



Frasers Property Limited
(Formerly known as Frasers Centrepoint Limited)
 Incorporated in Singapore
 Company Registration No. 196300440G

RESULTS FOR THIRD QUARTER ENDED 30 JUNE 2018
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 third quarter ended 30 June 2018.

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

	3rd quarter to 30/06/2018 \$'000	3rd quarter to 30/06/2017 \$'000	Inc/(Dec) %	9 months to 30/06/2018 \$'000	9 months to 30/06/2017 \$'000	Inc/(Dec) %
REVENUE	1,361,453	1,398,585	(2.7)%	2,943,223	3,076,015	(4.3)%
Cost of sales	(949,515)	(1,015,228)	(6.5)%	(1,934,939)	(2,106,921)	(8.2)%
Gross Profit	411,938	383,357	7.5%	1,008,284	969,094	4.0%
Other income/(losses)	2,674	156	N/M	(5,695)	18,829	(130.2)%
Administrative expenses	(94,927)	(70,810)	34.1%	(246,707)	(203,348)	21.3%
TRADING PROFIT	319,685	312,703	2.2%	755,882	784,575	(3.7)%
Share of results of joint ventures and associates, net of tax	40,792	43,942	(7.2)%	123,145	82,443	49.4%
PROFIT BEFORE INTEREST, FAIR VALUE CHANGE, TAXATION AND EXCEPTIONAL ITEMS	360,477	356,645	1.1%	879,027	867,018	1.4%
Interest income	8,951	9,341	(4.2)%	22,729	30,904	(26.5)%
Interest expense	(79,354)	(42,605)	86.3%	(226,111)	(113,694)	98.9%
Net interest expense	(70,403)	(33,264)	111.6%	(203,382)	(82,790)	145.7%
PROFIT BEFORE FAIR VALUE CHANGE, TAXATION AND EXCEPTIONAL ITEMS	290,074	323,381	(10.3)%	675,645	784,228	(13.8)%
Fair value change on investment properties	39,918	-	N/M	53,202	-	N/M
PROFIT BEFORE TAXATION AND EXCEPTIONAL ITEMS	329,992	323,381	2.0%	728,847	784,228	(7.1)%
Exceptional items	974	(182)	N/M	(46)	4,963	N/M
PROFIT BEFORE TAXATION	330,966	323,199	2.4%	728,801	789,191	(7.7)%
Taxation	(69,566)	(74,627)	(6.8)%	(152,477)	(159,690)	(4.5)%
PROFIT FOR THE PERIOD	261,400	248,572	5.2%	576,324	629,501	(8.4)%
Attributable profit:-						
- Before fair value change and exceptional items	166,795	182,405	(8.6)%	360,235	435,606	(17.3)%
- Fair value change	30,322	-	N/M	38,853	-	N/M
- Exceptional items	974	(19)	N/M	(46)	5,540	N/M
	198,091	182,386	8.6%	399,042	441,146	(9.5)%
Non-controlling interests	63,309	66,186	(4.3)%	177,282	188,355	(5.9)%
PROFIT FOR THE PERIOD	261,400	248,572	5.2%	576,324	629,501	(8.4)%

N/M = Not Meaningful

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

	3rd quarter to 30/6/2018 \$'000	3rd quarter to 30/6/2017 \$'000	Inc/(Dec) %	9 months to 30/6/2018 \$'000	9 months to 30/6/2017 \$'000	Inc/(Dec) %
Other items of expenses						
Included in other items of expenses are:						
Allowance for doubtful trade receivables	(27)	(466)	(94.2)%	(1,904)	(1,690)	12.7%
Write-back of allowance for doubtful trade receivables	598	216	176.9%	2,584	2,282	13.2%
Bad debts written off	(170)	(3)	N/M	(288)	(6)	N/M
Depreciation of property, plant and equipment	(13,956)	(15,217)	(8.3)%	(40,439)	(44,363)	(8.8)%
Amortisation of intangible assets	(639)	(236)	170.8%	(1,903)	(936)	103.3%
Employee share-based expense	(2,058)	(3,852)	(46.6)%	(12,176)	(11,051)	10.2%
Other income/(losses)						
Included in other income/(losses) are:						
Net fair value change on derivative financial instruments	41,015	3,977	N/M	35,816	18,831	90.2%
Foreign exchange loss	(39,412)	(4,262)	N/M	(43,030)	(1,015)	N/M
Loss on disposal of property, plant and equipment	(55)	(240)	(77.1)%	(159)	(282)	(43.6)%
Taxation						
Overprovision in prior years taxation	1,204	140	N/M	1,760	2,438	(27.8)%
Exceptional items						
Write-back of transaction costs on disposal of investment properties	983	-	N/M	65	-	N/M
Non-capitalisable expenses in relation to the acquisitions of properties	(9)	(209)	(95.7)%	(111)	(740)	(85.0)%
Gain on acquisition of associates	-	27	N/M	-	5,703	N/M
	974	(182)		(46)	4,963	
Profit before interest, fair value change, taxation and exceptional items as a percentage of revenue	26.5%	25.5%		29.9%	28.2%	

N/M = Not Meaningful

1(a)(iii) ADDITIONAL INFORMATION

	3rd quarter to 30/06/2018 \$'000	3rd quarter to 30/06/2017 \$'000	9 months to 30/06/2018 \$'000	9 months to 30/06/2017 \$'000
Group revenue and profit analysis				
Revenue				
By Business Segment				
Singapore SBU	680,142	243,075	1,129,933	620,415
Australia SBU	288,319	682,478	805,705	1,204,657
Hospitality SBU	197,780	199,530	595,274	595,754
Europe & rest of Asia	195,122	273,433	411,105	654,821
Corporate & Others	90	69	1,206	368
	<u>1,361,453</u>	<u>1,398,585</u>	<u>2,943,223</u>	<u>3,076,015</u>
By Geographical Segment				
Singapore	738,574	240,303	1,183,697	611,709
Australia	316,324	733,150	963,013	1,385,896
Europe	143,306	354,703	434,334	569,698
China	118,008	13,206	224,682	353,154
Others *	45,241	57,223	137,497	155,558
	<u>1,361,453</u>	<u>1,398,585</u>	<u>2,943,223</u>	<u>3,076,015</u>
Profit before interest, fair value change, taxation and exceptional items				
By Business Segment				
Singapore SBU	160,955	90,406	353,014	281,035
Australia SBU	71,057	160,834	223,899	255,015
Hospitality SBU	32,591	32,184	92,146	113,559
Europe & rest of Asia	99,577	87,075	234,906	243,042
Corporate & Others	(3,703)	(13,854)	(24,938)	(25,633)
	<u>360,477</u>	<u>356,645</u>	<u>879,027</u>	<u>867,018</u>
By Geographical Segment				
Singapore	153,067	70,478	309,790	251,207
Australia	81,600	179,296	271,313	319,578
Europe	49,271	56,502	132,126	88,964
China	45,436	35,378	84,868	165,251
Others *	31,103	14,991	80,930	42,018
	<u>360,477</u>	<u>356,645</u>	<u>879,027</u>	<u>867,018</u>
Attributable profit				
By Business Segment				
Singapore SBU	68,084	30,792	123,400	98,029
Australia SBU	20,378	79,025	60,368	96,504
Hospitality SBU	(1,627)	(704)	(10,227)	9,319
Europe & rest of Asia	49,836	60,443	125,663	170,777
Corporate & Others	30,124	12,849	61,031	60,977
	<u>166,795</u>	<u>182,405</u>	<u>360,235</u>	<u>435,606</u>
Fair value change on investment properties	30,322	-	38,853	-
Exceptional items	974	(19)	(46)	5,540
	<u>198,091</u>	<u>182,386</u>	<u>399,042</u>	<u>441,146</u>
Non-controlling interests	63,309	66,186	177,282	188,355
	<u>261,400</u>	<u>248,572</u>	<u>576,324</u>	<u>629,501</u>

