

At the same time, F&N's rich legacy turned the Group into an enterprise with unparalleled domain expertise. It also provided the Group with a compelling blueprint for the future. The challenge now is to deliver on that blueprint.

Ahead, our firm purpose is to build on our past efforts and achievements. Today, there is a palpable sense of expectation as we work to lift this institution to new heights of excellence and reputation.

Working hand in hand with you, our stakeholders, we are poised to achieve the next level of greatness.

What lies ahead, we believe, will be as extraordinary as what has come to pass.

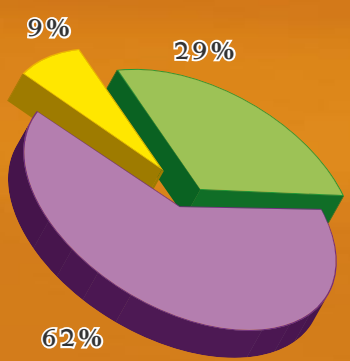


The Roar of the Lions

APBE¹ – 1983 versus 2005



1983
F&B is the sole contributor



2005
Three pillars of growth

- Food & Beverage
- Properties & Others²
- Publishing & Printing

¹ Attributable Profit before Exceptional Items
² Includes investment income and corporate office expenses

1983

F&N's celebrates its first centennial.

Tan Sri Dr Tan Chin Tuan retires; Dr Michael Fam is new Chairman of F&N - beginning of the modern enterprise.

Milestones:

- Launch of *Heineken* beer in Singapore and Malaysia (1984-85).
- Decision to relocate soft drinks and breweries to Tuas, freeing up prime land for future development and sowing the seeds for the property business (1985).
- New joint venture agreement signed with Heineken covering brewery investments in selected markets in the Asia Pacific region through Malayan Breweries (1986).
- *100PLUS* is launched (1983).

