



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

RESULTS FOR SECOND QUARTER ENDED 31 MARCH 2018
Financial Statements and Dividend Announcement

The Directors of Frasers Property Limited (the "Company") are pleased to make the following announcement of the unaudited results for the second quarter ended 31 March 2018.

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

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

1(a)(i) GROUP PROFIT STATEMENT

	2nd quarter to 31/03/2018 \$'000	2nd quarter to 31/03/2017 \$'000	Inc/(Dec) %	6 months to 31/03/2018 \$'000	6 months to 31/03/2017 \$'000	Inc/(Dec) %
REVENUE	841,740	705,762	19.3%	1,581,770	1,677,430	(5.7)%
Cost of sales	(514,128)	(477,490)	7.7%	(985,424)	(1,091,693)	(9.7)%
Gross Profit	327,612	228,272	43.5%	596,346	585,737	1.8%
Other income/(losses)	(10,564)	(381)	N/M	(8,369)	18,673	N/M
Administrative expenses	(79,348)	(63,346)	25.3%	(151,780)	(132,538)	14.5%
TRADING PROFIT	237,700	164,545	44.5%	436,197	471,872	(7.6)%
Share of results of joint ventures and associates, net of tax	52,281	14,766	N/M	82,353	38,501	113.9%
PROFIT BEFORE INTEREST, FAIR VALUE CHANGE, TAXATION AND EXCEPTIONAL ITEMS	289,981	179,311	61.7%	518,550	510,373	1.6%
Interest income	6,013	10,501	(42.7)%	13,778	21,563	(36.1)%
Interest expense	(70,037)	(36,103)	94.0%	(146,757)	(71,089)	106.4%
Net interest expense	(64,024)	(25,602)	150.1%	(132,979)	(49,526)	168.5%
PROFIT BEFORE FAIR VALUE CHANGE, TAXATION AND EXCEPTIONAL ITEMS	225,957	153,709	47.0%	385,571	460,847	(16.3)%
Fair value change on investment properties	(12)	-	N/M	13,284	-	N/M
PROFIT BEFORE TAXATION AND EXCEPTIONAL ITEMS	225,945	153,709	47.0%	398,855	460,847	(13.5)%
Exceptional items	(31)	5	N/M	(1,020)	5,145	N/M
PROFIT BEFORE TAXATION	225,914	153,714	47.0%	397,835	465,992	(14.6)%
Taxation	(47,762)	(26,102)	83.0%	(82,911)	(85,063)	(2.5)%
PROFIT FOR THE PERIOD	178,152	127,612	39.6%	314,924	380,929	(17.3)%
Attributable profit:-						
- Before fair value change and exceptional items	124,247	71,212	74.5%	193,440	253,201	(23.6)%
- Fair value change	(128)	-	N/M	8,531	-	N/M
- Exceptional items	(31)	33	N/M	(1,020)	5,559	N/M
	124,088	71,245	74.2%	200,951	258,760	(22.3)%
Non-controlling interests	54,064	56,367	(4.1)%	113,973	122,169	(6.7)%
PROFIT FOR THE PERIOD	178,152	127,612	39.6%	314,924	380,929	(17.3)%

N/M = Not Meaningful

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

	2nd quarter to 31/03/2018 \$'000	2nd quarter to 31/03/2017 \$'000	Inc/(Dec) %	6 months to 31/03/2018 \$'000	6 months to 31/03/2017 \$'000	Inc/(Dec) %
Other items of expenses						
Included in other items of expenses are:						
Allowance for doubtful trade receivables	(809)	(378)	114.0%	(1,877)	(1,224)	53.3%
Write-back of allowance for doubtful trade receivables	190	1,237	(84.6)%	1,986	2,066	(3.9)%
Bad debts written off	19	-	N/M	(118)	(3)	N/M
Depreciation of property, plant and equipment	(13,149)	(15,064)	(12.7)%	(26,483)	(29,146)	(9.1)%
Amortisation of intangible assets	(644)	(468)	37.6%	(1,264)	(700)	80.6%
Employee share-based expense	(3,605)	(4,311)	(16.4)%	(10,118)	(7,199)	40.5%
Other income/(losses)						
Included in other income/(losses) are:						
Net fair value change on derivative instruments	(13,390)	1,208	N/M	(5,199)	14,854	N/M
Foreign exchange (loss)/gain	2,853	(1,724)	N/M	(3,618)	3,247	N/M
Loss on disposal of property, plant and equipment	(83)	(37)	124.3%	(104)	(42)	147.6%
Taxation						
Overprovision in prior years taxation	(219)	2,012	N/M	556	2,298	(75.8)%
Exceptional items						
Transaction costs on disposal of investment properties	71	-	N/M	(918)	-	N/M
Non-capitalisable expenses in relation to the acquisitions of properties	(102)	(38)	168.4%	(102)	(531)	-80.8%
Gain on acquisition of an associate	-	43	N/M	-	5,676	N/M
	(31)	5		(1,020)	5,145	
Profit before interest, fair value change, taxation and exceptional items as a percentage of revenue	34.5%	25.4%		32.8%	30.4%	

