



# ASIA PACIFIC BREWERIES LIMITED

(Company Registration No. 193100007-K)  
(Incorporated in the Republic of Singapore)

## RESULTS FOR THE YEAR ENDED 30 SEPTEMBER 2008 Financial Statements and Dividend Announcement

The Directors are pleased to make the following announcement of the unaudited results for the year ended 30 September 2008.

### PART I - INFORMATION REQUIRED FOR ANNOUNCEMENT OF QUARTERLY (Q1, Q2 & Q3), HALF AND FULL YEAR RESULTS

1(a) An income statement (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

#### 1(a)(i) GROUP PROFIT STATEMENT

	<u>30/9/2008</u> <u>\$'000</u>	<u>30/9/2007</u> <u>\$'000</u>	<u>Change</u> <u>%</u>
Revenue	1,997,871	1,783,561	12.0
Cost of sales	(1,228,548)	(1,105,304)	11.2
Gross profit	769,323	678,257	13.4
Other income (net)	9,136	8,087	7.7
Operating expenses			
- Distribution	(75,785)	(67,727)	11.9
- Marketing	(276,362)	(256,993)	7.4
- Administration	(144,836)	(137,602)	5.3
	(496,983)	(462,322)	7.4
Trading profit	281,476	224,022	25.6
Share of joint venture and associated companies' profits	13,237	26,168	(49.4)
Share of joint venture's impairment	(19,085)	-	NM
Gross income from investments	2,098	4,985	(57.9)
Profit before interest, taxation and exceptional items	277,726	255,175	8.8
Interest income	12,207	11,124	9.7
Interest expense	(16,522)	(18,076)	(8.6)
	(4,315)	(6,952)	(37.9)
Profit before taxation and exceptional items	273,411	248,223	10.1
Exceptional items	(8,202)	1,092	NM
Profit before taxation	265,209	249,315	6.4
Taxation	(99,379)	(81,315)	22.2
Profit after taxation	165,830	168,000	(1.3)
Attributable profit to:			
Shareholders of the Company			
- Before exceptional items	131,949	132,561	(0.5)
- Exceptional items	(8,202)	1,092	NM
	123,747	133,653	(7.4)
Minority interests	42,083	34,347	22.5
	165,830	168,000	(1.3)

NM – Not meaningful

**1(a)(ii) BREAKDOWN AND EXPLANATORY NOTES TO GROUP PROFIT STATEMENT**

	<u>30/9/2008</u> <u>\$'000</u>	<u>30/9/2007</u> <u>\$'000</u>	<u>Change</u> <u>%</u>
<b>Operating expenses</b>			
Included in operating expenses are:			
Depreciation and amortisation	(55,648)	(51,341)	8.4
Allowance of bad and doubtful debts	(279)	(168)	66.1
Allowance of inventory obsolescence	(2,031)	(2,360)	(13.9)
Foreign exchange loss	(416)	(1,086)	(61.7)
Profit/(loss) on disposal of fixed assets	72	(283)	NM
Write back of / (Additional) employee share-based expenses	48	(2,002)	NM
<b>Taxation</b>			
Over provision of prior year taxation	6,721	3,983	68.7
<b>Exceptional items</b>			
Gain on disposal of properties	759	2,674	(71.6)
Impairment loss on asset held for sale of a joint venture	(4,539)	-	NM
Restructuring cost and professional fee	(4,422)	(1,582)	180.0
	<u>(8,202)</u>	<u>1,092</u>	NM
Profit before interest, taxation and exceptional items as a percentage of revenue	<u>13.9%</u>	<u>14.3%</u>	

