



FRASER AND NEAVE, LIMITED

(Registration No. 189800001R)
(Incorporated in the Republic of Singapore)

RESULTS FOR THE YEAR ENDED 30 SEPTEMBER 2004 Financial Statements and Dividend Announcement

The Directors are pleased to make the following announcement of the unaudited results for the year ended 30 September 2004:-

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

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

1(a)(i) PROFIT STATEMENT	Group			Company		
	30/9/2004 \$'000	30/9/2003 \$'000	Change %	30/9/2004 \$'000	30/9/2003 \$'000	Change %
Revenue	3,446,259	3,657,789	(5.8)	2,285	1,888	21.0
Cost of sales	(2,188,956)	(2,386,034)	(8.3)	-	-	N/M
Gross profit	1,257,303	1,271,755	(1.1)	2,285	1,888	21.0
Operating expenses						
- Distribution	(140,267)	(133,442)	5.1	-	-	N/M
- Marketing	(417,650)	(375,528)	11.2	-	-	N/M
- Administration	(255,881)	(235,298)	8.7	(6,425)	(7,966)	(19.3)
	(813,798)	(744,268)	9.3	(6,425)	(7,966)	(19.3)
Trading profit/(loss)	443,505	527,487	(15.9)	(4,140)	(6,078)	(31.9)
Gross dividend from subsidiary companies						
- Quoted	-	-	N/M	24,606	20,516	19.9
- Unquoted	-	-	N/M	113,552	93,645	21.3
Share of joint venture companies' profits	27,568	23,061	19.5	-	-	N/M
Share of associated companies' profits/(losses)	30,066	(857)	N/M	-	-	N/M
Gain on Compass Point securitisation	59,794	-	N/M	-	-	N/M
Gross income from investments	21,248	37,378	(43.2)	2,641	11,517	(77.1)
Profit before interest, taxation and exceptional items	582,181	587,069	(0.8)	136,659	119,600	14.3
Net interest expenses	(31,413)	(43,822)	(28.3)	(14,412)	(18,508)	(22.1)
Profit before taxation and exceptional items	550,768	543,247	1.4	122,247	101,092	20.9
Exceptional items	20,630	54,177	(61.9)	84,172	36,975	127.6
Profit before taxation	571,398	597,424	(4.4)	206,419	138,067	49.5
Taxation	(141,099)	(145,824)	(3.2)	(22,508)	(13,435)	67.5
Profit after taxation	430,299	451,600	(4.7)	183,911	124,632	47.6
Minority interests, net of taxes	(138,391)	(118,590)	16.7	-	-	N/M
Attributable profit						
- Before exceptional items	266,204	273,002	(2.5)	99,739	87,657	13.8
- Exceptional items	25,704	60,008	(57.2)	84,172	36,975	127.6
	291,908	333,010	(12.3)	183,911	124,632	47.6
N/M - Not meaningful						

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

		Group		
		30/9/2004	30/9/2003	Change
		\$'000	\$'000	%
	Investment income			
(A)	Gross income from investments	21,248	37,378	(43.2)
	Net interest expenses			
(B)	Interest income	21,337	24,469	(12.8)
(C)	Interest expenses	(52,750)	(68,291)	(22.8)
		<u>(31,413)</u>	<u>(43,822)</u>	(28.3)
	Operating expenses			
	Included in operating expenses are:			
(D)	Depreciation & amortisation	(142,131)	(136,351)	4.2
(E)	Provision for doubtful debts & bad debts	(2,573)	(2,224)	15.7
(F)	Provision for stock obsolescence	(6,005)	(8,949)	(32.9)
(G)	Impairment in value of investments (see (K) exceptional items below)	-	-	N/M
(H)	Foreign exchange gain	9,482	20,963	(54.8)
(J)	Gain/(Loss) on disposal of fixed assets	2,810	(1,242)	N/M
	Taxation			
(I)	(Under)/Over provision of prior year taxation	(2,059)	475	N/M
(K)	Exceptional items			
	Profit on disposal of other investments	30,093	85,275	(64.7)
	Loss on disposal of investments in subsidiary and associated companies	(45)	(16,007)	(99.7)
	Profit on disposal of properties	29,051	1,385	N/M
	Share of exceptional items of joint venture companies	(4,374)	(43,670)	(90.0)
	Restructuring and re-organisation costs	(36,297)	(8,697)	N/M
	Write back of impairment in value of investments	2,202	35,891	(93.9)
		<u>20,630</u>	<u>54,177</u>	(61.9)
(L)	Extraordinary items	-	-	N/M
(M)	Profit before interest, taxation and exceptional items as a percentage of revenue	16.9%	16.0%	

