

RESULTS FOR FIRST QUARTER ENDED 31 DECEMBER 2015
Financial Statements and Dividend Announcement

The Directors are pleased to make the following announcement of the unaudited results for the First Quarter ended 31 December 2015.

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

	1st quarter to 31/12/2015 S\$'000	1st quarter to 31/12/2014 S\$'000	Change %
REVENUE	671,625	1,072,021	-37.3%
Cost of sales	(419,649)	(763,676)	-45.0%
Gross Profit	251,976	308,345	-18.3%
Other income/(losses)	5,258	(9,899)	N/M
Administrative expenses	(79,095)	(60,011)	31.8%
TRADING PROFIT	178,139	238,435	-25.3%
Share of results of joint ventures and associates, net of tax	32,849	40,680	-19.3%
PROFIT BEFORE INTEREST, FAIR VALUE CHANGE, TAXATION AND EXCEPTIONAL ITEMS	210,988	279,115	-24.4%
Interest income	8,924	7,598	17.5%
Interest expense	(41,664)	(51,382)	-18.9%
Net interest expense	(32,740)	(43,784)	-25.2%
PROFIT BEFORE FAIR VALUE CHANGE, TAXATION AND EXCEPTIONAL ITEMS	178,248	235,331	-24.3%
Fair value change on investment properties	-	41,469	-100.0%
PROFIT BEFORE TAXATION AND EXCEPTIONAL ITEMS	178,248	276,800	-35.6%
Exceptional items	(1,324)	17,529	N/M
PROFIT BEFORE TAXATION	176,924	294,329	-39.9%
Taxation	(35,584)	(47,528)	-25.1%
PROFIT FOR THE PERIOD	141,340	246,801	-42.7%
Attributable profit:-			
Shareholders of the Company			
- Before fair value change and exceptional items	90,312	145,582	-38.0%
- Fair value change	9,666	24,335	-60.3%
- Exceptional items	(1,324)	16,953	N/M
	98,654	186,870	-47.2%
Non-controlling interests	42,686	59,931	-28.8%
PROFIT FOR THE PERIOD	141,340	246,801	-42.7%

N/M = Not Meaningful

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

	1st quarter to 31/12/2015 S\$'000	1st quarter to 31/12/2014 S\$'000	Change %
Other items of expenses			
Included in other items of expenses are:			
Allowance for doubtful trade receivables	(282)	(121)	N/M
Write-back of allowance for doubtful trade receivables	1	193	-99.5%
Bad debts written off	-	(2)	-100.0%
Depreciation of property, plant and equipment	(14,578)	(8,210)	77.6%
Amortisation of intangible assets	(413)	(144)	N/M
Employee share-based expense	(2,509)	(1,811)	38.5%
	<u> </u>	<u> </u>	
Other income/(losses)			
Fair value gain/(loss) on foreign currency forward contracts	1,579	(1,634)	N/M
Foreign exchange gain/(loss)	2,558	(10,913)	N/M
Loss on disposal of property, plant and equipment	(28)	(2)	N/M
	<u> </u>	<u> </u>	
Taxation			
(Under)/over provision in prior years taxation	(1,210)	2,579	N/M
	<u> </u>	<u> </u>	
Exceptional items			
(Transaction costs)/write-back of transaction costs on acquisition of subsidiaries	(1,324)	3,575	N/M
Gain on disposal of a joint venture and an associate	-	13,954	-100.0%
	<u> </u>	<u> </u>	
	<u> </u>	<u> </u>	
PBIT as a percentage of revenue	31.4%	26.0%	

