

2007 Full Year Results Presentation

28 August 2007



Outlook Statement Disclaimer

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Actual future events may vary from these forecasts and you are cautioned not to place undue reliance on any forward looking statement.

Trevor O'Hoy
Chief Executive Officer



Fiscal 2007 Results Summary



Revenue	↑	4.7%	\$4,555
EBITS	↑	7.6%	\$1,155
EBITS Margin	↑	0.7 pts	25.4%
Earnings per Share ⁽¹⁾	↑	16.7%	35.6¢
Cash Conversion	↓	9.6 pts	92.9%
ROCE	↑	1.2 pts	15.0%

Unless otherwise stated, all figures are continuing business before significant items and SGARA
 1.Continuing and discontinued business before significant items and SGARA



Fiscal 2007 Scorecard



- Top line growth in Australia

- Top line growth in global wine

- Beer, cider, spirits and RTD (BCS) costs

- Viticulture, winery operations and wine procurement

- Australian wine export logistics and global wine packaging

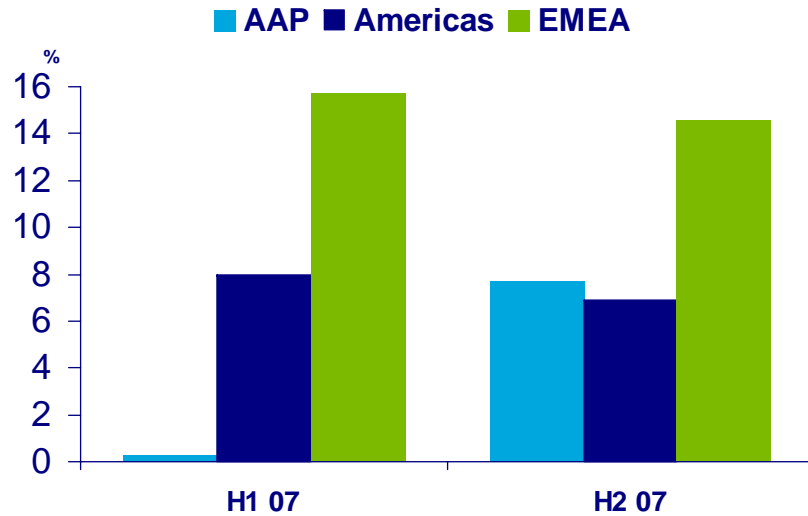
- Wine ROCE

- Cash generation, asset sales, business divestment and capital management

Revenue Growth Momentum



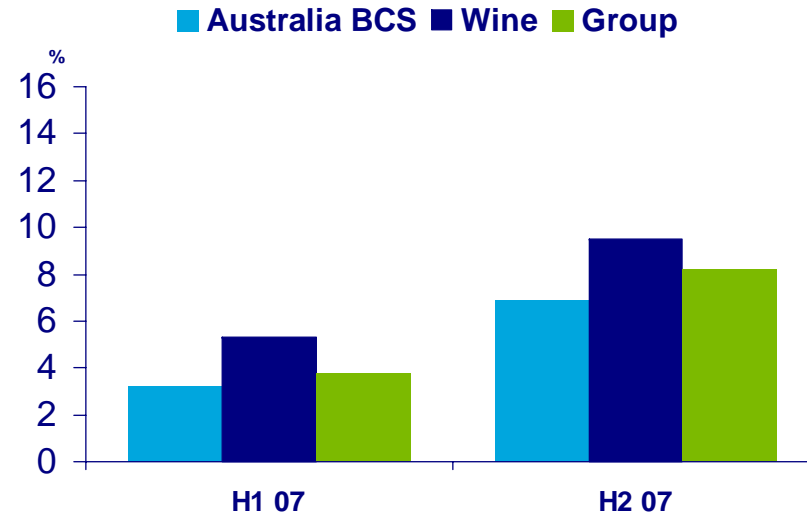
Regional Constant Currency Revenue Growth



Good second half growth in all regions:

- Strong recovery in AAP:
 - Dual Independent/National Accounts sales structure
 - Specialist sales teams
- Momentum maintained in Americas and EMEA

Category Constant Currency Revenue Growth



Growth accelerated in BCS and wine

- Delivering innovation pipeline:
 - VB Mid, Crown Gold, Shanghai Lager
 - Rosemount, Beringer Third Century, Lindemans Chile & South Africa
- Sustaining A&P investment at 8-10% of revenue

Major Contributors to Growth

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- Luxury range pricing
- Beringer Third Century launch



- Global allocation to maximise profitability
- Selected pricing on Icons and Bins ranges



- Re-positioned as style leader
- Global relaunch gaining momentum
- Q4 07 volume up 17%



- The beer that established the low-carb category
- Provided 20% of total beer category value growth in Australia ⁽¹⁾



