distinctive results

Index to Financial Report

Directors' Report

Your directors have pleasure in submitting their report and the audited financial statements of the Company and of the Group for the financial year ended 30 September 2010.

1. DIRECTORATE

The directors of the Company in office at the date of this report are:

Mr Lee Hsien Yang	(Chairman)
Mr Timothy Chia Chee Ming	
Ms Maria Mercedes Corrales	(Appointed on 8 September 2010)
Mr Ho Tian Yee	
Mr Koh Beng Seng	
Mr Soon Tit Koon	
Mr Tan Chong Meng	
Mr Nicky Tan Ng Kuang	

Mr Simon Israel resigned from the Board on 31 March 2010. Mr Ng Yat Chung was appointed a director on 3 March 2010 and resigned on 29 July 2010. The Board thanks Mr Israel and Mr Ng for their past services.

Ms Maria Mercedes Corrales was appointed director on 8 September 2010.

At the forthcoming Annual General Meeting, the following directors will retire and, being eligible, offer themselves for re-election:

- By rotation pursuant to Article 117 of the Company's Articles of Association:
  - Mr Lee Hsien Yang
  - Mr Ho Tian Yee
  - Mr Soon Tit Koon

- Pursuant to Article 122 of the Company's Articles of Association, having been appointed since the last Annual General Meeting:
  - Ms Maria Mercedes Corrales

2. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of, nor at any time during, the financial year did there subsist any arrangements to which the Company or the Group is a party whereby directors of the Company might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' Report

3. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

The directors who held office at the end of the financial year and their beneficial or deemed interests in the issued capital of the Company and its related corporations as recorded in the register required to be kept under Section 164 of the Companies Act, Cap. 50 were as follows:

	ORDINARY SHARES OF THE COMPANY/ OTHER SECURITIES OF GROUP COMPANIES	
	As at 1 Oct 2009	**As at 30 Sep 2010**
Lee Hsien Yang		
- *Fraser and Neave, Limited*		
• Ordinary Shares	588,240	588,240
- *Frasers Centrepoint Asset Management (Commercial) Ltd*		
• Ordinary Units in Frasers Commercial Trust	3,000,000	3,633,178[1]
• Series A Convertible Perpetual Preferred Units in Frasers Commercial Trust	Nil	150,000
Timothy Chia Chee Ming	Nil	Nil
Maria Mercedes M. Corrales	Nil[2]	Nil
Ho Tian Yee	Nil	Nil
Koh Beng Seng	Nil	Nil
Soon Tit Koon	Nil	Nil
Tan Chong Meng		
- *Fraser and Neave, Limited*		
• Ordinary Shares	Nil	10,000
- *Frasers Centrepoint Asset Management (Commercial) Ltd*		
• Ordinary Units in Frasers Commercial Trust	Nil	300,000
Nicky Tan Ng Kuang		
- *Frasers Centrepoint Asset Management Ltd*		
• Ordinary Units in Frasers Centrepoint Trust	300,000	300,000
- *Frasers Centrepoint Asset Management (Commercial) Ltd*		
• Ordinary Units in Frasers Commercial Trust	Nil	2,250,000

[1] Includes deemed interest in 633,178 ordinary units arising from the holding of 150,000 Series A Convertible Perpetual Preferred Units ("*Series A CPPUs") convertible at a conversion ratio of 1/0.2369 x No. of Series A CPPUs being converted, disregarding fractional units.

[2] As at date of appointment, i.e. 8 September 2010.

4. DIRECTORS' CONTRACTUAL BENEFITS

Since the end of the previous financial year, no director has received or has become entitled to receive a benefit required to be disclosed by Section 201(8) of the Companies Act, Cap. 50 by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member or with a company in which he had a substantial financial interest.

Directors' Report

5. SHARE OPTIONS AND SHARE PLANS

(a) Share Options pursuant to the Fraser and Neave, Limited Executives' Share Option Scheme Approved by Shareholders on 30 September 1999 ("the 1999 Scheme")

The 1999 Scheme expired on 30 September 2009 but Options already granted under that Scheme remain exercisable until the end of the relevant Option Period.

The 1999 Scheme is administered by the Remuneration & Staff Establishment Committee which comprises the following three non-executive directors who do not participate in the 1999 scheme:

Mr Timothy Chia Chee Ming (Chairman)
Mr Ho Tian Yee
Mr Soon Tit Koon

No options have been granted to controlling shareholders or their associates, or parent group employees and no employee has received 5% or more of the total options available under the 1999 Scheme.

Information pertaining to Outstanding Options

At the end of the financial year, there were 38,018,337 unissued ordinary shares of the Company under Options granted pursuant to the 1999 Scheme. Details of the options to subscribe for ordinary shares in the capital of the Company granted to executives pursuant to the 1999 Scheme are as follows:

Options	Offer Date	Balance as at 1.10.2009 or Offer Date if later	Options Exercised/ Lapsed	Balance as at 30.9.2010	Exercise Price	Exercise Period
1999 Scheme						
2002 (Year 3)	08.10.2001	17,505	(3,575)	13,930	$1.40	09.07.2004 to 08.09.2011
2003 (Year 4)	01.10.2002	374,840	(338,035)	36,805	$1.51	01.07.2005 to 31.08.2012
2004 (Year 5)	08.10.2003	1,665,650	(862,995)	802,655	$2.12	08.07.2006 to 07.09.2013
2005 (Year 6)	08.10.2004	3,785,600	(1,572,295)	2,213,305	$2.82	08.07.2007 to 07.09.2014
2006 (Year 7)	10.10.2005	8,230,600	(3,779,195)	4,451,405	$3.46	10.07.2008 to 09.09.2015
2007 (Year 8)	10.10.2006	9,000,130	(1,763,882)	7,236,248	$4.22	10.07.2009 to 09.09.2016
2008 (Year 9)	10.10.2007	10,727,616	(599,850)	10,127,766	$5.80	10.07.2010 to 09.09.2017
2009 (Year 10)	25.11.2008	13,922,994	(786,771)	13,136,223	$2.86	25.08.2011 to 24.10.2018
		47,724,935	(9,706,598)*	38,018,337		

* Exercised (8,118,609)
Lapsed due to Resignations and Non-acceptance (1,587,989)

Statutory and other information regarding the options

(i) The Exercise Price is equal to the market value of a share based on the average of the last done price on the Singapore Exchange Securities Trading Limited for the five market days preceding the option Offer Date.

(ii) The grantee may exercise an option during the Exercise Period (which commences 33 months after the Offer Date) by notice in writing accompanies by a remittance for the number of options at the full amount of the Exercise Price.

(iii) Options expire 119 months after the Offer Date unless an option has previously lapsed by reason of the resignation of the grantee from employment with the Group after the grant of an option and before its exercise.

(iv) The number of shares which may be acquired by a grantee and the Exercise Price are subject to adjustment, as confirmed by the auditors of the Company that such adjustment is fair and reasonable, by reason of any issue of additional shares in the Company by way of rights or capitalisation of profits or reserves, or repayment and reduction of capital or subdivision or consolidation of shares, made while an option remains unexercised.

(v) The persons to whom the options have been issued have no right to participate by virtue of the options in any share issue of any other company.

5. SHARE OPTIONS AND SHARE PLANS (cont'd)

(b) Restricted Share Plan ("RSP") and Performance Share Plan ("PSP")

The Company introduced Restricted Share Plan (RSP) and Performance Share Plan (PSP) to replace the 1999 ESOS. The RSP and PSP were approved by shareholders at the Extraordinary General Meeting of the Company held on 22 January 2009.

The RSP and PSP are administered by the Remuneration & Staff Establishment Committee which comprises the following three non-executive directors who do not participate in the Share Plans:

Mr Timothy Chia Chee Ming	(Chairman)
Mr Ho Tian Yee	
Mr Soon Tit Koon	

Share Grants Under RSP and PSP

Under the RSP and PSP, the Company grants shares to eligible participants annually, referred to herein as "RSP Shares" and "PSP Shares", respectively. The grant ("Base Award") represents the right to receive fully paid shares, their equivalent cash value or combinations thereof, free of charge, provided that certain prescribed performance conditions are met. The Remuneration & Staff Establishment Committee that administers this scheme has absolute discretion in the granting of shares under the RSP and PSP. The RSP Base Award is conditional on the achievement of pre-determined targets set for a two-year performance period and the PSP Base Award is set for a three-year performance period. The final number of RSP Shares and PSP Shares to be awarded will be determined at the end of the performance period ("Final Award").

The Final Award varies depending on the level of achievement of the pre-determined targets. An achievement factor will be applied to the relevant Base Award to determine the final number of RSP Shares and PSP Shares (as the case may be) to be awarded. The achievement factor ranges from 0% to 150% for RSP and from 0% to 200% for PSP.

At the end of the performance period, 50% of the RSP Shares will be released upon vesting and the balance will be released equally over the subsequent two years with fulfillment of service requirements.

All PSP Shares will be released to the participants at the end of the three-year performance period upon vesting.

Pre-determined targets are set by the Remuneration & Staff Establishment Committee at their absolute discretion for the performance conditions to be met over the performance period. For the RSP, the targets set are the achievement of Attributable Profit Before Exceptional items (APBE) and Return On Capital Employed (ROCE). For the PSP, the pre-set targets are Return on Invested Capital (ROIC), Total Shareholders' Return Relative to Straits Times Index and Absolute Shareholders' Return as a multiple of Cost of Equity.

Senior management participants are required to hold a minimum number of the shares released to them under the RSP and PSP to maintain a beneficial ownership stake in the Company for the duration of their employment or tenure with the Company.

No awards have been granted to controlling shareholders or their associates, or parent group employees under the RSP and PSP.

No awards have been granted to Directors of the Company.

No employee has received 5% or more of the total number of shares available/delivered pursuant to grants under the RSP and PSP.

Directors' Report

5. SHARE OPTIONS AND SHARE PLANS (cont'd)

(b) Restricted Share Plan ("RSP") and Performance Share Plan ("PSP") (cont'd)

Share Grants Under RSP and PSP (cont'd)

The first grant of RSP and PSP was made in December 2009 for Financial Year 2009/10. The details of the shares awarded under the RSP and PSP in aggregate are as follows:

(i) RSP

Shares	Grant Date	Balance as at 1.10.2009 or Grant Date if later	Adjustment*	Vested	Cancelled	Balance as at 30.9.2010
2010 (Year 1)	14.12.2009	3,260,728	-	-	(126,000)	3,134,728

* Adjustment at the end of two-year performance period upon meeting stated performance targets

(ii) PSP

Shares	Grant Date	Balance as at 1.10.2009 or Grant Date if later	Adjustment*	Vested	Cancelled	Balance as at 30.9.2010
2010 (Year 1)	14.12.2009	283,972	-	-	-	283,972

* Adjustment at the end of three-year performance period upon meeting stated performance targets

(c) Share Options pursuant to the Asia Pacific Breweries Limited Executives' Share Option Scheme ("APBL Scheme")

The APBL Scheme expired in July 2004 but options already granted under that Scheme remains exercisable until the end of the relevant Option Period. The Phantom Share Option Plan approved by the Remuneration Committee of APBL on 24 September 2004 and endorsed by the APBL Board succeeded the APBL Scheme.

Information pertaining to Outstanding Options

At the end of the financial year, 65,200 unissued ordinary shares of APBL were under options granted pursuant to the APBL Scheme. Details of the options to subscribe for ordinary shares in the capital of APBL granted to executives pursuant to the APBL Scheme are as follows:

Options	Offer Date	Balance as at 1.10.2009	Options Exercised/ Lapsed	Balance as at 30.9.2010	Exercise Price	Exercise Period
2000	22.12.1999	10	(10)	-	$4.28	21.09.2002 to 20.11.2009
2001	20.12.2000	2,750	-	2,750	$3.91	19.09.2003 to 18.11.2010
2002	08.10.2001	5,650	-	5,650	$3.79	08.07.2004 to 07.09.2011
2003	15.10.2002	18,000	-	18,000	$4.79	15.07.2005 to 14.09.2012
2004	08.10.2003	38,800	-	38,800	$6.29	08.07.2006 to 07.09.2013
		65,210	(10)*	65,200		

* Lapsed due to Expiry (10)

Statutory and other information regarding the APBL Options

The statutory and other information provided above at paragraph 5(a), sub-paragraphs (i) to (v) inclusive in respect of the Fraser and Neave, Limited Executives' Share Option Scheme, apply also to the APBL options.

5. SHARE OPTIONS AND SHARE PLANS (cont'd)

(d) (i) Share Options pursuant to the Fraser & Neave Holdings Bhd Executives' Share Option Scheme ("F&NHB Scheme")

The F&NHB Scheme expired on 12 November 2006 but Options already granted under that Scheme remain exercisable until the end of the relevant Option Period.

Information pertaining to Outstanding Options

At the end of the financial year, 115,600 F&NHB ordinary shares held by Fraser and Neave, Limited were under Options granted pursuant to the F&NHB Scheme.

Details of the options granted to executives pursuant to the F&NHB Scheme to acquire ordinary shares of RM1.00 each in the capital of F&NHB from Fraser and Neave, Limited are as follows:

Options	Offer Date	Balance as at 1.10.2009	Options Exercised/ Lapsed	Balance as at 30.9.2010	Exercise Price	Exercise Period
Old Scheme						
2005	24.11.2004	7,000	(7,000)	-	RM4.89	24.08.2007 to 23.10.2009
2006	26.08.2005	128,300	(128,300)	-	RM5.54	27.05.2008 to 26.07.2010
2007	26.09.2006	770,100	(654,500)	115,600	RM6.12	27.06.2009 to 26.08.2011
		905,400	(789,800)*	115,600		

* Exercised (782,800)
Lapsed due to Expiry and Resignations (7,000)

Statutory and other information regarding the F&NHB Options

The statutory and other information provided above at paragraph 5(a), sub-paragraphs (i) to (v) inclusive in respect of the Fraser and Neave, Limited Executives' Share Option Scheme, apply to the F&NHB options except that Singapore Exchange Securities Trading Limited should be replaced by Bursa Malaysia Securities Bhd and that all options expire 59 months after the option offer date.

(ii) Share Options pursuant to the Fraser & Neave Holdings Bhd Executives' Share Option Scheme Approved by Shareholders on 5 April 2007 ("F&NHB 2007 Scheme")

The F&NHB 2007 Scheme succeeded the F&NHB Scheme.

Information pertaining to Outstanding Options

At the end of the financial year, 7,177,400 F&NHB unissued ordinary shares of F&NHB were under Options granted pursuant to the F&NHB 2007 Scheme.

Details of the options granted to executives pursuant to the F&NHB 2007 Scheme to acquire ordinary shares of RM1 each in the capital of F&NHB are as follows:

Options	Offer Date	Balance as at 1.10.2009	Options Exercised/ Lapsed	Balance as at 30.9.2010	Exercise Price	Exercise Period
New Scheme						
2008	20.11.2007	2,377,300	(918,800)	1,458,500	RM 7.77	20.08.2010 to 19.10.2012
2009	19.11.2008	2,811,300	(126,000)	2,685,300	RM 8.46	19.08.2011 to 18.10.2013
2010	20.11.2009	3,108,100	(74,500)	3,033,600	RM11.34	20.08.2012 to 19.10.2014
		8,296,700	(1,119,300)*	7,177,400		

* Exercised (832,600)
Lapsed due to Resignations (186,700) and Mutual Separation Offer (100,000)

Directors' Report

5. SHARE OPTIONS AND SHARE PLANS (cont'd)

Statutory and other information regarding the F&NHB Options

The main features of the F&NHB 2007 Scheme are outlined below:

- The maximum number of new ordinary shares of RM1.00 each in the company which may be issued on the exercise of the F&NHB 2007 Scheme shall not exceed 10% of the issued and paid-up share capital of F&NHB at any point of time throughout the duration of the F&NHB 2007 Scheme.

- Eligible full-time executives of the group and executive directors of the company with at least one year service shall be eligible to participate in the F&NHB 2007 Scheme.

- The allotment of an eligible executive shall not exceed the maximum limits for any specific job grade in any one financial year and 1,000,000 new shares of the company during the tenure of the F&NHB 2007 Scheme, subject to the limits below:

  (i) not more than 50% of the new shares of F&NHB available under the F&NHB 2007 Scheme shall be allocated, in aggregate, to the directors and senior management of the group; and

  (ii) not more than 10% of the new shares of the company available under the F&NHB 2007 Scheme shall be allocated to any individual eligible executive who, either singly or collectively through persons connected to that eligible executive, holds 20% or more of the issued and paid-up share capital of the company.

The option price shall be the five days weighted average market price of the company's shares as quoted on Bursa Malaysia Securities Bhd immediately preceding the date of the offer, or the par value of the shares of F&NHB, whichever is higher.

The F&NHB 2007 Scheme shall be in force for a period of 10 years from the effective date for the implementation of the F&NHB 2007 Scheme.

(e) Share Options pursuant to Frasers Property (China) Limited Share Option Scheme ("FPCL Scheme")

Frasers Property (China) Limited ("FPCL") has in place a share option scheme, FPCL Scheme, since 20 May 2003 and, unless otherwise cancelled or amended will remain in force for 10 years from that date.

2009 Options

During the financial year ended 30 September 2010, offers of options were granted pursuant to the Scheme in respect of 17,800,000 unissued ordinary shares of HK$0.10 each of FPCL at an exercise price of HK$0.1550 per share.

Information pertaining to Outstanding Options

At the end of the financial year, there were 98,180,182 unissued ordinary shares of FPCL under Options granted pursuant to the FPCL Scheme. Details of the options to subscribe for ordinary shares of HK$0.10 each in the capital of FPCL granted to employees pursuant to the FPCL Scheme are as follows:

Options	Offer Date	Balance as at 1.10.2009 or Offer Date if later	Options Exercised/ Lapsed	Balance as at 30.9.2010	Exercise Price	Exercise Period
2003	31.12.2003	9,877,331	(1,972)	9,875,359	HK$0.1580	31.12.2004 to 30.12.2013
2004	31.12.2004	11,474,439	(646,336)	10,828,103	HK$0.1547	31.12.2005 to 30.12.2014
2005	30.12.2005	13,773,647	(647,664)	13,125,983	HK$0.1343	30.12.2006 to 29.12.2015
2006	13.11.2006	15,300,737	(1,050,000)	14,250,737	HK$0.1670	13.11.2007 to 12.11.2016
2007	09.11.2007	16,550,000	-	16,550,000	HK$0.3370	09.11.2008 to 08.11.2017
2008	14.11.2008	17,050,000	(1,300,000)	15,750,000	HK$0.1000	14.11.2009 to 13.11.2018
2009	13.11.2009	17,800,000	-	17,800,000	HK$0.1550	13.11.2010 to 12.11.2019
		101,826,154	(3,645,972)*	98,180,182		

* Exercised (3,644,000)
Lapsed due to resignation (1,972)

5. SHARE OPTIONS AND SHARE PLANS (cont'd)

Statutory and other information regarding the FPCL Options

(i) The Exercise Price will be determined by FPCL Board, but shall not be less than the highest of:

(1) the closing price as stated in the daily quotation sheet of The Stock Exchange of Hong Kong Limited ("HKSE") on the date of grant, which must be a trading day;

(2) the average closing prices as stated in the HKSE's daily quotation sheets for the five trading days immediately preceding the date of grant; and

(3) the nominal value of a FPCL share.

(ii) The exercise period of the FPCL options granted is determinable by the FPCL Board, and commences on a specified date and ends on a date which is not later than 10 years from the date of grant of the FPCL options.

(iii) The vesting period of the share options is in the following manner:

	Percentage of shares over which a share option is exercisable	
Vesting Schedule	**Granted before 2004 (%)**	**Granted on or after 2004 (%)**
Before the first anniversary of the date of grant	Nil	Nil
On or after the first but before the second anniversary of the date of grant	25	40
On or after the second but before the third anniversary of the date of grant	25	30
On or after the third but before the fourth anniversary of the date of grant	25	30
On or after the fourth anniversary of the date of grant	25	NA

In relation to the FPCL options, if the grantee, during any of the periods specified above, exercised share options for such number of shares which, in aggregate, represents less than the number of shares for which the grantee may exercise in respect of such period, the balance of the shares comprised in that share option for which the grantee could have exercised (but did not exercise) in that period shall be carried forward and added to the number of shares which the grantee may exercise in the next succeeding period or periods.

(f) Other than those reported in this paragraph 5, no shares of the Company or any corporation in the Group were issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or any corporation in the Group, whether granted before or during that financial year.

(g) Other than those reported in this paragraph 5, there were no unissued shares of the Company or any corporation in the Group under options as at the end of the financial year to which this report relates.

6. AUDIT COMMITTEE

At a series of meetings convened during the twelve months up to the date of this report, the Audit Committee reviewed reports prepared respectively by the external and the internal auditors and approved proposals for improvement in internal controls. The announcement of quarterly results and the financial statements of the Company and of the Group and the audit report thereon for the full year were also reviewed prior to consideration and approval of the Board.

The Audit Committee has nominated Ernst & Young LLP for re-appointment by shareholders as auditor for the ensuing financial year.

Directors' Report

7. AUDITORS

The auditors, Ernst & Young LLP, has expressed willingness to accept re-appointment.

8. OTHER INFORMATION REQUIRED BY SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

(a) The interests of the directors of the Company in the share capital of the Company and of its related companies as at the 21st day after the end of the financial year remained unchanged from those at 30 September 2010 as set out at paragraph 3 hereof.

(b) Since the end of the previous financial year, the Company and its subsidiary companies did not enter into any material contracts involving interests of the directors or controlling shareholders and no such material contracts still subsist at the end of the financial year, except for those disclosed in this Directors' Report and in the Financial Statements.

On behalf of the Board

LEE HSIEN YANG
Director

KOH BENG SENG
Director

Singapore
12 November 2010

Statement By Directors

We, **LEE HSIEN YANG** and **KOH BENG SENG**, being two of the Directors of Fraser and Neave, Limited, do hereby state that in the opinion of the Directors:

(i) the balance sheets, profit statements, statements of comprehensive income, statements of changes in equity and consolidated cash flow statement together with the notes thereto, set out on pages 92 to 193, are drawn up so as to give a true and fair view of the state of affairs of the Company and of the Group as at 30 September 2010 and of the results of the businesses and changes in equity of the Company and of the Group and the cash flows of the Group for the year ended 30 September 2010; and

(ii) at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the Board

LEE HSIEN YANG
Director

KOH BENG SENG
Director

Singapore
12 November 2010

Independent Auditors' Report

TO THE MEMBERS OF FRASER AND NEAVE, LIMITED

We have audited the accompanying financial statements of Fraser and Neave, Limited ("the Company") and its subsidiaries (collectively, "the Group") set out on pages 92 to 193, which comprise the balance sheets of the Group and the Company as at 30 September 2010, and the profit statements, statements of comprehensive income, statements of changes in equity of the Group and the Company, and cash flow statement of the Group for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act, Cap. 50 (the "Act") and Singapore Financial Reporting Standards. This responsibility includes devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss account and balance sheet and to maintain accountability of assets; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion,

(a) the consolidated financial statements of the Group and the balance sheet, profit statement, statement of comprehensive income and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Company as at 30 September 2010 and the results and changes in equity of the Group and the Company and cash flows of the Group for the year ended on that date; and

(b) the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

Ernst & Young LLP
Public Accountants and
Certified Public Accountants

Singapore
12 November 2010

Profit Statement

FOR THE YEAR ENDED 30 SEPTEMBER 2010

	Notes	THE GROUP 2010 ($'000)	THE GROUP 2009 ($'000)	THE COMPANY 2010 ($'000)	THE COMPANY 2009 ($'000)
			(Restated)		
Continuing operations					
REVENUE	3	**5,696,777**	5,146,334	**5,029**	4,458
Cost of sales		**(3,708,922)**	(3,438,008)	**-**	-
Gross profit		**1,987,855**	1,708,326	**5,029**	4,458
Other income (net)	4(a)	**13,772**	17,623	**527**	27
Operating expenses					
- Distribution		**(226,438)**	(203,704)	**-**	-
- Marketing		**(478,292)**	(443,548)	**-**	-
- Administration		**(307,566)**	(305,525)	**(6,815)**	(5,536)
		(1,012,296)	(952,777)	**(6,815)**	(5,536)
TRADING PROFIT/(LOSS)		**989,331**	773,172	**(1,259)**	(1,051)
Gross dividends from subsidiary and joint venture companies	6	**-**	-	**330,506**	293,133
Share of joint venture companies' profits		**15,279**	12,731	**-**	-
Share of associated companies' profits		**47,600**	999	**-**	-
Gross income from investments	7	**18,782**	11,682	**419**	425
PROFIT BEFORE INTEREST AND TAXATION ("PBIT")		**1,070,992**	798,584	**329,666**	292,507
Interest income		**28,165**	21,976	**3,714**	5,777
Interest expense		**(90,498)**	(83,695)	**(11,405)**	(13,708)
Net interest expense	4(b)	**(62,333)**	(61,719)	**(7,691)**	(7,931)
PROFIT BEFORE IMPAIRMENT, FAIR VALUE ADJUSTMENT, TAXATION AND EXCEPTIONAL ITEMS		**1,008,659**	736,865	**321,975**	284,576
Impairment on investments		**(9,000)**	(7,292)	**-**	-
Fair value adjustment of investment properties (net)	4(c)	**129,411**	(122,597)	**-**	-
PROFIT BEFORE TAXATION AND EXCEPTIONAL ITEMS	4(d)	**1,129,070**	606,976	**321,975**	284,576
Exceptional items	8	**43,041**	7,122	**9**	-
PROFIT BEFORE TAXATION		**1,172,111**	614,098	**321,984**	284,576
Taxation	9	**(270,398)**	(179,192)	**(6,957)**	(9,940)
PROFIT FROM CONTINUING OPERATIONS AFTER TAXATION		**901,713**	434,906	**315,027**	274,636
Discontinued operations					
PROFIT FROM DISCONTINUED OPERATIONS AFTER TAXATION	29(a)	**159,802**	7,471	**-**	-
PROFIT AFTER TAXATION		**1,061,515**	442,377	**315,027**	274,636
ATTRIBUTABLE PROFIT TO:					
Shareholders of the Company					-
- Before fair value adjustment and exceptional items					
Continuing operations		**584,471**	461,864	**315,018**	274,636
Discontinued operations		**(1,855)**	4,593	**-**	-
		582,616	466,457	**315,018**	274,636
- Fair value adjustment of investment properties (net)		**99,940**	(113,488)	**-**	-
- Exceptional items					
Continuing operations		**43,962**	9,033	**9**	-
Discontinued operations		**93,295**	(2,468)	**-**	-
		137,257	6,565	**9**	-
		819,813	359,534	**315,027**	274,636
Non-controlling interests		**241,702**	82,843	**-**	-
		1,061,515	442,377	**315,027**	274,636

		Notes	THE GROUP 2010	THE GROUP 2009
Earnings per share attributable to the shareholders of the Company		11		
Basic	- before fair value adjustment and exceptional items		**41.7 cts**	33.5 cts
	- after fair value adjustment and exceptional items		**58.6 cts**	25.9 cts
Fully diluted	- before fair value adjustment and exceptional items		**41.5 cts**	33.5 cts
	- after fair value adjustment and exceptional items		**58.3 cts**	25.8 cts
Earnings per share from continuing operations attributable to the shareholders of the Company		11		
Basic	- before exceptional items		**41.8 cts**	33.2 cts
	- after exceptional items		**52.1 cts**	25.7 cts
Fully diluted	- before exceptional items		**41.6 cts**	33.2 cts
	- after exceptional items		**51.8 cts**	25.7 cts

The Notes on pages 100 to 193 form an integral part of the Financial Statements.

Statement Of Comprehensive Income

FOR THE YEAR ENDED 30 SEPTEMBER 2010

	THE GROUP		THE COMPANY	
	2010 ($'000)	2009 ($'000)	**2010 ($'000)**	2009 ($'000)
Profit after taxation	**1,061,515**	442,377	**315,027**	274,636
Other comprehensive (expenses)/income:				
Net fair value changes on available-for-sale financial assets	**(39,401)**	113,579	**615**	201
Net fair value changes on cash flow hedges	**4,311**	(20,612)	**-**	-
Currency translation differences	**(88,854)**	(26,561)	**-**	-
Share of other comprehensive income of associated companies	**(67)**	218	**-**	-
Realisation of reserves on disposal of subsidiary companies	**(1,771)**	3,308	**-**	-
Other comprehensive (expenses)/income for the year, net of tax	**(125,782)**	69,932	**615**	201
Total comprehensive income for the year	**935,733**	512,309	**315,642**	274,837
Total comprehensive income attributable to:				
Shareholders of the Company	**734,566**	442,282	**315,642**	274,837
Non-controlling interests	**201,167**	70,027	**-**	-
	935,733	512,309	**315,642**	274,837

The Notes on pages 100 to 193 form an integral part of the Financial Statements.

Balance Sheet

AS AT 30 SEPTEMBER 2010

	Notes	THE GROUP 2010 ($'000)	THE GROUP 2009 ($'000)	THE COMPANY 2010 ($'000)	THE COMPANY 2009 ($'000)
SHARE CAPITAL AND RESERVES					
Share capital	12	**1,374,502**	1,341,707	**1,374,502**	1,341,707
Reserves	12	**4,768,296**	4,243,017	**2,576,275**	2,470,937
		6,142,798	5,584,724	**3,950,777**	3,812,644
NON-CONTROLLING INTERESTS		**805,661**	1,098,731	**-**	-
		6,948,459	6,683,455	**3,950,777**	3,812,644
Represented by:					
NON-CURRENT ASSETS					
Fixed assets	13	**1,104,216**	1,239,721	**-**	-
Investment properties	14	**2,180,026**	3,444,233	**-**	-
Properties held for development	15	**-**	169,801	**-**	-
Subsidiary companies	16	**-**	-	**3,508,670**	3,544,830
Joint venture companies	17	**89,839**	89,487	**434,421**	434,421
Associated companies	18	**1,355,249**	978,369	**82,383**	82,383
Intangible assets	19	**576,219**	376,680	**-**	-
Brands	23	**74,275**	43,127	**-**	-
Other investments	21	**112,299**	122,713	**9,053**	8,309
Other receivables	26	**61,556**	54,106	**-**	-
Deferred tax assets	33	**25,251**	22,951	**-**	-
		5,578,930	6,541,188	**4,034,527**	4,069,943
CURRENT ASSETS					
Properties held for sale	24	**4,309,185**	4,007,448	**-**	-
Inventories	25	**391,916**	423,507	**-**	-
Trade receivables	26	**1,021,283**	734,167	**-**	-
Other receivables	26	**252,327**	237,096	**809**	2,594
Subsidiary companies	16	**-**	-	**51,057**	85,010
Joint venture companies	17	**6,540**	11,666	**-**	-
Associated companies	18	**10,798**	5,105	**-**	-
Short term investments	28	**214,661**	254,696	**-**	-
Bank fixed deposits	22	**1,274,626**	1,269,499	**47,624**	52,092
Cash and bank balances	22	**424,290**	373,809	**910**	470
		7,905,626	7,316,993	**100,400**	140,166
Assets held for sale	29(b)	**38,262**	9,387	**-**	-
		7,943,888	7,326,380	**100,400**	140,166
Deduct: CURRENT LIABILITIES					
Trade payables	30	**724,740**	681,508	**-**	-
Other payables	30	**764,205**	760,470	**5,256**	5,971
Subsidiary companies	16	**-**	-	**12,986**	26,680
Joint venture companies	17	**6,350**	3,055	**-**	-
Associated companies	18	**954**	1,035	**-**	-
Borrowings	31	**1,908,709**	1,692,726	**-**	199,914
Provision for taxation		**313,775**	298,142	**15,491**	14,609
		3,718,733	3,436,936	**33,733**	247,174
Liabilities held for sale	29(b)	**2,297**	-	**-**	-
		3,721,030	3,436,936	**33,733**	247,174
NET CURRENT ASSETS/(LIABILITIES)		**4,222,858**	3,889,444	**66,667**	(107,008)
Deduct: NON-CURRENT LIABILITIES					
Other payables	30	**3,869**	9,334	**-**	-
Borrowings	31	**2,666,032**	3,608,299	**150,000**	150,000
Provision for employee benefits	32	**25,044**	19,303	**-**	-
Deferred tax liabilities	33	**158,384**	110,241	**417**	291
		2,853,329	3,747,177	**150,417**	150,291
		6,948,459	6,683,455	**3,950,777**	3,812,644

The Notes on pages 100 to 193 form an integral part of the Financial Statements.

Statement Of Changes In Equity

THE GROUP

	Notes	Share Capital ($'000)	Capital Reserve ($'000)	Revenue Reserve ($'000)	Exchange Reserve ($'000)	Fair Value Adjustment Reserve ($'000)	Hedging Reserve ($'000)	Share-based Payment Reserve ($'000)	Dividend Reserve ($'000)	Total ($'000)	Non-controlling Interests ($'000)	Total Equity ($'000)
YEAR ENDED 30 SEPTEMBER 2010												
Balance at 1 October 2009		1,341,707	270,114	3,759,391	(122,624)	178,052	(19,226)	30,990	146,320	5,584,724	1,098,731	6,683,455
Other comprehensive income												
Share of other comprehensive income of associated companies		-	85	(21)	(528)	(42)	272	167	-	(67)	-	(67)
Realisation of reserves on disposal of subsidiary companies		-	(490)	490	(1,771)	-	-	-	-	(1,771)	-	(1,771)
Net fair value changes on derivative financial instruments		-	-	-	-	-	2,785	-	-	2,785	1,526	4,311
Net fair value changes on available-for-sale financial assets		-	-	-	-	(39,401)	-	-	-	(39,401)	-	(39,401)
Currency translation difference		-	-	-	(46,793)	-	-	-	-	(46,793)	(42,061)	(88,854)
Other comprehensive income for the year		-	(405)	469	(49,092)	(39,443)	3,057	167	-	(85,247)	(40,535)	(125,782)
Profit for the year		-	-	819,813	-	-	-	-	-	819,813	241,702	1,061,515
Total comprehensive income for the year		-	(405)	820,282	(49,092)	(39,443)	3,057	167	-	734,566	201,167	935,733
Employee share-based expense		-	-	-	-	-	-	12,441	-	12,441	700	13,141
Issue of shares in the Company upon exercise of share options	12	32,795	-	-	-	-	-	(5,184)	-	27,611	-	27,611
Contribution of capital by non-controlling interests		-	-	-	-	-	-	-	-	-	2,146	2,146
Change of interests in subsidiary and joint venture companies		-	-	83	-	-	-	-	-	83	9,833	9,916
Disposal of subsidiary companies		-	-	-	-	-	-	-	-	-	(407,117)	(407,117)
Dividends	10											
Dividend to non-controlling interests		-	-	-	-	-	-	-	-	-	(99,799)	(99,799)
Dividend to shareholders, paid		-	-	(70,307)	-	-	-	-	(146,320)	(216,627)	-	(216,627)
Dividend to shareholders, proposed		-	-	(168,236)	-	-	-	-	168,236	-	-	-
Balance at 30 September 2010		1,374,502	269,709	4,341,213	(171,716)	138,609	(16,169)	38,414	168,236	6,142,798	805,661	6,948,459

The Notes on pages 100 to 193 form an integral part of the Financial Statements.

Statement Of Changes In Equity

THE GROUP

	Notes	Share Capital ($'000)	Capital Reserve ($'000)	Revenue Reserve ($'000)	Exchange Reserve ($'000)	Fair Value Adjustment Reserve ($'000)	Hedging Reserve ($'000)	Share-based Payment Reserve ($'000)	Dividend Reserve ($'000)	Total ($'000)	Non-controlling Interests ($'000)	Total Equity ($'000)
YEAR ENDED 30 SEPTEMBER 2009												
Balance at 1 October 2008		1,330,297	271,656	3,588,773	(112,567)	64,222	-	22,774	118,119	5,283,274	1,135,242	6,418,516
Other comprehensive income												
Share of other comprehensive income of associated companies		-	(1,799)	-	2,296	251	(530)	-	-	218	-	218
Realisation of reserves on disposal of subsidiary companies		-	(183)	183	3,308	-	-	-	-	3,308	-	3,308
Net fair value changes on derivative financial instruments		-	-	-	-	-	(18,696)	-	-	(18,696)	(1,916)	(20,612)
Net fair value changes on available-for-sale financial assets		-	-	-	-	113,579	-	-	-	113,579	-	113,579
Currency translation difference		-	-	-	(15,661)	-	-	-	-	(15,661)	(10,900)	(26,561)
Other comprehensive income for the year		-	(1,982)	183	(10,057)	113,830	(19,226)	-	-	82,748	(12,816)	69,932
Profit for the year		-	-	359,534	-	-	-	-	-	359,534	82,843	442,377
Total comprehensive income for the year		-	(1,982)	359,717	(10,057)	113,830	(19,226)	-	-	442,282	70,027	512,309
Employee share-based expense		-	-	-	-	-	-	9,895	-	9,895	37	9,932
Issue of shares in the Company upon exercise of share options	12	11,410	-	-	-	-	-	(1,679)	-	9,731	-	9,731
Contribution of capital by non-controlling interests		-	-	-	-	-	-	-	-	-	1,135	1,135
Transfer of distributable reserves by overseas subsidiary companies in compliance with statutory requirements		-	440	(440)	-	-	-	-	-	-	-	-
Change of interests in subsidiary and joint venture companies		-	-	(645)	-	-	-	-	-	(645)	(20,220)	(20,865)
Dividends	10											
Dividend to non-controlling interests		-	-	-	-	-	-	-	-	-	(87,490)	(87,490)
Dividend to shareholders, paid		-	-	(41,694)	-	-	-	-	(118,119)	(159,813)	-	(159,813)
Dividend to shareholders, proposed		-	-	(146,320)	-	-	-	-	146,320	-	-	-
Balance at 30 September 2009		1,341,707	270,114	3,759,391	(122,624)	178,052	(19,226)	30,990	146,320	5,584,724	1,098,731	6,683,455

The Notes on pages 100 to 193 form an integral part of the Financial Statements.

