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

Level 8, F&N Point,
No. 3 Jalan Metro Pudu 1,
Fraser Business Park, Off Jalan Yew,
55100 Kuala Lumpur, Malaysia
Tel: 03-92352288 Fax:03-92227878

For immediate release

QUARTERLY FINANCIAL REPORT

Quarter 4 : Financial Year Ended 30 September 2014

The Directors are pleased to release the unaudited quarterly financial report for the quarter and financial year ended 30th September 2014.

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 2013:

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
Wong May Fun
Joint Secretaries

Kuala Lumpur
6 November 2014

Schedule A : Unaudited Condensed Consolidated Income Statement

For the quarter and year ended 30 September 2014

RM'000	Individual 4th Quarter 30/09/2014	Individual 4th Quarter 30/09/2013 (Restated)	% chg	Cumulative 4th Quarter 30/09/2014	Cumulative 4th Quarter 30/09/2013 (Restated)	% chg
Revenue	964,515	897,528	*7.5%*	3,818,802	3,508,225	*8.9%*
Cost of sales	(692,176)	(640,544)		(2,703,056)	(2,472,460)	
Gross profit	272,339	256,984	*6.0%*	1,115,746	1,035,765	*7.7%*
Other income	380	43,256		6,614	63,771	
Operating expenses	(197,465)	* (212,955)		(808,159)	* (787,134)	
Operating profit	75,254	87,285	*-13.8%*	314,201	312,402	*0.6%*
Interest expense	(2,498)	(3,069)		(11,227)	(13,918)	
Interest income	1,766	* 2,028		7,524	* 5,221	
Share of results of a joint venture #	(368)	* (206)		(903)	* (631)	
Share of results of an associate ^	1,207	1,142		5,874	4,691	
Profit before tax (PBT)	75,361	87,180	*-13.6%*	315,469	307,765	*2.5%*
Taxation (*Schedule G, Note 5*)	(13,177)	* (7,174)		(56,061)	* (48,307)	
Profit after tax (PAT)	62,184	80,006	*-22.3%*	259,408	259,458	*0.0%*
Attributable to:						
Equity holders of the Company	62,195	80,015	*-22.3%*	259,429	259,485	*0.0%*
Non-controlling interests	(11)	(9)		(21)	(27)	
Profit after tax	62,184	80,006		259,408	259,458	
Basic earnings per share (sen) attributable to equity holders of the Company	17.0	22.0	*-22.7%*	71.0	71.4	*-0.6%*
Diluted earnings per share (sen) attributable to equity holders of the Company	17.0	21.9	*-22.4%*	70.9	71.1	*-0.3%*

* *The comparatives for the quarter and financial year ended 30 September 2014 have been restated as disclosed in Schedule F, Note 21.*

\# *The share of results of a joint venture for the quarter and the year to date refers to Vacaron Company Sdn Bhd and are derived from its unaudited management accounts for the quarter and year ended 30 September 2014.*

^ *The share of results of an associate for the quarter and the year to date refers to Cocoaland Holdings Berhad and are derived from its quarterly announcement for the quarter ended 30 June 2014 dated 25 August 2014. The cumulative results are the sum total of its quarterly results recognised by the Group for the four quarters ended 30 June 2014.*

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 2013.

Schedule B : Unaudited Condensed Consolidated Statement of Comprehensive Income
For the quarter and year ended 30 September 2014

RM'000	Individual 4th Quarter 30/09/2014	Individual 4th Quarter 30/09/2013 (Restated)	% chg	Cumulative 4th Quarter 30/09/2014	Cumulative 4th Quarter 30/09/2013 (Restated)	% chg
Profit after tax	62,184	80,006	*-22.3%*	259,408	259,458	*0.0%*
Other comprehensive income, net of tax:						
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:						
Remeasurement gains on defined benefit plans	2,687	* 33		2,687	* 133	
***Other comprehensive income to be reclassified to profit or loss in subsequent periods*:**						
Exchange differences on translation of foreign operations	8,832	10,411		(13,770)	19,351	
Total comprehensive income	73,703	90,450	*-18.5%*	248,325	278,942	*-11.0%*
Total comprehensive income attributable to:						
Equity holders of the Company	73,714	90,459		248,346	278,969	
Non-controlling interests	(11)	(9)		(21)	(27)	
	73,703	90,450	*-18.5%*	248,325	278,942	*-11.0%*

* *The comparatives for the quarter and financial year ended 30 September 2014 have been restated as disclosed in Schedule F, Note 21.*

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 2013.

Schedule C : Unaudited Condensed Consolidated Statement of Financial Position

As at 30 September 2014

RM'000	30/09/2014	30/09/2013 (Restated)	1/10/2012 (Restated)
Non-current assets			
Property, plant and equipment	1,028,919	* 1,065,773	1,074,386
Investment properties	57,084	57,084	-
Properties held for development	54,654	54,518	* 54,641
Joint venture *(Schedule F, Note 8)*	71,496	* 28,729	* 17,195
Associate *(Schedule F, Note 9)*	78,353	75,511	73,737
Intangible assets	135,437	136,476	134,970
Deferred tax assets	58,693	* 71,113	* 78,983
	1,484,636	1,489,204	1,433,912
Current assets			
Inventories	390,713	350,134	370,775
Receivables	492,592	* 517,462	* 526,000
Tax recoverable	670	3,948	* 4,745
Cash and cash equivalents	365,387	* 360,711	* 227,683
	1,249,362	1,232,255	1,129,203
Non-current assets held for sale #	-	-	55,897
	1,249,362	1,232,255	1,185,100
Total assets	2,733,998	2,721,459	2,619,012
Equity			
Share capital and reserves	1,688,613	* 1,648,440	* 1,553,585
Non-controlling interests	206	227	254
Total equity	1,688,819	1,648,667	1,553,839
Non-current liabilities			
Borrowings	300,000	150,000	-
Provision for retirement benefits	36,353	* 36,784	* 35,935
Deferred tax liabilities	30,971	26,833	15,047
	367,324	213,617	50,982
Current liabilities			
Payables	609,645	* 594,225	* 582,130
Provisions	5,749	17,934	6,000
Borrowings	50,000	240,000	423,711
Provision for taxation	12,461	7,016	2,350
	677,855	859,175	1,014,191
Total liabilities	1,045,179	1,072,792	1,065,173
Total equity and liabilities	2,733,998	2,721,459	2,619,012
Net assets per share (RM) attributable to equity holders of the Company	4.62	4.52	4.28

Comprises Car Park and Techno Centre which have been reclassified to "Property, plant and equipment" and "Investment Properties" in the previous financial year ended 30 September 2013 as the criteria under MFRS 5: Non-current Assets Held for Sale and Discontinued Operations was no longer met.

