

ANNUAL REPORT 2012

# JOURNEY ▶

## VISION

To be a world-class multinational enterprise with an Asian base, providing superior returns with a focus on Food & Beverage, Properties and Publishing & Printing businesses.



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129 years ago, two visionaries set up a modest company to produce carbonated soft drinks. This company would eventually become one of the food and beverage giants in the region – Fraser and Neave, Limited.



## 1883

John Fraser and David Chalmers Neave established The Singapore and Straits Aerated Water Company to produce carbonated soft drinks.

## 1898

The Singapore and Straits Aerated Water Company went public as Fraser and Neave, Limited.

## 1931

Malayan Breweries Limited (subsequently renamed Asia Pacific Breweries Limited ("APB") in 1990) was formed in a joint venture with Dutch company, Heineken, to produce beer.

Tiger beer, Singapore's best loved homegrown beer, was subsequently launched.

The Group divested its interests in APB in 2012.

## 1959

A sweetened condensed milk plant was built in Petaling Jaya, Malaysia, under a joint venture with Beatrice Foods of Chicago.



## 1985

Singapore breweries and soft drinks plants were relocated to free up sites for a new core business in properties.



## 1999

A 20.1% stake in Times Publishing was acquired and a takeover offer was subsequently launched for the company.

## 2006

F&N embarked on an asset-light strategy with the launch of its retail REIT, Frasers Centrepoint Trust.

## 2008

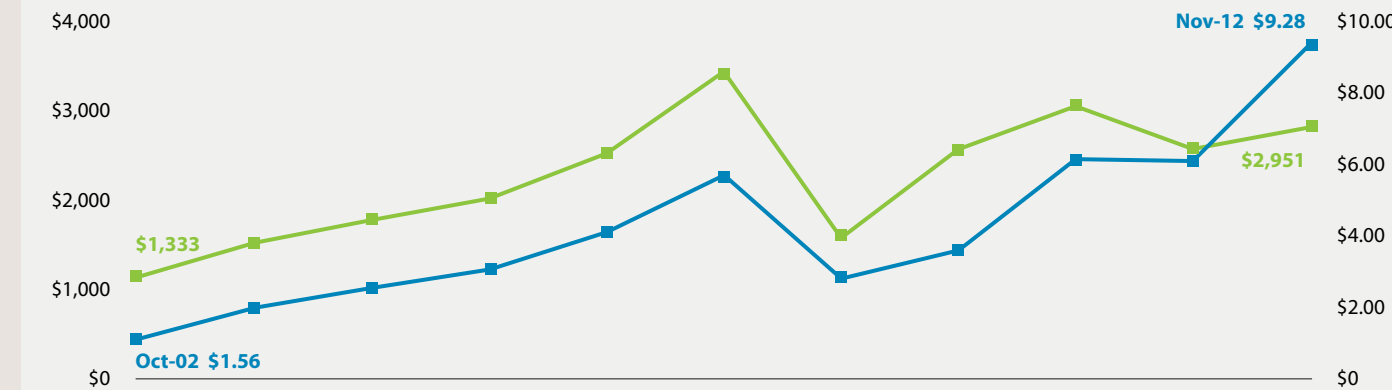
F&N acquired a 18.3% stake in SGX-ST listed Allico Commercial REIT, later renamed Frasers Commercial Trust (FCOT).

