

Dairy Farm

OLIVE YOUNG

ThreeSixty°

惠康 wellcome

萬寧 manning's



頂好 Wellcome



IKEA
宜家傢俬

foodworld

health & glow

GNC



HERO

Giant

首得惠 shop n save

Cold Storage
The fresh food people

guardian



美心 Maxim's

2006 Highlights



- Sales US\$6,010m (+9%)
- Underlying PATAM US\$211m (+11%)
- Underlying EPS US15.70¢ (+10%)
- Final dividend US6.80¢ (+10%)
- Store network 3,573 (+408)

Sales



(US\$b)

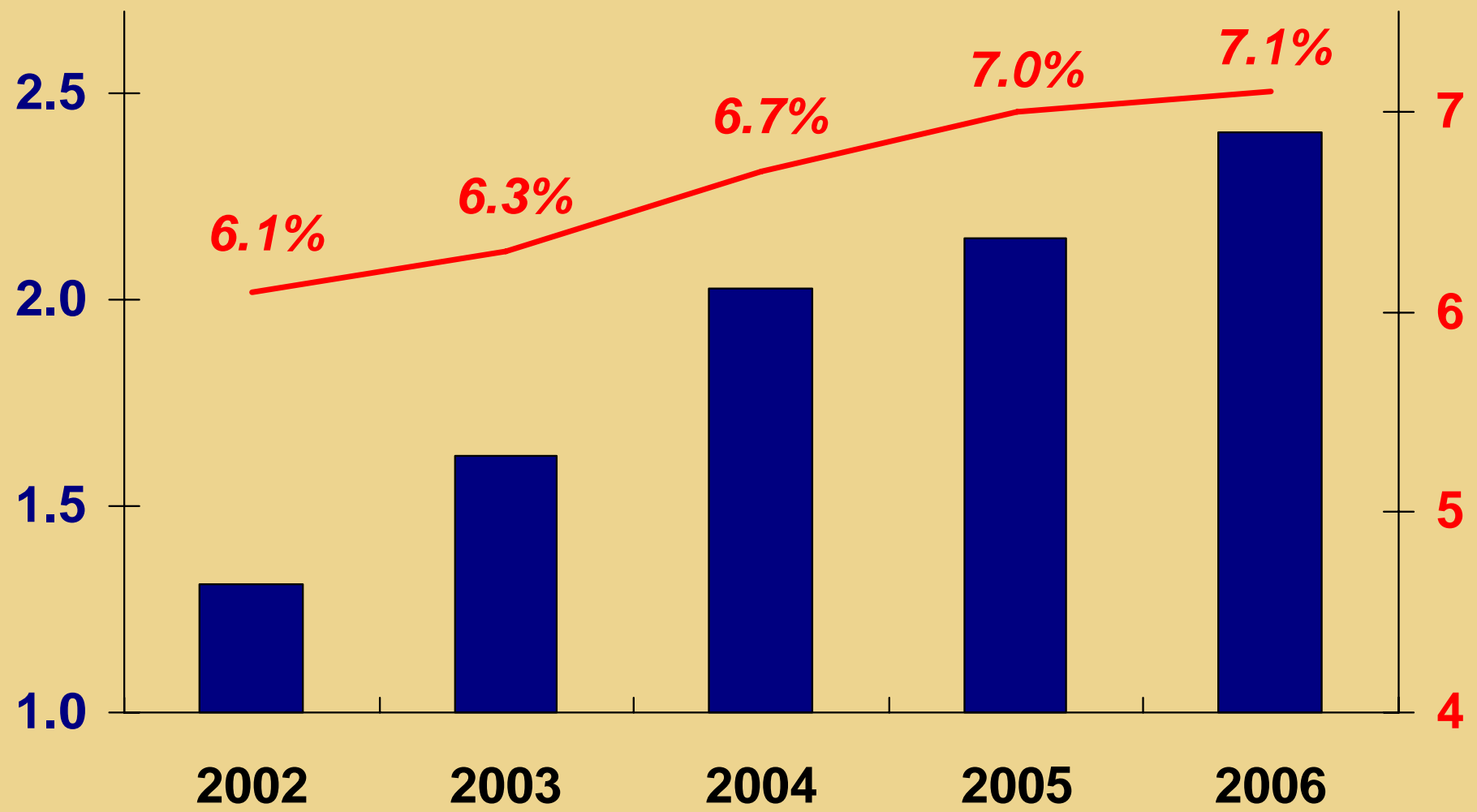


South Asia



SALES (US\$b)

