



FRASER AND NEAVE, LIMITED

Half-Year FY2014 Results

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1H2014 performance highlights

39% EBIT growth

Strong 1H2014 performance

- Strong profit growth in challenging environment
- *Myanmar Beer, 100PLUS, F&N SEASONS* and canned milk recorded strong volume growth
- Adverse foreign exchange effect impacted profits

Group financial highlights

Revenue
(millions)

\$1,186.0

▲ 4.4%

Earnings before interest and tax ("EBIT")
(millions)

\$147.4

▲ 39.4%

EBIT margin
(%)

12.4%

▲ 312bps

Gearing
(millions)

\$875 (net cash)

▲ -nm-

Earnings per share (basic)
(cents)

5.1

▲ 15.9%

Dividend per share (interim)
(cents)

2.0

▼ 42.9%

(capital reduction of \$0.42 in Apr 2014)

¹ Restated upon the adoption of Revised FRS 19 and demerger of Frasers Centrepoint Limited ("FCL")

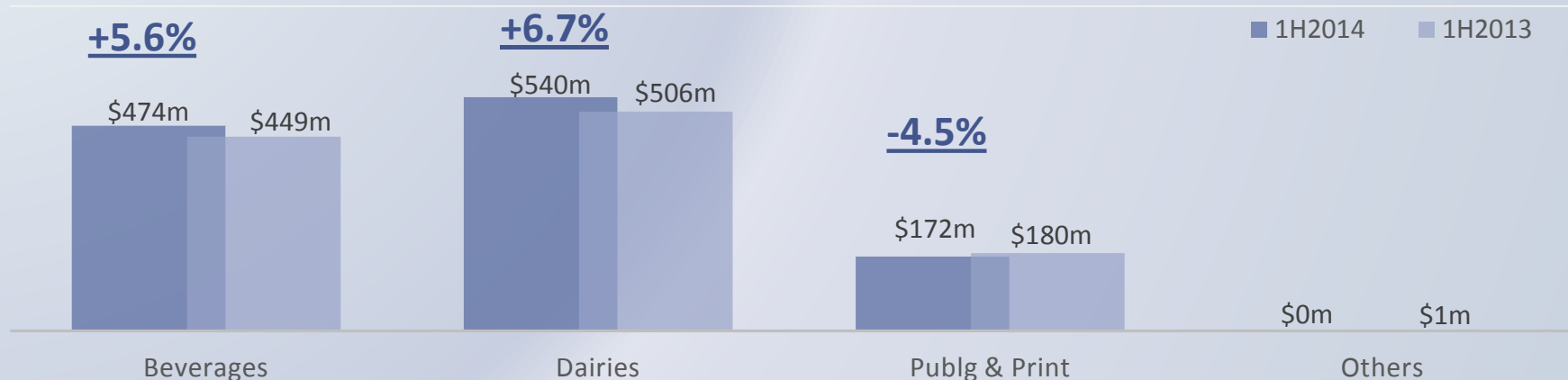
² Excludes Discontinued Operations

³ Before fair value adjustment and exceptional items

Revenue by Business

Topline growth supported by strong volume growth in Food & Beverage

Revenue **1H2014: \$1,186.0m** **1H2013¹ : \$1,136.3m** **+4.4%**



	1H2014	1H2013 ¹
Beverages	40%	39%
Dairies	46%	45%
Publishing & Printing	14%	16%
Others	0%	0%

¹ Restated upon the adoption of Revised FRS 19 and demerger of FCL

² Beverages comprises Soft Drinks and Beer

³ Publg & Print denotes Publishing & Printing

Revenue | Beverages

Revenue growth curbed by weaker Kyat and Ringgit

	1H2014	1H2013 ¹	Change
Volume ('000 litres)	445	421	+5.7%
Revenue	\$474m	\$449m	+5.6%

