directorships (as at 30 Sep 2013)
Listed companies
- Thai Beverage Public Company Limited
- Berli Jucker Public Company Limited
- Oishi Group Public Company Limited (Executive Chairman)
- Siam Food Products Public Company Limited (Vice Chairman)
- Serm Suk Public Company Limited (Vice Chairman)
- Univentures Public Company Limited

Others
- InterBev Investment Limited
- International Beverage Holdings Limited (President)
- Certain Subsidiaries of Thai Beverage Public Company Limited
- Certain Subsidiaries of Oishi Group Public Company Limited
- Certain Subsidiaries of Serm Suk Public Company Limited
- Southeast Group of Companies (Vice Chairman)

Major Appointments (other than Directorships)
- Thai Beverage Public Company Limited (President and Chief Executive Officer)

Past Directorships in listed companies held over the preceding three years (from 01 Oct 2010 to 30 Sep 2013)
Nil

Others
Nil

Board of Directors

Mr Panote Sirivadhanabhakdi, 36

Role: Non-Executive and Non-Independent Director

Date of first appointment as a director: 03 Apr 2013
Date of last re-election as a director: -
Length of service as a director (as at 30 Sep 2013): 05 months

Board committee(s) served on:
- Board Executive Committee

Academic & Professional Qualification(s):
- Master of Science in Analysis, Design and Management of Information System, London School of Economics and Political Science, UK
- Bachelor of Science in Manufacturing Engineering, Boston University, USA
- Certificate in Industrial Engineering and Economics, Massachusetts University, USA

Present Directorships (as at 30 Sep 2013)
Listed companies
- Berli Jucker Public Company Limited
- Golden Land Property Development Public Company Limited (Vice Chairman)
- Siam Food Products Public Company Limited
- Thai Beverage Public Company Limited
- Univentures Public Company Limited

Others
- Beer Thip Brewery (1991) Co., Ltd.
- Blairmhor Distillers Limited
- Blairmhor Limited
- InterBev (Singapore) Limited
- International Beverage Holdings (China) Limited
- International Beverage Holdings Limited
- International Beverage Holdings (UK) Limited
- Sura Bangyikhan Group of Companies

Major Appointments (other than Directorships)
- Univentures Public Company Limited (Chief Executive Officer)

Past Directorships in listed companies held over the preceding three years (from 01 Oct 2010 to 30 Sep 2013)
Nil

Others
Nil

Mr Sithichai Chaikriangkrai, 59

Role: Non-Executive and Non-Independent Director

Date of first appointment as a director: 22 Feb 2013
Date of last re-election as a director: -
Length of service as a director (as at 30 Sep 2013): 07 months

Board committee(s) served on:
- Audit Committee
- Board Executive Committee
- Food & Beverage Board Committee
- Risk Management Committee

Academic & Professional Qualification(s):
- Bachelor of Accountancy (First Class Honors), Thammasart University, Thailand
- Diploma in Computer Management, Chulalongkorn University, Thailand
- Certificate of the Mini MBA Leadership Management, Kasetsart University, Thailand

Present Directorships (as at 30 Sep 2013)
Listed companies
- Thai Beverage Public Company Limited
- Berli Jucker Public Company Limited
- Golden Land Property Development Public Company Limited
- Oishi Group Public Company Limited
- Siam Food Products Public Company Limited
- Serm Suk Public Company Limited
- Univentures Public Company Limited

Others
- InterBev Investment Limited
- International Beverage Holdings Limited
- Certain Subsidiaries of Thai Beverage Public Company Limited
- Certain Subsidiaries of Berli Jucker Public Company Limited
- Certain Subsidiaries of Oishi Group Public Company Limited
- Certain Subsidiaries of Siam Food Products Public Company Limited
- Certain Subsidiaries of Serm Suk Public Company Limited

Major Appointments (other than Directorships)
- Thai Beverage Public Company Limited (Chief Financial Officer)

Past Directorships in listed companies held over the preceding three years (from 01 Oct 2010 to 30 Sep 2013)
Nil

Others
Nil

Mr Prapakon Thongtheppairot, 42

Role: Non-Executive and Non-Independent
: Alternate Director to Mr Sithichai Chaikriangkrai
Date of first appointment as a director: 21 Mar 2013
Date of last re-election as a director: -
Length of service as a director (as at 30 Sep 2013): 06 months

Board committee(s) served on:
- Food & Beverage Board Committee

Academic & Professional Qualification(s):
- Master of Science in Finance, Georgia State University, USA
- Master of Business Administration, Mercer University, USA
- Bachelor of Business Administration, Assumption University, Thailand

Present Directorships (as at 30 Sep 2013)
Listed companies
Nil

Others
- Beer Chang International Limited
- Dhospaak Co., Ltd.
- InterBev Investment Limited
- International Beverage Holdings Limited
- P.M.T. Mansion Co., Ltd.
- Thai Beverage Marketing Co., Ltd.

Major Appointments (other than Directorships)
- Thai Beverage Public Company Limited (Senior Vice President - Deputy Chief Financial Officer)

Past Directorships in listed companies held over the preceding three years (from 01 Oct 2010 to 30 Sep 2013)
Nil

Others
Held various senior executive positions in the TCC Group, namely Senior Executive Vice President for Land Development and Investment Management in TCC Land Group, Senior Executive Vice President for Corporate Services in Plantheon Group and TCC Land Group, and Senior Executive Vice President for Finance in TCC Land Group

Corporate Information

Board of Directors

Mr Charoen Sirivadhanabhakdi *(Chairman)*
Khunying Wanna Sirivadhanabhakdi *(Vice Chairman)*
Mr Charles Mak Ming Ying
Mr Chan Heng Wing
Mr Philip Eng Heng Nee
Mr Koh Poh Tiong
Mr Weerawong Chittmittrapap
Mrs Siripen Sitasuwan
Mr Chotiphat Bijananda
Mr Thapana Sirivadhanabhakdi
Mr Panote Sirivadhanabhakdi
Mr Sithichai Chaikriangkrai
Mr Prapakon Thongtheppairot
(Alternate Director to Mr Sithichai Chaikriangkrai)

Board Executive Committee

Mr Chotiphat Bijananda *(Chairman)*
Mr Koh Poh Tiong *(Vice Chairman)*
Mr Thapana Sirivadhanabhakdi
Mr Panote Sirivadhanabhakdi
Mr Sithichai Chaikriangkrai

Food & Beverage Committee

Mr Koh Poh Tiong *(Chairman)*
Mr Thapana Sirivadhanabhakdi
Mr Sithichai Chaikriangkrai
Mr Prapakon Thongtheppairot

Risk Management Committee

Mr Chotiphat Bijananda *(Chairman)*
Mr Chan Heng Wing
Mr Weerawong Chittmittrapap
Mr Thapana Sirivadhanabhakdi
Mr Sithichai Chaikriangkrai

Audit Committee

Mr Charles Mak Ming Ying *(Chairman)*
Mr Philip Eng Heng Nee
Mr Sithichai Chaikriangkrai

Nominating Committee

Mr Weerawong Chittmittrapap *(Chairman)*
Mr Chan Heng Wing
Mr Chotiphat Bijananda

Remuneration Committee

Mr Philip Eng Heng Nee *(Chairman)*
Mrs Siripen Sitasuwan
Mr Thapana Sirivadhanabhakdi

Group Management

Mr Anthony Cheong Fook Seng
Acting Chief Executive Officer, Times Publishing Group and Group Company Secretary

Mr Huang Hong Peng
Chief Executive Officer, Beer

Mr Hui Choon Kit
Chief Financial Officer

Mr Lim Ee Seng
Chief Executive Officer, Frasers Centrepoint Group

Dato' Ng Jui Sia
Chief Executive Officer, Non-Alcoholic Beverages

Registered Office

#21-00 Alexandra Point
438 Alexandra Road
Singapore 119958
Tel: (65) 6318 9393
Fax: (65) 6271 0811

Share Registrar and Transfer Office

Tricor Barbinder Share Registration Services
80 Robinson Road
#02-00
Singapore 068898
Tel: (65) 6236 3333
Fax: (65) 6236 3405

Auditor

Ernst & Young LLP
Partner-in-charge: Mr Nagaraj Sivaram
(since financial year 2009)

Principal Bankers

Bank of Tokyo-Mitsubishi UFJ, Ltd
DBS Bank Ltd
Oversea-Chinese Banking Corporation Limited
Standard Chartered Bank
Sumitomo Mitsui Banking Corporation
United Overseas Bank Limited

Corporate Structure

Food & Beverage

Fraser & Neave Holdings Bhd
- 23 Subsidiary companies
- 1 Associated company
  Cocoaland Holdings Berhad

Other Listed & Unlisted Companies
- 13 Subsidiary companies
  Asia Dairies (S) Pte Ltd
  F&NBev Manufacturing Pte. Ltd.
  F&N Dairy Investments Pte Ltd
  F&N Foods Pte Ltd
  F&N Interflavine Pte Ltd
  F&N Services (F&B) (M) Sdn Bhd (formerly Fannet Online Sdn Bhd)
  F&N United Ltd
  Magnolia – PDL Dairies (1993) Sdn Bhd
  Myanmar Brewery Limited[1]
  Red Lion Holdings Pty Ltd
  Tiger Taverns Sdn Bhd
  PT F&N Indonesia
  F&N Creameries Group
  - 4 Subsidiary companies

Publishing & Printing

Times Publishing Group
- 40 Subsidiary companies
- 2 Joint venture companies
- 4 Associated companies
  Listed Companies
  Fung Choi Media Group Limited
  PMP Limited

Others

Other Unlisted Companies
- 6 Subsidiary companies
  F&N Investments Pte Ltd
  F&N Services (L) Bhd
  F&N Treasury Pte Ltd
  Fraser & Neave (Singapore) Pte Ltd
  Fraser & Neave Investments (HK) Ltd
  International Theme Parks (Singapore) Pte Ltd

Properties

Frasers Centrepoint Group[2]
- 177 Subsidiary companies
- 17 Joint venture companies
- 7 Associated companies
  Listed companies
  Frasers Centrepoint Trust
  Frasers Commercial Trust

Other Unlisted Company
Vacaron Company Sdn Bhd

Note:
1 Myanmar Brewery Limited is currently the subject of an ongoing arbitration
2 The Company has proposed a demerger of the Properties business through the dividend *in specie* distribution of all the issued shares in Frasers Centrepoint Limited to shareholders

From left to right:

NG JUI SIA
Chief Executive Officer, Non-Alcoholic Beverages

HUANG HONG PENG
Chief Executive Officer, Beer

A passion to deliver great tasting brands that have grown from strength to strength.

Revenue increased

9%

to $1.9B

PBIT increased

47%

to $182M

BUSINESS OVERVIEW

This year, Food & Beverage ("**F&B**") division delivered a noteworthy set of results, featuring encouraging revenue and profit growth across all business sectors. It posted a 47% improvement in earnings, to $182 million on a 9% topline growth, marking the fourth consecutive year of record revenue and profit.

This improved performance was achieved despite increasing competition, rising input cost and a strong Singapore dollar. The results affirmed the division's strategy of focusing on its core businesses of Beverages (Soft Drinks and Beer) and Dairies, and on its strategic priorities of brand building, consumer-focused innovation, investment and cost management and expansion into regional markets.

Subsequent to the disposal of F&N's entire interest in Asia Pacific Breweries Limited ("**APB**"), the remaining beer business has been grouped with Soft Drinks to form the Beverages division. In FY2013, Beverages PBIT rose 18% to $122 million on higher beer and soft drinks sales, as well as favourable sales and channel mix. Led by volume growth in its core beer brands, namely *Myanmar Beer* and *Andaman Gold*, the Group's beer unit in Myanmar sustained strong volume growth and maintained its domestic market leadership position. The robust Soft Drinks performance was mainly driven by higher volumes from F&N branded products especially *100PLUS*, the leading isotonic drink in Singapore and Malaysia, *F&N* Sparkling Drinks, *F&N SEASONS*, the Asian drinks and tea brand, and *F&N ICE MOUNTAIN* water. Well-executed marketing activities for each of these brands as well as favourable product mix and improvements in operational efficiency further fuelled the growth of this unit.

Dairies PBIT grew nearly threefold to $60 million in FY2013 mainly due to the strong recovery of its dairy business in Thailand from the effects of floods in 2011, contributing to an overall 7% jump in revenue. While Dairies Thailand earnings returned to pre-flood levels, Dairies Malaysia's profitability grew mainly on lower input and conversion costs and improved bad debts recovery, although volume growth was almost flat against last year.

SOFT DRINKS

Striving for Excellence

F&B Soft Drinks division continued to grow in a highly competitive market. The Group continued to strengthen its strong brand equity and extensive distribution network, to solidify its Number 1 position in the ready-to-drink ("**RTD**") beverage segment in Malaysia and Number 2 position in Singapore, as well as expand its Soft Drinks footprint in the Asia Pacific region. Soft Drinks PBIT grew 17% due to higher volumes, favourable product mix, lower input costs and more efficient operations.

In Malaysia, Soft Drinks' sales growth continued to outpace domestic market growth and maintained its business leadership from the last financial year. Strong festive presence, intensification of Go-To-Market campaigns, concentration of marketing efforts in East Malaysia, as well as successful brand transition from *F&N SEASONS* Soya to *F&N SEASONS* NutriSoy helped boost the performance of Malaysia Soft Drinks. PBIT grew 15% from a year ago.

Soft Drinks Malaysia's strong market performance has also earned itself the Frost & Sullivan Malaysia Non-Alcoholic Beverage Company of the Year Award 2013. This award recognises Soft Drinks Malaysia for its outstanding achievements and superior performance in areas such as market leadership, technological innovation, customer experience and strategic product development.

"In Malaysia, Soft Drinks' sales growth continued to outpace domestic market growth and maintained its business leadership from the last financial year"

2

3

1. *100PLUS*
2. *F&N Sparkling Drinks*
3. *F&N range of non-alcoholic ready-to-drink beverages*

1. *The Straits Times Athlete of the Year Award*
2. *OCBC Cycle Singapore*
3. *Standard Chartered Marathon Singapore*
4. *OCBC Cycle Singapore*

Outdo Your Everyday – 100PLUS

100PLUS maintained its strong foothold in the isotonic drink category as the most popular isotonic drink in Singapore and Malaysia, as well as the Number 1 ready-to-drink beverage in Malaysia.

100PLUS has been unwavering in its quest to help its consumers *outdo their everyday*. In Malaysia, *100PLUS* has once again reaffirmed its position as the Number 1 isotonic drink of choice when it swept the Gold award in the Non-Alcoholic Beverage category of the Putra Brand Awards 2013, an extension of Malaysia's most valuable brands programme. In addition, *100PLUS* was named the Best Isotonic Drink by the Malaysia Women's Weekly Domestic Diva Awards 2013.

The popularity of *100PLUS* was further augmented by the successful launch of *100PLUS* EDGE, an isotonic, non-carbonated drink specially formulated to hydrate better than water for sports performance. *100PLUS* EDGE was introduced in addition to the four existing variations – *100PLUS* Original, *100PLUS* Tangy Tangerine, *100PLUS* Lemon Lime and *100PLUS* Aqtiv. This year, *100PLUS* encouraged Malaysians to get on their feet and start moving with its new Malaysia On The Move campaign. The campaign encouraged Malaysians to adopt a healthier and more active lifestyle.

In advocating an active lifestyle and healthy living among Singaporeans, the calendar of major sporting events were extensively supported by *100PLUS* include the Standard Chartered Marathon Singapore, SGX Bull Charge 2013 and OCBC Cycle Singapore.

In Singapore, *100PLUS'* commitment to giving athletes the support and encouragement to excel in their sport and to *outdo their everyday* is evident in its presentation of The Straits Times Athlete of the Year Award for the fifth consecutive year. This award recognises the outstanding achievements of athletes who have worked hard to bring honour to local sport in both Singapore and international sports scenes. This year's award recipient, Laurentia Tan, a paralympics equestrian medallist for Singapore, was also the winner for The Straits Times Star of the Month Award.

In addition, *100PLUS* has also been supporting the development of athletes in Singapore. A proud sponsor of the Singapore table tennis players since 2010, *100PLUS* extended its support of this national sports association by another three years, to 2016.

"In addition to giving recognition to outstanding local athletes, *100PLUS* has also been supporting the development of athletes in Singapore"

1. *F&N Sparkling Drinks being served at the Singapore Dance Delight competition*
2. *myCola*
3. *F&N SEASONS NutriSoy*
4. *Oishi Green Tea*

A Treat for Every Season

It has been yet another event-filled year for *F&N SEASONS* in Malaysia. *F&N SEASONS* NutriSoy, an improved formulation from the ever-popular *F&N SEASONS* Soya Bean drink, was launched in June 2013. Packed with more soy goodness, *F&N SEASONS* NutriSoy is made using whole soybeans in a proprietary manufacturing technique that reproduces the same freshness and authentic taste of fresh homemade soya bean drink. Additionally, *F&N SEASONS* scooped double awards in The Malaysia Women's Weekly Domestic Diva Award 2013 in the Best Non-Carbonated (*F&N SEASONS* Grass Jelly) and Best Soya Milk (*F&N SEASONS* NutriSoy) categories, reflecting consumers' choice of their most trusted and favourite brands.

On the nutritional front, it was a proud supporter of programmes such as National Heart Week/ World Heart Day 2013 and Go Red For Women, aimed to raise the awareness of heart health among women.

In June 2013, Soft Drinks entered into a distribution alliance with the Oishi Group, a ready-to-drink tea beverage unit of the TCC Group, marking the first synergistic collaboration for F&N and its strategic partner and shareholder. The alliance debuted with the distribution of *Oishi*, Thailand's leading ready-to-drink tea brand, commencing with four flavours in Malaysia. With the intention to expand the distribution of *Oishi* beverages to Singapore, Brunei and other markets in Southeast Asia.

What A Delight!

F&N Sparkling Drinks' involvement in the Singapore Dance Delight allowed the brand to inject vibrancy in the local dance scene. Singapore Dance Delight Vol. 4 is the Singapore's edition of one of the world's most spirited and prestigious street dance competition, Japan Dance Delight, held annually since 1994. To further spread the cheer, *F&N* Sparkling Drinks also organised F&N Fulfils Your Dreams contest, one of the many series of activities, where the winner gets the chance to cheer on the champion of Singapore Dance Delight in Osaka, Japan.

As part of the Group's beverage portfolio strategy, *myCola*, a cola carbonated drink was launched in Malaysia. A beverage that promises the popular cola flavour at an unbeatable value, *myCola* captured 6% market share in the cola segment within months of its launch.

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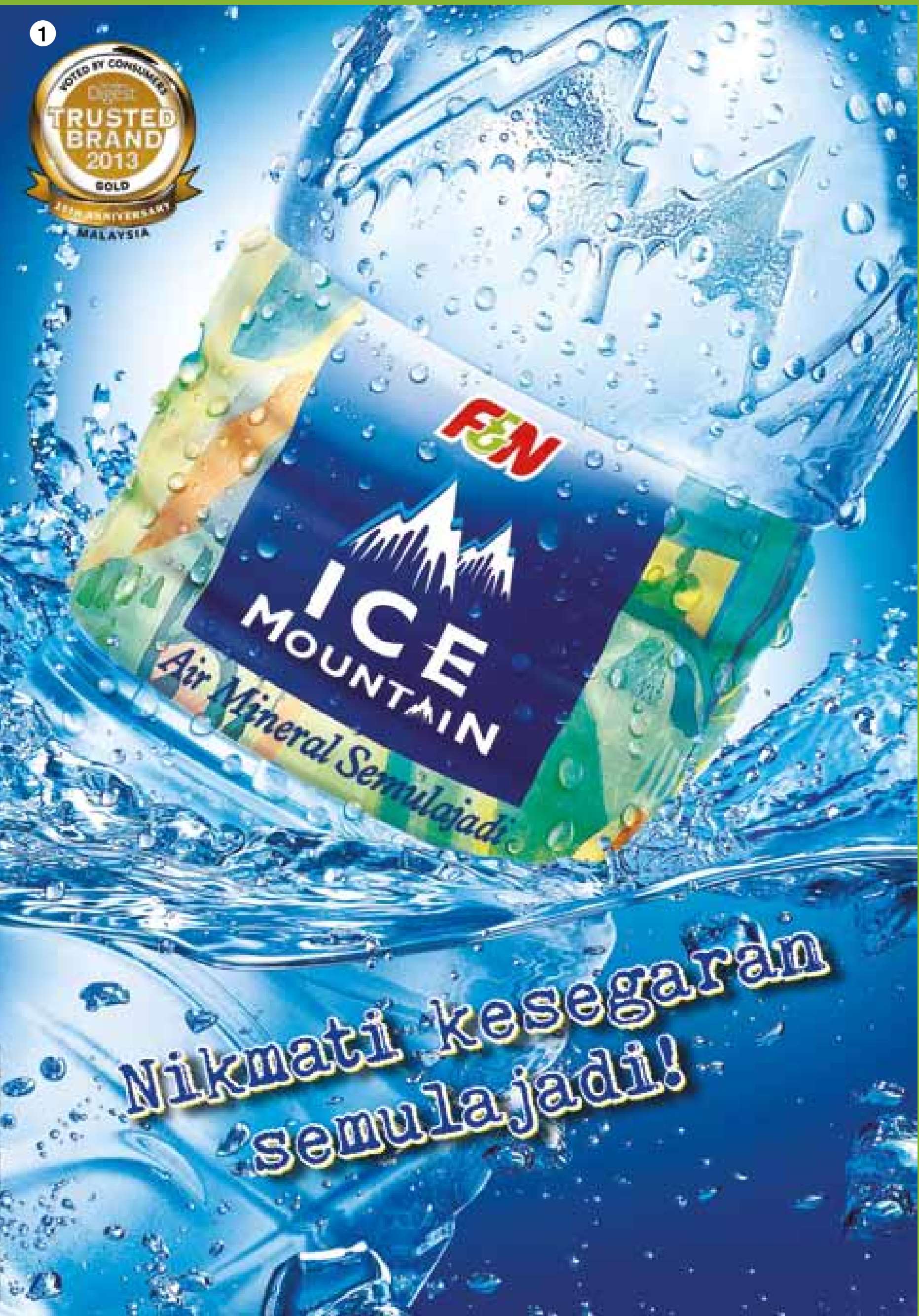
4

"The alliance (with the TCC Group) debuted with the distribution of *Oishi*, commencing with four flavours in Malaysia"



1. *F&N Ice Mountain*
2. *Andaman Gold*
3. *Myanmar Beer*

In Singapore, *F&N ICE MOUNTAIN* underwent a repositioning with the Shine Through The Day campaign. The new brand positioning accentuates water as the one of the sources of hydration and refreshment for body and mind. This year, the Number 1 bottled water brand in Singapore became the official hydration partner of the Singapore Health Promotion Board's Let's Drink Water Campaign 2013.

Launched only in Malaysia at the end of 2011, *F&N ICE MOUNTAIN* already triumphed as the winner of The Reader's Digest Gold Trusted Brand Award 2013, for being the most trusted and preferred thirst quenching choice in the Water category in Malaysia, as voted by consumers. This award is quite a feat, considering its short pedigree in Malaysia.

BEER

Myanmar Brewery Limited[1] ("**MBL**") continued to be a strong profit contributor of F&B's profit, with strong volume increase and profit growth in FY2013 from FY2012. These results were achieved through effective marketing activities which received good market response from both the trade and consumers.

Myanmar market overview

The opening and liberalising of the Myanmar economy will continue to boost its growth and economic outlook, which will underpin the growth of the beer market. The Group also expects increasing competition from new entrants in Myanmar's exciting beer market.

Note:
1 Myanmar Brewery Limited is currently the subject of an ongoing arbitration

Beer performance

Facing a highly competitive market, MBL sustained growth through its continued pursuit of marketing and operational excellence.

Leveraging the strengths of its multi-brand portfolio, efficient and innovative marketing strategies, MBL maintained its strong leading positions with volume growth across all key brands like *Myanmar Beer* and *Andaman Gold*.

During the course of the year, MBL again widened its distribution, further strengthened its operations and marketing edge.

Myanmar Beer and *Andaman Gold* emerged the year with new refreshing looks. The initiatives were supported by commercials which showcased the brands in their new packaging. On-the-ground activities were also organised to promote brand awareness.

Sports sponsorship remained a pillar of MBL's marketing initiatives. This year, MBL continued to associate its brands with high-profile sporting events, such as the 27th SEA Games 2013 and the Myanmar National League 2013, reinforcing the prestige of its brands as well as creating consumer connections and deepen brand affinity.

DAIRIES

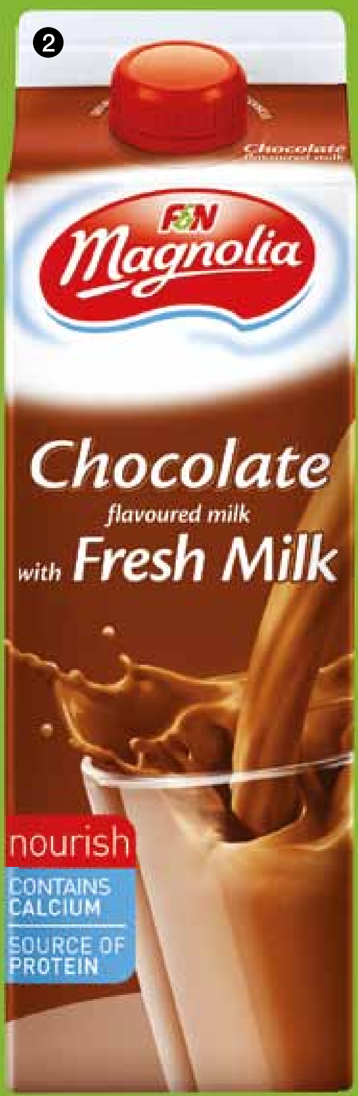
Busy Minds, Well-Nourished

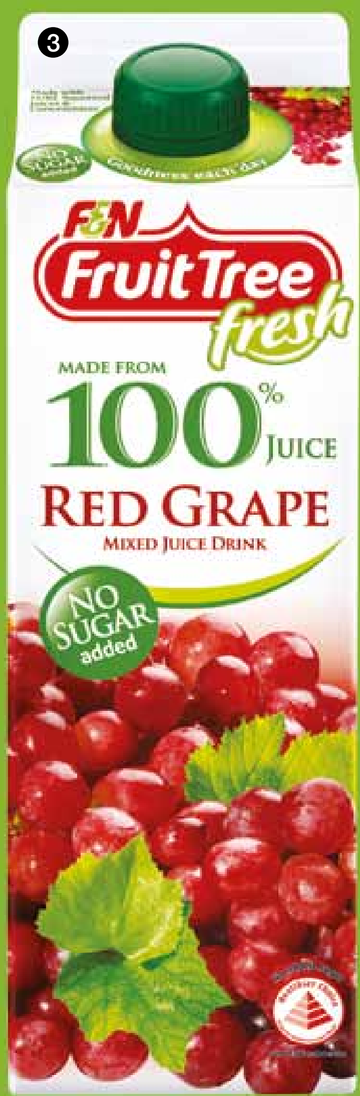
The overall PBIT surged to $60 million mainly due to Dairies Thailand's post-flood recovery profit performance and favourable input costs in the first half of 2013.

Dairies Thailand topline performed 35% above last year on a full year post-flood recovery. It further reinforced its market leadership position with effective trade presence and distribution. The quick sales recovery also saw its PBIT climb to $32 million, from $0.3 million in FY2012.

Revenue for Dairies Malaysia declined 7% due to intense price and trade competition. However, domestic volume growth for Sweetened Condensed Milk ("**SCM**") and Evaporated Milk ("**EVAP**") were ahead of industry by 2%. Dairies Malaysia revitalised the SCM and EVAP categories by repositioning its brands, driving product innovation and renovation, expanding into new markets and improving operational efficiency. Aided by lower input costs, the absence of a depreciation charge recorded in FY2012 and lower conversion cost at its best-in-class Pulau Indah plant, Dairies Malaysia earnings improved.

The official opening of the RM370-million dairy manufacturing plant in Pulau Indah, Malaysia marked an important milestone of the Group's ambitions to become an innovative world-class F&B player in Southeast Asia. Set to be the largest canned milk manufacturing operations in the region, the Pulau Indah dairy plant is also the region's latest and most modern condensary. Together with its dairy manufacturing facility in Rojana, Thailand, which opened in 2009, F&N is now amongst the most cost-competitive canned milk producers in the world.





F&N MAGNOLIA

For generations, *F&N MAGNOLIA* has been a champion of nutrition, for both body and mind. A trusted choice for more than 75 years, *F&N MAGNOLIA* continued to engage its consumers in Singapore through innovation and marketing activities such as the Busy Minds Need Nourishment for Learning and partnering with the National Library Board for READ! Singapore, a campaign that aims to promote reading.

During the year, *F&N MAGNOLIA* unveiled its latest innovation, *F&N MAGNOLIA* Lo-Fat Hi-Cal with DHA Omega-3 and was awarded the Singapore Institute of Food Science & Technology Healthier Choice Award 2013 - 2015.

All about Juices

This year, to meet the increasing consumer demand for great-tasting, healthier beverages, F&N introduced the *Fruit Tree Fresh* 100% Red Grape Juice. *F&N Fruit Tree Fresh* No Sugar Added 100% Juices offers new taste experiences with all the benefits and great taste of fruit juice without the hassle. Together with *F&N MAGNOLIA*, *F&N Fruit Tree Fresh* received the seal of approval from consumers when it won the Reader's Digest Trusted Brand Award 2013.

"F&N is now amongst the most cost-competitive canned milk producers in the world"

1. *F&N MAGNOLIA Lo-Fat Hi-Cal Milk*
2. *F&N MAGNOLIA Chocolate Milk*
3. *F&N Fruit Tree Fresh 100% Red Grape Juice*
4. *F&N canned milk*



F&N Ice-Cream, Artistry & Awards

The Inspired Chef Launch in Singapore

F&N launched *The Inspired Chef* in August 2013, the first-of-its-kind online artisanal ice-cream experience delivered to the doorsteps of dessert fans in Singapore. The brand features a unique selection of ice-cream flavours that are specially handcrafted and inspired by prominent local chefs. Well-received by media and key influencers in Singapore, *The Inspired Chef* is available only, for now, via its online boutique store *inspiredchef.sg*.

F&N ice-cream unit in Thailand was accorded the Thai Food and Drug Administration Ministry of Public Health Quality Award in July this year. In recognition of its high standard of quality and safety in product manufacturing as well as its Corporate Social Responsibility practices, F&N has had the honour of being bestowed the Award for two consecutive years, following its first win in 2012.

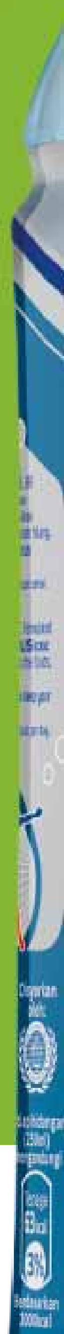
In Malaysia, the division's dedication and commitment to achieving excellence was recognised by its business partner, Giant, when the retailer chain presented F&N Creameries Malaysia with the Outstanding Business Partner Award 2013.

LOOKING AHEAD TO THE NEW YEAR

As the Group celebrates its 130th anniversary milestone in 2013, its F&B business looks forward to extending its industry leadership. To increase value and generate growth, F&N will continue to focus on commercial initiatives which include brand investment and product innovation. Through its rich innovation pipeline and effective market execution, it will continue to cater to ever-evolving consumer preferences. F&N's years of investment in branding, innovation and operational excellence have certainly placed it in good stead to propel its business to the next level.

To realise its growth strategy, collaboration between the TCC Group and F&N, which began last year, will continue into the new financial year and beyond. Besides extracting synergistic benefits through R&D and marketing collaboration with the TCC Group, both groups are looking to share best practices, leverage each other's distribution networks and combine our brand portfolio to expand and deepen regional market penetration.

1. *Handcrafted, signature ice-cream from The Inspired Chef*
2. *100PLUS EDGE*
3. *F&N MAGNOLIA Fresh Milk*
4. *F&N Fruit Tree Fresh 100% Cranberry Pomegranate & Apple Juice*
5. *F&N SEASONS Ice Lemon Tea*
6. *F&N Outrageous Orange*
7. *Myanmar Beer*



"To increase value and generate growth, F&N will continue to focus on commercial initiatives which include brand investment and product innovation"

LIM EE SENG
Chief Executive Officer

A passion to create the finest developments built with a history of excellence.

Revenue increased
49%
to $2B

PBIT increased
55%
to $566M

BUSINESS OVERVIEW

The Group's properties business is primarily held through its wholly-owned subsidiary, Frasers Centrepoint Limited ("**FCL**"). This year, Properties recorded revenue and profit of $2 billion and $566 million, up 49% and 55%, respectively, from FY2012. Development Property was again the main contributor to Properties earnings, almost doubling its profit from last year. Commercial Property, which comprises Investment Property, REITs and Hospitality, also recorded strong earnings growth of 10% on higher fee and rental income, despite the absence of rental income from two investment properties following the divestment of a Hong Kong-listed subsidiary in September 2012.

A New Era

On 27 August 2013, the Group announced a proposal to list FCL by undertaking an *in specie* distribution of FCL shares to F&N shareholders. Upon obtaining all relevant approvals, F&N shareholders will receive two FCL shares for every one F&N share owned, at no cost and with no adverse tax impact. FCL shares are expected to be listed by way of introduction on the Main Board of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

The proposed demerger will reinforce FCL's position as a full-fledged international real estate company with a diversified portfolio of residential, commercial and hospitality properties. Post-listing, FCL is expected to be one of the largest listed property companies on the SGX-ST by market capitalisation. As a standalone listed entity with its own independent Board and management team, FCL will enjoy greater corporate visibility and have direct access to capital markets to pursue its growth strategies.

DEVELOPMENT PROPERTY

Revenue from Development Property ("**DP**") grew 57% to $1.7 billion, whilst PBIT surged 94% to $379 million. In addition to higher sales from the completed *Pano* condominium project in Thailand, the increase in overall DP receipts came mainly from revenue recognition on the completion of *Esparina Residences* in Singapore, *Baitang One* Phase 2A in China, *One Central Park* West in Australia and *Wandsworth Riverside Quarter* Blk 5A in the United Kingdom.

Singapore DP

DP's operations performed strongly this year. Measured against the year before, revenue went up 65% and PBIT increased 64% - mostly due to the completion of *Esparina Residences*, an executive condominium ("**EC**") project which recognised revenue upon obtaining TOP in September 2013.

Altogether, Singapore DP sold about 1,900 residential units (including joint venture projects) across more than a half-dozen properties in Singapore.

Projects such as *eCO*, *Palm Isles*, *Seastrand*, *Watertown*, *Boathouse Residences* and *Eight Courtyards* enjoyed take-up rates of between 88% and 100%.

A pair of completely new developments that came off the drawing board this year yielded a total of 1,050 units. In January 2013, *Q Bay Residences* made its debut after the government's seventh cooling measures, and signed up 400 buyers within a month. Of the 632 units available, 541 have already been sold to date. This is the result of right pricing strategy combined with excellent product innovation. At *Q Bay Residences*, the Group introduced the first ever bay villa to provide a function space to entertain and accommodate guests. We are jointly developing *Q Bay Residences* with Far East Organisation and Sekisui House Ltd. In May, the Group also introduced *Twin Fountains*, a 418-unit EC located at Woodlands Avenue 6. *Twin Fountains* was jointly developed with Lum Chang. Day One of its launch resulted in the sale of 272 units or 65% of the available units, underscoring the unabated demand for ECs. As of end-September, 77% of *Twin Fountains* had already found buyers.



1. *Eight Courtyards, Singapore*
2. *Palm Isles, Singapore*
3. *Boathouse Residences, SIngapore*

4. *Q Bay Residences, Singapore*
5. *Twin Fountains, Singapore*

"Projects such as *eCO*, *Palm Isles*, *Seastrand*, *Watertown*, *Boathouse Residences* and *Eight Courtyards* enjoyed take-up rates of between 88% and 100%"

FCL also managed to secure Fernvale Close with a $257 million or $533 psf ppr bid that was tendered in concert with Far East Orchard Limited and Sekisui House. Our joint venture partners each hold a 30% stake in the acquisition with the remaining 40% belonging to FCL. We plan to capitalise on the site's idyllic environment to build seven 18-storey apartment blocks comprising some 490 residences.

Another successful bid was put in for the Cecil Street/Telok Ayer Street commercial-use land parcel within the Central Business District. The $924 million purchase is being envisaged as the site of a premium Grade A office tower.

In September 2013, we also won a tender for a mixed-use land parcel at Yishun Central for $1.4 billion. This prime site is located in the heart of Yishun Town Central with easy accessibility via public or private transportation from anywhere in Singapore. We intend to develop it into a 12-storey integrated complex comprising 900 residential units atop a retail mall, bus interchange and community club.

Overseas

Demand for our overseas properties remained strong in our core markets. Revenue contributions from our overseas developments rose 34% to $344 million, with earnings of $33 million.

CEO Business Review • Properties

Australia

Completed projects at *Lumiere, City Quarter*, *Lorne* and *The Habitat*, along with 12 land plots at *Frasers Landing*, together accounted for 26 units sold during the year. Pre-sales of projects under construction came to 495 units spread over a trio of properties. These comprised 119 units from *Putney Hill*, 304 units from *Central Park* in Sydney and 72 units at *Queens Riverside* in Perth.

In addition, the Killara and Morton Street sites were sold for A$18.6 million and A$58 million respectively.

China

The *Baitang One* Phase 2A project in Suzhou gained its occupancy permit in September 2013 and had 333 of its units snapped up over the course of the year. Phase 2B, launched in June, had sold 52 residences (or 30% of launched units) by the end of the financial year.

Over in Chengdu, construction of two office blocks and an ancillary retail block for Phase 2, which comprises 149 office units and 14 retail units, is on track for completion in 1Q2014. As at end of September 2013, 46 out of 163 units were pre-booked.

In Shanghai, the Group is in a 45% joint venture with Gemdale Corporation. *Songjiang Mega City* (formerly known as *Shanshui Four Seasons*) Phase 2A was launched in August. The launch was a success and 459 units out of 924 were sold.

1

Central Park, Sydney, Australia

"Demand for our overseas properties remained strong. Revenue contributions from our overseas developments rose 34% to $344 million, with earnings of $33 million"

1. *Frasers Landing, Western Australia, Australia*
2. *Lorne Killara, Sydney, Australia*
3. *Putney Hill, Sydney, Australia*
4. *Baitang One, Suzhou, China*
5. *Lumiere Residences, Sydney, Australia*

COMMERCIAL PROPERTY

Commercial Property FY2013 revenue improved 15% to $317 million on higher fee and rental income, despite the absence of rental income from two investment properties following the divestment of Frasers Property China Limited, a Hong Kong-listed subsidiary in September 2012.

The improved performance of Commercial Property was driven partially by the Group's 41%-held retail real estate investment trust ("**REIT**"), Frasers Centrepoint Trust ("**FCT**"), higher rental income from our existing non-REIT investment properties, and Hospitality arm.

Rental income in Singapore trended upwards from the previous year. Meanwhile, occupancy rates among the Group's retail malls in Singapore held steady at a lofty 98% on average. Our industrial and commercial properties also boasted close to full occupancy. Even the *Valley Point Office Tower* managed to improve its occupancy to around 91%, from 78% last year. Our office building in Vietnam enjoyed full occupancy.

CEO Business Review • Properties

FCT and Frasers Commercial Trust ("**FCOT**") improved on their operating results in FY2013. Nevertheless, the lower income from the latter's convertible perpetual preferred units ("**CPPU**"), fully redeemed in the first half of the financial year, triggered a 2% slide to $54 million for the Group's share of results from both associated companies.

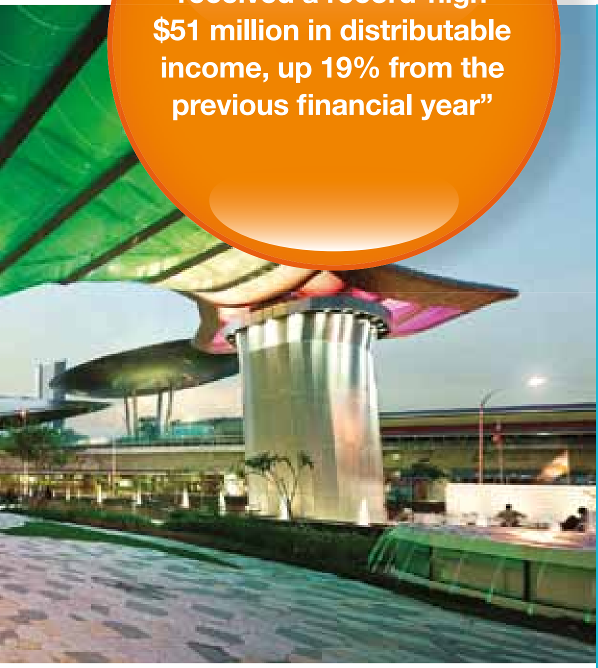
Retail

FCT turned in yet another steady performance, achieving new-highs in its income, net asset value and distribution for the seventh consecutive year. Its gross revenue grew 7% to $158 million on higher rentals, for new and renewed leases at *Causeway Point* and *Northpoint*. Similarly net property income grew 7% to $112 million, with annual distribution per unit establishing a record-high of 10.93 cents.

Suburban malls have become firmly entrenched in the national landscape as well as in the lifestyles of the majority of Singapore's population. With another sprawling shopping destination on the way at Yishun Central to complement *Causeway Point*, *Northpoint*, *Waterway Point* and *Compass Point*, we have become, unquestionably, a leading mall operator in the vibrant northern sector of Singapore.

Our non-REIT malls likewise logged high occupancy levels during the year. Both *Valley Point* and *Compass Point* were fully leased out; *Robertson Walk* came in at 99%, slightly ahead of both

“FCOT unitholders received a record-high $51 million in distributable income, up 19% from the previous financial year”



The Centrepoint and *Changi City Point* with 98% occupancy. Over in Beijing, *Crosspoint* with its net lettable area of 161,909 sq ft, posted a healthy occupancy of 92% in a competitive retail market as of 30 September 2013.

Office and Business Parks

FCOT unitholders received a record-high $51 million in distributable income, up 19% from the previous financial year. This is despite the divestments of *KeyPoint* and the company’s holdings in Japan, which – along with a weaker Australian dollar – had impacted FCOT’s gross revenue by 11% from the year before to $118 million. Distribution per unit was a full 17% higher year-on-year, at 7.83 cents. This strong performance has been driven primarily by:

- A payoff from the past year’s initiatives of reshaping and unlocking property value
- A boost in underlying revenue recognised after the expiry of the master lease at *China Square Central*
- Higher rental rates resulting from positive rental reversions
- Increased income from an additional 50% interest in *Caroline Chisholm Centre*
- Lower interest costs born of effective capital management
- Redemption and conversion of Series A CPPUs

Absent the FY2012 gross revenue contributed by *KeyPoint* and our Japanese assets, this year’s revenue would have shown a 11% increase.

We expect the recent completion of our asset enhancement initiatives at the office tower of *China Square Central*, the location of which is itself being rejuvenated under the China Square Precinct Master Plan, will further unlock value and improve growth potential of the property. The opening in December 2013 of the Telok Ayer MRT Station on the Downtown Line should further fortify *China Square Central’s* appeal to office space users in the coming months and years.

Outside of the Group’s commercial REIT, our *Alexandra Point* and *Valley Point Office Towers* achieved 100% and 91% occupancy, respectively. *Chengdu Logistics Hub* had 78% of its 703,981 sq ft of net lettable space leased out, while *Me Linh Point* in Ho Chi Minh City achieved 100% occupancy for yet another year. *One@Changi City*, a 50% joint venture project with Ascendas Land, was completed in November 2012 and enjoyed occupancy rate above 90%.

1. *Changi City Point, Singapore*
2. *Causeway Point, Singapore*
3. *Northpoint, Singapore*
4. *Me Linh Point, Ho Chi Minh City, Vietnam*
5. *China Square Central, Singapore*
6. *Chengdu Logistics Hub, Chengdu, China*
7. *Alexandra Point, Singapore*

1


2


Hospitality

The globalisation of industry and business in today's world ensures that our hospitality segment will always have room to grow. Boosted by room revenue from new property acquisitions and launches, our serviced apartment arm recorded a 40% increase in revenue to $184 million and an even more gratifying 74% rise in PBIT to $70 million on the previous 12 months.

Major contributors to our bottom line included *Fraser Suites Kensington* in the United Kingdom, which became 100% owned by Frasers Hospitality in September 2012*, and a pair of developments that began operations, *Fraser Suites Perth* in Australia and *Capri@Changi City* in Singapore. *Frasers Suites Singapore* had also completed its asset enhancement initiatives and improved its contributions to the Group. In addition, improved operating efficiency coupled with higher daily rental rates and occupancy at existing, refurbished or expanded properties also helped to beef up the positives in our hospitality ledger.

The division's investment portfolio was further boosted by the acquisition of an office building in Brisbane worth A$37 million that is being reconfigured into 240 serviced apartments.

Along with the developments that we own and operate, Frasers Hospitality also manages residences for a fee. As of September 2013, it has signed up units of 7,146, to add to the 7,914 already in operation. We expect this segment of our business to grow exponentially in the years ahead, since it allows us to parlay our wealth of expertise and experience into a formidable revenue stream via an asset-light strategy that requires little capital expenditure.

LOOKING FORWARD

Whether it's in the residential, commercial or hospitality sector, we have good products for which there is virtually insatiable demand. Our long-term strategic planning is proactive and backed by land bank selectively stocked and continually replenished to sustain our growth.

In Singapore, in the wake of the government's property market cooling measures, 12,400 private residences were sold from January to September 2013, compared to 18,000 units in the previous year. Their prices also grew at a markedly lower 0.4% in the September quarter, as opposed to 1% earlier. Nevertheless, we expect demand to stabilise over the longer term and be underpinned by steady economic growth, first-time buyers, HDB upgraders and population growth, albeit at a slower pace.

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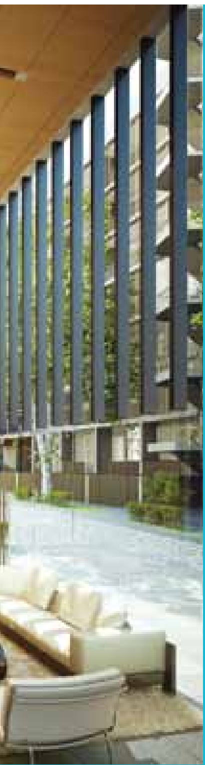
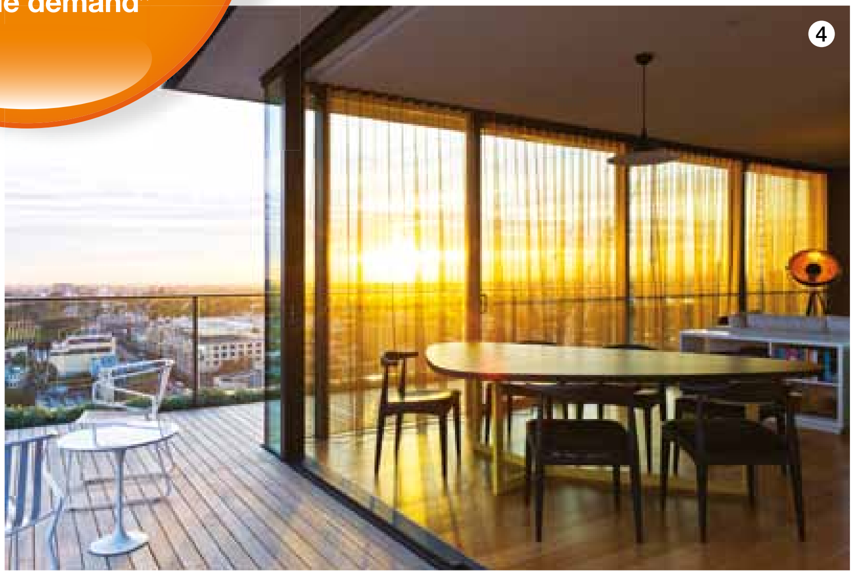
* FCL owned 30% of Frasers Suites Kensington before September 2012



"Whether it's in the residential, commercial or hospitality sector, we have good products for which there is virtually insatiable demand"



1. *Capri by Fraser, Changi City, Singapore*
2. *Park Lane, Sydney, Australia*
3. *QIII, Perth, Australia*
4. *One Central Park East, Sydney, Australia*

Overseas, our focus will be on delivering our existing development pipeline.

In Australia, a number of projects are due for completion in FY2014, including *One Central Park East* and *Park Lane* in Sydney, *QIII* in Perth as well as various phases of *Putney Hill* at Ryde.

In China, FY2014 is shaping up to be a robust year for the property market following a sudden increase in the sale of state-owned land from January to July 2013. The Group will look to expand its holdings where circumstances permit in the current dynamic market. Meanwhile, we expect to complete *Baitang One* Phase 2B and *Chengdu Logistic Hub* Phase 2 in the coming financial year.

Similarly in the commercial sector, we see positive trends undergirding the suburban retail market including a growing median household income, low unemployment rate and expanding suburban populations.

As a result, we foresee continuing demand for retail space that will propel us to pursue growth through both organic and acquisitive means. Underscoring our dominance in the retail scene of northern Singapore, *Causeway Point* and *Northpoint* will continue to anchor FCT's performance for a good while.

We further anticipate growth for our office business to be supported by a relatively strong Singapore economy, and driven by positive rental reversions and close-to-full occupancy rates. The enhanced *China Square Central* will be a significant contributor to our profits in the near future.

Our hospitality arm will continue to look for opportunities to enlarge its portfolio to grow the international footprint of its management business.

Overall, the countries and segments which we have a significant presence in are doing fairly well economically. We have good reason to be optimistic about our prospects in 2014.

ANTHONY CHEONG
Acting Chief Executive Officer

A passion to enrich lives with outstanding quality and a well-established track record.

Achieved Revenue of
$363M

PBIT grew
136%
to $10M

BUSINESS OVERVIEW

Revenue for the Publishing & Printing Group was down 5% to $363 million. Adjusting for the closures of loss-making businesses of the Publishing Group (US Library and Reference, and Education Malaysia) as well as the export magazine distribution business in Australia, revenue declined marginally by 1%. Although overseas demand for Education products remains strong and continues to grow, revenue for the ongoing businesses was dragged down by weaker performance of the magazine distribution business.

Overall PBIT was 136% higher at $10 million after taking into account the Group's share of much improved operating results from associated companies. Excluding contributions from associated companies, PBIT was 62% lower at $2 million. Savings from the closures of loss-making businesses were ploughed into investments to expand the Education Publishing overseas business. In addition, profits were also adversely impacted by lower revenue for both Print and Distribution, as well as one-off impairment charge made on plant and machinery.