N/M = Not Meaningful

1(a)(iii) ADDITIONAL INFORMATION

	2nd quarter to 31/03/2018 \$'000	2nd quarter to 31/03/2017 \$'000	6 months to 31/03/2018 \$'000	6 months to 31/03/2017 \$'000
Group revenue and profit analysis				
Revenue				
By Business Segment				
Singapore SBU	196,986	175,315	449,791	377,340
Australia SBU	310,821	306,507	517,386	522,179
Hospitality SBU	186,326	188,577	397,494	396,224
Europe & rest of Asia	147,476	35,226	215,983	381,388
Corporate & Others	131	137	1,116	299
	<u>841,740</u>	<u>705,762</u>	<u>1,581,770</u>	<u>1,677,430</u>
By Geographical Segment				
Singapore	195,807	174,352	445,123	371,406
Australia	375,056	370,266	646,689	652,746
Europe	145,538	100,963	291,028	214,995
China	82,738	12,758	106,674	339,948
Others *	42,601	47,423	92,256	98,335
	<u>841,740</u>	<u>705,762</u>	<u>1,581,770</u>	<u>1,677,430</u>
Profit before interest, fair value change, taxation and exceptional items				
By Business Segment				
Singapore SBU	98,944	84,764	192,059	190,629
Australia SBU	88,071	54,890	152,842	94,181
Hospitality SBU	22,833	32,584	59,555	81,375
Europe & rest of Asia	93,632	18,299	135,329	155,967
Corporate & Others	(13,499)	(11,226)	(21,235)	(11,779)
	<u>289,981</u>	<u>179,311</u>	<u>518,550</u>	<u>510,373</u>
By Geographical Segment				
Singapore	77,771	70,819	156,723	180,729
Australia	108,208	78,197	189,713	140,282
Europe	38,953	12,807	82,855	32,462
China	40,077	4,205	39,432	129,873
Others *	24,972	13,283	49,827	27,027
	<u>289,981</u>	<u>179,311</u>	<u>518,550</u>	<u>510,373</u>
Attributable profit				
By Business Segment				
Singapore SBU	31,462	22,228	55,316	67,237
Australia SBU	29,425	15,973	39,990	17,479
Hospitality SBU	(9,850)	1,821	(8,600)	10,023
Europe & rest of Asia	54,892	7,385	75,827	110,334
Corporate & Others	18,318	23,805	30,907	48,128
	124,247	71,212	193,440	253,201
Fair value change on investment properties	(128)	-	8,531	-
Exceptional items	(31)	33	(1,020)	5,559
	<u>124,088</u>	<u>71,245</u>	<u>200,951</u>	<u>258,760</u>
Non-controlling interests	54,064	56,367	113,973	122,169
	<u>178,152</u>	<u>127,612</u>	<u>314,924</u>	<u>380,929</u>

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

1(a)(iv) STATEMENT OF COMPREHENSIVE INCOME

	Group			
	2nd quarter to 31/03/2018 \$'000	2nd quarter to 31/03/2017 \$'000	6 months to 31/03/2018 \$'000	6 months to 31/03/2017 \$'000
PROFIT FOR THE PERIOD	178,152	127,612	314,924	380,929
OTHER COMPREHENSIVE INCOME				
Items that may be reclassified subsequently to profit statement:				
Net fair value change of cash flow hedges	21,453	(21,268)	25,300	32,433
Foreign currency translation	(70,531)	93,971	(208,448)	109,698
Share of other comprehensive income of joint ventures and associates	668	(663)	921	(192)
Other comprehensive income for the year, net of tax	(48,410)	72,040	(182,227)	141,939
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>129,742</u>	<u>199,652</u>	<u>132,697</u>	<u>522,868</u>
PROFIT FOR THE PERIOD				
Attributable to:-				
Shareholders of the Company	92,212	39,369	168,567	226,400
Holders of Perpetual Securities	31,876	31,876	34,119	34,119
Non-controlling interests ¹	54,064	56,367	112,238	120,410
	<u>178,152</u>	<u>127,612</u>	<u>314,924</u>	<u>380,929</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD				
Attributable to:-				
Shareholders of the Company	77,160	83,533	68,475	326,786
Holders of Perpetual Securities	31,876	31,876	34,119	34,119
Non-controlling interests ¹	20,706	84,243	30,103	161,963
	<u>129,742</u>	<u>199,652</u>	<u>132,697</u>	<u>522,868</u>

¹ after adjusting for non-controlling interests' share of distributions to perpetual securities holders of \$1,735,000 for the 6 months to 31 March 2018 (6 months to 31 March 2017: \$1,759,000); Nil for the 2nd quarters to 31 March 2018 and 31 March 2017.

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

Balance Sheets

	Group		Company	
	As at 31/03/2018 \$'000	As at 30/09/2017 \$'000	As at 31/03/2018 \$'000	As at 30/09/2017 \$'000
NON-CURRENT ASSETS				
Investment properties	18,130,493	15,817,282	1,500	1,500
Property, plant and equipment	2,227,580	2,240,724	1	1
Investments in:				
- Subsidiaries	-	-	1,798,458	1,799,896
- Joint ventures	450,451	265,561	500	500
- Associates	1,237,442	1,166,096	-	-
Financial assets	2,162	2,162	2,148	2,148
Intangible assets	757,195	763,140	-	-
Prepayments	6,805	3,963	-	-
Other receivables	252,701	238,692	3,014,029	3,175,075
Deferred tax assets	35,753	34,842	-	-
Derivative financial instruments	8,737	4,279	535	73
	23,109,319	20,536,741	4,817,171	4,979,193
CURRENT ASSETS				
Inventory	5,703	5,491	-	-
Properties held for sale	4,592,576	3,452,219	-	-
Prepaid land and development costs	14,702	76,038	-	-
Other prepayments	56,259	50,217	10,994	153
Trade and other receivables	564,578	478,582	279,241	219,583
Derivative financial instruments	5,175	604	195	90
Bank deposits	113,714	272,205	-	-
Cash and cash equivalents	1,415,623	2,137,275	11,410	45,432
	6,768,330	6,472,631	301,840	265,258
TOTAL ASSETS	29,877,649	27,009,372	5,119,011	5,244,451
CURRENT LIABILITIES				
Trade and other payables	1,619,910	1,611,206	252,933	205,498
Derivative financial instruments	6,967	15,051	-	2,090
Provision for taxation	159,260	159,656	9,873	11,405
Loans and borrowings	1,874,921	1,571,718	-	-
	3,661,058	3,357,631	262,806	218,993
NET CURRENT ASSETS	3,107,272	3,115,000	39,034	46,265
	26,216,591	23,651,741	4,856,205	5,025,458
NON-CURRENT LIABILITIES				
Other payables	145,902	130,910	1,446	985
Derivative financial instruments	107,690	87,703	48,816	36,726
Deferred tax liabilities	346,090	327,803	-	-
Loans and borrowings	12,324,357	10,056,126	-	-
	12,924,039	10,602,542	50,262	37,711
NET ASSETS	13,292,552	13,049,199	4,805,943	4,987,747
SHARE CAPITAL AND RESERVES				
Share capital	1,784,732	1,774,771	1,784,732	1,774,771
Retained earnings	5,700,475	5,590,746	2,934,458	3,014,352
Other reserves	(423,545)	(210,839)	86,753	198,624
Equity attributable to Owners of the Company	7,061,662	7,154,678	4,805,943	4,987,747
NON-CONTROLLING INTERESTS - Perpetual Securities	2,037,819	1,698,093	-	-
	9,099,481	8,852,771	4,805,943	4,987,747
NON-CONTROLLING INTERESTS - Others	4,193,071	4,196,428	-	-
TOTAL EQUITY	13,292,552	13,049,199	4,805,943	4,987,747

1(b)(ii) Aggregate amount of Group's borrowings and debt securities.