Beer

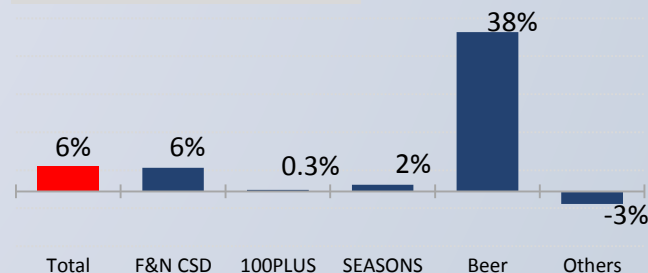
- Volume jumped 38%, driven by effective marketing and sports sponsorship
- *MYANMAR BEER* recorded double-digit growth; *ANDAMAN BEER* volume more than doubled
- Weaker Kyat adversely affected revenue; Beer revenue improved 21%

Soft Drinks

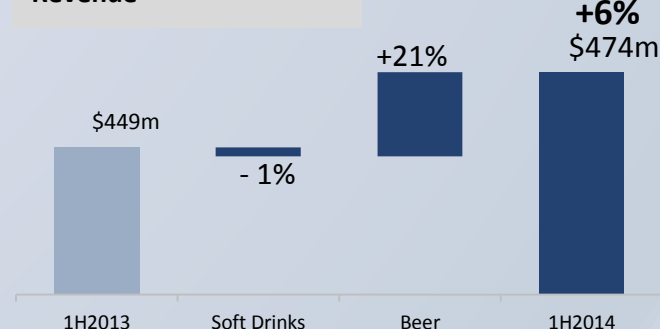
- Volume and sales adversely affected by weaker consumer sentiment due to withdrawal of Government subsidies
- *100PLUS* and *F&N SEASONS Nutrisoy* recorded an increase in market share
- Weaker Ringgit of 3% resulted in a slight drop in Soft Drinks topline by 1%

Volume growth

(Key Brands) (%)



Revenue



Revenue | Dairies

Dairies in Malaysia and Thailand recorded double-digit volume growth

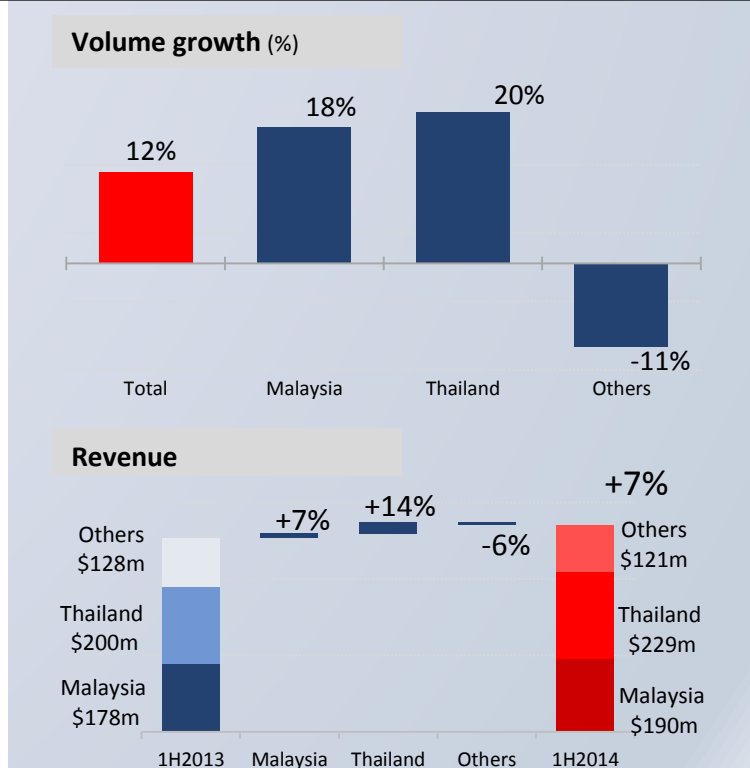
	1H2014	1H2013 ¹	Change
Volume ('000 kg/litres)	298	266	+12.0%
Revenue	\$540m	\$506m	+6.7%