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

1(a)(iv) STATEMENT OF COMPREHENSIVE INCOME

	Group			
	3rd quarter to 30/6/2018 \$'000	3rd quarter to 30/6/2017 \$'000	9 months to 30/6/2018 \$'000	9 months to 30/6/2017 \$'000
PROFIT FOR THE PERIOD	261,400	248,572	576,324	629,501
OTHER COMPREHENSIVE INCOME				
Items that may be reclassified subsequently to profit statement:				
Net fair value change of cash flow hedges	(3,706)	(13,181)	21,594	19,252
Foreign currency translation	(39,766)	(77,890)	(248,214)	31,808
Share of other comprehensive income of joint ventures and associates	318	(1,689)	1,239	(1,881)
Other comprehensive income for the period, net of tax	(43,154)	(92,760)	(225,381)	49,179
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	218,246	155,812	350,943	678,680
PROFIT FOR THE PERIOD				
Attributable to:-				
Shareholders of the Company	190,168	181,909	358,735	408,309
Holders of perpetual securities	9,631	2,207	43,750	36,326
Non-controlling interests ¹	61,601	64,456	173,839	184,866
	261,400	248,572	576,324	629,501
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD				
Attributable to:-				
Shareholders of the Company	149,264	114,058	217,739	440,844
Holders of perpetual securities	9,631	2,207	43,750	36,326
Non-controlling interests ¹	59,351	39,547	89,454	201,510
	218,246	155,812	350,943	678,680

¹ after adjusting for non-controlling interests' share of distributions to perpetual securities holders of \$1,708,000 for the 3rd quarter to 30 June 2018 (3rd quarter to 30 June 2017: \$1,730,000) and \$3,443,000 for the 9 months to 30 June 2018 (9 months to 30 June 2017: \$3,489,000).

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 30/6/2018 \$'000	As at 30/9/2017 \$'000	As at 30/6/2018 \$'000	As at 30/9/2017 \$'000
NON-CURRENT ASSETS				
Investment properties	20,181,215	15,817,282	1,500	1,500
Property, plant and equipment	2,223,461	2,240,724	-	1
Investments in:				
- Subsidiaries	-	-	1,798,458	1,799,896
- Joint ventures	267,380	265,561	500	500
- Associates	928,517	1,166,096	-	-
Financial assets	2,173	2,162	2,148	2,148
Intangible assets	833,332	763,140	-	-
Prepayments	6,347	3,963	-	-
Other receivables	267,081	238,692	3,197,495	3,175,075
Deferred tax assets	35,244	34,842	-	-
Derivative financial instruments	24,792	4,279	8,370	73
	24,769,542	20,536,741	5,008,471	4,979,193
CURRENT ASSETS				
Inventory	6,594	5,491	-	-
Properties held for sale	4,084,655	3,452,219	-	-
Prepaid land and development costs	80	76,038	-	-
Other prepayments	63,694	50,217	2,934	153
Trade and other receivables	666,818	478,582	252,840	219,583
Derivative financial instruments	14,382	604	1,866	90
Bank deposits	217,028	272,205	-	-
Cash and cash equivalents	1,924,805	2,137,275	8,404	45,432
	6,978,056	6,472,631	266,044	265,258
TOTAL ASSETS	31,747,598	27,009,372	5,274,515	5,244,451
CURRENT LIABILITIES				
Trade and other payables	1,837,669	1,611,206	254,765	205,498
Derivative financial instruments	8,513	15,051	-	2,090
Provision for taxation	179,966	159,656	10,430	11,405
Loans and borrowings	2,756,843	1,571,718	-	-
	4,782,991	3,357,631	265,195	218,993
NET CURRENT ASSETS	2,195,065	3,115,000	849	46,265
	26,964,607	23,651,741	5,009,320	5,025,458
NON-CURRENT LIABILITIES				
Other payables	181,166	130,910	8,527	985
Derivative financial instruments	56,452	87,703	21,654	36,726
Deferred tax liabilities	440,884	327,803	-	-
Loans and borrowings	12,078,990	10,056,126	-	-
	12,757,492	10,602,542	30,181	37,711
NET ASSETS	14,207,115	13,049,199	4,979,139	4,987,747
SHARE CAPITAL AND RESERVES				
Share capital	1,784,732	1,774,771	1,784,732	1,774,771
Retained earnings	5,886,223	5,590,746	3,175,920	3,014,352
Other reserves	(529,204)	(210,839)	18,487	198,624
Equity attributable to Owners of the Company	7,141,751	7,154,678	4,979,139	4,987,747
NON-CONTROLLING INTERESTS - Perpetual securities	2,037,819	1,698,093	-	-
	9,179,570	8,852,771	4,979,139	4,987,747
NON-CONTROLLING INTERESTS - Others	5,027,545	4,196,428	-	-
TOTAL EQUITY	14,207,115	13,049,199	4,979,139	4,987,747

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 30/06/2018 \$'000	As at 30/09/2017 \$'000
Secured	1,933,333	978,299
Unsecured	823,510	593,419
	<u>2,756,843</u>	<u>1,571,718</u>

