



Fraser & Neave Holdings Bhd

FY09/10 Half Year Results Briefing

7 May 2010

Presented by : Tan Ang Meng, CEO

Financial highlights



RM mil	1H10	1H09	+/- (%)
Revenue	1,995.3	1,878.9	+6.2
PBIT (before UI)	216.2	168.5	+28.3
PBIT (after UI)	216.2	158.5*	+36.4
PBT	209.2	150.5	+39.0
PAT	164.2	113.9	+44.1
AP	162.9	104.2	+56.4

- Robust group performance buoyed by strong momentum
- Double digit profit growth, PBIT 216mil, AP 163mil
- Soft drinks recorded highest CNY volume in Jan 2010, > 7 mil cases
- Dairies Malaysia volume grew 11%
- Dairies Thailand domestic & Indochina revenue surged 17%

* After charging RM10mil in respect of the closure of the glass plant in PJ

Financial highlights

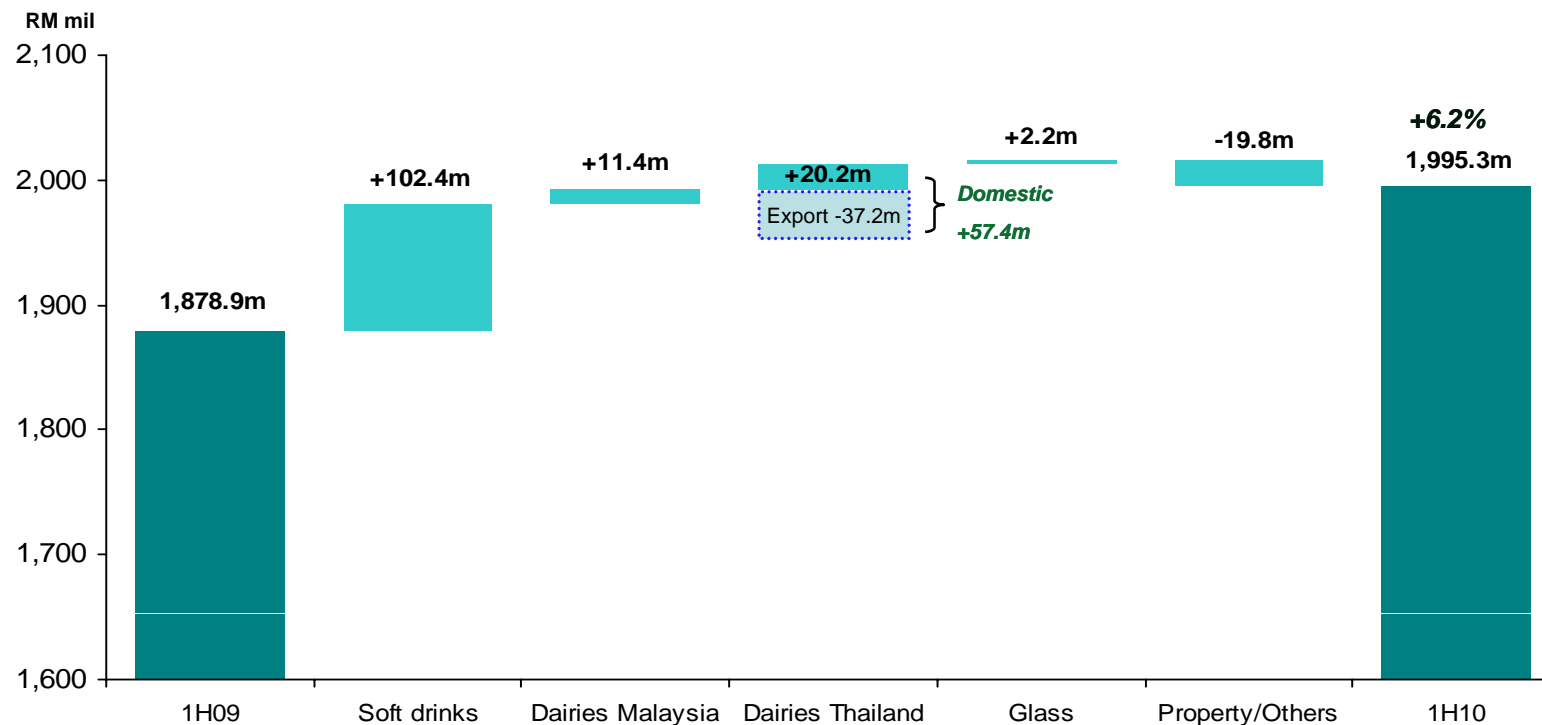


Key ratios	1H10	1H09	+/- (%)
<i>Per share</i>			
- EPS (sen)	45.7	29.3	+56.4
- NAV (RM)	3.75	3.41	+10.0
- DPS (net)(sen) ~ interim	16.50	12.75	+29.4
PBIT margin before UI	10.8%	9.0%	↑
ROE (half year)	12.2%	8.6%	↑
Net Gearing (x)	0.2	0.2	↔
Share price @ 31 Mar (RM/share)	10.58	8.25	↑

Group revenue



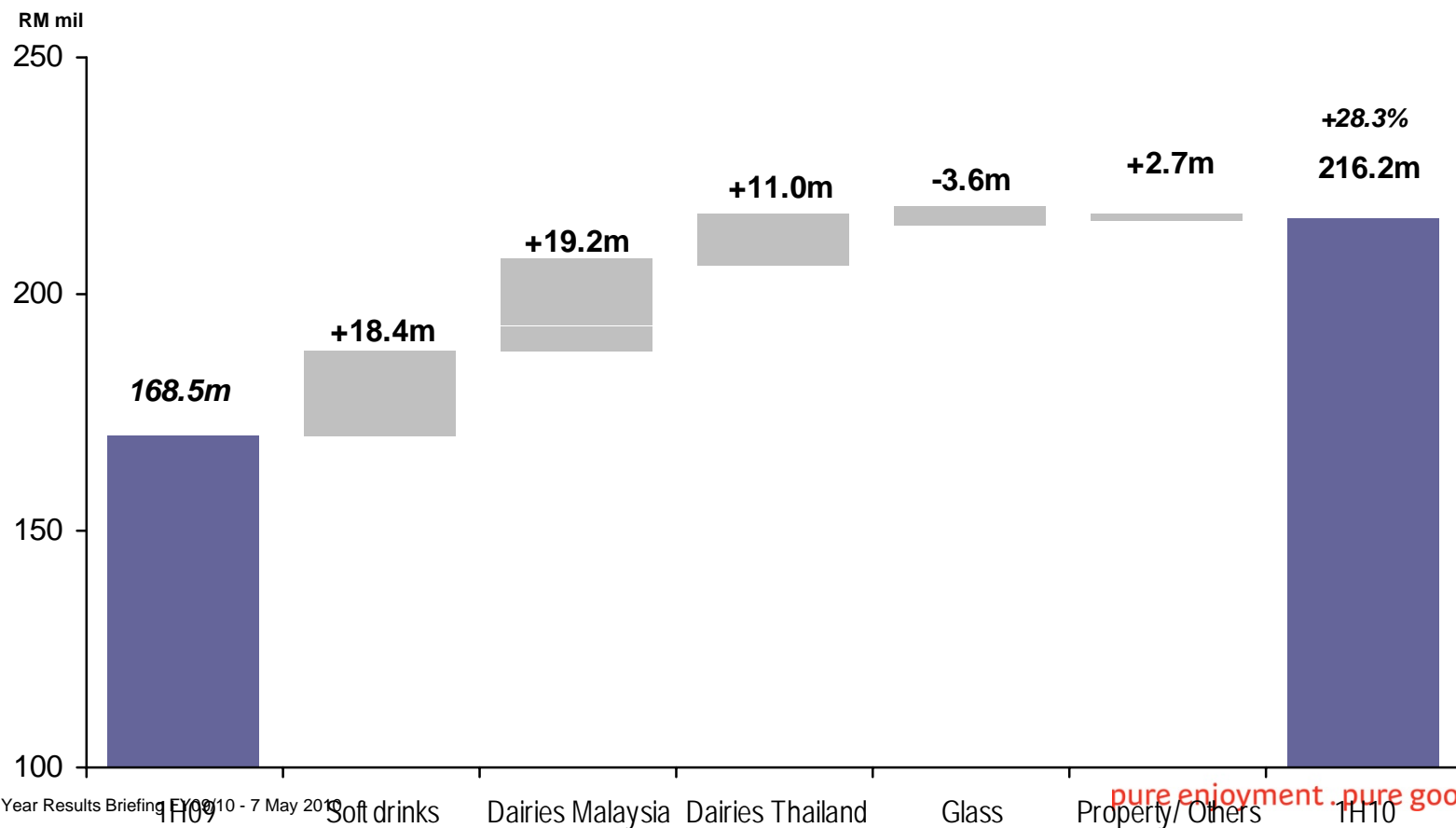
- Group revenue grew 6% driven by higher soft drinks & Dairies Thailand domestic sales offset by property & lower exports
- Soft drinks revenue expanded 15%, led by higher Isotonic & ASD sales
- Dairies Malaysia revenue +2% due to change in sales mix
- Strong revenue growth of 17% from Thai domestic & Indochina markets