Dairies: Malaysia

- Strong volume growth driven by increased share of on-trade and various brand awareness, promotional and effective trade discount management programmes, despite weaker consumer sentiment
- Volume increase is ahead of category growth
- Revenue growth driven mainly by *TEAPOT* and *GOLD COIN* canned milk
- Sales adversely affected by weaker Ringgit

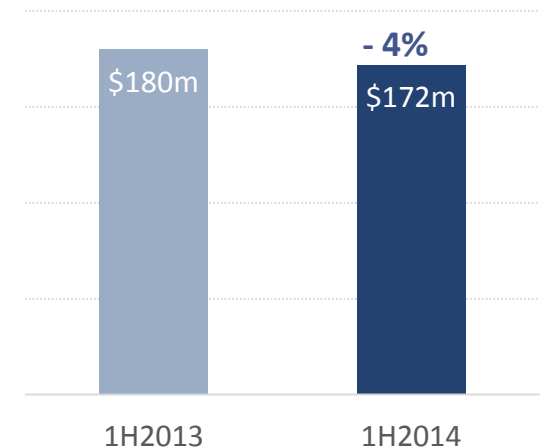
Dairies: Thailand

- Double-digit volume and sales growth arising from effective brand building activities and increased outlets penetration
- F&N brands performed well, with higher sales from *TEAPOT* canned milk and *F&N MAGNOLIA* pasteurised milk
- Sales adversely affected by weaker Baht



Revenue | Publishing & Printing

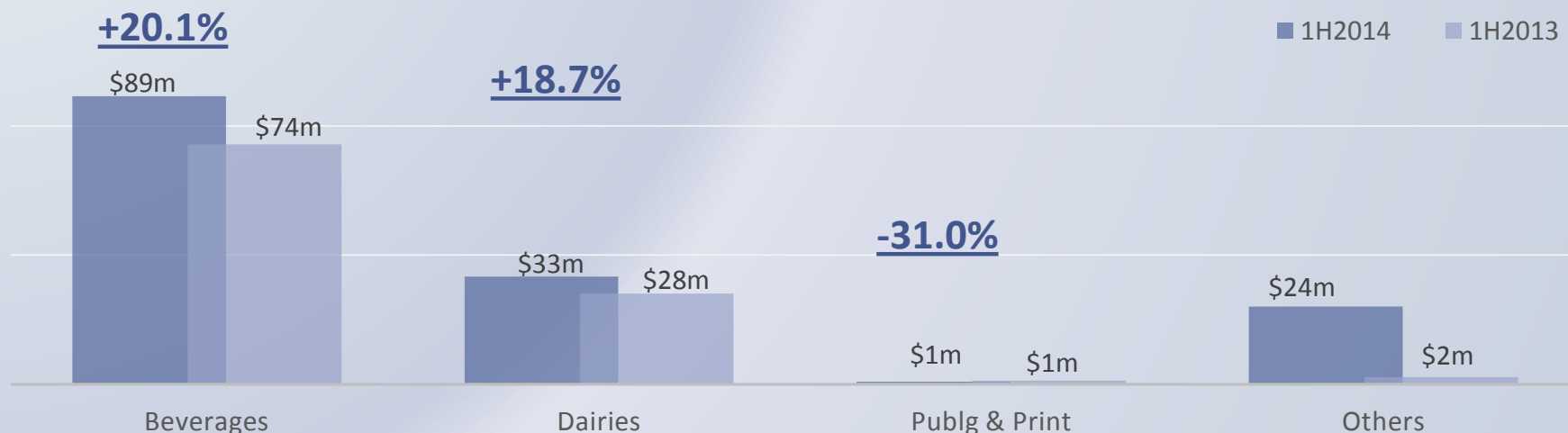
- Overseas expansion on track
 - Strong overseas sales partly offset by lower local sales
 - Exclusive partnership with Oxford University Press; textbook adoption in Chile
- Downward price pressure on Printing and lower non-magazine distribution sales
 - Despite lower prices, print volume remained stable
 - Lower demand from the US, Europe and Australia, partly compensated by successful acquisition of local and regional print work



