

BREADTALK GROUP LIMITED

Financial Statement and Dividend Announcement For The Year Ended 31 December 2012

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

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

The Board of Directors of BreadTalk Group Limited is pleased to announce the consolidated results of the Group for the year ended 31 December 2012. The figures presented below have not been audited.

	Group			Group		
	4Q 2012	4Q 2011	Increase/ (Decrease)	FY 2012	FY 2011	Increase/ (Decrease)
	\$000	\$000		\$000	\$000	
Revenue	119,738	100,505	19.1%	447,334	365,904	22.3%
Cost of sales	<u>(54,102)</u>	<u>(45,391)</u>	19.2%	<u>(205,908)</u>	<u>(165,846)</u>	24.2%
Gross profit	65,636	55,114	19.1%	241,426	200,058	20.7%
Other income	1,945	2,793	-30.4%	10,402	7,495	38.8%
Interest income	1,094	243	350.2%	1,685	824	104.5%
Distribution and selling expenses	(49,656)	(38,810)	27.9%	(180,500)	(145,520)	24.0%
Administrative expenses	(11,377)	(12,905)	-11.8%	(52,704)	(45,038)	17.0%
Interest expense	<u>(468)</u>	<u>(248)</u>	88.7%	<u>(1,386)</u>	<u>(785)</u>	76.6%
Profit before tax and share of results of joint ventures	7,174	6,187	16.0%	18,923	17,034	11.1%
Share of results of joint ventures	<u>2</u>	<u>(32)</u>	N.M.	<u>453</u>	<u>93</u>	387.1%
Profit before tax	7,176	6,155	16.6%	19,376	17,127	13.1%
Taxation	<u>(1,993)</u>	<u>(1,743)</u>	14.3%	<u>(5,818)</u>	<u>(5,370)</u>	8.3%
Profit after tax	<u>5,183</u>	<u>4,412</u>	17.5%	<u>13,558</u>	<u>11,757</u>	15.3%
Attributable to:						
Shareholders of the Company	4,189	3,936	6.4%	12,000	11,592	3.5%
Non-controlling interests	<u>994</u>	<u>476</u>	108.8%	<u>1,558</u>	<u>165</u>	844.2%
	<u>5,183</u>	<u>4,412</u>	17.5%	<u>13,558</u>	<u>11,757</u>	15.3%
Other comprehensive income:						
Net loss on available-for-sale financial assets	(12)	195	-106.2%	(392)	-	N.A.
Foreign currency translation	<u>(31)</u>	<u>187</u>	N.M.	<u>(942)</u>	<u>911</u>	N.M.
Other comprehensive income for the period, net of tax	<u>(43)</u>	<u>382</u>	N.M.	<u>(1,334)</u>	<u>911</u>	-246.4%
Total comprehensive income for the period	<u>5,140</u>	<u>4,794</u>	7.2%	<u>12,224</u>	<u>12,668</u>	-3.5%
Attributable to:						
Shareholders of the Company	4,146	4,318	-4.0%	10,666	12,503	-14.7%
Non-controlling interests	<u>994</u>	<u>476</u>	108.8%	<u>1,558</u>	<u>165</u>	844.2%
	<u>5,140</u>	<u>4,794</u>	7.2%	<u>12,224</u>	<u>12,668</u>	-3.5%

1(a)(ii) Breakdown and Explanatory Notes to the income statement.

(A) Profit before tax is arrived at after charging/(crediting) the following:

	Group			Group		
	4Q 2012	4Q 2011	Increase/ (Decrease)	FY 2012	FY 2011	Increase/ (Decrease)
	\$000	\$000		\$000	\$000	
Depreciation and amortisation	7,782	6,802	14.4%	30,997	24,362	27.2%
Operating lease expenses	23,700	20,572	15.2%	90,350	74,735	20.9%
Personnel expenses	31,329	28,063	11.6%	122,774	102,284	20.0%
Impairment loss on intangible assets	215	125	72.0%	215	125	72.0%
Property, plant and equipment written off (Note 1)	337	408	-17.4%	703	1,219	-42.3%
Impairment loss on property, plant and equipment	113	318	-64.5%	167	289	-42.2%
Loss/(gain) on disposal of property, plant and equipment	764	(153)	N.M.	753	(20)	N.M.
Gain on disposal of an associate	(30)	-	N.A.	(30)	-	N.A.
(Writeback of impairment)/impairment of loan and receivables						
- trade receivables	(131)	264	-149.6%	(131)	253	N.M.
- other receivables	8	9	-11.1%	55	64	-14.1%
Write-off of inventories	-	31	-100.0%	20	31	-35.5%
Write-down of inventories	-	25	-100.0%	-	25	N.M.
Foreign exchange (gain)/loss, net	(1)	(38)	-97.4%	615	(58)	N.M.
Waiver of loans by minority shareholders of subsidiaries	-	-	N.M.	(882)	-	N.A.