* *The comparatives for the year ended 30 September 2014 have been restated as disclosed in Schedule F, Note 21.*

Schedule D : Unaudited Condensed Consolidated Statement of Cash Flows

For the year ended 30 September 2014

RM'000	Cumulative 4th quarter 30/09/2014	30/09/2013 (Restated)
Operating activities		
Profit before tax	315,469	307,765
Add non-cash items:		
- Depreciation and amortisation	87,768	88,368
- Impairment of property, plant and equipment	2,118	2,397
- Impairment of intangible assets	-	5,392
- Provision for litigation claim	4,040	11,934
- Net gain from fair value adjustment of investment properties	-	(9,416)
- Insurance claims	-	* (49,316)
- Others	10,365	* 17,447
Interest income	(7,524)	* (5,221)
Interest expense	11,227	13,918
Share of results of a joint venture	903	* 631
Share of results of an associate	(5,874)	(4,691)
Changes in working capital	(64,395)	* 47,193
Insurance claims received	36,766	* 38,986
Tax paid	(31,868)	(23,050)
Net cash flows generated from operating activities	358,995	442,337
Investing activities		
Interest received	8,084	* 4,806
Dividend income	3,032	2,917
Loan to joint venture	(43,670)	* (12,165)
Proceeds from disposal of property, plant and equipment	787	2,502
Purchase of property, plant and equipment	(60,801)	* (69,507)
Purchase of intangible assets	(153)	(3,225)
Net cash flows used in investing activities	(92,721)	(74,672)
Financing activities		
Interest paid	(8,188)	* (15,465)
Dividends paid	(226,657)	(210,887)
Net movement in borrowings	(40,000)	(33,711)
Proceeds from the exercise of the Executives' Share Options Scheme ("ESOS")	18,125	19,954
Net cash flows used in financing activities	(256,720)	(240,109)
Net change in cash and cash equivalents	9,554	127,556
Effects of foreign exchange rate changes	(4,878)	* 5,472
Cash and cash equivalents at beginning of year	360,711	* 227,683
Cash and cash equivalents at end of year	365,387	360,711
Cash and cash equivalents as at end of year comprise:		
Cash and bank balances	197,230	* 183,883
Short term deposits with licensed banks	168,157	* 176,828
	365,387	360,711

( ) denotes cash outflow

* *The comparatives for the year ended 30 September 2014 have been restated as disclosed in Schedule F, Note 21.*

Schedule E : Unaudited Condensed Consolidated Interim Statement of Changes in Equity
For the year ended 30 September 2014

RM'000	Share capital	Share premium	Treasury shares	Foreign exchange reserve	Share-based payment reserve	Legal reserve	Retained earnings (Restated)	Total	Non-controlling interests	Total equity
	<---Attributable to equity holders of the Company--->									
	<---Non-distributable--->						Distributable			
At 1 October 2013	364,658	417,309	(1,716)	10,083	12,165	9,934	* 836,007	1,648,440	227	1,648,667
Total comprehensive income	-	-	-	(13,770)	-	-	262,116	248,346	(21)	248,325
Transactions with owners:										
Issuance of shares upon exercise of ESOS and Share Grant Plan ("SGP")	1,370	20,897	-	-	(4,142)	-	-	18,125	-	18,125
Employee share-based payment expense	-	-	-	-	359	-	-	359	-	359
Dividends	-	-	-	-	-	-	(226,657)	(226,657)	-	(226,657)
Total transactions with owners	1,370	20,897	-	-	(3,783)	-	(226,657)	(208,173)	-	(208,173)
At 30 September 2014	366,028	438,206	(1,716)	(3,687)	8,382	9,934	871,466	1,688,613	206	1,688,819
At 1 October 2012	362,997	395,810	(1,716)	(9,268)	8,552	9,934	* 787,276	1,553,585	254	1,553,839
Total comprehensive income	-	-	-	19,351	-	-	259,618	278,969	(27)	278,942
Transactions with owners:										
Issuance of shares upon exercise of ESOS	1,661	21,499	-	-	(3,206)	-	-	19,954	-	19,954
Employee share-based payment expense	-	-	-	-	6,819	-	-	6,819	-	6,819
Dividends	-	-	-	-	-	-	(210,887)	(210,887)	-	(210,887)
Total transactions with owners	1,661	21,499	-	-	3,613	-	(210,887)	(184,114)	-	(184,114)
At 30 September 2013	364,658	417,309	(1,716)	10,083	12,165	9,934	836,007	1,648,440	227	1,648,667

* *The comparatives for the year ended 30 September 2014 have been restated as disclosed in Schedule F, Note 21.*

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 financial year ended 30 September 2013.

Schedule F : Selected Explanatory Notes Pursuant to MFRS 134

1. Corporate information

The Company is a public limited liability company incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad.

These condensed consolidated interim financial statements (“interim financial statements”) were approved by the Board of Directors on 6 November 2014.

2. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134 *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. These interim financial statements also comply with IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board.

The audited consolidated financial statements of the Group for the year ended 30 September 2013 are available upon request from the Company’s registered office at Level 8, F&N Point, No. 3, Jalan Metro Pudu 1, Fraser Business Park, Off Jalan Yew, 55100 Kuala Lumpur, Malaysia.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 September 2013. These explanatory notes provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 September 2013.

The accounting policies and presentation adopted by the Group in these interim financial statements are consistent with those adopted in the audited financial statements for the year ended 30 September 2013, except for the adoption of the following new and amended MFRS, and Issues Committee (IC) Interpretations mandatory for annual financial periods beginning on or after 1 October 2013.