EBIT by Business

Profit growth supported by Food & Beverage

EBIT **1H2014: \$147.4m** **1H2013¹: \$105.8m** **+39.4%**



	1H2014	1H2013 ¹
Beverages	60%	70%
Dairies	23%	27%
Publishing & Printing	1%	1%
Others	16%	2%

¹ Restated upon the adoption of Revised FRS 19 and demerger of FCL

² Beverages comprises Soft Drinks and Beer

³ Publg & Print denotes Publishing & Printing

EBIT | Beverages

Earnings jumped 20% on higher sales and improved margins, despite weaker Kyat and Ringgit

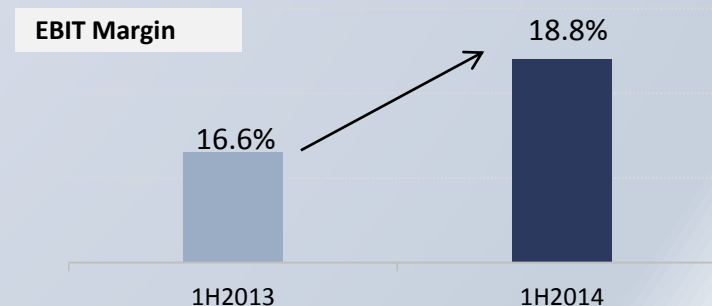
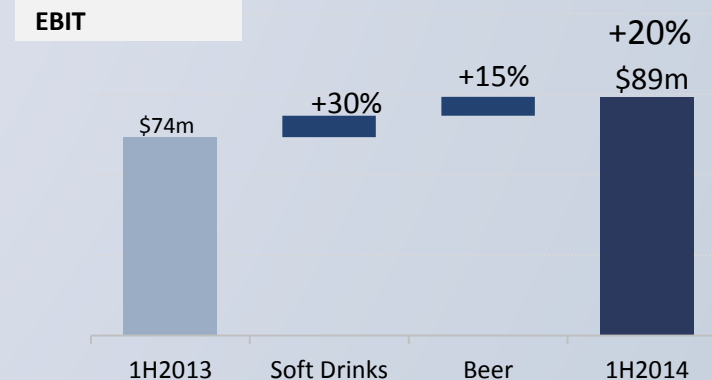
	1H2014	1H2013 ¹	Change
Volume ('000 litres)	445	421	+5.7%
Revenue	\$474m	\$449m	+5.6%
EBIT	\$89m	\$74m	+20.1%

Beer

- Earnings driven by higher sales
- Higher marketing spend and distribution cost as well as weaker Kyat affected earnings; Beer EBIT improved 15%

Soft Drinks

- Singapore returned to profit with improved sales and operational efficiencies
- Favourable sales mix, lower trade discounts, lower input costs and improved factory yield boosted earnings by 30%
- Margins improved to 11.1%
- Continuous effort to invest in brand building and innovation to protect market positions in Singapore and Malaysia



EBIT | Dairies

Margins improved on lower input and conversion costs

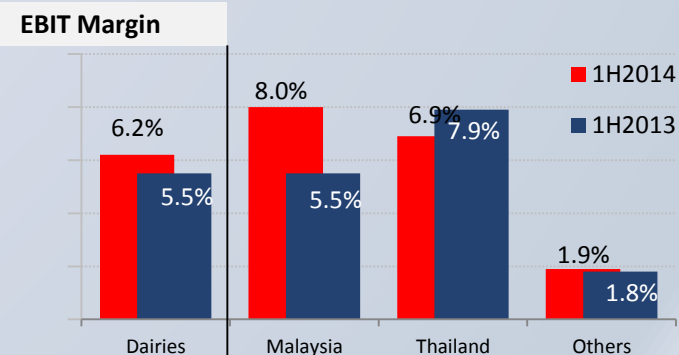
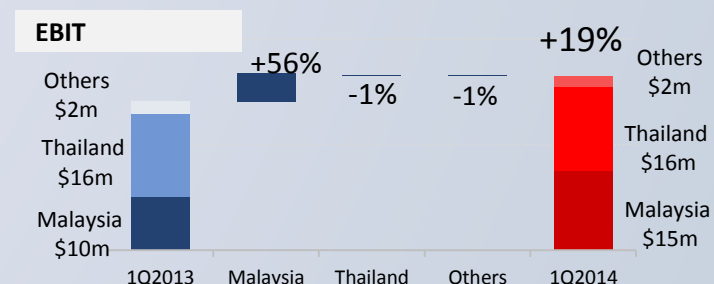
	1H2014	1H2013 ¹	Change
Volume ('000 kg/litres)	298	266	+12.0%
Revenue	\$540m	\$506m	+6.7%
EBIT	\$33m	\$28m	+18.7%