1(a)(iii) ADDITIONAL INFORMATION

	1st quarter to 31/12/2015 S\$'000	1st quarter to 31/12/2014 S\$'000
Group revenue and profit analysis		
Revenue		
By Business Segment		
Commercial Properties	103,955	102,251
Development Properties	46,860	154,406
Hospitality	212,605	120,539
Frasers Property Australia	305,375	692,240
Corporate & Others	2,830	2,585
	671,625	1,072,021
By Geographical Segment		
Singapore	138,175	186,579
Australia	357,277	738,742
Europe	100,736	24,369
China	38,672	86,901
Others *	36,765	35,430
	671,625	1,072,021
Profit before interest, fair value change, taxation and exceptional items ("PBIT")		
By Business Segment		
Commercial Properties	82,983	71,567
Development Properties	31,021	70,417
Hospitality	47,772	30,067
Frasers Property Australia	58,316	126,847
Corporate & Others	(9,104)	(19,783)
	210,988	279,115
By Geographical Segment		
Singapore	84,982	93,449
Australia	81,331	132,063
Europe	18,948	23,646
China	15,737	22,563
Others *	9,990	7,394
	210,988	279,115
Others * - New Zealand, Vietnam, the Philippines, Indonesia, Malaysia, Japan and Thailand		
Attributable profit		
By Business Segment		
Commercial Properties	23,745	25,953
Development Properties	26,923	59,275
Hospitality	11,429	10,195
Frasers Property Australia	21,704	53,627
Corporate & Others	6,511	(3,468)
	90,312	145,582
Exceptional items	(1,324)	16,953
Fair value change on investment properties	9,666	24,335
	98,654	186,870
Non-controlling interests	42,686	59,931
	141,340	246,801

1(a)(iv) STATEMENT OF COMPREHENSIVE INCOME

	Group	
	1st quarter to 31/12/2015 S\$'000	1st quarter to 31/12/2014 S\$'000
PROFIT FOR THE PERIOD	141,340	246,801
OTHER COMPREHENSIVE INCOME		
Items that may be reclassified to profit or loss:		
Net fair value change of cash flow hedges	24,793	706
Foreign currency translation	8,903	(204,739)
Share of other comprehensive income of joint ventures and associates	223	116
Realisation of reserves on disposal of a joint venture and an associate	-	(1,277)
Other comprehensive income for the period, net of tax	33,919	(205,194)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>175,259</u>	<u>41,607</u>
PROFIT FOR THE PERIOD		
Attributable to:-		
Shareholders of the Company	98,654	180,345
Holders of Perpetual Securities	-	6,525
Non-controlling Interests	42,686	59,931
	<u>141,340</u>	<u>246,801</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		
Attributable to:-		
Shareholders of the Company	129,897	16,586
Holders of Perpetual Securities	-	6,525
Non-controlling Interests	45,362	18,496
	<u>175,259</u>	<u>41,607</u>

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

Balance Sheets

	Group		Company	
	As at 31/12/2015 S\$'000	As at 30/09/2015 S\$'000	As at 31/12/2015 S\$'000	As at 30/09/2015 S\$'000
NON-CURRENT ASSETS				
Investment properties	13,111,805	12,951,192	1,600	1,600
Property, plant and equipment	2,055,919	1,991,014	3	-
Investments in:				
- Subsidiaries	-	-	1,706,896	1,672,524
- Joint ventures	363,548	334,928	500	500
- Associates	245,948	250,460	-	-
Financial assets	2,164	2,165	2,148	2,148
Intangible assets	719,945	721,164	-	-
Prepayments	8,434	8,349	-	-
Other receivables	177,818	241,476	2,810,598	2,721,722
Deferred tax assets	167,552	169,724	-	-
Derivative financial instruments	60,418	55,935	19,239	19,463
	16,913,551	16,726,407	4,540,984	4,417,957
CURRENT ASSETS				
Inventory	7,822	7,473	-	-
Properties held for sale	4,012,276	3,922,672	-	-
Prepaid land and development costs	53,816	19,877	-	-
Other prepayments	46,340	41,328	9	47
Trade and other receivables	707,978	843,505	288,483	293,465
Derivative financial instruments	18,874	20,167	960	5,352
Cash and cash equivalents	1,330,444	1,373,140	33,532	9,064
Assets held for sale	68,438	112,123	-	-
	6,245,988	6,340,285	322,984	307,928
TOTAL ASSETS	23,159,539	23,066,692	4,863,968	4,725,885
CURRENT LIABILITIES				
Trade and other payables	1,304,297	1,314,648	36,596	29,865
Derivative financial instruments	13,003	24,602	935	8,006
Provision for taxation	214,744	192,953	14,410	12,510
Loans and borrowings	1,206,176	1,020,137	169	-
Liabilities held for sale	2,924	-	-	-
	2,741,144	2,552,340	52,110	50,381
NET CURRENT ASSETS	3,504,844	3,787,945	270,874	257,547
	20,418,395	20,514,352	4,811,858	4,675,504
NON-CURRENT LIABILITIES				
Other payables	234,479	253,751	296,210	207,077
Derivative financial instruments	24,564	36,592	19,239	19,617
Deferred tax liabilities	323,898	317,736	-	-
Loans and borrowings	9,108,384	9,255,320	-	-
	9,691,325	9,863,399	315,449	226,694
NET ASSETS	10,727,070	10,650,953	4,496,409	4,448,810
SHARE CAPITAL AND RESERVES				
Share capital	1,766,800	1,759,858	1,766,800	1,759,858
Retained earnings	5,051,880	4,995,420	2,535,478	2,490,922
Other reserves	(218,988)	(245,798)	194,131	198,030
Equity attributable to Owners of the Company	6,599,692	6,509,480	4,496,409	4,448,810
NON-CONTROLLING INTERESTS - Perpetual Securities	1,293,254	1,293,254	-	-
	7,892,946	7,802,734	4,496,409	4,448,810
NON-CONTROLLING INTERESTS - Others	2,834,124	2,848,219	-	-
TOTAL EQUITY	10,727,070	10,650,953	4,496,409	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 31/12/2015 S\$'000	As at 30/09/2015 \$'000
Secured	466,569	374,329
Unsecured	739,607	645,808
	<u>1,206,176</u>	<u>1,020,137</u>

