FY2015

F&N

THIRD QUARTER FINANCIAL HIGHLIGHTS

FRASER AND NEAVE, LIMITED

07 August 2015



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9M2015 Performance Highlights
10%[1] EBIT growth

Strong 9M2015 performance

- Robust revenue growth in Food & Beverage
  - Excellence in marketplace execution led to 6% topline growth
- Dairies and Beer[2] recorded double-digit earnings growth
  - Supported by higher sales; boosted by lower input costs and improved manufacturing efficiency
- Soft Drinks earnings impacted by higher operating costs due to flooding in East Malaysia in 1Q2015, despite higher sales
- Adverse foreign exchange effect impacted earnings

[1] Excludes a one-off valuation gain of $21 million recorded in the corresponding period last year on a property joint venture upon the demerger of Frasers Centrepoint Limited

[2] Myanma Economic Holdings Limited had confirmed that the sale of F&N's 55% stake in Myanmar Brewery Limited will be completed at US$560 million, as determined by the independent valuer. F&N will keep shareholders updated of any material developments

GROUP FINANCIAL HIGHLIGHTS

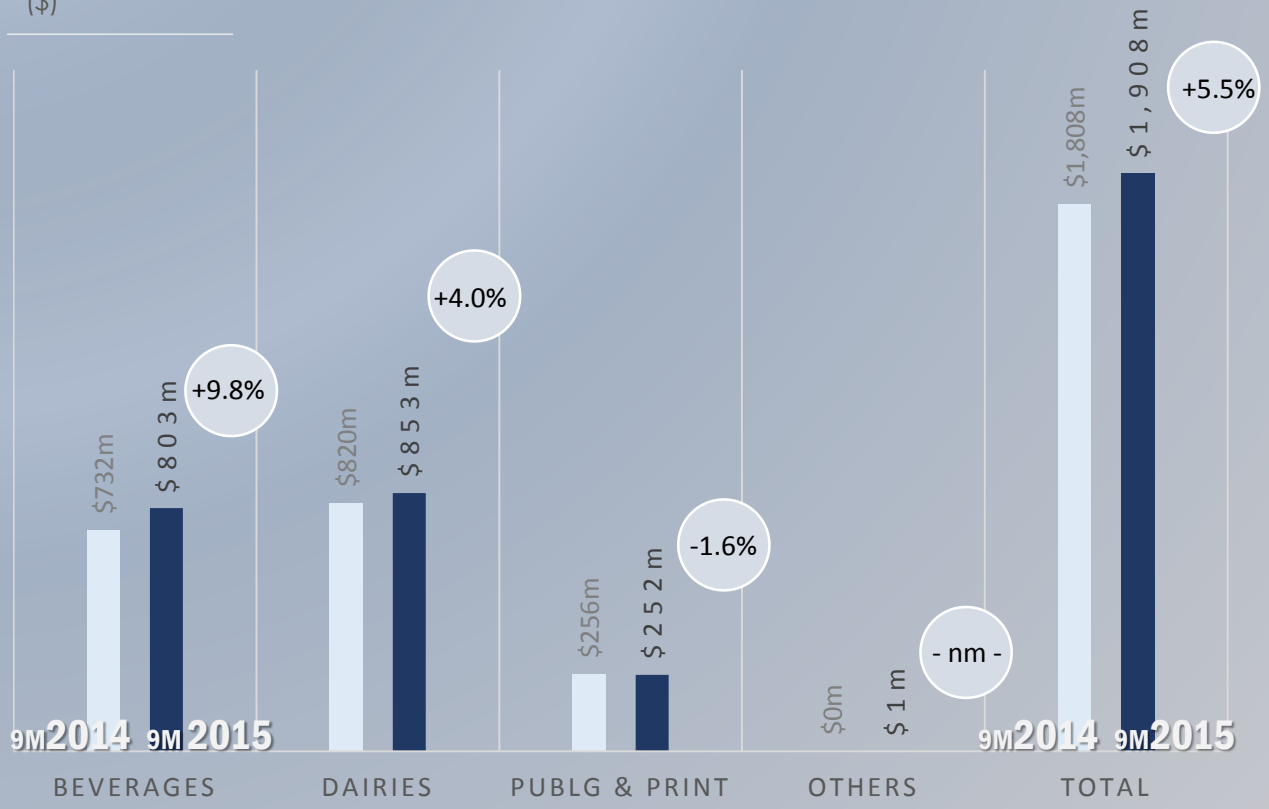
Revenue (millions)	Earnings before interest and tax ("EBIT") (millions)
$1,908.4 ▲ 5.5%	$227.0 ▲ 10.4%[1]
EBIT margin (%)	**Gearing (millions)**
11.9% ▲ 53bps[1]	$209 (net cash) ▼$9[3]
Earnings per share (basic)[2,4] (cents)	**Dividend per share (interim)[5] (cents)**
7.0 ▼ 4.6%[1]	2.0 -

