FRASER & NEAVE HOLDINGS BHD.
(Company No: 004205-V, Incorporated in Malaysia)

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For immediate release

QUARTERLY FINANCIAL REPORT

Quarter 2 and half year results : Financial Year Ending 30 September 2013

The Directors are pleased to release the unaudited quarterly financial report for the quarter and six months ended 31st March 2013.

The contents of the financial report comprise the following attached unaudited condensed consolidated financial statements, explanatory notes and additional disclosures and these must be read in conjunction with the Group's financial statements for the year ended 30 September 2012:

Schedule A : Unaudited Condensed Consolidated Income Statement
Schedule B : Unaudited Condensed Consolidated Statement of Comprehensive Income
Schedule C : Unaudited Condensed Consolidated Statement of Financial Position
Schedule D : Unaudited Condensed Consolidated Statement of Cash Flows
Schedule E : Unaudited Condensed Consolidated Statement of Changes in Equity
Schedule F : Selected Explanatory Notes
Schedule G : Additional Disclosures

The unaudited quarterly financial report has been prepared in accordance with the accounting standards on interim financial reporting issued by the Malaysian Accounting Standards Board and contains additional disclosures prescribed by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. Unless specified otherwise, the same accounting policies and methods of computation applied to the Group's financial statements for the previous year had been followed throughout this quarterly financial report.

By Order of the Board

Soon Wing Chong
Company Secretary

Kuala Lumpur
7 May 2013

Schedule A : Unaudited Condensed Consolidated Income Statement
For the quarter and six months ended 31 March 2013

	Individual 2nd Quarter			Cumulative 2nd Quarter		
RM'000	31/03/2013	31/03/2012	*% chg*	31/03/2013	31/03/2012	*% chg*
Revenue	882,061	730,429	*20.8%*	1,755,764	1,473,727	*19.1%*
Operating profit	66,958	56,806	*17.9%*	134,621	110,271	*22.1%*
Interest expense	(3,404)	(2,453)		(7,029)	(4,424)	
Interest income	830	1,226		1,900	2,606	
Share of results of an associate^	1,201	2,117		2,434	2,783	
Profit before taxation (PBT)	65,585	57,696	*13.7%*	131,926	111,236	*18.6%*
Taxation (*note 4, Schedule G*)	(10,983)	49,361		(20,210)	37,567	
Profit after taxation (PAT)	54,602	107,057	*-49.0%*	111,716	148,803	*-24.9%*
Attributable to:						
Equity holders of the Company	54,611	107,057	*-49.0%*	111,725	148,803	*-24.9%*
Non-controlling interests	(9)	-		(9)	-	
	54,602	107,057		111,716	148,803	
Basic earnings per share (sen) attributable to equity holders of the Company	15.0	29.7	*-49.5%*	30.8	41.3	*-25.4%*
Diluted earnings per share (sen) attributable to equity holders of the Company	15.0	29.5	*-49.2%*	30.6	41.0	*-25.4%*

^ The share of results of Cocoaland Holdings Berhad for the financial quarter ended 31 December 2012, after it has been released to the public on 27 February 2013.

This Statement should be read in conjunction with the selected explanatory notes on Schedule F & G of this Report and the Group's audited financial statements for the year ended 30 September 2012.

Schedule B : Unaudited Condensed Consolidated Statement of Comprehensive Income

For the quarter and six months ended 31 March 2013

	Individual 2nd Quarter			Cumulative 2nd Quarter		
RM'000	31/03/2013	31/03/2012	*% chg*	31/03/2013	31/03/2012	*% chg*
Profit after taxation	54,602	107,057	*-49.0%*	111,716	148,803	*-24.9%*
Other comprehensive income, (net of tax)						
Foreign currency translation	21,575	(5,537)	*>100.0%*	24,104	(14,362)	*>100.0%*
Total comprehensive income for the quarter	76,177	101,520	*-25.0%*	135,820	134,441	*1.0%*
Total comprehensive income attributable to:						
Equity holders of the Company	76,186	101,520	*-25.0%*	135,829	134,441	*1.0%*
Non-controlling interests	(9)	-		(9)	-	
	76,177	101,520	*-25.0%*	135,820	134,441	*1.0%*

This Statement should be read in conjunction with the selected explanatory notes on Schedule F & G of this Report and the Group's audited financial statements for the year ended 30 September 2012.