Amount repayable after one year

	As at 31/12/2015 S\$'000	As at 30/09/2015 \$'000
Secured	2,022,727	2,078,624
Unsecured	7,085,657	7,176,696
	<u>9,108,384</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	
	1st quarter to 31/12/2015 \$'000	1st quarter to 31/12/2014 \$'000
<u>Cash Flow from Operating Activities</u>		
Profit after taxation	141,340	246,801
Adjustments for:		
Depreciation of property, plant and equipment	14,578	8,210
Net fair value change on investment properties	-	(41,469)
Share of results of joint ventures and associates, net of tax	(32,849)	(40,680)
Amortisation of intangible assets	413	144
Loss on disposal of property, plant and equipment	28	2
Allowance for/(w rite-back of) doubtful trade receivables	281	(72)
Bad debts written off	-	2
Employee share-based expense	2,509	1,811
Gain on disposal of a joint venture and associate	-	(13,954)
Net fair value change on foreign currency forward contracts	-	1,634
Interest income	(8,924)	(7,598)
Interest expense	41,664	51,382
Tax expense	35,584	47,528
Exchange difference	10,605	(100,421)
Operating profit before working capital changes	<u>205,229</u>	<u>153,320</u>
Change in trade and other receivables	89,322	332,634
Change in trade and other payables	3,714	(242,147)
Change in properties held for sale	(123,360)	195,267
Change in inventory	1,651	(88)
Cash generated from operations	<u>176,556</u>	<u>438,986</u>
Income taxes paid	(998)	(6,092)
Net cash generated from operating activities	<u>175,558</u>	<u>432,894</u>
<u>Cash Flow from Investing Activities</u>		
Acquisition of/development expenditure on investment properties	(141,616)	(136,712)
Purchase of property, plant and equipment	(12,516)	(5,294)
Proceeds from disposal of property, plant and equipment	22	187
Repayments of loans from joint ventures and associates	2,174	2,242
Dividends from joint ventures and associates	1,524	3,451
Settlement of hedging instruments	(2,024)	19,213
Interest received	7,228	7,864
Acquisition of subsidiaries, net of cash acquired	(75,938)	-
Proceeds from disposal of a joint venture and an associate	-	86,343
Proceeds from disposal of assets held for sale	112,123	-
Net cash used in investing activities	<u>(109,023)</u>	<u>(22,706)</u>