Amount repayable after one year

	As at 30/06/2018 \$'000	As at 30/09/2017 \$'000
Secured	1,933,375	2,072,690
Unsecured	10,145,615	7,983,436
	<u>12,078,990</u>	<u>10,056,126</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			
	3rd quarter to 30/06/2018 \$'000	3rd quarter to 30/06/2017 \$'000	9 months to 30/06/2018 \$'000	9 months to 30/06/2017 \$'000
Cash Flow from Operating Activities				
Profit after taxation	261,400	248,572	576,324	629,501
Adjustments for:				
Depreciation of property, plant and equipment	13,956	15,217	40,439	44,363
Fair value change on investment properties	(39,918)	-	(53,202)	-
Share of results of joint ventures and associates, net of tax	(40,792)	(43,942)	(123,145)	(82,443)
Amortisation of intangible assets	639	236	1,903	936
Loss on disposal of property, plant and equipment	55	240	159	282
(Write-back of)/allowance for doubtful trade receivables	(571)	250	(680)	(592)
Bad debts written off	170	3	288	6
Employee share-based expense	2,058	3,852	12,176	11,051
Gain on acquisitions of associates	-	(27)	-	(5,703)
Net fair value change on derivative financial instruments	(41,015)	(3,977)	(35,816)	(18,831)
Interest income	(8,951)	(9,341)	(22,729)	(30,904)
Interest expense	79,354	42,605	226,111	113,694
Tax expense	69,566	74,627	152,477	159,690
Exchange difference	10,604	(49,853)	(69,678)	(4,092)
Operating profit before working capital changes	<u>306,555</u>	<u>278,462</u>	<u>704,627</u>	<u>816,958</u>
Change in trade and other receivables	(148,694)	14,491	(371,033)	137,843
Change in trade and other payables	231,795	(230,995)	222,297	(516,817)
Change in properties held for sale	380,695	600,065	(621,756)	431,458
Change in inventory	(891)	191	(1,103)	370
Cash generated from/(used in) operations	<u>769,460</u>	<u>662,214</u>	<u>(66,968)</u>	<u>869,812</u>
Income taxes paid	<u>(39,653)</u>	<u>(16,459)</u>	<u>(111,008)</u>	<u>(125,885)</u>
Net cash generated from/(used in) operating activities	<u>729,807</u>	<u>645,755</u>	<u>(177,976)</u>	<u>743,927</u>
Cash Flow from Investing Activities				
Acquisition of/development expenditure on investment properties	(411,000)	(178,969)	(1,227,703)	(577,351)
Purchase of property, plant and equipment	(19,426)	(12,534)	(52,088)	(305,270)
Proceeds from disposal of investment properties	(2,035)	-	66,618	-
Proceeds from disposal of property, plant and equipment	496	212	499	212
Net investments in/loans to joint ventures and associates	107,767	(10,687)	(64,270)	(588,284)
Repayments of loans from joint ventures and associates	-	46,243	39,000	86,399
Dividends from joint ventures and associates	39,778	5,330	75,529	75,453
Settlement of hedging instruments	(42,483)	464	(16,150)	(3,081)
Purchase of intangible assets	(394)	-	(1,465)	-
Interest received	8,474	7,750	19,798	30,686
Acquisitions of subsidiaries, net of cash acquired	180,030	(21,617)	(696,442)	(21,617)
(Placements)/uplift of structured deposits	<u>(106,118)</u>	<u>(64,796)</u>	<u>57,848</u>	<u>157,786</u>
Net cash used in investing activities	<u>(244,911)</u>	<u>(228,604)</u>	<u>(1,798,826)</u>	<u>(1,145,067)</u>

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

	Group			
	3rd quarter to 30/6/2018 \$'000	3rd quarter to 30/6/2017 \$'000	9 months to 30/6/2018 \$'000	9 months to 30/6/2017 \$'000
Cash Flow from Financing Activities				
Contributions from non-controlling interests of subsidiaries without change in control	380,358	4,104	486,136	218,887
Dividends paid to non-controlling interests	(101,329)	(106,938)	(225,824)	(229,279)
Dividends paid to shareholders	(69,889)	(69,728)	(250,435)	(249,858)
Proceeds from bank borrowings	492,513	897,950	2,578,822	1,706,921
Repayments of bank borrowings	(463,237)	(1,295,232)	(1,334,722)	(1,957,961)
Proceeds from issue of bonds/debentures, net of costs	(124,619)	301,289	482,506	846,927
Proceeds from issue of perpetual securities, net of costs	-	-	339,726	-
Distributions to perpetual securities holders	(9,631)	(2,207)	(43,750)	(36,326)
Write-back of perpetual securities issuance costs	-	-	-	20
Interest paid	(74,508)	(36,873)	(218,489)	(115,625)
Issuance costs	(4,566)	(85)	(6,149)	(2,530)
Repayment of amounts due to non-controlling interests	-	-	(9,214)	-
Net cash generated from/(used in) financing activities	25,092	(307,720)	1,798,607	181,176
Net change in cash and cash equivalents	509,988	109,431	(178,195)	(219,964)
Cash and cash equivalents at beginning of period	1,414,633	1,410,455	2,135,745	1,728,197
Effects of exchange rate on opening cash	(1,605)	(7,714)	(34,534)	3,939
Cash and cash equivalents at end of period	1,923,016	1,512,172	1,923,016	1,512,172
Cash and cash equivalents at end of period:				
Fixed deposits, current	830,490	476,791	830,490	476,791
Cash and bank balances	1,094,315	1,038,843	1,094,315	1,038,843
	1,924,805	1,515,634	1,924,805	1,515,634
Bank overdraft, unsecured	(1,789)	(3,462)	(1,789)	(3,462)
Cash and cash equivalents at end of period	1,923,016	1,512,172	1,923,016	1,512,172
Analysis of Acquisitions of Subsidiaries				
Net assets acquired:				
Investment properties	1,576,012	-	3,310,587	-
Property, plant and equipment	4,776	-	4,776	-
Investments in joint ventures and associates	247,994	-	247,994	-
Intangible assets	60,351	-	60,351	-
Properties held for sale	1,698	30,792	1,698	30,792
Non-current assets	11	-	11	-
Trade and other receivables	35,593	97	45,053	97
Trade and other payables	(47,675)	(4)	(85,154)	(4)
Provision for taxation	(3,431)	-	(3,797)	-
Loans and borrowings	(766,738)	-	(1,592,027)	-
Deferred tax liabilities	(93,090)	-	(93,090)	-
Cash and cash equivalents	337,808	8	351,236	8
Fair value of net assets	1,353,309	30,893	2,247,638	30,893
Less: Non-controlling interests acquired	(5,403)	-	(5,403)	-
Less: Non-controlling interests	(647,071)	(9,268)	(651,500)	(9,268)
Less: Amounts previously accounted for as investment in an associate	(576,704)	-	(576,704)	-
Goodwill on acquisitions of subsidiaries	33,647	-	33,647	-
Consideration paid in cash	157,778	21,625	1,047,678	21,625
Cash and cash equivalents of subsidiaries acquired	(337,808)	(8)	(351,236)	(8)
Cash flow on acquisitions, net of cash and cash equivalents acquired	(180,030)	21,617	696,442	21,617

