Frasers Property Limited

Incorporated in Singapore
Company Registration No. 196300440G

SECOND QUARTER ENDED 31 MARCH 2019 ("2Q FY2019")
Financial Statements and Dividend Announcement

The Directors of Frasers Property Limited (the "Company") are pleased to make the following announcement of the unaudited results for the second quarter ended 31 March 2019.

1(a)(i) Consolidated Profit Statement

	Group					
	2nd quarter to 31/03/2019 $'000	2nd quarter to 31/03/2018 (Restated) $'000	Inc/(Dec) %	6 months to 31/03/2019 $'000	6 months to 31/03/2018 (Restated) $'000	Inc/(Dec) %
REVENUE	934,252	841,139	11.1%	2,017,586	1,589,699	26.9%
Cost of sales	(589,218)	(528,739)	11.4%	(1,245,550)	(1,001,675)	24.3%
Gross Profit	345,034	312,400	10.4%	772,036	588,024	31.3%
Other income/(losses)	3,944	(10,564)	N/M	7,068	(8,369)	N/M
Administrative expenses	(97,457)	(78,310)	24.5%	(205,716)	(151,542)	35.7%
TRADING PROFIT	251,521	223,526	12.5%	573,388	428,113	33.9%
Share of results of joint ventures and associates, net of tax	31,690	52,737	(39.9)%	64,189	83,288	(22.9)%
PROFIT BEFORE INTEREST, FAIR VALUE CHANGE, TAXATION AND EXCEPTIONAL ITEMS	283,211	276,263	2.5%	637,577	511,401	24.7%
Interest income	16,571	6,005	176.0%	29,405	13,778	113.4%
Interest expense	(108,679)	(70,052)	55.1%	(206,364)	(146,757)	40.6%
Net interest expense	(92,108)	(64,047)	43.8%	(176,959)	(132,979)	33.1%
PROFIT BEFORE FAIR VALUE CHANGE, TAXATION AND EXCEPTIONAL ITEMS	191,103	212,216	(9.9)%	460,618	378,422	21.7%
Fair value change on investment properties	31,240	(12)	N/M	39,326	13,284	196.0%
PROFIT BEFORE TAXATION AND EXCEPTIONAL ITEMS	222,343	212,204	4.8%	499,944	391,706	27.6%
Exceptional items	(839)	(31)	N/M	(741)	(1,020)	N/M
PROFIT BEFORE TAXATION	221,504	212,173	4.4%	499,203	390,686	27.8%
Taxation	(37,773)	(46,928)	(19.5)%	(101,681)	(82,876)	22.7%
PROFIT FOR THE PERIOD	183,731	165,245	11.2%	397,522	307,810	29.1%
Attributable profit:-						
- Before fair value change and exceptional items	99,555	111,293	(10.5)%	239,859	186,302	28.7%
- Fair value change	21,688	(128)	N/M	26,793	8,531	N/M
- Exceptional items	(840)	(31)	N/M	(658)	(1,020)	N/M
	120,403	111,134	8.3%	265,994	193,813	37.2%
Non-controlling interests	63,328	54,111	17.0%	131,528	113,997	15.4%
PROFIT FOR THE PERIOD	183,731	165,245	11.2%	397,522	307,810	29.1%

The results for the 2nd quarter to 31 March 2018 and 6 months to 31 March 2018 have been restated to account for the retrospective adjustments on the adoption of the new financial reporting framework, Singapore Financial Reporting Standards (International) framework ("SFRS(I)") and new/revised SFRS(I) as detailed in item 5 of this announcement.

1(a)(ii) Breakdown and Explanatory Notes to the Consolidated Profit Statement

	Group					
	2nd quarter to 31/03/2019 $'000	2nd quarter to 31/03/2018 (Restated) $'000	Inc/(Dec) %	6 months to 31/03/2019 $'000	6 months to 31/03/2018 (Restated) $'000	Inc/(Dec) %
TRADING PROFIT						
Trading profit includes the following:						
Allowance for doubtful trade receivables	(877)	(809)	8.4%	(1,380)	(1,877)	(26.5)%
Write-back of allowance for doubtful trade receivables	833	190	N/M	1,039	1,986	(47.7)%
Bad debts written off	(14)	19	N/M	(32)	(118)	(72.9)%
Depreciation of property, plant and equipment	(13,824)	(13,149)	5.1%	(27,476)	(26,483)	3.7%
Amortisation of intangible assets	(780)	(644)	21.1%	(1,573)	(1,264)	24.4%
Write-down to net realisable value of properties held for sale	(438)	-	N/M	(438)	-	N/M
Employee share-based expense	(4,430)	(3,605)	22.9%	(10,343)	(10,118)	2.2%
Other income/(losses)						
Included in other income/(losses) are:						
Net fair value change on derivative financial instruments	(16,963)	(13,390)	26.7%	1,732	(5,199)	N/M
Foreign exchange gain/(loss)	19,006	2,853	N/M	1,290	(3,618)	N/M
Gain/(loss) on disposal of property, plant and equipment	23	(83)	N/M	(7)	(104)	(93.3)%
Taxation						
Over/(under)provision in prior years taxation	1,973	(219)	N/M	2,006	556	N/M
Exceptional items						
Net transaction costs on acquisitions of subsidiaries and an associate	(1,113)	-	N/M	(1,015)	-	N/M
Transaction costs on disposal of investment properties	-	71	N/M	-	(918)	N/M
Write-back of/(non-capitalisable expenses) in relation to the acquisitions of properties	274	(102)	N/M	274	(102)	N/M
	(839)	(31)		(741)	(1,020)	
Profit before interest, fair value change, taxation and exceptional items as a percentage of revenue	30.3%	32.8%		31.6%	32.2%	

1(a)(iii) Segmental Revenue and Results

	Group					
	2nd quarter to 31/03/2019 $'000	2nd quarter to 31/03/2018 (Restated) $'000	Inc/(Dec) %	6 months to 31/03/2019 $'000	6 months to 31/03/2018 (Restated) $'000	Inc/(Dec) %
Revenue and Profit Analyses						
Revenue						
By Business Segment						
Singapore SBU	133,704	196,574	(32.0)%	376,447	449,747	(16.3)%
Australia SBU	481,705	310,632	55.1%	952,798	525,359	81.4%
Hospitality SBU	181,059	186,326	(2.8)%	391,085	397,494	(1.6)%
Europe & rest of Asia	137,815	147,476	(6.6)%	297,311	215,983	37.7%
Corporate & Others	(31)	131	N/M	(55)	1,116	N/M
	934,252	841,139	11.1%	2,017,586	1,589,699	26.9%
By Geographical Segment						
Singapore	152,380	214,223	(28.9)%	413,858	486,477	(14.9)%
Australia	521,437	366,232	42.4%	1,038,772	636,471	63.2%
Europe	156,246	141,292	10.6%	333,198	281,245	18.5%
China	52,537	82,738	(36.5)%	123,544	106,674	15.8%
Others *	51,652	36,654	40.9%	108,214	78,832	37.3%
	934,252	841,139	11.1%	2,017,586	1,589,699	26.9%
Profit before interest, fair value change, taxation and exceptional items						
By Business Segment						
Singapore SBU	96,619	88,617	9.0%	198,253	189,460	4.6%
Australia SBU	100,458	84,685	18.6%	239,847	148,292	61.7%
Hospitality SBU	20,672	22,833	(9.5)%	60,493	59,555	1.6%
Europe & rest of Asia	76,701	92,981	(17.5)%	166,238	135,329	22.8%
Corporate & Others	(11,239)	(12,853)	(12.6)%	(27,254)	(21,235)	28.3%
	283,211	276,263	2.5%	637,577	511,401	24.7%
By Geographical Segment						
Singapore	78,246	67,390	16.1%	156,061	154,124	1.3%
Australia	107,176	104,818	2.2%	256,341	185,163	38.4%
Europe	45,511	39,006	16.7%	110,961	82,855	33.9%
China	21,340	40,077	(46.8)%	50,959	39,432	29.2%
Others *	30,938	24,972	23.9%	63,255	49,827	26.9%
	283,211	276,263	2.5%	637,577	511,401	24.7%
Attributable profit						
By Business Segment						
Singapore SBU	18,122	20,882	(13.2)%	34,836	51,363	(32.2)%
Australia SBU	31,231	27,054	15.4%	89,011	36,805	141.8%
Hospitality SBU	(8,676)	(9,850)	(11.9)%	(5,735)	(8,600)	(33.3)%
Europe & rest of Asia	29,198	54,095	(46.0)%	72,049	75,827	(5.0)%
Corporate & Others	29,680	19,112	55.3%	49,698	30,907	60.8%
	99,555	111,293	(10.5)%	239,859	186,302	28.7%
Fair value change on investment properties	21,688	(128)	N/M	26,793	8,531	N/M
Exceptional items	(840)	(31)	N/M	(658)	(1,020)	(35.5)%
	120,403	111,134	8.3%	265,994	193,813	37.2%
Non-controlling interests	63,328	54,111	17.0%	131,528	113,997	15.4%
	183,731	165,245	11.2%	397,522	307,810	29.1%

* Thailand, Vietnam, Japan, New Zealand, the Philippines, Indonesia and Malaysia

Certain segmental reclassifications have been made to the comparative figures to facilitate comparability with the current period’s presentation.

