

RESULTS FOR THIRD QUARTER ENDED 30 JUNE 2016
Financial Statements and Dividend Announcement

The Directors are pleased to make the following announcement of the unaudited results for the Third Quarter ended 30 June 2016.

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

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

1(a)(i) GROUP PROFIT STATEMENT

	3rd quarter to 30/06/2016 S\$'000	3rd quarter to 30/06/2015 S\$'000	Inc/(Dec) %	9 months to 30/06/2016 S\$'000	9 months to 30/06/2015 S\$'000	Inc/(Dec) %
REVENUE	682,062	1,010,474	(32.5)%	2,251,556	2,524,144	(10.8)%
Cost of sales	(453,415)	(701,042)	(35.3)%	(1,483,017)	(1,720,541)	(13.8)%
Gross Profit	228,647	309,432	(26.1)%	768,539	803,603	(4.4)%
Other income/(losses)	(17,539)	(6,045)	190.1%	(12,474)	19,114	N/M
Administrative expenses	(68,085)	(41,472)	64.2%	(213,220)	(148,878)	43.2%
TRADING PROFIT	143,023	261,915	(45.4)%	542,845	673,839	(19.4)%
Share of results of joint ventures and associates, net of tax	23,790	51,830	(54.1)%	61,412	116,979	(47.5)%
PROFIT BEFORE INTEREST, FAIR VALUE CHANGE, TAXATION AND EXCEPTIONAL ITEMS	166,813	313,745	(46.8)%	604,257	790,818	(23.6)%
Interest income	10,561	7,716	36.9%	28,523	23,546	21.1%
Interest expense	(48,810)	(29,568)	65.1%	(136,786)	(135,140)	1.2%
Net interest expense	(38,249)	(21,852)	75.0%	(108,263)	(111,594)	(3.0)%
PROFIT BEFORE FAIR VALUE CHANGE, TAXATION AND EXCEPTIONAL ITEMS	128,564	291,893	(56.0)%	495,994	679,224	(27.0)%
Fair value change on investment properties	77,122	-	N/M	81,572	84,689	(3.7)%
PROFIT BEFORE TAXATION AND EXCEPTIONAL ITEMS	205,686	291,893	(29.5)%	577,566	763,913	(24.4)%
Exceptional items	(13,167)	(98)	N/M	(631)	17,562	N/M
PROFIT BEFORE TAXATION	192,519	291,795	(34.0)%	576,935	781,475	(26.2)%
Taxation	(29,034)	(53,687)	(45.9)%	(101,808)	(121,422)	(16.2)%
PROFIT FOR THE PERIOD	163,485	238,108	(31.3)%	475,127	660,053	(28.0)%
Attributable profit:-						
- Before fair value change and exceptional items	68,172	181,442	(62.4)%	268,828	426,382	(37.0)%
- Fair value change	89,473	-	N/M	98,216	67,995	44.4%
- Exceptional items	(3,660)	(21)	N/M	8,876	16,961	(47.7)%
	153,985	181,421	(15.1)%	375,920	511,338	(26.5)%
Non-controlling interests	9,500	56,687	(83.2)%	99,207	148,715	(33.3)%
PROFIT FOR THE PERIOD	163,485	238,108	(31.3)%	475,127	660,053	(28.0)%

N/M = Not Meaningful

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

	3rd quarter to 30/06/2016 S\$'000	3rd quarter to 30/06/2015 S\$'000	Inc/(Dec) %	9 months to 30/06/2016 S\$'000	9 months to 30/06/2015 S\$'000	Inc/(Dec) %
Other items of expenses						
Included in other items of expenses are:						
Allowance for doubtful trade receivables	(73)	82	N/M	(1,363)	(278)	N/M
Write-back of allowance for doubtful trade receivables	12	43	(72.1)%	27	417	(93.5)%
Bad debts written off	(12)	(5)	140.0%	(34)	(9)	N/M
Depreciation of property, plant and equipment	(12,248)	(9,398)	30.3%	(39,711)	(26,993)	47.1%
Amortisation of intangible assets	(374)	(144)	159.7%	(1,290)	(433)	197.9%
Employee share-based expense	(2,593)	(1,499)	73.0%	(7,514)	(5,755)	30.6%
Other income/(losses)						
Included in other income/(losses) are:						
Net fair value change on foreign currency forward contracts	8,560	7,790	9.9%	24,992	(1,916)	N/M
Foreign exchange loss	(24,822)	(14,203)	74.8%	(39,264)	(22,343)	75.7%
Loss on disposal of property, plant and equipment	(9)	(5)	80.0%	(79)	(9)	N/M
Gain on disposal of a subsidiary	-	-	N/M	-	38,406	N/M
Taxation						
Over/(under) provision in prior years taxation	12	(1,015)	N/M	5,427	1,270	N/M
Exceptional items						
(Transaction costs)/write-back of transaction costs on acquisition of subsidiaries and associates						
	(1,821)	(98)	N/M	(4,153)	3,608	N/M
Gain on disposal of joint ventures and associates	612	-	N/M	15,480	13,954	10.9%
Transaction costs on transfer of investment properties to a REIT	(11,827)	-	N/M	(11,827)	-	N/M
Others	(131)	-	N/M	(131)	-	N/M
	(13,167)	(98)		(631)	17,562	
PBIT as a percentage of revenue	24.5%	31.0%		26.8%	31.3%	

N/M = Not Meaningful

1(a)(iii) ADDITIONAL INFORMATION

	3rd quarter to 30/06/2016 S\$'000	3rd quarter to 30/06/2015 S\$'000	9 months to 30/06/2016 S\$'000	9 months to 30/06/2015 S\$'000
Group revenue and profit analysis				
Revenue				
By Business Segment				
Commercial Properties	101,988	99,856	310,903	305,552
Development Properties	200,355	650,878	674,306	896,327
Hospitality	193,796	118,892	588,660	348,822
Frasers Property Australia	182,684	138,281	668,506	965,669
Corporate & Others	3,239	2,567	9,181	7,774
	<u>682,062</u>	<u>1,010,474</u>	<u>2,251,556</u>	<u>2,524,144</u>
By Geographical Segment				
Singapore	287,029	739,143	836,947	1,077,330
Australia	229,152	180,255	813,358	1,097,521
Europe	105,087	22,304	403,464	68,966
China	26,947	37,408	93,357	182,840
Others *	33,847	31,364	104,430	97,487
	<u>682,062</u>	<u>1,010,474</u>	<u>2,251,556</u>	<u>2,524,144</u>
Profit before interest, fair value change, taxation and exceptional items ("PBIT")				
By Business Segment				
Commercial Properties	70,510	69,611	223,728	216,717
Development Properties	53,078	182,994	202,699	330,580
Hospitality	27,744	29,817	97,091	86,344
Frasers Property Australia	29,160	41,380	109,155	195,788
Corporate & Others	(13,679)	(10,057)	(28,416)	(38,611)
	<u>166,813</u>	<u>313,745</u>	<u>604,257</u>	<u>790,818</u>
By Geographical Segment				
Singapore	73,665	203,061	270,835	364,203
Australia	47,171	50,922	167,621	237,945
Europe	20,022	8,595	102,728	42,873
China	12,625	40,537	35,192	117,467
Others *	13,330	10,630	27,881	28,330
	<u>166,813</u>	<u>313,745</u>	<u>604,257</u>	<u>790,818</u>
Others * - New Zealand, Vietnam, the Philippines, Indonesia, Malaysia, Japan and Thailand				
Attributable profit				
By Business Segment				
Commercial Properties	22,772	26,504	71,172	83,054
Development Properties	40,239	136,376	144,525	265,997
Hospitality	5,722	6,219	18,895	24,335
Frasers Property Australia	(146)	14,802	19,316	79,010
Corporate & Others	(415)	(2,459)	14,920	(26,014)
	68,172	181,442	268,828	426,382
Exceptional items	(3,660)	(21)	8,876	16,961
Fair value change on investment properties	89,473	-	98,216	67,995
	<u>153,985</u>	<u>181,421</u>	<u>375,920</u>	<u>511,338</u>
Non-controlling interests	9,500	56,687	99,207	148,715
	<u>163,485</u>	<u>238,108</u>	<u>475,127</u>	<u>660,053</u>