Statement Of Changes In Equity

		THE COMPANY						
	Notes	Share Capital ($'000)	Capital Reserve ($'000)	Revenue Reserve ($'000)	Fair Value Adjustment Reserve ($'000)	Share-based Payment Reserve ($'000)	Dividend Reserve ($'000)	Total ($'000)
YEAR ENDED 30 SEPTEMBER 2010								
Balance at 1 October 2009		1,341,707	1,039,274	1,255,444	1,419	28,480	146,320	3,812,644
Other comprehensive income								
Net fair value changes on available-for-sale financial assets		-	-	-	615	-	-	615
Other comprehensive income for the year		-	-	-	615	-	-	615
Profit for the year		-	-	315,027	-	-	-	315,027
Total comprehensive income for the year		-	-	315,027	615	-	-	315,642
Employee share-based expense		-	-	-	-	11,507	-	11,507
Issue of shares in the Company upon exercise of share options	12	32,795	-	-	-	(5,184)	-	27,611
Dividends	10							
Dividend to shareholders, paid		-	-	(70,307)	-	-	(146,320)	(216,627)
Dividend to shareholders, proposed		-	-	(168,236)	-	-	168,236	-
Balance at 30 September 2010		1,374,502	1,039,274	1,331,928	2,034	34,803	168,236	3,950,777
YEAR ENDED 30 SEPTEMBER 2009								
Balance at 1 October 2008		1,330,297	1,039,274	1,168,822	1,218	20,839	118,119	3,678,569
Other comprehensive income								
Net fair value changes on available-for-sale financial assets		-	-	-	201	-	-	201
Other comprehensive income for the year		-	-	-	201	-	-	201
Profit for the year		-	-	274,636	-	-	-	274,636
Total comprehensive income for the year		-	-	274,636	201	-	-	274,837
Employee share-based expense		-	-	-	-	9,320	-	9,320
Issue of shares in the Company upon exercise of share options	12	11,410	-	-	-	(1,679)	-	9,731
Dividends	10							
Dividend to shareholders, paid		-	-	(41,694)	-	-	(118,119)	(159,813)
Dividend to shareholders, proposed		-	-	(146,320)	-	-	146,320	-
Balance at 30 September 2009		1,341,707	1,039,274	1,255,444	1,419	28,480	146,320	3,812,644

The Notes on pages 100 to 193 form an integral part of the Financial Statements.

Cash Flow Statement

FOR THE YEAR ENDED 30 SEPTEMBER 2010

	THE GROUP 2010 ($'000)	THE GROUP 2009 ($'000)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation and exceptional items from continuing operations	**1,129,070**	606,976
(Loss)/Profit before taxation and exceptional items from discontinued operations	**(1,665)**	7,412
Profit before taxation and exceptional items	**1,127,405**	614,388
Adjustments for:		
Depreciation of fixed assets	**129,851**	133,230
Impairment of fixed assets, intangible assets and associated companies	**14,560**	23,967
Impairment reversal of fixed assets and intangible assets	**(1,351)**	(1,534)
Intangible assets written off	**1,048**	-
Provision for employee benefits	**7,702**	4,776
Write back of employee benefits	**(2)**	(961)
Allowance for foreseeable losses in properties held for sale	**15,480**	55,362
Loss on disposal of fixed assets	**3,438**	3,083
Amortisation of brands and intangible assets	**22,155**	28,459
Interest expenses (net)	**60,269**	66,344
Share of joint venture companies' profits	**(15,279)**	(12,731)
Share of associated companies' profits	**(47,600)**	(999)
Investment income	**(18,782)**	(11,682)
Profit on properties held for sale	**(391,469)**	(347,845)
Employee share-based expense	**17,132**	10,187
Fair value adjustments of financial instruments	**8,934**	11,692
Fair value adjustments of investment properties (net)	**(129,411)**	122,597
Loss on disposal of financial instruments	**3,840**	1,971
Operating cash before working capital changes	**807,920**	700,304
Change in inventories	**(2,463)**	29,745
Change in receivables	**(355,377)**	(14,078)
Change in joint venture and associated companies' balances	**614**	(6,713)
Change in payables	**91,134**	33,740
Currency realignment	**29,732**	(8,661)
Cash generated from operations	**571,560**	734,337
Interest expenses paid	**(59,772)**	(76,933)
Income taxes paid	**(219,606)**	(142,176)
Payment of employee benefits	**(1,984)**	(2,606)
Payment of cash-settled options	**(129)**	(559)
Progress payment received/receivable on properties held for sale	**1,632,867**	1,625,303
Development expenditure on properties held for sale	**(1,508,002)**	(959,526)
Net cash from operating activities	**414,934**	1,177,840
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends from joint venture and associated companies	**43,982**	41,870
Investment income	**18,782**	11,682
Proceeds from sale of fixed assets	**4,397**	15,018
Prodeeds from sale of associated companies	**36,342**	-
Proceeds from sale of other and short term investments	**1,869**	6,137
Proceeds from disposal of subsidiary and joint venture companies	**329,637**	155,299
Proceeds from sale of investments properties	**297,798**	-
Purchase of fixed assets and investment properties	**(186,610)**	(368,103)
Purchase of other investments	**-**	(84)
Acquisition of non-controlling interests in subsidiary companies	**(1,691)**	(35,940)
Payment for intangible assets and brands	**(33,794)**	(25,232)
Development expenditure on properties held for development	**(36,697)**	(105,817)
Investments in associated companies and joint venture companies' joint venture	**(15,457)**	(58,604)
Acquisition of joint venture companies and business	**(273,552)**	-
(Additional)/Repayment of trade advances	**(3,892)**	1,663
Net cash from/(used in) investing activities	**181,114**	(362,111)

The Notes on pages 100 to 193 form an integral part of the Financial Statements.

Cash Flow Statement

FOR THE YEAR ENDED 30 SEPTEMBER 2010

	THE GROUP	
	2010 ($'000)	2009 ($'000)
CASH FLOWS FROM FINANCING ACTIVITIES		
(Repayment)/Proceeds from term loans and bank borrowings	**(211,624)**	39,824
Repayment of loan from non-controlling interests	**-**	(1,403)
Proceeds from issue of shares:		
- by subsidiary companies to non-controlling interests	**2,146**	1,135
- by the Company to shareholders	**27,611**	9,731
Payment of dividends:		
- by subsidiary companies to non-controlling interests	**(99,799)**	(87,490)
- by the Company to shareholders	**(216,627)**	(159,813)
Net cash used in financing activities	**(498,293)**	(198,016)
Net increase in cash and cash equivalents	**97,755**	617,713
Cash and cash equivalents at beginning of year	**1,623,910**	1,020,068
Effects of exchange rate changes on cash and cash equivalents	**(26,542)**	(13,871)
Cash and cash equivalents at end of year	**1,695,123**	1,623,910
Cash and cash equivalents at end of year comprise:		
Cash and bank deposits (Note 22)	**1,698,916**	1,643,308
Bank overdrafts (Note 31)	**(3,793)**	(19,398)
	1,695,123	1,623,910
Analysis of acquisition and disposal of subsidiary companies, business and joint venture companies		
Net assets acquired:		
Fixed assets	**53,462**	2,478
Other non-current assets	**19,627**	1,958
Current assets	**54,099**	283
Current liabilities	**(64,448)**	(3,613)
Non-current liabilities	**(6,818)**	-
Non-controlling interests	**(8,942)**	(455)
Cash	**7,775**	-
	54,755	651
Goodwill on acquisition (net)	**226,572**	2,523
Consideration	**281,327**	3,174
Funded by non-controlling interests	**-**	(242)
Cash and cash equivalents of joint venture companies	**(7,775)**	-
Cash injection by joint venture company	**-**	(2,932)
Cash outflow on acquisition net of cash and cash equivalents acquired	**273,552**	-
Net assets disposed:		
Fixed assets	**(185,323)**	(17,784)
Investment properties	**(1,100,000)**	-
Non-current assets	**(67,293)**	-
Current assets	**(114,279)**	(131,929)
Non-current liabilties	**337,075**	-
Current liabilities	**168,423**	32,109
Non-controlling interests	**406,569**	3,273
Cash	**(20,811)**	(13,083)
	(575,639)	(127,414)
Realisation of translation difference	**659**	(2,491)
Provision for cost of disposal	**(69)**	(16,273)
Gain on disposal	**(209,070)**	(22,204)
Reclassification to investment in associated company	**433,671**	-
Consideration received	**(350,448)**	(168,382)
Less: Cash of subsidiary and joint venture companies disposed off	**20,811**	13,083
Cash inflow on disposal net of cash and cash equivalents disposed	**(329,637)**	(155,299)

The Notes on pages 100 to 193 form an integral part of the Financial Statements.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

The following Notes form an integral part of the Financial Statements on pages 92 to 99.

1. GENERAL

Fraser and Neave, Limited (the "Company") is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited. The registered office of the Company is located at 438 Alexandra Road, #21-00 Alexandra Point, Singapore 119958.

The principal activities of the Group are:
(a) production and sale of soft drinks, dairy products, beer and stout;
(b) development of and investment in property; and
(c) printing and publishing.

These activities are carried out through the Company's subsidiary, joint venture and associated companies to which the Company provides management and administrative services.

There were no significant changes in the nature of these principal activities during the financial year.

The Company's operation is managed through a wholly-owned subsidiary company.

The financial statements of the Company and the consolidated financial statements of the Group were authorised for issue in accordance with a resolution of the Directors on 12 November 2010.

2. ACCOUNTING POLICIES

2.1 Basis of Preparation

The financial statements are prepared in accordance with Singapore Financial Reporting Standards ("FRS") as required by the Companies Act, Cap. 50. The financial statements are prepared on a historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars and all values are rounded to the nearest thousand ($'000) unless otherwise stated.

The Group and the Company have applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial year and are consistent with those used in the previous financial year, except as disclosed below.

During the year, the Group and the Company adopted all new and revised standards and interpretations of FRS that are relevant to the Group:

FRS 1	Presentation of Financial Statement – Revised Presentation
FRS 23 (Revised)	Borrowing Costs
FRS 27 (Amendments)	Consolidated and Separate Financial Statements
FRS 40 (Amendments)	Investment Property
FRS 103 (Revised)	Business Combinations
FRS 107 (Amendments)	Financial Instruments: Disclosures
FRS 108	Operating Segments

Except as set out below, the adoption of all new and revised standards and interpretations of FRS that are relevant to the Group has no material effect on the financial statements of the Group and the Company.

FRS 1 Presentation of Financial Statement – Revised Presentation

The revised FRS 1 separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with all non-owner changes in equity presented in the statement of other comprehensive income. In addition, the standard introduces the statement of comprehensive income which presents income and expense recognised in the period. This statement may be presented in one single statement, or two linked statements. The Group has elected to present this statement as two linked statements.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

2. ACCOUNTING POLICIES (cont'd)

2.1 Basis of Preparation (cont'd)

FRS 103 (Revised) Business Combination

The revised FRS 103 introduces a number of changes to the accounting for business combination that will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results. Please refer to note 2.2 for the revised accounting policy on the Basis of Consolidation.

According to its transitional provisions, the revised FRS 103 is to be applied prospectively. Assets and liabilities that arose from business combinations whose acquisition dates are before 1 October 2009 are not adjusted.

As a result of the adoption of revised FRS 103, transaction costs relating to a joint venture company's acquisition of interests in breweries in Indonesia and New Caledonia of $3.2 million have been recorded in the profit statement.

FRS 27 (Amendments) Consolidated and Separate Financial Statements

The revisions to FRS 27 principally change the accounting for transactions with non-controlling interests. Please refer to note 2.2 for the revised accounting policy on the Basis of Consolidation.

According to its transitional provisions, the revised FRS 27 has been applied prospectively and does not impact the Group's consolidated financial statements in respect of transactions with non-controlling interests, attribution of losses to non-controlling interests, and disposals of subsidiaries before 1 October 2009. The changes will affect future transactions with non-controlling interests.

The financial effects of the adoption of revised FRS 27 relating to the loss of control over Frasers Centrepoint Trust ("FCT"), resulted in the 42.7% retained interest in FCT being recognised at its fair value of $433.7 million with the corresponding gain on disposal of $40.1 million recognised in the profit statement.

Amendments to FRS 40 Investment Property

On 1 October 2009, the Group adopted the amendments to FRS 40 Investment Property which arise from the improvements to FRSs issued in 2008.

The Group has properties that are being constructed for future use as investment properties. Upon the adoption of the amendments to FRS 40, these investment properties under construction are measured at fair value with changes in fair values being recognised in the profit statement when fair value can be determined reliably. Consequently, all investment properties under construction were transferred to investment properties.

This change in accounting policy has been applied prospectively, resulting in a fair value gain on investment properties of $4.7 million, offset by deferred tax expense of $0.8 million in the profit statement.

2.2 Basis of Consolidation

The Company's investments in subsidiary companies are stated at cost less accumulated impairment losses.

Subsidiary companies are those companies controlled by the Group. Subsidiary companies are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. The financial year of the Company and all its subsidiary companies ends on 30 September unless otherwise stated. The consolidated financial statements of the Group incorporate the financial statements of the Company and all its subsidiary companies made up to 30 September. The financial statements of subsidiary companies are prepared using consistent accounting policies. Adjustments are made to any dissimilar material accounting policies to conform to the Group's significant accounting policies.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

2. ACCOUNTING POLICIES (cont'd)

2.2 Basis of Consolidation (cont'd)

Acquisitions of subsidiary companies are accounted for using the acquisition method. The consideration transferred for the acquisition of a subsidiary company comprises the fair value of the assets transferred, liabilities incurred, equity interest issued by the Group and any contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any change in the contingent consideration to be paid will be recognised in the profit statement. Acquisitions-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received. The accounting policy on goodwill on acquisition of subsidiary companies is included in Note 2.12(b).

In preparing the consolidated financial statements, all intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred.

The Group elects for each individual business combination, whether non-controlling interests in the acquiree is recognised on the acquisition date at fair value, or at the non-controlling interests proportionate share of the acquiree net identifiable assets.

In business combinations achieved in stages, previously held equity interests in the acquiree are re-measured to fair value at the acquisition date and any corresponding gain or loss is recognised in the profit statement.

When a change in the Company's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to revenue reserves if required by a specific Standard.

Any retained interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained investment at the date when control is lost and its fair value is recognised in the profit statement.

Transactions with non-controlling interests

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company, and are presented separately in the consolidated statement of comprehensive income, statement of changes in equity and within equity in the consolidated balance sheet, separately from equity attributable to owners of the Company.

Total comprehensive income is attributed to the non-controlling interests based on their respective interest in a subsidiary, even if this results in the non-controlling interests having a deficit balance. As this change has been implemented prospectively, no adjustments were necessary to any of the amounts previously recognised in the financial statements. Under the previous policy, the allocation of losses to non-controlling interests was capped to their interest in the subsidiary's equity, with the excess allocated to the controlling shareholder. When the subsidiary subsequently made profits, profits were allocated to the non-controlling interests only when the losses previously absorbed by the controlling shareholder were made good.

A change in ownership interest in subsidiary companies that do not result in a change of control is accounted for as equity transactions. The carrying amounts of the controlling and non-controlling interests will be adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received will be recognised directly in equity and attributed to owners of the parent.

A list of the Company's subsidiary companies is shown in Note 44.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

2. ACCOUNTING POLICIES (cont'd)

2.3 Joint Venture Companies

A joint venture company (not being a subsidiary company) is a company in which the Group has a long-term interest of not more than 50% of the equity and has a contractual agreement to jointly share the control with one or more parties in the joint venture company's commercial and financial affairs.

The Group recognises its interest in joint venture companies using proportionate consolidation. The Group combines its share of each of the assets, liabilities, income and expenses of the joint venture companies with the similar items, line by line, in its consolidated financial statements.

The joint venture is proportionately consolidated until the date on which the Group ceases to have joint control over the joint venture. Joint venture companies ("JVC") that are held by the Group's joint venture companies are equity accounted for in accordance with the accounting policies of these joint venture companies. No adjustments have been made at the Group to recognise the interest of these JVC using proportionate consolidation as the contribution of these JVC to the Group are not material. Details of the Group's share of the consolidated results, assets and liabilities of the JVC held by the Group's joint venture companies can be found in Note 17.

In the Company's separate financial statements, interests in joint venture company is carried at cost less impairment losses.

A list of the Company's joint venture companies is shown in Note 44.

2.4 Associated Companies

An associated company (not being a subsidiary company or joint venture company) is a company in which the Group exercises significant influence over the financial and operating policy decisions.

The Group's investments in associated companies are carried at cost less accumulated impairment losses and adjusted to recognise the Group's share of post-acquisition reserves of the associated companies. Investments in associated companies include goodwill.

When the Group's share of losses in an associated company equals or exceeds its interest in the associated company, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associated company.

The Group's share of the operating results, exceptional items and fair value adjustment of investment properties of associated companies are shown separately in the profit statement. Net assets of the associated companies are included in the consolidated financial statements under the equity method based on their latest audited financial statements except where their financial periods do not end on 30 September, then management accounts to 30 September are used.

Where an investment in an associated company is acquired or sold during the year, its results are included from the date of acquisition or excluded from the date of sale.

In the Company's separate financial statements, interests in associated company is carried at cost less impairment losses.

A list of the Company's associated companies is shown in Note 44.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

2. ACCOUNTING POLICIES (cont'd)

2.5 Revenue Recognition

Revenue from the sale of goods is recognised upon the transfer of significant risk and rewards of ownership of the goods to the customer, which generally coincides with delivery and acceptance of the goods sold.

Revenue from sale of goods represents the invoiced value of net sales (including excise duties and net of trade discounts).

Revenue on development properties held for sale represents the proportion of sales proceeds of the actual floor area sold at the balance sheet date based on the percentage of completion method.

Revenue from completed properties held for sale is recognised upon signing of the sale and purchase agreement.

Rental income is recognised on a straight line basis over the lease term commencing on the date from which the lessee is entitled to exercise its right to use the leased asset.

Interest income is taken up on an accrual basis (using the effective interest method).

Dividend income is recognised when the Group's right to receive payment is established.

Other categories of revenue are taken up on an accrual basis.

2.6 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) where, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where the effect of time value of money is material, the amount of the provision is the present value of the expenditure expected to be required to settle the obligation.

2.7 Taxation

The tax charge is based on the profit for the year, as adjusted for tax purposes, together with a charge or credit for deferred taxation.

(a) Current tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

2. ACCOUNTING POLICIES (cont'd)

2.7 Taxation (cont'd)

(b) Deferred tax

Deferred income tax is provided in full, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are recognised for all temporary differences, except where the deferred tax liabilities arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced by the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted at or subsequently enacted after the balance sheet date.

Deferred income tax is provided on all temporary differences arising on investments in subsidiary, joint venture and associated companies, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is charged or credited directly to equity if the tax relates to items that are charged or credited, in the same or a different period, directly to equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.8 Fixed Assets

Fixed assets are carried at cost or valuation less accumulated depreciation and accumulated impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use. Dismantlement, removal or restoration costs are included as part of the cost of fixed assets if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset. Expenditure for additions, improvements and replacements are capitalised and expenditure for maintenance and repairs are charged to the profit statement. Subsequent expenditure relating to fixed assets that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of standard of performance of the asset before the expenditure was made, will flow to the Group and the cost can be reliably measured, otherwise it is recognised as an expense during the financial year in which it is incurred. The carrying amount of the replaced parts is derecognised.

When assets are sold or retired, their cost or valuation and accumulated depreciation are removed from the financial statements and any gain or loss resulting from their disposal is included in the profit statement. Any amount in revaluation reserve relating to that asset is transferred to revenue reserves.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

2. ACCOUNTING POLICIES (cont'd)

2.8 Fixed Assets (cont'd)

When an asset is revalued, any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset. The net amount is then restated to the revalued amount of the asset. Any surplus on revaluation is credited to asset revaluation reserve unless it offsets previous revaluation losses of the same asset that were taken to the profit statement. A decrease in net carrying amount arising on revaluation of fixed assets is charged to the profit statement to the extent that it exceeds any surplus held in asset revaluation reserve relating to previous revaluations of the same class of assets.

Depreciation is calculated on the straight-line method to write off the cost or valuation of fixed assets less residual value over their estimated useful lives. No depreciation is charged for freehold land and uncommissioned capital work-in-progress. The residual values, depreciation method and useful lives are reviewed and adjusted as appropriate at each balance sheet date. The annual depreciation rates applied to write down the fixed assets over their estimated useful lives are as follows:

Leasehold land	-	Lease term (ranging from 10 to 99 years)
Building	-	Lease term (ranging from 10 to 60 years)
Plant, machinery and equipment	-	2.5% to 33%
Motor, vehicle and forklift	-	10% to 20%
Postmix and vending machine	-	10% to 20%
Furniture and fitting, computer equipment and beer cooler	-	5% to 100%

Capital Work-in-Progress includes fixed assets under construction and advance payments and progress payments made for fixed assets and is not depreciated until each stage of development is completed and becomes operational.

The carrying amounts of fixed assets are reviewed for impairment when events or circumstances indicate that the carrying value may not be recoverable.

2.9 Investment Properties

(a) Completed Investment Properties

Completed investment properties include those portions of office buildings that are held for long term rental yields and/or for capital appreciation.

Completed investment properties are initially recognised at cost, including transaction cost and subsequently carried at fair value, determined annually by independent professional valuers. Changes in fair values are recognised in the profit statement.

Transfers are made to or from completed investment properties only when there is a change in use. For a transfer from completed investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. For a transfer from owner-occupied property to completed investment property, the property is accounted for in accordance with the accounting policy for fixed assets up to the date of change in use.

Completed investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalized as addition and the carrying amounts of the replaced components are written off to the profit statement. The cost of maintenance, repairs and minor improvements is charged to the profit statement when incurred.

On disposal of a completed investment property, the difference between the disposal proceeds and the carrying amount is recognised in the profit statement.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

2. ACCOUNTING POLICIES (cont'd)

2.9 Investment Properties (cont'd)

(b) Investment Property Under Construction

Investment properties under construction are initially stated at cost which includes cost of land and construction, related overhead expenditure and financing charges incurred during the period of construction and up to the completion of construction.

Investment properties under construction are considered completed and are transferred to completed investment properties when they are ready for their intended use.

In line with the amendments to FRS 40 Investment Property, investment properties under construction are measured at fair value with the changes in fair values being recognised in the profit statement when fair value can be measured reliably. Investment properties under construction for which fair value cannot be determined reliably is measured at cost less impairment. In accordance with the transitional provisions of FRS 40, the changes in accounting policy has been applied prospectively.

2.10 Properties Held for Development

Properties held for development are stated at cost less provision for foreseeable losses. The cost of properties held for development includes cost of land and construction, related overhead expenditure and financing charges incurred during the period of construction up to the completion of construction.

Allowance for foreseeable losses of property held for development is made when it is anticipated that the net realisable value has fallen below cost.

Properties held for development are considered completed and are transferred to investment properties when they are ready for their intended use.

In line with the amendments to FRS 40 Investment Property, properties held for development are reclassified to investment properties as investment properties under construction.

2.11 Borrowing Costs

Borrowing costs are generally expensed as incurred. However, borrowing costs that are directly attributable to acquisition and construction are capitalised as part of the cost of fixed assets, properties held for sale or properties held for development. Capitalisation of borrowing costs commences when activities to prepare the assets are in progress until the asset is ready for its intended use. Borrowing costs capitalised in property held for sale are after netting off interest income earned from progress billings received and placed on fixed deposits.

2.12 Intangible Assets

Intangible assets acquired separately are capitalised at cost. Intangible assets from a business acquisition are capitalised at fair value as at the date of acquisition. After initial recognition, an intangible asset is carried at cost less any accumulated amortisation and any accumulated impairment loss.

The useful lives of these intangible assets are assessed to be either finite or indefinite. Amortisation charged on finite intangible assets is taken to the profit statement as amortisation expense.

Internally generated goodwill and internally generated intangible asset arising from research are not capitalised and the expenditure is charged to the profit statement when it is incurred. Deferred development costs arising from deferred expenditure is recognised when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete and the ability to measure reliably the expenditure during the development.

Intangible assets are tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value might be impaired. Useful lives are also examined on an annual basis and adjustments, where applicable, are made on a prospective basis.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

2. ACCOUNTING POLICIES (cont'd)

2.12 Intangible Assets (cont'd)

a) Deferred publishing development costs are amortised in accordance with their estimated economic useful lives, upon completion of published products as follows:

	Curriculum	General	Reference
1st year	33%	50%	33%
2nd year	33%	30%	27%
3rd year	34%	20%	20%
4th year	-	-	13%
5th year	-	-	7%

At each balance sheet date, the Group assesses whether there is any indication of impairment. If any such indication exists, the recoverable amount is estimated.

b) Goodwill on acquisition is identified as being the excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interests in the acquiree, and the fair value of the Group's previously held equity interest in the acquiree, over the net fair value of the acquiree's identifiable assets and liabilities. In instances where the latter amount exceeds the former, the excess is recognised as a gain in the profit statement on the acquisition date.

Positive goodwill is carried at cost less any accumulated impairment loss. Goodwill is subjected to impairment test annually or more frequently if events or changes in circumstances indicate that the carrying value might be impaired.

For the purpose of impairment testing, positive goodwill on acquisition from the acquisition date is allocated to the cash-generating units ("CGU") expected to benefit from the acquisition synergies. An impairment loss is recognised in the profit statement when the carrying amount of the CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount is the higher of the CGU's fair value less costs to sell and its value in use.

The total impairment loss is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rated on the basis of the carrying amount of each asset in the CGU.

Impairment loss on goodwill is not reversed in a subsequent period.

Internally generated goodwill is not capitalised.

c) Management contracts with finite useful lives are amortised on a straight line basis over an estimated useful life of 8 years. Management contracts with indefinite useful lives are not amortised.

d) Other intangible assets comprise licenses, web-content, software, customer relationships, and publishers and distributor relationships. The licenses are amortised based on the remaining lives of the licensing arrangements with the respective licensors. Customers, publishers and distributors relationships are amortised over the remaining useful lives.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

2. ACCOUNTING POLICIES (cont'd)

2.13 Brands

Brands with finite lives are stated at cost less accumulated amortisation and accumulated impairment losses. They are assessed for impairment annually or whenever there is an indication of impairment. The useful life is also examined on an annual basis and an adjustment, where applicable, is made on a prospective basis. Amortisation is calculated to write off their cost over their estimated useful lives of up to 15 years on a straight-line method to the profit statement.

Brands with indefinite lives are stated at cost less any impairment loss. The useful life of the brand is estimated to be indefinite because based on the current market share of the brand, management believes there is no foreseeable limit to the period over which the brand is expected to generate net cash flows to the Group. The indefinite useful life is reviewed annually to determine whether it continues to be supportable. If not, the change in the useful life from indefinite to finite is made on a prospective basis. The brand is tested for impairment annually or more frequently when indicators of impairment are identified either individually or at the CGU level.

Internally generated brands are not capitalised and the expenditure is charged against profit in the year in which the expenditure is incurred.

2.14 Properties Held For Sale

(a) Development Properties Held for Sale

Development properties held for sale are stated at cost less allowance for foreseeable losses. The cost includes cost of land and construction, related overhead expenditure and financing charges incurred during the period of construction and up to the completion of construction.

Allowance for foreseeable losses is made when it is anticipated that the net realisable value has fallen below cost.

Developments are considered complete upon the issue of Temporary Occupation Permit. When completed, development properties held for sale are transferred to completed properties held for sale.

Profit on development properties held for sale is recognised on partly completed projects which have been sold and is based on the percentage of completion and of sales method. The percentage of completion is deemed to be the construction and related overhead costs incurred to the balance sheet date divided by the expected construction and related costs of the project. The percentage of sales is deemed to be the floor area sold at the balance sheet date divided by the floor area in the project offered for sale. Profit is taken up on the basis of the total expected profit of the area sold multiplied by the percentage of completion, less profit if any, taken up in previous financial periods. The expected profit is assessed having regard to the sale proceeds less attributable total costs including the cost of land, construction and interest and after making due allowance for known potential cost over-runs and allowance for contingencies.

Revenue on development properties held for sale represents the proportion of sales proceeds of the actual floor area sold to the balance sheet date based on the percentage of completion.

Progress payments received from purchasers are shown as a deduction from the cost of the development property held for sale.

(b) Completed Properties Held for Sale

Completed properties held for sale are stated at the lower of cost and net realisable value. Cost includes cost of land and construction, related overhead expenditure, and financing charges and other net costs incurred during the period of development.

Allowance for impairment is made when it is anticipated that the net realisable value has fallen below cost.

Revenue from completed properties held for sale is recognised upon execution of Sale and Purchase Agreements.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

2. ACCOUNTING POLICIES (cont'd)

2.15 Inventories

All inventories including containers (comprising returnable bottles, cases and pallets) are stated at the lower of cost and net realisable value. The net realisable value is the estimated selling price in the ordinary course of business, less the cost of completion and selling expenses.

Cost in respect of raw materials, consumable stores and goods purchased for resale is stated based on first-in-first-out, weighted average or standard cost (which approximates average actual cost). Cost in respect of manufactured inventories and work-in-progress includes attributable production overheads. Engineering and other inventories are valued on the weighted average cost basis less appropriate allowances for obsolete items.

Soft drink container inventories comprise both containers on hand and those estimated to be in the market at deposit values. Cost is amortised to deposit value over a period up to the container's expected useful life of 36 months for returnable bottles and 96 months for plastic crates.

Beer containers comprise returnable bottles and crates. Returnable bottles are valued at repurchase price/deposit value (including freight where significant; and the difference between the original cost and repurchase price/deposit value is written off over a period not exceeding 5 years) and crates are amortised over a period not exceeding 8 years; alternatively these assets are valued at net realizable value, if lower. Abnormally large purchases of bottles are accounted for by writing off a portion of the cost in excess of repurchase price based on the estimated lifespan.

2.16 Trade and Other Receivables

Trade and other receivables including receivables from related parties are classified and accounted for as loans and receivables under FRS 39. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. An allowance for impairment of trade receivables is established when there is evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. The amount of the allowance is recognised in the profit statement. Bad debts are written off as incurred.

2.17 Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and in bank, deposits with financial institutions and bank overdrafts. Bank overdrafts are included in bank borrowings on the balance sheet.

Cash on hand and in banks and fixed deposits are classified and accounted for as loans and receivables under FRS 39. The accounting policy is stated in Note 2.25.

2.18 Financial Liabilities

Financial liabilities include trade payables, other payables, payables to related parties and interest-bearing loans and borrowings. Financial liabilities are recognised on the balance sheet when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. Financial liabilities are initially recognised at fair value of consideration received less directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Gains and losses are recognised in the profit statement when the liabilities are derecognised as well as through the amortisation process. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

2. ACCOUNTING POLICIES (cont'd)

2.19 Employee Benefits

(a) Retirement Benefits

Provision for retirement benefits is made in accordance with:

(i) the terms of agreements concluded with various categories of employees, or

(ii) pension and retirement benefit schemes, or

(iii) defined contribution plans under statutory regulations in the country, where applicable.

Retirement Benefits in accordance with agreements

The provisions represent the present value of the amounts likely to become payable in respect of services already rendered. An independent actuarial calculation of the provision is made every three years. Internal calculation of the provision is made each intervening year on the same basis as those used for the independent actuarial calculation.

Pension and Retirement Benefit Schemes

Certain companies within the Group operate pension and retirement benefit schemes which requires contribution to be made to a separately administrated fund. The cost of providing benefits under the schemes are determined by using accrued or projected benefit valuation methods as appropriate. Actuarial gains and losses are recognised as income or expenses when the cumulative unrecognised actuarial gains or losses for each plan exceeds the greater of 10% of present value of the obligation and 10% of the fair value of plan assets. These gains or losses are recognised over the average remaining working lives of the employees participating in the plans.

Defined contribution plans under statutory regulations

As required by the law in certain countries, companies within the Group make contribution to the state pension scheme. The companies pay fixed contributions into separate entities and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. Contributions to state pension schemes are recognised as compensation expense in the profit statement in the same period as the employment that gives rise to the contribution.

(b) Share Options

The Company and certain listed subsidiary companies have in place Executives' Share Option Scheme for the granting of options to eligible executives of the Group to subscribe for shares or to acquire shares in the companies under the respective schemes.

(i) Equity-settled transactions

The fair value of the employee services received in exchange for the grant of the options is recognised as an expense in the profit statement with a corresponding increase in the employee share option reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the options on the date of grant. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable on vesting date. At each balance sheet date, the entity revises its estimates of the number of options that are expected to become exercisable on the vesting date. It recognises the impact of the revision of original estimates, if any, in the profit statement, and a corresponding adjustment to equity over the remaining vesting period.

When the options are exercised and new ordinary shares issued, the proceeds received (net of any directly attributable transaction costs) and the corresponding share option reserve is credited to share capital. For certain listed subsidiary companies which have treasury shares, the proceeds received (net of any directly attributable transaction costs) and the corresponding share option reserve is credited to the 'treasury share' account when treasury shares purchased are re-issued to the employees.

Notes To The Financial Statements

2. ACCOUNTING POLICIES (cont'd)

2.19 Employee Benefits (cont'd)

(b) Share Options (cont'd)

(ii) Cash-settled transactions

The cost of phantom share options granted is measured initially at fair value at the grant date taking into account the terms and conditions upon which the options were granted. Until the liability is settled, it is remeasured at each reporting date and the fair value is expensed over the period till vesting with recognition of a corresponding liability.

(c) Accrued Annual Leave

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for employee entitlements to annual leave as a result of services rendered by employees up to the balance sheet date.

2.20 Functional and Foreign Currencies

(a) Functional currency

The currency of the primary economic environment in which the Company operates ("the functional currency") is Singapore Dollars. The consolidated financial statements are presented in Singapore Dollars, which is the Company's functional and presentation currency.

(b) Foreign currency transactions

Foreign currency transactions are recorded in the functional currencies of the Company and the respective subsidiary companies at rates of exchange approximating those ruling at transaction date. Foreign currency monetary assets and liabilities at the balance sheet date are translated at the rates ruling at that date. Exchange differences are dealt with in the profit statement except where exchange differences arise on foreign currency monetary items that in substance form part of the Group's net investment in the foreign entity. These exchange differences are taken to exchange reserve as a separate component of the shareholders' funds until the disposal of the net investment at which time they are recognised in the profit statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using exchange rates at the date when the fair value was determined.

Currency translation differences on non-monetary items, such as equity investments held at fair value through profit or loss, are reported as part of the fair value gain or loss. Currency translation differences on non-monetary items, such as equity investments classified as available-for-sale financial assets, are included in the fair value reserve within equity.

Currency translation differences arising from events which are treated as exceptional are dealt with as exceptional items in the profit statement.

(c) Foreign currency translations

On consolidation of subsidiary companies, proportionate consolidation for joint venture companies and equity accounting for associated companies, profit statement items are translated into presentation currency at average exchange rates ruling during the year and assets and liabilities are translated into presentation currency at exchange rates ruling at the balance sheet date. Exchange differences arising from translation of foreign subsidiary companies, joint venture companies and associated companies are taken directly to exchange reserve as a separate component of the shareholders' funds.

On disposal of a foreign operation, the cumulative amount of exchange differences deferred in equity relating to that foreign operation is recognised in the profit statement as a component of the gain or loss on disposal.

2.21 Exceptional Items

Exceptional items are items of income and expense of such size, nature or incidence that their disclosure is relevant to explain the performance of the Group and Company for the year.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

2. ACCOUNTING POLICIES (cont'd)

2.22 Government Grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised in the profit statement over the period necessary to match them on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, the fair value is recognised as deferred capital grant and is amortised to the profit statement over the expected useful life of the relevant asset by equal annual installments.

2.23 Leases

(a) As Lessee

A finance lease which effectively transfers to the Group substantially all the risks and benefits incidental to ownership of the leased item is capitalised at the lower of the fair value of the leased item and the present value of the minimum lease payments at the inception of the lease term and disclosed as fixed asset. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit statement. Contingent rents, if any, are expensed in the periods in which they are incurred.

A lease where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item is classified as an operating lease. Operating lease payments are recognised as an expense in the profit statement on a straight-line basis over the lease term.

(b) As Lessor

A lease whereby the lessor effectively retains substantially all the risks and benefits of ownership of the leased item is classified as an operating lease. Properties leased out under operating leases are included in investment properties and are stated at revalued amounts and not depreciated. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term. Contingents rents, if any, are recorded as income in the periods in which they are earned.

2.24 Impairment of Non-Financial Assets

The carrying amounts of the Group's assets are reviewed at each reporting date or when annual impairment testing is required, to determine whether there is any indication of impairment. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value in use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs. An impairment loss is recognised whenever the carrying amount of an asset or CGU exceeds its recoverable amount. The impairment loss is charged to the profit statement unless it reverses a previous revaluation in which case it will be charged to equity.

Reversal of impairment losses previously recognised is recorded when the decrease in impairment loss can be objectively related to an event occurring after the write down. The carrying amount is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortised or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss is recognised in the income statement, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised in the profit statement, a reversal of that impairment is also recognised in the profit statement.

Impairment loss on goodwill is not reversed in a subsequent period.

2. ACCOUNTING POLICIES (cont'd)

2.25 Financial Assets

(a) Classification

The classification of financial assets is determined at initial recognition and re-evaluated at every reporting date, with the exception that the designation of financial assets at fair value through profit or loss is irrevocable. The Group classifies its investments in financial assets in the following categories:

(i) Financial assets at fair value through profit or loss

Derivative financial instruments whose fair value is positive are classified as financial assets at fair value through profit or loss. The accounting policy for derivative financial instruments is included in Note 2.26.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group has the positive intention and ability to hold to maturity. The Group's held-to-maturity investments include investments in corporate bonds.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless there is intention to dispose of the assets within 12 months after the balance sheet date.