1(a)(iv) Consolidated Statement of Comprehensive Income

	Group					
	2nd quarter to 31/03/2019 $'000	2nd quarter to 31/03/2018 (Restated) $'000	Inc/(Dec) %	6 months to 31/03/2019 $'000	6 months to 31/03/2018 (Restated) $'000	Inc/(Dec) %
PROFIT FOR THE PERIOD	183,731	165,245	11.2%	397,522	307,810	29.1%
OTHER COMPREHENSIVE INCOME						
Items that may be reclassified subsequently to profit statement:						
Net fair value change of cash flow hedges	(23,388)	21,453	N/M	(64,624)	25,300	N/M
Foreign currency translation	(26,305)	(71,158)	(63.0)%	(149,443)	(209,790)	(28.8)%
Share of other comprehensive income of joint ventures and associates	324	668	(51.5)%	(1,127)	921	N/M
Other comprehensive income for the period, net of tax	(49,369)	(49,037)	0.7%	(215,194)	(183,569)	17.2%
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	134,362	116,208	15.6%	182,328	124,241	46.8%
PROFIT FOR THE PERIOD						
Attributable to:-						
Shareholders of the Company	81,903	79,258	3.3%	220,032	161,429	36.3%
Holders of perpetual securities	38,500	31,876	20.8%	47,675	34,119	39.7%
Non-controlling interests[1]	63,328	54,111	17.0%	129,815	112,262	15.6%
	183,731	165,245	11.2%	397,522	307,810	29.1%
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD						
Attributable to:-						
Shareholders of the Company	52,586	63,579	(17.3)%	71,960	59,995	19.9%
Holders of perpetual securities	38,500	31,876	20.8%	47,675	34,119	39.7%
Non-controlling interests[1]	43,276	20,753	108.5%	62,693	30,127	108.1%
	134,362	116,208	15.6%	182,328	124,241	46.8%

[1] after adjusting for non-controlling interests' share of distributions to perpetual securities holders of Nil for the 2nd quarters to 31 March 2019 and 31 March 2018 and $1,713,000 for the 6 months to 31 March 2019 (6 months to 31 March 2018: $1,735,000).

1(b)(i) Balance Sheets

	Group		Company	
	As at 31/03/2019	As at 30/09/2018 (Restated)	As at 31/03/2019	As at 30/09/2018
	$'000	$'000	$'000	$'000
NON-CURRENT ASSETS				
Investment properties	20,580,153	20,740,079	1,600	1,600
Property, plant and equipment	2,084,508	2,116,055	26	-
Investments in:				
- Subsidiaries	-	-	1,183,048	1,183,048
- Joint ventures	263,549	230,580	500	500
- Associates	1,475,015	969,824	-	-
Financial assets	33,224	8,475	2,149	2,148
Intangible assets	684,886	700,580	-	-
Prepayments	3,677	5,793	-	-
Other receivables	389,053	385,824	3,639,577	3,812,370
Deferred tax assets	61,523	60,803	-	-
Derivative financial instruments	44,379	29,830	9,865	8,509
	25,619,967	25,247,843	4,836,765	5,008,175
CURRENT ASSETS				
Inventory	5,163	4,752	-	-
Properties held for sale	3,519,815	4,186,549	-	-
Prepaid land and development costs	1,079	353	-	-
Other prepayments	78,181	54,661	797	721
Trade and other receivables	653,695	459,726	383,945	402,292
Derivative financial instruments	21,144	10,727	7,862	1,431
Bank deposits	476,073	448,743	-	-
Cash and cash equivalents	2,857,302	2,150,002	17,406	8,514
	7,612,452	7,315,513	410,010	412,958
TOTAL ASSETS	33,232,419	32,563,356	5,246,775	5,421,133
CURRENT LIABILITIES				
Trade and other payables	2,065,721	1,933,419	268,526	342,688
Derivative financial instruments	4,637	12,194	240	6,938
Provision for taxation	223,943	203,268	9,604	11,830
Loans and borrowings	2,487,234	2,642,943	-	-
	4,781,535	4,791,824	278,370	361,456
NET CURRENT ASSETS	2,830,917	2,523,689	131,640	51,502
	28,450,884	27,771,532	4,968,405	5,059,677
NON-CURRENT LIABILITIES				
Other payables	178,902	154,553	9,866	8,754
Derivative financial instruments	98,648	35,943	6,849	7,384
Deferred tax liabilities	502,180	540,150	-	-
Loans and borrowings	13,105,178	12,302,757	-	-
	13,884,908	13,033,403	16,715	16,138
NET ASSETS	14,565,976	14,738,129	4,951,690	5,043,539
SHARE CAPITAL AND RESERVES				
Share capital	1,795,241	1,784,732	1,795,241	1,784,732
Retained earnings	5,867,892	5,728,354	3,067,533	3,056,544
Other reserves	(302,113)	(46,155)	88,916	202,263
Equity attributable to Owners of the Company	7,361,020	7,466,931	4,951,690	5,043,539
NON-CONTROLLING INTERESTS - Perpetual securities	2,037,819	2,037,819	-	-
	9,398,839	9,504,750	4,951,690	5,043,539
NON-CONTROLLING INTERESTS - Others	5,167,137	5,233,379	-	-
TOTAL EQUITY	14,565,976	14,738,129	4,951,690	5,043,539

The Group's balance sheet as at 30 September 2018 has been restated to account for the retrospective adjustments on the adoption of the new financial reporting framework, Singapore Financial Reporting Standards (International) framework ("SFRS(I)") and new/revised SFRS(I) as detailed in item 5 of this announcement.

1(b)(ii) Group's Borrowings and Debt Securities

Amount repayable in one year or less, or on demand

	As at 31/03/2019 $'000	As at 30/09/2018 (Restated) $'000
Secured	367,636	1,198,352
Unsecured	2,119,598	1,444,591
	2,487,234	2,642,943

Amount repayable after one year

	As at 31/03/2019 $'000	As at 30/09/2018 (Restated) $'000
Secured	3,815,333	3,091,479
Unsecured	9,289,845	9,211,278
	13,105,178	12,302,757

Details of any collateral

Secured borrowings are generally bank loans secured on certain investment properties, property, plant and equipment 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 group entities.

1(c) Consolidated Cash Flow Statement

	Group			
	2nd quarter to 31/03/2019	2nd quarter to 31/03/2018 (Restated)	6 months to 31/03/2019	6 months to 31/03/2018 (Restated)
	$'000	$'000	$'000	$'000
Cash Flow from Operating Activities				
Profit after taxation	183,731	165,245	397,522	307,810
Adjustments for:				
Depreciation of property, plant and equipment	13,824	13,149	27,476	26,483
Fair value change on investment properties	(31,240)	12	(39,326)	(13,284)
Share of results of joint ventures and associates, net of tax	(31,690)	(52,737)	(64,189)	(83,288)
Amortisation of intangible assets	780	644	1,573	1,264
(Gain)/loss on disposal of property, plant and equipment	(23)	83	7	104
Allowance for/(write-back of allowance) for doubtful trade receivables	44	619	341	(109)
Bad debts written off	14	(19)	32	118
Write-down to net realisable value of properties held for sale	438	-	438	-
Employee share-based expense	4,430	3,605	10,343	10,118
Net fair value change on derivative financial instruments	16,963	13,390	(1,732)	5,199
Interest income	(16,571)	(6,005)	(29,405)	(13,778)
Interest expense	108,679	70,052	206,364	146,757
Tax expense	37,773	46,928	101,681	82,876
Exchange difference	(24,260)	(59,146)	(19,501)	(66,234)
Operating profit before working capital changes	262,892	195,820	591,624	404,036
Change in trade and other receivables	159,430	(168,214)	(208,530)	(247,520)
Change in trade and other payables	103,315	28,912	113,324	(8,193)
Change in properties held for sale	246,674	(736,990)	665,488	(983,703)
Change in inventory	287	606	(357)	(212)
Cash generated from/(used in) operations	772,598	(679,866)	1,161,549	(835,592)
Income taxes paid	(83,637)	(61,885)	(110,417)	(71,355)
Net cash generated from/(used in) Operating Activities	688,961	(741,751)	1,051,132	(906,947)
Cash Flow from Investing Activities				
Acquisition of/development expenditure on investment properties	(171,797)	(648,685)	(225,526)	(816,703)
Purchase of property, plant and equipment	(7,869)	(19,114)	(14,790)	(32,662)
Proceeds from disposal of investment properties	314,104	54,067	444,987	68,653
Proceeds from disposal of property, plant and equipment	239	(49)	268	3
Net investments in/loans to joint ventures and associates	(471,977)	(173,042)	(497,837)	(172,037)
Repayments of loans to joint ventures and associates	916	13,000	916	39,000
Dividends from joint ventures and associates	29,046	35,551	41,913	35,751
Settlement of hedging instruments	6,109	45,629	(40,700)	26,333
Purchase of financial assets	(21,624)	-	(24,822)	-
Purchase of intangible assets	(106)	(19)	(119)	(1,069)
Interest received	15,362	7,785	21,088	11,324
Acquisitions of subsidiaries, net of cash acquired	801	(321,012)	(128,481)	(876,472)
Uplift/(placement) of structured deposits	4,063	1,395	(21,913)	163,966
Net cash used in Investing Activities	(302,733)	(1,004,494)	(445,016)	(1,553,913)