1(a)(iv) STATEMENT OF COMPREHENSIVE INCOME

	Group			
	3rd quarter to 30/06/2016 S\$'000	3rd quarter to 30/06/2015 S\$'000	9 months to 30/06/2016 S\$'000	9 months to 30/06/2015 S\$'000
PROFIT FOR THE PERIOD	163,485	238,108	475,127	660,053
OTHER COMPREHENSIVE INCOME				
Items that may be subsequently reclassified to profit statement:				
Net fair value change of cash flow hedges	(38,216)	(551)	(111,475)	11,398
Foreign currency translation	(153,004)	(94,573)	(162,794)	(341,415)
Share of other comprehensive income of joint ventures and associates	-	4	172	175
Realisation of reserves on disposal of a joint venture and an associate	-	-	-	(1,277)
Other comprehensive income for the period, net of tax	(191,220)	(95,120)	(274,097)	(331,119)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>(27,735)</u>	<u>142,988</u>	<u>201,030</u>	<u>328,934</u>
PROFIT FOR THE PERIOD				
Attributable to:-				
Shareholders of the Company	153,985	165,395	343,869	478,121
Holders of Perpetual Securities	-	16,026	32,051	33,217
Non-controlling Interests	9,500	56,687	99,207	148,715
	<u>163,485</u>	<u>238,108</u>	<u>475,127</u>	<u>660,053</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD				
Attributable to:-				
Shareholders of the Company	(12,182)	85,851	119,613	206,741
Holders of Perpetual Securities	-	16,026	32,051	33,217
Non-controlling Interests	(15,553)	41,111	49,366	88,976
	<u>(27,735)</u>	<u>142,988</u>	<u>201,030</u>	<u>328,934</u>

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

Balance Sheets

	Group		Company	
	As at 30/06/2016 S\$'000	As at 30/09/2015 S\$'000	As at 30/06/2016 S\$'000	As at 30/09/2015 S\$'000
NON-CURRENT ASSETS				
Investment properties	13,346,004	12,951,192	1,600	1,600
Property, plant and equipment	1,961,444	1,991,014	1	-
Investments in:				
- Subsidiaries	-	-	1,799,896	1,672,524
- Joint ventures	240,334	334,928	500	500
- Associates	466,879	250,460	-	-
Financial assets	2,163	2,165	2,148	2,148
Intangible assets	677,237	721,164	-	-
Prepayments	3,275	8,349	-	-
Other receivables	264,265	241,476	3,258,475	2,721,722
Deferred tax assets	148,843	169,724	-	-
Derivative financial instruments	8,293	55,935	20,945	19,463
	17,118,737	16,726,407	5,083,565	4,417,957
CURRENT ASSETS				
Inventory	6,383	7,473	-	-
Properties held for sale	4,099,314	3,922,672	-	-
Prepaid land and development costs	49,513	19,877	-	-
Other prepayments	64,280	41,328	11	47
Trade and other receivables	539,530	843,505	42,824	293,465
Derivative financial instruments	23,832	20,167	9,091	5,352
Cash and cash equivalents	1,551,927	1,373,140	23,383	9,064
Assets held for sale	-	112,123	-	-
	6,334,779	6,340,285	75,309	307,928
TOTAL ASSETS	23,453,516	23,066,692	5,158,874	4,725,885
CURRENT LIABILITIES				
Trade and other payables	1,609,059	1,314,648	121,819	29,865
Derivative financial instruments	31,860	24,602	10,246	8,006
Provision for taxation	186,432	192,953	12,497	12,510
Loans and borrowings	1,615,965	1,020,137	-	-
	3,443,316	2,552,340	144,562	50,381
NET CURRENT ASSETS/(LIABILITIES)	2,891,463	3,787,945	(69,253)	257,547
	20,010,200	20,514,352	5,014,312	4,675,504
NON-CURRENT LIABILITIES				
Other payables	130,572	253,751	103,147	207,077
Derivative financial instruments	90,474	36,592	20,945	19,617
Deferred tax liabilities	281,028	317,736	-	-
Loans and borrowings	8,048,260	9,255,320	-	-
	8,550,334	9,863,399	124,092	226,694
NET ASSETS	11,459,866	10,650,953	4,890,220	4,448,810
SHARE CAPITAL AND RESERVES				
Share capital	1,766,800	1,759,858	1,766,800	1,759,858
Retained earnings	5,222,825	4,995,420	3,103,794	2,490,922
Other reserves	(648,932)	(245,798)	19,626	198,030
Equity attributable to Owners of the Company	6,340,693	6,509,480	4,890,220	4,448,810
NON-CONTROLLING INTERESTS - Perpetual Securities	1,391,654	1,293,254	-	-
	7,732,347	7,802,734	4,890,220	4,448,810
NON-CONTROLLING INTERESTS - Others	3,727,519	2,848,219	-	-
TOTAL EQUITY	11,459,866	10,650,953	4,890,220	4,448,810

- 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 30/06/2016 S\$'000	As at 30/09/2015 \$'000
Secured	450,989	374,329
Unsecured	1,164,976	645,808
	<u>1,615,965</u>	<u>1,020,137</u>