The Group's borrowings and debt securities as at the end of the financial period reported on and comparative figures as at the end of the immediately preceding financial year:

Amount repayable in one year or less, or on demand

	As at 31/03/2018 \$'000	As at 30/09/2017 \$'000
Secured	1,156,591	978,299
Unsecured	718,330	593,419
	<u>1,874,921</u>	<u>1,571,718</u>

Amount repayable after one year

	As at 31/03/2018 \$'000	As at 30/09/2017 \$'000
Secured	2,766,919	2,072,690
Unsecured	9,557,438	7,983,436
	<u>12,324,357</u>	<u>10,056,126</u>

Details of any collateral

Secured borrowings are generally bank loans secured on certain investment properties and properties held for sale and/or a first fixed and floating charge over the assets, and assignment of all rights, benefits and title in contracts of the respective borrowing companies.

1(c) A statement of cash flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

GROUP CASH FLOW STATEMENT

	Group			
	2nd quarter to 31/03/2018 \$'000	2nd quarter to 31/03/2017 \$'000	6 months to 31/03/2018 \$'000	6 months to 31/03/2017 \$'000
<u>Cash Flow from Operating Activities</u>				
Profit after taxation	178,152	127,612	314,924	380,929
Adjustments for:				
Depreciation of property, plant and equipment	13,149	15,064	26,483	29,146
Fair value change on investment properties	12	-	(13,284)	-
Share of results of joint ventures and associates, net of tax	(52,281)	(14,766)	(82,353)	(38,501)
Amortisation of intangible assets	644	468	1,264	700
Loss on disposal of property, plant and equipment	83	37	104	42
(Write-back of)/allowance for doubtful trade receivables	619	(859)	(109)	(842)
Bad debts written off	(19)	-	118	3
Employee share-based expense	3,605	4,311	10,118	7,199
Gain on acquisitions of associates	-	(43)	-	(5,676)
Net fair value change on derivative financial instruments	13,390	(1,208)	5,199	(14,854)
Interest income	(6,013)	(10,501)	(13,778)	(21,563)
Interest expense	70,037	36,103	146,757	71,089
Tax expense	47,762	26,102	82,911	85,063
Exchange difference	(58,519)	36,307	(80,282)	45,761
Operating profit before working capital changes	<u>210,621</u>	<u>218,627</u>	<u>398,072</u>	<u>538,496</u>
Change in trade and other receivables	(167,967)	38,381	(222,339)	123,352
Change in trade and other payables	28,569	(104,568)	(9,498)	(285,822)
Change in properties held for sale	(753,007)	713	(1,002,451)	(168,607)
Change in inventory	606	761	(212)	179
Cash (used in)/generated from operations	<u>(681,178)</u>	<u>153,914</u>	<u>(836,428)</u>	<u>207,598</u>
Income taxes paid	(61,885)	(107,391)	(71,355)	(109,426)
Net cash (used in)/generated from operating activities	<u>(743,063)</u>	<u>46,523</u>	<u>(907,783)</u>	<u>98,172</u>
<u>Cash Flow from Investing Activities</u>				
Acquisition of/development expenditure on investment properties	(648,691)	(207,984)	(816,703)	(398,382)
Purchase of property, plant and equipment	(19,114)	(17,870)	(32,662)	(292,736)
Proceeds from disposal of investment properties	54,067	-	68,653	-
Proceeds from disposal of property, plant and equipment	(49)	-	3	-
Net investments in/loans to joint ventures and associates	(173,042)	(539,907)	(172,037)	(577,597)
Repayments of loans from joint ventures and associates	13,000	31,812	39,000	40,156
Dividends from joint ventures and associates	35,551	32,914	35,751	70,123
Settlement of hedging instruments	45,629	11,362	26,333	(3,545)
Purchase of intangible assets	(20)	-	(1,071)	-
Interest received	7,793	15,826	11,324	22,936
Acquisitions of subsidiaries, net of cash acquired	(321,012)	-	(876,472)	-
Uplift of structured deposits	1,395	139,499	163,966	222,582
Net cash used in investing activities	<u>(1,004,493)</u>	<u>(534,348)</u>	<u>(1,553,915)</u>	<u>(916,463)</u>

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

	Group			
	2nd quarter to 31/03/2018	2nd quarter to 31/03/2017	6 months to 31/03/2018	6 months to 31/03/2017
	\$'000	\$'000	\$'000	\$'000
Cash Flow from Financing Activities				
Contributions from non-controlling interests of subsidiaries without change in control	101,596	4,059	105,778	214,783
Dividends paid to non-controlling interests	(36,691)	(38,606)	(124,495)	(122,341)
Dividends paid to shareholders	(180,546)	(180,130)	(180,546)	(180,130)
Proceeds from bank borrowings	1,244,692	524,334	2,086,309	808,971
Repayments of bank borrowings	(61,415)	(525,477)	(871,485)	(662,729)
Proceeds from issue of bonds/debentures, net of costs	282,710	545,638	607,125	545,638
Proceeds from issue of perpetual securities, net of costs	297,978	-	339,726	-
Distributions to perpetual securities holders	(31,876)	(31,876)	(34,119)	(34,119)
Write-back of perpetual securities issuance costs	-	-	-	20
Interest paid	(70,434)	(41,006)	(143,981)	(78,752)
Issuance costs	(1,503)	(25)	(1,583)	(2,445)
Repayment of amounts due to non-controlling interests	-	-	(9,214)	-
Net cash generated from financing activities	1,544,511	256,911	1,773,515	488,896
Net change in cash and cash equivalents	(203,045)	(230,914)	(688,183)	(329,395)
Cash and cash equivalents at beginning of period	1,629,711	1,624,504	2,135,745	1,728,197
Effects of exchange rate on opening cash	(12,033)	16,865	(32,929)	11,653
Cash and cash equivalents at end of period	1,414,633	1,410,455	1,414,633	1,410,455
Cash and cash equivalents at end of period:				
Fixed deposits, current	409,791	517,197	409,791	517,197
Cash and bank balances	1,005,832	895,230	1,005,832	895,230
	1,415,623	1,412,427	1,415,623	1,412,427
Bank overdraft, unsecured	(990)	(1,972)	(990)	(1,972)
Cash and cash equivalents at end of period	1,414,633	1,410,455	1,414,633	1,410,455
Analysis of Acquisitions of Subsidiaries				
Net assets acquired:				
Investment properties	347,415	-	1,734,575	-
Trade and other receivables	4,158	-	9,460	-
Trade and other payables	(11,356)	-	(37,479)	-
Provision for taxation	(366)	-	(366)	-
Loans and borrowings	(18,755)	-	(825,289)	-
Cash and cash equivalents	299	-	13,428	-
Fair value of net assets	321,395	-	894,329	-
Less: Non-controlling interests	(84)	-	(4,429)	-
Consideration paid in cash	321,311	-	889,900	-
Cash and cash equivalents of subsidiaries acquired	(299)	-	(13,428)	-
Cash flow on acquisition, net of cash and cash equivalents acquired	321,012	-	876,472	-