1(c) Consolidated Cash Flow Statement (cont'd)

	Group			
	2nd quarter to 31/03/2019	2nd quarter to 31/03/2018 (Restated)	6 months to 31/03/2019	6 months to 31/03/2018 (Restated)
	$'000	$'000	$'000	$'000
Cash Flow from Financing Activities				
Contributions from non-controlling interests of subsidiaries without change in control	5,881	101,596	10,474	105,778
Dividends paid to non-controlling interests	(35,967)	(36,691)	(148,361)	(124,495)
Dividends paid to shareholders	(181,008)	(180,546)	(181,008)	(180,546)
Proceeds from bank borrowings	1,426,604	1,244,692	2,197,751	2,086,309
Repayments of bank borrowings	(1,178,404)	(61,565)	(1,695,424)	(871,635)
Proceeds from issue of bonds/debentures, net of costs	188,315	282,710	188,718	607,125
Proceeds from issue of perpetual securities, net of costs	-	297,978	-	339,726
Distributions to perpetual securities holders	(38,500)	(31,876)	(47,675)	(34,119)
Interest paid	(112,831)	(70,449)	(196,306)	(143,981)
Issuance costs	(89)	(1,503)	(156)	(1,583)
Repayment of amounts due to non-controlling interests	-	-	-	(9,214)
Net cash generated from Financing Activities	74,001	1,544,346	128,013	1,773,365
Net change in cash and cash equivalents	460,229	(201,899)	734,129	(687,495)
Cash and cash equivalents at beginning of period	2,408,021	1,641,192	2,146,514	2,147,684
Effects of exchange rate on opening cash	(15,703)	(12,033)	(28,096)	(32,929)
Cash and cash equivalents at end of period	2,852,547	1,427,260	2,852,547	1,427,260
Cash and cash equivalents at end of period:				
Fixed deposits, current	674,673	409,791	674,673	409,791
Cash and bank balances	2,182,629	1,018,459	2,182,629	1,018,459
	2,857,302	1,428,250	2,857,302	1,428,250
Bank overdraft, unsecured	(4,755)	(990)	(4,755)	(990)
Cash and cash equivalents at end of period	2,852,547	1,427,260	2,852,547	1,427,260
Analysis of Acquisitions of Subsidiaries				
Net assets acquired:				
Investment properties	(4,759)	347,415	196,451	1,734,575
Intangible assets	(550)	-	-	-
Inventories	7	-	54	-
Trade and other receivables	(544)	4,158	3,646	9,460
Trade and other payables	(420)	(11,356)	(10,915)	(37,479)
Provision for taxation	3,146	(366)	-	(366)
Loans and borrowings	2,362	(18,755)	(55,576)	(825,289)
Cash and cash equivalents	(62)	299	128	13,428
Fair value of net assets	(820)	321,395	133,788	894,329
Less: Non-controlling interests	(43)	(84)	(5,179)	(4,429)
Consideration paid in cash	(863)	321,311	128,609	889,900
Cash and cash equivalents of subsidiaries acquired	62	(299)	(128)	(13,428)
Cash flow on acquisitions, net of cash and cash equivalents acquired	(801)	321,012	128,481	876,472

1(d)(i) Statement of Changes in Equity

Group 2nd quarter ended 31 March 2019	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
Opening balance at 1 January 2019	1,795,241	5,860,062	(168,668)	7,486,635	2,037,819	9,524,454	5,153,972	14,678,426
Profit for the period	-	81,903	-	81,903	38,500	120,403	63,328	183,731
Other comprehensive income								
Net fair value change of cash flow hedges	-	-	(19,939)	(19,939)	-	(19,939)	(3,449)	(23,388)
Foreign currency translation	-	-	(9,702)	(9,702)	-	(9,702)	(16,603)	(26,305)
Share of other comprehensive income of joint ventures and associates	-	-	324	324	-	324	-	324
Other comprehensive income for the period	-	-	(29,317)	(29,317)	-	(29,317)	(20,052)	(49,369)
Total comprehensive income for the period	-	81,903	(29,317)	52,586	38,500	91,086	43,276	134,362
Contributions by and distributions to owners								
Employee share-based expense	-	-	2,828	2,828	-	2,828	-	2,828
Dividend paid	-	(463)	(180,545)	(181,008)	-	(181,008)	(35,967)	(216,975)
Dividend proposed	-	(70,068)	70,068	-	-	-	-	-
Transfer to other reserves	-	(3,521)	3,521	-	-	-	-	-
Total contributions by and distributions to owners	-	(74,052)	(104,128)	(178,180)	-	(178,180)	(35,967)	(214,147)
Changes in ownership interests in subsidiaries								
Units/shares issued to non-controlling interests	-	-	-	-	-	-	5,881	5,881
Acquisitions of subsidiaries with non-controlling interests	-	-	-	-	-	-	43	43
Issuance costs incurred by subsidiaries	-	(21)	-	(21)	-	(21)	(68)	(89)
Total changes in ownership interests in subsidiaries	-	(21)	-	(21)	-	(21)	5,856	5,835
Total transactions with owners in their capacity as owners	-	(74,073)	(104,128)	(178,201)	-	(178,201)	(30,111)	(208,312)
Contributions by and distributions to perpetual securities holders								
Distributions to perpetual securities holders	-	-	-	-	(38,500)	(38,500)	-	(38,500)
Total contributions by and distributions to perpetual securities holders	-	-	-	-	(38,500)	(38,500)	-	(38,500)
Closing balance at 31 March 2019	1,795,241	5,867,892	(302,113)	7,361,020	2,037,819	9,398,839	5,167,137	14,565,976

1(d)(i) **Statement of Changes in Equity** (cont'd)

	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
Group								
2nd quarter ended 31 March 2018								
Opening balance at 1 January 2018 as reported	1,784,732	5,683,954	(304,939)	7,163,747	1,739,841	8,903,588	4,107,518	13,011,106
Effects of changes in accounting policies*	-	(264,434)	393,579	129,145	-	129,145	5,141	134,286
Opening balance at 1 January 2018 as restated	1,784,732	5,419,520	88,640	7,292,892	1,739,841	9,032,733	4,112,659	13,145,392
Profit for the period	-	79,258	-	79,258	31,876	111,134	54,111	165,245
Other comprehensive income								
Net fair value change of cash flow hedges	-	-	20,312	20,312	-	20,312	1,141	21,453
Foreign currency translation	-	-	(36,659)	(36,659)	-	(36,659)	(34,499)	(71,158)
Share of other comprehensive income of joint ventures and associates	-	-	668	668	-	668	-	668
Other comprehensive income for the period	-	-	(15,679)	(15,679)	-	(15,679)	(33,358)	(49,037)
Total comprehensive income for the period	-	79,258	(15,679)	63,579	31,876	95,455	20,753	116,208
Contributions by and distributions to owners								
Employee share-based expense	-	-	2,662	2,662	-	2,662	-	2,662
Dividend paid	-	(416)	(180,130)	(180,546)	-	(180,546)	(36,691)	(217,237)
Dividend proposed	-	(69,889)	69,889	-	-	-	-	-
Transfer to other reserves	-	(2,915)	2,915	-	-	-	-	-
Total contributions by and distributions to owners	-	(73,220)	(104,664)	(177,884)	-	(177,884)	(36,691)	(214,575)
Changes in ownership interests in subsidiaries								
Units issued to non-controlling interests	-	-	-	-	-	-	101,596	101,596
Acquisitions of subsidiaries with non-controlling interests	-	-	-	-	-	-	84	84
Change in interests in subsidiaries without change in control	-	(2,098)	1,110	(988)	-	(988)	988	-
Issuance costs incurred by subsidiaries	-	(373)	-	(373)	-	(373)	(1,130)	(1,503)
Total changes in ownership interests in subsidiaries	-	(2,471)	1,110	(1,361)	-	(1,361)	101,538	100,177
Total transactions with owners in their capacity as owners	-	(75,691)	(103,554)	(179,245)	-	(179,245)	64,847	(114,398)
Contributions by and distributions to perpetual securities holders								
Issue of perpetual securities, net of costs	-	-	-	-	297,978	297,978	-	297,978
Distributions to perpetual securities holders	-	-	-	-	(31,876)	(31,876)	-	(31,876)
Total contributions by and distributions to perpetual securities holders	-	-	-	-	266,102	266,102	-	266,102
Closing balance at 31 March 2018	1,784,732	5,423,087	(30,593)	7,177,226	2,037,819	9,215,045	4,198,259	13,413,304