N.A. - Not applicable

N.M. - Not meaningful

Notes:

(1) The property, plant and equipment were written off as a result of closure, relocation or upgrading of outlets.

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

	Group		Company	
	31.12.2012	31.12.2011	31.12.2012	31.12.2011
	\$000	\$000	\$000	\$000
Non-current assets				
Property, plant and equipment	157,408	88,898	44,286	7,222
Intangible assets	8,531	9,214	-	-
Investment securities	46,005	11,669	-	-
Investment in subsidiaries	-	-	23,785	40,476
Investment in associates	900	-	-	-
Investment in joint ventures	3,125	422	-	-
Other receivables	1,758	1,389	-	-
Long term fixed deposits	9,988	-	-	-
Deferred tax assets	2,575	2,120	67	30
	<u>230,290</u>	<u>113,712</u>	<u>68,138</u>	<u>47,728</u>

	Group		Company	
	31.12.2012	31.12.2011	31.12.2012	31.12.2011
	\$000	\$000	\$000	\$000
Current assets				
Inventories	9,492	7,397	-	-
Trade and other receivables	43,618	46,800	1,025	-
Prepayments	6,324	5,389	41	36
Tax recoverable	377	230	-	-
Amount due from subsidiaries (non-trade)	-	-	31,261	15,335
Amount due from joint ventures (trade)	283	-	-	-
Amount due from joint ventures (non-trade)	1,369	1,297	-	-
Amount due from minority shareholders of subsidiaries (non-trade)	411	420	-	-
Cash and cash equivalents	64,245	87,060	431	2,698
	<u>126,119</u>	<u>148,593</u>	<u>32,758</u>	<u>18,069</u>
Current liabilities				
Trade and other payables	90,957	74,074	4,445	250
Other liabilities	52,477	41,124	7,588	2,115
Provision	7,977	5,871	-	-
Amount due to subsidiaries (non-trade)	-	-	16,695	7,394
Amount due to a joint venture (trade)	1,847	-	-	-
Amount due to joint ventures (non-trade)	364	395	-	-
Finance lease obligations, secured	-	37	-	-
Loan from a minority shareholder of a subsidiary	200	200	-	-
Short term loans	7,896	15,764	-	12,000
Current portion of long-term loans	37,910	8,396	25,863	-
Tax payable	6,438	5,623	-	-
	<u>206,066</u>	<u>151,484</u>	<u>54,591</u>	<u>21,759</u>
Net current liabilities	(79,947)	(2,891)	(21,833)	(3,690)
Non-current liabilities				
Long-term loans	50,613	15,156	18,000	3,989
Loan from minority shareholders of subsidiaries	-	882	-	-
Other liabilities	6,191	7,039	-	-
Deferred tax liabilities	2,514	2,276	-	-
	<u>59,318</u>	<u>25,353</u>	<u>18,000</u>	<u>3,989</u>
Net assets	<u>91,025</u>	<u>85,468</u>	<u>28,305</u>	<u>40,049</u>
Share capital and reserves				
Share capital	33,303	33,303	33,303	33,303
Treasury shares	(406)	(609)	(406)	(609)
Accumulated profits	47,559	41,558	535	6,812
Translation reserve	(753)	189	-	-
Other reserves	2,847	3,529	(5,127)	543
	<u>82,550</u>	<u>77,970</u>	<u>28,305</u>	<u>40,049</u>
Non-controlling interests	8,475	7,498	-	-
Total equity	<u>91,025</u>	<u>85,468</u>	<u>28,305</u>	<u>40,049</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 31.12.2012		
Secured		Unsecured
\$000		\$000
29,033		16,973

As at 31.12.2011		
Secured		Unsecured
\$000		\$000
37		24,360

Amount repayable after one year

As at 31.12.2012		
Secured		Unsecured
\$000		\$000
14,098		36,515

As at 31.12.2011		
Secured		Unsecured
\$000		\$000
3,989		12,049

Details of any collateral

- (1) As at 31 December 2012, a total amount of \$53.5 million of the Group's bank borrowings are unsecured.
- (2) The remaining bank loans are secured by the following:
 - a closed legal mortgage in favour of the bank over the property at Private Lot A0135906 at Plot 1A, Tai Seng Street in Paya Lebar Industrial Estate; and
 - certain investment securities.