- Investment in Masterbrand and innovation
- Successful VB Mid launch

⁽¹⁾ Source: AC Nielsen MAT 30/6/2007

Pete Scott
Chief Financial Officer



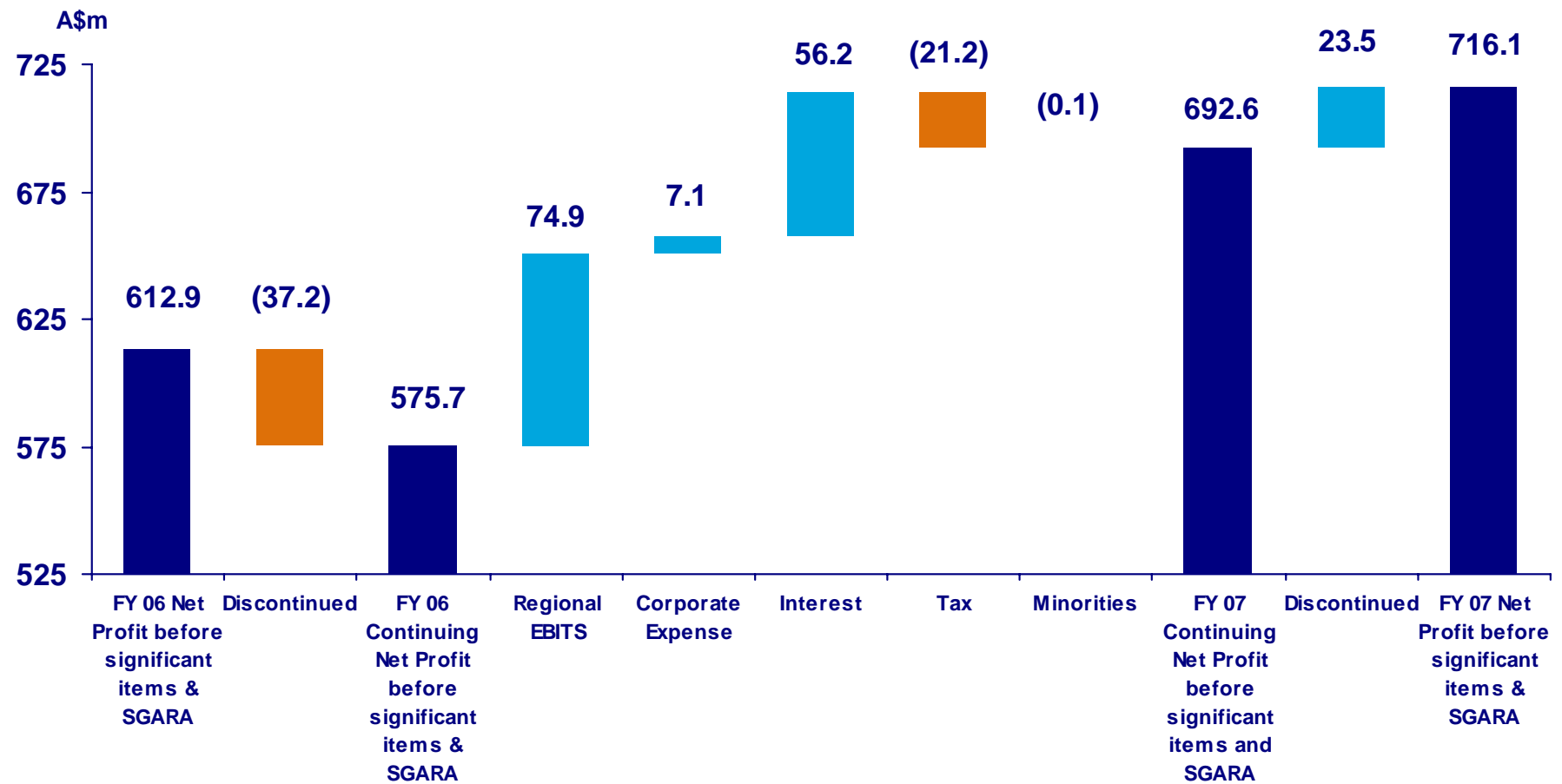
Key Financials

		Constant Currency Change	Reported Change	Fiscal 2007
Earnings	Net Sales Revenue	+5.9%	+4.7%	\$4,555m
	EBITS	+9.5%	+7.6%	\$1,155m
	Net Profit ⁽¹⁾	+17.1	+16.8%	\$716m
	EPS ⁽¹⁾	+17.1	+16.7%	35.6¢
Cash Flow	Cash Conversion		-9.6pts	92.9%
	Cash flow after Dividends		+6.3%	\$285m
	Net Debt		-\$931m	\$2,569m
Returns	ROCE		+1.2 pts	15%
	Dividend		+10.5%	23.75¢

Unless otherwise stated, all figures are continuing business before significant items and SGARA
 1.Continuing and discontinued business before significant items and SGARA



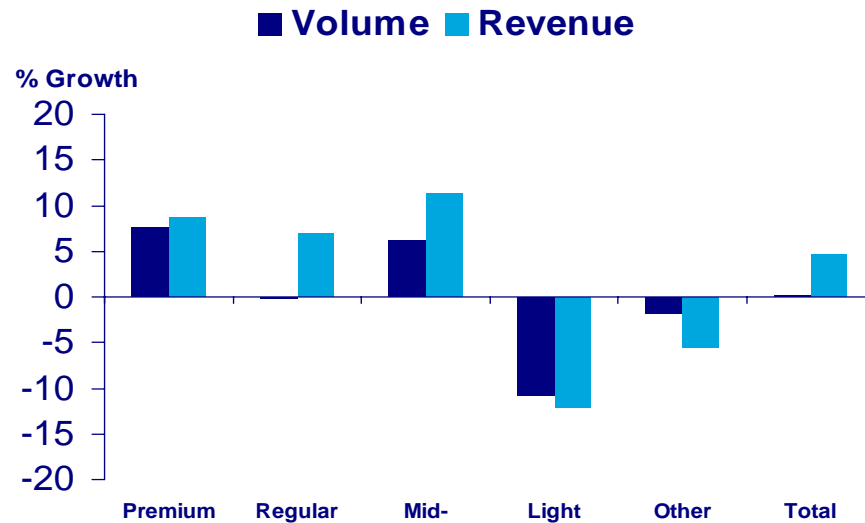
Net Profit before Significant Items and SGARA



Volume and Revenue Growth

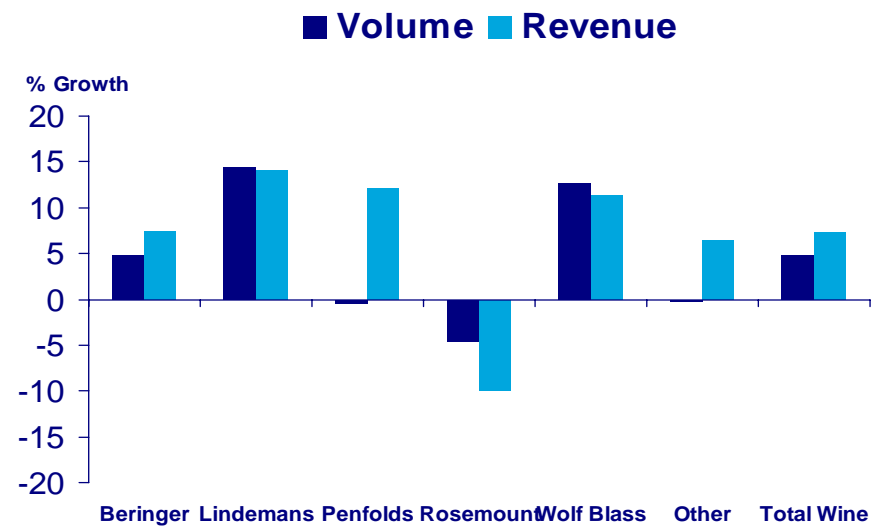


Australia Beer, Cider, Spirits and RTDs



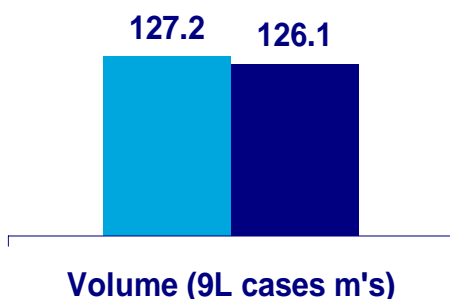
- Revenue up 4.7%, H2 07 revenue up 7.8%
- Continued strong growth in Crown and Corona
- Mid-strength innovation: Crown Gold, VB Mid
- Strong growth in Carlton Draught and Pure Blonde
- Light beer segment continues to contract