* Refer to item 5 of this announcement

1(d)(i) Statement of Changes in Equity (cont'd)

Company 2nd quarter ended 31 March 2019	Share Capital $'000	Retained Earnings $'000	Other Reserves $'000	Share-based Compensation Reserve $'000	Dividend Reserve $'000	Total Equity $'000
Opening balance at 1 January 2019	1,795,241	3,048,494	196,565	16,020	180,545	5,040,300
Profit for the period	-	89,570	-	-	-	89,570
Total comprehensive income for the period	-	89,570	-	-	-	89,570
Contributions by and distributions to owners						
Employee share-based expense	-	-	2,828	2,828	-	2,828
Dividend paid	-	(463)	(180,545)	-	(180,545)	(181,008)
Dividend proposed	-	(70,068)	70,068	-	70,068	-
Total contributions by and distributions to owners	-	(70,531)	(107,649)	2,828	(110,477)	(178,180)
Closing balance at 31 March 2019	1,795,241	3,067,533	88,916	18,848	70,068	4,951,690

Company 2nd quarter ended 31 March 2018	Share Capital $'000	Retained Earnings $'000	Other Reserves $'000	Share-based Compensation Reserve $'000	Dividend Reserve $'000	Total Equity $'000
Opening balance at 1 January 2018	1,784,732	3,007,492	194,332	14,202	180,130	4,986,556
Profit for the period	-	(2,729)	-	-	-	(2,729)
Total comprehensive income for the period	-	(2,729)	-	-	-	(2,729)
Contributions by and distributions to owners						
Employee share-based expense	-	-	2,662	2,662	-	2,662
Dividend paid	-	(416)	(180,130)	-	(180,130)	(180,546)
Dividend proposed	-	(69,889)	69,889	-	69,889	-
Total contributions by and distributions to owners	-	(70,305)	(107,579)	2,662	(110,241)	(177,884)
Closing balance at 31 March 2018	1,784,732	2,934,458	86,753	16,864	69,889	4,805,943

1(d)(i) Statement of Changes in Equity (cont'd)

Group 6 months ended 31 March 2019	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
Closing balance at 30 September 2018 as previously reported	1,784,732	6,015,778	(438,459)	7,362,051	2,037,819	9,399,870	5,228,204	14,628,074
Effects of changes in accounting policies*	-	(287,424)	392,304	104,880	-	104,880	5,175	110,055
Closing balance at 30 September 2018 as restated	1,784,732	5,728,354	(46,155)	7,466,931	2,037,819	9,504,750	5,233,379	14,738,129
Effects of adopting SFRS(I) 9*	-	(553)	(19)	(572)	-	(572)	(1)	(573)
Opening balance at 1 October 2018 as restated	1,784,732	5,727,801	(46,174)	7,466,359	2,037,819	9,504,178	5,233,378	14,737,556
Profit for the period	-	220,032	-	220,032	47,675	267,707	129,815	397,522
<u>Other comprehensive income</u>								
Net fair value change of cash flow hedges	-	-	(59,101)	(59,101)	-	(59,101)	(5,523)	(64,624)
Foreign currency translation	-	-	(87,844)	(87,844)	-	(87,844)	(61,599)	(149,443)
Share of other comprehensive income of joint ventures and associates	-	-	(1,127)	(1,127)	-	(1,127)	-	(1,127)
Other comprehensive income for the period	-	-	(148,072)	(148,072)	-	(148,072)	(67,122)	(215,194)
Total comprehensive income for the period	-	220,032	(148,072)	71,960	47,675	119,635	62,693	182,328
<u>Contributions by and distributions to owners</u>								
Ordinary shares issued	10,509	-	(10,509)	-	-	-	-	-
Employee share-based expense	-	-	7,639	7,639	-	7,639	-	7,639
Dividend paid	-	(463)	(180,545)	(181,008)	-	(181,008)	(148,361)	(329,369)
Dividend proposed	-	(70,068)	70,068	-	-	-	-	-
Transfer to other reserves	-	(5,480)	5,480	-	-	-	-	-
Total contributions by and distributions to owners	10,509	(76,011)	(107,867)	(173,369)	-	(173,369)	(148,361)	(321,730)
<u>Changes in ownership interests in subsidiaries</u>								
Units/shares issued to non-controlling interests	-	-	-	-	-	-	10,474	10,474
Acquisitions of subsidiaries with non-controlling interests	-	-	-	-	-	-	5,179	5,179
Change in interests in subsidiaries without change in control	-	(3,894)	-	(3,894)	-	(3,894)	3,894	-
Issuance costs incurred by subsidiaries	-	(36)	-	(36)	-	(36)	(120)	(156)
Total changes in ownership interests in subsidiaries	-	(3,930)	-	(3,930)	-	(3,930)	19,427	15,497
Total transactions with owners in their capacity as owners	10,509	(79,941)	(107,867)	(177,299)	-	(177,299)	(128,934)	(306,233)
<u>Contributions by and distributions to perpetual securities holders</u>								
Distributions to perpetual securities holders	-	-	-	-	(47,675)	(47,675)	-	(47,675)
Total contributions by and distributions to perpetual securities holders	-	-	-	-	(47,675)	(47,675)	-	(47,675)
Closing balance at 31 March 2019	1,795,241	5,867,892	(302,113)	7,361,020	2,037,819	9,398,839	5,167,137	14,565,976

* Refer to item 5 of this announcement

1(d)(i) Statement of Changes in Equity (cont'd)

Group 6 months ended 31 March 2018	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
Opening balance at 1 October 2017 as previously reported	1,774,771	5,590,746	(210,839)	7,154,678	1,698,093	8,852,771	4,196,428	13,049,199
Effects of changes in accounting policies*	-	(270,250)	394,294	124,044	-	124,044	5,164	129,208
Opening balance at 1 October 2017 as restated	1,774,771	5,320,496	183,455	7,278,722	1,698,093	8,976,815	4,201,592	13,178,407
Profit for the period	-	161,429	-	161,429	34,119	195,548	112,262	307,810
Other comprehensive income								
Net fair value change of cash flow hedges	-	-	23,351	23,351	-	23,351	1,949	25,300
Foreign currency translation	-	-	(125,706)	(125,706)	-	(125,706)	(84,084)	(209,790)
Share of other comprehensive income of joint ventures and associates	-	-	921	921	-	921	-	921
Other comprehensive income for the period	-	-	(101,434)	(101,434)	-	(101,434)	(82,135)	(183,569)
Total comprehensive income for the period	-	161,429	(101,434)	59,995	34,119	94,114	30,127	124,241
Contributions by and distributions to owners								
Ordinary shares issued	9,961	-	(9,961)	-	-	-	-	-
Employee share-based expense	-	-	8,331	8,331	-	8,331	-	8,331
Dividend paid	-	(416)	(180,130)	(180,546)	-	(180,546)	(124,495)	(305,041)
Dividend proposed	-	(69,889)	69,889	-	-	-	-	-
Transfer to other reserves	-	(5,635)	5,635	-	-	-	-	-
Total contributions by and distributions to owners	9,961	(75,940)	(106,236)	(172,215)	-	(172,215)	(124,495)	(296,710)
Changes in ownership interests in subsidiaries								
Units issued to non-controlling interests	-	-	-	-	-	-	105,778	105,778
Acquisitions of subsidiaries with non-controlling interests	-	-	-	-	-	-	4,429	4,429
Change in interests in subsidiaries without change in control	-	17,496	(6,378)	11,118	-	11,118	(17,983)	(6,865)
Issuance costs incurred by subsidiaries	-	(394)	-	(394)	-	(394)	(1,189)	(1,583)
Total changes in ownership interests in subsidiaries	-	17,102	(6,378)	10,724	-	10,724	91,035	101,759
Total transactions with owners in their capacity as owners	9,961	(58,838)	(112,614)	(161,491)	-	(161,491)	(33,460)	(194,951)
Contributions by and distributions to perpetual securities holders								
Issue of perpetual securities, net of costs	-	-	-	-	339,726	339,726	-	339,726
Distributions to perpetual securities holders	-	-	-	-	(34,119)	(34,119)	-	(34,119)
Total contributions by and distributions to perpetual securities holders	-	-	-	-	305,607	305,607	-	305,607
Closing balance at 31 March 2018	1,784,732	5,423,087	(30,593)	7,177,226	2,037,819	9,215,045	4,198,259	13,413,304

* Refer to item 5 of this announcement

1(d)(i) Statement of Changes in Equity (cont'd)

