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Acquisitions and Disposals :: Non-Mandatory Disclosure :: DISPOSAL OF ENTIRE 56.05% INTEREST IN FRASERS PROPERTY (CHINA) LIMITED

* Asterisks denote mandatory information



Name of Announcer *	FRASER AND NEAVE, LIMITED
Company Registration No.	189800001R
Announcement submitted on behalf of	FRASER AND NEAVE, LIMITED
Announcement is submitted with respect to *	FRASER AND NEAVE, LIMITED
Announcement is submitted by *	Anthony Cheong Fook Seng
Designation *	Group Company Secretary
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>> Announcement Details

The details of the announcement start here ...

Announcement Title *	DISPOSAL OF ENTIRE 56.05% INTEREST IN FRASERS PROPERTY (CHINA) LIMITED
Description	Please see attached.

Attachments

 DISPOSAL-FPCL-14.9.12.pdf
 FNN-FPCL-PressRelease-14.9.12.pdf
 Total size = **287K**
 (2048K size limit recommended)

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FRASER AND NEAVE, LIMITED

Company Registration No. 189800001R
Incorporated in the Republic of Singapore

NEWS RELEASE

F&N ACCEPTS UNSOLICITED OFFER OF S\$261 MILLION FOR ITS ENTIRE 56.05% STAKE IN HKSE-LISTED FRASERS PROPERTY (CHINA) LIMITED

- ***Disposal in line with strategic intent to rationalize and grow its property interests in China under a wholly private business arm***

Singapore, September 14, 2012 – In line with its strategic intent to streamline its property interests in China under a wholly private business arm, Fraser and Neave, Limited (“F&N” or the “Group”), through its indirect wholly-owned subsidiary, FCL (China) Pte Ltd (“FCLC”), has accepted an unsolicited offer for its entire 56.05% stake in Frasers Property (China) Limited (“FPCL”) for a total consideration of HK\$1.654 billion (S\$261 million).

FCLC has today signed a Sale and Purchase Agreement (“S&P”) with Famous Commercial Limited (the “Purchaser”), a wholly-owned subsidiary of Gemdale Corporation, a company listed on the Shanghai Stock Exchange, to dispose of its entire stake of 3,847,509,895 shares in FPCL, representing 56.05% of FPCL’s entire issued share capital, at HK\$0.43 per share. This represents a premium of approximately 82.4% over the volume-weighted average price of HK\$0.236 per share on the Hong Kong Stock Exchange (“HKSE”) for the 30-day period leading up to and including 11 September 2012, being the day on which FCLC and FPCL made a joint announcement on HKSE regarding a potential disposal of FCPL shares by FCLC.

F&N's wholly-owned property investment holding subsidiary, Frasers Centrepoint Limited ("FCL"), currently operates its China business through HKSE-listed FPCL and many other private companies. It is the Group's strategic intent to rationalize and consolidate the corporate and operating structures of its China business into a single unlisted business arm to provide greater control, focus, efficiency and funding ability for its China operations. The Group continues to hold substantial investments in China including projects in Shanghai, Beijing, Chengdu and Suzhou.

Mr Lim Ee Seng, Chief Executive Officer for FCL Group, said: "This unsolicited offer gives us an opportunity to monetize the Group's stake in FPCL at an attractive price. It also serves our strategic intent to streamline our China real estate investment and operating structure, allowing us to fully centralize strategic and funding controls.

"China remains a key growth market for FCL and the sale proceeds of HK\$1.65 billion (approximately S\$265 million) will be reinvested into new business opportunities to grow the Group's property interests in China. In fact, we intend to utilize the capital to rejuvenate, rebalance and further diversify our China investment portfolio" he added.

This transaction is not expected to have a material effect on the net asset value per share or earnings per share of the Group for the current financial year.

Legal completion of the sale of the FPCL shares is targeted to occur by the end of September 2012.

About Frasers Property (China) Limited (“FPCL”)

FPCL is a leading provider of business and living space solutions and reliable property management services in Greater China. It has two core businesses, namely development of business parks and facilities, and property development and management.