Operating profit (PBIT)



- Group PBIT before UI jumped 28.3%
- Core F&B business showed strong performance
- Glass profit dampened by poorer results in Vietnam & Thailand

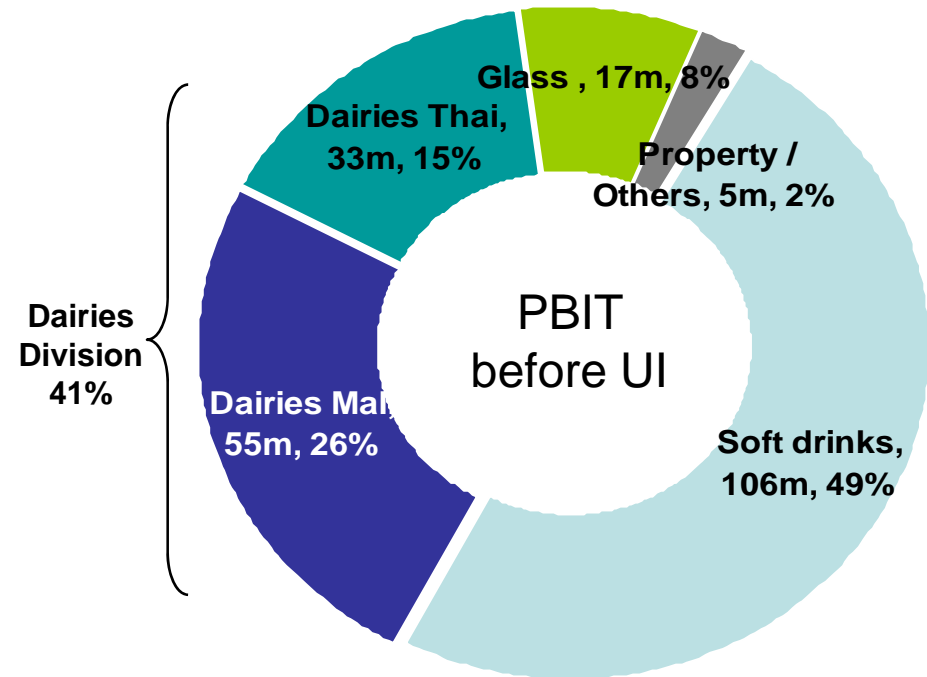
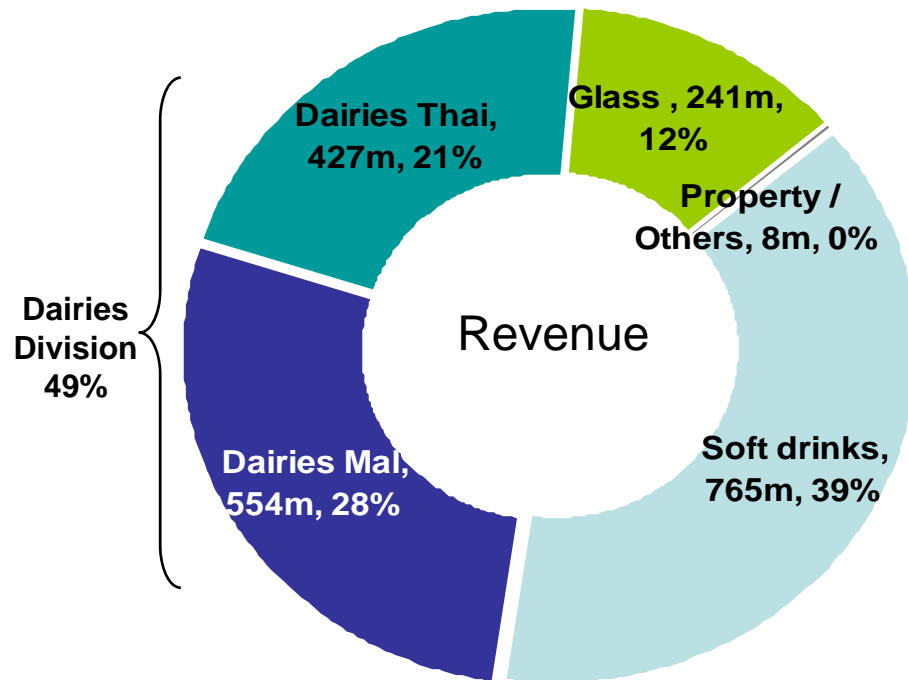