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

STATEMENT OF CHANGES IN EQUITY

Group	Share Capital \$'000	Retained Earnings \$'000	Other Reserves \$'000	Equity Attributable to Owners of the Company \$'000	Non-controlling Interests - Perpetual Securities \$'000	Total \$'000	Non-controlling Interests - Others \$'000	Total Equity \$'000
2nd quarter ended 31 March 2018								
Opening balance at 1 January 2018	1,784,732	5,683,954	(304,939)	7,163,747	1,739,841	8,903,588	4,107,518	13,011,106
Profit for the period	-	92,212	-	92,212	31,876	124,088	54,064	178,152
<u>Other comprehensive income</u>								
Net fair value change of cash flow hedges	-	-	20,312	20,312	-	20,312	1,141	21,453
Foreign currency translation	-	-	(36,032)	(36,032)	-	(36,032)	(34,499)	(70,531)
Share of other comprehensive income of joint ventures and associates	-	-	668	668	-	668	-	668
Other comprehensive income for the period	-	-	(15,052)	(15,052)	-	(15,052)	(33,358)	(48,410)
Total comprehensive income for the period	-	92,212	(15,052)	77,160	31,876	109,036	20,706	129,742
<u>Contributions by and distributions to owners</u>								
Employee share-based expense	-	-	2,662	2,662	-	2,662	-	2,662
Dividend paid	-	(416)	(180,130)	(180,546)	-	(180,546)	(36,691)	(217,237)
Dividend proposed	-	(69,889)	69,889	-	-	-	-	-
Transfer to other reserves	-	(2,915)	2,915	-	-	-	-	-
Total contributions by and distributions to owners	-	(73,220)	(104,664)	(177,884)	-	(177,884)	(36,691)	(214,575)
<u>Changes in ownership interests in subsidiaries</u>								
Units issued to non-controlling interests	-	-	-	-	-	-	101,596	101,596
Acquisitions of subsidiaries with non-controlling interests	-	-	-	-	-	-	84	84
Change in interests in subsidiaries without change in control	-	(2,098)	1,110	(988)	-	(988)	988	-
Issuance costs incurred by subsidiaries	-	(373)	-	(373)	-	(373)	(1,130)	(1,503)
Total changes in ownership interests in subsidiaries	-	(2,471)	1,110	(1,361)	-	(1,361)	101,538	100,177
Total transactions with owners in their capacity as owners	-	(75,691)	(103,554)	(179,245)	-	(179,245)	64,847	(114,398)
<u>Contributions by and distributions to perpetual securities holders</u>								
Issue of perpetual securities, net of costs	-	-	-	-	297,978	297,978	-	297,978
Distributions to perpetual securities holders	-	-	-	-	(31,876)	(31,876)	-	(31,876)
Total contributions by and distributions to perpetual securities holders	-	-	-	-	266,102	266,102	-	266,102
Closing balance at 31 March 2018	1,784,732	5,700,475	(423,545)	7,061,662	2,037,819	9,099,481	4,193,071	13,292,552

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

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

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

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

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

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

Group	Share Capital \$'000	Retained Earnings \$'000	Other Reserves \$'000	Equity Attributable to Owners of the Company \$'000	Non- controlling Interests - Perpetual Securities \$'000	Total \$'000	Non- controlling Interests - Others \$'000	Total Equity \$'000
6 months ended 31 March 2018								
Opening balance at 1 October 2017	1,774,771	5,590,746	(210,839)	7,154,678	1,698,093	8,852,771	4,196,428	13,049,199
Profit for the period	-	168,567	-	168,567	34,119	202,686	112,238	314,924
<u>Other comprehensive income</u>								
Net fair value change of cash flow hedges	-	-	23,351	23,351	-	23,351	1,949	25,300
Foreign currency translation	-	-	(124,364)	(124,364)	-	(124,364)	(84,084)	(208,448)
Share of other comprehensive income of joint ventures and associates	-	-	921	921	-	921	-	921
Other comprehensive income for the period	-	-	(100,092)	(100,092)	-	(100,092)	(82,135)	(182,227)
Total comprehensive income for the period	-	168,567	(100,092)	68,475	34,119	102,594	30,103	132,697
<u>Contributions by and distributions to owners</u>								
Ordinary shares issued	9,961	-	(9,961)	-	-	-	-	-
Employee share-based expense	-	-	8,331	8,331	-	8,331	-	8,331
Dividend paid	-	(416)	(180,130)	(180,546)	-	(180,546)	(124,495)	(305,041)
Dividend proposed	-	(69,889)	69,889	-	-	-	-	-
Transfer to other reserves	-	(5,635)	5,635	-	-	-	-	-
Total contributions by and distributions to owners	9,961	(75,940)	(106,236)	(172,215)	-	(172,215)	(124,495)	(296,710)
<u>Changes in ownership interests in subsidiaries</u>								
Units issued to non-controlling interests	-	-	-	-	-	-	105,778	105,778
Acquisitions of subsidiaries with non-controlling interests	-	-	-	-	-	-	4,429	4,429
Change in interests in subsidiaries without change in control	-	17,496	(6,378)	11,118	-	11,118	(17,983)	(6,865)
Issuance costs incurred by subsidiaries	-	(394)	-	(394)	-	(394)	(1,189)	(1,583)
Total changes in ownership interests in subsidiaries	-	17,102	(6,378)	10,724	-	10,724	91,035	101,759
Total transactions with owners in their capacity as owners	9,961	(58,838)	(112,614)	(161,491)	-	(161,491)	(33,460)	(194,951)
<u>Contributions by and distributions to perpetual securities holders</u>								
Issue of perpetual securities, net of costs	-	-	-	-	339,726	339,726	-	339,726
Distributions to perpetual securities holders	-	-	-	-	(34,119)	(34,119)	-	(34,119)
Total contributions by and distributions to perpetual securities holders	-	-	-	-	305,607	305,607	-	305,607
Closing balance at 31 March 2018	1,784,732	5,700,475	(423,545)	7,061,662	2,037,819	9,099,481	4,193,071	13,292,552