Market Capitalisation

1983—\$762 mil

Revenue

1983—\$239 mil

APBE¹

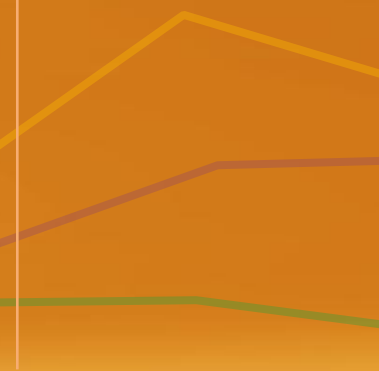
1983—\$30 mil

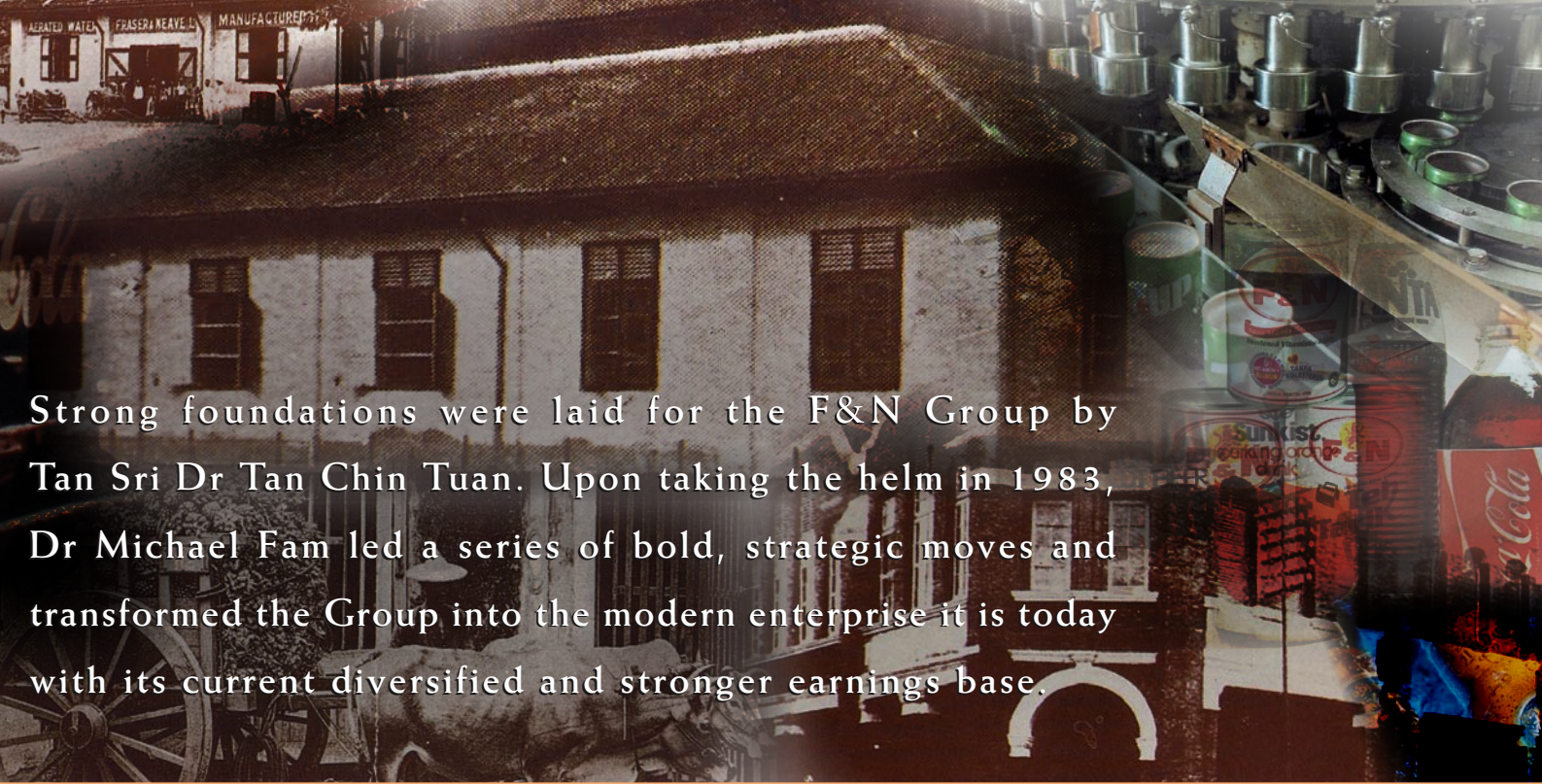
1987

Strategic diversification move - property becomes second growth engine.

Milestones:

- Acquires controlling interest in Cold Storage Holdings PLC (jointly with Goodman Fielders Wattie in 1987-88).
- Dr Fam becomes Executive Chairman (CEO and Chairman of the Board) (1988).
- Cold Storage's property business under Centrepont Properties (CPL), goes public(1988).





Strong foundations were laid for the F&N Group by Tan Sri Dr Tan Chin Tuan. Upon taking the helm in 1983, Dr Michael Fam led a series of bold, strategic moves and transformed the Group into the modern enterprise it is today with its current diversified and stronger earnings base.

1989

Breweries expands into China.

Milestones:

- Joint venture in Shanghai with Heineken and other partners (1989).
- Guinness Anchor Berhad formed in Malaysia (via merger of Malayan Breweries (M) and Guinness Malaysia (1989)).

1990

Malayan Breweries becomes Asia Pacific Breweries (APB).

Milestones:

- Official opening of new state-of-the-art soft drinks plant and Tiger Brewery (1990).
- Dairies and property interests (CPL) of Cold Storage are acquired, marking the end of the JV with Goodman Fielders Wattie (1990)
- APB expands into Vietnam via joint venture in Ho Chi Minh City (1990).
- APB expands in New Zealand market with acquisition of interest in DB Group (1990).

1992

Food & Beverage (F&B) and Properties businesses expand into South Asia and Australia.

Milestones:

- F&N Coca-Cola Pte Ltd formed to be anchor bottler for Coca-Cola in Singapore, Malaysia, Brunei, Vietnam, Cambodia, Sri Lanka, Nepal and Pakistan (1992).
- CPL acquires Bridgepoint Shopping Centre in Sydney, Australia (1992).
- APB enters Thailand (1993 joint venture) and Cambodia (1995 joint venture) markets, expands to Hainan, China with new brewery (1994).
- CPL launches maiden residential development project "The Anchorage" on the former Anchor Brewery site (1993) and rides the property boom with a string of successful projects.

1996

Fraser & Neave Holdings Berhad is formed after restructuring in Malaysia.

Milestones:

- CPL enters Vietnam market to develop Me Linh Point, an office cum retail development, in Ho Chi Minh City (1996).
- State-of-the-art soft drinks plant commences production in Shah Alam, Malaysia (1997).
- Fraser Suites Serviced Residences and Fraser Place Serviced Residences opens for business in Singapore (1998).



1999

Strategic diversification move - publishing & printing becomes third growth engine.

Milestones:

- Charts new vision and strategic direction for the Group – to be a world-class multinational enterprise with Asian base, supported by three pillars: F&B, Properties and New Ventures (1999).
- In line with new vision and strategic direction to build a third core business, F&N increases stake in Times Publishing (TPL) to 21% and subsequently launches a takeover offer for TPL (1999-2000).
- Management of F&N Coca-Cola Malaysia reverts to F&N and F&N Coca-Cola Pte Ltd sold to The Coca-Cola Company (1999).
- CPL makes maiden residential developments in Australia and the UK.

2000

F&N expands further into Southeast Asia, China and Australia.