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

	Group	
	1st quarter to 31/12/2015 \$'000	1st quarter to 31/12/2014 \$'000
<u>Cash Flow from Financing Activities</u>		
Dividends paid to non-controlling interests	(61,065)	(36,643)
Contributions from non-controlling interests of subsidiaries without change in control	1,254	1,646
Proceeds from bank borrowings	177,844	1,084,576
Repayment of bank borrowings	(144,773)	(1,341,896)
Interest paid	(47,778)	(50,251)
Issuance costs	(78)	2,833
Repayment of amounts due to non-controlling interests	(26,487)	-
Net cash used in financing activities	(101,083)	(339,735)
Net change in cash and cash equivalents	(34,548)	70,453
Cash and cash equivalents at beginning of period	1,367,505	867,938
Effects of exchange rate on opening cash	(3,260)	(1,766)
Cash and cash equivalents at end of period	1,329,697	936,625
Cash and cash equivalents at end of period:		
Fixed deposits, current	727,390	314,692
Cash and bank balances	603,054	624,636
	1,330,444	939,328
Bank overdraft, unsecured	(747)	(2,703)
Cash and cash equivalents at end of period	1,329,697	936,625
<u>Analysis of Acquisition of Subsidiaries</u>		
Net assets acquired:		
Property, plant and equipment	76,126	-
Current assets	2,000	-
Current liabilities	(2,188)	-
Cash and cash equivalents	1,356	-
Fair value of net assets	77,294	-
Goodwill arising from acquisition	-	-
Consideration paid in cash	77,294	-
Cash and cash equivalents of subsidiaries acquired	(1,356)	-
Cashflow on acquisition, net of cash and cash equivalents acquired	75,938	-

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

STATEMENT OF CHANGES IN EQUITY

	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
Group								
1st Quarter ended 31 December 2015								
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	-	98,654	-	98,654	-	98,654	42,686	141,340
<u>Other comprehensive income</u>								
Net fair value change of cash flow hedges	-	-	21,552	21,552	-	21,552	3,241	24,793
Foreign currency translation	-	-	9,468	9,468	-	9,468	(565)	8,903
Share of other comprehensive income of joint ventures and associates	-	-	223	223	-	223	-	223
Other comprehensive income for the period	-	-	31,243	31,243	-	31,243	2,676	33,919
Total comprehensive income for the period	-	98,654	31,243	129,897	-	129,897	45,362	175,259
<u>Contributions by and distributions to owners</u>								
Ordinary shares issued	6,942	-	(6,942)	-	-	-	-	-
Employee share-based expense	-	-	2,509	2,509	-	2,509	-	2,509
Dividend paid	-	-	-	-	-	-	(61,065)	(61,065)
Total contributions by and distributions to owners	6,942	-	(4,433)	2,509	-	2,509	(61,065)	(58,556)
<u>Changes in ownership interests in subsidiaries</u>								
Units issued to non-controlling interests	-	-	-	-	-	-	1,254	1,254
Acquisition of non-controlling interests in subsidiaries without loss of control	-	(42,173)	-	(42,173)	-	(42,173)	411	(41,762)
Issuance costs	-	(21)	-	(21)	-	(21)	(57)	(78)
Total changes in ownership interests in subsidiaries	-	(42,194)	-	(42,194)	-	(42,194)	1,608	(40,586)
Total transactions with owners in their capacity as owners	6,942	(42,194)	(4,433)	(39,685)	-	(39,685)	(59,457)	(99,142)
Closing balance at 31 December 2015	1,766,800	5,051,880	(218,988)	6,599,692	1,293,254	7,892,946	2,834,124	10,727,070

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
1st Quarter ended 31 December 2014								
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	-	180,345	-	180,345	6,525	186,870	59,931	246,801
<u>Other comprehensive income</u>								
Net fair value change of cash flow hedges	-	-	(526)	(526)	-	(526)	1,232	706
Foreign currency translation	-	-	(162,072)	(162,072)	-	(162,072)	(42,667)	(204,739)
Share of other comprehensive income of joint ventures and associates	-	-	116	116	-	116	-	116
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	-	-	(163,759)	(163,759)	-	(163,759)	(41,435)	(205,194)
Total comprehensive income for the period	-	180,345	(163,759)	16,586	6,525	23,111	18,496	41,607
<u>Contributions by and distributions to owners</u>								
Ordinary shares issued	5,722	-	(5,722)	-	-	-	-	-
Employee share-based expense	-	-	1,811	1,811	-	1,811	-	1,811
Dividend paid	-	-	-	-	-	-	(36,643)	(36,643)
Total contributions by and distributions to owners	5,722	-	(3,911)	1,811	-	1,811	(36,643)	(34,832)
<u>Changes in ownership interests in subsidiaries</u>								
Units issued to non-controlling interests	-	-	-	-	-	-	3,314	3,314
Dilution of non-controlling interests in subsidiaries without loss of control	-	357	(257)	100	-	100	(1,768)	(1,668)
Issuance costs	-	546	74	620	-	620	2,213	2,833
Total changes in ownership interests in subsidiaries	-	903	(183)	720	-	720	3,759	4,479
Total transactions with owners in their capacity as owners	5,722	903	(4,094)	2,531	-	2,531	(32,884)	(30,353)
Closing balance at 31 December 2014	1,759,699	4,724,415	(50,699)	6,433,415	604,179	7,037,594	2,597,210	9,634,804