Schedule C : Unaudited Condensed Consolidated Statement of Financial Position
As at 31 March 2013

RM'000	31/03/2013	30/09/2012	1/10/2011
Property, plant and equipment	1,125,620	1,074,386	1,008,840
Properties held for development	61,845	62,276	5,504
Associate	73,838	73,737	55,929
Intangible assets	136,485	134,970	127,262
Deferred tax assets	73,950	79,050	4,705
Current assets			
Property development costs	11,442	9,047	74,569
Inventories	334,365	370,775	314,668
Receivables	530,658	518,315	538,175
Cash and cash equivalents	307,999	227,873	290,290
	1,184,464	1,126,010	1,217,702
Non-current assets held for sale*	-	55,897	55,897
	1,184,464	1,181,907	1,273,599
Less : Current liabilities			
Payables	577,947	569,454	685,237
Provisions	6,000	6,000	22,468
Borrowings	450,000	423,711	-
Provision for taxation	5,231	2,350	9,596
	1,039,178	1,001,515	717,301
Net current assets	145,286	180,392	556,298
	1,617,024	1,604,811	1,758,538
Financed by:			
Share capital and reserves	1,564,000	1,554,283	1,558,818
Non-controlling interests	245	254	294
Total equity	1,564,245	1,554,537	1,559,112
Non-current liabilities			
Borrowings	-	-	150,000
Provision for retirement benefits	35,436	35,227	35,822
Deferred tax liabilities	17,343	15,047	13,604
	52,779	50,274	199,426
Total equity and non-current liabilities	1,617,024	1,604,811	1,758,538
Net assets per share (RM) attributable to equity holders of the Company	4.30	4.28	4.33

** Comprises Car Park and Techno Centre which have been reclassified to "Property, plant and equipment" during the financial quarter ended 31st December 2012 as the criteria under MFRS 5: Non-current Assets Held for Sale and Discontinued Operations are no longer met. Depreciation of RM2.4 million in respect of the Car Park and Techno Centre has been charged to the profit and loss as at the current quarter.*

This Statement should be read in conjunction with the selected explanatory notes on Schedule F & G of this Report and the Group's audited financial statements for the year ended 30 September 2012.

Schedule D : Unaudited Condensed Consolidated Statement of Cash Flows

For the six months ended 31 March 2013

	Cumulative 2nd quarter	
RM'000	31/03/2013	31/03/2012
Operating activities		
Operating profit	134,621	110,271
Add non-cash items:		
- Depreciation	44,062	43,944
- Impairment losses/write-offs related to property damage in Rojana plant	-	89,440
- Others	8,875	3,309
Gain on dilution of interest in a subsidiary	-	(9)
Realisation of gain on disposal of land upon divestment of 50% interest in the development land	-	(55,292)
Changes in working capital	42,939	(208,546)
Tax paid	(12,861)	(14,868)
Net cash flows from operating activities	217,636	(31,751)
Investing activities		
Interest income	1,900	2,606
Dividend income	2,333	990
Capital expenditure	(28,618)	(131,908)
Purchase of intangibles (software)	(3,066)	(3,504)
Investment in an associate	-	(14,079)
Net proceeds from divestment of interest in a subsidiary	-	69,602
Net cash flows from investing activities	(27,451)	(76,293)
Financing activities		
Interest expenses	(7,029)	(4,424)
Dividends paid	(138,156)	(223,792)
Drawdown of borrowings	26,289	236,000
Proceeds from issuance of shares iro ESOS	8,837	6,557
Net cash flows from financing activities	(110,059)	14,341
Net change in cash and cash equivalents	80,126	(93,703)
Cash and cash equivalents at beginning of year	227,873	290,290
Cash and cash equivalents at end of quarter	307,999	196,587