Amount repayable after one year

	As at 30/06/2016 S\$'000	As at 30/09/2015 \$'000
Secured	1,942,295	2,078,624
Unsecured	6,105,965	7,176,696
	<u>8,048,260</u>	<u>9,255,320</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 30/06/2016 \$'000	3rd quarter to 30/06/2015 \$'000	9 months to 30/06/2016 \$'000	9 months to 30/06/2015 \$'000
<u>Cash Flow from Operating Activities</u>				
Profit after taxation	163,485	238,108	475,127	660,053
Adjustments for:				
Depreciation of property, plant and equipment	12,248	9,398	39,711	26,993
Fair value change on investment properties	(77,122)	-	(81,572)	(84,689)
Share of results of joint ventures and associates, net of tax	(23,790)	(51,830)	(61,412)	(116,979)
Amortisation of intangible assets	374	144	1,290	433
Loss on disposal of property, plant and equipment	9	5	79	9
Allowance for/(write-back of allowance for) doubtful trade receivables	61	(125)	1,336	(139)
Bad debts written off	12	5	34	9
Employee share-based expense	2,593	1,499	7,514	5,755
Gain on disposal of a subsidiary	-	-	-	(38,406)
Gain on disposal of joint ventures and associates	(612)	-	(15,480)	(13,954)
Net fair value change on foreign currency forward contracts	(8,560)	(7,790)	(24,992)	1,916
Interest income	(10,561)	(7,716)	(28,523)	(23,546)
Interest expense	48,810	29,568	136,786	135,140
Tax expense	29,034	53,687	101,808	121,422
Exchange difference	(133,915)	(41,495)	(106,330)	(189,785)
Operating profit before working capital changes	<u>2,066</u>	<u>223,458</u>	<u>445,376</u>	<u>484,232</u>
Change in trade and other receivables	170,932	(162,860)	225,395	267,828
Change in trade and other payables	22,086	(828,926)	213,703	(839,206)
Change in properties held for sale	25,613	479,037	(219,404)	427,851
Change in inventory	785	(143)	3,468	239
Cash generated from operations	<u>221,482</u>	<u>(289,434)</u>	<u>668,538</u>	<u>340,944</u>
Income taxes paid	<u>(40,058)</u>	<u>(31,005)</u>	<u>(111,470)</u>	<u>(68,456)</u>
Net cash generated from/(used in) operating activities	<u>181,424</u>	<u>(320,439)</u>	<u>557,068</u>	<u>272,488</u>
<u>Cash Flow from Investing Activities</u>				
Acquisition of/development expenditure on investment properties	(304,648)	(77,782)	(560,502)	(1,581,083)
Purchase of property, plant and equipment	(17,048)	(11,604)	(38,450)	(20,510)
Proceeds from disposal of investment properties	132,927	-	147,866	-
Proceeds from disposal of property, plant and equipment	-	55	243	241
Investments in/loans to joint ventures and associates	(46,815)	(3,877)	(356,269)	(101,754)
Repayments of loans from joint ventures and associates	38,157	52,290	39,657	91,649
Dividends from joint ventures and associates	43,786	89,518	170,641	194,795
Settlement of hedging instruments	1,301	(5,072)	19,246	21,804
Interest received	6,561	5,387	21,913	18,425
Acquisition of subsidiaries, net of cash acquired	(1,072)	(257,545)	(77,010)	(257,545)
Disposal of a subsidiary, net of cash disposed of	-	-	78,933	(9,123)
Proceeds from disposal of joint ventures and associates	-	-	17,875	86,307
Proceeds from disposal of assets held for sale	-	-	112,744	-
Net cash used in investing activities	<u>(146,851)</u>	<u>(208,630)</u>	<u>(423,113)</u>	<u>(1,556,794)</u>

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

	Group			
	3rd quarter to 30/06/2016 \$'000	3rd quarter to 30/06/2015 \$'000	9 months to 30/06/2016 \$'000	9 months to 30/06/2015 \$'000
Cash Flow from Financing Activities				
Dividends paid to non-controlling interests	(67,512)	(61,939)	(161,592)	(125,535)
Contributions from non-controlling interests of subsidiaries without change in control	1,003,325	1,325	1,007,865	5,626
Dividends paid to shareholders	(69,600)	(69,480)	(249,400)	(248,971)
Proceeds from bank borrowings	1,114,450	1,846,079	1,988,489	4,239,627
Repayment of bank borrowings	(2,008,689)	(1,281,103)	(2,438,981)	(2,664,203)
Proceeds from issue of perpetual securities, net of costs	98,400	(1,125)	98,400	695,600
Distributions to perpetual securities holders	-	-	(32,051)	(14,519)
Interest paid	(58,389)	(23,234)	(145,525)	(123,376)
Issuance costs	(20,935)	(131)	(21,091)	2,656
Repayment of amounts due to non-controlling interests	-	-	(26,487)	-
Net cash (used in)/generated from financing activities	(8,950)	410,392	19,627	1,766,905
Net change in cash and cash equivalents	25,623	(118,677)	153,582	482,599
Cash and cash equivalents at beginning of period	1,477,199	1,477,915	1,367,505	867,938
Effects of exchange rate on opening cash	48,637	(10,421)	30,372	(1,720)
Cash and cash equivalents at end of period	1,551,459	1,348,817	1,551,459	1,348,817
Cash and cash equivalents at end of period:				
Fixed deposits, current	948,050	584,566	948,050	584,566
Cash and bank balances	603,877	765,096	603,877	765,096
	1,551,927	1,349,662	1,551,927	1,349,662
Bank overdraft, unsecured	(468)	(845)	(468)	(845)
Cash and cash equivalents at end of period	1,551,459	1,348,817	1,551,459	1,348,817
Analysis of Acquisition of Subsidiaries				
Net assets acquired:				
Property, plant and equipment	-	745,500	76,126	745,500
Current assets	378	27,447	2,378	27,447
Current liabilities	694	(100,805)	(1,494)	(100,805)
Non-current liabilities	-	(476,272)	-	(476,272)
Cash and cash equivalents	32	28,168	1,388	28,168
Fair value of net assets	1,104	224,038	78,398	224,038
Goodwill arising from acquisition	-	61,675	-	61,675
Consideration paid in cash	1,104	285,713	78,398	285,713
Cash and cash equivalents of subsidiaries acquired	(32)	(28,168)	(1,388)	(28,168)
Cashflow on acquisition, net of cash and cash equivalents acquired	1,072	257,545	77,010	257,545
Analysis of Disposal of a Subsidiary				
Net assets disposed:				
Property, plant and equipment	-	-	-	(19)
Properties held for sale	-	-	-	(62,313)
Trade and other receivables	-	-	-	(1,128)
Cash and cash equivalents	-	-	-	(9,123)
Trade and other payables	-	-	-	2,414
Provision for taxation	-	-	-	3,109
Loans and borrowings	-	-	-	26,330
	-	-	-	(40,730)
Gain on disposal	-	-	-	(38,406)
Consideration received	-	-	-	(79,136)
Less: Cash of subsidiary disposed of	-	-	-	9,123
Less: Cash held in escrow account	-	-	-	79,136
Net cash outflow on disposal of subsidiary	-	-	-	9,123