Education Publishing continued to contribute strongly to the Group's profitability. Our long-term strategy of expanding outside our Singapore base saw positive results in recent years. The market for educational products remained vibrant and we were able to capitalise on it and expand our global market presence, despite a fragile global economy last year. While expanding globally, we maintained our leadership position in the Singapore market.

Our digital education division made positive inroads into key markets and its research and development arm helped us set the pace for the industry. With our increased emphasis on innovation and customer needs, our education product offerings became more sophisticated and comprehensive, providing targeted solutions to our customers, be they educators, students or parents. Digital components were also better designed to seamlessly complement the more traditional printed materials.

The Printing division, however, faced the brunt of a changing print landscape. Demand for the printing of books and magazines from our traditional markets in the West, such as the US and the UK, fell.

To counteract the shrinkage in demand, an aggressive sales strategy was adopted. We managed to renew various key accounts, win back major contracts from competitors in Singapore, Malaysia, Australia and Myanmar, and secure new major accounts in China, Germany and Latin America.

Consequently, print volume increased by about 9% over last year. However, print prices were depressed by stiff competition and eroded overall margins. Stringent cost management measures helped to reduce unit operating costs but could not compensate for the decline in print selling prices.

While book distribution remained relatively unaffected, magazine distribution saw revenues dip on lower readership levels. Retail conditions were also difficult, with low shopper traffic remaining a key concern for our retail bookstores.

To address the increasingly tougher market, we reprioritised investments around growth opportunities and accelerated a number of initiatives. Savings from the discontinued loss-making businesses were channelled into strengthening and growing the Education Publishing business. We stepped up efficiency programmes for the Printing division, diverting capital expenditure into this area. There was a renewed focus on the local print market where print opportunities were still abundant. In the case of the Distribution Group, we successfully acquired distribution rights for major brands such as Thule and Nite Ize.

PUBLISHING

It was an exciting and busy year for Publishing. Our Education brands gained strong global recognition with a distribution footprint currently across 40 countries, and continue to grow worldwide. Sales to the US market continued to contribute significantly to earnings. We made important inroads into Chile with the adoption of our Mathematics books in its primary school curriculum. Our network of international partners and distributors continued to grow in strength.

Significant investments were made in recruiting the best people in the trade, ensuring that our products remained consistently at the forefront of education.

Our marketing programmes were intensive, and we saw encouraging results in our approach to the global market place, with exciting innovative products launched.

1. *His Excellency Cheong Yip Seng giving his opening speech*
2. *His Excellency Cheong Yip Seng and Ms Lee Fei Chen being interviewed by the media*

Launch of Marshall Cavendish Education, Chile, and Marshall Cavendish Institute, Chile

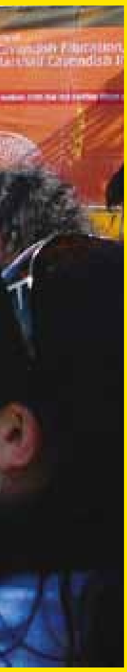
It was with great pleasure that we hosted His Excellency Cheong Yip Seng, Singapore Ambassador to Chile, at the opening ceremony of Marshall Cavendish Education, Chile, and Marshall Cavendish Institute, Chile, on 25 October 2012. Held at Cerro Santa Lucia, Santiago, the opening ceremony marked the beginning of a stronger brand presence in Chile.

Through this official launch, Marshall Cavendish Education was able to demonstrate our dedicated commitment and capability to produce holistic high quality education solutions to educators and learners beyond Singapore. To better meet the market needs in Chile, we also had a specially selected team of qualified bilingual trainers to provide customised teacher training. These teachers were trained and certified by Marshall Cavendish Institute, Singapore.

The World Association of Lesson Studies 2012

Marshall Cavendish Education, with our suite of well-researched professional development programmes, is recognised as the leading provider of Lesson Study training in Singapore. Our participation as sponsor and exhibitor in a key international Lesson Study Conference, such as the The World Association of Lesson Studies ("**WALS**") conference at Nanyang Technological University from 28 to 29 November 2012, further reinforced this reputation. Attended by 1,200 local and international educators, lecturers and professors, the conference was the perfect platform for us to reach out to both local and international target audiences.

Dr Yeap Ban Har, principal of Marshall Cavendish Institute, chaired the presentation, 'Developing Tools and Artifacts for Supporting Lesson Study and Instructional Improvement'. His presentation highlighted the importance of using supporting resources, including technology, to help teachers successfully observe and evaluate research lessons, and reinforced our position as a provider of quality professional development programmes. With our comprehensive materials on display at the exhibitors' area, we were able to demonstrate how Marshall Cavendish Education is the leading provider of holistic education solutions, offering materials from print to digital and even teacher development programmes.



3. *Educators browsing through the materials at the Marshall Cavendish Education booth at WALS 2012*
4. *Our staff demonstrating how to use the eBook on an interactive whiteboard to a teacher*
5. *Teachers showing interest in the new range of textbook packages*
6. *One of the keynote sessions during WALS 2012*

2014 Textbooks Launch (Singapore)

In July, Marshall Cavendish Education launched the MCE 5-in-1 Power Pack to all primary and secondary school teachers in Singapore with the promise to upsize their resources and downsize their workload. We unveiled the latest range of products developed based on the 2014 syllabus provided by the Ministry of Education, Singapore, as well as announced our position as the sole textbook publisher for all Primary Science textbooks from 2014.

We were also proud to showcase the enhanced MC eBook with new innovative digital elements that support the teaching and learning experience. At the event, teachers responded with positive feedback to our product offerings. The MC eBook is an epitome of the 21st Century Competency tool that supports inventive thinking, self-directed and collaborative learning.

With this marked growth in product offerings, Marshall Cavendish Education once again asserted its position as the leading provider of educational solutions in Singapore.

"Our focus on optimising content distribution saw growth in other revenue streams for many of our titles"

English Language Teaching

Our publishing unit in Hong Kong increased its publishing activity into English Language Teaching ("**ELT**") materials. To date, it has published more than 30 printed titles as well as created several related (mobile) apps. These include grammar guides, listening and speaking practice material, public examination mock papers and innovative English tool books.

We see a huge opportunity in the Chinese market and have been devoting resources to expand our reach in the Chinese market. Promotional events and training workshops were organised throughout the year to develop the market, largely targeting Beijing and Zhongshan of Guangdong. Growth of this segment has been very encouraging, with double-digit growth in sales recorded this year over the same period last year.

Digital Initiatives

The emphasis of our investment strategy for our Education business has increasingly been on creating a complete suite of education solutions, with digital closely aligned to traditional printed materials. We see growing awareness and interest in digital content in many markets. Management's foresight in early 2000 to build research and development capabilities in this segment of the market has put us in lead position among publishing companies that provide digital content through multiple platforms. Strong research and development will continue to underpin our technological leadership in this area.

We continued to invest heavily in research and development, creating cutting-edge digital products such as the MC eBook Viewer that was developed this year. This eBook reader for our digital textbooks can run on all the major platforms (Windows, Macintosh, Android, and Apple IOS).

To tap into the growing demand for tablets and their potential in education, we developed a library and database of e-learning content that can run on multiple platforms. This has now allowed us to reach out to consumer markets that were previously restricted by the limitations of physical distribution.

We continued to be a strong player in our home turf of Singapore for our Learning Management System in both the primary and secondary school markets. As the home market is relatively small, we also focused considerable management resources to grow our overseas portfolio.

Over the last few years, we have actively engaged overseas partners in the region, adding new distributors in Taiwan and Indonesia this year. In Asia, the Philippines and Vietnam continue to be an important growth market for us. We also see opportunities in markets such as Australia, Chile and Russia.

In the US, we have penetrated the physical textbook market with the adoption of our Maths textbooks by US schools, and are now establishing a foothold in the digital segment, aggressively introducing our digital products and rolling out *Math Buddies* to a sizeable number of schools. Many of these schools are located in the tri-state area of New York, New Jersey and Connecticut. Several schools have also embraced *Math Buddies* as their core Mathematics curriculum and done away with print textbooks altogether.

General and Reference

Although hurt by the continuing weakness of the Ringgit in Malaysia, which is a key market for us, our General and Reference unit upheld its reputation for high quality commercial publishing with national bestsellers such as *Conversations with Ban Ki-Moon*, *Singapore Street Names* and *Tanoshii*. *Conversations with Ban Ki-Moon* was launched in March, in New York, with UN Secretary-General Ban Ki-Moon as guest of honour.

Our focus on optimising content distribution saw growth in other revenue streams for many of our titles. Several licensing and rights deals were sealed including a Japanese edition of *Branch Today Gone Tomorrow*, Korean and Polish editions of *Bank 3.0*, and a Brazilian edition of *Food Gurus*. E-book sales were driven by online bestsellers like *Conversations with Lee Kuan Yew*. In custom publishing, we successfully showcased our services. We won the tender for the SATS Group's culinary project, *Around the World*, a collection of recipes by its award-winning chefs; and produced turnkey publications for several high profile clients. Projects this year included the ArtScience Museum's catalogues for the Lego and Eames exhibitions, and a children's book with National Parks Board.

Business Information

Business Information operations in Singapore, Malaysia and Hong Kong SAR faced a challenging environment impacted by international events and local issues. For one, our shipping and maritime related directories took a direct hit. As a result of the over-capacity and depressed freight rates, shipping lines and airlines were forced to cut back on their advertising budgets. This had an adverse impact on *Cargonews Asia,* which continued to suffer from lower advertisement sales.

Despite these challenges, overall advertisement sales managed to sustain at last year's level due in part to higher online advertisement sales. The outlook for next year remains tied to macroeconomic conditions, which has a direct effect on advertisement sales.

Some of the titles published by the General and Reference unit include:

1. *Conversations with Ban Ki-Moon*
2. *Tanoshii*
3. *Singapore Street Names*
4. *Conversations with Lee Kuan Yew (Korean Edition)*
5. *Bank 3.0*
6. *Food Gurus (Brazilian Edition)*
7. *Around The World, Recipes from SATS*
8. *Essential Eames*

Educational Technologies Limited

Educational Technologies Limited's ("**ETL**") revenue declined versus last year due to operational issues with some of our distributors, delay in key product development projects and the cancellation of the Kids' Club Portal.

The past year saw ETL take a bold step as part of its digital strategy with the introduction of *PAL* – a portable learning device with a touch screen for children, with multimedia games, videos, audio and songs. *PAL* is the latest enhancement to *English-Time* and its content was taken from the multimedia components in ETL's Total Development Programme.

PAL was launched in India, Thailand, the Philippines, Indonesia, Sri Lanka, Australia, Singapore, Hong Kong and Taiwan. *English-Time* has also been upgraded with Walter compatibility, where users can use the optical pen on any page in the books to listen to audio content and songs. This enhances user experience and creates better sales opportunities.

In the coming year, ETL will focus on

(i) providing excitement to the sales team through upgraded and new products, a wider offer of premiums and target-based incentive programmes;

(ii) achieving shipment targets by proactive distributor management and customised training support; and

(iii) exploring business opportunities resulting in scalable return.

ETL continues to participate in a community project, Night High Scholarship Programme, partnered by our distributor in the Philippines. It is a first step and is of small scale. The idea is to help children from poor families finish high school. The commitment to the selected few is for several years in secondary education which enables them to pursue further studies in colleges or universities.

PRINTING

FY2013 was a year of mixed results for the Printing division. Despite an increase in print volume, revenue declined on the back of weaker selling prices and the weakening currencies of our main export markets (the US, Europe and Australia).

The Printing division faced a decline in revenue from its existing accounts as publishers reduced print volume or pagination in response to shrinking book and magazine readership. Publishers also experienced lower advertisement placements while some moved from print to e-formats. The recent conversion of the print version of *Newsweek* to a complete e-version is one such example. The Western markets of the US and the UK – a major source of print work for us – have slowed down significantly due to macroeconomic factors.

We successfully replaced some of our lost volume of book and magazine printing through diversification into commercial catalogues of the non-publishing sector, comprising retail and commercial sectors, and government and quasi-government agencies.

Some of our notable wins this year were renewals of contracts with the two largest local magazine publishers, MediaCorp and Singapore Press Holdings, and with major international weeklies, *Time* magazine, amongst others. Our Printing division also won back, as well as secured, a number of new major accounts in Singapore,

"We will continue to leverage on technical innovation and our experienced pool of employees to remain efficient and nimble"

1. *Employees at the press area*
2. *Employees working on layouts to be printed*
3. *Training in progress at print simulator training room*

Malaysia, Australia, Myanmar, China, Germany and Latin America.

Operations in Singapore made notable improvements in securing new sales to partly offset lost sales from various account closures and volume shrinkages. The Printing division will continue to intensify its marketing effort in the non-publishing segment of the print market. Structural changes were made to merge the digital printing unit into the mainstream printing business, which has helped to strengthen our capabilities as a total solution provider.

In Malaysia, we successfully made inroads for the first time into the local religious book printing market and the printing of the Malaysian general election materials. We also expanded our range of local magazine titles to offset the dip in the export market in the West. Productivity gains helped to lower production cost in the Malaysian printing plant.

Export print orders for our plant in China weakened in the year, exacerbated by downward pressure on selling prices and increases in its national minimum wage. The appreciation of the Renminbi further dampened our export marketing competitiveness. Sales growth and productivity management will be the key focus for China in 2014.

In view of intense competition in the print market arising from over-capacity in print supply, the division's primary focus will be on plant efficiency, quality and service excellence to stay competitive. We will continue to leverage on technical innovation and our experienced pool of employees to remain efficient and nimble. Training and skills upgrading will not be compromised. In the year, the Printing division invested in a print simulator which has helped fast-track the training of operators on multiple printing scenarios, something that would have been impossible with traditional training methods.

Despite a challenging year, our Printing division raked in various print awards for excellence in printing: the Asian Print Award and the Malaysian Print Award 2012/13. Times Printers received a Silver award for digital colour proofing and a Bronze award for web offset coated stock. Everbest won a Gold award for Book Printing (in the less than 4-Colour category) and a Silver award in Book Printing (in the more than 4-Colour printing category). Times Offset Malaysia was awarded the Certificate of Excellence in the Commercial and Publication (Web Magazine) and Commercial and Publication (Limp Bound) categories at the Malaysia Print Awards 2012. For the first time, it won a Bronze medal in the Book Printing (4 or More Colours category) at the 2012 Asian Print Awards.

These awards and the accreditation in the Process Standard Offset (PSO) status, which is an industry-accepted standardised procedure for the creation of printed products, achieved by Times Printers Singapore, Times Offset Malaysia and Everbest Printing gave us the winning edge over competitors in the market this year.

As part of our continuing commitment to embrace green initiatives, Times Printers Singapore obtained its ISO 14000 certification, besides the international accredited certification of ISO 9002, FSC, PEFC and PSO. The Printing division has migrated from alcohol to close to 100% alcohol-free printing, moved gradually into waste-water recycling, and implemented various energy conservation initiatives.

DISTRIBUTION

A key challenge for the Distribution division in recent years is the need to address the downward trend in consumer demand for books and magazines through retail stores. The Distribution business model for books and magazines is continually challenged by online retailers, which is now the new normal. Part of this challenge is being addressed by the diversification of our product offerings, capturing value on all fronts and optimising our portfolio in respect to changing market needs. We have also broadened our customer base and moved into new channel segments.

While the impact of e-Books and e-Magazines is not fully felt by our business for now, the popularity of internet purchases of physical products is affecting sales on a larger scale. While book sales remained relatively stable this year, magazine sales have declined.

Pansing Books

Pansing book distribution saw an increase in revenue, a creditable performance in tough market conditions where printed books are seen as a declining industry, as evidenced by the closure of a number of major customers in recent years.

The strong performance of books distribution was partly due to the robust sales of several bestsellers. One such title was the runaway success of books by motivational speaker Nick Vujicic. We also added Hachette UK to our sterling list of publishers.

Pansing Magazines

Magazine distribution was affected by lower readership, lower volume of trading cards, and higher sales returns in Australia and Hong Kong. The business also saw a net reduction of magazine retail stores (newsstands and bookstores) which has directly resulted in reduced sales touch points.

Part of this decline is being plugged by the expansion into non-magazine (lifestyle) product range, as we actively pursue more distributorship rights for strong brands.

Musicway

For the lifestyle distribution business in Australia, we have been appointed as an exclusive Australian distributor for the Thule brand of luggage and accessories. Thule is a high quality Swedish brand that offers luggage solutions, from iPad sleeves, backpacks and messenger bags to a complete range of travel luggages with unique features not generally seen in such products.

In addition to Thule, to expand our brand offering, we secured the Nite Ize brand for distribution in Australia. The brand covers several impulse accessory lines which include over 500 products ranging from innovative LED lighting accessories, bike, pet, and camping hardware to gift solutions which cater for different segments of the consumer market. This is part of our on-going plans to diversify and reduce our reliance on the more traditional business.

FY2014 is set to be a positive watershed year for the Distribution division as we focus heavily on new products, new brands and new retail partners.

RETAIL

Times Bookstores

There is no change in the retail environment as the high street bookshop business continues to be challenged. Low shopper traffic remains a key concern for us.

More non-book and book-related merchandise were added to our stores. During the year, we undertook a partial revamp of two high street stores in Singapore (*The Centrepoint* and Tampines 1) to improve and enhance the stores' offering in the children's category. We have introduced educational toys to complement the revamped stores.

For selected Malaysian stores, we increased the range of non-English books to include other languages such as Malay and Chinese. We also introduced a 'factory outlet store' concept.

A new store was opened at Gurney Paragon, Penang (Malaysia).

Following last year's successful renewal of its six existing leases at Terminal 1 and 3 (Singapore Changi Airport) and the recoup of the three books, press and convenience stores from Hudson's at Terminal 2, Times Newslink has extended its retail presence under the *RELAY* and *Times Travel* concept stores across all three terminals in Singapore Changi Airport.

The three new stores at Terminal 2 commenced trading in October 2012.

Times Newslink was also successful in its 3-year contract renewal for our children's specialty store - *KABOOM* at Terminal 2. The new lease commenced in May 2013.

"For the retail business as a whole, we believe in the continued development of our people and a constant review of merchandise offers to ensure relevance and continuous optimisation of operational efficiencies"

1

2

1. *Times Bookstore (The Centrepoint)*
2. *Staff serving a customer at Times Bookstore*

The business is being challenged by the rising passenger numbers travelling on low-cost carriers and the increase in short-haul travels that have resulted in a change in passenger demographics. The digital evolution facing printed books and press has also impacted us.

We constantly push for improved product margins and operation efficiencies, while developing new strategies to drive footfall and raise customer conversion. For example, to compensate for the fall in demand of printed books and press, the layout of stores is being re-drawn to allow a change in merchandise mix that will be relevant to evolving passenger demands.

Plans have been implemented to increase the general merchandise (stationery, gifts and souvenirs) and travel convenience product categories. Dedicated travel needs corners were implemented in stores to target people on the move.

For the retail business as a whole, we believe in the continued development of our people and a constant review of merchandise offers to ensure relevance and continuous optimisation of operational efficiencies.

NoQ Webstore

Our webstore NoQ has been steadily increasing its web presence with encouraging growth seen in our customer base. We attribute the increase partly to our aggressive marketing programmes and partly to our capability to offer products at competitive prices combined with the high service standard levels. Mobile applications for the Android and iOS platforms were also introduced last year.

We will continue to invest in marketing campaigns, expand our fulfilment capabilities and deliver exceptional customer experience.

"We will continue to invest in marketing campaigns, expand our fulfilment capabilities and deliver exceptional customer experience"

1. *Times Bookstore (Gurney Paragon, Penang)*
2. *NoQ App*

Investor Relations

F&N Group is committed to providing the investment community with accurate and complete information in a timely and consistent way. It has consistently communicated its business strategies, growth drivers and operational direction to investors and analysts on an ongoing basis via multiple communications platforms, including analyst and media briefings, press releases, annual reports and website. Such commitment is to ensure investors have easy access to information on the Group so that they can effectively evaluate the company and make informed investment decisions.

Besides communicating regularly with shareholders and the investment community via disclosures of material and other pertinent information through regular dialogues and announcements to SGX-ST, the Investor Relations team undertakes road shows (together with key senior management), investor seminars and conferences to keep the market and investors apprised of the F&N Group's corporate developments and financial performance.

Total shareholder returns ("**TSR**") for the year under review improved 5%. Cumulatively over a five-year period, TSR improved 199%, and 52% over a three-year period.

To achieve a more efficient capital structure and also enable the Company to distribute substantially the gain from the sale of its interests in Asia Pacific Breweries Limited and Asia Pacific Investment Pte Ltd in 2012, F&N distributed $3.28 per share in cash to shareholders, an aggregate amount of approximately $4.73 billion.

The Group maintained a healthy track record of generous shareholder distributions. For the financial year ended 30 September 2013, the directors have recommended a final dividend of 12.0 cents per share, which together with the interim dividend of 3.5 cents paid earlier brings total dividend for the year to 15.5 cents per share. The reduced dividend reflects the Group's earnings following the loss of contribution from APB and the capital reduction of $3.28 per share.

Awards and Recognition

F&N was the Winner of the recent SIAS 14th Investors' Choice Awards – Most Transparent Company Award 2013, Industrials Category, for its outstanding efforts in improving disclosure and transparency standards. In the same event, the Group also attained a Merit Award under the Internal Audit Excellence category.

Analyst coverage: 8 brokerage houses provide research coverage on F&N

Bank of America Merrill Lynch International
CIMB Research
CLSA Limited
DBS Vickers Securities Pte Ltd
Deutsche Bank Securities
IIFL Capital
Nomura Research
OSK Research

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Share Registrar and Transfer Office

Tricor Barbinder Share Registration Services
80 Robinson Road
#02-00
Singapore 068898
Tel: (65) 6236 3333
Fax: (65) 6236 3405

Financial Calendar

Date	Event
27 January 2014	Annual General Meeting
13 February 2014 *(after close of trading) (tentative)*	Announcement of 1st Quarter Results
09 May 2014 *(after close of trading) (tentative)*	Announcement of 2nd Quarter Results Declaration of Interim Dividend
08 August 2014 *(after close of trading) (tentative)*	Announcement of 3rd Quarter Results
12 November 2014 *(after close of trading) (tentative)*	Announcement of Full Year Results Declaration of Final Dividend

Treasury Highlights 2013

The Group aims to maintain a prudent financial structure to ensure that it will be able to access adequate capital at favourable terms. Our three businesses, namely Food & Beverage ("**F&B**"), Properties and Publishing & Printing, remain the main sources of cash flows generated for the Group. Management continuously monitors the Group's cash flow position, debt maturity profile, cost of funds, interest rate exposures and overall liquidity position. To ensure that it has adequate liquidity to finance its operations and investment requirements, the Group maintains a significant amount of available banking facilities with a large number of banks. In addition, the Group's Medium Term Notes ("**MTN**") Programmes also allows us continued access to the debt capital markets.

In FY2013, the Group's balance sheet strengthened further. Net Group Borrowings (net of cash) dropped from $2.3 billion to $1.5 billion on 30 September 2013. Coupled with a 7.4% increase in total equity, to $8.88 billion, Group Net Gearing (borrowings less cash) to equity fell to 17%. The reduced net borrowings was attributed to cash collection from the strong pipeline of pre-sold development projects in Singapore and overseas, stable cashflow generated from investment properties, sale of assets, as well as from the cash generative F&B business. The Group expects to receive more than $500 million in cash from its existing pre-sold projects for the new financial year ending 30 September 2014.

Interest cost in FY2013 was $125.2 million (of which $64.0 million was capitalised), 24.9% lower than the previous year's interest cost of $166.6 million (of which $61.3 million was capitalised) mainly due to lower borrowings.

Source of Funding

Besides cash flow from our businesses, the Group also relies on the debt capital markets, equity market and bilateral banking facilities for its funding. As at 30 September 2013, the Group has $5.6 billion in banking facilities, $0.6 billion in Transferable Term Loan Facilities and $5.4 billion in MTN Programmes to meet the funding requirements of the Group.

Available Bank Lines by Banks as at 30 Sepember 2013

The Group maintains an active relationship with a network of more than 20 banks of various nationalities, located in various countries where the Group operates. Our six principal bankers are Bank of Tokyo-Mitsubishi UFJ, Ltd, DBS Bank Ltd, Overseas-Chinese Banking Corporation, Standard Chartered Bank, Sumitomo Mitsui Banking Corporation and United Overseas Bank Limited.

The Group adopts the philosophy of engaging the banks as our core business partners. We continue to receive very strong support from our relationship banks across all segments of the Group's businesses. Total banking facilities (utilised and unutilised) extended to the Group as at 30 September 2013 amounted to $5.6 billion. The principal bankers of the Group provided approximately 65% of these banking facilities. All banking relationships for the entire Group are maintained by Corporate Treasury in Singapore.

Debt Capital Markets

The Group has various Medium Term Notes MTN Programmes in place to tap the debt capital market. F&N Treasury Pte Ltd has a $2 billion MTN Programme, FCL Treasury Pte Ltd, Frasers Centrepoint Trust and Frasers Commercial Trust each has a $1 billion MTN Programme and Fraser & Neave Holdings Bhd has a RM1 billion MTN Programme.

Maturity Profile of Group Debt (excludes Finance Leases)

Maturing within one year	$ 862m
Maturing within 1 to 2 years	$ 884m
Maturing within 2 to 5 years	$1,364m
Maturing after 5 years	$ 335m
	$3,445m

As at the date of this report, the Group currently has sufficient resources to repay loans maturing within one year as and when they fall due without having to refinance these loans.

Interest Rate Profile And Derivatives

The Group manages its interest cost by maintaining a prudent mix of fixed and floating rate borrowings. On a portfolio basis, 50% of the Group's borrowings are in fixed rates (including floating rate borrowings that have been fixed with interest rate swaps) with an average fixed rate tenor of 2.8 years as at 30 Septemper 2013. The remaining 50% of the Group's borrowings are in floating rates as at 30 September 2013. The floating rate loan portfolio allows the Group to maintain a flexible maturity profile to support divestments and cash inflows from sales of development property where debt can be reduced quickly.

In managing the interest rate profile, the Group takes into account the interest rate outlook, expected cash flow generated from its business operations, holding period of investments and any acquisition and divestments plans.

The Group makes use of interest rate derivatives for the purpose of hedging interest rate risks and managing its portfolio of fixed and floating rate borrowings. The Group does not engage in trading in interest rate derivatives. The Group's total interest rate derivatives and the mark-to-market values as at 30 September 2013 are disclosed in the financial statements in Note 37.

Gearing And Interest Cover

The Group aims to keep the Group Net Gearing to equity below 80%. As at 30 September 2013, this ratio was 17%. Total interest incurred during the year amounted to $125.2 million, of which $64.0 million was capitalised as part of Properties Under Development. The interest expense charged to profit statement for the year was $61.2 million. The net interest cover over total interest paid ($125.2 million) was at 6.3 times. Net Borrowings ($1.5 billion) over PBIT was at 1.91 times.

Foreign Exchange Risks and Derivatives

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 and certain currency derivatives to manage these foreign exchange risks.

The Group does not engage in trading of foreign exchange and foreign exchange derivatives. The Group uses foreign exchange contracts and derivatives solely for hedging actual underlying foreign currency requirements in accordance with hedging limits set by the Audit Committee and the Board under the Group Treasury Policy. These policies are reviewed regularly by the Audit and Executive Committees to ensure that the Group's policies and guidelines are in line with the Group's foreign exchange risk management objectives.

The Group's foreign exchange contracts and derivatives and the mark-to-market values as at 30 September 2013 are disclosed in the financial statement in Note 37.

The Group does not hedge its foreign currency exposure arising from its overseas equity. Such investments are long-term in nature and therefore not feasible and economical to hedge. The Group only hedges the dividends cash flows payable from its overseas subsidiary, joint venture and associated companies.

Use of Proceeds from Issue of Shares

Pursuant to the subscription in January 2007 by Seletar Investments Pte Ltd (a subsidiary of Temasek Holdings (Private) Limited) of an aggregate 205.5 million new shares in the Company (the "Subscription Shares") representing approximately 14.9% of the enlarged share capital of the Company, the Company received aggregate issue proceeds of approximately $900 million (the "Net Proceeds") for the Subscription Shares. The Net Proceeds is to be used for working capital, making new investments in food and beverage businesses, and for growing the Company's existing and new food and beverage business.

Pursuant to Rule 1207(20) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the following is a status report on the usage of the Net Proceeds.

For the year ended 30 September 2013, the Company's F&B Division[1] had deployed a total of $31.7 million from the Net Proceeds for the purposes of making new investments in, and to grow, the Company's food and beverage business. A brief breakdown of such usage is set out below.

	2013	Cumulative
Acquisitions	–	$ 26.4m
Capital expenditure	$14.0m	$ 65.0m
Brand-building investment (advertising and promotions)	$14.0m	$ 54.6m
Corporate development and new markets	$ 3.7m	$ 16.6m
	$31.7m	$162.6m

Note:
1 Excludes Asia Pacific Breweries Limited and Fraser & Neave Holdings Bhd

Corporate Social Responsibility

Our vision is to be a world-class multinational enterprise based on our ability to create and build long-term sustainable value for our stakeholders, responsibly.

Corporate social responsibility has been a longstanding tradition and remains an important part of F&N. The Group remains committed to fulfilling its responsibilities as a good corporate citizen by acting ethically and responsibly in all areas of our operations. By incorporating best practices in the way we conduct our business, we aim to contribute to the local communities, minimise our impact on the environment, deliver product and service excellence to the consumer, and foster a supportive working environment for our employees.

GIVING BACK TO THE COMMUNITY

Corporate Philanthropy

Over the years, F&N's F&B division has endeavoured to promote an active lifestyle and healthy living through continual partnerships and support of sports and health events in the community.

In Singapore, as the hydration partner of choice for sports, *100PLUS* had an eventful year supporting several major sports events including the Standard Chartered Marathon Singapore, SGX Bull Charge, OCBC Cycle Singapore and The Color Run. Recognising the achievements of Singapore athletes in the local and international sports arena, *100PLUS* continued to sponsor The Straits Times Star of the Month Award as well as The Straits Times Athlete of the Year Award, for the third and fifth consecutive year, respectively. Also committed to the development of local athletes, *100PLUS* extended its support of the Singapore Table Tennis Association, which began in 2010, for another three years till 2016.

100PLUS also has several ongoing initiatives in partnership with Singapore's Health Promotion Board ("**HPB**") to encourage people to lead healthy and balanced lifestyles. These events include the National Healthy Lifestyle Campaign, *100PLUS* i-Run and *100PLUS* Fitness@Work, which are running and aerobic activities held in the Central Business District.

F&N also gives back to the community by engaging the underprivileged amongst us. Over in Malaysia, our Soft Drinks arm shared the festive joy by organising sumptuous meals and shopping excursions for disadvantaged children during Hari Raya Aidilfitri, Deepavali and Christmas. It also held its Lunar New Year luncheon for the less privileged for the 13th year.

Soft Drinks Malaysia has invested RM175,000 in the F&N IT Corner programme to date, and will continue to support needy youths. Started in 2010, this initiative provides computer equipment and sponsors students from Montfort Boys Town, Montfort Youth Centre and Montfort Girls Centre in the International Computer Driving License accreditation programme. Soft Drinks Malaysia has also set up a third F&N Sensory Integration Room in SK Taman Bukit Subang to facilitate learning for students with special needs.

"Soft Drinks Malaysia has invested RM175,000 in the F&N IT Corner programme to date, and will continue to support needy youths"

Over at the Group's Properties division, in the spirit of giving back to the community, *Causeway Point* pledged its support to the North West Silver Care Fund, contributing a sum of $30,000 which goes towards programmes to help seniors in the North West District maintain an active lifestyle.

As a long-term supporter of the Movement for the Intellectually Disabled of Singapore ("**MINDS**"), *Frasers Centrepoint Malls* ("**FCM**") hosted a Lunar New Year luncheon for 30 children, their families and volunteers of MINDS at *Causeway Point*. Ending the outing on a joyous note, the children were presented with shopping vouchers to buy their desired gifts.

Extending its support of Melrose Home from 2012, staff from the Singapore Office and Industrial division pitched in their time and effort to organise an afternoon of fun for 23 children aged between five and 12 to an indoor playground at *Robertson Walk*.

Frasers Suites Insadong, the Group's serviced residence in South Korea, also spread some festive cheer to children from Sangroktown orphanage as part of its Love Tree Christmas programme. It invited the children over for a Christmas dinner, opened its pool facilities for their use and gifted them with a present of their choice.

For the seventh consecutive year, *Central Park* Perth hosted the annual Enerflex Step Up for Multiple Sclerosis ("**MS**") where participants walked or ran over 1,000 steps up its 47-storey building. This year's Step Up for MS was a record-making year with a sell-out event raising some A$277,000, which was 74.2% higher than the A$159,000 raised in 2012. Pledging additional support, *Central Park* further donated A$10,000 to support the MS Society.

Central Park office tower also continued as a venue sponsor for fundraising activities of several charities. These included Pink Ribbon Day and Daffodil Day by Cancer Council of Western Australia, Bear By Night Ball, in support of Princess Margaret Hospital for Children Foundation, and Special Air Services Windows Abseil.

Corporate Social Responsibility

Investing in Our Future Generations

In its bid to promote interest in the local dance scene among youths, *F&N* Sparkling Drinks supported the Singapore Dance Delight for the fourth consecutive year. Singapore Dance Delight Vol. 4 is Singapore's edition of one of the world's most spirited and prestigious street dance competitions, Japan Dance Delight, which has been held annually since 1994.

F&N MAGNOLIA believes in the importance of reading, as reading enriches the mind, in the same way milk nourishes the body. This year, it partnered the National Library Board ("**NLB**") in READ! Singapore, an initiative aimed at promoting a culture of reading among Singaporeans for the third time.

FCM jointly organised the National Youth Business Challenge ("**NYBC**") for the fifth year running with Ngee Ann Polytechnic Business Studies' final year Entrepreneurship students. NYBC is part of a long-term educational collaboration started in 2009 to encourage students to develop earth-friendly concepts and ideas. This year, 40 shortlisted teams from 23 secondary schools presented proposals on the essentials of setting up earth-friendly businesses for the final challenge held at *Changi City Point*. The winning team, Outram Secondary School, walked away with the FCM Challenge trophy for the third consecutive year.

Another noteworthy cause supported by FCM was the National Pushcart Challenge, a nationwide inter-secondary school competition which seeks to showcase the brightest idea and celebrate the spirit of enterprise amongst the youths in Singapore. A total of 210 participants from 31 secondary schools competed for the coveted title of National Pushcart Challenge Champion 2012 at *Causeway Point*. Bukit Merah Secondary School emerged as the champion for their creativity in Art & Craft, and the consciousness to utilise eco-friendly materials for their products. At the end of the two-day event, $8,000 was raised and the funds were donated to 15 social enterprises.

With the aim to cultivate and inspire a passion for writing among the young, the Marshall Cavendish Budding Writers Project held its 13th edition this year. Since its inception in 1999, the Budding Writers Project, a nationwide creative writing and drawing competition, has been well-received by primary and secondary schools and is now a widely recognised event amongst teachers and students. This year, the competition attracted its highest participation numbers to date with over 900 entries. The NLB came on board this year as a strategic partner, giving the Group new opportunities to extend its reach to parents and students via all 26 library outlets island-wide and to publish the finalists' entries on its Mobile Read platform.

Educational Technologies Limited ("**ETL**"), which specialises in publishing home reference books, continued its support for the Night High Scholarship Programme, giving children from poor families in the Philippines the opportunity to complete high school. ETL's commitment to these underprivileged students is pledged over several years of secondary education, which would give them a better chance of pursuing further studies in college or university.

Supporting the Arts and Heritage

The Group remains an avid supporter of the arts and has contributed financially and extended the use of its venues for the development of the arts scene in Singapore and overseas.

During the year, Frasers Hospitality, the Group's serviced residence arm, was conferred the Friend of the Arts Award by Singapore's National Arts Council, in recognition of its contribution to the local arts scene. Frasers Hospitality provided accommodation worth more than $146,000 to various arts groups from several productions

such as Kidsfest Singapore, Shakespeare in the Park – Othello, The Importance of Being Earnest and In The Spotlight – Alfian Sa'at.

In Sydney, Frasers Property Australia teamed up with its joint venture partner Sekisui House Australia to sponsor the Chippendale BEAMS Arts Festival for the second year. As one of the major sponsors, the Group

“The Group remains an avid supporter of the arts and has contributed financially and extended the use of its venues for the development of the arts scene in Singapore and overseas”

contributed A$30,000 towards this event organised by the local creative community and supported by the City of Sydney Council. Over 350 artists and performers participated in the festival which attracted some 8,000 visitors.

Beyond monetary contribution, *Central Park* Sydney aims to nurture the arts within its precinct with thought-provoking public art and spaces for artists to collaborate. Free or subsidised work spaces for creative businesses and artists have been made available within the development. Frasers Property Australia embarked on a four-year-long community collaboration with FraserStudios from 2009 to 2012, where part of the development site was used as visual and performing arts studios. Currently, some of the retail space at *Central Park* Sydney is provided for the Work-Shop and the NG Art Gallery.

At *Central Park* Perth, the property sponsored the “Permanent Impressions” exhibition of artist Jana Vodesil, which featured the largest portraiture collection of contemporary women in Western Australia who have made significant contributions to society. The two-week-long exhibition provided an enriching cultural experience and helped promote the recognition of extraordinary Western Australians amongst the general public.

Corporate Social Responsibility

CONSERVING OUR ENVIRONMENT

Environmental conservation remains a key focus area of the Group. Across all three businesses, the conscientious use of resources and the adoption of best practices underlie our commitment to safeguard our environment.

As a responsible F&B manufacturer, the Group aims to minimise its environmental footprint through the ways it uses energy and water, and reduces waste and carbon emissions. Within F&B Singapore, a project was commissioned to identify opportunities for energy optimisation, implementation, measurement and verification. Some of the implemented projects are boiler performance optimisation, chiller system optimisation and electrical distribution system optimisation. A Green Office Committee has been set up to share environmentally-friendly habits among employees in the work environment. Recycling receptacles have also been placed around the office premises to encourage recycling of disposed waste.

A similar practice has been adopted by the employees of Dairies Thailand, where there is an underlying emphasis to reduce the use of energy. Employees also partake in activities like the Energy Saving promotion where a Key Result Area is set for each department. Dairies Thailand's commitment to environmental conservation is commendable; it was awarded Best Energy Conservation in the Energy-Controlled Factory category from the Department of Alternative Energy Development and Efficiency of Thailand's Ministry of Energy. It also received the ASEAN Energy Award 2013 - ASEAN Best Practices for Energy Management Industries, Special Submission Category and the Green Industry Level 3 certification by the Department of Industrial Works, Thailand. The latter was presented to Dairies Thailand for its good practices in the areas of prevention of pollution, and protection and restoration of the natural environment. A strong advocate of conserving natural resources, Dairies Thailand carried out numerous tree planting activities at the Rojana plant and within other parts of Thailand.

Reduction in water usage and waste water discharge is another key focus area for Dairies Thailand. There has been a reduction of portable water used during production, and treated waste water is used for gardening purposes at the F&N Green Park. In anticipation of FY2014, Dairies Thailand has set its new target of reducing carbon emission, energy and water usage, generation of waste and waste water discharge.

The F&N Save Our Seas ("**F&N S.O.S**") programme started by Fraser & Neave Holdings Bhd ("**F&NHB**") is aimed at creating awareness on the importance of marine conservation and inculcating responsible behaviours at the beach and towards marine creatures, as well as encouraging proper waste disposal and recycling. The highlight of the programme is reef rehabilitation, a process which involves collecting coral fragments from donor sites and planting them in a nursery before transplanting them in a permanent site. Now in its second year, the team has planted a total of 110 reef rehabilitation frames since 2012.

Aside from reef rehabilitation, the F&N S.O.S team has also held sessions with the students of Sekolah Kebangsaan Pulau Redang to educate them on marine conservation and proper waste disposal. In September 2013, the team conducted a three-day Coral Reef Camp at Pulau Redang Marine Park with 30 students from the school.

Dairies Thailand has followed in the footsteps of F&NHB by constructing polyvinyl chloride frames for the use by the Marine and Coastal Convention Centre in Rayong, Thailand.

"As a responsible F&B manufacturer, the Group aims to minimise its environmental footprint through the ways it uses energy and water, and reduces waste and carbon emissions"

Our Properties division continues with its efforts to create and operate a sustainable built environment. At the Building and Construction Authority ("**BCA**") Green Mark Awards, we received four Gold awards: one for our residential development, *Eight Courtyards*, and three for our commercial buildings, namely *55 Market Street*, *Valley Point* and *China Square Central*. In addition, our high-end condominium, *Martin Place Residences,* obtained a Merit in the BCA Construction Excellence Awards. Besides the Green Mark Awards, six of our commercial buildings bagged the Eco-Office Award from the Singapore Environment Council.

To improve operational efficiency, various energy and water-efficient features have been incorporated into our developments which help to reduce carbon footprint, as well as electricity and water consumption.

As part of *China Square Central's* asset enhancement programme, eco-friendly features have been installed. These included motion sensor lighting systems at the car park and staircases, and a performance-based saving scheme to ensure that the air-conditioning and mechanical ventilation systems also run at optimum levels to reduce energy consumption. *Anchorpoint*, *Bedok Point* and *Changi City Point* were each fitted with a new state-of-the-art chiller system, improving the overall operational efficiency level by 32.5%, compared to the conventional system. Electricity consumption at *Anchorpoint, Valley Point*, *51 Cuppage Road* and *55 Market Street* has also reduced significantly due to the replacement of lights with energy-saving and LED lights.

Alexandra Technopark, which attained the Green Mark Gold award (September 2011 to August 2014) continued to enjoy savings in energy consumption as a result of its eco-friendly features and a broader usage of NEWater (treated used water) within the entire precinct. Its annual and cumulative cost savings is about $2.2 million and $6.5 million, respectively, from 2011 to 2013. Across our malls, NEWater has been used

at *Bedok Point*, *Changi City Point*, *Causeway Point*, *Northpoint* and *The Centrepoint*, bringing the combined savings for cost of water to 9.2%.

In Australia, three of the Group's projects continue to be at the forefront of sustainability. *Central Park* Perth emerged the winner in the Business Category of the Western Australia Water Awards 2012 organised by the Australian Water Association, Western Australia. The award recognises organisations that have demonstrated a commitment to improve water management, adopt effective water-wise practices and display initiatives in educating their staff and the community on water conservation. The fitting of tap flow restrictors, installation of low flow shower heads, low flush water closets, a park reticulation weather station and several improvements to the cooling towers resulted in a 20.6% reduction in water consumption over the last four years.

This year, *Caroline Chisholm Centre* achieved a 5-star NABERS Energy base building rating, which is only one step away from the maximum 6 stars achievable. This rating is in recognition of the many ongoing energy efficiency initiatives that have been implemented throughout the years.

Another noteworthy sustainable project is the mixed-use *Central Park* Sydney development. Frasers Property Australia and joint venture partner Sekisui House Australia signed a historic $26.5 million Environmental Upgrade Agreement which will provide long-term, low-cost finance for the construction of a central thermal and tri-generation electrical plant at *Central Park* Sydney. The planned plant will use low-emission natural gas engines to produce thermal and electrical energy, efficiently harnessing the bi-products of energy generation (hot and cold water) to provide centrally reticulated heating and cooling for air and water, for utilisation throughout the precinct. Electricity will be delivered to the site's historic buildings, and has the potential to be exported to neighbouring buildings off-site.

In recognition of its adoption of eco-friendly practices, Times Printers Singapore obtained its ISO 14000 certification, on top of the international accredited certification of ISO 9002, FSC, PEFC and PSO. The Printing division has migrated from the use of alcohol to almost 100% alcohol-free printing. It has also moved into waste-water recycling and implemented various energy conservation initiatives.

DELIVERING PRODUCT EXCELLENCE

We are cognizant of our responsibility to deliver only products and services of the highest quality to our consumers.

Our F&B division strives to deliver on its brand promise of "Pure Enjoyment. Pure Goodness". With our consumers' interests in mind, we have introduced healthier options across our product portfolio which include reduced sugar, no sugar added and low-fat variants. In the past decade, F&B Singapore's concerted effort to reduce the sugar content in our products has contributed significantly to a steady decline of our sugar footprint by 20%.

F&N's dedication to promote a healthy lifestyle is evident in its continuing partnership with HPB. F&N has a large and varied range of HPB's Healthier Choice Symbol products to encourage healthier food choices. One such example is *F&N NUTRISOY*, which continued to take the lead as the most popular soya milk brand in Singapore in 2013. *F&N NUTRISOY* also continued as a proud supporter of National Heart Health Week, World Heart Day 2013 and Go Red For Women, a campaign aimed to raise the awareness of heart health among women.

In Malaysia, F&NHB signed a first-of-its-kind Responsible Advertising to Children pledge together with nine other leading F&B companies as a demonstration of F&N's commitment to responsible marketing to children. Sanctioned by the Malaysia Health Ministry, Malaysian Advertisers Association and Federation of Malaysian Manufacturers Food Manufacturing Group, F&N now has an obligation to only advertise certain products that meet specific nutrition criteria to children under the age of 12 or opt not to advertise their products.

During the year, numerous awards were conferred upon F&N's brands. *100PLUS* reaffirmed its position as the Number 1 isotonic drink of choice when it swept the Gold Award in the Non-Alcoholic Beverage category of the Putra Brand Awards 2013, an extension to Malaysia's most valuable brands programme. *100PLUS* was also named the Best Isotonic Drink for the Malaysia Women's Weekly Domestic Diva Awards 2013. *F&N SEASONS* scooped double awards at The Malaysia Women's Weekly Domestic Diva Award 2013 in the categories of Best Non-Carbonated (*F&N SEASONS* Grass Jelly) and Best Soya Milk (*F&N SEASONS NUTRISOY*). *F&N ICE MOUNTAIN* emerged as the winner of The Reader's Digest Gold Trusted Brand Award 2013 for being the most trusted and preferred thirst quenching choice in the Water category in Malaysia, as voted by consumers. This award was quite a feat, considering it was launched in Malaysia at the end of 2011. Back home, both *F&N MAGNOLIA* and *F&N FRUIT TREE FRESH* received the Reader's Digest Trusted Brand Award 2013.

F&N's ice-cream division in Thailand was accorded the Thai Food and Drug Administration Ministry of Public Health Quality Award in July. In recognition of its high standard of quality and safety in product manufacturing as well as its Corporate Social Responsibility practices, F&N has had the honour of being bestowed the award for two consecutive years, following its first win in 2012.

HUMAN CAPITAL MANAGEMENT

BUILDING LEADERSHIP CAPABILITY THROUGH CONTINUOUS IMPROVEMENT AND INNOVATION

Growing and developing people managers to be effective leaders to meet the challenges ahead will continue to be the key people agenda of F&N Group. The flagship F&N Group Management Development Programme ("**MDP**") continues to be the key talent development tool to ensure a continuous stream of talent throughout the Group in support of its strategic initiatives and growth. To date, the F&N Group MDP has successfully developed nine cohorts of people managers. Through the years, this programme has been continuously refined to equip F&N leaders with the necessary skills to respond to a more challenging and diversified workforce and dynamic business environment while at the same time, aligning the learning objectives to meet the Group's overall growth ambitions.

The F&N Group MDP 2013 saw 41 participants hailing from various business units both locally and from overseas (Thailand, Malaysia, Myanmar, Singapore, France and London). The diversity of this cohort enriched the interaction and learning between the participants throughout the programme. As with previous batches, the programme's curriculum was reviewed and new features added to ensure participants received a more holistic development of their leadership skills.

New Team Building Activities: Matchstick Game and Raft Challenge

The focus for this year's outdoor experiential segment was on Team Communication and Team Synergy. To help participants hone their interpersonal communicated skill, two activities were introduced, namely, the new Matchstick Game and the ever favourite High Ropes Challenge. In Matchstick Game, participants were divided into teams and the objective of this activity was to see how each team communicated information on the project to one another via designated roles. Participants learnt that team communication builds commitment, camaraderie and personal accountability.

1. *A group picture for the album after successful project completion*
2. *MDP "workers" executing the project based on information passed down from "middle" and "senior" Management*

Corporate Social Responsibility

The first outdoor activity was the high ropes obstacle course where participants had to overcome the fear of traversing in pairs across a series of ropes, planks and obstacles suspended four storeys above ground. Though the rope obstacle was very challenging, eventually with the encouragement from fellow participants and trainers, they managed to overcome their own fears and completed the "challenge of their life".

To bring the learning objective of Team Synergy to life, participants were introduced to Raft Challenge, a new outdoor activity in MDP where participants were tasked to construct a raft from resources such as PVC pipes, barrels and ropes. The raft was subsequently deployed to transport as many team members as possible from one end of the pool to the other. A last minute surprise challenge saw teams having to combine their rafts with the objective of transporting as many people across the pool as possible. Not surprisingly, the team achieved this objective with distinction.

New Programme: F&N Coaching Essentials for Leaders

Recognising that people managers who utilise coaching skills have more effective teams, are able to retain key personnel, provide better customer service and experience higher productivity overall within their teams, a new programme entitled "F&N Coaching Essentials for Leaders" was introduced to this batch. Developed by Ken Blanchard, this workshop equips participants with the skills, namely Listening, Inquire, Test For Truth and Endorse (L.I.T.E.), to conduct effective coaching conversations with their subordinates.

New On-Line Peer Feedback Portal

This year's MDP programme saw participants receiving real-time feedback from their fellow participants via the innovative use of Google Forms, an application within Google Apps. Each participant was assigned a unique link which allowed fellow participants to access these links to provide their feedback to any MDP participant. This e-platform enabled participants to view and respond to the feedback confidentially in real time thereby enabling them to adjust and hone their leadership styles by modifying their behaviours on a timely basis.

Serving as a good platform for high-potential (Hi-pot) executives to gain a better understanding of the F&N Group and its diverse businesses, the F&N Group MDP gave delegates a greater sense of identity and affinity to the F&N brand name as well as enhance collaboration and synergy amongst colleagues across different business units.

1. *MDP participants engaging in experiential learning through the challenging high ropes obstacle course*
2. *MDP participants learn about communication, team synergy and perseverance through the raft challenge*
3. *MDP participants practicing their newfound coaching skills with each other*

1. *Live coaching demonstration by Linda*
2. *Linda sharing the finer points of coaching to participants*
3. *Participants honing their listening and feedback skills by using real-life case scenarios*

F&N Coaching Essentials for Senior Leaders

"Effective leaders understand that the key to driving business results is developing and empowering their people to achieve the strategic objectives of the organization. Coach-like leaders are simply more proficient in inciting their people to stretch and meet their targets." – Scott Blanchard

Echoing Scott Blanchard's quote above, F&N Coaching Essentials for Senior Leaders programme was rolled out to equip senior leaders with coaching skills to improve their ability to coach and nurture an environment where they focus on drawing out ideas and solutions, collaborating, partnering and developing their people by using directive and supportive behaviours, and at the same time meeting organisational objectives and driving business results. Leaders are remembered for the positive impact they bring to their team, business associates and ultimately customers.