Dairies: Malaysia

- Volume grew 18%, ahead of category from improved market execution
- Earnings improved by 56% on higher sales and conversion cost savings arising from the best-in-class Pulau Indah plant
- EBIT margin improved to 8.0%

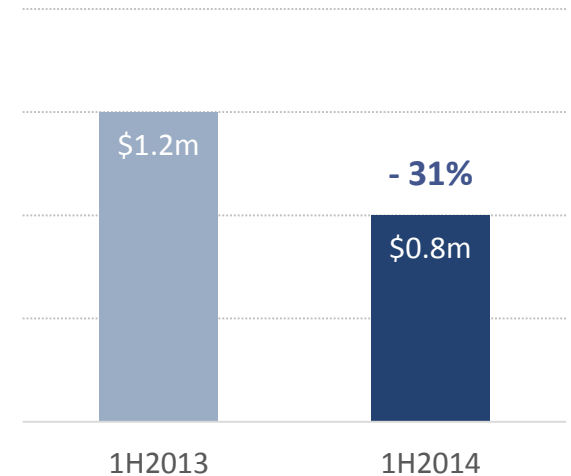
Dairies: Thailand

- Despite strong volume growth, EBIT dropped slightly by 1% due to higher input costs and weaker Baht



EBIT | Publishing & Printing

- Printing profitability improved
 - Profitability improved on effective cost control
 - Benefited from better workflow and savings in operating cost due to consolidation of printing operations in Singapore
- Negated by lower sales from local Education Publishing and non-magazine distribution, and higher amortization cost from Publishing
- Improved performance of associated companies boosted profit



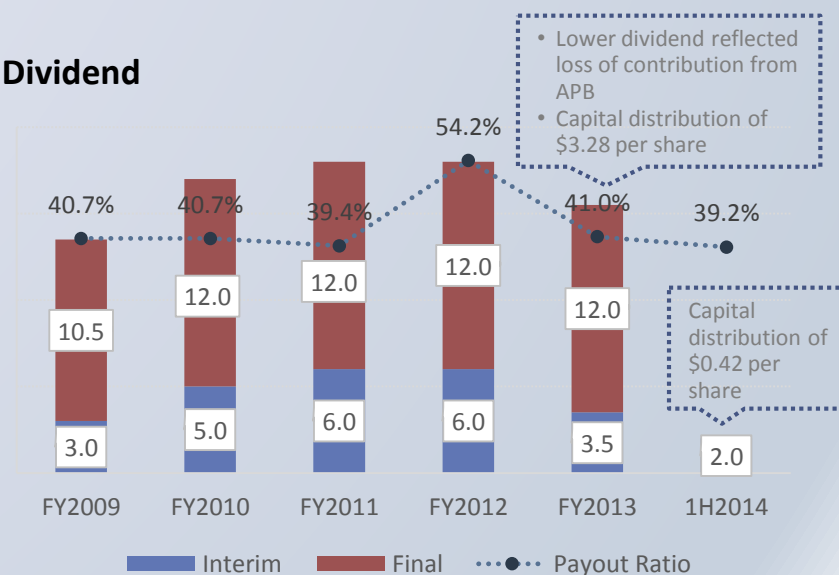
Maintained a strong financial position and focused on prudent balance sheet management