- 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 2016								
Opening balance at 1 April 2016	1,766,800	5,073,178	(415,799)	6,424,179	1,293,254	7,717,433	2,823,897	10,541,330
Profit for the period	-	153,985	-	153,985	-	153,985	9,500	163,485
<u>Other Comprehensive Income</u>								
Net fair value change of cash flow hedges	-	-	(32,098)	(32,098)	-	(32,098)	(6,118)	(38,216)
Foreign currency translation	-	-	(134,069)	(134,069)	-	(134,069)	(18,935)	(153,004)
Share of other comprehensive income of joint ventures and associates	-	(41)	41	-	-	-	-	-
Other comprehensive income for the period	-	(41)	(166,126)	(166,167)	-	(166,167)	(25,053)	(191,220)
Total comprehensive income for the period	-	153,944	(166,126)	(12,182)	-	(12,182)	(15,553)	(27,735)
<u>Contributions by and distributions to owners</u>								
Employee share-based expense	-	-	2,593	2,593	-	2,593	-	2,593
Dividend paid	-	-	(69,600)	(69,600)	-	(69,600)	(67,512)	(137,112)
Total contributions by and distributions to owners	-	-	(67,007)	(67,007)	-	(67,007)	(67,512)	(134,519)
<u>Changes in ownership interests in subsidiaries</u>								
Units issued to non-controlling interests	-	-	-	-	-	-	1,003,325	1,003,325
Issuance costs incurred by subsidiaries	-	(4,297)	-	(4,297)	-	(4,297)	(16,638)	(20,935)
Total changes in ownership interests in subsidiaries	-	(4,297)	-	(4,297)	-	(4,297)	986,687	982,390
Total transactions with owners in their capacity as owners	-	(4,297)	(67,007)	(71,304)	-	(71,304)	919,175	847,871
<u>Contributions by and distributions to perpetual securities holders</u>								
Issue of perpetual securities, net of costs	-	-	-	-	98,400	98,400	-	98,400
Total contributions by and distributions to perpetual securities holders	-	-	-	-	98,400	98,400	-	98,400
Closing balance at 30 June 2016	1,766,800	5,222,825	(648,932)	6,340,693	1,391,654	7,732,347	3,727,519	11,459,866

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
3rd Quarter ended 30 June 2015								
Opening balance at 1 April 2015	1,759,858	4,786,987	(186,178)	6,360,667	1,297,051	7,657,718	2,602,241	10,259,959
Profit for the period	-	165,395	-	165,395	16,026	181,421	56,687	238,108
<u>Other Comprehensive Income</u>								
Net fair value change of cash flow hedges	-	-	(760)	(760)	-	(760)	209	(551)
Foreign currency translation	-	-	(78,788)	(78,788)	-	(78,788)	(15,785)	(94,573)
Share of other comprehensive income of joint ventures and associates	-	-	4	4	-	4	-	4
Other comprehensive income for the period	-	-	(79,544)	(79,544)	-	(79,544)	(15,576)	(95,120)
Total comprehensive income for the period	-	165,395	(79,544)	85,851	16,026	101,877	41,111	142,988
<u>Contributions by and distributions to owners</u>								
Employee share-based expense	-	-	1,499	1,499	-	1,499	-	1,499
Dividend paid	-	-	(69,480)	(69,480)	-	(69,480)	(61,939)	(131,419)
Total contributions by and distributions to owners	-	-	(67,981)	(67,981)	-	(67,981)	(61,939)	(129,920)
<u>Changes in ownership interests in subsidiaries</u>								
Units issued to non-controlling interests	-	-	-	-	-	-	4,041	4,041
Dilution of non-controlling interests in subsidiaries without change in control	-	(2,650)	-	(2,650)	-	(2,650)	(66)	(2,716)
Issuance costs incurred by subsidiaries	-	(60)	-	(60)	-	(60)	(71)	(131)
Total changes in ownership interests in subsidiaries	-	(2,710)	-	(2,710)	-	(2,710)	3,904	1,194
Total transactions with owners in their capacity as owners	-	(2,710)	(67,981)	(70,691)	-	(70,691)	(58,035)	(128,726)
<u>Contributions by and distributions to perpetual securities holders</u>								
Issue of perpetual securities, net of costs	-	-	-	-	(1,125)	(1,125)	-	(1,125)
Total contributions by and distributions to perpetual securities holders	-	-	-	-	(1,125)	(1,125)	-	(1,125)
Closing balance at 30 June 2015	1,759,858	4,949,672	(333,703)	6,375,827	1,311,952	7,687,779	2,585,317	10,273,096

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

	Share Capital \$'000	Retained Earnings \$'000	Other Reserves \$'000	Hedging Reserve \$'000	Share-based Compensation Reserve \$'000	Dividend Reserve \$'000	Total Equity \$'000
Company							
3rd Quarter ended 30 June 2016							
Opening balance at 1 April 2016	1,766,800	2,783,251	86,609	3,677	13,332	69,600	4,636,660
Profit for the period	-	320,543	-	-	-	-	320,543
<u>Other Comprehensive Income</u>							
Net fair value change of cash flow hedges	-	-	23	23	-	-	23
Total comprehensive income for the period	-	320,543	23	23	-	-	320,566
<u>Contributions by and distributions to owners</u>							
Employee share-based expense	-	-	2,594	-	2,594	-	2,594
Dividend paid	-	-	(69,600)	-	-	(69,600)	(69,600)
Total transactions with owners in their capacity as owners	-	-	(67,006)	-	2,594	(69,600)	(67,006)
Closing balance at 30 June 2016	1,766,800	3,103,794	19,626	3,700	15,926	-	4,890,220

	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 2015							
Opening balance at 1 April 2015	1,759,858	2,290,042	83,268	3,213	10,575	69,480	4,133,168
Profit for the period	-	211,947	-	-	-	-	211,947
<u>Other Comprehensive Income</u>							
Net fair value change of cash flow hedges	-	-	182	182	-	-	182
Total comprehensive income for the period	-	211,947	182	182	-	-	212,129
<u>Contributions by and distributions to owners</u>							
Employee share-based expense	-	-	1,499	-	1,499	-	1,499
Dividend paid	-	-	(69,480)	-	-	(69,480)	(69,480)
Total transactions with owners in their capacity as owners	-	-	(67,981)	-	1,499	(69,480)	(67,981)
Closing balance at 30 June 2015	1,759,858	2,501,989	15,469	3,395	12,074	-	4,277,316

