



FRASER AND NEAVE, LIMITED

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

RESULTS FOR THE 2ND QUARTER ENDED 31 MARCH 2016 Financial Statements and Dividend Announcement

The Directors are pleased to make the following announcement of the unaudited results for the 2nd Quarter ended 31 March 2016.

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENT OF QUARTERLY (Q1, Q2 & Q3), HALF AND FULL YEAR RESULTS

1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the Group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

1(a)(i) GROUP PROFIT STATEMENT

	2nd Quarter to 31/3/2016 \$'000	2nd Quarter to 31/3/2015 \$'000 (Restated)*	Change %	6 Months to 31/3/2016 \$'000	6 Months to 31/3/2015 \$'000 (Restated)*	Change %
Continuing operations						
Revenue	474,276	498,720	(4.9)	962,821	1,048,690	(8.2)
Cost of sales	(301,522)	(338,832)	(11.0)	(619,103)	(715,087)	(13.4)
Gross profit	172,754	159,888	8.0	343,718	333,603	3.0
Other (expenses)/income (net)	(371)	2,318	NM	8,826	5,623	57.0
Operating expenses						
- Distribution	(43,462)	(42,802)	1.5	(83,831)	(87,960)	(4.7)
- Marketing	(66,434)	(60,672)	9.5	(123,939)	(122,260)	1.4
- Administration	(34,784)	(33,840)	2.8	(64,457)	(65,958)	(2.3)
	(144,680)	(137,314)	5.4	(272,227)	(276,178)	(1.4)
Trading profit	27,703	24,892	11.3	80,317	63,048	27.4
Share of joint venture company's loss	(97)	(121)	(19.8)	(154)	(204)	(24.5)
Share of associated companies' profits	797	770	3.5	1,858	1,904	(2.4)
Gross income from investments	-	-	-	128	128	-
Profit before interest and taxation ("PBIT")	28,403	25,541	11.2	82,149	64,876	26.6
Finance income	3,852	1,426	170.1	7,479	2,839	163.4
Finance cost	(1,309)	(1,606)	(18.5)	(2,374)	(3,154)	(24.7)
Net finance income/(cost)	2,543	(180)	NM	5,105	(315)	NM
Profit before taxation and exceptional items	30,946	25,361	22.0	87,254	64,561	35.1
Exceptional items	399	848	(52.9)	743	(189)	NM
Profit before taxation	31,345	26,209	19.6	87,997	64,372	36.7
Taxation	(5,380)	(5,538)	(2.9)	(14,267)	(13,344)	6.9
Profit from continuing operations, net of tax	25,965	20,671	25.6	73,730	51,028	44.5
Discontinued operations						
Profit from discontinued operations, net of tax	-	30,665	NM	-	60,978	NM
Profit after taxation	25,965	51,336	(49.4)	73,730	112,006	(34.2)
Attributable profit to:						
Shareholders of the Company						
- Before exceptional items						
Continuing operations	11,617	8,796	32.1	37,150	27,861	33.3
Discontinued operations	-	16,866	NM	-	33,538	NM
	11,617	25,662	(54.7)	37,150	61,399	(39.5)
- Exceptional items from continuing operations	396	498	(20.5)	559	(79)	NM
	12,013	26,160	(54.1)	37,709	61,320	(38.5)
Non-controlling interests						
Continuing operations	13,952	11,377	22.6	36,021	23,246	55.0
Discontinued operations	-	13,799	NM	-	27,440	NM
	13,952	25,176	(44.6)	36,021	50,686	(28.9)
	25,965	51,336	(49.4)	73,730	112,006	(34.2)

NM – Not meaningful

* Restated upon the sale of Myanmar Brewery Limited

1(a)(ii) BREAKDOWN AND EXPLANATORY NOTES TO GROUP PROFIT STATEMENT

	Group					
	2nd Quarter to 31/3/2016 \$'000	2nd Quarter to 31/3/2015 \$'000 (Restated)	Change %	6 Months to 31/3/2016 \$'000	6 Months to 31/3/2015 \$'000 (Restated)	Change %
Operating expenses						
Included in operating expenses are:						
Depreciation & amortisation	(14,203)	(17,612)	(19.4)	(31,148)	(38,514)	(19.1)
(Allowance for)/Write back of bad and doubtful debts	(144)	263	NM	(27)	(254)	(89.4)
Allowance for inventory obsolescence	(681)	(2,290)	(70.3)	(611)	(3,615)	(83.1)
Employee share-based expenses	(1,629)	(1,423)	14.5	(3,121)	(2,990)	4.4
Other (expenses)/income (net)						
Loss on disposal of fixed assets	(187)	(76)	146.1	(163)	(16)	NM
Foreign exchange (loss)/gain	(3,362)	615	NM	1,888	371	NM
Taxation						
Over provision of prior year taxation	1,224	2,205	(44.5)	1,177	2,258	(47.9)
Exceptional items						
Effect of change of interest in an associated company	396	-	NM	396	-	NM
Insurance claim relating to flood	5	-	NM	319	-	NM
Gain on redemption of other investment	-	-	-	30	-	NM
Loss on liquidation of subsidiary and joint venture companies (net)	(2)	-	NM	(2)	-	NM
Impairment reversal/(loss) on fixed assets relating to flood	-	848	NM	-	(189)	NM
	<u>399</u>	<u>848</u>	(52.9)	<u>743</u>	<u>(189)</u>	NM
PBIT as a percentage of revenue	<u>6.0%</u>	<u>5.1%</u>		<u>8.5%</u>	<u>6.2%</u>	

