

RESULTS FOR SECOND QUARTER ENDED 31 MARCH 2017
Financial Statements and Dividend Announcement

The Directors are pleased to make the following announcement of the unaudited results for the Second Quarter ended 31 March 2017.

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 31/03/2017 \$'000	2nd quarter to 31/03/2016 \$'000	Inc/(Dec) %	6 months to 31/03/2017 \$'000	6 months to 31/03/2016 \$'000	Inc/(Dec) %
REVENUE	705,762	897,869	(21.4)%	1,677,430	1,569,494	6.9%
Cost of sales	(477,490)	(618,736)	(22.8)%	(1,091,693)	(1,047,429)	4.2%
Gross Profit	228,272	279,133	(18.2)%	585,737	522,065	12.2%
Other income/(losses)	(381)	(193)	97.4%	18,673	5,065	N/M
Administrative expenses	(63,346)	(57,257)	10.6%	(132,538)	(127,308)	4.1%
TRADING PROFIT	164,545	221,683	(25.8)%	471,872	399,822	18.0%
Share of results of joint ventures and associates, net of tax	14,766	4,773	N/M	38,501	37,622	2.3%
PROFIT BEFORE INTEREST, FAIR VALUE CHANGE, TAXATION AND EXCEPTIONAL ITEMS	179,311	226,456	(20.8)%	510,373	437,444	16.7%
Interest income	10,501	9,038	16.2%	21,563	17,962	20.0%
Interest expense	(36,103)	(46,312)	(22.0)%	(71,089)	(87,976)	(19.2)%
Net interest expense	(25,602)	(37,274)	(31.3)%	(49,526)	(70,014)	(29.3)%
PROFIT BEFORE FAIR VALUE CHANGE, TAXATION AND EXCEPTIONAL ITEMS	153,709	189,182	(18.8)%	460,847	367,430	25.4%
Fair value change on investment properties	-	4,450	N/M	-	4,450	N/M
PROFIT BEFORE TAXATION AND EXCEPTIONAL ITEMS	153,709	193,632	(20.6)%	460,847	371,880	23.9%
Exceptional items	5	13,860	(100.0)%	5,145	12,536	(59.0)%
PROFIT BEFORE TAXATION	153,714	207,492	(25.9)%	465,992	384,416	21.2%
Taxation	(26,102)	(37,190)	(29.8)%	(85,063)	(72,774)	16.9%
PROFIT FOR THE PERIOD	127,612	170,302	(25.1)%	380,929	311,642	22.2%
Attributable profit:-						
- Before fair value change and exceptional items	71,212	110,344	(35.5)%	253,201	200,656	26.2%
- Fair value change	-	(923)	N/M	-	8,743	N/M
- Exceptional items	33	13,860	(99.8)%	5,559	12,536	(55.7)%
Non-controlling interests	71,245	123,281	(42.2)%	258,760	221,935	16.6%
	56,367	47,021	19.9%	122,169	89,707	36.2%
PROFIT FOR THE PERIOD	127,612	170,302	(25.1)%	380,929	311,642	22.2%

N/M = Not Meaningful

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

	2nd quarter to 31/03/2017 \$'000	2nd quarter to 31/03/2016 \$'000	Inc/(Dec) %	6 months to 31/03/2017 \$'000	6 months to 31/03/2016 \$'000	Inc/(Dec) %
Other items of expenses						
Included in other items of expenses are:						
Allowance for doubtful trade receivables	-	(1,008)	N/M	-	(1,290)	N/M
Write-back of allowance for doubtful trade receivables	859	14	N/M	842	15	N/M
Bad debts written off	-	(22)	N/M	(3)	(22)	(86.4)%
Depreciation of property, plant and equipment	(15,064)	(12,885)	16.9%	(29,146)	(27,463)	6.1%
Amortisation of intangible assets	(468)	(503)	(7.0)%	(700)	(916)	(23.6)%
Employee share-based expense	(4,311)	(3,615)	19.3%	(7,199)	(6,124)	17.6%
Other income/(losses)						
Included in other income/(losses) are:						
Net fair value change on foreign currency forward contracts	1,208	14,853	(91.9)%	14,854	16,432	(9.6)%
Foreign exchange gain/(loss)	(1,724)	(17,000)	(89.9)%	3,247	(14,442)	N/M
Loss on disposal of property, plant and equipment	(37)	(42)	(11.9)%	(42)	(70)	(40.0)%
Taxation						
Overprovision in prior years taxation	2,012	6,625	(69.6)%	2,298	5,415	(57.6)%
Exceptional items						
Gain on disposal of joint ventures and associates	-	14,868	N/M	-	14,868	N/M
Transaction costs on acquisition of subsidiaries and associates	-	(1,008)	N/M	-	(2,332)	N/M
Non-capitalisable expenses in relation to the acquisition of a hotel	(38)	-	N/M	(531)	-	N/M
Gain on acquisition of an associate	43	-	N/M	5,676	-	N/M
	<u>5</u>	<u>13,860</u>		<u>5,145</u>	<u>12,536</u>	
PBIT as a percentage of revenue	<u>25.4%</u>	<u>25.2%</u>		<u>30.4%</u>	<u>27.9%</u>	

N/M = Not Meaningful

1(a)(iii) ADDITIONAL INFORMATION

	2nd quarter to 31/03/2017 \$'000	2nd quarter to 31/03/2016 \$'000	6 months to 31/03/2017 \$'000	6 months to 31/03/2016 \$'000
Group revenue and profit analysis				
Revenue				
By Business Segment				
Singapore SBU	175,315	391,969	377,340	508,413
Australia SBU	306,507	180,447	522,179	485,822
Hospitality SBU	188,577	182,259	396,224	394,864
International Business	35,226	142,653	381,388	179,449
Corporate & Others	137	541	299	946
	705,762	897,869	1,677,430	1,569,494
By Geographical Segment				
Singapore	174,352	392,684	371,406	506,792
Australia	370,266	235,114	652,746	602,145
Europe	100,963	202,102	214,995	309,802
China	12,758	27,738	339,948	66,410
Others *	47,423	40,231	98,335	84,345
	705,762	897,869	1,677,430	1,569,494
Profit before interest, fair value change, taxation and exceptional items ("PBIT")				
By Business Segment				
Singapore SBU	84,764	119,994	190,629	220,521
Australia SBU	54,890	21,679	94,181	79,995
Hospitality SBU	32,584	21,574	81,375	69,345
International Business	18,299	73,157	155,967	88,880
Corporate & Others	(11,226)	(9,948)	(11,779)	(21,297)
	179,311	226,456	510,373	437,444
By Geographical Segment				
Singapore	70,819	112,191	180,729	197,173
Australia	78,197	39,119	140,282	120,450
Europe	12,807	63,758	32,462	82,706
China	4,205	6,830	129,873	22,567
Others *	13,283	4,558	27,027	14,548
	179,311	226,456	510,373	437,444
* New Zealand, Vietnam, the Philippines, Indonesia, Malaysia, Japan and Thailand				
Attributable profit				
By Business Segment				
Singapore SBU	22,228	52,275	67,237	89,576
Australia SBU	15,973	(2,243)	17,479	19,462
Hospitality SBU	1,821	(539)	10,023	8,609
International Business	7,385	48,767	110,334	59,782
Corporate & Others	23,805	12,084	48,128	23,227
	71,212	110,344	253,201	200,656
Exceptional items	33	13,860	5,559	12,536
Fair value change on investment properties	-	(923)	-	8,743
	71,245	123,281	258,760	221,935
Non-controlling interests	56,367	47,021	122,169	89,707
	127,612	170,302	380,929	311,642