- 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
3rd quarter ended 30 June 2018								
Opening balance at 1 April 2018	1,784,732	5,700,475	(423,545)	7,061,662	2,037,819	9,099,481	4,193,071	13,292,552
Profit for the period	-	190,168	-	190,168	9,631	199,799	61,601	261,400
<u>Other comprehensive income</u>								
Net fair value change of cash flow hedges	-	-	(4,740)	(4,740)	-	(4,740)	1,034	(3,706)
Foreign currency translation	-	-	(36,482)	(36,482)	-	(36,482)	(3,284)	(39,766)
Share of other comprehensive income of joint ventures and associates	-	-	318	318	-	318	-	318
Other comprehensive income for the period	-	-	(40,904)	(40,904)	-	(40,904)	(2,250)	(43,154)
Total comprehensive income for the period	-	190,168	(40,904)	149,264	9,631	158,895	59,351	218,246
<u>Contributions by and distributions to owners</u>								
Employee share-based expense	-	-	1,623	1,623	-	1,623	-	1,623
Dividend paid	-	-	(69,889)	(69,889)	-	(69,889)	(101,329)	(171,218)
Transfer to other reserves	-	(3,511)	3,511	-	-	-	-	-
Total contributions by and distributions to owners	-	(3,511)	(64,755)	(68,266)	-	(68,266)	(101,329)	(169,595)
<u>Changes in ownership interests in subsidiaries</u>								
Units issued to non-controlling interests	-	-	-	-	-	-	380,358	380,358
Acquisitions of subsidiaries with non-controlling interests	-	-	-	-	-	-	652,474	652,474
Change in interests in subsidiaries without change in control	-	-	-	-	-	-	(152,723)	(152,723)
Issuance costs incurred by subsidiaries	-	(909)	-	(909)	-	(909)	(3,657)	(4,566)
Total changes in ownership interests in subsidiaries	-	(909)	-	(909)	-	(909)	876,452	875,543
Total transactions with owners in their capacity as owners	-	(4,420)	(64,755)	(69,175)	-	(69,175)	775,123	705,948
<u>Contributions by and distributions to perpetual securities holders</u>								
Distributions to perpetual securities holders	-	-	-	-	(9,631)	(9,631)	-	(9,631)
Total contributions by and distributions to perpetual securities holders	-	-	-	-	(9,631)	(9,631)	-	(9,631)
Closing balance at 30 June 2018	1,784,732	5,886,223	(529,204)	7,141,751	2,037,819	9,179,570	5,027,545	14,207,115

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								
3rd quarter ended 30 June 2017								
Opening balance at 1 April 2017	1,774,771	5,367,550	(332,027)	6,810,294	1,391,803	8,202,097	4,043,059	12,245,156
Profit for the period	-	181,909	-	181,909	2,207	184,116	64,456	248,572
<u>Other comprehensive income</u>								
Net fair value change of cash flow hedges	-	-	(11,410)	(11,410)	-	(11,410)	(1,771)	(13,181)
Foreign currency translation	-	-	(54,751)	(54,751)	-	(54,751)	(23,138)	(77,889)
Share of other comprehensive income of joint ventures and associates	-	-	(1,689)	(1,689)	-	(1,689)	-	(1,689)
Other comprehensive income for the period	-	-	(67,850)	(67,850)	-	(67,850)	(24,909)	(92,759)
Total comprehensive income for the period	-	181,909	(67,850)	114,059	2,207	116,266	39,547	155,813
<u>Contributions by and distributions to owners</u>								
Employee share-based expense	-	-	2,471	2,471	-	2,471	-	2,471
Dividend paid	-	-	(69,728)	(69,728)	-	(69,728)	(106,938)	(176,666)
Transfer to other reserves	-	(276)	276	-	-	-	-	-
Total contributions by and distributions to owners	-	(276)	(66,981)	(67,257)	-	(67,257)	(106,938)	(174,195)
<u>Changes in ownership interests in subsidiaries</u>								
Units issued to non-controlling interests	-	-	-	-	-	-	4,104	4,104
Acquisition of subsidiary with non-controlling interests	-	-	-	-	-	-	9,268	9,268
Issuance costs incurred by subsidiaries	-	(23)	-	(23)	-	(23)	(62)	(85)
Total changes in ownership interests in subsidiaries	-	(23)	-	(23)	-	(23)	13,310	13,287
Total transactions with owners in their capacity as owners	-	(299)	(66,981)	(67,280)	-	(67,280)	(93,628)	(160,908)
<u>Contributions by and distributions to perpetual securities holders</u>								
Distributions to perpetual securities holders	-	-	-	-	(2,207)	(2,207)	-	(2,207)
Total contributions by and distributions to perpetual securities holders	-	-	-	-	(2,207)	(2,207)	-	(2,207)
Closing balance at 30 June 2017	1,774,771	5,549,160	(466,858)	6,857,073	1,391,803	8,248,876	3,988,978	12,237,854

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

	Share Capital \$'000	Retained Earnings \$'000	Other Reserves \$'000	Share-based Compensation Reserve \$'000	Dividend Reserve \$'000	Total Equity \$'000
Company						
3rd quarter ended 30 June 2018						
Opening balance at 1 April 2018	1,784,732	2,934,458	86,753	16,864	69,889	4,805,943
Profit for the period	-	241,462	-	-	-	241,462
Total comprehensive income for the period	-	241,462	-	-	-	241,462
<u>Contributions by and distributions to owners</u>						
Employee share-based expense	-	-	1,623	1,623	-	1,623
Dividend paid	-	-	(69,889)	-	(69,889)	(69,889)
Total contributions by and distributions to owners	-	-	(68,266)	1,623	(69,889)	(68,266)
Closing balance at 30 June 2018	1,784,732	3,175,920	18,487	18,487	-	4,979,139

	Share Capital \$'000	Retained Earnings \$'000	Other Reserves \$'000	Hedging Reserve \$'000	Share-based Compensation Reserve \$'000	Dividend Reserve \$'000	Total Equity \$'000
Company							
3rd quarter ended 30 June 2017							
Opening balance at 1 April 2017	1,774,771	3,078,083	83,393	-	13,665	69,728	4,936,247
Profit for the period	-	12,396	-	-	-	-	12,396
Total comprehensive income for the period	-	12,396	-	-	-	-	12,396
<u>Contributions by and distributions to owners</u>							
Employee share-based expense	-	-	2,471	-	2,471	-	2,471
Dividend paid	-	-	(69,728)	-	-	(69,728)	(69,728)
Total contributions by and distributions to owners	-	-	(67,257)	-	2,471	(69,728)	(67,257)
Closing balance at 30 June 2017	1,774,771	3,090,479	16,136	-	16,136	-	4,881,386

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
9 months ended 30 June 2018								
Opening balance at 1 October 2017	1,774,771	5,590,746	(210,839)	7,154,678	1,698,093	8,852,771	4,196,428	13,049,199
Profit for the period	-	358,735	-	358,735	43,750	402,485	173,839	576,324
<u>Other comprehensive income</u>								
Net fair value change of cash flow hedges	-	-	18,611	18,611	-	18,611	2,983	21,594
Foreign currency translation	-	-	(160,846)	(160,846)	-	(160,846)	(87,368)	(248,214)
Share of other comprehensive income of joint ventures and associates	-	-	1,239	1,239	-	1,239	-	1,239
Other comprehensive income for the period	-	-	(140,996)	(140,996)	-	(140,996)	(84,385)	(225,381)
Total comprehensive income for the period	-	358,735	(140,996)	217,739	43,750	261,489	89,454	350,943
<u>Contributions by and distributions to owners</u>								
Ordinary shares issued	9,961	-	(9,961)	-	-	-	-	-
Employee share-based expense	-	-	9,954	9,954	-	9,954	-	9,954
Dividend paid	-	(416)	(250,019)	(250,435)	-	(250,435)	(225,824)	(476,259)
Dividend proposed	-	(69,889)	69,889	-	-	-	-	-
Transfer to other reserves	-	(9,146)	9,146	-	-	-	-	-
Total contributions by and distributions to owners	9,961	(79,451)	(170,991)	(240,481)	-	(240,481)	(225,824)	(466,305)
<u>Changes in ownership interests in subsidiaries</u>								
Units issued to non-controlling interests	-	-	-	-	-	-	486,136	486,136
Acquisitions of subsidiaries with non-controlling interests	-	-	-	-	-	-	656,903	656,903
Change in interests in subsidiaries without change in control	-	17,496	(6,378)	11,118	-	11,118	(170,706)	(159,588)
Issuance costs incurred by subsidiaries	-	(1,303)	-	(1,303)	-	(1,303)	(4,846)	(6,149)
Total changes in ownership interests in subsidiaries	-	16,193	(6,378)	9,815	-	9,815	967,487	977,302
Total transactions with owners in their capacity as owners	9,961	(63,258)	(177,369)	(230,666)	-	(230,666)	741,663	510,997
<u>Contributions by and distributions to perpetual securities holders</u>								
Issue of perpetual securities, net of costs	-	-	-	-	339,726	339,726	-	339,726
Distributions to perpetual securities holders	-	-	-	-	(43,750)	(43,750)	-	(43,750)
Total contributions by and distributions to perpetual securities holders	-	-	-	-	295,976	295,976	-	295,976
Closing balance at 30 June 2018	1,784,732	5,886,223	(529,204)	7,141,751	2,037,819	9,179,570	5,027,545	14,207,115