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

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

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

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

	Share Capital \$'000	Retained Earnings \$'000	Other Reserves \$'000	Hedging Reserve \$'000	Share-based Compensation Reserve \$'000	Dividend Reserve \$'000	Total Equity \$'000
Company							
6 months ended 31 March 2017							
Opening balance at 1 October 2016	1,766,800	3,033,213	202,100	3,700	18,600	179,800	5,002,113
Profit for the period	-	114,928	-	-	-	-	114,928
<u>Other comprehensive income</u>							
Net fair value change of cash flow hedges	-	-	(3,700)	(3,700)	-	-	(3,700)
Total comprehensive income for the period	-	114,928	(3,700)	(3,700)	-	-	111,228
<u>Contributions by and distributions to owners</u>							
Ordinary shares issued	7,971	-	(7,971)	-	(7,971)	-	-
Employee share-based expense	-	-	3,036	-	3,036	-	3,036
Dividend paid	-	(330)	(179,800)	-	-	(179,800)	(180,130)
Dividend proposed	-	(69,728)	69,728	-	-	69,728	-
Total contributions by and distributions to owners	7,971	(70,058)	(115,007)	-	(4,935)	(110,072)	(177,094)
Closing balance at 31 March 2017	1,774,771	3,078,083	83,393	-	13,665	69,728	4,936,247

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>2nd quarter to 31/03/2018</u>	<u>1st quarter to 31/12/2017</u>
Issued and fully paid:		
Ordinary shares:		
As at beginning of period	2,912,026,619	2,905,324,694
Issued during the period - pursuant to share plans	-	6,701,925
As at end of period	<u>2,912,026,619</u>	<u>2,912,026,619</u>
	<u>As at 31/03/2018</u>	<u>As at 31/03/2017</u>
The number of shares awarded conditionally under share plans as at the end of the period	<u>26,612,241</u>	<u>26,585,271</u>

The Company has no treasury shares as at 31 March 2018 and 31 March 2017.

As at 31 March 2018, the Company's issued and paid-up ordinary share capital was \$1,784,732,254 comprising 2,912,026,619 ordinary shares.

1(d)(iii) The total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

The Company's total number of issued ordinary shares is 2,912,026,619 as at 31 March 2018 and 2,905,324,694 as at 30 September 2017.

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

There were no sales, transfers, disposal, cancellation and/or use of treasury shares by the Company for the financial period ended 31 March 2018. The Company has no treasury shares as at 31 March 2018.

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

The figures have not been audited or reviewed by the Company's auditors.

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

Not applicable.

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

The consolidated financial statements of the Company and its subsidiaries (collectively, the "Group"), and the Group's interest in equity-accounted investees as at and for the period ended 31 March 2018 are prepared in accordance with Singapore Financial Reporting Standards.

The Group and Company have applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period as compared with the audited financial statements for the financial year ended 30 September 2017.

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

Not applicable.

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

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

	Group			
	2nd quarter to 31/03/2018	2nd quarter to 31/03/2017	6 months to 31/03/2018	6 months to 31/03/2017
Earnings per ordinary share ("EPS"):				
(a) Basic EPS (cents)				
- before fair value change and exceptional items	3.17	1.36	5.54	7.61
- after fair value change and exceptional items	3.17	1.36	5.79	7.80
Weighted average number of ordinary shares (millions)	2,912.0	2,902.6	2,909.1	2,903.0
(b) On a fully diluted basis (cents)				
- before fair value change and exceptional items	3.14	1.34	5.49	7.54
- after fair value change and exceptional items	3.14	1.34	5.74	7.73
Weighted average number of ordinary shares (millions)	2,938.6	2,929.2	2,935.7	2,929.6

EPS is calculated by dividing the Group's attributable profit (after adjusting for distributions to perpetual securities holders of \$31,876,000 for the 2nd quarter to 31 March 2018 (2nd quarter to 31 March 2017: \$31,876,000) and \$32,384,000 for the 6 months to 31 March 2018 (6 months to 31 March 2017: \$32,360,000)) by the weighted average number of ordinary shares in issue during the financial period. In respect of diluted EPS, the denominator is adjusted for the effects of dilutive potential ordinary shares, which comprise share awards granted to employees.

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

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

	<u>Group</u>		<u>Company</u>	
	As at 31/03/2018	As at 30/09/2017	As at 31/03/2018	As at 30/09/2017
Net asset value per ordinary share based on issued share capital	\$2.42	\$2.46	\$1.65	\$1.72

8. **A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:-**

- (a) **any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonable or cyclical factors; and**
- (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.**

REVIEW OF PERFORMANCE

The principal activities of the Group are:-

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

Profit Statement – 2nd Quarter to 31 March 2018

Group revenue and profit before interest, fair value change, taxation and exceptional items (“PBIT”) increased by 19% to \$842 million and by 62% to \$290 million, respectively.

The increase was largely attributable to revenue recognition on sales settlements in China and Australia and maiden contributions from business parks in the United Kingdom (“UK”).

Group attributable profit¹ increased by 75% to \$124 million and basic earnings per share² based on weighted average number of ordinary shares on issue was 3.2 cents.

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

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

A. Key Business Segment Results

Singapore SBU

Revenue and PBIT increased by 12% and 17% to \$197 million and \$99 million, respectively.

Singapore Residential Properties reported higher revenue and PBIT by 17% and 144% to \$77 million and \$18 million, largely from higher progressive profit recognition of North Park Residences and maiden profit recognition from Seaside Residences.