Global Wine



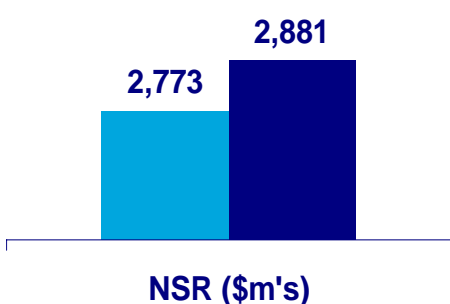
- 5 global wine brands constant currency revenue up 7.8%
- Beringer constant currency revenue up 7.4%
- Penfolds and Wolf Blass growing in all regions
- Strong Lindemans growth in the Americas and EMEA
- Rosemount H2 07 constant currency revenue up 1.5%

Australia, Asia and Pacific



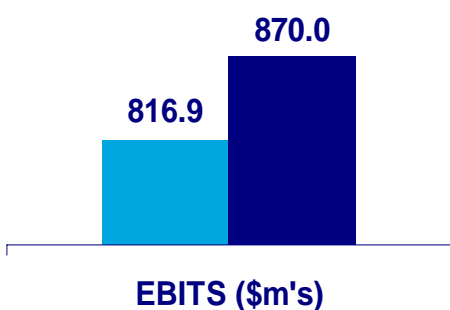
Volume down 0.9%, Australian volume down 0.6%

- Australia beer volume up 0.4%, H2 07 volume up 1.7%
- Wine volume in Australia down 8.5%, H2 07 bottled wine volume up 2.1%
- Asia, Pacific and New Zealand volume down 6.5%



Net sales revenue up 3.9%, constant currency up 4.0%

- Australia revenue up 3.8%, H2 07 revenue up 7.9%
- BCS revenue in Australia up 4.7%, revenue per case up 5%
- Wine revenue in Australia flat, revenue per case up 9.5%
- Asia, NZ and Pacific constant currency revenue up 7.3%

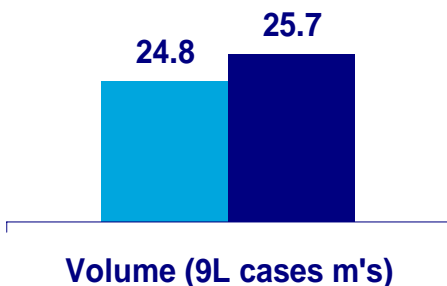


EBITS up 6.5%, constant currency up 6.1%

- Australia EBITS up 6.0%, H2 07 EBITS up 6.3%
- Underlying Australian BCS mix adjusted unit cost of goods up 4.7%
- Wine cost of goods impacted by Wolf Blass Packaging Centre
- Strong growth in Asia and New Zealand, Pacific below the prior period

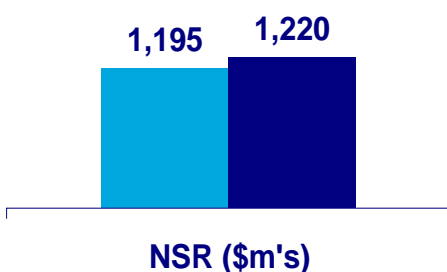
■ FY06 ■ FY07

Americas



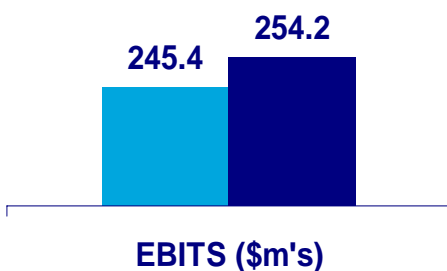
Volume up 3.2%, wine volume up 5.5%

- US wine volume up 4.3%, Canada wine volume up 15.1%
- H2 07 wine volume up 7.7%
- Share gains above \$US10 price point
- Rosemount re-launched H2 07 encouraging start



Net sales revenue up 2.1%, wine constant currency revenue up 7.5%

- Wine constant currency revenue per case up 1.9%
- Positive mix, Chateau St Jean, Stags' Leap and Greg Norman Estate growing strongly
- Selective price increases



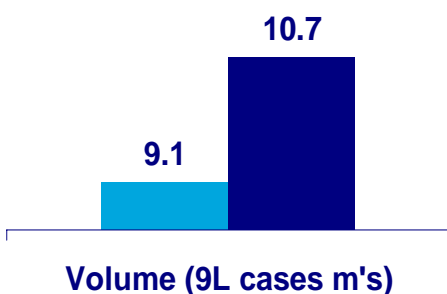
EBITD up 3.6%, constant currency EBITD up 16.0%

- Constant currency EBITD margin up 1.5 points
- Positive margin impact from mix and efficiency realisation
- Offset by higher packaging costs in H2 07

■ FY06 ■ FY07

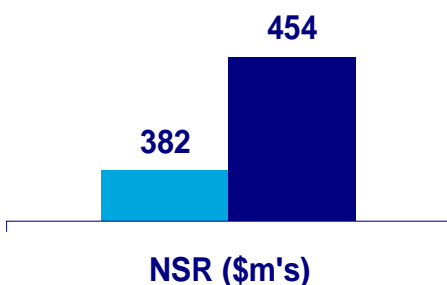
Europe, Middle East and Africa

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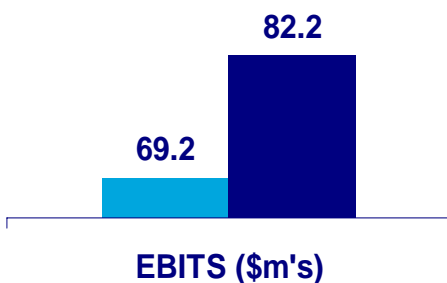
Volume up 18.2%, wine volume up 22.7%