About Frasers Centrepoint Limited (“FCL”)

The wholly-owned property investment subsidiary of F&N, FCL is a leading developer of residential, commercial and business parks in Singapore, China and Australia. Currently, it has 19 residential projects under development, land bank of more than 26 million sq ft, more than 25 commercial properties and over 70 services residential properties across 23 countries.

About Fraser and Neave, Limited (“F&N”)

Listed on the Singapore stock exchange, F&N ranks as one of the most established and successful companies in the region with an impressive array of renowned brands that enjoy strong market leadership. It has shareholders’ funds of over S\$6 billion and total assets employed of over S\$13 billion. F&N is present in over 20 countries spanning Asia Pacific, Europe and the USA and employs about 17,000 people worldwide.

Directors’ Responsibility Statement

The directors of F&N (including any who may have delegated detailed supervision of this Press Release) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Press Release are fair and accurate and that no material facts have been omitted from this Press Release, and the directors of F&N jointly and severally accept full responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the directors of F&N has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Press Release.

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September 14, 2012



FRASER AND NEAVE, LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No.: 18980001R)

DISPOSAL OF ENTIRE 56.05% INTEREST IN FRASERS PROPERTY (CHINA) LIMITED

1. THE DISPOSAL

Pursuant to Rule 704(18)(c) of the Listing Manual of the Singapore Exchange Securities Trading Limited, Fraser and Neave, Limited (the “**Company**” or the “**Group**”) announces that FCL (China) Pte Ltd (“**FCLC**”), a direct wholly-owned subsidiary of Frasers Centrepoint Limited (“**FCL**”) and an indirect wholly-owned subsidiary of the Company, has accepted an unsolicited offer from, and has today signed a sale and purchase agreement (the “**Agreement**”) with, Famous Commercial Limited (the “**Purchaser**”), a wholly-owned subsidiary of Gemdale Corporation (a company listed on the Shanghai Stock Exchange) to sell 3,847,509,895 ordinary shares of HK\$0.10 each in the capital of Frasers Property (China) Limited (“**FPCL**”) (the “**Sale Shares**”), representing approximately 56.05% of FPCL’s entire issued share capital, to the Purchaser at a price of HK\$0.43 per Sale Share.

The price per Sale Share, which represents a premium of approximately 82.4% over the volume-weighted average price of HK\$0.236 per share on The Stock Exchange of Hong Kong Limited (“**HKSE**”) for the period of 30 days up to and including 11 September 2012 (being the day on which FCLC and FCPL made a joint announcement on HKSE regarding a potential disposal of FPCL shares by FCLC), was arrived at following arm’s length negotiations on a willing-buyer, willing-seller basis, with FCLC taking into account factors such as the trading price of FPCL, the net asset value of the Sale Shares and other relevant business and market considerations. The total consideration amounts to approximately HK\$1.654 billion (approximately S\$261 million), and will be settled wholly in cash.

2. RATIONALE FOR THE DISPOSAL

FCL currently operates its China business through FPCL and unlisted subsidiaries. It has been the Group’s strategic intent to rationalize and streamline the corporate and operating structures of its China business under a wholly private business arm to provide greater control, focus, efficiency and funding ability in the future expansion of its China business.

The Purchaser’s unsolicited offer presents an opportunity for FCL to monetize its interest in FPCL at an attractive price and realize the Group’s intention to optimize its China business platform under a single unlisted arm.

FCL continues to hold substantial real estate investments in several cities in China including Shanghai, Beijing, Chengdu and Suzhou. China remains a key focus market for FCL and the sale proceeds will be reinvested in new business opportunities in China.

3. FINANCIAL IMPACT

The above transaction is not expected to have any material effect on the net asset value per share or earnings per share of the Group for the current financial year.

4. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

None of the directors or substantial shareholders of the Company has any interest, directly or indirectly, in the above transaction (otherwise than through their shareholding interests in the Company).

5. DIRECTOR'S RESPONSIBILITY STATEMENT

The directors of the Company (including any who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement, and the directors of the Company jointly and severally accept full responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the directors of the Company has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Announcement.

BY ORDER OF THE BOARD
Anthony Cheong Fook Seng
Group Company Secretary
14 September 2012