

**MINUTES of the 108TH ANNUAL GENERAL MEETING of FRASER AND NEAVE,
LIMITED held at Level 2, Alexandra Point, 438 Alexandra Point, Singapore 119958 on
Thursday 25 January 2007 at 10.00am**

PRESENT

Dr Michael Fam	(Chairman & Shareholder)	[5,425,025 shares]
Mr Timothy Chia	(Director)	
Dr Han Cheng Fong	(Director)	
Mr Ho Tian Yee	(Director)	
Mr Simon Israel	(Director)	
Mr Koh Beng Seng	(Director)	
Mr Stephen Lee	(Director)	
Mr Lee Ek Tieng	(Director)	
Dr Lee Tih Shih	(Director)	
Mr Nicky Tan Ng Kuang	(Director)	
Mr Anthony Cheong Fook Seng	(Director, Group Company Secretary & Shareholder)	[20,250 shares]
Mr Patrick Goh Yong Chian	(Alternate Director & Shareholder)	[221,040 shares]

SHAREHOLDERS

Wong May Chin Kathleen	[31,040 shares]
Lee Heng Wah	[106,180 shares]
Kwok Kain Sze	[17,860 shares]
Tang Wun Ying	[20,000 shares]
Catherine Yeo Soo Cheng	[30,000 shares]
Wong Luck Jaen	[100 shares]
Joseph Lam	[5,000 shares]
Nah Kok Chun	[12,960 shares]
Ng Jui Sia	[160,760 shares]
Wang Eng Chin	[207,515 shares]
Victor Chan	[6,000 shares]
David Court	[10,100 shares]
Chan Chee Kwan	[10 shares]
Law Yee Moo	[1,000 shares]
Lau Choon Eng	[120,000 shares]
Khoo Pheck Har	[2,000 shares]
Ho Soo Chyn	[12,150 shares]
Pang Yew Wing	[4,000 shares]
Pang Kwong Mun	[3,000 shares]
Tay Eng Seng	[50,000 shares]
Fong Yee Sung @ Pang Yee Sung	[160 shares]
Tang Chow Lin	[1,000 shares]
Yeo Choon Siong	[1,200 shares]
Lim Kia Jiang	[2,000 shares]
Ng Cheong Kiong	[130,000 shares]
Gerald Darwin	[315 shares]
Chan Hon @ Chan Hon Ming	[200 shares]
Teo Chiew Kuan	[16,100 shares]
Ong Whee Chuen	[28,510 shares]

SHAREHOLDERS (cont'd)

Lim Teow Hock	[8,000 shares]
Lim Eng Hoe	[2,500 shares]
Joseph Ng Peng Leng	[110,000 shares]
Fong Yin Thoo	[2,000 shares]
Rosy Susanna Chan Suan Neo	[45,000 shares]
Chan Hiang Swee	[27,000 shares]
Ramanuthu s/o Ramanathan Chettiar SRMM	[35,000 shares]
Chong Sok Eng	[1,000 shares]
Poh Geok Eng	[1,000 shares]
Chan Kai Kah	[10,000 shares]
Phua Keng Koung	[62,000 shares]
Lee Shin Hee	[8,500 shares]
Marion Rachel Tay	[45,000 shares]
Lee Yaw Tiam	[2,000 shares]
Lau Sui Hong	[27,000 shares]
Kwan Yam Heun	[86,000 shares]
Foo Meng Hian	[12,150 shares]
Bin Kang Suan	[32,400 shares]
Mok Yin Pin	[2,650 shares]
Yeo Po Heng	[4,000 shares]
Lim Yam Hun	[5,000 shares]
Wong Mee Khum	[2,500 shares]
Wong Khee Fatt	[6,000 shares]
Khoo Kwek Leong	[2,000 shares]
Khoo Hong Kheng	[10,000 shares]
Cheng Choon Lin	[2,000 shares]
Yan Siew Fong	[1,000 shares]
Lim Sim Eng, Lawrence	[100,975 shares]
Lim Koh Jin	[5,000 shares]
Tia Chu Ying	[1,000 shares]
Wan Sau Ying	[5,050 shares]
Lau See Kiang	[8,000 shares]
Tang Ah Heng	[2,000 shares]
Tang Ngait Seng	[5,000 shares]
Lee Heng Long	[5,000 shares]
Emily Wong Wai Kai	[70,000 shares]
Kor Leng Hwa @ Koh Leng Hwa	[1,000 shares]
Chow Fook San	[1,000 shares]
Oh Hew Koh	[1,000 shares]
Goh Buay Choo	[1,000 shares]
Huan Kim Huan @ Ong Kim Huan] 2,000 shares]
Wong Hua Keng	[109,000 shares]
Quek Aik Wu	[24,500 shares]
Chow Ming @ Chow Ah Ming	[145,000 shares]
Ho See Chin Christina	[6,000 shares]
Lee Su Shyan Jeanette	[4,000 shares]
Yap Swee Kee Rosalind	[10,365 shares]
Teo Cheng Hai Ronnie	[5,000 shares]
Lim Eng Thye	[3,000 shares]