## 2012

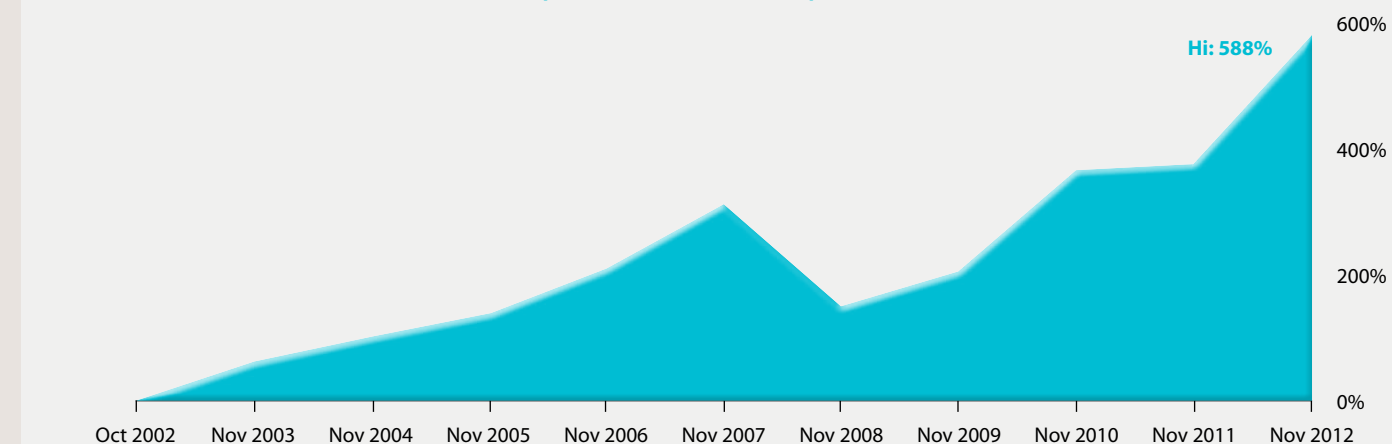
Today, F&N is one of the region's most established and successful homegrown companies with expertise and prominent standing in the Food and Beverage, Properties and Publishing & Printing industries. We have shareholders' funds and total assets employed of over \$8 billion and \$14 billion, respectively, and are present in over 30 countries, employing over 17,000 people worldwide.



Share Price (\$) LHS: Straits Times Index RHS: Fraser and Neave, Limited



Cumulative Total Shareholder Return (Oct 2002 - Nov 2012): 588%



## 10-YEAR PERFORMANCE AT A GLANCE

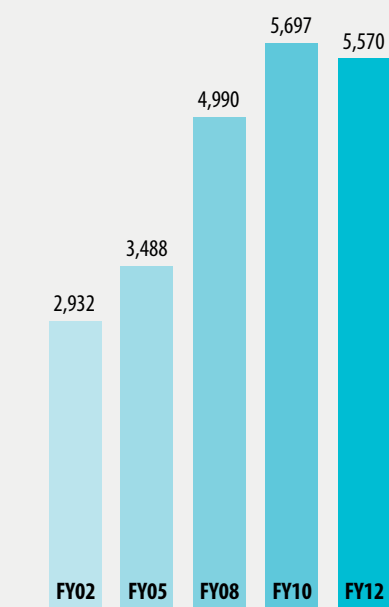
**\$5,570M**

FY2012 REVENUE

- Strong topline growth in F&B and Properties divisions

Revenue (\$M)

10-year CAGR 7%



**\$952M**

PROFIT BEFORE INTEREST & TAX<sup>1</sup>

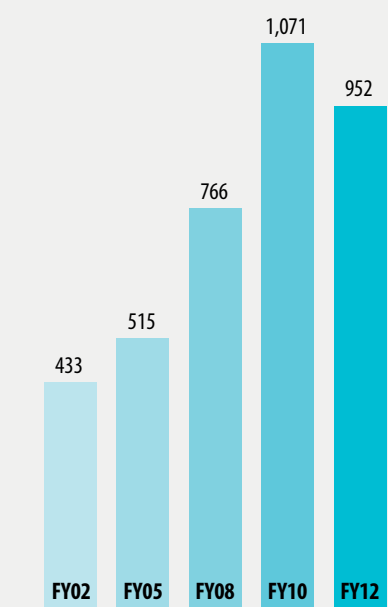
- F&B earnings jumped four-fold, underpinned by strong earnings from APB<sup>2</sup>; Properties earnings grew 45%

Increased **120%**

from FY2002's \$433M

Profit Before Interest & Tax<sup>1</sup> (\$M)