Company 6 months ended 31 March 2019	Share Capital $'000	Retained Earnings $'000	Other Reserves $'000	Share-based Compensation Reserve $'000	Dividend Reserve $'000	Total Equity $'000
Opening balance at 1 October 2018	1,784,732	3,056,544	202,263	21,718	180,545	5,043,539
Profit for the period	-	81,520	-	-	-	81,520
Total comprehensive income for the period	-	81,520	-	-	-	81,520
Contributions by and distributions to owners						
Ordinary shares issued	10,509	-	(10,509)	(10,509)	-	-
Employee share-based expense	-	-	7,639	7,639	-	7,639
Dividend paid	-	(463)	(180,545)	-	(180,545)	(181,008)
Dividend proposed	-	(70,068)	70,068	-	70,068	-
Total contributions by and distributions to owners	10,509	(70,531)	(113,347)	(2,870)	(110,477)	(173,369)
Closing balance at 31 March 2019	1,795,241	3,067,533	88,916	18,848	70,068	4,951,690

Company 6 months ended 31 March 2018	Share Capital $'000	Retained Earnings $'000	Other Reserves $'000	Share-based Compensation Reserve $'000	Dividend Reserve $'000	Total Equity $'000
Opening balance at 1 October 2017	1,774,771	3,014,352	198,624	18,494	180,130	4,987,747
Loss for the year	-	(9,589)	-	-	-	(9,589)
Total comprehensive income for the year	-	(9,589)	-	-	-	(9,589)
Contributions by and distributions to owners						
Ordinary shares issued	9,961	-	(9,961)	(9,961)	-	-
Employee share-based expense	-	-	8,331	8,331	-	8,331
Dividend paid	-	(416)	(180,130)	-	(180,130)	(180,546)
Dividend proposed	-	(69,889)	69,889	-	69,889	-
Total contributions by and distributions to owners	9,961	(70,305)	(111,871)	(1,630)	(110,241)	(172,215)
Closing balance at 31 March 2018	1,784,732	2,934,458	86,753	16,864	69,889	4,805,943

1(d)(ii) Issued Share Capital

	No. of ordinary shares	
	2nd quarter to 31/03/2019	1st quarter to 31/12/2018
Issued and fully paid:		
As at beginning of the period	2,919,487,919	2,912,026,619
Issued during the period - pursuant to share plans	-	7,461,300
As at end of the period	2,919,487,919	2,919,487,919

	As at 31/03/2019	As at 31/03/2018
The number of shares awarded conditionally under share plans as at the end of the period	27,992,039	26,989,341

As at 31 March 2019, the Company's issued and paid-up ordinary share capital was $1,795,241,425 comprising 2,919,487,919 ordinary shares.

1(d)(iii) The Company's total number of issued ordinary shares is 2,919,487,919 as at 31 March 2019 and 2,912,026,619 as at 30 September 2018.

1(d)(iv) The Company did not have any treasury shares as at 31 March 2019 and 31 March 2018.

There were no sales, transfers, disposal, cancellation and/or use of treasury shares by the Company for the financial period ended 31 March 2019.

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

Except as disclosed in item 5 below, the Group has 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 2018.

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**

5.1 **Adoption of new financial reporting framework, Singapore Financial Reporting Standards (International) (SFRS (I)) and new/revised SFRS (I)**

In December 2017, the Accounting Standards Council (ASC) issued the Singapore Financial Reporting Standards (International) (SFRS(I)). SFRS(I) comprises standards and interpretations that are equivalent to International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) that are applicable for annual periods beginning on 1 January 2018. The Group's financial statements for the financial year ending 30 September 2019 are prepared in accordance with the SFRS(I).

In adopting the new framework, the Group is required to apply the specific transition requirements in SFRS(I) 1 *First-time Adoption of Singapore Financial Reporting Standards (International)*.

(a) SFRS(I) 1 *First-time Adoption of Singapore Financial Reporting Standards (International)*

On the adoption of SFRS(I) in the financial year ending 30 September 2019, the Group applies SFRS(I) 1 with 1 October 2017 as the date of transition for the Group and the Company. SFRS(I) 1 generally requires that the Group applies SFRS(I) on a retrospective basis, as if such accounting policy had always been applied. If there are changes to accounting policies arising from new or amended standards effective in 2019, restatement of comparatives may be required because SFRS(I) 1 requires both the opening balance sheet and comparative information to be prepared using the most current accounting policies. SFRS(I) 1, however, provides mandatory exceptions and optional exemptions from retrospective application, but these are often different from those specific transition provisions in individual FRSs applied to the FRS financial statements. The application of the mandatory exceptions and the optional exemptions in SFRS(I) 1 does not have any significant impact on the Group's financial statements, except as described below.

(i) Business Combination

The Group elected the optional exemption in SFRS(I) 1 to not restate any business combinations prior to the date of transition.

(ii) Foreign Currency Translation Reserve ("FCTR")

The Group elected the optional exemption in SFRS(I) 1 to reset its cumulative FCTR for all foreign operations to nil at the date of transition, and reclassify the cumulative deficit in FCTR of $394,294,000 as at 1 October 2017 determined in accordance with the Singapore Financial Reporting Standards at that date to retained earnings. After the date of transition, any gain or loss on disposal of any foreign operations will exclude translation differences that arose before the date of transition.

(iii) Borrowing Cost

The Group elected the optional exemption in SFRS(I) 1 to not restate the borrowing cost components that were capitalised under previous Generally Accepted Accounting Principles (GAAP) and that were included in the carrying amount of the assets at that date.

(b) SFRS(I) 15 *Revenue from Contracts with Customers*

SFRS(I) 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It also introduces new cost guidance which requires certain costs of obtaining and fulfilling contracts to be recognised as separate assets when specified criteria are met.

The Group applies all of the requirements of SFRS(I) 15 retrospectively, except for the practical expedients as described below.

- Practical expedient for comparative disclosure of transaction prices allocated to remaining performance obligations: the Group will not disclose the amount of transaction prices allocated to any remaining performance obligations or an explanation of when it expects to recognise the amount as revenue.

- Practical expedient for completed contracts: the Group will not restate completed contracts that began and ended in the same comparative reporting period as well as completed contracts at the beginning of the earliest period presented.

(i) Success-based Sales Commissions

The Group pays sales commissions to property sales agents for securing property sales contracts for the Group on a success basis. The Group capitalises such incremental costs as a contract cost asset under SFRS(I) 15 as they are recoverable. These costs are amortised to profit or loss as the Group recognises the related revenue.

(ii) Amortisation of Contract Costs

Under SFRS(I) 15, the Group recognises construction costs in profit or loss when incurred to the extent of units sold in a development.

(iii) Significant Financing Components arising from Payments from Customers

The Group receives payments from customers for the sale of residential projects. Under certain payment schemes, the time when payments are made by the buyer and the transfer of control of the property to the buyer do not coincide and the difference between the timing of receipt of the payments and the transfer of goods and services is 12 months or more. Accordingly, there may exist a significant financing component arising from payments from buyers. A finance income or finance expenses will be recognised depending on the arrangement.

(c) SFRS(I) 9 *Financial Instruments*

SFRS(I) 9 contains new requirements for classification and measurement of financial instruments, a new expected credit loss model for calculating impairment of financial assets, and new general hedge accounting requirements.

The Group applies the changes in accounting policies resulting from the adoption of SFRS(I) 9 retrospectively, except as described below.

- The Group elects the exemption in SFRS(I) 1 allowing it not to restate comparative information. Differences in the carrying amount of financial assets and financial liabilities resulting from the adoption of SFRS(I) 9 are recognised in accumulated profits and reserves as at 1 October 2018.

- New hedge accounting requirements are applied prospectively. All hedging relationships designated under FRS 39 *Financial Instruments: Recognition and Measurement* at 30 September 2018 that meet the criteria for hedge accounting under SFRS(I) 9 at 1 October 2018 will be regarded as continuing hedging relationships.

The impact on the adoption of SFRS(I) 9 is described below.

(i) Classification and Measurement: Financial Assets

Subsequent changes in the carrying value of the Group's equity investments are recognised in other comprehensive income.

(ii) Impairment

SFRS(I) 9 requires the Group to record expected credit losses on all of its loans and receivables, either on a 12-month or lifetime basis. The Group applies the simplified approach and records lifetime expected losses on all loans and receivables. The impairment calculated using the expected credit loss model does not have a significant impact on the financial statements.