SHAREHOLDERS (cont'd)

See Yim Leng] 16,200 shares]
Chan Soon Hong Ruby	[145,800 shares]
Yap Hong Teck	[1,000 shares]
Heng Yiam Hwee	[500 shares]
Wong Thean Bee Betty	[5,100 shares]
Lim Phaik Kooi	[17,980 shares]
Wong Kok Kai @ Man Mui	[98,010 shares]
Chen Hui Teck	[4,000 shares]
Tan Tian Siew	[3,000 shares]
Shu Ai Geok @ Soo Min Eng	[1,000 shares]
Tong Yew Foon	[2,150 shares]
Ng Kiak You	[2,000 shares]
Low Choo Kwee	[6,000 shares]
Lim Kim Lar	[2,000 shares]
Chan Hin Yew	[129,215 shares]
Tan See Wah	[1,000 shares]
Mak Yuet Meng	[14,360 shares]
Tan Whee Li	[1,000 shares]
Lily Looi	[2,150 shares]
Tan Aik Hin	[8,000 shares]
Cheah Wee Chye	[48,600 shares]
Lee Fook Hong	[2,000 shares]
Goh Aik Tshin	[1,000 shares]
Margaret Tay Mui Kiang	[6,860 shares]
Wong Po Kew	[1,000 shares]
Howe Shin Lin	[1,000 shares]
See Thou Lai Oei @ Seetoh Oei Lai Susan	[9,000 shares]

BY COMPANY REPRESENTATIVE/PROXY

Represented by Dr Michael Fam

HSBC (Singapore) Nominees Pte Ltd	[18,752,090 shares]
Citibank Nominees Singapore Pte Ltd (against Resolutions 9 & 10)	[43,773,819 shares]
DBS Nominees (Pte) Ltd	[200,657,486 shares]
DB Nominees (Singapore) Pte Ltd (against Resolutions 9 & 10)	[57,100 shares]
Raffles Nominees (Pte) Ltd (against Resolutions 9 & 10)	[30,499,830 shares]
United Overseas Bank Nominees Pte Ltd (against Resolutions 1, 5, 6, 7, 8, 9 & 10]	[63,628,202 shares]
The Asia Insurance Company Limited	[1,020,000 shares]
The Asia Life Company Limited	[6,699,950 shares]
Morgan Stanley Asia (S) Sec Pte Ltd	[1,532,834 shares]
DBSN Services Pte Ltd	[52,314,971 shares]
Ian Alastair MacLean	[262,540 shares]
Linda Maureen MacLean	[16,035 shares]
John Debenham Taylor	[14,560 shares]

BY COMPANY REPRESENTATIVE/PROXY (cont'd)

Represented by Mrs Elizabeth Yeoh

The Great Eastern Life Assurance Co Ltd	[83,511,755 shares]
The Overseas Assurance Corpn Ltd	[79,925,320 shares]
Great Eastern Life Assurance (Malaysia) Bhd	[48,408,725 shares]
Overseas Assurance Corporation (Malaysia) Bhd	[357,385 shares]