10-year CAGR 8%



**\$472M**

ATTRIBUTABLE PROFIT<sup>1</sup>

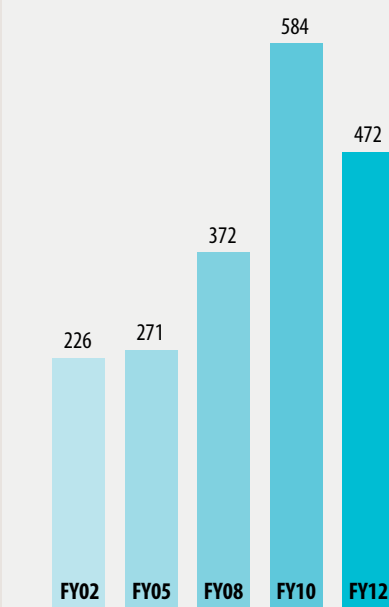
- 10-year compounded annual growth rate of 8%

Increased **109%**

from FY2002's \$226M

Attributable Profit<sup>1</sup> (\$M)

10-year CAGR 8%



**\$14,651M**

TOTAL ASSET

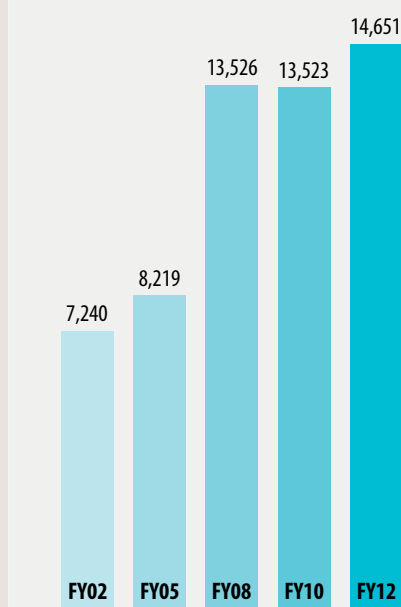
- Properties accounted for around 65% of Group's total assets

Increased **102%**

from FY2002's \$7,240M

Total Asset (\$M)

10-year CAGR 7%



**18.0¢**

DISTRIBUTION

- Comprising a proposed final dividend of 12.0 cents and interim dividend of 6.0 cents paid earlier
- Dividend payout ratio remains in line with Group's dividend policy

Increased **157%**

from FY2002's 7.0 cents

**\$13,355M**

MARKET CAPITALISATION<sup>2</sup>

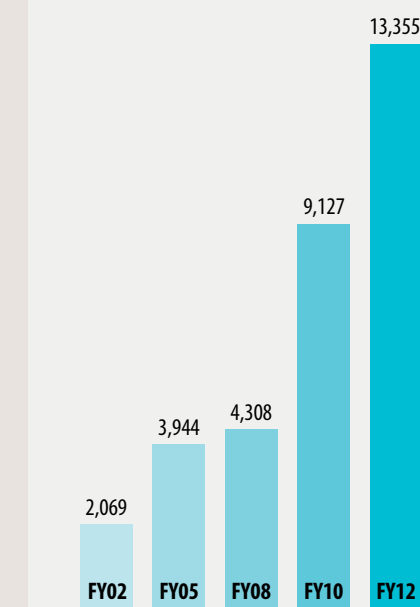
- Comprising a proposed final dividend of 12.0 cents and interim dividend of 6.0 cents paid earlier
- Dividend payout ratio remains in line with Group's dividend policy

Increased **545%**

from FY2002's \$2,069M

Market Capitalisation<sup>2</sup> (\$M)

10-year CAGR 21%



Note:

- Before fair value adjustment and exceptional items
- Based on issued shares as at 19 Nov 2012, at close of business on the first trading day after preliminary announcement of results
- The results in this section includes the Group's share of Asia Pacific Breweries Limited/Asia Pacific Investment Pte Ltd FY2011 and FY2012 results which were presented separately as Discontinued Operations in the Group Financial Statements

# JOURNEY ▶

Every story begins with a journey and ours started more than a century ago. The paths we've travelled have led us to the road we are on.

We've crossed seas to distant lands, transforming ourselves into a global conglomerate with three businesses and a worldwide presence in over 30 countries.