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

Group	Share Capital S\$'000	Retained Earnings S\$'000	Other Reserves S\$'000	Equity Attributable to Owners of the Company S\$'000	Non-controlling Interests - Perpetual Securities S\$'000	Total S\$'000	Non-controlling Interests - Others S\$'000	Total Equity S\$'000
9 months ended 30 June 2016								
Opening balance at 1 October 2015	1,759,858	4,995,420	(245,798)	6,509,480	1,293,254	7,802,734	2,848,219	10,650,953
Profit for the period	-	343,869	-	343,869	32,051	375,920	99,207	475,127
<u>Other comprehensive income</u>								
Net fair value change of cash flow hedges	-	-	(94,036)	(94,036)	-	(94,036)	(17,439)	(111,475)
Foreign currency translation	-	-	(130,392)	(130,392)	-	(130,392)	(32,402)	(162,794)
Share of other comprehensive income of joint ventures and associates	-	(41)	213	172	-	172	-	172
Other comprehensive income for the period	-	(41)	(224,215)	(224,256)	-	(224,256)	(49,841)	(274,097)
Total comprehensive income for the period	-	343,828	(224,215)	119,613	32,051	151,664	49,366	201,030
<u>Contributions by and distributions to owners</u>								
Ordinary shares issued	6,942	-	(6,942)	-	-	-	-	-
Employee share-based expense	-	-	7,514	7,514	-	7,514	-	7,514
Dividend paid	-	(309)	(249,091)	(249,400)	-	(249,400)	(161,592)	(410,992)
Dividend proposed	-	(69,600)	69,600	-	-	-	-	-
Total contributions by and distributions to owners	6,942	(69,909)	(178,919)	(241,886)	-	(241,886)	(161,592)	(403,478)
<u>Changes in ownership interests in subsidiaries</u>								
Units issued to non-controlling interests	-	-	-	-	-	-	1,007,865	1,007,865
Acquisition of non-controlling interests in subsidiaries without change in control	-	(42,173)	-	(42,173)	-	(42,173)	411	(41,762)
Issuance costs incurred by subsidiaries	-	(4,341)	-	(4,341)	-	(4,341)	(16,750)	(21,091)
Total changes in ownership interests in subsidiaries	-	(46,514)	-	(46,514)	-	(46,514)	991,526	945,012
Total transactions with owners in their capacity as owners	6,942	(116,423)	(178,919)	(288,400)	-	(288,400)	829,934	541,534
<u>Contributions by and distributions to perpetual securities holders</u>								
Issue of perpetual securities, net of costs	-	-	-	-	98,400	98,400	-	98,400
Distributions to perpetual securities holders	-	-	-	-	(32,051)	(32,051)	-	(32,051)
Total contributions by and distributions to perpetual securities holders	-	-	-	-	66,349	66,349	-	66,349
Closing balance at 30 June 2016	1,766,800	5,222,825	(648,932)	6,340,693	1,391,654	7,732,347	3,727,519	11,459,866

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								
9 months ended 30 June 2015								
Opening balance at 1 October 2014, as previously reported	1,753,977	4,565,577	115,995	6,435,549	597,654	7,033,203	54,572	7,087,775
Effects of adopting FRS 110	-	(22,410)	1,159	(21,251)	-	(21,251)	2,557,026	2,535,775
Opening balance at 1 October 2014, as restated	1,753,977	4,543,167	117,154	6,414,298	597,654	7,011,952	2,611,598	9,623,550
Profit for the period	-	478,121	-	478,121	33,217	511,338	148,715	660,053
<u>Other Comprehensive Income</u>								
Net fair value change of cash flow hedges	-	-	6,717	6,717	-	6,717	4,681	11,398
Foreign currency translation	-	-	(276,995)	(276,995)	-	(276,995)	(64,420)	(341,415)
Share of other comprehensive income of joint ventures and associates	-	-	175	175	-	175	-	175
Realisation of reserves on disposal of a joint venture and an associate	-	-	(1,277)	(1,277)	-	(1,277)	-	(1,277)
Other comprehensive income for the period	-	-	(271,380)	(271,380)	-	(271,380)	(59,739)	(331,119)
Total comprehensive income for the period	-	478,121	(271,380)	206,741	33,217	239,958	88,976	328,934
<u>Contributions by and distributions to owners</u>								
Ordinary shares issued	5,881	-	(5,881)	-	-	-	-	-
Employee share-based expense	-	-	5,755	5,755	-	5,755	-	5,755
Dividend paid	-	(323)	(248,648)	(248,971)	-	(248,971)	(125,535)	(374,506)
Dividend proposed	-	(69,480)	69,480	-	-	-	-	-
Total contributions by and distributions to owners	5,881	(69,803)	(179,294)	(243,216)	-	(243,216)	(125,535)	(368,751)
<u>Changes in ownership interests in subsidiaries</u>								
Units issued to non-controlling interests	-	-	-	-	-	-	10,010	10,010
Dilution of non-controlling interests in subsidiaries without change in control	-	(2,293)	(257)	(2,550)	-	(2,550)	(1,834)	(4,384)
Issuance costs incurred by subsidiaries	-	480	74	554	-	554	2,102	2,656
Total changes in ownership interests in subsidiaries	-	(1,813)	(183)	(1,996)	-	(1,996)	10,278	8,282
Total transactions with owners in their capacity as owners	5,881	(71,616)	(179,477)	(245,212)	-	(245,212)	(115,257)	(360,469)
<u>Contributions by and distributions to perpetual securities holders</u>								
Issue of perpetual securities, net of costs	-	-	-	-	695,600	695,600	-	695,600
Distributions to perpetual securities holders	-	-	-	-	(14,519)	(14,519)	-	(14,519)
Total contributions by and distributions to perpetual securities holders	-	-	-	-	681,081	681,081	-	681,081
Closing balance at 30 June 2015	1,759,858	4,949,672	(333,703)	6,375,827	1,311,952	7,687,779	2,585,317	10,273,096

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

	Share Capital S\$'000	Retained Earnings S\$'000	Other Reserves S\$'000	Hedging Reserve S\$'000	Share-based Compensation Reserve S\$'000	Dividend Reserve S\$'000	Total Equity S\$'000
Company							
9 months ended 30 June 2016							
Opening balance at 1 October 2015	1,759,858	2,490,922	198,030	3,217	15,322	179,491	4,448,810
Profit for the period	-	682,781	-	-	-	-	682,781
<u>Other comprehensive income</u>							
Net fair value change of cash flow hedges	-	-	483	483	-	-	483
Total comprehensive income for the period	-	682,781	483	483	-	-	683,264
<u>Contributions by and distributions to owners</u>							
Ordinary shares issued	6,942	-	(6,942)	-	(6,942)	-	-
Employee share-based expense	-	-	7,546	-	7,546	-	7,546
Dividend paid	-	(309)	(249,091)	-	-	(249,091)	(249,400)
Dividend proposed	-	(69,600)	69,600	-	-	69,600	-
Total contributions by and distributions to owners	6,942	(69,909)	(178,887)	-	604	(179,491)	(241,854)
Closing balance at 30 June 2016	1,766,800	3,103,794	19,626	3,700	15,926	-	4,890,220