- 1H2014 balance sheet reflects completion of distribution *in specie* of Frasers Centrepoint Limited (“FCL”) shares
- Capital distribution of \$0.42 per share (\$607 million) completed in April 2014
 - Including \$3.28 per share capital distribution in July 2013, the Group had distributed some \$12 billion to shareholders in last 12 months
 - Net cash position
- Declared interim dividend of 2.0 cents per share
 - Reflects Group’s earnings following demerger
 - Takes into account Group’s capital position and near-term capital needs
 - Dividend policy unchanged

Key Financial Ratios

	1H2014	FY2013 ¹
Total Equity ²	\$2,703m	\$8,878m
Total Assets	\$3,403m	\$14,145m
Net cash/(Debt)	\$875m	(\$1,500m)

Dividend





SINGAPORE'S
FAVOURITE
SOYA MILK
您心爱的豆奶

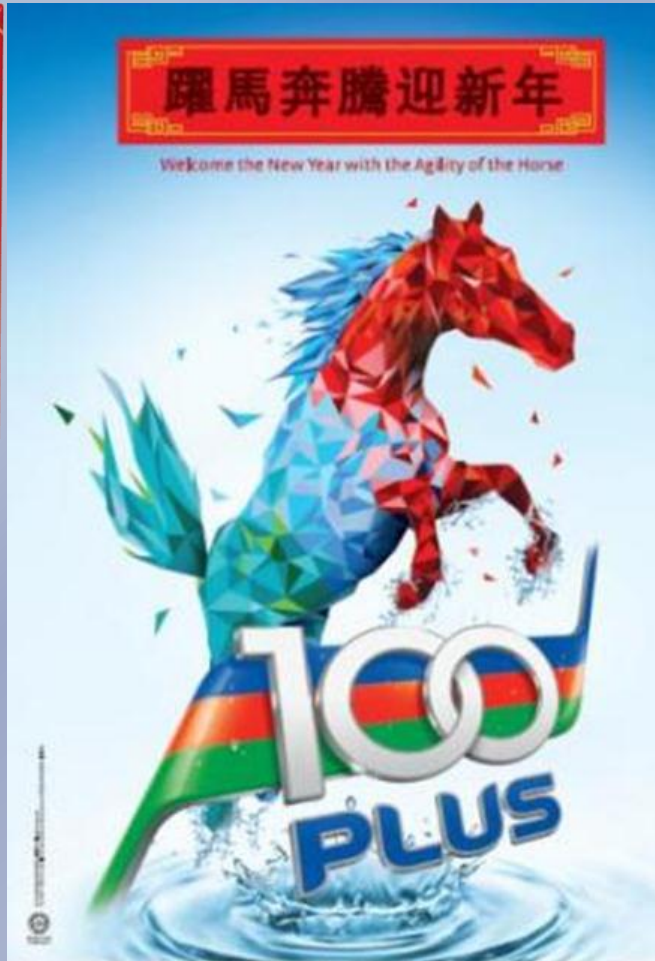
Now
in NEW PACKS!
现以新包装销售



FY2014 Half-Year Highlights

1. Strong Chinese New Year activation across all categories... with favourable sales mix and strong route-to-market strategy

Beverages | Soft Drinks activation



2. Consumer-focused ACTIVATION...

Beverages | Myanmar Soft Drinks:
100PLUS in SEA Games!





Beverages | Myanmar Soft Drinks: 100PLUS in SEA Games!





Myanmar Strikes Gold!