Segment revenue & PBIT



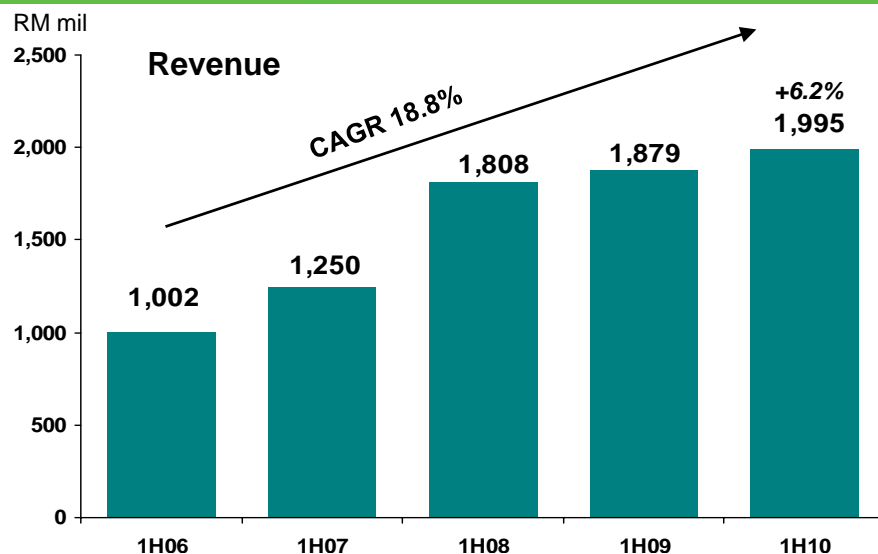
RM 1,995mil

RM216mil

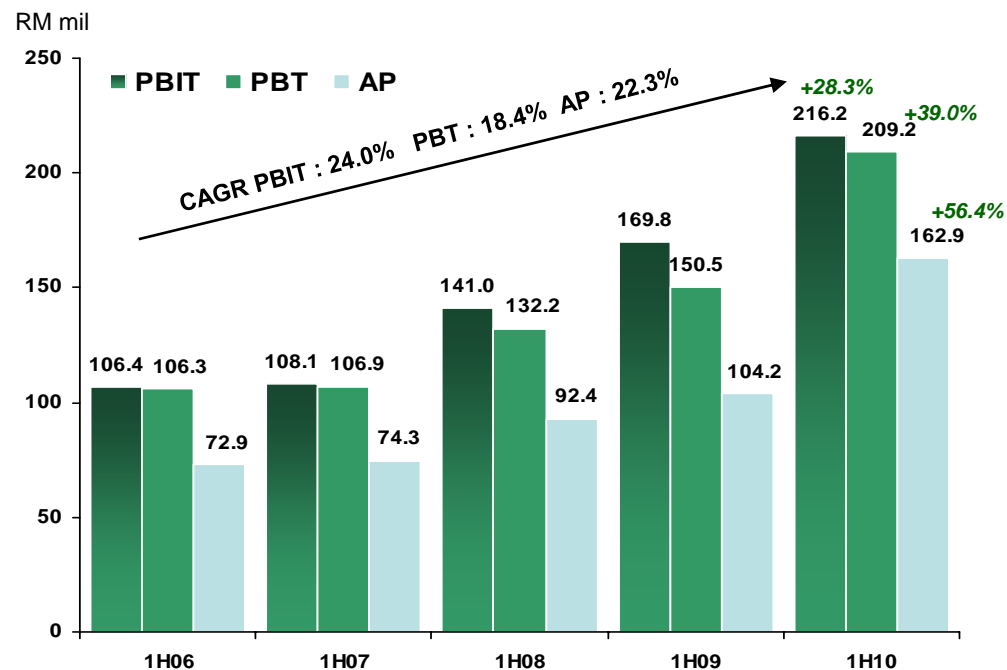


- Dairies is largest revenue segment with 49% delivering 40% of PBIT
- Soft drinks with 39% of revenue delivering 50% of PBIT
- Soft drinks & Dairies contributed 90% of profit

Last 5 years growth



- Record 1st Half revenue and profit
- Revenue and profit continued to chalk up health growth over the last 5 years
- Double digit growth for revenue & profit over 5 years

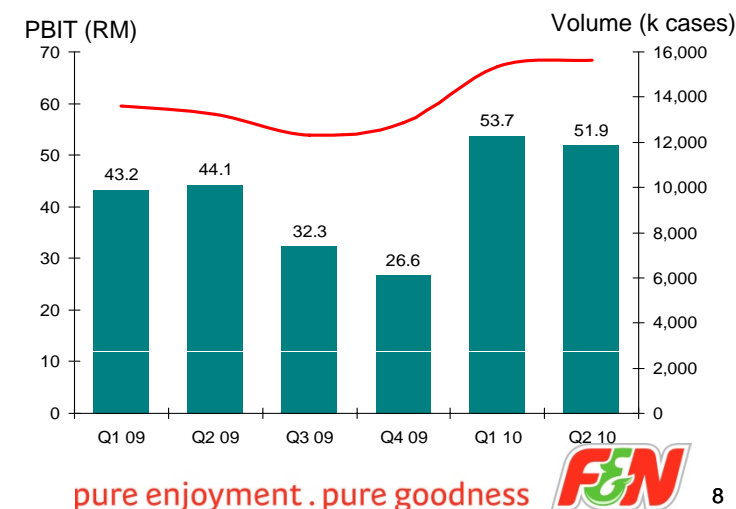


Operations Review - Soft drinks



	RM mil	vs. LY
Revenue	765.5	+15.4%
PBIT (before UI)	105.6	+21.1%

- Volume & revenue +15.4%, driven by strong festive performance
- Record CNY sales of > 7 mil cases, attributable to well timed execution of festive activations
- 100 Plus & Seasons continued to be star performers
- Entered into distribution agreement with Red Bull effective 1 Apr 2010
- Seasons fruit teas extensions launched
- Fruit Tree ambient juices to be launched this month
- New PET line in Shah Alam expected to be ready before Hari Raya