N/M - Not meaningful

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

BALANCE SHEET

	Group		Company	
	As at 30/9/2004 \$'000	As at 30/9/2003 \$'000	As at 30/9/2004 \$'000	As at 30/9/2003 \$'000
Fixed assets	1,333,023	1,344,906	-	-
Investment properties	2,227,432	2,266,738	-	-
Properties under development	1,833,290	1,100,052	-	-
Subsidiary companies	-	-	3,583,715	3,913,320
Joint venture companies	122,213	118,648	-	-
Associated companies	184,561	161,631	-	-
Intangible assets	224,512	38,959	-	-
Other investments	89,810	42,711	7,952	8,879
Brands	7,591	9,536	1,336	2,503
Deferred tax assets	12,399	15,412	-	-
Bank fixed deposits	157,887	88,856	-	-
CURRENT ASSETS				
Properties held for sale	398,862	369,398	-	-
Inventories	355,008	336,359	-	-
Trade debtors	412,514	636,767	-	-
Subsidiary companies	-	-	7,406	7,858
Joint venture companies	304	3,428	-	-
Associated companies	8,106	1,984	-	-
Other debtors	172,457	109,481	3,237	1,281
Short term investments	4,493	326,365	-	-
Bank fixed deposits	443,824	598,354	21,688	6,102
Cash and bank balances	133,546	160,561	364	4,985
	<u>1,929,114</u>	<u>2,542,697</u>	<u>32,695</u>	<u>20,226</u>
Deduct: CURRENT LIABILITIES				
Trade creditors	360,615	364,044	-	-
Subsidiary companies	-	-	28,272	12,326
Joint venture companies	14,038	5,245	686	686
Associated companies	33,317	93	-	-
Other creditors	432,992	404,658	5,365	7,439
Bank borrowings	890,642	1,171,685	32,980	555,055
Term loans	184,500	369,750	-	-
Provision for taxation	138,758	137,958	4,404	3,554
	<u>2,054,862</u>	<u>2,453,433</u>	<u>71,707</u>	<u>579,060</u>
NET CURRENT (LIABILITIES)/ASSETS	(125,748)	89,264	(39,012)	(558,834)
	<u>6,066,970</u>	<u>5,276,713</u>	<u>3,553,991</u>	<u>3,365,868</u>
Deduct: DEFERRED LIABILITIES				
Bank borrowings	128,542	156,961	-	-
Term loans	1,985,266	1,285,317	800,000	500,000
Employee benefits	23,760	24,650	-	-
Deferred tax liabilities	87,854	97,331	-	-
	<u>2,225,422</u>	<u>1,564,259</u>	<u>800,000</u>	<u>500,000</u>
	<u>3,841,548</u>	<u>3,712,454</u>	<u>2,753,991</u>	<u>2,865,868</u>
Financed by:				
Share capital	232,008	230,517	232,008	230,517
Share premium	143,598	135,111	143,598	135,111
Reserves	2,550,594	2,473,663	2,378,385	2,500,240
	<u>2,926,200</u>	<u>2,839,291</u>	<u>2,753,991</u>	<u>2,865,868</u>
Minority interests	915,348	873,163	-	-
	<u>3,841,548</u>	<u>3,712,454</u>	<u>2,753,991</u>	<u>2,865,868</u>

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

Amount repayable in one year or less, or on demand

As at 30/9/2004		As at 30/9/2003	
Secured	Unsecured	Secured	Unsecured
\$'000 279,640	\$'000 795,502	\$'000 61,087	\$'000 1,480,348

Amount repayable after one year

As at 30/9/2004		As at 30/9/2003	
Secured	Unsecured	Secured	Unsecured
\$'000 374,409	\$'000 1,739,399	\$'000 389,466	\$'000 1,052,812

Details of any collateral

Secured borrowings are generally bank overdrafts and bank loans secured by the borrowing companies' land and buildings, plant and machinery, equivalent amounts placed in fixed deposits and share pledge on a subsidiary.

A secured term loan is secured by a first fixed and floating charge over all assets and undertakings of a special purpose company and an assignment of all rights, benefits and title of the borrowing company.