Represented by Mr Leong Hong Yew

Oversea-Chinese Bank Nominees Pte Ltd	[46,226,850 shares]
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Represented by Ms Yap Chwee Mien

Seletar Investments Pte Ltd	[205,500,000 shares]
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Represented by Dr Han Cheng Fong

OCBC Securities Pte Ltd	[35,000 shares]
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Represented by Mr Timothy Chia

Chan Poh Choo	[72,435 shares]
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Represented by Mr Koh Beng Seng

Tay Hwei Choo	[45,680 shares]
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Represented by Mr Ho Tian Yee

Jenny Ho Kam Thong	[118,260 shares]
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Represented by Mr Stephen Lee

Evelyn Shaw	[162,000 shares]
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Represented by Mr Lee Ek Tieng

Lee Soo Neo Patricia nee Lim	[87,500 shares]
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Represented by Dr Lee Tih Shih

Shaw Lay Siong John	[39,500 shares]
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Represented by Mr Nicky Tan Ng Kuang

Tay Bee Choo	[30,130 shares]
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Represented by Mr Simon Israel

Tan Swee Hwa	[273,790 shares]
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Represented by Mr Anthony Cheong

Tay Chuan Wei	[8,100 shares]
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Represented by Mr Lim Fe Seng

Lam Ah Kan Francis	[46,655 shares]
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Represented by Dato Ng Jui Sia

Lam Kuang Er Augustine	[38,880 shares]
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Represented by Mr Wang Eng Chin

Tan Siak Lang Teresa	[9,720 shares]
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BY COMPANY REPRESENTATIVE/PROXY (cont'd)

<u>Represented by Mr Ang Peng Seng</u> Angela Lam	[18,950 shares]
<u>Represented by Mr Christopher Tang</u> Goh Su Lian	[139,295 shares]
<u>Represented by Kristy Fong Min-Ling</u> HSBC (Singapore) Nominees Pte Ltd	[1,120,000 shares]
<u>Represented by Kristy Fong Min-Ling</u> United Overseas Bank Nominees Pte Ltd	[1,450,000 shares]
<u>Represented by Liew Nam Pok James</u> Lim Bak Lee	[5,000 shares]
<u>Represented by Lim Soon Un Paul</u> Lee Mooi Lin	[10,000 shares]
<u>Represented by Chia Ghee Sian</u> Lee Mew Ying	[8,100 shares]
<u>Represented by Yap Geok Eng</u> Yap Hong Gek	[4,000 shares]
<u>Represented by Lau Hock Meng</u> Yip Fong Lou	[2,000 shares]
<u>Represented by Fong Yee Sung @ Pang Yee Sung</u> HL Bank Nominees (Singapore) Pte Ltd	[8,100 shares]
<u>Represented by Huan Gwo Yih</u> Yiew Lee Ling	[1,000 shares]
<u>Represented by Chan Kit Har & Chong Khee Chung</u> Lo Wei Min	[60,400 shares]
<u>Represented by Chong Khee Chung</u> Lo Kum Wone	[100,700 shares]
<u>Represented by Yeo Cheng Yan</u> Chiang Shyue Bin	[5,930 shares]
<u>Represented by Png Chew Geok</u> Wong Thooi Ngoh	[76,500 shares]
<u>Represented by Sim Seng Yong Victor</u> Sng Susanna	[400 shares]
<u>Represented by R T Sheth @ Ramesh Sheth</u> Boey Sheong Yan	[15,048 shares]

BY COMPANY REPRESENTATIVE/PROXY (cont'd)