Soft drinks – new product launch

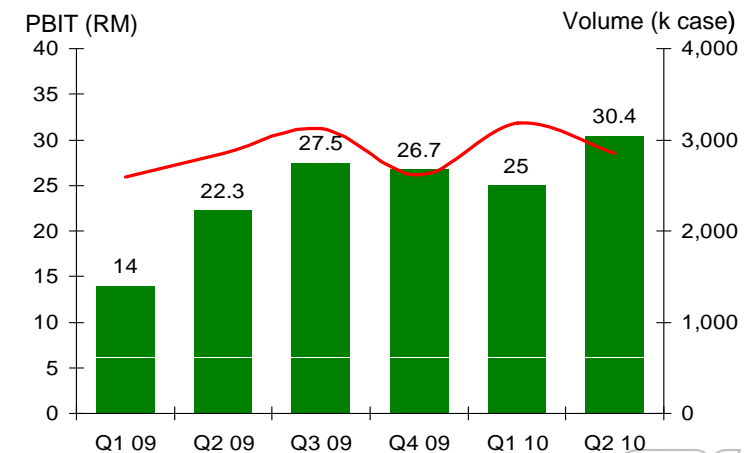


Operations Review - Dairies Malaysia



	RM mil	vs. LY
Revenue	554.2	+2.1%
PBIT (before UI)	55.4	+52.8%

- Volume +11%, revenue +2%
 - Domestic & export volume grew 10% & 16% respectively
 - Revenue affected by change in sales mix & loss of LKK trading business
- PBIT jumped 53% due to higher operational efficiencies and lower input cost
- New products launched during first half year :
 - F&N Extra with Tongkat Ali & Ginseng
 - Magnolia Good morning & good night milk
 - Sunkist Dash
- Pulau Indah construction on track for completion by end 2011



Dairies Malaysia – new product launch



Introducing **F&N eXtra**
with **Tongkat Ali and Ginseng**.

For coffee, tea and... Semua pun boleh.

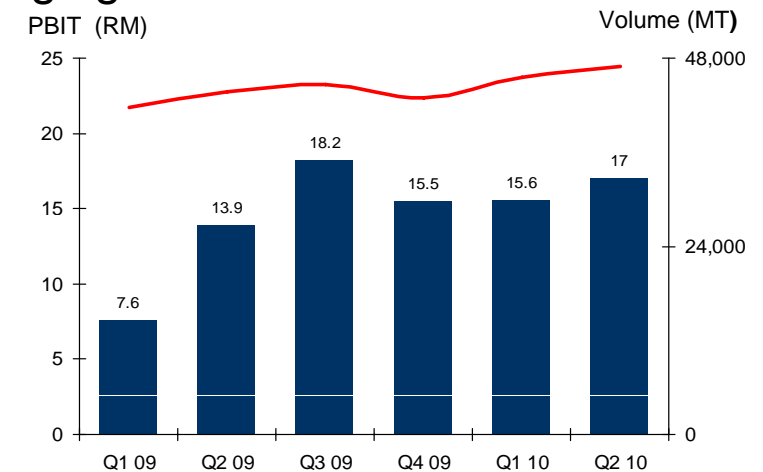


Operations Review - Dairies Thailand



	RM mil	vs. LY
Revenue	427.4	+ 5.0%
Domestic (including Indochina)	396.8	+16.9%
Exports	30.6	-54.9%
PBIT (before UI)	32.5	+51.0%

- Volume increased 8%, recovered from LY's melamine issue
- Domestic volume +16%, all categories showed improvement, Indochina volume grew more than doubled due to better distribution channel
- Exports volume -43%, resulting from lower sales to Nestle affiliates in Indonesia
- Tea Pot, Bear Brand & Carnation displayed double digit growth in both Thailand & Indochina
- PBIT gained 51% due to higher efficiencies (Rojana Plant) lower input costs. Margins improved to 7.6% (LY5.3%)
- Rojana fully operational from Dec 2009

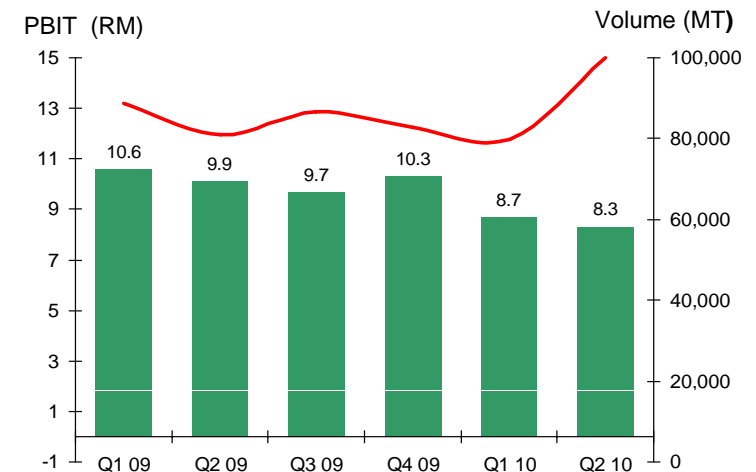


Operations Review - Glass



	RM mil	vs. LY
Revenue	240.6	+0.9%
PBIT (before UI)	17.0	-17.4%

- Volume +6%
- Revenue flat across all regions mainly due to lower selling prices
- PBIT contracted 17% on higher energy costs in Vietnam & lower selling prices in Thailand