[1] Excludes a one-off valuation gain of $21 million recorded in the corresponding period last year
[2] Continuing Operations only
[3] As at 30 September 2014
[4] Before fair value adjustment and exceptional items
[5] Interim dividend was declared on 7 May 2015 and paid on 11 June 2015

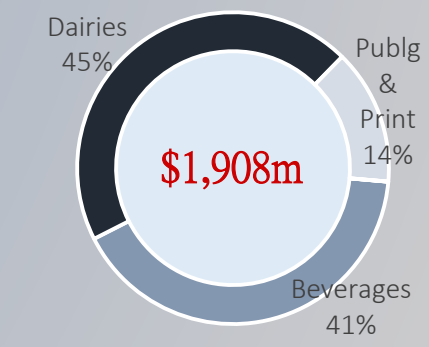
REVENUE GREW 5.5%

Supported by volume growth in Soft Drinks, Beer and Dairies, despite forex impact

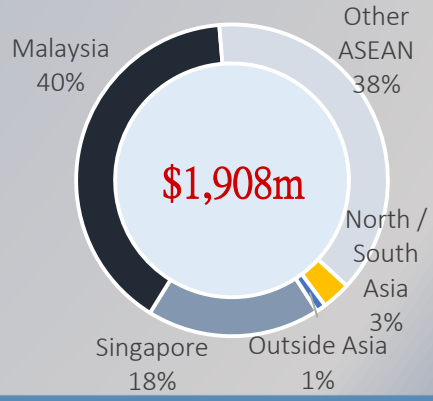
Revenue by Business Segment ($)



9M2015 Revenue by Business Segment (%)



9M2015 Revenue by Geography(%)



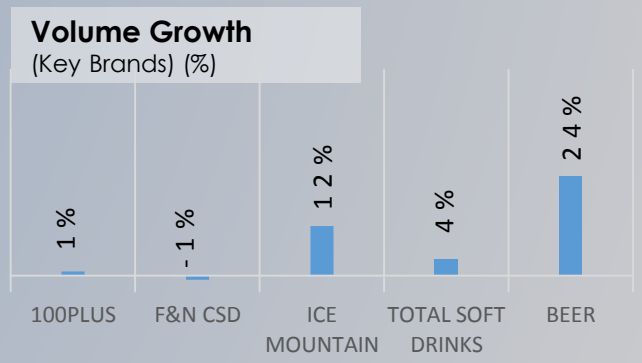
[1] Beverages comprises Soft Drinks and Beer
[2] Publg & Print denotes Publishing & Printing

Revenue | Beverages

Revenue grew 10%, driven by Beer and recovery in Soft Drinks Malaysia in 3rd quarter; moderated by weaker Ringgit and Kyat

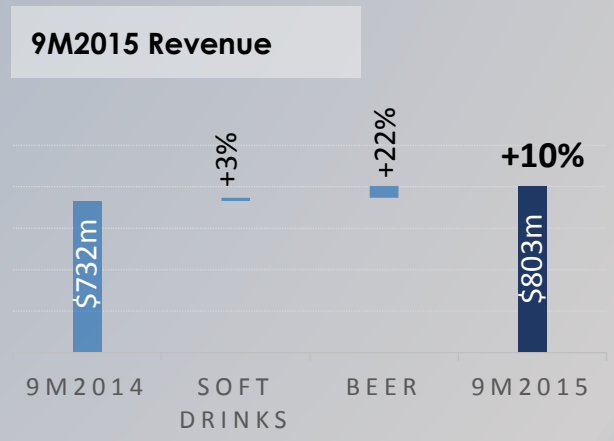
Beverages: Soft Drinks (+3%; +6% in constant currency)