<u>Represented by Tan Geak Neo</u> Morgan Stanley Asia (S) Sec Pte Ltd	[348,834 shares]
<u>Represented by Tan Geak Neo</u> DBSN Services Pte Ltd	[48,824,495 shares]
<u>Represented by Lui Hoi Kwan Bosco</u> Liu Suk Yi	[4,050 shares]
<u>Represented by Chai Hon Yam</u> Chai Suet Lin Deborah	[16,200 shares]
<u>Represented by Chin Kee Choy</u> Chan Chwee Teck	[2,000 shares]
<u>Represented by Vincent Chen Wei Ching</u> Chen Holdings Pte Ltd	[20,000 shares]

OBSERVERS

Ho See Kuang (Agent Bank – UOB)

Ng Kheng Lee (Agent Bank – UOB)

IN ATTENDANCE:

Ernst & Young	- Auditors
	Represented by : Fang Ai Lian Kevin Kwok Philip Ng
Allen & Gledhill	- Legal Advisors
	Represented by : Steven Lo Tan Li Ping Ang Cheng Hock Loong Tse Chuan
Tricor Barbinder Share Registration Services	- Registrars
	Represented by : Doris Seow
	- Management
	Represented by : Tan Ang Meng Hui Choon Kit Debbie Goh Pua Siew Ching David Chow Koh Poh Tiong Loy Juat Boey Yong Weng Hong Nah Kok Chun Sarah Koh Geraldine Lim

1. **NOTICE OF MEETING**

The Notice convening the Meeting was, with the approval of the meeting, taken as read.

2. **AUDITORS' REPORT**

The Auditors' Report was, with the approval of the meeting, taken as read.

3. **CHAIRMAN'S ADDRESS**

Ladies and Gentlemen,

A very warm welcome to the 108th Annual General Meeting of Fraser and Neave, Limited.

It is my pleasure to introduce to you the distinguished members on our Board. On my left is Dr Han Cheng Fong, who is Group Chief Executive Officer. Next to Dr Han are Mr Lee Ek Tieng, Dr Lee Tih Shih, Mr Koh Beng Seng and Mr Timothy Chia. On my right is our Group Company Secretary/Director, Mr Anthony Cheong. Next to Mr Cheong are Mr Stephen Lee, Mr Ho Tian Yee, Mr Nicky Tan and Mr Simon Israel. With the exception of Mr Israel, the profile of all our Directors can be found on pages 14 and 15 of the Annual Report.

We are fortunate to have Simon Israel as the newest addition to our Board and Board Exco. He is a nominee of Temasek Holdings (Private) Limited and was appointed on 11 January 2007. Mr Israel has a wealth of experience in the fast moving consumer goods business as he was formerly a member of the Executive Committee of Group Danone and worked extensively in the Asia Pacific since the early 1980s with Sara Lee Corporation before he joined Danone. He successfully established a strong presence in the China and the South East Asian markets for the Danone Group. As President of Sara Lee Corporation he had been instrumental in anchoring Sara Lee's operations in the region.

You may recall that the Company announced that it had entered into a subscription agreement with Seletar Investments Pte Ltd, a wholly-owned subsidiary of Temasek Holdings (Private) Limited on 8 December 2006. Under this agreement, the Company issued 205.5 million new ordinary shares to Seletar on 11 January 2007, giving it a 14.9% share of the enlarged share capital of the Company. The negotiated price of \$4.38 per subscription share (cum dividend) took into account of, and approximated, the weighted average market price for the 10 trading days up to the close of 5 December 2006. The additional shares will have an initial dilutive effect on EPS but we expect that this will soon be corrected

The entry of Temasek as another substantial shareholder signifies its faith in your Company as a sound investment, with solid growth prospects. Temasek is a major investor in the international arena with considerable experience, business contacts and market knowledge. Its extensive network will offer another channel for the Group to tap opportunities for partnerships and collaboration.

Both F&N and Temasek are committed to seize opportunities in the regional F&B business. The proceeds of \$900 mln from the share placement will be deployed to enlarge our F&B business so as to reduce the Group's current over-reliance on its Properties business. To pre-empt some likely questions, let me say that at this juncture, it would be premature for me to be specific about our investment plans.