Facilitated by Ken Blanchard's Master Coach Linda Miller, a total of 63 senior leaders from the various business units attended the programme held over four sessions in February and October this year. F&N Coaching Essentials for Leaders programme was subsequently rolled out to the next level of line managers and including the MDP delegates, a total of 50 managers completed the programme.

Total Performance Management System Training for Managers

Recognising that timely and effective performance evaluations enables and empowers employees to give their best performance, the existing half-day Total Performance Management System ("**TPMS**") programme was redesigned into a two-day skills-equipping workshop. The objective of this programme is to provide managers with a deeper understanding and appreciation of the total performance management process within the context of F&N's total performance management philosophy and framework. Participants were provided tools to frame SMART goals, track and monitor performance using feedback and listening skills, engage employees via goal setting and year-end performance conversations and craft effective individual development plans. A total of 173 managers across various business units attended the programme.

Enterprise-Wide Risk Management ("ERM")

The objective of enterprise-wide risk management is to safeguard shareholders' interests and the company's assets as the company pursues its strategic objectives. Fraser and Neave, Limited, ("F&N" or the "Group") achieves this objective through having a risk management framework that encompasses all key areas of operations.

Enterprise-wide risk reporting is facilitated through a web-based Corporate Risk Scorecard system which enables entities within the Group to report risks and risk status using a common platform in a consistent and cohesive manner.

RISK MANAGEMENT PROCESS

Risks are reported and monitored at the operational level using a Risk Scorecard which captures risks, mitigating measures, timelines for action items and risk ratings.

Risk parameters, upon which the ratings are based, are reviewed annually.

Where applicable, Key Risk Indicators (KRIs) are established to monitor risks.

For risks that are material, the mitigating measures and KRIs are presented in the form of a Key Risk Dashboard and reviewed by Management on a regular basis.

There are 3 levels of risk reporting: operating units reporting into the relevant subsidiaries which in turn report to the business units and finally to the Group.

Risks are reviewed and managed at each level of reporting and consolidated for review at the next higher level, before they are escalated for review at Group level.

A risk coordinator appointed within each entity (ie. operating unit, subsidiary, business unit) coordinates the risk review and reporting process.

Risk tolerance statements of the Group setting out the nature and extent of the significant risks that the Group is willing to take in achieving its strategic objectives have been formalised and adopted. The risk tolerance statements will be reviewed periodically.

The Group initiated a review of the identification and recording of risks in the Risk Scorecards and based on such review, the business units have considered for adoption any recommendations to improve such identification and recording, where appropriate.

RISK UPDATE

Risks are reported and monitored at the scorecard level and grouped under the following risk categories for the purpose of management reporting.

- Reputational risks
- Strategic risks
- Country and political risks
- Currency and interest rates risks
- Commodity risks
- Operational risks

At the end of each financial year, an ERM validation is held where Management of the business units provide assurance to the F&N Risk Management Committee, that key risks at the business unit level have been identified, the mitigating measures are adequate and the system of risk management is adequate and effective to address risks in certain key areas which are considered relevant and material to the operations.

F&N also seeks to benchmark its ERM programme against industry best practices and standards. In assessing areas for improvement and how the ERM processes and practices can be strengthened, reference was made to the best practices in risk management set out in the Risk Governance Guidance for Listed Boards issued by the Corporate Governance Council in May 2012 and the ISO 31000 standards on risk management.

As every staff has a role to play in risk management, ERM and business continuity plan awareness workshops are facilitated jointly by the business units and Group Risk Manager/Risk Coordinator for new staff and entities of the Group and refresher sessions organised, where required.

KEY RISKS IN FINANCIAL YEAR 2012/2013

During the financial year ended 30 September 2013, the key categories of risks faced by the Group are summarised as follows.

Reputational Risks

Food safety risk remains as a key risk to the Food and Beverage division of the Group. In addition to close monitoring of food safety issues worldwide, a robust process has been put in place to mitigate the risk of food contamination through upholding the strict requirements stipulated under the various food safety standards and certifications.

The status of KRIs which are tracked for the management of food safety risk has been reported to the Risk Management Committee at quarterly intervals.

With the increasing use of social media, the business units closely monitor this medium of communication and periodically review the response plans put in place to mitigate risks related to such use.

The Group's cyber security measures are reviewed periodically to mitigate IT-related risks such as malware infection and hacking.

Strategic Risks

Competition from the food and beverage players attracted to the growing Asia Pacific arena, heightened regulatory constraints imposed on the property sector and property loans and competition from the digital media, are key challenges to the various businesses within the Group. The Group closely tracks these developments and reviews the effectiveness of its strategies so as to sustain its competitiveness.

Country and Operational Risks

The onset of haze, threat of natural disasters and political tensions reinforce the need for F&N to be resilient and respond promptly to unexpected changes in the operating environment. F&N regularly reviews the robustness of business continuity plans through call notification, desktop and simulation exercises. The complexity and scale of the exercises are progressively stepped up in our efforts to improve the awareness and preparedness of staff in responding to crisis. The insurance programmes are also finetuned to take into account the changing needs of the businesses and better mitigate losses in the event of a claim.

The Group recognises the importance of maintaining a consistent and cohesive ERM programme across the 20 countries where we have a presence, and continues its efforts to reinforce risk and business continuity plan awareness throughout the Group.

The Group continues to build on the close working relationships with local authorities and business partners to keep abreast of political, regulatory and economic developments in countries in which entities of the Group operate.

Good corporate governance has been and continues to be the foundation on which Fraser and Neave, Limited ("**F&N**" or the "**Company**") operates. The firm commitment of the F&N Group to set and maintain high standards of corporate governance and corporate transparency can be seen in its sound corporate policies, business practices and internal controls. This helps the Company safeguard its assets and Shareholders' interests while allowing it to pursue sustainable growth and value-enhancement for Shareholders.

F&N is listed on the Mainboard of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and believes in compliance with applicable laws, rules and regulations, including the SGX-ST Listing Manual, and the principles and guidelines of the Code of Corporate Governance. Reference is made to both the Code of Corporate Governance 2005 and 2012 (the "**Code 2005**" and "**Code 2012**" respectively), and although Code 2012 takes effect for the Company in respect of its annual report for the financial year commencing 1 October 2013, it has started to comply with Code 2012 to such extent and as best as it can.

A. BOARD MATTERS

Principle 1: The Board's Conduct of Affairs

Our Board is made up of highly qualified Directors who set the Company's values and standards (including ethical standards). The Board has oversight of the business performance and affairs of the F&N Group, and is responsible for the Group's overall entrepreneurial leadership, strategic direction, performance objectives and long-term success. The Board also reviews annual budgets, financial plans, major acquisitions and divestments, funding and investment proposals, monitors the financial performance of the Group and Management's performance, and ensures compliance by the Group with relevant laws and regulations. The Board meets regularly. During Board meetings, our Directors actively participate, discuss, deliberate and appraise matters requiring its attention and decision. If required, time is set aside after scheduled Board meetings for discussions amongst our Directors without the presence of Management, in line with the guidelines of Code 2012, as this facilitates a more effective check on Management.

On 29 January 2013, the then Board comprising the following Directors (collectively, the "**Prior Board**"):

Mr Lee Hsien Yang (Chairman)
Mr Timothy Chia Chee Ming
Ms Maria Mercedes Corrales
Mr Ho Tian Yee
Mr Hirotake Kobayashi
Mr Koh Beng Seng
Dr Seek Ngee Huat
Mr Tan Chong Meng
Mr Nicky Tan Ng Kuang

announced their intention to resign from office after the close of the revised mandatory conditional cash offer by United Overseas Bank Limited, DBS Bank Ltd. and Morgan Stanley Asia (Singapore) Pte. for and on behalf of TCC Assets Limited ("**TCCA**") to acquire all the issued and paid-up ordinary shares in the capital of the Company (the "**Revised TCCA Offer**"), including those who were seeking re-election at the 114th Annual General Meeting of the Company on 29 January 2013.

Committed to ensuring an orderly transition to a new Board, the Prior Board stated that subject to and upon the Revised TCCA Offer becoming or being declared unconditional as to acceptances, it would be appointing three additional Directors to the Board, in consultation with TCCA.

Board Matters (cont'd)

On 15 February 2013, Mr Hirotake Kobayashi, who was a nominee of Kirin Holdings Company, Limited ("**Kirin**"), a substantial shareholder of the Company, resigned from the Board following acceptance by Kirin of the Revised TCCA Offer.

After the close of the Revised TCCA Offer on 18 February 2013, Mr Chotiphat Bijananda and Mr Thapana Sirivadanabhakdi were appointed as non-independent and non-executive Directors of the Company on 19 February 2013, and on 22 February 2013, Mr Philip Eng Heng Nee was appointed as an independent and non-executive Director, and Mr Sithichai Chaikriangkrai was appointed as a non-independent and non-executive Director.

On 26 February 2013, to facilitate TCCA charting its own path, the remaining Directors[1] on the Prior Board resigned.

Note:

[1] Namely, Mr Lee Hsien Yang, Mr Timothy Chia Chee Ming, Ms Maria Mercedes Corrales, Mr Ho Tian Yee, Mr Koh Beng Seng, Dr Seek Ngee Huat, Mr Tan Chong Meng and Mr Nicky Tan Ng Kuang.

Thereafter, other Directors were appointed to the Board during the course of the financial year, and as at 30 September 2013, the Board comprises 12 Directors, all of whom are non-executive Directors (including two female directors in recognition of the importance and value of gender diversity). They are:

Mr Charoen Sirivadhanabhakdi (Chairman)[1]
Khunying Wanna Sirivadhanabhakdi (Vice-Chairman)[1]
Mr Charles Mak Ming Ying[2]
Mr Chan Heng Wing[2]
Mr Philip Eng Heng Nee[3]
Mr Koh Poh Tiong[4]
Mr Weerawong Chittmittrapap[5]
Mrs Siripen Sitasuwan[6]
Mr Chotiphat Bijananda[7]
Mr Thapana Sirivadhanabhakdi[7]
Mr Panote Sirivadhanabhakdi[4]
Mr Sithichai Chaikriangkrai[8]
Mr Prapakon Thongtheppairot (Alternate Director to Mr Chaikriangkrai)[9]

Notes:

[1] Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi were appointed as non-independent and non-executive Directors on 28 February 2013.
[2] Mr Charles Mak, Mr Chan Heng Wing and Dr Pailin Chuchottaworn were appointed as independent and non-executive Directors on 28 February 2013. Dr Chuchottaworn resigned from the Board and the Remuneration and Nominating Committees on 31 May 2013.
[3] Mr Philip Eng was appointed as an independent and non-executive Director on 22 February 2013.
[4] Mr Koh Poh Tiong and Mr Panote Sirivadhanabhakdi were appointed as non-independent and non-executive Directors on 3 April 2013. Mr Koh was also appointed as Advisor to the Board effective 3 April 2013.
[5] Mr Weerawong Chittmittrapap was appointed as an independent and non-executive Director on 3 April 2013.
[6] Mrs Siripen Sitasuwan was appointed as an independent and non-executive Director on 31 May 2013, in lieu of Dr Pailin Chuchottaworn who resigned from the Board on 31 May 2013.
[7] Mr Chotiphat Bijananda and Mr Thapana Sirivadanabhakdi were appointed as non-independent and non-executive Directors on 19 February 2013.
[8] Mr Sithichai Chaikriangkrai was appointed as a non-independent and non-executive Director on 22 February 2013.
[9] Mr Prapakon Thongtheppairot was appointed as alternate Director to Mr Sithichai Chaikriangkrai on 21 March 2013.

Delegation of Authority on Certain Board Matters

In order for the Board to efficiently provide strategic oversight of F&N, it delegates specific areas of responsibilities to six Board Committees namely, the Board Executive Committee, the Audit Committee, the Nominating Committee, the Remuneration Committee[1], the Risk Management Committee, and the Food & Beverage Committee. Each Board Committee is governed by clear terms of reference which have been approved by the Board. Minutes of all Board Committee meetings are circulated to the Board so that Directors are aware of and kept updated as to the proceedings and matters discussed during such meetings.

Note:

[1] Until 21 March 2013, this Board Committee was known as the Remuneration & Staff Establishment Committee.

Board Matters (cont'd)

The Company adopts a framework of delegated authorisations in its Manual of Authority ("**MOA**"). The MOA defines the procedures and levels of authorisation required for specified transactions. It also sets out approval limits for operating and capital expenditure as well as acquisitions and disposals of investments. The MOA also contains a schedule of matters specifically reserved to the Board for approval. These include approval of annual budgets, financial plans, financial statements, business strategies and material transactions, such as major acquisitions, divestments, funding and investment proposals. The MOA authorises the Board Executive Committee (or Board EXCO) to approve certain transactions up to specified limits, beyond which the approval of the Board needs to be obtained. Below the Board and Board EXCO levels, there are appropriate delegation of authority and approval sub-limits at Management level, to facilitate operational efficiency. To address and manage possible conflicts of interest that may arise between Directors' interests and those of the Group, Directors are required to abstain from voting, on any matter in which they are so interested or conflicted. There is also a policy for disclosure and approval of purchase of property projects of Frasers Centrepoint Limited ("**FCL**"). This sets out the process and procedure for disclosing, reporting and the obtaining of relevant approvals for purchasing property projects of the Company's property business unit by interested persons as defined in the SGX-ST Listing Manual including the Directors, as well as the CEO of FCL and other directors and employees of the Group.

Board Executive Committee ("Board EXCO")

The Board EXCO is made up of the following members:

Mr Chotiphat Bijananda	Chairman
Mr Koh Poh Tiong	Vice-Chairman
Mr Thapana Sirivadhanabhakdi	Member
Mr Panote Sirivadhanabhakdi	Member
Mr Sithichai Chaikriangkrai	Member

Note:

1 Mr Lee Hsien Yang, Mr Ho Tian Yee and Mr Nicky Tan Ng Kuang resigned from the Board EXCO on 26 February 2013.

The Board EXCO assumes oversight of the business affairs of F&N, and is empowered to exercise the full powers and authority of the Board when the Board does not meet except in respect of matters that specifically require the decision of the Board or any Board Committee.

Food & Beverage ("F&B") Committee

This Committee provides oversight to the F&N Group's F&B strategy and strategic plans for the Group's F&B business. The F&B division of the Group devises and develops strategic plans and proposals which are then presented to the F&B Committee for discussion and/or debate before they are tabled to the Board. The meetings of this Board Committee also serve as a forum for discussions of key F&B issues and matters which may impact long-term operations of the F&B business division.

The members of the F&B Committee are:

Mr Koh Poh Tiong	Chairman
Mr Thapana Sirivadhanabhakdi	Member
Mr Sithichai Chaikriangkrai	Member
Mr Prapakon Thongtheppairot	Member

Note:

1 Mr Hirotake Kobayashi resigned from the F&B Committee on 15 February 2013 while Mr Lee Hsien Yang, Mr Nicky Tan Ng Kuang and Ms Maria Mercedes Corrales resigned from this Committee on 26 February 2013.

Board Matters (cont'd)

The activities and responsibilities of other Board Committees are described in the following sections of this report.

Meetings of the Board and Board Committees

The Board and its various Board Committees meet regularly, and also as required by business needs or if their members deem it necessary or appropriate to do so. For the financial year ended 30 September 2013, a total of 18 Board meetings were held.

The Directors are also given direct access to the Management team of the Group's three business divisions through presentations at Board and Board Committee meetings. Where required or requested by Board members, site visits and meetings with personnel from the Group's business divisions may also be arranged in order for Directors to have an intimate understanding of the key business operations of each division. The Company's Articles of Association provide for Board members who are unable to attend physical meetings to participate through telephone conference, video conference or any other forms of electronic or instantaneous communication facilities.

The number of Board meetings and Board Committee meetings held in the financial year ended 30 September 2013 and the attendance of Directors at these meetings are as follows:

	Board	Board EXCO	Audit Committee	Risk Management Committee	Remuneration Committee[10]	Nominating Committee	F&B Committee
Meetings held for the financial year ended 30 September 2013 (for Directors as at 30 September 2013)							
Mr Charoen Sirivadhanabhakdi[1]	7/7	-	-	-	-	-	-
Khunying Wanna Sirivadhanabhakdi[1]	7/7	-	-	-	-	-	-
Mr Charles Mak Ming Ying[2]	6/7	-	2/2	-	-	-	-
Mr Chan Heng Wing[2]	5/7	-	-	2/2	-	1/1	-
Mr Philip Eng Heng Nee[3]	7/8	-	2/2	-	Nil	-	-
Mr Koh Poh Tiong[4]	6/6	4/4	-	-	-	-	3/3
Mr Weerawong Chittmittrapap[5]	5/6	-	-	2/2	-	0/1	-
Mrs Siripen Sitasuwan[6]	4/4	-	-	-	Nil	-	-
Mr Chotiphat Bijananda[7]	8/8	6/6	-	2/2	-	1/1	-
Mr Thapana Sirivadhanabhakdi[7]	7/8	6/6	-	2/2	Nil	-	3/3
Mr Panote Sirivadhanabhakdi[4]	6/6	4/4	-	-	-	-	-
Mr Sithichai Chaikriangkrai[8]	7/8	6/6	2/2	2/2	-	-	2/3
Mr Prapakon Thongtheppairot[9] (Alternate Director)	1/1	-	-	-	-	-	3/3

Notes:

1 Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi were appointed as non-independent and non-executive Directors on 28 February 2013.
2 Mr Charles Mak and Mr Chan Heng Wing were appointed as independent and non-executive Directors on 28 February 2013.
3 Mr Philip Eng was appointed as an independent and non-executive Director on 22 February 2013.
4 Mr Koh Poh Tiong and Mr Panote Sirivadhanabhakdi were appointed as non-independent and non-executive Directors on 3 April 2013. Mr Koh was also appointed as Advisor to the Board effective 3 April 2013.
5 Mr Weerawong Chittmittrapap was appointed as an independent and non-executive Director on 3 April 2013.
6 Mrs Siripen Sitasuwan was appointed as an independent and non-executive Director on 31 May 2013, in lieu of Dr Pailin Chuchottaworn who resigned from the Board on 31 May 2013.
7 Mr Chotiphat Bijananda and Mr Thapana Sirivadanabhakdi were appointed as non-independent and non-executive Directors on 19 February 2013.
8 Mr Sithichai Chaikriangkrai was appointed as a non-independent and non-executive Director on 22 February 2013.
9 Mr Prapakon Thongtheppairot was appointed as alternate Director to Mr Sithichai Chaikriangkrai on 21 March 2013.
10 Until 21 March 2013, this Board Committee was known as the Remuneration & Staff Establishment Committee.

Board Matters (cont'd)

	Board	Board EXCO	Audit Committee	Risk Management Committee	Remuneration Committee[5]	Nominating Committee	F&B Committee
Meetings held for the financial year ended 30 September 2013 (for Directors who resigned during the financial year ended 30 September 2013)							
Mr Lee Hsien Yang[1]	10/10	3/3	-	-	-	-	2/2
Mr Timothy Chia Chee Ming[1]	7/10	-	2/3	-	4/4	Nil	-
Ms Maria Mercedes Corrales[1]	9/10	-	-	-	-	-	1/2
Mr Ho Tian Yee[1]	9/10	3/3	-	-	4/4	Nil	
Mr Hirotake Kobayashi[2]	4/10[4]	-	-	-	-	-	1/2
Mr Koh Beng Seng[1]	10/10	-	3/3	-	-	-	
Dr Seek Ngee Huat[1]	8/10	-	-	2/2	-	-	-
Mr Tan Chong Meng[1]	6/10	-	-	2/2	-	-	
Mr Nicky Tan Ng Kuang[1]	9/10	3/3	3/3	-	-	Nil	2/2
Dr Pailin Chuchottaworn[3]	3/3	-	-	-	Nil	0/1	-

Notes:

1 Mr Lee Hsien Yang, Mr Chia Chee Ming Timothy, Ms Maria Mercedes Corrales, Mr Ho Tian Yee, Mr Koh Beng Seng, Dr Seek Ngee Huat, Mr Tan Chong Meng and Mr Nicky Tan Ng Kuang resigned from the Board and from their respective memberships on the Board Committees of F&N on 26 February 2013.

2 Mr Hirotake Kobayashi resigned from the Board and the F&B Committee on 15 February 2013.

3 Dr Pailin Chuchottaworn was appointed as an independent and non-executive Director on 28 February 2013. He resigned from the Board and from the Remuneration and Nominating Committees on 31 May 2013.

4 Mr Hirotake Kobayashi, a nominee of Kirin, did not participate in Board meetings held on 9 November 2012 and between 15 November 2012 and 21 January 2013, due to Kirin's interests in the voluntary general offer by OUE Baytown Pte Ltd for all of the shares of the Company (which was announced on 15 November 2012 and which lapsed on 21 January 2013).

5 Until 21 March 2013, this Committee was known as the Remuneration & Staff Establishment Committee.

A letter of appointment setting out, among other things, a Director's duties and obligations including, where appropriate, how to deal with conflicts of interest, is issued to all new Directors. A comprehensive orientation programme is also conducted to familiarise new appointees with the business activities, strategic directions, policies and corporate governance practices of the F&N Group. This programme allows new Directors to get acquainted with senior Management, and also fosters better rapport and facilitates communications with Management.

Directors are continually and regularly updated on the Group's businesses and the regulatory and industry-specific environments in which the entities of the Group operate. Updates on relevant legal, regulatory and technical developments may be in writing or disseminated by way of briefings, presentations and/or handouts. During the year, the Board was briefed and/or updated on the changes under Code 2012, and on general duties and responsibilities of directors under common law and relevant legislation. Our Directors are also encouraged to be members of the Singapore Institute of Directors ("**SID**") and for them to receive journal updates and training from SID to stay abreast of relevant developments in financial, legal and regulatory requirements, and the business environment and outlook.

Principle 2: Board Composition and Guidance

As at 30 September 2013, the F&N Board comprises 12 non-executive Directors, of whom five are independent. Although the prescribed Board composition changes under Code 2012 only need to be complied with by the Company in its annual report for the financial year commencing 1 October 2016, it is already reviewing this so that necessary steps can be taken to comply with this requirement after such review. In the interim, the five independent Directors help to uphold good corporate governance at the Board level and their presence facilitates the exercise of independent and objective judgment on corporate affairs. Their participation and input also ensures that key issues and strategies are critically reviewed, constructively challenged, fully discussed and thoroughly examined, and takes into account the long-term interests of F&N and its Shareholders.

Board Matters (cont'd)

Annually, a review of the size and composition of the Board is undertaken by the Company to see if these aspects can fulfill the needs of the Group. The Nominating Committee ("**NC**") is of the view that the current size and composition of the F&N Board is appropriate for the scope and nature of the Group's operations, and facilitates effective decision-making. In line with Code 2012, the Committee is also of the view that the current size of the Board is not so large as to be unwieldy. In this regard, the NC also took into account the requirements of the Group's businesses and the need to avoid undue disruptions from changes to the composition of the Board and Board Committees. No individual or group dominates the Board's decision-making process.

The Board proactively seeks to maintain an appropriate balance of expertise, skills and attributes among the Directors. This is also reflected in the diversity of backgrounds and competencies of our Directors, whose competencies range from banking, finance, accounting and legal to relevant industry knowledge, entrepreneurial and management experience, and familiarity with regulatory requirements and risk management. This is beneficial to the Company and its Management as decisions by, and discussions with, the Board would be enriched by the broad range of views and perspectives and the breadth of experience of our Directors. The NC is of the view that there is an appropriate balance of expertise and skills amongst the Directors as they collectively bring with them a broad range of complementary competencies and experience.

The Directors are provided with accurate, complete and timely information and have direct and unrestricted access to Management. This is to give the Board and Board Committees sufficient time to critically evaluate and consider issues relevant to the Company and its businesses and operations. This will also allow our Directors to carry out their duties and discharge their oversight function more effectively.

Principle 3: Chairman and Chief Executive Officer

The Chairman and the Chief Executive Officers ("**CEOs**") of each of the Group's three business divisions are separate persons to ensure an appropriate balance and separation of power and authority, and clear division of responsibilities and accountability. The Chairman, who is non-executive, is not related to any of the CEOs of the three business divisions. There is no business relationship between him and any of these CEOs. Likewise, none of the CEOs are related to each other, and neither is there any other business relationship between or among them.

The Chairman leads the Board and ensures its effectiveness by, among other things, steering effective, productive and comprehensive discussions amongst Board members and the Management team on strategic, business and other key issues pertinent to the business and operations of the Group. In addition, the Chairman also makes sure, with the support of the Company Secretary, that Directors are provided with clear, complete and timely information in order to make sound, informed Group decisions.

The Chairman encourages active and effective engagement, participation by and contribution from all Directors, and facilitates constructive relations among and between them and Management. With the full support of the Board, Group Company Secretary and Management, the Chairman spurs the Company to promote, attain and maintain highest standards of corporate governance and transparency. With the help of F&N's corporate services, he also sees to it that there is overall effective communications to and with Shareholders on the performance of the Group. In turn, the CEOs of the Group's three business divisions are responsible respectively for executing the Group's strategies and policies, and accountable to the Board for the conduct and performance of the respective business operations under their respective charge.

Board Matters (cont'd)

Principle 4: Board Membership

The Nominating Committee (or NC) is made up of the following Directors:

Mr Weerawong Chittmittrapap[2]	Chairman
Mr Chan Heng Wing	Member
Mr Chotiphat Bijananda	Member

A majority of the members of this committee are independent non-executive Directors. The Chairman is neither a substantial shareholder nor directly associated[3] to any substantial shareholder or a ten percent (10%) shareholder.

Notes:

1 Mr Ho Tian Yee, Mr Chia Chee Ming Timothy and Mr Nicky Tan Ng Kuang resigned from the NC on 26 February 2013.

2 Mr Weerawong Chittmittrapap was appointed Chairman of the NC on 28 June 2013, in lieu of Dr Pailin Chuchottaworn who was appointed on 21 March 2013 and resigned from the NC on 31 May 2013.

3 Under Code 2005, a Director will be considered "directly associated" to a substantial shareholder when he is accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of such substantial shareholder. A substantial shareholder is one which has, or is deemed to have, five percent (5%) or more interest in the voting shares of the Company. In Code 2012, the direct association relationship with a substantial shareholder was amended to a direct association with a ten percent (10%) shareholder, which refers to a person who has an interest or interests in one or more voting shares in the company and the total votes attached to that share, or those shares, is not less than ten percent (10%) of the total votes attached to all the voting shares in the company.

The NC is guided by written Terms of Reference approved by the Board and which set out the duties and responsibilities of this Committee. It reviews the structure, size and composition of the Board, identifies the balance of skills, knowledge and experience required for the Board to discharge its responsibilities effectively and nominates candidates to meet the needs and requirements of the Group.

Besides evaluating annually the independence of each Director (as set out in the last paragraph of this section below), the NC appraises the performance of the Board as a whole, and the contribution of each Director to the effectiveness of the Board. The NC is also required to determine whether Directors who hold multiple board representations are able to and have been devoting sufficient time to discharge their responsibilities adequately. Code 2012 requires listed companies to fix the maximum number of board representations on other listed companies that their directors may hold and to disclose this in their annual report. Details of such directorships and other principal commitments of our Directors may be found on pages 18 to 25. In determining whether each Director is able to devote sufficient time to discharge his or her duties, the NC has taken cognizance of the Code 2012 requirement, but is of the view that its assessment should not be restricted to the number of board representations of each Director – and their respective principle commitments – per se. Holistically, the contributions by our Directors to and during meetings of the Board and relevant Board Committees as well as their attendance at such meetings should also be taken into account.

The NC reviews all nominations for appointments and re-appointments to the Board and to Board Committees, and submits its recommendations for approval by the Board taking into account an appropriate mix of core competencies for the Board to fulfill its roles and responsibilities.

The Committee takes the lead in identifying, evaluating and selecting suitable candidates for new directorships. In its search and selection process, the NC considers factors such as the ability of the prospective candidate to contribute to discussions, deliberations and activities of the Board and Board Committees. It also reviews the composition of the Board – including the mix of expertise, skills and attributes of existing Directors – so as to identify needed and/or desired competencies to supplement the Board's existing attributes. Where it deems necessary or appropriate, the Committee may tap on its networking contacts and/or engage external professional headhunters to assist with identifying and shortlisting candidates.

The Company's Articles of Association provides that at least one-third of its Directors shall retire from office and are subject to re-election at every Annual General Meeting of the Company ("**AGM**"). All Directors are required to retire from office at least once every three years. The NC will assess and evaluate whether Directors retiring at each AGM are properly qualified for reappointment by virtue of their skills, experience and contributions. Newly-appointed Directors during the year must also submit themselves for retirement and re-election at the next AGM immediately following their appointment. The Shareholders approve the appointment or re-appointment of Board members at the AGM. At the forthcoming AGM, the current members of the Board – including Khunying Wanna Sirivadhanabhakdi, who is retiring pursuant to section 153(2) of the Companies Act, Chapter 50 – will submit themselves for retirement and re-election.

Board Matters (cont'd)

The NC determines the independence of each Director annually based on the definitions and guidelines of independence set out in the Code of Corporate Governance. For the financial year ended 30 September 2013, the Nominating Committee has performed a review of the independence of the Directors as at 30 September 2013 and following its assessment, has determined the status of each Director as follows:

Mr Charoen Sirivadhanabhakdi[1,2]	Non-Independent
Khunying Wanna Sirivadhanabhakdi[1,2]	Non-Independent
Mr Charles Mak Ming Ying	Independent
Mr Chan Heng Wing	Independent
Mr Philip Eng Heng Nee	Independent
Mr Koh Poh Tiong[3]	Non-Independent
Mr Weerawong Chittmittrapap	Independent
Mrs Siripen Sitasuwan	Independent
Mr Chotiphat Bijananda[4]	Non-Independent
Mr Thapana Sirivadhanabhakdi[2]	Non-Independent
Mr Panote Sirivadhanabhakdi[2]	Non-Independent
Mr Sithichai Chaikriangkrai[5]	Non-Independent

Notes:

1 Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi are directly or indirectly interested in not less than ten percent (10%) of the total voting shares in the Company through their interests in TCCA and Thai Beverage Public Company Limited ("**ThaiBev**"). TCCA has a direct interest of 59.39% in the Company and ThaiBev, through its indirect wholly-owned subsidiary InterBev Investment Limited, holds 28.54% interest in the Company.

2 Mr Charoen Sirivadhanabhakdi is married to Khunying Wanna Sirivadhanabhakdi. Mr Chotiphat Bijananda is their son-in-law, and Mr Thapana Sirivadhanabhakdi and Mr Panote Sirivadhanabhakdi are their sons.

3 Mr Koh Poh Tiong was previously employed by the Company during the past three financial years as CEO, F&B division, from 1 October 2008 through 30 September 2011.

4 Mr Chotiphat Bijananda is a director of TCCA.

5 Mr Sithichai Chaikriangkrai is a Director and the Chief Financial Officer of ThaiBev.

Key Information regarding Directors

Key information on the Directors is set out on pages 18 to 25.

Principle 5: Board Performance

The effectiveness of the Board as a whole and the contribution by each Director to the effectiveness of the Board is assessed annually.

All Directors are required to assess the performance of the Board and the Board Committees. The assessment covers areas such as Board composition, information management, Board processes, Shareholder management, Board priorities, managing the Company's performance, effectiveness of the Board Committees, Director development and management, risk management and Director self-evaluation. Directors can also provide input on issues which do not fall under these categories, for instance, addressing specific areas where improvements can be made. Feedback and comments received from the Directors are reviewed by the NC, in consultation with the Chairman of the Board.

Based on the NC's review, the Board and the various Board Committees operate effectively and each Director is contributing to the overall effectiveness of the Board.

Board Matters (cont'd)

Principle 6: Access to Information

Management provides the Board with detailed Board papers specifying relevant information and commercial rationale for each proposal for which Board approval is sought. Such information include relevant financial forecasts, risk analyses, mitigation strategies, feasibility studies and key commercial issues for the Board's attention and consideration. Reports on major operational matters, business development activities, financial performance, potential investment opportunities and budgets are also circulated to the Board.

A calendar of activities is scheduled for the Board a year in advance, with Board papers and agenda items dispatched to the Directors about a week before scheduled meetings as far as possible. This is to give Directors sufficient time to review and consider the matters being tabled and/or discussed so that discussions can be more meaningful and productive. Senior Management is requested to attend meetings of the Board and the Board Committees in order to provide input and insight into matters being discussed, and to respond to any queries that the Directors may have. The Board also has separate and independent access to the Company's senior Management and the Group Company Secretary.

The Group Company Secretary attends all Board meetings, ensures that Board procedures are complied with, and provides advice and guidance on corporate governance, and on legal and regulatory compliance. Under the direction of the Chairman, the Group Company Secretary facilitates and acts as a channel of communications for the smooth flow of information to and within the Board and its various Committees, as well as between and with senior Management. The Group Company Secretary also solicits and consolidates Directors' feedback and evaluation from time to time, and arranges for and facilitates orientation programmes for new Directors and assists with their professional development as required. The Group Company Secretary is the Company's primary channel of communication with SGX-ST.

Where it is necessary for the efficacious discharge of their duties, the Directors may seek and obtain independent professional advice at the Company's expense.

B. REMUNERATION MATTERS

Principle 7: Procedures for Developing Remuneration Policies

Remuneration Committee ("RC")[1]

The RC is made up of non-executive Directors, the majority of whom, including the Chairman, are independent Directors. It comprises the following members:

Mr Philip Eng Heng Nee	Chairman
Mrs Siripen Sitasuwan[3]	Member
Mr Thapana Sirivadhanabhakdi	Member

Notes:

1 Until 21 March 2013, this Committee was formerly known as the Remuneration & Staff Establishment Committee ("**RSEC**").

2 Mr Chia Chee Ming Timothy and Mr Ho Tian Yee resigned from the RSEC on 26 February 2013.

3 Mrs Siripen Sitasuwan was appointed as a member of the RC on 28 June 2013 in lieu of Dr Pailin Chuchottaworn who was appointed on 21 March 2013 and resigned from the RC on 31 May 2013.

The RC's main responsibility is to assist the Board in establishing a formal and transparent process for developing policies on executive remuneration and development. Such policies are submitted to the Board for approval. The RC also reviews remuneration packages and service terms of individual Directors and the CEOs of the Company's three business divisions. When carrying out its duties, the RC reviews and makes recommendations on the remuneration framework for the Board and key management personnel. The RC also oversees the framework for remuneration and other terms of service for other key Management of the Company.

On an annual basis, the RC reviews the level and mix of remuneration and benefits policies and practices of the Company, including long-term incentives. When conducting such reviews, the RC takes into account the performance of the Company and that of individual employees. It also reviews and approves the framework for salary reviews, performance bonus and incentives for key Management of the Group.

Remuneration Matters (cont'd)

The RC also conducts on an annual basis a review of the development and succession plans for key Management and the leadership pipeline for the Company. In doing so, the RC aligns the CEOs' leadership – through appropriate remuneration and benefits policies and long-term incentives – with the Company's strategic objectives and key challenges. Performance targets are also set for the CEOs and their performances evaluated yearly.

The RC may from time to time, and where necessary or required, engage external consultants in framing the remuneration policy and determining the level and mix of remuneration for Directors and Management. Among other things, this helps the Company to stay competitive in its remuneration packages. During the financial year ended 30 September 2013, Carrots Consulting Pte Ltd and Hay Group Pte Ltd were appointed as remuneration consultants. The Company does not have any relationship with these consultants which would affect their independence and objectivity.

Principle 8: Level and Mix of Remuneration

In recommending the level and mix of remuneration, the RC seeks to build, motivate and retain Directors and key Management. It ensures that competitive remuneration policies and practices are in place to draw and motivate high-performing executives so as to drive the Group's businesses to greater growth, efficiency and profitability. In its deliberation, the RC takes into consideration industry practices and benchmarks against relevant industry players to ensure that its remuneration and employment conditions are competitive.

The Company's compensation framework comprises fixed pay and short-term and long-term incentives. The Company subscribes to linking executive remuneration to corporate and individual performance, based on an annual appraisal of employees and using indicators such as core values, competencies, key result areas, performance rating, and potential of the employees. Long-term incentive schemes are put in place to motivate and reward employees and align their interests to maximise long–term Shareholder value.

Long Term Incentive Plans

The RC administers the Company's share-based remuneration incentive plans, namely, the F&N Restricted Share Plan ("**RSP**") and F&N Performance Share Plan ("**PSP**").

Through the RSP and PSP, the Company seeks to foster a greater ownership culture within the F&N Group by aligning more directly the interests of key senior Management and senior executives with the interest of Shareholders, and for such employees to participate and share in the Group's growth and success.

The RSP is available to a broader base of senior executives compared to the PSP. Its objectives are to increase the Company's flexibility and effectiveness in its continuing efforts to attract, motivate and retain talented senior executives and to reward these executives for the performance of the Company and that of the individual. The PSP applies to senior Management in key positions who shoulder the responsibility of the Company's performance and who are able to drive the growth of the Company through superior performance. It serves as further motivation to key senior Management in striving for excellence and delivering long-term Shareholder value.

Under the RSP and PSP, the Company grants share-based awards ("**Base Awards**") conditional upon pre-determined performance targets being met. These targets are set by the RC in its absolute discretion for the performance conditions to be met over the performance period. The performance period for the RSP and PSP are two and three years respectively. For the RSP, the targets set are the achievement of Attributable Profit Before Exceptional Items and Return On Capital Employed. For the PSP, the pre-set targets are based on Return On Invested Capital, Total Shareholders' Return Relative to Straits Times Index and Absolute Shareholders' Return as a multiple of Cost of Equity.

These awards represent the right to receive fully paid shares, their equivalent cash value or a combination thereof, free of charge, provided certain prescribed performance conditions are met. The final number of shares to be released will depend on the achievement of the pre-determined targets at the end of the performance period. If such targets are met and/or exceeded, more shares than the Base Awards can be delivered, subject to a maximum percentage of the Base Awards. The first grant of Base Awards was made in December 2009.

Remuneration Matters (cont'd)

The maximum number of Company shares which can be released, when aggregated with the number of new shares issued pursuant to the vesting of awards under the RSP and PSP will not exceed ten percent (10%) of the issued share capital of the Company.

Senior management participants are required to hold a minimum number of the shares released to them under the RSP and PSP to maintain a beneficial ownership stake in the Company for the duration of their employment or tenure with the Company.

Principle 9: Disclosure on Remuneration

Remuneration of Directors and Top Five Key Management Personnel

Information on the remuneration of Directors of the Company and key management personnel of the Group is set out below.

Directors of the Company as at 30 September 2013	Remuneration $	Director Fee %	Adviser Fee %	Allowances %	Total %
Mr Charoen Sirivadhanabhakdi[1]	-[10]	-	-	-	-
Khunying Wanna Sirivadhanabhakdi[1]	-[10]	-	-	-	-
Mr Charles Mak Ming Ying[2]	80,452	100	-	-	100
Mr Chan Heng Wing[2]	67,860	100	-	-	100
Mr Philip Eng Heng Nee[3]	158,439[15]	100	-	-	100
Mr Koh Poh Tiong[4]	1,020,556[11,12]	8	89	3	100
Mr Weerawong Chittmittrapap[5]	59,250	100	-	-	100
Mrs Siripen Sitasuwan[6]	33,077	100	-	-	100
Mr Chotiphat Bijananda[7]	162,436[12,13]	100	-	-	100
Mr Thapana Sirivadhanabhakdi[7]	120,098[14]	100	-	-	100
Mr Panote Sirivadhanabhakdi[4]	60,444[12]	100	-	-	100
Mr Sithichai Chaikriangkrai[8]	108,570[12]	100	-	-	100
Mr Prapakon Thongtheppairot (Alternate Director)[9]	10,417	100	-	-	100

Notes:

1 Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi were appointed as non-independent and non-executive Directors on 28 February 2013.

2 Mr Charles Mak and Mr Chan Heng Wing and Dr Pailin Chuchottaworn were appointed as independent and non-executive Directors on 28 February 2013. Dr Chuchottaworn resigned from the Board and from the Remuneration and Nominating Committees on 31 May 2013.

3 Mr Philip Eng was appointed as an independent and non-executive Director on 22 February 2013.

4 Mr Koh Poh Tiong and Mr Panote Sirivadhanabhakdi were appointed as non-independent and non-executive Directors on 3 April 2013. Mr Koh was also appointed as Advisor to the Board effective 3 April 2013.

5 Mr Weerawong Chittmittrapap was appointed as an independent and non-executive Director on 3 April 2013.

6 Mrs Siripen Sitasuwan was appointed as an independent and non-executive Director on 31 May 2013, in lieu of Dr Pailin Chuchottaworn who resigned from the Board on 31 May 2013.

7 Mr Chotiphat Bijananda and Mr Thapana Sirivadanabhakdi were appointed as non-independent and non-executive Directors on 19 February 2013.

8 Mr Sithichai Chaikriangkrai was appointed as a non-independent and non-executive Director on 22 February 2013.

9 Mr Prapakon Thongtheppairot was appointed as alternate Director to Mr Sithichai Chaikriangkrai on 21 March 2013.

10 Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi waived payment of Directors' fees due to them.

11 Includes payment of $29,667 being car allowance payable under his appointment as adviser to the Company.

12 Includes payment of $1,000 payable to each of these Directors being director's fees for participating in a verification meeting on 23 August 2013 on behalf of the Board in respect of, among other things, the proposed demerger of the property business of the Company.

13 Includes payment of $36,308 being director's fees from Times Publishing Limited ("**TPL**") from 26 February 2013.

14 Includes payment of $18,154 being director's fees from TPL from 26 February 2013.

15 Includes payment of $75,000 being director's fees from Frasers Centrepoint Asset Management Ltd for the financial year.

Remuneration Matters (cont'd)

Directors of the Company who resigned during the financial year ended 30 September 2013	Remuneration $	Fee %	Total %
Mr Lee Hsien Yang[1]	666,385[4]	100	100
Mr Timothy Chia Chee Ming[1]	75,553	100	100
Ms Maria Mercedes Corrales[1]	58,245[5]	100	100
Mr Ho Tian Yee[1]	74,554	100	100
Mr Hirotake Kobayashi[2]	37,018	100	100
Mr Koh Beng Seng[1]	66,339	100	100
Dr Seek Ngee Huat[1]	45,964	100	100
Mr Tan Chong Meng[1]	79,686[6]	100	100
Mr Nicky Tan Ng Kuang[1]	78,661	100	100
Dr Pailin Chuchottaworn[3]	30,804	100	100

Notes:

1 Mr Lee Hsien Yang, Mr Chia Chee Ming Timothy, Ms Maria Mercedes Corrales, Mr Ho Tian Yee, Mr Koh Beng Seng, Dr Seek Ngee Huat, Mr Tan Chong Meng and Mr Nicky Tan Ng Kuang resigned from the Board and from their respective memberships on the Board Committees of F&N on 26 February 2013.

2 Mr Hirotake Kobayashi resigned from the Board and from the F&B Committee on 15 February 2013.

3 Dr Pailin Chuchottaworn was appointed as an independent and non-executive Director on 28 February 2013. He resigned from the Board and from the Remuneration and the Nominating Committees on 31 May 2013.

4 Includes payment of (i) $32,528 in lieu of company car entitlement and (ii) $61,607 being director's fees from FCL up to 26 February 2013.

5 Includes payment of $13,281 being director's fees from Times Publishing Limited ("**TPL**") up to 26 February 2013.

6 Includes payment of $26,561 being director's fees from TPL up to 26 February 2013.

Key Management Personnel of the F&N Group as at 30 September 2013	Remuneration $	Fee %	Salary %	Bonus %	Allowances & Benefits %	Long Term Incentive %	Total %
Mr Lim Ee Seng	3,558,910	0	35	29	4	32	100
Mr Dato' Ng Jui Sia[1]	1,397,682	0	45	20	6	29	100
Mr Anthony Cheong Fook Seng	1,335,758	0	47	22	4	27	100
Mr Somsak Chayapong[2]	603,004	0	72	25	3	0	100
Mr Huang Hong Peng[1,3]	520,403	0	93	0	7	0	100

Notes:

1 Mr Huang Hong Peng was appointed CEO – Beer, and Dato' Ng Jui Sia was appointed CEO – Non-Alcoholic Beverages, with effect from 1 July 2013. Mr Pascal De Petrini resigned as CEO of the Company's F&B division with effect from 9 July 2013.

2 Mr Somsak Chayapong was appointed CEO, Fraser & Neave Holdings Bhd ("**F&NHB**") with effect from 1 July 2013 in lieu of Dato' Ng who resigned as CEO, F&NHB effective 1 July 2013. Mr Chayapong was previously Managing Director of F&N Dairies Thailand (Limited), a subsidiary of F&NHB.

3 This covers services provided by Mr Huang Hong Peng for the period 1 May 2013 to 30 September 2013.

Key Management Personnel of the F&N Group who resigned during the financial year ended 30 September 2013	Remuneration $	Fee %	Salary %	Bonus %	Allowances & Benefits %	Others %	Total %
Mr Pascal De Petrini[1]	5,080,904[2]	0	33	0	13	54	100

Notes:

1 Appointed CEO of the Company's F&B division effective 1 October 2011, Mr Pascal De Petrini resigned with effect from 9 July 2013.

2 Includes payment of $2,750,707 in connection with Mr Pascal De Petrini's cessation of employment pursuant to the terms of his contract of employment.

Save for the above payments made to Mr Pascal De Petrini during the financial year ended 30 September 2013 pursuant to the terms of his employment contract, there are no termination, retirement and post-employment benefits that may be granted to Directors and top five key management personnel (who are not Directors or the CEO of the Company).

There are no employees within the F&N Group who are immediate family members of a Director, and whose remuneration exceeds $50,000 during the year.

Remuneration Matters (cont'd)

Directors' Fees

The remuneration of non-executive Directors takes into account their level and quality of contribution and their respective responsibilities, including attendance and time spent at Board meetings and Board Committee meetings. Directors are paid a basic fee and attendance fees for attending Board meetings. Non-executive Directors who perform services through Board Committees are paid additional basic and attendance fees for such executive services. No Director decides his own fees. Directors' fees are reviewed periodically to benchmark such fees against the amounts paid by other major listed companies. The Company's Board fee structure during the year (which remains unchanged from that in the preceding financial year i.e. ended 30 September 2012) is as set out below.

	Basic Fee ($)	Attendance Fee ($)
Board		
- Chairman	150,000	2,000
- Member	75,000	1,000
Audit Committee and Board EXCO		
- Chairman	50,000	2,000
- Member	25,000	1,000
F&B Committee, NC, RC and Risk Management Committee		
- Chairman	30,000	2,000
- Member	15,000	1,000

Shareholders' approval will be sought at the 115th AGM of the Company on 27 January 2014, for the payment of Directors' fees proposed for the financial year ending 30 September 2014 amounting to $2 million (last year: $2.9 million). The decrease in proposed Directors' fees is due to the reduction in basic fee for the Chairman of the Board from ($1,250,000 to $150,000), and also because our Chairman Mr Charoen Sirivadhanabhakdi and Vice-Chairman Khunying Wanna Sirivadhanabhakdi are waiving Directors' fees due to them.

To better align with Shareholders' interests, Directors are encouraged to purchase the Company's shares from the open market and to hold the equivalent of a year's fees in such shares while they remain on the Board, subject to their compliance with applicable laws and regulations.

C. ACCOUNTABILITY AND AUDIT

Principle 10: Accountability

F&N prepares its financial statements in accordance with the Singapore Financial Reporting Standards ("**SFRS**") prescribed by the Accounting Standards Council. The Board provides Shareholders with quarterly and annual financial reports, and releases its quarterly and full year financial results through announcements to the SGX-ST and, where appropriate, press releases and presentation materials. In communicating and disseminating its results, F&N aims to present a balanced and clear assessment of the Group's performance, position and prospects.

Principle 11: Risk Management and Internal Controls

The Company maintains a sound internal control system with a view to safeguard its assets and Shareholders' investments.

The Audit Committee ("**AC**"), through the assistance of internal and external auditors, reviews and reports to the Board on the adequacy of the Company's system of controls, including financial, operational and compliance controls, established by Management. In assessing the effectiveness of internal controls, the AC ensures primarily that key objectives are met, material assets are properly safeguarded, fraud or errors in the accounting records are prevented or detected, accounting records are accurate and complete, and reliable financial information is prepared in compliance with applicable internal policies, laws and regulations.

The importance and emphasis placed by the F&N Group on internal controls is underpinned by the fact that the key performance indicators for Management's performance takes into account the findings of both internal and external auditors and the number of unresolved or outstanding issues raised in the process.

Accountability and Audit (cont'd)

Risk Management Committee ("**RMC**")

The Board, through the RMC, reviews the adequacy of the Group's risk management framework to ensure that robust risk management and internal controls are in place. The Company has adopted an enterprise-wide risk management ("**ERM**") framework to enhance its risk management capabilities. Key risks, mitigating measures and management actions are continually identified, reviewed and monitored as part of the ERM process. Financial and operational key risk indicators are in place to track key risk exposures. Apart from the ERM process, key business risks are thoroughly assessed by Management and each significant transaction is comprehensively analysed so that Management understands the risks involved before it is embarked upon.

The RMC oversees the risk management framework and policies of the Group. It is responsible for, among other things, reviewing the Group's strategy, policies, enterprise-wide risk management framework, processes and procedures for identifying, measuring, reporting and mitigating key risks in the Group's businesses and operations. The RMC would report material matters, findings and recommendations to the Board. Together with the AC, the RMC helps to ensure that Management maintains a sound system of risk management and internal controls to safeguard the interests of Shareholders and the assets of the Group. The RMC also provides guidance to Management, and renders assistance to the Board for determining the nature and extent of significant risks which the Board would be willing to take in achieving the Group's strategic objectives. The meetings of the RMC are attended by the senior Management of the three business divisions of the Group, and serve as a forum to review and discuss material risks and exposures of these businesses and their strategies to mitigate risks.

The RMC comprises the following members:

Mr Chotiphat Bijananda	Chairman
Mr Chan Heng Wing	Member
Mr Weerawong Chittmittrapap	Member
Mr Thapana Sirivadhanabhakdi	Member
Mr Sithichai Chaikriangkrai	Member

Note:

[1] Mr Tan Chong Meng and Dr Seek Ngee Huat resigned from the RMC on 26 February 2013.