	Share Capital S\$'000	Retained Earnings S\$'000	Other Reserves S\$'000	Hedging Reserve S\$'000	Share-based Compensation Reserve S\$'000	Dividend Reserve S\$'000	Total Equity S\$'000
Company							
9 months ended 30 June 2015							
Opening balance at 1 October 2014	1,753,977	2,212,590	194,104	2,736	12,200	179,168	4,160,671
Profit for the period	-	359,202	-	-	-	-	359,202
<u>Other comprehensive income</u>							
Net fair value change of cash flow hedges	-	-	659	659	-	-	659
Total comprehensive income for the period	-	359,202	659	659	-	-	359,861
<u>Contributions by and distributions to owners</u>							
Ordinary shares issued	5,881	-	(5,881)	-	(5,881)	-	-
Employee share-based expense	-	-	5,755	-	5,755	-	5,755
Dividend paid	-	(323)	(248,648)	-	-	(248,648)	(248,971)
Dividend proposed	-	(69,480)	69,480	-	-	69,480	-
Total contributions by and distributions to owners	5,881	(69,803)	(179,294)	-	(126)	(179,168)	(243,216)
Closing balance at 30 June 2015	1,759,858	2,501,989	15,469	3,395	12,074	-	4,277,316

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 30/06/2016</u>	<u>2nd Quarter to 31/03/2016</u>
Issued and fully paid:		
Ordinary shares:		
As at beginning of period	2,899,996,444	2,899,996,444
Issued during the period - pursuant to share plans	-	-
As at end of period	<u>2,899,996,444</u>	<u>2,899,996,444</u>
	<u>As at 30/06/2016</u>	<u>As at 30/06/2015</u>
The number of shares awarded conditionally under share plans as at the end of the period	<u>22,043,373</u>	<u>8,382,891</u>

The Company has no treasury shares as at 30 June 2016 and 30 June 2015.

As at 30 June 2016, the Company's issued and paid-up ordinary share capital was \$1,766,799,848 comprising 2,899,996,444 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 2,899,996,444 as at 30 June 2016 and 2,895,009,863 as at 30 September 2015.

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

There were no sales, transfers, disposal, cancellation and/or use of treasury shares by the Company for the financial period ended 30 June 2016. The Company has no treasury shares as at 30 June 2016.

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

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

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

Not applicable.

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

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

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

Not applicable.

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

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

	Group			
	3rd Quarter to 30/06/2016	3rd Quarter to 30/06/2015	9 Months to 30/06/2016	9 Months to 30/06/2015
Earnings per ordinary share ("EPS"):				
(a) Basic earnings per share (cents)				
- before fair value change and exceptional items	2.35	5.71	8.17	13.59
- after fair value change and exceptional items	<u>5.31</u>	<u>5.71</u>	<u>11.86</u>	<u>16.52</u>
(b) On a fully diluted basis (cents)				
- before fair value change and exceptional items	2.33	5.70	8.11	13.55
- after fair value change and exceptional items	<u>5.27</u>	<u>5.70</u>	<u>11.77</u>	<u>16.48</u>

The earnings per ordinary share is calculated based on attributable profit after adjusting for distributions to perpetual securities holders of \$32,051,000 for the 9 months ended 30 June 2016. In respect of diluted earnings per share, the denominator is adjusted for the effect of dilutive potential ordinary shares, which comprise share awards granted to employees.

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

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

	Group		Company	
	As at 30/06/2016	As at 30/09/2015	As at 30/06/2016	As at 30/09/2015
Net asset value per ordinary share based on issued share capital	\$2.19	\$2.25	\$1.69	\$1.54

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

REVIEW OF PERFORMANCE

The principal activities of the Group are:-

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

These activities are carried out through the Company's subsidiaries, joint ventures and associates.

Group Profit Statement – 3rd Quarter

Group revenue and profit before interest, fair value change, taxation and exceptional items ("PBIT") declined by 33% and 47%, respectively, over the corresponding quarter last year to \$682 million and \$167 million, respectively.

The decreases were caused mainly by lower profits from the Group's development portfolio in Singapore, Australia and China. The decline was mitigated by profits from the completion of Twin Fountains executive condominium ("EC"), new streams of income from the newly acquired Malmaison Hotel du Vin ("MHDV") group in the United Kingdom ("UK") and share of profits from a newly acquired associate in Thailand, Golden Land Property Development Public Company Limited ("Gold").

Fair value surplus of \$77 million was primarily due to the uplift in fair value on investment properties that were injected into Frasers Logistics and Industrial Trust ("FLT") in the quarter.

Group attributable profit* decreased by 62% to \$68 million and basic earnings per share* based on weighted average number of ordinary shares on issue was 2.4 cents.

* before fair value change on investment properties and exceptional items

Commercial Properties ("CP")

Overall revenue and PBIT were 2% and 1% higher at \$102 million and \$71 million, respectively, compared to the corresponding quarter last year.

The increase was attributed mainly to better results from Frasers Commercial Trust arising from the acquisition of 357 Collins Street in August 2015, as well as positive rental reversions and economies of scale achieved by Alexandra Technopark. This was further bolstered by profit contributions from Waterway Point, Singapore, which commenced operations in January 2016.

The gains were partly offset by the absence of contributions from a joint venture property, One@Changi City subsequent to its sale, as well as softer operating results at Northpoint, Singapore, due to the unfavourable effects of a fall in occupancy as asset enhancement initiatives are currently underway.

Development Properties ("DP")

Revenue and PBIT decreased by 69% and 71% to \$200 million and \$53 million, respectively.

In Singapore, revenue and PBIT decreased to \$164 million and \$35 million, down 73% and 76%, respectively, as compared to the corresponding quarter last year. The significantly higher PBIT in the corresponding quarter last year was due to the completion of Twin Waterfalls EC and other projects that had achieved Temporary Occupation Permit ("TOP"). The decline in PBIT was partly offset by progressive recognition from a smaller development portfolio that included Twin Fountains EC as completed units were delivered and Rivertrees Residences.

In China, revenue and PBIT decreased to \$22 million and \$9 million, respectively. This was mainly due to the tapering off of sales and profit contributions from Phase 2B of Suzhou Baitang and Chengdu development, where the units had been substantially sold and handed over in FY2015. The significantly higher PBIT in the corresponding quarter last year was due to the completion of an associate's development project, Gemdale Megacity Phase 2A in Songjiang. The decrease in revenue was partially offset by ongoing sales of completed Phase 3A in Suzhou Baitang. In the current quarter, sales of 52 units were achieved by Gemdale Megacity,

while the Chengdu development and uncompleted Phase 3C in Suzhou Baitang saw sales of 10 and 2 units, respectively.

In the UK, revenue and PBIT increased to \$13 million and \$4 million, respectively, mainly attributed to sales and profit contribution from Blk 5C of Riverside Quarter as completed units were delivered.