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							
1st Quarter ended 31 December 2015							
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	-	44,556	-	-	-	-	44,556
<u>Other comprehensive income</u>							
Net fair value change of cash flow hedges	-	-	503	503	-	-	503
Total comprehensive income for the period	-	44,556	503	503	-	-	45,059
<u>Contributions by and distributions to owners</u>							
Ordinary shares issued	6,942	-	(6,942)	-	(6,942)	-	-
Employee share-based expense	-	-	2,540	-	2,540	-	2,540
Total contributions by and distributions to owners	6,942	-	(4,402)	-	(4,402)	-	2,540
Closing balance at 31 December 2015	1,766,800	2,535,478	194,131	3,720	10,920	179,491	4,496,409

	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							
1st Quarter ended 31 December 2014							
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	-	34,900	-	-	-	-	34,900
<u>Other comprehensive income</u>							
Net fair value change of cash flow hedges	-	-	446	446	-	-	446
Total comprehensive income for the period	-	34,900	446	446	-	-	35,346
<u>Contributions by and distributions to owners</u>							
Ordinary shares issued	5,722	-	(5,722)	-	(5,722)	-	-
Employee share-based expense	-	-	1,811	-	1,811	-	1,811
Total contributions by and distributions to owners	5,722	-	(3,911)	-	(3,911)	-	1,811
Closing balance at 31 December 2014	1,759,699	2,247,490	190,639	3,182	8,289	179,168	4,197,828

1(d)(ii) SHARE CAPITAL

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

	Number of Shares	
	1st Quarter to 31/12/2015	4th Quarter to 30/09/2015
Issued and fully paid:		
Ordinary shares:		
As at beginning of period	2,895,009,863	2,895,009,863
Issued during the period - pursuant to share plans	4,986,581	-
As at end of period	<u>2,899,996,444</u>	<u>2,895,009,863</u>
	As at 31/12/2015	As at 31/12/2014
The number of shares awarded conditionally under share plans as at the end of the period	<u>22,833,623</u>	<u>8,577,893</u>

The Company has no treasury shares as at 31 December 2015 and 30 September 2015.

As at 31 December 2015, 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 31 December 2015 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 31 December 2015. The Company has no treasury shares as at 31 December 2015.

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	
	1st Quarter to 31/12/2015	1st Quarter to 31/12/2014
Earnings per ordinary share ("EPS"):		
(a) Basic earnings per share (cents)		
- before fair value change and exceptional items	3.12	4.81
- after fair value change and exceptional items	<u>3.41</u>	<u>6.24</u>
(b) On a fully diluted basis (cents)		
- before fair value change and exceptional items	3.09	4.80
- after fair value change and exceptional items	<u>3.38</u>	<u>6.22</u>

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

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

	Group		Company	
	As at 31/12/2015	As at 30/9/2015	As at 31/12/2015	As at 30/9/2015
Net asset value per ordinary share based on issued share capital	\$2.28	\$2.25	\$1.55	\$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.

Profit Statement – 1st Quarter

Group revenue and profit before interest, fair value change, taxation and exceptional items ("PBIT") declined by 37% and 24%, respectively, over the same period last year to \$672 million and \$211 million, respectively. Excluding share of joint ventures' fair value gains, PBIT would have decreased 28% to \$201 million.