(b) Recognition and Derecognition

Financial assets are recognised on the balance sheet when, and only when, the Group becomes a party to the contractual provisions of the financial instrument.

Purchases and sales of investments are recognised on trade-date, the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or when all risks and rewards of ownership have been substantially transferred. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of (a) the consideration received and (b) any cumulative gain or loss recognised directly in equity is recognised in the profit statement.

(c) Initial Measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

2. ACCOUNTING POLICIES (cont'd)

2.25 Financial Assets (cont'd)

(d) Subsequent Measurement

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Realised and unrealised gains and losses arising from changes in the fair value of the financial assets at fair value through profit or loss are included in the profit statement in the period in which they arise. Unrealised gains and losses arising from changes in the fair value of available-for-sale financial assets are recognised in the fair value reserve within equity.

When available-for-sale financial assets are sold or impaired, the accumulated fair value adjustments in the fair value reserve within equity will be released through the profit statement.

(e) Determinaton of Fair Value

The fair values of quoted financial assets are based on current bid prices. Unquoted investments that do not have quoted market prices in an active market nor methods of reasonably estimating the fair value, are carried at cost.

(f) Impairment

(i) Assets carried at amortised cost

If there is objective evidence that an impairment loss on loans and receivables or held-to-maturity investments carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the profit statement.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the profit statement, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

(ii) Assets carried at cost

If there is objective evidence that an impairment loss on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

(iii) Available-for-sale financial assets

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the investment below its cost is considered in determining whether the investments are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the profit statement is removed from the fair value reserve within equity and recognised in the profit statement. Impairment losses recognised in the profit statement on equity investments are not reversed through the profit statement.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

2. ACCOUNTING POLICIES (cont'd)

2.26 Derivative Financial Instruments

The Group uses derivative financial instruments to hedge against risks associated with foreign currency and interest rate fluctuations. Foreign exchange forward contracts are used to hedge its risks associated primarily with foreign currency fluctuations. Interest rate swap contracts are used to hedge its risks associated with interest rate fluctuations. It is the Group's policy not to trade in derivative financial instruments.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The changes in fair value of any derivative instrument that do not qualify for hedge accounting are recognised directly in the profit statement.

The fair value of forward foreign currency contracts is calculated by reference to current forward foreign exchange rates for contracts with similar maturity profiles. The fair value of interest rate swap contracts is determined by reference to market values for similar instruments.

Derivative instruments that qualify for hedge accounting are classified either as cash flow hedge or fair value hedge.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedge item or transaction, the nature of the risk being hedged and how the entity will assess the hedging instrument's effectiveness in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges which meet the criteria for hedge accounting are accounted for as follows:

(a) Cash Flow Hedges

Cash flow hedges are hedges of the exposure to the variability of cash flow that is attributable to a particular risk associated with a recognised asset or liability that could affect the profit statement.

For cash flow hedges, the effective portion of the gain or loss on the hedging instrument is recognised directly in hedging reserves within equity, while the ineffective portion is recognised in the profit statement.

Amounts taken to hedging reserves are transferred to the profit statement when the hedged transaction affects the profit statement, such as when the hedged financial income or financial expense is recognised or when a forecast sale or purchase occurs. When the hedged item is the cost of a non-financial asset or liability, the amounts taken to hedging reserves are transferred to the initial carrying amount of the non-financial asset or liability.

If the forecast transaction is no longer expected to occur, amounts previously recognised in hedging reserves are transferred to the profit statement. If the hedging instrument expires or is sold, terminated, or exercised without replacement or rollover, or if its designation as a hedge is revoked, amounts previously recognised in hedging reserves remain in hedging reserves until the forecast transaction occurs. If the related transaction is not expected to occur, the amount is taken to the profit statement.

(b) Fair Value Hedges

Fair value hedges are hedges of the exposure to the variability of fair value that is attributable to a particular risk associated with a recognised asset or liability that could affect the profit statement.

For fair value hedges, the gain or loss on the hedging instrument is recognised directly in the profit statement. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised to profit statement.

When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in the profit statement.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

2. ACCOUNTING POLICIES (cont'd)

2.27 Significant Accounting Estimates and Judgements

Estimates and assumptions concerning the future are made in the preparation of the financial statements. They affect the application of the Group's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an ongoing basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Key Sources of Estimation Uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Impairment of non-financial and financial assets

<u>Development/completed properties held for sale</u>

The Group assesses whether there are any indicators of impairment for non-financial assets at each reporting date. In particular, allowance for foreseeable losses/impairment is made for development/completed properties held for sale when the net realizable value has fallen below cost. In arriving at estimates of net realizable values, management considered factors such as current market conditions, recent selling prices of the development properties and comparable development properties. The allowance for foreseeable losses has been disclosed in Note 4.

<u>Goodwill, brands and management contracts</u>

Goodwill, brands and management contracts are tested for impairment at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill, brands and management contracts are allocated. Estimating the value in cash requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of the goodwill, brands and management contracts at balance sheet date is disclosed in Note 19, Note 20 and Note 23.

<u>Investment in associated companies</u>

The Group assesses whether at each reporting date whether there is any objective evidence that investment in associated companies are impaired. Where there is objective evidence of impairment, the recoverable amount is estimated based on the higher of the value-in-use and the fair value less costs to sell. Estimating the value in use requires the Group to make an estimate of the expected future cash flows to be generated by the associated companies and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The impairment on investment in associated companies has been disclosed in Note 4.

<u>Investment in available-for-sale financial assets</u>

The Group assesses at each balance sheet date whether there is any objective evidence that any available-for-sale financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the market condition and whether there is a significant prolonged decline in the values of these financial assets.

Where there is objective evidence of impairment for quoted available-for-sale financial assets, the difference between the cost and current fair value is recognised as impairment loss. Where there is objective evidence of impairment for unquoted available-for-sale financial assets, the recoverable value is estimated based on the amount and timing of the future cash flows.

<u>Loans and receivables</u>

The Group assesses at each balance sheet date whether there is any objective evidence that a loan or receivable is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

2. ACCOUNTING POLICIES (cont'd)

2.27 Significant Accounting Estimates and Judgements (cont'd)

(a) Key Sources of Estimation Uncertainty (cont'd)

(ii) Income taxes

The Group has exposure to income taxes in numerous jurisdictions. Significant judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. The carrying amounts of taxation and deferred taxation at balance sheet date are disclosed in the balance sheet.

(iii) Revenue recognition

The Group recognises revenue and cost of sales from partly completed development properties held for sale based on the percentage of completion method. The stage of completion is measured in accordance with the accounting policy stated in Note 2.14. Estimates are required in determining the total estimated development costs which will affect the stage of completion. In making the assumption, the Group relies on past experiences and the work of specialists.

(iv) Depreciation of fixed assets

Fixed assets are depreciated on a straight-line basis over their estimated useful lives. Management estimates the useful lives of these fixed assets to be within 1 to 99 years. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

(v) Valuation of Completed Investment Properties

The Group's completed investment properties are stated at their estimated market values, which are determined annually based on independent professional valuations. These estimated market values may differ from the prices at which the Group's completed investment properties could be sold at a particular time, since actual selling prices are negotiated between willing buyers and sellers. Also, certain estimates require an assessment of factors not within the directors' control, such as overall market conditions. As a result, actual results of operations and realization of these completed investment properties could differ from the estimates set forth in these financial statements, and the differences could be significant.

(vi) Valuation of Investment Properties Under Construction

The Group's investment properties under construction are stated at fair value if it can be reliably determined. If fair value cannot be reliably determined, then investment properties under construction is recorded at cost. The fair value of investment properties under construction is determined using either the Discounted Cash Flow Method or the Residual Method. However, using either method to value investment properties under construction also requires considering the significant risks which are relevant to the development process, including but not limited to construction and letting risks.

(b) Critical Judgements Made in Applying Accounting Policies

Management is of the opinion that the instances of application of judgement are not expected to have a significant effect on the amounts recognised in the financial statements, apart from those involving estimates.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

2. ACCOUNTING POLICIES (cont'd)

2.28 Discontinued Operations and Assets and Liabilities held for sale

A component of the Group is classified as a 'discontinued operation' when the criteria to be classified as held-for-sale have been met or it has been disposed of and such a component represents a separate major line of business or geographical area of operations, is part of a single co-ordinated major line of business or geographical area of operations. A component is deemed to be held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset or component is available for immediate sale in its present condition.

Immediately before the initial classification of the asset (or disposal group) as held for sale, the carrying amounts of the assets (or all the assets and liabilities in the group) are measured in accordance with the applicable FRSs. Upon classification as held for sale, non-current assets and disposal groups are not depreciated and are measured at the lower of carrying amount and fair value less costs to sell. Any differences are recognised in the profit statement.

Any impairment loss on initial classification and subsequent measurement is recognised as expense. Any subsequent increase in fair value less costs to sell (not exceeding the accumulated impairment loss that has been previously recognised) is recognised in the profit statement.

In the profit statement of the current reporting period, and of the comparative period, all income and expenses from discontinued operations are reported separate from income and expenses from continuing activities.

3. REVENUE

	THE GROUP		THE COMPANY	
	2010 ($'000)	2009 ($'000)	**2010 ($'000)**	2009 ($'000)
		(Restated)		
Sale of properties	**1,619,675**	1,486,954	**-**	-
Sale of goods	**3,562,593**	3,091,415	**-**	-
Sale of services	**229,407**	176,521	**-**	-
Gross rental income	**252,428**	326,024	**-**	-
Others	**32,674**	65,420	**5,029**	4,458
Total revenue	**5,696,777**	5,146,334	**5,029**	4,458

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

4. PROFIT BEFORE TAXATION AND EXCEPTIONAL ITEMS

	THE GROUP 2010 ($'000)	THE GROUP 2009 ($'000) (Restated)	THE COMPANY 2010 ($'000)	THE COMPANY 2009 ($'000)
(a) Included in Other Income (net):				
Provision written back on receipt of land premium rebate	**12,410**	-	**-**	-
Loss on disposal of derivatives	**(3,840)**	(1,971)	**-**	-
Fair value loss on derivatives	**(6,988)**	(10,049)	**-**	-
Exchange gain	**4,595**	10,278	**954**	226
Rental income	**1,580**	4,666	**-**	-
Sale of non-stock/scrap items	**1,503**	1,632	**-**	-
Loss on disposal of fixed assets	**(1,936)**	(1,936)	**-**	-
Job credit allowance	**2,473**	6,046	**-**	-
(b) Net Interest Expense:				
Interest income				
Subsidiary companies	**-**	-	**2,754**	2,889
Bank and other deposits	**20,531**	15,741	**150**	131
Interest rate swap contracts	**1,330**	2,757	**627**	2,757
Others	**6,304**	3,478	**183**	-
	28,165	21,976	**3,714**	5,777
Interest expense				
Bank and other borrowings	**(87,045)**	(78,841)	**(11,405)**	(13,708)
Interest rate swap contracts	**(3,276)**	(4,400)	**-**	-
Others	**(177)**	(454)	**-**	-
	(90,498)	(83,695)	**(11,405)**	(13,708)
	(62,333)	(61,719)	**(7,691)**	(7,931)

(c) Fair value adjustment of investment properties (net):

The fair value adjustment of investment properties is analysed as follows:

	THE GROUP 2010 Gross ($'000)	THE GROUP 2010 Attributable to shareholders of the Company ($'000)	THE GROUP 2009 Gross ($'000)	THE GROUP 2009 Attributable to shareholders of the Company ($'000)
Subsidiary companies	**112,514**	**85,121**	(77,159)	(66,505)
Joint venture and associated companies	**16,897**	**14,819**	(45,438)	(46,983)
	129,411	**99,940**	(122,597)	(113,488)

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

4. PROFIT BEFORE TAXATION AND EXCEPTIONAL ITEMS (cont'd)

	THE GROUP		THE COMPANY	
	2010 ($'000)	2009 ($'000) (Restated)	**2010 ($'000)**	2009 ($'000)
(d) Profit before taxation and exceptional items have been arrived at after charging:				
Depreciation of fixed assets	**115,245**	108,908	**-**	-
Impairment of fixed assets	**5,196**	3,571	**-**	-
Impairment of investment in associated companies	**9,000**	7,292	**-**	-
Impairment of brands	**-**	2,560	**-**	-
Impairment of intangible assets	**300**	8,804	**-**	-
Allowance for foreseeable losses on properties held for sale	**15,480**	55,362	**-**	-
Amortisation of brands	**49**	421	**-**	-
Amortisation of intangible assets	**22,017**	27,806	**-**	-
Intangible assets written off	**1,048**	1,740	**-**	-
Allowance for doubtful trade debts and bad debts	**3,932**	6,415	**-**	-
Allowance for doubtful other receivables	**-**	15,849	**-**	-
Allowance for inventory obsolescence	**734**	14,520	**-**	-
Provision for employee benefits	**7,584**	2,818	**-**	-
Directors of the Company:				
Fee	**1,996**	2,109	**1,763**	1,833
Remuneration of members of Board committees	**348**	354	**348**	354
Resigned/Retired Directors of the Company:				
Fee	**134**	24	**73**	24
Remuneration of members of Board committees	**18**	24	**18**	24
Key executive officers:				
Remuneration	**7,125**	6,678	**-**	-
Provident Fund contribution	**22**	23	**-**	-
Share option expense	**2,526**	1,826	**-**	-
Staff costs (exclude directors and key executives)	**377,607**	357,215	**-**	-
Defined contribution plans (exclude directors and key executives)	**20,776**	24,316	**-**	-
Share option expense (exclude directors and key executives)	**14,606**	8,253	**3,065**	704
Auditors' remuneration:				
Auditor of the Company	**1,200**	769	**99**	142
Other auditors	**1,895**	2,123	**-**	-
Professional fees paid to:				
Auditor of the Company	**204**	126	**22**	2
Other auditors	**2,183**	421	**211**	-
and crediting:				
Write back of provision for employee benefits	**2**	148	**-**	-
Write back of allowance for doubtful trade debts and bad debts	**2,091**	3,279	**-**	-
Reversal of impairment of fixed assets	**1,351**	1,286	**-**	-
Reversal of impairment of intangibles	**-**	188	**-**	-

5. SEGMENT INFORMATION

The Group's operating businesses are organised and managed separately according to the nature of activities. The Group's operating segments are namely soft drinks, dairies, breweries, printing and publishing, investment property, development property and others. The Group operates in six main geographical areas, namely Singapore, Malaysia, Rest of South East Asia, Other Asia, South Pacific, and Europe and USA.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

5. SEGMENT INFORMATION (cont'd)

Year ended 30 September 2010

The following table presents financial information regarding operating segments:

Operating Segment	Soft Drinks ($'000)	Dairies ($'000)	Breweries ($'000)	Printing & Publishing ($'000)	Investment Property ($'000)	Development Property ($'000)	Others ($'000)	Elimination ($'000)	Total for Continuing Operations ($'000)
Revenue - external	669,494	1,018,788	1,621,085	410,466	285,920	1,629,089	61,935	-	5,696,777
Revenue - inter-segment	-	136	-	299	4,905	-	225,166	(230,506)	-
Total revenue	**669,494**	**1,018,924**	**1,621,085**	**410,765**	**290,825**	**1,629,089**	**287,101**	**(230,506)**	**5,696,777**
Subsidiary companies	81,820	75,187	287,699	17,910	140,965	404,815	(283)	-	1,008,113
Joint venture and associated companies	-	(3,891)	15,749	10,643	37,738	2,640	-	-	62,879
PBIT	**81,820**	**71,296**	**303,448**	**28,553**	**178,703**	**407,455**	**(283)**	**-**	**1,070,992**
Interest income									28,165
Interest expense									(90,498)
Profit before taxation and exceptional items									**1,008,659**
Impairment on investments									(9,000)
Fair value adjustment of investment properties (net)									129,411
Exceptional items									43,041
Profit before taxation									**1,172,111**
Taxation									(270,398)
Profit from continuing operations after taxation									**901,713**
Profit from discontinued operations after taxation									**159,802**
Profit after taxation									**1,061,515**
Non-controlling interests									(241,702)
Attributable profit									**819,813**
Assets	304,650	519,484	1,232,145	511,383	2,412,125	4,829,029	544,747	-	10,353,563
Investments in associated and joint venture companies	-	22,048	152,690	224,813	998,460	42,981	4,096	-	1,445,088
Tax assets									25,251
Bank deposits & cash balances									1,698,916
Total assets									**13,522,818**
Liabilities	166,136	168,301	331,595	123,982	52,829	431,151	253,465	-	1,527,459
Tax liabilities									472,159
Borrowings									4,574,741
Total liabilities									**6,574,359**
Other segment information:									
Capital expenditure	34,859	41,554	90,653	24,864	12,064	9,943	2,648	-	216,585
Depreciation & amortisation	14,285	22,786	48,953	41,232	3,483	104	6,468	-	137,311
Impairment and foreseeable losses	980	10,133	3,085	299	-	15,478	-	-	29,975
Negative goodwill	-	-	-	-	(6,980)	-	-	-	(6,980)
Reversal of impairment losses	(862)	(399)	(90)	-	-	-	-	-	(1,351)
Attributable profit from continuing operations before fair value adjustment and exceptional items	35,949	22,449	121,441	19,084	98,715	305,699	(18,866)	-	584,471
Fair value adjustment of investment properties (net)	-	-	-	340	99,600	-	-	-	99,940
Exceptional items	-	1,337	(102)	(8,895)	47,119	7,480	(2,977)	-	43,962
Attributable profit from continuing operations	35,949	23,786	121,339	10,529	245,434	313,179	(21,843)	-	728,373
Attributable profit from discontinued operations									91,440
Total Attributable profit									**819,813**

The following information are based on the geographical location of the Group's customers, which are essentially in the same location as the business operation and are as follow:

Geographical Information	Singapore ($'000)	Malaysia ($'000)	Rest of South East Asia ($'000)	Other Asia ($'000)	South Pacific ($'000)	Europe & USA ($'000)	Total for Continuing Operations ($'000)
Total revenue	2,055,162	1,183,166	1,182,414	593,775	634,796	47,464	5,696,777
PBIT	491,422	146,582	242,250	108,990	95,466	(13,718)	1,070,992
Non-current assets	1,925,187	320,722	744,550	628,567	351,873	137,692	4,108,591
Investments in associated and joint venture companies	956,279	30,946	64,347	265,658	81,626	46,232	1,445,088
Current assets	3,078,848	361,636	509,778	790,947	1,202,301	301,462	6,244,972
Capital expenditure	28,809	57,488	63,389	30,237	32,282	4,380	216,585

Rest of South East Asia: Myanmar, Thailand, Cambodia, Vietnam, Philippines, Laos and Indonesia
Other Asia: China, Taiwan, Japan, Korea, Mongolia, Sri Lanka and India
South Pacific: Australia, New Zealand, Papua New Guinea and New Caledonia

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

5. SEGMENT INFORMATION (cont'd)

Year ended 30 September 2009

The following table presents financial information regarding operating segments:

Operating Segment	Soft Drinks ($'000)	Dairies ($'000)	Breweries ($'000)	Printing & Publishing ($'000)	Glass Containers ($'000)	Investment Property ($'000)	Development Property ($'000)	Others ($'000)	Elimination ($'000)	Total for Continuing Operations ($'000)
Revenue - external	542,154	977,857	1,330,310	417,123	-	334,836	1,503,735	40,319	-	5,146,334
Revenue - inter-segment	-	62	-	306	-	4,874	-	202,764	(208,006)	-
Total revenue	**542,154**	**977,919**	**1,330,310**	**417,429**	**-**	**339,710**	**1,503,735**	**243,083**	**(208,006)**	**5,146,334**
Subsidiary companies	60,467	63,315	200,855	(3,490)	-	190,460	264,369	8,878	-	784,854
Joint venture and associated companies	-	(2,192)	10,840	2,647	-	(2,939)	5,374	-	-	13,730
PBIT	**60,467**	**61,123**	**211,695**	**(843)**	**-**	**187,521**	**269,743**	**8,878**	**-**	**798,584**
Interest income										21,976
Interest expense										(83,695)
Profit before taxation and exceptional items										**736,865**
Impairment on investments										(7,292)
Fair value adjustment of investment properties (net)										(122,597)
Exceptional items										7,122
Profit before taxation										**614,098**
Taxation										(179,192)
Profit from continuing operations after taxation										**434,906**
Profit from discontinued operations after taxation										**7,471**
Profit after taxation										**442,377**
Non-controlling interests										(82,843)
Attributable profit										**359,534**
Assets	255,606	472,102	946,668	517,853	275,029	3,757,647	4,326,079	582,469	-	11,133,453
Investments in associated and joint venture companies	-	35,878	152,164	216,839	-	623,814	39,161	-	-	1,067,856
Tax assets										22,951
Bank deposits & cash balances										1,643,308
Total assets										**13,867,568**
Liabilities	123,625	154,100	287,345	106,058	25,126	252,631	144,839	380,981	-	1,474,705
Tax liabilities										408,383
Borrowings										5,301,025
Total liabilities										**7,184,113**
Other segment information:										
Capital expenditure	16,207	84,994	61,749	37,163	22,926	161,470	4,813	3,900	-	393,222
Depreciation & amortisation	14,647	19,278	44,264	49,356	-	3,046	168	6,376	-	137,135
Impairment and foreseeable losses	1,137	914	4,055	9,337	-	6,759	55,362	25	-	77,589
Negative goodwill	-	-	-	(620)	-	(27,542)	-	-	-	(28,162)
Reversal of impairment losses	(279)	(174)	(632)	(290)	-	-	-	(99)	-	(1,474)
Attributable profit from continuing operations before fair value adjustment and exceptional items	23,842	23,520	81,267	(729)	-	94,493	231,252	8,219	-	461,864
Fair value adjustment of investment properties (net)	-	-	-	(1,294)	-	(112,194)	-	-	-	(113,488)
Exceptional items	(1,691)	(8,085)	5,713	(9,961)	-	21,974	18,225	(17,142)	-	9,033
Attributable profit from continuing operation	22,151	15,435	86,980	(11,984)	-	4,273	249,477	(8,923)	-	357,409
Attributable profit from discontinued operations										2,125
Total Attributable profit										359,534

The following information are based on the geographical location of the Group's customers, which are essentially in the same location as the business operation and are as follow:

Geographical Information	Singapore ($'000)	Malaysia ($'000)	Rest of South East Asia ($'000)	Other Asia ($'000)	South Pacific ($'000)	Europe & USA ($'000)	Total for Continuing Operations ($'000)
Total revenue	1,940,845	1,028,607	944,628	606,236	556,545	69,473	5,146,334
PBIT	497,427	108,471	174,352	64,515	64,202	(110,383)	798,584
Non-current assets	3,408,789	334,506	624,474	709,750	230,073	142,789	5,450,381
Investments in associated and joint venture companies	528,252	79,905	62,818	278,626	73,516	44,739	1,067,856
Current assets	2,090,894	359,349	570,555	988,218	1,278,158	395,898	5,683,072
Capital expenditure	173,064	38,804	109,675	29,207	27,897	14,575	393,222

Rest of South East Asia: Myanmar, Thailand, Cambodia, Vietnam, Philippines and Laos
Other Asia: China, Taiwan, Japan, Korea, Mongolia, Sri Lanka and India
South Pacific: Australia, New Zealand and Papua New Guinea

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

	THE GROUP		THE COMPANY	
	2010 ($'000)	2009 ($'000)	**2010 ($'000)**	2009 ($'000)

6. GROSS DIVIDENDS FROM SUBSIDIARY AND JOINT VENTURE COMPANIES

	THE GROUP 2010	THE GROUP 2009	THE COMPANY 2010	THE COMPANY 2009
Quoted subsidiary companies			**43,602**	39,997
Quoted joint venture company			**6,001**	6,001
Unquoted subsidiary companies			**266,460**	230,793
Unquoted joint venture companies			**14,443**	16,342
			330,506	293,133

7. GROSS INCOME FROM INVESTMENTS

	THE GROUP 2010	THE GROUP 2009	THE COMPANY 2010	THE COMPANY 2009
Interest income	**2,767**	3,143	**255**	255
Dividend income	**16,015**	8,539	**164**	170
	18,782	11,682	**419**	425

8. EXCEPTIONAL ITEMS

	THE GROUP 2010	THE GROUP 2009	THE COMPANY 2010	THE COMPANY 2009
Write back/(Provision) for impairment in value of investments	**301**	(27,387)	**-**	-
Gain on disposal of subsidiary and joint venture companies	**3,350**	30,529	**9**	-
Gain on dilution of interest in a subsidiary company to an associated company	**40,139**	-	**-**	-
Loss on change in interest in subsidiary and associated companies	**-**	(6,029)	**-**	-
Profit/(Loss) on disposal of properties	**696**	(3,336)	**-**	-
Provision for impairment of assets held for sale	**-**	(4,109)	**-**	-
Share of exceptional items of an associated company	**-**	1,054	**-**	-
Provision for restructuring and re-organisation costs of operations	**(8,286)**	(17,771)	**-**	-
Profit on disposal of other investment	**-**	270	**-**	-
Provision for professional fee	**(139)**	(206)	**-**	-
Negative goodwill on change in interest in associated companies	**6,980**	28,162	**-**	-
Compensation fee	**-**	5,945	**-**	-
	43,041	7,122	**9**	-

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

9. TAXATION

	THE GROUP		THE COMPANY	
	2010 ($'000)	2009 ($'000)	**2010 ($'000)**	2009 ($'000)
Based on profit for the year:				
Singapore tax	**98,691**	83,042	**1,980**	1,484
Overseas tax				
- current year	**134,377**	111,807	**4,764**	9,999
- withholding tax	**13,979**	10,326	**213**	198
Deferred tax				
- current year	**31,589**	(8,179)	**-**	-
- adjustment of tax rate	**-**	(2,849)	**-**	-
	278,636	194,147	**6,957**	11,681
(Over)/Under provision in preceding years				
- current income tax	**(14,444)**	(5,340)	**-**	(1,741)
- deferred tax	**6,206**	(9,615)	**-**	-
	270,398	179,192	**6,957**	9,940

A reconciliation of the statutory tax rate to the Company's and Group's effective tax rate applicable to profit for the year is as follows:

	THE GROUP		THE COMPANY	
	2010 %	2009 %	**2010 %**	2009 %
Singapore statutory rate	**17.0**	17.0	**17.0**	17.0
Effect of different tax rates of other countries	**4.1**	4.3	**0.5**	1.1
Effect of tax losses of subsidiary and joint venture companies not available for set-off against profits of other companies within the group	**0.8**	4.5	**-**	-
Income not subject to tax (tax incentive/exemption)	**(3.0)**	(3.0)	**(16.5)**	(15.2)
Expenses not deductible for tax purposes	**3.7**	5.8	**1.1**	1.2
Utilisation of previously unrecognised tax losses in determining taxable profit	**(0.3)**	(1.2)	**-**	-
Over provision in prior years	**(0.7)**	(2.4)	**-**	(0.6)
Adjustment due to change in tax rate	**-**	(0.4)	**-**	-
Tax effect of fair value adjustments	**(0.3)**	2.3	**-**	-
Other reconciliation items	**1.8**	2.3	**0.1**	-
	23.1	29.2	**2.2**	3.5

As at 30 September 2010, certain Singapore subsidiary companies have unutilised tax losses carried forward of approximately $34,619,000 (2009: $35,914,000), unutilised investment allowances of approximately $672,000 (2009: $4,579,000) and unabsorbed capital allowances of $342,000 (2009: $314,000) available for set off against future profits. In addition, certain overseas subsidiary companies have unutilised tax losses carried forward of approximately $317,271,000 (2009: $337,906,000), unutilised investment allowances of approximately $26,037,000 (2009: $23,416,000) and unabsorbed capital allowances of $20,019,000 (2009: $28,918,000). The availability of these losses and capital allowances to set off against future profits is subject to the meeting of certain statutory requirements by those subsidiary companies in their countries of tax residence. The deferred tax benefits of these losses recognised in the financial statements are disclosed in Note 33.

For the year of assessment ("YA") 2010 certain subsidiaries have transferred loss items of $15,800,000 (YA 2009: $7,061,000) to offset against the taxable income of other companies in the Group. Tax benefits of $NIL (YA 2009: $2,807,000) were recognised on the tax losses utilised under the group relief systems. Tax benefits of $4,628,000 (YA 2009: $1,942,000) arising from the utilisation of group relief are not recognised as they are subject to compliance with the relevant tax legislation governing group relief and agreement of the Inland Revenue Authority of Singapore.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

10. DIVIDENDS

	THE GROUP & THE COMPANY 2010 ($'000)	THE GROUP & THE COMPANY 2009 ($'000)
Interim paid of 5.0 cents per share (2009: 3.0 cents per share)	**70,307**	41,694
Final proposed of 12.0 cents per share (2009: 10.5 cents per share)	**168,236**	146,320
	238,543	188,014

The final dividend is proposed by the Directors after the balance sheet date and subject to the approval of shareholders at the next annual general meeting of the Company.

11. EARNINGS PER SHARE

(a) Basic Earnings Per Share

Basic earnings per share is computed by dividing the Group attributable profit to shareholders of the Company by the weighted average number of ordinary shares in issue during the year.

	THE GROUP					
	Continuing Operations		Discontinued Operations		Total	
	2010 ($'000)	2009 ($'000)	**2010 ($'000)**	2009 ($'000)	**2010 ($'000)**	2009 ($'000)
Group attributable profit to shareholders of the Company						
- before fair value adjustment and exceptional items	**584,471**	461,864	**(1,855)**	4,593	**582,616**	466,457
- after fair value adjustment and exceptional items	**728,373**	357,409	**91,440**	2,125	**819,813**	359,534
	— No. of shares —					
Weighted average number of ordinary shares in issue	**1,397,645,606**	1,390,571,720	**1,397,645,606**	1,390,571,720	**1,397,645,606**	1,390,571,720
Earnings Per Share (Basic)						
- before fair value adjustment and exceptional items	**41.8 cts**	33.2 cts	**(0.1) cts**	0.3 cts	**41.7 cts**	33.5 cts
- after fair value adjustment and exceptional items	**52.1 cts**	25.7 cts	**6.5 cts**	0.2 cts	**58.6 cts**	25.9 cts

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

11. EARNINGS PER SHARE (cont'd)

(b) Diluted Earnings Per Share

Diluted earnings per share is computed by dividing the Group adjusted attributable profit to shareholders of the Company by the adjusted weighted average number of ordinary shares in issue during the year.

For diluted earnings per share, the Group attributable profit to shareholders of the Company is adjusted for changes in subsidiary companies attributable profit resulting from exercise of all dilutive share options. The reconciliation of the Group adjusted attributable profit to shareholders of the Company used to compute diluted earnings per share is as follows:

	THE GROUP					
	Continuing Operations		Discontinued Operations		Total	
	2010 ($'000)	2009 ($'000)	**2010 ($'000)**	2009 ($'000)	**2010 ($'000)**	2009 ($'000)
Group attributable profit to shareholders of the Company before fair value adjustment and exceptional items	**584,471**	461,864	**(1,855)**	4,593	**582,616**	466,457
Change in attributable profit due to dilutive share options	**(372)**	(261)	**(5)**	(39)	**(377)**	(300)
Group attributable profit to shareholders of the Company before fair value adjustment and exceptional items	**584,099**	461,603	**(1,860)**	4,554	**582,239**	466,157
Group attributable profit to shareholders of the Company after fair value adjustment and exceptional items	**728,373**	357,409	**91,440**	2,125	**819,813**	359,534
Change in attributable profit due to dilutive share options	**(372)**	(242)	**(360)**	(32)	**(732)**	(274)
Group adjusted attributable profit to shareholders of the Company after fair value adjustment and exceptional items	**728,001**	357,167	**91,080**	2,093	**819,081**	359,260

The weighted average number of ordinary shares is adjusted to assume exercise of all dilutive share options of the Company. The reconciliation of the weighted average number of ordinary shares used to compute diluted earnings per share is as follows:

	— No. of shares —					
Weighted average number of ordinary shares used to compute the basic earnings per share	**1,397,645,606**	1,390,571,720	**1,397,645,606**	1,390,571,720	**1,397,645,606**	1,390,571,720
Effect of dilutive share options	**7,814,066**	1,259,808	**7,814,066**	1,259,808	**7,814,066**	1,259,808
Weighted average number of ordinary shares used to compute diluted earnings per share	**1,405,459,672**	1,391,831,528	**1,405,459,672**	1,391,831,528	**1,405,459,672**	1,391,831,528
Earnings Per Share (Fully diluted)						
- before fair value adjustment and exceptional items	**41.6 cts**	33.2 cts	**(0.1) cts**	0.3 cts	**41.5 cts**	33.5 cts
- after fair value adjustment and exceptional items	**51.8 cts**	25.7 cts	**6.5 cts**	0.1 cts	**58.3 cts**	25.8 cts

10,127,766 (2009: 41,881,340) share options granted to employees under share option plans have been excluded in the computation of diluted earnings per share because these options were anti-dilutive for the current financial year.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

12. SHARE CAPITAL AND RESERVES

	THE GROUP & THE COMPANY			
	2010		2009	
	No. of shares	**($'000)**	No. of shares	($'000)
SHARE CAPITAL				
Ordinary shares issued and fully paid up				
Balance at beginning of year	**1,393,520,235**	**1,341,707**	1,389,632,895	1,330,297
Issued during the year				
- pursuant to the exercise of Executives' Share Options	**8,442,961**	**32,795**	3,887,340	11,410
Balance at end of year	**1,401,963,196**	**1,374,502**	1,393,520,235	1,341,707

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction. The ordinary shares have no par value.

The Company has the following employee share option plan and share plans under which options to subscribe for the Company's ordinary shares and share award conditional on the achievement of pre-determined target has been granted respectively.

(i) Fraser & Neave Limited Executives' Share Option Scheme (1999)
(ii) Fraser & Neave Limited Restricted Share Plan
(iii) Fraser & Neave Limited Performance Share Plan

During the year, the consideration received following the exercise of Executives' Share Options was $32,795,000 (2009: $11,410,000).

	THE GROUP		THE COMPANY	
	2010 ($'000)	2009 ($'000)	**2010 ($'000)**	2009 ($'000)
RESERVES				
The reserves comprise the following:				
Capital Reserve	**269,709**	270,114	**1,039,274**	1,039,274
Fair Value Adjustment Reserve	**138,609**	178,052	**2,034**	1,419
Hedging Reserve	**(16,169)**	(19,226)	**-**	-
Share-based Payment Reserve	**38,414**	30,990	**34,803**	28,480
Revenue Reserve	**4,341,213**	3,759,391	**1,331,928**	1,255,444
Dividend Reserve	**168,236**	146,320	**168,236**	146,320
Exchange Reserve	**(171,716)**	(122,624)	**-**	-
Total reserves	**4,768,296**	4,243,017	**2,576,275**	2,470,937

Capital reserve of the Company comprises mainly surplus from revaluation of investments. The capital reserve of the Group comprises statutory reserve and asset revaluation reserve of subsidiary companies.

Fair value adjustment reserve comprises the cumulative fair value changes of available-for-sale financial assets until they are derecognised or impaired.

Hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments related to hedged transactions that have not yet occurred.

Employee share-based payment reserve represents the equity-settled options and share plans granted to employees and is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity-settled share options and share plans.