1(a)(iv) STATEMENT OF COMPREHENSIVE INCOME

	Group			
	2nd quarter to 31/03/2017 \$'000	2nd quarter to 31/03/2016 \$'000	6 months to 31/03/2017 \$'000	6 months to 31/03/2016 \$'000
PROFIT FOR THE PERIOD	127,612	170,302	380,929	311,642
OTHER COMPREHENSIVE INCOME				
Items that may be subsequently reclassified to profit statement:				
Net fair value change of cash flow hedges	(21,268)	(98,052)	32,433	(73,259)
Foreign currency translation	93,971	(18,693)	109,698	(9,790)
Share of other comprehensive income of joint ventures and associates	(663)	(51)	(192)	172
Other comprehensive income for the period, net of tax	72,040	(116,796)	141,939	(82,877)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>199,652</u>	<u>53,506</u>	<u>522,868</u>	<u>228,765</u>
PROFIT FOR THE PERIOD				
Attributable to:-				
Shareholders of the Company	39,369	91,230	226,400	189,884
Holders of Perpetual Securities	31,876	32,051	34,119	32,051
Non-controlling Interests	56,367	47,021	120,410	89,707
	<u>127,612</u>	<u>170,302</u>	<u>380,929</u>	<u>311,642</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD				
Attributable to:-				
Shareholders of the Company	83,533	1,898	326,786	131,795
Holders of Perpetual Securities	31,876	32,051	34,119	32,051
Non-controlling Interests	84,243	19,557	161,963	64,919
	<u>199,652</u>	<u>53,506</u>	<u>522,868</u>	<u>228,765</u>

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 Sheets

	Group		Company	
	As at 31/03/2017 \$'000	As at 30/09/2016 \$'000	As at 31/03/2017 \$'000	As at 30/09/2016 \$'000
NON-CURRENT ASSETS				
Investment properties	13,984,361	13,494,019	1,600	1,600
Property, plant and equipment	2,221,565	1,972,282	1	1
Investments in:				
- Subsidiaries	-	-	1,799,896	1,799,896
- Joint ventures	220,398	240,213	500	500
- Associates	1,111,295	552,800	-	-
Financial assets	2,162	2,162	2,148	2,148
Intangible assets	688,092	681,736	-	-
Prepayments	2,980	3,074	-	-
Other receivables	240,832	228,644	1,463,353	1,414,431
Deferred tax assets	55,141	55,160	-	-
Derivative financial instruments	7,532	2,136	361	225
	18,534,358	17,232,226	3,267,859	3,218,801
CURRENT ASSETS				
Inventory	5,500	5,679	-	-
Properties held for sale	4,140,917	3,997,551	-	-
Prepaid land and development costs	85,696	60,455	-	-
Other prepayments	35,861	52,602	75	51
Trade and other receivables	558,430	677,821	1,919,088	1,960,927
Derivative financial instruments	5,233	9,361	-	-
Bank deposits	214,417	437,337	-	-
Cash and cash equivalents	1,412,427	1,731,343	9,732	67,516
	6,458,481	6,972,149	1,928,895	2,028,494
TOTAL ASSETS	24,992,839	24,204,375	5,196,754	5,247,295
CURRENT LIABILITIES				
Trade and other payables	1,394,343	1,694,961	222,244	196,222
Derivative financial instruments	16,644	46,924	2,557	263
Provision for taxation	226,907	236,971	14,250	14,905
Loans and borrowings	1,739,336	1,470,116	-	-
	3,377,230	3,448,972	239,051	211,390
NET CURRENT ASSETS	3,081,251	3,523,177	1,689,844	1,817,104
	21,615,609	20,755,403	4,957,703	5,035,905
NON-CURRENT LIABILITIES				
Other payables	301,722	290,426	940	1,308
Derivative financial instruments	70,710	89,994	20,516	32,484
Deferred tax liabilities	207,118	206,078	-	-
Loans and borrowings	8,790,903	8,325,421	-	-
	9,370,453	8,911,919	21,456	33,792
NET ASSETS	12,245,156	11,843,484	4,936,247	5,002,113
SHARE CAPITAL AND RESERVES				
Share capital	1,774,771	1,766,800	1,774,771	1,766,800
Retained earnings	5,367,550	5,222,073	3,078,083	3,033,213
Other reserves	(332,027)	(327,733)	83,393	202,100
Equity attributable to Owners of the Company	6,810,294	6,661,140	4,936,247	5,002,113
NON-CONTROLLING INTERESTS - Perpetual Securities	1,391,803	1,391,783	-	-
	8,202,097	8,052,923	4,936,247	5,002,113
NON-CONTROLLING INTERESTS - Others	4,043,059	3,790,561	-	-
TOTAL EQUITY	12,245,156	11,843,484	4,936,247	5,002,113

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 31/03/2017 \$'000	As at 30/09/2016 \$'000
Secured	990,295	384,270
Unsecured	749,041	1,085,846
	<u>1,739,336</u>	<u>1,470,116</u>

Amount repayable after one year

	As at 31/03/2017 \$'000	As at 30/09/2016 \$'000
Secured	1,757,311	2,127,428
Unsecured	7,033,592	6,197,993
	<u>8,790,903</u>	<u>8,325,421</u>

Details of any collateral

Secured borrowings are generally bank loans secured on certain investment properties and properties held for sale 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