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

	Group		Group	
	4Q 2012	4Q 2011	FY 2012	FY 2011
	\$000	\$000	\$000	\$000
Cash flows from operating activities				
Profit before tax	7,176	6,155	19,376	17,127
Adjustments for:				
Amortisation of intangible assets	226	144	618	442
Depreciation of property, plant and equipment	7,556	6,658	30,379	23,920
Gain on disposal of an associate	(30)	-	(30)	-
Impairment loss on intangible assets	215	125	215	125
Impairment loss on property, plant and equipment	113	318	167	289
Interest expense	468	248	1,386	785
Interest income	(1,094)	(243)	(1,685)	(824)
Loss/(gain) on disposal of property, plant and equipment	764	(153)	753	(20)
Property, plant and equipment written off	337	408	703	1,219
Share based payment expenses	25	89	291	277
Share of results of joint ventures	(2)	32	(453)	(93)
Waiver of loans by minority shareholders of subsidiaries	-	-	(882)	-
Write-down of inventories	-	25	-	25
Write-off of inventories	-	31	20	31
(Writeback of impairment)/impairment of trade receivables	(131)	264	(131)	253
Impairment of other receivables	8	9	55	64
Translation difference	45	(276)	858	(358)
	<u>15,676</u>	<u>13,834</u>	<u>51,640</u>	<u>43,262</u>
Operating cash flow before working capital changes				
(Increase)/decrease in:				
Inventories	(487)	(920)	(2,115)	(1,416)
Trade and other receivables	(3,147)	(3,677)	(9,654)	(9,458)
Prepayments	1,686	1,115	(935)	(2,083)
Amount due from joint ventures (trade)	(282)	-	(283)	-
Increase/(decrease) in:				
Trade and other payables	5,895	13,637	13,434	13,548
Other liabilities	3,037	2,571	4,585	9,946
Amount due to a joint venture (trade)	99	(2)	1,847	-
	<u>22,477</u>	<u>26,558</u>	<u>58,519</u>	<u>53,799</u>
Cash generated from operations				
Tax paid	(474)	(913)	(5,415)	(4,933)
Net cash flow from operating activities	<u>22,003</u>	<u>25,645</u>	<u>53,104</u>	<u>48,866</u>
Cash flows from investing activities				
Interest income received	973	110	2,048	305
Purchase of property, plant and equipment	(38,643)	(17,053)	(92,349)	(37,077)
Proceeds from disposal of property, plant and equipment	8	90	327	225
Additions to intangible assets	(142)	(614)	(196)	(616)
Cash paid for reinstatement expenses	(20)	(126)	(120)	(126)
Amount due from joint ventures (non-trade)	(200)	(149)	(72)	(291)
Amount due to joint ventures (non-trade)	19	54	(30)	255
Loan to a joint venture	-	-	-	(500)
Investment in a joint venture	-	-	(2,310)	(100)
Investment in associates	(900)	-	(900)	-
Proceeds from disposal of an associate	30	-	30	-
Purchase of investment securities	(20,130)	-	(20,130)	-
Placement of long term fixed deposits	(9,988)	-	(9,988)	-
Dividends received from a joint venture	-	-	-	200
Partial redemption of junior bonds	-	-	3,526	-
Deposit for subscription of junior bonds	-	(12,000)	-	(12,000)
Subscription of junior bonds	-	-	(6,000)	-
Net cash flow used in investing activities	<u>(68,993)</u>	<u>(29,688)</u>	<u>(126,164)</u>	<u>(49,725)</u>

	Group		Group	
	4Q 2012	4Q 2011	FY 2012	FY 2011
	\$000	\$000	\$000	\$000
Cash flows from financing activities				
Interest paid	(468)	(242)	(1,386)	(761)
Dividends paid to shareholders of the Company	-	-	(5,624)	(2,813)
Dividends paid to minority shareholders of a subsidiary	(54)	-	(54)	(820)
Repayment of finance lease obligations	-	(14)	(37)	(54)
Proceeds from short-term loans	4,560	12,875	10,461	21,227
Repayment of short-term loans	-	(1,487)	(6,181)	(10,196)
Proceeds from long-term loans	33,640	4,509	59,933	15,764
Repayment of long-term loans	(3,088)	(1,699)	(6,501)	(6,625)
Repayment of amount owing to landlord	(6)	(22)	(70)	(83)
Purchase of treasury shares	-	(210)	(96)	(558)
Capital injection from minority shareholders of subsidiaries	-	-	-	812
Loans from minority shareholders of subsidiaries	-	-	-	882
Acquisition of non-controlling interests	-	-	(200)	-
Net cash flow from financing activities	34,584	13,710	50,245	16,775
Net (decrease)/increase in cash and cash equivalents	(12,406)	9,667	(22,815)	15,916
Cash and cash equivalents at beginning of financial period	76,651	77,393	87,060	71,144
Cash and cash equivalents at end of financial period	64,245	87,060	64,245	87,060