Exchange reserve comprises the exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

Dividend reserve relates to proposed final dividend of 12.0 cents (2009: 10.5 cents) per share.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

13. GROUP FIXED ASSETS

	Note	Freehold Land ($'000)	Leasehold Land ($'000)	Building ($'000)	Plant & Machinery ($'000)	Capital Work-in-Progress ($'000)	Other Assets ($'000)	Total ($'000)
For the year ended 30 September 2010								
At cost/valuation								
Balance at beginning of year		59,310	89,861	396,988	1,341,881	145,019	378,073	2,411,132
Currency realignment		1,424	(1,291)	(8,833)	(23,884)	(2,404)	(417)	(35,405)
Acquisition of business assets		-	-	-	-	-	82	82
Additions		18	-	902	14,310	114,364	48,424	178,018
Acquisition of joint venture companies		1,468	728	20,311	24,872	2,716	3,285	53,380
Disposal of subsidiary company		(6,620)	(2,859)	(24,338)	(261,740)	(10,010)	(6,127)	(311,694)
Disposal of joint venture companies		(1,055)	(137)	(5,633)	(16,826)	(481)	(435)	(24,567)
Disposals		(16)	-	(267)	(28,430)	-	(35,362)	(64,075)
Reclassification		-	7,758	56,896	73,038	(146,753)	9,061	-
Reclassified to assets held for sale	29(b)	-	(12,570)	-	(25,048)	-	(1,468)	(39,086)
Reclassification to debtors		-	(1,281)	-	-	-	-	(1,281)
Balance at end of year		54,529	80,209	436,026	1,098,173	102,451	395,116	2,166,504
Analysis of cost/valuation								
At cost		30,323	70,207	414,899	1,092,081	102,451	395,116	2,105,077
At directors valuation 1983		1,085	-	-	-	-	-	1,085
At directors valuation 1988		-	-	2,383	6,092	-	-	8,475
At directors valuation 1996		23,121	10,002	18,744	-	-	-	51,867
		54,529	80,209	436,026	1,098,173	102,451	395,116	2,166,504
Accumulated depreciation and impairment								
Balance at beginning of year		950	24,586	135,200	764,378	-	246,297	1,171,411
Currency realignment		41	(724)	(3,153)	(11,057)	-	346	(14,547)
Depreciation charge for the year								
- Continuing operations		-	1,648	12,442	59,674	-	41,481	115,245
- Discontinued operations		-	-	451	13,885	-	270	14,606
Impairment charge for the year								
- Continuing operations		-	-	468	3,805	-	923	5,196
- Discontinued operations		-	-	-	64	-	-	64
Impairment reversal for the year		-	-	-	(1,059)	-	(292)	(1,351)
Disposal of subsidiary companies		-	(2,860)	(9,007)	(129,338)	-	(5,349)	(146,554)
Disposal of joint venture companies		-	-	(698)	(3,477)	-	(209)	(4,384)
Disposals		-	-	(237)	(24,517)	-	(31,486)	(56,240)
Reclassification		-	-	1,500	(1,304)	-	(196)	-
Reclassified to assets held for sale	29(b)	-	(1,375)	(2,805)	(15,775)	-	(1,203)	(21,158)
Balance at end of year		991	21,275	134,161	655,279	-	250,582	1,062,288
Net book value at end of year		**53,538**	**58,934**	**301,865**	**442,894**	**102,451**	**144,534**	**1,104,216**

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

13. GROUP FIXED ASSETS (cont'd)

	Note	Freehold Land ($'000)	Leasehold Land ($'000)	Building ($'000)	Plant & Machinery ($'000)	Capital Work-in-Progress ($'000)	Other Assets ($'000)	Total ($'000)
For the year ended 30 September 2009								
At cost/valuation								
Balance at beginning of year		53,697	102,623	414,392	1,323,991	93,447	378,049	2,366,199
Currency realignment		(98)	(2,003)	(4,713)	(11,462)	(1,627)	(3,061)	(22,964)
Additions		3,942	88	5,755	31,762	127,010	39,781	208,338
Acquisition of joint venture companies		-	-	-	2,478	-	-	2,478
Disposal of subsidiary company		-	(7,533)	(8,130)	(2,834)	-	(549)	(19,046)
Disposals		(1,395)	(175)	(14,774)	(63,106)	(261)	(32,597)	(112,308)
Reclassification		3,164	130	13,176	60,323	(73,550)	(3,243)	-
Reclassified to assets held for sale	29(b)	-	(8,570)	(8,174)	-	-	-	(16,744)
Transfer from/(to) investment properties		-	5,301	(544)	-	-	-	4,757
Transfer to intangibles		-	-	-	-	-	(307)	(307)
Transfer from current assets		-	-	-	729	-	-	729
Balance at end of year		59,310	89,861	396,988	1,341,881	145,019	378,073	2,411,132
Analysis of cost/valuation								
At cost		36,150	80,291	376,046	1,335,658	145,019	378,073	2,351,237
At directors valuation 1983		1,038	-	550	-	-	-	1,588
At directors valuation 1988		-	-	2,457	6,223	-	-	8,680
At directors valuation 1996		22,122	9,570	17,935	-	-	-	49,627
		59,310	89,861	396,988	1,341,881	145,019	378,073	2,411,132
Accumulated depreciation and impairment								
Balance at beginning of year		964	26,520	128,695	739,194	-	238,998	1,134,371
Currency realignment		(14)	(690)	(1,208)	(968)	-	(1,863)	(4,743)
Depreciation charge for the year								
- Continuing operations		-	2,136	11,134	57,853	-	37,785	108,908
- Discontinued operations		-	-	816	23,001	-	505	24,322
Impairment charge for the year		-	404	2,146	4,428	-	702	7,680
Impairment reversal for the year								
- Continuing operations		-	(5)	(136)	(731)	-	(414)	(1,286)
- Discontinued operations		-	-	-	(60)	-	-	(60)
Disposal of subsidiary company		-	(287)	(468)	(365)	-	(142)	(1,262)
Disposals		-	(20)	(1,993)	(57,595)	-	(29,463)	(89,071)
Reclassification		-	-	125	(379)	-	254	-
Reclassified to assets held for sale	29(b)	-	(3,472)	(3,885)	-	-	-	(7,357)
Transfer to investment properties		-	-	(26)	-	-	-	(26)
Transfer to intangibles		-	-	-	-	-	(65)	(65)
Balance at end of year		950	24,586	135,200	764,378	-	246,297	1,171,411
Net book value at end of year		58,360	65,275	261,788	577,503	145,019	131,776	1,239,721

(a) The valuations for 1983, 1988 and 1996 were made by the directors of the respective subsidiary companies and were based on appraisals by independent valuers. The valuations were done based on permitted accounting standards at the relevant time.

(b) Other assets comprise motor vehicle, postmix and vending machine, beer cooler, fixture and fitting and computer equipment.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

13. GROUP FIXED ASSETS (cont'd)

(c) If the fixed assets stated at revaluation had been included in the financial statements at cost less depreciation, the net book value would have been as follows:

	Freehold Land ($'000)	Leasehold Land ($'000)	Building ($'000)	Plant & Machinery ($'000)	Capital Work-in-Progress ($'000)	Other Assets ($'000)	Total ($'000)
At 30 September 2010	23,122	7,415	13,245	-	-	-	43,782
At 30 September 2009	22,343	7,211	13,235	-	-	-	42,789

(d) Additions in the consolidated financial statements include $NIL (2009: $216,000 of Other Assets) acquired under finance leases. The carrying amount of assets held under finance leases at 30 September 2010 amounted to $771,000 (2009: $2,805,000).

(e) The net book value of fixed assets pledged to financial institutions as security for borrowings are as follows:

	2010 ($'000)	2009 ($'000)
Plant and machinery	**2,098**	76,393
Building	**783**	10,759
Freehold and leasehold land	**35**	4,384
Capital work-in-progress	**-**	7
Other fixed assets	**159**	99

14. GROUP INVESTMENT PROPERTIES

		2010 ($'000)	2009 ($'000)
(a)	Completed Investment Properties		
	Balance at beginning of year	**3,444,233**	3,558,922
	Currency realignment	**(36,368)**	(13,065)
	Subsequent expenditure	**8,592**	159,765
	Disposals	**(297,101)**	(334,226)
	Net fair value gain/(loss) recognised in the profit statement	**112,513**	(72,659)
	Transfer from properties held for development	**-**	105,383
	Transfer from properties held for sale	**-**	44,896
	Transfer to fixed assets	**-**	(4,783)
	Dilution of interest in a subsidiary to an associated company	**(1,100,000)**	-
	Balance at end of year	**2,131,869**	3,444,233
(b)	Investment Properties under Construction		
	Balance at beginning of year	**-**	-
	Transfer from properties held for development	**43,488**	-
	Fair value gain recognised in the profit statement	**4,669**	-
	Balance at end of year	**48,157**	-
	Total Investment Properties	**2,180,026**	3,444,233
	At Valuation:		
	Freehold properties	**880,980**	915,287
	Leasehold properties	**1,299,046**	2,528,946
		2,180,026	3,444,233

14. GROUP INVESTMENT PROPERTIES (cont'd)

(c) Completed investment properties comprise serviced residences and commercial properties that are leased mainly to third parties under operating leases (Note 35).

The following amounts are recognised in the income statement:

	2010 ($'000)	2009 ($'000)
Rental income from investment properties:		
- Minimum lease payments	**249,750**	318,172
- Contingent rent based on tenants' turnover	**2,678**	7,852
Direct operating expenses arising from rental generating properties	**117,953**	109,741

Investment properties are carried at fair values at the balance sheet date as determined annually by accredited independent professional valuers with recent experience in the location and category of the properties being valued.

The valuations are based on a combination of the Direct Comparision Method, Income Approach and Discounted Cash Flow Analysis. In relying on the valuation reports, management has exercised its judgement and is satisfied that the valuation methods and estimates are reflective of current market conditions.

Independent professional valuations were carried out by the following valuers:

Valuers	**Valuation Date**
DTZ Debenham Tie Leung (SEA) Pte Ltd	September 2010
DTZ Debenham Tie Leung Limited	September 2010
Drivers Jonas Deloitte	September 2010
BEM Property Consultants Pty Limited	September 2010
Asian Appraisal Company, Inc.	September 2010
DTZ Debenham Tie Leung (Vietnam) Co.	September 2010
CB Richard Ellis Hotels Limited	September 2010

Investment properties amounting to $113,611,000 (2009: $114,167,000) are secured for credit facilities with a bank for which certain convenants were breached as at 30 September 2010 (Note 16(h)).

(d) Investment properties under construction are stated at fair value which has been determined based on valuation performed as at 30 September 2010. The fair value of the investment properties under construction has been determined on a market value basis in accordance with International Valuation Standards Council. The valuation is prepared on an ungeared basis. The fair value of investment properties under construction is determined using Residual Method. In arriving at their estimates of market value, the valuers have used their market knowledge and professional judgement and not only relied on historical transactional comparables.

The valuations were performed by CKS Property Consultants Pte Ltd, an independent valuer with a recognised and relevant professional qualification and with recent experience in the location and category of investment properties being valued.

15. GROUP PROPERTIES HELD FOR DEVELOPMENT

	2010 ($'000)	2009 ($'000)
Properties held for development comprise:		
Freehold land, at cost	**3,963**	3,599
Leasehold land, at cost	**23,331**	116,141
Building	**10,330**	8,453
Development costs	**4,544**	40,459
Interest cost	**1,085**	300
Property tax	**235**	849
	43,488	169,801
Transfer to investment properties	**(43,488)**	-
	-	169,801

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

16. SUBSIDIARY COMPANIES

	THE COMPANY	
	2010 ($'000)	2009 ($'000)
Quoted shares at cost	**256,844**	257,848
Unquoted shares at cost	**2,920,943**	2,924,143
	3,177,787	3,181,991
Amounts owing by subsidiary companies (unsecured)	**435,377**	387,057
Amounts owing to subsidiary companies (unsecured)	**(104,494)**	(24,218)
	3,508,670	3,544,830
MARKET VALUE		
Quoted shares	**1,253,496**	859,319

The Company's investments in subsidiary companies include an interest in 57.0% (2009: 57.4%) of the issued ordinary shares of Fraser & Neave Holdings Bhd ("F&NHB").

The amounts owing by subsidiary companies are due on loan account, not repayable within the next 12 months and are interest-free except for amounts of $434,365,000 (2009: $386,050,000) which bear interest at an average rate of 0.43% (2009: 0.91%) per annum.

The amounts owing from and to subsidiary companies disclosed under current assets and current liabilities are unsecured, non-trade in nature, interest-free, no fixed repayment term and to be settled in cash.

The carrying amounts of the amounts owing from and to subsidiary companies are largely denominated in Singapore Dollars.

(a) During the financial year, the Group incorporated the following subsidiary companies:

Name of Company	Country of incorporation and place of business	Equity interest held %	Date of incorporation
Frasers Hospitality Japan Kabushiki Kaisha	Japan	100.0	16 October 2009
Fraser Putney Pty Limited	Australia	75.0	14 January 2010
FCL Compassvale Pte. Ltd	Singapore	80.0	30 April 2010
FCL Topaz Pte. Ltd	Singapore	100.0	9 June 2010
FCL Crystal Pte. Ltd	Signapore	100.0	10 June 2010
FCL Emerald Star Pte. Ltd	Singapore	100.0	22 June 2010
Vibrant Asset Sdn Bhd	Malaysia	57.0	4 May 2010

(b) During the financial year, the Group acquired additional interest in the following subsidiary companies:

Dairies

On 13 July 2010, the Group wholly-owned subsidiary F&N Dairy Investments Pte Ltd ("F&NDI") has entered into an agreement to terminate its joint venture with Boncafe International Pte Ltd ("BCI") in relation to the company F&N Boncafe Beverages Pte Ltd ("F&NBB") which is 60% owned by F&NDI and 40% owned by BCI. Pursant to the JV agreement, F&NDI will transfer the JV business to BCI, and BCI will transfer its 40% interest in F&NBB to F&NDI for a consideration of approximately $240,000 equivalent to 40% of the net book value of F&NBB. The consideration for the share transfer was arrived at on a willing buyer and willing seller basis.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

16. SUBSIDIARY COMPANIES (cont'd)

(c) During the financial year, the Group disposed the following companies:

Properties

On 27 July 2010, the Group, through Frasers Centrepoint Limited ("FCL")'s subsidiary company, SAJV Co Pte Ltd, disposed of its entire shareholding interest in Saigon Apartments Joint Venture Company Limited for an aggregate consideration of US$7.5 million.

Printing and Publishing

During the year, the Group's subsidiary company, Times Publishing Limited ("TPL"), disposed the following subsidiaries via liquation and strike-off:

(i) Editions Marshall Cavendish S.A
(ii) MC East Ltd
(iii) Marshall Cavendish International Limited
(iv) Times Education (Hong Kong) Limited
(v) Guangzhou Times Advertising Company Limited
(vi) Times Conferences & Exhibitions Private Limited
(vii) Times-Dharmala Private Limited
(viii) Pansing International Library Services Pte Ltd
(ix) IMM Singapore Holdings Pte Ltd
(x) Everbest Printing (Shanghai) Co. Ltd

Glass

During the year, the Group's subsidiary company, Fraser & Neave Holdings Bhd ("F&NHB") sold its entire shareholding interest in Malaya Glass Products Sdn Bhd to Berli Jucker Public Company Limited and ACI International Pty Ltd. The disposal resulted in a net gain of RM382,036,000. Further details are disclosed in Note 29(a).

The effect of the above disposals are disclosed in the Consolidated Cash Flow Statement.

(d) Disposal of business assets

During the year, TPL disposed of the distribution business in Times Educational Services Private Limited and its subsidiary, Beijing 21st Century. The effect of the disposal is disclosed in the Consolidated Cash Flow Statement.

(e) Dilution of Interest in Frasers Centrepoint Trust ("FCT")

On 4 February 2010, FCT completed the private placement of 137.0 million new Units ("New Units") at an issue price of $1.33 per New Unit ("Private Placement"). None of the New Units have been issued to the Company or its subsidiaries. With the issue of the 137.0 million New Units, the Group's effective interest in FCT is diluted from a subsidiary at 52.0% to an associate at 42.7%.

(f) Acquisitions of Non-controlling Interests of Subsidiaries

(i) On 17 March 2010, the Group, through FCL's subsidiary, Sinomax International Pte Ltd, completed the acquisition of 4.71% in the registered capital of its Chinese subsidiary, Beijing Sin Hua Yan Real Estate Development Co, Ltd ("BJSHY"). Following the acquisition, Sinomax's shareholding in BJSHY increased to 100%.

The aggregate consideration for the acquisition was arrived at on a willing buyer and willing seller basis.

(ii) On 6 July 2010, the Group, through FCL's indirect subsidiary, Supreme Asia Investments Limited ("SAI"), acquired a further 3.33% interest in the registered capital of SAI's subsidary, Shanghai Zhong Jun Real Estate Development Co, Ltd ("SZJ") from 2 of the non-controlling interests of SZJ. Following the acquisition, SAI's equity interest in SZJ increased from 93.33% to 96.67%. The remainig 3.33% interest in the registered capital of SZJ was held by Shanghai Sian Jin Property Development Co, a wholly owned subsidiary of FCL.

On 23 August 2010, this remaining 3.33% interest was transferred to FCL (China) Pte. Ltd a wholly-owned subsidiary of FCL for a consideration of RMB10,000,000.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

16. SUBSIDIARY COMPANIES (cont'd)

(g) Acquisition of business assets

On 31 March 2010, the Group through its subsidiary, Times Publishing (Hong Kong) Limited, acquired the textbook publishing and distribution business of New Asia Publishing House for a purchase consideration of $4,695,000.

(h) Breach of bank covenants by Frasers Property (UK) Limited ("FPUK")

As at 30 September 2009 and 30 September 2010, FPUK, a 51% subsidiary, located in United Kingdom, has not complied with certain covenants of its credit facilities agreement with a bank and the bank has the right to recall and demand repayment of the outstanding amounts. FPUK and the bank are currently in the process of a consensual restructuring of these facilities. FPUK and its subsidiaries ("FPUK group") and Frasers (St. Giles Street, Edinburgh) Limited ("Frasers St. Giles"), a 51% subsidiary, (collectively referred to as the "UK sub-group") are reliant on these credit facilities for their continuing operations. None of the companies in the Group has provided corporate guarantee or continuing financial support to the UK sub-group.

These factors indicate the existence of a material uncertainty which may cast significant doubt on the UK sub-group's ability to continue as a going concern. The financial statements of the UK sub-group for the financial years ended 30 September 2009 and 30 September 2010 were prepared on a going concern basis on the assumption that the working capital and banking facilities currently available would continue to be available for the next 12 months and would be sufficient for its requirements.

The aggregate amounts of the UK sub-group's current assets, non-current assets, current liabilities and non-current liabilities included in the Group's balance sheets are as follows:

	2010 ($'000)	2009 ($'000)
Non-current assets		
Investment properties	**113,611**	114,167
Other non-current assets	**21,842**	25,230
Current assets		
Development properties held for sale	**278,951**	363,768
Cash and cash equivalents	**67,074**	74,058
Other current assets	**10,766**	15,998
Total Assets	**492,244**	593,221
Bank borrowings - current	**405,495**	523,280
Other current liabilities	**27,843**	36,602
Non-current liabilities	**61,059**	17,526
Total Liabilities	**494,397**	577,408
Net (Liabilities)/Asset Value	**(2,153)**	15,813
Group's effective share	**(3,283)**	8,634

If the current renegotiation of these banking facilities does not lead to a satisfactory resolution for all interested parties and the Group loses control of the UK sub-group, the UK sub-group may need to be deconsolidated. In that event, the Group's share of net liabilities of the UK sub-group calculated based on the financial position as at 30 September 2010 would be $3,283,000.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

17. JOINT VENTURE COMPANIES

		THE COMPANY	
		2010 ($'000)	2009 ($'000)
(a)	Unquoted investment, at cost	**301,626**	301,626
	Quoted investment, at cost	**132,795**	132,795
		434,421	434,421
	MARKET VALUE		
	Quoted shares	**322,567**	225,047

Details of joint venture companies are included in Note 44.

(b) The following amounts represent the Group's share of the revenue, expenses, assets and liabilities of the joint venture companies and are included in the consolidated profit statement and balance sheet using the line-by-line format of proportionate consolidation.

(i) The Group's share of the consolidated results of the joint venture companies for the year is as follows:

	THE GROUP	
	2010 ($'000)	2009 ($'000)
Revenue	**1,667,498**	1,343,985
Profit before taxation and exceptional items	**289,476**	131,624
Exceptional items	**(531)**	(8,898)
Taxation	**(80,378)**	(54,262)
Non-controlling interests	**(96,264)**	(55,485)

(ii) The Group's share of the consolidated assets and liabilities of the joint venture companies is as follows:

Non-current assets	**1,046,856**	807,019
Current assets	**1,046,468**	920,737
Current liabilities	**(871,747)**	(803,836)
Long term liabilities	**(337,471)**	(129,332)
	884,106	794,588

(iii) The share of the results, assets and liabilities as stated in paragraphs (a) and (b) above is based on the accounts of the joint venture companies to 30 September 2010.

(iv) The amounts owing from/to joint venture companies classified under current assets and current liabilities are unsecured, trade in nature, interest-free, to be settled in cash and are denominated mostly in Singapore Dollars, Malaysia Ringgit and Euro.

(v) The Group's and the Company's share of capital commitments of the joint venture companies as at 30 September 2010 is $153,283,000 (2009: $39,299,000).

(vi) The Group's and the Company's share of contingent liabilities of the joint venture companies as at 30 September 2010 is $260,000 (2009: $327,000).

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

17. JOINT VENTURE COMPANIES (cont'd)

(b) (vii) Acquisition of subsidiaries by joint venture companies

In February 2010, a joint venture company, Asia Pacific Breweries Limited ("APBL"), acquired shares in Indonesia-based Multi-Bintang Indonesia Tbk ("MBI") representing a 68.5% interest in MBI. Subsequently in April 2010, APBL acquired another 12.1% interest thereby increasing its effective interest in MBI to 80.6%.

In February 2010, APBL also acquired shares in Grande Brasserie de Nouvelle Caledonie S.A. ("GBNC") located in New Caledonia representing approximately a 87.3% interest in GBNC.

The fair value and carrying value of the identifiable assets and liabilities arising from acquisition were finalised during the year based on a purchase price allocation undertaken by Deloitte & Touche Financial Advisory Services Pte Ltd and the goodwill recognised at the date of acquisition were:

	Fair value at date of acquisition ($'000)	Carrying value at date of acquisition ($'000)
Non-current assets	70,994	38,204
Current assets	53,930	51,437
Current liabilities	(64,116)	(64,182)
Non-current liabilities	(6,818)	(10,642)
Cash and cash equivalents	7,775	7,775
	61,765	22,592
Less: Non-controlling interests	(8,942)	(3,486)
Net asset value as at valuation	52,823	19,106
Goodwill arising from acquisition	223,845	
Total purchase consideration	276,668	

(c) Joint Venture Company's Investment in Joint Venture

Joint venture companies ("JVC") that are held directly by the Group's joint venture companies are equity accounted for in accordance with the accounting policies of the Group's joint venture companies. No adjustments have been made in the Group consolidated financial statements to recognise the interests of these JVC using proportionate consolidation as the contribution of these JVC to the Group are not material.

Investments in and share of the results, assets and liabilities of the joint venture companies, are as follows:

	THE GROUP	
	2010 ($'000)	2009 ($'000)
Investment in joint venture companies, at cost	**73,477**	72,275
Acquisition of interests	**-**	1,126
Provision for impairment	**(4,539)**	(4,539)
Share of post acquisition reserves, net	**20,899**	20,622
	89,837	89,484
Loans owing from joint venture companies (unsecured)	**2**	3
	89,839	89,487

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

17. JOINT VENTURE COMPANIES (cont'd)

(c) **Joint Venture Company's Investment in Joint Venture** (cont'd)

(i) The Group's share of the consolidated results of the JVC for the year is as follows:

	THE GROUP	
	2010 ($'000)	2009 ($'000)
Revenue	**249,629**	248,401
Profit before exceptional items	**15,279**	12,731

(ii) The Group's share of the consolidated assets and liabilities of the JVC is as follows:

Non-current assets	**76,971**	77,864
Current assets	**91,812**	85,651
Current liabilities	**(46,476)**	(45,493)
Long term liabilities	**(32,468)**	(28,535)
	89,839	89,487

18. ASSOCIATED COMPANIES

	THE GROUP		THE COMPANY	
	2010 ($'000)	2009 ($'000)	**2010 ($'000)**	2009 ($'000)
Unquoted investments, at cost	**40,139**	40,678	**-**	-
Quoted investments, at cost	**1,300,548**	523,307	**93,783**	93,783
Acquisition of interests	**18,526**	422,683	**-**	-
Allowance for impairment	**(63,713)**	(54,713)	**(11,400)**	(11,400)
Share of post acquisition reserves, net	**39,996**	25,416	**-**	-
	1,335,496	957,371	**82,383**	82,383
Loans owing from associated companies (unsecured)	**19,753**	20,998	**-**	-
	1,355,249	978,369	**82,383**	82,383
MARKET VALUE				
Quoted shares	**1,066,232**	294,743	**34,823**	32,262

(a) The loans owing from associated companies are interest-free, non-trade in nature and are not repayable within one year. They are treated like quasi-equity loans. The fair value of the loans is not determinable as the timing of future cash flows arising from the repayment of the loans cannot be estimated reliably. Accordingly, the loans are recorded at transaction price.

(b) The amounts due from/to associated companies classified under current assets and current liabilities are unsecured, trade in nature, interest-free, to be settled in cash and are denominated mostly in Singapore Dollars and Chinese Renminbi.

(c) The summarised financial statements of the associated companies are as follows:

	THE GROUP	
	2010 ($'000)	2009 ($'000)
Revenue	**2,810,614**	2,836,706
Profit/(Loss) before exceptional items	**197,729**	(263,811)
Exceptional items	**-**	3,576
Non-current assets	**5,082,602**	3,956,610
Current assets	**1,190,504**	1,151,612
Current liabilities	**(1,123,634)**	(708,550)
Long term liabilities	**(1,414,588)**	(1,886,241)
	3,734,884	2,513,431

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

18. ASSOCIATED COMPANIES (cont'd)

(d) The results, assets and liabilities as stated in paragraph (c) above are based on the accounts of the associated companies to 30 September 2010.

(e) The Group's share of capital commitments of the associated companies as at 30 September 2010 is $6,879,000 (2009: $15,308,000).

(f) The Group's share of contingent liabilities of the associated companies as at 30 September 2010 is $NIL (2009: $3,110,000).

Impairment loss of $9,000,000 (2009: $7,292,000) relating to investment in associated companies was recognised for the current year for the Group. This represents the write-down of the carrying values to the recoverable amounts. The recoverable amounts were estimated based on our value-in-use calculations. The discount rates applied is 12.1% (2009: 10.9%).

Details of associated companies are included in Note 44.

19. INTANGIBLE ASSETS

	THE GROUP				
	Goodwill ($'000)	Deferred Development Costs ($'000)	Management Contracts ($'000)	Other Intangible Assets ($'000)	Total ($'000)
For the year ended 30 September 2010					
At cost					
Balance at beginning of year	256,325	146,384	66,641	26,131	495,481
Currency realignment	(10,997)	(6,406)	58	(35)	(17,380)
Additional expenditure during the year	-	12,477	-	2,074	14,551
Acquisition of business assets	2,727	2,012	-	902	5,641
Acquisition of joint venture companies	223,845	-	-	372	224,217
Disposal of joint venture companies	(10,153)	-	-	-	(10,153)
Disposal of subsidiary company	-	-	-	(308)	(308)
Reclassified from other investments	-	-	-	767	767
Write off for the year	(745)	(80,071)	-	(1,244)	(82,060)
Balance at end of year	461,002	74,396	66,699	28,659	630,756
Accumulated amortisation and impairment					
Balance at beginning of year	-	106,326	980	11,495	118,801
Currency realignment	-	(5,414)	-	(28)	(5,442)
Amortisation charge for the year					
- Continuing operations	-	18,376	490	3,151	22,017
- Discontinued operations	-	-	-	46	46
Impairment charge for the year	-	300	-	-	300
Disposal of subsidiary company	-	-	-	(173)	(173)
Write off for the year	-	(79,768)	-	(1,244)	(81,012)
Balance at end of year	-	39,820	1,470	13,247	54,537
Net book value	461,002	34,576	65,229	15,412	576,219

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

19. INTANGIBLE ASSETS (cont'd)

	THE GROUP				
	Goodwill ($'000)	Deferred Development Costs ($'000)	Management Contracts ($'000)	Other Intangible Assets ($'000)	Total ($'000)
For the year ended 30 September 2009					
At cost					
Balance at beginning of year	238,873	109,730	66,557	25,940	441,100
Currency realignment	(2,922)	345	84	(1,934)	(4,427)
Additional expenditure during the year	-	24,258	-	861	25,119
Acquisition of subsidiary companies and additional interests in subsidiary companies	16,221	-	-	-	16,221
Acquisition of additional interests in joint venture companies	5,570	-	-	616	6,186
Reclassification	(1,334)	-	-	1,334	-
Reclassified from fixed assets	-	-	-	307	307
Reclassified from inventories	-	13,801	-	-	13,801
Write off for the year	(83)	(1,750)	-	(993)	(2,826)
Balance at end of year	256,325	146,384	66,641	26,131	495,481
Accumulated amortisation and impairment					
Balance at beginning of year	-	74,023	490	9,057	83,570
Currency realignment	-	(197)	-	(35)	(232)
Amortisation charge for the year					
- Continuing operations	-	24,066	490	3,250	27,806
- Discontinued operations	-	-	-	62	62
Impairment charge for the year	-	8,804	-	-	8,804
Impairment charge written back for the year	-	(188)	-	-	(188)
Reclassified from fixed assets	-	-	-	65	65
Write off for the year	-	(182)	-	(904)	(1,086)
Balance at end of year	-	106,326	980	11,495	118,801
Net book value	256,325	40,058	65,661	14,636	376,680

All intangible assets have finite useful lives of not more than 20 years, except management contracts with a cost of $62,601,000 (2009: $62,601,000) are assessed to have an indefinite useful life and not amortised. This is the value ascribed to management contracts entered into between a subsidiary and an associate. Management is of the view that these intangible assets have an indefinite useful life as the contracts are contracts which go into perpetuity, and will only be terminated upon the removal of the subsidiary as the manager.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

20. IMPAIRMENT TESTS FOR INTANGIBLE ASSETS

(a) Goodwill

The carrying value of the Group's goodwill arising from acquisitions of subsidiary and joint venture companies was assessed for impairment during the financial year.

	As at 30 Sep 2010 ($'000)	Basis on which recoverable values are determined	Terminal growth rate	Pre-tax Discount rate
Carrying value of capitalised goodwill based on cash generating units				
Subsidiary companies:				
Printing and Publishing Group	27,245	Value-in-use	0%	5.9% - 16.5%
Dairies Group	2,721	Value-in-use	0%	8.0%
Soft Drinks Group	38,282	Value-in-use and Fair value less cost to sell	0%	8.0%
	68,248			
Joint venture companies:				
Breweries Group	392,754	Value-in-use and Fair value less cost to sell	2%	12.3% - 28.5%
	461,002			

	As at 30 Sep 2009 ($'000)	Basis on which recoverable values are determined	Terminal growth rate	Pre-tax Discount rate
Carrying value of capitalised goodwill based on cash generating units				
Subsidiary companies:				
Printing and Publishing Group	25,997	Value-in-use	0%	5.4% - 15.6%
Dairies Group	2,604	Value-in-use	0%	8.3%
Soft Drinks Group	37,555	Value-in-use and Fair value less cost to sell	0%	8.3%
	66,156			
Joint venture companies:				
Breweries Group	190,169	Value-in-use and Fair value less cost to sell	2%	12.1% - 24.9%
	256,325			

Goodwill is allocated for impairment testing purposes to the individual entity which is also the cash generating unit. The value-in-use calculations apply a discounted cash flow model using cash flow projections based on financial budgets and forecasts approved by management covering 3 to 5 year periods. Cash flows beyond these periods are extrapolated using the estimated growth rates stated in the table above. The fair value less costs to sell calculations are based on quoted market prices obtained from active markets.

The terminal growth rate used does not exceed the long term average growth rate of the respective industry and country in which the entity operates.

The discount rates applied to the cash flow projections reflect managements' estimates of the risks specific to the respective cash generating units at the date of assessment.

An impairment loss of $745,000 (2009: $83,000) was required for the financial years ended 30 September for the goodwill assessed as their recoverable values were less than their carrying values.

20. IMPAIRMENT TESTS FOR INTANGIBLE ASSETS (cont'd)

(b) Management contracts

The carrying value of the management contracts was assessed for impairment during the financial year.

The recoverable amount of the management contract has been determined based on value-in-use calculations using a projection of the management fee income covering a 5 year period. The pre-tax discount applied to the projections is 10% and the forecast growth rate used beyond the 5 year period is 2%.

No impairment loss was required for the management contracts assessed as their recoverable values were in excess of their carrying values.

(c) Deferred development costs

The carrying value of deferred development costs was assessed for impairment during the financial year.

An impairment loss of $300,000 (2009: $8,804,000) was recognised in the profit statement as the carrying value was assessed to be in excess of its recoverable value.

The recoverable amount of the deferred development costs has been determined based on value-in-use calculations using 5 year cash flow projection approved by management. The pre-tax discount rate applied to the cash flow projections was 5.8% - 7.5% (2009: 5.7%) and the terminal growth rate was 0% (2009: 0%).

21. OTHER INVESTMENTS

	THE GROUP		THE COMPANY	
	2010 ($'000)	2009 ($'000)	**2010 ($'000)**	2009 ($'000)
Quoted				
Quoted available-for-sale financial assets				
Non-equity investments				
At fair value	**260**	273	**-**	-
At cost (less impairment loss)	**25,450**	25,450	**-**	-
Equity investments				
At fair value	**6,906**	6,979	**6,252**	5,766
Quoted total	**32,616**	32,702	**6,252**	5,766
Unquoted				
Unquoted available-for-sale financial assets				
Non-equity investments				
At cost (less impairment loss)	**121**	669	**-**	-
At fair value	**-**	301	**-**	-
Equity investments				
At cost (less impairment loss)	**70,031**	81,265	**14**	14
At fair value	**2,787**	2,529	**2,787**	2,529
Loan and receivables				
Non-equity investments in company	**6,744**	5,247	**-**	-
Unquoted total	**79,683**	90,011	**2,801**	2,543
Total	**112,299**	122,713	**9,053**	8,309

(a) The quoted non-equity investments carry interest rate of 6% (2009: 6%).

(b) The unquoted non-equity investments carry interest rates of 0% to 10.4% (2009: 0% to 10.4%).

(c) Certain unquoted investments do not have quoted market prices in an active market nor are other methods of reasonably estimating the fair values readily available. Hence it is not practicable to determine their fair value with sufficient reliability without incurring excessive costs.

(d) Market value of quoted investments are determined by reference to stock exchange quoted prices.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

22. CASH AND BANK DEPOSITS

	THE GROUP 2010 ($'000)	THE GROUP 2009 ($'000)	THE COMPANY 2010 ($'000)	THE COMPANY 2009 ($'000)
Cash and bank balances	**424,290**	373,809	**910**	470
Bank fixed deposits	**1,274,626**	1,269,499	**47,624**	52,092
	1,698,916	1,643,308	**48,534**	52,562

The weighted average effective interest rate for bank fixed deposits is 1.71% (2009: 1.94%).

Included in the Group's cash and bank balances, and bank fixed deposits are amounts of $5,776,000 (2009: $3,435,000) and $488,753,000 (2009: $511,242,000) respectively held under the Project Account Rules (1997 Ed), withdrawals from which are restricted to payments for development expenditure incurred on development properties held for sale.

As at 30 September 2010, the cash and bank deposits held by the Group are in the following major currencies: Malaysia Ringgit - 22.6% (2009: 4.0%), Chinese Renminbi - 16.9% (2009: 22.1%) and United States Dollars - 4.4% (2009: 14.9%).

23. BRANDS

	THE GROUP 2010 ($'000)	THE GROUP 2009 ($'000)	THE COMPANY 2010 ($'000)	THE COMPANY 2009 ($'000)
At cost				
Balance at beginning of year	**59,592**	61,546	**8,435**	8,435
Currency realignment	**109**	(1,954)	**-**	-
Additions during the year	**19,243**	-	**-**	-
Acquisition of joint venture companies	**14,797**	-	**-**	-
Disposal of joint venture companies	**(966)**	-	**-**	-
Balance at end of year	**92,775**	59,592	**8,435**	8,435
Accumulated amortisation and impairment				
Balance at beginning of year	**16,465**	13,407	**8,435**	8,435
Currency realignment	**2,512**	(93)	**-**	-
Amortisation charge for the year				
- Continuing operations	**49**	421	**-**	-
- Discontinued operations	**43**	170	**-**	-
Impairment for the year	**-**	2,560	**-**	-
Disposal of joint venture companies	**(569)**	-	**-**	-
Balance at end of year	**18,500**	16,465	**8,435**	8,435
Net book value	**74,275**	43,127	**-**	-

Included in the Group's brands are brands with indefinite useful life of carrying amount of $74,184,000 (2009: $42,675,000).

The value-in-use calculations apply a discounted cash flow model using cash flow projections based on financial budgets and forecasts approved by management covering 3 to 5 year periods. The growth rate used does not exceed the average growth rate of the respective industry in which the brands operate. The pre-tax discount rates applied to the cash flow projections ranges from 8.3% to 20.0% and terminal growth rates applied ranges from 1% to 2%.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

24. PROPERTIES HELD FOR SALE

		THE GROUP	
		2010 ($'000)	2009 ($'000)
(a)	**Development Properties Held for Sale**		
	Properties in the course of development, at cost	**4,897,717**	4,656,584
	Allowance for foreseeable losses	**(91,613)**	(107,777)
	Allowance for amortisation	**-**	(1,000)
		4,806,104	4,547,807
	Development profit	**410,203**	422,535
		5,216,307	4,970,342
	Progress payments received	**(1,394,249)**	(1,300,156)
	Balance at end of year	**3,822,058**	3,670,186
(b)	**Completed Properties Held for Sale**		
	Completed units, at cost	**492,182**	342,181
	Allowance for foreseeable losses	**(5,055)**	(4,919)
	Net book value	**487,127**	337,262
	Total Properties Held for Sale	**4,309,185**	4,007,448

(i) Interest capitalised during the year was $97,068,000 (2009: $145,760,000). A capitalisation rate of between 0.30% and 9.62% (2009: 0.80% and 15.00%) per annum was used, representing the borrowing cost of the loans used to finance the projects.

(ii) As at 30 September 2010, the bank loans drawn down amounted to $889,254,000 (2009: $1,054,097,000).

(iii) Development properties held for sale amounting to $278,951,000 (2009: $363,768,000) as described in (19) to (28) are secured for credit facilities with a bank for which certain covenants were breached as at 30 September 2009 (Note 16(h)).

(iv) Development properties held for sale include:

Singapore

(1) Martin Place Residences - Freehold land of approximately 13,065.2 sqm at TS 21 on Lots 317K-PT, 318N-PT, 453A, 454K, 457L-PT, 752K-PT, 1090N-PT and 1111T-PT at Kim Yam Road for the development of 302 units of approximately 37,684.0 sqm of gross floor area for sale.

(2) Soleil@Sinaran – Leasehold land (99-year tenure commencing 23 October 2006) of approximately 12,468.4 sqm at Lot(s) 931T TS 29 Sinaran Drive for the development of 417 units of approximately 44,877.7 sqm of gross floor area for sale.

(3) 50% proportionate share of a leasehold land (Plot B1 and B2 have 99-year tenure commencing 31 October 2007 while Plot A1 and A2 have 99-year tenure commencing 26 December 2009 of approximately 75,164.7sqm at Lots 7134C, 7135M, 7136W, 7137V, 7022T, 7023A, 7024K and 7025N Mukim 28 Bedok Reservoir Road for the development of approximately 1,759 units of approximately 191,099.0 sqm of gross floor area for sale. Waterfront Waves (Plot B1) comprises 405 residential units of approximately 51,233.0 sqm of gross floor area for sale; Waterfront Key (Plot B2) comprises 437 residential units of approximately 51,013.0 sqm of gross floor area for sale; Waterfront Gold (Plot A2) comprises 361 residential units of approximately 36,085.0 sqm of gross floor area for sale and Waterfront Isle (Plot A1) comprises 556 residential units of approximately 52,768.0 sqm of gross floor area for sale.