NM - Not meaningful

**1(b)(i) A balance sheet (for the issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year.**

<b>BALANCE SHEET</b>	<b>Group</b>		<b>Company</b>	
	<b>As at 30/9/2008 \$'000</b>	<b>As at 30/9/2007 \$'000</b>	<b>As at 30/9/2008 \$'000</b>	<b>As at 30/9/2007 \$'000</b>
<b>CAPITAL AND RESERVES</b>				
Share capital	277,523	277,411	277,523	277,411
Reserves	679,656	676,408	740,202	673,217
	957,179	953,819	1,017,725	950,628
<b>Minority Interests</b>	98,327	104,623	-	-
	1,055,506	1,058,442	1,017,725	950,628
Represented by:				
<b>NON-CURRENT ASSETS</b>				
Fixed assets	605,086	603,392	1,999	1,840
Subsidiary companies	-	-	709,743	681,119
Joint venture companies	290,933	304,393	298,677	283,350
Associated company	362	427	-	-
Other investments	18,016	17,988	14	14
Intangibles	232,378	250,589	2,987	3,413
Deferred tax assets	3,787	5,857	-	590
Other receivables	30,575	34,198	1,194	993
	1,181,137	1,216,844	1,014,614	971,319
<b>CURRENT ASSETS</b>				
Inventories	158,115	116,172	-	-
Trade receivables	160,779	135,738	-	-
Other receivables	31,274	43,822	804	12,979
Amounts due from subsidiary companies	-	-	50,486	44,883
Amounts due from joint venture companies	14,893	25,434	14,882	25,362
Amounts due from related companies	4,292	1,664	153	269
Short term investments	6,005	7,179	-	-
Bank fixed deposits	95,499	130,898	5,536	6,514
Cash and bank balances	44,724	47,674	1,473	1,087
	515,581	508,581	73,334	91,094
<b>Deduct: CURRENT LIABILITIES</b>				
Trade payables	193,408	164,049	-	-
Other payables	124,549	134,476	23,888	24,359
Amount due to subsidiary company	-	-	377	-
Amounts due to joint venture and associated companies	7,356	4,091	122	-
Amounts due to related companies	16,480	46,027	2,447	1,237
Borrowings	155,586	139,503	37,776	78,190
Provision for taxation	45,545	43,623	5,613	7,999
	542,924	531,769	70,223	111,785
<b>NET CURRENT (LIABILITIES)/ASSETS</b>	(27,343)	(23,188)	3,111	(20,691)
<b>Deduct: NON-CURRENT LIABILITIES</b>				
Other payables	2,617	7,160	-	-
Borrowings	54,661	94,604	-	-
Deferred tax liabilities	34,902	28,687	-	-
Provision for employee benefits	6,108	4,763	-	-
	98,288	135,214	-	-
	1,055,506	1,058,442	1,017,725	950,628

- 1(b)(ii) Aggregate amount of Group's borrowings and debt securities.**  
**The Group's borrowings and debt securities as at the end of the financial period reported on, and comparative figures as at the end of the immediately preceding financial year:**

**Amount repayable in one year or less, or on demand**

	<b>As at 30/9/2008</b> <b>\$'000</b>	<b>As at 30/9/2007</b> <b>\$'000</b>
Secured	5,676	6,085
Unsecured	149,910	133,418
	<u>155,586</u>	<u>139,503</u>

**Amount repayable after one year**

	<b>As at 30/9/2008</b> <b>\$'000</b>	<b>As at 30/9/2007</b> <b>\$'000</b>
Secured	12,192	1,574
Unsecured	42,469	93,030
	<u>54,661</u>	<u>94,604</u>

**Details of any collateral**

The secured borrowings as at 30 September 2008 are secured on the assets of the respective borrowing subsidiary companies.

- 1(c) A cash flow statement (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