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

CASH FLOW STATEMENT

	Group	
	30/9/2004	30/9/2003
	\$'000	\$'000
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Profit before taxation and exceptional items	550,768	543,247
Adjustments for:		
Depreciation of fixed assets and investment properties	131,120	128,907
Provision for fixed assets (write back)/write off	(2,089)	1,500
Write off of intangible assets	218	-
Provision for employee benefits	2,550	2,160
Write back of employee benefits	(278)	(950)
Provision for impairment of investment	-	974
Provision for loan to associated company	356	639
Provision for foreseeable losses in properties developed for sale and properties held for sale	10,000	18,700
(Profit)/Loss on disposal of fixed assets (net)	(2,810)	1,242
Gain on Compass Point securitisation	(59,794)	-
Amortisation of development properties	109	111
Amortisation of brands	1,868	1,818
Amortisation of intangible assets	9,034	5,515
Interest expenses (net)	31,413	43,822
Share of joint venture companies' profits	(27,568)	(23,061)
Share of associated companies' (profits)/losses	(30,066)	857
Investment income	(21,248)	(37,378)
Profits on properties developed for sale and properties held for sale	(62,292)	(158,321)
Operating cash before working capital changes	531,291	529,782
Change in inventories	(17,124)	(40,854)
Change in trade and other debtors	207,572	(47,786)
Change in joint venture and associated companies' balances	39,019	1,543
Change in trade and other creditors	(59,850)	31,797
Currency realignment	(18,039)	(9,686)
Cash generated from operations	682,869	464,796
Interest expenses paid, net	(31,413)	(43,822)
Income taxes paid	(140,366)	(124,423)
Payment of employee benefits	(2,786)	(2,347)
Progress payment received/receivable on properties developed for sale and properties held for sale	165,377	939,199
Development expenditure on properties developed for sale	(658,084)	(499,158)
Net cash from operating activities	15,597	734,245
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Dividends from joint venture and associated companies	17,174	13,738
Investment income	22,623	37,476
Proceeds from return of capital from joint venture and associated companies	336	323
Proceeds from Compass Point securitisation	28,178	-
Proceeds from disposal of associated companies	-	7,979
Proceeds from sale of fixed assets and properties	101,772	8,564
Proceeds from sale of other investments and short term investments	345,839	182,675
Purchase of fixed assets	(186,841)	(175,187)
Purchase of other investments and short term investments	(24,272)	(25,998)
Acquisition of minority interests in subsidiary company	(117,169)	(7,404)
Acquisition of subsidiary	10,631	-
Acquisition of intangible assets and brands	(11,111)	(4,631)
Development expenditure on investment properties	(1,034)	(2,320)
Investments in joint venture and associated companies	(215,723)	(70,087)
Net cash used in investing activities	(29,597)	(34,872)

CASH FLOW STATEMENT (cont'd)

	Group	
	30/9/2004	30/9/2003
	\$'000	\$'000
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Proceeds/(Repayment) of term loans and bank borrowings	58,149	(14,609)
Loan from minority interests	3,826	-
Transfer to secured bank deposits	(69,031)	(88,856)
Proceeds from issue of shares:		
- by subsidiary companies to minority interests	12,315	2,558
- by parent company to shareholders	9,978	7,618
Payment on capital reduction:		
- by subsidiary companies to minority interests	-	(1,919)
- by parent company to shareholders	-	(317,645)
Payment of dividends:		
- by subsidiary companies to minority interests	(78,116)	(67,713)
- by parent company to shareholders	(115,647)	(107,070)
Net cash used in financing activities	(178,526)	(587,636)
Net (decrease)/increase in cash and cash equivalents	(192,526)	111,737
Cash and cash equivalents at beginning of year	754,964	642,192
Effects of exchange rate changes on cash and cash equivalents	2,475	1,035
Cash and cash equivalents at end of year	564,913	754,964
Cash and cash equivalents at end of year comprise:		
Bank fixed deposits	443,824	598,354
Cash and bank balances	133,546	160,561
Bank overdrafts	(12,457)	(3,951)
	564,913	754,964
Analysis of acquisition of subsidiary companies		
Net assets acquired:		
Fixed assets	20,281	
Development properties	153,890	
Current assets	92,607	
Current liabilities	(71,156)	
Non-current liabilities	(142,747)	
Minority interests	(11,705)	
Cash	21,447	
	62,617	
Cost of investment as an associate	(53,156)	
Translation difference	1,242	
Goodwill on acquisition	113	
Consideration paid	10,816	
Less: Cash of subsidiary companies	(21,447)	
Cash flow on acquisition net of cash and cash equivalent acquired	(10,631)	