(4) Residences Botanique - Freehold land of approximately 5,590.0 sqm at MK 22 on Lot 9339C Yio Chu Kang Road/Sirat Road for a residential development of 81 units of approximately 7,827.0 sqm of gross floor area for sale.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

24. PROPERTIES HELD FOR SALE (cont'd)

(iv) Development properties held for sale include: (cont'd)

Singapore (cont'd)

(5) Woodsville 28 - Leasehold land (99-year tenure commencing 15 October 2007) of approximately 3,870.0 sqm on Lot 9684M Mukim 17 at Woodsville Close for the development of 110 condominium units of approximately 11,015.0 sqm of gross floor area for sale.

(6) Caspian - Leasehold land (99-year tenure commencing 1 March 2008) of approximately 22,000.0 sqm on Lot 4383P Mukim 6 at Boon Lay Way/Lakeside Drive for the development of 712 condominium units of approximately 79,762.0 sqm of gross floor area for sale.

(7) 8 @ Woodleigh - Leasehold land (99-year tenure commencing 22 September 2008) of approximately 10,774.0 sqm at Lot Q949W MK17 Woodleigh Close for the development of 330 condominium units of approximately 30,164.0 sqm of gross floor area for sale.

(8) Freehold land of approximately 2,801.3 sqm at Lots 3655K and 3654A Mukim 2 at Holland Park for the development of 2 good class bungalows for sale.

(9) Flamingo Valley - Freehold land of approximately 31,164.0 sqm at Lot 06495W MK27 Siglap Road for the development of 393 condominium units of approximately 43,629.0 sqm of gross floor area for sale.

(10) Esparina Residences - Leasehold land (99-year tenure commencing 2 June 2010) of approximately 19,000.0 sqm at Lot 2335X MK 21 Compassvale Bow for a residential development of 573 units approximately 59,850.0 sqm of gross floor area for sale.

(11) 50% proportionate share of a leasehold land (99-year tenure commencing 20 September 2010) of approximately 26,539.6 sqm at Yishun Ave 2 / Ave 7 / Canberra Drive for the development of approximately 667 residential units and 2 shop units of approximately 66,349.0 sqm of gross floor area for sale.

Australia

(12) Freehold land of approximately 52.2 hectares situated at Wanjeep Street, Mandurah, Western Australia for a proposed mixed development of approximately 1,200 residential and commerical units of a total of approximately 159,000.0 sqm of gross floor area for sale.

(13) Freehold land of approximately 1.19 hectares situated at East Perth, Australia for a proposed mixed development comprising approximately 439 private apartment units, 238 serviced suites and commercial space of a total of approximately 57,600.0 sqm of strata area for sale.

(14) Freehold land of approximately 4.8 hectares situated at Morton Street, Parramatta, Sydney, Australia for a proposed development of approximately 550 apartment units for sale.

(15) Freehold land of approximately 5.8 hectares situated at Broadway Sydney, Australia for a proposed mixed development comprising about 84,400.0 sqm of commercial space and about 2,189 residential apartment units of about 170,000.0 sqm gross floor area for sale.

(16) Freehold land of approximately 6,215.0 sqm situated at 3, 5, 7 Lorne Avenue, Killara, Sydney, Australia for a proposed development comprising 99 apartment units of approximately 9,373.0 sqm of gross floor area for sale.

New Zealand

(17) Freehold land of approximately 6,831.0 sqm in the South Island, Queenstown, New Zealand for a proposed development of 29 luxury residential apartments of approximately 8,700.0 sqm of gross floor area for sale.

(18) Freehold land of approximately 27 hectares located in Tauranga in the Bay of Plenty, New Zealand for a proposed development of approximately 686 houses and apartments and a beach front condominium complex of approximately 136,500.0 sqm of gross floor area for sale.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

24. PROPERTIES HELD FOR SALE (cont'd)

(iv) Development properties held for sale include: (cont'd)

United Kingdom

(19) Freehold land of approximately 20,531.0 sqm on the south bank of River Thames, London, United Kingdom for a proposed residential and commercial development of 504 residential units and ancillary office and retail space of a total of approximately 32,236.0 sqm of gross floor area for sale for Phase 3 of the Wandsworth Riverside Development.

(20) Freehold land of approximately 1,781.0 sqm situated at 143 - 161 Wandsworth Road, London, United Kingdom.

(21) Freehold land of approximately 2,310.0 sqm situated at 1 – 6 Camberwell Green and 307 - 311 Camberwell New Road SE5, London, United Kingdom.

(22) Freehold land of approximately 3,066.0 sqm situated at Collins Theatre, Islington, United Kingdom, for a proposed residential development of approximately 70 units and commercial space of a total of approximately 3,026.0 sqm of gross floor area for sale.

(23) 50% proportionate share of a freehold land of approximately 19,695.0 sqm situated at Leith Walk, Edinburgh, United Kingdom, for a proposed residential and commercial development of approximately 356 residential units and ancillary office and retail space of a total of approximately 25,951.0 sqm of gross floor area for sale.

(24) 50% proportionate share of a freehold land of approximately 4,911.0 sqm situated at Granton Harbour, Leith, United Kingdom, for a proposed residential development of approximately 120 apartments of approximately 10,648.0 sqm of gross floor area for sale.

(25) 50% proportionate share of a freehold land of approximately 2,226.0 sqm situated at Water Street, Edinburgh, United Kingdom, for a residential and commercial development of 36 refurbished apartments and 8 new build apartments, together with office space of a total of approximately 4,140.0 sqm of gross floor area for sale.

(26) 50% proportionate share of a freehold land of approximately 10,279.0 sqm situated at Ferry Village, Renfrew, Glasgow, United Kingdom, for a proposed residential development of approximately 177 apartments and 13 townhouses of a total of approximately 16,312.0 sqm of gross floor area for sale.

(27) Freehold land of approximately 3,035.0 sqm situated at Brown Street, Glasgow, United Kingdom.

(28) Freehold land of approximately 5,870.0 sqm situated at Baildon, United Kingdom.

China

(29) Leasehold land (70-year tenure commencing 27 December 2004) of approximately 314,501.0 sqm situated in Gongye Yuan District, Nan Shi Jie Dong, Suzhou, China for a residential development of a total of approximately 555,000.0 sqm of gross floor area for sale.

(30) Leasehold land (70-year tenure commencing 6 December 2003) of approximately 711,101.0 sqm located near the future Light Rapid Transit station at Si Chen Road in Song Jiang district, Shanghai, China for a composite development with a total of approximately 782,418.0 sqm of gross floor area for sale.

(31) Leasehold land (50-year tenure commencing 19 September 2007) of approximately 195,846.0 sqm situated in Chengdu, China for a proposed industrial/commerical development with a total of approximately 609,594.0 sqm of gross floor area for sale.

Thailand

(32) 49% proportionate share of The Pano - Freehold land of approximately 40,608.0 sqm situated at Rama III Road, Bangkok, Thailand which is separated into phase 1 of 14,062.0 sqm and phase 2 and 3 of 26,546.0 sqm. Phase 1 consists of development of 397 condominium units of approximately 62,322.0 sqm of gross floor area for sale.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

24. PROPERTIES HELD FOR SALE (cont'd)

(iv) Development properties held for sale include: (cont'd)

Malaysia

(33) Freehold land of approximately 25,659.4 sqm at Jalan Yew, Kuala Lumpur, Malaysia for the development of commercial buildings with retail space, city campus and hostel, hotels and carparks with a total of approximately 90,820.0 sqm of gross floor area for sale.

(34) Freehold land of approximately 245,287.2 sqm at Mukim Hulu Semenyih, District of Hulu Langat, Selangor, Malaysia for a proposed development of residential properties.

(35) Freehold land of approximately 12,268.0 sqm at Johor Bahru, State of Johor, Malaysia for a proposed development of commercial properties.

(36) Freehold land of approximately 51,492.0 sqm at Lot 35 and Lot 37 at Selangor, Malaysia for a proposed development of mixed development.

(37) Freehold land of approximately 26,451.0 sqm at CL 01531162, CL 30136 to CL 30142 and CL 30160 to CL 30173 at Kota Kinabalu, Malaysia for a proposed development of commercial properties.

25. INVENTORIES

	THE GROUP	
	2010 ($'000)	2009 ($'000)
Containers	**32,782**	43,553
Raw materials	**109,423**	89,586
Manufactured inventories	**135,669**	157,167
Engineering spares, work-in-progress and other inventories	**50,363**	56,554
Packaging materials	**25,181**	31,322
Goods purchased for resale	**38,498**	45,325
	391,916	423,507

(a) Write back of allowance for inventory obsolescence during the year amounted to $9,407,000 (2009: $3,011,000).

(b) Inventories of $651,000 (2009: $1,272,000) of the Group's joint venture company is secured against its bank overdrafts.

(c) The cost of inventories recognised as expense and included in Cost of Sales amounted to $871,016,000 (2009: $772,724,000).

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

26. TRADE RECEIVABLES AND OTHER RECEIVABLES

	THE GROUP		THE COMPANY	
	2010 ($'000)	2009 ($'000)	**2010 ($'000)**	2009 ($'000)
Trade receivables	**1,021,283**	734,167	**-**	-
Other receivables:				
Current				
Accrued income	**10,305**	6,222	**4**	186
Prepayments	**122,755**	107,837	**3**	3
Deposits paid	**19,278**	9,388	**-**	-
Tax recoverable	**21,189**	22,523	**-**	-
Staff loans	**6,114**	5,237	**-**	-
Amount receivable from joint venture partners	**9,056**	13,172	**-**	-
Derivative financial instruments (Note 27)	**2,793**	4,036	**800**	2,405
Advanced project cost paid	**1,956**	2,149	**-**	-
Sundry debtors	**15,999**	28,700	**2**	-
Other receivables	**42,882**	37,832	**-**	-
	252,327	237,096	**809**	2,594
	1,273,610	971,263	**809**	2,594
Non current				
Prepayments	**4,081**	6,197	**-**	-
Staff loans	**979**	1,519	**-**	-
Loans to non-controlling interests	**51,375**	40,208	**-**	-
Other receivables	**5,121**	6,182	**-**	-
	61,556	54,106	**-**	-
	1,335,166	1,025,369	**809**	2,594

(a) Included in trade receivables is an amount of $548,658,000 (2009: $293,976,000) which relates to the balance of sale proceeds from completed condominium projects which will be received upon issuance of certificate of statutory completion, notice of vacant possession, expiry of defect liability period and/or title subdivision.

(b) As at 30 September 2010, the trade receivables and other receivables held by the Group are in the following major currencies: Malaysia Ringgit - 14.3% (2009: 15.0%), Chinese Renminbi - 8.7% (2009: 12.8%) and United States Dollars - 4.4% (2009: 5.5%).

(c) Trade and other receivables of $1,319,000 (2009: $1,157,000) of the Group's joint venture company are pledged as security for bank overdraft.

(d) At balance sheet date, trade receivables amounting to $10,145,000 (2009: $9,613,000) of the Group's joint venture company have been secured by collaterals provided by customers.

(e) Loans to joint venture partners are arrived at after deducting doubtful debts of $NIL (2009: $10,662,000).

(f) Loans to a non-controlling interests are non-trade related, unsecured, bears interest at 12.0% (2009: 12.0%) per annum and have no fixed repayment terms.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

26. TRADE RECEIVABLES AND OTHER RECEIVABLES (cont'd)

Trade receivables that are past due but not impaired

The Group has trade receivables amounting to $108,930,000 (2009: $142,584,000) that are past due at balance sheet date but not impaired. These receivables are unsecured and the aging analysis at the balance sheet date is as follows:

	THE GROUP	
	2010 ($'000)	2009 ($'000)
Trade receivables past due:		
1 to 30 days	**57,229**	64,680
31 to 60 days	**17,192**	30,438
61 to 90 days	**8,025**	12,238
91 to 120 days	**4,609**	5,454
more than 120 days	**21,045**	29,774
	108,100	142,584

Trade receivables that are impaired

The Group's trade receivables that are impaired at the balance sheet date and the movement of the allowance accounts used to record the impairment are as follows:

	THE GROUP			
	Collectively impaired		Individually impaired	
	2010 ($'000)	2009 ($'000)	**2010 ($'000)**	2009 ($'000)
Trade receivables - nominal amounts	**1,843**	17,346	**10,168**	13,912
Less: Allowance for impairment	**(114)**	(632)	**(9,573)**	(12,219)
	1,729	16,714	**595**	1,693
Movement in allowance accounts:				
At 1 October	**632**	2,129	**12,219**	10,240
Charge for the year	**90**	281	**3,842**	6,306
Written back	**(321)**	(401)	**(1,770)**	(3,192)
Acquisition of subsidiary	**-**	-	**498**	-
Disposal of subsidiary	**-**	-	**(373)**	-
Written off	**(78)**	(31)	**(4,812)**	(2,327)
Reclassification	**-**	(1,185)	**-**	1,185
Exchange difference	**(209)**	(161)	**(31)**	7
At 30 September	**114**	632	**9,573**	12,219

Receivables that are individually determined to be impaired at the balance sheet date relate to debtors that are in significant financial difficulties and have defaulted on payments.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

	THE GROUP		THE COMPANY	
	2010 ($'000)	2009 ($'000)	**2010 ($'000)**	2009 ($'000)

27. DERIVATIVE FINANCIAL INSTRUMENTS

	THE GROUP 2010 ($'000)	THE GROUP 2009 ($'000)	THE COMPANY 2010 ($'000)	THE COMPANY 2009 ($'000)
Assets				
Interest rate swap	**1,351**	3,100	**800**	2,405
Forward currency contracts	**1,442**	936	**-**	-
	2,793	4,036	**800**	2,405
Liabilities				
Interest rate swap	**21,251**	29,982	**-**	-
Forward currency contracts	**8,740**	12,956	**-**	-
	29,991	42,938	**-**	-
Net position	**(27,198)**	(38,902)	**800**	2,405

The Group has applied cash flow hedge accounting for interest rate swap arrangements for which the associated floating rate loans have the same critical terms, and which have been assessed to be effective hedges. The interest on these interest rate swaps and loans are settled on a half yearly basis.

28. SHORT TERM INVESTMENTS

	THE GROUP 2010 ($'000)	THE GROUP 2009 ($'000)	THE COMPANY 2010 ($'000)	THE COMPANY 2009 ($'000)
Quoted				
Quoted available-for-sale financial assets				
Equity investments at fair value	**211,332**	251,378	**-**	-
Unquoted				
Loans and receivables				
Non-equity investments at cost	**3,329**	3,318	**-**	-
Total	**214,661**	254,696	**-**	-

Included in non-equity investments are notes with interest rates of 8.9% to 11.9% (2009: 8.9% to 11.9%) per annum and maturing within the next 12 months.

29. DISCONTINUED OPERATIONS AND ASSETS AND LIABILITIES HELD FOR SALE

a) Discontinued operations

Glass

In May 2010, Fraser and Neave Holdings Bhd ("F&NHB'), the Company's 57.2% owned subsidiary listed on Bursa Malaysia announced it had entered into a share purchase agreement to dispose of its entire equity interest in Malaya Glass Products Sdn Bhd ("Glass Containers segment"). The disposal of the Glass Containers segment was completed in July 2010.

Breweries

In February 2010, the Group's joint venture company, Asia Pacific Breweries Limited, completed the disposal of the entire issued share capital of its two wholly-owned India operations, Asia Pacific Breweries (Aurangabad) Private Limited and Asia Pacific Breweries-Pearl Private Limited at its carrying value. The disposal consideration was fully settled in cash.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

29. DISCONTINUED OPERATIONS AND ASSETS AND LIABILITIES HELD FOR SALE (cont'd)

a) Discontinued operations (cont'd)

Profit Statement disclosures

The results of the discontinued operations for the year ended 30 September are as follows:

	THE GROUP 2010 ($'000)	2009 ($'000)
Revenue	**157,404**	186,232
Expenses	**(155,515)**	(174,195)
Trading profit from discontinued operations	**1,889**	12,037
Net interest expenses	**(3,540)**	(4,624)
(Loss)/Profit from discontinued operations	**(1,651)**	7,413
Taxation	**(782)**	5,741
Exceptional items	**(10)**	(5,683)
Gain on disposal of subsidiary companies	**162,245**	-
Profit from discontinued operations after tax	**159,802**	7,471

Cash flow statement disclosures

The cash flows attributable to the discontinued operations for the year ended 30 September are as follows:

	2010	2009
Operating cash inflows	**13,614**	(7,965)
Investing cash inflows	**(7,844)**	19,019
Financing cash inflows	**(7,772)**	(9,783)
Net cash (outflows)/inflows	**(2,002)**	1,271

(Loss)/Earnings per share from discontinued operations attributable to the shareholders of the company:

			– cents per share –	
Basic	-	before fair value adjustment and exceptional items	**(0.1) cts**	0.3 cts
	-	after fair value adjustment and exceptional items	**6.5 cts**	0.2 cts
Diluted	-	before fair value adjustment and exceptional items	**(0.1) cts**	0.3 cts
	-	after fair value adjustment and exceptional items	**6.5 cts**	0.1 cts

b) Assets and liabilities held for sale

The assets and liabilities held for sale relate to the sale and closure of certain printing plants in China, closure of glass packaging plant in Malaysia and closure of food business in Vietnam.

	THE GROUP 2010 ($'000)	2009 ($'000)
Assets		
Fixed Assets	**17,928**	-
Other non-current assets	**8,915**	9,387
Current assets	**11,419**	-
	38,262	9,387
Liabilities		
Non-current Liabilities	**2,297**	-

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

30. TRADE AND OTHER PAYABLES

	THE GROUP		THE COMPANY	
	2010 ($'000)	2009 ($'000)	**2010 ($'000)**	2009 ($'000)
Trade payables	**724,740**	681,508	**-**	-
Other payables:				
Current				
Advances from joint venture partners	**12,757**	11,447	**-**	-
Interest payable	**25,973**	27,488	**2,544**	3,478
Accrued operating expenses	**203,581**	196,465	**587**	300
Sundry accruals	**153,795**	153,027	**71**	118
Sundry deposits	**47,797**	67,226	**-**	-
Staff costs payable	**84,149**	78,713	**-**	-
Accrual for unconsumed annual leave	**9,497**	9,328	**-**	-
Amounts due to non-controlling interests	**114,923**	96,299	**-**	-
Deferred income	**4,474**	5,642	**-**	-
Derivative financial instruments (Note 27)	**29,991**	42,938	**-**	-
Other payables	**77,268**	71,897	**2,054**	2,075
	764,205	760,470	**5,256**	5,971
	1,488,945	1,441,978	**5,256**	5,971
Non-current				
Amounts due to non-controlling interests	**876**	864	**-**	-
Sundry payables	**2,993**	8,470	**-**	-
	3,869	9,334	**-**	-
	1,492,814	1,451,312	**5,256**	5,971

(a) Advances from joint venture partners are non-trade in nature, unsecured, interest-free and have no fixed terms of repayment.

(b) Amounts due to non-controlling interests are non-trade in nature, unsecured, repayable in cash on demand and interest free, except for loans of $52,284,000 (2009: $11,121,000) which bear interest at 3.7% (2009: 7.5%) per annum.

(c) As at 30 September 2010, the trade and other payables held by the Group are in the following major currencies: Malaysia Ringgit - 18.8% (2009: 14.7%), Chinese Renminbi - 14.3% (2009: 15.4%) and United States Dollars - 5.1% (2009: 5.4%).

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

31. BORROWINGS

	Weighted average effective interest rate %	Notes	THE GROUP 2010 ($'000)	THE GROUP 2009 ($'000)	THE COMPANY 2010 ($'000)	THE COMPANY 2009 ($'000)
Repayable within one year:						
Unsecured						
Bank loans	3.11		**687,899**	393,700	**-**	-
Bank overdrafts	2.10		**2,569**	19,366	**-**	-
			690,468	413,066	**-**	-
Term loans	3.63	(c)	**579,414**	365,324	**-**	199,914
Secured						
Bank loans	4.01	(b)	**637,236**	913,152	**-**	-
Bank overdrafts	12.00	(b)	**1,224**	32	**-**	-
			638,460	913,184	**-**	-
Finance leases			**367**	1,152	**-**	-
			1,908,709	1,692,726	**-**	199,914
Repayable after one year:						
Unsecured						
Bank loans	1.38		**789,462**	1,097,269	**-**	-
Term loans	4.28		**1,443,172**	1,959,192	**150,000**	150,000
Secured						
Bank loans	3.29	(b)	**432,984**	291,063	**-**	-
Term loans		(b)	**-**	260,000	**-**	-
Finance leases			**414**	775	**-**	-
		(e)	**2,666,032**	3,608,299	**150,000**	150,000
Total			**4,574,741**	5,301,025	**150,000**	349,914
Fair value		(d)	**4,655,057**	5,308,999	**148,455**	340,748

Notes

(a) Term loans comprise variable rate notes, medium term notes, fixed rate notes, transferable term loan, commercial papers and floating rate bonds issued by the Company and subsidiary companies.

(b) The secured bank loans, overdrafts and term loans are secured by certain subsidiary companies by way of a charge over fixed deposit, plant and machinery, pledge of shares of a subsidiary company, fixed and floating charge over certain assets and mortgages on freehold and leasehold land under development.

A subsidiary company's issue of 165,000 (2009: 165,000) redeemable non-voting Class A Preference Shares of an aggregate value of $165,000,000 (2009: $165,000,000) are classified as bank borrowings in the consolidated financial statements of the Group.

As disclosed in Note 16(h), as at 30 September 2010, FPUK has not complied with certain covenants of its credit facilities agreement with a bank and the bank has the right to recall and demand repayment of the outstanding amounts. FPUK and the bank are currently in the process of a consensual restructuring of these facilities. Included in Secured Bank Loans, Repayable within One Year, is an amount of $456,238,000 (2009: $523,280,000) relating to all outstanding bank borrowings under the breached facility. This amount is secured on fixed and floating charge over assets of FPUK group (Note 16 and 24).

(c) Included in the term loans is a loan from the Group's associated company bearing interest at 2.7% (2009: 2.8%) per annum.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

31. BORROWINGS (cont'd)

(d) The carrying amounts of bank borrowings and finance leases approximate fair value as they bear interest at rates which approximate the current incremental borrowing rate for similar types of lending and borrowing arrangements except for bank loans of $2,022,586,000 (2009: $2,276,439,000) which have a fair value of $2,102,901,000 (2009: $2,284,413,000).

The aggregate fair value of term loans are determined by reference to market value.

(e) Maturity of non-current borrowings is as follows:

	THE GROUP		THE COMPANY	
	2010 ($'000)	2009 ($'000)	**2010 ($'000)**	2009 ($'000)
Between 1 and 2 years	**597,367**	1,432,330	**-**	-
Between 2 and 5 years	**1,382,288**	1,570,856	**-**	-
After 5 years	**686,377**	605,113	**150,000**	150,000
	2,666,032	3,608,299	**150,000**	150,000

(f) As at 30 September 2010, the borrowings held by the Group are in the following major currencies: United States Dollars - 13.0% (2009: 11.9%), Sterling Pounds - 10.0% (2009: 10.2%) and Australia Dollars - 5.6% (2009: 8.9%).

(g) As at 30 September 2010, the Company and Group had interest rate swaps in place, which have the economic effect of converting borrowings from fixed rates to variable rates or vice versa. The fair value of these interest rate swaps is discussed in Note 38. The weighted average effective interest rates are as at 30 September 2010 and include the effect of related interest rate swaps.

32. PROVISION FOR EMPLOYEE BENEFITS

	THE GROUP	
	2010 ($'000)	2009 ($'000)
Balance at beginning of year	**19,303**	18,764
Currency realignment	**107**	(670)
Acquisition of subsidiary companies	**809**	-
Disposal of subsidiary companies	**(891)**	-
Write back during the year	**(2)**	(961)
Provision for the year		
- Continuing operations	**7,584**	2,818
- Discontinued operations	**118**	1,958
Payment for the year	**(1,984)**	(2,606)
Balance at end of year	**25,044**	19,303

(a) Defined Contribution Plan

The Group makes contributions to several post employment benefit plans. Most of these plans are defined contribution plans whereby contributions are made to approved provident and superannuation funds in Singapore, Malaysia, Hong Kong, Australia, Papua New Guinea, Vietnam, Cambodia, Sri Lanka, the USA and Europe.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

32. PROVISION FOR EMPLOYEE BENEFITS (cont'd)

(b) Defined Benefit Plan

The defined benefit plan in the United Kingdom is a funded, defined benefit pension scheme, the assets of which are held in a separate trustee-administrated fund. The defined benefit plans in Malaysia do not have separately funded assets. They provide lump sum benefit at normal retirement age.

The major assumptions used by the qualified independent actuaries were:

	THE GROUP	
	2010	2009
Rate of increase in salaries	**5.0% to 6.0%**	3.5% to 5.0%
Expected rate of return on assets	**7.0%**	5.0% to 7.2%
Discount rate	**4.6% to 6.5%**	4.4% to 6.5%

The following tables summarise the components of net benefit expense and benefit liability:

	2010 ($'000)	2009 ($'000)
Net benefit expense		
Benefits earned during the year	**1,094**	1,051
Interest cost on benefit obligation	**2,089**	2,322
Amortisation of unrecognised gain	**(118)**	(36)
Expected return on plan assets	**(1,357)**	(1,976)
Net actuarial loss	**530**	-
Curtailment loss	**-**	262
Transition obligation recognised	**208**	(55)
Settlement gain	**-**	(24)
Net benefit expense	**2,446**	1,544
Benefit liability		
Present value of benefit obligation	**41,641**	39,079
Fair value of plan assets	**(18,627)**	(20,542)
Unfunded benefit obligation	**23,014**	18,537
Unrecognised net actuarial gain	**(2,076)**	(3,163)
Unrecognised transition benefit	**-**	(306)
Provision	**-**	887
Benefit liability	**20,938**	15,955
Present value of unfunded benefit obligation	**15,820**	14,928
Present value of funded benefit obligation	**25,821**	24,151
	41,641	39,079

(c) Long service leave/severance allowances/gratuity

Long service leave, severance allowances and gratuity are provided by joint venture companies based on the number of years of service the employees have rendered at the end of each financial year as required by local legislation in Vietnam, Papua New Guinea, Cambodia, Sri Lanka, Indonesia and New Caledonia.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

32. PROVISION FOR EMPLOYEE BENEFITS (cont'd)

(d) Share Options

The equity-based equity-settled share option schemes of the Group are:

			Approval by Shareholders
(i)	Fraser and Neave, Limited Executives' Share Option Scheme, 1999.	("1999 Scheme")	30 September 1999
(ii)	Asia Pacific Breweries Limited Executives' Share Option Scheme.	("APBL Scheme")	21 February 1995
(iii)	Fraser & Neave Holdings Bhd Executives' Share Option Scheme.	("F&NHB Scheme")	-
(iv)	Frasers Property (China) Limited's Share Option Scheme.	("FPCL Scheme")	20 May 2003
(v)	Fraser & Neave Holdings Bhd Executives' Share Option Scheme.	("F&NHB 2007 Scheme")	5 April 2007

The options granted under the above schemes are for a term of no longer than 10 years from date of grant.

Information regarding the 1999 Scheme, APBL Scheme and F&NHB Scheme

(i) The exercise price is equal to the market value of a share based on the average of the last done price on the exchange which the respective shares are traded, for the five market days preceding the option offer date.

(ii) The grantee may exercise an option during the exercise period which commences 33 months after the offer date.

(iii) Options expire 119 months after the offer date, except for F&NHB Scheme options which expire 59 months after the option offer date.

Information regarding F&NHB 2007 Scheme

(i) The maximum number of new ordinary shares of RM1.00 each in the company which may be issued on the exercise of the F&NHB 2007 Scheme shall not exceed 10% of the issued and paid-up share capital of F&NHB at any point of time throughout the duration of the F&NHB 2007 Scheme.

(ii) Eligible full-time executives of the group and executive directors of the company with at least one year service shall be eligible to participate in the F&NHB 2007 Scheme.

(iii) The allotment of an eligible executive shall not exceed the maximum limits for any specific job grade in any one financial year and 1,000,000 new shares of the company during the tenure of the F&NHB 2007 Scheme, subject to the limits below:

(1) not more than 50% of the new shares of F&NHB available under the F&NHB 2007 Scheme shall be allocated, in aggregate, to the directors and senior management of the group; and

(2) not more than 10% of the new shares of the company available under the F&NHB 2007 Scheme shall be allocated to any individual eligible executive who, either singly or collectively through persons connected to that eligible executive, holds 20% or more of the issued and paid-up share capital of the company.

(iv) The option price shall be the five days weighted average market price of the company's shares as quoted on Bursa Malaysia Securities Bhd immediately preceding the date of the offer, or the par value of the shares of F&NHB, whichever is higher.

(v) The F&NHB 2007 Scheme shall be in force for a period of 10 years from the effective date for the implementation of the F&NHB 2007 Scheme.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

32. PROVISION FOR EMPLOYEE BENEFITS (cont'd)

(d) Share Options (cont'd)

Information regarding FPCL Scheme

(i) The exercise price will be determined by FPCL Board, but shall not be less than the highest of:

(1) the closing price as stated in the daily quotation sheet of the Stock Exchange of Hong Kong Limited ("HKEX") on the date of grant, which must be a trading day;

(2) the average closing prices as stated in the HKEX's daily quotation sheets for the five trading days immediately preceding the date of grant; and

(3) the nominal value of FPCL share.

(ii) The exercise period of the FPCL options granted is determinable by the FPCL Board and commences on a specified date and ends on a date which is not later than 10 years from the date of grant of the FPCL options.

(iii) The vesting period of the share options is in the following manner:

Vesting Schedule	Percentage of shares over which a share option is exercisable Granted before 2004 (%)	Granted on or after 2004 (%)
Before the first anniversary of the date of grant	Nil	Nil
On or after the first but before the second anniversary of the date of grant	25	40
On or after the second but before the third anniversary of the date of grant	25	30
On or after the third but before the fourth anniversary of the date of grant	25	30
On or after the fourth anniversary of the date of grant	25	NA

In relation to the share options, if the grantee, during any of the periods specified above, exercise share options for such number of shares which, in aggregate, represents less than the number of shares for which the eligible participant may exercise in respect of such period, the balance of the shares comprised in that share option for which the grantee could have exercised (but did not exercise) in that period shall be carried forward and added to the number of shares which the grantee may exercise in the next succeeding period or periods.

Information with respect to the number of options granted under the respective share options scheme is as follows:

Fraser & Neave, Limited Executives' Share Option Schemes (1999)

Options	Offer Date	Balance as at 1.10.2009	Options Exercised/ Lapsed	Balance as at 30.9.2010	Exercise Price	Exercise Period
1999 Scheme						
Year 3	08.10.2001	17,505	(3,575)	13,930	$1.40	09.07.2004 - 08.09.2011
Year 4	01.10.2002	374,840	(338,035)	36,805	$1.51	01.07.2005 - 31.08.2012
Year 5	08.10.2003	1,665,650	(862,995)	802,655	$2.12	08.07.2006 - 07.09.2013
Year 6	08.10.2004	3,785,600	(1,572,295)	2,213,305	$2.82	08.07.2007 - 07.09.2014
Year 7	10.10.2005	8,230,600	(3,779,195)	4,451,405	$3.46	10.07.2008 - 09.09.2015
Year 8	10.10.2006	9,000,130	(1,763,882)	7,236,248	$4.22	10.07.2009 - 09.09.2016
Year 9	10.10.2007	10,727,616	(599,850)	10,127,766	$5.80	10.07.2010 - 09.09.2017
Year 10	25.11.2008	13,922,994	(786,771)	13,136,223	$2.86	25.08.2011 - 24.10.2018
		47,724,935	(9,706,598)[1]	38,018,337		

The scheme has expired and therefore no options were granted during the year.
The weighted average share price for options exercised during the year was $4.71 (2009: $3.22).

Note

1 Exercised (8,118,609); Lapsed due to Resignations (1,587,989).

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

32. PROVISION FOR EMPLOYEE BENEFITS (cont'd)

(d) Share Options (cont'd)

Fraser & Neave Holdings Bhd Executives' Share Option Scheme

Options	Offer Date	Balance as at 1.10.2009	Options Exercised/ Lapsed	Balance as at 30.9.2010	Exercise Price	Exercise Period
2005	24.11.2004	7,000	(7,000)	-	RM4.89	24.08.2007 - 23.10.2009
2006	26.08.2005	128,300	(128,300)	-	RM5.54	27.05.2008 - 26.07.2010
2007	26.09.2006	770,100	(654,500)	115,600	RM6.12	27.06.2009 - 26.08.2011
		905,400	(789,800)[2]	115,600		

The scheme has expired and therefore no options were granted during the year.
The weighted average share price for options exercised during the year was RM11.69 (2009: RM8.88).

Fraser & Neave Holdings Bhd Executives' Share Option Scheme ("F&NHB 2007 Scheme")

Options	Offer Date	Balance as at 1.10.2009 or Offer Date if later	Options Exercised/ Lapsed	Balance as at 30.9.2010	Exercise Price	Exercise Period
2008	20.11.2007	2,377,300	(918,800)	1,458,500	RM7.77	20.08.2010 - 19.10.2012
2009	19.11.2008	2,811,300	(126,000)	2,685,300	RM8.46	19.08.2011 - 18.10.2013
2010	20.11.2009	3,108,100	(74,500)	3,033,600	RM11.34	20.08.2012 - 19.10.2014
		8,296,700	(1,119,300)[3]	7,177,400		

The fair value of options granted during the year was RM1.70 (2009: RM1.03).
The weighted average share price for options exercised during the year was RM7.77 (2009: RMNIL).

Frasers Property (China) Limited's Share Option Scheme

Options	Offer Date	Balance as at 1.10.2009 or Offer Date if later	Options Exercised/ Lapsed	Balance as at 30.9.2010	Exercise Price	Exercise Period
2003	31.12.2003	9,877,331	(1,972)	9,875,359	HK$0.1580	31.12.2004 - 30.12.2013
2004	31.12.2004	11,474,439	(646,336)	10,828,103	HK$0.1547	31.12.2005 - 30.12.2014
2005	30.12.2005	13,773,647	(647,664)	13,125,983	HK$0.1343	30.12.2006 - 29.12.2015
2006	13.11.2006	15,300,737	(1,050,000)	14,250,737	HK$0.1670	13.11.2007 - 12.11.2016
2007	09.11.2007	16,550,000	-	16,550,000	HK$0.3370	09.11.2008 - 08.11.2017
2008	14.11.2008	17,050,000	(1,300,000)	15,750,000	HK$0.1000	14.11.2009 - 13.11.2018
2009	13.11.2009	17,800,000	-	17,800,000	HK$0.1550	13.11.2010 - 12.11.2019
		101,826,154	(3,645,972)[4]	98,180,182		

The fair value of options granted during the year was HK$0.16 (2009: HK$0.10).
The weighted average share price for options exercised during the year was HK$0.14 (2009: HK$NIL).

Notes

[2] Exercised (782,800); Lapsed due to Expiry (7,000).
[3] Exercised (832,600), Lapsed due to Resignations and Termination (286,700).
[4] Exercised (3,644,000); Lapsed due to Resignations (1,972).

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

32. PROVISION FOR EMPLOYEE BENEFITS (cont'd)

(d) Share Options (cont'd)

Asia Pacific Breweries Limited Executives' Share Option Scheme

Options	Offer Date	Balance as at 1.10.2009	Options Exercised/ Lapsed	Balance as at 30.9.2010	Exercise Price	Exercise Period
2000	22.12.1999	10	(10)	-	$4.28	21.09.2002 - 20.11.2009
2001	20.12.2000	2,750	-	2,750	$3.91	19.09.2003 - 18.11.2010
2002	08.10.2001	5,650	-	5,650	$3.79	08.07.2004 - 07.09.2011
2003	15.10.2002	18,000	-	18,000	$4.79	15.07.2005 - 14.09.2012
2004	08.10.2003	38,800	-	38,800	$6.29	08.07.2006 - 07.09.2013
		65,210	(10)[5]	65,200		

The scheme has expired in 2004 and therefore no options were granted during the year.
The weighted average share price for options exercised during the year was $NIL (2009: $10.30).

The fair value of share options, granted during the year, as at the date of grant, is determined using the Binomial valuation model, taking into account the terms and conditions upon which the options were granted. The inputs to the model used are as follows:

Fraser and Neave, Limited Executives' Share Option Schemes 1999

	Year 8	Year 9	Year 10
Dividend yield (%)	2.7%	2.4%	4.7%
Expected volatility (%)	24.4%	29.6%	40.6%
Risk-free interest rate (%)	3.0%	2.6%	1.6%
Expected life of option (years)	4.0	5.0	5.0
Share price at date of grant ($)	4.42	5.75	2.86
Exercise share price ($)	4.22	5.80	2.86

Fraser & Neave Holdings Bhd Executives' Share Option Scheme

	2008	2009	2010
Dividend yield (%)	4.4%	4.1%	3.9%
Expected volatility (%)	14.3%	17.2%	21.8%
Risk-free interest rate (%)	3.8%	3.7%	3.6%
Expected life of option (years)	4.9	4.5	4.5
Share price at date of grant (MYR)	7.80	8.50	11.20
Exercise share price (MYR)	7.77	8.46	11.34

Frasers Property (China) Limited's Share Option Scheme

	2008	2009	2010
Dividend yield (%)	-	-	-
Expected volatility (%)	80.0%	75.0%	75.0%
Risk-free interest rate (%)	3.2%	2.0%	2.0%
Expected life of option (years)	10.0	10.0	10.0
Share price at date of grant (HKD)	0.337	0.064	0.155
Exercise share price (HKD)	0.337	0.100	0.155

The expected life of the option is based on historical data and is not necessarily indicative of exercise patterns that may occur.