NM - Not meaningful

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

	2nd Quarter to 31/3/2016 \$'000	2nd Quarter to 31/3/2015 \$'000 (Restated)	6 Months to 31/3/2016 \$'000	6 Months to 31/3/2015 \$'000 (Restated)
Revenue				
By Business Activity				
Beverages	144,632	141,037	276,766	303,407
Dairies	260,384	275,249	532,369	574,277
Printing & publishing	69,153	82,094	153,464	170,598
Others	107	340	222	408
	<u>474,276</u>	<u>498,720</u>	<u>962,821</u>	<u>1,048,690</u>
By Territory				
Singapore	109,704	112,999	227,306	235,279
Malaysia	216,908	228,522	428,459	494,678
Other ASEAN	128,887	134,892	267,117	274,058
North/South Asia	17,238	20,218	36,556	40,483
Outside Asia	1,539	2,089	3,383	4,192
	<u>474,276</u>	<u>498,720</u>	<u>962,821</u>	<u>1,048,690</u>
PBIT				
By Business Activity				
Beverages	9,121	8,992	19,973	22,325
Dairies	28,099	19,918	65,562	39,435
Printing & publishing	(6,473)	(1,791)	(3,925)	(2,442)
Others	(2,344)	(1,578)	539	5,558
	<u>28,403</u>	<u>25,541</u>	<u>82,149</u>	<u>64,876</u>
By Territory				
Singapore	(4,412)	(1,900)	(5,739)	8,539
Malaysia	22,676	17,952	56,588	40,920
Other ASEAN	13,879	12,132	35,309	19,443
North/South Asia	(2,288)	(1,424)	(2,564)	(2,587)
Outside Asia	(1,452)	(1,219)	(1,445)	(1,439)
	<u>28,403</u>	<u>25,541</u>	<u>82,149</u>	<u>64,876</u>
Attributable profit				
By Business Activity				
Beverages	2,858	2,106	5,699	9,178
Dairies	13,969	8,760	32,749	17,182
Printing & publishing	(5,469)	(2,498)	(3,573)	(4,317)
Others	259	428	2,275	5,818
Continuing operations	11,617	8,796	37,150	27,861
Discontinued operations*	-	16,866	-	33,538
Exceptional items from continuing operations	396	498	559	(79)
	<u>12,013</u>	<u>26,160</u>	<u>37,709</u>	<u>61,320</u>

* Refers to the sale of Myanmar Brewery Limited.

1(a)(iv) STATEMENT OF COMPREHENSIVE INCOME

	Group			
	2nd Quarter to 31/3/2016 \$'000	2nd Quarter to 31/3/2015 \$'000 (Restated)	6 Months to 31/3/2016 \$'000	6 Months to 31/3/2015 \$'000 (Restated)
Profit after taxation	25,965	51,336	73,730	112,006
Other comprehensive income:				
<u>Items that may be reclassified subsequently to profit statement</u>				
Share of other comprehensive income of associated companies	(584)	397	(908)	846
Realisation of fair value gains on disposal of available-for-sale financial asset	-	-	(152)	-
Realisation of reserve on settlement of a net investment	(510)	-	(11,419)	-
Realisation of reserves on liquidation/disposal of subsidiary and joint venture companies	625	(7)	625	(716)
Net fair value changes on available-for-sale financial assets	9,598	95,494	236,744	51,488
Currency translation differences	19,310	2,278	27,413	(9,297)
	28,439	98,162	252,303	42,321
Total comprehensive income for the period	54,404	149,498	326,033	154,327
Total comprehensive income attributable to:				
Shareholders of the Company				
Continuing operations	31,035	108,180	282,444	78,109
Discontinued operations	-	16,696	-	32,214
	31,035	124,876	282,444	110,323
Non-controlling interests	23,369	24,622	43,589	44,004
	54,404	149,498	326,033	154,327

1(b)(i) A statement of financial position (for the issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year.

BALANCE SHEET

	Group		Company	
	As at 31/3/2016 \$'000	As at 30/9/2015 \$'000	As at 31/3/2016 \$'000	As at 30/9/2015 \$'000
SHARE CAPITAL AND RESERVES				
Share capital	849,301	849,301	849,301	849,301
Treasury shares	(2,655)	(5,759)	(2,655)	(5,759)
Reserves	1,662,778	1,424,507	796,589	786,756
	2,509,424	2,268,049	1,643,235	1,630,298
NON-CONTROLLING INTERESTS				
	312,232	288,028	-	-
	2,821,656	2,556,077	1,643,235	1,630,298
Represented by:				
NON-CURRENT ASSETS				
Fixed assets	478,253	464,388	424	-
Investment properties	36,284	35,018	-	-
Properties held for development	19,072	17,848	-	-
Subsidiary companies	-	-	1,004,373	961,872
Joint venture company	47,558	43,736	-	-
Associated companies	43,634	41,860	18,100	18,100
Intangible assets	76,402	78,750	200	-
Brands	29,180	27,481	212	212
Other investments	1,075,569	844,780	146,134	120,129
Other receivables	833	1,580	-	-
Deferred tax assets	17,201	18,156	-	-
Bank fixed deposits	-	3,874	-	-
	1,823,986	1,577,471	1,169,443	1,100,313
CURRENT ASSETS				
Inventories	269,684	253,918	-	-
Trade receivables	288,083	278,792	-	-
Other receivables	58,046	53,670	615	1,387
Related parties	4,025	1,742	31	-
Subsidiary companies	-	-	3,015	5,647
Joint venture companies	500	756	-	-
Associated companies	646	3,403	-	-
Bank fixed deposits	636,216	446,462	328,518	276,978
Cash and bank balances	328,883	515,243	179,876	261,494
	1,586,083	1,553,986	512,055	545,506
Assets held for sale	10,831	11,412	-	-
	1,596,914	1,565,398	512,055	545,506
Deduct: CURRENT LIABILITIES				
Trade payables	189,664	201,113	-	-
Other payables	179,296	192,845	7,986	10,312
Related parties	7,788	14,523	68	-
Subsidiary companies	-	-	850	692
Associated companies	1,589	1,843	-	-
Borrowings	11,776	2,551	-	-
Provision for taxation	35,346	31,712	3,258	3,138
	425,459	444,587	12,162	14,142
Liabilities held for sale	2,173	1,802	-	-
	427,632	446,389	12,162	14,142
NET CURRENT ASSETS				
	1,169,282	1,119,009	499,893	531,364
Deduct: NON-CURRENT LIABILITIES				
Other payables	-	3,874	-	-
Related parties	1,265	1,265	1,265	1,265
Subsidiary companies	-	-	24,690	-
Borrowings	132,597	97,924	-	-
Provision for employee benefits	18,178	18,201	-	-
Deferred tax liabilities	19,572	19,139	146	114
	171,612	140,403	26,101	1,379
	2,821,656	2,556,077	1,643,235	1,630,298