The impact of the adoption of SFRS(I), as described above, on the Group's financial statements is as follows:

	2nd quarter to 31/03/2018 (Reported) $'000	Effects of SFRS(I) 15 $'000	2nd quarter to 31/03/2018 (Restated) $'000
Group Profit Statement			
REVENUE	841,740	(189)	841,551
Cost of sales	(514,128)	(14,933)	(529,061)
Gross Profit	327,612	(15,122)	312,490
Others	(89,912)	-	(89,912)
Share of results of joint ventures and associates, net of tax	52,281	456	52,737
PROFIT BEFORE INTEREST, FAIR VALUE CHANGE, TAXATION AND EXCEPTIONAL ITEMS	289,981	(14,666)	275,315
Others	(64,067)	-	(64,067)
PROFIT BEFORE TAXATION	225,914	(14,666)	211,248
Taxation	(47,762)	1,017	(46,745)
PROFIT FOR THE PERIOD	178,152	(13,649)	164,503
Attributable profit:-			
- Before fair value change and exceptional items	124,247	(13,649)	110,598
- Fair value change	(128)	-	(128)
- Exceptional items	(31)	-	(31)
	124,088	(13,649)	110,439
Non-controlling interests	54,064	-	54,064
PROFIT FOR THE PERIOD	178,152	(13,649)	164,503

	6 months to 31/03/2018 (Reported) $'000	Effects of SFRS(I) 15 $'000	6 months to 31/03/2018 (Restated) $'000
Group Profit Statement			
REVENUE	1,581,770	7,973	1,589,743
Cost of sales	(985,424)	(16,429)	(1,001,853)
Gross Profit	596,346	(8,456)	587,890
Others	(160,149)	-	(160,149)
Share of results of joint ventures and associates, net of tax	82,353	935	83,288
PROFIT BEFORE INTEREST, FAIR VALUE CHANGE, TAXATION AND EXCEPTIONAL ITEMS	518,550	(7,521)	511,029
Others	(120,715)	-	(120,715)
PROFIT BEFORE TAXATION	397,835	(7,521)	390,314
Taxation	(82,911)	35	(82,876)
PROFIT FOR THE PERIOD	314,924	(7,486)	307,438
Attributable profit:-			
- Before fair value change and exceptional items	193,440	(7,486)	185,954
- Fair value change	8,531	-	8,531
- Exceptional items	(1,020)	-	(1,020)
	200,951	(7,486)	193,465
Non-controlling interests	113,973	-	113,973
PROFIT FOR THE PERIOD	314,924	(7,486)	307,438

Group Balance Sheet	As at 30/09/2018 (Reported) $'000	Effects of SFRS(I) 15 $'000	Effects of SFRS(I) 1 $'000	As at 30/09/2018 (Restated) $'000	Effects of SFRS(I) 9 $'000	As at 01/10/2018 (Restated) $'000
Investments in joint ventures	222,729	7,851	-	230,580	-	230,580
Investment in associates	969,824	-	-	969,824	(42)	969,782
Deferred tax assets	60,803	-	-	60,803	67	60,870
Properties held for sale	4,156,966	29,583	-	4,186,549	-	4,186,549
Trade and other receivables	463,901	-	-	463,901	(339)	463,562
Cash and cash equivalents	2,136,448	-	-	2,136,448	(259)	2,136,189
Others	24,410,268	-	-	24,410,268	-	24,410,268
Total Assets	32,420,939	37,434	-	32,458,373	(573)	32,457,800
Trade and other payables	2,084,426	1,252	-	2,085,678	-	2,085,678
Deferred tax liabilities	532,396	7,754	-	540,150	-	540,150
Others	15,176,043	-	-	15,176,043	-	15,176,043
Total Liabilities	17,792,865	9,006	-	17,801,871	-	17,801,871
Retained earnings	6,015,778	30,418	(394,294)	5,651,902	(553)	5,651,349
Other reserves	(438,459)	(1,990)	394,294	(46,155)	(19)	(46,174)
Non-controlling interests - others	5,228,204	-	-	5,228,204	(1)	5,228,203
Others	3,822,551	-	-	3,822,551	-	3,822,551
Total Equity	14,628,074	28,428	-	14,656,502	(573)	14,655,929

Group Balance Sheet	As at 30/09/2017 (Reported) $'000	Effects of SFRS(I) 15 $'000	Effects of SFRS(I) 1 $'000	As at 30/09/2017 (Restated) $'000	As at 01/10/2017 (Restated) $'000
Investments in joint ventures	265,561	5,502	-	271,063	271,063
Properties held for sale	3,452,219	64,087	-	3,516,306	3,516,306
Trade and other receivables	717,274	(8,376)	-	708,898	708,898
Cash and cash equivalents	2,137,275	-	-	2,137,275	2,137,275
Others	20,437,043	-	-	20,437,043	20,437,043
Total Assets	27,009,372	61,213	-	27,070,585	27,070,585
Deferred tax liabilities	327,803	13,464	-	341,267	341,267
Others	13,632,370	-	-	13,632,370	13,632,370
Total Liabilities	13,960,173	13,464	-	13,973,637	13,973,637
Retained earnings	5,590,746	47,749	(394,294)	5,244,201	5,244,201
Other reserves	(210,839)	-	394,294	183,455	183,455
Others	7,669,292	-	-	7,669,292	7,669,292
Total Equity	13,049,199	47,749	-	13,096,948	13,096,948

5.2 Consolidation of the Management Corporation Strata Title Plan No. 1298 ("MCST 1298")

In accordance with FRS 110 *Consolidated Financial Statements*, the Group continuously assesses its control over its investments in non-wholly owned entities. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Under the terms of a by-law lodged by the MCST 1298 with the Building and Construction Authority of Singapore, the MCST 1298 confers, at a fee, to Frasers Property Centrepoint Pte. Ltd., a wholly-owned subsidiary of the Group, the exclusive use and enjoyment of certain parts of common property in the Centrepoint Retail Podium.

Further, the activities of the MCST 1298 are managed by Frasers Property Management Services Pte. Ltd. (the "Managing Agent"), a wholly-owned subsidiary of the Group.

In determining whether the Group has control over the MCST 1298, management considered the proportion of its ownership interest and voting rights, and the Managing Agent's decision-making authority over the MCST 1298, as well as the Group's overall exposure to variable returns, both from the Managing Agent's remuneration and the Group's interest in the Centrepoint Retail Podium.

The consolidation of the MCST 1298 is accounted for retrospectively and the quantitative impact is as follows:

	2nd quarter to 31/03/2018 Inc/(Dec) $'000	**6 months to 31/03/2018 Inc/(Dec) $'000**
Group Profit Statement		
Revenue	(412)	(44)
Profit before interest, fair value change, taxation and exceptional items	948	372
Profit for the period	742	372

	As at 30/09/2018 Inc/(Dec) $'000	**As at 01/10/2017 Inc/(Dec) $'000**
Group Balance Sheet		
Total Assets	104,983	104,832
Total Liabilities	23,356	23,373
Total Equity	81,627	81,459

6. Earnings per ordinary share of the Group

	Group			
	2nd quarter to 31/03/2019	**2nd quarter to 31/03/2018** (Restated)	**6 months to 31/03/2019**	**6 months to 31/03/2018** (Restated)
Earnings per ordinary share ("EPS"):				
(a) Basic EPS (cents)				
- before fair value change and exceptional items	2.09	2.73	6.65	5.29
- after fair value change and exceptional items	2.81	2.72	7.55	5.55
Weighted average number of ordinary shares (millions)	2,919.5	2,912.0	2,916.2	2,909.1
(b) On a fully diluted basis (cents)				
- before fair value change and exceptional items	2.07	2.70	6.59	5.24
- after fair value change and exceptional items	2.78	2.70	7.47	5.50
Weighted average number of ordinary shares (millions)	2,947.5	2,938.6	2,944.2	2,935.7

EPS is calculated by dividing the Group's attributable profit (after adjusting for distributions to perpetual securities holders of $38,500,000 for the 2nd quarter to 31 March 2019 (2nd quarter to 31 March 2018: $31,876,000) and $45,962,000 for the 6 months to 31 March 2019 (6 months to 31 March 2018: $32,384,000)) by the weighted average number of ordinary shares in issue during the financial period. In respect of diluted EPS, the denominator is adjusted for the effects of dilutive potential ordinary shares, which comprise share awards granted to employees.

7. Net asset value per ordinary share based on issued share capital of the issuer at the end of the period

	Group		Company	
	As at 31/03/2019	**As at 30/09/2018** (Restated)	**As at 31/03/2019**	**As at 30/09/2018**
Net asset value per ordinary share based on issued share capital	$2.52	$2.56	$1.70	$1.73

Based on 2,919,487,919 ordinary shares in issue as at the end of the financial period (30 September 2018: 2,912,026,619 ordinary shares).

8. Review of the Group's Performance

<u>Profit Statement – 2nd Quarter to 31 March 2019</u>

Group revenue increased by 11% to $934 million while profit before interest, fair value change, taxation and exceptional items ("PBIT") increased by 3% to $283 million.

The increases in revenue and PBIT were mainly attributable to the timing of sales and settlements of development projects in Australia.

Group attributable profit[1] decreased by 11% to $100 million and basic earnings per share[2] based on weighted average number of ordinary shares on issue was 2.1 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

A. Key Business Segment Results

Singapore SBU

Revenue decreased by 32% to $134 million while PBIT increased by 9% to $97 million. The decrease in revenue was largely due to the absence of revenue contributions from North Park Residences. This was, to some extent, mitigated by revenue contributions from the south wing of Northpoint City and Frasers Tower.