The decreases were caused mainly by lower profits from the Group's development portfolio in Singapore, China and Australia which more than offset the new stream of income from the newly acquired Malmaison Hotel du Vin ("MHDV") Group in the United Kingdom.

Group attributable profit* decreased by 38% to \$90 million and basic earnings per share* based on weighted average number of ordinary shares on issue was 3.1 cents.

* before fair value change on investment properties and exceptional items

Commercial Properties ("CP")

Overall revenue and PBIT were 2% and 16% higher at \$104 million and \$83 million, respectively, when compared to the same quarter last year. Excluding fair value gains for Waterway Point recorded by the Group in its share of fair value gains of joint ventures, PBIT would have increased 3% to \$74 million.

The increase was attributed mainly to stronger operating performance at One@Changi City and 51 Cuppage Road in Singapore. Better results from FCOT 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 also contributed to the increase.

The gains were partly offset by the unfavourable effects of a fall in occupancy at The Centrepoint as asset enhancement initiatives ("AEI") are currently underway.

Development Properties ("DP")

Revenue and PBIT decreased by 70% and 56% to \$47 million and \$31 million, respectively.

In Singapore, revenue and PBIT decreased to \$12 million and \$18 million, respectively, down 82% and 62%, respectively, as compared to the corresponding quarter last year. Absence of sales from Holland Park (one unsold bungalow remaining) and Flamingo Valley (fully sold), as well as lower profits from Palm Isles, which achieved Temporary Occupation Permit ("TOP") in FY2015, contributed to the decline in both revenue and PBIT. Joint venture projects, where the Group equity accounts only their share of results, also caused a decline in profits due mainly to projects achieving TOP in prior reporting periods (namely Seastrand, Boathouse Residences and Waterfront Isle), and lower contributions from Q Bay Residences and RiverTrees Residences. The decline was partly mitigated by increase in profit recognition from Watertown as a result of higher percentage of construction achieved.

In China, revenue and PBIT decreased to \$33 million and \$14 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 projects had been substantially sold and recognised in FY2015. The decrease in revenue was partially offset by ongoing sales of completed Phase 3A in Suzhou Baitang. PBIT was helped by higher share of profits from continued income recognition on an associate's completed development project, Gemdale Megacity Phases 2A and 2B in Songjiang. In the current quarter, 14 units at completed phases in Suzhou Baitang were sold while the uncompleted Phase 3C saw sales of 395 units. Sales of 600 units were achieved by Gemdale Megacity, while sales of 3 units were achieved at the Chengdu development.

In the UK, sales and profit contribution from Phase 3A of Riverside Quarter tapered off as this phase was substantially sold and recognised in FY2015. The uncompleted Phase 3B achieved sales of 6 units.

Hospitality

Hospitality revenue and PBIT were 76% and 59% higher than the corresponding quarter last year, at \$213 million and \$48 million, respectively.

The increase in revenue and PBIT was mainly driven by the acquisitions of Capri by Fraser, Changi City in Singapore and the MHDV Group of 29 boutique hotels in UK, as well as the launch of Capri by Fraser, Frankfurt in August 2015. Stronger operating performance at Fraser Suites Perth in Australia also contributed to the growth in this segment.

Frasers Property Australia ("FPA")

Revenue and PBIT for the quarter were 56% and 54% lower than the corresponding quarter last year at \$305 million and \$58 million, respectively.

The lower contributions were largely due to the higher level of completions and settlements of residential projects in the corresponding quarter last year. For the residential business, profits came largely from the completion and settlement of Yungaba and Hamilton projects in Queensland and the Carlton project in Victoria, Melbourne. Lower profits from the Commercial and Industrial ("C&I") division relative to the prior year's quarter were noted. In the current quarter, there was increased delivery of internal builds, of which three properties under development were transferred to the Investment Property ("IP") division. The results of the IP division remain strong and consistent with the corresponding quarter last year. Occupancy of investment properties was at 98% and weighted average lease expiry was 5 years.

Corporate & Others

Revenue remained relatively unchanged over the corresponding quarter last year but PBIT was a smaller net loss of \$9 million compared to \$20 million in the same period last year. This was substantially due to favourable exchange rate effects on foreign currency denominated receivables, particularly United States dollar, Australian and New Zealand dollar, partly offset by higher corporate overhead costs incurred.