Revenue and PBIT for Singapore Commercial Properties increased by 9% and 7% to \$116 million and \$75 million, respectively. The increase was mainly attributed to the commencement of

operations at the newly completed south wing of Northpoint City as well as the completion of the asset enhancement initiatives at the north wing.

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

Australia SBU

Revenue and PBIT increased by 1% and 61% to \$311 million and \$88 million, respectively. Excluding share of joint ventures' profits, PBIT would have increased by 16% to \$74 million.

Australia Residential Properties reported high levels of sales settlements with better profit margins at Tailor's Walk in Botany, New South Wales and Avondale in Avondale Heights, Victoria. Also included in PBIT were share of profits from joint venture projects, mainly from Centrale in North Ryde, New South Wales, of \$14 million (2nd quarter ended 31 March 2017: loss of \$1 million).

Hospitality SBU

Revenue remained fairly constant at \$186 million. PBIT declined by \$10 million to \$23 million, largely due to lower contributions from its properties in the UK on weak consumer sentiments in the food and beverage segment and pre-opening expenses incurred by its property in Dalian, China.

Europe & rest of Asia

Revenue and PBIT increased by more than threefold to \$147 million and \$94 million, respectively.

The increase was due to profit recognition on sales settlements of Phase 3B Baitang One, Suzhou, China which contributed revenue and PBIT of \$61 million and \$30 million, respectively.

The increase was further boosted by maiden contributions from Geneba Properties N.V. in Europe and the business parks in the UK.

Corporate & Others

Corporate & Others comprises mainly of corporate overheads.

PBIT remained fairly constant at \$13 million.

B. Other Key Profit Statement Items

Share of Results of Joint Ventures and Associates

Share of results of joint ventures and associates increased by \$38 million to \$52 million compared to the corresponding quarter last year. The higher net profit was mainly due to higher level of profit recognition from joint ventures' and associates' residential projects in Singapore, Australia, China and Thailand.

Net Interest Expense

Net interest expense increased by \$38 million to \$64 million.

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

Tax

The effective tax rate ("ETR") of 21.1% is in line with the group's international presence where certain operations are subject to higher statutory tax rates than that of 17.0% in Singapore. Higher

contributions from these operations in the current period have also resulted in a higher ETR than the prior period (2nd quarter to 31 March 2017: 17.0%).

Profit Statement – 6 months to 31 March 2018

Group revenue decreased by 6% to \$1,582 million while PBIT increased by 2% to \$519 million. Excluding share of results from joint ventures and associates, PBIT would have decreased by 8% to \$436 million.

The Group recorded development revenue and PBIT contributions from Phase 3B of Baitang One in Suzhou, China, and residential projects in Australia and Singapore, and maiden contributions from from Geneba Properties N.V. in Europe and the business parks in the UK. Recurring income from investment properties anchored the Group's results for the current half year, whilst the Group continued to experience the "lumpiness" of timing of development income.

The slight decrease in revenue and PBIT (excluding share of results from joint ventures and associates) over the comparative half year was mainly due to absence of significant revenue and PBIT contributions from Phase 3C1 of Baitang One in Suzhou recorded in the comparative half year.

Net interest expense increased by 169% to \$133 million due to the increase in loans and borrowings. In addition, the Group incurred costs on the redemption of \$75 million 7-year bonds and \$50 million 10-year bonds. Following the completion of the south wing of Northpoint City, interest expenses were henceforth recognised in the profit statement.

Group attributable profit¹ decreased by 24% to \$193 million, affected by the timing of development income, and basic earnings per share² based on weighted average number of ordinary shares on issue was 5.5 cents.

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

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

Group Balance Sheet as at 31 March 2018

The increase in investment properties of \$2,313 million was mainly due to the acquisitions of (a) five business parks in the UK for \$1,547 million; (b) three industrial properties for \$156 million and three cross-dock facilities for \$211 million in Germany; (c) a retail hub in Australia for \$44 million; (d) land in Japan for the development of serviced apartments for \$173 million; and (e) progressive development expenditure incurred on investment properties of \$314 million. This was partially offset by exchange re-alignment losses on Australian properties following the depreciation of the Australian Dollar.

The increase in investments in joint ventures and associates of \$256 million was mainly due to the investment in a joint venture – Frasers Assets Co., Ltd ("Frasers Assets") of \$180 million, as well as the share of results from joint ventures and associates of \$82 million. The increase was partially offset by \$36 million of dividends received from joint ventures and associates.

The increase in properties held for sale of \$1,140 million was mainly due to the completion of acquisition of the land parcel at Jiak Kim Street in Singapore of \$955 million and progressive development expenditure for projects in Australia. The increase was partially offset by cost recognition on settlement of completed units in the Tailor's Walk – Botany, Sunbury Fields and Cove – Hope Island projects in Australia.

The increase in trade and other receivables of \$100 million was mainly due to goods and services tax recoverable on the acquisition of the land parcel at Jiak Kim Street of \$67 million and deposits placed for the acquisitions of cross-dock facilities and logistics and light industrial assets in Germany of \$59 million.

The increase in loans and borrowings of \$2,571 million was mainly due to the drawdown of bank borrowings of \$2,087 million and the issuance of debentures and bonds totaling \$447 million for the acquisitions of properties in the UK and Germany, the land parcel at Jiak Kim Street, and interests in

joint ventures and associates in Thailand – Frasers Assets and TICON Industrial Connection Public Company Limited (“TICON”).

Group Cash Flow Statement – 2nd Quarter ended 31 March 2018

The net cash outflow from operating activities of \$743 million was mainly due to the completion of acquisition of the land parcel at Jiak Kim Street in Singapore of \$907 million.

The net cash outflow from investing activities of \$1,004 million was mainly due to acquisitions of and/or development expenditure on investment properties of \$649 million, acquisition of subsidiaries of \$321 million and investments in and/or loans to joint ventures and associates of \$173 million. The net cash outflow from investing activities of \$534 million in the previous corresponding quarter was mainly due to acquisitions of and/or development expenditure on investment properties of \$208 million and investments in and/or loans to joint ventures and associates of \$540 million. These were partially offset by proceeds from dividends from joint ventures and associates of \$33 million, repayment of loans from joint ventures and associates of \$32 million and proceeds from uplift of structure deposits of \$139 million.