Revenue and PBIT from Singapore residential properties decreased by $78 million and $3 million to $2 million and $5 million, respectively. The decline was mainly due to the absence of profit contributions from North Park Residences following its achievement of Temporary Occupation Permit ("TOP") in October 2018 and full revenue recognition in the first quarter to 31 December 2018.

Revenue and PBIT from Singapore commercial properties increased by $15 million and $12 million to $132 million and $93 million, respectively. These increases were mainly attributed to the commencement of operations at Frasers Tower in May 2018 and higher occupancies at the south wing of Northpoint City. Overall operating results from Frasers Centrepoint Trust and Frasers Commercial Trust were comparable to the corresponding quarter last year.

Australia SBU

Revenue and PBIT grew by 55% and 19% to $482 million and $100 million, respectively. This was largely attributable to sales and settlements from residential projects at Central Park in Chippendale, New South Wales.

Frasers Logistics and Industrial Trust reported higher revenue and PBIT by $12 million and $10 million to $58 million and $45 million, respectively. The increase for the quarter under review was mainly due to its acquisition of properties in Germany and the Netherlands in May 2018.

Hospitality SBU

Revenue and PBIT remained fairly constant at $181 million and $21 million, respectively.

Europe & rest of Asia

Revenue and PBIT decreased by 7% and 18% to $138 million and $77 million, respectively.

In China, revenue and PBIT decreased by $31 million and $20 million to $46 million and $20 million, respectively, following the tapering off of sales and settlements from Phase 3B of Baitang One, Suzhou.

In Thailand, the consolidation of Frasers Property (Thailand) Public Company Limited ("FPT") (formerly known as TICON Industrial Connection Public Company Limited) from April 2018 gave rise to revenue and PBIT for the quarter under review of $21 million and $15 million, respectively. Prior to April 2018, the results of FPT were equity-accounted.

Corporate & Others

Corporate & Others comprises mainly of corporate overheads.

PBIT at $11 million was fairly comparable to the prior comparative quarter.

B. Other Key Profit Statement Items

Share of Results of Joint Ventures and Associates

Share of results of joint ventures and associates decreased by 40% to $32 million compared to the corresponding quarter last year. The decrease was mainly due to the timing of settlements of development projects from the Group's joint ventures in Australia, China and Singapore and the absence of share of results from FPT. With effect from April 2018, following the increased equity investment in FPT, FPT was consolidated as a subsidiary.

The above analyses have been included in the preceding paragraphs in Key Business Segment Results.

Net Interest Expense

Net interest expense increased by $28 million to $92 million.

The increase in net interest expense corresponded with higher debt positions to fund acquisitions compared to the corresponding quarter last year. Following the completion of the south wing of Northpoint City and Frasers Tower, interest expenses were henceforth recognised in the profit statement.

Tax

The effective tax rate ("ETR") of 17.1% is comparable to the Singapore statutory tax rate of 17%, but was lower compared to the corresponding quarter last year (2nd quarter to 31 March 2018: 22.1%), mainly due to a decrease in non-deductible financing costs from certain Singapore investment holding companies.

Profit Statement – 6 months to 31 March 2019

Group revenue and PBIT grew by 27% and 25% to $2,018 million and $638 million, respectively.

The Group recorded development revenue and PBIT contributions from projects in Australia, China and Singapore, and contributions from the south wing of Northpoint City and Frasers Tower in Singapore, the business parks in the United Kingdom ("UK") and the logistics warehouses and factories in Thailand. Recurring income from investment properties anchored the Group's results for the current period, whilst the Group continued to experience the "lumpiness" of timing of development income.

The increase in revenue and PBIT over the comparative period was mainly due to significant revenue and PBIT contributions from residential developments in Australia, including Discovery Point in Wolli Creek and Wonderland and DUO at Central Park in Chippendale, New South Wales, and Phase 3B of Baitang One in Suzhou, China. These were partially mitigated by lower development profits recognised from North Park Residences in Singapore subsequent to its achievement of TOP.

Net interest expense increased by $44 million to $177 million, mainly due to the increase in loans and borrowings to fund acquisitions. Following the completion of the south wing of Northpoint City and Frasers Tower, interest expenses were henceforth recognised in the profit statement.

The ETR of 20.4% (6 months ended 31 March 2018: 21.2%) is in line with the Group's international presence, where certain operations are subject to higher statutory tax rate than that of 17% in Singapore.

Group attributable profit[1] increased by 29% to $240 million and basic earnings per share[2] based on weighted average number of ordinary shares on issue was 6.7 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 2019

The decrease in investment properties of $160 million was mainly due to the divestments of (a) an office tower in Australia for $313 million, (b) a portfolio of logistics and industrial properties in Thailand for $82 million, (c) two properties in the Netherlands for $49 million in the period under review and currency re-alignment losses of $188 million. This decrease was partially offset by the acquisitions of six logistics and industrial properties in continental Europe for $196 million and progressive development expenditure incurred for investment properties of $226 million.

The increase in investments in joint ventures and associates of $538 million was mainly due to the acquisition of approximately 17.8% equity interest in PGIM Real Estate AsiaRetail Fund Limited ("PGIM") of $356 million, the equity injection into associates in Thailand of $125 million, as well as share of results from joint ventures and associates of $64 million.

The decrease in properties held for sale of $667 million was mainly due to the charge out to cost of sales upon the completion of North Park Residences in Singapore and the settlements in the Discovery Point and Central Park projects in New South Wales, Australia. This decrease was partially offset by the acquisition of The Grove, a master planned community in Australia, as well as progressive development expenditures for projects in Australia, Singapore and China.

The increase in trade and other receivables of $197 million was mainly due to the accrual of sales proceeds receivable upon the completion of North Park Residences in Singapore.

The increase in trade and other payables of $157 million was mainly due to the sales proceeds received in advance from Phase 3C2 of Baitang One, Suzhou in China.

The increase in loans and borrowings of $647 million was mainly due to the net drawdown of borrowings of $433 million, including a green loan of $785 million drawn in Singapore to refinance existing loans of $614 million, as well as the issuance of debentures of $214 million.

Group Cash Flow Statement – 2nd Quarter ended 31 March 2019

The net cash outflow from investing activities of $303 million was mainly due to investments in and/or loans to joint ventures and associates of $472 million and acquisitions of/development expenditure on investment properties of $172 million. These were partially offset by proceeds from disposal of investment properties of $314 million and dividends from joint ventures and associates of $29 million. The net cash outflow from investing activities of $1,004 million in the corresponding quarter was mainly due to acquisitions of/development expenditure on investment properties of $649 million, acquisition of subsidiaries of $321 million and investments in and/or loans to joint ventures and associates of $173 million.

The net cash inflow from financing activities of $74 million was mainly due to net proceeds from bank borrowings of $248 million and proceeds from issuance of bonds/debentures of $188 million; and this was partially offset by interest paid of $113 million and dividends paid to shareholders and non-controlling interests of $181 million and $36 million, respectively. The net cash inflow from financing activities of $1,544 million in the corresponding quarter was mainly due to net proceeds from bank borrowings of $1,183 million and proceeds from issuance of bonds/debentures and perpetual securities of $283 million and $298 million, respectively; and these were partially offset by dividends paid to shareholders and non-controlling interests of $181 million and $37 million, 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. Commentary 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

The Ministry of Trade and Industry ("MTI") announced on 12 April 2019 that the Singapore economy grew by 1.3% on a year-on-year ("y-o-y") basis in 1Q 2019, easing slightly from the 1.9% growth in 4Q 2018. For the whole of 2018, the economy grew by 3.2%. MTI expects growth in the Singapore economy to moderate to 1.5%-3.5% in 2019. The manufacturing sector, electronics and precision engineering clusters are expected to see significant moderation in growth. The information & communications sector as well as the education, health & social services segment are expected to remain resilient.

URA's statistical release on 25 April 2019 indicate that Singapore house prices decreased 0.6% in 1Q 2019, a sharper drop than the 0.1% reported in 4Q 2018. This indicates the correction triggered by the cooling measures introduced in July 2018 has not yet run its course. However, lower prices and significant launches in 1Q 2019 may have encouraged more buyers back into the market. Transaction volumes for the Singapore private residential property market increased in 1Q 2019 with 1,838 new private homes sold, 16% higher than the 1,581 units transacted in 1Q 2018.

The Group has sold 87% of Seaside Residences and achieved Temporary Occupation Permit for North Park Residences, which had been fully sold. The Group is preparing for the upcoming sales launch of Rivière, a 455 unit condominium project along the Singapore River. An 80 unit serviced apartment will be integrated into the project as part of the three conserved warehouse buildings on the site.