Periodic updates are provided to the RMC on the Group's risk profile. These updates include the assessment of the Group's key risks by major business units, risk categories, and the status and changes in plans undertaken by Management to manage key risks.

Using a comfort matrix of key risks, the material financial, compliance and operational (including information technology) risks of the Company have been documented and presented against strategies, policies, people, processes, systems, mechanisms and reporting processes that have been put in place. The Management of the Company's three business divisions also carry out control self-assessments in key areas of their respective businesses and operations to evaluate the adequacy and effectiveness of their risk management measures and internal controls.

The Board has received assurance from the CEOs of the three business divisions of the Company, the Chief Financial Officer of the Company and the chief financial officers of these three business divisions of the Company that as at 30 September 2013:

(a) the financial records of the Group have been properly maintained and the financial statements for the year ended 30 September 2013 give a true and fair view of the Group's operations and finances; and

(b) the system of risk management and internal controls in place for the respective business divisions were adequate and effective as at 30 September 2013 to address financial, operational, compliance and information technology risks which the business divisions consider relevant and material to their operations.

Accountability and Audit (cont'd)

Based on the internal controls and risk management framework established and maintained by the Group, work performed by internal and external auditors and reviews performed by Management and various Board Committees, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls were adequate as at 30 September 2013 to address financial, operational, compliance and information technology risks, which the Group considers relevant and material to its operations.

The Board notes that the system of internal controls and risk management provides reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that could be reasonably foreseen as it works to achieve its business objectives.

In this regard, the Board also notes that no system of internal controls and risk management can provide absolute assurance against the occurrence of material errors, poor judgment in decision making, human error, losses, fraud or other irregularities.

An outline of the Group's ERM framework and progress report is set out on page 76.

Whistle-Blowing Policy

The Group has in place a Whistle-Blowing Policy. This Policy provides an independent feedback channel through which matters of concern about possible improprieties in matters of financial reporting or other matters may be raised by employees in confidence and in good faith, without fear of reprisal. Details of this policy have been disseminated and made available to all employees of the Company. All matters which are raised are then independently investigated and appropriate actions taken. The AC ensures that independent investigations and any appropriate follow-up actions are carried out.

Principle 12: Audit Committee

The AC, on behalf of the Board, undertakes the monitoring and review of the system of internal controls. Its main responsibilities are to assist the Board in the discharge of its oversight responsibilities in the areas of internal controls, financial and accounting practices, operational and compliance controls. Significant findings are reported to the Board.

The AC is guided by written Terms of Reference endorsed by the Board and which set out its duties and responsibilities. It is duly authorised to investigate any matter within such Terms of Reference, and has full access to and the co-operation of Management, as well as the full discretion to invite any Director or executive officer to attend its meetings.

The AC comprises the following three members:

Mr Charles Mak Ming Ying	Chairman
Mr Philip Eng Heng Nee	Member
Mr Sitichai Chaikriangkrai	Member

Note:
[1] Mr Koh Beng Seng, Mr Chia Chee Ming Timothy and Mr Nicky Tan Ng Kuang resigned from the AC on 26 February 2013.

Accountability and Audit (cont'd)

The AC is made up of non-executive Directors, the majority of whom, including the Chairman, are independent Directors. The members of the AC are appropriately qualified. Their collective wealth of experience and expertise on accounting and financial management enables them to discharge their responsibilities competently. The Committee has reasonable resources to enable it to discharge its functions effectively.

During the year, the key activities of the AC included the following:

- Reviewing the quarterly and full-year financial results and related SGX announcements, including significant financial reporting issues and assessments, to safeguard the integrity in financial reporting, and to ensure compliance with the requirements of the SFRS
- Approving, on behalf of the Board, the 1st and 3rd Quarter financial results and corresponding SGX-ST announcements
- Recommending, for the approval of the Board, the half-year and annual financial results and related SGX-ST announcements
- Reviewing and evaluating with internal and external auditors, the adequacy and effectiveness of internal control systems, including financial, operational and compliance controls
- Reviewing and approving the internal and external audit plans to ensure the adequacy of the audit scope
- Reviewing with internal and external auditors, the audit report and their recommendations, and monitoring the timely and proper implementation of any required corrective or improvement measures
- Reviewing the adequacy and effectiveness of the Group's internal audit function, including the adequacy of internal audit resources and its appropriate standing within the Group
- Reviewing whistle-blowing investigations within the Group and ensuring appropriate follow-up actions, if required

The Committee also meets with internal and external auditors without the presence of Management at least once a year to obtain feedback on the competency and adequacy of the finance function and to ascertain if there are any material weaknesses or control deficiencies in the Group's financial reporting and operational systems. In addition, updates on changes in accounting standards and treatment are prepared by external auditors and circulated to members of the AC periodically.

The Committee makes recommendations to the Board for approval by Shareholders, the appointment, re-appointment and removal of the Company's external auditors. It also reviews and approves the remuneration and terms of engagement of the external auditors.

During the year, the AC conducted a review of the scope and results of audit by the incumbent auditors and its cost effectiveness, as well as the independence and objectivity of the auditors. It also reviewed all non-audit services provided by the incumbent auditors, and the aggregate amount of audit fees paid to them. For details of fees payable to the auditors in respect of audit and non-audit services, please refer to Note 4 of the Notes to the Financial Statements on page 136. The Committee is satisfied that neither their independence nor their objectivity is put at risk, and that they are still able to meet the audit requirements and statutory obligations of the Company. It is also satisfied with the aggregate amount of audit fees paid to the auditors. Accordingly, the AC has recommended the re-appointment of the external auditors at the AGM of the Company. In recommending the re-appointment of the auditors, the Committee considered and reviewed a variety of factors including the adequacy of resources, experience of supervisory and professional staff to be assigned to the audit, and size and complexity of the Group, its businesses and operations.

Principle 13: Internal Audit

The Internal Audit ("**IA**") Department is an independent function within the Company. It conducts objective and independent assessments on the adequacy and quality of the Group's system of internal controls. The Head of IA, who is a Chartered Accountant of Singapore, reports directly to the Chairman of the AC and administratively, to the Group Company Secretary.

The Head of IA and most of the internal audit staff are members of the Institute of Internal Auditors, Singapore and the department has adopted and complied with the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors. To ensure that the internal audits are effectively performed, it recruits and employs suitably qualified staff with the requisite skills and experience. Such staff are also given relevant training and development opportunities to update their technical knowledge and auditing skills. Key staff members of the IA Department also receive relevant technical training and seminars organised by the Institute of Internal Auditors, Singapore and other professional bodies.

Accountability and Audit (cont'd)

The IA Department operates within the framework stated in its Terms of Reference, which is approved by the AC. It adopts a risk-based audit methodology to develop its audit plans, and its activities are aligned to key risks of the F&N Group. Based on risk assessments performed, greater focus and appropriate review intervals are set for higher risk activities, and material internal controls, including compliance with the Company's policies, procedures and regulatory responsibilities.

During the year, the IA Department conducted its audit reviews based on the approved internal audit plans. All audit reports detailing audit findings and recommendations are provided to Management who would respond on the actions to be taken. Each quarter, the IA Department would submit to the AC a report on the status of the audit plan and on audit findings and actions taken by Management on such findings. Key findings are highlighted at AC meetings for discussion and follow-up action. The Committee monitors the timely and proper implementation of required corrective, preventive or improvement measures undertaken by Management.

The AC is satisfied that that the IA Department has adequate resources and appropriate standing within the Company to perform its function effectively. At the 14th Securities Investors Association (Singapore) Investors' Choice Awards on 8 November 2013 (the "**14th SIAS Investors' Choice Awards**"), F&N won the Merit Award under the *Internal Audit Excellence* category.

D. SHAREHOLDER RIGHTS AND RESPONSIBILITIES

Principle 14: Shareholder Rights

F&N believes in treating all Shareholders fairly and equitably. It aspires to keep all Shareholders and other stakeholders and analysts in Singapore and beyond informed of its corporate activities, including changes (if any) in the Company or its businesses which are likely to materially affect the price or value of its shares, on a timely and consistent manner.

Shareholders are also given the opportunity to participate effectively and vote at general meetings of the Company, where relevant rules and procedures governing such meetings (for instance, how to vote) are clearly communicated.

Principle 15: Communication with Shareholders

The Company prides itself on its high standards of disclosure and corporate transparency. At the 14th SIAS Investors' Choice Awards, F&N was also named the Most Transparent Company, Industrial Category. F&N aims to provide fair, relevant, comprehensive and timely information regarding the Group's performance and progress to Shareholders and the investment community to enable them to make informed investment decisions. The Group's dedicated Investor Relations ("**IR**") team is tasked with and focuses on facilitating communications between the Company and its Shareholders, as well as with the investment community.

The IR team communicates regularly with Shareholders and the investment community, with timely disclosures of material and other pertinent information, through regular dialogues and announcements to SGX-ST. The team conducts roadshows (together with key senior Management), and participates in investor seminars and conferences to keep the market and investors apprised of the F&N Group's corporate developments and financial performance. During the year, the IR team, together with senior Management, engaged with Singapore and foreign investors at non-deal roadshows as well as one-on-one and group meetings. The aim of such engagements is to provide Shareholders and investors prompt disclosure of relevant information, to enable them to have a better understanding of the Company's businesses and performance. The Company makes available all its briefing materials to analysts and the media, its financial information, its annual reports and all announcements to the SGX-ST and on its website at www.fraserandneave.com, with contact details for investors to channel their comments and queries.

Further details on IR's activities and responsibilities during the year can be found in the Investor Relations section of the Annual Report on page 63.

The Company has a policy on the payment of dividends, which is to endeavour – barring unforeseen circumstances – to pay up to fifty percent (50%) of Group Attributable Profit before fair value adjustment and exceptional items.

Shareholder Rights and Responsibilities (cont'd)

Principle 16: Conduct of Shareholder Meetings

The Board supports and encourages active Shareholder participation at AGMs. It believes that general meetings serve as an opportune forum for Shareholders to meet the Board and senior Management, and to interact with them.

The Company's Articles of Association allows all Shareholders the right to appoint up to two proxies to attend and vote on their behalf in Shareholders' meetings. A copy each of the Annual Report and notice of AGM is sent to all Shareholders. Separate resolutions are proposed on each substantially separate issue at the meeting. Shareholders are given the opportunity to raise questions and clarify any issues that they may have relating to the resolutions to be passed.

Board members and senior Management are present at each Shareholders' meeting to respond to any questions from Shareholders. The Company's external auditors are also present to address queries about the conduct of audit and the preparation and content of the auditors' report.

For greater transparency, F&N has implemented electronic poll voting since its 2010 AGM. This entails Shareholders being invited to vote on each of the resolutions by poll, using an electronic voting system (instead of voting by hands), thereby allowing all Shareholders present or represented at the meeting to vote on a one share, one vote basis. The voting results of all votes cast for, or against, each resolution are then screened at the meeting and announced to the SGX-ST after the meeting. The Company will continue to use the electronic poll voting system at the forthcoming AGM.

Code of Business Conduct

F&N has in place a Code of Business Conduct which sets out the business practices, standards and ethical conduct expected of all employees in the course of their employment with the F&N Group. The Code is disseminated and distributed to all employees for compliance, and covers such aspects of the business operations of the Group as conflicts of interest and dealings with government officials, government employees, and suppliers and customers of the Company. In addition, Directors, officers and employees are required to observe and maintain high standards of integrity in carrying out their roles and responsibilities, and to comply with relevant and applicable laws and regulations, as well as with Company policies.

Listing Rule 1207 sub-Rule (19) on Dealings in Securities

In compliance with Listing Rule 1207 sub-Rule (19) of the SGX-ST Listing Manual, the Group issues quarterly reminders to its Directors, officers and employees on the restrictions in dealings in listed securities of the Group during the period commencing (i) two weeks prior to the announcement of financial results of each of the first three quarters of the financial year, and (ii) one month before the announcement of full year results, and ending on the date of such announcements. Directors, officers and employees are also reminded not to trade in listed securities of the Group at any time while in possession of unpublished price sensitive information and to refrain from dealing in the Group's securities on short-term considerations.

Particulars of Key Management Personnel as at 30 September 2013

Name of Key Executive	Age	Academic & Professional Qualifications	Working Experience	Area of Responsibility
Mr Lim Ee Seng, PBM	62	Bachelor of Engineering (Civil), University of Singapore Master of Science (Project Management), National University of Singapore Fellow, Singapore Institute of Directors Member, The Institution of Engineers, Singapore	1982 – 1989 Project Manager, Singapore Land Ltd 1989 – 1996 General Manager (Property Division), First Capital Corporation Ltd 1996 – 2004 Managing Director, MCL Land Limited	Group Chief Executive Officer, Frasers Centrepoint Limited (Date appointed: 15 October 2004)
Dato' Ng Jui Sia	61	Bachelor of Business Administration, University of Singapore Associate, The Institute of Chartered Accountants in England and Wales	1982 – 1985 Audit Senior/Audit Manager, Price Waterhouse Singapore 1985 – 1989 Regional Financial Controller, MK Electric SEA Pte Ltd 1989 – 1995 General Manager (Hong Kong & South China), CarnaudMetalbox Asia Pacific 1995 – 1999 General Manager, Fraser and Neave, Limited / F&N Coca-Cola (Singapore) Pte Ltd 1999 – 2006 Managing Director, F&N Coca-Cola (Malaysia) Sdn Bhd 2006 – 2010 Chief Executive Officer, Times Publishing Limited 2010 – 2013 Chief Executive Officer, Fraser & Neave Holdings Bhd	Chief Executive Officer, Non-Alcoholic Beverages, Fraser and Neave, Limited (Date appointed: 1 July 2013)
Mr Anthony Cheong Fook Seng	59	Associate, The Institute of Chartered Accountants in England and Wales Member, Institute of Singapore Chartered Accountants	1982 – 1989 Manager, Corporate Recovery Services, Ernst & Young 1989 – 2001 Company Secretary, CarnaudMetalbox Asia Ltd 2001 - 2002 Corporate General Manager, Finance, Times Publishing Limited	Group Company Secretary, Fraser and Neave Group (Date appointed: 1 April 2002) Acting Chief Executive Officer, Times Publishing Limited (Date appointed: 3 July 2013)
Mr Somsak Chayapong	54	Bachelor of Science (Chemistry), Chulalongkorn University, Thailand Program for Executive Development, IMD Business School, Switzerland	1981 – 1983 Quality Control Chemist, ICI Paints (Thailand) Ltd 1983 – 2006 Zone Leader - Asia & Oceania, Nestle (Thai) Ltd 2006 - 2013 Managing Director, F&N Dairies (Thailand) Limited	Chief Executive Officer, Fraser & Neave Holdings Bhd (Date appointed: 1 July 2013)
Mr Huang Hong Peng	54	Degree in Air Transport, Ecole Nationale de l'Aviation Civile, Toulouse, France Advanced Management Programme. Harvard Business School	1993 – 1994 Assistant Director (Airport Management), Civil Aviation Authority Singapore 1994 Management Assistant, Union Bank of Switzerland 1994 – 1995 Senior Manager, Projects, Asia Pacific Breweries Limited 1995 - 1997 Assistant General Manager, Projects, Asia Pacific Breweries Limited 1997 – 1998 General Manager, Myanmar Brewery Limited 1999 – 2000 General Manager, Hainan Asia Pacific Brewery Company Ltd 2000 – 2002 General Manager, Shanghai Asia Pacific Brewery Co Ltd 2002 – 2004 Regional Director, China, Asia Pacific Breweries Limited 2005 – 2006 Chief Operating Officer, Food & Beverage, Fraser and Neave, Limited 2006 – 2008 Regional Director, China, Asia Pacific Breweries Limited 2008 Regional Director, CEO's Office, Asia Pacific Breweries Limited 2008 -2012 Deputy Chief Executive Officer, Food & Beverage, Fraser and Neave, Limited	Chief Executive Officer, Beer, Fraser and Neave, Limited (Date appointed: 1 July 2013)

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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 2013.

1. DIRECTORATE

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

Mr Charoen Sirivadhanabhakdi	(Chairman)	-	Appointed on 28 February 2013
Khunying Wanna Sirivadhanabhakdi	(Vice Chairman)	-	Appointed on 28 February 2013
Mr Charles Mak Ming Ying		-	Appointed on 28 February 2013
Mr Chan Heng Wing		-	Appointed on 28 February 2013
Mr Philip Eng Heng Nee		-	Appointed on 22 February 2013
Mr Koh Poh Tiong		-	Appointed on 3 April 2013
Mr Weerawong Chittmittrapap		-	Appointed on 3 April 2013
Mrs Siripen Sitasuwan		-	Appointed on 31 May 2013
Mr Chotiphat Bijananda		-	Appointed on 19 February 2013
Mr Thapana Sirivadhanabhakdi		-	Appointed on 19 February 2013
Mr Panote Sirivadhanabhakdi		-	Appointed on 3 April 2013
Mr Sithichai Chaikriangkrai		-	Appointed on 22 February 2013
Mr Prapakon Thongtheppairot (Alternate to Mr Sithichai Chaikriangkrai)		-	Appointed on 21 March 2013

During the financial year,

- Mr Hirotake Kobayashi resigned from the Board on 15 February 2013.

- the following directors resigned on 26 February 2013:
  - Mr Lee Hsien Yang
  - Mr Timothy Chia Chee Ming
  - Ms Maria Mercedes Corrales
  - Mr Ho Tian Yee
  - Mr Koh Beng Seng
  - Dr Seek Ngee Huat
  - Mr Tan Chong Meng
  - Mr Nicky Tan Ng Kuang

- Mr Pailin Chuchottaworn was appointed a director on 28 February 2013 and resigned on 31 May 2013.

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 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, Chapter 50 were as follows:

		As at date of appointment	As at 30 Sep 2013
Charoen Sirivadhanabhakdi			
- *Fraser and Neave, Limited*			
• Ordinary Shares		1,301,433,884 [(1)(2)]	1,301,433,884 [(2)]
- *Frasers Centrepoint Asset Management (Commercial) Ltd*			
• Ordinary Shares in Frasers Commercial Trust		180,591,277 [(1)(3)]	180,591,277 [(3)]
• Series A Convertible Perpetual Preferred Units in Frasers Commercial Trust		153,078,942 [(1)(4)]	Nil [(4)]
- *Frasers Centrepoint Asset Management Ltd*			
• Ordinary Units in Frasers Centrepoint Trust		337,679,119 [(1)(5)]	337,948,200 [(5)]
- *Fraser & Neave Holdings Bhd*			
• Ordinary Shares		203,470,910 [(1)(6)]	203,470,910 [(6)]
- *TCC Assets Limited*			
• Ordinary Shares		25,000 [(1)]	25,000
Khunying Wanna Sirivadhanabhakdi			
- *Fraser and Neave, Limited*			
• Ordinary Shares		1,301,433,884 [(1)(2)]	1,301,433,884 [(2)]
- *Frasers Centrepoint Asset Management (Commercial) Ltd*			
• Ordinary Units in Frasers Commercial Trust		180,591,277 [(1)(3)]	180,591,277 [(3)]
• Series A Convertible Perpetual Preferred Units in Frasers Commercial Trust		153,078,942 [(1)(4)]	Nil [(4)]
- *Frasers Centrepoint Asset Management Ltd*			
• Ordinary Units in Frasers Centrepoint Trust		337,679,119 [(1)(5)]	337,948,200 [(5)]
- *Fraser & Neave Holdings Bhd*			
• Ordinary Shares		203,470,910 [(1)(6)]	203,470,910 [(6)]
- *TCC Assets Limited*			
• Ordinary Shares		25,000 [(1)]	25,000
Charles Mak Ming Ying		Nil [(1)]	Nil
Chan Heng Wing		Nil [(1)]	Nil
Philip Eng Heng Nee			
- *Frasers Centrepoint Asset Management (Commercial) Ltd*			
• Ordinary Units in Frasers Commercial Trust		300,000 [(7)]	300,000
Koh Poh Tiong			
- *Fraser and Neave, Limited*			
• Conditional Award of Restricted Shares	(Year 1)	67,950 [(8)(9)]	108,517 [(10)]
• Conditional Award of Restricted Shares	(Year 2)	37,150 [(8)(11)]	59,626 [(12)]
• Conditional Award of Performance Shares	(Year 2)	127,120 [(8)(13)]	202,122 [(14)]
Weerawong Chittmittrapap		Nil [(8)]	Nil
Siripen Sitasuwan		Nil [(15)]	Nil
Chotiphat Bijananda		Nil [(16)]	Nil
Thapana Sirivadhanabhakdi		Nil [(16)]	Nil
Panote Sirivadhanabhakdi		Nil [(8)]	Nil
Sithichai Chaikriangkrai		Nil [(7)]	Nil
Prapakon Thongtheppairot (Alternate to Sithichai Chaikriangkrai)		Nil [(17)]	Nil

3. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES (cont'd)

(1) As at date of appointment i.e. 28 February 2013.

(2) Each of Charoen Sirivadhanabhakdi and his spouse, Khunying Wanna Sirivadhanabhakdi, owns 50% of the issued and paid-up share capital of TCC Assets Limited ("TCCA"), and is therefore deemed to be interested in all of the shares in Fraser and Neave, Limited ("F&N") in which TCCA has an interest.

Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi also jointly hold a 51% direct interest in Siriwana Company Limited, which in turn holds an approximate 45.27% direct interest in Thai Beverage Public Company Limited ("ThaiBev"). ThaiBev holds a 100% direct interest in International Beverage Holdings Limited, which in turns holds a 100% direct interest in InterBev Investment Limited ("IBIL"). Each of Charoen Sirivadhanabhakdi and Khungying Wanna Sirivadhanabhakdi is therefore deemed to be interested in all shares in F&N in which IBIL has an interest.

(3) As at 28 February 2013:
- TCCA holds a greater than 20% interest in F&N;
- F&N holds a 100% direct interest in Frasers Centrepoint Limited ("FCL");
- FCL holds a 100% direct interest in each of Frasers Centrepoint Asset Management (Commercial) Ltd ("FCAMC") and FCL Trust Holdings (Commercial) Pte Ltd ("FCLTHC");
- FCAMC holds a 100% direct interest in Frasers Centrepoint Property Management (Commercial) Pte Ltd ("FCPMC");
- FCAMC holds 79,206,298 units in Frasers Commercial Trust ("FCOT");
- FCLTHC holds 100,521,055 units in FCOT; and
- FCPMC holds 863,924 units in FCOT.

Therefore, as at 28 February 2013, Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi have a deemed interest in the 180,591,277 units in FCOT in which TCCA has an interest, by virtue of Section 4 of the Securities and Futures Act, Chapter 289 of Singapore.

(4) In addition, FCLTHC has a direct interest in 104,000,000 Series A Convertible Perpetual Preferred Units ("CPPUs") issued by FCOT and FCL Investments Pte Ltd (in which FCL has a 100% direct interest) has a direct interest in 49,078,942 Series A CPPUs. F&N has a 100% direct interest in FCL. So, TCCA is deemed to be interested in an aggregate of 153,078,942 Series A CPPUs, in which F&N has an interest. The 153,078,942 Series A CPPUs were redeemed on 1 April 2013.

(5) As at 28 February 2013:
- TCCA holds a greater than 20% interest in F&N;
- F&N holds a 100% direct interest in FCL;
- FCL holds a 100% direct interest in each of Frasers Centrepoint Asset Management Ltd ("FCAM") and FCL Trust Holdings Pte Ltd ("FCLTH");
- FCAM holds 24,179,119 units in Frasers Centrepoint Trust ("FCT"); and
- FCLTH holds 313,500,000 units in FCT.

Therefore, Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi have a deemed interest in the 337,679,119 units in FCT in which TCCA has an interest, by virtue of Section 4 of the Securities and Futures Act, Chapter 289 of Singapore.

(6) As at 28 February 2013, F&N holds a 55.96% direct interest in Fraser & Neave Holdings Bhd.

Therefore, Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi have a deemed interest in the 203,470,910 shares in Fraser & Neave Holdings Bhd.

(7) As at date of appointment i.e. 22 February 2013.

(8) As at date of appointment i.e. 3 April 2013.

(9) Reflects a deemed interest in 67,950 shares in F&N to be released in accordance with the rules of the F&N Restricted Share Plan ("RSP").

(10) Reflects a deemed interest in 108,517 shares in F&N after vesting and adjustment due to capital reduction, to be released in accordance with the rules of the RSP.

(11) Reflects a deemed interest in 37,150 shares in F&N to be released in accordance with the rules of the RSP.

(12) Reflects a deemed interest in 59,626 shares in F&N after vesting and adjustment due to capital reduction to be released in accordance with the rules of the RSP.

(13) Reflects a deemed interest in up to 127,120 shares in F&N arising from the grant of a conditional award of performance shares under the F&N Performance Share Plan ("PSP"). The actual number of F&N shares to be delivered will range from 0% to 200% of the base award of 63,560 shares, depending on the level of achievement of performance targets set over a three-year performance period.

(14) Reflects a deemed interest in up to 202,122 shares in F&N arising from the grant of a conditional award of performance shares under the PSP and after adjustment for capital reduction. The actual number of F&N shares to be delivered will range from 0% to 200% of the adjusted base award of 101,061 shares, depending on the level of achievement of performance targets set over a three-year performance period.

(15) As at date of appointment i.e. 31 May 2013.

(16) As at date of appointment i.e. 19 February 2013.

(17) As at date of appointment i.e. 21 March 2013.

Except as disclosed in this report, no director who held office at the end of the financial year had interest in shares, share options, warrants or debentures of the Company, or of related corporations, either at the date he/she became a director or at the end of the financial year.

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, Chapter 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 except as disclosed in the financial statements.

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 ("1999 Scheme")

The 1999 Scheme expired on 30 September 2009 and all options outstanding as at 1 October 2012 were exercised during the year.

(b) Restricted Share Plan ("RSP") and Performance Share Plan ("PSP")

The Company introduced the RSP and PSP, (collectively the "Share Plans") to replace the 1999 Scheme. The RSP and PSP were approved by shareholders at the Extraordinary General Meeting of the Company held on 22 January 2009.

The RSP and PSP are administered by the Remuneration Committee which comprises the following three non-executive directors who do not participate in the Share Plans:

Mr Philip Eng Heng Nee (Chairman)
Mrs Siripen Sitasuwan
Mr Thapana Sirivadhanabhakdi

Share Grants Under RSP and PSP

Under the RSP and PSP, the Company grants shares to eligible participants annually, referred to herein as "RSP Shares" and "PSP Shares", respectively. The grant ("Base Award") represents the right to receive fully paid shares, their equivalent cash value or combinations thereof, free of charge, provided that certain prescribed performance conditions are met. The Remuneration Committee that administers this scheme has absolute discretion in the granting of shares under the RSP and PSP. The vesting of the RSP Base Award and PSP Base Award are conditional on the achievement of pre-determined targets set for a two-year performance period and three-year performance period respectively. The final number of RSP Shares and PSP Shares to be awarded will be determined at the end of the performance period ("Final Award").

The Final Award varies depending on the level of achievement of the pre-determined targets. An achievement factor will be applied to the relevant Base Award to determine the final number of RSP Shares and PSP Shares (as the case may be) to be awarded. The achievement factor ranges from 0% to 150% for RSP and from 0% to 200% for PSP.

At the end of the performance period, 50% of the RSP Shares will be released upon vesting and the balance will be released equally over the subsequent two years with fulfillment of service requirements.

All PSP Shares will be released to the participants at the end of the three-year performance period upon vesting.

Pre-determined targets are set by the Remuneration Committee at their absolute discretion for the performance conditions to be met over the performance period. For the RSP, the targets set are the achievement of Attributable Profit Before Fair Value Adjustment and Exceptional Items (APBFE) and Return On Capital Employed (ROCE). For the PSP, the pre-set targets are based on Return on Invested Capital (ROIC), Total Shareholders' Return Relative to Straits Times Index and Absolute Shareholders' Return as a multiple of Cost of Equity.

Senior management participants are required to hold a minimum number of the shares released to them under the RSP and PSP to maintain a beneficial ownership stake in the Company for the duration of their employment or tenure with the Company.

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

(b) Restricted Share Plan ("RSP") and Performance Share Plan ("PSP") (cont'd)

Share Grants Under RSP and PSP (cont'd)

No awards have been granted to controlling shareholders or their associates, or parent group employees under the RSP and PSP.

No awards have been granted to directors of the Company. The awards granted to Mr Koh Poh Tiong were made during his tenure as CEO of Food & Beverage division of the Company.

No employee has received 5% or more of the total number of shares available/delivered pursuant to grants under the RSP and PSP.

The first grant of RSP and PSP was made in December 2009 for Financial Year 2009/10. The details of the shares awarded under the RSP and PSP in aggregate are as follows:-

(i) RSP

Shares	Grant Date	Balance as at 1.10.2012 or Grant Date if later	Cancelled	Achievement Factor	Vested	Adjustment	Balance as at 30.9.2013
Year 1	14.12.2009	1,657,550	(101,525)	-	(793,200)	455,464	1,218,289
Year 2	14.12.2010	1,787,780	(103,750)	(2,430)	(859,550)	497,385	1,319,435
Year 3	14.12.2011	1,977,865	(228,801)	-	-	1,065,201	2,814,265
Year 4	14.12.2012	1,475,495	(207,168)	-	-	792,711	2,061,038
		6,898,690	(641,244)*	(2,430)	(1,652,750)	2,810,761#	7,413,027

* Cancelled due to resignations
\# Adjusted due to capital reduction

(ii) PSP

Shares	Grant Date	Balance as at 1.10.2012 or Grant Date if later	Cancelled	Achievement Factor	Vested	Adjustment	Balance as at 30.9.2013
Year 1	14.12.2009	255,972	-	191,528	(447,500)	-	-
Year 2	14.12.2010	207,158	-	-	-	122,225	329,383
Year 3	14.12.2011	160,897	(11,142)	-	-	92,699	242,454
Year 4	14.12.2012	206,409	(66,146)	-	-	98,467	238,730
		830,436	(77,288)*	191,528	(447,500)	313,391#	810,567

* Cancelled due to resignations
\# Adjusted due to capital reduction

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

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

Information pertaining to Outstanding Options

At the end of the financial year, 2,071,100 unissued ordinary shares of F&NHB were under options 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 RM1.00 each in the capital of F&NHB are as follows:

Options	Offer Date	Balance as at 1.10.2012	Options Exercised/ Lapsed	Balance as at 30.9.2013	Exercise Price/Adjusted Exercise Price w.e.f. 13.12.2010	Exercise Period
2009	19.11.2008	60,400	(60,400)	-	RM8.46/7.81	19.08.2011 to 18.10.2013
2010	20.11.2009	1,124,000	(927,600)	196,400	RM11.34/10.47	20.08.2012 to 19.10.2014
2011	22.11.2010	2,752,400	(877,700)	1,874,700	RM14.52	22.08.2013 to 21.10.2015
		3,936,800	(1,865,700)*	2,071,100		

* Exercised (1,660,800)
Lapsed due to Resignations (204,900)

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 F&NHB which may be issued on the exercise of options granted under 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 F&NHB group and executive directors of F&NHB 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 F&NHB 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 F&NHB group; and

  (ii) not more than 10% of the new shares of F&NHB 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 F&NHB.

The option price shall be the five days weighted average market price of F&NHB'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.

As a result of a capital distribution by way of the declaration of a special interim single tier dividend of RM1.10 per share, adjustments were made to the option price of the options effective 13 December 2010.

Following the adoption of F&NHB Restricted Share Plan ("F&NHB RSP") and F&NHB Performance Share Plan ("F&NHB PSP"), no further options will be granted under the F&NHB 2007 Scheme.

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

(d) F&NHB RSP and F&NHB PSP ("The Share Grant Plan")

F&NHB had undertaken a review of the ESOS and introduced an additional long term incentive plan, i.e. the Share Grant Plan. The plan which is governed by its by-laws, was approved by Bursa Malaysia Securities Berhad on 20 December 2011 and subsequently approved by shareholders of F&NHB at its Extraordinary General Meeting held on 13 January 2012.

The first grant of F&NHB RSP was made in March 2012. There were no grant made under the F&NHB PSP. The details of the shares awarded under the F&NHB RSP are as follows:

RSP

Shares	Grant Date	Balance as at 1.10.2012 or Grant Date if later	Cancelled	Balance as at 30.9.2013
Year 1	15.03.2012	402,300	(45,900)	356,400
Year 2	31.12.2012	396,000	(46,500)	349,500
		798,300	(92,400)*	705,900

* Cancelled due to resignations

Under the F&NHB RSP and F&NHB PSP, F&NHB grants shares to eligible participants annually, referred to herein as "F&NHB RSP Shares" and "F&NHB PSP Shares", respectively. The grant ("F&NHB Base Award") represents the right to receive fully paid shares, their equivalent cash value or combinations thereof, free of charge, provided that certain prescribed performance conditions are met. The Remuneration Committee that administers this scheme has absolute discretion in the granting of shares under the F&NHB RSP and F&NHB PSP. The vesting of the F&NHB RSP Base Award and F&NHB PSP Base Award are conditional on the achievement of pre-determined targets set for a two-year performance period and three-year performance period respectively. The final number of F&NHB RSP Shares and F&NHB PSP Shares to be awarded will be determined at the end of the relevant performance period ("F&NHB Final Award").

The F&NHB Final Award varies depending on the level of achievement of the pre-determined targets. An achievement factor will be applied to the relevant F&NHB Base Award to determine the final number of F&NHB RSP Shares and F&NHB PSP Shares (as the case may be) to be awarded. The achievement factor ranges from 0% to 150% for F&NHB RSP and from 0% to 200% for F&NHB PSP.

At the end of the performance period, 50% of the F&NHB RSP Shares will be released upon vesting and the balance will be released equally over the subsequent two years with fulfilment of service requirements.

All F&NHB PSP Shares will be released to the participants at the end of the three-year performance period upon vesting.

Pre-determined targets are set by the Remuneration Committee of F&NHB at their absolute discretion for the performance conditions to be met over the performance period. For the F&NHB RSP, the targets set are the achievement of Attributable Profit Before Exceptional items (APBE) and Return On Capital Employed (ROCE). For the F&NHB PSP, the pre-set targets are based on Return on Invested Capital (ROIC), Total Shareholders' Return Relative to Straits Times Index and Absolute Shareholders' Return as a multiple of Cost of Equity.

Senior management participants are required to hold a minimum number of the shares released to them under the F&NHB RSP and F&NHB PSP to maintain a beneficial ownership stake in F&NHB for the duration of their employment or tenure with F&NHB.

No awards have been granted to controlling shareholders or their associates under the F&NHB RSP and F&NHB PSP.

No awards have been granted to Directors of F&NHB.

No employee has received 5% or more of the total number of shares available/delivered pursuant to grants under F&NHB RSP. There were no shares granted under F&NHB PSP during the year.

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

(e) 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.

(f) 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. AUDITOR

The auditor, Ernst & Young LLP, have 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 2013 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

CHARLES MAK MING YING
Director

SITHICHAI CHAIKRIANGKRAI
Director

Singapore
12 November 2013

Statement by Directors

We, **CHARLES MAK MING YING** and **SITHICHAI CHAIKRIANGKRAI**, 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 statement, statement of comprehensive income, statements of changes in equity and consolidated cash flow statement together with the notes thereto, set out on pages 107 to 203, 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 2013 and of the results of the business and cash flows of the Group and changes in equity of the Company and of the Group for the year ended 30 September 2013; 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

CHARLES MAK MING YING	**SITHICHAI CHAIKRIANGKRAI**
Director	Director

Singapore
12 November 2013

Independent Auditor's Report

TO THE MEMBERS OF FRASER AND NEAVE, LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Fraser and Neave, Limited ("the Company") and its subsidiaries (collectively, "the Group") set out on pages 107 to 203, which comprise the balance sheets of the Group and the Company as at 30 September 2013, the statements of changes in equity of the Group and the Company and the profit statement, statement of comprehensive income and cash flow statement of the Group for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards, and for 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 accounts and balance sheets and to maintain accountability of assets.

Auditor's 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 of the financial statements that give a true and fair view 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, the consolidated financial statements of the Group and the balance sheet 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 2013 and the results, changes in equity and cash flows of the Group and the changes in equity of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

In our opinion, 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
Chartered Accountants

Singapore
12 November 2013

Profit Statement

FOR THE YEAR ENDED 30 SEPTEMBER 2013

	Notes	THE GROUP 2013 ($'000)	2012 ($'000) (Restated)
Continuing operations			
REVENUE	3	**4,344,116**	3,568,951
Cost of sales		**(2,906,176)**	(2,385,043)
Gross profit		**1,437,940**	1,183,908
Other (expenses)/income (net)	4(a)	**(6,447)**	16,467
Operating expenses			
- Distribution		**(187,591)**	(178,142)
- Marketing		**(294,505)**	(312,962)
- Administration		**(251,407)**	(244,512)
		(733,503)	(735,616)
TRADING PROFIT		**697,990**	464,759
Share of associated companies' profits	4(b)	**69,283**	60,402
Gross income from investments	6	**18,943**	15,618
PROFIT BEFORE INTEREST AND TAXATION ("PBIT")		**786,216**	540,779
Finance income		**38,972**	11,170
Finance expense		**(61,204)**	(95,043)
Net finance cost	4(c)	**(22,232)**	(83,873)
PROFIT BEFORE FAIR VALUE ADJUSTMENT, TAXATION AND EXCEPTIONAL ITEMS		**763,984**	456,906
Fair value adjustment of investment properties		**281,252**	341,585
PROFIT BEFORE TAXATION AND EXCEPTIONAL ITEMS	4(d)	**1,045,236**	798,491
Exceptional items	7	**(137,020)**	60,770
PROFIT BEFORE TAXATION		**908,216**	859,261
Taxation	8	**(145,147)**	(98,368)
PROFIT FROM CONTINUING OPERATIONS AFTER TAXATION		**763,069**	760,893
Discontinued operations			
PROFIT FROM DISCONTINUED OPERATIONS AFTER TAXATION	28(a)	**-**	251,480
Gain on disposal of discontinued operations	28(a)	**4,751,514**	-
PROFIT AFTER TAXATION		**5,514,583**	1,012,373
ATTRIBUTABLE PROFIT TO:			
Shareholders of the Company			
- Before fair value adjustment and exceptional items			
Continuing operations		**545,301**	320,120
Discontinued operations		**-**	152,215
		545,301	472,335
- Gain on disposal of discontinued operations		**4,751,514**	-
- Fair value adjustment of investment properties		**279,544**	342,161
- Exceptional items			
Continuing operations		**(145,392)**	50,769
Discontinued operations		**-**	(27,750)
		(145,392)	23,019
		5,430,967	837,515
Non-controlling interests			
Continuing operations		**83,616**	47,843
Discontinued operations		**-**	127,015
		83,616	174,858
		5,514,583	1,012,373
Earnings per share attributable to the shareholders of the Company	10		
Basic - before gain on disposal of discontinued operations, fair value adjustment and exceptional items		**37.8 cts**	33.2 cts
- after gain on disposal of discontinued operations, fair value adjustment and exceptional items		**376.8 cts**	59.0 cts
Fully diluted - before gain on disposal of discontinued operations, fair value adjustment and exceptional items		**37.6 cts**	33.0 cts
- after gain on disposal of discontinued operations, fair value adjustment and exceptional items		**374.7 cts**	58.5 cts
Earnings per share from continuing operations attributable to the shareholders of the Company	10		
Basic - before fair value adjustment and exceptional items		**37.8 cts**	22.5 cts
- after fair value adjustment and exceptional items		**47.1 cts**	50.2 cts
Fully diluted - before fair value adjustment and exceptional items		**37.6 cts**	22.4 cts
- after fair value adjustment and exceptional items		**46.9 cts**	49.8 cts

The Notes on pages 115 to 203 form an integral part of the Financial Statements.

Statement of Comprehensive Income

FOR THE YEAR ENDED 30 SEPTEMBER 2013

	THE GROUP 2013 ($'000)	THE GROUP 2012 ($'000) (Restated)
Profit after taxation	**5,514,583**	1,012,373
Other comprehensive income:		
Items that may be reclassified subsequently to profit statement		
Share of other comprehensive income of associated companies	**(13,594)**	(59)
Realisation of reserves on disposal of subsidiary, joint venture and associated companies	**124,056**	46,916
Net fair value changes on derivative financial instruments	**4,696**	4,519
Realisation of hedging loss from derivative financial instruments	**2,390**	6,186
Realisation of fair value gain on disposal of available-for-sale financial assets	**(37,021)**	-
Net fair value changes on available-for-sale financial assets	**303,047**	123,399
Currency translation difference	**(44,557)**	(104,077)
Other comprehensive income for the year, net of tax	**339,017**	76,884
Total comprehensive income for the year	**5,853,600**	1,089,257
Total comprehensive income attributable to:		
Shareholders of the Company	**5,793,854**	940,378
Non-controlling interests	**59,746**	148,879
	5,853,600	1,089,257

The Notes on pages 115 to 203 form an integral part of the Financial Statements.

Balance Sheet

AS AT 30 SEPTEMBER 2013

	Notes	THE GROUP 2013 ($'000)	THE GROUP 2012 ($'000) (Restated)	THE COMPANY 2013 ($'000)	THE COMPANY 2012 ($'000)
SHARE CAPITAL AND RESERVES					
Share capital	11	**1,441,520**	1,499,329	**1,441,520**	1,499,329
Treasury shares	11	**(23)**	(23)	**(23)**	(23)
Reserves	11	**7,065,871**	6,103,231	**3,265,340**	2,840,319
		8,507,368	7,602,537	**4,706,837**	4,339,625
NON-CONTROLLING INTERESTS		**373,529**	663,048	**-**	-
		8,880,897	8,265,585	**4,706,837**	4,339,625
Represented by:					
NON-CURRENT ASSETS					
Fixed assets	12	**699,109**	747,447	**-**	-
Investment properties	13	**3,155,404**	2,837,787	**-**	-
Subsidiary companies	14	**-**	-	**3,945,938**	3,829,665
Associated companies	16	**1,278,877**	1,495,514	**18,100**	82,383
Intangible assets	17	**148,315**	163,475	**-**	-
Brands	22	**30,836**	30,337	**212**	212
Other investments	19	**675,236**	374,978	**6,205**	8,877
Other receivables	25	**91,614**	83,970	**-**	-
Other assets	20	**43,200**	42,400	**-**	-
Deferred tax assets	32	**34,325**	38,700	**-**	-
		6,156,916	5,814,608	**3,970,455**	3,921,137
CURRENT ASSETS					
Properties held for sale	23	**4,709,952**	4,441,491	**-**	-
Inventories	24	**249,406**	265,936	**-**	-
Trade receivables	25	**527,334**	551,668	**-**	-
Other receivables	25	**133,733**	132,439	**5,488**	24
Prepaid land costs		**398,033**	-	**-**	-
Subsidiary companies	14	**-**	-	**5,695**	16,552
Joint venture companies	15	**4,520**	1,662	**-**	-
Associated companies	16	**12,710**	13,122	**-**	-
Short term investments	27	**100**	60,448	**-**	-
Bank fixed deposits	21	**876,333**	604,112	**255,674**	64,489
Cash and bank balances	21	**1,068,389**	1,044,833	**650,794**	91,793
		7,980,510	7,115,711	**917,651**	172,858
Assets held for sale	28	**7,961**	1,720,659	**-**	434,421
		7,988,471	8,836,370	**917,651**	607,279
Deduct: CURRENT LIABILITIES					
Trade payables	29	**528,031**	529,751	**-**	-
Other payables	29	**948,595**	905,456	**17,028**	8,338
Subsidiary companies	14	**-**	-	**4,507**	17,823
Joint venture companies	15	**8**	3	**-**	-
Associated companies	16	**1,669**	1,787	**-**	-
Borrowings	30	**862,019**	936,296	**-**	-
Provision for taxation		**161,076**	176,739	**9,734**	12,244
		2,501,398	2,550,032	**31,269**	38,405
Liabilities held for sale	28	**1,845**	690,111	**-**	-
		2,503,243	3,240,143	**31,269**	38,405
NET CURRENT ASSETS		**5,485,228**	5,596,227	**886,382**	568,874
Deduct: NON-CURRENT LIABILITIES					
Other payables	29	**17,022**	38,630	**-**	-
Borrowings	30	**2,582,525**	2,971,647	**150,000**	150,000
Provision for employee benefits	31	**15,342**	17,346	**-**	-
Deferred tax liabilities	32	**146,358**	117,627	**-**	386
		2,761,247	3,145,250	**150,000**	150,386
		8,880,897	8,265,585	**4,706,837**	4,339,625

The Notes on pages 115 to 203 form an integral part of the Financial Statements.

Statement of Changes in Equity

THE GROUP

	Notes	Share Capital ($'000)	Treasury Shares ($'000)	Capital Reserve ($'000)	Revenue Reserve ($'000)	Exchange Reserve ($'000)	Fair Value Adjustment Reserve ($'000)	Hedging Reserve ($'000)	Share-based Payment Reserve ($'000)	Dividend Reserve ($'000)	Total ($'000)	Non-controlling Interests ($'000)	Total Equity ($'000)
YEAR ENDED 30 SEPTEMBER 2013													
Balance at 1 October 2012		1,499,329	(23)	264,795	5,499,866	(187,561)	326,152	(13,657)	31,151	171,404	7,591,456	663,048	8,254,504
Effects of adopting Amendments to FRS 12		-	-	-	11,081	-	-	-	-	-	11,081	-	11,081
Balance at 1 October 2012, restated		1,499,329	(23)	264,795	5,510,947	(187,561)	326,152	(13,657)	31,151	171,404	7,602,537	663,048	8,265,585
<u>Comprehensive income</u>													
Share of other comprehensive income of associated companies		-	-	109	(402)	(14,557)	(33)	1,289	-	-	(13,594)	-	(13,594)
Realisation of reserves on disposal of subsidiary and joint venture companies		-	-	(39,122)	39,135	124,056	-	-	(13)	-	124,056	-	124,056
Net fair value changes on derivative financial instruments		-	-	-	-	-	-	4,457	-	-	4,457	239	4,696
Realisation of hedging loss from derivative financial instruments		-	-	-	-	-	-	2,390	-	-	2,390	-	2,390
Realisation of fair value gain on disposal of available-for-sale financial assets		-	-	-	-	-	(37,021)	-	-	-	(37,021)	-	(37,021)
Net fair value changes on available-for-sale financial assets		-	-	-	-	-	303,047	-	-	-	303,047	-	303,047
Currency translation difference		-	-	-	-	(20,448)	-	-	-	-	(20,448)	(24,109)	(44,557)
Other comprehensive income for the year		-	-	(39,013)	38,733	89,051	265,993	8,136	(13)	-	362,887	(23,870)	339,017
Profit for the year		-	-	-	5,430,967	-	-	-	-	-	5,430,967	83,616	5,514,583
Total comprehensive income for the year		-	-	(39,013)	5,469,700	89,051	265,993	8,136	(13)	-	5,793,854	59,746	5,853,600
<u>Contributions by and distributions to owners</u>													
Employee share-based expense		-	-	-	-	-	-	-	12,706	-	12,706	611	13,317
Issue of shares in the Company upon exercise of share options and vesting of shares awarded	11	65,995	-	-	-	-	-	-	(19,715)	-	46,280	-	46,280
Capital reduction	11	(123,804)	-	-	(4,604,379)	-	-	-	-	-	(4,728,183)	-	(4,728,183)
Capital repayment to non-controlling interests		-	-	-	-	-	-	-	-	-	-	(290)	(290)
Contribution of capital by non-controlling interests		-	-	-	-	-	-	-	-	-	-	9,214	9,214
Transfer of reserves		-	-	(222,319)	222,319	-	-	-	-	-	-	-	-
Dividends	9												
Dividend paid		-	-	-	(52,021)	-	-	-	-	(171,404)	(223,425)	(60,606)	(284,031)
Dividend proposed		-	-	-	(172,982)	-	-	-	-	172,982	-	-	-
Total contributions by and distributions to owners		(57,809)	-	(222,319)	(4,607,063)	-	-	-	(7,009)	1,578	(4,892,622)	(51,071)	(4,943,693)
<u>Changes in ownership interests</u>													
Change of interests in subsidiary companies		-	-	-	3,599	-	-	-	-	-	3,599	(3,599)	-
Redemption of preference shares held by non-controlling interests		-	-	-	-	-	-	-	-	-	-	(595)	(595)
Disposal of subsidiary and joint venture companies		-	-	-	-	-	-	-	-	-	-	(294,000)	(294,000)
Total changes in ownership interests		-	-	-	3,599	-	-	-	-	-	3,599	(298,194)	(294,595)
Total transactions with owners in their capacity as owners		(57,809)	-	(222,319)	(4,603,464)	-	-	-	(7,009)	1,578	(4,889,023)	(349,265)	(5,238,288)
Balance at 30 September 2013		1,441,520	(23)	3,463	6,377,183	(98,510)	592,145	(5,521)	24,129	172,982	8,507,368	373,529	8,880,897

The Notes on pages 115 to 203 form an integral part of the Financial Statements.