The net cash inflow from financing activities of \$1,545 million was mainly due to net proceeds from bank borrowings of \$1,183 million and proceeds from issuance of bonds/debentures and perpetual securities of \$283 million and \$298 million, respectively. These were partially offset by dividends paid to shareholders and non-controlling interests of \$181 million and \$37 million, respectively. The net cash inflow from financing activities of \$257 million in the previous corresponding quarter was mainly due to net proceeds from issue of bonds of \$546 million. These were partially offset by dividends paid to shareholders and non-controlling interests of \$180 million and \$39 million, respectively.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Singapore

According to advance estimates from MTI¹, the Singapore economy registered year-on-year growth of 4.3% in the first quarter of 2018, higher than the 3.6% in the previous quarter. According to the MTI², GDP growth for Singapore is expected to moderate and forecast economic growth to be 1.5% - 3.5% in 2018 for Singapore.

Transaction volumes slowed down for the Singapore private residential property market in the first quarter of 2018 with about 1,600 new private homes sold, which is about 50% lower than the 3,000 units sold in the same period of 2017. The lower sales were largely due to more units launched in last quarter as there were two large launches at Park Place Residences and Grandeur Park Residences. The private residential property price index rose 3.9% in the March 2018 quarter, higher than the 0.8% growth in the December 2017 quarter³. Some industry experts expect private home prices to continue to rise due to ongoing bullish land bids and collective sales in the market.

¹ Ministry of Trade and Industry Singapore, 13 April 2018, “Singapore’s GDP Grew by 4.3 Per Cent in the First Quarter of 2018”

² Ministry of Trade and Industry Singapore, 14 February 2018, “MTI Expects GDP Growth in 2018 to be Moderate but Remain Firm”

³ Urban Redevelopment Authority, 27 April 2018, “Release of 1st Quarter 2018 real estate statistics”

The Group secured the tender for a land parcel at Jiak Kim Street for \$955 million in December 2017 and the project is expected to be launched in early 2019. North Park Residences was fully sold. Seaside Residences was over 70% sold while Parc Life Executive Condominium was 90% sold.

In the retail market, retail sales was improving and the Group's well-located suburban malls are expected to remain resilient. The south wing of Northpoint City has commenced trading in December 2017, with more than 90% lease commitments for the entire Northpoint City.

In the office market, rental rate for Grade A and B CBD office is recovering. According to CBRE, rental rate for Grade A CBD office has improved from \$8.95 psf in first quarter of 2017 to \$9.70 psf in first quarter of 2018. Frasers Tower, which is a Grade A CBD office, has achieved committed occupancy of over 70% and is expected to be completed in the first half of 2018.

Australia

In the residential market, price growth in Sydney and Melbourne is slowing. According to CoreLogic, a strong price recovery is not expected in the short term. Perth continues to remain challenging given the weaker economic environment.

The residential division recorded sales of 568 units during 1H FY18, mainly from projects in New South Wales, Victoria and Queensland. Approximately 420 units were launched for sale in 1H FY18 with a further 2,000 units planned for release over the balance of the year. Frasers Property Australia ("FPA") acquired one new site in Queensland (Carina), which is expected to yield approximately 185 units.

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

The investment property portfolio continues to perform well with occupancies of 98.8% (Industrial) and 94.2% (Office). FPA had entered into agreements to acquire four industrial sites for development in 1H FY18.

Hospitality

In Singapore, supply of new hotel rooms is expected to slow down in 2018. In Australia, occupancy is set to improve with an increase in corporate travel in Brisbane, while Melbourne and Perth are expected to stay muted due to new supply of hotels. In Europe, weakening of the pound resulted in an increase in leisure travel in the UK whilst properties in Germany continue to enjoy healthy occupancies due to their locations in key business cities.

Frasers Hospitality grew its investment portfolio by acquiring a site in Tokyo's Ginza district for the development of Capri by Fraser. In addition, Frasers Hospitality expanded its portfolio of rooms under management by signing up new properties in Turkey, United Arab Emirates, Indonesia, the UK and Oman. As at 31 March 2018, Frasers Hospitality has equity interest in and/or manages over 16,000 units and has signed up over 8,000 units pending openings.

Europe & rest of Asia

The Group continues to increase its presence in this region which is in line with the strategy to grow its global footprint in familiar markets and recurring earnings.

In the UK, growth in Gross Domestic Product is 10.6% above the growth achieved in the pre-economic downturn peak in the first quarter of 2008⁴. In Germany and the Netherlands, prime yields continue to compress in the industrial and logistics markets.

In the UK, the Group completed the acquisition of four business parks for approximately GBP686 million. In addition, the Group, in a 50:50 joint venture with FCOT, completed the acquisition of Farnborough Business Park for approximately GBP175 million in January 2018.

⁴ Office of National Statistics UK, 29 March 2018, "Quarterly national accounts: October to December 2017"

In Germany, the Group entered into a sale and purchase agreement for the acquisition of six cross-dock facilities for approximately EUR257 million. The Group also entered into a series of sale and purchase agreements to acquire Alpha Industrial and a portfolio of 22 logistics and light industrial properties located in Germany and Austria with aggregate valuation of EUR581 million. Alpha Industrial is one of the leading logistics and industrial developers in Europe.

In Thailand, the Group, through Frasers Assets, a 49:51 joint venture with TCC Assets (Thailand) Co., Ltd. ("TCCAT"), acquired 26.1% interest in TICON for a consideration of THB8,569 million in April 2018. Post the acquisition, Frasers Assets has launched a tender offer for the remaining ordinary shares of TICON.

As part of the Group's continuing strategy to recycle capital via REIT platforms, the Group announced the injection of 21 industrial properties in Germany and the Netherlands into Frasers Logistics and Industrial Trust ("FLT") with a portfolio value of approximately EUR597 million. The transaction has been approved by FLT unitholders at an Extraordinary General Meeting on 8 May 2018, subject to completion conditions.

Going forward

The Group will continue to manage its businesses and asset portfolio in a prudent manner across geographies and business segments. Diversifying earnings geographically, strengthening recurring income base, recycling of stabilised assets into its sponsored REITs and improving capital structure and productivity are central to the Group's strategy. In Singapore and Australia, the Group will maintain its efforts to replenish its landbank in a measured manner. In familiar markets in Europe and the rest of Asia, the Group will continue to explore prospects to deepen its presence by leveraging on its core expertise across the Group. In addition, the Group will constantly evaluate its portfolio of assets for opportunities to unlock value via asset enhancements or repositioning efforts.