- MFRS 3 *Business Combinations (IFRS 3 Business Combinations issued by IASB in March 2004)*
- MFRS 10 *Consolidated Financial Statements*
- MFRS 11 *Joint Arrangements*
- MFRS 12 *Disclosure of Interests in Other Entities*
- MFRS 13 *Fair Value Measurement*
- MFRS 119 *Employee Benefits (IAS 19 as amended by IASB in June 2011)*
- MFRS 127 *Consolidated and Separate Financial Statements (IAS 27 revised by IASB in December 2003)*
- MFRS 127 *Separate Financial Statements (IAS 27 as amended by IASB in May 2011)*
- MFRS 128 *Investments in Associates and Joint Ventures (IAS 28 as amended by IASB in May 2011)*
- Amendments to MFRS 1 *Government Loans* *
- Amendments to MFRS 7 *Disclosures - Offsetting Financial Assets and Financial Liabilities*
- Amendments to MFRS 10, MFRS 11 and MFRS 12: *Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance*
- Annual Improvements 2009-2011 Cycle
- IC Interpretation 20 *Stripping Costs in the Production Phase of a Surface Mine* *

** not applicable*

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

2. Basis of preparation (cont'd)

The adoption of the above standards and interpretations did not have any significant effect on the financial performance, position or presentation of financials of the Group, except for those described below:

MFRS 11 *Joint Arrangements*

MFRS 11 replaces MFRS 131 *Interests in Joint Ventures* and IC Interpretation 113 *Jointly-Controlled Entities – Non-monetary Contributions by Venturers*.

The classification of joint arrangements under MFRS 11 is determined based on the rights and obligations of the parties to the joint arrangements by considering the structure, the legal form, the contractual terms agreed by the parties to the arrangement and when relevant, other facts and circumstances. Under MFRS 11, joint arrangements are classified as either joint operations or joint ventures.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

MFRS 11 removes the option to account for jointly controlled entities ("JCE") using proportionate consolidation. Instead, JCE that meet the definition of a joint venture must be accounted for using the equity method.

The application of this new standard affected the financial position of the Group. This is due to the cessation of proportionate consolidation of Vacaron Company Sdn Bhd. Under MFRS 11, Vacaron Company Sdn Bhd is treated as a joint venture and is accounted for using the equity method.

MFRS 11 has been applied in accordance with the relevant transitional provisions set out in MFRS 11. The initial investment as at 1 October 2012 for the purposes of applying the equity method is measured as the aggregate of the carrying amounts of the assets and liabilities that the Group had previously proportionately consolidated.

The above change in accounting policy has affected the amounts reported in the Group's consolidated financial statements, as shown in Schedule F, Note 21.

The accounting policies for joint ventures have been revised as follows:

"A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

On acquisition of an investment in joint venture, any excess of the cost of investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill and included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities of the investee over the cost of investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of the joint venture's profit or loss for the period in which the investment is acquired.

A joint venture is equity accounted for from the date on which the investee becomes a joint venture.

Under the equity method, on initial recognition the investment in a joint venture is recognised at cost and the carrying amount is increased or decreased to recognise the Group's share of the profit or loss and other comprehensive income of the joint venture after the date of acquisition.

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

2. Basis of preparation (cont'd)

MFRS 11 *Joint Arrangements* (cont'd)
The interest in a joint venture is the carrying amount of the investment in the joint venture determined using the equity method together with any long-term interests that, in substance, form part of the entity's net investment in the joint venture. When the Group's share of losses in a joint venture equal or exceeds its interest in the joint venture, including any long-term interests that, in substance, form part of the Group's net investment in the joint venture, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the joint venture.

Profits and losses resulting from upstream and downstream transactions between the Group and its joint venture are recognised in the Group's financial statements only to the extent of unrelated investors' interests in the joint venture. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The financial statements of the joint ventures are prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group applies MFRS 139 *Financial Instruments: Recognition and Measurement* to determine whether it is necessary to recognise any additional impairment loss with respect to its net investment in the joint venture. When necessary, the entire carrying amount of the investment is tested for impairment in accordance with MFRS 136 *Impairment of Assets* as a single asset, by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss is recognised in profit or loss. Reversal of an impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

In the Company's separate financial statements, investment in a joint venture is accounted for at cost less impairment losses. On disposal of such investment, the difference between net disposal proceeds and its carrying amount is included in profit or loss."

MFRS 12 *Disclosures of Interests in Other Entities*
MFRS 12 includes all disclosure requirements for interests in subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are required. This standard affects disclosures only and has no impact on the Group's financial position or performance.

MFRS 13 *Fair Value Measurement*
MFRS 13 establishes a single source of guidance under MFRS for all fair value measurements. MFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under MFRS. MFRS 13 defines fair value as an exit price. As a result of the guidance in MFRS 13, the Group re-assessed its policies for measuring fair values, in particular, its valuation inputs such as non-performance risk for fair value measurement of liabilities. MFRS 13 also requires additional disclosures.

Application of MFRS 13 has not materially impacted the fair value measurement of the Group.

Amendments to MFRS 101 *Presentation of Items of Other Comprehensive Income*
The amendments to MFRS 101 requires entities to group items presented in "Other Comprehensive Income" in the Statement of Comprehensive Income on the basis of whether they are potentially reclassifiable to profit or loss subsequently.

The amendments affect presentation only and have no impact on the Group's financial position or performance.

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

2. Basis of preparation (cont'd)

MFRS 119 *Employee Benefits (IAS 19 as amended by IASB in June 2011)*
The Group applied MFRS 119 (revised) retrospectively in the current period in accordance with the transitional provisions set out in the revised standard. The opening statement of financial position of the earliest comparative period presented (1 October 2012) and the comparative figures have been accordingly restated.

The amendments to MFRS 119 revised the accounting for defined benefit plans and termination benefits. The significant change relates to the accounting for changes in defined benefit obligations and plan assets. The amendments require the recognition of changes in defined benefit obligations and in fair value of plan assets when they occur, and hence eliminate the 'corridor method' permitted under the previous version of MFRS 119 as well as accelerate the recognition of past service costs. The amendments require all actuarial gains and losses to be recognised immediately through other comprehensive income in order for the net pension asset or liability recognised in the statements of financial position to reflect the full value of the plan deficit or surplus.

The Group has adopted MFRS 119 and applied this standard retrospectively during the current period. The financial effects on initial adoption of MFRS 119, together with certain reclassification made to conform with current period's presentation are shown in Schedule F, Note 21.