The expected volatility reflects the assumptions that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

Note

5 Lapsed due to Expiry (10).

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

32. PROVISION FOR EMPLOYEE BENEFITS (cont'd)

(e) Phantom Shares Option Plan

Asia Pacific Breweries Limited ("APBL"), has in place an equity-based cash-settled Phantom Share Option Plan ("APBL PSOP") which succeeds the APBL scheme. No shares will be issued and participants of the plan are not entitled to, and have no right or interest in the shares of APBL.

The fair value of share options, granted during the year, as at the date of grant, is determined using the Binomial valuation model, taking into account the terms and conditions upon which the options were granted. The inputs to the model used are as follows:

	2008	2009	2010
Dividend yield (%)	2.1%	3.3%	3.0%
Expected volatility (%)	16.7%	20.8%	18.3%
Risk-free interest rate (%)	2.3%	1.7%	1.4%
Expected life of option (years)	3.9	4.7	4.7
Share price at date of grant ($)	13.40	10.32	12.00
Exercise share price ($)	13.59	10.95	11.95

The expected life of the option is based on historical data and is not necessarily indicative of exercise patterns that may occur.

The expected volatility reflects the assumptions that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

Information with respect to the number of options granted under the APBL PSOP is as follows:

(i) The exercise price is equal to the average closing market price for the thirty market days immediately before the grant.

(ii) The grantee may exercise an option during the exercise period which commences 33 months after the date of grant.

(iii) The options expire 57 months after the offer date.

(iv) Upon exercise of the options, an amount in cash equal to the excess (if any) of the average of the closing price for the thirty days immediately preceding the date the options are exercised over the exercise price, would be paid to the grantee. In the event the excess exceeds the exercise price, the amount payable to the grantee shall not exceed the exercise price.

Options	Offer Date	Balance as at 1.10.2009 or Offer Date if later	Options Exercised/ Lapsed	Balance at end of year	Exercise Price	Exercise Period
2005	08.10.2004	-	-	-	$7.48	08.07.2007 - 07.07.2009
2006	09.11.2005	198,725	(198,725)	-	$8.96	09.08.2008 - 08.08.2010
2007	07.11.2006	1,307,650	(15,000)	1,292,650	$15.34	07.08.2009 - 06.08.2011
2008	08.11.2007	1,547,850	(101,800)	1,446,050	$13.59	09.08.2010 - 06.08.2012
2009	08.11.2008	1,410,300	(58,600)	1,351,700	$10.95	08.08.2011 - 07.08.2013
2010	07.11.2009	1,489,750	(72,100)	1,417,650	$11.95	07.08.2012 - 07.08.2014
		5,954,275	(446,225)[6]	5,508,050		

The fair value of options granted during the year was $1.47 (2009: $1.22).
The weighted average share price for options exercised during the year was $13.73 (2009: $12.20).

The carrying amount of the liability recognised in the Group's balance sheet relating to cash settled option granted under the PSOP as at 30 September 2010 is $5,846,000 (2009: $995,000).

Note

[6] Exercised (259,525); Lapsed due to Expiry and Resignation (186,700).

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

32. PROVISION FOR EMPLOYEE BENEFITS (cont'd)

(f) Share Plans

Fraser & Neave Limited Restricted Share Plan ("RSP")

The RSP is a share-based incentive plan for senior executives and key senior management, which was approved by shareholders of the Company at an Extraordinary General Meeting held on 22 January 2009.

Information regarding the RSP

(1) Depending on the achievement of pre-determined targets over a two year period for the RSP, the final number of restricted shares awarded could range between 0% to 150% of the initial grant of the restricted shares.

(2) Based on meeting stated performance conditions over a two-year performance period, 50% of the RSP awards will vest. The balance will vest equally over the subsequent two years with fulfillment of service requirements.

Information with respect to the number of shares granted under the RSP is as follows:

Shares	Grant Date	Balance as at 1.10.2009 or Grant Date if later	Conditional Performance Adjustments	Shares Vested	Shares Cancelled/ Lapsed	Balance as at 30.9.2010
2010 (Year 1)	14.12.2009	3,260,728	-	-	(126,000)[7]	3,134,728

The expense recognised in profit statement granted under the RSP during the financial year is $4,533,638 (2009: $NIL).

The estimated fair value of shares granted during the year ranges from $3.41 to $3.70. The fair value of equity-settled contingent award of shares are determined using Monte Carlo Valuation Model, which involves projection of future outcomes using statistical distributions of key random variables including share price and volatility of returns. The inputs to the model used are as follows:

	2010
Dividend yield (%)	3.9%
Expected volatility (%)	41.5%
Risk-free interest rate (%)	0.6% to 1.1%
Expected life (years)	2.1 to 4.1
Share price at date of grant (S$)	4.05

Note

[7] Cancelled due to Resignations.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

32. PROVISION FOR EMPLOYEE BENEFITS (cont'd)

(f) Share Plans (cont'd)

Fraser & Neave Limited Performance Share Plan ("PSP")

The PSP is a share-based incentive plan for senior executives and key senior management, which were approved by shareholders of the Company at an Extraordinary General Meeting held on 22 January 2009.

Information regarding the PSP

(1) Depending on the achievement of pre-determined targets over a three year period, the final number of restricted shares awarded could range between 0% to 200% of the initial grant of the restricted shares.

(2) PSP awards will vest based on meeting stated performance conditions over a three-year performance period.

Information with respect to the number of shares granted under the PSP is as follows:

Shares	Grant Date	Balance as at 1.10.2009 or Grant Date if later	Conditional Performance Adjustments	Shares Vested	Shares Cancelled/ Lapsed	Balance as at 30.9.2010
2010 (Year 1)	14.12.2009	283,972	-	-	-	283,972

The expense recognised in profit statement granted under the PSP during the financial year is $290,977 (2009: $NIL).

The estimated fair value of shares granted during the year ranges from $3.34 to $4.56. The fair value of equity-settled contingent award of shares are determined using Monte Carlo Valuation Model, which involves projection of future outcomes using statistical distributions of key random variables including share price and volatility of returns. The inputs to the model used are as follows:

	2010
Dividend yield (%)	3.9%
Expected volatility (%)	41.5%
Cost of equity (%)	7.6%
Risk-free interest rate (%)	0.8%
Expected life (years)	3.1
Share price at date of grant ($)	4.05

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

33. DEFERRED TAX ASSETS AND LIABILITIES

	THE GROUP				THE COMPANY	
	Balance Sheet		Profit Statement		Balance Sheet	
	2010 ($'000)	2009 ($'000)	**2010 ($'000)**	2009 ($'000)	**2010 ($'000)**	2009 ($'000)
Deferred tax liabilities						
Differences in depreciation	**67,612**	56,286	**5,391**	(4,010)	**-**	-
Tax effect on revaluation surplus	**68,641**	62,434	**21,813**	(10,157)	**-**	-
Provisions, expenses and income taken in a different period	**26,015**	10,609	**13,584**	(1,782)	**-**	-
Fair value adjustments	**6,813**	468	**578**	-	**417**	291
Other deferred tax liabilities	**9,522**	8,009	**(6,951)**	574	**-**	-
Gross deferred tax liabilities	**178,603**	137,806	**34,415**	(15,375)	**417**	291
Less: Deferred tax assets						
Employee benefits	**(5,490)**	(4,321)	**(4,331)**	1,047	**-**	-
Unabsorbed losses and capital allowances	**(1,961)**	(5,247)	**2,171**	1,339	**-**	-
Provisions, expenses and income taken in a different period	**(9,542)**	(8,506)	**1,432**	(3,720)	**-**	-
Fair value adjustments	**(279)**	-	**(281)**	-	**-**	-
Other deferred tax assets	**(2,947)**	(9,491)	**6,284**	(220)	**-**	-
Gross deferred tax assets	**(20,219)**	(27,565)	**5,275**	(1,554)	**-**	-
Net deferred tax liabilities	**158,384**	110,241	**39,690**	(16,929)	**417**	291

Some overseas subsidiary companies have net deferred tax assets relating to the following:

Employee benefits	**(3,079)**	(2,184)	**71**	(440)	**-**	-
Differences in depreciation	**4,123**	3,813	**345**	442	**-**	-
Unabsorbed losses and capital allowances	**(16,979)**	(14,227)	**(2,803)**	479	**-**	-
Provisions	**(7,231)**	(8,348)	**944**	(3,376)	**-**	-
Tax effect on revaluation surplus	**(967)**	(967)	**-**	(967)	**-**	-
Others	**(1,118)**	(1,038)	**(452)**	148	**-**	-
Net deferred tax assets	**(25,251)**	(22,951)	**(1,895)**	(3,714)	**-**	-

The deferred tax taken to equity during the year relating to fair value adjustment is $86,000 (2009: $137,000).

Deferred tax liabilities of $7,975,000 (2009: $8,536,000) have not been recognised in the consolidated financial statements for withholding and other taxes that would be payable on the unremitted earnings of $46,912,000 at 30 September 2010 (2009: $50,200,000).

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

		THE GROUP	
		2010 ($'000)	2009 ($'000)

34. FUTURE COMMITMENTS

Commitments not provided for in the financial statements:

		2010 ($'000)	2009 ($'000)
(a)	Commitments in respect of contract placed		
	Fixed assets	**140,388**	45,784
	Investment properties	**40,262**	26,513
	Properties held for sale	**626,870**	1,863,527
	Share of joint venture companies' commitments	**113,942**	74,149
	Others	**25**	-
		921,487	2,009,973
(b)	Other amounts approved by directors but not contracted for:		
	Fixed assets	**104,753**	211,342
	Investment properties	**117,248**	15,538
	Properties held for sale	**6,507,774**	4,655,974
	Share of joint venture companies' commitments	**132,745**	290,000
		6,862,520	5,172,854
	Total	**7,784,007**	7,182,827

35. LEASE COMMITMENTS

Operating Leases

Lease commitments under non-cancellable operating leases where the Group is a lessee:

	2010 ($'000)	2009 ($'000)
Payable within one year	**42,371**	49,816
Payable between one and five years	**99,234**	114,954
Payable after five years	**40,231**	44,604
	181,836	209,374
Operating lease expense for the year	**31,603**	41,114

The operating leases do not contain any escalation clauses and do not provide for contingent rents. Lease terms do not contain restrictions on the Group activities concerning dividends, additional debts or entering into other leasing agreements.

Lease commitments under non-cancellable operating leases where the Group is a lessor:

	2010 ($'000)	2009 ($'000)
Receivable within one year	**125,252**	223,259
Receivable between one and five years	**137,502**	238,007
Receivable after five years	**4,607**	4,602
	267,361	465,868

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

35. LEASE COMMITMENTS (cont'd)

Finance Leases

Lease commitments under non-cancellable finance leases where the Group is a lessee:

	THE GROUP			
	2010 ($'000)		2009 ($'000)	
	Minimum lease payments	**Present value of payments**	Minimum lease payments	Present value of payments
Minimum lease payments due:				
Payable within one year	**400**	**368**	1,225	1,152
Payable between one and five years	**423**	**414**	816	775
Total minimum lease payments	**823**	**782**	2,041	1,927
Less: Future finance charges				
Payable within one year	**(32)**	**-**	(73)	-
Payable between one and five years	**(9)**	**-**	(41)	-
	(41)	**-**	(114)	-
	782	**782**	1,927	1,927

The finance leases do not contain any escalation clauses and do not provide for contingent rents. Lease terms do not contain restrictions on the Group activities concerning dividends, additional debts or entering into other leasing agreements.

36. RELATED PARTY TRANSACTIONS

The following were the significant related party transactions entered into by the Group with joint venture companies:

	THE GROUP		THE COMPANY	
	2010 ($'000)	2009 ($'000)	**2010 ($'000)**	2009 ($'000)
Rental received	**1,478**	1,279	**-**	-
Management fees received	**2,218**	2,218	**-**	-
Sale of services	**8**	40	**-**	-
Management fees paid	**(389)**	(473)	**(389)**	(473)
Purchase of cullets	**-**	(76)	**-**	-

These transactions were based on agreed fees or terms determined on a commercial basis.

37. CONTINGENT LIABILITIES

The Company issued corporate guarantees to the extent of $3,837,303,000 (2009: $3,753,222,000) for the purpose of assisting its subsidiary companies to obtain external borrowings. Of the $3,837,303,000 (2009: $3,753,222,000) corporate guarantees given by the Company $1,647,310,000 (2009: $1,561,440,000) has been utilised by its subsidiaries as security for its borrowings, and these borrowings have been included as borrowings under the Group Balance Sheet. Any further borrowings by its subsidiary companies supported by the Company corporate guarantees are reported as borrowings in the Group Balance Sheet.

The Group provided an unconditional and irrevocable corporate guarantee for up to $57,000,000 to finance the payment of development charge and construction cost of the New Wing of The Centrepoint held by The Management Corporation Strata Title Plan No. 1298 ("MCST 1298"). The corporate guarantee will only be discharged upon full repayment of the loan by the MCST 1298. The Group also provided a corporate guarantee for S$8,660,000 (Baht 200,000,000) as security for bank facility granted to a joint venture company in respect of the acquisition of land.

The corporate guarantee of the Group and the Company matures within 1 year and are as follows:

	THE GROUP		THE COMPANY	
	2010 ($'000)	2009 ($'000)	**2010 ($'000)**	2009 ($'000)
Contingent liabilities	**65,660**	65,400	**3,837,303**	3,753,222

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

38. FINANCIAL RISK MANAGEMENT

The Company and the Group are exposed to financial risks, including primarily the effects of changes in currency exchange rates and interest rates and use derivatives and other instruments in connection with their risk management activities. The Company and the Group do not hold or issue derivative financial instruments for trading purposes.

The Group has established processes to monitor and control hedging transactions in a timely and accurate manner.

These policies are reviewed regularly by the Audit and Executive Committees to ensure that the Group's policies and guidelines are adhered to. The Group's accounting policies in relation to derivatives are set out in Note 2.

(a) Foreign Currency Risk

The Group has exposure to foreign exchange risk as a result of transactions denominated in foreign currencies, arising from normal trading and investment activities. Where exposures are certain, it is the Group's policy to hedge these risks as they arise. For those exposures less certain in their timing and extent, it is the Group's policy to cover 50% to 90% of anticipated exposures for a maximum period of 12 months forward. The Group uses foreign currency forward exchange contracts to manage these foreign exchange risks.

At 30 September 2010, the Group had entered into foreign currency forward exchange buy contracts amounting to $73 million (2009: $23 million) and foreign currency forward exchange sell contracts amounting to $209 million (2009: $66 million). The fair value adjustments of the buy contracts and sell contracts (which is the difference between the notional principal amount and market value of the contracts) are loss of $11,911,000 (2009: $12,649,000) and gain of $4,613,000 (2009: $629,000) respectively.

The fair values of foreign currency forward exchange contracts have been calculated using rates quoted by the Group's bankers to terminate the contracts at the balance sheet date.

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's total equity and the Group's profit net of tax to a reasonably possible 10% strengthening of the Australian Dollar, Sterling Pound, United States Dollar, Vietnamese Dong, Hong Kong Dollar, Euro and Singapore Dollar exchange rates against the respective functional currencies of the Group entities, with all other variables held constant.

	THE GROUP		THE COMPANY	
	Equity ($'000)	Profit ($'000)	Equity ($'000)	Profit ($'000)
At 30 September 2010				
Australian Dollar	**-**	**(10,364)**	**-**	**95**
Sterling Pound	**-**	**(39)**	**-**	**-**
United States Dollar	**-**	**(48,736)**	**-**	**(512)**
Vietnamese Dong	**23,912**	**429**	**-**	**-**
Hong Kong Dollar	**-**	**34**	**-**	**-**
Euro	**-**	**1,875**	**-**	**-**
Singapore Dollar	**-**	**(546)**	**-**	**-**
At 30 September 2009				
Australian Dollar	-	4,559	-	-
Sterling Pound	-	119	-	-
United States Dollar	-	(18,122)	-	(856)
Vietnamese Dong	28,332	186	-	-
Hong Kong Dollar	-	2,457	-	-
Euro	-	1,296	-	-
Singapore Dollar	-	(1,463)	-	(292)

A 10% weakening of the above currencies at the balance sheet date would have had the equal but opposite effect on the respective functional currencies of the Group entities to the amounts shown above, on the basis that all other variables remain constant.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

38. FINANCIAL RISK MANAGEMENT (cont'd)

(b) Liquidity Risk

The Company's and the Group's exposure to liquidity risk arises in the general funding of the Company's and the Group's business activities. It includes the risks of being able to fund business activities in a timely manner.

The Group adopts a prudent approach to managing its liquidity risk. The Group always maintain sufficient cash and marketable securities, and have available funding through diverse sources of committed and uncommitted credit facilities from various banks.

The table below analyses the maturity profile of the Group's and Company's financial liabilities (including net derivative financial instruments) based on contractual undiscounted cash flows.

		Cash Flows		
	Carrying amount ($'000)	**Less than 1 year ($'000)**	**Between 1 and 5 years ($'000)**	**Over 5 years ($'000)**
Group				
At 30 September 2010				
Net derivative financial instruments				
Interest rate swaps	**19,900**	**4,466**	**15,143**	**291**
Forward currency contracts	**7,298**	**7,298**	**-**	**-**
Non-derivative financial instruments				
Trade payables	**724,740**	**724,740**	**-**	**-**
Other payables	**723,018**	**719,149**	**2,993**	**876**
Borrowings	**4,574,741**	**1,973,328**	**2,050,199**	**701,996**
Amount due to joint venture companies	**6,350**	**6,350**	**-**	**-**
Amount due to associated companies	**954**	**1,487**	**-**	**-**
	6,057,001	**3,436,818**	**2,068,335**	**703,163**
At 30 September 2009				
Net derivative financial instruments				
Interest rate swaps	26,882	3,776	14,945	8,161
Forward currency contracts	12,020	12,020	-	-
Non-derivative financial instruments				
Trade payables	681,508	681,508	-	-
Other payables	707,304	697,970	8,470	864
Borrowings	5,301,025	1,790,787	3,185,270	665,059
Amount due to joint venture companies	3,055	3,055	-	-
Amount due to associated companies	1,035	1,035	-	-
	6,732,829	3,190,151	3,208,685	674,084

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

38. FINANCIAL RISK MANAGEMENT (cont'd)

(b) Liquidity Risk (cont'd)

	Carrying amount ($'000)	Cash Flows Less than 1 year ($'000)	Cash Flows Between 1 and 5 years ($'000)	Cash Flows Over 5 years ($'000)
Company				
At 30 September 2010				
Net derivative financial instruments				
Interest rate swaps	**(800)**	**(800)**	**-**	**-**
Non-derivative financial instruments				
Other payables	**4,145**	**4,145**	**-**	**-**
Amount due to subsidiary companies	**12,986**	**12,986**	**-**	**-**
Borrowings	**150,000**	**5,430**	**16,498**	**155,430**
	166,331	**21,761**	**16,498**	**155,430**
At 30 September 2009				
Net derivative financial instruments				
Interest rate swaps	(2,405)	(2,405)	-	-
Non-derivative financial instruments				
Other payables	5,630	5,630	-	-
Amount due to subsidiary companies	26,680	26,680	-	-
Borrowings	349,914	211,316	16,305	161,039
	379,819	241,221	16,305	161,039

(c) Credit Risk

At the balance sheet date, the Company's and the Group's total exposure to credit risk in the event that the counterparties fail to perform their obligations is represented by the carrying amount of each class of financial assets recognised in the balance sheets, including derivatives with positive fair values.

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country and business segment profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's trade receivable at the balance sheet date is as follows:

	THE GROUP 2010 ($'000)	2010 % of total	2009 ($'000)	2009 % of total
By Geographical Segment:				
Singapore	**665,250**	**65%**	395,779	54%
Malaysia	**168,249**	**16%**	165,111	23%
Rest of South East Asia	**55,909**	**6%**	52,516	7%
Other Asia	**48,047**	**5%**	47,225	6%
South Pacific	**72,641**	**7%**	58,656	8%
Europe & USA	**11,187**	**1%**	14,880	2%
	1,021,283	**100%**	734,167	100%
By Business Segment:				
Soft Drinks	**81,903**	**8%**	65,992	9%
Dairies	**130,195**	**13%**	110,016	15%
Breweries	**98,751**	**10%**	91,330	12%
Printing & Publishing	**94,380**	**9%**	97,758	13%
Glass Containers	**-**	**0%**	32,244	4%
Investment Property	**3,230**	**0%**	12,919	2%
Development Property	**591,830**	**58%**	308,933	42%
Others	**20,994**	**2%**	14,975	3%
	1,021,283	**100%**	734,167	100%

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

38. FINANCIAL RISK MANAGEMENT (cont'd)

(c) Credit Risk (cont'd)

The Company and the Group have no significant concentration of credit risk. The Company and the Group have policies in place to monitor its credit risk. Contractual deposits are collected and scheduled progress payments are received from the buyers when due. Title to properties are only transferred upon full settlement. Sales of products and services are made to customers with an appropriate credit history.

Cash and fixed deposits are placed in banks and financial institutions which are regulated. The Group limits its credit risk exposure in respect of investments by only investing in liquid securities and only with counterparties that have a sound credit rating. Management does not expect any counterparty to fail to meet its obligations.

Information regarding financial assets that are either past due or impaired and aging analysis is disclosed in Note 26. Management believes that no additional credit risk beyond that provided for is inherent in the Group's trade and other receivables.

With respect to derivative financial instruments, credit risk arises from the potential failure of counterparties to meet their obligations under the contract or arrangement. The Group's total credit risk exposure for foreign exchange contracts and interest rate swap contracts are limited to the fair value adjustments of these contracts. It is the Company's and the Group's policy to enter into financial instruments with a diversity of credit worthy counterparties. The Company and the Group do not expect to incur material credit losses on their financial assets or other financial instruments.

The Company and the Group do not have significant exposure to any individual customer or counterparty.

(d) Interest Rate Risk

The Company's and the Group's exposure to market risk for changes in interest rates relate primarily to debt obligation with financial institutions. The Company's and the Group's policy is to manage interest cost using a mix of fixed and variable rate debts, and interest rate economic effect of converting borrowings from fixed rates to variable rates or vice versa.

Under the interest rate swaps, the Company and the Group agree with other parties to exchange, at specified intervals mainly quarterly, the difference between fixed rate and floating rate interest amounts calculated by reference to the agreed notional principal amounts.

The Company and the Group have the following interest rate swap arrangements in place:

	THE GROUP		THE COMPANY	
	2010 ($'000)	2009 ($'000)	**2010 ($'000)**	2009 ($'000)
Notional Amount	**586,840**	1,168,576	**100,000**	350,000
Net Fair Value				
Fair value gain on interest rate swap contracts	**1,351**	3,100	**800**	2,405
Fair value loss on interest rate swap contracts	**(21,251)**	(29,982)	**-**	-

At 30 September 2010 the fixed interest rate of the outstanding interest rate swap contract is between 1.6% to 4.7% (2009: 0.5% to 8%), while the floating interest rates are mainly linked to Singapore Interbank Offered Rates.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

38. FINANCIAL RISK MANAGEMENT (cont'd)

(d) Interest Rate Risk (cont'd)

The following table sets out the carrying amount, by maturity, of the Group's financial instruments that are exposed to interest rate risk:

	Floating rates	Fixed rates		
	($'000)	Less than 1 year ($'000)	Between 1 to 5 years ($'000)	After 5 years ($'000)
Group				
Year ended 30 September 2010				
Assets				
Cash and bank deposits	213,920	1,247,530	641	-
Other financial assets	-	3,329	10,755	482,873
Liabilities				
Borrowings	2,505,215	647,724	923,130	498,673
Year ended 30 September 2009				
Assets				
Cash and bank deposits	126,526	1,319,692	-	-
Other financial assets	-	3,318	11,301	408,158
Liabilities				
Borrowings	1,258,325	914,238	2,530,270	598,192
Company				
Year ended 30 September 2010				
Assets				
Cash and bank deposits	-	47,624	-	-
Liabilities				
Borrowings	-	-	-	150,000
Year ended 30 September 2009				
Assets				
Cash and bank deposits	-	52,092	-	-
Liabilities				
Borrowings	-	199,914	-	150,000

Interest on financial instruments classified as floating rate is repriced at intervals of less than one year. Interest on financial instruments classified as fixed rate is fixed until the maturity of the instrument or for which interest rate swaps have been entered into. The other financial instruments of the Group and the Company that are not included in the above tables are non-interest bearing and are therefore not subject to interest rate risk.

The Company and the Group are in a net interest expense position for the years ended 30 September 2010 and 2009.

Sensitivity analysis for interest rate risk

It is estimated that a hundred basis points increase/decrease in interest rate, with all other variables held constant, would decrease/increase the Group's profit after tax and net loss in hedging reserve by approximately \$19,018,000 (2009: \$9,394,000) and \$5,000,000 (2009: \$8,346,000) respectively, arising mainly as a result of higher/lower interest expense on net floating borrowing position and increase/decrease in the fair value of derivatives held for hedging respectively. The analysis is performed on the same basis for 2009.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

38. FINANCIAL RISK MANAGEMENT (cont'd)

(e) Market Price Risk

The Company and the Group are exposed to market price risk and the risk of impairment in the value of investments held. The Company and the Group manage the risk of impairment by evaluation of investment opportunities, continuously monitoring the performance of investments held and assessing market risk relevant to which the investments operate.

Sensitivity analysis for quoted investment risk

If prices for equity securities increase by 10% with all other variables including tax rate being held constant, the total equity will be:

	THE GROUP		THE COMPANY	
	2010 ($'000)	2009 ($'000)	**2010 ($'000)**	2009 ($'000)
Equity	**23,627**	27,585	**519**	479

There will be no impact to profit after tax.

A 10% decrease in the underlying equity prices would have had the equal but opposite effect to the amounts shown above. The analysis is performed on the same basis for 2009 and assumes that all other variables remain constant.

(f) Fair Values

The following methods and assumptions are used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:

(i) Cash and bank balances, other receivables and other payables

The carrying amounts of these items approximate fair value due to their short term nature.

(ii) Trade receivables and trade payables

The carrying amounts of receivables and payables approximate fair value because these are subject to normal trade credit terms.

(iii) Amounts due from/ to related companies

The carrying amounts of amounts due from/to related companies in current assets and current liabilities approximate fair value due to their short term nature. For amounts due from related companies included in long term assets, no disclosure of the fair value has been made, as it is not practicable to determine the fair value with sufficient reliability since these balances have no fixed terms of repayment.

(iv) Short term and other investments

Market value of quoted investment is determined by reference to stock exchange quoted prices.

Certain unquoted investments do not have quoted market prices in an active market nor are there other methods of reasonably estimating the fair value readily available. It is not practicable to determine fair value with sufficient reliability without incurring excessive costs.

(v) Bank Borrowings and Term Loans

The fair value of fixed rate bank borrowings and term loans are disclosed in Note 31. The carrying values of bank borrowings, and term loans within one year and the floating rates borrowings and loans approximate their fair value.

38. FINANCIAL RISK MANAGEMENT (cont'd)

(f) Fair Values (cont'd)

(vi) Fair value of financial instruments that are carried at fair value

The following table shows an analysis of financial instruments carried at fair value by level of fair value hierarchy:

	Quoted prices in active markets for identical instruments (Level 1) ($'000)	Significant other observable inputs (Level 2) ($'000)	Significant unobservable inputs (Level 3) ($'000)	Total ($'000)
The Group				
2010				
Financial Assets				
Other investments (Note 21)				
Quoted - Non-equity investments	260	-	-	260
Quoted - Equity investments	6,906	-	-	6,906
Unquoted - Equity investments	-	2,787	-	2,787
Derivative financial instruments (Note 27)	-	2,793	-	2,793
Short term investments (Note 28)				
Quoted - Equity investments	211,332	-	-	211,332
	218,498	5,580	-	224,078
Financial Liabilities				
Derivative financial instruments (Note 27)	-	29,991	-	29,991

Fair value hierarchy

The Group classify fair value measurement using a fair value hierarchy that reflect the significance of the inputs used in making the measurements. The fair value hierarchy have the following levels:

Level 1 - Quoted prices in active markets for identical assets or liabilities
Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3 - Inputs for the asset or liability that are not based on observable market data

Quoted equity instruments: Fair value is determined directly by reference to their published market bid price at the balance sheet date.

Derivatives: The fair value of interest rate swap contracts and foreign currency forward contracts is determined by reference to market values for similar instruments.

In the first year of application of the amended FRS 107, comparative information is not required.

There have been no transfers between Level 1 and Level 2 during the financial year.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

38. FINANCIAL RISK MANAGEMENT (cont'd)

(g) Classification of Financial Instruments

Set out below is a comparison by category of carrying amounts of all the Group's financial instruments that are carried in the financial statements:

	Loans and receivables ($'000)	Fair Value through profit and loss ($'000)	Derivatives used for hedging ($'000)	Available-for-sale ($'000)	Liabilities at amortised cost ($'000)	Non-financial assets/ liabilities ($'000)	Total ($'000)
The Group							
2010							
Assets							
Fixed assets	-	-	-	-	-	1,104,216	1,104,216
Investment properties	-	-	-	-	-	2,180,026	2,180,026
Joint venture companies	6,540	-	-	-	-	89,839	96,379
Associated companies	30,551	-	-	-	-	1,335,496	1,366,047
Intangible assets	-	-	-	-	-	576,219	576,219
Brands	-	-	-	-	-	74,275	74,275
Other investments	6,744	-	-	105,555	-	-	112,299
Other receivables	166,804	2,242	551	-	-	144,286	313,883
Deferred tax assets	-	-	-	-	-	25,251	25,251
Properties held for sale	-	-	-	-	-	4,309,185	4,309,185
Inventories	-	-	-	-	-	391,916	391,916
Trade receivables	1,021,283	-	-	-	-	-	1,021,283
Short term investments	3,329	-	-	211,332	-	-	214,661
Bank fixed deposits	1,274,626	-	-	-	-	-	1,274,626
Cash and bank balances	424,290	-	-	-	-	-	424,290
Assets held for sale	-	-	-	-	-	38,262	38,262
	2,934,167	2,242	551	316,887	-	10,268,971	13,522,818
Liabilities							
Trade payables	-	-	-	-	724,740	-	724,740
Other payables	-	6,947	23,044	-	723,018	15,065	768,074
Joint venture companies	-	-	-	-	6,350	-	6,350
Associated companies	-	-	-	-	954	-	954
Borrowings	-	-	-	-	4,574,741	-	4,574,741
Provision for taxation	-	-	-	-	-	313,775	313,775
Liabilities held for sale	-	-	-	-	-	2,297	2,297
Provision for employee benefits	-	-	-	-	-	25,044	25,044
Deferred tax liabilities	-	-	-	-	-	158,384	158,384
	-	6,947	23,044	-	6,029,803	514,565	6,574,359

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

38. FINANCIAL RISK MANAGEMENT (cont'd)

(g) Classification of Financial Instruments (cont'd)

	Loans and receivables ($'000)	Fair Value through profit and loss ($'000)	Derivatives used for hedging ($'000)	Available-for-sale ($'000)	Liabilities at amortised cost ($'000)	Non-financial assets/ liabilities ($'000)	Total ($'000)
The Group							
2009							
Assets							
Fixed assets	-	-	-	-	-	1,239,721	1,239,721
Investment properties	-	-	-	-	-	3,444,233	3,444,233
Properties held for development	-	-	-	-	-	169,801	169,801
Joint venture companies	11,669	-	-	-	-	89,484	101,153
Associated companies	26,103	-	-	-	-	957,371	983,474
Intangible assets	-	-	-	-	-	376,680	376,680
Brands	-	-	-	-	-	43,127	43,127
Others investments	5,247	-	-	117,466	-	-	122,713
Other receivables	139,072	3,341	695	-	-	148,094	291,202
Deferred tax assets	-	-	-	-	-	22,951	22,951
Properties held for sale	-	-	-	-	-	4,007,448	4,007,448
Inventories	-	-	-	-	-	423,507	423,507
Trade receivables	734,167	-	-	-	-	-	734,167
Short term investments	3,318	-	-	251,378	-	-	254,696
Bank fixed deposits	1,269,499	-	-	-	-	-	1,269,499
Cash and bank balances	373,809	-	-	-	-	-	373,809
Assets held for sale	-	-	-	-	-	9,387	9,387
	2,562,884	3,341	695	368,844	-	10,931,804	13,867,568
Liabilities							
Trade payables	-	-	-	-	681,508	-	681,508
Other payables	-	17,859	25,079	-	707,304	19,562	769,804
Joint venture companies	-	-	-	-	3,055	-	3,055
Associated companies	-	-	-	-	1,035	-	1,035
Borrowings	-	-	-	-	5,301,025	-	5,301,025
Provision for taxation	-	-	-	-	-	298,142	298,142
Provision for employee benefits	-	-	-	-	-	19,303	19,303
Deferred tax liabilities	-	-	-	-	-	110,241	110,241
	-	17,859	25,079	-	6,693,927	447,248	7,184,113

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

38. FINANCIAL RISK MANAGEMENT (cont'd)

(g) Classification of Financial Instruments (cont'd)

	Loans and receivables ($'000)	Fair Value through profit and loss ($'000)	Available-for-sale ($'000)	Liabilities at amortised cost ($'000)	Non-financial assets/ liabilities ($'000)	Total ($'000)
The Company						
2010						
Assets						
Subsidiary companies	486,434	-	-	(104,494)	3,177,787	3,559,727
Joint venture companies	-	-	-	-	434,421	434,421
Associated companies	-	-	-	-	82,383	82,383
Other investments	-	-	9,053	-	-	9,053
Other receivables	9	800	-	-	-	809
Bank fixed deposits	47,624	-	-	-	-	47,624
Cash and bank balances	910	-	-	-	-	910
	534,977	800	9,053	(104,494)	3,694,591	4,134,927
Liabilities						
Other payables	-	-	-	4,145	1,111	5,256
Subsidiary companies	-	-	-	12,986	-	12,986
Borrowings	-	-	-	150,000	-	150,000
Provision for taxation	-	-	-	-	15,491	15,491
Deferred tax liabilities	-	-	-	-	417	417
	-	-	-	167,131	17,019	184,150
2009						
Assets						
Subsidiary companies	472,067	-	-	(24,218)	3,181,991	3,629,840
Joint venture companies	-	-	-	-	434,421	434,421
Associated companies	-	-	-	-	82,383	82,383
Other investments	-	-	8,309	-	-	8,309
Other receivables	186	2,405	-	-	3	2,594
Bank fixed deposits	52,092	-	-	-	-	52,092
Cash and bank balances	470	-	-	-	-	470
	524,815	2,405	8,309	(24,218)	3,698,798	4,210,109
Liabilities						
Other payables	-	-	-	5,630	341	5,971
Subsidiary companies	-	-	-	26,680	-	26,680
Borrowings	-	-	-	349,914	-	349,914
Provision for taxation	-	-	-	-	14,609	14,609
Deferred tax liabilities	-	-	-	-	291	291
	-	-	-	382,224	15,241	397,465

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

39. UNUSUAL ITEM

As previously announced in September 2003, the former Finance Manager of a joint venture company, Asia Pacific Breweries (S) Pte Ltd ("APBS"), Chia Teck Leng ("CTL"), was arrested by the Commercial Affairs Division and subsequently charged in Court and convicted on multiple charges for cheating and using forged documents to obtain and operate unauthorised bank accounts in the name of APBS with CTL as the sole signatory.

In September 2004, four banks, Bayerische Hypo-und Vereinsbank Aktiengesellschaft ("HVB"), Skandinaviska Enskilda Banken ("SEB"), Mizuho Corporate Bank Ltd ("Mizuho") and Sumitomo Mitsui Banking Corporation ("Sumitomo"), commenced separate actions against APBS. The breakdown of the respective claims by the four banks is as follows:

HVB: USD32,002,333, alternatively in tort, USD30,000,000
SEB: USD26,559,372, alternatively in restitution, SGD29,468,723
Mizuho: USD8,024,046
Sumitomo: SGD10,323,208

In October 2007, Mizuho and Sumitomo decided not to continue with their respective suits. Mizuho withdrew its action, with costs to be paid to APBS while Sumitomo's action was dismissed with costs.

The court hearing for the remaining suits has ended. In the judgment released on 31 August 2009, the High Court dismissed SEB's and HVB's claims in full. However, the High Court also held that APBS did not have a valid change of position defence in respect of the sum of $347,671 and held that SEB was entitled to judgment in the sum of $347,671 ("SEB Judgement Sum") together with interest thereon. On 29 September 2009, SEB and HVB filed their notices of appeal against the High Court decision. On 27 April 2010, the appeal was heard by the Court of Appeal. Judgement was reserved and remains pending.

APBS's lawyers have advised that APBS has a good case and will continue to vigorously defend the appeals. Consequently, other than the SEB Judgement Sum, no provision in the financial statements is considered necessary.

40. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios to support its business and maximise shareholder value. No changes were made in the objectives, policies or processes during the years ended 30 September 2010 and 2009.

The Group monitors its cashflow, debt maturity profile, cost of funds, overall liquidity position and gearing ratio on a continuous basis. The Group's policy is to keep gearing ratio at not more than 100% of total equity.

The gearing ratio is calculated as net borrowings divided by total equity. Net borrowings is calculated as borrowings less cash and bank deposits. Total equity is calculated as shareholders fund plus non-controlling interests.