- 1(b)(ii) Aggregate amount of Group's borrowings and debt securities.-**
The Group's borrowings and debt securities as at the end of the financial period reported on, and comparative figures as at the end of the immediately preceding financial year:

Amount repayable in one year or less, or on demand

	As at 31/3/2016	As at 30/9/2015
	\$'000	\$'000
Secured :	376	760
Unsecured :	11,400	1,791
	<hr/>	<hr/>
	11,776	2,551
	<hr/>	<hr/>

Amount repayable after one year

	As at 31/3/2016	As at 30/9/2015
	\$'000	\$'000
Secured :	20	25
Unsecured :	132,577	97,899
	<hr/>	<hr/>
	132,597	97,924
	<hr/>	<hr/>

Details of any collateral

Secured borrowings are generally bank overdrafts and bank loans secured on the land and buildings, plant and machinery of the borrowing companies, pledge of shares held in a subsidiary and/or a first fixed and floating charge over the assets, and assignment of all rights, benefits and title in contracts of the respective borrowing companies.

1(c) A statement of cash flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

GROUP CASH FLOW STATEMENT

	2nd Quarter to 31/3/2016 \$'000	2nd Quarter to 31/3/2015 \$'000 (Restated)	6 Months to 31/3/2016 \$'000	6 Months to 31/3/2015 \$'000 (Restated)
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>				
Profit before taxation and exceptional items from continuing operations	30,946	25,361	87,254	64,561
Profit before taxation and exceptional items from discontinued operations	-	40,887	-	81,305
Profit before taxation and exceptional items	30,946	66,248	87,254	145,866
Adjustments for:				
Depreciation of fixed assets	11,508	17,101	23,012	34,270
Impairment reversal of fixed assets (net)	(256)	(36)	(225)	(247)
Fixed assets written off	148	360	201	534
Provision for employee benefits	380	404	752	810
Loss on disposal of fixed assets (net)	187	76	163	16
Amortisation of brands and intangible assets	2,695	3,094	8,136	9,375
Interest income	(3,852)	(1,527)	(7,479)	(3,037)
Interest expenses	1,309	1,606	2,374	3,154
Share of joint venture company's loss	97	121	154	204
Share of associated companies' profits	(797)	(770)	(1,858)	(1,904)
Investment income	-	-	(128)	(128)
Employee share-based expense	1,629	1,423	3,121	2,990
Fair value adjustment of financial instruments	1,267	(146)	239	(145)
Loss on disposal of financial instruments	444	21	2,569	272
Operating cash before working capital changes	45,705	87,975	118,285	192,030
Change in inventories	(20,990)	(44,557)	(15,766)	(36,627)
Change in receivables	9,944	11,537	(15,446)	(21,014)
Change in joint venture and associated companies' balances	(968)	(292)	1,758	(1,005)
Change in payables	(16,174)	(4,854)	(36,352)	(24,956)
Development expenditure on properties held for development	-	(223)	(7)	(223)
Currency realignment	3,572	2,186	(5,948)	2,584
Cash generated from operations	21,089	51,772	46,524	110,789
Interest income received	4,124	1,453	7,050	2,887
Interest expenses paid	(1,027)	(1,671)	(2,174)	(3,232)
Income taxes paid	(6,866)	(8,450)	(9,959)	(22,771)
Payment of employee benefits	(765)	(903)	(832)	(1,122)
Net cash from operating activities	16,555	42,201	40,609	86,551
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>				
Dividends from associated companies	-	-	1,248	867
Investment income	-	-	128	128
Proceeds from sale of fixed assets	164	226	276	487
Proceeds from redemption of other investments	-	-	6,069	-
Purchase of fixed assets	(9,802)	(20,875)	(26,607)	(36,956)
Payment for intangible assets	(2,546)	(2,640)	(5,304)	(5,929)
Net cash used in investing activities	(12,184)	(23,289)	(24,190)	(41,403)

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

	2nd Quarter to 31/3/2016 \$'000	2nd Quarter to 31/3/2015 \$'000 (Restated)	6 Months to 31/3/2016 \$'000	6 Months to 31/3/2015 \$'000 (Restated)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>				
(Repayment of)/Proceeds from term loans and bank borrowings	(1,370)	29,167	37,196	34,737
Purchase of shares by subsidiary company	(652)	-	(861)	-
Proceeds from issue of shares by subsidiary companies to non-controlling interests	29	1,600	659	2,044
Payment of dividends:				
- by subsidiary companies to non-controlling interests	(19,952)	(19,933)	(19,952)	(19,933)
- by the Company to shareholders	(43,373)	(43,412)	(43,373)	(43,412)
Net cash used in financing activities	(65,318)	(32,578)	(26,331)	(26,564)
Net (decrease)/increase in cash and cash equivalents	(60,947)	(13,666)	(9,912)	18,584
Cash and cash equivalents at beginning of period	1,015,526	381,194	961,036	354,325
Effects of exchange rate changes on cash and cash equivalents	5,772	(1,423)	9,227	(6,804)
Cash and cash equivalents at end of period	960,351	366,105	960,351	366,105
Cash and cash equivalents at end of period comprise:				
Cash and bank deposits	965,099	366,998	965,099	366,998
Bank overdrafts	(610)	(893)	(610)	(893)
	964,489	366,105	964,489	366,105
Less: Fixed deposits relating to consideration for acquisition of subsidiary companies	(4,138)	-	(4,138)	-
Cash and cash equivalents at end of period	960,351	366,105	960,351	366,105