Share of Results of Joint Ventures and Associates

Share of results of joint ventures and associates declined 19% to \$33 million due mainly to lower profit contribution from Singapore joint venture projects and FPA's joint ventures.

Net Interest Expense

Net interest expense was \$33 million, compared to \$44 million in the corresponding quarter last year. The decrease was due mainly to the absence of mark-to-market losses on interest rate swaps in the corresponding quarter last year, compared to a small mark-to-market gain in the current quarter. Excluding the mark-to-market effects, borrowing costs were slightly higher in line with the increase in the Group's loan facilities.

Exceptional Items ("EI")

EI was a net loss of \$1 million compared to a gain of \$18 million in the corresponding quarter last year. The net loss of \$1 million comprised mainly of costs incurred on the acquisition of subsidiaries under the MHDV Group. The net gain in the corresponding quarter last year was largely due to a gain on divestment of a Thailand joint venture and associate.

Tax

The Group's effective tax rate ("ETR") of 20.1% (2015: 16.1%) was higher than the corporate tax rate of 17% and this is largely due largely to contributions from Group entities operating in jurisdictions with higher prevailing corporate income tax rate. The absence of non-recurring items such as non-taxable Australian profits and capital gains has resulted in higher ETR as compared to the prior period.

Group Balance Sheet as at 31 December 2015

The increase in Investment Properties of \$161 million was mainly due to development expenditure incurred on the Group's investment properties under construction.

The increase in Property, Plant and Equipment of \$65 million was mainly due to the addition of hotel properties of \$76 million on acquisition of subsidiaries in the United Kingdom ("UK") through MHDV Holdings (UK) Limited ("MHDV").

Investments in Joint Ventures and Associates increased by \$24 million. The increase was mainly due to the share of results from joint ventures and associates, which included a fair value gain at Waterway Point, which obtained TOP in Dec 2015.

The decrease in Trade and Other Receivables of \$199 million was mainly due to reclassification of a \$64 million loan to an associate to assets held for sale, as well as sales proceeds collected from development projects.

The increase in Properties Held for Sale of \$90 million was mainly due to progressive development expenditure for projects in Australia, China, Singapore and UK.

The increase in Loans and Borrowings of \$39 million was mainly due to financing for acquisition of subsidiaries in the UK.

Group Cash Flow Statement for the quarter ended 31 December 2015

The net cash outflow from investing activities this quarter was mainly due to development expenditure on investment properties of \$142 million and acquisition of subsidiaries in the UK of \$76 million. These are partially offset by proceeds from disposal of assets held for sale of \$112 million. The net cash outflow from investing activities in the corresponding quarter last year was mainly due to development expenditure on investment properties of \$137 million and offset by proceeds from the disposal of a joint venture and an associate of \$86 million.

The net cash outflow from financing activities this quarter was mainly due to dividends of \$61 million paid to non-controlling interests, interest paid of \$48 million and repayment of \$26 million due to non-controlling interests. The net cash outflow from financing activities in the corresponding quarter last year was mainly due to net repayments of bank borrowings of \$257 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 2.0% in the fourth quarter of 2015, compared to 1.8% in the previous quarter. For 2015, Singapore's economy expanded 2.1%, largely in line with the Ministry of Trade and Industry's growth forecast. Economic growth is expected to remain modest in view of global uncertainty and forecast to be 1% - 3% in 2016 for Singapore.

Transaction volumes remain low. About 7,500 new private homes were sold in the Singapore property market in 2015, which is slightly higher than the level sold in 2014. The residential property price index continued to soften with a decline of 0.5% in the December quarter, compared to a 1.3% decrease in the previous quarter. This decline was the ninth consecutive quarterly decline and is the longest stretch of price decline in 17 years. For the whole of 2015, prices decreased by 3.7%, compared to a 4.0% decline in 2014. Analysts expect the market to remain subdued due to interest rate normalisation and the government's indication that it is unlikely to ease cooling measures in the short term.

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 19,310-sqm site can accommodate about 800 to 900 apartments. The site has good attributes such as close proximity to the future Siglap MRT, reputable schools, East Coast Park as well as panoramic seaviews. Subject to market conditions, the Group is targeting to launch Parc Life EC in Sembawang in the first half of 2016.