Hospitality

Hospitality revenue was 63% higher at \$194 million, while PBIT declined by 7% to \$28 million.

The increase in revenue was largely driven by the acquisitions of the MHDV group of 29 boutique hotels in the UK and Maritim Hotel Dresden in Germany. The launch of Capri by Fraser, Brisbane and Capri by Fraser, Frankfurt in April 2015 and August 2015, respectively, further boosted revenue in this segment. Despite the increase in revenue, PBIT declined due to significant mark-to-market losses on a cross-currency interest rate swap.

Frasers Property Australia (“FPA”)

Revenue increased by 32% to \$183 million but PBIT decreased by 30% to \$29 million.

The increase in revenue was driven by the sales of completed projects in the Commercial and Industrial (“C&I”) division.

The decline in PBIT was due to higher overheads from the C&I division, as well as lower income contributions from the investment properties (“IP”) business primarily due to the divestment of properties during the current period. For the residential business, the decline in PBIT stemmed from lower level of completions and settlements of residential projects, coupled with higher overhead and marketing costs incurred in the current period.

Corporate & Others

Revenue remained relatively unchanged over the corresponding quarter last year while PBIT was a larger net loss of \$14 million compared to \$10 million in the corresponding quarter last year. This was substantially due to higher corporate overheads, partially offset by favourable exchange movements.

Share of Results of Joint Ventures and Associates

Share of results of joint ventures and associates declined 54% to a net profit of \$24 million, due mainly to lower share of profits from an associate in China, and joint ventures in Singapore and Australia. These were partially offset by profit contributions from the newly acquired Thai associate, Gold, and Waterway Point, Singapore.

Net Interest Expense

Net interest expense was \$38 million, compared to \$22 million in the corresponding quarter last year. The increase was due mainly to significant mark-to-market gains on interest rate swaps in the corresponding quarter last year. Excluding the mark-to-market effects, borrowing costs were slightly higher at \$35 million compared to \$32 million in the same period last year. This is in line with the increase in the Group’s loan facilities.

Exceptional Items (“EI”)

EI was a net loss of \$13 million compared to \$0.1 million in the corresponding quarter last year. The larger net loss was substantially due to professional fees and transaction costs incurred on the transfer of investment properties to and listing of FLT.

Tax

The Group’s effective tax rate (“ETR”) of 15.1% (2015: 18.4%) was lower than both the statutory corporate tax rate of 17% and ETR in the prior period. This was primarily due to the utilisation of prior years’ capital losses against current period’s capital gains on investment properties in Australia.

Group Profit Statement – 9 months-to-date

Group revenue and PBIT were 11% and 24% lower at \$2,252 million and \$604 million, respectively, over the corresponding period last year.

Profit recognition from Singapore development projects, Twin Fountains EC and North Park Residences, as well as the completion and settlement of Riverside Quarter Blk 5C, and a new stream of contribution from the newly acquired MHDV group in the UK, contributed positively to the Group's results. These gains were negated by significantly lower contribution from FPA due to timing of completions and settlements of residential developments and higher overhead costs for project launches. Lower profits from Singapore development projects that had achieved TOP in prior reporting periods, coupled with lower contributions from China developments, stemming from the tapering off of sales and absence of gains from the sale of Crosspoint in Beijing in the prior reporting period, added to the decline.

Group attributable profit* declined by 37% to \$269 million and basic earnings per share* based on weighted average number of ordinary shares on issue was 8.2 cents.

* before fair value change on investment properties and exceptional items

Group Balance Sheet as at 30 June 2016

The increase in Investment Properties of \$395 million was mainly due to development expenditure incurred on the Group's investment properties under construction of \$377 million, fair value gains of \$82 million and the acquisition of Maritim Hotel Dresden in Germany of \$89 million, partially offset by exchange re-alignment losses on UK properties following the depreciation of the Sterling Pound.

The decrease in Property, Plant and Equipment of \$30 million was mainly due to exchange re-alignment losses on UK hotel properties, partially offset by the addition of hotel properties of \$76 million on the acquisition of subsidiaries in the UK through MHDV.

Investments in Joint Ventures and Associates increased by \$122 million. This was mainly due to the acquisition of an interest in a Thai associate, Gold, as well as the share of results from joint ventures and associates. The increase was partially offset by the receipt of dividends from joint ventures and associates amounting to \$171 million.

The decrease in Trade and Other Receivables of \$281 million was mainly due to sales proceeds collected from development projects, settlement of a \$64 million loan to an associate pursuant to its disposal, receipt of proceeds of \$79 million from the prior year's disposal of a subsidiary, and the settlement of a loan to a joint venture of \$31 million. The decrease was partially offset by a loan to a new joint venture amounting to about \$102 million.

The increase in Properties Held for Sale of \$177 million was mainly due to progressive development expenditure for projects in Australia, China, Singapore and the UK, as well as the acquisition of Central House, a freehold building in central London. This increase was partially offset by the substantial delivery of completed units in Twin Fountains along with profit recognition.

Trade and Other Payables increased by \$171 million. This was largely due to a new entrustment loan taken from an associate and additional provision for Land Appreciation Tax following the launch of Phase 3C1 of the Suzhou Singlong project.

The decrease in Loans and Borrowings of \$611 million was mainly due to the repayment of external bank loans in Australia on the listing of FLT which raised equity capital of \$1 billion. This was partially offset by the issue of a \$250 million 10-year fixed rate note. The net proceeds of which are used for general corporate purposes, including financing the investments of the Group, refinancing of existing borrowings and other working capital purposes.

Group Cash Flow Statement – 3rd Quarter

The net cash outflow from investing activities of \$147 million was mainly due to development expenditure on investment properties of \$305 million and partially offset by proceeds from the disposal of investment properties of \$133 million. The net cash outflow from investing activities of \$209 million in the corresponding quarter last year was mainly due to development expenditure on investment properties of \$78 million and the acquisition of MHDV group in the UK of \$258 million. This was partially offset by dividends from joint ventures and associates of \$90 million and repayment of loans from joint ventures and associates of \$52 million.

The net cash outflow from financing activities of \$9 million was mainly due to equity contributions from non-controlling interests of \$1,003 million, which was partially offset by net repayments of bank borrowings of \$894 million, dividends of \$70 million paid to shareholders and dividends of \$68 million paid to non-controlling interests. The net cash inflow from financing activities of \$410 million in the corresponding quarter last year was mainly due to net proceeds from bank borrowings of \$565 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

The Singapore economy registered year-on-year growth of 2.2% in the second quarter of 2016, slightly higher than the 2.1% in the previous quarter. According to the Ministry of Trade and Industry, economic growth is expected to remain modest in view of global uncertainty and forecast to be 1% - 3% in 2016 for Singapore.