- UK wine volume up 26%
- Continental Europe volume up 19%
- Rosemount volume up 35%, H2 07 volume up 63%



Net sales revenue up 18.9%, wine constant currency revenue up 16.1%

- UK wine revenue up 16%, Continental Europe wine revenue up 17%
- Wine constant currency revenue per case down 5.4%
- Strong growth in UK £3.99 price point and Nordic Bag-in-box, H2 07 selective pricing



EBITD up 18.8%, constant currency EBITD up 11.1%

- Constant currency EBITD margins down 0.7 points
- H2 07 constant currency EBITD margins up 0.5 points

■ FY06 ■ FY07

Beer, Cider, Spirits and RTD COGS

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Cost of Goods

- Underlying mix adjusted cost of goods up 4.7% in fiscal 2007
- Expect underlying mix adjusted cost of goods increases of 2-4% in fiscal 2008

Production Network Consolidation

- Spirit and RTD production consolidation in fiscal 2007
- North Fremantle to close in fiscal 2008 - \$13.1 million cash closure costs, \$20.8 million non-cash closure costs

Australian Logistics Transformation

- National network in place in H2 08
- Perth, ACT and Melbourne facilities operational
- Sydney and Darwin to be commissioned in H1 08
- \$7.7 million transition costs in fiscal 2007, ~\$15 million anticipated in fiscal 2008

Wine COGS

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Fiscal 2007

- Fiscal 2007 constant currency unit cost of goods in-line with fiscal 2006
- Wolf Blass Bottling and Export Logistics H2 07 performance in-line with expectations
- Napa Bottling performance below expectations in H2 07

Fiscal 2008

- Influences:
 - Lower cost Australian vintage 2006
 - Higher cost Australian vintage 2007
 - Mix impact from premium bottled wine growth, cask volume decline
 - Californian fiscal 2008 cost of goods slightly above fiscal 2007
- Outlook:
 - Margin improvement from mix, efficiencies and price

Vintage Outlook

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Australian Vintage

- Industry expectation 2008 Australian vintage similar to 2007
 - Expected yields below average but above 2007 vintage
 - Dependant on no further limitations on water availability and allocations
- Foster's expects 2008 vintage to be higher cost than 2007
 - Vintage 2008 grape and bulk prices expected to be above 2007
 - Production from company owned vineyards expected to be above 2007
- Fiscal 2009 cost of goods likely to be above fiscal 2008

California Vintage

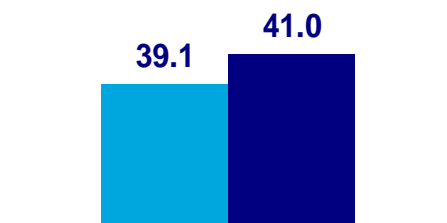
- Californian industry in balance
- 2007 vintage yields expected to be in line to moderately below longer term averages

Currency Sensitivities

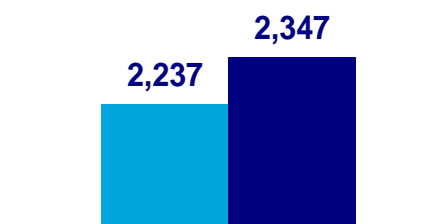
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	Selected Currency			Wine EBITs (\$m's)	Group Profit Before Tax (\$m's)
Impact of FX on Fiscal 2007		Fiscal 2006	Fiscal 2007		
	AUD/USD	74.67	78.66	(30.9)	(14.4)
	AUD/GBP	42.05	40.66	11.5	10.0
	Other			2.1	1.0
	Total			(17.3)	(3.4)
Fiscal 2008 Indicative Sensitivities		Fiscal 2007	Sensitivity		
	AUD/USD	78.66	1¢ change	7.0	4.5
	AUD/GBP	40.66	1p change	9.5	8.5

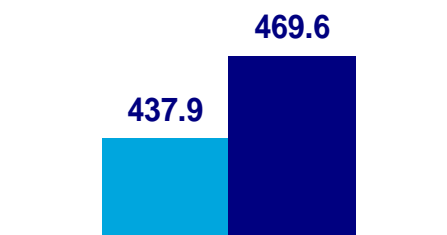
Wine Trade



Volume (9L cases m's)



Revenue (\$m's)



EBITS (\$m's)

■ FY06 ■ FY07

Volume up 4.7% to 40.9 million cases

- 5 global brands up 7%, up 10.2% in H2 07

Revenue up 4.9% to \$2,346.5 million, constant currency up 7.3%

- 5 global brands constant currency up 7.8%, up 10.7% in H2 07
- Constant currency revenue per case up 2.4%, up 2.8% in H2 07
- Strong contribution from mix and reallocation of luxury and icons wines
- Selective price increases