Note:
( ) denotes cash outflow

Schedule E : Unaudited Condensed Consolidated Statement of Changes in Equity

For the six months ended 31 March 2013

	<--------Attributable to equity holders of the Company------->						
RM'000	Share capital	Share premium and other reserves	Treasury shares	Revenue reserve	Total	Non-controlling interests	Total equity
At 1 October 2012	362,997	405,028	(1,716)	787,974	1,554,283	254	1,554,537
Total comprehensive income	-	24,104	-	111,725	135,829	(9)	135,820
Transactions with owners:							
Issuance of shares upon exercise of ESOS	857	7,980	-	-	8,837	-	8,837
Employee share-based expense	-	3,207	-	-	3,207	-	3,207
Dividends paid	-	-	-	(138,156)	(138,156)	-	(138,156)
Total transactions with owners	857	11,187	-	(138,156)	(126,112)	-	(126,112)
At 31 March 2013	363,854	440,319	(1,716)	761,543	1,564,000	245	1,564,245
At 1 October 2011	360,379	396,175	(1,716)	803,980	1,558,818	294	1,559,112
Total comprehensive income	-	(14,362)	-	148,803	134,441	-	134,441
Transactions with owners:							
Issuance of shares upon exercise of ESOS	841	5,716	-	-	6,557	-	6,557
Employee share-based expense	-	1,903	-	-	1,903	-	1,903
Transfer from revenue reserve to legal reserve	-	9,903	-	(9,903)	-	-	-
Dividends paid	-	-	-	(223,792)	(223,792)	-	(223,792)
Total transactions with owners	841	17,522	-	(233,695)	(215,332)	-	(215,332)
At 31 March 2012	361,220	399,335	(1,716)	719,088	1,477,927	294	1,478,221

Schedule F : Selected Explanatory Notes Pursuant to MFRS 134

1. Accounting policies and method of computation

These unaudited condensed consolidated interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board. For the periods up to and including the year ended 30 September 2012, the Group prepared its financial statements in accordance with Financial Reporting Standards ("FRS").

The audited consolidated financial statements of the Group for the year ended 30 September 2012 which were prepared under FRS are available upon request from the Company registered office at Level 8, F&N Point, No. 3, Jalan Metro Pudu 1, Fraser Business Park, Off Jalan Yew, 50450 Kuala Lumpur, Malaysia.

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venture (herein called "Transitioning Entities").

Under IC 15, an agreement for construction of real estate does not meet the definition of a construction contract under MFRS 111 Construction Contract shall be accounted for as sale of goods under MFRS 118 Revenue. Revenue from sale of goods agreement is recognised by stage of completion, if and only if, the revenue recognition criteria of MFRS 118 are met continuously as construction progresses (i.e. continuous transfer of significant risks and rewards of ownership).

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for an additional one year. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2014. The Group do not fall within the scope definition of Transitioning Entities and accordingly, is required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 30 September 2013.

As at 31 March 2013, the Petaling Jaya (PJ) Section 13, integrated development project is not in the active development phase. Application for development is well underway with the relevant local authorities, but management anticipate that the project will only be launched after the current financial year end. Consequently, the adoption of IC15 will have no significant impact to the financial statements for the current financial year.

These unaudited condensed consolidated interim financial statements are the Group's first MFRS condensed consolidated interim financial statements for part of the period covered by the Group's first MFRS annual financial statements for the year ending 30 September 2013. MFRS 1 First-Time Adoption of Malaysian Financial Reporting Standards ("MFRS 1") has been applied.

The MFRS is effective for the Group from 1 October 2012 and the date of transition to the MFRS Framework for the purpose of the first MFRS compliant unaudited condensed consolidated interim financial statements is 1 October 2011. At that transition date, the Group reviewed its accounting policies and considered transitional opportunities under MFRS 1. The impact of the transition from FRS to MFRS is described in Note 1.2.