Note A: Cash and cash equivalents comprise:

	Group	
	31 Dec 2012	31 Dec 2011
	\$000	\$000
Cash on hand and at bank	59,234	79,765
Short term fixed deposits	5,011	7,295
	<u>64,245</u>	<u>87,060</u>

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

Group	Attributable to Shareholders of the Company							
	Share capital \$000	Treasury shares \$000	Translation reserve \$000	Accumulated profits \$000	Other reserves (Note B) \$000	Total \$000	Non-controlling interests \$000	Total equity \$000
Balance at 1 January 2011	33,303	(199)	(722)	33,090	3,090	68,562	6,521	75,083
Profit for the period	-	-	-	7,656	-	7,656	(311)	7,345
<u>Other comprehensive income</u>								
Net loss on fair value changes of available-for-sale financial assets	-	-	-	-	(195)	(195)	-	(195)
Foreign currency translation	-	-	724	-	-	724	-	724
Total other comprehensive income, net of tax	-	-	724	-	(195)	529	-	529
Total comprehensive income for the period	-	-	724	7,656	(195)	8,185	(311)	7,874
<u>Transactions with equity holders</u>								
Share-based payments	-	-	-	-	188	188	-	188
Dividends paid	-	-	-	(2,813)	-	(2,813)	-	(2,813)
Purchase of treasury shares	-	(348)	-	-	-	(348)	-	(348)
Treasury shares transferred on vesting of restricted share grant	-	148	-	-	(148)	-	-	-
Capital contribution from minority shareholders	-	-	-	-	-	-	812	812
Total transactions with equity holders	-	(200)	-	(2,813)	40	(2,973)	812	(2,161)
Balance at 30 September 2011	33,303	(399)	2	37,933	2,935	73,774	7,022	80,796
Profit for the period	-	-	-	3,936	-	3,936	476	4,412
<u>Other comprehensive income</u>								
Net loss on fair value changes of available-for-sale financial assets	-	-	-	-	195	195	-	195
Foreign currency translation	-	-	187	-	-	187	-	187
Total other comprehensive income, net of tax	-	-	187	-	195	382	-	382
Total comprehensive income for the period	-	-	187	3,936	195	4,318	476	4,794
<u>Transactions with equity holders</u>								
Share-based payments	-	-	-	-	88	88	-	88
Purchase of treasury shares	-	(210)	-	-	-	(210)	-	(210)
Transfer to statutory reserve	-	-	-	(311)	311	-	-	-
Total transactions with equity holders	-	(210)	-	(311)	399	(122)	-	(122)
Balance at 31 December 2011	33,303	(609)	189	41,558	3,529	77,970	7,498	85,468

Attributable to Shareholders of the Company

Group	Share capital \$000	Treasury shares \$000	Translation reserve \$000	Accumulated profits \$000	Other reserves (Note B) \$000	Total \$000	Non-controlling interests \$000	Total equity \$000
Balance at 1 January 2012	33,303	(609)	189	41,558	3,529	77,970	7,498	85,468
Profit for the period	-	-	-	7,811	-	7,811	564	8,375
<u>Other comprehensive income</u>								
Net loss on fair value changes of available-for-sale financial assets	-	-	-	-	(380)	(380)	-	(380)
Foreign currency translation	-	-	(911)	-	-	(911)	-	(911)
Total other comprehensive income, net of tax	-	-	(911)	-	(380)	(1,291)	-	(1,291)
Total comprehensive income for the period	-	-	(911)	7,811	(380)	6,520	564	7,084
<u>Transactions with equity holders</u>								
Share-based payments	-	-	-	-	266	266	-	266
Dividends paid	-	-	-	(5,624)	-	(5,624)	-	(5,624)
Purchase of treasury shares	-	(96)	-	-	-	(96)	-	(96)
Treasury shares transferred on vesting of restricted share grant	-	299	-	-	(299)	-	-	-
Total transactions with equity holders	-	203	-	(5,624)	(33)	(5,454)	-	(5,454)
<u>Changes in ownership interests in a subsidiary</u>								
Acquisition of non-controlling interests without a change in control	-	-	-	-	(657)	(657)	457	(200)
Total changes in ownership interests in a subsidiary	-	-	-	-	(657)	(657)	457	(200)
Balance at 30 September 2012	33,303	(406)	(722)	43,745	2,459	78,379	8,519	86,898
Profit for the period	-	-	-	4,189	-	4,189	994	5,183
<u>Other comprehensive income</u>								
Net loss on fair value changes of available-for-sale financial assets	-	-	-	-	(12)	(12)	-	(12)
Foreign currency translation	-	-	(31)	-	-	(31)	-	(31)
Total other comprehensive income, net of tax	-	-	(31)	-	(12)	(43)	-	(43)
Total comprehensive income for the period	-	-	(31)	4,189	(12)	4,146	994	5,140
<u>Transactions with equity holders</u>								
Share-based payments	-	-	-	-	25	25	-	25
Dividends payable	-	-	-	-	-	-	(984)	(984)
Dividends paid	-	-	-	-	-	-	(54)	(54)
Transfer to statutory reserve	-	-	-	(375)	375	-	-	-
Total transactions with equity holders	-	-	-	(375)	400	25	(1,038)	(1,013)
Balance at 31 December 2012	33,303	(406)	(753)	47,559	2,847	82,550	8,475	91,025