	Group			
	2nd quarter to 31/03/2017 \$'000	2nd quarter to 31/03/2016 \$'000	6 months to 31/03/2017 \$'000	6 months to 31/03/2016 \$'000
<u>Cash Flow from Operating Activities</u>				
Profit after taxation	127,612	170,302	380,929	311,642
Adjustments for:				
Depreciation of property, plant and equipment	15,064	12,885	29,146	27,463
Fair value change on investment properties	-	(4,450)	-	(4,450)
Share of results of joint ventures and associates, net of tax	(14,766)	(4,773)	(38,501)	(37,622)
Amortisation of intangible assets	468	503	700	916
Loss on disposal of property, plant and equipment	37	42	42	70
(Write-back of)/allowance for doubtful trade receivables	(859)	994	(842)	1,275
Bad debts written off	-	22	3	22
Employee share-based expense	4,311	3,615	7,199	6,124
Gain on acquisition of an associate	(43)	-	(5,676)	-
Gain on disposal of joint ventures and associates	-	(14,868)	-	(14,868)
Net fair value change on foreign currency forward contracts	(1,208)	(14,853)	(14,854)	(16,432)
Interest income	(10,501)	(9,038)	(21,563)	(17,962)
Interest expense	36,103	46,312	71,089	87,976
Tax expense	26,102	37,190	85,063	72,774
Exchange difference	36,307	16,980	45,761	27,585
Operating profit before working capital changes	<u>218,627</u>	<u>240,863</u>	<u>538,496</u>	<u>444,513</u>
Change in trade and other receivables	38,381	(34,859)	123,352	54,463
Change in trade and other payables	(104,568)	186,700	(285,822)	190,414
Change in properties held for sale	713	(121,657)	(168,607)	(245,017)
Change in inventory	761	1,032	179	2,683
Cash generated from operations	<u>153,914</u>	<u>272,079</u>	<u>207,598</u>	<u>447,056</u>
Income taxes paid	<u>(107,391)</u>	<u>(70,414)</u>	<u>(109,426)</u>	<u>(71,412)</u>
Net cash generated from operating activities	<u>46,523</u>	<u>201,665</u>	<u>98,172</u>	<u>375,644</u>
<u>Cash Flow from Investing Activities</u>				
Acquisition of/development expenditure on investment properties	(207,984)	(114,238)	(398,382)	(255,854)
Purchase of property, plant and equipment	(17,870)	(8,886)	(292,736)	(21,402)
Proceeds from disposal of investment properties	-	14,939	-	14,939
Proceeds from disposal of property, plant and equipment	-	221	-	243
Net investments in/loans to joint ventures and associates	(539,907)	(310,128)	(577,597)	(309,454)
Repayments of loans from joint ventures and associates	31,812	-	40,156	1,500
Dividends from joint ventures and associates	32,914	125,331	70,123	126,855
Settlement of hedging instruments	11,362	18,390	(3,545)	17,945
Interest received	15,826	8,124	22,936	15,352
Acquisition of subsidiaries, net of cash acquired	-	-	-	(75,938)
Disposal of a subsidiary, net of cash disposed of	-	78,933	-	78,933
Proceeds from disposal of joint ventures and associates	-	17,875	-	17,875
Proceeds from disposal of assets held for sale	-	621	-	112,744
Uplift of structured deposits	139,499	-	222,582	-
Net cash used in investing activities	<u>(534,348)</u>	<u>(168,818)</u>	<u>(916,463)</u>	<u>(276,262)</u>

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

	Group			
	2nd quarter to 31/03/2017	2nd quarter to 31/03/2016	6 months to 31/03/2017	6 months to 31/03/2016
	\$'000	\$'000	\$'000	\$'000
Cash Flow from Financing Activities				
Contributions from non-controlling interests of subsidiaries without change in control	4,059	3,286	214,783	4,540
Dividends paid to non-controlling interests	(38,606)	(33,015)	(122,341)	(94,080)
Dividends paid to shareholders	(180,130)	(179,800)	(180,130)	(179,800)
Proceeds from bank borrowings	524,334	696,195	808,971	874,039
Repayments of bank borrowings	(525,477)	(285,519)	(662,729)	(430,292)
Proceeds from issue of bonds, net of costs	545,638	-	545,638	-
Distributions to perpetual securities holders	(31,876)	(32,051)	(34,119)	(32,051)
Write-back of perpetual securities issuance costs	-	-	20	-
Interest paid	(41,006)	(39,358)	(78,752)	(87,136)
Issuance costs	(25)	(78)	(2,445)	(156)
Repayment of amounts due to non-controlling interests	-	-	-	(26,487)
Net cash generated from financing activities	<u>256,911</u>	<u>129,660</u>	<u>488,896</u>	<u>28,577</u>
Net change in cash and cash equivalents	(230,914)	162,507	(329,395)	127,959
Cash and cash equivalents at beginning of period	1,624,504	1,329,697	1,728,197	1,367,505
Effects of exchange rate on opening cash	16,865	(15,005)	11,653	(18,265)
Cash and cash equivalents at end of period	<u>1,410,455</u>	<u>1,477,199</u>	<u>1,410,455</u>	<u>1,477,199</u>
Cash and cash equivalents at end of period:				
Fixed deposits, current	517,197	945,735	517,197	945,735
Cash and bank balances	895,230	535,731	895,230	535,731
	1,412,427	1,481,466	1,412,427	1,481,466
Bank overdraft, unsecured	(1,972)	(4,267)	(1,972)	(4,267)
Cash and cash equivalents at end of period	<u>1,410,455</u>	<u>1,477,199</u>	<u>1,410,455</u>	<u>1,477,199</u>
Analysis of Acquisition of Subsidiaries				
Net assets acquired:				
Property, plant and equipment	-	-	-	76,126
Inventories	-	-	-	2,000
Trade and other payables	-	-	-	(2,188)
Cash and cash equivalents	-	-	-	1,356
Fair value of net assets	-	-	-	77,294
Goodwill on acquisition of subsidiaries	-	-	-	-
Consideration paid in cash	-	-	-	77,294
Cash and cash equivalents of subsidiaries acquired	-	-	-	(1,356)
Cashflow on acquisition, net of cash and cash equivalents acquired	-	-	-	75,938

- 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 \$'000	Retained Earnings \$'000	Other Reserves \$'000	Equity Attributable to Owners of the Company \$'000	Non- controlling Interests - Perpetual Securities \$'000	Total \$'000	Non- controlling Interests - Others \$'000	Total Equity \$'000
2nd quarter ended 31 March 2017								
Opening balance at 1 January 2017	1,774,771	5,398,033	(266,051)	6,906,753	1,391,803	8,298,556	3,993,378	12,291,934
Profit for the period	-	39,369	-	39,369	31,876	71,245	56,367	127,612
<u>Other comprehensive income</u>								
Net fair value change of cash flow hedges	-	-	(17,148)	(17,148)	-	(17,148)	(4,120)	(21,268)
Foreign currency translation	-	-	61,975	61,975	-	61,975	31,996	93,971
Share of other comprehensive income of joint ventures and associates	-	-	(663)	(663)	-	(663)	-	(663)
Other comprehensive income for the period	-	-	44,164	44,164	-	44,164	27,876	72,040
Total comprehensive income for the period	-	39,369	44,164	83,533	31,876	115,409	84,243	199,652
<u>Contributions by and distributions to owners</u>								
Employee share-based expense	-	-	148	148	-	148	-	148
Dividend paid	-	(330)	(179,800)	(180,130)	-	(180,130)	(38,606)	(218,736)
Dividend proposed	-	(69,728)	69,728	-	-	-	-	-
Transfer to other reserves	-	216	(216)	-	-	-	-	-
Total contributions by and distributions to owners	-	(69,842)	(110,140)	(179,982)	-	(179,982)	(38,606)	(218,588)
<u>Changes in ownership interests in subsidiaries</u>								
Units issued to non-controlling interests	-	-	-	-	-	-	4,059	4,059
Issuance costs incurred by subsidiaries	-	(10)	-	(10)	-	(10)	(15)	(25)
Total changes in ownership interests in subsidiaries	-	(10)	-	(10)	-	(10)	4,044	4,034
Total transactions with owners in their capacity as owners	-	(69,852)	(110,140)	(179,992)	-	(179,992)	(34,562)	(214,554)
<u>Contributions by and distributions to perpetual securities holders</u>								
Distributions to perpetual securities holders	-	-	-	-	(31,876)	(31,876)	-	(31,876)
Total contributions by and distributions to perpetual securities holders	-	-	-	-	(31,876)	(31,876)	-	(31,876)
Closing balance at 31 March 2017	1,774,771	5,367,550	(332,027)	6,810,294	1,391,803	8,202,097	4,043,059	12,245,156