### GROUP CASH FLOW STATEMENT

	30/9/2008	30/9/2007
	\$'000	\$'000
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>		
Profit before taxation and exceptional items	273,411	248,223
Adjustments for:		
Depreciation of fixed assets	54,685	50,498
Provision for employee benefits	5,112	3,547
Amortisation of brands	963	843
(Gain) / loss on disposal of fixed assets (net)	(72)	283
Impairment of fixed assets	3,322	2,284
Share of joint venture and associated companies' profits	(13,237)	(26,168)
Investment income	(2,098)	(4,985)
Interest income	(12,207)	(11,124)
Interest expense	16,522	18,076
Fair value gain on derivatives	(3,907)	(740)
(Write back of) / Additional employee share-based expense	(48)	2,002
Share of joint venture's impairment	19,085	-
Gain on dilution in interest in a subsidiary company	(435)	-
Operating cash flows before working capital changes	341,096	282,739
Change in inventories	(41,779)	(11,777)
Change in trade and other receivables	1,269	(37,206)
Change in trade and other payables	13,486	58,142
Change in related companies' balances	(18,369)	20,835
Currency realignment	(10,970)	12,345
Cash generated from operations	284,733	325,078
Interest received	12,207	11,570
Interest paid	(16,997)	(19,336)
Employee benefits paid	(3,281)	(2,347)
Payment of cash-settled options	(1,390)	(6,562)
Income taxes paid	(89,172)	(78,777)
<b>Net cash from operating activities</b>	<b>186,100</b>	<b>229,626</b>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>		
Dividends from joint venture companies	18,387	18,815
Proceeds from disposal of investments	1,257	3,625
Investment income	2,098	4,873
Proceeds from disposal of fixed assets	6,672	9,187
Purchase of fixed assets	(101,034)	(101,791)
Purchase of investments	-	(10,470)
Additional loans to joint venture company	(15,176)	(20,376)
(Additional) / repayment of trade advances	(111)	8,662
Purchase of additional interest in a subsidiary	(3,203)	-
Acquisition of subsidiary companies	(5,243)	(10,577)
Dilution of investment in a subsidiary company	4,437	-
<b>Net cash used in investing activities</b>	<b>(91,916)</b>	<b>(98,052)</b>

**GROUP CASH FLOW STATEMENT (cont'd)**

	<b>30/9/2008</b>	<b>30/9/2007</b>
	<b>\$'000</b>	<b>\$'000</b>
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>		
Proceeds from issue of shares by the Company	101	599
Proceeds from issue of shares by a subsidiary company	4,315	17,877
(Repayment)/Proceeds from bank borrowings (net)	(22,571)	1,884
Payment of dividends:		
- by the Company to shareholders	(82,611)	(77,440)
- by subsidiary companies to minority interests	(29,690)	(43,121)
(Repayment of)/Additional loans from minority interests	(7,868)	2,567
<b>Net cash used in financing activities</b>	<b>(138,324)</b>	<b>(97,634)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(44,140)</b>	<b>33,940</b>
Effect of exchange rate changes on cash and cash equivalents	(1,116)	(7,350)
Cash and cash equivalents at beginning of year	178,243	151,653
<b>Cash and cash equivalents at end of year</b>	<b>132,987</b>	<b>178,243</b>
<b>Cash and cash equivalents at end of year consist of:</b>		
Bank fixed deposits	95,499	130,898
Cash and bank balances	44,724	47,674
Bank overdrafts	(7,236)	(329)
	<b>132,987</b>	<b>178,243</b>
<b>Analysis of the acquisition of subsidiary companies:</b>		
Fixed assets	4,216	8,539
Brand	-	2,423
Current assets	912	1,796
Cash and cash equivalents	505	568
Current liabilities	(5,987)	-
	(354)	13,326
Less: Minority interests	50	(2,181)
Net (liabilities)/ assets acquired	(304)	11,145
Goodwill arising on acquisition	6,052	-
Consideration paid	5,748	11,145
Less: Cash and cash equivalents of subsidiary companies acquired	(505)	(568)
Net cash outflow on acquisition of subsidiary companies	<b>5,243</b>	<b>10,577</b>

- 1(d)(i) A statement (for the issuer and group) showing either**  
**(i) all changes in equity or**  
**(ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