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
9 months ended 30 June 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	-	408,309	-	408,309	36,326	444,635	184,866	629,501
<u>Other comprehensive income</u>								
Net fair value change of cash flow hedges	-	-	10,882	10,882	-	10,882	8,370	19,252
Foreign currency translation	-	-	23,535	23,535	-	23,535	8,274	31,809
Share of other comprehensive income of joint ventures and associates	-	-	(1,881)	(1,881)	-	(1,881)	-	(1,881)
Other comprehensive income for the period	-	-	32,536	32,536	-	32,536	16,644	49,180
Total comprehensive income for the period	-	408,309	32,536	440,845	36,326	477,171	201,510	678,681
<u>Contributions by and distributions to owners</u>								
Ordinary shares issued	7,971	-	(7,971)	-	-	-	-	-
Employee share-based expense	-	-	5,507	5,507	-	5,507	-	5,507
Dividend paid	-	(330)	(249,528)	(249,858)	-	(249,858)	(229,279)	(479,137)
Dividend proposed	-	(69,728)	69,728	-	-	-	-	-
Transfer to other reserves	-	(10,603)	10,603	-	-	-	-	-
Total contributions by and distributions to owners	7,971	(80,661)	(171,661)	(244,351)	-	(244,351)	(229,279)	(473,630)
<u>Changes in ownership interests in subsidiaries</u>								
Units issued to non-controlling interests	-	-	-	-	-	-	218,887	218,887
Acquisition of subsidiary with non-controlling interests	-	-	-	-	-	-	9,268	9,268
Issuance costs incurred by subsidiaries	-	(561)	-	(561)	-	(561)	(1,969)	(2,530)
Total changes in ownership interests in subsidiaries	-	(561)	-	(561)	-	(561)	226,186	225,625
Total transactions with owners in their capacity as owners	7,971	(81,222)	(171,661)	(244,912)	-	(244,912)	(3,093)	(248,005)
<u>Contributions by and distributions to perpetual securities holders</u>								
Write-back of issuance costs	-	-	-	-	20	20	-	20
Distributions to perpetual securities holders	-	-	-	-	(36,326)	(36,326)	-	(36,326)
Total contributions by and distributions to perpetual securities holders	-	-	-	-	(36,306)	(36,306)	-	(36,306)
Closing balance at 30 June 2017	1,774,771	5,549,160	(466,858)	6,857,073	1,391,803	8,248,876	3,988,978	12,237,854

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

	Share Capital \$'000	Retained Earnings \$'000	Other Reserves \$'000	Share-based Compensation Reserve \$'000	Dividend Reserve \$'000	Total Equity \$'000
Company						
9 months ended 30 June 2018						
Opening balance at 1 October 2017	1,774,771	3,014,352	198,624	18,494	180,130	4,987,747
Profit for the period	-	231,873	-	-	-	231,873
Total comprehensive income for the period	-	231,873	-	-	-	231,873
<u>Contributions by and distributions to owners</u>						
Ordinary shares issued	9,961	-	(9,961)	(9,961)	-	-
Employee share-based expense	-	-	9,954	9,954	-	9,954
Dividend paid	-	(416)	(250,019)	-	(250,019)	(250,435)
Dividend proposed	-	(69,889)	69,889	-	69,889	-
Total contributions by and distributions to owners	9,961	(70,305)	(180,137)	(7)	(180,130)	(240,481)
Closing balance at 30 June 2018	1,784,732	3,175,920	18,487	18,487	-	4,979,139

	Share Capital \$'000	Retained Earnings \$'000	Other Reserves \$'000	Hedging Reserve \$'000	Share-based Compensation Reserve \$'000	Dividend Reserve \$'000	Total Equity \$'000
Company							
9 months ended 30 June 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	-	127,323	-	-	-	-	127,323
<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	-	127,323	(3,700)	(3,700)	-	-	123,623
<u>Contributions by and distributions to owners</u>							
Ordinary shares issued	7,971	-	(7,971)	-	(7,971)	-	-
Employee share-based expense	-	-	5,508	-	5,508	-	5,508
Dividend paid	-	(330)	(249,528)	-	-	(249,528)	(249,858)
Dividend proposed	-	(69,728)	69,728	-	-	69,728	-
Total contributions by and distributions to owners	7,971	(70,058)	(182,263)	-	(2,463)	(179,800)	(244,350)
Closing balance at 30 June 2017	1,774,771	3,090,478	16,137	-	16,137	-	4,881,386

1(d)(ii) SHARE CAPITAL

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

	<u>Number of Shares</u>	
	<u>3rd quarter to 30/06/2018</u>	<u>2nd quarter to 31/03/2018</u>
Issued and fully paid:		
Ordinary shares:		
As at beginning of period	2,912,026,619	2,912,026,619
Issued during the period - pursuant to share plans	-	-
As at end of period	<u>2,912,026,619</u>	<u>2,912,026,619</u>
	<u>As at 30/06/2018</u>	<u>As at 30/06/2017</u>
The number of shares awarded conditionally under share plans as at the end of the period	<u>26,288,370</u>	<u>26,307,571</u>

The Company has no treasury shares as at 30 June 2018 and 30 June 2017.

As at 30 June 2018, the Company's issued and paid-up ordinary share capital was \$1,784,732,254 comprising 2,912,026,619 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 2,912,026,619 as at 30 June 2018 and 2,905,324,694 as at 30 September 2017.

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 30 June 2018. The Company has no treasury shares as at 30 June 2018.

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 consolidated financial statements of the Company and its subsidiaries (collectively, the "Group"), and the Group's interest in equity-accounted investees as at and for the period ended 30 June 2018 are prepared in accordance with Singapore Financial Reporting Standards.

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 2017.