	THE GROUP		THE COMPANY	
	2010 ($'000)	2009 ($'000)	**2010 ($'000)**	2009 ($'000)
Cash & bank deposits	**1,698,916**	1,643,308	**48,534**	52,562
Borrowings	**(4,574,741)**	(5,301,025)	**(150,000)**	(349,914)
Net borrowings	**(2,875,825)**	(3,657,717)	**(101,466)**	(297,352)
Shareholders' fund	**6,142,798**	5,584,724	**3,950,777**	3,812,644
Total equity (including non-controlling interests)	**6,948,459**	6,683,455	**3,950,777**	3,812,644
Net borrowings/Shareholders' fund	**0.47**	0.65	**0.03**	0.08
Net borrowings/Total equity	**0.41**	0.55	**0.03**	0.08

Certain entities in the Group are required to comply with certain externally imposed capital requirements in respect of certain external borrowings. Except for the breach of convenants of borrowings as disclosed in Note 16(h), the Group and the Company are in compliance with all externally imposed capital requirements.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

41. NEW ACCOUNTING STANDARDS AND FRS INTERPRETATION

Certain new accounting standards and interpretations have been issued as at balance sheet date but are not yet effective. The Group's assessment of those standards and interpretations that are relevant to the Group is as follows:

(a) Revised FRS 24 Related Party Disclosures (effective for annual periods beginning on or after 1 January 2011)

The revised FRS 24 clarifies the definition of a related party to simplify the identification of such relationships and to eliminate inconsistencies in its application. The revised FRS 24 expands the definition of a related party and would treat two entities as related to each other whenever a person (or a close member of that person's family) or a third party has control or joint control over the entity, or has significant influence over the entity. The revised standard also introduces a partial exemption of disclosure requirements for government-related entities. The Group is currently determining the impact of the changes to the definition of a related party has on the disclosure of related party transaction.

The Group will apply the Revised FRS 24 from 1 October 2011. As this is a disclosure standard, it will have no impact on the financial position or financial performance of the Group when implemented.

(b) INT FRS 115 Agreements for the Construction of Real Estate (effective for annual periods beginning on or after 1 January 2011)

INT FRS 115 clarifies when revenue and related expenses from a sale of real estate unit should be recognised if an agreement between a developer and a buyer is reached before the construction of real estate is completed. INT FRS 115 determines that contracts which do not classify as construction contracts in accordance with FRS 11 can only be accounted for using the percentage of completion method if the entity continuously transfers to the buyer control and the significant risks and rewards of ownership of the work in progress in its current state as construction progresses.

The Group is currently determining the impact of the application of INT FRS 115 on the accounting policy for revenue recognition on properties held for sale.

The Group will apply INT FRS 115 from 1 October 2011.

(c) Amendments to INT FRS 114 Prepayments of a Minimum Funding Requirement (effective for annual periods beginning on or after 1 January 2011)

The changes to INT FRS 114 require entities sponsoring defined benefit plans to assess whether prepayments have been made that now need to be re-assessed for their impact on recoverability on pension assets. Entities applying the corridor to recognise actuarial gains and losses may also need to take into account the potential interaction between corridor and the recoverability of plan assets.

The Group will apply INT FRS 114 from 1 October 2011.

(d) FRS 102 Share-based Payment – Group Cash-settled Share-based Payment Transactions (effective for annual periods beginning on or after 1 January 2010)

For group reporting and consolidated financial statements, the Amendment to FRS 102 clarifies that if an entity receives goods or services that are cash settled by shareholders that are not within the group, they are not accounted for under FRS 102.

The Group will apply FRS 102 from 1 October 2010.

(e) RAP 11 Pre-Completion Contracts for the Sale of Development Property

RAP 11 was issued by the Institute of Certified Public Accountants of Singapore in October 2005. This statement mentioned that a property developer's sales and purchase agreement is not a construction contract as defined in FRS 11 (Construction Contract) and the percentage of completion (POC) method of recognising income, which is allowed under FRS 11 for construction contracts may not be applicable for property developers.

The relevant standard for revenue recognition by property developers is FRS 18 (Revenue), which addresses revenue recognition generally and for all types of entities. With the issuance of INT FRS 115, RAP 11 will cease to have effect for annual periods beginning on or after 1 January 2011.

The Group uses the POC method for recognising revenue from partly completed residential projects which are held for sale.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

41. NEW ACCOUNTING STANDARDS AND FRS INTERPRETATION (cont'd)

(e) RAP 11 Pre-Completion Contracts for the Sale of Development Property (cont'd)

If the Group had adopted the completed contract method, the impact on the financial statements will be as follows:

	THE GROUP	
	2010 ($'000)	2009 ($'000)
Profit statement		
Decrease in revenue recognised for the year	**(66,592)**	(495,485)
Increase/(decrease) in profit for the year	**31,018**	(71,691)
Balance sheet		
Decrease in opening accumulated profits	**(319,575)**	(248,604)
Decrease in properties under development		
At beginning of the year	**(401,310)**	(306,386)
At end of the financial year	**(387,365)**	(401,496)
(Decrease)/increase in non-controlling interests		
At beginning of the year	**(3,231)**	(735)
Share of profit for the year	**3,231**	(2,543)

42 SUBSEQUENT EVENTS

On 13 October 2010, the Group announced that its subsidiary company, F&N Foods Pte Ltd has completed the sale of its entire 100% shareholding interest in F&N Vietnam Foods Limited.

On 20 October 2010, the Group announced that its subsidiary company, F&N Foods Pte Ltd has entered into a conditional agreement to acquire 100% of the issued share capital of King's Creameries (S) Pte Ltd for a consideration of $20.8 million. The transaction is subject to obtaining final regulatory approval.

On 29 October 2010, the Group announced that its subsidiary company, Times Publishing Limited has entered into an agreement to sell its entire 60% shareholding interest in Pacific Bookstores Pte Ltd for a consideration of $3.4 million.

43 COMPARATIVE FIGURES

The following comparative figures in the financial statements as a result of the disposal of Glass container and Indian Breweries business. The results of these operations have been reclassified as discontinued operations.

	THE GROUP	
	2009 As reclassified ($'000)	**2009 As previously reported ($'000)**
Profit statement		
Continuing operations		
Revenue	5,146,334	5,332,567
Cost of sales	(3,438,008)	(3,557,525)
Other income/(expenses) (net)	17,623	17,414
Operating expenses - Distribution	(203,704)	(221,103)
Operating expenses - Marketing	(443,548)	(465,897)
Operating expenses - Adminstration	(305,525)	(320,247)
Interest income	21,976	22,367
Interest expense	(83,695)	(88,711)
Exceptional items	7,122	1,440
Taxation	(179,192)	(173,451)
Profit from continuing operations after taxation	434,906	442,377
Discontinued operations		
Profit from discontinued operations after taxation	7,471	-

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

44. SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES

		Effective Shareholding 2010	Effective Shareholding 2009	Principal Activities
	SUBSIDIARY COMPANIES OF THE COMPANY			
	Country of Incorporation and Place of Business: **Singapore**			
	Fraser & Neave (Singapore) Pte Ltd	**100.0%**	100.0%	Management Services
	F&N Investments Pte Ltd	**100.0%**	100.0%	Investment Holding
	F&N Foods Pte Ltd	**100.0%**	100.0%	Manufacture and Distribution of Dairy Products and Beverages
	Asia Dairies (S) Pte Ltd	**100.0%**	100.0%	Dormant
	F&N Dairy Investments Pte Ltd	**100.0%**	100.0%	Investment Holding
	F&N Interflavine Pte Ltd	**100.0%**	100.0%	Beverage Base Manufacturing
	International Theme Parks (Singapore) Pte Ltd	**100.0%**	100.0%	Dormant
	Times Publishing Ltd	**100.0%**	100.0%	Investment Holding
	Frasers Centrepoint Limited	**100.0%**	100.0%	Investment Holding
	F&NBev Manufacturing Pte. Ltd *(Formerly F&N Boncafe Beverages Pte Ltd)*	**100.0%**	60.0%	Marketing Ready-To-Drink Coffee Beverages
	F&N DCH Holding Pte Ltd *(Held by a subsidiary company)*	**51.0%**	51.0%	Dormant
	F&N Treasury Pte Ltd	**100.0%**	100.0%	Provide Treasury and Financial Services
	Country of Incorporation and Place of Business: **Hong Kong**			
(A)	Fraser & Neave Investments (HK) Ltd	**100.0%**	100.0%	Investment Holding
	Country of Incorporation and Place of Business: **Malaysia**			
(A)	Fraser & Neave Holdings Bhd	**57.0%**	57.4%	Investment Holding
(A)	Tiger Taverns Sdn Bhd	**100.0%**	100.0%	Dormant
(A)	Magnolia - PDL Dairies (1993) Sdn Bhd	**100.0%**	100.0%	Dormant
(A)	Fannet Online Sdn Bhd	**100.0%**	100.0%	Dormant
(A)	F&N Services (L) Bhd	**100.0%**	100.0%	Investment Holding
	Country of Incorporation and Place of Business: **Vietnam**			
(A)	F&N Vietnam Foods Co Ltd *(Held by a subsidiary company)*	**100.0%**	100.0%	Dormant
	Country of Incorporation and Place of Business: **Thailand**			
(A)	F&N United Ltd *(Held by a subsidiary company)*	**95.0%**	95.0%	Manufacture and Distribution of Dairy Products
	Country of Incorporation and Place of Business: **Myanmar**			
(C)	Myanmar Brewery Ltd *(Accounting year ends on 31 March)*	**55.0%**	55.0%	Brewing and Distribution of Beer
	Country of Incorporation and Place of Business: **Australia**			
(A)	Red Lion Holdings Pty Ltd *(Held by a subsidiary company)*	**100.0%**	100.0%	Dormant

Notes:

(A) Audited by Ernst & Young in the respective countries.

(C) Audited by other firms of auditors.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

44. SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES (cont'd)

		Effective Shareholding 2010	Effective Shareholding 2009	Principal Activities
	SUBSIDIARY COMPANIES OF FRASER & NEAVE HOLDINGS GROUP			
	Country of Incorporation and Place of Business: **Malaysia**			
(A)	Fraser & Neave (Malaya) Sdn Bhd	**57.0%**	57.4%	Management Services and Property Investment Holdings
(A)	F&N Beverages Marketing Sdn Bhd *(Formerly F&N Coca-Cola (Malaysia) Sdn Bhd)*	**57.0%**	57.4%	Distribution of Soft Drinks
(A)	F&N Beverages Manufacturing Sdn Bhd *(Formerly F&NCC Beverages Sdn Bhd)*	**57.0%**	57.4%	Manufacture of Soft Drinks
(A)	F&N Dairies (Malaysia) Sdn Bhd	**57.0%**	57.4%	Distribution of Dairy Products
(A)	Premier Milk (Malaya) Sdn Bhd	**57.0%**	57.4%	Manufacture of Dairy Products
(A)	Four Eights Sdn Bhd	**57.0%**	57.4%	Dormant
(A)	F&N Foods Sdn Bhd	**57.0%**	57.4%	Manufacture of Dairy Products
(A)	Kuala Lumpur Glass Manufacturers Company Sdn Bhd	**57.0%**	57.4%	Manufacture and Sale of Glass Containers (ceased operation during the year)
(A)	Wimanis Sdn Bhd	**57.0%**	57.4%	Property Development
(A)	Brampton Holdings Sdn Bhd	**57.0%**	57.4%	Property Development
(A)	Lettricia Corporation Sdn Bhd	**39.9%**	40.2%	Property Development
(A)	Elsinburg Holdings Sdn Bhd	**57.0%**	57.4%	Property Development
(A)	Vacaron Company Sdn Bhd	**57.0%**	57.4%	Dormant
(A)	Nuvak Company Sdn Bhd	**57.0%**	57.4%	Dormant
(A)	Greenclipper Corporation Sdn Bhd	**57.0%**	57.4%	Dormant
(A)	Utas Mutiara Sdn Bhd	**57.0%**	57.4%	Property Investment Holding
(A)	Borneo Springs Sdn Bhd	**57.0%**	57.4%	Manufacture and Sale of Mineral Water, Carbonated Drinks and Bottles
(A)	PML Dairies Sdn Bhd	**57.0%**	57.4%	Manufacture and Distribution of Dairy Products
(A)	F&N Properties Sdn Bhd	**57.0%**	57.4%	Provision of Property Management Services
(A)	F&N Capital Sdn Bhd	**57.0%**	57.4%	Provide Financial and Treasury Services
(A)	Tropical League Sdn Bhd	**57.0%**	57.4%	Dormant
(A)	Vibrant Asset Sdn Bhd	**57.0%**	-	Dormant
	Country of Incorporation and Place of Business: **Singapore**			
(A)	Arolys Singapore Pte Ltd	**57.0%**	57.4%	Distribution of Dairy Products
	Country of Incorporation and Place of Business: **Thailand**			
(A)	F&N Dairies (Thailand) Limited	**57.0%**	57.4%	Manufacture and Distribution of Dairy Products
	Country of Incorporation and Place of Business: **British Virgin Islands**			
(A)	Lion Share Management Limited	**57.0%**	57.4%	Brand Owner

Note:

(A) Audited by Ernst & Young in the respective countries.

Notes To The Financial Statements
FOR THE YEAR ENDED 30 SEPTEMBER 2010

44. SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES (cont'd)

	Effective Shareholding 2010	Effective Shareholding 2009	Principal Activities
SUBSIDIARY COMPANIES OF FRASERS CENTREPOINT GROUP			
Country of Incorporation and Place of Business: **Singapore**			
FCL Property Investments Pte Ltd	**100.0%**	100.0%	Property Investment
FCL Enterprises Pte Ltd	**100.0%**	100.0%	Property Investment
Riverside Property Pte Ltd	**100.0%**	100.0%	Property Investment
FCL Centrepoint Pte Ltd	**100.0%**	100.0%	Investment Holding
Orrick Investments Pte Ltd	**100.0%**	100.0%	Property Investment
Yishun Development Pte Ltd	**100.0%**	100.0%	Property Development
FCL Alexandra Point Pte Ltd	**100.0%**	100.0%	Property Investment
Woodlands Complex Pte Ltd	**100.0%**	100.0%	Property Development
Riverside Walk Pte Ltd	**100.0%**	100.0%	Property Development
FCL Ventures Pte Ltd	**100.0%**	100.0%	Property Development
FCL Management Services Pte Ltd	**100.0%**	100.0%	Management Services
Riverside Investments Pte Ltd	**100.0%**	100.0%	Property Development
Yishun Land Pte Ltd	**100.0%**	100.0%	Property Development
Yishun Property Pte Ltd	**100.0%**	100.0%	Property Development
FCL Tampines Pte Ltd	**80.0%**	80.0%	Property Development
FCL Homes Pte Ltd	**100.0%**	100.0%	Property Development
FCL Land Pte Ltd	**100.0%**	100.0%	Property Development
FCL Assets Pte Ltd	**100.0%**	100.0%	Investment Holding
FCL Estates Pte Ltd	**100.0%**	100.0%	Property Development
Frasers Hospitality Pte Ltd	**100.0%**	100.0%	Investment Holding and Management Services
Frasers (UK) Pte Ltd	**75.0%**	75.0%	Investment Holding
Frasers (Australia) Pte Ltd	**75.0%**	75.0%	Investment Holding
FCL (China) Pte Ltd	**100.0%**	100.0%	Investment Holding
Marine Parade View Pte Ltd	**100.0%**	100.0%	Property Development
FCL (Fraser) Pte Ltd	**100.0%**	100.0%	Investment Holding
FCL Sophia Pte Ltd	**100.0%**	100.0%	Property Development
Frasers Centrepoint Property Management Services Pte Ltd	**100.0%**	100.0%	Management Services
FCL Choa Chu Kang Pte Ltd	**100.0%**	100.0%	Property Development
FCL Joo Chiat Place Pte Ltd	**100.0%**	100.0%	Property Development
Frasers (NZ) Pte Ltd	**75.0%**	75.0%	Investment Holding
FCL China Development Pte Ltd	**100.0%**	100.0%	Investment Holding
FCL Court Pte Ltd	**100.0%**	100.0%	Property Development
FCL Lodge Pte Ltd	**100.0%**	100.0%	Property Development
FCL Place Pte Ltd	**100.0%**	100.0%	Property Development
FCL Rise Pte Ltd	**100.0%**	100.0%	Property Development
Frasers (Thailand) Pte Ltd	**100.0%**	100.0%	Investment Holding
River Valley Properties Pte Ltd	**100.0%**	100.0%	Investment Holding and Property Development
Lion (Singapore) Pte Limited	**100.0%**	100.0%	Property Development
FCL View Pte Ltd	**100.0%**	100.0%	Property Development
FCL Tower Pte Ltd	**100.0%**	100.0%	Property Development
FCL Loft Pte Ltd	**100.0%**	100.0%	Property Development
Frasers Centrepoint Asset Management Ltd	**100.0%**	100.0%	Management Services
FCL Investments Pte Ltd	**100.0%**	100.0%	Investment Holding
FCL Trust Holdings Pte Ltd	**100.0%**	100.0%	Investment Holding
Frasers Hospitality Investment Holding (Philippines) Pte Ltd	**100.0%**	100.0%	Investment Holding
Frasers Centrepoint Asset Management (Malaysia) Pte Ltd	**100.0%**	100.0%	Investment Holding

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

44. SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES (cont'd)

		Effective Shareholding 2010	Effective Shareholding 2009	Principal Activities
	SUBSIDIARY COMPANIES OF FRASERS CENTREPOINT GROUP (cont'd)			
	Country of Incorporation and Place of Business: **Singapore** (cont'd)			
	FCL Trust Holdings (Commercial) Pte Ltd	**100.0%**	100.0%	Investment Holding
	Frasers Centrepoint Asset Management (Commercial) Ltd	**100.0%**	100.0%	Asset Management, Fund and Property Management and Related Advisory Services
	Frasers Centrepoint Property Management (Commercial) Pte Ltd	**100.0%**	100.0%	Asset Management, Fund and Property Management and Related Advisory Services
	FCL Management Services (Commercial) Pte Ltd	**100.0%**	100.0%	Management Services
	FCL REIT Management Ltd	**100.0%**	100.0%	Management Services
	MLP Co. Pte Ltd	**100.0%**	100.0%	Investment Holding
	SAJV Co. Pte Ltd	**100.0%**	100.0%	Investment Holding
	FCL Clover Pte Ltd	**100.0%**	100.0%	Financial Services
	FCL Emerald (1) Pte Ltd	**100.0%**	100.0%	Investment Holding
	Opal Star Pte Ltd	**100.0%**	100.0%	Investment Holding
	Fraser Suites Jakarta Pte Ltd *(Formerly FCL (Korea) Pte Ltd)*	**100.0%**	100.0%	Investment Holding
	Fraser Residence Orchard Pte Ltd *(Formerly Frasers Hospitality (China) Pte Ltd)*	**100.0%**	100.0%	Management Consultancy Services
	FCL Crystal Pte Ltd	**100.0%**	-	Property Development
	FCL Topaz Pte Ltd	**100.0%**	-	Investment Holding
	Emerald Hill Developments Pte Ltd	**100.0%**	100.0%	Property Investment
	River Valley Shopping Centre Pte Ltd	**100.0%**	100.0%	Property Investment
	River Valley Tower Pte Ltd	**100.0%**	100.0%	Property Investment
	River Valley Apartments Pte Ltd	**100.0%**	100.0%	Property Investment
	Frasers Hospitality Management Pte Ltd	**100.0%**	100.0%	Management Consultancy Services
	Frasers Hospitality Property Services Pte Ltd	**100.0%**	100.0%	Management Consultancy Services
	Sinomax International Pte Ltd	**100.0%**	100.0%	Investment Holding
	Frasers International Logistics Management Pte. Ltd.	**100.0%**	100.0%	Management and Consultancy Services
	Singapore Logistics Investments Pte Ltd	**80.0%**	80.0%	Investment Holding
	FCL Compassvale Pte Ltd	**80.0%**	-	Property Development
	Country of Incorporation and Place of Business: **Vietnam**			
(A)	Me Linh Point Ltd	**75.0%**	75.0%	Property Investment
	Country of Incorporation and Place of Business: **China**			
(A)	Beijing Fraser Suites Real Estate Management Co., Ltd	**100.0%**	100.0%	Property Investment
(A)	Shanghai Sian Jin Property Development Co., Ltd	**100.0%**	100.0%	Property Development
(A)	Shanghai Zhong Jun Real Estate Development Co., Ltd	**76.0%**	72.2%	Property Development
(A)	Beijing Gang Lu Real Estate Development Co., Ltd	**56.2%**	56.2%	Property Development
(A)	Beijing Vision Century Property Management Co., Ltd	**56.2%**	56.2%	Property Management
(A)	Vision Century Real Estate Development (Dalian) Co., Ltd	**56.2%**	56.2%	Property Development
(A)	Vision Property Management (Dalian) Co., Ltd	**56.2%**	56.2%	Property Management
(A)	Vision (Shenzhen) Business Park Co., Ltd	**56.2%**	56.2%	Business Park Development and Investment
(A) (1)	Vision Huaqing (Beijing) Development Co., Ltd	**33.7%**	33.7%	Business Park Development and Investment

Notes:

(A) Audited by Ernst & Young in the respective countries.

(1) Company is treated as an subsidiary of the Group by virtue of management control over financial and operating policies of the company.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

44. SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES (cont'd)

		Effective Shareholding		
		2010	2009	**Principal Activities**
	SUBSIDIARY COMPANIES OF FRASERS CENTREPOINT GROUP (cont'd)			
	Country of Incorporation and Place of Business: **China** (cont'd)			
(A)	Shenyang Frasers Real Estate Development Co., Ltd	**56.2%**	56.2%	Property Development
(A)	Frasers Hospitality Management Co., Ltd, Shanghai	**100.0%**	100.0%	Management Consultancy Services
(A)	Fraser Place (Beijing) Property Management Co., Ltd	**100.0%**	100.0%	Management Consultancy Services
(A)	Modena Hospitality Management Co., Ltd. (Shanghai)	**51.0%**	51.0%	Management Consultancy Services
(A)	Shanghai Frasers Management Consultancy Co., Ltd	**100.0%**	100.0%	Management Services
(A)	Beijing Sin Hua Yan Real Estate Development Co., Ltd	**100.0%**	95.0%	Property Development
(A)	Singlong Property Development (Suzhou) Co., Ltd	**100.0%**	100.0%	Property Development
(A)	Frasers Property Management (Shanghai) Co., Ltd	**100.0%**	100.0%	Management Services
(A)	Chengdu Sino Singapore Southwest Logistics Co., Ltd *(All the above companies, incorporated in China, accounting year ends on 31 December)*	**80.0%**	80.0%	Property Development
	Country of Incorporation: **Bermuda** Place of Business: **Hong Kong**			
(A)	Frasers Property (China) Limited	**56.2%**	56.2%	Investment Holding
	Country of Incorporation and Place of Business: **Hong Kong**			
(A)	Excellent Esteem Limited	**100.0%**	100.0%	Investment Holding
(A)	Vision Century Secretaries Limited	**56.2%**	56.2%	Secretarial and Nominee Services
(A)	Vision Century Administration Limited	**56.2%**	56.2%	Management Consultancy Services
(A)	Vision Century Property Management Limited	**56.2%**	56.2%	Property Management
(A)	Frasers Hospitality (Hong Kong) Limited	**100.0%**	100.0%	Management Consultancy Services
(A)	Ace Goal Limited	**100.0%**	100.0%	Investment Holding
(A)	Extra Strength Limited	**100.0%**	100.0%	Investment Holding
(A)	Forth Carries Limited	**100.0%**	100.0%	Investment Holding
(A)	Forward Plan Limited	**100.0%**	100.0%	Investment Holding
(A)	Summit Park Limited	**100.0%**	100.0%	Investment Holding
(A)	Blessing Sky Limited	**100.0%**	100.0%	Dormant
(A)	Superway Logistics Investments (Hong Kong) Limited *(Accounting year ends on 31 December)*	**80.0%**	80.0%	Investment Holding
	Country of Incorporation: **British Virgin Islands** Place of Business: **Hong Kong**			
(B)	Limbo Enterprises Limited	**56.2%**	56.2%	Property Holding
(B)	Supreme Asia Investments Ltd	**75.2%**	76.0%	Investment Holding
	Country of Incorporation and Place of Business: **Philippines**			
(A)	Frasers Hospitality Philippines, Inc	**100.0%**	100.0%	Management Consultancy Services
(A)	Frasers Hospitality Investment, Inc	**100.0%**	100.0%	Property Investment

Notes:

(A) Audited by Ernst & Young in the respective countries.

(B) Not required to be audited under the laws of the country of incorporation.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

44. SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES (cont'd)

		Effective Shareholding 2010	Effective Shareholding 2009	Principal Activities
	SUBSIDIARY COMPANIES OF FRASERS CENTREPOINT GROUP (cont'd)			
	Country of Incorporation: **Singapore** Place of Business: **United Kingdom**			
	FCL Resort Pte Ltd	**75.0%**	75.0%	Dormant
	Frasers Property (Europe) Holdings Pte Ltd	**51.2%**	51.2%	Investment Holding
	Country of Incorporation and Place of Business: **United Kingdom**			
(C)	Frasers Property (UK) Limited	**51.2%**	51.2%	Investment Holding
(C)	Frasers Property Developments Ltd	**51.2%**	51.2%	Investment Holding
(C)	Frasers Investments (UK) Limited	**51.2%**	51.2%	Property Investment
(C)	Frasers Ventures Limited	**51.2%**	51.2%	Property Development
(C)	Fairbriar plc	**51.2%**	51.2%	Property Investment
(C) (1)	Ellisridge Limited	**40.4%**	40.4%	Property Investment
(C) (1)	Ellisridge Suites Limited	**40.4%**	40.4%	Property Investment
(C)	Fairbriar Apartments Limited	**51.2%**	51.2%	Property Development
(C)	Fairbriar Developments Limited	**51.2%**	51.2%	Property Development
(C)	Fairbriar Projects Limited	**51.2%**	51.2%	Property Development
(C)	The School House (Tunbridge Wells) Limited	**51.2%**	51.2%	Property Development
(C)	Fairbriar General Partner Limited	**51.2%**	51.2%	Property Investment
(C)	Fairbriar Group plc	**51.2%**	51.2%	Investment Holding
(C)	Fairbriar House Limited	**51.2%**	51.2%	Investment Holding
(C)	Frasers Homes (UK) Limited	**51.2%**	51.2%	Property Development
(C)	Frasers (Buckswood Grange) Limited	**51.2%**	51.2%	Property Development
(C)	Fairbriar Investments Limited	**51.2%**	51.2%	Dormant
(C)	Frasers Islington Limited	**51.2%**	51.2%	Property Development
(C)	Frasers Islington Properties Limited	**51.2%**	51.2%	Property Development
(C) (1)	Islington Theatre Development Limited	**38.1%**	38.1%	Property Development
(C)	Fairbriar Pepys Street Limited	**51.2%**	51.2%	Property Development
(C)	FKB Property Investment Ltd	**51.2%**	51.2%	Management Consultancy Services
(C)	FKB Property Management Limited	**51.2%**	51.2%	Management Consultancy Services
(C)	NGH Properties Limited	**51.2%**	51.2%	Property Investment
(C)	Frasers Sloane Avenue Limited	**51.2%**	51.2%	Property Development
(C)	Frasers (Brown Street) Limited	**51.2%**	51.2%	Property Development
(C) (1)	Fairdace Limited	**34.1%**	34.1%	Serviced Apartments
(C)	Frasers Hospitality (UK) Limited	**51.2%**	51.2%	Management Consultancy Services and Serviced Apartments
(C)	Frasers (Vincent Square) Ltd	**51.2%**	51.2%	Property Development
(C)	Frasers Lumiere Leeds Ltd	**51.2%**	51.2%	Investment Holding
(C)	Frasers Management (UK) Ltd	**51.2%**	51.2%	Management Services
(C)	Frasers (Riverside Quarter) Ltd	**51.2%**	51.2%	Property Development
(B)	Frasers Highbury Limited	**75.0%**	75.0%	Property Development
(C)	Frasers (St Giles Street, Edinburgh) Ltd	**51.2%**	51.2%	Property Investment
(C)	Frasers St Giles Street Management Ltd	**51.2%**	51.2%	Property Management
(C)	Frasers (Maidenhead) Ltd	**51.2%**	51.2%	Property Development
(C)	Frasers Imperial Place Ltd	**51.2%**	51.2%	Property Development

Notes:

(B) Not required to be audited under the laws of the country of incorporation.

(C) Audited by other firms of auditors.

(1) Company is treated as a subsidiary of the Group by virtue of management control over financial and operating policies of the company.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

44. SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES (cont'd)

		Effective Shareholding 2010	Effective Shareholding 2009	Principal Activities
	SUBSIDIARY COMPANIES OF FRASERS CENTREPOINT GROUP (cont'd)			
	Country of Incorporation: **Singapore** Place of Business: **Australia**			
	FCL Bridgepoint Pte Ltd	**100.0%**	100.0%	Property Investment
	Country of Incorporation and Place of Business: **Australia**			
(A)	Frasers Town Hall Pty Ltd	**80.5%**	80.5%	Investment Holding and Property Development
(A)	Frasers Town Hall Residences Pty Ltd	**80.5%**	80.5%	Property Investment
(A)	Frasers Town Hall Issuer Pty Ltd	**80.5%**	80.5%	Financial Services
(A)	Frasers City Quarter Pty Limited	**87.5%**	87.5%	Property Development
(A)	Frasers Queens Pty Limited	**87.5%**	87.5%	Property Development
(A)	Frasers Property Management Australia Pty Limited	**75.0%**	75.0%	Management Services
(A)	Frasers Chandos Pty Limited	**75.0%**	75.0%	Property Development
(A)	Frasers Lorne Pty Limited	**75.0%**	75.0%	Property Development
(A)	Frasers Mandurah Pty Limited	**56.3%**	56.3%	Property Development
(A)	Frasers Killara Pty Ltd	**75.0%**	75.0%	Property Development
(A)	Frasers Morton Pty Ltd	**75.0%**	75.0%	Property Development
(A)	Frasers Broadway Pty Ltd	**75.0%**	75.0%	Property Development
(A)	Frasers Property Australia Pty Ltd	**75.0%**	75.0%	Investment Holding
(A)	Frasers Homes WA Pty Limited	**56.3%**	56.3%	Property Development
(A)	Frasers Putney Pty Limited	**75.0%**	-	Property Development
	Country of Incorporation and Place of Business: **Japan**			
(B)	Frasers Hospitality Japan Kabushiki Kaisha	**100.0%**	-	Management Consultancy Services
	Country of Incorporation and Place of Business: **New Zealand**			
(A)	Frasers Broadview Limited	**75.0%**	75.0%	Property Development
(A)	Frasers Papamoa Limited	**67.5%**	67.5%	Property Development
(A)	Coast Homes Limited	**67.5%**	67.5%	Property Development
	Country of Incorporation and Place of Business: **Thailand**			
(A)	Frasers Hospitality (Thailand) Ltd *(Accounting year ends on 31 December)*	**100.0%**	100.0%	Management Consultancy Services
	SUBSIDIARY COMPANIES OF TIMES PUBLISHING GROUP			
	Country of Incorporation and Place of Business: **Singapore**			
	Marshall Cavendish International Private Limited	**100.0%**	100.0%	Investment Holding
	Marshall Cavendish International (Asia) Private Limited	**100.0%**	100.0%	Publishing of Trade Books
	Marshall Cavendish International (Singapore) Private Limited	**100.0%**	100.0%	Publishing - Education
	Marshall Cavendish Business Information Private Limited	**100.0%**	100.0%	Publishing of Trade Directory and Business Information
	Educational Technologies Pte Ltd	**100.0%**	100.0%	Distribution of Home Library Reference Books
	MC Online Pte Ltd *(Formerly Learning Advantage Pte Ltd)*	**100.0%**	100.0%	E-Learning Provider
	Panpac Education Pte Ltd	**100.0%**	100.0%	Publishing - Education

Notes:

(A) Audited by Ernst & Young in the respective countries.

(B) Not required to be audited under the laws of the country of incorporation.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

44. SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES (cont'd)

		Effective Shareholding 2010	2009	Principal Activities
	SUBSIDIARY COMPANIES OF TIMES PUBLISHING GROUP (cont'd)			
	Country of Incorporation and Place of Business: **Singapore** (cont'd)			
(C)	Pacific Bookstores Pte Ltd	**60.0%**	60.0%	Retail of School Textbooks and Supplies
(C)	Pansing Distribution Pte Ltd	**100.0%**	100.0%	Distribution of Books and Magazines
(C)	Goodwill Binding Pte Ltd	**51.0%**	51.0%	Printing and Binding
(C)	JCS Digital Solutions Pte Ltd	**51.0%**	51.0%	Digital Printing
(C)	Starprint Production Pte Ltd	**51.0%**	51.0%	Dormant
	Times Editions Pte Ltd	**60.0%**	60.0%	Dormant
	Times Graphics Private Limited	**100.0%**	100.0%	Dormant
*	TransQuest Asia Publishers Pte Ltd	**100.0%**	100.0%	Distribution of Books
	Country of Incorporation: **Singapore** Place of Business: **Singapore and Malaysia**			
	Times The Bookshop Pte Ltd	**100.0%**	100.0%	Retail of Books, Stationery, Magazines and Periodicals
	Country of Incorporation: **Singapore** Place of Business: **Singapore, Australia, United Kingdom and United States of America**			
	Times Printers Private Limited	**100.0%**	100.0%	Commercial Printing
	Country of Incorporation and Place of Business: **Malaysia**			
(A)	Marshall Cavendish (Malaysia) Sdn Bhd	**100.0%**	100.0%	Publishing of Books
(A) (1)	STP Distributors (M) Sdn Bhd	**30.0%**	30.0%	Distribution of Home Library Reference Books
(A)	Pansing Marketing Sdn Bhd	**100.0%**	100.0%	Distribution of Books and Magazines
(A)	Times Offset (Malaysia) Sdn Bhd	**100.0%**	100.0%	Commercial Printing
(A)	Times Distri-Services Sdn Bhd	**100.0%**	100.0%	Dormant
	Country of Incorporation: **Hong Kong** Place of Business: **Thailand**			
(A)	Far East Publications Ltd	**100.0%**	100.0%	Distribution of Home Library Reference Books
	Country of Incorporation and Place of Business: **Thailand**			
(A)	Marshall Cavendish International (Thailand) Co. Ltd	**49.0%**	49.0%	Publishing - Education

Notes:

(A) Audited by Ernst & Young in the respective countries.

(C) Audited by other firms of auditors.

(1) Company is treated as a subsidiary of the Group by virtue of management control over financial and operating policies of the company.

* In voluntary liquidation.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

44. SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES (cont'd)

		Effective Shareholding 2010	Effective Shareholding 2009	Principal Activities
	SUBSIDIARY COMPANIES OF TIMES PUBLISHING GROUP (cont'd)			
	Country of Incorporation and Place of Business: **Hong Kong**			
(C)	Everbest Printing Holdings Limited	**100.0%**	100.0%	Investment Holding
(C)	Everbest Printing Investment Ltd	**100.0%**	100.0%	Investment Holding
(C)	Everbest Printing Company Ltd	**100.0%**	100.0%	Commercial Printing
(A)	Marshall Cavendish Business Information (Hong Kong) Limited	**100.0%**	100.0%	Publishing of Trade Directory and Business
(A) *	Times Printers (Hong Kong) Ltd	**100.0%**	100.0%	Investment Holding
(A)	Times Publishing (Hong Kong) Limited	**100.0%**	100.0%	Education Publishing and Distribution of Magazines
	Country of Incorporation: **Hong Kong** Place of Business: **Hong Kong/Taiwan**			
(A)	Educational Technologies Limited	**100.0%**	100.0%	Publishing and Selling of Home Library Reference Books
	Country of Incorporation and Place of Business: **China**			
(C)	Everbest Printing (Guangzhou) Co. Ltd	**100.0%**	100.0%	Commercial Printing
(A) *	Liaoning Times Xinhua Printers Ltd	**51.0%**	51.0%	Commercial Printing
(A)	Shenyang Times Packaging Printing Co Ltd	**60.0%**	60.0%	Commercial Printing and Packaging
(A)	Shanxi Xinhua Times Packaging Printing Co Ltd	**51.0%**	51.0%	Commercial Printing and Packaging
(C)	Marshall Cavendish (Beijing) Co. Limited *(All the above companies, incorporated in China, accounting year ends on 31 December)*	**100.0%**	100.0%	Book Production Services
	Country of Incorporation and Place of Business: **Japan**			
(A)	Kabushiki Kaisha Educational Technologies Limited	**100.0%**	100.0%	Dormant
	Country of Incorporation and Place of Business: **India**			
(A)	Direct Educational Technologies India Pte Ltd	**100.0%**	100.0%	Distribution of Home Library Reference Books
	Country of Incorporation and Place of Business: **Australia**			
(A)	Musicway Corporation Limited	**100.0%**	100.0%	Distribution of Lifestyle Accessories and Storage Products
(A)	Rainbow Products Limited	**100.0%**	100.0%	Dormant
(A)	Times Properties Pty Limited	**100.0%**	100.0%	Dormant
(A)	Pansing IMM Pty Limited	**100.0%**	100.0%	Magazines Distribution
(A)	Marshall Cavendish (Australia) Pty Ltd	**100.0%**	100.0%	Investment Holding
	Country of Incorporation and Place of Business: **United Kingdom**			
(A) *	ALP Ltd	**100.0%**	100.0%	Investment Holding
(A)	Marshall Cavendish Ltd	**100.0%**	100.0%	Investment Holding
(A) *	Marshall Cavendish Partworks Ltd	**100.0%**	100.0%	Partworks
(A) *	Summertown Publishing Ltd	**100.0%**	100.0%	English Language Teaching (ELT) Publishing

Notes:

(A) Audited by Ernst & Young in the respective countries.

(C) Audited by other firms of auditors.