- 1(d)(i) A statement (for the issuer and Group) showing either**
- (i) all changes in equity or**
 - (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

STATEMENT OF CHANGES IN EQUITY

	Group											
	Share Capital	Treasury Shares	Capital Reserve	Revenue Reserve	Exchange Reserve	Fair Value Adjustment Reserve	Hedging Reserve	Share-based Payment Reserve	Dividend Reserve	Total	Non-controlling Interests	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2nd Quarter ended 31 March 2016												
Balance at 1 January 2016	849,301	(2,655)	9,565	875,532	(142,121)	880,435	(273)	8,132	43,373	2,521,289	308,332	2,829,621
Comprehensive income												
Share of other comprehensive income of associated companies	-	-	-	(853)	282	-	(122)	109	-	(584)	-	(584)
Realisation of reserve on liquidation of subsidiary company	-	-	-	-	625	-	-	-	-	625	-	625
Realisation of reserve on settlement of a net investment	-	-	-	-	(283)	-	-	-	-	(283)	(227)	(510)
Net fair value changes on available-for-sale financial assets	-	-	-	-	-	9,598	-	-	-	9,598	-	9,598
Currency translation difference	-	-	-	-	9,666	-	-	-	-	9,666	9,644	19,310
Other comprehensive income for the period	-	-	-	(853)	10,290	9,598	(122)	109	-	19,022	9,417	28,439
Profit for the period	-	-	-	12,013	-	-	-	-	-	12,013	13,952	25,965
Total comprehensive income for the period	-	-	-	11,160	10,290	9,598	(122)	109	-	31,035	23,369	54,404
Contribution by and distributions to owners												
Employee share-based expense	-	-	-	-	-	-	-	1,145	-	1,145	434	1,579
Purchase of shares by a subsidiary company	-	-	-	(362)	-	-	-	-	-	(362)	(290)	(652)
Shares of a subsidiary company reissued pursuant to its share plans	-	-	(116)	1,483	-	-	-	(1,367)	-	-	-	-
Contribution of capital by non-controlling interests	-	-	-	-	-	-	-	-	-	-	29	29
Dividends												
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(19,952)	(19,952)
Final dividend for the previous year, paid	-	-	-	-	-	-	-	-	(43,373)	(43,373)	-	(43,373)
Interim dividend for the year, proposed	-	-	-	(21,687)	-	-	-	-	21,687	-	-	-
Total contributions by and distributions to owners	-	-	(116)	(20,566)	-	-	-	(222)	(21,686)	(42,590)	(19,779)	(62,369)
Changes in ownership interests												
Change of interests in a subsidiary company	-	-	-	(310)	-	-	-	-	-	(310)	310	-
Total changes in ownership interests	-	-	-	(310)	-	-	-	-	-	(310)	310	-
Total transactions with owners in their capacity as owners	-	-	(116)	(20,876)	-	-	-	(222)	(21,686)	(42,900)	(19,469)	(62,369)
Balance at 31 March 2016	849,301	(2,655)	9,449	865,816	(131,831)	890,033	(395)	8,019	21,687	2,509,424	312,232	2,821,656

1(d)(i) STATEMENT OF CHANGES IN EQUITY (cont'd)
Group

	Share Capital	Treasury Shares	Capital Reserve	Revenue Reserve	Exchange Reserve	Fair Value Adjustment Reserve	Hedging Reserve	Share-based Payment Reserve	Dividend Reserve	Total	Non-controlling Interests	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2nd Quarter ended												
31 March 2015												
Balance at 1 January 2015	844,585	(23)	8,785	326,162	(109,496)	466,380	(605)	12,590	43,347	1,591,725	416,051	2,007,776
Comprehensive income												
Share of other comprehensive income of associated companies	-	-	-	46	351	-	-	-	-	397	-	397
Realisation of reserves on liquidation/disposal of subsidiary and joint venture companies	-	-	-	-	(7)	-	-	-	-	(7)	-	(7)
Net fair value changes on available-for-sale financial assets	-	-	-	-	-	95,494	-	-	-	95,494	-	95,494
Currency translation difference	-	-	-	-	2,832	-	-	-	-	2,832	(554)	2,278
Other comprehensive income for the period	-	-	-	46	3,176	95,494	-	-	-	98,716	(554)	98,162
Profit for the period	-	-	-	26,160	-	-	-	-	-	26,160	25,176	51,336
Total comprehensive income for the period	-	-	-	26,206	3,176	95,494	-	-	-	124,876	24,622	149,498
Contributions by and distributions to owners												
Employee share-based expense	-	-	-	-	-	-	-	1,124	-	1,124	281	1,405
Issue of shares in the Company upon vesting of shares awarded	4,716	-	-	-	-	-	-	(4,716)	-	-	-	-
Contribution of capital by non-controlling interests	-	-	-	-	-	-	-	-	-	-	1,600	1,600
Dividends:												
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(19,933)	(19,933)
Additional dividends due to vesting of shares awarded	-	-	-	(65)	-	-	-	-	65	-	-	-
Final dividend for the previous year, paid	-	-	-	-	-	-	-	-	(43,412)	(43,412)	-	(43,412)
Interim dividend for the year, proposed	-	-	-	(28,941)	-	-	-	-	28,941	-	-	-
Total contributions by and distributions to owners	4,716	-	-	(29,006)	-	-	-	(3,592)	(14,406)	(42,288)	(18,052)	(60,340)
Changes in ownership interests												
Change of interests in a subsidiary company	-	-	-	628	-	-	-	-	-	628	(628)	-
Total changes in ownership interests	-	-	-	628	-	-	-	-	-	628	(628)	-
Total transactions with owners in their capacity as owners	4,716	-	-	(28,378)	-	-	-	(3,592)	(14,406)	(41,660)	(18,680)	(60,340)
Balance at 31 March 2015	849,301	(23)	8,785	323,990	(106,320)	561,874	(605)	8,998	28,941	1,674,941	421,993	2,096,934