- Strong recovery in Malaysia in 3Q2015 due to effective execution of festive promotion and re-stocking by distributors and retailers post-GST implementation
- Revenue impacted by weaker Ringgit and lost sales from East Malaysia floods in 1Q2015
- Singapore revenue growth driven by *100PLUS* and newly launched *Oishi* and *Cocolife*
- Maiden contribution by Yoke Food Industries



Beverages: Beer (+22%; +26% in constant currency)

- Volume grew 24% driven by effective marketing and route-to-market excellence
- *MYANMAR BEER* posted double-digit growth in sales
- Weaker Kyat adversely affected revenue



Revenue | Dairies

Revenue up 4%, driven by Dairies Thailand

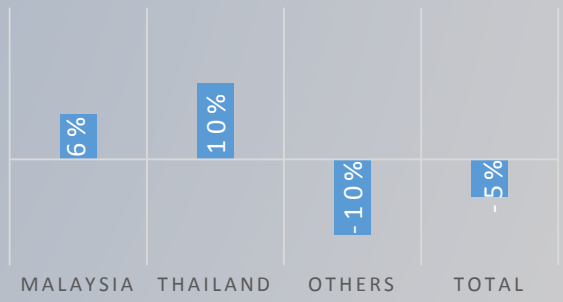
Dairies Malaysia (-3%; flat in constant currency)

- Effective brand building and trade management activities contributed to continuing growth of *F&N*, *F&N TEAPOT* and *GOLD COIN* canned milk; volume grew 6%
- Weaker ringgit and higher trade discounts (in view of lower input costs) moderated growth in revenue

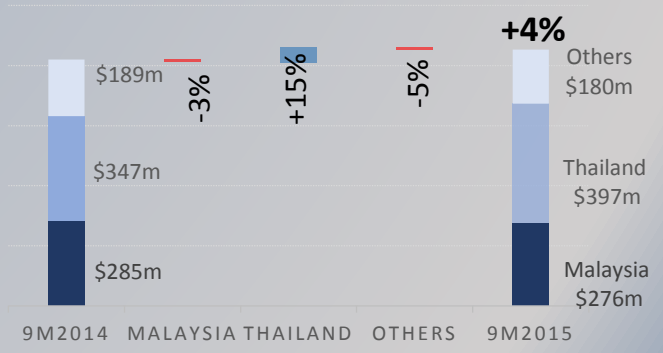
Dairies Thailand (+15%; +19% in constant currency)

- Increased outlet penetration and coverage, focused brand building initiatives, and effective promotional and trade management activities drove sales; volume rose 10%
- Higher consumer off-take, particularly of *F&N TEAPOT* and *Carnation* canned milk as the brands of choice for local consumers
- Expanded product offering with the introduction of function-based UHT milk

Volume Growth
(%)

