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 Chief Executive Officer,
 Food & Beverage
 16 November 2012

Food & Beverage 2012: Year of transformation

Significant changes in our “business profile” in 2012
 driven by a mix of anticipated and unexpected events

- **Beverages ***
 (Soft drinks and Myanmar beer)
 Major change with:
 - divestment of F&N’s entire interest in APB
 - Coke’s separation leading to a “reduced” base in Malaysia and the “homecoming” in Spore

- **Dairies**
 Accumulation of
 - business challenges (volatile commodity prices)
 - operational changes (move from PJ to PI, integration of the Ice Cream entities)
 - impact of a natural disaster (Rojana)

* : Following the completion of the sale, APB has been reclassified as discontinued operations. F&N’s remaining beer operations is conducted through MBL, and is combined with F&N’s soft drinks business to form a new Beverage segment.

\$ 'million	FY2012	FY2011	Change (%)
Revenue	1,804	1,950	-7%
Profit Before Interest & Tax ("PBIT")	124	194	-36%
Attributable Profit Before Exceptional Items ¹ ("APBE")			
- Continuing operations	69	84	-18%
- Discontinued operations	152	124	+23%

¹ FY2012 Exceptional Items relates mainly to \$25m Dairies Thailand insurance and business interruption claims income, and \$18m gain on disposal of CDG; partly offset by \$20m assets write-off and flood related expenses in the Rojana dairy Thai plant, and \$4m accelerated depreciation charges on PJ plant.

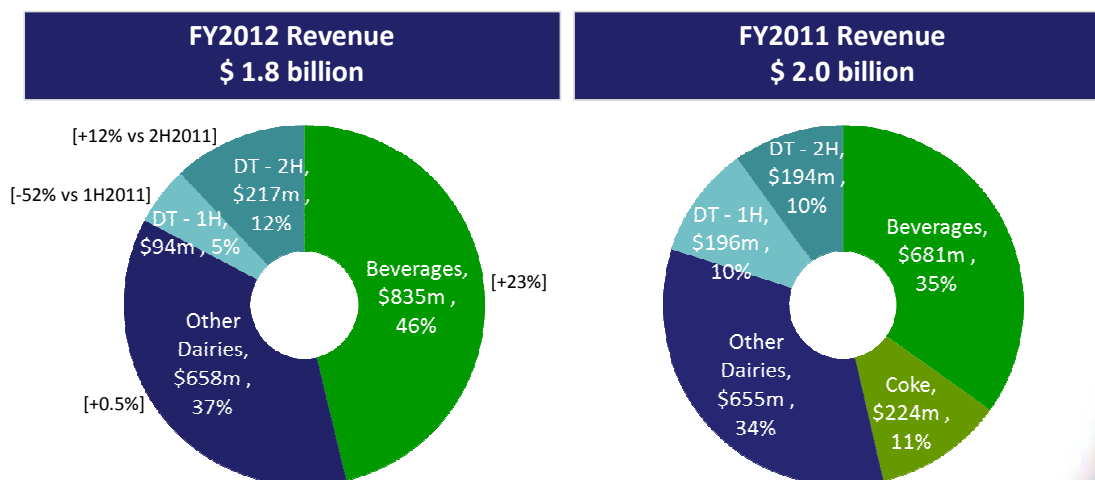
² On 15 November 2012, the Group completed the sale of its entire interest in APB/APIPL. Unless otherwise stated, the results above are presented after reclassification of this business as Discontinued Operations.



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Slide 3

- Excluding Coke, Beverages has grown +23%
- Dairies Thailand resumed full production in the previous quarter and has recovered to pre-flood levels in the second half of the year



* DT – Dairies Thailand

Figures in brackets denote y-o-y change, unless otherwise stated
FY2011 numbers are restated



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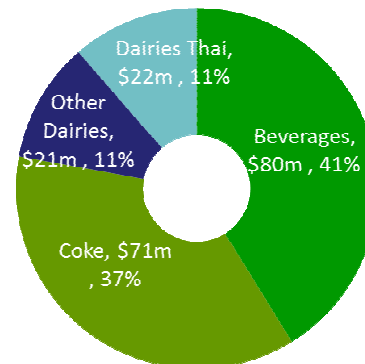
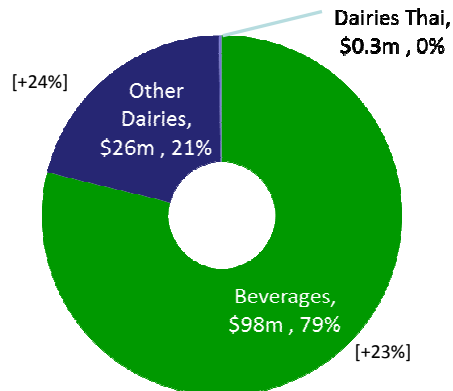
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Food & Beverage PBIT breakdown

- Excluding Coke, Beverages has grown +23%
- Dairies Thailand full year breakeven from 1H2012 losses of \$12m