Company	Share capital \$000	Treasury shares \$000	Accumulated profits \$000	Other reserves (Note B) \$000	Total \$000
Balance at 1 January 2011	33,303	(199)	5,064	415	38,583
Profit for the period	-	-	175	-	175
Total comprehensive income for the period	-	-	175	-	175
<u>Transactions with equity holders</u>					
Share-based payments	-	-	-	188	188
Dividends paid	-	-	(2,813)	-	(2,813)
Treasury shares transferred on vesting of restricted share grant	-	148	-	(148)	-
Purchase of treasury shares	-	(348)	-	-	(348)
Total transactions with equity holders	-	(200)	(2,813)	40	(2,973)
Balance at 30 September 2011	33,303	(399)	2,426	455	35,785
Profit for the period	-	-	4,386	-	4,386
Total comprehensive income for the period	-	-	4,386	-	4,386
<u>Transactions with equity holders</u>					
Share-based payments	-	-	-	88	88
Purchase of treasury shares	-	(210)	-	-	(210)
Total transactions with equity holders	-	(210)	-	88	(122)
Balance at 31 December 2011	33,303	(609)	6,812	543	40,049

Company	Share capital \$000	Treasury shares \$000	Accumulated profits \$000	Other reserves (Note B) \$000	Total \$000
As at 1 January 2012	33,303	(609)	6,812	543	40,049
Profit for the period	-	-	14	-	14
Total comprehensive income for the period	-	-	14	-	14
<u>Transactions with equity holders</u>					
Share-based payments	-	-	-	266	266
Dividends paid	-	-	(5,624)	-	(5,624)
Purchase of treasury shares	-	(96)	-	-	(96)
Treasury shares transferred on vesting of restricted share grant	-	299	-	(299)	-
Total transactions with equity holders	-	203	(5,624)	(33)	(5,454)
Balance at 30 September 2012	33,303	(406)	1,202	510	34,609
Profit for the period	-	-	(6,329)	-	(6,329)
Total comprehensive income for the period	-	-	(6,329)	-	(6,329)
<u>Transactions with equity holders</u>					
Share-based payments	-	-	-	25	25
Total transactions with equity holders	-	-	-	25	25
Balance at 31 December 2012	33,303	(406)	(5,127)	535	28,305

Note B: Other reserves

	Group		Company	
	31 Dec 2012 \$000	31 Dec 2011 \$000	31 Dec 2012 \$000	31 Dec 2011 \$000
Statutory reserve fund	2,757	2,382	-	-
Fair value adjustment reserve	212	604	-	-
Capital reserve	156	186	156	186
Share based compensation reserve	379	357	379	357
Premium on acquisition of non-controlling interests	(657)	-	-	-
	2,847	3,529	535	543

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 well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There were no changes in the share capital of the Company in 4Q 2012.

There were a total of 829,614 treasury shares held as at 31 December 2012 (31 December 2011: 1,237,690).

Total number of restricted shares granted conditionally under the "BreadTalk Restricted Share Grant Plan" as at 31 December 2012 was 1,210,050 (31 December 2011: 1,233,336).

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

As at 31 December 2012, the Company's issued and paid up capital, excluding 829,614 (31 December 2011: 1,237,690) treasury shares held, comprises 281,063,624 (31 December 2011: 280,655,548) ordinary shares.