During the course of our journey we've always set high standards and lived up to them time and again. We inspire confidence in our brands, developments and expertise, passionately striving to be the best at what we do and committing ourselves completely to deliver value to all our stakeholders.

As we forge ahead, we will not shy from challenges, rest on our laurels or be confined in our imagination to deliver the inspirations of tomorrow. For we know that every step we take, our journey continues to gather momentum.

## JOURNEY OF OUR BUSINESSES

### FOOD & BEVERAGE

### SOFT DRINKS & DAIRIES

Indonesia<sup>1</sup>  
Malaysia  
Singapore  
Thailand  
Vietnam<sup>2</sup>

### BEER

Myanmar

### APB<sup>3</sup>

Cambodia  
China  
Indonesia  
Laos  
Malaysia  
Mongolia  
New Caledonia  
New Zealand  
Papua New Guinea  
Singapore  
Solomon Islands  
Sri Lanka  
Thailand  
Vietnam

### PROPERTIES

Australia  
Bahrain  
China  
France  
Hong Kong  
Hungary  
India  
Indonesia  
Japan  
Korea  
Malaysia  
New Zealand  
Oman  
Philippines  
Qatar  
Saudi Arabia  
Singapore  
Thailand  
Turkey  
United Arab Emirates  
United Kingdom  
Vietnam

### PUBLISHING & PRINTING

Australia  
Chile  
China  
Hong Kong  
India  
Malaysia  
Singapore  
Thailand  
United States of America  
United Kingdom

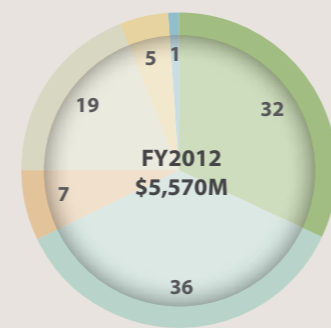
#### Note:

<sup>1</sup> Licensing to third-party

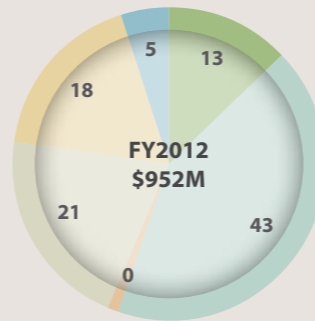
<sup>2</sup> 9.5% stake in Vinamilk

<sup>3</sup> The proposed disposal of the Company's interests in Asia Pacific Breweries Limited ("APB") and certain non-APB assets held by Asia Pacific Investment Pte Ltd ("APIPL") was completed on 15 November 2012. The results in this section includes the Group's share of APB/APIPL FY2011 and FY2012 results which were presented separately as Discontinued Operations in the Group Financial Statements

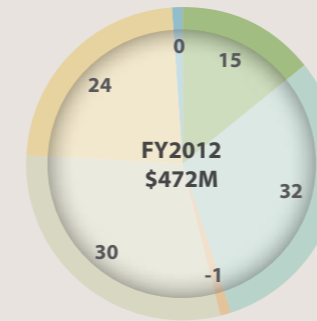
Revenue (%)



Profit Before Interest and Taxation (%)