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

STATEMENT OF CHANGES IN EQUITY

	Group							
	Share Capital	Share Premium	Capital Redemption Reserve	Capital Reserve	Revenue Reserve	Exchange Reserve	Dividend Reserve	Total
<u>Year ended 30 September 2004</u>	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 October 2003	230,517	135,111	3,228	650,750	1,755,025	(4,495)	69,155	2,839,291
Adjustment of prior year's revaluation reserve resulting from release of completion cost provisions	-	-	-	22	-	-	-	22
Deficit on revaluation of properties	-	-	-	(33,943)	-	-	-	(33,943)
Surplus on revaluation of investment in associated companies	-	-	-	9,290	-	-	-	9,290
Revaluation surplus on investment and properties for sale realised	-	-	-	(63,188)	2,647	-	-	(60,541)
Deferred taxation on revaluation of assets	-	-	-	(2,342)	-	-	-	(2,342)
Change in minority interests' in reserves upon the issue of shares by subsidiary companies	-	-	-	(40)	344	-	-	304
Transfer to distributable reserves by overseas subsidiary companies in compliance with statutory requirements	-	-	-	(228)	228	-	-	-
Currency translation difference	-	-	-	930	-	(13,050)	-	(12,120)
Net (losses)/gains not recognised in the profit statement	-	-	-	(89,499)	3,219	(13,050)	-	(99,330)
Issue of shares in the Company upon exercise of share options	1,491	8,487	-	-	-	-	-	9,978
Attributable profit	-	-	-	-	291,908	-	-	291,908
Dividends:								
Additional dividend due to exercise of share options	-	-	-	-	(227)	-	227	-
Final dividend for the previous year, paid	-	-	-	-	-	-	(69,382)	(69,382)
Interim dividend for the year, paid	-	-	-	-	(46,265)	-	-	(46,265)
Final dividend for the year, proposed	-	-	-	-	(81,203)	-	81,203	-
	-	-	-	-	(127,468)	-	81,203	(46,265)
Balance at 30 September 2004	232,008	143,598	3,228	561,251	1,922,457	(17,545)	81,203	2,926,200



STATEMENT OF CHANGES IN EQUITY

	Group							
	Share Capital	Share Premium	Capital Redemption Reserve	Capital Reserve	Revenue Reserve	Exchange Reserve	Dividend Reserve	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Year ended 30 September 2003								
Balance at 1 October 2002	266,995	333,472	3,228	732,264	1,617,080	(20,249)	53,399	2,986,189
Adjustment of prior year's revaluation reserve resulting from release of completion cost provisions	-	-	-	1,638	-	-	-	1,638
Deficit on revaluation of properties	-	-	-	(101,026)	-	-	-	(101,026)
Revaluation surplus on properties for sale realised	-	-	-	(1,672)	1,672	-	-	-
Revaluation surplus realised upon disposal of investments and fixed assets	-	-	-	(40,046)	1,168	-	-	(38,878)
Revaluation reserve arising from revaluation of investment	-	-	-	60,541	-	-	-	60,541
Change in minority interests' in reserves upon the issue of shares by subsidiary companies	-	-	-	(16)	167	-	-	151
Transfer to non-distributable reserves by overseas subsidiary companies in compliance with statutory requirements	-	-	-	58	(58)	-	-	-
Currency translation difference	-	-	-	(991)	-	15,754	-	14,763
Net (losses)/gains not recognised in the profit statement	-	-	-	(81,514)	2,949	15,754	-	(62,811)
Issue of shares in the Company upon exercise of share options	1,116	6,502	-	-	-	-	-	7,618
Shares in the Company reduced upon capital reduction	(37,594)	(204,863)	-	-	(75,188)	-	-	(317,645)
Attributable profit	-	-	-	-	333,010	-	-	333,010
<u>Dividends</u>								
Additional dividend due to exercise of share options	-	-	-	-	(98)	-	98	-
Final dividend for the previous year, paid	-	-	-	-	-	-	(53,497)	(53,497)
Interim dividend for the year, paid	-	-	-	-	(53,573)	-	-	(53,573)
Final dividend for the year, proposed	-	-	-	-	(69,155)	-	69,155	-
	-	-	-	-	(122,728)	-	69,155	(53,573)
Balance at 30 September 2003	230,517	135,111	3,228	650,750	1,755,025	(4,495)	69,155	2,839,291