We are pleased to note that the market has reacted positively to our share placement to Temasek. F&N's share price has appreciated to \$5.35 as at the close of 24 January 2007, compared to \$4.48 on 6 December 2006 when trading was halted at the Company's request.

Barring unforeseen circumstances, the enlarged share capital should not adversely affect our future dividend pay-out. It is still the Board's intention to maintain after-tax dividend at not less than the normal after-tax dividend of the year before.

Assuming shareholders' approval today for the proposed final dividend, the dividend per share (net of tax) for FY 2006 will be 12 cents. This is a 9% increase from the year before. If you refer to page 4 of the Annual Report, you will note a steady rise in net dividend per share, from 7 cents in FY 2002.

Another important development in 2006 was the restructuring of our shopping malls for injection into Frasers Centrepoint Trust ("FCT"), which was listed on the Singapore Exchange in July 2006. Frasers Centrepoint Limited, our wholly-owned subsidiary presently holds a 51% stake in FCT. With the success of FCT, the Group is now looking at the possibility of launching two other REITs to hold our industrial and office properties and serviced residences.

FY 2006 also marked the successful transition to a new management team. Under the able leadership of Dr Han Cheng Fong, our Group CEO since February 2006, the Group posted another record year. EPS before exceptional items was 9% above the peak earnings of the previous year.

For the new financial year, the Group's performance to-date is in line with our expectation of further improvement in underlying profit (before exceptional items).

I had informed the Board of my desire to retire some years ago. At the request of the Board, I had agreed to a gradual exit. In January 2006, I stepped down as Executive Chairman but remained as non-executive Chairman and Consultant.

I have now been called upon to attend to the substantial change in the shareholding of the Company and have agreed to offer myself for re-appointment at this morning's AGM. With your support, I will resume my roles as Director and non-executive Chairman. However, during the course of 2007, a new Chairman will be appointed, following which I shall continue to act as a Consultant to the Company.

So this is my last AGM Address. It has been an honour and privilege to have served you as Chairman since 1983 and as a Director since 1978. Together, we have built a remarkable company with strong brands and a broad geographical footprint. It has been an exhilarating experience for me and I would like to place on record my gratitude to all shareholders, management, staff and the Board of Directors for your unstinting support.

And now let us proceed on to the NOTICE OF MEETING.

4. **DIRECTORS' REPORT AND ACCOUNTS (Resolution 1)**

On the proposal of Dr Michael Fam seconded by Mr R T Sheth, it was after some discussion:-

RESOLVED that the Directors' Report and Audited Accounts for the year ended 30 September 2006 be received and adopted.

5. **FINAL DIVIDEND (Resolution 2)**

On the proposal of Dr Michael Fam seconded by Mr Vincent Chen Wei Ching, it was unanimously:-

RESOLVED that, a final dividend of 8 cents per share, comprising 4 cents after tax and 4 cents 1-tier tax exempt, be paid for the year ended 30 September 2006 on 14 February 2007.

6. **ELECTION OF DIRECTORS**

(a) **Dr Michael Fam (Resolution 3(a))**

As he was an interested party in the Resolution, the Chairman invited Dr Han Cheng Fong to take the Chair while the motion was being considered.

The resolution for the re-election of Dr Fam was proposed by Dr Han Cheng Fong and seconded by Mr Vincent Chen Wei Ching, It was:-

RESOLVED that, pursuant to Section 153(6) of the Companies Act, Cap.50, Dr Michael Fam be and is hereby re-elected as a director of the Company to hold such office until the next Annual General Meeting.

The Chairman resumed the chair and thanked Members for their support.

(b) **Mr Lee Ek Tieng (Resolution 3(b))**

On the proposal of Dr Michael Fam and seconded by Mr R T Sheth, it was:-

RESOLVED that, pursuant to Section 153(6) of the Companies Act, Cap.50, Mr Lee Ek Tieng be and is hereby re-elected as a director of the Company to hold such office until the next Annual General Meeting.