1(d)(i) STATEMENT OF CHANGES IN EQUITY (cont'd)

	Company							
	Share Capital	Treasury Shares	Capital Reserve	Revenue Reserve	Fair Value Adjustment Reserve	Share-based Payment Reserve	Dividend Reserve	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2nd Quarter ended 31 March 2016								
Balance at 1 January 2016	849,301	(2,655)	(2,000)	735,401	34,644	3,777	43,373	1,661,841
<u>Comprehensive income</u>								
Net fair value changes on available-for-sale financial asset	-	-	-	-	1,304	-	-	1,304
Other comprehensive income for the period	-	-	-	-	1,304	-	-	1,304
Profit for the period	-	-	-	22,860	-	-	-	22,860
Total comprehensive income for the period	-	-	-	22,860	1,304	-	-	24,164
<u>Contributions by and distributions to owners</u>								
Employee share-based expense	-	-	-	-	-	603	-	603
Dividends								
Final dividend for the previous year, paid	-	-	-	-	-	-	(43,373)	(43,373)
Interim dividend for the year, proposed	-	-	-	(21,687)	-	-	21,687	-
Total transactions with owners in their capacity as owners	-	-	-	(21,687)	-	603	(21,686)	(42,770)
Balance at 31 March 2016	849,301	(2,655)	(2,000)	736,574	35,948	4,380	21,687	1,643,235
2nd Quarter ended 31 March 2015								
Balance at 1 January 2015	844,585	(23)	(2,814)	31,456	(21,451)	9,174	43,347	904,274
<u>Comprehensive income</u>								
Net fair value changes on available-for-sale financial assets	-	-	-	-	13,052	-	-	13,052
Other comprehensive income for the period	-	-	-	-	13,052	-	-	13,052
Profit for the period	-	-	-	25,762	-	-	-	25,762
Total comprehensive income for the period	-	-	-	25,762	13,052	-	-	38,814
<u>Contributions by and distributions to owners</u>								
Employee share-based expense	-	-	-	-	-	771	-	771
Issue of shares in the Company upon vesting of shares awarded	4,716	-	-	-	-	(4,716)	-	-
Dividends								
Additional dividends due to vesting of shares awarded	-	-	-	(65)	-	-	65	-
Final dividend for the previous year, paid	-	-	-	-	-	-	(43,412)	(43,412)
Interim dividend for the year, proposed	-	-	-	(28,941)	-	-	28,941	-
Total transactions with owners in their capacity as owners	4,716	-	-	(29,006)	-	(3,945)	(14,406)	(42,641)
Balance at 31 March 2015	849,301	(23)	(2,814)	28,212	(8,399)	5,229	28,941	900,447

1(d)(i) STATEMENT OF CHANGES IN EQUITY (cont'd)
Group

	Share Capital	Treasury Shares	Capital Reserve	Revenue Reserve	Exchange Reserve	Fair Value Adjustment Reserve	Hedging Reserve	Share-based Payment Reserve	Dividend Reserve	Total	Non-controlling Interests	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
6 Months ended 31 March 2016												
Balance at 1 October 2015	849,301	(5,759)	8,751	849,404	(141,090)	653,441	(273)	10,947	43,327	2,268,049	288,028	2,556,077
Comprehensive income												
Share of other comprehensive income of associated companies	-	-	-	(935)	208	-	(122)	(59)	-	(908)	-	(908)
Realisation of reserve on liquidation of subsidiary company	-	-	-	-	625	-	-	-	-	625	-	625
Realisation of fair value gains on disposal of available-for-sale financial asset	-	-	-	-	-	(152)	-	-	-	(152)	-	(152)
Realisation of reserve on settlement of a net investment	-	-	-	-	(6,341)	-	-	-	-	(6,341)	(5,078)	(11,419)
Net fair value changes on available-for-sale financial assets	-	-	-	-	-	236,744	-	-	-	236,744	-	236,744
Currency translation difference	-	-	-	-	14,767	-	-	-	-	14,767	12,646	27,413
Other comprehensive income for the period	-	-	-	(935)	9,259	236,592	(122)	(59)	-	244,735	7,568	252,303
Profit for the period	-	-	-	37,709	-	-	-	-	-	37,709	36,021	73,730
Total comprehensive income for the period	-	-	-	36,774	9,259	236,592	(122)	(59)	-	282,444	43,589	326,033
Contributions by and distributions to owners												
Employee share-based expense	-	-	-	-	-	-	-	2,416	-	2,416	657	3,073
Treasury shares reissued pursuant to share plans	-	3,104	814	-	-	-	-	(3,918)	-	-	-	-
Purchase of shares by a subsidiary company	-	-	-	(478)	-	-	-	-	-	(478)	(383)	(861)
Shares of a subsidiary company reissued pursuant to its share plans	-	-	(116)	1,483	-	-	-	(1,367)	-	-	-	-
Contribution of capital by non-controlling interests	-	-	-	-	-	-	-	-	-	-	659	659
Dividends:												
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(19,952)	(19,952)
Additional dividends due to vesting of shares awarded	-	-	-	(46)	-	-	-	-	46	-	-	-
Final dividend for the previous year, paid	-	-	-	-	-	-	-	-	(43,373)	(43,373)	-	(43,373)
Interim dividend for the year, proposed	-	-	-	(21,687)	-	-	-	-	21,687	-	-	-
Total contributions by and distributions to owners	-	3,104	698	(20,728)	-	-	-	(2,869)	(21,640)	(41,435)	(19,019)	(60,454)
Changes in ownership interests												
Change of interests in a subsidiary company	-	-	-	366	-	-	-	-	-	366	(366)	-
Total changes in ownership interests	-	-	-	366	-	-	-	-	-	366	(366)	-
Total transactions with owners in their capacity as owners	-	3,104	698	(20,362)	-	-	-	(2,869)	(21,640)	(41,069)	(19,385)	(60,454)
Balance at 31 March 2016	849,301	(2,655)	9,449	865,816	(131,831)	890,033	(395)	8,019	21,687	2,509,424	312,232	2,821,656