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

	Company						
	Share Capital	Share Premium	Capital Redemption Reserve	Capital Reserve	Revenue Reserve	Dividend Reserve	Total
<u>Year ended 30 September 2004</u>	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 October 2003	230,517	135,111	3,228	1,229,393	1,198,464	69,155	2,865,868
Revaluation surplus realised upon disposal of subsidiary companies not recognised in the profit statement	-	-	-	(190,119)	-	-	(190,119)
Issue of shares in the Company upon exercise of share options	1,491	8,487	-	-	-	-	9,978
Attributable profit	-	-	-	-	183,911	-	183,911
Dividends:							
Additional dividend due to exercise of share options	-	-	-	-	(227)	227	-
Final dividend for the previous year, paid	-	-	-	-	-	(69,382)	(69,382)
Interim dividend for the year, paid	-	-	-	-	(46,265)	-	(46,265)
Final dividend for the year, proposed	-	-	-	-	(81,203)	81,203	-
	-	-	-	-	(127,468)	81,203	(46,265)
Balance at 30 September 2004	232,008	143,598	3,228	1,039,274	1,254,680	81,203	2,753,991
<u>Year ended 30 September 2003</u>							
Balance at 1 October 2002	266,995	333,472	3,228	1,230,996	1,271,846	53,399	3,159,936
Write back of revaluation in subsidiary companies	-	-	-	(1,628)	-	-	(1,628)
Revaluation deficit on subsidiary realised upon disposal	-	-	-	25	-	-	25
Net losses not recognised in the profit statement	-	-	-	(1,603)	-	-	(1,603)
Issue of shares in the Company upon exercise of share options	1,116	6,502	-	-	-	-	7,618
Shares in the Company reduced upon capital reduction	(37,594)	(204,863)	-	-	(75,188)	-	(317,645)
Attributable profit	-	-	-	-	124,632	-	124,632
Dividends:							
Additional dividend due to exercise of share options	-	-	-	-	(98)	98	-
Final dividend for the previous year, paid	-	-	-	-	-	(53,497)	(53,497)
Interim dividend for the year, paid	-	-	-	-	(53,573)	-	(53,573)
Final dividend for the year, proposed	-	-	-	-	(69,155)	69,155	-
	-	-	-	-	(122,728)	69,155	(53,573)
Balance at 30 September 2003	230,517	135,111	3,228	1,229,393	1,198,464	69,155	2,865,868

- 1(d)(ii) Details of any changes in the company’s share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

	4th Quarter to 30/9/2004	3rd Quarter to 30/6/2004
Issue and fully paid ordinary shares of \$1.00 each:		
As at beginning of period	231,339,958	231,301,119
Issued during the period - Exercise of share options	667,764	38,839
As at end of period	<u>232,007,722</u>	<u>231,339,958</u>
	As at 30/9/2004	As at 30/9/2003
The number of shares that may be issued on exercise of share options outstanding at the end of the year	<u>5,062,191</u>	<u>4,455,518</u>

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

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

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

Not applicable.

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

The Group has applied the same accounting policies and methods of computation as in the most recently audited annual financial statements except for the adoption of Singapore Financial Reporting Standards as required by the Singapore Companies (Amendment) Act 2002 noted in paragraph 5 below.

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

Effect of changes in Singapore Companies Legislation

Pursuant to the Singapore Companies (Amendment) Act 2002, with effect from financial year commencing on 1 October 2003, the Company is required to prepare and present its statutory accounts in accordance with the Singapore Financial Reporting Standards (“FRS”). Hence these financial statements, including the comparative figures, have been prepared in accordance with FRS.

Previously, the Company prepared its statutory accounts in accordance with Singapore Statements of Accounting Standard. The adoption of FRS does not have a material impact on the accounting policies and figures presented in the statutory accounts for financial year ended 30 September 2003.

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

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

	Group	
	30/9/2004	30/9/2003
Earnings per ordinary share:		
(a) Based on the weighted average number of ordinary shares on issue (cents)		
- before exceptional items	115.1	103.2
- after exceptional items	126.2	125.9
(b) On a fully diluted basis (cents)		
- before exceptional items	113.8	102.8
- after exceptional items	124.8	125.4
	\$'000	\$'000
Attributable profit after exceptional items	291,908	333,010
Change in attributable profit due to dilutive share options of subsidiary companies	(1,091)	(333)
Adjusted attributable profit after exceptional items	290,817	332,677

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

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

	Group		Company	
	As at 30/9/2004	As at 30/9/2003	As at 30/9/2004	As at 30/9/2003
Net asset value per ordinary share based on issued share capital	\$12.61	\$12.32	\$11.87	\$12.43

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

REVIEW OF PERFORMANCE

The principal activities of the Group are:-

- (i) production and sale of soft drinks, beer, stout, dairy products and glass containers,
- (ii) development of and investment in property, and
- (iii) printing, publishing and the provision of education services.