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			
	3rd quarter to 30/06/2018	3rd quarter to 30/06/2017	9 months to 30/06/2018	9 months to 30/06/2017
Earnings per ordinary share ("EPS"):				
(a) Basic EPS (cents)				
- before fair value change and exceptional items	5.46	6.26	10.99	13.87
- after fair value change and exceptional items	6.53	6.26	12.33	14.06
Weighted average number of ordinary shares (millions)	2,912.0	2,905.3	2,910.1	2,903.8
(b) On a fully diluted basis (cents)				
- before fair value change and exceptional items	5.41	6.21	10.90	13.75
- after fair value change and exceptional items	6.47	6.21	12.22	13.94
Weighted average number of ordinary shares (millions)	2,938.3	2,931.6	2,936.4	2,930.1

EPS is calculated by dividing the Group's attributable profit (after adjusting for distributions to perpetual securities holders of \$7,923,000 for the 3rd quarter to 30 June 2018 (3rd quarter to 30 June 2017: \$477,000) and \$40,307,000 for the 9 months to 30 June 2018 (9 months to 30 June 2017: \$32,837,000)) 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 (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.

	<u>Group</u>		<u>Company</u>	
	<u>As at 30/06/2018</u>	<u>As at 30/09/2017</u>	<u>As at 30/06/2018</u>	<u>As at 30/09/2017</u>
Net asset value per ordinary share based on issued share capital	\$2.45	\$2.46	\$1.71	\$1.72

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 in and management of retail, commercial and industrial properties, and hospitality assets and property trusts.

Pursuant to the acquisitions of additional equity interests in TICON Industrial Connection Public Company Limited ("TICON") during the current quarter, the Group's deemed interest in TICON has increased from 40.95% to 89.46% of the share capital of TICON. Consequently, TICON is reclassified from an associate to a subsidiary and henceforth consolidated with effect from 2 April 2018.

Profit Statement – 3rd Quarter to 30 June 2018

Group revenue decreased by 3% to \$1,361 million while profit before interest, fair value change, taxation and exceptional items ("PBIT") increased by 1% to \$360 million.

The slight variances in revenue and PBIT were largely attributable to the timing of sales and settlements of development projects in the United Kingdom ("UK"), China, Australia and Singapore. Revenue and PBIT in the current quarter were boosted by maiden contributions from the industrial and logistics parks in continental Europe and the business parks in the UK.

Group attributable profit¹ decreased by 9% to \$167 million and basic earnings per share² based on weighted average number of ordinary shares on issue was 5.5 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 and PBIT increased by \$437 million and \$71 million to \$680 million and \$161 million, respectively.

Singapore Residential Properties reported higher revenue and PBIT by \$424 million and \$65 million to \$562 million and \$82 million, respectively, compared to the corresponding quarter last year. The higher revenue and PBIT were largely attributable to the profit recognition on the settlements of Parc Life Executive Condominium and progressive development profit recognition from Seaside Residences.

Revenue and PBIT for Singapore Commercial Properties increased by 12% and 7% to \$118 million and \$81 million, respectively. The increase was mainly attributed to the commencement of operations at the newly completed south wing of Northpoint City as well as higher occupancies at the north wing following the completion of the asset enhancement initiatives.

These gains were partially offset by lower contributions from Frasers Commercial Trust's ("FCOT") Singapore and Australia properties, which experienced lower occupancies and a weaker Australian dollar, respectively.

Australia SBU

Revenue and PBIT decreased by 58% and 56% to \$288 million and \$71 million, respectively.

The decrease was mainly due to the lumpiness of revenue and profit recognitions of development projects, i.e. the absence of contributions from the sale and settlements of two student accommodation components at Central Park, New South Wales, in the corresponding quarter last year. This decrease was partially mitigated by higher levels of sales settlements and better profit margins at Tailor's Walk in Botany and Fairwater in Blacktown, New South Wales. Also included in PBIT were share of profits from joint venture projects, mainly from Centrale in North Ryde, New South Wales.

Revenue for Australia Commercial and Industrial, Investment Properties and Frasers Logistics and Industrial Trust ("FLT"), remained fairly consistent with the corresponding quarter last year. PBIT from these divisions dropped by \$11 million, mainly due to unfavourable exchange movements in FLT of \$9 million, compared to net gains of \$4 million in the corresponding quarter last year.

Hospitality SBU

Revenue and PBIT remained fairly constant at \$198 million and \$33 million, respectively.

Europe & rest of Asia

Revenue decreased by 29% to \$195 million while PBIT increased by 14% to \$100 million.

PBIT increased on the back of significant profit contributions recognised on sales settlements of Phase 3B of Baitang One, Suzhou and Phase 4 of the Chengdu Logistics Hub in China, as well as maiden contributions from the logistics and industrial parks in continental Europe and the business parks in the UK.

This increase was partially offset by the absence of profits from the completion and settlements of Vauxhall Sky Gardens in the UK, and lower share of an associate's profits from Gemdale Megacity in China, compared to the previous corresponding quarter.

Corporate & Others

Corporate & Others comprises mainly of corporate overheads.

PBIT was a net loss of \$4 million, compared to a loss of \$14 million in the corresponding quarter last year. The lower net loss was mainly due to favourable exchange movements.

B. Other Key Profit Statement Items

Share of Results of Joint Ventures and Associates

Share of results of joint ventures and associates decreased by \$3 million to \$41 million compared to the corresponding quarter last year. The lower net profit was mainly due to lower profit recognition arising from the timing of settlements in Gemdale Megacity in China. This decrease was partially mitigated by higher contributions from joint ventures' and associates' residential projects in Singapore, Australia and Thailand.

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

Net Interest Expense

Net interest expense increased by \$37 million to \$70 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 Group's continued global presence has resulted in an effective tax rate ("ETR") of 21.0% (3rd quarter to 30 June 2017: 23.1%) which is higher than the prevailing Singapore statutory tax rate of 17.0%. Notwithstanding, the gap between the ETR and Singapore prevailing statutory tax rate has narrowed due to relatively higher profits attributable to Singapore operations in the current quarter.

Profit Statement – 9 months to 30 June 2018

Group revenue decreased by 4% to \$2,943 million while PBIT increased by 1% to \$879 million.

The Group recorded development revenue and PBIT contributions from projects in Singapore, China and Australia, and maiden contributions from the logistics and industrial parks in continental Europe and the business parks in the UK. 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 slight decrease in revenue and PBIT (excluding share of results from joint ventures and associates) over the comparative period was mainly due to the absence of significant revenue and PBIT contributions from Phase 3C1 of Baitang One, Suzhou in China and Vauxhall Sky Gardens in the UK, recorded in the previous corresponding period. This was partially mitigated by profits recognised from Parc Life Executive Condominium in Singapore and Phase 3B of Baitang One, Suzhou, China, in the current period.

Net interest expense increased by \$121 million to \$203 million mainly due to the increase in loans and borrowings to fund acquisitions. In addition, the Group incurred costs on the redemption of \$75 million 7-year bonds and \$50 million 10-year bonds. Following the completion of the south wing of Northpoint City and Frasers Tower, interest expenses were henceforth recognised in the profit statement.

Group attributable profit¹ decreased by 17% to \$360 million, affected largely by the timing of development income, and basic earnings per share² based on weighted average number of ordinary shares on issue was 11.0 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 30 June 2018

The increase in investment properties of \$4,364 million was mainly due to (a) the addition of the portfolio of investment properties of \$1,599 million upon the consolidation of TICON; acquisitions of (b) five business parks in the UK for \$1,539 million; (c) logistics and industrial properties in continental Europe for \$557 million; (d) a retail hub in Australia for \$43 million; and (e) land in Japan for the development of serviced apartments for \$172 million; and (f) progressive development expenditure incurred on investment properties of \$485 million.