Statement of Changes in Equity

THE GROUP

	Notes	Share Capital ($'000)	Treasury Shares ($'000)	Capital Reserve ($'000)	Revenue Reserve ($'000)	Exchange Reserve ($'000)	Fair Value Adjustment Reserve ($'000)	Hedging Reserve ($'000)	Share-based Payment Reserve ($'000)	Dividend Reserve ($'000)	Total ($'000)	Non-controlling Interests ($'000)	Total Equity ($'000)
YEAR ENDED 30 SEPTEMBER 2012													
Balance at 1 October 2011		1,417,404	-	267,906	4,925,941	(158,260)	202,303	(23,273)	41,966	169,382	6,843,369	831,204	7,674,573
Effects of adopting Amendments to FRS 12		-	-	-	9,049	-	-	-	-	-	9,049	74	9,123
Balance at 1 October 2011, restated		1,417,404	-	267,906	4,934,990	(158,260)	202,303	(23,273)	41,966	169,382	6,852,418	831,278	7,683,696
Comprehensive income													
Share of other comprehensive income of associated companies		-	-	(515)	(293)	708	450	(397)	(12)	-	(59)	-	(59)
Realisation of reserves on disposal of subsidiary and associated companies		-	-	(2,024)	1,506	49,073	-	(382)	(1,257)	-	46,916	-	46,916
Net fair value changes on derivative financial instruments		-	-	-	-	-	-	4,597	-	-	4,597	(78)	4,519
Realisation of hedging loss from derivative financial instruments		-	-	-	-	-	-	5,798	-	-	5,798	388	6,186
Net fair value changes on available-for-sale financial assets		-	-	-	-	-	123,399	-	-	-	123,399	-	123,399
Currency translation difference		-	-	-	-	(77,788)	-	-	-	-	(77,788)	(26,289)	(104,077)
Other comprehensive income for the year		-	-	(2,539)	1,213	(28,007)	123,849	9,616	(1,269)	-	102,863	(25,979)	76,884
Profit for the year		-	-	-	837,515	-	-	-	-	-	837,515	174,858	1,012,373
Total comprehensive income for the year		-	-	(2,539)	838,728	(28,007)	123,849	9,616	(1,269)	-	940,378	148,879	1,089,257
Contributions by and distributions to owners													
Employee share-based expense		-	-	-	-	-	-	-	12,399	-	12,399	1,109	13,508
Issue of shares in the Company upon exercise of share options and vesting of shares awarded	11	81,925	-	-	-	-	-	-	(16,689)	-	65,236	-	65,236
Purchase of treasury shares	11	-	(8,093)	-	-	-	-	-	-	-	(8,093)	-	(8,093)
Treasury shares reissued pursuant to share plans	11	-	8,070	(2,814)	-	-	-	-	(5,256)	-	-	-	-
Contribution of capital by non-controlling interests		-	-	-	-	-	-	-	-	-	-	35,660	35,660
Transfer of reserves by overseas subsidiary companies in compliance with statutory requirements		-	-	2,242	(2,242)	-	-	-	-	-	-	-	-
Dividends	9												
Dividend paid		-	-	-	(86,145)	-	-	-	-	(169,382)	(255,527)	(163,018)	(418,545)
Dividend proposed		-	-	-	(171,404)	-	-	-	-	171,404	-	-	-
Total contributions by and distributions to owners		81,925	(23)	(572)	(259,791)	-	-	-	(9,546)	2,022	(185,985)	(126,249)	(312,234)
Changes in ownership interests													
Change of interests in subsidiary and joint venture companies		-	-	-	(2,980)	(1,294)	-	-	-	-	(4,274)	595	(3,679)
Disposal of subsidiary companies		-	-	-	-	-	-	-	-	-	-	(191,455)	(191,455)
Total changes in ownership interests		-	-	-	(2,980)	(1,294)	-	-	-	-	(4,274)	(190,860)	(195,134)
Total transactions with owners in their capacity as owners		81,925	(23)	(572)	(262,771)	(1,294)	-	-	(9,546)	2,022	(190,259)	(317,109)	(507,368)
Balance at 30 September 2012		1,499,329	(23)	264,795	5,510,947	(187,561)	326,152	(13,657)	31,151	171,404	7,602,537	663,048	8,265,585

The Notes on pages 115 to 203 form an integral part of the Financial Statements.

Statement of Changes in Equity

	Notes	Share Capital ($'000)	Treasury Shares ($'000)	Capital Reserve ($'000)	Revenue Reserve ($'000)	Fair Value Adjustment Reserve ($'000)	Share-based Payment Reserve ($'000)	Dividend Reserve ($'000)	Total ($'000)
		THE COMPANY							
YEAR ENDED 30 SEPTEMBER 2013									
Balance at 1 October 2012		1,499,329	(23)	1,036,460	1,601,604	1,886	28,965	171,404	4,339,625
Comprehensive income									
Realisation of fair value gain on disposal of available-for-sale financial assets		-	-	-	-	(2,121)	-	-	(2,121)
Net fair value changes on available-for-sale financial assets		-	-	-	-	385	-	-	385
Other comprehensive income for the year		-	-	-	-	(1,736)	-	-	(1,736)
Profit for the year		-	-	-	5,262,350	-	-	-	5,262,350
Total comprehensive income for the year		-	-	-	5,262,350	(1,736)	-	-	5,260,614
Contributions by and distributions to owners									
Employee share-based expense		-	-	-	-	-	11,926	-	11,926
Issue of shares in the Company upon exercise of share options and vesting of shares awarded	11	65,995	-	-	-	-	(19,715)	-	46,280
Capital reduction	11	(123,804)	-	-	(4,604,379)	-	-	-	(4,728,183)
Transfer of reserves		-	-	(1,039,274)	1,039,274	-	-	-	-
Dividends	9								
Dividend paid		-	-	-	(52,021)	-	-	(171,404)	(223,425)
Dividend proposed		-	-	-	(172,982)	-	-	172,982	-
Total transactions with owners in their capacity as owners		(57,809)	-	(1,039,274)	(3,790,108)	-	(7,789)	1,578	(4,893,402)
Balance at 30 September 2013		1,441,520	(23)	(2,814)	3,073,846	150	21,176	172,982	4,706,837
YEAR ENDED 30 SEPTEMBER 2012									
Balance at 1 October 2011		1,417,404	-	1,039,274	1,506,196	1,717	39,091	169,382	4,173,064
Comprehensive income									
Net fair value changes on available-for-sale financial assets		-	-	-	-	169	-	-	169
Other comprehensive income for the year		-	-	-	-	169	-	-	169
Profit for the year		-	-	-	352,957	-	-	-	352,957
Total comprehensive income for the year		-	-	-	352,957	169	-	-	353,126
Contributions by and distributions to owners									
Employee share-based expense		-	-	-	-	-	11,819	-	11,819
Issue of shares in the Company upon exercise of share options and vesting of shares awarded	11	81,925	-	-	-	-	(16,689)	-	65,236
Purchase of treasury shares	11	-	(8,093)	-	-	-	-	-	(8,093)
Treasury shares reissued pursuant to share plans	11	-	8,070	(2,814)	-	-	(5,256)	-	-
Dividends	9								
Dividend paid		-	-	-	(86,145)	-	-	(169,382)	(255,527)
Dividend proposed		-	-	-	(171,404)	-	-	171,404	-
Total transactions with owners in their capacity as owners		81,925	(23)	(2,814)	(257,549)	-	(10,126)	2,022	(186,565)
Balance at 30 September 2012		1,499,329	(23)	1,036,460	1,601,604	1,886	28,965	171,404	4,339,625

The Notes on pages 115 to 203 form an integral part of the Financial Statements.

Cash Flow Statement

FOR THE YEAR ENDED 30 SEPTEMBER 2013

	THE GROUP	
	2013 ($'000)	2012 ($'000)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation and exceptional items from continuing operations	**1,045,236**	798,491
Profit before taxation and exceptional items from discontinued operations	**-**	411,423
Profit before taxation and exceptional items	**1,045,236**	1,209,914
Adjustments for:		
Depreciation of fixed assets	**78,317**	130,439
Impairment of fixed assets and intangible assets	**19,908**	15,513
Impairment reversal of fixed assets and intangible assets	**(855)**	(1,569)
Impairment of other investment	**30**	-
Intangible assets written off	**87**	56
Fixed assets written off	**723**	-
Provision for employee benefits	**1,849**	4,568
Write back of provision for employee benefits	**(446)**	(348)
Allowance for foreseeable losses on properties held for sale (net)	**8,452**	34,751
Loss on disposal of fixed assets	**669**	2,462
Amortisation of brands and intangible assets	**15,863**	17,655
Interest income	**(38,972)**	(21,875)
Interest expenses	**58,395**	82,814
Share of joint venture companies' profits	**-**	(16,245)
Share of associated companies' profits	**(69,283)**	(60,838)
Investment income	**(18,943)**	(18,076)
Profit on properties held for sale	**(408,711)**	(281,936)
Employee share-based expense	**13,317**	21,140
Fair value adjustment of financial instruments	**5,010**	8,505
Fair value adjustment of investment properties	**(281,252)**	(341,585)
Loss on disposal of financial instruments	**6,134**	18,664
Operating cash before working capital changes	**435,528**	804,009
Change in inventories	**16,793**	(36,531)
Change in receivables	**35,201**	113,929
Change in prepaid land costs	**(398,033)**	61,519
Change in joint venture and associated companies' balances	**5,512**	(11,002)
Change in payables	**(57,272)**	20,024
Progress payment received/receivable on properties held for sale	**1,282,779**	1,467,107
Development expenditure on properties held for sale	**(1,255,835)**	(1,376,111)
Currency realignment	**10,481**	(1,564)
Cash generated from operations	**75,154**	1,041,380
Interest income received	**41,631**	16,989
Interest expenses paid	**(48,459)**	(79,107)
Income taxes paid	**(126,752)**	(310,460)
Payment of employee benefits	**(2,174)**	(2,884)
Payment of cash-settled options	**-**	(7,018)
Net cash (used in)/from operating activities	**(60,600)**	658,900
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends from joint venture and associated companies	**62,528**	89,949
Investment income	**18,943**	18,076
Proceeds from sale of fixed assets and assets held for sale	**1,591**	3,487
Proceeds from disposal of associated companies	**-**	37,603
Proceeds from sale of other and short term investments	**63,599**	703
Proceeds from disposal of intangible assets	**-**	1,688
Proceeds from disposal of subsidiary and joint venture companies	**5,581,906**	55,946
Proceeds from redemption of units by an associated company	**306,158**	-
Purchase of fixed assets and investment properties	**(142,732)**	(265,825)
Acquisition of non-controlling interests in subsidiary companies	**-**	(4,054)
Payment for intangible assets and brands	**(12,095)**	(18,512)
Development expenditure on investment properties under construction	**(13,329)**	(53,232)
Investments in associated and joint venture companies	**(34,114)**	(22,234)
Acquisition of subsidiary and joint venture companies	**-**	(146,794)
(Loans to)/Repayment of loan from associated companies	**(71,688)**	9,607
Additional trade advances	**-**	1,643
Net cash from/(used in) investing activities	**5,760,767**	(291,949)

The Notes on pages 115 to 203 form an integral part of the Financial Statements.

Cash Flow Statement

FOR THE YEAR ENDED 30 SEPTEMBER 2013

	THE GROUP	
	2013 ($'000)	2012 ($'000)
CASH FLOWS FROM FINANCING ACTIVITIES		
(Repayment of)/Proceeds from term loans and bank borrowings	**(435,044)**	323,522
Capital reduction	**(4,728,183)**	-
Purchase of treasury shares	**-**	(8,093)
Redemption of preference shares held by non-controlling interests	**(595)**	-
Capital repayment to non-controlling interests	**(290)**	-
Proceeds from issue of shares:		
- by subsidiary companies to non-controlling interests	**9,214**	21,482
- by the Company to shareholders	**46,280**	65,236
Payment of dividends:		
- by subsidiary companies to non-controlling interests	**(60,606)**	(163,018)
- by the Company to shareholders	**(223,425)**	(255,527)
Net cash used in financing activities	**(5,392,649)**	(16,398)
Net increase in cash and cash equivalents	**307,518**	350,553
Cash and cash equivalents at beginning of year	**1,647,477**	1,597,635
Reclassified to assets held for sale	**-**	(279,312)
Effects of exchange rate changes on cash and cash equivalents	**(11,925)**	(21,399)
Cash and cash equivalents at end of year	**1,943,070**	1,647,477
Cash and cash equivalents at end of year comprise:		
Cash and bank deposits (Note 21)	**1,944,722**	1,648,945
Bank overdrafts (Note 30)	**(1,652)**	(1,468)
	1,943,070	1,647,477
Analysis of acquisition and disposal of subsidiary and joint venture companies		
Net assets acquired:		
Fixed assets	**-**	12,616
Investment properties	**-**	266,688
Other non-current assets	**-**	213
Current assets	**-**	14,155
Bank borrowings	**-**	(82,692)
Current liabilities	**-**	(23,965)
Non-controlling interests	**-**	(471)
Cash	**-**	12,340
	-	198,884
Investment in associated company previously accounted for	**-**	(43,878)
Goodwill on acquisition (net)	**-**	18,306
Consideration	**-**	173,312
Contribution of capital by non-controlling interests	**-**	(14,178)
Cash and cash equivalents of subsidiary and joint venture companies	**-**	(12,340)
Cash outflow on acquisition net of cash and cash equivalents acquired	**-**	146,794
Net assets disposed:		
Fixed assets	**-**	(278)
Investment properties	**-**	(235,402)
Properties held for sale	**-**	(303,213)
Other non-current assets	**-**	(1,421)
Current assets	**(1,690,920)**	(3,028)
Non-current liabilities	**-**	222,621
Current liabilities	**690,616**	77,215
Non-controlling interests	**294,000**	191,455
Cash	**-**	(205,675)
	(706,304)	(257,726)
Realisation of translation difference	**(124,056)**	(34,632)
Provision for cost of disposal	**-**	(100)
Fair value of retained interest reclassified to investment in associated company	**-**	69,316
Gain on disposal	**(4,751,546)**	(38,479)
Consideration received	**(5,581,906)**	(261,621)
Less: Cash of subsidiary companies disposed off	**-**	205,675
Cash inflow on disposal net of cash and cash equivalents disposed	**(5,581,906)**	(55,946)

The Notes on pages 115 to 203 form an integral part of the Financial Statements.

The following Notes form an integral part of the Financial Statements on pages 107 to 114.

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. In February 2013, TCC Assets Limited, incorporated in the British Virgin Islands became the immediate and ultimate holding company.

The principal activities of the Group are:
(a) production and sale of beverages (includes soft drinks, beer and stout) and dairy products;
(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 2013.

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, Chapter 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.

On 1 October 2012, the Group and the Company adopted the following amendments to FRS that are mandatory for application from that date.

Amendments to FRS 1	Presentation of Items of Other Comprehensive Income
Amendments to FRS 12	Deferred Tax: Recovery of Underlying Assets

Except for Amendments to FRS 12, the adoption of the above standards had no material effect on the financial performance or position of the Group and the Company.

Amendments to FRS 1 Presentation of Items of Other Comprehensive Income

The Group adopted Amendments to FRS 1 Presentation of Items of Other Comprehensive Income from 1 October 2012.

The Amendments to FRS 1 changes the grouping of items presented in other comprehensive income ("OCI"). Items that could be reclassified to profit statement at a future point in time would be presented separately from items which will never be reclassified. The adoption of the Amendments only affects the presentation of items that are already recognised in OCI. There is no financial effect on the results and financial position of the Group for the current and previous financial years.

2. ACCOUNTING POLICIES (cont'd)

2.1 Basis of Preparation (cont'd)

Amendments to FRS 12 Deferred Tax: Recovery of Underlying Assets

The Group has adopted Amendments to FRS 12 Deferred Tax: Recovery of Underlying Assets from 1 October 2012.

The Amendments to FRS 12 apply to the measurement of deferred tax liabilities and assets arising from investment properties measured using the fair value model under FRS 40 Investment Property, including investment property acquired in a business combination and subsequently measured using the fair value model. For the purposes of measuring deferred tax, the Amendments introduce a rebuttable presumption that the carrying amount of an investment property measured at fair value will be recovered entirely through sale. The presumption can be rebutted if the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits over time, rather than through sale.

The Group provided for deferred tax liabilities for its investment properties on the basis that the carrying amount of the investment properties will be recovered through use. Upon adoption of the Amendments to FRS 12, there is a presumption that the carrying amount of an investment property measured at fair value will be recovered entirely through sale. Accordingly, there will be no deferred tax liability on investment properties in Singapore as there is no capital gains tax in Singapore.

Upon applying Amendments to FRS 12 retrospectively, the comparatives have been restated. The effects on the Group's financial statements are as follows:

Group Profit Statement

	2012 ($'000)
Decrease in taxation	1,958
Increase in profit after taxation	1,958
Increase in attributable profit to:	
- Shareholders of the Company	1,958
Increase in:	
Basic earnings per share (cents)	
- After fair value adjustment and exceptional item	0.1
Diluted earnings per share (cents)	
- After fair value adjustment and exceptional item	0.1

Group Balance Sheet

	2012 ($'000)	2011 ($'000)
Increase in revenue reserve	11,081	9,049
Increase in non-controlling interests	-	74
Decrease in deferred tax liabilities	(11,081)	(9,123)

2. ACCOUNTING POLICIES (cont'd)

2.2 Basis of Consolidation and Business Combinations

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 date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. 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.

Acquisitions of subsidiary companies are accounted for using the acquisition method. The consideration transferred for the acquisition of a subsidiary company comprises the fair value of the assets transferred, liabilities incurred, equity interest issued by the Group and any contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any change in the contingent consideration to be paid will be recognised in the profit statement. Acquisition-related costs are expensed as incurred.

All intra group transactions, balances and unrealised gains are eliminated on consolidation. Unrealised gains resulting from transactions with associated and joint venture companies are eliminated to the extent of the Group's interest in them. Unrealised losses are also eliminated but only to the extent that there is no evidence of impairment.

Non-controlling interests in the acquiree is recognised on the acquisition date at the non-controlling interests' proportionate share of the acquiree's net identifiable assets.

In business combinations achieved in stages, previously held equity interests in the acquiree are re-measured to fair value at the acquisition date and any corresponding gain or loss is recognised in the profit statement.

When a change in the Company's ownership interest in a subsidiary company results in a loss of control over the subsidiary company, the assets and liabilities of the subsidiary company including any goodwill are derecognised. Any retained interest in the entity is re-measured at fair value. The difference between the carrying amount of the retained interest and its fair value is recognised in the profit statement.

The accounting policy on goodwill on acquisition of subsidiary companies is included in Note 2.11(b).

Business combinations prior to 1 October 2010

Business combinations were accounted for using the purchase method. Transaction costs directly attributable to the acquisition formed part of the acquisition costs.

Business combinations achieved in stages were accounted for as separate steps. Adjustments to those fair values relating to previously held interests were treated as a revaluation and recognised in equity. Any additional acquired interest did not affect previously recognised goodwill.

Contingent consideration was recognised if, and only if, the Group had a present obligation, the economic outflow was more likely than not and a reliable estimate was determinable. Subsequent measurements to the contingent consideration affected goodwill.

2. ACCOUNTING POLICIES (cont'd)

2.2 Basis of Consolidation and Business Combinations (cont'd)

Transactions with non-controlling interests

Non-controlling interests represent the equity in subsidiary companies not attributable, directly or indirectly, to owners of the Company, and are presented separately in the consolidated statement of comprehensive income, statement of changes in equity and within equity in the consolidated balance sheet, separately from equity attributable to owners of the Company.

A change in ownership interest in subsidiary companies that do not result in a change of control is accounted for as equity transactions. The carrying amounts of the controlling and non-controlling interests will be adjusted to reflect the changes in their relative interests in the subsidiary company. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received will be recognised directly in equity and attributed to owners of the parent company.

A list of the Company's significant 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 company.

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

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 carried 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. The Group's share of other comprehensive income is recognised in other comprehensive income. 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.

An associated company is equity accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the associated company.

In the Company's separate financial statements, investments in associated companies are carried at cost less impairment losses.

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

2. ACCOUNTING POLICIES (cont'd)

2.5 Revenue Recognition

Sale of Goods

Revenue from 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.

Revenue from sale of goods represents the invoiced value of net sales (including excise duties and net of trade discounts).

Sale of Development Properties Under Construction

Revenue from development properties under construction is recognised when the significant risks and rewards of ownership have been transferred to the purchasers. For residential development projects under progressive payment scheme in Singapore, whereby the legal terms in the sales contracts result in continuous transfer of work-in-progress to the purchasers, revenue is recognised based on the percentage of completion method. Under the percentage of completion method, profit is brought into the profit statement only in respect of finalised sales contracts and to the extent that such profit relates to the progress of construction work. The progress of construction work is measured by the proportion of the construction and related costs incurred to date to the estimated total construction and related costs for each project.

For executive condominium projects in Singapore, residential development projects under deferred payment scheme in Singapore and overseas development projects, revenue will be recognised upon the transfer of significant risks and rewards of ownership, which generally coincides with the time the development units are delivered to the purchasers.

Sale of Completed Development Properties

Revenue from completed properties is recognised when the risks and rewards of ownership have been transferred to the purchaser either through the transfer of legal title or equitable interest in the properties, which is normally on unconditional exchange of contracts. For conditional exchanges, sales are recognised only when all the significant conditions are satisfied.

Others

Rental income is recognised on a straight line basis over the lease term commencing on the date from which the lessee is entitled to exercise its right to use the leased asset.

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 economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably. 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.

2. ACCOUNTING POLICIES (cont'd)

2.7 Taxation

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the profit statement except to the extent it relates to items recognised directly in equity, in which case it is recognised in equity or in other comprehensive income.

(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 tax is recognised in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Temporary differences are not recognised for goodwill, the initial recognition of assets or liabilities that affects neither accounting nor taxable profit, and differences relating to investments in subsidiary, joint venture and associated companies to the extent that 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 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 substantively enacted at the balance sheet date.

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.

(c) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

2.8 Fixed Assets

Fixed assets are carried at cost 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 in excess of standard of performance of the asset before the expenditure was made, will flow to the Group and the cost can be reliably measured, otherwise it is recognised as an expense during the financial year in which it is incurred. The carrying amount of the replaced parts is derecognised.

2. ACCOUNTING POLICIES (cont'd)

2.8 Fixed Assets (cont'd)

An asset is derecognised upon sale or retirement and any gain or loss on derecognition of the asset is included in the profit statement. Any amount in revaluation reserve relating to that asset is transferred to revenue reserve.

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 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	-	Lease term (ranging from 10 to 60 years)
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 are 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

(a) Completed Investment Properties

Completed investment properties are initially recognised at cost, including transaction cost and subsequently measured at fair value, determined annually by independent professional valuers on balance sheet date. Changes in fair values are recognised in the profit statement in the year in which they arise.

Transfers are made to or from completed investment properties only when there is a change in use. For a transfer from completed investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. For a transfer from owner-occupied property to completed investment property, the property is accounted for in accordance with the accounting policy for fixed assets up to the date of change in use.

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

(b) Investment Property Under Construction

Investment properties under construction are initially stated at cost. Cost includes land and construction, related overhead expenditure and financing charges incurred during the period of construction and up to the completion of construction.

They are subsequently measured at fair value with the changes in fair values being recognised in the profit statement when fair value can be measured reliably. Investment properties under construction for which fair value cannot be determined reliably is measured at cost less impairment.

Investment properties under construction are considered completed and are transferred to completed investment properties when they are ready for their intended use.

2. ACCOUNTING POLICIES (cont'd)

2.10 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, development properties held for sale or completed properties held for sale. 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 determined after netting off interest income earned from progress billings received and placed on fixed deposits.

2.11 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. Intangible assets with indefinite useful lives are subjected to impairment test annually or more frequently if events or changes in circumstances indicate that the carrying value might be impaired.

Internally generated goodwill and internally generated intangible assets 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 are 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) Development costs of publications are expensed as incurred, except for development costs which can reasonably be expected to be recovered from related future revenues.

The development costs are then amortised in accordance with their estimated economic useful lives, upon completion of published products as follows:

	Directories	Curriculum	General	Reference
1st year	100%	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.

(b) Goodwill on acquisition is identified as being the excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interests in the acquiree, and the fair value of the Group's previously held equity interest in the acquiree, over the net fair value of the acquiree's identifiable assets and liabilities. In instances where the latter amount exceeds the former, the excess is recognised as a gain in the profit statement on the acquisition date.

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.

Internally generated goodwill is not capitalised.

2. ACCOUNTING POLICIES (cont'd)

2.11 Intangible Assets (cont'd)

(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, software, customer relationships, and publisher and distributor relationships. The licenses are amortised based on the remaining lives of the licensing arrangements with the respective licensors. Customer, publisher and distributor relationships are amortised over the remaining useful lives.

2.12 Brands

Brands with finite lives are stated at cost less accumulated amortisation and accumulated impairment losses. They are assessed for impairment annually or whenever there is an indication of impairment. The useful life is also examined on an annual basis and an adjustment, where applicable, is made on a prospective basis. Amortisation is calculated to write off their cost over their estimated useful lives of up to 14 years on a straight-line method to the profit statement.

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 indefinite useful life is reviewed annually to determine whether it continues to be supportable. 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.

2.13 Properties Held For Sale

(a) Development Properties Held for Sale

Development properties held for sale are properties acquired or being constructed for sale in the ordinary course of business, rather than to be held for the Company's own use, rental or capital appreciation.

Development properties held for sale are measured 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. Non-refundable commissions paid to sales or marketing agents on the sale of real estate units are expensed when incurred.

Net realisable value of development properties held for sale is the estimated selling price in the ordinary course of the business, based on market prices at the end of the reporting period and discounted for the time value of money if material, less the estimated costs of completion and the estimated costs necessary to make the sale.

Development properties held for sale are stated at cost plus attributable profits less progress billings if their revenue is recognised based on percentage of completion method. Progress billings not yet paid by customers are included within "trade and other receivables".

Development properties held for sale are stated at cost if their revenue is recognised upon completion. Payments received from purchasers prior to completion are included in "trade and other payables" as "progress billings received in advance".

The costs of development properties recognised in profit or loss on disposal are determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative size of the property sold.

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.

For revenue recognition on development properties held for sale, please refer to Note 2.5.

2. ACCOUNTING POLICIES (cont'd)

2.13 Properties Held For Sale (cont'd)

(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.

For revenue recognition on completed properties held for sale, please refer to Note 2.5.

2.14 Inventories

All inventories including containers (comprising returnable bottles, crates 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.

2.15 Trade and Other Receivables

Trade and other receivables 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.

2.16 Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and in bank, deposits with financial institutions and bank overdrafts that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are included in bank borrowings on the balance sheet.

2.17 Financial Liabilities

Financial liabilities include trade payables, other payables, payables to subsidiary, joint venture and associated companies 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.

2.18 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.

2. ACCOUNTING POLICIES (cont'd)

2.18 Employee Benefits (cont'd)

(a) Retirement Benefits (cont'd)

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

The cost of providing benefits under the defined benefits plans are 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.

Defined contribution plans under statutory regulations

Obligations for contributions to defined contribution plans are recognised as an expense in the profit statement as incurred.

(b) Equity Compensation Plans

Employees of the Group receive remuneration in the form of share options and share awards as consideration for services rendered.

Equity-settled transactions

The fair value of the employee services received in exchange for the grant of the options or awards is recognised as an expense in the profit statement with a corresponding increase in the employee share-based payment 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 or awards 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-based payment 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.

(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.

2.19 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.

2. ACCOUNTING POLICIES (cont'd)

2.19 Functional and Foreign Currencies (cont'd)

(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 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 equity investments classified as available-for-sale financial assets, are included in the fair value adjustment 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 recognised in other comprehensive income under 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.

In the case of a partial disposal without loss of control of a subsidiary company that includes a foreign operation, the proportionate share of the cumulative amount of the exchange differences are re-attributed to non-controlling interests and are not recognised in profit statement. For partial disposals of associates or jointly controlled entities that are foreign operations, the proportionate share of the accumulated exchange differences is reclassified to profit statement.

2.20 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 for the year.

2.21 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.

2. ACCOUNTING POLICIES (cont'd)

2.22 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. Contingent rents, if any, are recorded as income in the periods in which they are earned.

(c) Other long term asset

Other long term asset relates to the unguaranteed residual value which is the portion of the residual value of the leased asset, the realisation of which by the lessor is not assured or is guaranteed solely by a party related to the lessor. Estimated unguaranteed residual values used in computing the lessor's gross investment in a lease are reviewed regularly. If there has been a reduction in the estimated unguaranteed residual value, the income allocation over the lease term is revised and any reduction in respect of amounts accrued is recognised immediately.

2.23 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 cash generating units ("CGU") to which the asset belongs. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is recognised whenever the carrying amount of an asset or CGU exceeds its recoverable amount.

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 amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss is recognised in the profit statement. Impairment loss on goodwill is not reversed in a subsequent period.

2. ACCOUNTING POLICIES (cont'd)

2.24 Financial Assets

(a) Classification

The classification of financial assets is determined at initial recognition. 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 2.25.

(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) *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 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 other comprehensive income and accumulated under fair value adjustment reserve within equity.

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

(e) Determination of Fair Value

The fair value 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.

2. ACCOUNTING POLICIES (cont'd)

2.24 Financial Assets (cont'd)

(f) Impairment

(i) Assets carried at amortised cost

If there is objective evidence that an impairment loss on loans and receivables 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 adjustment 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, until the equity investments are disposed of.

2.25 Derivative Financial Instruments

The Company and the Group use 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.

2. ACCOUNTING POLICIES (cont'd)

2.25 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 reserve within equity, while the ineffective portion is recognised in the profit statement.

Amounts taken to hedging reserve 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 reserve 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 reserve 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 reserve remain in hedging reserve 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.

When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in the profit statement.

2.26 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.

2. ACCOUNTING POLICIES (cont'd)

2.26 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 less the estimated costs of completion and the estimated costs necessary to make the sale. The allowance for foreseeable losses has been disclosed in Note 23. The carrying amounts of the properties held for sale at balance sheet date is disclosed in the balance sheet.

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, brands and management contracts are allocated. Estimating the value-in-use 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 17 and Note 22.

Investment in associated companies

The Group assesses 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 on 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 which reflects the risk profile of the investee and economic assumptions regarding the industry and geographical jurisdiction in which the investee operates. Changes in assumptions about these factors could affect the recoverable amount of the investee. The carrying amount of the investment in associated companies at balance sheet date have been disclosed in the balance sheet.

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 or 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.

2. ACCOUNTING POLICIES (cont'd)

2.26 Significant Accounting Estimates and Judgements (cont'd)

(a) Key sources of estimation uncertainty (cont'd)

(i) Impairment of non-financial and financial assets (cont'd)

<u>*Loans and receivables*</u>

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.

(ii) Income taxes

The Group has exposure to income taxes in numerous jurisdictions. Significant judgment 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

For residential development projects under progressive payment scheme in Singapore, 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 2.5. 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 references to information such as current offers and/or recent contracts with contractors and suppliers, estimation on cost of construction and material costs based on historical experience, and the work of professional surveyors and architects. Revenue from partly completed properties held for sale is disclosed in Note 3.

(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. The carrying amount of the fixed assets at balance sheet date is disclosed in the balance sheet.

(v) Valuation of Completed Investment Properties

The Group's completed investment properties are stated at their estimated market values, which are determined annually based on independent professional valuations. The fair value of completed investment properties is determined using a combination of the Direct Comparison Method, Income/Investment Approach and Discounted Cash Flow Analysis. These estimated market values may differ from the prices at which the Group's completed 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 completed investment properties could differ from the estimates set forth in these financial statements, and the differences could be significant. The carrying amount of the investment properties at balance sheet date is disclosed in the balance sheet.

2. ACCOUNTING POLICIES (cont'd)

2.26 Significant Accounting Estimates and Judgements (cont'd)

(a) Key sources of estimation uncertainty (cont'd)

(vi) Valuation of Investment Properties Under Construction

The Group's investment properties under construction are stated at fair value if it can be reliably determined. If fair value cannot be reliably determined, then investment properties under construction is recorded at cost. The fair value is determined using a combination of Market Comparison and Discounted Cash Flow Analysis and Investment, Comparable Sales and Residual Land Value Methods which considers the significant risks which are relevant to the development process, including but not limited to construction and letting risks.

(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.

2.27 Discontinued Operations and 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. 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. This condition is regarded as met only when the sale is highly probable and the asset or component is available for immediate sale in its present condition.

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 not depreciated and are measured at the lower of carrying amount and fair value less costs to sell. Any differences are recognised in the profit statement.

Any impairment loss on initial classification and subsequent measurement is recognised as expense. Any subsequent increase in fair value less costs to sell (not exceeding the accumulated impairment loss that has been previously recognised) is recognised in the profit statement.

In the profit statement of the current reporting period, and of the comparative period, all income and expenses from discontinued operations are reported separately from income and expenses from continuing activities.

2.28 Treasury Shares

The Group's own equity instruments, which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit statement on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount of treasury shares and the consideration received, if reissued, is recognised directly in equity. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated to them respectively.

2. ACCOUNTING POLICIES (cont'd)

2.29 Contingencies

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group and the Company; or

(b) a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised on the balance sheet of the Group and the Company, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

2.30 Related Parties

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Group and Company if that person:

- (i) has control or joint control over the Company;
- (ii) has significant influence over the Company; or
- (iii) is a member of the key management personnel of the Group or Company or of a parent of the Company.

(b) An entity is related to the Group and the Company if any of the following conditions applies:

- (i) the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
- (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
- (iii) both entities are joint ventures of the same third party;
- (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
- (vi) the entity is controlled or jointly controlled by a person identified in (a); and
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

		THE GROUP	
		2013 ($'000)	2012 ($'000) (Restated)
3.	**REVENUE**		
	Sale of properties		
	- recognised on completed contract method	**769,310**	457,064
	- recognised on percentage of completion method	**872,043**	575,519
		1,641,353	1,032,583
	Sale of goods	**2,069,126**	1,958,256
	Sale of services	**276,951**	272,655
	Gross rental income	**332,276**	280,354
	Others	**24,410**	25,103
	Total revenue	**4,344,116**	3,568,951

4. PROFIT BEFORE TAXATION AND EXCEPTIONAL ITEMS

		THE GROUP 2013 ($'000)	2012 ($'000) (Restated)
(a)	**Included in other (expenses)/income (net):**		
	Exchange gain	**1,698**	11,434
	Compensation income	**-**	6,749
	Loss on disposal of fixed assets	**(669)**	(2,037)
	Loss on disposal of derivatives	**(4,118)**	(513)
	Fair value loss on derivatives	**(4,312)**	(4,202)
(b)	**Share of associated companies' profits comprise of:**		
	Share of associated companies' profits	**69,283**	60,402
	Share of exceptional items of an associated company	**6,273**	20,713
	Share of fair value adjustment of investment properties of associated companies	**109,860**	71,694
		185,416	152,809
(c)	**Net finance cost:**		
	Finance income		
	Interest income from bank and other deposits	**29,110**	4,924
	Interest rate swap contracts	**441**	-
	Others	**9,421**	6,246
		38,972	11,170
	Finance cost		
	Interest expense from bank and other borrowings	**(54,971)**	(71,973)
	Interest rate swap contracts	**(3,529)**	(3,171)
	Foreign exchange contracts	**(2,111)**	(19,311)
	Others	**(593)**	(588)
		(61,204)	(95,043)
		(22,232)	(83,873)

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

	THE GROUP	
	2013 ($'000)	2012 ($'000)
(d) Profit before taxation and exceptional items have been arrived at after charging:		
Depreciation of fixed assets	**78,317**	81,030
Impairment of fixed assets	**14,138**	458
Impairment of other investments	**30**	-
Impairment of intangible assets	**5,770**	10,323
Allowance for foreseeable losses on properties held for sale	**8,589**	34,751
Amortisation of brands	**269**	-
Amortisation of intangible assets	**15,594**	17,513
Intangible assets written off	**87**	56
Fixed assets written off	**723**	-
Bad debts written off	**394**	-
Allowance for doubtful trade debts and bad debts	**4,704**	5,005
Allowance for inventory obsolescence	**7,447**	8,436
Provision for employee benefits	**1,849**	3,745
Directors of the Company:		
Fee	**601**	2,349
Remuneration of members of Board committees	**341**	548
Adviser fees and alllowances	**939**	-
Resigned Directors of the Company:		
Fee	**954**	-
Remuneration of members of Board committees	**259**	-
Key executive officers:		
Remuneration	**11,924**	8,834
Provident Fund contribution	**52**	42
Employee share-based expense	**2,510**	1,921
Staff costs (exclude directors and key executives)	**315,525**	307,174
Defined contribution plans (exclude directors and key executives)	**25,353**	21,926
Employee share-based expense (exclude directors and key executives)	**10,987**	12,271
Auditors' remuneration:		
Auditor of the Company	**1,187**	1,158
Member firms of the Auditor of the Company	**1,358**	1,376
Other auditors	**345**	941
Professional fees paid to:		
Auditor of the Company	**1,069**	302
Member firms of the Auditor of the Company	**1,252**	1,054
Other auditors	**95**	781
and crediting:		
Write back of provision for employee benefits	**446**	339
Write back of allowance for doubtful trade debts and bad debts	**3,004**	2,665
Write back of allowance for inventory obsolescence	**1,349**	3,831
Reversal of impairment of fixed assets	**841**	485
Reversal of impairment of intangible assets	**14**	174
Reversal of impairment of foreseeable losses on properties held for sale	**137**	-

5. SEGMENT INFORMATION

The Group's operating businesses are organised and managed separately according to the nature of activities. The Group's operating segments are namely beverages, dairies, printing and publishing, commercial property, development property and others. The Group operates in the following key geographical areas, namely Singapore, Malaysia, Other ASEAN, North/South Asia and certain countries outside Asia.

5. SEGMENT INFORMATION (cont'd)

Year ended 30 September 2013

The following table presents financial information regarding operating segments:

Operating Segment	Beverages ($'000)	Dairies ($'000)	Printing & Publishing ($'000)	Commercial Property ($'000)	Development Property ($'000)	Others ($'000)	Elimination ($'000)	Per Consolidated Financial Statements ($'000)
Revenue - external	886,794	1,041,644	362,909	317,305	1,682,574	52,890	-	4,344,116
Revenue - inter-segment	12,162	-	294	3,710	-	225,370	(241,536)	-
Total revenue	**898,956**	**1,041,644**	**363,203**	**321,015**	**1,682,574**	**278,260**	**(241,536)**	**4,344,116**
Subsidiary companies	122,309	59,670	1,765	132,693	374,700	25,796	-	716,933
Associated companies	-	-	7,880	54,452	3,923	3,028	-	69,283
PBIT	**122,309**	**59,670**	**9,645**	**187,145**	**378,623**	**28,824**	**-**	**786,216**
Finance income								38,972
Finance expense								(61,204)
Profit before fair value adjustment, taxation and exceptional items								**763,984**
Fair value adjustment of investment properties								281,252
Exceptional items								(137,020)
Profit before taxation								**908,216**
Taxation								(145,147)
Profit from continuing operations after taxation								**763,069**
Profit from discontinued operations after taxation								**4,751,514**
Profit after taxation								**5,514,583**
Non-controlling interests								(83,616)
Attributable profit								**5,430,967**
Assets	406,406	591,970	362,607	3,741,881	4,776,705	1,007,894	-	10,887,463
Investments in associated companies	-	-	116,155	977,164	156,291	29,267	-	1,278,877
Tax assets								34,325
Bank deposits & cash balances								1,944,722
Total assets								**14,145,387**
Liabilities	134,152	156,943	92,944	116,550	771,450	240,473	-	1,512,512
Tax liabilities								307,434
Borrowings								3,444,544
Total liabilities								**5,264,490**
Other segment information:								
Capital expenditure	21,163	24,375	15,432	116,936	2,808	2,770	-	183,484
Depreciation & amortisation	26,814	24,269	31,150	7,393	274	4,280	-	94,180
Impairment and foreseeable losses	11,483	2,448	9,341	-	8,709	-	-	31,981
Negative goodwill	-	-	-	(1,162)	-	-	-	(1,162)
Reversal of impairment losses	(641)	(200)	(14)	-	(137)	-	-	(992)
Attributable profit from continuing operations before fair value adjustment and exceptional items	51,146	28,941	2,925	128,239	280,998	53,052	-	545,301
Fair value adjustment of investment properties	-	-	1,762	273,593	2,100	2,089	-	279,544
Exceptional items	-	10,035	(121,544)	5,513	-	(39,396)	-	(145,392)
Attributable profit from continuing operations	51,146	38,976	(116,857)	407,345	283,098	15,745	-	679,453
Attributable profit from discontinued operations								4,751,514
Total Attributable profit								5,430,967

The following information are based on the geographical location of the Group's customers, which are essentially in the same location as the business operation and are as follows:

Geographical Information	Singapore ($'000)	Malaysia ($'000)	Other ASEAN ($'000)	North/South Asia ($'000)	Outside Asia ($'000)	Per Consolidated Financial Statements ($'000)
Total revenue	2,060,597	1,002,232	751,497	250,571	279,219	4,344,116
PBIT	518,551	77,011	139,268	30,384	21,002	786,216
Non-current assets	2,630,510	398,528	979,280	315,044	520,352	4,843,714
Investments in associated companies	977,164	29,267	44,980	207,706	19,760	1,278,877
Current assets	3,075,555	296,818	105,293	623,924	1,942,159	6,043,749
Capital expenditure	59,148	28,457	18,203	4,712	72,964	183,484

Other ASEAN: Myanmar, Thailand, Vietnam, Philippines and Indonesia
North/South Asia: China, Taiwan, Japan, Korea and India
Outside Asia: Australia, New Zealand, Europe and USA

5. SEGMENT INFORMATION (cont'd)

Year ended 30 September 2012 (Restated)

The following table presents financial information regarding operating segments:

Operating Segment	Beverages ($'000)	Dairies ($'000)	Printing & Publishing ($'000)	Commercial Property ($'000)	Development Property ($'000)	Others ($'000)	Adjustment & Elimination ($'000)	Per Consolidated Financial Statements ($'000)
Revenue - external	807,595	969,018	382,314	276,410	1,069,064	64,550	-	3,568,951
Revenue - inter-segment	13,883	-	300	4,763	-	247,943	(266,889)	-
Total revenue	**821,478**	**969,018**	**382,614**	**281,173**	**1,069,064**	**312,493**	**(266,889)**	**3,568,951**
Subsidiary companies	103,629	20,248	4,643	112,742	193,146	45,969	-	480,377
Associated companies	-	-	(557)	56,779	1,655	2,525	-	60,402
PBIT	**103,629**	**20,248**	**4,086**	**169,521**	**194,801**	**48,494**	**-**	**540,779**
Finance income								11,170
Finance expense								(95,043)
Profit before fair value adjustment, taxation and exceptional items								**456,906**
Fair value adjustment of investment properties								341,585
Exceptional items								60,770
Profit before taxation								**859,261**
Taxation								(98,368)
Profit from continuing operations after taxation								**760,893**
Profit from discontinued operations after taxation								**251,480**
Profit after taxation								**1,012,373**
Non-controlling interests								(174,858)
Attributable profit								**837,515**
Assets	428,628	625,942	397,806	3,043,622	4,612,205	673,372	1,686,244*	11,467,819
Investments in associated companies	-	-	228,702	1,113,018	124,218	29,576	-	1,495,514
Tax assets								38,700
Bank deposits & cash balances								1,648,945
Total assets								**14,650,978**
Liabilities	125,989	172,579	102,346	91,320	770,673	231,803	688,374*	2,183,084
Tax liabilities								294,366
Borrowings								3,907,943
Total liabilities								**6,385,393**
Other segment information:								
Capital expenditure	46,072	76,232	22,047	93,896	1,726	3,938	93,658*	337,569
Depreciation & amortisation	26,494	26,066	34,778	5,769	117	5,319	-	98,543
Impairment and foreseeable losses	275	3,481	7,025	-	34,751	-	-	45,532
Negative goodwill	-	-	(1,849)	(6,106)	-	-	-	(7,955)
Reversal of impairment losses	(211)	(264)	(174)	-	-	(10)	-	(659)
Attributable profit from continuing operations before fair value adjustment and exceptional items	39,966	29,130	(4,996)	111,389	144,355	276	-	320,120
Fair value adjustment of investment properties	-	-	4,511	337,650	-	-	-	342,161
Exceptional items	-	19,099	(25,444)	52,442	-	4,672	-	50,769
Attributable profit from continuing operations	39,966	48,229	(25,929)	501,481	144,355	4,948	-	713,050
Attributable profit from discontinued operations								124,465
Total Attributable profit								**837,515**

The following information are based on the geographical location of the Group's customers, which are essentially in the same location as the business operation and are as follows:

Geographical Information	Singapore ($'000)	Malaysia ($'000)	Other ASEAN ($'000)	North/South Asia ($'000)	Outside Asia ($'000)	Adjustment & Elimination ($'000)	Per Consolidated Financial Statements ($'000)
Total revenue	1,502,916	1,004,652	579,503	329,843	152,037	-	3,568,951
PBIT	367,122	67,403	85,974	73,320	(53,040)	-	540,779
Non-current assets	2,420,916	406,112	612,593	311,121	455,627	74,025*	4,280,394
Investments in associated companies	1,113,018	29,576	41,069	239,515	72,336	-	1,495,514
Current assets	2,655,254	321,281	284,124	549,681	1,764,866	1,612,219*	7,187,425
Capital expenditure	61,900	112,809	110,756	20,150	31,954	-	337,569

Other ASEAN: Myanmar, Thailand, Vietnam, Philippines and Indonesia
North/South Asia: China, Taiwan, Japan, Korea and India
Outside Asia: Australia, New Zealand, Europe and USA

* Adjustments relate to the disposal of APBL and APIPL which are detailed in Note 28, Discountinued Operations and Assets and Liabilities Held for Sale.

		THE GROUP	
		2013 ($'000)	2012 ($'000) (Restated)
6.	**GROSS INCOME FROM INVESTMENTS**		
	Interest income	**545**	2,662
	Dividend income	**18,398**	12,956
		18,943	15,618
7.	**EXCEPTIONAL ITEMS**		
	Gain on disposal of other investments	**37,592**	-
	Insurance claims relating to flood in Thailand (net of assets written off and other expenses incurred)	**12,307**	(1,886)
	Business interruption insurance claim relating to flood in Thailand	**7,321**	12,137
	Share of exceptional items of associated companies	**6,273**	20,713
	Gain on corporate and debt restructuring of subsidiary companies	**4,337**	4,468
	Gain on disposal of subsidiary and associated companies	**861**	56,120
	(Provision)/Write back of impairment in value of associated companies and investments	**(118,767)**	1,004
	Professional fee relating to the general offers*	**(72,984)**	-
	Provision for restructuring and re-organisation costs of operations	**(9,750)**	(24,150)
	Others	**(4,210)**	(7,636)
		(137,020)	60,770

* The professional fee relating to the general offers includes fees paid to financial advisers and a break fee of $50 million paid to OUE Baytown Pte. Ltd..

		THE GROUP	
		2013 ($'000)	2012 ($'000) (Restated)
8.	**TAXATION**		
	Based on profit for the year:		
	Singapore tax	**64,717**	46,353
	Overseas tax		
	- current year	**41,325**	62,971
	- withholding tax	**8,722**	9,245
	Deferred tax		
	- current year	**43,550**	7,327
	- adjustment of tax rate	**24**	620
		158,338	126,516
	(Over)/Under provision in preceding years		
	- current income tax	**(13,966)**	(26,137)
	- deferred tax	**775**	(2,011)
	Income tax attributable to continuing operations	**145,147**	98,368
	Income tax attributable to discontinued operations (Note 28(a))	**-**	128,209
		145,147	226,577

8. TAXATION (cont'd)

	THE GROUP	
	2013	2012
	%	%
		(Restated)

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

Singapore statutory rate	**17.0**	17.0
Effect of different tax rates of other countries	**0.2**	3.8
Effect of tax losses of subsidiary and joint venture companies not available for set-off against profits of other companies within the group	**-**	4.1
Income not subject to tax (tax incentive/exemption)	**(14.8)**	(7.0)
Expenses not deductible for tax purposes	**1.0**	4.8
Utilisation of previously unrecognised tax losses in determining taxable profit	**(0.2)**	(0.4)
Over provision in prior years	**(0.2)**	(2.2)
Deferred tax benefits not recognised	**0.2**	-
Tax effect of fair value adjustments	**(0.8)**	(3.8)
Withholding tax	**0.2**	2.0
Other reconciliation items	**-**	0.1
	2.6	18.4

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

Singapore statutory rate	**17.0**	17.0
Effect of different tax rates of other countries	**1.8**	1.5
Effect of tax losses of subsidiary and joint venture companies not available for set-off against profits of other companies within the group	**0.1**	0.2
Income not subject to tax (tax incentive/exemption)	**(3.5)**	(8.5)
Expenses not deductible for tax purposes	**6.1**	4.5
Utilisation of previously unrecognised tax losses in determining taxable profit	**(1.1)**	(0.5)
Tax credits on losses recognised	**(0.2)**	(0.2)
Over provision in prior years	**(1.5)**	(3.3)
Deferred tax benefits not recognised	**1.0**	5.8
Tax effect of fair value adjustments	**(5.1)**	(6.7)
Withholding tax	**1.0**	1.1
Other reconciliation items	**0.4**	0.5
	16.0	11.4

As at 30 September 2013, certain Singapore subsidiary companies have unutilised tax losses carried forward of approximately $41,199,000 (2012: $39,551,000) and unabsorbed capital allowances of $829,000 (2012: $578,000) available for set off against future profits. In addition, certain overseas subsidiary companies have unutilised tax losses carried forward of approximately $236,630,000 (2012: $236,108,000), unutilised investment allowances of approximately $158,836,000 (2012: $162,908,000) and unabsorbed capital allowances of $29,373,000 (2012: $42,052,000). 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 32.

For the year of assessment ("YA") 2013 certain subsidiary companies have transferred loss items of $64,452,000 (YA 2012: $11,681,000) to offset against the taxable income of other companies in the Group. Tax benefits of $1,933,000 (YA 2012: $1,423,000) were recognised on the tax losses utilised under the group relief systems. Tax benefits of $14,973,000 (YA 2012: $5,949,000) 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.

9. DIVIDENDS

	THE GROUP & THE COMPANY 2013 ($'000)	THE GROUP & THE COMPANY 2012 ($'000)
Interim paid of 3.5 cents per share (2012: 6.0 cents per share)	**52,021**	86,145
Final proposed of 12.0 cents per share (2012: 12.0 cents per share)	**172,982**	171,404
	225,003	257,549

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.

10. 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					
	Continuing Operations		Discontinued Operations		Total	
	2013 ($'000)	2012 ($'000) (Restated)	**2013 ($'000)**	2012 ($'000)	**2013 ($'000)**	2012 ($'000) (Restated)
Group attributable profit to shareholders of the Company						
- before gain on disposal of discontinued operations, fair value adjustment and exceptional items	**545,301**	320,120	**-**	152,215	**545,301**	472,335
- after gain on disposal of discontinued operations, fair value adjustment and exceptional items	**679,453**	713,050	**4,751,514**	124,465	**5,430,967**	837,515
	— No. of shares —					
Weighted average number of ordinary shares in issue	**1,441,222,592**	1,419,992,417	**1,441,222,592**	1,419,992,417	**1,441,222,592**	1,419,992,417
Earnings Per Share (Basic)						
- before gain on disposal of discontinued operations, fair value adjustment and exceptional items	**37.8 cts**	22.5 cts	**Nil cts**	10.7 cts	**37.8 cts**	33.2 cts
- after gain on disposal of discontinued operations, fair value adjustment and exceptional items	**47.1 cts**	50.2 cts	**329.7 cts**	8.8 cts	**376.8 cts**	59.0 cts

10. EARNINGS PER SHARE (cont'd)

(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					
	Continuing Operations		Discontinued Operations		Total	
	2013 (\$'000)	2012 (\$'000) (Restated)	**2013 (\$'000)**	2012 (\$'000)	**2013 (\$'000)**	2012 (\$'000) (Restated)
Group attributable profit to shareholders of the Company before gain on disposal of discontinued operations, fair value adjustment and exceptional items	**545,301**	320,120	**-**	152,215	**545,301**	472,335
Change in attributable profit due to dilutive share options	**(148)**	(170)	**-**	(10)	**(148)**	(180)
Group adjusted attributable profit to shareholders of the Company before gain on disposal of discontinued operations, fair value adjustment and exceptional items	**545,153**	319,950	**-**	152,205	**545,153**	472,155
Group attributable profit to shareholders of the Company after gain on disposal of discontinued operations, fair value adjustment and exceptional items	**679,453**	713,050	**4,751,514**	124,465	**5,430,967**	837,515
Change in attributable profit due to dilutive share options	**(176)**	(223)	**-**	(9)	**(176)**	(232)
Group adjusted attributable profit to shareholders of the Company after gain on disposal of discontinued operations, fair value adjustment and exceptional items	**679,277**	712,827	**4,751,514**	124,456	**5,430,791**	837,283

10. 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 shares and share plans 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					
	Continuing Operations		Discontinued Operations		Total	
	2013	2012 (Restated)	**2013**	2012	**2013**	2012 (Restated)
	— No. of shares —					
Weighted average number of ordinary shares used to compute basic earnings per share	**1,441,222,592**	1,419,992,417	**1,441,222,592**	1,419,992,417	**1,441,222,592**	1,419,992,417
Effect of dilutive share options	**8,223,594**	10,401,378	**8,223,594**	10,401,378	**8,223,594**	10,401,378
Weighted average number of ordinary shares used to compute diluted earnings per share	**1,449,446,186**	1,430,393,795	**1,449,446,186**	1,430,393,795	**1,449,446,186**	1,430,393,795
Earnings Per Share (Fully diluted)						
- before gain on disposal of discontinued operations, fair value adjustment and exceptional items	**37.6 cts**	22.4 cts	**Nil cts**	10.6 cts	**37.6 cts**	33.0 cts
- after gain on disposal of discontinued operations, fair value adjustment and exceptional items	**46.9 cts**	49.8 cts	**327.8 cts**	8.7 cts	**374.7 cts**	58.5 cts

As at 30 September 2013, there were no outstanding share options. For the financial year ended 30 September 2012, no share options granted to employees under share option plans have been excluded in the computation of diluted earnings per share because no options were anti-dilutive.