Accordingly, the accounting policy for the defined benefit plan has been revised as follows:

"Certain subsidiaries of the Group operate unfunded defined benefit plan for its employees. The plan pays a lump sum amount (instead of a pension) at retirement.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. The liability recognised in the balance sheet is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognised past-service costs. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yields of high quality bonds that are denominated in the currency in which the benefits will be paid, and have tenures approximating to that of the related post-employment benefit obligations.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period when arise. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised immediately in profit or loss."

3. Standards issued but not yet effective

The standards and interpretations that are issued but not yet effective up to the date of issuance of the Group's and the Company's financial statements are disclosed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective.

Effective for annual periods beginning on or after 1 January 2014
- Amendments to MFRS 10, MFRS 12 and MFRS 127 *Investment Entities*
- Amendments to MFRS 132 *Offsetting Financial Assets and Financial Liabilities*
- Amendments to MFRS 136 *Recoverable Amount Disclosures for Non-Financial Assets*
- Amendments to MFRS 139 *Novation of Derivatives and Continuation of Hedge Accounting*
- IC Interpretation 21 *Levies*

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

3. Standards issued but not yet effective (cont'd.)

Effective for annual periods beginning on or after 1 July 2014
- Amendments to MFRS 119 *Defined Benefit Plans: Employee Contributions*
- Annual Improvements to MFRSs 2010–2012 Cycle
- Annual Improvements to MFRSs 2011–2013 Cycle

Effective for annual periods beginning on or after 1 January 2016
- MFRS 14 *Regulatory Deferral Accounts* *
- Amendments to MFRS 11 *Accounting for Acquisitions of Interests in Joint Operations* *
- Amendments to MFRS 116 and MFRS 138 *Clarification of Acceptable Methods of Depreciation and Amortisation*
- Amendments to MFRS 116 *Agriculture: Bearer Plants**

Effective for annual periods beginning on or after 1 January 2017
- MFRS 15 *Revenue from Contracts with Customers*

Effective date: to be announced
- MFRS 9 *Financial Instruments (IFRS 9 issued by IASB in November 2009 and October 2010)*
- MFRS 9 *Financial Instruments: Hedge Accounting and amendments to MFRS 9, MFRS 7 and MFRS 139*

** not applicable*

The Directors expect that the adoption of the above standards and interpretations will have no material impact on the financial statements in the period of initial application except as discussed below:

MFRS 9 *Financial Instruments*
MFRS 9 reflects the first phase of work on the replacement of MFRS 139 and applies to classification and measurement of financial assets and financial liabilities as defined in MFRS 139. The standard was initially effective for annual periods beginning on or after 1 January 2013, but Amendments to MFRS 9 Mandatory Effective Date of MFRS 9 and Transition Disclosures, issued in March 2012, moved the mandatory effective date to 1 January 2015. Subsequently, on 14 February 2014, it was announced that the new effective date will be decided when the project is closer to completion. The adoption of the first phase of MFRS 9 will have an effect on the classification and measurement of the Group's financial assets, but will not have an impact on classification and measurements of the Group's financial liabilities. The Group will quantify the effect in conjunction with the other phases, when the final standard including all phases is issued.

MFRS 15 *Revenue from Contracts with Customers*
MFRS 15 replaces the guidance in MFRS 111 *Construction Contracts*, MFRS 118 *Revenue*, IC Interpretation 13 *Customer Loyalty Programmes*, IC Interpretation 15 *Agreements for Construction of Real Estate*, IC Interpretation 18 *Transfers of Assets from Customers* and IC Interpretation 131 *Revenue – Barter Transactions Involving Advertising Services*. Upon adoption of MFRS 15, it is expected that the timing of revenue recognition might be different as compared with the current practices.

The adoption of MFRS 15 will result in change in accounting policy. The Group is currently assessing the financial impact of adopting MFRS 15.

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

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

5. 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 and evaporated milk may be skewed towards major festivities and weather pattern.

6. Unusual items affecting assets, liabilities, equity, net income or cash flows
There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the quarter and year ended 30 September 2014 other than as disclosed in Schedule G, Note 12.

7. 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.

8. Investment in joint venture

RM'000	30/09/2014	30/09/2013	1/10/2012
Unquoted shares, at cost	500	500	500
Share of post-acquisition reserves	(1,782)	(879)	(248)
	(1,282)	(379)	252
Shareholder's loan	128,070	84,400	72,235
	126,788	84,021	72,487
Less: Unrealised profit	(55,292)	(55,292)	(55,292)
	71,496	28,729	17,195

The summarised financial information of the joint venture is as follows:

RM'000	30/09/2014	30/09/2013	1/10/2012
Total assets	253,588	167,884	144,462
Total liabilities	(256,171)	(168,660)	(143,976)

	Individual 4th quarter		Cumulative 4th quarter	
RM'000	30/09/2014	30/09/2013	30/09/2014	30/09/2013
Revenue	-	-	-	-
Loss	(736)	(412)	(1,806)	(1,262)

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

9. Investment in an associate

RM'000	30/09/2014	30/9/2013
Quoted shares at cost	68,727	68,727
Share of post-acquisition reserves	18,529	12,655
Dividend received	(8,903)	(5,871)
	78,353	75,511

The summarised financial information of the associate is as follows:

RM'000	30/09/2014	30/9/2013
Total assets	257,416	241,843
Total liabilities	(44,573)	(39,528)

	Individual 4th quarter		Cumulative 4th quarter	
RM'000	30/09/2014	30/09/2013	30/09/2014	30/09/2013
Revenue	65,074	59,629	251,218	240,022
Profit	4,439	4,196	21,602	17,251

10. Issuance or repayments of debt/equity securities

There have been no issuance, cancellation, repurchases, resale and repayments of debt and equity securities in the cumulative 4th quarter except for the issuance of:

(i) 171,100 and 1,121,800 ordinary shares pursuant to the ESOS Scheme at the exercise price of RM10.47 and RM14.52 each respectively; and

(ii) 76,900 ordinary shares pursuant to the SGP.

The share premium of RM20,897,000 arising from the exercise of ESOS and SGP have been included in the share premium account. The new ordinary shares rank pari passu in all respects with the existing ordinary shares of the Company.

11. Dividends

A final single tier dividend of 30 sen per share amounting to RM109.6 million (2012: 23 sen per share amounting to RM83.6 million) together with a special single tier dividend of 10 sen per share amounting to RM36.6 million (2012: 15 sen per share amounting to RM54.5 million) in respect of the financial year ended 30 September 2013 were paid on 26 February 2014.