Schedule F : Selected Explanatory Notes Pursuant to MFRS 134 (cont'd)

1. Accounting policies and method of computation (cont'd)

1.1 Significant accounting policies and application of MFRS 1:
The audited financial statements of the Group for the year ended 30 September 2012 were prepared in accordance with FRS. Except for certain differences, the requirements under FRS and MFRS are similar. The significant accounting policies adopted in preparing these unaudited condensed consolidated interim financial statements are consistent with those of the audited financial statements for the year ended 30 September 2012 except as discussed below:

(i) Business combinations
MFRS 1 provides the option to apply MFRS 3 Business Combinations, prospectively for business combinations that occurred from the transition date or from a designated date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date or a designated date prior to the transition date. The Group elected to apply MFRS 3 prospectively to business combinations that occurred after 1 October 2011. Business combinations that occurred prior to 1 October 2011 have not been restated.

(ii) Estimates
The estimates at 1 October 2011 and 30 September 2012 were consistent with those made for the same dates in accordance with FRS. The estimates used by the Group to present these amounts in accordance with MFRS reflect conditions at 1 October 2011, the date of transition to MFRS and as of 30 September 2012.

(iii) Non-controlling interests
The Group has applied the following new measurement requirements of MFRS 127 Consolidated and Separate Financial Statements prospectively from the date of transition, 1 October 2011:
- To attribute total comprehensive income to non-controlling interests irrespective of whether this results in a deficit balance;
- To treat changes in a parents ownership interest as equity transactions; and
- To apply MFRS 127 to loss of control of a subsidiary.

1.2 Explanations of transition from FRS to MFRS
The adoption of MFRS 1 does not have any impact on the reported financial position, financial performance and cash flows of the Group and hence, no reconciliations from FRS to MFRS were prepared.

2. Auditors' report
The auditors' report of the preceding annual financial statements of the Company and of the Group was not subject to any qualification.

3. Comment on seasonality or cyclicality of operation
The Group's performance is normally not affected by seasonal or cyclical events on a year to year basis. However, on a quarter to quarter basis, the demand for certain group products such as soft drinks may be skewed towards major festivities.

Schedule F : Selected Explanatory Notes Pursuant to MFRS 134 (cont'd)

4. Unusual items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the quarter. Foreign currency translation differences in the Statement of Comprehensive Income under "other comprehensive income" relates to the foreign currency gain arising from the translation of its Thai subsidiary as a result of the stronger Thai Baht.

5. Significant estimates and changes in estimates

There were no significant estimates or changes in estimates that have had any material effect on the results of the current quarter.

6. Issuance or repayments of debt/equity securities

There have been no issuance, cancellation, repurchases, resale and repayments of debt and equity securities in the current financial quarter except for the issuance of 51,400 and 805,700 ordinary shares pursuant to its Executives' Share Option Scheme at the exercise price of RM7.81 and RM10.47 each respectively.

7. Dividends paid

A final single tier dividend of 23 sen per share amounting to RM83.6 million (2011 : 47 sen per share amounting to RM169.6 million) together with a special single tier dividend of 15 sen per share amounting to RM54.5 million (2011:15 sen per share amounting to RM54.2 million) in respect of the financial year ended 30 September 2012 were paid on 27 February 2013.

8. Segmental information

Segment Results

For management purposes, the Group's operating businesses are organised according to products and services, namely soft drinks, dairy products, property and others. Segment performance is evaluated based on operating profit. Inter-segment transactions and pricing arrangements, where applicable, are determined on a commercial basis. The results by segments for the quarter and cumulative 2nd quarter are as follows:

	Revenue			
	Individual 2nd quarter		Cumulative 2nd quarter	
RM'000	2013	2012	2013	2012
Soft drinks	390,124	345,646	762,391	718,729
Dairies Malaysia	231,478	261,695	484,901	523,907
Dairies Thailand	260,301	122,835	508,166	230,684
Property	125	57	244	105
Others	33	196	62	302
	882,061	730,429	1,755,764	1,473,727