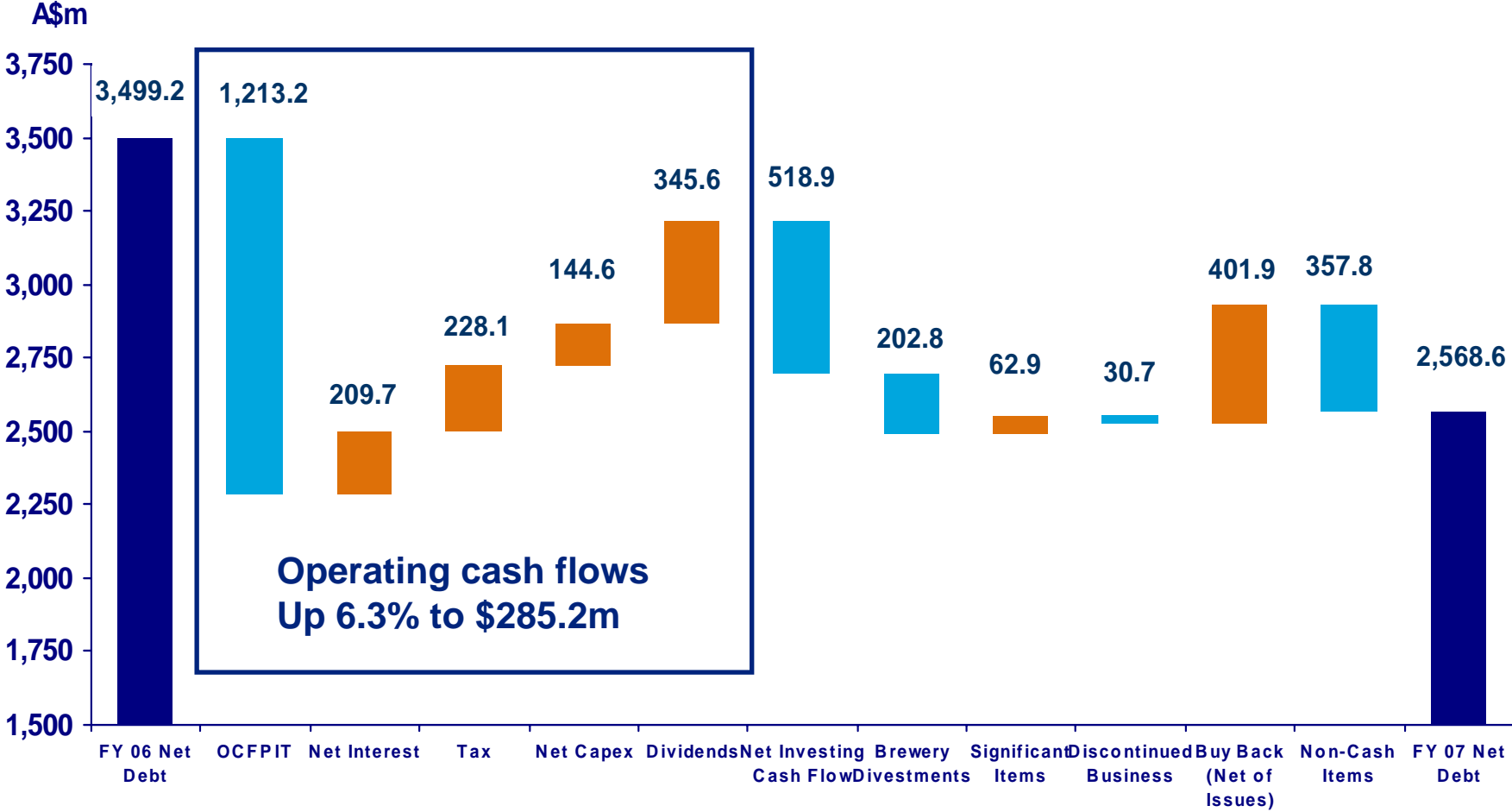
EBITS up 7.2% to \$469.6 million, constant currency up 12.9%

- Constant currency EBIT margins up 1 percentage point
- Packaging and export logistics ~\$40 million above expectations

ROCE up 0.5 percentage points to 7.1%

- Average capital employed \$6.6 billion down marginally from prior year

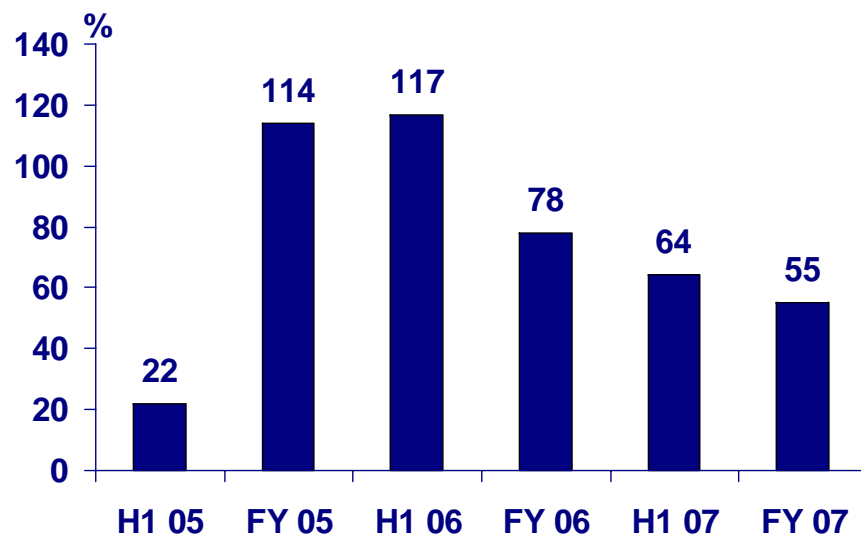
Net Debt



Capital Structure

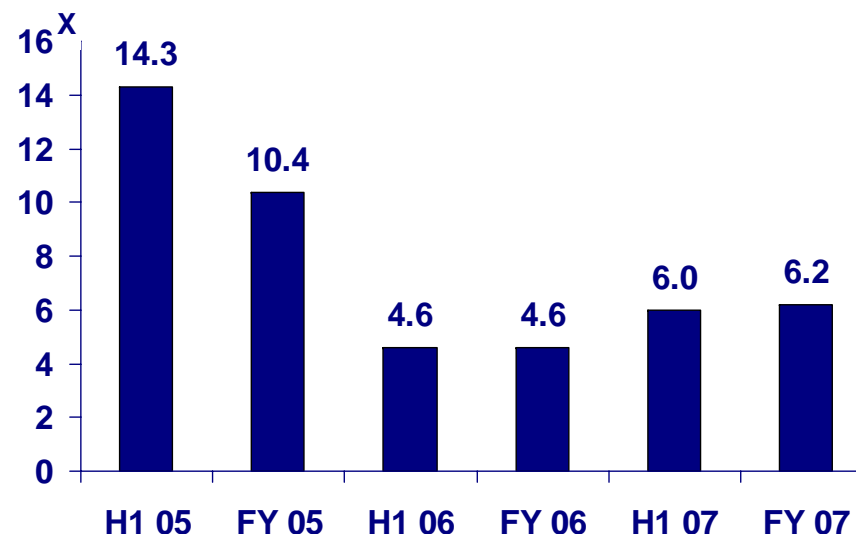


Gearing



- Gearing reduced 23 pts since June 2006
- Strong free cash flow generation
- Substantial financial flexibility
- Move towards a more flexible investment grade credit rating target

Group Interest Cover ⁽¹⁾



- Excluding restructure financing benefit average cost of debt 6%
- H2 07 interest expense includes a debt restructure financing benefit of \$8.3m

1. EBITs Interest cover

Trevor O'Hoy
Chief Executive Officer



Fiscal 2008 Objectives

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Value Creation

- Premium brand portfolio weighted to growth categories and segments
- Delivering sustainable growth in returns
- Improve constant currency wine returns

Value Drivers

- Stable route to market and ongoing investment in capability
- Brand investment and new product development
- Capital efficiency and cash flow
- Margin expansion