## STATEMENT OF CHANGES IN EQUITY

	<b>Group</b>								
	Share Capital \$'000	Capital Reserve \$'000	Revenue Reserve \$'000	Exchange Reserve \$'000	Dividend Reserve \$'000	Other Reserve \$'000	Total \$'000	Minority Interests \$'000	Total Equity \$'000
<u>Year ended 30 September 2008</u>									
Balance at 1 October 2007	277,411	15,799	684,580	(70,503)	46,469	63	953,819	104,623	1,058,442
Currency translation difference	-	-	-	(37,877)	-	-	(37,877)	(3,980)	(41,857)
Net losses recognised directly in equity	-	-	-	(37,877)	-	-	(37,877)	(3,980)	(41,857)
Profit after taxation	-	-	123,747	-	-	-	123,747	42,083	165,830
Total recognised gains	-	-	123,747	(37,877)	-	-	85,870	38,103	123,973
Share capital contribution by minority interests	-	-	-	-	-	-	-	4,315	4,315
Issue of shares in the Company upon exercise of Share Options	112	-	-	-	-	(11)	101	-	101
Dividend paid to minority interests	-	-	-	-	-	-	-	(29,690)	(29,690)
Acquisition of a subsidiary company	-	-	-	-	-	-	-	(50)	(50)
Partial disposal of a subsidiary company	-	-	-	-	-	-	-	(18,974)	(18,974)
<u>Dividends</u>									
Final dividend paid for the previous year	-	-	-	-	(46,469)	-	(46,469)	-	(46,469)
Interim dividend paid for the year	-	-	(36,142)	-	-	-	(36,142)	-	(36,142)
Final dividend proposed for the year	-	-	(46,472)	-	46,472	-	-	-	-
	-	-	(82,614)	-	3	-	(82,611)	-	(82,611)
Balance at 30 September 2008	277,523	15,799	725,713	(108,380)	46,472	52	957,179	98,327	1,055,506

## STATEMENT OF CHANGES IN EQUITY (cont'd)

	<b>Group</b>								
<u>Year ended 30 September 2007</u>	Share Capital \$'000	Capital Reserve \$'000	Revenue Reserve \$'000	Exchange Reserve \$'000	Dividend Reserve \$'000	Other Reserve \$'000	Total \$'000	Minority Interests \$'000	Total Equity \$'000
Balance at 1 October 2006	276,688	15,799	633,546	(81,503)	41,290	187	886,007	86,650	972,657
Currency translation difference	-	-	-	11,000	-	-	11,000	(5,626)	5,374
Net gains/(losses) recognised directly in equity	-	-	-	11,000	-	-	11,000	(5,626)	5,374
Profit after taxation	-	-	133,653	-	-	-	133,653	34,347	168,000
Total recognised gains	-	-	133,653	11,000	-	-	144,653	28,721	173,374
Share capital contribution by minority interests	-	-	-	-	-	-	-	30,192	30,192
Issue of shares in the Company upon exercise of Share Options	723	-	-	-	-	(124)	599	-	599
Dividend paid to minority interests	-	-	-	-	-	-	-	(43,121)	(43,121)
Acquisition of a subsidiary company	-	-	-	-	-	-	-	2,181	2,181
<u>Dividends</u>									
Final dividend paid for the previous year	-	-	(10)	-	(41,290)	-	(41,300)	-	(41,300)
Interim dividend paid for the year	-	-	(36,140)	-	-	-	(36,140)	-	(36,140)
Final dividend proposed for the year	-	-	(46,469)	-	46,469	-	-	-	-
	-	-	(82,619)	-	5,179	-	(77,440)	-	(77,440)
Balance at 30 September 2007	277,411	15,799	684,580	(70,503)	46,469	63	953,819	104,623	1,058,442

**STATEMENT OF CHANGES IN EQUITY (cont'd)**

<u>Year ended 30 September 2008</u>	Company				
	Share Capital \$'000	Revenue Reserve \$'000	Dividend Reserve \$'000	Other reserve \$'000	Total Equity \$'000
Balance at 1 October 2007	277,411	626,685	46,469	63	950,628
Profit after taxation	-	149,607	-	-	149,607
Total recognised gain	-	149,607	-	-	149,607
Issue of shares in the Company upon exercise of Share Options	112	-	-	(11)	101
<u>Dividends</u>					
Final dividend paid for the previous year	-	-	(46,469)	-	(46,469)
Interim dividend paid for the year	-	(36,142)	-	-	(36,142)
Final dividend proposed for the year	-	(46,472)	46,472	-	-
	-	(82,614)	3	-	(82,611)
Balance at 30 September 2008	277,523	693,678	46,472	52	1,017,725