1(d)(i) STATEMENT OF CHANGES IN EQUITY (cont'd)
Group

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

1(d)(i) STATEMENT OF CHANGES IN EQUITY (cont'd)

	Company							
	Share Capital	Treasury Shares	Capital Reserve	Revenue Reserve	Fair Value Adjustment Reserve	Share- based Payment Reserve	Dividend Reserve	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
6 months ended 31 March 2016								
Balance at 1 October 2015	849,301	(5,759)	(2,814)	735,604	3,936	6,703	43,327	1,630,298
<u>Comprehensive income</u>								
Net fair value changes on available-for-sale financial assets	-	-	-	-	32,164	-	-	32,164
Realisation of fair value gains on disposal of available-for-sale financial asset	-	-	-	-	(152)	-	-	(152)
Other comprehensive income for the period	-	-	-	-	32,012	-	-	32,012
Profit for the period	-	-	-	22,703	-	-	-	22,703
Total comprehensive income for the period	-	-	-	22,703	32,012	-	-	54,715
<u>Contributions by and distributions to owners</u>								
Employee share-based expense	-	-	-	-	-	1,595	-	1,595
Treasury shares reissued pursuant to share plans	-	3,104	814	-	-	(3,918)	-	-
Dividends								
Additional dividends due to vesting of shares awarded	-	-	-	(46)	-	-	46	-
Final dividend for the previous year, paid	-	-	-	-	-	-	(43,373)	(43,373)
Interim dividend for the year, proposed	-	-	-	(21,687)	-	-	21,687	-
Total transactions with owners in their capacity as owners	-	3,104	814	(21,733)	-	(2,323)	(21,640)	(41,778)
Balance at 31 March 2016	849,301	(2,655)	(2,000)	736,574	35,948	4,380	21,687	1,643,235
6 months ended 31 March 2015								
Balance at 1 October 2014	844,585	(23)	(2,814)	33,138	(15,394)	8,270	43,347	911,109
<u>Comprehensive income</u>								
Net fair value changes on available-for-sale financial assets	-	-	-	-	6,995	-	-	6,995
Other comprehensive income for the period	-	-	-	-	6,995	-	-	6,995
Profit for the period	-	-	-	24,080	-	-	-	24,080
Total comprehensive income for the period	-	-	-	24,080	6,995	-	-	31,075
<u>Contributions by and distributions to owners</u>								
Employee share-based expense	-	-	-	-	-	1,675	-	1,675
Issue of shares in the Company upon vesting of shares awarded	4,716	-	-	-	-	(4,716)	-	-
Dividends								
Additional dividends due to vesting of shares awarded	-	-	-	(65)	-	-	65	-
Final dividend for the previous year, paid	-	-	-	-	-	-	(43,412)	(43,412)
Interim dividend for the year, proposed	-	-	-	(28,941)	-	-	28,941	-
Total transactions with owners in their capacity as owners	4,716	-	-	(29,006)	-	(3,041)	(14,406)	(41,737)
Balance at 31 March 2015	849,301	(23)	(2,814)	28,212	(8,399)	5,229	28,941	900,447

1(d)(ii) SHARE CAPITAL

Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	<u>Number of Shares</u>	
	<u>2nd Quarter to 31/3/2016</u>	<u>1st Quarter to 31/12/2015</u>
Issued and fully paid ordinary shares:		
As at beginning and end of period	<u>1,447,077,754</u>	<u>1,447,077,754</u>
	<u>As at 31/3/2016</u>	<u>As at 31/3/2015</u>
The number of shares awarded conditionally under Share Plans as at the end of the period	<u>3,369,855</u>	<u>2,491,114</u>
The number of issued shares excluding treasury shares at the end of the period	<u>1,445,773,703</u>	<u>1,447,073,654</u>

The Company held 1,304,051 treasury shares as at 31 March 2016 (31 March 2015: 4,100).

1(d)(iii) The total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

The Company's total number of issued shares excluding treasury shares is 1,445,773,703 as at 31 March 2016 and 1,444,249,054 as at 30 September 2015.

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

	<u>Number of shares</u>
	<u>2nd Quarter to 31/3/2016</u>
As at beginning and end of period	<u>1,304,051</u>

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by our auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group and Company have applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period as compared with the audited financial statements for the year ended 30 September 2015.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not applicable.

6. **Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:**

- (a) based on the weighted average number of ordinary shares on issue and
(b) on a fully diluted basis (detailing any adjustments made to the earnings).