Schedule F : Selected Explanatory Notes Pursuant to MFRS 134 (cont'd)

8. Segmental information (cont'd)

RM'000	Operating profit Individual 2nd quarter 2013	2012	Cumulative 2nd quarter 2013	2012
Soft drinks	34,774	25,612	71,418	66,785
Dairies Malaysia[(a)]	9,881	7,228	24,840	12,148
Dairies Thailand	23,120	[(b)](18,423)	39,723	[(b)](30,004)
Property	(572)	(380)	(3,078)	(573)
Others	(245)	[(d)]54,451	1,718	[(d)]54,863
	66,958	68,488	134,621	103,219
Provisional (deficit)/excess claims [(c)]	-	(11,682)	-	7,052
Operating profit	66,958	56,806	134,621	110,271
Finance cost	(2,574)	(1,227)	(5,129)	(1,818)
Share of results of an associate	1,201	2,117	2,434	2,783
Profit before taxation	65,585	57,696	131,926	111,236

(a) Included expenses relating to the shift from Section 13, Petaling Jaya to Pulau Indah along with the crating and storage of useable manufacturing machineries (Individual Q2: RM3.5 million vs LY RM3.9 million, Cumulative Q2: RM4.9 million vs LY RM6.5 million) and the accelerated factory building depreciation (Individual Q2: Nil vs LY RM5.5 million, Cumulative Q2: Nil vs LY RM11.1 million) as explained in Q4FY 2012's announcement.

(b) Excluded property damage losses and one-off expenses related to flood that have been included in the provisional excess claims amount

(c) Provisional (deficit)/excess claims related to (deficit)/excess of interim claims over assets and inventories written-off and one-off Thailand flood expenses

(d) Included the gain on disposal of land of RM55 million realised upon the divestment of 50% interest in the development land in Section 13, Petaling Jaya.

Segment assets

The total of segment assets is measured based on all assets excluding deferred tax assets and cash and cash equivalents.

RM'000	Assets 31/03/2013	30/9/2012
Soft drinks	725,472	721,136
Dairies Malaysia	666,897	706,530
Dairies Thailand	548,465	545,396
Property	196,246	191,866
Others	137,173	134,475
	2,274,253	2,299,403

9. Valuation of property, plant and equipment

There were no changes in the valuation on property, plant and equipment since the last annual financial statements.

10. Subsequent events

There were no material events subsequent to the end of the quarter that have not been reflected in the current financial quarter.

11. Changes in the composition of the Group

There were no changes in the composition of the Group during the financial quarter.

Schedule F : Selected Explanatory Notes Pursuant to MFRS 134 (cont'd)

12. Contingent liabilities

There were no contingent liabilities of a material nature since the last annual reporting date.

13. Contingent assets

Apart from the pending insurance claims relating to F&N Thailand's flood (amounts of which cannot be presently practicably estimated), there were no contingent assets of a material nature since the last annual reporting date.

14. Capital commitments

The outstanding capital commitments are as follows:

RM'000	31/03/2013	30/9/2012
Property, plant and equipment		
- Approved and contracted for	15,837	12,183
- Approved and not contracted for	35,339	32,789
	51,176	44,972

15. Significant related party transactions

The following are significant related party transactions:

	Cumulative 2nd quarter	
RM'000	2013	2012
Fraser and Neave, Limited ("F&N Limited") Group		
Sales	61,336	54,656
Purchases	96,724	89,500
Royalties paid	25,191	25,080
Corporate charges paid	1,621	1,537
Rental income	151	150
Thai Beverage Public Company Limited Group		
Sales	154	-
Berli Jucker Public Company Limited Group		
Sales	915	-
Purchases	18,363	-
Compensation of key management personnel of the Group	4,350	5,283
Directors fees	391	433

The relationships of the related parties are as disclosed in the circular to shareholders dated 28 December 2012. The above transactions had been entered into in the ordinary course of business on normal commercial terms. These transactions are within the ambit of the mandate approved by the shareholders of the Company on 23 January 2013.