The decrease in investments in joint ventures and associates of \$236 million was mainly due to the reclassification of the investment in TICON from an associate to a subsidiary upon the acquisition of additional equity interest in TICON, as well as dividends received from joint ventures and associates of \$76 million. This decrease was partially mitigated by the share of results from joint ventures and associates of \$106 million.

The increase in properties held for sale of \$632 million was mainly due to the completion of acquisition of the land parcel and development expenditure at Jiak Kim Street in Singapore of approximately \$1 billion and progressive development expenditure for projects in Australia. The increase was partially offset by cost recognition on settlements of completed units in the Tailor's Walk – Botany and Fairwater – Ashlar projects in New South Wales, Australia and Sunbury Fields and Cove – Hope Island projects in Victoria, Australia, and settlements of Parc Life Executive Condominium in Singapore.

The increase in trade and other receivables of \$217 million was mainly due to sales proceeds receivable upon completion of Parc Life Executive Condominium, goods and services tax recoverable on the acquisition of the land parcel at Jiak Kim Street and deposits placed for the acquisitions of logistics and light industrial assets in Germany and Austria.

The increase in trade and other payables of \$277 million was mainly due to higher amounts due to an associate in China. This increase was partially offset by the recognition of sales proceeds on the completion of Parc Life Executive Condominium in Singapore.

The increase in loans and borrowings of \$3,208 million was mainly due to the drawdown of bank borrowings of \$2,276 million and the issuance of debentures of \$311 million for the acquisitions of properties in the UK, Germany, Austria and the Netherlands, the land parcel at Jiak Kim Street, as well as the addition of debentures of \$662 million following the consolidation of TICON.

Group Cash Flow Statement – 3rd Quarter ended 30 June 2018

The net cash outflow from investing activities of \$245 million was mainly due to acquisitions of and/or development expenditure on investment properties of \$411 million. This was partially offset by net cash attributable from the acquisitions of subsidiaries of \$180 million. The net cash outflow from investing activities of \$229 million in the previous corresponding quarter was mainly due to acquisitions of and/or development expenditure on investment properties of \$179 million, placement of structured deposits of \$65 million, acquisition of a subsidiary of \$22 million and acquisition of property, plant and equipment of \$13 million. These were partially offset by repayment of loans from joint ventures and associates of \$46 million and proceeds from dividends from joint ventures and associates of \$5 million.

The net cash inflow from financing activities of \$25 million was mainly due to net proceeds from bank borrowings of \$29 million. The net cash outflow from financing activities of \$308 million in the corresponding quarter was mainly due to net repayment of bank borrowings of \$397 million, interest

costs of \$37 million, dividends paid of \$107 million to non-controlling interests and \$70 million to shareholders. This was partially offset by net proceeds from the issuance of bonds of \$301 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 3.8% in the second quarter of 2018, lower than the 4.3% in the previous quarter. MTI² expects GDP growth for Singapore to be 2.5% - 3.5% in 2018.

Transaction volumes slowed down for the Singapore private residential property market in the first half of 2018 with about 3,900 new private homes sold, which is about 35% lower than the 6,000 units sold in the same period of 2017. The lower sales were largely due to fewer major launches in the beginning of the year. The private residential property price index rose 3.4% in the June 2018 quarter, similar in pace with the 3.9% growth in the March 2018 quarter³. The price recovery was strong with the private residential property price index at only 3.6% below the last peak in 2013. However, after the recent government pre-emptive measures to cool the property market and keep price increases in line with economic fundamentals, industry observers have revised their growth forecasts for private residential prices to 8% - 12% in 2018, from the previous 8% - 20%⁴.

The Group secured a land parcel at Jiak Kim Street for \$955 million in December 2017 and the project is expected to be launched in the first half of 2019. North Park Residences was fully sold. Seaside Residences and Parc Life Executive Condominium were over 80% and 90% sold, respectively.

In the retail market, retail sales have improved with the retail sales index (excluding motor vehicles) in May 2018 increasing year-on-year by 2.2%⁵. The south wing of Northpoint City commenced trading in December 2017, with lease commitments for more than 90% of Northpoint City as at June 2018.

In the office market, average office rental rates have recovered with Grade A CBD Core, Grade B CBD Core and island-wide Grade B increasing 4.1%, 2.6% and 2.1% quarter-on-quarter, respectively⁶. Frasers Tower, which is a Grade A CBD office, has achieved committed occupancy of approximately 80% and obtained its Temporary Occupancy Permit in May 2018.

Australia

In the residential market, price growth in Sydney and Melbourne is slowing. There may be growing pressure on lenders to raise mortgage rates which could place additional downward pressure on housing market conditions. Perth continues to remain challenging given the weaker economic environment.

¹ Ministry of Trade and Industry Singapore, 13 July 2018, "Singapore's GDP Grew by 3.8 Per Cent in the Second Quarter of 2018"

² Ministry of Trade and Industry Singapore, 24 May 2018, "MTI Expects GDP Growth to be 2.5 to 3.5 Per Cent in 2018"

³ Urban Redevelopment Authority, 27 July 2018, "Release of 2nd Quarter 2018 real estate statistics"

⁴ The Business Times, 16 July 2018, "Latest curbs could see developers lower prices up to 10%"

⁵ Department of Statistics Singapore, May 2018, "Retail Sales Index and Food & Beverage Services Index"

⁶ CBRE, Singapore Market View, Q2 2018

The residential division recorded sales of 1,185 units during 9M FY18, mainly from projects in New South Wales, Victoria and Queensland. Approximately 1,250 units were launched for sale in 9M FY18 with a further 600 units planned for release over the balance of FY18. Frasers Property Australia (“FPA”) acquired one new site in Queensland (Carina) in Q2 FY18, which is expected to yield approximately 185 units.

In the industrial market, occupancy rates remain high. Similarly in the office market, occupancy rates are above long term averages.

The investment property portfolio continues to perform well with occupancies of 98.7% (Industrial) and 96.7% (Office). FPA entered into agreements to acquire four industrial sites for development in 9M FY18.

Hospitality

In Singapore, pressure arising from supply of new hotel rooms is tapering off in 2018. In Australia, occupancy has improved with an increase in corporate travel in Brisbane, while Perth is still facing pressure from new supply of hotels. UK properties demonstrated modest growth in room performance but at a slower rate compared to 2017. Properties in Germany continue to enjoy healthy Revenue per Available Room (“REVPAR”) growth due to growing demand.

Frasers Hospitality grew its investment portfolio by acquiring a site in Tokyo’s Ginza district for the development of Capri by Fraser. Frasers Suites Dalian also commenced operations in March 2018. In addition, Frasers Hospitality expanded its portfolio of rooms under management by signing up new properties in Turkey, United Arab Emirates, Indonesia, the UK, Malaysia, Oman and China. As at 30 June 2018, Frasers Hospitality has equity interest in and/or manages over 16,000 units and has signed up over 8,000 units pending openings.