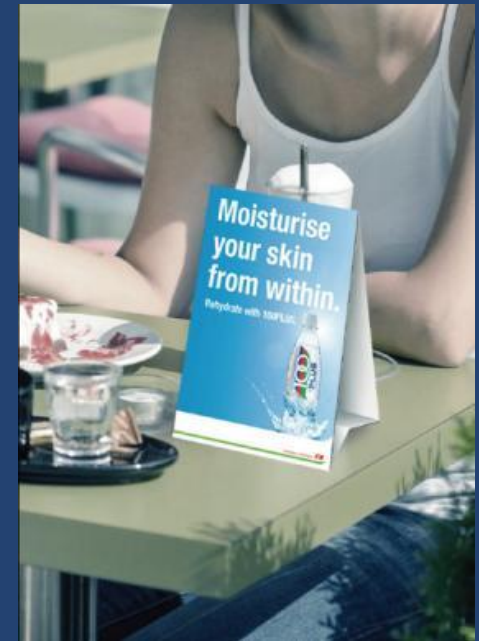


Temperature Sensitive Billboards

Shopping Malls / Car Park

Uni / College

Mamaks / Café / Coffee Shop



Beverages | Malaysia Soft Drinks:
F&N SEASONS Nutrisoy, breakfast love

Consumer-focused activation... associating *F&N SEASONS Nutrisoy* with breakfast



Above-the-line Print Ads:
Editorial write-up



3. Consumer-focused INNOVATION...



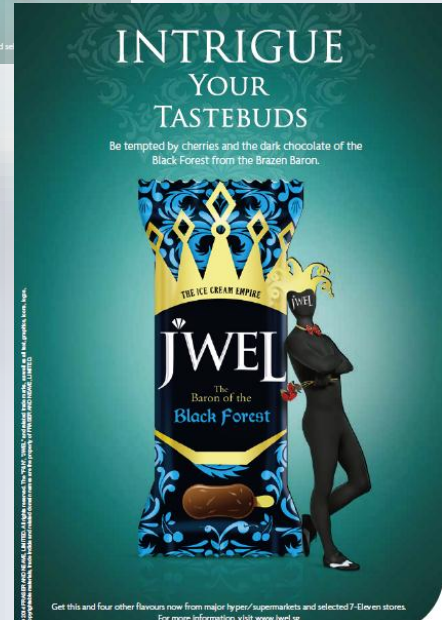
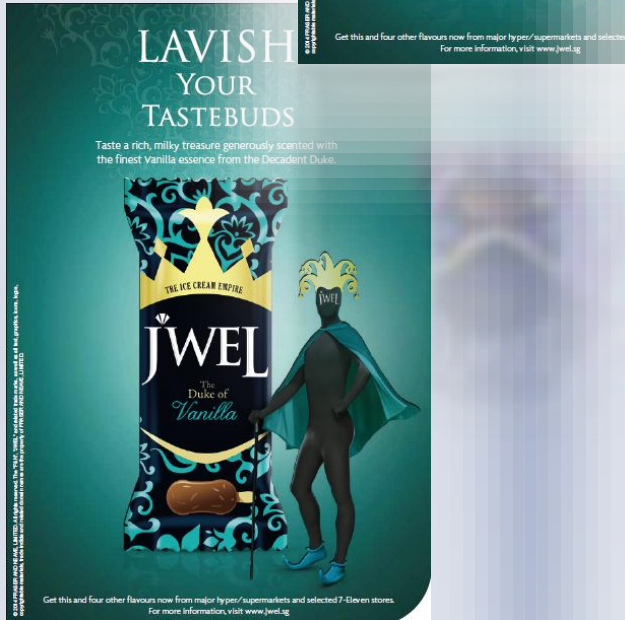
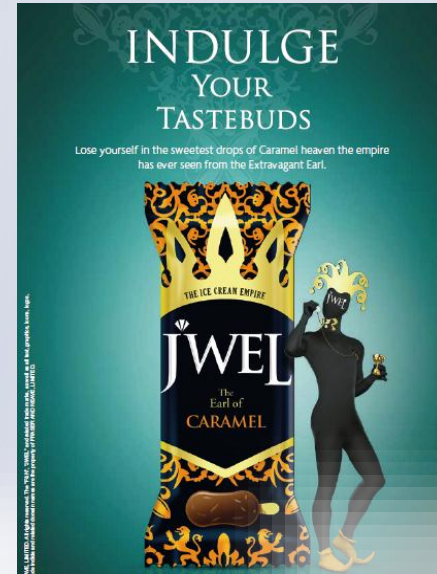
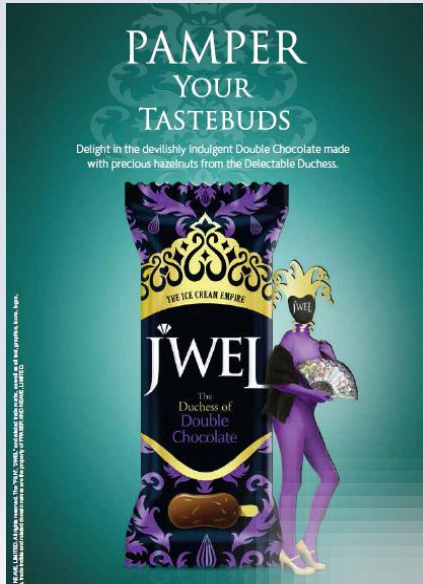
Dairies |