Upon the mandatory cash offer by TCC Assets Limited ("TCC") to acquire all the issued and paid up ordinary share in the capital of the holding company F&N Limited becoming unconditional on 30 January 2013, TCC and its parties acting in concert, has owned and received acceptance amounting to 90.3% of the issued share capital of the F&N Limited (FNHB's holding company).

16. Fair value hierarchy

As at 31 March 2013, the Group did not hold any foreign currency forward contracts carried at fair value (30 September 2012: RM54,000) based on level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities. No transfers between any levels of the fair value hierarchy took place during the current interim period. There were also no changes in the purpose of any financial asset that subsequently resulted in a different classification of that asset.

Schedule G : Additional Disclosures in Compliance with Main Market Listing Requirements

1. Operations review

Current quarter vs corresponding quarter last year

Group revenue for the quarter rose 21% to RM882 million mainly contributed by Dairies Thailand's business recovery, as last year's performance was affected by floods, along with higher sales from soft drinks division, where its revenue rose 13% due to strong trade and market execution for Chinese New Year aided by lower trade terms (especially in the modern trade channel. Performance of its newly launched myCola and 100Plus Edge (the non-carbonated variant) also contributed to sales.

Dairies Malaysia's revenue declined 12% as domestic sales continue to be impacted by intense price competition (especially in the on-premise channel) and challenging modern trade conditions. In response, Dairies Malaysia has embarked on targeted tactical, trade and marketing activities to boost consumer consumption.

With Dairies Thailand fully resuming production in third quarter last year, both sterilised milk and sweetened beverage creamer had recorded strong growth and have attained the pre-floods market share level. However, consequential to last year's flood, certain contract packing suppliers was regionally realigned and this impacted its export volume.

Group operating profit rose 18% to RM67 million compared with that of last year. The increase was mainly contributed by Dairies Thailand as profit has returned to its pre-flood level. Soft drinks' profitability improved on strong Chinese New Year execution and sales mix, lower trade promotional offer along with lower raw material prices. Favorable raw material prices and lower operating cost (at its Pulau Indah plant) for Dairies Malaysia were off-set by the effect of lower volume and higher discounts. In addition, a cost of packing and dismantling of RM3.2 million for old useable manufacturing machinery (surplus to current capacity) was incurred in the current quarter.

Half year vs corresponding period last year

Group revenue rose 19% to RM1.8 billion for the first half of the year mainly contributed by Dairies Thailand's business recovery, as last year's performance was affected by floods. Soft drinks' revenue increased on favourable sales mix, lower promotional offer and higher domestic volume due to strong Chinese New Year trade and market execution along with contribution from the recently launched myCola and 100Plus Edge. Dairies Malaysia recorded revenue reduction due to intense price competition in the on-premise channel, challenging modern trade channel and teething distribution issue associated with distribution restructuring.

Group operating profit rose 22% to RM135 million compared with last year. The increase was mainly attributable to Dairies Thailand's post-flood recovery performance, favorable commodity prices for both Soft drinks and Dairies Malaysia, and favorable sales mix for Soft drinks. There was no contribution from property division in this first half.

2. Comment on material change in profit before taxation vs preceding quarter

There was no material change between the Group PBT for the two quarters in comparison.

3. Prospects for the current financial year

The beverage landscape will remain competitive, with increased soft drinks offerings competing for consumers' share of throat, especially during the festivities. Global commodity prices have been an upward trend since mid-2012.

In this regards, the Group would continue to be vigilant and responsive to changes in the external environment and strive to deliver sustainable growth in revenue and profitability.

Schedule G : Additional Disclosures in Compliance with Main Market Listing Requirements (cont'd)

3. Prospects for the current financial year (cont'd)

The dairies business is continually challenged by deep price discounting. Increased effort will be put in place with key operation matrix and measurements being adopted to drive distribution and penetration across all channels to protect volume.