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

Group	Share Capital \$'000	Retained Earnings \$'000	Other Reserves \$'000	Equity Attributable to Owners of the Company \$'000	Non- controlling Interests - Perpetual Securities \$'000	Total \$'000	Non- controlling Interests - Others \$'000	Total Equity \$'000
2nd Quarter ended 31 March 2016								
Opening balance at 1 January 2016	1,766,800	5,051,880	(218,988)	6,599,692	1,293,254	7,892,946	2,834,124	10,727,070
Profit for the period	-	91,230	-	91,230	32,051	123,281	47,021	170,302
<u>Other Comprehensive Income</u>								
Net fair value change of cash flow hedges	-	-	(83,490)	(83,490)	-	(83,490)	(14,562)	(98,052)
Foreign currency translation	-	-	(5,791)	(5,791)	-	(5,791)	(12,902)	(18,693)
Share of other comprehensive income of joint ventures and associates	-	-	(51)	(51)	-	(51)	-	(51)
Other comprehensive income for the period	-	-	(89,332)	(89,332)	-	(89,332)	(27,464)	(116,796)
Total comprehensive income for the period	-	91,230	(89,332)	1,898	32,051	33,949	19,557	53,506
<u>Contributions by and distributions to owners</u>								
Employee share-based expense	-	-	2,412	2,412	-	2,412	-	2,412
Dividend paid	-	(309)	(179,491)	(179,800)	-	(179,800)	(33,015)	(212,815)
Dividend proposed	-	(69,600)	69,600	-	-	-	-	-
Total contributions by and distributions to owners	-	(69,909)	(107,479)	(177,388)	-	(177,388)	(33,015)	(210,403)
<u>Changes in ownership interests in subsidiaries</u>								
Units issued to non-controlling interests	-	-	-	-	-	-	3,286	3,286
Issuance costs incurred by subsidiaries	-	(23)	-	(23)	-	(23)	(55)	(78)
Total changes in ownership interests in subsidiaries	-	(23)	-	(23)	-	(23)	3,231	3,208
Total transactions with owners in their capacity as owners	-	(69,932)	(107,479)	(177,411)	-	(177,411)	(29,784)	(207,195)
<u>Contributions by and distributions to perpetual securities holders</u>								
Distributions to perpetual securities holders	-	-	-	-	(32,051)	(32,051)	-	(32,051)
Total contributions by and distributions to perpetual securities holders	-	-	-	-	(32,051)	(32,051)	-	(32,051)
Closing balance at 31 March 2016	1,766,800	5,073,178	(415,799)	6,424,179	1,293,254	7,717,433	2,823,897	10,541,330

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

	Share Capital \$'000	Retained Earnings \$'000	Other Reserves \$'000	Hedging Reserve \$'000	Share-based Compensation Reserve \$'000	Dividend Reserve \$'000	Total Equity \$'000
Company							
2nd quarter ended 31 March 2017							
Opening balance at 1 January 2017	1,774,771	3,073,904	193,317	-	13,517	179,800	5,041,992
Profit for the period	-	74,237	-	-	-	-	74,237
Total comprehensive income for the period	-	74,237	-	-	-	-	74,237
<u>Contributions by and distributions to owners</u>							
Employee share-based expense	-	-	148	-	148	-	148
Dividend paid	-	(330)	(179,800)	-	-	(179,800)	(180,130)
Dividend proposed	-	(69,728)	69,728	-	-	69,728	-
Total contributions by and distributions to owners	-	(70,058)	(109,924)	-	148	(110,072)	(179,982)
Closing balance at 31 March 2017	1,774,771	3,078,083	83,393	-	13,665	69,728	4,936,247

	Share Capital \$'000	Retained Earnings \$'000	Other Reserves \$'000	Hedging Reserve \$'000	Share-based Compensation Reserve \$'000	Dividend Reserve \$'000	Total Equity \$'000
Company							
2nd Quarter ended 31 March 2016							
Opening balance at 1 January 2016	1,766,800	2,535,478	194,131	3,720	10,920	179,491	4,496,409
Profit for the period	-	317,682	-	-	-	-	317,682
<u>Other Comprehensive Income</u>							
Net fair value change of cash flow hedges	-	-	(43)	(43)	-	-	(43)
Total comprehensive income for the period	-	317,682	(43)	(43)	-	-	317,639
<u>Contributions by and distributions to owners</u>							
Employee share-based expense	-	-	2,412	-	2,412	-	2,412
Dividend paid	-	(309)	(179,491)	-	-	(179,491)	(179,800)
Dividend proposed	-	(69,600)	69,600	-	-	69,600	-
Total transactions with owners in their capacity as owners	-	(69,909)	(107,479)	-	2,412	(109,891)	(177,388)
Closing balance at 31 March 2016	1,766,800	2,783,251	86,609	3,677	13,332	69,600	4,636,660

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

Group	Share Capital \$'000	Retained Earnings \$'000	Other Reserves \$'000	Equity Attributable to Owners of the Company \$'000	Non-controlling Interests - Perpetual Securities \$'000	Total \$'000	Non-controlling Interests - Others \$'000	Total Equity \$'000
6 months ended 31 March 2017								
Opening balance at 1 October 2016	1,766,800	5,222,073	(327,733)	6,661,140	1,391,783	8,052,923	3,790,561	11,843,484
Profit for the period	-	226,400	-	226,400	34,119	260,519	120,410	380,929
<u>Other comprehensive income</u>								
Net fair value change of cash flow hedges	-	-	22,292	22,292	-	22,292	10,141	32,433
Foreign currency translation	-	-	78,286	78,286	-	78,286	31,412	109,698
Share of other comprehensive income of joint ventures and associates	-	-	(192)	(192)	-	(192)	-	(192)
Other comprehensive income for the period	-	-	100,386	100,386	-	100,386	41,553	141,939
Total comprehensive income for the period	-	226,400	100,386	326,786	34,119	360,905	161,963	522,868
<u>Contributions by and distributions to owners</u>								
Ordinary shares issued	7,971	-	(7,971)	-	-	-	-	-
Employee share-based expense	-	-	3,036	3,036	-	3,036	-	3,036
Dividend paid	-	(330)	(179,800)	(180,130)	-	(180,130)	(122,341)	(302,471)
Dividend proposed	-	(69,728)	69,728	-	-	-	-	-
Transfer to other reserves	-	(10,327)	10,327	-	-	-	-	-
Total contributions by and distributions to owners	7,971	(80,385)	(104,680)	(177,094)	-	(177,094)	(122,341)	(299,435)
<u>Changes in ownership interests in subsidiaries</u>								
Units issued to non-controlling interests	-	-	-	-	-	-	214,783	214,783
Issuance costs incurred by subsidiaries	-	(538)	-	(538)	-	(538)	(1,907)	(2,445)
Total changes in ownership interests in subsidiaries	-	(538)	-	(538)	-	(538)	212,876	212,338
Total transactions with owners in their capacity as owners	7,971	(80,923)	(104,680)	(177,632)	-	(177,632)	90,535	(87,097)
<u>Contributions by and distributions to perpetual securities holders</u>								
Write-back of issuance costs	-	-	-	-	20	20	-	20
Distributions to perpetual securities holders	-	-	-	-	(34,119)	(34,119)	-	(34,119)
Total contributions by and distributions to perpetual securities holders	-	-	-	-	(34,099)	(34,099)	-	(34,099)
Closing balance at 31 March 2017	1,774,771	5,367,550	(332,027)	6,810,294	1,391,803	8,202,097	4,043,059	12,245,156