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

Group Profit Statement - Year ended 30 September 2004

The Group

The Directors are pleased to report an increase of 11.5% to \$1.15 (last year \$1.03) in earnings per share (before exceptional items) for the year.

Excluding the impact of the Compass Point securitisation last year, Group revenue was maintained at \$3.4 billion, as continued robust growth in its major food and beverage businesses offset weak Singapore development property sales, and lower sales in Times Publishing due to closure of an under-performing plant in the UK.

Group PBIT, excluding the Compass Point impact, was \$522.4 million up 3.0% over last year. Good performance in Breweries (up 16.7%), Soft Drinks (up 23.5%) and Investment Property (up 2.3%) contributed to the improvement in Group PBIT.

Through effective management of interest rates, net interest expenses were reduced to \$31.4 million (last year \$43.8 million).

Soft Drinks

PBIT from Soft Drinks jumped by 23.5% on the back of a 7% growth in volumes, following successful new product launches, and lower operating expenses.

Dairies

While revenue from Dairies grew 9.6% as volumes increased, PBIT declined by 16.9%, as a result of start-up losses in the Vietnam greenfield operations. The impact of high raw material prices were mitigated by better operating efficiencies.

Glass Containers

Sales decreased 7.3%, and PBIT declined by 59.5% for the year, due to the planned shut down of furnaces for re-building in Malaysia and Vietnam, start-up losses in China and high fuel costs affecting all operations. The China plant is progressing well, with sales increasing steadily.

Breweries

A record performance was delivered with revenue and PBIT respectively 13.4% and 16.7% higher than last year. Higher profits from volume growth in Malaysia, Papua New Guinea, New Zealand and Indochina, were boosted by favourable PNG Kina and NZ\$ exchange rates and maiden profit contribution from newly acquired associate, Kingway Brewery.

Printing and Publishing

Revenue for Printing and Publishing was lower than last year by 7.8% due largely to the closure of an under performing printing plant and less partwork launches. The newly acquired printing associate, Fung Choi, made a contribution to profit in the last quarter of the year.

Investment Property

Occupancy at Malls of Centrepoint remained high. Consequently, revenue was maintained and PBIT for the year increased by 2.3% helped by improved profit contribution from Malls of Centrepoint and serviced residences which has continued to increase its spread and coverage.

Development Property

Excluding the impact of the Compass Point securitisation last year, revenue from Development Property was lower by 36.0% but PBIT was up 16.8% due to better margins. Slow sales of residential projects in Singapore were offset by profit contributions from overseas projects namely, Riverside Quarter in Wandsworth in London, and Jing Lin Tian Di in Shanghai, China.

Group Balance Sheet As at 30 September 2004

Investment properties were revalued and a reduction in value of \$33.9 million at balance sheet date was recognised against previous revaluation surpluses. Properties under development at the balance sheet date increased by \$733.2 million as replenishment of stocks of development land continue and construction progresses. Increases in investment in associated companies and intangible assets arose from the investments in Fung Choi (printing and publishing), China Dairy Group (dairies), Kingway Brewery (breweries) and Fairbriar (properties).

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

Not applicable.

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

OUTLOOK**Soft Drinks, Dairies and Glass Containers**

Continued favourable consumer sentiment is likely to contribute to spending on and consumption of products from the Soft Drinks, Dairies and Glass Containers businesses. However, significant price increases in raw and packaging materials and fuel will put pressure on margins and profits.

Breweries

Breweries should continue to enjoy good growth in Indochina. Results from China are expected to improve with the launch of Tiger Crystal Lite in Shanghai, and further progress by Kingway Brewery. Coupled with the successful privatization of DB Breweries, the Breweries group is well positioned to continue the profit growth.

Printing and Publishing

With the divestment of non-core assets and loss-making operations, improvements in operational efficiency, and new investments, the Printing and Publishing operation is expected to improve in the year ahead.

Properties

Sentiment in the Singapore residential property market has shown signs of improvement with improved take-up in the 3rd quarter of 2004 as more projects were launched. Continued improvement in sentiment and confidence will accelerate the take-up rate, at a time when a number of projects are ready for launch.

Profit contribution from overseas investments in China and the UK is expected to support profit growth.