Major Initiatives

- Portfolio prioritisation
- Focus on higher margin categories
- Supply efficiency and flexibility
- \$350M buy-back announced

Jamie Odell
Managing Director AAP



Evolution of Australian Route-to-Market

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Separate Businesses

- Three Sales Teams

Integration

- 4 Channels
- One Sales Team

Fiscal 2007

- 2 Channels
- One Sales Team
- Introduction of specialists

Fiscal 2008

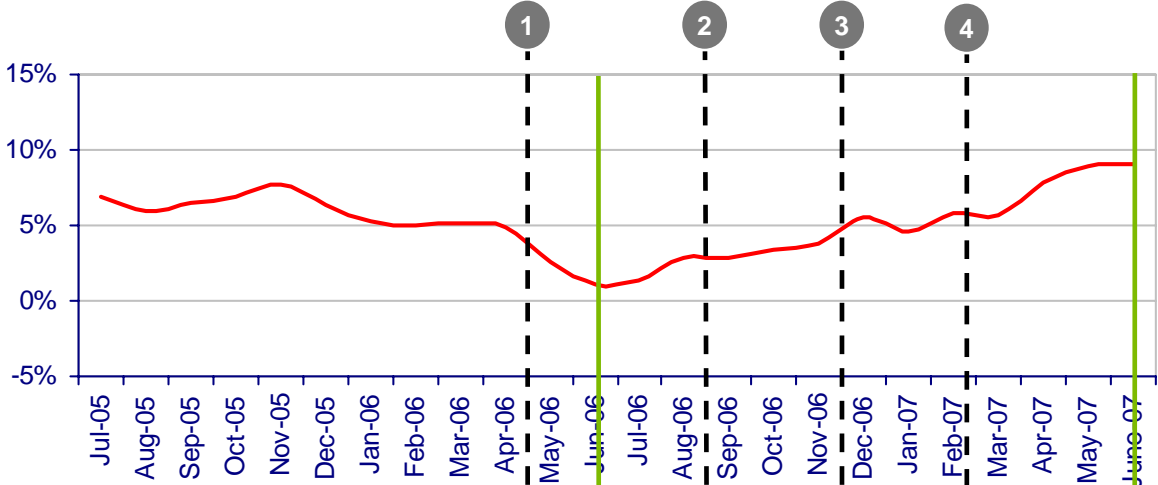
- One Sales Team
- Ongoing capability investment
- Monitor and refine

Australia Sales Performance



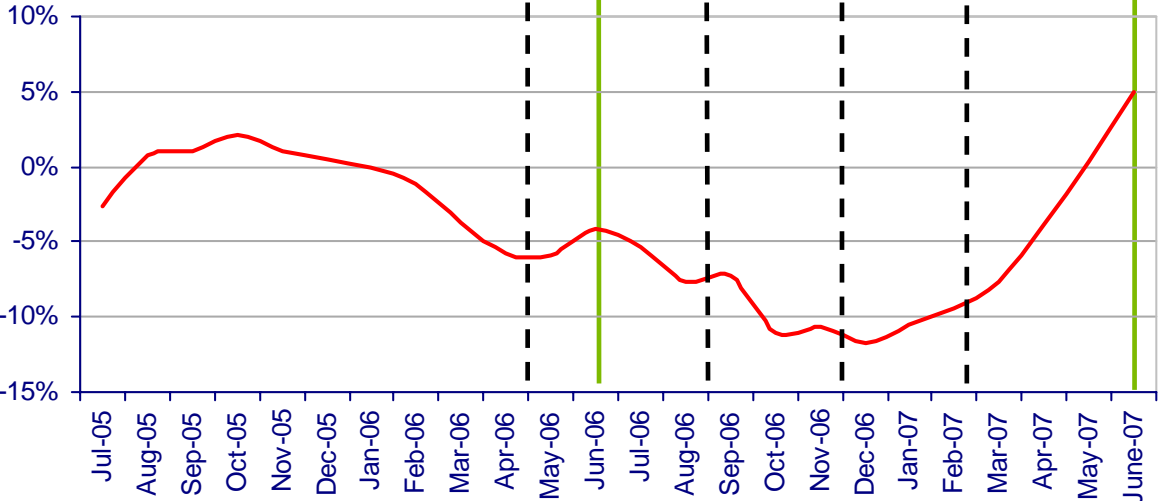
Sales Growth

BEER



- 1 Apr 06:
Sales integration
CUB, BBWE, SRP
- 2 Aug 06:
Global Restructure:
AAP Region established
- 3 Nov 06:
Route-to-Market:
- Dual Sales structure
- 4 Feb 07:
Route-to-Market:
- Core Sales Team
- Wine specialists and
- Premium On-Premise

WINE



AC Nielsen Retail Value Rolling QTR



Growth Segment Focus

Premium Beer



PEPPERJACK
HAND CRAFTED ALE



Mid-Strength Beer



Bottled White Wine



FIFTH LEG
Western Australia



Lifestyle



Trevor O'Hoy
Chief Executive Officer



Americas Priorities

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Top Line Growth

- Strong wine category momentum
- Strong growth in \$US10 and above price points
- Improved mix and selective price increases

Route To Market

- Further investments in capability
- Distributor review in key US states

Portfolio

- Sustained wine quality
- Continue new product development momentum
- Varietal extensions
- Mix shift to Californian portfolio

EMEA Priorities



Top Line Growth

- Consolidate fiscal 2007 top line recovery
- Drive core brand growth
- Selective price increases

Route To Market

- Optimise Distributor consolidation benefits
- Drive growth in Continental Europe
- Invest in UK Impulse and On-Premise
- Drive distribution of fiscal 2007 product development initiatives