An interim single tier dividend of 22 sen per share (2013: 20 sen) was declared for the financial year ended 30 September 2014 on 7 May 2014. This dividend amounting to RM80.5 million (2013: RM72.7 million) was paid on 8 August 2014.

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

12. Segmental information

Segment results

For management purposes, the Group's operating businesses are organised according to products and services, namely Soft Drinks, Dairies Malaysia, Dairies Thailand, Property and Others segments. 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, preceding quarter and cumulative 4th quarter are as follows:

	Revenue				
	Individual 4th quarter		3rd quarter	Cumulative 4th quarter	
RM'000	2014	2013	2014	2014	2013
Soft drinks	389,010	365,369	390,367	1,522,559	1,457,435
Dairies Malaysia	248,787	243,980	268,561	1,051,620	974,474
Dairies Thailand	326,460	287,968	312,020	1,243,817	1,075,604
Property	177	141	144	586	488
Others	81	70	39	220	224
	964,515	897,528	971,131	3,818,802	3,508,225

	Profit before tax				
	Individual 4th quarter		3rd quarter	Cumulative 4th quarter	
RM'000	2014	2013	2014	2014	2013
Soft drinks	48,552	* 25,101	32,268	162,716	* 128,931
Dairies Malaysia (a)	12,154	*19,765	18,193	69,954	(b) * 54,516
Dairies Thailand	19,560	14,408	18,175	78,298	79,512
Property	(144)	(c) * 9,126	132	318	(c) * 8,409
Others	(d) (4,868)	(d) (12,113)	2,539	(d) 2,915	(d) (8,282)
	75,254	56,287	71,307	314,201	263,086
Insurance claims (e)	-	30,998	-	-	49,316
Operating profit	75,254	87,285	71,307	314,201	312,402
Interest expense	(2,498)	(3,069)	(2,983)	(11,227)	(13,918)
Interest income	1,766	* 2,028	2,081	7,524	* 5,221
Share of results of a joint venture	(368)	* (206)	(121)	(903)	* (631)
Share of results of an associate	1,207	1,142	928	5,874	4,691
Profit before tax	75,361	87,180	71,212	315,469	307,765

(a) *Included net expenses relating to the shift from Section 13, Petaling Jaya to Pulau Indah along with the crating and storage of useable manufacturing machineries (Individual Q4: RMNil vs LY RM44k, Cumulative Q4: RMNil vs LY RM3.1 million).*

(b) *Included the impairment of goodwill of a subsidiary of RM5.4 million.*

(c) *Included the net gain from fair value adjustment of investment properties of RM9.4 million.*

(d) *Included provision for litigation claim amounting to RM4.0 million for the quarter and year to date (LY quarter and year to date: RM11.9 million).*

(e) *The amount recognised represents the final business interruption claim in relation to the flood in the Dairies Thailand's dairy products manufacturing facilities in Rojana Industrial Park, Thailand.*

* *The comparatives for the quarter and financial year ended 30 September 2014 have been restated as disclosed in Schedule F, Note 21.*

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

12. Segmental information (cont'd)

Segment assets
The total of segment assets is measured based on all assets excluding deferred tax assets, cash and cash equivalents, joint venture and associate.

RM'000	30/09/2014	30/09/2013
Soft drinks	747,985	731,048
Dairies Malaysia	663,316	658,355
Dairies Thailand	506,833	551,744
Property	180,943	* 188,162
Others	60,992	56,086
	2,160,069	2,185,395

Segment liabilities
The total of segment liabilities is measured based on all liabilities excluding deferred tax liabilities, provision for taxation and bank borrowings.

RM'000	30/09/2014	30/09/2013
Soft drinks	270,771	* 301,067
Dairies Malaysia	188,241	* 163,533
Dairies Thailand	169,706	* 148,146
Property	3,209	* 9,737
Others	19,820	26,460
	651,747	648,943

* *The comparatives for the year ended 30 September 2014 have been restated as disclosed in Schedule F, Note 21.*

13. Acquisitions and disposals/write offs of property, plant and equipment and intangible assets

	Individual 4th quarter		Cumulative 4th quarter	
RM'000	30/09/2014	30/09/2013	30/09/2014	30/09/2013
Acquisitions (cost)	17,757	18,298	60,954	72,732
Disposals/write-offs (net carrying amount)	264	760	2,515	3,778
Net (gain)/loss on disposals/write-offs	237	20	1,728	1,276

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

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

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

17. Contingent assets
There were no contingent assets of a material nature since the last annual reporting date.

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

18. Fair value hierarchy

As at 30 September 2014, the Group held foreign currency forward contracts carried at fair value of approximately RM1,305,000 (2013: RM306,000) based on Level 2: significant observable inputs for identical assets or liabilities. There was no transfer between any levels of the fair value hierarchy and there was no change in the purpose of any financial asset that subsequently resulted in a different classification of that asset during the financial quarter.

The Group held investment properties amounting to RM57,084,000 (2013: RM57,084,000) carried at Level 3: significant unobservable inputs.

19. Capital and lease commitments

Capital commitments

The outstanding capital commitments are as follows:

RM'000	30/09/2014	30/09/2013
Property, plant and equipment		
Approved and contracted for:		
- Machinery and equipment	19,536	8,379
- Others	4,043	1,295
	23,579	9,674
Approved and not contracted for:		
- Building	3,950	-
- Machinery and equipment	43,910	22,102
- Others	4,697	7,712
	52,557	29,814
	76,136	39,488

Lease commitments

The balances of the non-cancellable operating lease rentals payable under rental agreements are as follows:

RM'000	30/09/2014	30/09/2013
Non-cancellable operating lease commitments - Group as lessee		
Future minimum rentals payable:		
- Not later than 1 year	11,224	25,124
- Later than 1 year and not later than 5 years	1,310	10,764
- Later than 5 years	1,017	1,109
	13,551	36,997

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

20. Related party disclosure

Significant related party transactions
Related party transactions had been entered into in the ordinary course of business on normal commercial terms. The following are significant related party transactions:

	Individual 4th quarter		Cumulative 4th quarter	
RM'000	30/09/2014	30/09/2013	30/09/2014	30/09/2013
Fraser and Neave, Limited ("F&N Limited") Group				
Sales	48,713	34,919	167,870	128,578
Receipt of corporate service fees	73	12	73	12
Rental income	92	75	335	301
Purchases	54,105	49,818	205,307	190,891
Royalties paid	12,851	12,510	52,639	50,346
Corporate charges paid	187	334	1,422	2,276
Other expenses	-	-	65	-
Vacaron Company Sdn Bhd				
Receipt of corporate service fees and staff costs	225	229	1,037	1,196
Rental income	27	53	107	107
Interest income	1,359	906	4,111	3,378
Shareholder's loan granted	24,232	1,322	43,670	12,165
Cocoaland Holdings Berhad Group				
Purchases	1,428	591	3,899	2,340
Thai Beverage Public Company Limited Group				
Sales	184	102	600	337
Purchases	1,095	1,144	1,934	1,144
Berli Jucker Public Company Limited Group				
Sales	1,209	556	4,138	1,902
Purchases	10,861	8,555	42,678	30,238
Logistic cost	4	7	13	7
Other related parties of TCC Group				
Sales	60	-	60	-
Management fees	262	266	1,140	266
Insurance premium paid	-	-	2,324	-
Other expenses	438	-	564	-
Permodalan Nasional Berhad ("PNB") Group *				
Sales	16,234	17,192	67,014	68,730
Purchases	11,196	6,615	54,664	32,986
Purchase of office equipment	-	223	973	223
Repair and maintenance of motor vehicle	-	-	30	54
Rental of equipment paid	603	509	1,848	2,044
Other expenses	14	53	90	222
Compensation				
Compensation of key management personnel of the Group	3,151	1,559	7,389	7,072
Directors fees	211	229	916	803

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

20. Related party disclosure (cont'd)

Related party balances
The related party balances are shown below:

RM'000	30/09/2014	30/9/2013
Amount due from related parties		
F&N Limited Group	31,367	25,655
Vacaron Company Sdn Bhd	128,070	84,400
Cocoaland Holdings Berhad Group	7	-
Thai Beverage Public Company Limited Group	143	208
Berli Jucker Public Company Limited Group	1,092	172
PNB Group	10,536	9,287
Amount due to related parties		
F&N Limited Group	30,133	31,783
Cocoaland Holdings Berhad Group	925	613
Thai Beverage Public Company Limited Group	581	-
Berli Jucker Public Company Limited Group	3,643	4,167
Other related parties of TCC Group	141	-
PNB Group	5,103	2,409

* Permodalan Nasional Berhad ("PNB") is deemed a related party to Fraser & Neave Holdings Bhd ("FNHB") by virtue of PNB holding 67,548,600 shares as of 30 September 2014 through Amanahraya Trustees Berhad, representing 18.47% equity interest in FNHB and having two nominee directors on the Board of FNHB.

(The remainder of this page has been intentionally left blank)

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

21. Change in comparatives

The comparatives for the financial quarter and year ended 30 September 2014 have been restated as follows:

RM'000	As previously stated	Adjustments (a)	(b)	(c)	As restated
Income statement:					
For the quarter ended 30 September 2013					
Operating expenses	(212,967)	304	(292)	-	(212,955)
Interest income	2,054	(26)	-	-	2,028
Share of results of a joint venture	-	(206)	-	-	(206)
Taxation	(7,103)	(71)	-	-	(7,174)
Remeasurement gains on defined benefit plans	-	-	33	-	33
For the year ended 30 September 2013					
Operating expenses	(786,851)	885	(1,168)	-	(787,134)
Interest income	5,252	(31)	-	-	5,221
Share of results of a joint venture	-	(631)	-	-	(631)
Taxation	(48,084)	(223)	-	-	(48,307)
Remeasurement gains on defined benefit plans	-	-	133		133
Statement of financial position:					
As at 30 September 2013					
Property, plant and equipment	1,065,776	(3)	-	-	1,065,773
Joint venture	-	28,729	-	-	28,729
Deferred tax assets	71,404	(291)	-	-	71,113
Property development costs	26,834	(26,834)	-	-	-
Receivables	559,722	(42,260)	-	-	517,462
Cash and cash equivalents	362,172	(1,461)	-	-	360,711
Provision for retirement benefits	35,042	-	1,742	-	36,784
Payables	636,354	(42,129)	-	-	594,225
Share capital and reserves	1,650,173	9	(1,742)	-	1,648,440
As at 1 October 2012					
Properties held for development	62,276	(7,635)	-	-	54,641
Joint venture	-	17,195	-	-	17,195
Deferred tax assets	79,050	(67)	-	-	78,983
Property development costs	9,047	(9,047)	-	-	-
Receivables	518,315	(248)	-	7,933	526,000
Tax recoverable	-	-	-	4,745	4,745
Cash and cash equivalents	227,873	(190)	-	-	227,683
Provision for retirement benefits	35,227	-	708	-	35,935
Payables	569,454	(2)	-	12,678	582,130
Share capital and reserves	1,554,283	10	(708)	-	1,553,585
Statement of cash flows:					
For the year ended 30 September 2013					
Insurance claims	-	-	-	(49,316)	(49,316)
Others	12,101	-	1,168	4,178	17,447
Interest income	(5,252)	31	-	-	(5,221)
Share of results of a joint venture	-	631	-	-	631
Changes in working capital	36,311	10,040	-	842	47,193
Insurance claims received	-	-	-	38,986	38,986
Interest received	5,252	(31)	-	(415)	4,806