	Group			
	2nd Quarter to 31/3/2016	2nd Quarter to 31/3/2015	6 Months to 31/3/2016	6 Months to 31/3/2015
Earnings per ordinary share:				
(a) Based on the weighted average number of ordinary shares on issue (cents)				
- before exceptional items	0.8	1.8	2.6	4.2
- after exceptional items	0.8	1.8	2.6	4.2
(b) On a fully diluted basis (cents)				
- before exceptional items	0.8	1.8	2.6	4.2
- after exceptional items	0.8	1.8	2.6	4.2
	\$'000	\$'000	\$'000	\$'000
Attributable profit	12,013	26,160	37,709	61,320
Change in attributable net profit due to dilutive share options and potential dilutive shares under share plans of a subsidiary company	(72)	(58)	(186)	(117)
Adjusted attributable profit	11,941	26,102	37,523	61,203

Continuing operations

Earnings per ordinary share:

(a) Based on the weighted average number of ordinary shares on issue (cents)				
- before exceptional items	0.8	0.6	2.6	1.9
- after exceptional items	0.8	0.6	2.6	1.9
(b) On a fully diluted basis (cents)				
- before exceptional items	0.8	0.6	2.6	1.9
- after exceptional items	0.8	0.6	2.6	1.9
	\$'000	\$'000	\$'000	\$'000
Attributable profit	12,013	9,294	37,709	27,782
Change in attributable net profit due to dilutive share options and potential dilutive shares under share plans of a subsidiary company	(72)	(58)	(186)	(117)
Adjusted attributable profit	11,941	9,236	37,523	27,665

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

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

	Group		Company	
	As at 31/3/2016	As at 30/9/2015	As at 31/3/2016	As at 30/9/2015
Net asset value per ordinary share based on issued share capital	\$1.73	\$1.57	\$1.14	\$1.13

8. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:-

- (a) any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.

REVIEW OF PERFORMANCE

The principal activities of the Group are:

- (i) production and sale of beverages (includes soft drinks & beer) and dairy products; and
- (ii) printing and publishing.

These activities are carried out through the Company's subsidiary, joint venture and associated companies to which the Company provides management and administrative services.

Profit Statement – 2nd Quarter

Group revenue of \$474.3 million for the quarter ended 31 March 2016 decreased 4.9% as compared to the corresponding period last year mainly due to lower contributions from Dairies and Printing and Publishing.

Group PBIT (profit before interest and taxation) of \$28.4 million and attributable profit before exceptional items of \$11.6 million were 11.2% and 32.1% respectively higher than the corresponding period last year due to higher contributions from Dairies operations.

Beverages

Overall Beverages revenue and PBIT was 2.5% and 1.4% higher as compared to the same period last year.

Soft Drinks revenue increased by 1.6% as compared to the corresponding period last year mainly due to an increase in volume. Volume was boosted by the introduction of new products, such as *Oishi Green Tea*, *Est Cola*, *Cocolife* and *Ice Mountain Sparkling Water*, and commencement of distribution of *F&N Carbonated Soft Drinks* and *100Plus* in Indonesia. Sales also improved during this period due to the Lunar New Year and festivity-driven consumer and trade marketing programs which were well received by consumers.

Notwithstanding the higher volume, sales was affected by the depreciation of the Malaysian Ringgit against the Singapore Dollar and the loss of *Red Bull* energy drink sales. Excluding sales of *Red Bull* in the previous year, revenue increased 16.0%.

PBIT increased slightly by 1.4% mainly due to higher sales volume, favourable manufacturing overheads and cost management. However these were partially offset by higher advertising and promotional expenses incurred to promote new products and higher operating costs incurred to support expansion into new markets and loss of contribution from *Red Bull*.

Dairies

Dairies revenue was 5.4% lower than the corresponding period last year in Malaysia and Thailand.

Revenue in Dairies Malaysia was affected by the depreciation of the Malaysian Ringgit against the Singapore Dollar, lower domestic sales volume, competitive pricing and higher tactical discounts offered to narrow the price competition.

While revenue in Dairies Thailand was also affected by lost sales from *Bear & Milo* UHT and depreciation of the Thailand Baht against the Singapore Dollar, these were partly offset by volume growth achieved on the back of its increasing network and distribution points and effective trade and consumer marketing campaigns. Excluding sales of *Bear & Milo* UHT in the previous year, Dairies Thailand revenue increased 6.0%.

Although revenue decreased, Dairies PBIT increased 41.1% to \$28.1 million with positive contribution from all sectors as a result of lower milk-based commodity costs and greater operational efficiencies.

Printing and Publishing

Printing and Publishing revenue declined 15.8% from last year to \$69.2 million. The Printing business was affected by weak print demand especially in China. Despite a weak quarter for print, efforts made in Singapore and Malaysia to fill order books have been promising. Publishing reported lower revenue in Latin America and the USA, mainly due to slower demand following the end of the school adoption cycle, and in Singapore due to lower sales in Mother Tongue. Revenue for the Retail and Distribution businesses increased slightly due to higher partwork sales in Hong Kong, higher volume for distribution of new magazine titles in Singapore and strong airport sales arising from promotional efforts.

Losses before interest and taxation increased \$4.7 million to a loss of \$6.5 million for the quarter mainly due to the lower sales. In addition, the Publishing business made investments in the quarter into the development of digital business which are expensed, while the China printing plant was midway through its rationalisation exercise and hence unable to fully mitigate the effect of lower sales.

Tax

The Group effective tax rate ("ETR") of 17.2% (2015: 21.1%) is mainly due to non-deductible expenses, the effect of which has been compensated by an increase in the tax exempt profits of an overseas subsidiary and the write-back of prior year over-provision. These together with a reduction in the withholding tax paid by group companies also contributed to the lower Group ETR in the current quarter.