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

Group	Share Capital \$'000	Retained Earnings \$'000	Other Reserves \$'000	Equity Attributable to Owners of the Company \$'000	Non-controlling Interests - Perpetual Securities \$'000	Total \$'000	Non-controlling Interests - Others \$'000	Total Equity \$'000
6 months ended 31 March 2016								
Opening balance at 1 October 2015	1,759,858	4,995,420	(245,798)	6,509,480	1,293,254	7,802,734	2,848,219	10,650,953
Profit for the period	-	189,884	-	189,884	32,051	221,935	89,707	311,642
<u>Other comprehensive income</u>								
Net fair value change of cash flow hedges	-	-	(61,938)	(61,938)	-	(61,938)	(11,321)	(73,259)
Foreign currency translation	-	-	3,677	3,677	-	3,677	(13,467)	(9,790)
Share of other comprehensive income of joint ventures and associates	-	-	172	172	-	172	-	172
Other comprehensive income for the period	-	-	(58,089)	(58,089)	-	(58,089)	(24,788)	(82,877)
Total comprehensive income for the period	-	189,884	(58,089)	131,795	32,051	163,846	64,919	228,765
<u>Contributions by and distributions to owners</u>								
Ordinary shares issued	6,942	-	(6,942)	-	-	-	-	-
Employee share-based expense	-	-	4,921	4,921	-	4,921	-	4,921
Dividend paid	-	(309)	(179,491)	(179,800)	-	(179,800)	(94,080)	(273,880)
Dividend proposed	-	(69,600)	69,600	-	-	-	-	-
Total contributions by and distributions to owners	6,942	(69,909)	(111,912)	(174,879)	-	(174,879)	(94,080)	(268,959)
<u>Changes in ownership interests in subsidiaries</u>								
Units issued to non-controlling interests	-	-	-	-	-	-	4,540	4,540
Acquisition of non-controlling interests in subsidiaries without loss of control	-	(42,173)	-	(42,173)	-	(42,173)	411	(41,762)
Issuance costs incurred by subsidiaries	-	(44)	-	(44)	-	(44)	(112)	(156)
Total changes in ownership interests in subsidiaries	-	(42,217)	-	(42,217)	-	(42,217)	4,839	(37,378)
Total transactions with owners in their capacity as owners	6,942	(112,126)	(111,912)	(217,096)	-	(217,096)	(89,241)	(306,337)
<u>Contributions by and distributions to perpetual securities holders</u>								
Distributions to perpetual securities holders	-	-	-	-	(32,051)	(32,051)	-	(32,051)
Total contributions by and distributions to perpetual securities holders	-	-	-	-	(32,051)	(32,051)	-	(32,051)
Closing balance at 31 March 2016	1,766,800	5,073,178	(415,799)	6,424,179	1,293,254	7,717,433	2,823,897	10,541,330

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

	Share Capital \$'000	Retained Earnings \$'000	Other Reserves \$'000	Hedging Reserve \$'000	Share-based Compensation Reserve \$'000	Dividend Reserve \$'000	Total Equity \$'000
Company							
6 months ended 31 March 2017							
Opening balance at 1 October 2016	1,766,800	3,033,213	202,100	3,700	18,600	179,800	5,002,113
Profit for the period	-	114,928	-	-	-	-	114,928
<u>Other comprehensive income</u>							
Net fair value change of cash flow hedges	-	-	(3,700)	(3,700)	-	-	(3,700)
Total comprehensive income for the period	-	114,928	(3,700)	(3,700)	-	-	111,228
<u>Contributions by and distributions to owners</u>							
Ordinary shares issued	7,971	-	(7,971)	-	(7,971)	-	-
Employee share-based expense	-	-	3,036	-	3,036	-	3,036
Dividend paid	-	(330)	(179,800)	-	-	(179,800)	(180,130)
Dividend proposed	-	(69,728)	69,728	-	-	69,728	-
Total contributions by and distributions to owners	7,971	(70,058)	(115,007)	-	(4,935)	(110,072)	(177,094)
Closing balance at 31 March 2017	1,774,771	3,078,083	83,393	-	13,665	69,728	4,936,247
Company							
6 months ended 31 March 2016							
Opening balance at 1 October 2015	1,759,858	2,490,922	198,030	3,217	15,322	179,491	4,448,810
Profit for the period	-	362,238	-	-	-	-	362,238
<u>Other comprehensive income</u>							
Net fair value change of cash flow hedges	-	-	460	460	-	-	460
Total comprehensive income for the period	-	362,238	460	460	-	-	362,698
<u>Contributions by and distributions to owners</u>							
Ordinary shares issued	6,942	-	(6,942)	-	(6,942)	-	-
Employee share-based expense	-	-	4,952	-	4,952	-	4,952
Dividend paid	-	(309)	(179,491)	-	-	(179,491)	(179,800)
Dividend proposed	-	(69,600)	69,600	-	-	69,600	-
Total contributions by and distributions to owners	6,942	(69,909)	(111,881)	-	(1,990)	(109,891)	(174,848)
Closing balance at 31 March 2016	1,766,800	2,783,251	86,609	3,677	13,332	69,600	4,636,660

1(d)(ii) SHARE CAPITAL

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

	Number of Shares	
	2nd quarter to 31/03/2017	1st quarter to 31/12/2016
Issued and fully paid:		
Ordinary shares:		
As at beginning of period	2,905,324,694	2,899,996,444
Issued during the period - pursuant to share plans	-	5,328,250
As at end of period	<u>2,905,324,694</u>	<u>2,905,324,694</u>
	As at 31/03/2017	As at 31/03/2016
The number of shares awarded conditionally under share plans as at the end of the period	<u>26,585,271</u>	<u>22,268,548</u>

The Company has no treasury shares as at 31 March 2017 and 31 March 2016.

As at 31 March 2017, the Company's issued and paid-up ordinary share capital was \$1,774,771,255 comprising 2,905,324,694 ordinary shares.

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 ordinary shares is 2,905,324,694 as at 31 March 2017 and 2,899,996,444 as at 30 September 2016.

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

There were no sales, transfers, disposal, cancellation and/or use of treasury shares by the Company for the financial period ended 31 March 2017. The Company has no treasury shares as at 31 March 2017.

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 the Company's 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 financial year ended 30 September 2016.