Singapore Dairies:

Launch of F&N FRUIT TREE Fresh Yuzu

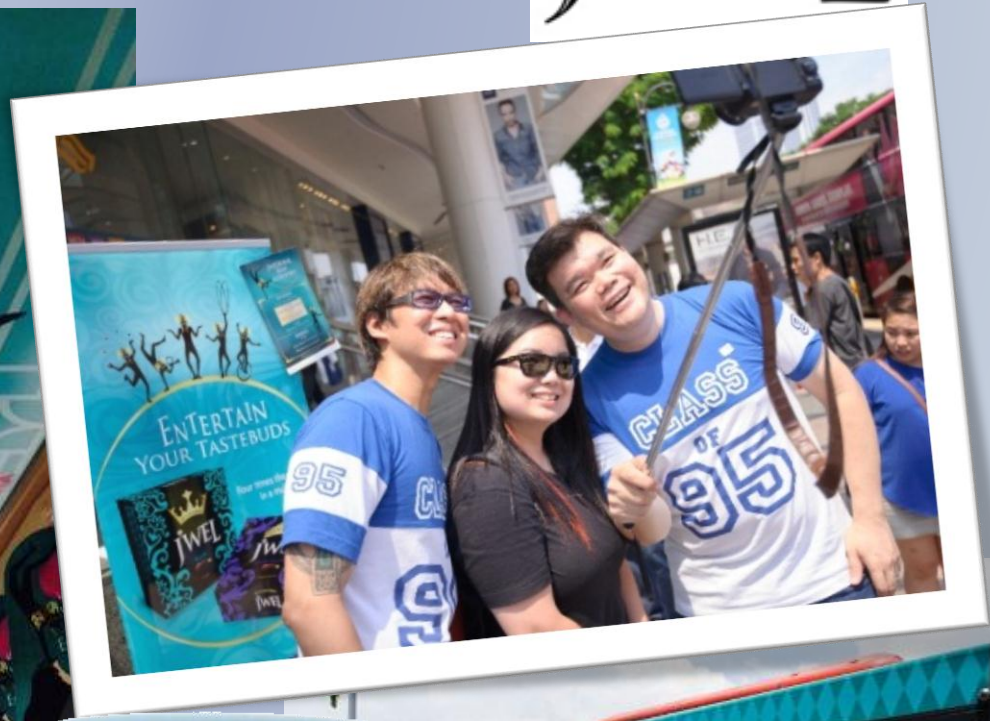


Singapore Ice-Cream: Launch of Premium Ice-Cream



Dairies |

Singapore Ice-Cream: Launch of Premium Ice-Cream



4. Targeted ACQUISITION...

Acquired 70% of Yoke Food Industries for \$21m

- A Malaysia-based company that manufactures, markets and distributes canned beverages
- Immediate access to YFI's production capacity in the fast-growing non-carbonated beverages segment
- Broaden routes to markets, in particular Indonesia and Indochina



Summary

Summary

- A strong start to the year
- 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
 - Prudent financial management



FRASER AND NEAVE, LIMITED

Thank you

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