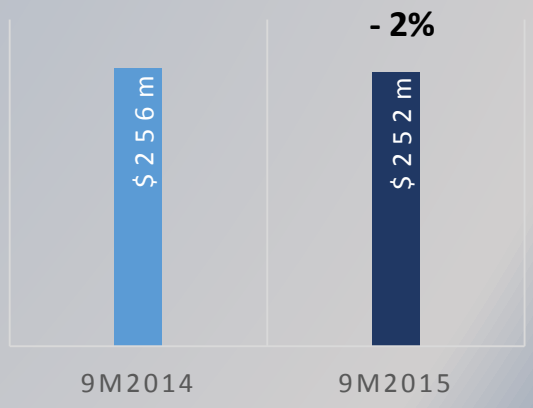


9M2015 Revenue



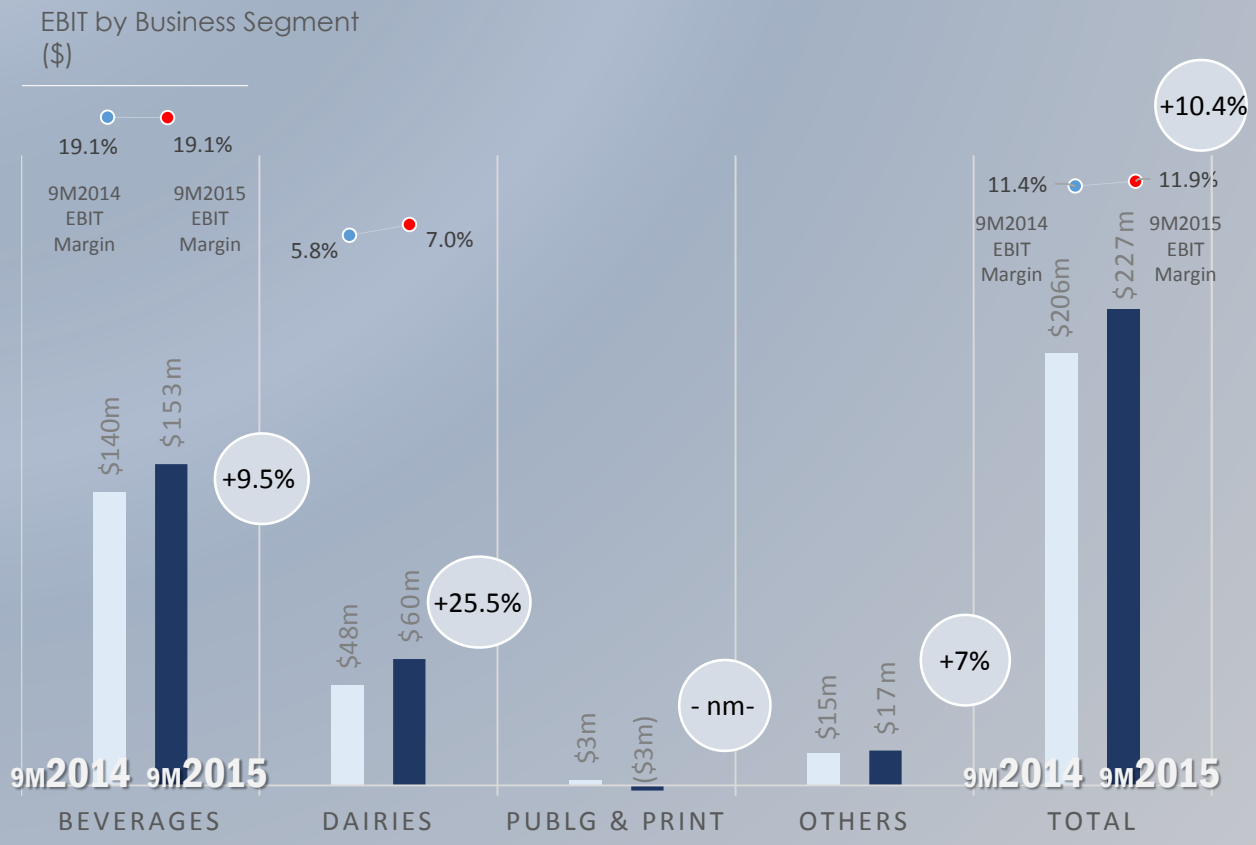
Revenue | Publishing & Printing

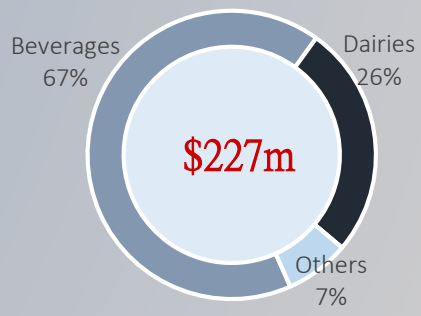
- Education Publishing continued to diversify and grow its customer base
  - Strong overseas sales from its key markets of the US and the UK
- Recovery in textbook sales in Singapore
- Improved sales in Books and Magazines Distribution, mainly in Singapore, Hong Kong and Australia
- Revenue gains offset by lower Print volume and weak printing prices due to intense competition

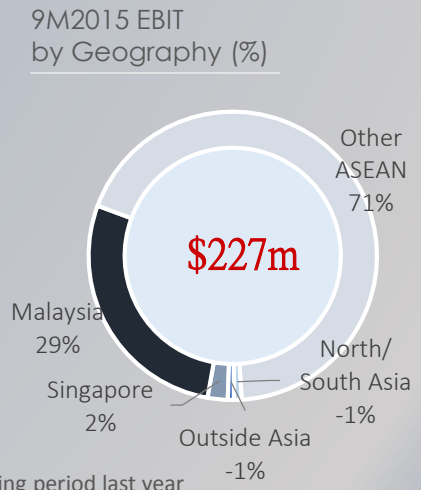


EBIT GREW 10.4%[1]

Supported by double-digit profit growth in Dairies and Beer, despite forex impact