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 31/03/2017	2nd quarter to 31/03/2016	6 months to 31/03/2017	6 months to 31/03/2016
Earnings per ordinary share ("EPS"):				
(a) Basic earnings per share (cents)				
- before fair value change and exceptional items	1.36	2.70	7.61	5.82
- after fair value change and exceptional items	1.36	3.15	7.80	6.55
Weighted average number of ordinary shares (millions)	2,902.6	2,900.0	2,903.0	2,897.8
(b) On a fully diluted basis (cents)				
- before fair value change and exceptional items	1.34	2.68	7.54	5.77
- after fair value change and exceptional items	1.34	3.12	7.73	6.50
Weighted average number of ordinary shares (millions)	2,929.2	2,922.3	2,929.6	2,920.1

Earnings per ordinary share is calculated by dividing the Group's attributable profit (after adjusting for distributions to perpetual securities holders of \$32,360,000 (2016: \$32,051,000) by the weighted average number of ordinary shares in issue during the financial period. In respect of diluted earnings per share, the denominator is adjusted for the effects of dilutive potential ordinary shares, which comprise share awards granted to employees.

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 31/03/2017	As at 30/09/2016	As at 31/03/2017	As at 30/09/2016
Net asset value per ordinary share based on issued share capital	\$2.34	\$2.30	\$1.70	\$1.73

8. **A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:-**
- (a) **any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonable or cyclical factors; and**
 - (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.**

REVIEW OF PERFORMANCE

The principal activities of the Group are:-

- (i) property development; and
- (ii) investment and management of retail, commercial and industrial properties, hospitality assets and property trusts.

These activities are carried out through the Company's subsidiaries, joint ventures and associates (collectively, the "Group").

Profit Statement – 2nd quarter ended 31 March 2017

Group revenue and profit before interest, fair value change, taxation and exceptional items ("PBIT") decreased in tandem by 21% over the corresponding quarter last year to \$706 million and \$179 million, respectively. Excluding share of joint ventures' and associates' fair value change recognised in the same period last year, PBIT would have decreased by 23%.

The decrease came largely from lower contributions from the Group's Singapore Strategic Business Unit ("SBU") and International Business.

Group attributable profit¹ decreased by 36% to \$71 million and basic earnings per share² based on weighted average number of ordinary shares on issue was 1.4 cents.

A. Key Business Segment Results

Singapore SBU

Revenue and PBIT decreased by 55% and 29% to \$175 million and \$85 million, respectively.

The decrease was largely attributable to Singapore Residential Properties, where revenue and PBIT were 77% and 87% lower at \$66 million and \$7 million, respectively. The decrease was mainly due to the absence of profits from Twin Fountains Executive Condominium ("EC") which obtained Temporary Occupation Permit and recognised profits on completion in March 2016. This was partially mitigated by profit recognition from North Park Residences as construction progressed.

Revenue and PBIT for Singapore Commercial Properties were 4% and 11% higher at \$109 million and \$78 million, respectively. The increase was attributed mainly to higher contributions from The Centrepoint arising from the substantial completion of the asset enhancement initiatives.

Excluding the Group's share of a joint venture's and an associate's fair value change, PBIT for Singapore Commercial Properties would have increased by 3%.

Australia SBU

Revenue and PBIT increased by 70% and 153% to \$307 million and \$55 million, respectively.

The increase was largely due to completions and settlements of residential projects - Hamilton project in Brisbane, Queensland, Clenton Park, Discovery Point, Fairwater and Connor at Central Park projects in Sydney, New South Wales, as well as Parkville project in Melbourne, Victoria, in this quarter. The lower PBIT in the comparative quarter was mainly attributable to timing of completions, coupled with higher overhead costs arising from residential project launches.

¹ before fair value change on investment properties and exceptional items and distributions to perpetual securities holders

² before fair value change on investment properties and exceptional items and after adjusting for distributions to perpetual securities holders

Hospitality SBU

Revenue and PBIT increased 4% and 51% to \$189 million and \$33 million, respectively.

The increase was mainly due to maiden contribution from Frasers Hospitality Trust's ("FHT") newly acquired Novotel Melbourne on Collins and Maritim Hotel Dresden in Australia and Germany, respectively. The increase was partly moderated by the impact of a weaker Sterling Pound on profit contributions from properties in the United Kingdom ("UK").

International Business

Revenue and PBIT both decreased by 75% to \$35 million and \$18 million, respectively.

The decrease was due to timing of development profit recognition in China and UK. In China, revenue and PBIT decreased by 64% and 82% to \$8 million and \$2 million, respectively. This was due to tapering off of sales and profit contribution from Phase 3C1 of Baitang One in Suzhou this quarter as compared to the corresponding quarter last year where profit contributions from Phase 2B and 3A of Baitang One in Suzhou were recognised as completed units were delivered.

In the UK, revenue and PBIT decreased by 80% and 86% to \$23 million and \$8 million, respectively. This was mainly attributed to tapering off of sales and profit contribution from Seven Riverside Quarter as completed units were delivered in the first quarter of financial year 2017. The decrease was partly mitigated by profit contribution from the completion and settlement of the Camberwell Green project in February 2017. In the corresponding quarter, revenue and profit from Five Riverside Quarter were recognised.

Corporate & Others

Corporate & Others comprises mainly of corporate overheads.

Revenue and PBIT remained fairly consistent.

B. Other Key Profit Statement Items

Share of Results of Joint Ventures and Associates

Share of results of joint ventures and associates increased by \$10 million to \$15 million in this quarter. Excluding the Group's share of fair value change of joint ventures and associates, share of profits contributed by joint ventures and associates saw a 32% increase from \$11 million in the corresponding quarter last year to \$15 million in this quarter.

The increase was mainly due to maiden contribution from a Thai associate, TICON Industrial Connection Public Company Limited ("TICON"), which was acquired in January 2017. The current quarter's share of results was further boosted by higher profit contributions from Waterway Point, Singapore, and a Thai associate, Golden Land Property Development Public Company Limited ("Golden Land").

Net Interest Expense

Net interest expense was \$26 million, compared to \$37 million in the corresponding quarter last year. The decrease came largely from interest savings attributable to Frasers Property Australia's ("FPA") repayment of a significant portion of its loans and borrowings in the second half of financial year 2016. Additional loans drawn to fund the investment in Frasers Logistics and Industrial Trust ("FLT") and the Thai associates, Golden Land and the Group's initial investment in TICON, partly offset the decline.

Exceptional Items ("EI")

EI was a net exceptional gain of \$14 million in the corresponding quarter last year, mainly due to a one-off gain recognised on the divestment of an associate, Gemshine Investments (S) Pte. Ltd, which holds Compass Point.

Tax

The Group's effective tax rate of 17.0% (2016: 17.9%) is comparable to the Singapore statutory corporate tax rate of 17%.

Group Profit Statement – 6 months ended 31 March 2017

Group revenue and PBIT increased by 7% to \$1,677 million and 17% to \$511 million, respectively.

Revenue and profit recognition from Phase 3C1 of Baitang One in Suzhou along with sales and settlements of various residential projects in Australia underpinned the Group's results for the current half year.