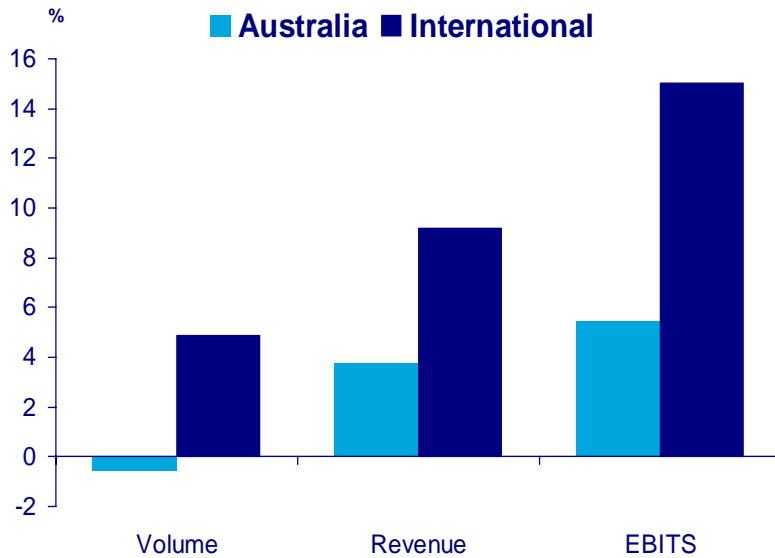
Portfolio

- Portfolio diversification – focus on non-Australian sourcing
- Develop Australian Beer portfolio
- Continue new product development momentum

Constant Currency Growth Profile



Region

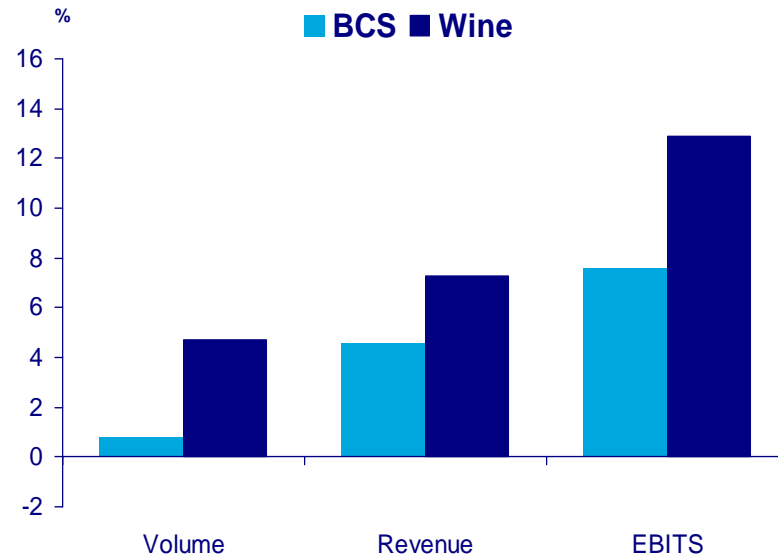


International volume, net sales revenue and earnings drive growth

International:

- Volume up 4.9%
- Revenue up 9.2%
- EBITs up 15%

Category



Wine category leads growth

Wine:

- Volume up 4.7%
- Revenue up 7.3%
- EBITs up 12.9%

Fiscal 2008 Outlook

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Revenue Growth

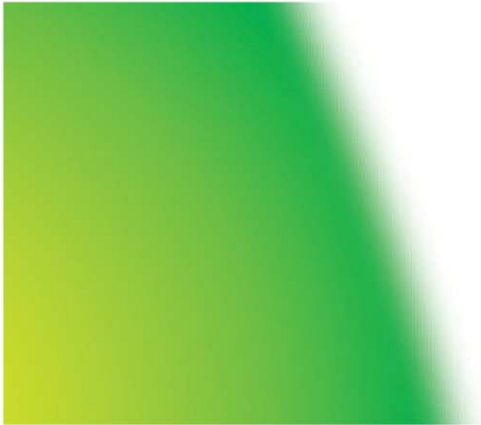
- Moderating volume growth as focus shifts to higher margin business
- Good revenue growth from mix and pricing
- Continued new product development momentum

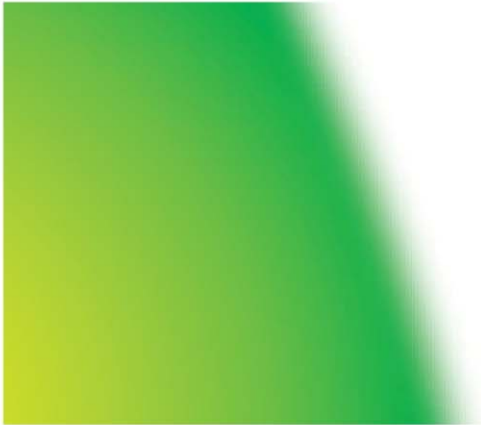
Earnings and Cash Flow

- EBITS margin benefits from efficiencies and growth in revenue / case
- Cash flow conversion remains strong
- \$350 million capital management program

Returns

- Sustainable growth in group returns
- Continued expansion in wine returns





Supplementary Information



Continuing business result



	H1 07 \$m	H2 07 \$m	FY 07 \$m	H1 06 \$m	H2 06 \$m	FY 06 \$m
Volume (9L m's)	85.0	77.5	162.5	85.2	75.9	161.1
NSR	2,367.8	2,187.4	4,555.2	2,288.6	2,062.3	4,350.9
EBITDAS	683.4	622.3	1,305.7	637.9	578.8	1,216.7
EBITAS	616.6	542.1	1,158.7	568.2	510.3	1,078.5
EBITS	613.2	541.7	1,154.9	565.6	507.3	1,072.9
EBIT	601.8	515.0	1,116.8	564.2	501.5	1,065.7
Net Profit (pre- Significant Items)	352.2	313.1	665.3	307.2	263.5	570.7

Continuing business before significant items

EPS Reconciliation



	FY 07 \$M	EPS ¢s	FY 06 \$M	EPS ¢s
Net profit after tax	966.2	48.0	1,166.2	58.0
Less: Significant Items (after tax) ⁽¹⁾	(277.5)		(558.3)	
Net profit after tax (before significant items)	688.7	34.2	607.9	30.2
Add: SGARA (after tax)	27.4		5.0	
Net profit after tax (before significant items & SGARA)	716.1	35.6	612.9	30.5
Add: Amortisation	3.8		5.6	
Less: Discontinued businesses (after tax)	(23.4)		(37.2)	
Normalised net profit	696.5	34.6	581.3	28.9
Weighted Average Shares	2013.5		2,012.2	

⁽¹⁾ Significant Items include continuing material items, discontinued material items and gains or losses on sale of discontinued operations

Cash Flow – Continuing Business



	FY 07 \$M	FY 06 \$M	Change %
Reported OCFPIT	1,185.7	1,277.4	
Add: Southcorp integration	17.4	92.2	
Southcorp hedge book receipts		(57.9)	
Other Significant Items	45.9	13.0	
Discontinued Operations	(35.4)	(78.0)	
Dividends received	(0.4)	(0.1)	
Continuing business OCFPIT, before Significant Items	<u>1,213.2</u>	<u>1,246.6</u>	
EBITDAS	1,305.6	1,216.7	7.3
OCFPIT	1,213.2	1,246.6	(2.7)
Cash Conversion	92.9	102.5	(9.6) pts