[1] Excludes a one-off valuation gain of $21 million recorded in the corresponding period last year
[2] Beverages comprises Soft Drinks and Beer
[3] Publg & Print denotes Publishing & Printing

EBIT | Beverages

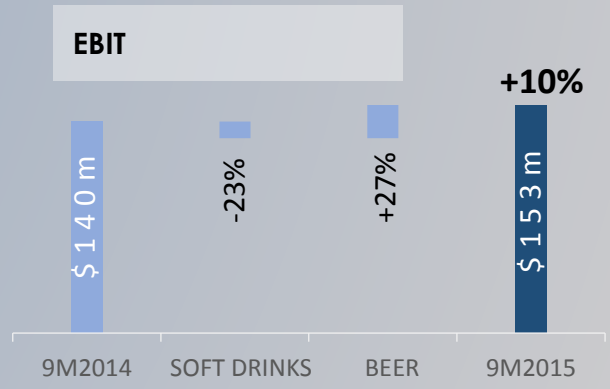
Earnings jumped 10% on higher sales, impacted by forex

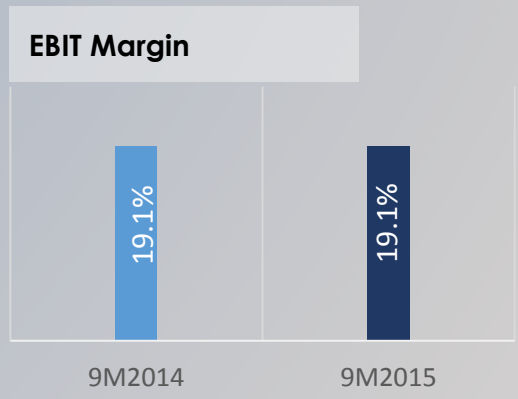
Beverages: Beer (+27%; +31% in constant currency)

- Earnings driven by higher sales and lower input costs
- Weakening of Myanmar Kyat, higher commercial tax rate and higher operating costs for the expanded operations affected earnings

Beverages: Soft Drinks (-23%; -20% in constant currency)

- Malaysia's EBIT fell 15% (-12% in constant currency), due mainly to unfavourable sales mix, and higher logistics and storage costs as a result of floods in East Malaysia in 1Q2015
- Singapore's EBIT fell 27% due to higher marketing spend on new launches of *Oishi* and *Cocolife* and the absence of one-off recorded in 9MFY2014
- Brand investment in Myanmar, Thailand and Vietnam





EBIT | Dairies

Earnings surged 25%; Malaysia and Thailand saw double-digit growth

Dairies: Malaysia (+12%; +16% in constant currency)

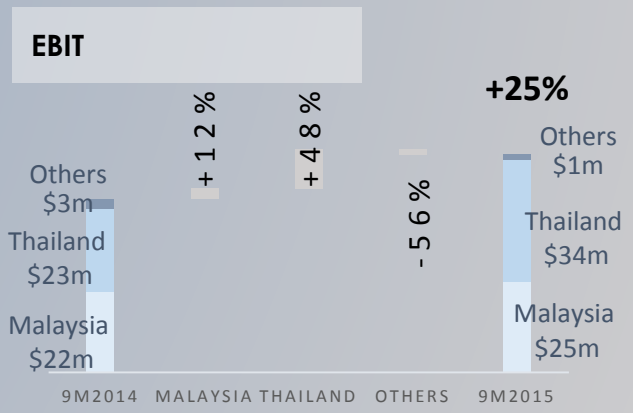
- Driven by lower input costs and continuous realised production cost savings
- Weaker Ringgit affected earnings
- EBIT margin improved to 9.1%, from 7.9%

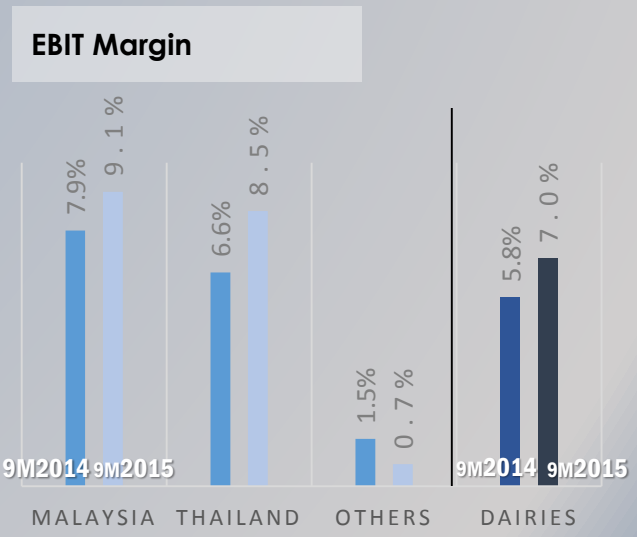
Dairies: Thailand (+48%; +53% in constant currency)