The Singapore retail environment improved with the Singapore Department of Statistics retail sales index (excluding motor vehicles) increasing month-on-month ("m-o-m") by 1.5% in February 2019. The focus on necessity shopping, healthy mall occupancy and steady shopper traffic continues to underpin the stable performance and resilience of the Group's retail portfolio. Average occupancy rate in the Group's total retail portfolio in Singapore is up 1.8 percentage points y-o-y and achieved a positive rental reversion of 5.0%.

Frasers Property has entered into agreements to acquire approximately 47.8%[1] equity interest in PGIM for approximately $960 million. PGIM owns and manages six retail malls in close proximity to MRT subway stations and an office property in Singapore, and four retail malls in Malaysia.

For the office market, CBRE[2] reported that the overall market continued to look robust with tightening vacancy and increasing rents. Island-wide office vacancy rate reduced to 5.3% as at March 2019 compared to 5.8% as at December 2018. As at end 1Q 2019, average rents increased 3.2% quarter-on-quarter ("q-o-q") to $11.15 per square feet ("psf") per month for Grade A CBD Core, 3.0% q-o-q to $8.55 psf per month for Grade B CBD Core and 2.6% q-o-q to S$7.90 psf per month for island-wide Grade B. According to CBRE, the positive outlook for rents is supported by tapering new supply in the near term.

Asset enhancement works at China Square Central retail podium is on schedule and is targeted for completion in this financial year.

Australia

In the Reserve Bank of Australia's ("RBA") Statement on Monetary Policy Decision released on 2 April 2019[3], the cash rate remained unchanged at 1.5% per annum. The Australian economy continued to be supported by low interest rates while employment growth remained strong. According to RBA, higher levels of spending on public infrastructure, increase in private investment and employment are expected to support growth. RBA expects the gross domestic product ("GDP") to grow by 3.0% in 2019.

[1] Frasers Centrepoint Trust holds a separate stake of approximately 18.8% in PGIM
[2] CBRE, Singapore Market View, Q1 2019
[3] Reserve Bank of Australia Statement on Monetary Policy, February 2019

Despite the health of the economy, CoreLogic[4] reported that housing prices in Sydney, Melbourne and Perth have declined a further 3.2%, 3.4% and 2.9%, respectively, in the quarter ended March 2019. Tighter credit conditions, as well as restrictions on both domestic and international investors have weakened market demand.

The residential division recorded sales of 474 units in 1H FY2019, mainly from projects in New South Wales and Victoria. A high level of planned completions and settlements will under-pin the earnings for FY2019. About 1,590 units are planned for release in FY2019. Frasers Property Australia ("FPA") acquired one new site in Victoria, the Grove, in 1H FY2019, which is expected to yield approximately 1,780 units.

Jones Lang LaSalle reported that national industrial take-up levels have consistently exceeded new completions, resulting in vacancy being at its lowest level in five years across the three major industrial markets of Sydney, Melbourne and Brisbane. Prime face rents have recorded steady year-on-year growth of 3.5% and 2.2% in Sydney and Melbourne, respectively.

The Group's investment property portfolio maintained its strong performance with occupancies of 99.5% (Industrial) and 98.8% (Office). FPA has secured three new industrial sites for development as at April 2019. FPA has sold its 50% share of 2 Southbank Boulevard for approximately $313 million.

Hospitality

Singapore hotels recorded occupancy and room rate growth due to a reprieve in new supply. Room rates and occupancy dipped in Sydney due to significant new supply despite higher domestic and international visitor arrivals. Absence of major events resulted in Brisbane's occupancy and room rates falling. Occupancy and room rates are likely to remain under pressure in Perth and Melbourne as more new supply is expected to enter the market. Hotel rates in Beijing were boosted by corporate and leisure demand and the outlook remains stable. Average hotel revenue per available room ("RevPar") in Shanghai grew marginally, as stronger international arrivals were broadly off-set by significant new supply. In the UK, marginal increases in RevPar were underpinned by improvement in both occupancy and rates as the weak pound continued to support inbound tourism. However, food and beverage revenue remained weak as consumers reduced out of home dining, resulting in a fall in UK's total number of restaurants[5]. Continental Europe's hotel industry remains healthy, with increases in room rates and occupancy supported by growth in the leisure and business sectors.

The Group has signed up new properties in China and Vietnam. Fraser Suites Hamburg and Capri by Fraser, China Square, are projected to be opened by May 2019. As at 31 March 2019, the Group has equity interest in and/or manages over 17,000 units and has signed up about 4,500 units pending openings.

Europe & rest of Asia

The Group continued to deepen its presence in Europe and rest of Asia which is in line with its strategy to grow its footprint in familiar international markets.

The European Union had, on 10 April 2019, extended the deadline for the UK's departure from the bloc ("Brexit") until 31 October 2019. The economy expanded 0.3% in the first quarter of 2019 as consumer spending held up despite uncertainty from Brexit. New leases of 21,000 sqm of business park space were signed for the UK business park portfolio in 1H FY2019.

[4] CoreLogic, Australia Housing Market Update, April 2019
[5] CGA, Market Growth Monitor, February 2019

In Germany[6], logistics assets continue to attract more capital, with investment volumes totaling EUR7.2 billion in 2018 (2017: EUR8.7 billion). Average yields for the major German logistics hubs firmed to 4.1% in 2018 from 4.5% in 2017. In the Netherlands, major occupier logistics and industrial markets recorded strong volumes of transactions in 2018, as prime rents remained competitive. Yields have firmed since the beginning of 2019 to 4.5% in Venlo and 5.0% in Amsterdam and Rotterdam.

In continental Europe, the Group had previously entered into sale and purchase agreements to acquire a portfolio of 22 logistics and light industrial properties located in Germany and Austria and another portfolio of cross-dock facilities in Germany (collectively, the “Industrial and Logistics Portfolio”). The Group has completed the acquisition of another seven properties in the Industrial and Logistics Portfolio in the current financial year to date.

Thailand’s GDP is expected to grow 3.9% in 2019, driven by strong domestic demand. Through One Bangkok Holdings Company Limited, FPT and Golden Land Property Development Public Company Limited (“Golden Land”), the Group is well-positioned to tap into this growth market. FPT is seeking EGM approval on 7 May 2019 for a voluntary tender offer to acquire up to 100% of the share capital of Golden Land with an offer price of THB8.50 per share. The completion of the tender offer will establish FPT as an integrated real estate platform.

China’s housing market has stabilised as the authorities relaxed restrictions to ease the slowing effects of deleveraging and the trade war. The Group sold 359 residential units in 1H FY2019. Phase 4D of Gemdale Megacity residential development in Songjiang, Shanghai and Phase 3C2 of Baitang One residential development in Suzhou are expected to be completed by 4Q FY2019.

Vietnam’s economy expanded by 6.8% in the first quarter of 2019, as it continues to benefit as an alternative location for businesses to establish operations as the US-China trade war continues.

Going forward

The Group will continue to manage its businesses and asset portfolio in a prudent manner across geographies and business segments. Proactive asset and capital management remain key focus areas. Further, the recycling of assets into its sponsored REITs and a continued and disciplined focus on optimal capital structure and costs will be key to the Group. The Group is well positioned, through its real estate platforms in all the key markets it is in, to create asset value through a combination of development and asset/operational enhancement initiatives. In its major markets of Singapore and Australia, the Group will continue to undertake development activities in a measured manner, taking into consideration market conditions. The Group continues to experience the lumpiness of recognition of income from all its development businesses.

[6] Colliers International Deutschland GmbH; Industrial & Logistics Leasing & Investment Market Germany Q1 to Q4 2018; Industrial & Logistics Leasing & Investment Market Netherlands, Jan 2019

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 10 June 2019.

(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 23 May 2019 will be registered before entitlements to the dividend are determined.

Notice is hereby given that the share registers will be closed from 24 to 27 May 2019 for the preparation of dividend warrants.

12. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

Not applicable.

13. Interested Person Transactions

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 28 December 2018, was renewed at the 55th Annual General Meeting of the Company held on 29 January 2019.

Particulars of interested person transactions for the period 1 January 2019 to 31 March 2019 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*	2,665

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

14. Subsequent Events

1. On 11 April 2019, Frasers Property Treasury Pte. Ltd., a wholly-owned subsidiary of the Company, issued S$400 million in aggregate principal amount of 4.98% fixed rate subordinated perpetual securities under its S$5.0 billion Multicurrency Debt Issuance Programme.

2. On 26 April 2019, Frasers Property Investments (Bermuda) Limited ("FPIBL"), a wholly-owned subsidiary of the Company, completed the acquisition of a further 158,145 shares in the capital of PGIM, bringing FPIBL's stake in PGIM to approximately 47.82%.

15. 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.

16. 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 these financial results from 1 January 2019 to 31 March 2019 to be false or misleading in any material respect.

On behalf of the Board

Charles Mak Ming Ying
Director

Panote Sirivadhanabhakdi
Director and Group Chief Executive Officer

BY ORDER OF THE BOARD

Catherine Yeo
Company Secretary
3 May 2019