Continuing Business Free Cash Flow pre Significant Items



	FY 07 \$m	FY 06 \$m
EBITDAS	1,305.6	1,216.7
Working Capital	(86.5)	63.3
Other Items	(5.9)	(33.4)
Continuing OCFPIT before significant	1,213.2	1,246.6
Net Interest Paid	(209.7)	(221.6)
Tax Paid	(228.1)	(206.6)
Dividends received	0.4	0.1
Continuing Net Operating Cash Flows before significant	775.8	818.5
Net Capex	(144.6)	(215.5)
Ordinary dividends/distributions to minorities	(346.0)	(334.6)
Free Cash Flows	285.2	268.4

Australia, Asia and Pacific



	H1 07 \$m	H2 07 \$m	FY 07 \$m	H1 06 \$m	H2 06 \$m	FY 06 \$m
Beer Volume	56.6	50.9	107.5	57.3	50.3	107.6
Wine Volume	6.5	5.2	11.7	7.2	5.4	12.6
Other Alcoholic Beverages	3.7	3.2	6.9	3.9	3.1	7.0
Total Volumes ⁽¹⁾⁽²⁾	66.8	59.3	126.1	68.4	58.8	127.2
NSR	1,514.9	1,366.0	2,880.9	1,510.8	1,262.6	2,773.4
EBITS	451.8	418.2	870.0	435.3	381.6	816.9
EBIT	442.2	389.0	831.2	431.4	368.8	800.2

⁽¹⁾ 9L cases (millions)

⁽²⁾ FY 06 volume and revenue have been restated to align accounting treatment of non-alcohol and other revenue outside of Australia

Americas



	H1 07 \$m	H2 07 \$m	FY 07 \$m	H1 06 \$m	H2 06 \$m	FY 06 \$m
Beer Volume	2.9	2.9	5.8	3.0	3.0	6.0
Wine Volume	9.9	10.0	19.9	9.6	9.2	18.8
Total Volumes ⁽¹⁾	12.8	12.9	25.7	12.6	12.2	24.8
NSR	625.2	594.7	1,219.9	590.9	604.4	1,195.3
EBITS	144.9	109.3	254.2	120.2	125.2	245.4
EBIT	143.1	111.8	254.9	122.7	132.6	255.3

⁽¹⁾ 9L cases (millions)

Europe, Middle East and Africa



	H1 07 \$m	H2 07 \$m	FY 07 \$m	H1 06 \$m	H2 06 \$m	FY 06 \$m
Beer Volume	0.7	0.6	1.3	0.6	0.9	1.5
Wine Volume	4.7	4.7	9.4	3.6	4.0	7.6
Total Volumes ⁽¹⁾	5.4	5.3	10.7	4.2	4.9	9.1
NSR	227.7	226.7	454.4	186.9	195.3	382.2
EBITS	38.7	43.5	82.2	35.2	34.0	69.2
EBIT	38.7	43.5	82.2	35.2	33.7	68.9

⁽¹⁾ 9L cases (millions)

Global Wine Trade



	H1 07 \$m	H2 07 \$m	FY 07 \$m	H1 06 \$m	H2 06 \$m	FY 06 \$m
AAP Volume ⁽¹⁾	6.5	5.2	11.7	7.2	5.4	12.6
Americas Volume ⁽¹⁾	9.9	10.0	19.9	9.6	9.2	18.8
EMEA Volume ⁽¹⁾	4.7	4.7	9.4	3.7	4.0	7.7
Total Volume ⁽¹⁾	21.1	19.9	41.0	20.5	18.6	39.1
AAP NSR	359.4	331.1	690.5	377.2	301.5	678.7
Americas NSR	623.0	592.8	1,215.8	588.9	602.3	1,191.2
EMEA NSR	220.2	220.0	440.2	180.5	186.1	366.6
Total NSR	1,202.6	1,143.9	2,346.5	1,146.6	1,089.9	2,236.5
EBITS	233.6	236.0	469.6	205.8	232.1	437.9
Capital Employed			6,596.8			6,635.9
ROCE			7.1			6.6

⁽¹⁾ 9L cases (millions)

Debt Summary



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		FY 07 \$m	FY 06 \$m
Gross Debt	Gross Borrowings	2,875	3,973
	Debt Issuance Costs	(18)	(23)
	Fair Value Adjustment to fixed rate debt	2	(9)
	Borrowings per balance sheet	2,859	3,941
Net Debt	Cash	(288)	(450)
	Fair Value of fixed rate debt hedges	(2)	8
	Net Debt	2,569	3,499
Debt Portfolio	AUD (A\$)	301	473
	USD (US\$)	1,935	2,118
	GBP (GBP)	100	182
	Other (A\$)	51	184
	% Fixed – Gross Borrowings	49%	44%

Definitions

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Exchange rate

Average exchange rates used for profit and loss purposes in the 12 months ended 30 June 2007 are: \$A1 = \$US 0.7866 (2006: \$A1 = \$US 0.7467), \$A1 = GB£ 0.4066 (2006: \$A1 = GB£ 0.4205). Period end exchange rates used for balance sheet items are: \$A1 = \$US 0.8466 (2006: \$A1 = \$US 0.7391), \$A1 = GB£ 0.4229 (2006: \$A1 = GB£ 0.4043).

Constant Currency

Throughout this presentation constant currency assumes current and prior earnings of self-sustaining foreign operations are translated and cross border transactions are transacted at current year exchange rates.

Discontinued Business

Wine Clubs & Services, Asian brewing businesses and license income associated with the Foster's trademark in Europe which have been sold or identified for sale.

Significant Items

Significant Items include continuing material items, discontinued material items and gains or losses on sale of discontinued operations

EBIT

Continuing business earnings before interest, tax and significant items.

EBITS

Continuing business earnings before interest, tax, significant items and SGARA.

EBITDAS

Continuing business earnings before interest, tax, depreciation, amortisation, significant items & SGARA.

Continuing business OCFPIT

Continuing business operating cash flow before cash receipts and payments associated with significant items and other one-off transactions and prior to interest and tax.

SGARA

Australian International accounting standard AASB141 "Agriculture".