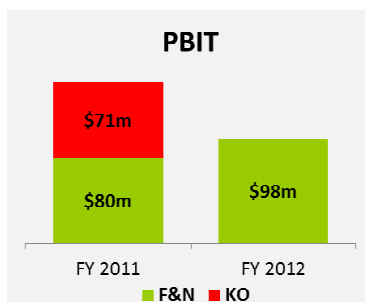
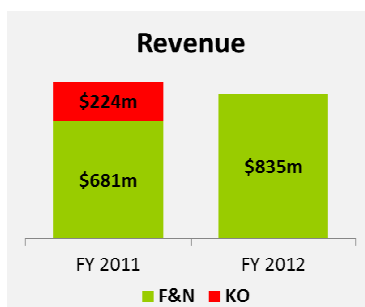
FY2012 PBIT
\$ 124 million

FY2011 PBIT
\$ 194 million



* Figures in brackets denote y-o-y change
FY2011 numbers are restated

Food & Beverage Beverages



* FY2011 numbers are restated

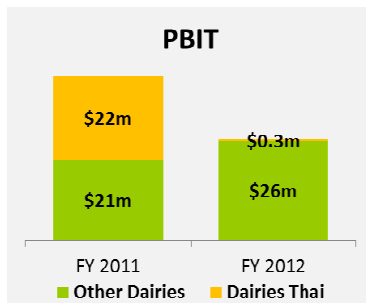
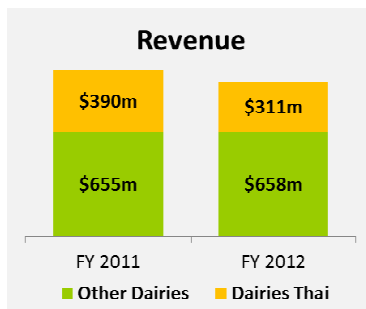
Excluding Coke, revenue improved 23% on higher volume; PBIT improved 23%

Soft Drinks

- Maintained No. 1 position in Malaysia. *100Plus* continued to be market leader; core brands registered revenue gains
- In Singapore, revenue of more than \$60m with the homecoming of all our brands including *100Plus* and *Seasons*
- Excluding Coke, profit increased on volume growth, partly offset by expenses in:
 - Strengthening distribution network in Singapore
 - Retaining/streamlining capabilities in Malaysia with one-off restructuring charge of S\$3m (RM8m)
 - Continuous effort to invest in brand building and innovation to protect market share

Myanmar beer

- Maintained market leadership position with positive volume growth



* FY2011 numbers are restated

- Excluding Dairies Thailand, overall revenue is flat while PBIT increased \$5m
- Unexpected flooding in Thailand resulted in plant closure for over 6 months. Dairies Thailand recovered strongly during second half of the year, with revenue at +12% vs 2H 2011
- Malaysia domestic sales stabilised despite challenging post price increase environment in 1H 2012
- In Singapore, higher export sales was offset by lower domestic sales
- Despite one-off expenses such as higher relocation expenses from PJ to PI of \$2m (RM5m), profit improved mainly on:
 - Higher exports and favourable product mix;
 - Lower input costs in 2H 2012; and
 - Absence of share of CDG loss booked in FY 2011.





Beverages



- Growth in revenue and profit
 - Revenue +23%
 - PBIT +23%



- Continued widening and deepening of distribution to ensure widest availability
- Ramping up marketing and sales activities
- Upholding excellent service quality to partners and consumers



Dairies

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New Product Launches

- *F&N FRUIT TREE FRESH* No Sugar Added Red Grape Mixed Juice
- *F&N MAGNOLIA* Lo-Fat Hi-Cal milk with DHA Omega-3
- *F&N* Hi Calcium Sweetened Creamer





Key Milestones

- Groundbreaking & Piling Starts
- Construction Starts
- 1st SCM Line & Evaporated Milk Line Commissioning
- Soft Opening
- 1st SCM Line & Evaporated Milk Line Qualification Run
- Certificate of Completion & Compliance Issued
- 1st Line Go- Live
- PJ Plant cease operation

- 23 Oct 2009
- Mid Jul 2010
- 1st Oct 2011
- 11 Nov 2011
- 16 Nov – 1 Dec 2011
- 17 Feb 2012
- 9 Apr 2012
- 21 Sept 2012



Beverages

- Soft drinks business landscape remains vibrant and competitive
- Focus on:
 - ✓ Strengthening market leadership in Myanmar beer market and *100Plus*
 - ✓ Increasing innovative marketing & merchandising activities
 - ✓ Strengthening distribution
 - ✓ Driving productivity and operational efficiency
- Explore ASEAN expansion opportunities

Dairies

- Continuous product innovation (e.g. rolling out higher value added products for sweetened condensed milk category)
- Leverage on brand new PI to meet production efficiencies and expand export opportunities
- Strengthen market leadership positions (e.g. Thailand for sweetened beverage creamer)
- Accelerate growth in Indochina





Thank You

next speaker:

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