- Strong profit growth supported by higher sales, lower input costs and increased manufacturing utilisation and efficiency
- EBIT margin improved to 8.5%, from 6.6%

Dairies: Others

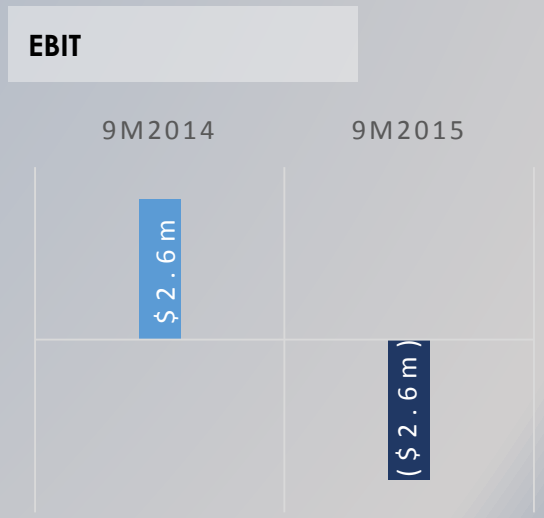
- Lower EBIT attributed to higher operating costs and higher marketing spend on new product launches, *JWEL* and *F&N MEADOW GOLD* ice cream





EBIT | Publishing & Printing

- Improvement in Education Publishing offset by losses from Printing and Distribution
- Drop in print prices, higher stock provisions made arising from an unprecedented volume of book returns and cessation of equity accounting of one of its associated company's results adversely affected earnings

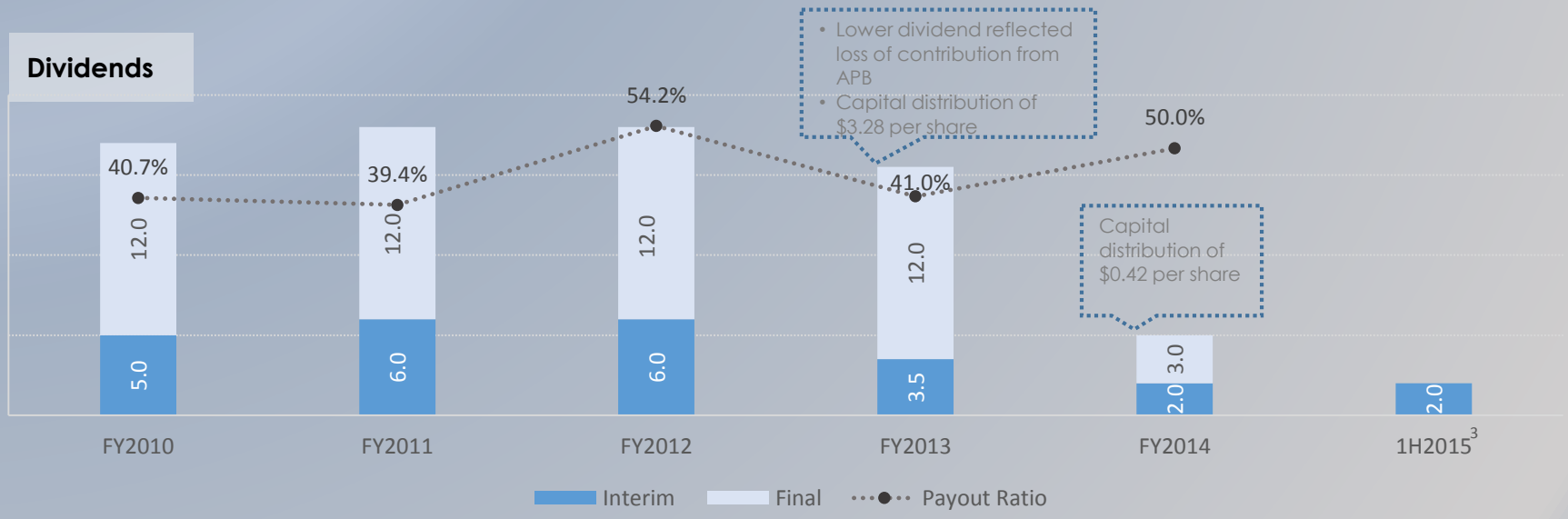


Maintained a strong financial position

Focused on prudent balance sheet management

- Interim dividend of 2.0 cents per share[3]
- Takes into account Group's capital position and near-term capital needs
- Dividend policy unchanged