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

21. Change in comparatives (cont'd)

RM'000	As previously stated	Adjustments (a)	(b)	(c)	As restated
Statement of cash flows: (cont'd)					
For the year ended 30 September 2013 (cont'd)					
Loan to a joint venture	-	(12,165)	-	-	(12,165)
Purchase of property, plant and equipment	(71,307)	-	-	1,800	(69,507)
Interest paid	(13,918)	-	-	(1,547)	(15,465)
Effects of foreign exchange rate changes	-	-	-	5,472	5,472
Cash and cash equivalents at beginning of year	227,873	(190)	-	-	227,683
Cash and bank balances	184,394	(511)	-	-	183,883
Short term deposits with local licensed banks	177,778	(950)	-	-	176,828
Statement of changes in equity:					
As at 1 October 2013					
Share capital and reserves	1,650,173	9	(1,742)	-	1,648,440
Retained earnings	837,740	9	(1,742)	-	836,007
As at 1 October 2012					
Share capital and reserves	1,554,283	10	(708)	-	1,553,585
Retained earnings	787,974	10	(708)	-	787,276
Segment operating profit:					
For the quarter ended 30 September 2013					
Soft drinks	25,289	-	(188)	-	25,101
Dairies Malaysia	19,869	-	(104)	-	19,765
Property	8,822	304	-	-	9,126
Interest income	2,054	(26)	-	-	2,028
Share of results of a joint venture	-	(206)	-	-	(206)
For the year ended 30 September 2013					
Soft drinks	129,686	-	(755)	-	128,931
Dairies Malaysia	54,929	-	(413)	-	54,516
Property	7,524	885	-	-	8,409
Interest income	5,252	(31)	-	-	5,221
Share of results of a joint venture	-	(631)	-	-	(631)
Segment assets:					
As at 30 September 2013					
Property	257,259	(69,097)	-	-	188,162
Segment liabilities:					
As at 30 September 2013					
Soft drinks	301,871	-	(804)	-	301,067
Dairies Malaysia	159,978	-	3,555	-	163,533
Dairies Thailand	149,155	-	(1,009)	-	148,146
Property	51,866	(42,129)	-	-	9,737

(a) Adjustments pursuant to the adoption of MFRS 11 Joint Arrangements (See Schedule F, Note 2)
(b) Adjustments pursuant to the adoption of MFRS 119 Employee Benefits (See Schedule F, Note 2)
(c) Being reclassification to conform with current year's presentation.

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

1. Operations review

Current quarter vs corresponding quarter

Group's revenue for the quarter increased by 7.5% from RM897.5 million to RM964.5 million. The growth was driven by contributions mainly from the three core business units on the back of better volumes and product mix as a result of increased market distribution points, effective product penetration and promotion campaigns and strong brand equity growth.

The Group's profit before tax for the quarter was lower at RM75.4 million compared with RM87.2 million mainly due to the recognition of insurance claims of RM31.0 million in the corresponding quarter last year. Excluding this quantum, profit before tax for the quarter grew by RM19.2 million. The profit improvement is contributed by Soft Drinks and Dairies Thailand in tandem with the higher revenue earned. Soft Drinks posted better operating profit margins this quarter due to production yield improvements and lower spending on advertising and promotions. However, Dairies Malaysia recorded lower operating profit this quarter despite marginally better sales on account of weaker sales mix, higher trade discounts and higher milk-based commodity costs. Others segment recorded a smaller loss due to lower provision for litigation claim.

Current financial year vs corresponding year

Year-on-year the Group's revenue rose 8.9% to RM3.82 billion versus RM3.51 billion. The increase was driven mainly by the three core business units. Revenue from Soft Drinks, Dairies Malaysia and Dairies Thailand grew by 4.5%, 7.9% and 15.6% respectively due to favourable volumes and product mix riding on expanded distribution, effective product penetration and effective promotional and advertising campaigns. During the financial year, the Group has further reinforced its respective market leadership positions for the Group's core products.

Group profit before tax excluding insurance claims of RM49.3 million climbed from RM258.4 million to RM315.5 million year-on-year. The improved performance was recorded by Soft Drinks and Dairies Malaysia where operating profit was lifted by 26.2% and 28.3% respectively mainly due to higher revenue earned, production yield improvements, lower execution costs and absence of certain one-off items. However, operating profit of Dairies Thailand was lower in spite of robust sales due to higher production costs in particular milk-based products which it was not able to recover in full from end customers. There was also lower net interest expense incurred and higher share of results from its associated company during the financial year.

(The remainder of this page has been intentionally left blank)

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

2. Comment on material change in Group profit before tax vs preceding 3rd quarter
Excluding the provision for litigation claim of RM4.0 million, the Group's profit before tax increased by 11.5% from RM71.2 million to RM79.4 million. Operating profit of Soft Drinks increased by 50.5% from RM32.3 million to RM48.6 million due to improved product margins, cost savings from operational and manufacturing efficiencies and effective spending on advertising and promotions. The decrease in Dairies Malaysia's operating profit from RM18.2 million to RM12.2 million was attributed to lower revenue and higher commodity cost. Dairies Thailand's operating profit increased by 7.6% from RM18.2 million to RM19.6 million on the back of higher revenue and effective trade terms on its sales mix management.

3. Prospects
In Malaysia, notwithstanding the favourable employment outlook, Government assistance through cash transfers and lower individual income tax and higher household income, private consumption is expected to moderate in 2015 with the introduction of GST. In Thailand, private consumption is expected to gradually return to normal following the change in government in May. However, the halt in some Government subsidies, particularly the rice pledge programme, might have a negative impact on consumer spending especially in rural areas. Raw material cost, in particular commodities, continues to be volatile.

Against this backdrop, the Board and Management remain alert to the changing business dynamics and plans and actions are at hand to safeguard the performances of our businesses.

4. Profit forecast or profit guarantee
The Group has not issued any profit forecast or profit guarantee for the current financial year in a public document.

5. Tax expense

The details of the tax expense are as follows:

	Individual 4th quarter		Cumulative 4th quarter	
RM'000	2014	2013	2014	2013
Current income tax	12,227	5,265	41,792	31,508
Deferred tax – origination and reversal of temporary differences	2,236	6,908	18,457	15,765
(Over)/under provision in respect of previous years				
- Income tax	3	61	(1,189)	(3,012)
- Deferred tax	(1,289)	(5,060)	(2,999)	4,046
	13,177	7,174	56,061	48,307

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

5. 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 4th quarter 2014	Individual 4th quarter 2013	Cumulative 4th quarter 2014	Cumulative 4th quarter 2013
Profit before tax	75,361	87,180	315,469	307,765
Tax at Malaysian statutory tax rate of 25%	18,840	21,795	78,867	76,941
Different tax rates in other countries	(1,187)	(1,735)	(4,804)	(4,227)
Effect of reduction in income tax rate on deferred tax	(16)	60	259	60
Income not subject to tax	(4,673)	(4,097)	(18,968)	(26,083)
Expenses not deductible for tax purposes	820	(638)	5,956	5,777
Utilisation of previously unrecognised tax losses	(453)	(1,005)	(1,369)	(1,005)
Deferred tax assets recognised	-	(5,473)	-	(5,473)
(Over)/under provision in respect of previous years				
- Income tax	3	61	(1,189)	(3,012)
- Deferred tax	(1,289)	(5,060)	(2,999)	4,046
Share of results of a joint venture	92	52	226	158
Share of results of an associate	(302)	(286)	(1,469)	(1,173)
Others	1,342	3,500	1,551	2,298
Total income tax expense	13,177	7,174	56,061	48,307
Effective income tax rate	17.5%	8.2%	17.8%	15.7%

6. Status of corporate proposals

There were no outstanding corporate proposals or announcements made in the current financial quarter.