Balance Sheet as at 31 March 2016

The Group

The increase in Reserves was mainly due to fair value gains on the investment in Vinamilk in Vietnam, profits of \$37.7 million retained for the period and partly offset by payment of last year's final dividend.

Non-current assets increased by \$246.5 million or 15.6% from \$1,577.5 million to \$1,824.0 million as at 31 March 2016 mainly due to:

- (i) fair value gains on the investment in Vinamilk; and
- (ii) increase in fixed assets due to additions partly offset by depreciation charges.

Current assets increased by \$31.5 million or 2.0% from \$1,565.4 million to \$1,596.9 million as at 31 March 2016 attributed mainly to:

- (i) an increase in inventories due to stock build-up for planned machinery maintenance and upcoming Hari Raya Puasa festivities; and
- (ii) an increase in trade receivables mainly due to additional credit limits granted to distributors for the Lunar New Year festivities.

Liabilities increased by \$12.5 million or 2.1% from \$586.8 million to \$599.2 million as at 31 March 2016 mainly due to:

- (i) an increase in borrowings as a result of a Thai Baht term loan facility taken up; and partly offset by
- (ii) a decrease in other payables due to subsequent payments made for accruals outstanding as at 30 September 2015; and
- (iii) a decrease in trade payables due to lower publishing spend and purchasing activities by the Printing and Publishing business.

Group Cash Flow Statement for Quarter Ended 31 March 2016

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

Net cash inflow from operating activities of \$16.6 million is lower as compared to \$42.2 million for the corresponding period last year mainly due to lower cash generated from operations as last year's results included Myanmar Brewery Limited, which had since been disposed in August 2015. This was partly offset by higher interest income received and lower tax payments in the current quarter.

Net cash outflow from investing activities of \$12.2 million is lower as compared to \$23.3 million for the corresponding period last year mainly due to lower investments in fixed assets for the current quarter.

Net cash outflow from financing activities of \$65.3 million was higher than \$32.6 million for the corresponding period last year due to proceeds from term loans taken up last year.

Group Profit Statement – 6 Months-to-Date

Group revenue decreased 8.2% while PBIT increased 26.6% to \$82.1 million as compared to the corresponding period last year. The decrease in revenue was mainly due to the depreciation of the Malaysian Ringgit against the Singapore Dollar, loss of contribution from Red Bull and challenges faced by the Printing and Publishing business.

PBIT increase was largely due to increased contributions from Dairies Malaysia and Dairies Thailand as a result of lower milk based commodity costs, greater operational efficiencies, lower trade discounts extended, and recovery of withholding tax paid on royalties.

Group attributable profit before exceptional items and basic earnings per share before exceptional items were 33.3% and 36.8% higher at \$37.2 million and 2.6 cents respectively.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

According to IMF, global growth is projected to grow 3.2% in 2016, lower than the previous projection of 3.4%. Economic growth in the countries in which the Group operates are likely to remain uneven with Asean economies expected to grow above global average at 4.8% and with Singapore's growth forecasted at 1.8%.

Consistent with the softened global economy and uncertainty, consumer sentiments in the Food & Beverage segment is expected to be subdued. However, the segment is expected to benefit from lower commodity prices. The Group will continue to monitor the situation closely to respond in a timely manner to changes in consumer sentiments and preferences and potential changes in regulations so as to sustain the operating performance of the Group.

The operating environment for the Printing & Publishing segment is likely to remain challenging in the coming months. Publishing will continue to invest to develop its digital business and strengthen its overseas markets while the focus of the Print business remains on expansion of its commercial and non-traditional print jobs to mitigate the decline in traditional print business.

With the Singapore Dollar expected to remain relatively stronger against the regional Asia Pacific currencies, this will negatively impact the financial performance of the Group as a high proportion of earnings are derived from outside Singapore. The negative currency translation may be partially alleviated by the expected favourable commodity prices.

With \$700.0 million of cash available for business acquisitions and being in a net cash position, the Group will actively pursue new business opportunities.

11. If a decision regarding dividend has been made:

(a) **Whether an interim ordinary dividend has been declared:** Yes

(b) (i) Amount per share : 1.5 cents, tax-exempt (one-tier)

(ii) Previous corresponding period : 2.0 cents, tax-exempt (one-tier)

(c) **Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

Tax-exempt (one-tier).

(d) **The date the dividend is payable.**

The Directors have declared an interim dividend of 1.5 cents, tax-exempt (one-tier), to be paid on 9 June 2016 (last year: 2.0 cents, tax-exempt (one-tier)).

(e) **The date on which Registrable Transfers received by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.**

Registrable transfers received by the Company's Registrar, Tricor Barbinder Share Registration Services, 80 Robinson Road, #02-00, Singapore 068898 up to 5.00 pm on 25 May 2016 will be registered before entitlements to the dividend are determined.

Notice is hereby given that the share registers will be closed on 26 May 2016 and 27 May 2016 for the preparation of dividend warrants.

12. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

Particulars of interested person transactions ("IPTs") for the period 1 January 2016 to 31 March 2016.

<u>Name of interested person</u>	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) \$'000
TCC Group of Companies ¹	2,280

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

13. Confirmation By the Company Pursuant to Rule 720(1) of the SGX Listing Manual

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7.7) pursuant to Rule 720(1) of the SGX Listing Manual.

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

We, Siripen Sitasuwan and Sithichai Chaikriangkrai, being two Directors of Fraser and Neave, Limited (the "Company"), do hereby confirm on behalf of the Directors of the Company, that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the interim financial results to be false or misleading in any material respect.

On behalf of the Board

Siripen Sitasuwan
Director

Sithichai Chaikriangkrai
Director

BY ORDER OF THE BOARD
Anthony Cheong Fook Seng
Company Secretary

10 May 2016