Europe & rest of Asia

The Group continues to increase its presence in Europe and rest of Asia which is in line with the strategy to grow its global footprint in familiar markets and recurring earnings.

In the UK, growth in Gross Domestic Product is expected to be slow but stable. In Germany and the Netherlands, prime yields continue to compress in the industrial and logistics markets. In the UK, the Group completed the acquisition of four business parks for approximately GBP686 million in November 2017. In addition, the Group, in a 50:50 joint venture with FCOT, completed the acquisition of Farnborough Business Park for approximately GBP175 million in January 2018.

As part of the Group’s continuing strategy to recycle capital via Real Estate Investment Trust (“REIT”) platforms, the Group injected 21 industrial properties into FLT. The portfolio value is located in Germany and the Netherlands with a value of approximately EUR597 million.

Separately, in Germany, the Group entered into a sale and purchase agreement for the acquisition of six cross-dock facilities for approximately EUR257 million with the transfer of the first 4 facilities having been completed. The remaining 2 facilities are under development and the transfer is expected to be completed by FY19. The Group also entered into a series of sale and purchase agreements to acquire Alpha Industrial GmbH & Co KG management platform (“Alpha Industrial”) and a portfolio of 22 logistics and light industrial properties located in Germany and Austria with aggregate valuation of approximately EUR581 million. In July 2018, the first phase of the acquisition, comprising 11 logistics and light industrial assets and Alpha Industrial, was completed. Alpha Industrial is one of the leading logistics and industrial developers in Europe.

In Thailand, the Group, through Frasers Assets Co., Ltd. (“FA”), a 49:51 joint venture with TCC Assets (Thailand) Co., Ltd., acquired 26.1% interest in TICON for a consideration of THB8,569 million in April 2018 and launched a tender offer for the remaining ordinary shares of TICON. Following the completion of the tender offer, the Group’s deemed interest in TICON increased to approximately 89.5%, with 48.5% held through FA.

In Vietnam, the Group grew its exposure by entering into conditional share purchase agreements to acquire 75% interest in both Phu An Dien Real Estate Joint Stock Company (“PAD”) and Phu An

Khang Real Estate Joint Stock Company ("PAK"). PAD and PAK will undertake the development of residential-cum-commercial projects on mixed-use development plots in Linh Trung Ward, Thu Duc District and District 2, Ho Chi Minh City.

Going forward

The Group will continue to manage its businesses and asset portfolio in a prudent manner across geographies and business segments. With a portfolio diversified across geographies and asset sectors which delivers a strong recurring income base, the Group will remain focused on adding to and unlocking value from its assets and capital management. The Group is well positioned to create asset value through a combination of development and asset/operational enhancement initiatives. Further, the recycling of stabilised assets into its sponsored REITs and a continued and disciplined focus on optimal capital structure and costs will be key to the Group's capital management. In its two biggest markets, Singapore and Australia, the Group will maintain its efforts to build on its development activities in a measured manner in line with market conditions. In key markets in Europe and the rest of Asia, the Group will continue to explore prospects to deepen its presence by leveraging on its core expertise across the Group.

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

No dividend has been declared for the current financial period.

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 3 January 2018, was renewed at the 54th Annual General Meeting of the Company held on 29 January 2018.

Particulars of interested person transactions for the period 1 April 2018 to 30 June 2018 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*	928

*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 2 July 2018, FPL announced that Frasers Property Investments (Holland) B.V., an indirect wholly-owned subsidiary of the Company, acquired 401,751 ordinary shares in the issued share capital of Geneba, increasing its shareholding interest in Geneba from 99.59% to 100% of the issued share capital of Geneba, pursuant to the buy-out procedure as described in article 2:92a of the Dutch Civil Code.
- On 3 July 2018, Perpetual (Asia) Limited (the "Trustee"), in its capacity as trustee of FLT, has through FLT Landowner Pty Limited, in its capacity as trustee of Hartley Street Trust A, entered into a conditional sale and purchase agreement with The Trust Company (Australia) Limited¹, in

relation to the proposed divestment of 80 Hartley Street, Smeaton Grange located in New South Wales, Australia, for a sale consideration of A\$90.5 million (approximately S\$90.5 million²).

3. On 19 February 2018, FPL announced the entry into of sale and purchase agreements (the "Sale and Purchase Agreements") to acquire (a) 22 logistics and light industrial properties/assets (the "Portfolio Acquisition") located in Germany and Austria (the "Properties"), (b) two German management companies located in Cologne, Germany, and (c) a Luxembourg company, BV Maschinen GmbH, which holds the fixtures relating to some of the Properties ((b) and (c) collectively, the "Business Acquisition"). The aggregate consideration payable under the Sale and Purchase Agreements is approximately EUR285.2 million (approximately S\$467.7 million³).

On 6 July 2018, FPL announced the completion of the first phase of the Portfolio Acquisition, comprising 11 logistics and light industrial assets, and the Business Acquisition.

4. On 10 July 2018, British and Malayan Trustees Limited, in its capacity as trustee of Frasers Commercial Trust, entered into a property sale agreement to sell the property located at 55 Market Street in Singapore (the "Sale"), for an aggregate sale consideration of \$216.8 million.
5. On 12 July 2018, Frasers Property Investments (Vietnam) 2 Pte. Ltd., an indirect wholly-owned subsidiary of the Company, entered into a conditional share purchase agreement with Tran Thai Lands Company Limited to acquire 45 million ordinary shares, representing 75% of the issued share capital of PAD (the "Proposed Acquisition") for an aggregate consideration of VND799.0 billion (approximately S\$47.33 million⁴). If the Proposed Acquisition is completed successfully, PAD will become a subsidiary of the Company.
6. On 6 August 2018, Maxis Business Park Limited, an indirect wholly-owned subsidiary of the Company, completed the acquisition of Maxis, a business park located in Bracknell, in the United Kingdom, for a purchase price of GBP67.73 million. An aggregate amount of GBP5,215,352 is payable by the vendor to Maxis Business Park Limited as top up for rent free periods granted to tenants of Maxis. The aforesaid is subject to post-completion adjustments as agreed between the parties.
7. On 6 August 2018, FLT, through its subsidiary, entered into a sale and purchase agreement with Qube Logistics (SA1) Pty Ltd for the proposed divestment of Lot 102 Coghlan Road, Outer Harbor, South Australia at a consideration of A\$8.75 million.

¹ The Trust Company (Australia) Limited in its capacity as custodian for Bieson Pty Ltd as trustee for CPIF Smeaton Grange Logistics Trust and The Trust Company (Australia) Limited in its capacity as custodian for Bieson Pty Ltd as trustee for CLP Smeaton Grange Logistics Trust, as tenants in common in equal shares. The purchasing trust which will hold the interests in 80 Hartley Street, Smeaton Grange post-completion of the proposed divestment will be managed by the Charter Hall Group.

² Based on an exchange rate of S\$1 : A\$1.00.

³ Based on an exchange rate of EUR1 : S\$1.64.

⁴ Based on an exchange rate of S\$1 : VND 16,881.

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 these financial results from 1 April 2018 to 30 June 2018 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
8 August 2018