11. SHARE CAPITAL, TREASURY SHARES AND RESERVES

(a) Share capital

	THE GROUP & THE COMPANY			
	2013		2012	
	No. of shares	**($'000)**	No. of shares	($'000)
Ordinary shares issued and fully paid up				
Balance at beginning of year	**1,428,367,788**	**1,499,329**	1,411,514,577	1,417,404
Issued during the year				
- pursuant to the exercise of Executives' Share Options	**11,055,498**	**56,813**	16,454,911	80,452
- pursuant to the vesting of shares awarded under Share Plan	**2,100,250**	**9,182**	398,300	1,473
Capital reduction				
- additional shares issued	**1,441,519,436**	**4,604,379**	-	-
- cancellation of additional shares	**(1,441,519,436)**	**(4,728,183)**	-	-
Balance at end of year	**1,441,523,536**	**1,441,520**	1,428,367,788	1,499,329

The holders of ordinary shares (except for treasury 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.

On 31 July 2013, a capital reduction of $3.28 in cash for each ordinary share in the capital of the Company was effected. The Company, as part of the capital reduction, capitalised an amount of $4.604 billion from the revenue reserves of the Company to increase the issued share capital. A total of $4.728 billion cash was returned to the shareholders comprising (i) $4.604 billion of the revenue reserves which have been capitalised; and (ii) $124 million from the existing issued share capital of the Company.

The Company has the following employee share plans under which share awards conditional on the achievement of pre-determined targets has been granted.

(i) Fraser and Neave Limited Restricted Share Plan
(ii) Fraser and Neave Limited Performance Share Plan

During the year, the consideration received following the exercise of Executives' Share Options was $46,280,000 (2012: $65,236,000).

(b) Treasury shares

	THE GROUP & THE COMPANY			
	2013		2012	
	No. of shares	**($'000)**	No. of shares	($'000)
Balance at beginning of year	**(4,100)**	**(23)**	-	-
Purchased during the year	**-**	**-**	(1,425,000)	(8,093)
Reissued during the year:				
- Reissued pursuant to share plans	**-**	**-**	1,420,900	-
- Transferred from share-based payment reserve	**-**	**-**	-	5,256
- Loss on reissuance of treasury shares	**-**	**-**	-	2,814
	-	**-**	1,420,900	8,070
Balance at end of year	**(4,100)**	**(23)**	(4,100)	(23)

11. SHARE CAPITAL, TREASURY SHARES AND RESERVES (cont'd)

(b) Treasury shares (cont'd)

Treasury shares relate to ordinary shares of the Company that is held by the Company.

The Company did not acquire any share (2012: 1,425,000 shares) in the Company through purchases on the Singapore Exchange during the financial year. The total amount paid to acquire the shares was $Nil (2012: $8,093,000) and this was presented as a component within shareholders' equity.

The Company did not reissue any treasury shares pursuant to its share plans in this financial year (2012: 1,420,900 at a weighted average price of $5.68 each).

(c) Reserves

	THE GROUP		THE COMPANY	
	2013 ($'000)	2012 ($'000) (Restated)	**2013 ($'000)**	2012 ($'000)
The reserves comprise the following:				
Capital Reserve	**3,463**	264,795	**(2,814)**	1,036,460
Fair Value Adjustment Reserve	**592,145**	326,152	**150**	1,886
Hedging Reserve	**(5,521)**	(13,657)	**-**	-
Share-based Payment Reserve	**24,129**	31,151	**21,176**	28,965
Revenue Reserve	**6,377,183**	5,510,947	**3,073,846**	1,601,604
Dividend Reserve (Note 9)	**172,982**	171,404	**172,982**	171,404
Exchange Reserve	**(98,510)**	(187,561)	**-**	-
Total reserves	**7,065,871**	6,103,231	**3,265,340**	2,840,319

Capital reserve of the Company comprises the loss on reissuance of treasury shares. During the year, the Company transferred $1,039,274,000 from capital reserve to revenue reserve relating to the revaluation reserve on investments in subsidiaries which crystalised on 1 October 2005 upon adoption of FRS 39 Financial Instruments: Recognition and Measurement. The capital reserve of the Group comprises statutory reserve, asset revaluation reserve of subsidiary companies and the loss on reissuance of treasury shares.

Fair value adjustment reserve comprises the cumulative fair value changes, net of tax, of available-for-sale financial assets until they are disposed or impaired. During the year, $37,021,000 was reclassified to profit statement upon disposal of available-for-sale financial assets.

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.

Movement of hedging instruments designated as cash flow hedges are as follows:

	THE GROUP	
	2013 ($'000)	2012 ($'000)
Balance at beginning of year	**(13,657)**	(23,273)
Fair value gains during the year	**4,457**	4,597
Share of associated company's hedging reserve	**1,289**	(397)
Realisation of reserves on disposal of subsidiary and associated companies	**-**	(382)
Reclassification adjustments for losses included in the statement of comprehensive income	**2,390**	5,798
Balance at end of year	**(5,521)**	(13,657)

11. SHARE CAPITAL, TREASURY SHARES AND RESERVES (cont'd)

(c) Reserves (cont'd)

Employee share-based payment reserve represents the equity-settled options and share plans 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 and share plans, and is reduced by the expiry or exercise of the share options.

Dividend reserve relates to proposed final dividend of 12.0 cents (2012: 12.0 cents) per share.

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.

12. FIXED ASSETS

	THE GROUP						
	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 2013							
At cost							
Balance at beginning of year	46,972	40,523	302,471	673,901	11,863	344,913	1,420,643
Currency realignment	(1,191)	(712)	(2,833)	(12,190)	(8,149)	(5,493)	(30,568)
Additions	-	-	489	6,639	18,906	32,849	58,883
Disposals	-	-	(26)	(5,408)	-	(17,695)	(23,129)
Write off for the year	-	-	(2,468)	(25,134)	-	(4,848)	(32,450)
Reclassification	-	-	3,725	13,414	(7,551)	(9,588)	-
Reclassified from assets held for sale	-	-	4,554	-	-	-	4,554
Reclassified to investment properties	-	-	(653)	-	(1,119)	-	(1,772)
Balance at end of year	45,781	39,811	305,259	651,222	13,950	340,138	1,396,161
Accumulated depreciation and impairment							
Balance at beginning of year	932	10,920	75,799	375,834	-	209,711	673,196
Currency realignment	(35)	(242)	(1,120)	(7,510)	-	(5,869)	(14,776)
Depreciation charge for the year	-	554	6,856	35,550	-	35,357	78,317
Impairment charge for the year	-	-	270	12,272	-	1,596	14,138
Impairment reversal for the year	-	-	-	(2)	-	(839)	(841)
Disposals	-	-	(9)	(5,025)	-	(15,835)	(20,869)
Write off for the year	-	-	(2,468)	(25,126)	-	(4,133)	(31,727)
Reclassification	-	-	-	6,632	-	(6,632)	-
Reclassified to investment properties	-	-	(386)	-	-	-	(386)
Balance at end of year	897	11,232	78,942	392,625	-	213,356	697,052
Net book value at end of year	44,884	28,579	226,317	258,597	13,950	126,782	699,109

12. FIXED ASSETS (cont'd)

THE GROUP

	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 2012							
At cost							
Balance at beginning of year	53,458	61,319	440,260	1,128,767	174,351	402,975	2,261,130
Currency realignment	(965)	(2,147)	(11,761)	(26,210)	(4,021)	(6,945)	(52,049)
Additions	-	66	2,463	35,382	126,454	70,103	234,468
Acquisition of subsidiary companies	-	-	-	-	-	2,526	2,526
Acquisition of joint venture companies	-	-	3,885	4,415	-	1,790	10,090
Disposal of subsidiary companies	-	-	(287)	-	-	(2,100)	(2,387)
Disposals	-	-	(9,005)	(44,295)	(8)	(35,923)	(89,231)
Reclassification	-	-	70,681	151,017	(213,427)	(8,271)	-
Reclassified from assets held for sale	-	7,708	14,635	56,130	6	3,373	81,852
Reclassified to assets held for sale	(5,521)	(26,423)	(208,400)	(631,305)	(71,254)	(80,702)	(1,023,605)
Reclassified to intangible assets	-	-	-	-	(238)	-	(238)
Reclassified to current assets	-	-	-	-	-	(1,913)	(1,913)
Balance at end of year	46,972	40,523	302,471	673,901	11,863	344,913	1,420,643
Accumulated depreciation and impairment							
Balance at beginning of year	948	15,868	136,071	660,733	-	260,462	1,074,082
Currency realignment	(16)	(553)	(3,476)	(11,901)	-	(5,044)	(20,990)
Depreciation charge for the year							
- Continuing operations	-	728	13,039	33,231	-	34,032	81,030
- Discontinued operations	-	655	7,210	33,004	-	8,540	49,409
Impairment charge for the year							
- Continuing operations	-	-	-	166	-	292	458
- Discontinued operations	-	-	552	3,470	-	710	4,732
Impairment reversal for the year							
- Continuing operations	-	-	-	(273)	-	(212)	(485)
- Discontinued operations	-	-	(3)	(816)	-	(91)	(910)
Disposal of subsidiary companies	-	-	(287)	-	-	(1,822)	(2,109)
Disposals	-	-	(8,893)	(30,950)	-	(31,576)	(71,419)
Reclassification	-	-	8	(5)	-	(3)	-
Reclassified from assets held for sale	-	2,652	8,356	33,836	-	2,623	47,467
Reclassified to assets held for sale	-	(8,430)	(76,778)	(344,661)	-	(57,914)	(487,783)
Reclassified to current assets	-	-	-	-	-	(286)	(286)
Balance at end of year	932	10,920	75,799	375,834	-	209,711	673,196
Net book value at end of year	46,040	29,603	226,672	298,067	11,863	135,202	747,447

(a) Other assets comprise motor vehicles, postmix and vending machines, beer coolers, fixture and fittings and computer equipment.

(b) The carrying amount of assets held under finance leases at 30 September 2013 amounted to $18,000 (2012: $660,000).

(c) The net book value of fixed assets pledged to financial institutions as security for borrowings are as follows:

	2013 ($'000)	2012 ($'000)
Plant and machinery	**8,030**	9,024
Building	**284**	310

13. INVESTMENT PROPERTIES

		THE GROUP	
		2013 ($'000)	2012 ($'000)
(a)	Completed Investment Properties		
	Balance at beginning of year	**2,516,934**	2,214,635
	Currency realignment	**15,372**	(21,379)
	Additions	**83,843**	31,357
	Acquisition of subsidiary companies	**-**	266,688
	Disposal of subsidiary companies	**-**	(235,402)
	Disposals	**-**	(1,100)
	Net fair value gain recognised in the profit statement	**171,392**	262,135
	Transfer from assets held for sale	**16,961**	-
	Transfer from investment properties under construction	**105,566**	-
	Transfer from fixed assets	**1,386**	-
	Balance at end of year	**2,911,454**	2,516,934
(b)	Investment Properties under Construction		
	Balance at beginning of year	**320,853**	262,105
	Currency realignment	**-**	(40)
	Additions	**28,663**	53,232
	Transfer to completed investment properties	**(105,566)**	-
	Transfer to properties held for development	**-**	(2,200)
	Fair value gain recognised in the profit statement	**-**	7,756
	Balance at end of year	**243,950**	320,853
	Total Investment Properties	**3,155,404**	2,837,787

(c) Completed investment properties comprise serviced residences and commercial properties that are leased mainly to third parties under operating leases (Note 34).

The following amounts are recognised in the income statement:

	2013	2012
Rental income from investment properties:		
- Minimum lease payments	**227,288**	197,243
- Contingent rent based on tenants' turnover	**2,894**	2,491
Direct operating expenses arising from rental generating properties	**84,174**	79,824

Completed investment properties are stated at fair value which has been determined based on valuations performed at balance sheet date. Valuations are performed by accredited independent valuers with recognised and relevant professional qualification and with recent experience in the location and category of the properties being valued.

The valuations are based on open market values on the as-is basis and were prepared primarily using the Direct Comparision Method, Income/Investment 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.

13. INVESTMENT PROPERTIES (cont'd)

(c) Independent professional valuations were carried out by the following valuers:

Valuers	Country	Valuation Date
Knight Frank Pte Ltd	Singapore	September 2013
CB Richard Ellis (Pte) Ltd	Singapore	September 2013
CB Richard Ellis Limited	Hong Kong	September 2013
Savills Real Estate Valuation (Beijing) Company	China	September 2013
Savills Commercial Limited	United Kingdom	September 2013
CBRE Valuations Pty Limited	Australia	September 2013
Asian Appraisal Company, Inc.	Philippines	September 2013
Colliers International	Vietnam	September 2013
KJPP Rengganis, Hamid & Rekan	Indonesia	September 2013
Henry Butcher Malaysia Sdn Bhd	Malaysia	September 2013

Completed investment properties amounting to $Nil (2012: $268,988,000) are secured for credit facilities with banks.

(d) Investment properties under construction are stated at fair value which has been determined based on valuations performed as at balance sheet date. Valuations are performed by accredited independent valuers with recognised and relevant professional qualification and with recent experience in the location and catergory of the properties being valued. The valuation is prepared on an ungeared basis. The fair value of investment properties under construction is determined using a combination of Market Comparison and Discounted Cash Flow Analysis and Investment, Comparable Sales and Residual Land Value Methods. In arriving at their estimates of market value, the valuers have used their market knowledge and professional judgement and not only relied on historical transactional comparables.

Independent professional valuations were carried out by the following valuers:

Valuers	Country	Valuation Date
Knight Frank Pte Ltd	Singapore	September 2013

Investment properties under construction amounting to $243,950,000 (2012: $320,853,000) has been mortgaged to the bank as security for bank facilities.

14. SUBSIDIARY COMPANIES

	THE COMPANY	
	2013 ($'000)	2012 ($'000)
Quoted shares at cost	**256,353**	256,353
Unquoted shares at cost	**3,085,949**	3,085,949
Allowance for impairment	**(26,649)**	(26,649)
	3,315,653	3,315,653
Amounts owing by subsidiary companies (unsecured)	**760,641**	617,890
Amounts owing to subsidiary companies (unsecured)	**(130,356)**	(103,878)
	3,945,938	3,829,665
MARKET VALUE		
Quoted shares	**1,456,677**	1,480,157

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 $759,940,000 (2012: $616,861,000) which bear interest at an average rate of 0.75% (2012: 0.34%) per annum.

14. SUBSIDIARY COMPANIES (cont'd)

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, United States Dollars, Australia Dollars, Malaysia Ringgit and Thai Baht.

Details of significant subsidiary companies are included in Note 43.

During the financial year, the Group disposed the following subsidiary company:

Printing and Publishing

The Group's subsidiary company, Times Publishing Limited, completed the disposal of its entire interest of approximately 51.0% in Liaoning Times Xinhua Printers Ltd.

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

15. JOINT VENTURE COMPANIES

(a) 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.

	THE GROUP	
	2013 ($'000)	2012 ($'000) (Restated)
(i) The Group's share of the consolidated results of the joint venture companies for the year is as follows:		
Revenue	**617,227**	339,906
Profit before taxation and exceptional items	**190,432**	91,332
Taxation	**(27,154)**	(14,175)
(ii) The Group's share of the consolidated assets and liabilities of the joint venture companies is as follows:		
Non-current assets	**385,504**	321,359
Current assets	**1,185,795**	1,101,793
Current liabilities	**(664,572)**	(608,812)
Non-current liabilities	**(542,609)**	(613,467)
	364,118	200,873

(iii) The share of the results, assets and liabilities as stated in paragraphs (i) and (ii) above is based on the accounts of the joint venture companies to 30 September 2013.

(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 and United States Dollars.

Details of significant joint venture companies are included in Note 43.

(b) Sale of joint venture companies

On 15 November 2012, the Company completed the disposal of its entire 39.7% interest in Asia Pacific Breweries Limited ("APBL") and other assets held through Asia Pacifc Investment Pte Ltd ("APIPL") for a total aggregate consideration of S$5.6 billion.

The effects of the disposal are disclosed in Note 28 Discontinued Operations and Assets and Liabilities Held for Sale.

16. ASSOCIATED COMPANIES

	THE GROUP		THE COMPANY	
	2013 ($'000)	2012 ($'000)	**2013 ($'000)**	2012 ($'000)
Unquoted investments, at cost	**125,375**	102,291	**-**	-
Quoted investments, at cost	**965,001**	1,258,578	**93,783**	93,783
Share of post acquisition reserves, net	**241,309**	129,681	**-**	-
Allowance for impairment	**(130,483)**	(8,869)	**(75,683)**	(11,400)
	1,201,202	1,481,681	**18,100**	82,383
Loans owing from associated companies (unsecured)	**77,675**	13,833	**-**	-
	1,278,877	1,495,514	**18,100**	82,383
MARKET VALUE				
Quoted shares	**935,294**	1,217,683	**15,333**	12,511

(a) The loan owing from an associated company of $63,617,000 (2012: $Nil) bears interest at 6.2% per annum, is unsecured and repayable in November 2022.

The remaining loan owing from an associated company is interest free, non-trade in nature, unsecured and has no fixed repayment term. The fair value of the loan is not determinable as the timing of future cash flows arising from the repayment of the loan cannot be estimated reliably. Accordingly, the loan is 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 except for loan to an associated company of $8,071,000 (2012: $Nil) which bears interest at 6.0% per annum. The amounts due from/to associated companies are denominated mostly in Singapore Dollars, Chinese Renminbi and Malaysia Ringgit.

(c) The summarised financial statements of the associated companies are as follows:

	THE GROUP	
	2013 ($'000)	2012 ($'000)
Revenue	**2,502,454**	2,202,490
Profit before taxation	**433,406**	220,666
Taxation	**(10,995)**	(7,886)
Profit after taxation	**422,411**	212,780
Non-current assets	**5,076,136**	4,434,133
Current assets	**1,820,553**	2,155,066
Current liabilities	**(1,010,981)**	(876,506)
Non-current liabilities	**(2,085,554)**	(1,921,128)
	3,800,154	3,791,565

(d) The results, assets and liabilities as stated in paragraph (c) above are based on the accounts of the associated companies to 30 September 2013.

(e) The Group's share of capital commitments of the associated companies as at 30 September 2013 is $13,058,000 (2012: $17,428,000).

Impairment loss of $121,614,000 (2012: $Nil) relating to investment in associated companies was recognised as an exceptional item in the profit statement. This represents the write-down of the carrying values to the recoverable amounts. The recoverable amounts were estimated based on value-in-use calculations applying discount rates of between 7.9% - 10.4% (2012: Nil%) and terminal growth rates of between 0% - 2.5% (2012: Nil%).

Details of significant associated companies are included in Note 43.

17. INTANGIBLE ASSETS

THE GROUP	Goodwill ($'000)	Deferred Development Costs ($'000)	Management Contracts ($'000)	Other Intangible Assets ($'000)	Total ($'000)
For the year ended 30 September 2013					
At cost					
Balance at beginning of year	**68,655**	**69,924**	**67,250**	**28,354**	**234,183**
Currency realignment	**(380)**	**987**	**-**	**1**	**608**
Additional expenditure during the year	**-**	**11,911**	**-**	**184**	**12,095**
Reclassified to brands	**-**	**-**	**-**	**(1,883)**	**(1,883)**
Disposal for the year	**-**	**(2,206)**	**-**	**-**	**(2,206)**
Write off for the year	**(87)**	**(8,820)**	**-**	**(2,832)**	**(11,739)**
Balance at end of year	**68,188**	**71,796**	**67,250**	**23,824**	**231,058**
Accumulated amortisation and impairment					
Balance at beginning of year	**3,298**	**47,794**	**2,450**	**17,166**	**70,708**
Currency realignment	**(71)**	**898**	**-**	**-**	**827**
Amortisation charge for the year	**-**	**12,806**	**490**	**2,298**	**15,594**
Impairment charge for the year	**8,400**	**824**	**-**	**-**	**9,224**
Impairment reversal for the year	**-**	**(14)**	**-**	**-**	**(14)**
Disposal for the year	**-**	**(1,944)**	**-**	**-**	**(1,944)**
Write off for the year	**-**	**(8,820)**	**-**	**(2,832)**	**(11,652)**
Balance at end of year	**11,627**	**51,544**	**2,940**	**16,632**	**82,743**
Net book value	**56,561**	**20,252**	**64,310**	**7,192**	**148,315**
For the year ended 30 September 2012					
At cost					
Balance at beginning of year	459,356	77,336	67,250	30,674	634,616
Currency realignment	(32,622)	(2,455)	-	(211)	(35,288)
Additional expenditure during the year	-	18,180	-	120	18,300
Acquisition of joint venture company	19,392	-	-	-	19,392
Reclassified to assets held for sale	(382,845)	-	-	(2,467)	(385,312)
Reclassified from assets held for sale	5,430	-	-	-	5,430
Reclassified from fixed assets	-	-	-	238	238
Disposal for the year	-	(3,240)	-	-	(3,240)
Write off for the year	(56)	(19,897)	-	-	(19,953)
Balance at end of year	68,655	69,924	67,250	28,354	234,183
Accumulated amortisation and impairment					
Balance at beginning of year	-	48,143	1,960	14,904	65,007
Currency realignment	-	(1,950)	-	(73)	(2,023)
Amortisation charge for the year					
- Continuing operations	-	14,771	490	2,252	17,513
- Discontinued operations	-	-	-	136	136
Impairment charge for the year	3,298	6,901	-	124	10,323
Impairment reversal for the year	-	(174)	-	-	(174)
Reclassified to assets held for sale	-	-	-	(177)	(177)
Write off for the year	-	(19,897)	-	-	(19,897)
Balance at end of year	3,298	47,794	2,450	17,166	70,708
Net book value	65,357	22,130	64,800	11,188	163,475

All intangible assets have finite useful lives of not more than 20 years, except management contracts with a cost of $62,601,000 (2012: $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 company and an associated company. 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 company as the manager.

18. 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.

	($'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				
As at 30 September 2013				
Subsidiary companies:				
Printing and Publishing Group	**19,512**	**Value-in-use**	**0%**	**6.4% - 18.8%**
Dairies Group	**384**	**Value-in-use**	**3.0%**	**9.0%**
Beverages Group	**36,665**	**Value-in-use and Fair value less cost to sell**	**5.0%**	**9.0%**
	56,561			
As at 30 September 2012				
Subsidiary companies:				
Printing and Publishing Group	25,465	Value-in-use	0%	7.5% - 21.3%
Dairies Group	2,642	Value-in-use	2.0% - 3.0%	10.3% - 10.7%
Beverages Group	37,250	Value-in-use and Fair value less cost to sell	5.0%	10.3%
	65,357			

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.

The impairment losses of $8,400,000 (2012: $3,298,000) were recognised in the profit statement. The recoverable amount of the goodwill has been determined based on value-in-use calculations using 5 year cash flow projections approved by management. The pre-tax discount rate applied to the cash flow projections is 5.6% - 12.4% (2012: 10.7%) and the terminal growth rate is 0% - 3.0% (2012: 2.0%).

(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 10.0% (2012: 10.0%) and the forecast growth rate used beyond the 5 year period is 2.0% (2012: 2.0%).

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

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

(c) Deferred development costs

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

An impairment loss of $824,000 (2012: $6,901,000) was recognised under "Cost of Sales" 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 is 6.4% - 18.8% (2012: 7.5% - 11.7%) and the terminal growth rate is 0% (2012: 0%).

A reasonable change to the assumptions used by the management to determine the impairment required, particularly the discount rate and terminal growth rate, would not significantly affect the results.

19. OTHER INVESTMENTS

	THE GROUP		THE COMPANY	
	2013 ($'000)	2012 ($'000)	**2013 ($'000)**	2012 ($'000)
Quoted				
Quoted available-for-sale financial asset				
Equity investments				
At fair value	**672,985**	370,021	**6,191**	6,191
Unquoted				
Unquoted available-for-sale financial assets				
Non-equity investments				
At cost (less impairment loss)	**88**	121	**-**	-
Equity investments				
At cost (less impairment loss)	**2,163**	2,164	**14**	14
At fair value	**-**	2,672	**-**	2,672
Unquoted total	**2,251**	4,957	**14**	2,686
Total	**675,236**	374,978	**6,205**	8,877

(a) 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.

(b) Market value of quoted investments are determined by reference to stock exchange quoted prices.

20. OTHER ASSETS

Other assets relates to the unguaranteed residual value in relation to the Group's freehold interest retained in Alexandra Technopark after the expiry of the 99-year lease to an associated company.

21. CASH AND BANK DEPOSITS

	THE GROUP		THE COMPANY	
	2013 ($'000)	2012 ($'000)	**2013 ($'000)**	2012 ($'000)
Bank fixed deposits	**876,333**	604,112	**255,674**	64,689
Cash and bank balances	**1,068,389**	1,044,833	**650,794**	91,793
	1,944,722	1,648,945	**906,468**	156,482

The weighted average effective interest rate for bank fixed deposits is 1.16% (2012: 1.59%).

Included in the Group's cash and bank balances, and bank fixed deposits are amounts of $18,913,000 (2012: $8,660,000) and $181,444,000 (2012: $355,878,000) 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 2013 cash and bank deposits held by the Group are in the following major foreign currencies: Chinese Renminbi - 6.5% (2012: 8.1%), Malaysia Ringgit - 6.5% (2012: 4.4%) and Australia Dollars - 4.2% (2012: 4.6%).

22. BRANDS

	THE GROUP		THE COMPANY	
	2013 ($'000)	2012 ($'000)	**2013 ($'000)**	2012 ($'000)
At cost				
Balance at beginning of year	**40,984**	91,442	**8,647**	8,435
Currency realignment	**(818)**	(2,346)	**-**	-
Additions during the year	**-**	212	**-**	212
Reclassified from intangible assets	**1,883**	-	**-**	-
Reclassified to assets held for sale	**-**	(48,324)	**-**	-
Balance at end of year	**42,049**	40,984	**8,647**	8,647
Accumulated amortisation and impairment				
Balance at beginning of year	**10,647**	17,923	**8,435**	8,435
Currency realignment	**297**	(104)	**-**	-
Amortisation charge for the year				
- Continuing operations	**269**	-	**-**	-
- Discontinued operations	**-**	6	**-**	-
Reclassified to assets held for sale	**-**	(7,178)	**-**	-
Balance at end of year	**11,213**	10,647	**8,435**	8,435
Net book value	**30,836**	30,337	**212**	212

Included in the Group's brands are brands with indefinite useful life of carrying amount of $29,222,000 (2012: $30,337,000).

The recoverable amount of the brands have been determined based on value-in-use calculations using 5 year cash flow projections approved by management.

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

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

The pre-tax discount rates applied to the cash flow projections was 9.0% (2012: 10.3%) and terminal growth rates applied was 0.0% (2012: 1.5%).

	THE GROUP 2013 ($'000)	THE GROUP 2012 ($'000)
23. PROPERTIES HELD FOR SALE		
(a) Development Properties Held for Sale		
Properties in the course of development, at cost	**4,488,640**	4,349,044
Allowance for foreseeable losses	**(51,021)**	(46,124)
	4,437,619	4,302,920
Development profit	**469,864**	286,364
	4,907,483	4,589,284
Progress payments received	**(1,035,875)**	(752,393)
Balance at end of year	**3,871,608**	3,836,891
(b) Completed Properties Held for Sale		
Completed units, at cost	**861,079**	632,550
Allowance for foreseeable losses	**(22,735)**	(27,950)
Balance at end of year	**838,344**	604,600
Total Properties Held for Sale	**4,709,952**	4,441,491

(i) The following table provides information about agreements that are in progress at the reporting date whose revenue are recognised on a percentage of completion basis:

	2013 ($'000)	2012 ($'000)
Aggregate amount of costs incurred and recognised to date	**2,813,050**	1,951,173
Less: Progress billings	**(1,094,295)**	(752,393)
	1,718,755	1,198,780

(ii) Interest capitalised during the year was $63,981,000 (2012: $61,323,000). The borrowing cost of loans used to finance the projects have been capitalised at interest rates of between 1.0% and 7.3% (2012: 0.6% and 7.9%) per annum.

(iii) Certain subsidiary and joint venture companies have granted fixed and floating charge over their properties held for sale totalling $1,897,151,000 (2012: $1,587,617,000) to banks as securities for credit facilities.

(iv) Development properties recognised as an expense in cost of sales during the year was $1,214,094,000 (2012: $785,398,000).

24. INVENTORIES

	2013 ($'000)	2012 ($'000)
Containers	**7,488**	1,423
Raw materials	**88,594**	88,600
Manufactured inventories	**83,487**	98,076
Engineering spares, work-in-progress and other inventories	**20,472**	20,386
Packaging materials	**20,273**	27,993
Goods purchased for resale	**29,092**	29,458
	249,406	265,936

(a) Write back of allowance for inventory obsolescence during the year amounted to $1,349,000 (2012: $3,983,000).

(b) The cost of inventories recognised as an expense in cost of sales during the year was $1,293,961,000 (2012: $1,269,459,000).

25. TRADE RECEIVABLES AND OTHER RECEIVABLES

	THE GROUP		THE COMPANY	
	2013 ($'000)	2012 ($'000)	**2013 ($'000)**	2012 ($'000)
Trade receivables	**527,334**	551,668	**-**	-
Other receivables:				
Current				
Accrued income	**20,881**	19,282	**31**	5
Prepayments	**18,428**	11,953	**246**	12
Deposits paid	**12,748**	19,307	**-**	-
Tax recoverable	**12,109**	18,869	**5,067**	-
Staff loans	**4,730**	5,113	**-**	-
Amount receivable from joint venture partners	**8,884**	1,298	**-**	-
Derivative financial instruments (Note 26)	**1,919**	788	**123**	-
Advanced project cost paid	**570**	671	**-**	-
Sundry debtors	**7,360**	5,075	**-**	-
Other receivables	**46,104**	50,083	**21**	7
	133,733	132,439	**5,488**	24
	661,067	684,107	**5,488**	24
Non-current				
Prepayments	**310**	354	**-**	-
Staff loans	**556**	461	**-**	-
Loans to non-controlling interests	**90,429**	82,836	**-**	-
Other receivables	**319**	319	**-**	-
	91,614	83,970	**-**	-
	752,681	768,077	**5,488**	24

(a) Included in trade receivables is an amount of $187,812,000 (2012: $217,644,000) which relates to the balance of sales proceeds from completed properties held for sale, which will be received upon issuance of certificate of statutory completion, notice of vacant possession, expiry of defect liability period and/or title subdivision, and outstanding balances of progress billings which are due within 14 days after the purchasers receive notices to make payments.

(b) As at 30 September 2013, trade receivables and other receivables held by the Group are in the following major foreign currencies: Malaysia Ringgit - 19.6% (2012: 19.4%), Thai Baht - 9.3% (2012: 9.0%), Australia Dollars - 4.5% (2012: 4.5%) and United States Dollars - 3.7% (2012: 5.1%).

(c) Loans to a non-controlling interest are non-trade related, secured by assets in Australia, bears interest at 8.0% (2012: 8.0%) per annum and have no fixed repayment terms.

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

Trade receivables that are past due but not impaired

The Group has trade receivables amounting to $107,654,000 (2012: $92,243,000) 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	
	2013 ($'000)	2012 ($'000)
Trade receivables past due:		
1 to 30 days	**66,066**	57,654
31 to 60 days	**21,004**	19,636
61 to 90 days	**14,569**	5,009
91 to 120 days	**1,621**	4,935
more than 120 days	**4,394**	5,009
	107,654	92,243

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	
	2013 ($'000)	2012 ($'000)	**2013 ($'000)**	2012 ($'000)
Trade receivables - nominal amounts	**317**	306	**12,147**	12,968
Less: Allowance for impairment	**(317)**	(306)	**(8,405)**	(9,033)
	-	-	**3,742**	3,935
Movement in allowance accounts:				
Balance at beginning of year	**306**	6	**9,033**	9,422
Charge for the year				
- Continuing operations	**408**	333	**4,296**	4,672
- Discontinued operations	**-**	289	**-**	139
Written back				
- Continuing operations	**(356)**	(18)	**(2,648)**	(2,647)
- Discontinued operations	**-**	-	**-**	(168)
Acquisition of subsidiary and joint venture companies	**-**	-	**-**	62
Written off	**(48)**	(9)	**(2,160)**	(2,052)
Reclassification	**22**	-	**(22)**	-
Reclassified to asset held for sale	**-**	(294)	**-**	(1,148)
Exchange difference	**(15)**	(1)	**(94)**	753
Balance at end of year	**317**	306	**8,405**	9,033

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. These receivables are not secured by any collateral or credit enhancement.

26. DERIVATIVE FINANCIAL INSTRUMENTS

	THE GROUP		THE COMPANY	
	2013 ($'000)	2012 ($'000)	**2013 ($'000)**	2012 ($'000)
Assets				
Current				
Forward currency contracts	**1,919**	788	**123**	-
Liabilities				
Current				
Interest rate swaps	**6,583**	10,480	**-**	-
Forward currency contracts	**6,175**	9,630	**-**	-
	12,758	20,110	**-**	-
Non-current				
Interest rate swaps	**3,940**	7,181	**-**	-
	16,698	27,291	**-**	-
Net position	**(14,779)**	(26,503)	**123**	-

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 half yearly basis.

27. SHORT TERM INVESTMENTS

	THE GROUP	
	2013 ($'000)	2012 ($'000)
Quoted		
Quoted available-for-sale financial assets		
Equity investments at fair value	**100**	98
Non-equity investments at fair value	**-**	60,350
Total	**100**	60,448

Included in non-equity investments are notes with interest rates of Nil% (2012: 8%) per annum.

28. DISCONTINUED OPERATIONS AND ASSETS AND LIABILITIES HELD FOR SALE

(a) Discontinued operations

Breweries

On 15 November 2012, the Company completed the disposal of its entire 39.7% interest in APBL and other assets held through APIPL for a total aggregate consideration of S$5.6 billion. The gain on disposal was presented under "Gain on disposal of discontinued operations" in the current year's profit statement.

28. DISCONTINUED OPERATIONS AND ASSETS AND LIABILITIES HELD FOR SALE (cont'd)

(a) Discontinued operations (cont'd)

Breweries (cont'd)

	THE GROUP	
	2013 ($'000)	2012 ($'000)
Profit statement disclosures		
The results of the discontinued operations for the year ended 30 September are as follows:		
Revenue	-	1,973,909
Expenses	-	(1,582,077)
Trading profit	-	391,832
Share of joint venture and associated companies' profits	-	16,681
Gross income from investments	-	2,458
Profit before interest and taxation	-	410,971
Net interest income	-	452
Profit from discontinued operations before taxation and exceptional items	-	411,423
Exceptional items	-	(31,734)
Profit from discontinued operations before taxation	-	379,689
Taxation	-	(128,209)
Profit from discontinued operations after taxation	-	251,480
Gain on disposal of discontinued operations	**4,751,514**	-
Profit after taxation	**4,751,514**	251,480
Balance sheet disclosures		
The major classes of assets and liabilities of the discontinued operations as at 30 September are as follows:		
Assets		
Fixed assets	-	535,822
Intangibles and brands	-	426,281
Inventories	-	136,691
Trade and other receivables	-	144,986
Cash and bank balances and fixed deposits	-	298,343
Other assets	-	144,121
Assets of disposal group classified as held for sale	-	1,686,244
Liabilities		
Trade and other payables	-	346,954
Borrowings	-	241,335
Deferred tax liabilities	-	37,613
Provision for taxation	-	58,656
Other liabilities	-	3,816
Liabilities of disposal group classified as held for sale	-	688,374
Net assets of disposal group classified as held for sale	-	997,870

28. DISCONTINUED OPERATIONS AND ASSETS AND LIABILITIES HELD FOR SALE (cont'd)

(a) Discontinued operations (cont'd)

Breweries (cont'd)

	THE GROUP	
	2013 ($'000)	2012 ($'000)
Cash flow statement disclosures		
The cash flows attributable to the discontinued operations for the year ended 30 September are as follows:		
Operating cash inflows	**-**	332,561
Investing cash outflows	**-**	(79,236)
Financing cash outflows	**-**	(130,226)
Net cash inflows	**-**	123,099

Earnings per share disclosures (Note 10)
Earnings per share from discontinued operations attributable to the shareholders of the company:

	— cents per share —	
- Basic - before gain on disposal of discontinued operations, fair value adjustment and exceptional items	**Nil cts**	10.7 cts
- after gain on disposal of discontinued operations, fair value adjustment and exceptional items	**329.7 cts**	8.8 cts
- Diluted - before gain on disposal of discontinued operations, fair value adjustment and exceptional items	**Nil cts**	10.6 cts
- after gain on disposal of discontinued operations, fair value adjustment and exceptional items	**327.8 cts**	8.7cts

(b) Assets and liabilities held for sale

The assets and liabilities held for sale relate to the discontinuation of joint ventures with certain printing companies.

	THE GROUP	
	2013 ($'000)	2012 ($'000)
Assets		
Fixed assets	**6,111**	8,526
Development properties held for sale	**-**	22,342
Current assets	**1,850**	3,547
	7,961	34,415
Liabilities		
Current liabilities	**1,845**	1,737

29. TRADE AND OTHER PAYABLES

	THE GROUP		THE COMPANY	
	2013 ($'000)	2012 ($'000)	**2013 ($'000)**	2012 ($'000)
Trade payables	**528,031**	529,751	**-**	-
Other payables:				
Current				
Advances from joint venture partners	**21**	48	**-**	-
Accrued operating expenses	**105,402**	95,401	**39**	130
Sundry accruals	**48,141**	99,930	**1,435**	547
Sundry deposits	**70,348**	43,353	**-**	-
Staff costs payable	**55,390**	54,287	**-**	-
Accrual for unconsumed annual leave	**5,696**	5,713	**-**	-
Amounts due to non-controlling interests	**159,082**	133,167	**-**	-
Progress billings received	**302,629**	335,053	**-**	-
Provision for bank profit share	**14,036**	-	**-**	-
Deferred income	**19,857**	447	**-**	-
Derivative financial instruments (Note 26)	**12,758**	20,110	**-**	-
Interest payable	**13,695**	18,960	**2,544**	2,544
Other payables	**141,540**	98,987	**13,010**	5,117
	948,595	905,456	**17,028**	8,338
	1,476,626	1,435,207	**17,028**	8,338
Non-current				
Derivative financial instruments (Note 26)	**3,940**	7,181	**-**	-
Provision for bank profit share	**-**	18,224	**-**	-
Other payables	**13,082**	13,225	**-**	-
	17,022	38,630	**-**	-
	1,493,648	1,473,837	**17,028**	8,338

(a) Included in trade payables are amounts due to related parties of $1,652,000 (2012: $Nil). These amounts are unsecured and interest free.

(b) Advances from joint venture partners are non-trade in nature, unsecured, interest free and have no fixed terms of repayment.

(c) Amounts due to non-controlling interests are non-trade in nature, unsecured, interest free and repayable in cash on demand, except for loans of $17,372,000 (2012: $11,633,000) which bear interest at 2.0% (2012: 2.4%) per annum.

(d) Provision for bank profit share relates to a bank's share of any future profits arising on certain development properties held for sale in the United Kingdom in connection with the corporate and debt restructuring of subsidiary companies.

(e) As at 30 September 2013, the trade and other payables held by the Group are in the following major currencies: Malaysia Ringgit - 12.9% (2012: 12.6%), Chinese Renminbi - 9.5% (2012: 8.0%) and Australia Dollars - 6.3% (2012: 8.3%).

30. BORROWINGS

	Weighted average effective interest rate %	Notes	THE GROUP 2013 ($'000)	THE GROUP 2012 ($'000)	THE COMPANY 2013 ($'000)	THE COMPANY 2012 ($'000)
Repayable within one year:						
Unsecured						
Bank loans	1.39		**261,090**	246,146	**-**	-
Bank overdrafts	1.54		**1,652**	1,468	**-**	-
			262,742	247,614	**-**	-
Term loans	3.35	(a)	**92,376**	545,494	**-**	-
Secured						
Bank loans	4.06	(b)	**506,901**	143,139	**-**	-
Finance leases			**-**	49	**-**	-
			862,019	936,296	**-**	-
Repayable after one year:						
Unsecured						
Bank loans	5.43		**34,751**	135,785	**-**	-
Term loans	2.50	(a)	**1,532,153**	1,671,920	**150,000**	150,000
Secured						
Bank loans	2.39	(b)	**1,015,621**	1,163,942	**-**	-
		(d)	**2,582,525**	2,971,647	**150,000**	150,000
Total			**3,444,544**	3,907,943	**150,000**	150,000
Fair value		(c)	**3,481,281**	3,967,308	**155,055**	155,445

Notes

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

(b) The secured bank loans is 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.

(c) 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 $931,249,000 (2012: $1,180,654,000) which have a fair value of $967,986,000 (2012: $1,240,503,000).

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

30. BORROWINGS (cont'd)

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

	THE GROUP		THE COMPANY	
	2013 ($'000)	2012 ($'000)	**2013 ($'000)**	2012 ($'000)
Between 1 and 2 years	**883,839**	319,357	**-**	-
Between 2 and 5 years	**1,363,531**	2,199,227	**150,000**	150,000
After 5 years	**335,155**	453,063	**-**	-
	2,582,525	2,971,647	**150,000**	150,000

(e) As at 30 September 2013, the borrowings held by the Group are in the following major currencies: Australia Dollars - 21.0% (2012: 8.8%), United States Dollars - 8.1% (2011: 10.8%) and Sterling Pounds - 2.8% (2012: 6.5%).

(f) As at 30 September 2013, the Group and the Company 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 37. The weighted average effective interest rates are as at 30 September 2013 and include the effect of related interest rate swaps.

31. PROVISION FOR EMPLOYEE BENEFITS

	THE GROUP	
	2013 ($'000)	2012 ($'000)
Defined benefit plan	**15,271**	17,275
Long service leave/severance allowance/gratuity	**71**	71
	15,342	17,346

(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, the USA and Europe.

Accruals for defined contribution plans are included in Other Payables under Note 29.

(b) Defined Benefit Plan

The defined benefit plan in the United Kingdom is a funded, defined benefit pension scheme, the assets of which are held in a separate trustee-administrated fund. The defined benefit plans in Malaysia and Thailand do not have separately funded assets. They provide lump sum benefit at normal retirement age.

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

Net benefit expense		
Benefits earned during the year	**1,002**	1,006
Interest cost on benefit obligation	**1,787**	1,959
Amortisation of unrecognised gain	**-**	(124)
Expected return on plan assets	**(918)**	(1,287)
Net actuarial (gain)/loss	**(946)**	1
Provision written back	**(446)**	(344)
Transition obligation recognised	**150**	60
Curtailment loss	**-**	57
Net benefit expense	**629**	1,328
Actual return on plan assets	**740**	2,659

31. PROVISION FOR EMPLOYEE BENEFITS (cont'd)

(b) Defined Benefit Plan (cont'd)

	THE GROUP 2013 ($'000)	THE GROUP 2012 ($'000)
Benefit liability		
Present value of benefit obligation	**40,156**	41,785
Fair value of plan assets	**(22,056)**	(21,282)
Unfunded benefit obligation	**18,100**	20,503
Unrecognised net actuarial gain	**(3,260)**	(5,287)
Unrecognised transition benefit	**431**	2,059
Provision	**710**	-
Payment during the year	**(710)**	-
Benefit liability	**15,271**	17,275
Present value of unfunded benefit obligation	**14,425**	14,807
Present value of funded benefit obligation	**25,731**	26,978
	40,156	41,785
Change in present value of defined benefit plan are as follows:		
Balance at beginning of year	**41,785**	37,734
Interest cost	**1,787**	2,042
Current service cost	**1,002**	1,088
Benefits paid	**(1,772)**	(2,251)
Net actuarial (gain)/loss	**(1,060)**	3,413
Currency realignment	**(1,586)**	(241)
Balance at end of year	**40,156**	41,785
Change in fair value of plan assets are as follows:		
Balance at beginning of year	**21,282**	18,860
Expected return	**918**	1,286
Contributions by employer	**710**	697
Benefits paid	**(817)**	(621)
Net actuarial (loss)/gain	**(178)**	1,372
Currency realignment	**141**	(312)
Balance at end of year	**22,056**	21,282
The proportion of fair value of plan assets at the balance sheet is analysed as follows:		
Equity instruments	**13,292**	11,918
Debt instruments	**8,646**	9,301
Other assets	**118**	63
	22,056	21,282
The major assumptions used by the qualified independent actuaries were:		
Rate of increase in salaries	**4.0% to 6.0%**	4.0% to 6.0%
Expected rate of return on assets	**4.3%**	6.9%
Discount rate	**4.4% to 5.3%**	3.8% to 6.5%

31. PROVISION FOR EMPLOYEE BENEFITS (cont'd)

(b) Defined Benefit Plan (cont'd)

The history of existing plans for the current and previous four periods are as follows:

	2013 ($'000)	2012 ($'000)	2011 ($'000)	2010 ($'000)	2009 ($'000)
Present value of benefit obligation	**40,156**	41,785	37,734	41,641	39,079
Fair value of plan assets	**(22,056)**	(21,282)	(18,860)	(18,627)	(20,542)
Deficit in scheme	**18,100**	20,503	18,874	23,014	18,537

(c) Long Service Leave/Severance Allowances/Gratuity

Long service leave, severance allowances and gratuity are provided based on the number of years of service the employees have rendered at the end of each financial year as required by local legislation.

(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) 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

The 1999 Scheme has expired and all options outstanding at the beginning of the year were exercised during the year.

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.

31. PROVISION FOR EMPLOYEE BENEFITS (cont'd)

(d) Share Options (cont'd)

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

(vi) Following approval by F&NHB shareholders on 13 January 2012, F&NHB adopted the F&NHB Restricted Share Plan ("F&NHB RSP") and F&NHB Performance Share Plan ("F&NHB PSP"). No further options will be granted under the F&NHB 2007 Scheme.

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

Fraser and Neave, Limited Executives' Share Option Schemes ("1999 Scheme")

Options	Offer Date	Balance as at 1.10.2012	Options Exercised	Balance as at 30.9.2013	Exercise Price	Exercise Period
Year 6	08.10.2004	371,880	(371,880)	-	$2.82	08.07.2007 - 07.09.2014
Year 7	10.10.2005	1,700,665	(1,700,665)	-	$3.46	10.07.2008 - 09.09.2015
Year 8	10.10.2006	2,330,192	(2,330,192)	-	$4.22	10.07.2009 - 09.09.2016
Year 9	10.10.2007	3,566,831	(3,566,831)	-	$5.80	10.07.2010 - 09.09.2017
Year 10	25.11.2008	3,085,930	(3,085,930)	-	$2.86	25.08.2011 - 24.10.2018
		11,055,498	(11,055,498)	-		

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 $8.98 (2012: $6.91).

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

Options	Offer Date	Balance as at 1.10.2012	Options Exercised/ Lapsed	Balance as at 30.9.2013	Exercise Price/ Adjusted Exercise Price #	Exercise Period
2009	19.11.2008	60,400	(60,400)	-	RM8.46/7.81	19.08.2011 - 18.10.2013
2010	20.11.2009	1,124,000	(927,600)	196,400	RM11.34/10.47	20.08.2012 - 19.10.2014
2011	22.11.2010	2,752,400	(877,700)	1,874,700	RM14.52	22.08.2013 - 21.10.2015
		3,936,800	(1,865,700)*	2,071,100		

* Exercised (1,660,800); Lapsed due to Resignations (204,900).

The adjustments which were effective 13 December 2010 relates to F&NHB's special interim single tier dividend of RM1.10 per share.

No options were granted during the year.
The weighted average share price for options exercised during the year was RM18.39 (2012: RM18.26).

31. PROVISION FOR EMPLOYEE BENEFITS (cont'd)

(e) Share Plans

Fraser and Neave Limited Restricted Share Plan ("RSP")

The RSP is a share-based incentive plan for senior executives and key senior management, which was approved by shareholders of the Company at an Extraordinary General Meeting held on 22 January 2009.

Information regarding the RSP

(i) Depending on the achievement of pre-determined targets over a two-year period for the RSP, the final number of restricted shares awarded could range between 0% to 150% of the initial grant of the restricted shares.

(ii) Based on meeting stated performance conditions over a two-year performance period, 50% of the RSP awards will vest. The balance will vest equally over the subsequent two years with fulfillment of service requirements.

Information with respect to the number of shares granted under the RSP is as follows:

Shares	Grant Date	Balance as at 1.10.2012 or Grant Date if later	Cancelled	Achievement Factor	Vested	Adjustment	Balance as at 30.9.2013
Year 1	14.12.2009	1,657,550	(101,525)	-	(793,200)	455,464	1,218,289
Year 2	14.12.2010	1,787,780	(103,750)	(2,430)	(859,550)	497,385	1,319,435
Year 3	14.12.2011	1,977,865	(228,801)	-	-	1,065,201	2,814,265
Year 4	14.12.2012	1,475,495	(207,168)	-	-	792,711	2,061,038
		6,898,690	(641,244)*	(2,430)	(1,652,750)	2,810,761#	7,413,027

* Cancelled due to Resignations.
# Adjustment due to capital reduction.