<u>Year ended 30 September 2007</u>	Company				
	Share Capital \$'000	Revenue Reserve \$'000	Dividend Reserve \$'000	Other reserve \$'000	Total Equity \$'000
Balance at 1 October 2006	276,688	575,846	41,290	187	894,011
Profit after taxation	-	133,458	-	-	133,458
Total recognised gain	-	133,458	-	-	133,458
Issue of shares in the Company upon exercise of Share Options	723	-	-	(124)	599
<u>Dividends</u>					
Final dividend paid for the previous year	-	(10)	(41,290)	-	(41,300)
Interim dividend paid for the year	-	(36,140)	-	-	(36,140)
Final dividend proposed for the year	-	(46,469)	46,469	-	-
	-	(82,619)	5,179	-	(77,440)
Balance at 30 September 2007	277,411	626,685	46,469	63	950,628

**1(d)(ii) SHARE CAPITAL**

Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	<u>Number of Shares</u>	
	4th Quarter to 30/9/2008	3rd Quarter to 30/6/2008
Issued and fully paid ordinary shares:		
As at beginning of period	258,159,099	258,159,099
Issue during the period - Exercise of share options	19,675	-
	258,178,774	258,159,099
As at end of year/period	258,178,774	258,159,099
	<b>As at 30/9/2008</b>	<b>As at 30/9/2007</b>
The number of shares that may be issued on exercise of share options outstanding at the end of the year	71,108	107,749

**1(d)(iii) The total number of issued share excluding treasury shares as at end of the current financial period and as at the end of the immediately preceding year.**

The Company did not hold any treasury shares as at 30 September 2008 and 30 September 2007.

The Company's total number of issued shares excluding treasury shares is 258,178,774 at 30 September 2008 and 258,159,099 as at 30 September 2007.

**1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

**2. Whether the figures have been audited or reviewed and in accordance with which standard (e.g. Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard).**

The figures have not been audited or reviewed by our auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

4. **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation as in the most recently audited financial statements.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for and the effect of the change.**

Not applicable.

6. **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:**

- (a) based on the weighted average number of ordinary shares on issue and  
(b) on a fully diluted basis (detailing any adjustments made to the earnings).

	Group	
	Year ended 30/9/2008	Year ended 30/9/2007
Earnings per ordinary share:		
(a) Based on the weighted average number of ordinary shares on issue (cents)		
- before exceptional items	51.1	51.4
- after exceptional items	<u>47.9</u>	<u>51.8</u>
(b) On a fully diluted basis (cents)		
- before exceptional items	51.1	51.3
- after exceptional items	<u><u>47.9</u></u>	<u><u>51.8</u></u>

7. **Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-**

- (a) current financial period reported on; and  
(b) immediately preceding financial year.

	Group		Company	
	As at 30/9/2008	As at 30/9/2007	As at 30/9/2008	As at 30/9/2007
Net asset value per ordinary share based on issued share capital of the issuer at the end of the financial year	<u>\$3.71</u>	<u>\$3.69</u>	<u>\$3.94</u>	<u>\$3.68</u>

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current period reported on.

#### **REVIEW OF OPERATIONS – FULL YEAR 2007/08**

The principal activities of the Group are the brewing and sale of beer and stout. These activities are carried out through the Company's subsidiary, joint venture and associated companies to which the Company provides management and administrative services.

The Directors are pleased to report strong performance for the year ended 30 September 2008. Group profit before interest and tax (PBIT) at \$277.7 million registered an increase of \$22.6 million or 9% over last year. Excluding translation difference, gestation losses\*, non-recurring item and APB's share of impairment charge on Heineken-APB (China) Pte Ltd's ("HAPBC") investment in Kingway Brewery Holdings Limited ("KBH"), PBIT grew organically by 25%.

Attributable net profit before exceptional items (APBE) fell by \$0.6 million or 0.5% to \$131.9 million. Excluding translation difference, gestation losses\*, non-recurring item and APB's share of impairment charge on HAPBC's investment in KBH, APBE increased organically by 26%.

	<b>PBIT \$'million</b>	<b>APBE \$'million</b>
<b>Year to Date results (as announced)</b>	<b>277.7</b>	<b>131.9</b>
Add:		
Gestation losses *	14.1	12.1
Translation losses	16.0	6.3
Share of joint venture's impairment <sup>1</sup>	19.1	19.1
<b>Adjusted Year to Date results (a)</b>	<b>326.9</b>	<b>169.4</b>
Last year's results (as announced)	255.2	132.6
Add: Gestation losses	9.4	6.3
Less: Reinvestment tax credit	(4.0)	(4.0)
<b>Adjusted results for last year (b)</b>	<b>260.6</b>	<b>134.9</b>
Organic growth (c) = (a) – (b)	66.3	34.5
Organic growth % (c) /(b)	25.4%	25.6%

\* Gestation losses refer to the first 3 years' results from greenfield breweries in Laos, Ulaanbaatar (Mongolia) and Hyderabad (Andhra Pradesh, India).