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

	Number of Treasury Shares			
	4Q 2012	4Q 2011	FY 2012	FY 2011
Balance at beginning and end of financial period	829,614	580,582	1,237,690	580,582
Purchase of treasury shares	-	-	200,000	1,090,000
Treasury shares transferred on vesting of restricted share grant	-	-	(608,076)	(432,892)
Balance at end of financial period	829,614	580,582	829,614	1,237,690

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

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

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of 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 in the financial statements for the current reporting period compared with the audited annual financial statements for the year ended 31 December 2011, except for the adoption of the new and revised Financial Reporting Standards (FRS) which are effective for its financial year beginning 1 January 2012.

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

The Group and the Company have adopted the new and revised Financial Reporting Standards (FRS) which are effective for its financial year beginning 1 January 2012. The adoption of the new and revised FRS did not result in any material impact on the Group's and the Company's financial statements.

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

	Group		Group	
	4Q 2012	4Q 2011	FY 2012	FY 2011
Earnings per ordinary share for the period:				
(a) Based on weighted average number of ordinary shares in issue	1.49 cent	1.40 cent	4.27 cent	4.12 cent
Weighted average number of ordinary shares	281,063,624	280,655,548	280,927,599	281,197,676
(b) On a fully diluted basis	1.48 cent	1.40 cent	4.25 cent	4.10 cent
Adjusted weighted average number of ordinary shares	282,273,674	281,939,884	282,145,411	282,392,002

As at 31 December 2012, a total of 1,210,050 (31 December 2011: 1,233,336) restricted shares have been granted conditionally under the "BreadTalk Restricted Share Grant Plan" while no share options have been issued under the "BreadTalk Group Limited Employees' Share Option Scheme".

7. Net asset value (for the issuer and the group) per ordinary share based on total number of issued shares excluding treasury shares of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

	Group		Company	
	31.12.2012	31.12.2011	31.12.2012	31.12.2011
Net asset value per ordinary share based on issued share capital as at the end of year	29.4 cents	27.8 cents	10.1 cents	14.3 cents

Note: The net asset value per ordinary share of the Group and the Company as at 31 December 2012 is computed based on the total number of issued shares (excluding 829,614 treasury shares) of 281,063,624.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Overview

(A) Statement of Comprehensive Income

Group's revenue for FY2012 grew 22.3% from \$365.9 million to \$447.3 million across all divisions on the back of same-store sales growth of 12.8% and contributions from new outlets opened during the year. Along with the higher revenue, Profit after tax and attributable to Shareholders ("PATMI") for the same period rose 3.5% from \$11.6 million to \$12.0 million despite cost pressure on food, labour and rental expenses.

Restaurant Division was the top revenue and bottom-line growth contributor for the Group. All business units under the Division registered positive revenue growth against last year except for Ramen Play in Mainland China which saw a small dip due to closure of a loss making outlet during the year. Din Tai Fung Singapore PATMI grew strongly while Thailand showed improvement having gone through a full year of operation. Ramen Play as a whole did not perform well and is being repositioned for better performance in FY2013. The Group's share of losses in Carl's Junior increased to 100% from 60% previously following the buyout of the minority shareholders in September 2012 in preparation for an on-going restructuring exercise.

Bakery Division revenue and bottom-line contribution continues to dominate the Group's total revenue and PATMI at 52.2% and 61.6% respectively. Malaysia was the only country which showed negative revenue growth due to closure of some loss making outlets during the year. PATMI for all countries grew positively with Malaysia narrowing its loss from the prior year.

Food Atrium Division managed to close the year with double digit revenue growth despite the major disruption to its Singapore operations due to renovation and upgrading works at two major malls carried out by the landlords. Overall the division had narrowed its loss significantly.

Interest income rose 108.1% from \$0.8 million to \$1.7 million mainly from higher returns from the Group's investment in investment securities and also maximising return on its cash with the banks.

Earnings per share (EPS) on a fully diluted basis for the year rose 3.7% to 4.25 cents compared to 4.10 cents in FY2011.

Net asset value per share was higher at 29.4 cents as at 31 December 2012 compared to 27.8 cents as at 31 December 2011.