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

(a) Whether an interim ordinary dividend has been recommended: Yes

(b) (i) Amount per share : 2.4 cents

(ii) Previous corresponding period : 2.4 cents

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

Tax-exempt (one-tier).

(d) The date the dividend is payable.

The Directors have declared an interim dividend of 2.4 cents (last year: 2.4 cents) per share, to be paid on 12 June 2018.

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

Registrable transfers received by the Company's Registrar, Tricor Barbinder Share Registration Services, 80 Robinson Road, #02-00, Singapore 068898 up to 5.00 pm on 30 May 2018 will be registered before entitlements to the dividend are determined.

Notice is hereby given that the share registers will be closed from 31 May 2018 to 1 June 2018 for the preparation of dividend warrants.

12. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Company's general mandate for interested person transactions, the terms of which are set out in Appendix 1 to the Letter to Shareholders dated 3 January 2018, was renewed at the 54th Annual General Meeting of the Company held on 29 January 2018.

Particulars of interested person transactions for the period 1 January 2018 to 31 March 2018 are as follows:

Name of interested person	Aggregate value of all interested person transactions conducted during the financial period under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
	\$'000
TCC Group of Companies*	94,137

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

13. Subsequent Events

- On 2 April 2018, Frasers Assets, a company jointly incorporated by Frasers Property Holdings (Thailand) Co., Ltd. ("FPHT"), an indirect subsidiary of the Company, and TCCAT, an interested person of the Company, completed the acquisition of 478,699,619 ordinary shares of TICON, representing 26.1% of the share capital of TICON, from Rojana Industrial Park Public Company Limited, for a consideration of THB17.90 per ordinary share or an aggregate consideration of THB8,568,723,000 (approximately S\$358 million¹) (the "Completion"). The Company's deemed interest in TICON increased from 40.95% to 67.05% of the share capital of TICON on Completion. Following Completion, Frasers Assets has launched a tender offer for the remaining ordinary shares of TICON at an offer price of THB17.90 per share, which is open for acceptance from 5 April 2018 to 15 May 2018.
- On 3 April 2018, FPHT entered into a joint venture agreement (the "OBV JVA") with One Bangkok Holdings Co., Ltd. ("OBH"), a joint venture company previously established by FPHT and TCCAT, to establish a new joint venture investment holding company, One Bangkok Ventures Co., Ltd. ("OBV") in Thailand. Pursuant to the OBV JVA, FPHT and OBH have agreed to fund OBV through capital contributions and/or shareholders' loans of up to an aggregate of THB16,289,000,000 (approximately S\$684 million²) (inclusive of their initial subscriptions), in proportion to their respective shareholding interests of 19.9% and 80.1% in OBV, respectively. Based on FPHT's direct shareholding interest of 19.9% in OBV, the capital commitment of FPHT is up to THB3,241,511,000 (approximately S\$136 million²).

Consequently, FPHT and TCCAT have also entered into an amended and restated joint venture agreement on 3 April 2018 in respect of the joint venture agreement entered on 3 April 2017 to reflect the change in the main purpose of OBH into a general investment holding company. FPHT's and TCCAT's interests in OBH remain unchanged at 19.9% and 80.1% respectively.

Pursuant to the joint venture agreement (the "KSV JVA") entered into by TCCAT, FPHT and OBV on 3 April 2018, OBV will be subscribing for 682,500,000 ordinary shares issued by Kasemsubvadhana Company Limited ("KSV"), a Thai-incorporated company and subsidiary of TCCAT, representing 45.5% of the total share capital of KSV. In addition, FPHT will invest directly in KSV by subscribing for 52,500,000 ordinary shares issued by KSV, representing 3.5% of the total share capital of KSV. The resultant shareholding interest in KSV held by TCCAT, OBV and FPHT will be 51.0%, 45.5% and 3.5%, respectively.

KSV will be funded through capital contributions and/or shareholders' loans up to an aggregate of THB35,800,000,000 (approximately S\$1,504 million²), in proportion to each of TCCAT, FPHT

and OBV's respective shareholding interests. Based on FPHT's direct shareholding interest of 3.5% in KSV, the capital commitment of FPHT in KSV is up to THB1,253,000,000 (approximately S\$53 million²).

3. On 19 April 2018, Frasers Property Investments (Holland) B.V., an indirect wholly-owned subsidiary of the Company, entered into a share purchase agreement with FLT Europe Pte. Ltd. (the "Purchaser"), a wholly-owned subsidiary of Perpetual (Asia) Limited, in its capacity as the trustee of FLT, to sell its entire shareholding interest in FPE Logistics B.V. (the "Dutch Target Company") and assign the inter-company loan owing from the Dutch Target Company to the Purchaser for an aggregate consideration of EUR316 million (approximately S\$515 million³). The Dutch Target Company indirectly (through special purpose vehicles) holds interests in 17 properties located in Germany and four properties located in the Netherlands. The transaction has been approved by FLT unitholders at an Extraordinary General Meeting on 8 May 2018, subject to completion conditions.
4. On 27 April 2018, Frasers Property Investments (Vietnam) 1 Pte. Ltd., an indirect wholly-owned subsidiary of the Company, entered into a conditional share purchase agreement to acquire 24 million ordinary shares (the "Shares"), representing 75% of the issued share capital of Phu An Khang Real Estate Joint Stock Company ("PAK") (the "PAK Acquisition") for an aggregate consideration of VND409 billion (approximately S\$24 million⁴). On successful completion of the PAK Acquisition, PAK will become a subsidiary of the Company. PAK will undertake the development of a residential-cum-commercial project on a mixed-use development plot in District 2, Ho Chi Minh City, Vietnam.

¹ Based on an exchange rate of S\$1 : THB23.92.

² Based on an exchange rate of S\$1 : THB23.81.

³ Based on an exchange rate of EUR1 : S\$1.63.

⁴ Based on an exchange rate of S\$1 : VND17,101.

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

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

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

We confirm on behalf of the Directors of the Company, that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render these financial results from 1 January 2018 to 31 March 2018 to be false or misleading in any material respect.

On behalf of the Board

Charles Mak Ming Ying
Director

Sithichai Chaikriangkrai
Director

BY ORDER OF THE BOARD

Catherine Yeo
Company Secretary
10 May 2018