The expense recognised in profit statement granted under the RSP during the financial year is $9,653,000 (2012: $11,062,000).

The estimated fair value of shares granted during the year ranges from $8.71 to $9.10 (2012: $5.30 to $5.67). The fair value of equity-settled contingent award of shares are determined using Monte Carlo Valuation Model, which involves projection of future outcomes using statistical distributions of key random variables including share price and volatility of returns. The inputs to the model used are as follows:

	2013	2012
Dividend yield (%)	**2.2**	3.5
Expected volatility (%)	**21.4**	33.9
Risk-free interest rate (%)	**0.3**	0.4 to 0.7
Expected life (years)	**2.1 to 4.1**	2.1 to 4.1
Share price at date of grant ($)	**9.57**	6.05

31. PROVISION FOR EMPLOYEE BENEFITS (cont'd)

(e) Share Plans (cont'd)

Fraser and Neave Limited Performance Share Plan ("PSP")

The PSP is a share-based incentive plan for senior executives and key senior management, which were approved by shareholders of the Company at an Extraordinary General Meeting held on 22 January 2009.

Information regarding the PSP

(i) Depending on the achievement of pre-determined targets over a three-year period, the final number of restricted shares awarded could range between 0% to 200% of the initial grant of the restricted shares.

(ii) PSP awards will vest based on meeting stated performance conditions over a three-year performance period.

Information with respect to the number of shares granted under the PSP is as follows:

Shares	Grant Date	Balance as at 1.10.2012 or Grant Date if later	Cancelled	Achievement Factor	Vested	Adjustment	Balance as at 30.9.2013
Year 1	14.12.2009	255,972	-	191,528	(447,500)	-	-
Year 2	14.12.2010	207,158	-	-	-	122,225	329,383
Year 3	14.12.2011	160,897	(11,142)	-	-	92,699	242,454
Year 4	14.12.2012	206,409	(66,146)	-	-	98,467	238,730
		830,436	(77,288)*	191,528	(447,500)	313,391#	810,567

* Cancelled due to Resignations.

\# Adjustment due to capital reduction.

The expense recognised in profit statement granted under the PSP during the financial year is $1,515,000 (2012: $757,000).

The estimated fair value of shares granted during the year ranges from $6.67 to $8.89 (2012: $5.37 to $6.23). The fair value of equity-settled contingent award of shares are determined using Monte Carlo Valuation Model, which involves projection of future outcomes using statistical distributions of key random variables including share price and volatility of returns. The inputs to the model used are as follows:

	2013	2012
Dividend yield (%)	**2.2**	3.5
Expected volatility (%)	**21.4**	33.9
Cost of equity (%)	**9.7**	8.0
Risk-free interest rate (%)	**0.3**	0.6
Expected life (years)	**3.1**	3.1
Share price at date of grant ($)	**9.57**	6.05

31. PROVISION FOR EMPLOYEE BENEFITS (cont'd)

(e) Share Plans (cont'd)

F&NHB Restricted Share Plan ("F&NHB RSP")

The F&NHB RSP is a share-based incentive plan for senior executives and key senior management, which was approved by shareholders of F&NHB at an Extraordinary General Meeting held on 13 January 2012.

Information regarding the F&NHB RSP

(i) Depending on the achievement of pre-determined targets over a two-year period for the F&NHB RSP, the final number of restricted shares awarded could range between 0% to 150% of the initial grant of the restricted shares.

(ii) Based on meeting stated performance conditions over a two-year performance period, 50% of the F&NHB RSP awards will vest. The balance will vest equally over the subsequent two years with fulfillment of service requirements.

Information with respect to the number of shares granted under the F&NHB RSP is as follows:

Shares	Grant Date	Balance as at 1.10.2012 or Grant Date if later	Cancelled	Balance as at 30.9.2013
Year 1	15.03.2012	402,300	(45,900)	356,400
Year 2	31.12.2012	396,000	(46,500)	349,500
		798,300	(92,400)*	705,900

* Cancelled due to Resignations.

The estimated fair value of shares granted during the year ranges from RM15.36 to RM16.67. The fair value of equity-settled contingent award of shares are determined using Monte Carlo Valuation Model, which involves projection of future outcomes using statistical distributions of key random variables including share price and volatility of returns. The inputs to the model used are as follows:

	2013	2012
Dividend yield (%)	**3.7**	4.0
Expected volatility (%)	**20.9**	19.2
Risk-free interest rate (%)	**3.0 to 3.2**	2.9 to 3.3
Expected life (years)	**1.9 to 3.9**	1.8 to 3.8
Share price at date of grant (RM)	**18.00**	18.06

F&NHB Performance Share Plan ("F&NHB PSP")

The F&NHB PSP is a share-based incentive plan for senior executives and key senior management, which were approved by shareholders of F&NHB at an Extraordinary General Meeting held on 13 January 2012.

Information regarding the F&NHB PSP

(i) Depending on the achievement of pre-determined targets over a three-year period, the final number of restricted shares awarded could range between 0% to 200% of the initial grant of the restricted shares.

(ii) PSP awards will vest based on meeting stated performance conditions over a three-year performance period.

As at 30 September 2013, no share has been granted under F&NHB PSP.

32. DEFERRED TAX ASSETS AND LIABILITIES

	THE GROUP				THE COMPANY	
	Balance Sheet		Profit Statement		Balance Sheet	
	2013 ($'000)	2012 ($'000) (Restated)	**2013 ($'000)**	2012 ($'000) (Restated)	**2013 ($'000)**	2012 ($'000)
Deferred tax liabilities						
Differences in depreciation	**37,872**	38,197	**40**	(4,829)	**-**	-
Tax effect on revaluation surplus	**37,729**	31,491	**(691)**	(194)	**-**	-
Provisions, expenses and income taken in a different period	**75,549**	50,286	**40,061**	33,467	**-**	-
Fair value adjustments	**2,108**	1,629	**595**	(339)	**-**	386
Other deferred tax liabilities	**479**	5,525	**-**	1,712	**-**	-
Gross deferred tax liabilities	**153,737**	127,128	**40,005**	29,817	**-**	386
Less: Deferred tax assets						
Employee benefits	**(1,752)**	(2,027)	**204**	1,513	**-**	-
Unabsorbed losses and capital allowances	**(4,157)**	(6,283)	**1,341**	(1,518)	**-**	-
Provisions, expenses and income taken in a different period	**(1,465)**	(1,191)	**(321)**	110	**-**	-
Fair value adjustments	**-**	-	**-**	-	**-**	-
Other deferred tax assets	**(5)**	-	**(6)**	-	**-**	-
Gross deferred tax assets	**(7,379)**	(9,501)	**1,218**	105	**-**	-
Net deferred tax liabilities	**146,358**	117,627	**41,223**	29,922	**-**	386

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

Employee benefits	**(1,237)**	(1,139)	**(80)**	42	**-**	-
Differences in depreciation	**11,326**	10,846	**1,010**	7,689	**-**	-
Unabsorbed losses and capital allowances	**(994)**	(7,048)	**5,630**	3,781	**-**	-
Provisions	**(9,660)**	(8,094)	**(1,661)**	(2,840)	**-**	-
Investment allowances	**(33,760)**	(32,662)	**(1,773)**	(32,658)	**-**	-
Other deferred tax assets	**-**	(603)	**-**	-	**-**	-
Net deferred tax assets	**(34,325)**	(38,700)	**3,126**	(23,986)	**-**	-

The deferred tax written back relating to fair value adjustment in other comprehensive income during the year is $83,000 (2012: deferred tax charge of $123,000).

Deferred tax liabilities of $9,027,000 (2012: $9,677,000) have not been recognised in the consolidated financial statements for withholding and other taxes that would be payable on the unremitted earnings of $53,100,000 at 30 September 2013 (2012: $56,921,000).

Deferred tax liabilities of $100,000 (2012: $82,000) have not been recognised in the consolidated financial statements for withholding and other taxes that would be payable on the undistributed earnings of $1,003,000 at 30 September 2013 (2012: $822,000) of certain of the Group's subsidiaries as the Group has determined that the undistributed earnings of its subsidiaries will not be distributed in the foreseeable future.

	THE GROUP 2013 ($'000)	2012 ($'000)
33. FUTURE COMMITMENTS		
Commitments not provided for in the financial statements:		
(a) Commitments in respect of contracts placed		
Fixed assets	**4,164**	5,084
Investment properties	**788,414**	46,939
Properties held for sale	**2,144,290**	824,216
Share of joint venture companies' commitments	**339,446**	376,724
	3,276,314	1,252,963
(b) Other amounts approved by directors but not contracted for:		
Fixed assets	**13,862**	13,106
Total	**3,290,176**	1,266,069

34. LEASE COMMITMENTS

Operating Leases

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

	2013 ($'000)	2012 ($'000)
Payable within one year	**40,042**	41,457
Payable between one and five years	**23,442**	52,042
Payable after five years	**24,111**	6,338
	87,595	99,837
Operating lease expense for the year	**49,465**	45,854

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:

	2013 ($'000)	2012 ($'000)
Receivable within one year	**125,450**	131,558
Receivable between one and five years	**166,796**	157,365
Receivable after five years	**63**	700
	292,309	289,623

34. LEASE COMMITMENTS (cont'd)

Finance Leases

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

	THE GROUP			
	2013 ($'000)		2012 ($'000)	
	Minimum lease payments	**Present value of payments**	Minimum lease payments	Present value of payments
Minimum lease payments due:				
Payable within one year	**-**	**-**	51	49
Payable between one and five years	**-**	**-**	-	-
Total minimum lease payments	**-**	**-**	51	49
Less: Future finance charges				
Payable within one year	**-**	**-**	(2)	-
Payable between one and five years	**-**	**-**	-	-
	-	**-**	(2)	-
	-	**-**	49	49

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.

35. RELATED PARTY TRANSACTIONS

Significant transactions with related parties of the Group include transactions with the Group's joint venture companies, key management personnel and entities which are controlled or significantly influenced by the key management personnel and their close family members.

In addition to the information disclosed elsewhere in the financial statements, the following were the significant related party transactions entered into between the Group and related parties during the year:

	THE GROUP		THE COMPANY	
	2013 ($'000)	2012 ($'000)	**2013 ($'000)**	2012 ($'000)
(a) Transactions with an entity in which an associate of the Director of the Group is a member				
Fees paid for legal services	**(2,811)**	(486)	**(2,811)**	(486)
(b) Transactions with Thai Beverage Group and TCC Group of Companies				
Sale of finished goods	**891**	-	**-**	-
Purchase of packing materials	**(11,691)**	-	**-**	-
Purchase of raw materials	**(574)**	-	**-**	-
Purchase of finished goods	**(456)**	-	**-**	-
Logistic cost paid	**(3)**	-	**-**	-
Rental paid	**(6)**	-	**(6)**	-

These transactions were based on agreed fees or terms between the parties.

36. CONTINGENT LIABILITIES

The Company issued corporate guarantees to the extent of $3,833,669,000 (2012: $4,250,534,000) for the purpose of assisting its subsidiary companies to obtain external borrowings. Of the $3,833,669,000 (2012: $4,250,534,000) corporate guarantees given by the Company $1,349,090,000 (2012: $2,013,085,000) has been utilised by its subsidiary companies as security for its borrowings, and these borrowings have been included as borrowings under the Group Balance Sheet.

The Group provided an unconditional and irrevocable corporate guarantee for up to $57,000,000 (2012: $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 MCST 1298. As at 30 September 2013, the outstanding loan by MCST 1298 is $15,431,000 (2012: $18,199,000). The Group also provided a corporate guarantee for $8,020,000 (Baht 200,000,000) (2012: $7,960,000 (Baht 200,000,000)) as security for bank facility granted to a joint venture company in respect of the acquisition of land and $36,194,000 (RMB 176,300,000) (2012: $17,717,000 (RMB 91,000,000)) of financial guarantees to banks in China in connection with loans provided by the banks to the property buyers, covering the period from loan contract date to property delivery date.

37. FINANCIAL RISK MANAGEMENT

The Group and the Company 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 Group and the Company 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 Committee 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.

(a) Foreign Currency Risk

The Group and the Company have 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 and Company's policy to hedge these risks as they arise. For those exposures less certain in their timing and extent, it is the Group's and the Company's policy to cover 50% to 90% of anticipated exposures for a maximum period of 12 months forward. The Group and the Company use foreign currency forward exchange contracts to manage these foreign exchange risks.

At 30 September 2013, the Group had entered into foreign currency forward exchange buy contracts amounting to $75,710,000 (2012: $72,773,000) and sell contracts amounting to $572,181,000 (2012: $802,598,000). 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 losses of $971,000 (2012: gain of $378,000) and $3,285,000 (2012: loss of $9,220,000) respectively.

At 30 September 2013, the Company had entered into foreign currency forward exchange sell contracts amounting to $3,138,000 (2012: $Nil). The fair value adjustments of the sell contracts (which is the difference between the notional principal amount and market value of the contracts) are gain of $123,000 (2012: $Nil).

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

37. FINANCIAL RISK MANAGEMENT (cont'd)

(a) 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 of the Australia Dollar, Sterling Pound, United States Dollar, Vietnamese Dong, Hong Kong Dollar, Euro, Singapore Dollar and Malaysia Ringgit 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)
Year Ended 30 September 2013				
Australia Dollar	**-**	**(8,555)**	**-**	**5**
Sterling Pound	**-**	**(21,005)**	**-**	**-**
United States Dollar	**-**	**(27,877)**	**-**	**64**
Vietnamese Dong	**66,611**	**14**	**-**	**-**
Hong Kong Dollar	**-**	**(10)**	**-**	**-**
Euro	**-**	**75**	**-**	**-**
Singapore Dollar	**-**	**51**	**-**	**-**
Malaysia Ringgit	**-**	**(568)**	**-**	**411**
Year Ended 30 September 2012				
Australia Dollar	-	(27,009)	-	52
Sterling Pound	-	(9,604)	-	-
United States Dollar	-	(42,379)	-	270
Vietnamese Dong	36,345	13	-	-
Hong Kong Dollar	-	(160)	-	-
Euro	-	(155)	-	-
Singapore Dollar	-	615	-	-
Malaysia Ringgit	-	(115)	-	619

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.

(b) Liquidity Risk

The Group's and the Company's exposure to liquidity risk arises in the general funding of the Group's and the Company'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.

37. FINANCIAL RISK MANAGEMENT (cont'd)

(b) Liquidity Risk (cont'd)

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

		Cash Flows			
	Carrying amount ($'000)	Contractual Cash flow ($'000)	Less than 1 year ($'000)	Between 1 and 5 years ($'000)	Over 5 years ($'000)
The Group					
Year Ended 30 September 2013					
Financial Assets					
Trade receivables	527,334	527,334	527,334	-	-
Other receivables (excluding derivative financial instruments)	178,442	186,091	95,106	90,985	-
Derivative financial instruments	1,919	1,919	1,919	-	-
Joint venture companies	4,520	4,520	4,520	-	-
Associated companies	90,385	126,561	16,667	15,828	94,066
Bank fixed deposits	876,333	876,333	876,333	-	-
Cash and bank balances	1,068,389	1,068,389	1,068,389	-	-
	2,747,322	2,791,147	2,590,268	106,813	94,066
Financial Liabilities					
Trade payables	528,031	528,031	528,031	-	-
Other payables (excluding derivative financial instruments)	563,372	563,372	560,203	-	3,169
Derivative financial instruments	16,698	16,698	12,894	3,804	-
Borrowings	3,444,544	3,693,748	942,705	2,400,413	350,630
Joint venture companies	8	8	8	-	-
Associated companies	1,669	1,669	1,669	-	-
	4,554,322	4,803,526	2,045,510	2,404,217	353,799
Total net undiscounted financial (liabilities)/assets		(2,012,379)	544,758	(2,297,404)	(259,733)

37. FINANCIAL RISK MANAGEMENT (cont'd)

(b) Liquidity Risk (cont'd)

		Cash Flows			
	Carrying amount ($'000)	Contractual Cash flow ($'000)	Less than 1 year ($'000)	Between 1 and 5 years ($'000)	Over 5 years ($'000)
The Group					
Year Ended 30 September 2012					
Financial Assets					
Trade receivables	551,668	551,668	551,668	-	-
Other receivables (excluding derivative financial instruments)	165,089	173,079	88,289	84,790	-
Derivative financial instruments	788	788	788	-	-
Joint venture companies	1,662	1,662	1,662	-	-
Associated companies	26,955	26,955	13,122	-	13,833
Bank fixed deposits	604,112	604,112	604,112	-	-
Cash and bank balances	1,044,833	1,044,833	1,044,833	-	-
	2,395,107	2,403,097	2,304,474	84,790	13,833
Financial Liabilities					
Trade payables	529,751	529,751	529,751	-	-
Other payables (excluding derivative financial instruments)	885,871	885,871	854,422	27,658	3,791
Derivative financial instruments	27,291	28,907	20,110	8,797	-
Borrowings	3,907,943	4,208,874	1,022,443	2,713,219	473,212
Joint venture companies	3	3	3	-	-
Associated companies	1,787	1,787	1,787	-	-
	5,352,646	5,655,193	2,428,516	2,749,674	477,003
Total net undiscounted financial liabilities		(3,252,096)	(124,042)	(2,664,884)	(463,170)

37. FINANCIAL RISK MANAGEMENT (cont'd)

(b) Liquidity Risk (cont'd)

	Carrying amount ($'000)	Cash Flows: Contractual Cash flow ($'000)	Less than 1 year ($'000)	Between 1 and 5 years ($'000)	Over 5 years ($'000)
The Company					
Year Ended 30 September 2013					
Financial Assets					
Other receivables (excluding derivative financial instruments)	**52**	**52**	**52**	**-**	**-**
Derivative financial instruments	**123**	**123**	**123**	**-**	**-**
Subsidiary companies	**766,336**	**766,649**	**6,008**	**760,641**	**-**
Bank fixed deposits	**255,674**	**255,674**	**255,674**	**-**	**-**
Cash and bank balances	**650,794**	**650,794**	**650,794**	**-**	**-**
	1,672,979	**1,673,292**	**912,651**	**760,641**	**-**
Financial Liabilities					
Other payables	**17,028**	**17,028**	**17,028**	**-**	**-**
Borrowings	**150,000**	**161,039**	**5,430**	**155,609**	**-**
Subsidiary companies	**134,863**	**134,863**	**4,507**	**130,356**	**-**
	301,891	**312,930**	**26,965**	**285,965**	**-**
Total net undiscounted financial assets		**1,360,362**	**885,686**	**474,676**	**-**
Year Ended 30 September 2012					
Financial Assets					
Other receivables	12	12	12	-	-
Subsidiary companies	634,442	634,534	16,644	617,890	-
Bank fixed deposits	64,489	64,489	64,489	-	-
Cash and bank balances	91,793	91,793	91,793	-	-
	790,736	790,828	172,938	617,890	-
Financial Liabilities					
Other payables	8,253	8,253	8,253	-	-
Borrowings	150,000	166,469	5,430	161,039	-
Subsidiary companies	121,701	121,701	17,823	103,878	-
	279,954	296,423	31,506	264,917	-
Total net undiscounted financial assets		494,405	141,432	352,973	-

37. FINANCIAL RISK MANAGEMENT (cont'd)

(c) Credit Risk

At the balance sheet date, the Group's and the Company's total 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 trade receivables at the balance sheet date is as follows:

	THE GROUP			
	2013		2012	
	($'000)	**% of total**	($'000)	% of total
By Geographical Segment:				
Singapore	**297,203**	**57%**	321,180	58%
Malaysia	**133,635**	**25%**	133,611	24%
Other ASEAN	**52,406**	**10%**	53,058	10%
North/South Asia	**28,033**	**5%**	28,033	5%
Outside Asia	**16,057**	**3%**	15,786	3%
	527,334	**100%**	551,668	100%
By Business Segment:				
Beverages	**84,719**	**16%**	82,578	15%
Dairies	**132,497**	**25%**	137,911	25%
Printing & Publishing	**88,182**	**17%**	87,740	16%
Commercial Property	**17,119**	**3%**	11,879	2%
Development Property	**190,508**	**36%**	218,695	40%
Others	**14,309**	**3%**	12,865	2%
	527,334	**100%**	551,668	100%

The Group and the Company have no significant concentration of credit risk. The Group and the Company 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 25. 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 total 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 Group's and the Company's policy to enter into financial instruments with a diversity of credit worthy counterparties. The Group and the Company do not expect to incur material credit losses on their financial assets or other financial instruments.

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

37. FINANCIAL RISK MANAGEMENT (cont'd)

(d) Interest Rate Risk

The Group's exposure to market risk for changes in interest rates relate primarily to debt obligation with financial institutions. 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 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 Group has the following interest rate swap arrangements in place:

	THE GROUP	
	2013 ($'000)	2012 ($'000)
Notional Amount	**777,384**	844,621
Net Fair Value		
Fair value loss on interest rate swap contracts	**(10,523)**	(17,661)

At 30 September 2013, the fixed interest rate of outstanding interest rate swap contracts is between 1.2% to 4.0% (2012: 1.2% to 4.3%), 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 and the Company's financial instruments that are exposed to interest rate risk:

	Floating rates	**Fixed rates**		
	($'000)	**Less than 1 year ($'000)**	**Between 1 to 5 years ($'000)**	**After 5 years ($'000)**
The Group				
Year Ended 30 September 2013				
Assets				
Cash and bank deposits	**162,957**	**1,444,000**	**-**	**-**
Other financial assets	**22**	**8,071**	**90,429**	**63,617**
Liabilities				
Borrowings	**1,713,378**	**153,676**	**1,253,606**	**323,884**
Other financial liabilities	**10,523**	**-**	**-**	**-**
Year Ended 30 September 2012				
Assets				
Cash and bank deposits	157,741	646,623	-	-
Other financial assets	19	60,350	82,836	-
Liabilities				
Borrowings	1,624,723	251,052	1,628,816	403,352
Other financial liabilities	17,661	-	-	-

37. FINANCIAL RISK MANAGEMENT (cont'd)

(d) Interest Rate Risk (cont'd)

	Floating rates	Fixed rates		
	($'000)	Less than 1 year ($'000)	Between 1 to 5 years ($'000)	After 5 years ($'000)
The Company				
Year Ended 30 September 2013				
Assets				
Cash and bank deposits	**-**	**906,393**	**-**	**-**
Liabilities				
Borrowings	**-**	**-**	**150,000**	**-**
Year Ended 30 September 2012				
Assets				
Cash and bank deposits	-	90,798	-	-
Liabilities				
Borrowings	-	-	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 Group is in a net finance cost position for the years ended 30 September 2013 and 2012 while the Company is in a net finance income and net finance cost position for year ended 30 September 2013 and 2012 respectively.

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 $12,596,000 (2012: $12,322,000) and $9,800,000 (2012: $12,500,000) 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 2012.

37. FINANCIAL RISK MANAGEMENT (cont'd)

(e) Market Price Risk

The Group and the Company are exposed to market price risk and the risk of impairment in the value of investments held. The Group and the Company 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 available-for-sale investments increase by 10% with all other variables including tax rate being held constant, the impact on fair value adjustment reserve will be as follows:

	THE GROUP		THE COMPANY	
	2013 ($'000)	2012 ($'000)	**2013 ($'000)**	2012 ($'000)
Fair value adjustment reserve	**67,125**	41,868	**514**	514

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 2012 and assumes that all other variables remain constant.

(f) 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:

(i) Cash and bank balances, other receivables and other payables

The carrying amounts of these items approximate fair value due to their short term nature.

(ii) Trade receivables and trade payables

The carrying amounts of receivables and payables approximate fair value because these are subject to normal trade credit terms.

(iii) 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.

(iv) 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.

(v) Bank borrowings and term loans

The fair value of fixed rate bank borrowings and term loans are disclosed in Note 30. The carrying values of bank borrowings, and term loans maturing within one year and the floating rates borrowings and loans approximate their fair value.

37. FINANCIAL RISK MANAGEMENT (cont'd)

(f) Fair Values (cont'd)

(vi) Fair value of financial instruments that are carried at fair value

The following table shows an analysis of financial instruments carried at fair value by level of fair value hierarchy:

	Quoted prices in active markets for identical instruments (Level 1) ($'000)	Significant other observable inputs (Level 2) ($'000)	Significant unobservable inputs (Level 3) ($'000)	Total ($'000)
The Group				
Year Ended 30 September 2013				
Financial Assets				
Other investments (Note 19)				
Quoted - Equity investments	**672,985**	**-**	**-**	**672,985**
Derivative financial instruments (Note 26)	**-**	**1,919**	**-**	**1,919**
Short term investments (Note 27)				
Quoted - Equity investments	**100**	**-**	**-**	**100**
	673,085	**1,919**	**-**	**675,004**
Financial Liabilities				
Derivative financial instruments (Note 26)	**-**	**16,698**	**-**	**16,698**
Year Ended 30 September 2012				
Financial Assets				
Other investments (Note 19)				
Quoted - Equity investments	370,021	-	-	370,021
Unquoted - Equity investments	-	2,672	-	2,672
Derivative financial instruments (Note 26)	-	788	-	788
Short term investments (Note 27)				
Quoted - Equity investments	98	-	-	98
Quoted - Non-equity investments	-	60,350	-	60,350
	370,119	63,810	-	433,929
Financial Liabilities				
Derivative financial instruments (Note 26)	-	27,291	-	27,291

Fair value hierarchy

The Group classifies fair value measurement using a fair value hierarchy that reflect the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - Quoted prices in active markets for identical assets or liabilities
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 - Inputs for the asset or liability that are not based on observable market data

Quoted equity instruments: Fair value is determined directly by reference to their published market bid price at the balance sheet date.

Derivatives: The fair value of interest rate swap contracts and foreign currency forward contracts is determined by reference to market values for similar instruments.

There have been no transfers between Level 1 and Level 2 during the financial year.

37. FINANCIAL RISK MANAGEMENT (cont'd)

(g) Classification of Financial Instruments

Set out below is a comparison by category of carrying amounts of all the Group's and the Company'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							
Year Ended 30 September 2013							
Assets							
Fixed assets	-	-	-	-	-	699,109	699,109
Investment properties	-	-	-	-	-	3,155,404	3,155,404
Joint venture companies	4,520	-	-	-	-	-	4,520
Associated companies	90,385	-	-	-	-	1,201,202	1,291,587
Intangible assets	-	-	-	-	-	148,315	148,315
Brands	-	-	-	-	-	30,836	30,836
Other investments	-	-	-	675,236	-	-	675,236
Other receivables	178,442	1,919	-	-	-	44,986	225,347
Prepaid land costs	-	-	-	-	-	398,033	398,033
Other assets	-	-	-	-	-	43,200	43,200
Deferred tax assets	-	-	-	-	-	34,325	34,325
Properties held for sale	-	-	-	-	-	4,709,952	4,709,952
Inventories	-	-	-	-	-	249,406	249,406
Trade receivables	527,334	-	-	-	-	-	527,334
Short term investments	-	-	-	100	-	-	100
Bank fixed deposits	876,333	-	-	-	-	-	876,333
Cash and bank balances	1,068,389	-	-	-	-	-	1,068,389
Assets held for sale	-	-	-	-	-	7,961	7,961
	2,745,403	1,919	-	675,336	-	10,722,729	14,145,387
Liabilities							
Trade payables	-	-	-	-	528,031	-	528,031
Other payables	-	6,835	9,863	-	563,372	385,547	965,617
Joint venture companies	-	-	-	-	8	-	8
Associated companies	-	-	-	-	1,669	-	1,669
Borrowings	-	-	-	-	3,444,544	-	3,444,544
Provision for taxation	-	-	-	-	-	161,076	161,076
Liabilities held for sale	-	-	-	-	1,845	-	1,845
Provision for employee benefits	-	-	-	-	-	15,342	15,342
Deferred tax liabilities	-	-	-	-	-	146,358	146,358
	-	6,835	9,863	-	4,539,469	708,323	5,264,490

37. FINANCIAL RISK MANAGEMENT (cont'd)

(g) Classification of Financial Instruments (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							
Year Ended 30 September 2012							
Assets							
Fixed assets	-	-	-	-	-	747,447	747,447
Investment properties	-	-	-	-	-	2,837,787	2,837,787
Joint venture companies	1,662	-	-	-	-	-	1,662
Associated companies	26,955	-	-	-	-	1,481,681	1,508,636
Intangible assets	-	-	-	-	-	163,475	163,475
Brands	-	-	-	-	-	30,337	30,337
Other investments	-	-	-	374,978	-	-	374,978
Other receivables	165,089	788	-	-	-	50,532	216,409
Other assets	-	-	-	-	-	42,400	42,400
Deferred tax assets	-	-	-	-	-	38,700	38,700
Properties held for sale	-	-	-	-	-	4,441,491	4,441,491
Inventories	-	-	-	-	-	265,936	265,936
Trade receivables	551,668	-	-	-	-	-	551,668
Short term investments	-	-	-	60,448	-	-	60,448
Bank fixed deposits	604,112	-	-	-	-	-	604,112
Cash and bank balances	1,044,833	-	-	-	-	-	1,044,833
Assets held for sale	432,271	434	-	83,303	-	1,204,651	1,720,659
	2,826,590	1,222	-	518,729	-	11,304,437	14,650,978
Liabilities							
Trade payables	-	-	-	-	529,751	-	529,751
Other payables	-	9,630	17,661	-	885,871	30,924	944,086
Joint venture companies	-	-	-	-	3	-	3
Associated companies	-	-	-	-	1,787	-	1,787
Borrowings	-	-	-	-	3,907,943	-	3,907,943
Provision for taxation	-	-	-	-	-	176,739	176,739
Liabilities held for sale	-	582	-	-	574,982	114,547	690,111
Provision for employee benefits	-	-	-	-	-	17,346	17,346
Deferred tax liabilities	-	-	-	-	-	117,627	117,627
	-	10,212	17,661	-	5,900,337	457,183	6,385,393

37. FINANCIAL RISK MANAGEMENT (cont'd)

(g) Classification of Financial Instruments (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						
Year Ended 30 September 2013						
Assets						
Subsidiary companies	**766,336**	**-**	**-**	**(130,356)**	**3,315,653**	**3,951,633**
Associated companies	**-**	**-**	**-**	**-**	**18,100**	**18,100**
Brands	**-**	**-**	**-**	**-**	**212**	**212**
Other investments	**-**	**-**	**6,205**	**-**	**-**	**6,205**
Other receivables	**52**	**123**	**-**	**-**	**5,313**	**5,488**
Bank fixed deposits	**255,674**	**-**	**-**	**-**	**-**	**255,674**
Cash and bank balances	**650,794**	**-**	**-**	**-**	**-**	**650,794**
	1,672,856	**123**	**6,205**	**(130,356)**	**3,339,278**	**4,888,106**
Liabilities						
Other payables	**-**	**-**	**-**	**17,028**	**-**	**17,028**
Subsidiary companies	**-**	**-**	**-**	**4,507**	**-**	**4,507**
Borrowings	**-**	**-**	**-**	**150,000**	**-**	**150,000**
Provision for taxation	**-**	**-**	**-**	**-**	**9,734**	**9,734**
	-	**-**	**-**	**171,535**	**9,734**	**181,269**
Year Ended 30 September 2012						
Assets						
Subsidiary companies	634,442	-	-	(103,878)	3,315,653	3,846,217
Associated companies	-	-	-	-	82,383	82,383
Brands	-	-	-	-	212	212
Other investments	-	-	8,877	-	-	8,877
Other receivables	12	-	-	-	12	24
Bank fixed deposits	64,489	-	-	-	-	64,489
Cash and bank balances	91,793	-	-	-	-	91,793
Assets held for sale	-	-	-	-	434,421	434,421
	790,736	-	8,877	(103,878)	3,832,681	4,528,416
Liabilities						
Other payables	-	-	-	8,253	85	8,338
Subsidiary companies	-	-	-	17,823	-	17,823
Borrowings	-	-	-	150,000	-	150,000
Provision for taxation	-	-	-	-	12,244	12,244
Deferred tax liabilities	-	-	-	-	386	386
	-	-	-	176,076	12,715	188,791

38. UNUSUAL ITEM

(a) On 23 August 2013, the Company's subsidiary company, Fraser & Neave Holdings Bhd ("F&NHB") announced that F&NHB had been served with a Writ of Summons and Statement of Claim by BJC-OI Glass Pte Ltd ("BJC-OI") claiming special damages of approximately RM43 million (approximately S$17 million) as well as general and consequential damages to be determined by the court. There are no material developments in this matter since the previous announcement. Management and external legal counsel had studied the claims and believed that adequate provision have been made to cover all material exposures arising from the claims.

BJC-OI is a 50-50 joint venture between Thailand-listed conglomerate Berli Jucker Public Company Ltd ("BJC") and Owens-Illinois Singapore Pte Ltd, which is a subsidiary of NYSE-listed Owens-Illinois Inc. BJC is a subsidiary of TCC Holding Company Limited ("TCCH").

BJC-OI is deemed a related party to the Company in that, following acquisitions by Thai Beverage Public Company Limited (through its subsidiary) and TCC Assets Limited (both of which are members of the same group as TCCH) of shares in the Company (the "F&NL Share Acquisitions"), BJC and BJC-OI became persons connected with major shareholders of the Company. The Share Purchase Agreement was entered into prior to the F&NL Share Acquisitions.

(b) On 29 August 2013, the Company announced that it received a letter from the lawyers of Myanma Economic Holdings Limited ("MEHL"), the Company's joint venture partner in Myanmar Brewery Limited ("MBL"), stating MEHL's intention to issue a notice of arbitration in respect of a potential claim relating to the Company's shares in MBL. The Company and MEHL are parties to a joint venture agreement ("JVA") relating to MBL, which governs their respective shareholdings in MBL. MEHL had purported to rely on the JVA to give notice to the Company to sell to MEHL or its nominee all of the Company's MBL Shares. The Company maintains that there is no basis for MEHL to give that notice. On 9 September 2013, the lawyers representing MEHL sent the Company a document entitled Notice of Arbitration. The Company has engaged lawyers and will vigorously resist the claim. The dispute is now before the arbitrators.

39. 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 2013 and 2012.

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 80% 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 non-controlling interests.

	THE GROUP		THE COMPANY	
	2013 ($'000)	2012 ($'000) (Restated)	**2013 ($'000)**	2012 ($'000)
Cash & bank deposits	**1,944,722**	1,648,945	**906,468**	156,282
Borrowings	**(3,444,544)**	(3,907,943)	**(150,000)**	(150,000)
Net borrowings	**(1,499,822)**	(2,258,998)	**756,468**	6,282
Shareholders' fund	**8,507,368**	7,602,537	**4,706,837**	4,339,625
Total equity (including non-controlling interests)	**8,880,897**	8,265,585	**4,706,837**	4,339,625
Net borrowings/Shareholders' fund	**0.18**	0.30	**-**	-
Net borrowings/Total equity	**0.17**	0.27	**-**	-

Certain entities in the Group are required to comply with certain externally imposed capital requirements in respect of certain external borrowings. The Group and the Company are in compliance with all externally imposed capital requirements.

40. NEW ACCOUNTING STANDARDS AND FRS INTERPRETATION

The Group has not adopted the following relevant standards and interpretations that have been issued as at balance sheet date but are not yet effective:

Description		Effective for annual periods beginning on or after
Revised FRS 19	Employee Benefits	1 January 2013
FRS 113	Fair Value Measurements	1 January 2013
Amendments to FRS 107	Disclosures - Offsetting Financial Assets and Financial Liabilities	1 January 2013
Improvements to FRSs 2012		
Amendments to FRS 1	Presentation of Financial Statements	1 January 2013
Amendments to FRS 16	Property, Plant and Equipment	1 January 2013
Amendments to FRS 32	Financial Instruments: Presentation	1 January 2013
Revised FRS 27	Separate Financial Statements	1 January 2014
Revised FRS 28	Investments in Associates and Joint Ventures	1 January 2014
FRS 110	Consolidated Financial Statements	1 January 2014
FRS 111	Joint Arrangements	1 January 2014
FRS 112	Disclosures of Interests in Other Entities	1 January 2014
Amendments to FRS 32	Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to FRS 110, FRS 111 and FRS 112	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance	1 January 2014
Amendments to FRS 110, FRS 112 and FRS 27	Investment Entities	1 January 2014

Except for Revised FRS 19, FRS 110, Revised FRS 27, FRS 111, Revised FRS 28, FRS 112 and FRS 113, the Directors expect that the adoption of the other standards and interpretations above will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on adoption of the following FRS are described below.

(a) Revised FRS 19 Employee Benefits

The Revised FRS 19 requires all actuarial gains and losses to be recognised in other comprehensive income and unvested past service costs previously recognised over the vesting period to be recognised immediately in profit or loss when incurred.

The Group currently recognised actuarial gains and losses as income or expense when the net cumulative unrecognised gains and losses for each individual plan at the end of the previous period exceeded 10% of the higher of the defined benefit obligation and the fair value of the plan assets and recognised unvested past service costs as an expense on a straight line basis over the average vesting period until the benefits become vested. Upon adoption of Revised FRS 19, the Group will recognise all actuarial gains or losses in OCI and all past service costs in profit or loss in the period they occur.

(b) FRS 110 Consolidated Financial Statements and Revised FRS 27 Separate Financial Statements

FRS 110 establishes a single control model that applies to all entities (including special purpose entities). The changes introduced by FRS 110 will require the management to exercise significant judgement to determine which entities are controlled, and therefore are required to be consolidated by the Group, compared with the requirements that were in FRS 27. Therefore, FRS 110 may change which entities are consolidated within a group. The revised FRS 27 was amended to address accounting for subsidiaries, jointly controlled entities and associates in separate financial statements.

The Group is currently determining the impact of the changes to the concept of control.

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

(c) FRS 111 Joint Arrangements and Revised FRS 28 Investment in Associates and Joint Ventures

FRS 111 classifies joint arrangements either as joint operations or joint ventures. Joint operation is a joint arrangement whereby the parties that have rights to the assets and obligations for the liabilities whereas joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. FRS 111 requires the determination of joint arrangement's classification to be based on the parties' rights and obligations under the arrangement, with the existence of a separate legal vehicle no longer being the key factor. FRS 111 disallows proportionate consolidation and requires joint ventures to be accounted for using the equity method. The revised FRS 28 was amended to describe the application of equity method to investments in joint ventures in addition to associates.

The Group currently applies proportionate consolidation for its joint ventures. Upon adoption of FRS 111, the Group expects the change to equity accounting for these joint ventures and this will affect the Group's financial statement presentation.

(d) FRS 112 Disclosure of Interests in Other Entities

FRS 112 is a new and comprehensive standard on disclosure requirements for all forms of interest in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. FRS 112 requires an entity to disclose information that helps users of its financial statements to evaluate the nature and risks associated with its interests in other entities and the effects of those interests on its financial statements. As this is a disclosure standard, it will have no impact on the financial position or financial performance of the Group when implemented.

(e) FRS 113 Fair Value Measurements

FRS 113 provides a single source of guidance for all fair value measurements. FRS 113 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under FRS when fair value is required or permitted by FRS. The Group is currently determining the impact of this new standard on the Group's financial statements.

41. SUBSEQUENT EVENTS

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

On 27 October 2013, the Company announced that SGX-ST has granted a conditional eligibility to list for the listing of FCL Shares on the Main Board of the SGX-ST by way of an introduction. On 28 October 2013, the Company despatched the following documents to Shareholders, (a) a circular to Shareholders dated 28 October 2013 containing, *inter alia*, a notice to convene an extraordinary general meeting to be held at Level 2, Alexandra Point, 438 Alexandra Road, Singapore 119958 on 13 November 2013 at 10.00 a.m. for the purpose of seeking approval of Shareholders for the Proposed FCL Distribution, and (b) an introductory document dated 28 October 2013 in relation to the Proposed Listing.

(b) On 28 October 2013, the Company announced that it and its wholly-owned subsidiary, F&N Treasury Pte. Ltd. ("F&NT") have each commenced a consent solicitation process to seek approvals in relation to the Proposed FCL Distribution of the holders of notes issued by the Company and notes and bonds issued by F&NT and guaranteed by the Company.

41. SUBSEQUENT EVENTS (cont'd)

(c) On 25 October 2013, in conjunction with the Proposed FCL Distribution, the Company subscribed for 330,000,000 new FCL Shares (the "Initial Capitalisation") for a total subscription amount of $330 million. Thereafter on the same day, FCL redeemed all the redeemable preference shares held by the Company in FCL, at $1,000 per Class B redeemable preference share, for an aggregate amount of $330 million (the "Preference Shares Redemption").

The Company will, immediately prior to the Proposed Listing, subscribe for new FCL Shares (the "Additional Capitalisation"), for a total subscription amount of $670 million.

F&NT has, from time to time, extended loans to FCL and its subsidiaries ("FCL Group") ("Loans") for various purposes. Immediately prior to the Proposed Listing, $670 million of the Loans will be repaid with equity injected by the Company pursuant to the Additional Capitalisation while the remaining loans will be transferred (for consideration) by F&NT (as lender) to FCL Treasury Pte Ltd, which consideration will be funded by drawing down on bank loans, (together with the Initial Capitalisation and the Preference Shares Redemption, the "Corporate Restructuring").

The effects of the Corporate Restructuring on the shareholders' fund of the FCL Group will be an increase in share capital by $670 million. The shareholders' fund of the FCL Group as at 30 September 2013 was $5,451 million.

42. COMPARATIVE FIGURES

(a) Certain comparative figures have been changed due to the adoption of Amendments to FRS 12 Deferred Tax: Recovery of Underlying Assets, as disclosed in Note 2.1. The effects of the restatement is not significant and consequently a restated opening balance sheet as at 1 October 2011 has not been presented.

(b) Certain reclassifications have been made to the prior year's financial statements to conform with the current year's presentation. These reclassifications have no impact on the Group's profit for the year.

The effects of the reclassification are as follows:

	THE GROUP 2012 ($'000)
Profit statement	
Continuing operations	
Decrease in revenue	(27,146)
Decrease in cost of sales	27,146
	-

43. SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES

		Effective Shareholding 2013	2012	Principal Activities
	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
	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
	Times Publishing Limited	**100.0%**	100.0%	Investment Holding
	Frasers Centrepoint Limited	**100.0%**	100.0%	Investment Holding
	F&NBev Manufacturing Pte. Ltd. *(Held by a subsidiary company)*	**100.0%**	100.0%	Dormant
	F&N Treasury Pte Ltd	**100.0%**	100.0%	Provide Treasury and Financial Services
	F&N Creameries (Singapore) Pte Ltd *(Held by a subsidiary company)*	**100.0%**	100.0%	Distribution of Ice-Cream
	Country of Incorporation and Place of Business: **Hong Kong**			
(A)	Fraser & Neave Investments (HK) Ltd	**100.0%**	100.0%	Dormant
	Country of Incorporation and Place of Business: **Malaysia**			
(A)	Fraser & Neave Holdings Bhd	**55.8%**	56.1%	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)	F&N Services (F&B) (M) Sdn Bhd *(Formerly Fannet Online Sdn Bhd)*	**100.0%**	100.0%	Technical Application and Brand Marketing Support Services
(A)	F&N Services (L) Bhd	**100.0%**	100.0%	Dormant
(A) (3)	Vacaron Company Sdn Bhd	**77.9%**	78.0%	Property Development
	Country of Incorporation and Place of Business: **Thailand**			
(A)	F&N United Ltd *(Held by a subsidiary company)*	**95.0%**	95.0%	Manufacture and Distribution of Dairy Products
	Country of Incorporation and Place of Business: **Myanmar**			
(C)	Myanmar Brewery Limited *(Accounting year ends on 31 March)*	**55.0%**	55.0%	Brewing and Distribution of Beer
	Country of Incorporation and Place of Business: **Australia**			
(A)	Red Lion Holdings Pty Ltd *(Held by a subsidiary company)*	**100.0%**	100.0%	Dormant

Notes

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

(C) Audited by other firms of auditors.

(3) Vacaron Company Sdn Bhd is considered a subsidiary of the Company by virtue of it being a 50:50 joint venture between Fraser & Neave Holdings Group and Frasers Centrepoint Group.

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

		Effective Shareholding 2013	2012	Principal Activities
	SUBSIDIARY COMPANIES OF THE COMPANY (cont'd)			
	Country of Incorporation and Place of Business: **Indonesia**			
(E)	PT F&N Indonesia *(Held by subsidiary companies)*	**100.0%**	100.0%	Sale and Distribution of Asian Soft Drinks
	SUBSIDIARY COMPANIES OF F&N CREAMERIES GROUP			
	Country of Incorporation and Place of Business: **Malaysia**			
(A)	F&N Ice Cream Manufacturing (M) Sdn Bhd	**100.0%**	100.0%	Manufacture and Distribution of Ice-Cream
(A)	F&N Creameries (M) Sdn Bhd	**100.0%**	100.0%	Distribution of Ice-Cream
(A)	F&N Ice Cream Manufacturing (Sarawak) Sdn Bhd	**100.0%**	100.0%	Manufacture and Distribution of Ice-Cream
(A)	F&N Creameries (Sarawak) Sdn Bhd	**100.0%**	100.0%	Distribution of Ice-Cream
	SUBSIDIARY COMPANIES OF FRASER & NEAVE HOLDINGS GROUP			
	Country of Incorporation and Place of Business: **Malaysia**			
(A)	Fraser & Neave (Malaya) Sdn Bhd	**55.8%**	56.1%	Management Services and Property Investment Holding
(A)	F&N Beverages Marketing Sdn Bhd	**55.8%**	56.1%	Distribution of Soft Drinks
(A)	F&N Beverages Manufacturing Sdn Bhd	**55.8%**	56.1%	Manufacture of Soft Drinks
(A)	F&N Dairies (Malaysia) Sdn Bhd	**55.8%**	56.1%	Distribution of Dairy Products
(A)	Premier Milk (Malaya) Sdn Bhd	**55.8%**	56.1%	Dormant
(A)	Four Eights Sdn Bhd	**55.8%**	56.1%	Dormant
(A)	F&N Foods Sdn Bhd	**55.8%**	56.1%	Dormant
(A)	Kuala Lumpur Glass Manufacturers Company Sdn Bhd	**55.8%**	56.1%	Dormant
(A)	Wimanis Sdn Bhd	**55.8%**	56.1%	Property Development
(A)	Lettricia Corporation Sdn Bhd	**39.1%**	39.2%	Property Development
(A)	Elsinburg Holdings Sdn Bhd	**55.8%**	56.1%	Property Development
(A)	Nuvak Company Sdn Bhd	**55.8%**	56.1%	Dormant
(A)	Greenclipper Corporation Sdn Bhd	**55.8%**	56.1%	Property Development
(A)	Utas Mutiara Sdn Bhd	**55.8%**	56.1%	Property Investment Holding
(A)	Borneo Springs Sdn Bhd	**55.8%**	56.1%	Manufacture and Sale of Mineral Water, Carbonated Drinks and Bottles
(A)	F&N Dairies Manufacturing Sdn Bhd *(Formerly PML Dairies Sdn Bhd)*	**55.8%**	56.1%	Manufacture and Distribution of Dairy Products
(A)	F&N Properties Sdn Bhd	**55.8%**	56.1%	Provision of Property Management Services
(A)	F&N Capital Sdn Bhd	**55.8%**	56.1%	Provide Treasury and Financial Services
(A)	Tropical League Sdn Bhd	**55.8%**	56.1%	Dormant

Notes

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

(E) To be appointed.

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

		Effective Shareholding 2013	2012	Principal Activities
	SUBSIDIARY COMPANIES OF FRASER & NEAVE HOLDINGS GROUP (cont'd)			
	Country of Incorporation and Place of Business: **Singapore**			
	F&N Dairies Distribution (Singapore) Pte Ltd *(Formerly Arolys Singapore Pte Ltd)*	**55.8%**	56.1%	Distribution of Dairy Products
	Country of Incorporation and Place of Business: **Thailand**			
(A)	F&N Dairies (Thailand) Limited	**55.8%**	56.1%	Manufacture and Distribution of Dairy Products
(A)	F&N Beverages (Thailand) Limited	**55.8%**	56.1%	Dormant
	Country of Incorporation and Place of Business: **British Virgin Islands**			
(A)	Lion Share Management Limited	**55.8%**	56.1%	Brand Owner
	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
	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
	FCL Management Services Pte Ltd	**100.0%**	100.0%	Management Services
	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
	FCL (Fraser) Pte Ltd	**100.0%**	100.0%	Investment Holding
	FCL Boon Lay Pte Ltd	**100.0%**	100.0%	Property Development
	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

Notes

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

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

	Effective Shareholding 2013	2012	Principal Activities
SUBSIDIARY COMPANIES OF FRASERS CENTREPOINT GROUP (cont'd)			
Country of Incorporation and Place of Business: **Singapore** (cont'd)			
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 and Property Development
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
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
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
MLP Co Pte Ltd	**100.0%**	100.0%	Investment Holding
SAJV Co Pte Ltd	**100.0%**	100.0%	Investment Holding
FCL Clover Pte Ltd	**100.0%**	100.0%	Financial Services
FCL Tampines Court Pte Ltd	**100.0%**	100.0%	Investment Holding
FCL Emerald (1) Pte Ltd	**100.0%**	100.0%	Investment Holding
FCL Emerald (2) Pte Ltd	**100.0%**	100.0%	Investment Holding
Opal Star Pte Ltd	**100.0%**	100.0%	Investment Holding
Fraser Suites Jakarta Pte Ltd	**100.0%**	100.0%	Investment Holding
Fraser Residence Orchard Pte Ltd	**100.0%**	100.0%	Operation of Serviced Apartments
FCL Crystal Pte Ltd	**100.0%**	100.0%	Property Development
FCL Topaz Pte Ltd	**100.0%**	100.0%	Investment Holding
Frasers Hospitality Investments Melbourne Pte Ltd	**100.0%**	100.0%	Investment Holding
FCL Treasury Pte Ltd	**100.0%**	100.0%	Financial Services
Emerald Hill Developments Pte Ltd	**100.0%**	100.0%	Property Investment
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
Frasers Hospitality Management Pte Ltd	**100.0%**	100.0%	Management Consultancy Services

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

		Effective Shareholding 2013	Effective Shareholding 2012	Principal Activities
	SUBSIDIARY COMPANIES OF FRASERS CENTREPOINT GROUP (cont'd)			
	Country of Incorporation and Place of Business: **Singapore** (cont'd)			
	Frasers Hospitality Property Services Pte Ltd	**100.0%**	100.0%	Management Consultancy Services
	Frasers Hospitality Changi City Pte Ltd	**100.0%**	100.0%	Management Consultancy Services
	Sinomax International Pte Ltd	**100.0%**	100.0%	Investment Holding
	Frasers Land Pte Ltd	**100.0%**	100.0%	Property Development
	Singapore Logistics Investments Pte Ltd	**80.0%**	80.0%	Investment Holding
	FCL Aquamarine Pte Ltd	**100.0%**	100.0%	Investment Holding
	FC Commercial Trustee Pte Ltd	**100.0%**	100.0%	Trustee-Management Services
	FCL Amber Pte Ltd *(formerly FCL Vietnam Pte Ltd)*	**100.0%**	100.0%	Investment Holding
	FC North Gem Trustee Pte Ltd	**100.0%**	-	Trustee-Management Services
	FCL Compassvale Pte Ltd	**80.0%**	80.0%	Property Development
	FCL Admiralty Pte Ltd	**70.0%**	-	Property Development
	Punggol Residences Pte Ltd	**80.0%**	80.0%	Property Development
	Aquamarine Star Trust	**100.0%**	100.0%	Property Investment and Development
	North Gem Development Pte Ltd *(formerly Aquamarine Development Pte Ltd)*	**100.0%**	100.0%	Property Development
	North Gem Trust	**100.0%**	-	Property Investment
	FC Hotel Trustee Pte Ltd	**100.0%**	100.0%	Management Services
	Ruby Star Trust	**100.0%**	100.0%	Investment Holding
	Frasers Property (Europe) Holdings Pte Ltd	**80.0%**	80.0%	Investment Holding
	Country of Incorporation and Place of Business: **Vietnam**			
(A)	Me Linh Point Ltd	**75.0%**	75.0%	Property Investment
	Country of Incorporation and Place of Business: **China**			
(C)	Beijing Fraser Suites Real Estate Management Co., Ltd	**100.0%**	100.0%	Property Investment
(C)	Frasers Hospitality Management Co., Ltd, Shanghai	**100.0%**	100.0%	Management Consultancy Services
(C)	Fraser Place (Beijing) Property Management Co., Ltd	**100.0%**	100.0%	Management Consultancy Services
(C)	Modena Hospitality Management Co., Ltd. (Shanghai)	**51.0%**	51.0%	Management Consultancy Services
(C)	Shanghai Frasers Management Consultancy Co., Ltd	**100.0%**	100.0%	Management Services
(C)	Beijing Sin Hua Yan Real Estate Development Co., Ltd	**100.0%**	100.0%	Property Development
(C)	Singlong Property Development (Suzhou) Co., Ltd	**100.0%**	100.0%	Property Development
(C)	Frasers Property Management (Shanghai) Co., Ltd	**100.0%**	100.0%	Management Services
(C)	Chengdu Sino Singapore Southwest Logistics Co., Ltd *(All the above companies, incorporated in China, accounting year ends on 31 December)*	**80.0%**	80.0%	Property Development

Notes

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

(C) Audited by other firms of auditors.