Number of outlets including franchise under the Group:

	31-Dec-12	31-Dec-11	Increase
Bakery	609	471	29.3%
Food Atrium	47	37	27.0%
Restaurant	30	26	15.4%
	686	534	28.5%

(B) Balance Sheet

Non-current assets increased by \$116.6 million or 102.5% from \$113.7 million to \$230.3 million as at 31 December 2012 mainly due to:

- (i) investment in property, plant and equipment of \$103.1 million and translation difference of \$2.3 million net off by depreciation and amortisation charges for FY 2012 of \$31.0 million;
- (ii) increase in investment securities of \$34.3 million from investment in Chijmes junior bonds and equity interest in Perennial Tongzhou Development Pte Ltd, net off by partial redemption of Katong Mall junior bonds;
- (iii) investment in an associate of \$0.9 million;
- (iv) investment in a joint venture of \$2.3 million; and
- (v) placement of long term fixed deposits of \$10.0 million.

Current assets decreased by \$22.5 million from \$148.6 million to \$126.1 million as at 31 December 2012 which was attributed to:

- (i) decrease in cash and cash equivalents of \$19.6 million mainly due to construction cost of new corporate building, acquisition of assets for opening of new outlets and placement of long term fixed deposits;
- (ii) decrease in trade and other receivables by \$3.2 million; offset by
- (iii) increase in inventories by \$2.1 million; and
- (iv) increase in prepayments by \$0.9 million.

Current liabilities increased by \$54.6 million or 36.0% from \$151.5 million to \$206.1 million as at 31 December 2012 due to:

- (i) Trade and other payables increased by \$16.9 million or 13.8% to \$91.0 million as a result of longer credit terms granted by suppliers;
- (ii) Other liabilities increased 27.6% to \$52.5 million due to higher deferred revenue and accruals;
- (iii) Additional financing taken up to fund the Group's investment in outlet expansion;

Non-current liabilities increased by 134.0% or \$34.0 million as at 31 December 2012 as the Group took up more long term financing to fund its investment in outlet expansion and property investment.

(C) Cash Flow Statement

The Group generated operating cash flow of \$53.1 million in FY2012 and raised further financing of \$50.2 million to support \$126.1 million used in investing activities resulting in an decrease in its cash and cash equivalent of \$22.8 million to \$64.2 million as at 31 December 2012.

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

Not Applicable.

10. A commentary at the date of the announcement of the 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

The Group will continue with its expansion plan focusing on Mainland China, Singapore, Thailand and Hong Kong while strengthening its operations in Malaysia.

The Group is mindful of the tight foreign labour market in Singapore and rising labour costs in all the countries that the Group operates in, it will review and improve on current business models with an aim to deliver sustainable year-on-year profitability. It will also push forward with cost rationalisation and containment measures including raising productivity to help boost the bottom line.

The Chinese government's effort to boost consumer demand and spending would aid our expansion into second and third tier cities and deeper penetration into locations where our brands are recognisable and accepted. Expansion into the South-East Asian space is also gaining traction and pace.

Barring any unforeseen circumstances, the Group expects to remain profitable in FY2013.

11. Dividend

(a) Current Financial Period Reported On

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

Name of dividend	Interim	Final
Dividend type	Cash	Cash
Dividend amount per ordinary share	0.5 Singapore cent (tax exempt one-tier)	0.8 Singapore cent (tax exempt one-tier)

(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 (First and final)	Ordinary	Special
Dividend type	Cash	Cash
Dividend amount per ordinary share	1.0 Singapore cent (tax exempt one-tier)	0.5 Singapore cent (tax exempt one-tier)

(c) Date payable

Dividend payout date will be announced in due course.

(d) Books closure date

Book closure date will be announced in due course.

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

Not applicable.

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

Name of Interested Person	Aggregate value (\$'000) of all IPTs during the financial year under review	Aggregate value of all IPTs conducted during the financial year under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
(1) Monewell Enterprise - Purchase of Chinese New Year Cookies	147.0	Not applicable - the Group does not have a shareholders' mandate under Rule 920
(2) Xia Yi Tiao F&B - Food court rental income/miscellaneous charges	142.3	
(3) Kung Fu Kitchen - Food court rental income/miscellaneous charges	106.5	
(4) Sky One Art Investment Pte Ltd - Purchase of furniture and fittings	101.6	