In the retail market, rising average household incomes and low unemployment will continue to underpin non-discretionary expenditure. In the office market, vacancy levels are expected to remain fairly low until the onset of new development completions scheduled from the third quarter of 2016 onwards.

The Group's portfolio of malls and offices in Singapore continues to trade well. Waterway Point has achieved completion and commenced operations in January 2016 with secured committed occupancy of more than 90%. Its soft opening on 18 January 2016 was very well received by residents of Punggol and nearby neighbourhood. The Group has sold its 19.0% interest in Compass Point for approximately \$80.3 million. The Group, through its joint venture, Ascendas Frasers Pte Ltd, entered into a conditional put and call agreement to sell One@Changi City to Ascendas Real Estate Investment Trust for \$420 million.

Australia

Economic growth in Australia is expected to ease due to the transition from a resource focused to a more balanced economy. In the residential market, long term fundamentals remain sound. Sydney price growth is expected to moderate in 2016. However, demand will continue to be supported by low interest rates, population growth, falling unemployment and strong infrastructure spending. Perth continues to see slowing sales and price adjustments given lower demand from both owner occupiers and investors.

The Residential division sold 843 units in 1Q FY15/16, mainly from projects in New South Wales and Victoria. Over 1,350 units were released for sale in 1Q FY15/16 with approximately 2,500 additional units planned for release over the course of the year. Frasers Property Australia ("FPA") acquired a new site in Queensland (Bahrs Scrub), which will yield 1,344 units.

In the industrial market, investment demand levels are robust, with yields remaining firm. In the office market, yields continue to tighten, particularly in Sydney and Melbourne.

FPA's investment property portfolio continues to perform well with a 97.8% occupancy and weighted average lease expiry of 5.3 years.

China

China's economic growth slowed to 6.9% in 2015, slightly missing the official target of 7%.

Nevertheless, the residential property market remains resilient. In Shanghai and Suzhou, transaction volumes and average sale prices in the residential market increased year-on-year in 2015. In Chengdu, average rents of offices declined year-on-year amidst increased competition in the third quarter of 2015.

In line with better residential market conditions, Phase 3B of Gemdale Megacity, which was launched in October 2015, sold about 60% of the 575 units launched.

Hospitality

In Singapore, the hospitality segment continues to face pressure from rising supply of new private homes and capping of expatriate hire and housing budgets. STB's hotel statistics in October reported a decline in Revpar of 5.3% across all segments year-on-year.

In other key markets like Australia and China, the tourism and hotel market outlook is expected to remain positive. In Europe, the tourism market is affected as many countries are issuing travel warnings for Europe.

Frasers Hospitality continues to grow its portfolio. Fraser Hospitality completed the acquisition of a portfolio of four properties in the UK for a consideration of GBP36.1m. As at 31 December 2015, Frasers Hospitality has interest in and/or manages over 14,000 units and has signed up over 8,700 units pending openings.

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 A to the Letter to Shareholders dated 9 January 2015, was renewed at the 51st Annual General Meeting of the Company held on 30 January 2015.

Particulars of interested person transactions for the period 1 October 2015 to 31 December 2015 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⁾	8,965

⁽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

- On 14 January 2016, the Group, through its wholly-owned subsidiary, Frasers Property Holdings (Thailand) Co., Ltd., completed the acquisition of 685,700,997 new ordinary shares, each of Baht 4.75 (approximately S\$0.19) par value (the "New Shares"), in the capital of Golden Land Property Development Public Company Limited ("Gold") at the subscription price of Baht 7.25 (equivalent to approximately S\$0.29) per New Share. The Group now holds 29.5% of the issued share capital of Gold.
- On 1 February 2016, FCL Centrepoint Pte. Ltd., a wholly-owned subsidiary of the Group, completed the disposal of its entire 18.99% shareholding interest in Gemshine Investments (S) Pte. Ltd. ("Gemshine") and novation of the intercompany loans in the net amount of approximately \$60.7 million, to Lexis 88 Investments (Mauritius) Limited for an aggregate consideration of approximately \$80.3 million, subject to post-completion adjustments.

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 Treuangrachada
Company Secretary

3 February 2016