Revenue and PBIT from Singapore SBU, on the other hand, declined by 26% to \$377 million and 14% to \$191 million, respectively. The previous corresponding period had included revenue and profit recognition from Twin Fountains EC on its completion in March 2016. This was partially mitigated by profit recognition from North Park Residences and sale of a bungalow at Holland Park.

Group attributable profit¹ increased by 26% to \$253 million and basic earnings per share² based on weighted average number of ordinary shares on issue was 7.6 cents.

¹ before fair value change on investment properties and exceptional items and distributions to perpetual securities holders

² before fair value change on investment properties and exceptional items and after adjusting for distributions to perpetual securities holders

Group Balance Sheet as at 31 March 2017

The increase in investment properties of \$490 million was mainly due to progressive development expenditure incurred on investment properties of \$326 million, the acquisition of the retail podium at the Yishun 10 Cinema Complex for \$38 million by Frasers Centrepoint Trust ("FCT") and exchange re-alignment gains on Australian properties following the appreciation of the Australian Dollar.

The increase in property, plant and equipment of \$249 million was mainly due to the acquisition of Novotel Melbourne on Collins in Australia for \$243 million by FHT.

The increase in investments in joint ventures and associates of \$539 million was mainly due to the acquisitions of the interest in TICON for \$538 million, additional interest in Golden Land for \$25 million, as well as the share of results from joint ventures and associates. The increase was partially offset by \$70 million of dividends received from joint ventures and associates.

The increase in properties held for sale of \$143 million was mainly due to progressive development expenditure for projects in Australia, partially offset by cost recognition on settlement of completed units in Baitang One in Suzhou, China.

The decrease in trade and other receivables of \$107 million was mainly due to sales proceeds collected from development projects in Singapore and Australia, settlement of a loan to a joint venture and the utilisation of a \$24 million deposit placed on Novotel Melbourne on Collins following the completion of the acquisition.

The decrease in trade and other payables of \$289 million was largely due to the recognition of revenue of \$296 million from Phase 3C1 of Baitang One in Suzhou, China, and repayment of entrustment loan from an associate of \$139 million. This was partially offset by the increase in payables to land vendors in Australia following a new land acquisition in Wyndham Vale, Victoria, by FPA.

The increase in loans and borrowings of \$735 million was mainly due to the issue of \$398 million 10-year fixed rate notes in February 2017, the issue of \$150 million of medium term notes in February 2017 and March 2017, as well as loans drawn down for the acquisition of TICON and for the acquisition of and development expenditure on investment properties.

Group Cash Flow Statement – 2nd Quarter ended 31 March 2017

The net cash outflow from investing activities of \$534 million was mainly due to acquisitions of/development expenditure on investment properties of \$208 million and investments in/loans to joint ventures and associates of \$540 million. These were partially offset by proceeds from dividends from joint ventures and associates of \$33 million, repayment of loans from joint ventures and associates of \$32 million and proceeds from uplift of structure deposits of \$139 million. The net cash outflow from investing activities of \$169 million in the corresponding quarter last year was mainly due to acquisition of/development expenditure on investment properties of \$114 million and investments in/loans to joint ventures and associates of \$310 million and partially offset by proceeds from dividends from joint ventures and associates of \$125 million and receipt of proceeds of \$79 million from the disposal of a subsidiary.

The net cash inflow from financing activities of \$257 million was mainly due to net proceeds from issue of bonds of \$546 million and net proceeds from bank borrowings of \$146 million, which was partially offset by dividends paid of \$180 million to shareholders and \$39 million to non-controlling interests, distributions of \$32 million to perpetual securities holders and interest paid of \$41 million. The net cash inflow from financing activities of \$130 million in the corresponding quarter last year was mainly due to net proceeds from bank borrowings of \$411

million, which was partially offset by dividends paid of \$180 million to shareholders and \$33 million to non-controlling interests, distributions of \$32 million to perpetual securities holders and interest paid of \$39 million.

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.

Singapore

According to advance estimates from MTI¹, the Singapore economy registered year-on-year growth of 2.5% in the first quarter of 2017, lower than the 2.9% in the previous quarter. Economic growth is forecast to be 1% - 3% in 2017 for Singapore².

Transaction volumes improved for the Singapore residential property market in the first quarter of 2017 with about 3,000 new private homes sold, which is more than double the 1,400 units sold in the same period of 2016. However, the residential property price index continued to fall by registering a decline of 0.4% in the March quarter, similar level of decline in the December quarter³. This decline was the fourteenth consecutive quarterly decline. Although the government had eased some property cooling measures, industry experts do not expect a quick turnaround in the property market given slower economic growth, job market uncertainty and rising interest rates.

With the improvement in market sentiments, keen buying demand was seen for the Group's launch at Seaside Residences. The Group sold more than 400 units since its launch on 22 April 2017.

In the retail market, the Group's well-located suburban malls continue to attract steady shopper traffic. Rental income and occupancy rates remain resilient despite the toughening retail climate. FCT has acquired ten strata-titled retail units at Yishun 10 Cinema Complex for approximately \$38 million. Northpoint City is expected to be completed in the second half of 2017.

In the office market, the Group's portfolio of offices which comprises largely Grade B and fringe office assets, continues to achieve positive rental reversions despite the challenging leasing market. Frasers Tower was launched for marketing in February 2017 and is expected to be completed in 2018.

Australia

Economic growth in Australia has eased due to the transition from a resource focused economy to a more balanced economy. In the residential market, sales activity in key markets of Sydney, Melbourne and Brisbane remains positive. The Perth market remains subdued, reflecting weak business and consumer confidence.

The Residential division sold 1,198 units during first half ended 31 March 2017 ("1H FY17"), mainly from projects in New South Wales and Victoria. Over 770 units were released for sale during 1H FY17 with a further 1,730 units planned for release over the rest of the year. During 1H FY17, FPA acquired a new site at Wyndham Vale, Victoria, which will yield approximately 1,200 units.

In the Industrial market, demand remains strong across the eastern seaboard, with Sydney the strongest followed by Melbourne and Brisbane. In the office market, prime grade office yields in Sydney and Melbourne remain at historic lows.

The investment property portfolio continues to perform well with close to full occupancies. During 1H FY17, FPA acquired 3 major industrial, office and retail sites for development.

¹ Ministry of Trade and Industry Singapore, 13 April 2017, "Singapore's GDP Grew by 2.5 Per Cent in the First Quarter of 2017"

² Ministry of Trade and Industry Singapore, 17 February 2017, "MTI Maintains 2017 GDP Growth Forecast at 1.0 to 3.0 Per Cent"

³ Urban Redevelopment Authority, 28 April 2017, "Release of 1st Quarter 2017 real estate statistics"

Hospitality

In Singapore, the hospitality segment continues to face pressure from new supply of rooms. In China, steady growth in occupancy rates is expected, supported by the on-going trend of increased domestic travel. In Australia, demand remains uneven across the key markets, with stronger occupancy and room rate growth in New South Wales compared to Victoria. In Europe, growth in travel for key European countries is expected, offset by the uncertainty over Brexit and upcoming elections.