For Soft Drinks, the key thrusts for financial year 2013 include maintaining of core market leadership and increase distribution of newly launched products. With the recently concluded mandatory general offer for F&N Limited by TCC and its parties acting in concert corporate take-over of F&N Limited, potential synergistic opportunities within the enlarged group will be explored. In an increasingly competitive environment, prime emphasis will be on enhancing the customer service experience, to strengthen further the trading relationship.

The key thrusts of both the dairies operations includes focused growth of its core products, namely sweetened beverage creamer and evaporated, expanding UHT and sterilised milk, increase its export foot-print whilst strategically managing its core commodity purchases.

The finalisation of the Thailand flood insurance claims have been certified by the adjusters and have been submitted to the lead insurance company.

The Group's full year result, with the restoration of Thailand operations after the flood, is expected to be satisfactory.

4. Tax expense

The details of the tax expense are as follows:

	Individual 2nd quarter		Cumulative 2nd quarter	
RM'000	2013	2012	2013	2012
Current income tax	7,554	6,589	16,820	20,223
Deferred tax – origination and reversal of temporary differences	3,645	(55,582)	5,458	(56,959)
(Over)/under provision in respect of previous years				
- Income tax	(1,810)	127	(4,231)	127
- Deferred tax	1,594	(495)	2,163	(958)
	10,983	(49,361)	20,210	(37,567)

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Schedule G : Additional Disclosures in Compliance with Main Market Listing Requirements (cont'd)

4. Tax expense (cont'd)

A reconciliation of income tax expense applicable to profit before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Group is as follows:

RM'000	Individual 2nd quarter 2013	2012	Cumulative 2nd quarter 2013	2012
Profit before tax	65,585	57,696	131,926	111,236
Tax at Malaysian statutory tax rate of 25%	16,396	14,424	32,981	27,809
Different tax rates in other countries	1,879	(6,125)	1,263	(1,729)
Income not subject to tax (tax incentives/exemption)	(9,968)	(7,876)	(15,903)	(15,411)
Expenses not deductible for tax purposes	1,330	8,698	2,530	10,576
Deferred tax assets recognised	-	(58,099)	-	(58,099)
(Over)/under provision in respect of previous years				
- Income tax	(1,810)	127	(4,231)	127
- Deferred tax	1,594	(495)	2,163	(958)
Others	1,562	(15)	1,407	118
Total income tax expense	10,983	(49,361)	20,210	(37,567)

5. Status of corporate proposals

Apart from the completion of the corporate take-over of F&N Limited by TCC and its parties acting in concert during the quarter, there were no outstanding corporate proposals or new announcements made in the current financial quarter.

6. Group borrowings and debt securities

The details of the Group's borrowings as at 31 March 2013 are as follows:

RM'000	Currency	Current
Commercial paper ("CP")	RM	300,000
Medium term notes ("MTN")	RM	150,000
		450,000

The CP/MTN is secured by an unconditional and irrevocable corporate guarantee from the Company and payable within the next twelve months.

7. Pending material litigation

There was no pending litigation of a material nature since the last reporting date.

Schedule G : Additional Disclosures in Compliance with Main Market Listing Requirements (cont'd)

8. Proposed dividend

The Directors are pleased to declare an interim single tier dividend of 20 sen per share (2012: 20 sen) for the financial year ending 30 September 2013. This dividend amounting to RM73 million will be paid on 1 August 2013.

The entitlement date for the above dividend shall be 5 July 2013 and a depositor shall qualify for entitlement to the dividend only in respect of:

(a) Shares transferred to the depositor's securities account before 4.00pm on 5 July 2013 in respect of ordinary transfer; and

(b) Shares bought on the BURSA MALAYSIA SECURITIES BERHAD on a cum entitlement basis according to the Rules of the BURSA MALAYSIA SECURITIES BERHAD.

