ASIA PACIFIC BREWERIES LIMITED

438 Alexandra Road #16-01 Alexandra Point Singapore 119958 Tel: (65) 6276 3488 Fax: (65) 6276 4287
Company Registration No.: 193100007K (Incorporated in the Republic of Singapore)

APB FY2005/06 QUARTER 1 RESULTS ANNOUNCEMENT

- Attributable Profit To Shareholders Of The Company Before Exceptional Items Rose 16% To Reach $39.4 Million

	FY 2005/06 Q1	FY 2004/05 Q1 (re-stated)	Change
Attributable Profit To Shareholders Of The Company Before Exceptional Items	$39.4 m	$34.0 m	+16.0%
PBIT	$77.2 m	$67.0 m	+15.2%
Revenue	$453.1 m	$414.6 m	+9.3%

10 February 2006, Singapore - After reporting a record high in revenue, profit before interest, taxation and exceptional items (PBIT) and attributable profit to shareholders of the Company before exceptional items for the last financial year ended 30 September 2005, Asia Pacific Breweries Limited (APB) continues to build a solid momentum in the first quarter and provided an excellent head start to the new financial year - FY2005/06. Higher volumes were achieved in almost all the operating markets, with breweries in Cambodia, Thailand, Papua New Guinea and China delivering double-digit growth.

PBIT increased by $10.2 million or 15% over last year to reach $77.2 million. Attributable profit to shareholders of the Company before exceptional items rose by $5.4 million or 16% to reach $39.4 million.

Indochina, New Zealand and Papua New Guinea remain the top three contributors to Group PBIT. Mr Koh Poh Tiong, Chief Executive Officer of APB, said, "***The Indochina region is distinctly our pivotal growth builder characterised by higher sales and increasing PBIT. Our performance was once again boosted by a double-digit volume gain in Cambodia as a result of higher consumer demand for all our brands there, namely Tiger Beer, Anchor, ABC Extra Stout and Gold Crown. Over in Vietnam, we are fast expanding our technical capabilities to meet the demands of this booming beer market. We have commissioned a new canning line at our North Vietnam brewery while the expansion of our South Vietnam brewery to 2.3 million hectolitres is approaching completion.***"

Heineken-APB (China) Pte Ltd, which manages all of APB's brewery assets in China, saw volume grow as compared to the same period last year. Of its stable of 10 operating breweries, those in Shanghai, Hainan and Guangdong achieved higher sales and loss before interest and tax was reduced by 2% to $2.5 million.

The October 2005 launch of *Cheers*, a new 'cheerful and fun' beer targeted at the 22-30 year-old urban consumers in Thailand drove volume up by 17%. However, higher brand investments that were made to launch *Cheers* caused PBIT to drop 72%. *Heineken* continues to dominate the premium segment with a market share of more than 95%.

Things are also picking up pace in Sri Lanka and Mongolia. With the acquisition of a 60% equity stake in United Brewery Lanka, now renamed Asia Pacific Brewery (Lanka), expertise from APB has been seconded to work with the local management in Sri Lanka. Initial efforts are focused on enhancing the equity of the local brands including *Bison XXtra*, *Kings Lager*, *Kings Pilsner* and *Kings Stout*, strengthening the distribution network and hardening the technical capabilities to reap better operational efficiencies. In Mongolia, preparations are also underway for the construction of the greenfield brewery and the eventual production of *Tiger Beer* in 2007.

While APB continues to expand its foothold in the Asia-Pacific region, its steadfast investment in its brands is also garnering accolades and loyalty among its consumers worldwide. In November 2005, APB was recognised as one of Top 15 Most Valuable Brands in Singapore for the fourth time in a row. Constantly taking one of the top positions at this annual Singapore Brand Award since its inauguration in 2002, this recognition is not only affirmation of APB's relentless brand-building efforts, but also the success of its multi-brand portfolio in meeting the needs of its consumers and the markets they serve.

"***Our business is about brands and branding is de rigueur and vital for our diverse portfolio of beer brands. Our increasing brand value over the years demonstrates our commitment in investing in our brands and our brands' ability to compete more effectively in the global marketplace,***" explained Mr Koh. Based on the study conducted by Interbrand for the Singapore Brand Award, the value of APB's portfolio of brands has risen from $820 million in 2002 to $1,225 million in 2005.

COMMENTARY ON 1ST QUARTER PERFORMANCE

Singapore

Domestic volume grew by 7%. However, export and contract-brewing volumes contracted resulting in an overall volume drop of 5% compared to last year. PBIT declined by 7%.

Malaysia

Despite continuing weak consumer sentiments from successive excise duty increases in past years, the Company did well to grow volume by 3%. PBIT improved by 8% due to higher volume and lower commercial and operating expenses.

Papua New Guinea

Volume grew strongly by 15% and PBIT by 28%, driven by increased consumer spending during the festive season, and marginal increases on selling prices.

New Zealand

Volume declined slightly by 1% in a mature market, but the effect was offset by a favourable sales mix shift to premium brands, and PBIT was maintained at the same level as the previous quarter.

Indochina

Volume for the region grew by 7%, boosted by continued double digit growth in Cambodia. As a result, PBIT improved by 18%.

China

The group achieved higher sales in our breweries in Shanghai, Hainan and Guangdong. Loss before interest and tax was reduced marginally by 2% to $2.5 million.

Thailand

Volume grew by 17% driven by the launch of *Cheers* in October 2005. As expected with higher brand related expenses with new launches, PBIT fell by 72%. Hence the reduction in the share of joint venture companies profit. *Heineken* continues to dominate the premium segment with a market share of more than 95%.

Sri Lanka

Following the company's announcement of its new venture in Sri Lanka, efforts are being made to improve operations and small initial losses of $0.3 million were incurred for the quarter.

Investment Income

Group income from investments increased by 111% mainly due to higher income from unquoted investments in New Zealand.

Corporate Office

Net corporate expense decreased by 46% due mainly to higher royalty income and lower marketing expenses.

Taxation

Higher proportion of group profit from overseas subsidiaries with higher tax rate increases the Group's overall effective tax rate to 32.5% (Q1 2005: 34%) as compared to Singapore corporate tax rate of 20%.

- End -