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

14. 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

(a) By Business Segments

	Bakery⁽¹⁾	Restaurant	Food court	Investment	Others⁽²⁾	Elimination	Group
FY2012	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Revenue							
External sales	233,136	102,620	111,578	-	-	-	447,334
Inter-segment sales	355	-	1,432	-	-	(1,787)	-
Total revenue	233,491	102,620	113,010	-	-	(1,787)	447,334
Results							
Profit from operations	9,401	7,322	1,182	(117)	836	-	18,624
Interest income	337	40	75	1,226	7	-	1,685
Interest expense	(413)	(111)	(442)	(358)	(62)	-	(1,386)
Share of joint ventures' results	229	-	224	-	-	-	453
Segment profit	9,554	7,251	1,039	751	781	-	19,376
Tax expense							(5,818)
Profit after tax							13,558
Segment assets	104,845	62,099	121,380	47,469	89,240	(71,199)	353,834
Deferred tax assets							2,575
Total Assets							356,409
Segment liabilities	70,486	31,144	109,571	45,821	72,605	(73,195)	256,432
Tax payable							6,438
Deferred tax liabilities							2,514
Total liabilities							265,384
Investment in joint ventures	2,479	-	646	-	-	-	3,125
Investment in an associate	-	-	-	-	900	-	900
Additions to non-current assets	18,456	8,411	40,126	-	37,159	-	104,152
Depreciation & Amortisation	10,678	6,522	13,708	-	89	-	30,997
Other non-cash expenses	350	266	1,166	-	(621)	-	1,161

	Bakery ⁽¹⁾	Restaurant	Food court	Investment	Others ⁽²⁾	Elimination	Group
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
FY2011							
Revenue							
External sales	194,433	76,969	94,502	-	-	-	365,904
Inter-segment sales	304	-	1,394	-	-	(1,698)	-
Total revenue	194,737	76,969	95,896	-	-	(1,698)	365,904
Results							
Profit from operations	8,562	3,871	4,712	(65)	(85)	-	16,995
Interest income	239	11	55	519	-	-	824
Interest expense	(476)	(94)	(159)	-	(56)	-	(785)
Share of joint ventures' results	-	-	93	-	-	-	93
Segment profit	8,325	3,788	4,701	454	(141)	-	17,127
Tax expense	-	-	-	-	-	-	(5,370)
Profit after tax	-	-	-	-	-	-	11,757
Segment assets	90,899	55,590	104,673	23,731	24,024	(38,732)	260,185
Deferred tax assets	-	-	-	-	-	-	2,120
Total Assets	-	-	-	-	-	-	262,305
Segment liabilities	63,006	29,702	80,833	22,835	25,382	(52,820)	168,938
Tax payable	-	-	-	-	-	-	5,623
Deferred tax liabilities	-	-	-	-	-	-	2,276
Total liabilities	-	-	-	-	-	-	176,837
Investment in joint ventures	-	-	422	-	-	-	422
Additions to non-current assets	11,542	9,885	17,693	-	1,529	-	40,649
Depreciation & Amortisation	9,487	4,297	10,540	-	38	-	24,362
Other non-cash expenses	1,231	186	536	-	311	-	2,264

(b) By Geographical Segments

	Singapore	Mainland China	Hong Kong	Rest of World	Elimination	Group
	\$000	\$000	\$000	\$000	\$000	\$000
FY2012						
External sales	228,422	142,992	41,902	34,018	-	447,334
Non-current assets ⁽³⁾	85,844	40,402	9,569	24,581	-	160,396
FY2011						
External sales	191,237	117,573	35,204	21,890	-	365,904
Non-current assets ⁽³⁾	40,552	38,178	6,785	12,597	-	98,112

Note:

(1) The Group's Bakery segment comprises bakery operations directly owned and operated by the Group, as well as franchising.

(2) The "Others" segment pertains to investment holding activities.

(3) Non-current assets information presented above consist of property, plant and equipment and intangible assets.

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

Please refer to section 8 for details.

16. Breakdown of revenue and profit after tax

	Group		
	2012 \$000	2011 \$000	Increase
(a) Sales reported for first half year	210,907	169,333	24.6%
(b) Operating profit after tax before deducting minority interests reported for first half year	4,497	3,685	22.0%
(c) Sales reported for second half year	236,427	196,571	20.3%
(d) Operating profit after tax before deducting minority interests reported for second half year	9,061	8,072	12.3%

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

Annual Dividend (in \$ million)	2012	2011
Ordinary dividend		
- Interim	1.4	-
- Final #	2.2	2.8
Special dividend		
- Final	-	1.4
Total:	3.6	4.2

2012 final dividend is estimated based on number of shares (excluding treasury shares) outstanding as at the end of the financial year.

18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(11) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Frankie Quek Swee Heng	46	Brother of George Quek Meng Tong (Group Chairman & Substantial Shareholder)	Country CEO (Asean) with effect from 15 October 2012.	Country CEO (Mainland China) with effect from 1 July 2010 to 14 October 2012

BY ORDER OF THE BOARD

Tan Cher Liang
Company Secretary
26 February 2013