

Disposal of Interest in United Publishers Services Limited

Pursuant to Clause 704(16)(c) of the Listing Manual, Fraser and Neave, Limited (" F&NL ") announces that its subsidiary, Times Publishing Limited (" TPL "), has sold its entire indirect shareholding interest in United Publishers Services Limited (" UPS "), for an aggregate consideration of US\$3.9 million (the " Sale ").

UPS is a company incorporated in Hong Kong and carrying on the business of distribution of academic books, publications and materials primarily in Japan. The shares of UPS are held through wholly owned subsidiaries of TPL, Educational Associates Limited and Times Publishing (Hong Kong) Ltd.

The consideration of US\$3.9 million for the Sale was arrived at on a willing buyer and willing seller basis, taking into account the value of the net tangible assets of UPS.

The Sale is not expected to have a material effect on the net tangible assets per share or earnings per share of the Group for the current financial year.

None of the directors or substantial shareholders of F&NL has any interest, directly or indirectly, in the Sale.

Anthony Cheong Fook Seng
Group Company Secretary

22 June 2007