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

		Effective Shareholding 2013	2012	Principal Activities
	SUBSIDIARY COMPANIES OF FRASERS CENTREPOINT GROUP (cont'd)			
	Country of Incorporation and Place of Business: **Hong Kong**			
(A)	Excellent Esteem Limited	**100.0%**	100.0%	Investment Holding
(C)	Frasers Hospitality (Hong Kong) Limited	**100.0%**	100.0%	Management Consultancy Services
(C)	Ace Goal Limited	**100.0%**	100.0%	Investment Holding
(C)	Extra Strength Limited	**100.0%**	100.0%	Investment Holding
(C)	Forth Carries Limited	**100.0%**	100.0%	Investment Holding
(C)	Forward Plan Limited	**100.0%**	100.0%	Investment Holding
(C)	Summit Park Limited	**100.0%**	100.0%	Investment Holding
(C)	Superway Logistics Investments (Hong Kong) Limited	**80.0%**	80.0%	Investment Holding
	Country of Incorporation and Place of Business: **The Philippines**			
(A)	Frasers Hospitality Philippines, Inc	**100.0%**	100.0%	Management Consultancy Services
(A)	Frasers Hospitality Investment, Inc	**100.0%**	100.0%	Property Investment
	Country of Incorporation and Place of Business: **United Kingdom**			
(C)	Frasers Property (UK) Limited	**80.0%**	80.0%	Investment Holding
(C)	Frasers Property Developments Ltd	**80.0%**	80.0%	Investment Holding
(C)	Frasers Investments (UK) Limited	**80.0%**	80.0%	Property Investment
(C)	Frasers Ventures Limited	**80.0%**	80.0%	Property Development
(C)	Frasers FB (UK) Limited	**80.0%**	80.0%	Property Investment
(C)	Frasers Projects Ltd	**80.0%**	80.0%	Property Development
(C)	The School House (Tunbridge Wells) Limited	**80.0%**	80.0%	Property Development
(C)	Frasers General Partner Limited	**80.0%**	80.0%	Property Investment
(C)	Frasers FB (UK) Group Limited	**80.0%**	80.0%	Investment Holding
(C)	Frasers FB (House) Limited	**80.0%**	80.0%	Investment Holding
(C)	Frasers Homes (UK) Limited	**80.0%**	80.0%	Property Development
(C)	Frasers (Buckswood Grange) Limited	**80.0%**	80.0%	Property Development
(C)	Frasers Islington Limited	**79.2%**	79.2%	Property Development
(C)	Frasers Islington Properties Limited	**79.2%**	79.2%	Property Development
(C)	Frasers (Brown Street) Limited	**80.0%**	80.0%	Property Development
(C)	Fairdace Limited	**100.0%**	100.0%	Serviced Apartments
(C)	Frasers Hospitality (UK) Limited	**100.0%**	100.0%	Management Consultancy Services and Serviced Apartments
(C)	Frasers (Vincent Square) Ltd	**80.0%**	80.0%	Property Development
(C)	Frasers Lumiere Leeds Ltd	**80.0%**	80.0%	Investment Holding
(C)	Frasers Management (UK) Ltd	**80.0%**	80.0%	Management Services
(C)	Frasers (Riverside Quarter) Ltd	**80.0%**	80.0%	Property Development
(C)	Frasers St Giles Street Management Ltd	**100.0%**	100.0%	Property Management
(C)	39 QGG Management Limited	**100.0%**	100.0%	Management Services

Notes

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

(C) Audited by other firms of auditors.

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

		Effective Shareholding 2013	Effective Shareholding 2012	Principal Activities
	SUBSIDIARY COMPANIES OF FRASERS CENTREPOINT GROUP (cont'd)			
	Country of Incorporation and Place of Business: **United Kingdom** (cont'd)			
(C)	Frasers Hospitality Frankfurt Investment Ltd	**100.0%**	100.0%	Investment Holding
(C)	Fairbrair Residential Investment Partnership	**100.0%**	100.0%	Investment in Residential Property Fund
(C)	Frasers (Maidenhead) Ltd	**80.0%**	80.0%	Property Development
(C)	Frasers Imperial Place Ltd	**80.0%**	80.0%	Property Development
	Country of Incorporation: **Singapore** Place of Business: **Australia**			
	FCL Bridgepoint Pte Ltd	**100.0%**	100.0%	Property Investment
	Country of Incorporation and Place of Business: **Australia**			
(A)	Frasers Town Hall Pty Ltd	**80.5%**	80.5%	Investment Holding and Property Development
(A)	Frasers Town Hall Residences Pty Ltd	**80.5%**	80.5%	Property Investment
(A)	Frasers Town Hall Issuer Pty Ltd	**80.5%**	80.5%	Financial Services
(A)	Frasers Town Hall Residences Operations Pty Ltd	**80.5%**	80.5%	Management Services
(A)	Frasers City Quarter Pty Limited	**87.5%**	87.5%	Property Development
(A)	Frasers Queens Pty Ltd	**87.5%**	87.5%	Investment Holding and Property Development
(A)	Frasers Perth Pty Ltd	**87.5%**	87.5%	Property Investment
(A)	Frasers Perth Management Pty Ltd	**87.5%**	87.5%	Management Services
(A)	Frasers Property Management Australia Pty Limited	**75.0%**	75.0%	Management Services
(A)	Frasers Chandos Pty Limited	**75.0%**	75.0%	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 Killara Pty Ltd	**75.0%**	75.0%	Property Development
(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 Homes WA Pty Limited	**56.3%**	56.3%	Builder
(A)	Frasers Putney Pty Limited	**75.0%**	75.0%	Property Development
(A)	Frasers Central Park Holdings No. 1 Pty Ltd	**75.0%**	75.0%	Investment Holding
(A)	Frasers Central Park Holdings No. 2 Pty Ltd	**75.0%**	75.0%	Investment Holding
(A)	Frasers Central Park Land No. 1 Pty Ltd	**75.0%**	75.0%	Property Development
(A)	Frasers Central Park Land No. 2 Pty Ltd	**75.0%**	75.0%	Property Development
(A)	Frasers Central Park Equity No. 1 Pty Ltd	**75.0%**	75.0%	Property Development
(A)	Frasers Central Park Equity No. 2 Pty Ltd	**75.0%**	75.0%	Property Development
(A)	Frasers Kensington Holdings Pty Ltd	**75.0%**	-	Investment Holding
(A)	Frasers Kensington Land Pty Ltd	**75.0%**	-	Property Development
(A)	Frasers Kensington Development Pty Ltd	**75.0%**	-	Property Development

Notes

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

(C) Audited by other firms of auditors.

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

		Effective Shareholding 2013	Effective Shareholding 2012	Principal Activities
	SUBSIDIARY COMPANIES OF FRASERS CENTREPOINT GROUP (cont'd)			
	Country of Incorporation and Place of Business: **Australia** (cont'd)			
(A)	Frasers Melbourne Trust	**100.0%**	100.0%	Property Investment
(A)	Frasers Melbourne Apartments Pty Limited	**100.0%**	100.0%	Management and Consultancy Services
(A)	Frasers Melbourne Management Pty Limited	**100.0%**	100.0%	Management Services
(A)	Frasers Brisbane Trust	**100.0%**	-	Property Investment
(A)	Frasers Brisbane Management Pty Ltd	**100.0%**	-	Trustee-Management Services
(A)	Frasers Brisbane Apartments Pty Ltd	**100.0%**	-	Management and Consultancy Services
	Country of Incorporation and Place of Business: **Japan**			
(B)	Frasers Hospitality Japan Kabushiki Kaisha	**100.0%**	100.0%	Management Consultancy Services
	Country of Incorporation: **Jersey, Channel Islands** Place of Business: **United Kingdom**			
(C)	Frasers (St Giles Street, Edinburgh) Limited	**100.0%**	100.0%	Property Investment
(C)	Queensgate Gardens (C.I.) Limited	**100.0%**	100.0%	Property Investment
	Country of Incorporation and Place of Business: **France**			
(C)	Societe de Gestion de Residence La Defense	**100.0%**	100.0%	Management Services
	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%**	67.5%	Builder
	Country of Incorporation and Place of Business: **Thailand**			
(A)	Frasers Hospitality (Thailand) Ltd *(Accounting year ends on 31 December)*	**100.0%**	100.0%	Management Consultancy Services
	Country of Incorporation and Place of Business: **India**			
(A)	Frasers Hospitality India Pty Ltd	**100.0%**	100.0%	Management Consultancy Services
	Country of Incorporation and Place of Business: **Indonesia**			
(A)	PT Frasers Hospitality Investments Indonesia *(Accounting year ends on 31 December)*	**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.

(C) Audited by other firms of auditors.

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

		Effective Shareholding 2013	Effective Shareholding 2012	Principal Activities
	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
	Educational Technologies Pte Ltd	**100.0%**	100.0%	Distribution of Home Library Reference Books
	MC Online Pte Ltd	**100.0%**	100.0%	E-Learning Provider
	Panpac Education Pte Ltd	**100.0%**	100.0%	Dormant
	Pansing Distribution Pte Ltd	**100.0%**	100.0%	Distribution of Books and Magazines
	Goodwill Binding Pte Ltd	**51.0%**	51.0%	Printing and Binding
	JCS Digital Solutions Pte Ltd	**100.0%**	100.0%	Digital Printing
	Starprint Production Pte Ltd	**51.0%**	51.0%	Dormant
	Times Editions Pte Ltd	**100.0%**	100.0%	Dormant
	Times Graphics Private Limited	**100.0%**	100.0%	Dormant
	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%	Publishing - Education, Business Information and Trade Books
(A)	STP Distributors (M) Sdn Bhd	**100.0%**	100.0%	Dormant
(A)	Pansing Marketing Sdn Bhd	**100.0%**	100.0%	Distribution of Books and Magazines
(A)	Times Offset (Malaysia) Sdn Bhd	**100.0%**	100.0%	Commercial Printing
(A)	Pansing Distribution Sdn Bhd	**100.0%**	100.0%	Distribution of Books and Magazines
	Country of Incorporation: **Hong Kong** Place of Business: **Thailand**			
(A)	Far East Publications Ltd	**100.0%**	100.0%	Distribution of Home Library Reference Books

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

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

		Effective Shareholding 2013	2012	Principal Activities
	SUBSIDIARY COMPANIES OF TIMES PUBLISHING GROUP (cont'd)			
	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**			
(A)	Everbest Printing Holdings Limited	**100.0%**	100.0%	Investment Holding
(A)	Everbest Printing Investment Ltd	**100.0%**	100.0%	Investment Holding
(A)	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 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
	Country of Incorporation and Place of Business: **China**			
(C)	Everbest Printing (Guangzhou) Co. Ltd	**100.0%**	100.0%	Commercial Printing
(A)	Shanxi Xinhua Times Packaging Printing Co Ltd	**51.0%**	51.0%	Commercial Printing and Packaging
(C)	Marshall Cavendish (Beijing) Co. Limited *(All the above companies, incorporated in China, accounting year ends on 31 December)*	**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)	Pansing IMM Pty Limited	**100.0%**	100.0%	Distribution of Magazines
(A)	Marshall Cavendish (Australia) Pty Ltd	**100.0%**	100.0%	Investment Holding
	Country of Incorporation and Place of Business: **United Kingdom**			
(A)	Marshall Cavendish Ltd	**100.0%**	100.0%	Investment Holding
	Country of Incorporation and Place of Business: **Poland**			
(A) **	Marshall Cavendish Polska Sp. zo.o	**100.0%**	100.0%	Partworks

Notes

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

(C) Audited by other firms of auditors.

** In voluntary liquidation.

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

		Effective Shareholding 2013	Effective Shareholding 2012	Principal Activities
	SUBSIDIARY COMPANIES OF TIMES PUBLISHING GROUP (cont'd)			
	Country of Incorporation and Place of Business: **Ukraine**			
(A)**	Wholly Owned Subsidiary Marshall Cavendish Ukraine	**100.0%**	100.0%	Partworks
	Country of Incorporation and Place of Business: **United States of America**			
(C)	Marshall Cavendish Corporation	**100.0%**	100.0%	Publishing of Library Reference Books
	Country of Incorporation and Place of Business: **Chile**			
(A)	Marshall Cavendish Education Chile SpA	**100.0%**	-	Publishing - Education
	JOINT VENTURE COMPANIES OF FRASERS CENTREPOINT GROUP			
	Country of Incorporation and Place of Business: **Thailand**			
(A) (2)	Riverside Homes Development Co., Ltd *(Accounting year ends on 31 December)*	**69.6%**	69.6%	Property Development
	Country of Incorporation and Place of Business: **Singapore**			
	FCL Peak Pte Ltd	**50.0%**	50.0%	Property Development
	Ascendas Frasers Pte Ltd *(Accounting year ends on 31 March)*	**50.0%**	50.0%	Property Development
	Yishun Gold Pte Ltd	**50.0%**	50.0%	Property Development
	Precious Sand Pte Ltd	**50.0%**	50.0%	Property Development
	Easthouse Properties Pte Ltd	**50.0%**	50.0%	Property Development
	Emerald Star Pte Ltd	**33.3%**	33.3%	Property Development
	Sapphire Star Trust	**33.3%**	33.3%	Property Investment and Development
	FC Retail Trustee Pte Ltd	**33.3%**	33.3%	Trustee-Management Services
	eCO Properties Pte Ltd	**33.3%**	33.3%	Property Development
	Quarry Bay Pte Ltd	**33.3%**	33.3%	Property Development
	WaterVine Homes Pte Ltd	**40.0%**	-	Property Development
	Country of Incorporation and Place of Business: **United Kingdom**			
(C)	GSF Homes Limited	**40.0%**	40.0%	Property Development
(C)	Sovereign House Fairbriar Homes Ltd	**40.0%**	40.0%	Property Development
(C)	Fairmuir Limited	**40.0%**	40.0%	Property Development
	Country of Incorporation and Place of Business: **Australia**			
(A) (4)	Frasers Central Park Equity No.1 Pty Ltd and SH Central Park Development East Pty Ltd	**37.5%**	37.5%	Property Development
(A) (4)	Frasers Central Park Equity No.2 Pty Ltd and SH Central Park Development West Pty Ltd	**37.5%**	37.5%	Property Development

Notes

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

(C) Audited by other firms of auditors.

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

(4) Unincorporated joint ventures.

** In voluntary liquidation.

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

		Effective Shareholding 2013	Effective Shareholding 2012	Principal Activities
	JOINT VENTURE COMPANIES OF TIMES PUBLISHING GROUP			
	Country of Incorporation and Place of Business: **Singapore**			
	Times Newslink *(Accounting year ends on 31 December)*	**50.0%**	50.0%	Retail of Books and Magazines
	Country of Incorporation and Place of Business: **China**			
(C)	Shanghai Times SanYin Printers Co., Ltd *(Accounting year ends on 31 December)*	**40.0%**	40.0%	Commercial Printing
	ASSOCIATED COMPANIES OF THE COMPANY			
	Country of Incorporation: **Bermuda** Place of Business: **China**			
(C)	Fung Choi Media Group Limited *(Accounting year ends on 30 June)*	**29.5%**	29.5%	Printing and Packaging
	Country of Incorporation and Place of Business: **Australia**			
(C) (1)	PMP Limited *(Accounting year ends on 30 June)*	**12.1%**	12.0%	Printing and Packaging
	ASSOCIATED COMPANIES OF TIMES PUBLISHING GROUP			
	Country of Incorporation and Place of Business: **China**			
(C)	Beijing Universal Times Culture Development Co. Ltd. *(Accounting year ends on 31 December)*	**40.0%**	40.0%	Publishing
	Country of Incorporation and Place of Business: **Nigeria**			
(C)	Transworld Times Press (Africa) Ltd *(Accounting year ends on 31 December)*	**40.0%**	40.0%	Dormant
	ASSOCIATED COMPANIES OF FRASER & NEAVE HOLDINGS GROUP			
	Country of Incorporation and Place of Business: **Malaysia**			
(C) (1)	Cocoaland Holdings Berhad *(Accounting year ends on 31 December)*	**15.2%**	15.2%	Investment Holding
	ASSOCIATED COMPANIES OF FRASERS CENTREPOINT GROUP			
	Country of Incorporation and Place of Business: **Singapore**			
	Frasers Commercial Trust	**27.9%**	27.4%	Real Estate Investment Trust
	Frasers Centrepoint Trust	**41.0%**	41.0%	Real Estate Investment Trust
	Gemshine Investments (S) Pte Ltd *(Accounting year ends on 30 June)*	**19.0%**	19.0%	Investment Holding

Notes

(C) Audited by other firms of auditors.

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

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

		Effective Shareholding 2013	Effective Shareholding 2012	Principal Activities
	ASSOCIATED COMPANIES OF FRASERS CENTREPOINT GROUP (cont'd)			
	Country of Incorporation and Place of Business: **Thailand**			
(A)	Krungthep Land Public Company Limited *(Accounting year ends on 31 December)*	**40.5%**	40.5%	Investment Holding and Property Development
	Country of Incorporation and Place of Business: **Malaysia**			
(C)	Hektar Asset Management Sdn Bhd *(Accounting year ends on 31 December)*	**40.0%**	40.0%	Management Services
	Country of Incorporation and Place of Business: **British Virgin Islands**			
(B)	Supreme Asia Investments Limited	**43.3%**	43.3%	Investment Holding
	Country of Incorporation and Place of Business: **China**			
(A)	Shanghai Zhong Jun Property Real Estate Development Co, Ltd *(Accounting year ends on 31 December)*	**45.2%**	45.2%	Property Development

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.

Particulars of Group Properties

The main properties as at 30 September 2013 and their net book values are indicated below:
("F&N" refers to Fraser and Neave Group, "FCL" refers to Frasers Centrepoint Limited Group and "TPL" refers to Times Publishing Group)

				Land ($'000)	Building ($'000)
(A)	**CLASSIFIED AS FIXED ASSETS (Note 12 to the Financial Statements)**				
	FREEHOLD				
	Singapore				
	TPL	- 1.1	hectares industrial property at Times Centre, 1 New Industrial Road	6,100	5,051
	Peninsular Malaysia				
	F&N	- 18.0	hectares industrial property at Lot 3-1 & Lot 3-2, Lion Industrial Park, Shah Alam	18,698	24,122
		- 2.1	hectares industrial property at 3724 to 3726 Sungei Nyior, Butterworth	1,817	759
		- 2.7	hectares industrial property at 217, Jalan Lahat, Ipoh	1,083	1,378
		- 2.2	hectares industrial property at 701, Jalan Tampoi, Johor Bahru	2,949	62
		- 0.6	hectares industrial property at 598, Jalan Tampoi, Johor Bahru	404	1,262
		- 0.1	hectares office premise at No. 3, Jalan Metro Pudu, Fraser Business Park, Kuala Lumpur	-	5,217
		- 0.4	hectares industrial property at Seksyen 26, Shah Alam, Selangor	560	345
		- 2.0	hectares industrial property at Lot 7399, Jalan Mempaga, Mukim Sabai, Karak, Pahang	1,424	2,873
		- 0.3	hectares office premise at Level 5, 6 & 7, Kompleks Metro Pudu, No.1 Jalan Metro Pudu 2, Fraser Business Park, Kuala Lumpur	-	5,030
		- Other properties		359	180
	TPL	- 1.2	hectares industrial property at Lot 46, Subang Hi-Tech Industrial Park, Batu Tiga, Shah Alam	1,482	2,366
	East Malaysia				
	F&N	- 1.1	hectares industrial property at Lot 924 Block 4, Matang Land District, Sarawak	1,685	1,018
	Thailand				
	F&N	- 1.2	hectares industrial property at 90 Moo 8 Mitapap Road, Phayayen District, Amphur Pakchong, Nakonratchasima Province 30320	-	2,310
		- 9.2	hectares industrial property at 668 Moo 4 Rojana Industrial Park Zone 2, U-thai, Phra Nakhon Si Ayutthaya 13210	6,803	45,789
	Australia				
	TPL	- 0.2	hectares commercial property at Unit 7 & 8 Monash Business Park, 29 Business Park Drive, Nottinghill, Melbourne - Victoria	892	359
	United State of America				
	TPL	- 0.2	hectares commercial property at 99 White Plains Road, Tarrytown, New York	628	2,706
	Total Freehold			**44,884**	**100,827**

Particulars of Group Properties

			Land ($'000)	Building ($'000)
(A)	**CLASSIFIED AS FIXED ASSETS** (cont'd) **(Note 12 to the Financial Statements)**			
	LEASEHOLD			
	Singapore			
	F&N	- 4.0 hectares industrial property at 214 Pandan Loop (Lease expires year 2040)	-	12,030
		- 0.1 hectares industrial property at 51 Quality Road (Lease expires year 2014)	16	51
	TPL	- Commercial property at Unit #04-08 - #04-11, The Centrepoint, 176 Orchard Road (Lease expires year 2078)	-	10
		- 1.8 hectares offices at 16 & 18 Tuas Avenue 5 (Lease expires year 2043)	-	12,658
	Peninsular Malaysia			
	F&N	- 15.1 hectares industrial property at Lot 56, Section 4, Phase 2B, Mukim Klang, Selangor (Lease expires year 2097)	10,775	64,474
		- Other properties	504	236
	East Malaysia			
	F&N	- 1.8 hectares industrial property at 3.5 Miles Penrissen Road, Kuching (Lease expires year 2038)	559	6,709
		- 2.6 hectares industrial property at 5.5 Miles Tuaran Road, Kota Kinabalu (Lease expires year 2062)	820	1,770
		- 1.2 hectares industrial property at Lot 1557 Block 218 KNLD, Kuching (Lease expires year 2038)	2,376	-
		- 2.4 hectares industrial property at Lot 1581 Block 4, Matang Land District, Kuching (Lease expires year 2038)	1,640	1,164
		- 0.4 hectares office premise at Lot 142 Block 63, Kuching (Lease expires year 2784)	87	65
		- 0.4 hectares industrial property at Lot 1008, Bintawa Industrial Estate, Kuching (Lease expires year 2035)	46	136
	Thailand			
	F&N	- 3.5 hectares industrial property at No. 19/111 Moo 7 95 Thakarm Road, Samaedam, Bangkhuntien, Bangkok 10150 (Lease expires year 2029)	362	3,294
	TPL	- Warehouse at Soi Wat Kok #20/526-527, Rama II Road, Bangkok (Lease expires year 2021)	-	24
	Myanmar			
	F&N	- 5.0 hectares industrial property at Mingaladon Township, Yangon (Lease expires year 2025)	895	7,230

Particulars of Group Properties

	Land ($'000)	Building ($'000)
(A) CLASSIFIED AS FIXED ASSETS (cont'd) **(Note 12 to the Financial Statements)**		
LEASEHOLD (cont'd)		
China/Hong Kong		
TPL - Residential property at Unit 1AF Riverside Garden, Shenyang, China (Lease expires year 2054)	-	174
- Warehouse at Unit D, 2nd Floor, Freder Centre 68 Sung Wong Toi Road, Tokwawan, Kowloon, Hong Kong (Lease expires year 2022)	-	10
- Industrial property at Dachong Western Industrial District Nansha Panyu, Guangdong, China (Lease expires year 2044)	2,303	12,206
- Industrial property at Unit A1,C5, Ko Fai Industrial Building 7 Ko Fai Road, Yau Tong, Kowloon, Hong Kong (Lease expires year 2048)	-	289
- Factory at 1 Zhao Yu Street, Yuci Economic Development Zone Jin Zhong City, Shanxi Province (Lease expires year 2026)	-	2,770
- Offices at Seaview Estate - 10th Floor Block C, No. 8 Watson Road, North Point, Hong Kong (Lease expires year 2057)	4,210	101
- Offices at Seaview Estate - 9th Floor Block C, No. 8 Watson Road, North Point, Hong Kong (Lease expires year 2057)	3,986	89
Total Leasehold	**28,579**	**125,490**
TOTAL PROPERTIES (CLASSIFIED AS FIXED ASSETS)	**73,463**	**226,317**
(B) CLASSIFIED AS INVESTMENT PROPERTIES (Note 13 to the Financial Statements)		
COMPLETED INVESTMENT PROPERTIES		
Singapore		
FCL - A 24-storey office building at 438 Alexandra Road Freehold, lettable area - 18,523 sqm	212,630	58,370
- Retained interests (excluding apartment units) in a 7-storey shopping cum residential complex with 2 basement floors at The Centrepoint, 176 Orchard Road Freehold and leasehold (Lease expires year 2078), lettable area - 30,967 sqm	520,160	119,840
- A 10-storey commercial cum serviced apartment complex with a 2-storey basement carpark, a 2-storey retail podium and 164 serviced apartment units at Robertson Walk Shopping Centre and Fraser Place Robertson Walk, 11 Unity Street Leasehold (Lease expires year 2840) Lettable area: Retail 9,016 sqm; Serviced apartments 17,694 sqm; Total 26,710 sqm	249,750	81,250

		Land ($'000)	Building ($'000)
(B)	**CLASSIFIED AS INVESTMENT PROPERTIES** (cont'd) **(Note 13 to the Financial Statements)**		
	COMPLETED INVESTMENT PROPERTIES (cont'd)		
	Singapore (cont'd)		
	FCL - A 20-storey commercial cum serviced apartment complex with a 5-storey covered carpark, a 5-storey podium block, a 2-storey retail podium and 255 serviced apartment units at Valley Point Shopping Centre/ Office Tower and Fraser Suites River Valley, River Valley Road Leasehold (Lease expires year 2876) Lettable area: Retail 3,699 sqm Serviced apartments 22,214 sqm Office 16,948 sqm Total 42,861 sqm	448,370	177,630
	- A 9-storey commercial business park building at 1 Changi Business Park Central 1 Leasehold (Lease expires year 2069), lettable area - 61,299 sqm	30,500	110,205
	- Other properties	1,540	110
	TPL - 0.7 hectares industrial property at 438 Ang Mo Kio Industrial Park Leasehold (Lease expires year 2038)	-	17,000
	Peninsular Malaysia		
	F&N - A building comprising office (LG to 5th floor) at Kompleks Metro Pudu, No. 1 Jalan Metro Pudu 2, Fraser Business Park, Kuala Lumpur Freehold, lettable area - 5,034 sqm	-	20,648
	- Office at Lot 682 Seksyen 92, Fraser Business Park, Off Jalan Yew, Kuala Lumpur Freehold, lettable area - 3,787 sqm	-	1,323
	Vietnam		
	FCL - A 22-storey retail/office building with 2 basement floors at Me Linh Point Tower, 2 Ngo Duc Ke Street, District 1, Ho Chi Minh City Leasehold (Lease expires year 2045), lettable area - 17,549 sqm	27,999	22,526
	China		
	FCL - A building comprising residential (3rd to 23rd level) and clubhouse (2nd level) at Fraser Suites CBD Beijing (EEL), 12 Jin Tong Xi Road, Chaoyang District, Beijing Leasehold: Residential (Lease expires year 2073) Clubhouse (Lease expires year 2043) Lettable area - 28,448 sqm	-	239,048
	Indonesia		
	FCL - 108 serviced apartment units at Fraser Tower of Fraser Residence Sudirman Jakarta, The Peak Sudirman, Jl. Setiabudi Raya No. 9, Jakarta Freehold, lettable area - 11,388 sqm	41,903	-
	Philippines		
	FCL - 89 serviced apartment units with 116 car park lots at East Tower of Fraser Place, Forbes Tower, Valero Street, Salcedo Village, Makati City, Manila Freehold, lettable area - 17,046 sqm	-	27,603

Particulars of Group Properties

	Land ($'000)	Building ($'000)
(B) CLASSIFIED AS INVESTMENT PROPERTIES (cont'd) **(Note 13 to the Financial Statements)**		
COMPLETED INVESTMENT PROPERTIES (cont'd)		
Australia		
FCL - 112 serviced apartment units in 2 blocks of high rise building at Melbourne, VIC 3000 Freehold, lettable area - 3,801 sqm	32,872	-
FCL - 239 serviced apartment units at 80 Albert St, Brisbane, Australia Freehold, lettable area - 9,468 sqm	47,885	-
United Kingdom		
FCL - 2 buildings of 96 residential apartment units at Fraser Place Canary Wharf, 80 Boardwalk Place, London E14 5SF Leasehold (Lease expires year 2998), lettable area - 4,460 sqm	-	71,185
- A 4-storey building of 99 serviced apartment units at Fraser Suites Glasgow, No 1-19 Albion Street, Glasgow G1 1LH, Scotland Freehold, lettable area - 4,964 sqm	-	20,052
- A 8-storey building of 75 serviced apartment units at Fraser Suites Edinburgh, 12-26 St Giles Street Edinburgh EH1 1PT, Scotland Freehold, lettable area - 2,333 sqm	12,759	13,309
- 105 residential apartment units at Fraser Suites Queens Gate, 39B Queens Gate Gardens, London SW7 5RR Freehold, lettable area - 4,188 sqm	-	106,276
- 69 residential apartment units at Fraser Suites Kensington, 75 Stanhope Gardens, London SW7 5RN Freehold, lettable area - 6,845 sqm	-	197,512
Hong Kong		
TPL - Shop unit at Houston Centre, Tsimshatsui East, Kowloon Leasehold (Lease expires year 2053), lettable area - 68 sqm	1,089	110
TOTAL COMPLETED INVESTMENT PROPERTIES	**1,627,457**	**1,283,997**
INVESTMENT PROPERTIES UNDER CONSTRUCTION		
Singapore		
FCL - A mixed commercial and residential development at Punggol Central/ Punggol Walk Leasehold (Lease expires year 2110) Gross floor area of 50,398 sqm for lease	215,956	27,994
TOTAL INVESTMENT PROPERTIES UNDER CONSTRUCTION	**215,956**	**27,994**
TOTAL PROPERTIES (CLASSIFIED AS INVESTMENT PROPERTIES)	**1,843,413**	**1,311,991**

Particulars of Group Properties

			Effective Group Interest %
(C)	**CLASSIFIED AS COMPLETED PROPERTIES HELD FOR SALE (Note 23 to the Financial Statements)**		
	Singapore		
	FCL	- Soleil @ Sinaran Leasehold land of approximately 12,468 sqm situated at Sinaran Drive. The development has a gross floor area of 44,878 sqm and consists of 417 condominium units.	100
		- Changi City Point and Capri by Fraser Leasehold land of approximately 47,006 sqm situated at Changi Business Park. The development has a gross floor area of 47,438 sqm and consists of 313 hotel rooms and a retail mall.	50
		- Esparina Residences Leasehold land of approximately 19,000 sqm situated at Compassvale Bow. The development has a gross floor area of 56,643 sqm and consists of 573 executive condominium units.	80
	Australia		
	FCL	- The Habitat Freehold land of approximately 862 sqm situated at 11-17 Chandos Street, Sydney NSW. The development has a gross floor area of 6,223 sqm and consists of 60 residential units, 2 retail and 9 offices.	75
		- Central Park Freehold land of approximately 48,000 sqm situated at Broadway, Sydney NSW. The development has a gross floor area of 30,350 sqm and consists of 395 residential apartment units.	38
		- Frasers Suites Perth Freehold land of approximately 11,895 sqm situated at East Perth. The development has a gross floor area of 22,118 sqm and consists of 165 serviced apartment units, 5 retail and 6 commercial office units.	88
		- Lumiere Freehold land of approximately 3,966 sqm situated at former Regent Theatre, Frontages on George Street, Bathurst & Kent Street, Sydney NSW. The development has a gross floor area of 61,146 sqm and consists of 1 retail podium, 456 residential units, 201 serviced apartment units, 3 retail and 19 commercial units.	81
	China		
	FCL	- Crosspoint Leasehold land of approximately 7,111 sqm situated at Xi Cheng District, Xin Jie Kou, Beijing. The development has a gross floor area of 28,572 sqm and consists of retail units and offices.	100
		- Chengdu Logistics Hub Leasehold land of approximately 195,846 sqm situated at Chengdu. Phase 1 of the development has a gross floor area of 161,288 sqm and consists of 136 offices, 29 warehouses and 766 car park lots.	80
		- Baitang One Leasehold land of approximately 314,501 sqm situated at Gongye Yuan District, Nan Shi Jie Dong, Suzhou. Phase 1a and 1b of the development has a gross floor area of 132,520 sqm and consists of 968 apartment units. Phase 2a has a gross floor area of 78,859 sqm and consists of 538 apartment units.	100

Particulars of Group Properties

			Effective Group Interest %
(C)	**CLASSIFIED AS COMPLETED PROPERTIES HELD FOR SALE** (cont'd) **(Note 23 to the Financial Statements)**		
	Thailand		
	FCL	- The Pano Freehold land of approximately 40,608 sqm situated at Rama III Road, Bangkok. Phase 1 of the development has a gross floor area of 62,348 sqm and consists of 399 condominium units.	49
	United Kingdom		
	FCL	- Wandsworth Freehold land of approximately 40,015 sqm situated at River Thames, London. The development has a gross floor area of 27,000 sqm and consists of 204 residential units and 8 commercial units.	80
		- Collins Theatre Freehold land of approximately 4,273 sqm situated at Islington, London. The development has a gross floor area of 7,659 sqm and consists of 70 apartment units, 2 townhouse units and commercial space.	79
		- Water Street Freehold land of approximately 2,226 sqm situated at Water Street, Edinburgh. The development has a gross floor area of 4,512 sqm and consists of 50 residential units.	40

Particulars of Group Properties

		Stage of Completion %	Estimated Date of Completion	Effective Group Interest %
(D)	**CLASSIFIED AS DEVELOPMENT PROPERTIES HELD FOR SALE (Note 23 to the Financial Statements)**			
	Singapore			
	FCL - Waterfront Gold - Leasehold land (Lease expires year 2108) of approximately 14,496 sqm at Bedok Reservoir Road for the development of 361 residential units of approximately 36,085 sqm of gross floor area for sale.	81	2nd Quarter 2014	50
	- Waterfront Isle - Leasehold land (Lease expires year 2108) of approximately 20,800 sqm at Bedok Reservoir Road for the development of 561 residential units and 2 retail units of approximately 52,491 sqm of gross floor area for sale.	48	1st Quarter 2015	50
	- Flamingo Valley - Freehold land of approximately 31,164 sqm at Siglap Road for the development of 393 condominium units of approximately 43,629 sqm of gross floor area for sale.	94	1st Quarter 2014	100
	- Eight Courtyards - Leasehold land (Lease expires year 2109) of approximately 26,540 sqm at Yishun Ave 2 / Ave 7 / Canberra Drive for the development of 654 residential units and 2 retail units of approximately 64,092 sqm of gross floor area for sale.	80	3rd Quarter 2014	50
	- Holland Park - Freehold land of approximately 2,801 sqm at Holland Park for the development of 2 good class bungalows for sale.	-	1st Quarter 2014	100
	- Boathouse Residences - Leasehold land (Lease expires year 2110) of approximately 13,000 sqm at Upper Serangoon View for the development of 493 residential units of approximately 45,501 sqm of gross floor area for sale.	48	2nd Quarter 2015	50
	- 51 Cuppage Road - Leasehold land (Lease expires year 2095) of approximately 6,310 sqm together with the commercial building erected thereon at Cuppage Road for the development of 141 residential units of approximately 23,496 sqm of gross floor area for sale and commercial space of approximately 4,328 sqm of gross floor area for sale.	-	-	100
	- Palm Isles - Leasehold land (Lease expires year 2110) of approximately 26,818 sqm at Flora Drive for the proposed development of approximately 429 residential units and 1 retail unit of approximately 40,323 sqm of gross floor area for sale.	27	3rd Quarter 2015	100
	- Seastrand - Leasehold land (Lease expires year 2110) of approximately 20,000 sqm at Pasir Ris Link for the development of 473 residential units and 2 retail units of approximately 40,314 sqm of gross floor area for sale.	58	4th Quarter 2014	50
	- Watertown - Leasehold land (Lease expires year 2110) of approximately 29,999 sqm at Punggol Central/ Punggol Walk for a mixed commercial and residential development. The residential component of the development comprises approximately 992 residential units of approximately 73,376 sqm of gross floor area for sale.	19	4th Quarter 2016	33

		Stage of Completion %	Estimated Date of Completion	Effective Group Interest %
(D)	**CLASSIFIED AS DEVELOPMENT PROPERTIES HELD FOR SALE** (cont'd) **(Note 23 to the Financial Statements)**			
	Singapore (cont'd)			
	FCL - eCO - Leasehold land (Lease expires year 2111) of approximately 62,096 sqm at Bedok South Ave 3 for the development of 714 condominium units, 34 units of strata landed houses and 2 retail units of approximately 60,154 sqm of gross floor area for sale.	10	2nd Quarter 2016	33
	- Twin Waterfalls - Leasehold land (Lease expires year 2110) of approximately 25,164 sqm at Punggol Walk for the development of 728 executive condominium units of approximately 76,713 sqm of gross floor area for sale.	42	2nd Quarter 2015	80
	- Q Bay Residences - Leasehold land (Lease expires year 2111) of approximately 20,071 sqm at Tampines Ave 10 for the development of 630 condominium units and 2 retail units of approximately 56,516 sqm of gross floor area for sale.	13	3rd Quarter 2016	33
	- Twin Fountains - Leasehold land (Lease expires year 2111) of approximately 16,504 sqm at Woodland Ave 6 (Woodland Planning Area) for the development of 418 executive condominium units of approximately 45,769 sqm of gross floor area for sale.	10	2nd Quarter 2017	70
	- Fernvale Close - Leasehold land (Lease expires year 2112) of approximately 14,931 sqm at Lot 4789X Mukim 20 at Fernvale Close for the development of 495 residential units and 1 retail unit of approximately 44,792 sqm of gross floor area for sale.	-	3rd Quarter 2017	40
	Peninsular Malaysia			
	F&N - Leasehold land (Lease expires year 2069) of approximately 51,491 sqm at Petaling Jaya, Selangor for a proposed mixed development with a total of approximately 179,916 sqm of gross floor area for sale.			
	- Phase 1a - Services Apartment and Street Retail	-	2nd Quarter 2018	78
	- Phase 1b - SOHO	-	4th Quarter 2018	78
	- Phase 2 - Boutique Office and Shopping Mall	-	2nd Quarter 2019	78
	- Phase 3 - Corporate Tower	-	1st Quarter 2019	78
	- Phase 4 - Business Hotel	-	1st Quarter 2020	78
	- Freehold land of approximately 3,788 sqm at Fraser Business Park, off Jalan Yew, Kuala Lumpur.	-	-	56
	- Freehold land of approximately 245,287 sqm for a residential property development at Lot 609, Geran 24235, Mukim Hulu Semenyih, District of Hulu Langat, Selangor.	-	-	56
	- Freehold land of approximately 12,268 sqm for a commercial property development at Lot 15350 to 15351 & Lot PTB 20048, Jalan Balau 1, Jalan Dato Sulaiman, Jalan Tebrau, Mukim Bandar, Johor Bahru.	-	-	56

	Stage of Completion %	Estimated Date of Completion	Effective Group Interest %
(D) CLASSIFIED AS DEVELOPMENT PROPERTIES HELD FOR SALE (cont'd) **(Note 23 to the Financial Statements)**			
Thailand			
FCL - The Pano - Freehold land of approximately 40,608 sqm situated at Rama III Road, Bangkok, which is separated into Phase 1 of 14,062 sqm and Phase 2 and 3 of 26,546 sqm. Phase 1 of the development was completed.	-	-	49
Australia			
FCL - Queens Riverside - Freehold land of approximately 11,895 sqm situated at East Perth for a proposed mixed development comprising approximately 500 private apartment units, 165 serviced apartment units and commercial space of a total of approximately 64,854 sqm of gross floor area for sale.			
- Q II	21	3rd Quarter 2015	88
- Q III	78	3rd Quarter 2014	88
- Paramatta River - Freehold land of approximately 49,240 sqm situated at Parramatta, Sydney NSW for a proposed development of approximately 766 apartment units of approximately 54,329 sqm of gross floor area for sale.	-	3rd Quarter 2014	75
- Killara Pavilions - Freehold land of approximately 6,215 sqm situated at Killara NSW for a proposed development comprising 99 apartment units of approximately 9,190 sqm of gross floor area for sale.	-	3rd Quarter 2014	75
- Frasers Landing - Freehold land of approximately 550,000 sqm situated at Mandurah, Western Australia for a proposed residential development.	-	3rd Quarter 2017	56
- Central Park - Freehold land of approximately 48,000 sqm situated at Broadway, Sydney NSW for a proposed mixed development of approximately 2,129 residential apartment units of approximately 136,776 sqm of gross floor area for sale and commercial space of approximately 50,971 sqm of gross floor area for sale.	13	4th Quarter 2018	38
- Central Park (CUB Site) - Freehold land of approximately 10,000 sqm situated at Broadway, Sydney NSW for a proposed mixed development of approximately 561 residential apartment units of approximately 32,203 sqm of gross floor area for sale and commercial space of approximately 5,200 sqm of gross floor area for sale.	3	2nd Quarter 2018	75
- Putney Hill - Freehold land of approximately 113,500 sqm situated at Putney, Sydney NSW for a proposed development comprising 705 apartment units and 86 houses of approximately 75,818 sqm of gross floor area for sale.			
- Phase 1H - Houses	33	1st Quarter 2017	75
- Phase 1A - Apartments	64	1st Quarter 2017	75

		Stage of Completion %	Estimated Date of Completion	Effective Group Interest %
(D)	**CLASSIFIED AS DEVELOPMENT PROPERTIES HELD FOR SALE** (cont'd) **(Note 23 to the Financial Statements)**			
	China			
FCL	- Chengdu Logistics Hub - Leasehold land (Lease expires year 2057) of approximately 195,846 sqm situated at Chengdu for a proposed industrial/commercial development of approximately 542,638 sqm gross floor area for sale, which is separated into Phase 1 of 161,288 sqm and Phase 2 to 4 of 381,350 sqm. Phase 1 of the development was completed.			
	- Phase 2 - Office	87	1st Quarter 2014 -	80
	- Phase 3 - Warehouse	-	1st Quarter 2016	80
	- Baitang One - Leasehold land (Lease expires year 2074) of approximately 314,501 sqm situated at Gongye Yuan District, Nan Shi Jie Dong, Suzhou for a residential development of approximately 543,700 sqm gross floor area for sale, which is separated into Phase 1a and 1b of 132,520 sqm and Phase 2a to 3d of 410,785 sqm. Phase 1a, 1b and 2a of the development were completed.			
	- Baitang One (Phase 2b)	67	3rd Quarter 2014	100
	- Baitang One (Phase 3a)	-	4th Quarter 2015	100
	- Baitang One (Phase 3b)	-	3rd Quarter 2016	100
	- Baitang One (Phase 3c)	-	2nd Quarter 2017	100
	- Baitang One (Phase 3d)	-	2nd Quarter 2014	100
	New Zealand			
FCL	- Broadview - Freehold land of approximately 13,275 sqm in the South Island, Queenstown for a proposed development of 43 luxury residential apartment units of approximately 8,410 sqm of gross floor area for sale.	-	-	75
	- Coast @ Papamoa - Freehold land of approximately 271,168 sqm located at Tauranga, North Island for a proposed development of approximately 303 land lots of approximately 139,906 sqm of lot area for sale.	-	3rd Quarter 2014	68
	United Kingdom			
FCL	- Freehold land of approximately 20,531 sqm on the south bank of River Thames, London for a proposed residential and commercial development of 512 residential units and ancillary office and retail space of a total of approximately 32,236 sqm of gross floor area for sale for Phase 3 of the Wandsworth Riverside Development.	-	3rd Quarter 2016	80
	- Freehold land of approximately 1,700 sqm situated at Vauxhall London. The 36 storey tower development has a gross floor area of approximately 21,000 sqm and consists of 180 private apartment units, 41 affordable, with offices and ground floor commercial.	-	3rd Quarter 2016	80
	- Freehold land of approximately 2,310 sqm situated at 1 - 6 Camberwell Green and 307 - 311 Camberwell New Road SE5, London.	-	-	80
	- Freehold land of approximately 3,157 sqm situated at Brown Street, Glasgow.	-	-	80
	- Freehold land of approximately 5,870 sqm situated at Baildon.	-	-	80

Shareholding Statistics

AS AT 12 DECEMBER 2013

Class of Shares - Ordinary share
Voting rights - One vote per share

Size of Holding	Number of Shareholders	%	Number of Shares	%
1 - 999	283	4.19	83,528	0.01
1,000 - 10,000	5,195	76.86	17,237,943	1.19
10,001 - 1,000,000	1,267	18.74	59,086,090	4.09
1,000,001 and above	14	0.21	1,368,498,725	94.71
	6,759	**100.00**	**1,444,906,286**	**100.00**

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

No	Shareholder's Name	Number of Shares Held	%[1]
1	DBS Nominees Pte Ltd	435,417,597	30.13
2	United Overseas Bank Nominees Pte Ltd	431,147,129	29.84
3	InterBev Investment Limited	412,423,822	28.54
4	Citibank Nominees Singapore Pte Ltd	33,845,832	2.34
5	Raffles Nominees (Pte) Ltd	15,337,552	1.06
6	BNP Paribas Nominees Singapore Pte Ltd	12,750,615	0.88
7	UOB Kay Hian Pte Ltd	6,890,310	0.48
8	HSBC (Singapore) Nominees Pte Ltd	5,634,383	0.39
9	DBS Vickers Securities (Singapore) Pte Ltd	4,712,010	0.33
10	Bank of East Asia Nominees Pte Ltd	3,705,110	0.26
11	Lee Seng Tee	2,500,000	0.17
12	Phay Thong Huat Pte Ltd	1,799,000	0.12
13	DB Nominees (S) Pte Ltd	1,181,760	0.08
14	CIMB Securities (Singapore) Pte Ltd	1,153,605	0.08
15	Choo Meileen	906,065	0.06
16	Chee Swee Cheng & Co Pte Ltd	846,610	0.06
17	Bank of Singapore Nominees Pte Ltd	652,854	0.05
18	Tan Kim Seng	614,790	0.04
19	Chong Kah Yung	600,000	0.04
20	Janice Khoo Bee Khim	585,000	0.04
		1,372,704,044	**94.99**

Note:

[1] Percentage is based on 1,444,906,286 shares (excluding shares held as Treasury Shares) as at 12 December 2013. Treasury Shares as at 12 December 2013 is 4,100 shares.

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

	DIRECT INTEREST (Number of Shares)	DEEMED INTEREST (Number of Shares)
TCC Assets Limited	858,080,062	-
InterBev Investment Limited	412,423,822	-
Charoen Sirivadhanabhakdi	-	1,270,503,884
Khunying Wanna Sirivadhanabhakdi	-	1,270,503,884
International Beverage Holdings Limited	-	412,423,822
Thai Beverage Public Company Limited	-	412,423,822
Siriwana Company Limited	-	412,423,822
MM Group Limited	-	412,423,822
Maxtop Management Corp.	-	412,423,822
Risen Mark Enterprise Ltd.	-	412,423,822
Golden Capital (Singapore) Limited	-	412,423,822

To the best of the Company's knowledge and based on records of the Company as at 12 December 2013, the percentage of shareholding of the Company held in the hands of the public is approximately 12% and this complies with Rule 723 of the Listing Manual.

Notes:

- '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.

Interested Person Transactions

Particulars of interested person transactions ("**IPTs**") for the period 1 October 2012 to 30 September 2013 as required under Rule 907 of the SGX Listing Manual.

Name of interested person	**Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than $100,000 and transactions conducted under shareholders' mandate[2] pursuant to Rule 920)**	**Aggregate value of all interested person transactions conducted during the financial year under review under shareholders' mandate[2] pursuant to Rule 920 (excluding transactions less than $100,000)**
Stamford Law Corporation[1]		
- Provision of legal services to the Company	$3,007,084	Nil

Notes:

1 The Senior Director of Stamford Law Corporation is an associate of a Director of the Company who resigned during the financial year under review.

2 There was no shareholders' IPT mandate during the financial year under review.

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

For online version of F&N FY2013 Annual Report, please refer to www.fraserandneave.com/FN_investor_r_reports.asp
For easy-to-read guides on annual reports, please refer to www.sgx.com/wps/wcm/connect/mp_en/site/highlights/highlight_contents/Investors_Guide