* In voluntary liquidation.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

44. SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES (cont'd)

			Effective Shareholding 2010	Effective Shareholding 2009	Principal Activities
		SUBSIDIARY COMPANIES OF TIMES PUBLISHING GROUP (cont'd)			
		Country of Incorporation and Place of Business: **Poland**			
(A)	*	Marshall Cavendish Polska Sp. zo.o	**100.0%**	100.0%	Partworks
		Country of Incorporation and Place of Business: **Romania**			
(A)	*	Marshall Cavendish Romania S.R.L	**100.0%**	100.0%	Partworks
		Country of Incorporation and Place of Business: **Ukraine**			
(A)	*	A Wholly Owned Subsidiary Marshall Cavendish Ukraine	**100.0%**	100.0%	Partworks
		Country of Incorporation and Place of Business: **United States of America**			
(B)		Marshall Cavendish Corporation	**100.0%**	100.0%	Publishing of Library Reference Books
		JOINT VENTURE COMPANIES OF THE COMPANY			
		Country of Incorporation and Place of Business: **Singapore**			
	#	Asia Pacific Investment Pte Ltd	**50.0%**	50.0%	Investment Holding
		JOINT VENTURE COMPANIES OF FRASERS CENTREPOINT GROUP			
		Country of Incorporation and Place of Business: **Thailand**			
(A)	(2)	Riverside Homes Development Co., Ltd *(Accounting year ends on 31 December)*	**69.6%**	69.6%	Property Development
		Country of Incorporation and Place of Business: **Singapore**			
		FCL Peak Pte Ltd	**50.0%**	50.0%	Property Development
(C)		Ascendas Frasers Pte Ltd	**50.0%**	50.0%	Property Development
		Yishun Gold Pte Ltd	**50.0%**	-	Property Development
		Country of Incorporation and Place of Business: **United Kingdom**			
(C)		GSF Homes Limited	**25.6%**	25.6%	Property Development
(C)		Macleod & Fairbriar Limited	**25.6%**	25.6%	Property Development
(C)		Redbriar Developments Limited	**25.6%**	25.6%	Property Development
(C)		Sovereign House Fairbriar Homes Ltd	**25.6%**	25.6%	Property Development
(C)		Fairmuir Limited	**25.6%**	25.6%	Property Development
(C)		Frasers Hamilton (Shrubhill) Ltd	**25.6%**	25.6%	Property Development
(C)		Lumiere Leeds General Partner Ltd	**25.6%**	25.6%	Management Services
(C)	(3)	Lumiere Leeds Limited Partnership	**23.0%**	23.0%	Property Development

Notes:

(A) Audited by Ernst & Young in the respective countries.

(B) Not required to be audited under the laws of the country of incorporation.

(C) Audited by other firms of auditors.

(2) This is accounted for as a joint venture as the Group exercises only joint control over the Company.

(3) In liquidation.

* In voluntary liquidation.

\# Asia Pacific Investment Pte Ltd ("APIPL") which holds 64.8% of the issued capital of Asia Pacific Breweries Limited is owned equally by Fraser and Neave, Limited and the Heineken Group. Under the provisions of the Companies Act, Cap.50, Fraser and Neave, Limited is the ultimate holding company by reason of its rights to appoint a majority of the directors of APIPL.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

44. SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES (cont'd)

		Effective Shareholding 2010	Effective Shareholding 2009	Principal Activities
	JOINT VENTURE COMPANIES OF TIMES PUBLISHING GROUP			
	Country of Incorporation and Place of Business: **Singapore**			
	Times-Newslink *(Accounting year ends on 31 December)*	**50.0%**	50.0%	Retail of Books and Magazines
	Country of Incorporation and Place of Business: **China**			
(C)	Shanghai Times SanYin Printers Co Ltd *(Accounting year ends on 31 December)*	**40.0%**	40.0%	Commercial Printing
	ASSOCIATED COMPANIES OF THE COMPANY			
	Country of Incorporation: **Singapore** Place of Business: **China**			
(C)	China Dairy Group Ltd *(Accounting year ends on 31 December)*	**29.5%**	29.5%	Manufacturing and Distribution of Dairy Products
	Country of Incorporation: **Bermuda** Place of Business: **China**			
(C)	Fung Choi Media Group Limited *(Accounting year ends on 30 June)*	**29.5%**	29.5%	Printing and Packaging
	Country of Incorporation and Place of Business: **Australia**			
(C) (1)	PMP Limited *(Accounting year ends on 30 June)*	**11.6%**	11.6%	Printing and Packaging
	ASSOCIATED COMPANIES OF FRASERS CENTREPOINT GROUP			
	Country of Incorporation and Place of Business: **United Kingdom**			
(C)	Fairbrair Residential Investment Partnership *(Accounting year ends on 31 December)*	**26.1%**	26.1%	Investment in Residential Property Fund
	Country of Incorporation and Place of Business: **Singapore**			
	Hua Li Holdings Pte Ltd	**45.7%**	45.7%	Investment Holding
(C)	Frasers Commercial Trust	**24.4%**	22.5%	Real Estate Investment Trust
(C)	Frasers Centrepoint Trust	**42.9%**	52.0%	Real Estate Investment Trust

Notes:

(C) Audited by other firms of auditors.

(1) Company is treated as an associate of the Group by virtue of significant influence over the company.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

44. SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES (cont'd)

		Effective Shareholding 2010	Effective Shareholding 2009	Principal Activities
	ASSOCIATED COMPANIES OF FRASERS CENTREPOINT GROUP (cont'd)			
	Country of Incorporation and Place of Business: **Thailand**			
(A)	Krungthep Land Public Company Limited *(Accounting year ends on 31 December)*	**40.5%**	40.5%	Investment Holding and Property Development
	Country of Incorporation and Place of Business: **Malaysia**			
(C)	Hektar Asset Management Sdn Bhd *(Accounting year ends on 31 December)*	**40.0%**	40.0%	Management Services
	Country of Incorporation and Place of Business: **Hong Kong**			
(B)	Poly-strong Development Limited	**28.1%**	28.1%	Dormant
	SUBSIDIARY COMPANIES OF ASIA PACIFIC BREWERIES GROUP			
	Country of Incorporation and Place of Business: **Singapore**			
	Asia Pacific Breweries Ltd	**39.7%**	39.7%	Investment Holding
	Asia Pacific Breweries (Singapore) Pte Ltd	**39.7%**	39.7%	Brewing and Distribution of Beer and Stout
	Tiger Export Pte Ltd	**39.7%**	39.7%	Export of Beer and Stout
	Archipelago Brewery Co (1941) Pte Ltd	**39.7%**	39.7%	Dormant
	Tiger Marketing Pte Ltd	**39.7%**	39.7%	Investment Holding
	Heineken-APB (China) Pte Ltd	**44.8%**	44.8%	Investment Holding
	Country of Incorporation and Place of Business: **Cambodia**			
(C)	Cambodia Brewery Limited	**31.7%**	31.7%	Brewing and Distribution of Beer
	Country of Incorporation and Place of Business: **Vietnam**			
(A)	Vietnam Brewery Limited	**23.8%**	23.8%	Brewing and Distribution of Beer
(A)	Asia Pacific Brewery (Hanoi) Limited *(Formerly Hatay Brewery Limited)*	**39.7%**	39.7%	Brewing and Distribution of Beer
(A)	Beers and Beverages International Ltd	**39.7%**	39.7%	Distribution of Beer
(A)	Vietnam Beer and Beverage Limited	**23.8%**	23.8%	Distribution of Beer
(A)	VBL Da Nang Limited	**23.8%**	23.8%	Brewing of Beer
(A)	VBL Tien Giang Limited	**23.8%**	23.8%	Brewing of Beer
(A)	VBL (Quang Nam) Limited	**19.0%**	19.0%	Brewing and Distribution of Beer
	Country of Incorporation and Place of Business: **British Virgin Islands**			
(B)	Able Win Gain Limited	**50.0%**	50.0%	Investment Holding
(B)	Kenton Assets Limited	**50.0%**	50.0%	Investment Holding
	Country of Incorporation and Place of Business: **Hong Kong**			
(C)	Capital Shine Limited	**50.0%**	50.0%	Investment Holding

Notes:

(A) Audited by Ernst & Young in the respective countries.

(B) Not required to be audited under the laws of the country of incorporation.

(C) Audited by other firms of auditors.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

44. SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES (cont'd)

		Effective Shareholding 2010	Effective Shareholding 2009	Principal Activities
	SUBSIDIARY COMPANIES OF ASIA PACIFIC BREWERIES GROUP (cont'd)			
	Country of Incorporation and Place of Business: **China**			
(C)	Hainan Asia Pacific Brewery Co Ltd	**44.8%**	44.8%	Brewing and Distribution of Beer
(C)	Shanghai Asia Pacific Brewery Co Ltd	**44.8%**	44.8%	Brewing and Distribution of Beer
(C)	Heineken Trading (Shanghai) Co Ltd	**44.8%**	44.8%	Distribution of Beer
(C)	Heineken-APB (China) Management Services Co Ltd	**44.8%**	44.8%	Provision of Investment, Management and Consulting Services
(E)	Guangzhou Asia Pacific Brewery Co Ltd *(All the above companies, incorporated in China, accounting year ends on 31 December)*	**44.8%**	44.8%	Brewing and Distribution of Beer
	Country of Incorporation and Place of Business: **New Zealand**			
(B)	Amstel Brouwerij Importers Ltd	**39.7%**	39.7%	Dormant
(A)	Barneydale Limited	**23.8%**	23.8%	Distribution of Beer
(A)	Barworks Group Limited	**23.8%**	23.8%	On-premise Management
(A)	Barworks Holdings Limited	**23.8%**	23.8%	Investment Holding Company
(B)	Black Dog Brewery Limited	**39.7%**	39.7%	Dormant
(A)	BOF Limited	**17.8%**	17.8%	Distribution of Beer
(A)	Clifford Pubs Limited	**17.8%**	17.8%	Distribution of Beer
(A)	DB Breweries Limited	**39.7%**	39.7%	Investment Holding and Brewing and Distribution of Beer
(A)	DB Nominees Ltd	**39.7%**	39.7%	Trustee Company
(A)	DB South Island Brewery Ltd	**21.8%**	21.8%	Brewing and Distribution of Beer
(B)	Drinkworks Limited	**39.7%**	39.7%	Dormant
(A)	Gaults On Quay Limited	**23.8%**	23.8%	Distribution of Beer
(A)	George Corporation Limited	**17.8%**	17.8%	Distribution of Beer
(A)	Hurstmere Pubs Limited	**17.8%**	23.8%	Distribution of Beer
(B)	Kustenbrau Breweries Limited	**39.7%**	39.7%	Dormant
(B)	Mainland Brewery Limited	**39.7%**	39.7%	Dormant
(A)	Market St Holdings Limited	**17.8%**	17.8%	Distribution of Beer
(B)	Monteith's Brewery Company Limited	**39.7%**	39.7%	Dormant
(A)	Portumna Limited	**23.8%**	23.8%	Distribution of Beer
(A)	Riccarton Hospitality 2007 Limited	**23.8%**	23.8%	Distribution of Beer
(B)	Robbie Burns Limited	**39.7%**	39.7%	Dormant
(E)	Rock Ember Limited	**17.8%**	-	Distribution of Beer
(B)	Sale Street Brewery Co Limited	**23.8%**	23.8%	Dormant
(A)	Studio 25 Limited	**17.8%**	17.8%	Distribution of Beer
(A)	Tarmon Limited	**17.8%**	17.8%	Distribution of Beer
(A)	Temperance Hospitality Company Limited	**23.8%**	23.8%	Distribution of Beer
(A)	Temperance Holdings Limited *(Formerly Trinity Hospitality Company Limited)*	**23.8%**	23.8%	Investment Holding Company
(B)	Tui Brewery Limited	**39.7%**	39.7%	Dormant
(B)	Waitemata Brewery Limited	**39.7%**	39.7%	Dormant

Notes:

(A) Audited by Ernst & Young in the respective countries.

(B) Not required to be audited under the laws of the country of incorporation.

(C) Audited by other firms of auditors.

(E) To be appointed

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

44. SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES (cont'd)

		Effective Shareholding 2010	Effective Shareholding 2009	Principal Activities
	SUBSIDIARY COMPANIES OF ASIA PACIFIC BREWERIES GROUP (cont'd)			
	Country of Incorporation and Place of Business: **India**			
(C)	Asia Pacific Breweries (India) Private Limited	**39.7%**	39.7%	Dormant
	Country of Incorporation and Place of Business: **Sri Lanka**			
(A)	Asia Pacific Brewery (Lanka) Limited	**23.8%**	23.8%	Brewing and Distribution of Beer
	Country of Incorporation and Place of Business: **Papua New Guinea**			
(C)	South Pacific Brewery Limited	**30.1%**	30.1%	Brewing and Distribution of Beer
	Country of Incorporation and Place of Business: **United Kingdom**			
(C)	Tiger Beer UK Ltd	**39.7%**	39.7%	Distribution of Beer and Stout
	Country of Incorporation and Place of Business: **United States of America**			
(B)	Tiger Beer USA Inc	**39.7%**	39.7%	Distribution of Beer
	Country of Incorporation and Place of Business: **Mongolia**			
(A)	MCS - Asia Pacific Brewery LLC	**21.8%**	21.8%	Brewing and Distribution of Beer
	Country of Incorporation and Place of Business: **Australia**			
(A)	Asia Pacific Breweries (Australia) Pty Ltd	**39.7%**	39.7%	Investment Holding
(A)	FBG Vietnam Holdings Pty Ltd	**39.7%**	39.7%	Investment Holding
(A)	DBG (Australia) Pty Limited	**39.7%**	39.7%	Distribution of Beer
	Country of Incorporation and Place of Business: **Laos**			
(A)	Lao Asia Pacific Breweries Limited	**27.0%**	27.0%	Brewing and Distribution of Beer
	Country of Incorporation and Place of Business: **New Caledonia**			
(C)	Grande Brasserie de Nouvelle Caledonie S.A	**34.6%**	-	Brewing and Distribution of Beer and Spring water
	Country of Incorporation and Place of Business: **Indonesia**			
(C)	PT Multi Bintang Indonesia Tbk	**32.0%**	-	Brewing and Distribution of Beer
(C)	PT Multi Bintang Indonesia Niaga *(All the above companies, incorporated in Indonesia, accounting year ends on 31 December)*	**32.0%**	-	Distribution of Beer

Notes:

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(C) Audited by other firms of auditors.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2010

44. SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES (cont'd)

		Effective Shareholding 2010	Effective Shareholding 2009	Principal Activities
	JOINT VENTURE COMPANIES OF ASIA PACIFIC BREWERIES GROUP			
	Country of Incorporation and Place of Business: **Singapore**			
(C)	GAPL Pte Ltd *(Accounting year ends on 30 June)*	**19.8%**	19.8%	Investment Holding and Distribution of Beer
	Country of Incorporation and Place of Business: **China**			
(C)	Jiangsu DaFuHao Breweries Co. Ltd *(Accounting year ends on 31 December)*	**22.0%**	22.0%	Brewing and Distribution of Beer
	Country of Incorporation and Place of Business: **Thailand**			
(C)	Thai Asia Pacific Brewery Co Ltd	**14.6%**	14.6%	Brewing and Distribution of Beer
(C)	TAP Trading Co Ltd	**14.6%**	14.6%	Distribution of Beer
	ASSOCIATED COMPANIES OF ASIA PACIFIC BREWERIES GROUP			
	Country of Incorporation and Place of Business: **New Zealand**			
(A)	The Associated Bottlers Company Ltd *(Accounting year ends on 31 March)*	**19.8%**	19.8%	Hire of Returnable Beer Bottles
	Country of Incorporation: **Bermuda** Place of Business: **Hong Kong**			
(A)	Kingway Brewery Holdings Limited *(Accounting year ends on 31 December)*	**9.6%**	9.6%	Brewing and Distribution of Beer
	Country of Incorporation and Place of Business: **New Caledonia**			
(C)	Societe Industrielle des Eaux du Mont Dore *(Accounting year ends on 31 December)*	**11.9%**	-	Bottling of Spring water

Notes:

(A) Audited by Ernst & Young in the respective countries.

(C) Audited by other firms of auditors.

Particulars Of Group Properties

The main properties as at 30 September 2010 and their net book values are indicated below:
("F&N" refers to Fraser and Neave Group, "APBL" refers to Asia Pacific Breweries Group, "FCL" refers to Frasers Centrepoint Limited Group and "TPL" refers to Times Publishing Group)

					Land ($'000)	Building ($'000)
(A)	**CLASSIFIED AS GROUP FIXED ASSETS (Note 13 to the Financial Statements)**					
	FREEHOLD					
	Singapore					
	TPL	-	1.1	hectares industrial property at Times Centre, 1 New Industrial Road	6,100	5,855
	Peninsular Malaysia					
	F&N	-	18.0	hectares industrial property at Lot 3-1 & Lot 3-2, Lion Industrial Park, Shah Alam	20,682	31,120
		-	2.1	hectares industrial property at 3724 to 3726 Sungei Nyior, Butterworth	2,010	917
		-	2.7	hectares industrial property at 217, Jalan Lahat, Ipoh	1,199	1,646
		-	2.2	hectares industrial property at 701, Jalan Tampoi, Johor Bahru	3,262	75
		-	0.6	hectares industrial property at 598, Jalan Tampoi, Johor Bahru	447	1,560
		-	0.1	hectares property at No. 3, Jalan Metro Pudu, Fraser Business Park	-	6,734
		-	Other properties		398	-
	TPL	-	1.2	hectares industrial property at Lot 46 Subang Hi-Tech Industrial Park, Batu Tiga, Shah Alam	1,640	2,892
	East Malaysia					
	F&N	-	1.1	hectares industrial property at Matang Land District, Sarawak	1,865	1,125
		-	2.0	hectares industrial property at Jalan Mempaga, Mukim Sabai, Karak	1,575	2,202
	Thailand					
	F&N	-	1.2	hectares industrial property at Amphur Pakchong, Nakonratchasima Province 30320	-	52,611
		-	9.2	hectares industrial property at U-thai, Phra Nakhon Si Avutthava 13210 Thailand	7,280	-
	New Zealand					
	APBL	-	17.4	hectares industrial property for Waitemata Brewery site at Auckland	3,499	15,701
		-	9.1	hectares industrial property for Mainland Brewery at Timaru	167	1,703
		-	10.8	hectares industrial property for Tui Brewery at Pahiatua	305	1,228
	Australia					
	TPL	-	0.2	hectare commercial property at Unit 7 & 8 Monash Business Park, 29 Business Park Drive, Nottinghill, Melbourne - Victoria	972	439
	United State of America					
	TPL	-	3.4	hectares commercial property at 99 White Plains Road, Tarrytown, New York	658	3,106
	Mongolia					
	APBL	-	5.0	hectares industrial property at 10th Khoroo, Bayanzurkh District, Ulaanbaatar City, Mongolia	-	3,444
	Sri Lanka					
	APBL	-	0.4	hectares industrial property at Millawa Land	11	-
	New Caledonia					
	APBL	-	3.7	hectares industrial property at 12 Rue Edmond Harbulot, Noumea	1,233	15,465
		-	0.2	hectares residential property at 1 Rue De La Baie D'Houiguie, Noumea	236	698
	Total Freehold				**53,538**	**148,521**

Particulars Of Group Properties

				Land ($'000)	Building ($'000)
(A)	**CLASSIFIED AS GROUP FIXED ASSETS** (cont'd) **(Note 13 to the Financial Statements)**				
	LEASEHOLD				
	Singapore				
	F&N	-	4.0 hectares industrial property at 214 Pandan Loop (Lease expires year 2010)	-	13,553
	APBL	-	8.8 hectares industrial property at Jurong (Lease expires year 2046)	-	18,094
	TPL	-	Commercial property at Unit #04-08 - #04-11, 176 Orchard Road Centrepoint (Lease expires year 2078)	-	209
		-	1.8 hectares offices at 16 & 18 Tuas Avenue 5 (Lease expires year 2043)	-	13,967
	Peninsular Malaysia				
	F&N	-	3.6 hectares industrial property at 70 Jalan University, Petaling Jaya (Lease expires year 2058)	7,925	6,593
		-	1.6 hectares industrial property at 16 Jalan Bersatu 13/4, Petaling Jaya (Lease expires year 2058)	4,196	1,848
		-	1.4 hectares industrial property at Lot 56, Section 4, Phase 2B, Mukim Klang, Selangor (Lease expires year 2097)	12,350	-
		-	Other properties	642	601
	East Malaysia				
	F&N	-	1.8 hectares industrial property at 3.5 miles Penrissen Road, Kuching (Lease expires year 2038)	668	2,807
		-	2.6 hectares industrial property at 5.5 miles Tuaran Road, Kota Kinabalu (Lease expires year 2062)	962	736
		-	1.2 hectares industrial property at Lot 1557, Block 218 KNLD, Kuching (Lease expires year 2038)	2,947	-
		-	2.8 hectares industrial property at Matang Land District, Sarawak/Kuching District (Lease expires year 2038/2784)	1,975	336
	Cambodia				
	APBL	-	11.3 hectares industrial property at Kandal Province (Land rights expires year 2065)	-	6,177
	Vietnam				
	APBL	-	13.0 hectares industrial property at Ho Chi Minh City (Lease expires year 2021)	1,156	6,185
		-	30.0 hectares industrial property at Van Tao Village - Hatay Province (Lease expires year 2046)	-	7,064
		-	5.1 hectares industrial property at Tien Giang Province (Lease expires year 2022)	-	969
		-	7.7 hectares industrial property at Danang City (Lease expires year 2022)	-	969
		-	3.0 hectares industrial property at Quang Nam (Lease expires year 2046)	-	267
	New Zealand				
	APBL	-	0.1 hectares industrial property at Christchurch, Auckland (Lease expires year 2016)	-	127
		-	0.1 hectares industrial property at Dunedin, Auckland (Lease expires year 2013)	-	4
	Thailand				
	F&N	-	0.9 hectare industrial property at No. 19/111 Moo 7 Thakarm Road, Samaedam, Bangkhuntien, Bangkok 10150 (Lease expires year 2029)	465	3,186
	TPL	-	Warehouse at Soi Wat Kok #20/526-527, Rama II Road, Bangkok (Lease expires year 2021)	-	36

Particulars Of Group Properties

				Land ($'000)	Building ($'000)
(A)	**CLASSIFIED AS GROUP FIXED ASSETS** (cont'd) **(Note 13 to the Financial Statements)**				
	LEASEHOLD (cont'd)				
	Myanmar				
	F&N	- 5.0	hectares industrial property at Mingaladon Township, Yangon (Lease expires year 2023)	1,181	9,869
	China/Hong Kong				
	APBL	- 20.0	hectares industrial property at Haikou, Hainan, China (Lease expires year 2065)	4,470	15,605
		- 11.0	hectares industrial property at Shanghai, China (Lease expires year 2038)	5,280	6,974
		- 0.02	hectares industrial property at Shanghai, China (Lease expires year 2042)	-	262
	TPL	-	Residential property at Unit 1AF Riverside Garden, Shenyang, China	-	188
		-	Residential property at Vanke Garden, Shenyang, China	-	94
		-	Warehouse at Unit D, 2nd Floor, Freder Centre 68 Sung Wong Toi Road, Tokwawan, Kowloon, Hong Kong (Lease expires year 2022)	7	22
		-	Industrial property at Dachong Western Industrial District Nansha Panyu, Guangdong, China (Lease expires year 2044)	2,511	14,114
		-	Industrial property at Unit A1,C5, Ko Fai Industrial Building 7 Ko Fai Road, Yau Tong , Kowloon, Hong Kong (Lease expires year 2048)	-	409
		-	Factory at 1 Zhao Yu Street, Yuci Economic Development Zone Jin Zhong City, Shanxi Province (Lease expires year 2026)	-	2,924
		-	Offices at Seaview Estate - 10th Floor Block C, No. 8 Watson Road, North Point, Hong Kong (Lease expires year 2057)	4,709	113
		-	Offices at Seaview Estate - 9th Floor Block C, No. 8 Watson Road, North Point, Hong Kong (Lease expires year 2057)	4,454	99
	Papua New Guinea				
	APBL	- 2.2	hectares industrial property at Port Moresby (Lease expires year 2067)	591	4,003
		- 7.7	hectares industrial property at Lae and Goroka (Lease expires year 2057 and year 2067)	288	3,322
		- 1.0	hectares residential properties (Lease expires year 2057 and year 2071)	109	67
	Sri Lanka				
	APBL	- 2.3	hectares industrial property at Mawathagama (Lease expires year 2027)	35	358
	Laos				
	APBL	- 13.5	hectares industrial property at Veunkham Road, B.Nongno, Xaythany District, Vientianne, Lao, PDR (Lease expires year 2056)	1,285	7,201
		- 0.1	hectares industrial property at Mini Tavern, Unit 16, House No. 160, Ban Mixay, Chanthabouly District, Vientianne, Lao PDR (Lease expires year 2017)	-	230
	Indonesia				
	APBL	- 10.4	hectares industrial property at Tangerang, West Java (Lease expires year 2033)	81	1,760
		- 30.0	hectares industrial property at Sampang Agung, East Java (Lease expire between year 2025 - 2029)	647	2,003
	Total Leasehold			**58,934**	**153,344**
	TOTAL PROPERTIES (CLASSIFIED AS GROUP FIXED ASSETS)			**112,472**	**301,865**

Particulars Of Group Properties

			Land ($'000)	Building ($'000)
(B)	**CLASSIFIED AS GROUP INVESTMENT PROPERTIES (Note 14 to the Financial Statements)**			
	COMPLETED INVESTMENT PROPERTIES			
	Singapore			
	FCL	- A 24-storey office building at 438 Alexandra Road Freehold, lettable area - 18,423.0 sqm	75,670	78,330
		- Retained interests (excluding apartments) in a 7-storey shopping cum residential complex with 2 basement floors at The Centrepoint, 176 Orchard Road Leasehold (Lease expires year 2078), lettable area - 30,867.0 sqm	424,890	156,310
		- Two 8-storey high-tech industrial building with basement carpark at 438A and 438B Alexandra Road, Alexandra Technopark, Block A & Block B Freehold, lettable area - 97,542.0 sqm	41,000	-
		- A 10-storey commercial-cum-serviced apartment complex at Robertson Walk Shopping Centre and Fraser Place Robertson Walk, 11 Unity Street, with 2 basement carparks comprising a 2-storey retail podium and 161 serviced apartment units Leasehold (999 years from July 1841) Lettable area: Retail 9,068.0 sqm Serviced apartments 14,293.0 sqm Total 23,361.0 sqm	138,160	116,640
		- A 20-storey commercial-cum-serviced apartment complex with a 3-storey covered carpark, a 5-storey podium block, a 2-storey retail podium and 251 serviced apartment units at Valley Point Shopping Centre/ Office Tower and Fraser Suites River Valley, River Valley Road Leasehold (999 years from June 1877) Lettable area: Retail 3,699.0 sqm Serviced apartments 20,232.0 sqm Office 16,948.0 sqm Total 40,879.0 sqm	226,500	206,600
		- Other properties	1,200	150
	TPL	- 0.7 hectares industrial property at 438 Ang Mo Kio Industrial Park Leasehold (Lease expires year 2038)	-	8,425
		- 1.9 hectares warehouse at No. 24 Senoko Drive Leasehold (Lease expires year 2016)	-	95
	Vietnam			
	FCL	- A 23-storey retail/office building plus 2 basements at Me Linh Point Tower, 2 Ngo Duc Ke Street, District 1, Ho Chi Minh City Leasehold (Lease expires year 2045), lettable area - 17,816.0 sqm	32,138	28,297
	Philippines			
	FCL	- 69 apartment units with 116 car park slots in the East Tower of Fraser Place Forbes Tower, Valero Street, Salcedo Village, Makati City, Manila Leasehold, lettable area - 17,046.0 sqm	-	26,082
	Australia			
	FCL	- A 2-storey Shopping Centre and 1 unit Viewpoint Apartment at Bridgepoint, Mosman, Sydney Freehold, lettable area - 6,784.0 sqm	27,499	25,570

Particulars Of Group Properties

		Land ($'000)	Building ($'000)
(B)	**CLASSIFIED AS GROUP INVESTMENT PROPERTIES** (cont'd) **(Note 14 to the Financial Statements)**		
	China		
	FCL - A 2 cross shaped, 5-storey buildings, 2 blocks of office space, an amenity centre, 3 hi-tech multi-purpose buildings and a multi storey carpark building at Vision (Shenzhen) Business Park, Shenzhen Industrial Hi-Tech Industrial Park. Gaoxing South Ring Road/Keji South Road, Shenzhen Lettable area - 157,610.0 sqm	40,014	109,574
	- A 13-storey building with 2 levels of basement car parks and ancillary facilities at Vision International Centre (Sohu.com Internet Plaza), TsingHua Science Park, No. 1 Zhongguancun East Road, Haidian District, Beijing Lettable area - 14,820.0 sqm	40,667	8,404
	- A building comprising residential (3rd to 23rd level) and clubhouse (2nd level) at Fraser Suites CBD Beijing (EEL), Block D, No. 7 Guanghua Road, Chaoyang District, Beijing Leasehold: Residental (lease expires year 2073) Clubhouse (lease expires year 2043) Lettable area - 28,419.0 sqm	-	204,595
	United Kingdom		
	FCL - 2 buildings of 63 serviced residences at C2 and C3 The Boardwalk, Trafalgar Way, London E14 Leasehold (999 years from 25 December 1999), lettable area - 4,765.0 sqm	-	63,901
	- A 4-storey building of 99 serviced residences at Fraser Suites 1-19 Albion Street, Glasgow G1 1 NY Freehold, lettable area - 4,964.0 sqm	-	20,042
	- A 8-storey building of serviced residences with 75 apartments at Fraser Suites Edinburgh, St Giles Street Freehold, lettable area - 4,037.0 sqm	13,201	16,467
	Hong Kong		
	TPL - Shop unit at Houston Centre, Tsimshatsui East, Kowloon Leasehold (Lease expires year 2053), lettable area - 68.0 sqm	483	115
	- 0.1 hectares industrial property at 35 Kallang Pudding Road #07-14 Tong Lee Building Blk A	-	850
	TOTAL COMPLETED INVESTMENT PROPERTIES	**1,061,422**	**1,070,447**
	INVESTMENT PROPERTIES UNDER CONSTRUCTION		
	Singapore		
	FCL - A 12-storey hotel and a shopping mall at Plot 61, Changi Business Park Leasehold land of approximately 47,006.0 sqm	28,000	2,200
	Peninsular Malaysia		
	F&N - Commercial buildings with retail space, city campus and hostel, hotels and carparks at Jalan Yew, Kuala Lumpur, Malaysia Freehold land of approximately 25,659.0 sqm	3,963	13,994
	TOTAL INVESTMENT PROPERTIES UNDER CONSTRUCTION	**31,963**	**16,194**
	TOTAL PROPERTIES (CLASSIFIED AS INVESTMENT PROPERTIES)	**1,093,385**	**1,086,641**

Particulars Of Group Properties

		Effective Group interest %
(C)	**CLASSIFIED AS COMPLETED PROPERTIES HELD FOR SALES (Note 24 to the Financial Statements)**	
	Australia	
	FCL - The Habitat Freehold land of approximately 862.0 sqm situated at 11-17 Chandos Streets, Sydney. The development has a gross floor area of 7,855.0 sqm and consists of 60 residential units, 2 retail and 9 offices.	75
	- Lumiere Freehold land of approximately 3,966.0 sqm situated at former Regent Theatre, Frontages on George Street, Bathurst & Kent Street, Sydney NSW. The development has a gross floor area of 62,000.0 sqm and consists of 1 retail podium, 456 residential units, 145 serviced apartments, 3 retail and 1 commerical unit.	81
	- Lorne Freehold land of approximately 4,022.0 sqm situated at 29, Lorne Ave, Killara NSW 2071. The development has a gross floor area of 6,671.0 sqm and consist of 40 residential apartments.	75
	- Trio, Alexandra & Altro Freehold land of approximately 9,366.0 sqm situated at Pyrmont Road Camperdown NSW. The development has a gross floor area of 38,847.0 sqm and consist of 409 residential units and 2 offices.	88
	China/Hong Kong	
	FCL - Scenic Place Leasehold land of approximately 26,052.0 sqm situated at No.305 Guang An Men Wai Avenue Xuan Wu, District Beijing. The development has a gross floor area of 95,855.0 sqm and consists of 788 residential units and 64 carpark lots.	56
	- Ninth Zhongshan Leasehold land of approximately 73,152.0 sqm situated at No.2 Xinglin Street Zhongshan District Da Lian. The development has a gross floor area of 63,054.0 sqm and consists of 439 residential units and 105 carpark lots. Twin Towered development comprising of 32 storey east tower and 30 storey west tower.	56
	- Greenery Place Leasehold land of approximately 6,796.0 sqm situated at No.1 Town Park Road South, Yuen Long, Hong Kong. The development has a gross floor area of 22,106.0 sqm and consists of four 11 storey residential towers with a total of 330 residential units, a clubhouse and 133 carpark lots.	56
	- Crosspoint Leasehold land of approximately 7,111.0 sqm situated at Xi Cheng District, Xin Jie Kou, Beijing. The development has a gross floor area of 28,572.0 sqm.	100
	- Chengdu Logistics Park Leasehold land of approximately 195,845.76 sqm situated at South-West sector of Chengdu. The development has a gross floor area of 584,283.0 sqm.	80
	United Kingdom	
	FCL - Wandsworth Freehold land of approximately 40,014.9 sqm situated at River Thames, London. The development has a gross floor area of 27,000.0 sqm and consists of 203 residential units and 8 commercial units.	51
	- Vincent Square Freehold land of approximately 2,346.0 sqm situated at 63-69 Rochester Row, 68 Vincent Square, London. The development has a gross floor area of 6,197.0 sqm and consists of 70 residential units.	51
	- Buckswood Grange Freehold land of approximately 800.4 sqm situated at Uckfield, Sussex. The development has a gross floor area of 2,433.8 sqm and consists of apartments and townhouses.	51
	- Shoppenhangers Lane Freehold land of approximately 3,035.0 sqm situated at Maidenhead. The development has a gross floor area of 2,316.0 sqm and consists of proposed 28 residential units.	51

Particulars Of Group Properties

(D) CLASSIFIED AS DEVELOPMENT PROPERTIES HELD FOR SALE (Note 24 to the Financial Statements)

Details of the development properties held for sale are included in Note 24 to the Financial Statements. Additional information as follows:

			Stage of Completion	Estimated Date of Completion	Effective Group interest %
Singapore					
FCL	-	Soleil @ Sinaran	79%	3rd Quarter FY 2011	100
	-	Martin Place Residences	67%	3rd Quarter FY 2011	100
	-	Bedok Waterfront Waves (B1)-Wave	63%	4th Quarter FY 2011	50
	-	Bedok Waterfront Key (B2)-Key	31%	4th Quarter FY 2012	50
	-	Bedok Waterfront (A2)-Gold	-	1st Quarter FY 2013	50
	-	Bedok Waterfront (A1)-Isle	-	1st Quarter FY 2014	50
	-	Woodsville 28	53%	3rd Quarter FY 2011	100
	-	Caspian	35%	3rd Quarter FY 2012	100
	-	Flamingo Valley	-	3rd Quarter FY 2014	100
	-	8 @ Woodleigh	21%	3rd Quarter FY 2012	100
	-	Residences Botanique	28%	2nd Quarter FY 2012	100
	-	Holland Vale	-	4th Quarter FY 2012	100
	-	Esparina Residences	-	4th Quarter FY 2014	80
	-	Yishun Ave 2/Ave 7/Canberra Drive	-	1st Quarter FY 2014	50
	-	Bedok/Changi Theatre	-	-	100
Malaysia					
F&N	-	Jalan Yew, Kuala Lumpur site	-	-	57
	-	Hulu Langat, Selangor site	-	-	57
	-	Johor Baru, State of Johor site	-	-	57
Thailand					
FCL	-	The Pano	98%	1st Quarter FY 2011	70
Australia					
FCL	-	Queens Riverside	-	4th Quarter FY 2012	88
	-	Paramatta River	-	4th Quarter FY 2014	75
	-	Killara Pavilions	-	4th Quarter FY 2013	75
	-	Frasers Landing	-	4th Quarter FY 2017	56
	-	One Central Park	-	3rd Quarter FY 2013	75
	-	Central Park (CUB site)	-	4th Quarter FY 2013	75
China					
FCL	-	Chengdu Logistics Park (Phase 2 - 5)	-	2nd Quarter FY 2010 - 2nd Quarter FY 2015	80
	-	Chengdu Logistics Park (Office) - Phase1	100%	FY 2010	80
	-	Shanshui Four Seasons (Phase 2 - 4)	-	FY 2018	76
	-	Shanshui Four Seasons (Phase 1)	100%	FY 2010	76
	-	Baitang One (Phase 2 - 4)	-	FY 2017	100
	-	Baitang One (Phase 1a)	86%	3rd Quarter FY 2011	100
	-	Baitang One (Phase 1b)	33%	4th Quarter FY 2011	100
	-	Vision Shenzhen Business Park (Phase 3)	-	-	56
New Zealand					
FCL	-	Broadview Rise	-	Project on Hold	75
	-	Coast Papamoa Beach	-	4th Quarter FY 2014	68
United Kingdom					
FCL	-	Wandsworth Riverside Quarters	-	4th Quarter FY 2016	51
	-	Wandsworth Road	-	-	51
	-	Camberwell Green	-	-	51
	-	Collins Theatre	-	FY 2011	51
	-	Granton Harbour	-	Suspended	26
	-	Water Street	100%	Completed	26
	-	Ferry Village	100%	Completed	26
	-	Shrubhill	-	4th Quarter FY 2012	26
	-	Brown Street	-	-	51
	-	Baildon	-	Project on Hold	51