Milestones:

- Divestment of equity stake in CarnaudMetalbox Asia (2000).
- Kuala Lumpur Glass Manufacturers Company Sdn Bhd acquired to consolidate market leadership (2000).
- Residential development expands into Shanghai, China (2001).
- Times Publishing expands in Australia with acquisition of Diamond Press (2001).

2002

The Group increases its pace of globalisation.

Milestones:

- CPL and TPL are privatised by F&N (2002).
- Fraser Serviced Residences expands global footprint and enters UK, Seoul and Manila markets (2002).
- Dairy plant in Vietnam commences packaging of milk powder and manufacturing of sterilised milk (2002).
- TPL acquires majority stake in a printing plant specialising in high quality, case-bound coffee table books for export in Guangdong, China (2002).
- APB doubles capacity of brewery in Thailand (2003).

2004

Expands and rebrands for global competition.

Milestones:

- The publishing arm is rebranded under Marshall Cavendish (2004).
- Acquires 27% stake in Fung Choi Printing and Packaging Group (2004).
- APB establishes Regional HQ in Shanghai, and expands UK operation via new Tiger Beer UK Ltd (2004).
- Dairies acquires and increases stake to 29.5% in China Dairy Group, the largest manufacturer of dairy products in the north-western region of China (2004-05).
- Soft drinks innovations with new flavours/packaging (2004-05).
- TPL acquires Pansing to strengthen distribution (2005).
- CPL expands in Thailand and China. Fraser Property Group branding launched for overseas property activities (2005).

2005—\$4,270 mil
 2005—\$3,944 mil
 2005—\$275 mil



2006

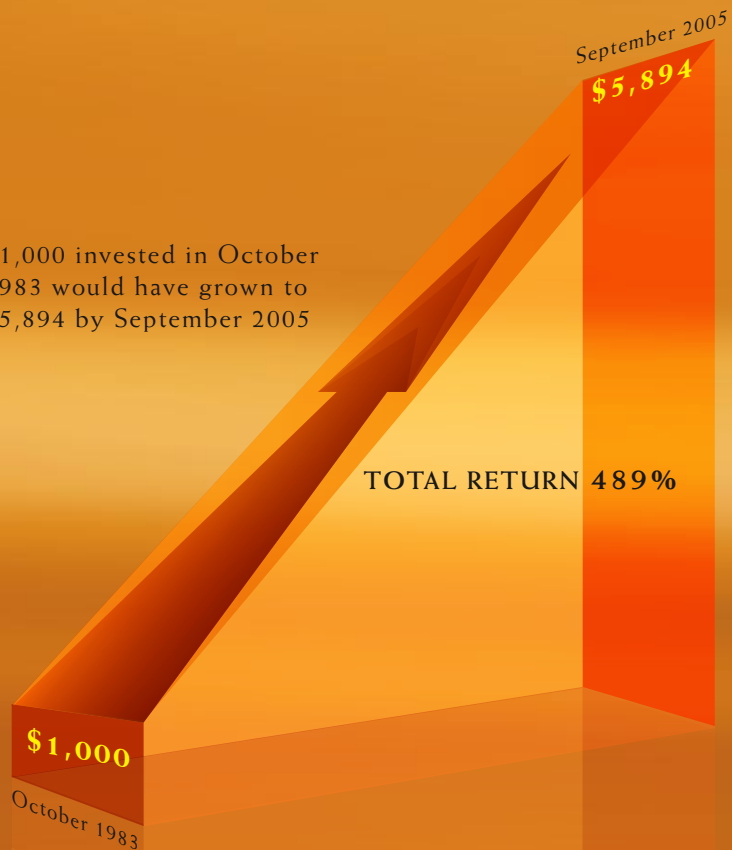
Begins separation of roles of Chairman and CEO.

Milestone:

- Dr Han Cheng Fong will assume the position of Group CEO; Dr Fam agrees to stay on as non-executive Chairman and Consultant to assist in succession planning and to ensure smooth transition to new management team.

Total Shareholders' Return* October 1983 to September 2005

\$1,000 invested in October 1983 would have grown to \$5,894 by September 2005



* Total Shareholders' Return includes:

- Cash returns of \$1,248 per \$1,000 invested which comprise net dividends received plus capital reduction & distribution less cash re-invested in rights issues over the period
- Increase in market value of F&N shares of \$3,646 per \$1,000 invested due to the increase in share price from \$6.05 to \$17.20 over the period, plus the increase in shares held through rights and bonus issues

We often forget how much strength lies in the hands and heart of an organisation with vision.

In the coming year, however, the transition of senior management in the F&N Group leads us to reflect on the key legacy of the Group.

Undeniably, the lasting legacy of F&N's 122-year-old history is its spirit of enterprise.

With its entrepreneurial fire, F&N changed the competitive landscape in all the spheres of business it participates in. Its passion and commitment enabled it to enlarge its footprint and to stamp its mark in every field it is engaged in.