Key Financial Ratios	9M2015	FY2014[1]
Total Equity[2]	$2,084m	$2,001m
Total Assets	$2,808m	$2,675m
Net cash/(Debt)	$209m	$218m



[1] Restated upon the adoption of FRS 111
[2] Includes non-controlling interest
[3] Interim dividend was declared on 7 May 2015 and paid on 11 June 2015



KEY DEVELOPMENTS: Investing for Growth

New Launch: *F&N MAGNOLIA Ginkgo Plus* in Thailand



F&N MAGNOLIA Ginkgo Plus
Launched in April 2015
3 flavours: Plain, White Malt & Chocolate

THB
700 MILLION
SALES IN YEAR 1

FUNCTIONAL UHT Milk

FORTIFIED WITH GINKGO & VITAMIN B12

THB
150 MILLION
MARKETING SPEND IN YEAR 1

New Launches



100PLUS

Thailand

2 flavours: Citrus & Lemon Lime



est Cola

Malaysia



Cocolife

Singapore and Malaysia



Oishi Green Tea

Singapore

2 flavours: Original & Genmai

New Packaging



100PLUS

Singapore
Limited Edition Packaging
Official Isotonic Drink of the 28th SEA Games



100PLUS

Malaysia
New Packaging



F&N Sparkling Drinks

Malaysia
New Packaging

Securing our future

TERM
22 YEARS CONTRACT WITH NESTLE

RIGHTS TO *CARNATION, BEAR BRAND, BEAR BRAND GOLD, IDEAL AND MILKMAID* IN THAILAND, SINGAPORE, MALAYSIA, BRUNEI, CAMBODIA AND LAOS

CARNATION IS THE NO.

1 CONDENSED MILK BRAND IN THE PREMIUM SEGMENT

OWNS 66% OF THAILAND CONDENSED MILK MARKET

BEAR BRAND IS THE NO.

1 STERILISED MILK BRAND IN THAILAND

UNRIVALLED LEADERSHIP

Range of F&N canned milk products



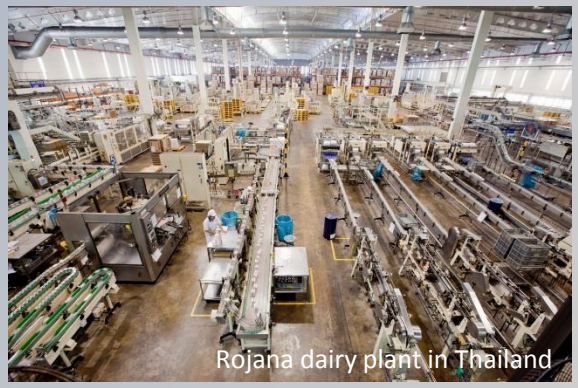
Rights to manufacture, promote, sell and distribute *Carnation* in Thailand, Laos and Cambodia; and *Carnation* evaporated creamer, *Ideal* evaporated milk, *Milkmaid* sweetened condensed milk and sweetened beverage creamer for Malaysia, Brunei and Singapore. The Group will continue to manufacture and distribute *Bear Brand* sterilised milk and *Bear Brand Gold* for Thailand and Laos

Investing for our future

THB **300** MILLION
NEW FILLING AND PACKAGING LINE IN ROJANA, THAILAND; OPERATIONAL BY END-2015

RM **100** MILLION
EXPANSION IN EAST MALAYSIA; NEW SOFT DRINKS PLANT, DOUBLING CAPACITY; OPERATIONAL BY 2021




Rojana dairy plant in Thailand

Summary

- Maintained leading positions in key markets
- Focus on
  - Strengthening our portfolio: Marketing and product innovation, and M&A
  - Allocating resources: To ensure capacities and capabilities
  - Building on/identifying strategic partnerships and extracting synergistic opportunities



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