Frasers Hospitality opened its third property in Bangkok, the 105-unit North Park, set within the exclusive Rajpruek Golf Club. Frasers Hospitality further deepened its presence in Vietnam, Indonesia and China through agreements signed for three properties under management.

As at 31 March 2017, Frasers Hospitality has interest in and/or manages over 14,000 units and has signed up over 8,500 units pending openings.

International

During 1H FY17, the Group increased its exposure in overseas markets which is in line with the strategy to grow overseas and recurring earnings contributions.

The Group is acquiring a logistics and industrial property platform in Europe by entering into a conditional agreement to acquire 86.56% stake in Geneva Properties N.V. ("Geneba") for a cash consideration of EUR 315.9 million. The Group has also reached a conditional agreement with Geneba on an all-cash offer for the remaining 13.44% free-float in Geneba. Geneba is listed on NPEX, the SME stock exchange in the Netherlands and has a portfolio consisting predominantly of logistics and light industrial properties in Germany and the Netherlands.

The Group also acquired approximately 40% stake in TICON for approximately S\$520 million. TICON, listed on the Stock Exchange of Thailand, is the leading developer and owner of industrial properties in Thailand. Both acquisitions in Geneba and TICON extend the Group's logistics and industrial property platform.

The Group entered into a 20:80 joint venture with TCC Assets (Thailand) Co., Ltd. for a proposed mixed-use development project namely "One Bangkok" in central Bangkok. The project is envisaged to include a retail component, office towers, residences, hotels and serviced apartments with an expected total gross floor area of approximately 1.83 million sqm, including carpark area. The proposed joint venture is in line with the Group's strategy to establish a presence and extend its development capability in Thailand.

Capital Management

The Group continues to diversify its funding sources by issuing \$450 million of 4.15% notes due 2027. The proceeds have been used for general corporate purposes, including refinancing existing borrowings, and financing investments and general working capital and/or capital expenditure requirements.

Going forward

The Group expects the challenging growth environment to continue and will stay on course to grow its business and asset portfolio in a prudent manner across geographies and property segments. The Group is looking to grow its recurring income as well as overseas earnings contribution. The Group will also focus on optimising capital productivity and strengthening the income base through its REIT platforms. In Singapore, the Group will selectively tender for sites to replenish its landbank. In Australia, the Group will replenish the residential landbank and restock the industrial portfolio through the FPA platform. The Group will continue to look at opportunities for growth in the secondary markets. The Group will also seek opportunities to unlock value in its portfolio via asset enhancement or repositioning efforts, as well as injection of stabilised assets into its REITs.

11. If a decision regarding dividend has been made:-

- (a) **Whether an interim ordinary dividend has been recommended:** Yes
- (b) (i) **Amount per share** : 2.4 cents
- (ii) **Previous corresponding period** : 2.4 cents

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

Tax-exempt (one-tier).

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

The Directors have declared an interim dividend of 2.4 cents (last year: 2.4 cents) per share, to be paid on 9 June 2017.

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

Registrable transfers received by the Company's Registrar, Tricor Barbinder Share Registration Services, 80 Robinson Road, #02-00, Singapore 068898 up to 5.00 pm on 26 May 2017 will be registered before entitlements to the dividend are determined.

Notice is hereby given that the share registers will be closed from 29 to 30 May 2017 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.**

The Company's general mandate for interested person transactions, the terms of which are set out in Appendix 1 to the Letter to Shareholders dated 5 January 2017, was renewed at the 53rd Annual General Meeting of the Company held on 24 January 2017.

Particulars of interested person transactions for the period 1 January 2017 to 31 March 2017 are as follows:

Name of interested person	Aggregate value of all interested person transactions conducted during the financial period under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
	\$'000
TCC Group of Companies*	7,429

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

13. Subsequent Events

- On 3 April 2017, FCT MTN Pte. Ltd., a wholly-owned subsidiary of HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of FCT) (the "FCT Trustee"), issued S\$90 million in aggregate principal amount of 2.365 per cent. fixed rate notes due 2020, under its S\$1.0 billion Multicurrency Medium Term Note Programme. The proceeds from the issue (after deducting issue expenses) will be on-lent to the FCT Trustee for prepayment of FCT's existing S\$90 million term loan facility.
- Pursuant to the announcement dated 7 June 2016, the Group has, through its wholly-owned subsidiary, FCL Imperial Pte. Ltd., completed the acquisition of 35 million ordinary shares, representing 70% of the issued and paid-up share capital of G Homes House Development Joint Stock Company, for the consideration of VND 351,382,500,000 (approximately S\$21,319,000¹ (subject to adjustments)).
- On 6 April 2017, FCL Treasury Pte. Ltd., a wholly-owned subsidiary of the Company, issued S\$52 million in aggregate principal amount of 4.150 per cent. fixed rate notes due 2027, under its S\$5.0 billion Multicurrency Debt Issuance Programme. The proceeds from the issue will be for, amongst others, the general corporate purposes of the Group.

¹ Based on an exchange rate of S\$1 : VND 16,482 as at 7 June 2016.

4. On 15 April 2017, FCL and its wholly-owned subsidiary, Frasers Property International Pte. Ltd. ("Frasers Property"), entered into a Block Trade Agreement ("BTA") for the purchase of 84,143,602 depository receipts representing 86.56% of the ordinary shares in the share capital of Geneba Properties N.V. ("Geneba") (the "Acquisition"), at the aggregate purchase price (the "Purchase Price") of approximately EUR 315.9 million (approximately S\$471.6 million¹) plus an amount of EUR 48,111 (approximately S\$71,807¹) per day from 31 December 2016 (exclusive) to the closing date (exclusive) less any leakage amounts as determined in accordance with the terms of the BTA. FCL and Frasers Property have also reached an agreement with Geneba for an all-cash offer for all remaining issued and outstanding depository receipts ("DRs") at a price per DR equivalent to the Purchase Price paid on closing of the Acquisition on a per DR basis.
5. On 3 May 2017, FCOT Treasury Pte. Ltd., a wholly-owned subsidiary of British and Malayan Trustees Limited (in its capacity as trustee of Frasers Commercial Trust ("FCOT")) (the "FCOT Trustee"), issued S\$80 million in aggregate principal amount of floating rate notes due 2022, under its S\$1.0 billion Multicurrency Medium Term Note Programme. The interest rate will be the prevailing 6-month SGD swap offer rate with respect to the relevant interest payment date plus a spread of 0.88 per cent. per annum. The proceeds from the issue (after deducting issue expenses) will be on-lent to the FCOT Trustee for prepayment of the remaining amount of S\$80 million under FCOT's existing term loan facility, which will be maturing in September 2017.

¹ Based on an exchange rate of S\$1 : EUR 0.67 as at 15 April 2017.

14. Confirmation pursuant to Rule 720(1) of the Listing Manual of the SGX-ST.

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 Listing Manual of the SGX-ST.

15. Confirmation pursuant to Rule 705(5) of the Listing Manual of the SGX-ST.

We 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

Charles Mak Ming Ying
Director

Sithichai Chaikriangkrai
Director

BY ORDER OF THE BOARD
Catherine Yeo
Company Secretary
11 May 2017