9. Basis of calculation of earnings per share (EPS)

(a) The basic EPS were computed by dividing the Group attributable profit to shareholders of the Company by the weighted average number of ordinary shares in issue (net of treasury shares).

	Individual 2nd quarter		Cumulative 2nd quarter	
	2013	2012	2013	2012
Group attributable profit to shareholders of the Company (RM'000)	54,611	107,057	111,725	148,803
Weighted average number of ordinary shares net of treasury shares ('000)	363,523	360,983	363,347	360,767
Earnings per share (sen)	15.0	29.7	30.8	41.3

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Schedule G : Additional Disclosures in Compliance with Main Market Listing Requirements (cont'd)

9. Basis of calculation of earnings per share (EPS) (cont'd)

(b) The diluted EPS were computed by dividing the Group attributable profit to shareholders of the Company by the weighted average number of ordinary shares in issue (net of treasury shares), adjusted for the dilutive effects of potential ordinary shares, i.e. share options granted pursuant to the Employees' Share Option Scheme ("ESOS") and Restricted Share Plan ("RSP").

	Individual 2nd quarter		Cumulative 2nd quarter	
	2013	2012	2013	2012
Group attributable profit to shareholders of the Company (RM'000)	54,611	107,057	111,725	148,803
Weighted average number of ordinary shares net of treasury shares ('000)	363,523	360,983	363,347	360,767
Adjustment for share options granted pursuant to the ESOS/RSP ('000)	1,244	1,894	1,349	1,970
Adjusted weighted average number of ordinary shares net of treasury shares ('000)	364,767	362,877	364,696	362,737
Earnings per share (sen)	15.0	29.5	30.6	41.0

10. Disclosure of realised and unrealised portions of the revenue reserve

The breakdown of the retained profits of the Group into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and 20 December 2010, and prepared in accordance with the Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants, as follows:

	31/03/2013 RM'000	30/9/2012 RM'000
Total revenue reserve of the Company and its subsidiaries		
Realised	685,580	704,864
Unrealised	60,657	58,474
	746,237	763,338
Total share of retained earnings from an associate		
Realised	5,111	5,010
Consolidation adjustments	10,195	19,626
Total Group retained profits as per financial statements	761,543	787,974

Schedule G : Additional Disclosures in Compliance with Main Market Listing Requirements (cont'd)

11. Notes to the Condensed Consolidated Income Statement

PBT is arrived at after charging/(crediting) the following items:

	RM'000	Individual 2nd quarter 2013	Individual 2nd quarter 2012	Cumulative 2nd quarter 2013	Cumulative 2nd quarter 2012
(a)	Other income	(108)	(372)	(287)	(493)
(b)	Depreciation and amortisation	22,917	23,048	46,976	45,779
(c)	Impairment loss on receivables	505	1,250	1,777	2,500
(d)	(Reversal)/Bad debts written off	(255)	507	237	1,007
(e)	Provision for inventories	664	25*	744	144*
(f)	Inventories written off	3,314	4,100	6,668	7,842
(g)	(Gain)/loss on disposal of quoted or unquoted investments	N/A	N/A	N/A	N/A
(h)	(Gain)/loss on disposal of properties	N/A	N/A	N/A	N/A
(i)	Impairment of assets	N/A	N/A	N/A	N/A
(j)	Foreign exchange (gain)/loss	(465)	941	(194)	2,420
(k)	Gain on forward foreign exchange contracts	(95)	(259)	(54)	(241)
(l)	Unusual items:				
	- Provisional deficit/(excess) claims **	N/A	11,682	N/A	(7,052)
	- Realisation of gain on disposal of land upon divestment of 50% interest in the development land	N/A	55,292	N/A	55,292

* *Excludes unusual items related to flood in Thailand*

** *Provisional deficit/(excess) claims related to deficit/(excess) of interim claims over assets and inventories written-off and one-off Thailand flood expenses*

12. Approval of the quarterly financial report

The quarterly financial report has been approved for issue in accordance with a resolution of the Board of Directors on 7 May 2013.