<sup>1</sup> Impairment charge of \$19.1 million to write down the carrying amount of HAPBC's investment in KBH.

#### **Commentary on Performance**

##### **Singapore**

Overall volume grew 6% with export, contract brew and domestic sales outperforming last year. PBIT grew 20% due mainly to volume growth and favourable sales mix.

##### **Malaysia**

PBIT increased by 7% on the back of an increase in volume of 9%.

##### **Papua New Guinea**

PBIT jumped 35% due to higher volume and better margins from price increases. Sales volume grew by 10%.

### New Zealand

Volume grew by 1%. However, PBIT fell marginally by 1% mainly due to the devaluation of the New Zealand dollar. Excluding the effects of translation loss arising from the 3% decline in the New Zealand dollar, PBIT grew organically by 2%.

### Indochina

Riding on its momentum, the region registered robust volume and PBIT gains of 14% and 16% respectively. Excluding gestation loss from Laos, translation losses arising from the weaker US dollar and Vietnamese Dong and a reinvestment credit received last year, PBIT would have grown by 35%.

	This Year S\$'million	Last Year S\$'million	Growth %
<b>PBIT (as announced)</b>	<b>142.4</b>	<b>122.3</b>	<b>16.4</b>
Add:			
Gestation loss	9.2	5.4	
Translation loss	15.1	-	
Less: Reinvestment tax credit	-	(4.0)	
<b>Adjusted PBIT</b>	<b>166.7</b>	<b>123.7</b>	<b>34.8</b>

### China

Volume fell 16% mainly due to intense competition and bad weather. The loss of \$29.7 million was attributable mainly to APB's share of impairment charge on HAPBC's investment in KBH, lower volume and increases in raw material prices.

### Thailand

Despite the intense competition and increasing regulatory restrictions on the consumption and advertising of alcoholic products, volume grew by 1%. However, PBIT dipped marginally to \$3.9 million.

### South Asia (India and Sri Lanka)

Volume for South Asia increased by 67%. However, the region recorded a loss of \$12.0 million due to investments in brand launches in Aurangabad (Maharashtra, India) and gestation loss from greenfield brewery in Hyderabad (Andhra Pradesh, India) which commenced commercial operations in January 2008.

### Mongolia

Our Mongolian operation achieved a small maiden profit for the year, driven by a two fold increase in volume.

### Corporate Office

Corporate office expenses incurred were lower mainly due to successful recovery of business development expenses incurred on behalf of a Vietnam subsidiary and lower spend in marketing activities.

### Taxation

The group effect tax rate of 37.5% (2007: 32.6%) is higher than the Singapore statutory tax rate of 18%. This is due to the increased profit contribution by overseas subsidiaries operating in high tax countries and the non-recognition of tax benefits on losses incurred by certain subsidiaries.

## REVIEW OF BALANCE SHEET

### Company

The increase in investment in subsidiary companies was mainly due to capital injection in India and Sri Lanka. The increase in investment in joint venture companies was mainly due to the capitalisation of shareholders' loan which correspondingly reduced the amount due from joint venture and associated companies.

### Group

The lower intangibles was arising from the disposal of interest in a subsidiary company. Higher inventories, trade receivables and payables were due to higher sales and increase in purchase of raw materials. The decrease in investment in joint venture companies was mainly attributable to the payout of dividend by joint venture companies.

## **REVIEW OF GROUP CASHFLOW**

The cash generated from operation was mainly used to finance seasonal increase in working capital, payment of dividends, taxes, repayment of bank borrowings and loans, purchase of fixed assets and the acquisition of subsidiary companies.