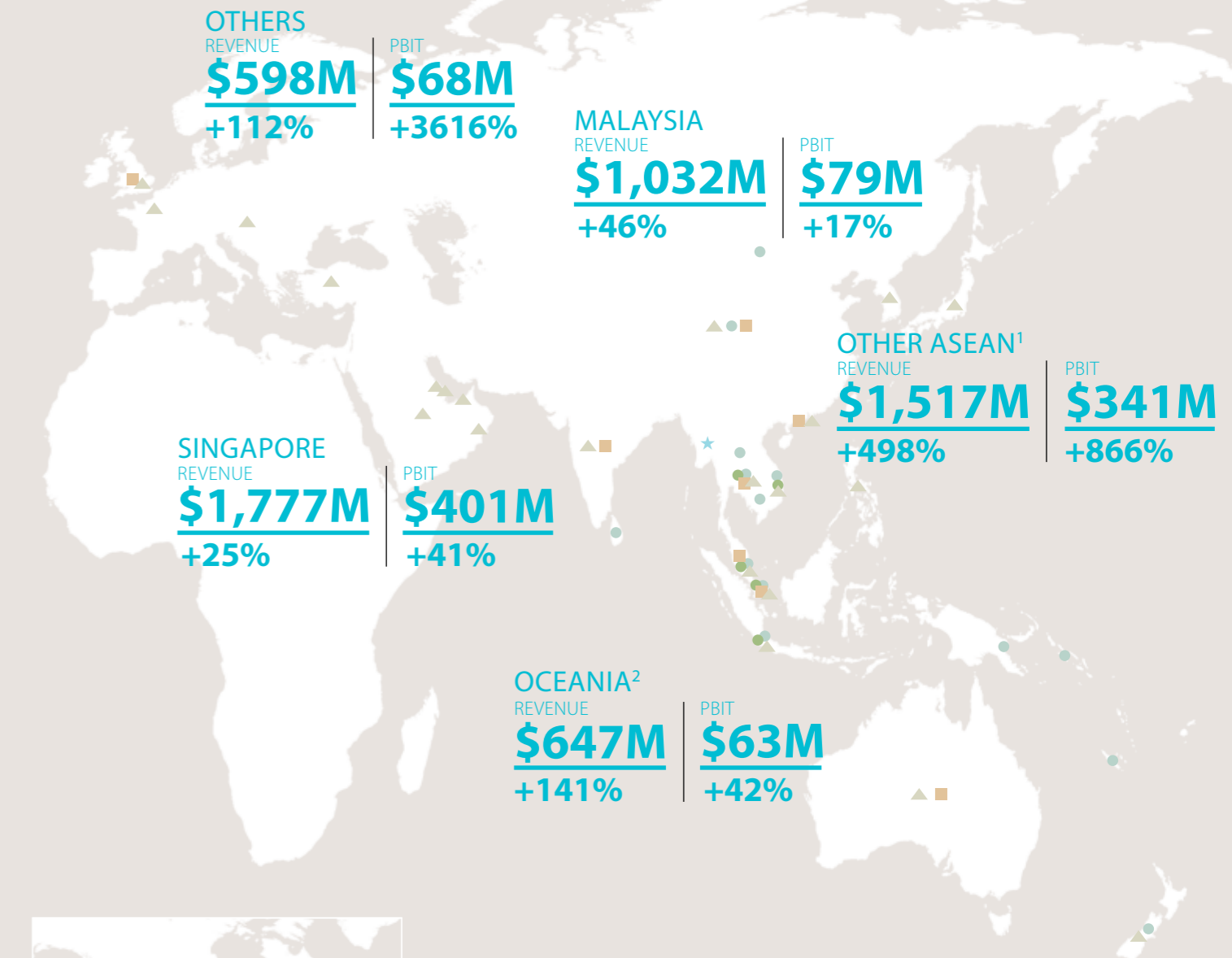
Attributable Profit Before Fair Value Adjustment and Exceptional Items (%)



By Business Segment (%)

Food & Beverage APB Publishing & Printing Development Property Commercial Property Others

	F&B (\$'000)	APB <sup>3</sup> (\$'000)	Publishing & Printing (\$'000)	Development Property (\$'000)	Commercial Property (\$'000)	Others (\$'000)	Group (\$'000)
<b>Profit Before Interest and Taxation</b>							
FY2012	123,877	410,971	4,086	194,801	169,521	48,494	951,750
Growth from FY2002 (%)	76%	522%	-77%	46%	44%	78%	120%
<b>Share of Profit Before Interest and Taxation (%)</b>							
FY2012	13%	43%	0%	21%	18%	5%	-
In FY2002	17%	15%	4%	31%	27%	6%	-



Presence in over

# 30 COUNTRIES

Leadership positions in our key markets

#### Note:

<sup>1</sup> Other ASEAN: Cambodia, Indonesia, Laos, Myanmar, Philippines, Thailand and Vietnam

<sup>2</sup> Oceania: Australia, New Zealand and Papua New Guinea

<sup>3</sup> Percentage (%) denotes growth from FY2002 to FY2012