(c) **Mr Ho Tian Yee (Resolution 3(c))**

On the proposal of Dr Michael Fam and seconded by Mr Wong Khee Fatt, it was:-

RESOLVED that Mr Ho Tian Yee, who retired by rotation in accordance with Article 117 of the Company's Articles of Association, be and is hereby re-appointed as a director.

(d) **Mr Stephen Lee (Resolution 3(d))**

On the proposal of Dr Michael Fam and seconded by Mr R T Sheth, it was:-

RESOLVED that Mr Stephen Lee, who retired by rotation in accordance with Article 117 of the Company's Articles of Association, be and is hereby re-appointed as a director.

(e) **Mr Nicky Tan Ng Kuang (Resolution 3(e))**

On the proposal of Dr Michael Fam and seconded by Mr Vincent Chen Wei Ching, it was:-

RESOLVED that Mr Nicky Tan Ng Kuang, who retired by rotation in accordance with Article 117 of the Company's Articles of Association, be and is hereby re-appointed as a director.

7. **DIRECTORS' FEES FOR YEAR ENDING 30 SEPTEMBER 2007 (Resolution 4)**

On the proposal of Mr Leong Hong Yew and seconded by Mr Wong Khee Fatt, it was:-

RESOLVED that directors' fees of \$980,000 payable by the Company for the year ending 30 September 2007 be approved.

8. **APPOINTMENT OF AUDITORS AND REMUNERATION (Resolution 5)**

On the proposal of Dr Michael Fam seconded by Mr Ramesh Sheth, it was :-

RESOLVED that Messrs Ernst & Young, Certified Public Accountants, Singapore be and are hereby appointed auditors for the ensuing year and the Directors be authorised to fix their remuneration.

SPECIAL BUSINESS

9. **ELECTION OF DIRECTOR (Resolution 6)**

Mr Simon Israel

On the proposal of Dr Michael Fam and seconded by Dr Han Cheng Fong, it was:-

RESOLVED that Mr Simon Israel be and is hereby re-elected a Director of the Company.

10. POWER TO ISSUE SHARES

On the proposal of Mr R T Sheth and seconded by Mrs Elizabeth Teoh, it was:-

RESOLVED that authority be and is hereby given to the Directors of the Company to:

- (a) (i) issue shares in the capital of the Company ("**shares**") whether by way of rights or bonus; and/or
- (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,

on a pro rata basis to shareholders of the Company at any time and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit; and

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

provided that:

- (1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50 per cent of the issued shares in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited ("**SGX-ST**")) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the percentage of issued shares shall be based on the number of issued shares in the capital of the Company at the time this Resolution is passed, after adjusting for:
 - (i) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed; and
 - (ii) any subsequent consolidation or subdivision of shares;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association for the time being of the Company; and
- (4) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier. "

11. **FRASER AND NEAVE LIMITED**

EXECUTIVES' SHARE OPTION SCHEME 1989 (Resolution 8)

On the proposal of Mr R T Sheth and seconded by Mr Timothy Chia, it was:-

RESOLVED that approval be and is hereby given to the Directors to allot and issue from time to time such number of ordinary shares in the capital of the Company as may be required to be issued pursuant to the exercise of options under the Fraser and Neave Limited Executives Share Option Scheme.

12. **FRASER AND NEAVE LIMITED**

EXECUTIVES' SHARE OPTION SCHEME 1999 (Resolution 9)

On the proposal of Mr R T Sheth and seconded by Mr Lee Ek Tieng, it was:-

RESOLVED that approval be and is hereby given to the Directors to offer and grant options in accordance with the provisions of the Fraser and Neave, Limited Executives' Share Option Scheme 1999 ("the 1999 Scheme") and to allot and issue such shares as may be issued pursuant to the exercise of options under the 1999 Scheme, provided always that the aggregate number of shares to be issued pursuant to the 1999 Scheme shall not exceed 15 per cent of the issued share capital of the Company from time to time.

13. **ANY OTHER BUSINESS**

The Chairman stated that there was no other business of which due notice had been received and declared the Meeting closed.

A TRUE RECORD

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Chairman