**9. Where as forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

In our Q3 announcement (reference paragraph 10), management commented that attributable net profit before exceptionals will be higher than the previous year. However, attributable net profit before exceptionals is marginally lower than the previous year by 0.5% due to APB's share of impairment charge on HAPBC's investment in KBH. Had it not been for the share of impairment, attributable net profit before exceptional items is 14% higher than the previous year.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

With increasing uncertainty in the global economy, the Group expects the operating conditions to be challenging.

**11. If a decision regarding dividend has been made:-**

**(a) Whether a final ordinary dividend has been recommended:** Yes

**(b) (i) Amount per share** : 18 cents, 1-tier tax-exempt

**(ii) Previous corresponding period** : 18 cents, 1-tier tax exempt

**(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

1 tier (tax-exempt) dividend.

**(d) The date the dividend is payable.**

The Directors proposed a final dividend of 18 cents per share (1-tier tax-exempt) (last year: 18 cents per share, 1-tier tax exempt) to be paid on 10 February 2009.

**(e) The date on which Registrable Transfers received by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.**

Registrable transfers received by the Company's Registrar, Tricor Barbinder Share Registration Services, 8 Cross Street, #11-00 PWC Building, Singapore 048424 up to 5.00 pm on 30 January 2009 will be registered before entitlements to the dividend are determined.

Notice is hereby given that the share registers will be closed on 2 February 2009 and 3 February 2009 for the preparation of dividend warrants.

**12. If no dividend has been declared (recommended), a statement to that effect.**

Not applicable.

**PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**
**13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**
**GROUP SEGMENTAL RESULTS  
For year ended 30 September 2008**

	Singapore \$'000	Malaysia \$'000	Papua New Guinea \$'000	New Zealand \$'000	Indochina \$'000	Mongolia \$'000	South Asia \$'000	China \$'000	Thailand \$'000	Corporate Office \$'000	Group \$'000
Revenue	503,840	-	220,344	436,110	771,138	13,855	44,495	-	-	8,089	1,997,871
<b>Profit/(loss) before interest, taxation and exceptional items</b>											
Subsidiary companies	50,925	-	60,766	49,416	142,442	662	(12,021)	-	-	(8,616)	283,574
Joint venture and associated companies	5,825	14,166	-	-	-	-	-	(10,609)	3,855	-	13,237
Share of joint venture's impairment	-	-	-	-	-	-	-	(19,085)	-	-	(19,085)
	56,750	14,166	60,766	49,416	142,442	662	(12,021)	(29,694)	3,855	(8,616)	277,726
Interest income											12,207
Interest expense											(16,522)
Exceptional items											(8,202)
Taxation											(99,379)
Minority interests, net of taxes											(42,083)
Attributable profit											123,747
<b>Total assets</b>											
Assets	178,967	48,925	56,899	374,592	521,253	35,620	82,405	190,777	47,069	16,201	1,552,708
Tax assets											3,787
Bank deposits and cash balances											140,223
											1,696,718
<b>Total liabilities</b>											
Liabilities	(87,847)	-	(31,342)	(63,581)	(130,182)	(3,761)	(7,152)	-	-	(26,653)	(350,518)
Tax liabilities											(80,447)
Borrowings											(210,247)
											(641,212)
Other segment information:											
Capital expenditure	4,761	-	12,288	21,790	41,443	2,114	17,877	-	-	761	101,034
Depreciation and amortisation	11,524	-	3,422	15,456	19,920	2,045	2,334	-	-	947	55,648
Attributable profit before exceptional items	47,437	14,165	29,737	30,670	54,416	(642)	(13,649)	(29,694)	3,854	(4,345)	131,949
Exceptional items	(3,663)	-	-	-	-	-	-	(4,539)	-	-	(8,202)
Attributable profit	43,774	14,165	29,737	30,670	54,416	(642)	(13,649)	(34,233)	3,854	(4,345)	123,747

**Business Segment**

	Brewery \$'000	Investment \$'000	Corporate Office \$'000	Group \$'000
Revenue	1,989,782	-	8,089	1,997,871
Profit/(loss) before interest, taxation and exceptional items	284,244	2,098	(8,616)	277,726
Total assets	1,657,565	18,016	21,137	1,696,718
Capital expenditure	100,273	-	761	101,034