Overall

Barring unforeseen circumstances, the directors expect to maintain earnings for the year ahead.

11. Dividend**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on? Yes

Name of Dividend	:	Final Dividend
Dividend Type	:	Cash
Dividend Amount per share (in cents)	:	35 cents per ordinary share (net of tax)
Par Value of Shares	:	\$1.00
Tax Rate	:	20%

(b) Corresponding period of the immediately preceding financial year

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of Dividend	:	Final
Dividend Type	:	Cash
Dividend Amount per share (in cents)	:	30 cents per ordinary share (net of tax)
Par Value of Shares	:	1.00
Tax Rate	:	20%

(c) Date payable

The Directors propose, subject to shareholders' approval at the Annual General Meeting to be held on 27 January 2005, a final dividend of 35 cents per share, being AFTER deduction of tax (last year: 30 cents), to be paid on 18 February 2005. This is equivalent to a gross dividend of 43.8 cents per share. Taken with the interim dividend of 20 cents per share (last year: 15 cents per share plus 5 cents per share special dividend) this will give a total distribution for the year of 55 cents per share after tax, or 68.8 cents per share gross (last year: 45 cents per share plus 5 cents per share special dividend after tax or in total 63.1 cents per share gross).

(d) Books closure date

Registrable Transfers received by the Company's Registrar, Barbinder & Co Pte Ltd, 8 Cross Street, #11-00 PWC Building, Singapore 048424 up to 5.00 pm on 4 February 2005 will be registered before entitlements to the dividends are determined. Notice is hereby given that the share registers will be closed from 7 to 11 February 2005, both dates inclusive, for preparation of dividend warrants.

12. If no dividend has been declared or recommended, a statement to that effect.

Not applicable.

PART II - ADDITIONAL REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

SEGMENTAL RESULTS

For year ended 30 September 2004

	Soft Drinks \$'000	Dairies \$'000	Breweries \$'000	Printing & Publishing \$'000	Glass Containers \$'000	Investment Property \$'000	Development Property \$'000	Others \$'000	Elimination \$'000	Group \$'000
Business Segment										
Revenue - external	412,908	377,510	1,550,398	441,214	106,383	182,297	349,024	26,525	-	3,446,259
Revenue - intersegment	39	52	-	326	12,961	3,741	-	74,011	(91,130)	-
Total revenue	412,947	377,562	1,550,398	441,540	119,344	186,038	349,024	100,536	(91,130)	3,446,259
Subsidiary companies	48,737	15,701	168,149	25,925	5,764	113,621	55,999	90,651	-	524,547
Joint venture and associated companies	-	(2)	38,862	2,449	-	(828)	20,294	(3,141)	-	57,634
PBIT *	48,737	15,699	207,011	28,374	5,764	112,793	76,293	87,510	-	582,181
Interest income										21,337
Interest expense										(52,750)
Profit before taxation and exceptional items										550,768
Exceptional items										20,630
Profit before taxation										571,398
Taxation										(141,099)
Profit after taxation										430,299
Minority interests, net of taxes										(138,391)
Attributable profit										291,908
Assets	245,625	259,658	1,227,524	548,678	175,615	2,296,967	2,357,409	262,700	-	7,374,176
Tax assets										12,399
Bank deposits and cash balances										735,257
Total assets										8,121,832
Liabilities	104,829	70,287	271,559	108,405	22,004	79,635	172,212	35,791	-	864,722
Tax liabilities										226,612
Bank borrowings and term loans										3,188,950
Total liabilities										4,280,284
Other segment information:										
Capital expenditure	11,525	9,695	64,399	73,594	29,672	2,865	115	5,741	-	197,606
Depreciation and amortisation	14,352	14,976	59,535	29,755	16,240	3,267	-	4,005	-	142,130
Impairment losses	-	-	-	-	-	-	-	6,237	-	6,237
Attributable profit before exceptional items	21,392	1,451	41,417	18,084	2,440	89,071	48,199	44,150	-	266,204
Exceptional items	(705)	(914)	(1,624)	1,243	(537)	2,202	-	26,039	-	25,704
Attributable profit	20,687	537	39,793	19,327	1,903	91,273	48,199	70,189	-	291,908

The following table presents financial information regarding geographical segments:

Geographical Segment	Singapore \$'000	Malaysia \$'000	Rest of South East Asia \$'000	North East Asia \$'000	South Pacific \$'000	Europe & USA \$'000	Group \$'000
Total revenue	1,203,926	744,965	505,539	304,202	594,013	93,614	3,446,259
PBIT *	286,460	92,760	111,425	(9,422)	85,922	15,036	582,181
Other geographical information:							
Assets	4,608,941	585,111	488,840	850,180	450,256	390,848	7,374,176
Capital expenditure	57,248	40,763	30,009	19,089	44,236	6,261	197,606

* PBIT = Profit before interest, taxation and exceptional items



SEGMENTAL RESULTS
For year ended 30 September 2003

Business Segment	Soft Drinks \$'000	Dairies \$'000	Breweries \$'000	Printing & Publishing \$'000	Glass Containers \$'000	Investment Property \$'000	Development Property \$'000	Others \$'000	Elimination \$'000	Group \$'000
Revenue - external	392,976	344,342	1,366,862	478,736	114,789	183,940	746,235	29,909	-	3,657,789
Revenue - intersegment	1,831	-	-	-	14,141	3,920	-	60,561	(80,453)	-
Total revenue	394,807	344,342	1,366,862	478,736	128,930	187,860	746,235	90,470	(80,453)	3,657,789
Subsidiary companies	39,464	18,913	145,423	28,974	14,234	110,910	145,457	61,490	-	564,865
Joint venture and associated companies	-	(21)	32,002	(301)	-	(643)	-	(8,833)	-	22,204
PBIT *	39,464	18,892	177,425	28,673	14,234	110,267	145,457	52,657	-	587,069
Interest income										24,469
Interest expense										(68,291)
Profit before taxation and exceptional items										543,247
Exceptional items										54,177
Profit before taxation										597,424
Taxation										(145,824)
Profit after taxation										451,600
Minority interests, net of taxes										(118,590)
Attributable profit										333,010
Assets	238,455	259,874	999,169	544,013	171,205	2,375,800	1,764,873	513,574	-	6,866,963
Tax assets										15,412
Bank deposits and cash balances										847,771
Total assets										7,730,146
Liabilities	103,979	63,386	245,213	111,535	27,627	56,455	141,709	48,786	-	798,690
Tax liabilities										235,290
Bank borrowings and term loans										2,983,712
Total liabilities										4,017,692
Other segment information:										
Capital expenditure	11,477	16,026	102,851	23,411	19,669	3,109	4	5,343	-	181,890
Depreciation and amortisation	16,128	14,846	51,717	31,533	14,794	3,807	-	3,526	-	136,351
Impairment losses	-	-	-	1,445	-	-	-	38,863	-	40,308
Attributable profit before exceptional items	17,422	7,011	33,644	16,256	6,025	69,341	103,761	19,542	-	273,002
Exceptional items	(1,015)	(776)	222	(3,033)	-	-	-	64,610	-	60,008
Attributable profit	16,407	6,235	33,866	13,223	6,025	69,341	103,761	84,152	-	333,010

The following table presents financial information regarding geographical segments:

Geographical Segment	Singapore \$'000	Malaysia \$'000	Rest of South East Asia \$'000	North East Asia \$'000	South Pacific \$'000	Europe & USA \$'000	Group (\$'000)
Total revenue	1,562,855	720,845	461,581	220,473	554,418	137,617	3,657,789
PBIT *	334,213	79,941	107,233	(24,776)	83,833	6,625	587,069
Other geographical information:							
Assets	4,488,998	610,430	449,164	469,328	660,252	188,791	6,866,963
Capital expenditure	26,749	29,192	80,013	19,628	25,023	1,285	181,890

* PBIT = Profit before interest, taxation and exceptional items

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by earnings by the business or geographical segments

Refer to No. 8.

15. A breakdown of sales

	Group		
	30/9/2004 \$'000	30/9/2003 \$'000	Change %
(a) Sales reported for first half year	1,702,294	1,878,191	(9.4)
(b) Operating profit/loss after tax before deducting minority interest reported for first half year	200,038	208,578	(4.1)
(c) Sales reported for second half year	1,743,965	1,779,598	(2.0)
(d) Operating profit/loss after tax before deducting minority interest reported for second half year	230,261	243,022	(5.3)

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

	30/9/2004 \$'000	30/9/2003 \$'000
Ordinary	127,468	122,955
Preference	-	-
Total Annual Dividend	<u>127,468</u>	<u>122,955</u>

17. Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at Level 2, Alexandra Point, 438 Alexandra Road, Singapore 119958 on Thursday 27 January 2005 at 10.00 am.

BY ORDER OF THE BOARD

Anthony Cheong Fook Seng
Group Company Secretary

12 November 2004