Transaction volumes continue to be low for the Singapore residential property market. About 3,800 new private homes were sold in the half year of 2016, which is higher than the 3,400 units sold in the same period of 2015. The residential property price index continued to soften with a decline of 0.4% in the June quarter, compared to a 0.7% decrease in the previous quarter. This decline was the eleventh consecutive quarterly decline and is the longest stretch of price decline in almost two decades. Industry experts expect the decline to continue. However, the government has reiterated that it is premature to ease cooling measures.

The Group, in a 40:40:20 joint venture with Sekisui House and Keong Hong, secured the tender for a condominium land parcel at Siglap Road for \$624.2 million in January 2016. The site is expected to launch in 2017.

In the retail market, the Group's well-located suburban malls are expected to continue to attract steady shopper traffic and continues to trade well despite headwinds in Singapore's retail scene. The official opening for Waterway Point was held on 19 April 2016 and was well received. Asset enhancement works at The Centrepoint are in progress and on schedule for completion in the third quarter of 2016. Northpoint City is expected to be completed in 2018.

In the office market, prime Grade A rentals continue to face pressure and vacancy levels are expected to rise with the completion of new developments. However, the Group's portfolio of offices, continue to achieve positive rental reversions despite the challenging leasing market, with minimal lease expiries for the remainder of FY15/16. Frasers Tower is expected to be completed in 2018.

Australia

Economic growth in Australia has eased due to the transition from a resource focused economy to a more balanced economy. In the residential market, market fundamentals remain supportive with interest rates forecast to remain low over the near term, population growth still evident and unemployment remaining at low levels. Sales volumes and price growth continues to moderate in the key markets of Sydney, Melbourne and Brisbane. Perth continues to remain under pressure from falling demand from both owner occupiers and investors.

The Residential division had sales activity of 2,090 units during 9M FY15/16, mainly from projects in New South Wales, Victoria and Queensland. Approximately 2,575 units were released for sale during 9M FY15/16 with a further 1,175 units planned for release over the balance of the year. During 9M FY15/16, FPA acquired a new site in Queensland (Bahrs Scrub), which will yield 1,350 units.

In the industrial market, demand for prime investment grade assets remains strong. In the office market, strong investment demand has shifted yields to near historical lows.

FPA's investment property portfolio continues to perform well with a 98.2% occupancy and weighted average lease expiry of 3.4 years.

On 20 June 2016, the Group successfully listed FLT in Singapore. FLT's portfolio comprises 51 logistics and industrial properties in Australia and is valued at about \$1.6 billion.

China

China's economy grew at 6.7% in the second quarter of 2016, largely in line with market expectations.

In Shanghai and Suzhou, transaction volumes and average sale prices in the residential market increased year-on-year in the first half year of 2016. In Chengdu, office supply has outpaced demand and sales transactions have been slow.

In line with better residential market conditions, Phase 3B and 3A of Gemdale Megacity were launched and about 97% and 47% of the 575 and 278 units launched were sold, respectively.

Hospitality

In Singapore, the hospitality segment is facing uncertainty due mainly to the uncertain macroeconomic landscape on top of an anticipated supply of 4,000 additional hotel rooms.

In China, the hotel market remains competitive with supply increasing with demand also improving slightly. In Australia, demand is uneven across key markets, with strong occupancy and room rate growth observed in New South Wales. In Europe, the tourism market could be affected due to Brexit in the UK and safety concerns in France.

Frasers Hospitality continued to grow its portfolio with the acquisition of a portfolio of four properties in the UK for a consideration of GBP36.1 million through MHDV. Frasers Hospitality Trust also completed the acquisition of Maritim Hotel Dresden, Germany in June 16. Capri by Fraser, China Square Central has commenced construction. As at 30 June 2016, Frasers Hospitality has interest in and/or manages over 14,500 units and has signed up over 8,300 units pending openings.

Capital Management

The Group continues to diversify its funding sources and engage in capital recycling to optimize capital productivity.

On 21 April 2016, the Group issued \$250 million of 4.25% notes due 2026. On 21 July 2016, the Group also issued US\$200 million of 2.50% notes due 2021. The proceeds have been used for general corporate purposes, including refinancing existing borrowings, and financing investments and general working capital and/or capital expenditure requirements.

The Group has sold its 19.0% interest in Compass Point for approximately \$79.4 million. The Group, through its joint venture, Ascendas Frasers Pte Ltd, has also sold One@Changi City to Ascendas Real Estate Investment Trust for \$420 million. In Australia, the Group sold office and business park assets for approximately A\$133.1 million.

Following the listing of FLT, the Group's net D/E ratio has decreased to 0.71x as at June 16.

Going forward

The Group expects a tepid growth environment going forward and will continue to grow its business and asset portfolio in a prudent manner across geographies and property segments. We will also focus on optimising capital productivity and strengthening the income base through our REIT platform. In Singapore, the Group will selectively tender for sites to replenish its landbank. In Australia, the Group will leverage the FPA platform and grow the Australian business. As for China, the Group will continue to look at opportunities in Shanghai, Suzhou and Chengdu and explore opportunities in the neighbouring cities. The Group will also seek opportunities to unlock value in its portfolio via asset enhancement or repositioning efforts, as well as injection of stabilised assets into our REITs.

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 2 to the Letter to Shareholders dated 5 January 2016, was renewed at the 52nd Annual General Meeting of the Company held on 29 January 2016.

Particulars of interested person transactions for the period 1 April 2016 to 30 June 2016 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)
	S\$'000
TCC Group of Companies ⁽¹⁾	3,710

⁽¹⁾ 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

- In connection with the initial public offering (the "Offering") of units in FLT (the "FLT Units"), the joint bookrunners of the Offering were granted an over-allotment option by Australand Property Limited, as trustee of Australand Property Trust (which is indirectly wholly-owned by the Company) (the "Over-Allotment Option") which was exercisable by Citigroup Global Markets Singapore Pte. Ltd. (the "Stabilising Manager") (or any of its affiliates or other persons acting on its behalf). On 4 July 2016, the Stabilising Manager exercised the Over-Allotment Option and purchased 28,503,000 FLT Units at the offer price of \$0.89 per FLT Unit, representing 2% interest in FLT. Following the completion of the exercise of the Over-Allotment Option, the Group's interest in FLT decreased from 22.5% to 20.5%. There is no material impact to the Group due to the exercise of the Over-Allotment Option.
- On 21 July 2016, the Group, through its wholly-owned subsidiary, FCL Treasury Pte. Ltd. (the "Issuer"), issued US\$200 million in aggregate principal amount of 2.50 percent. fixed rate notes due 2021, under the S\$3.0 billion Multicurrency Debt Issuance Programme established by the Issuer on 21 March 2012.

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

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

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

We confirm on behalf of the Directors of the Company, that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the interim financial results to be false or misleading in any material respect.

On behalf of the Board

Charles Mak Ming Ying
Director

Sithichai Chaikriangkrai
Director

BY ORDER OF THE BOARD
Piya Treruagrachada
Company Secretary

5 August 2016