Indochina: Vietnam, Cambodia and Laos

South Asia: India and Sri Lanka



**SEGMENTAL RESULTS**  
For year ended 30 September 2007

	Singapore \$'000	Malaysia \$'000	Papua New Guinea \$'000	New Zealand \$'000	Indochina \$'000	Mongolia \$'000	South Asia \$'000	China \$'000	Thailand \$'000	Corporate Office \$'000	Group \$'000
Revenue	484,901	-	188,418	411,055	661,529	4,515	29,026	-	-	4,117	1,783,561
<b>Profit/(loss) before interest, taxation and exceptional items</b>											
Subsidiary companies	41,490	-	45,123	49,869	122,292	(3,161)	(7,959)	-	-	(18,647)	229,007
Joint venture and associated companies	5,827	13,298	-	-	-	-	-	2,971	4,072	-	26,168
	47,317	13,298	45,123	49,869	122,292	(3,161)	(7,959)	2,971	4,072	(18,647)	255,175
Interest income											11,124
Interest expense											(18,076)
Exceptional items											1,092
Taxation											(81,315)
Minority interests, net of taxes											(34,347)
Attributable profit											133,653
<b>Total assets</b>											
Assets	190,101	44,704	45,187	373,672	558,787	34,635	63,036	201,671	51,254	(22,051)	1,540,996
Tax assets											5,857
Bank deposits and cash balances											178,572
											1,725,425
<b>Total liabilities</b>											
Liabilities	(70,147)	-	(21,849)	(61,669)	(155,258)	(8,100)	(19,063)	-	-	(24,480)	(360,566)
Tax liabilities											(72,310)
Borrowings											(234,107)
											(666,983)
Other segment information:											
Capital expenditure	10,463	-	4,231	12,976	29,895	24,279	19,390	-	-	557	101,791
Depreciation and amortisation	12,453	-	3,092	14,753	17,845	755	1,520	-	-	923	51,341
Attributable profit before exceptional items	41,827	13,301	21,221	30,216	55,384	(2,074)	(7,194)	2,971	3,478	(26,569)	132,561
Exceptional items	1,165	(73)	-	-	-	-	-	-	-	-	1,092
Attributable profit	42,992	13,228	21,221	30,216	55,384	(2,074)	(7,194)	2,971	3,478	(26,569)	133,653

**Business Segment**

	Brewery \$'000	Investment \$'000	Corporate Office \$'000	Group \$'000
Revenue	1,779,444	-	4,117	1,783,561
Profit/(loss) before interest, taxation and exceptional items	268,837	4,985	(18,647)	255,175
Total assets	1,497,620	25,166	202,639	1,725,425
Capital expenditure	101,234	-	557	101,791

Indochina: Vietnam, Cambodia and Laos

South Asia: India and Sri Lanka

**14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Please refer to paragraph 8.

**15. A breakdown of sales as follows:-**

	<b>Group</b>		
	<b>30/9/2008 \$'000</b>	<b>30/9/2007 \$'000</b>	<b>% increase/ (decrease)</b>
(a) Sales reported for first half year	1,055,621	925,671	14.0
(b) Operating profit after tax before deducting minority interests reported for first half year	112,123	100,966	11.1
(c) Sales reported for second half year	942,250	857,890	9.8
(d) Operating profit after tax before deducting minority interests reported for second half year	53,707	67,034	(19.9)

**16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year:**

	<b>30/9/2008 \$'000</b>	<b>30/9/2007 \$'000</b>
Ordinary	82,614	82,609

**17. INTERESTED PERSON TRANSACTIONS**

Particulars of interested person transactions for the period 1 October 2007 to 30 September 2008 as required under Rule 907 of the SGX Listing Manual.

<b>Name of interested person</b>	<b>Aggregate value of all interested person transactions (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)</b>	<b>Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)</b>
Heineken Group of Companies	5,674,771	47,013,695
Fraser and Neave, Limited	536,699	1,766,021
Fraser & Neave Holdings Bhd	-	30,202,496



**18. Annual General Meeting**

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at Level 2, Alexandra Point, 438 Alexandra Road, Singapore 119958 on Tuesday 20 January 2009 at 10.00 am.

BY ORDER OF THE BOARD  
Anthony Cheong Fook Seng  
Company Secretary

14 November 2008