Operations Review – Property/Others



	RM mil	vs. LY
Revenue	7.6	-72.3%
PBIT (before UI)	5.6	+96.5%

Fraser Business Park - Phase II :

- 99% of the project completed, ready by May 2010
- Handover of retail units & service apartments (61% sold) to buyers in Apr 2010
- Continuing efforts in place to sell unsold units

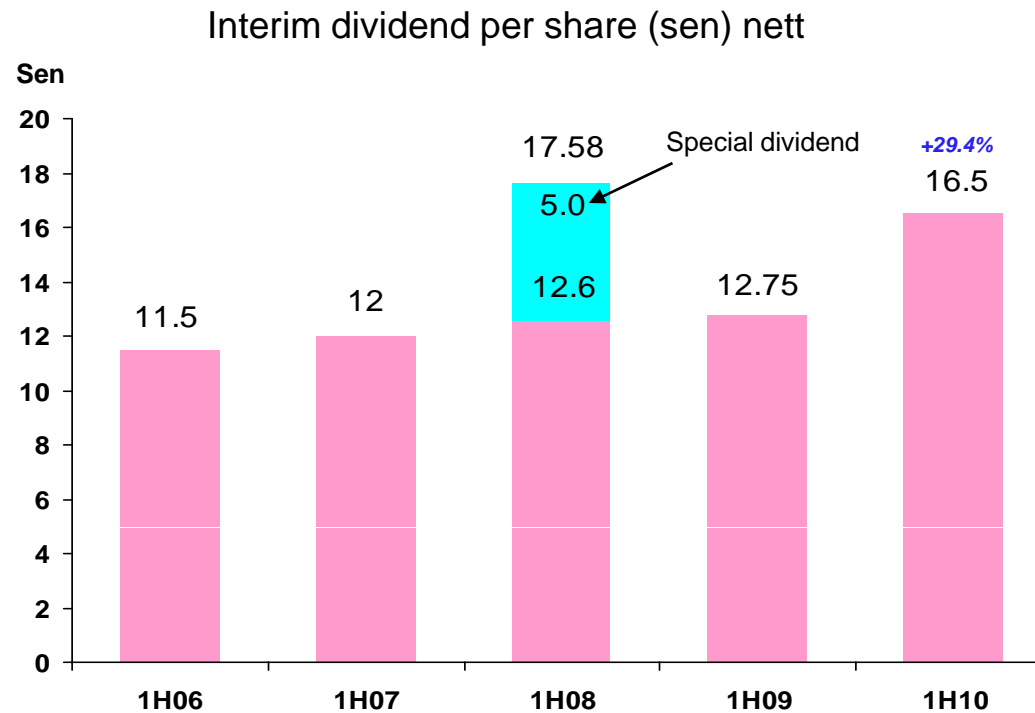
Ampang Hilir :

- Entered into SPA with Mah Sing to dispose Ampang Hilir land on 22 Apr 2010
- Estimated disposal gain of RM22 mil and transaction expected to complete in 2nd Half

Dividends



- Interim net dividend of 16.50 sen per share, 29% higher vs. LY
- Payment date 4 Aug 2010





Negative factors

- Commodity prices trending upwards
- Political unrest in Thailand

Positive factors

- Improving economic outlook in Malaysia & Thailand
- Positive consumer sentiment / increase spending in Malaysia
- Weakening greenback



End of presentation

The advertisement is divided into two main sections. The top section features a black and white photograph of a person sleeping peacefully in bed. A small container of F&N Good Night product is placed on the bed next to them. To the right of the image, the word "relax" is written in a large, elegant, cursive font, with the tagline "with lactium for better sleep" underneath in a smaller, sans-serif font. A white, curved banner with a drop shadow separates the top and bottom sections, containing the text "A good day begins with a Good Night and a Good Morning." in a sans-serif font. The bottom section features a photograph of a woman in a white dress standing with her arms outstretched, looking up at a bright sky. A small container of F&N Good Morning product is superimposed on the image, appearing to be held by her hand. To the left of the image, the word "boost" is written in a large, lowercase, sans-serif font, with the tagline "kick-start with energy" underneath in a smaller, sans-serif font.