7. Group borrowings and debt securities

The details of the Group's borrowings are as follows:

CP/MTN – RM1.5 billion	Currency	30/09/2014	30/09/2013
Commercial Papers ("CP")			
- Current	RM'000	50,000	240,000
Medium term notes ("MTN")			
- Non-current	RM'000	300,000	150,000
		350,000	390,000

On 22 August 2014, its subsidiary F&N Capital Sdn Bhd ("the Issuer") utilised RM50 million of the CP facility with the tenure of six (6) months and interest rate of 3.79% per annum.

On 26 September 2013 and 7 October 2013, the Issuer issued MTN of RM150 million each with the tenure of five (5) years from the issued date. These MTN bear interest at rates of 4.38% and 4.24% per annum respectively and payable semi-annually in arrears.

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

8. Material litigation

There is no material litigation to be disclosed in this interim financial statements.

9. Proposed dividend

The Directors recommend a final single tier dividend of 33 sen per share (2013: final single tier dividend of 30 sen per share together with a special single tier dividend of 10 sen per share) for approval by shareholders at the forthcoming Annual General Meeting of the Company. If approved by shareholders, the total dividend for the year would amount to 55 sen per share (2013: 60 sen).

10. 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 4th quarter 2014	Individual 4th quarter 2013	Cumulative 4th quarter 2014	Cumulative 4th quarter 2013
Group attributable profit to shareholders of the Company (RM'000)	62,195	80,015	259,429	259,485
Weighted average number of ordinary shares net of treasury shares ('000)	365,740	364,027	365,429	363,593
Basic earnings per share (sen)	17.0	22.0	71.0	71.4

(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 and share grants granted pursuant to the ESOS and SGP.

	Individual 4th quarter 2014	Individual 4th quarter 2013	Cumulative 4th quarter 2014	Cumulative 4th quarter 2013
Group attributable profit to shareholders of the Company (RM'000)	62,195	80,015	259,429	259,485
Weighted average number of ordinary shares net of treasury shares ('000)	365,740	364,027	365,429	363,593
Adjustments pursuant to the ESOS/SGP ('000)	212	1,401	335	1,541
Adjusted weighted average number of ordinary shares net of treasury shares ('000)	365,952	365,428	365,764	365,134
Diluted earnings per share (sen)	17.0	21.9	70.9	71.1

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

11. 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:

RM'000	30/09/2014	30/09/2013
Total revenue reserve of the Company and its subsidiaries		
- Realised	827,105	783,301
- Unrealised	26,431	46,182
	853,536	829,483
Total share of accumulated losses from a joint venture		
- Realised	(2,325)	(1,170)
- Unrealised	543	291
	(1,782)	(879)
Total share of retained earnings from an associate		
- Realised	11,225	7,848
- Unrealised	(1,599)	(1,064)
	9,626	6,784
Consolidation adjustments	10,086	619
Total Group retained profits as per financial statements	871,466	836,007

12. Notes to the Condensed Consolidated Income Statement

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

		Individual 4th quarter		Cumulative 4th quarter	
	RM'000	2014	2013	2014	2013
(a)	Other income	(374)	-	(6,505)	(763)
(b)	Depreciation and amortisation	22,212	21,881	87,768	88,368
(c)	Impairment of intangible assets	-	-	-	5,392
(d)	Impairment of property, plant and equipment	2,118	2,397	2,118	2,397
(e)	Impairment loss on receivables	(939)	(2,219)	5,240	720
(f)	Bad debts written off	-	-	-	-
(g)	Bad debts recovered	(2)	(443)	(4,811)	(3,527)
(h)	Inventories written down	486	(190)	871	2,484
(i)	Inventories written off	2,969	3,648	10,398	12,530
(j)	(Gain)/loss on disposal of quoted or unquoted investments	-	-	-	-
(k)	Net (gain)/loss on disposal/write offs of property, plant and equipment/intangible assets	237	20	1,728	1,276

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

12. Notes to the Condensed Consolidated Income Statement (cont'd)

	RM'000	Individual 4th quarter 2014	Individual 4th quarter 2013	Cumulative 4th quarter 2014	Cumulative 4th quarter 2013
(l)	Impairment of other assets	-	-	-	-
(m)	Foreign exchange (gain)/loss	(701)	387	(207)	(454)
(n)	(Gain)/loss on forward foreign exchange contracts	(1,387)	(254)	(1,099)	(360)
(o)	Unusual items				
	- Business interruption insurance claim	-	(77)	-	(18,395)
	- Property damage insurance claim	-	(30,921)	-	(30,921)
	- Provision for litigation claim	4,040	11,934	4,040	11,934
	- Net gain from fair value adjustment of investment properties	-	(9,416)	-	(9,416)

13. Outstanding derivatives

(a) Outstanding derivatives consist of foreign exchange contracts which are measured at fair value together with their corresponding notional value amounts as follows:

RM'000	30/09/2014	30/09/2013
Forward foreign exchange contracts (Less than 1 year)		
- Notional value	50,625	23,347
- Fair value	1,305	306

There is no significant change for the financial derivatives in respect of the following since the financial year ended 30 September 2013:

(i) The credit risk, market risk and liquidity risk associated with these financial derivatives;

(ii) The cash requirements of the financial derivatives; and

(iii) The policy in place for mitigating or controlling the risks associated with these financial derivatives.

(iv) The related accounting policies.

(b) Disclosure of gains/loss arising from fair value changes of financial liabilities

During the current financial year, the Group recognised a total net gain of RM1,099,000 (2013: RM360,000) in the consolidated income statement arising from the fair value changes on the foreign exchange contracts which are marked to market as at 30 September 2014.