EBITDA % *



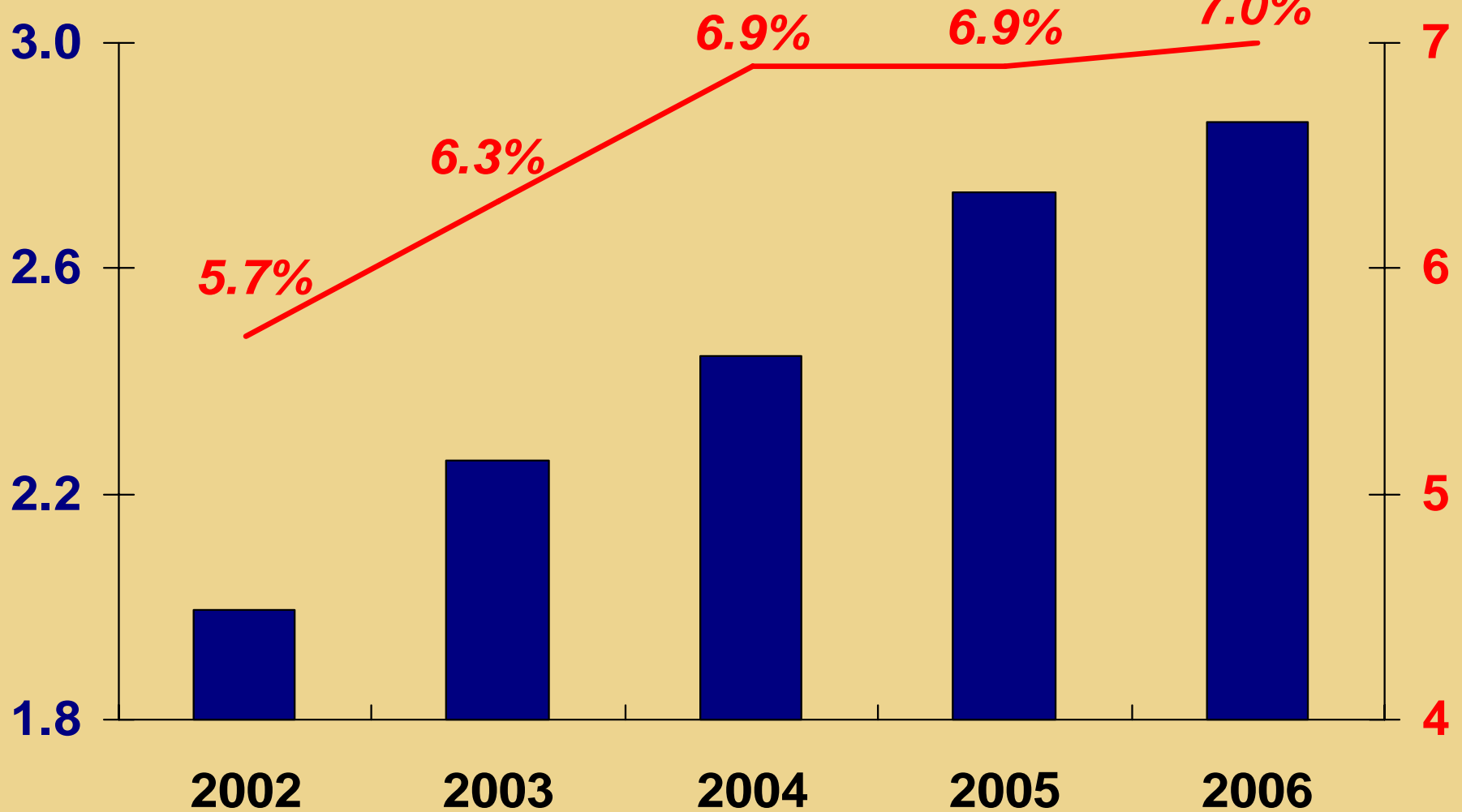
* Before pre-opening expenses & closure costs

North Asia



SALES (US\$b)

EBITDA % *



* Before pre-opening expenses & closure costs

2006 Highlights



- Good performance in:
 - Hong Kong
 - Malaysia
 - Singapore (except Giant)

Maxim's: Strong recovery



- Better results in Chinese restaurants
- Starbucks performing well
- Genki Sushi: profitable and expandable
- New concepts
- Fast food opportunity

IKEA Taiwan



	<u>2005</u>	<u>2006</u>
Stores	2	4
PBIT – US\$m	(2.9)	(8.6)
Retail PBIT – US\$m	(0.9)	(3.3)

- Results affected by US\$5.3m pre-opening expenses
- Margin management
- Expense control
- Performance improving

2006 other initiatives



- China – 7-Eleven franchising
- Vietnam supermarkets
- Shell alliance in Singapore
- Brunei hypermarket

Initiatives: India



- DFI retail licence
- 49% of Foodworld: 55 stores (Sales: US\$38m)



- 50% of Health & Glow: 42 stores (Sales: US\$14m)



- Plans:
 - Build organizational strength
 - Refurbish existing stores
 - Accelerate growth
- Outlook:
 - A developing country
 - Increasing competition but vast potential
 - Possible over-storing
 - Long-term vision a must

Highlights

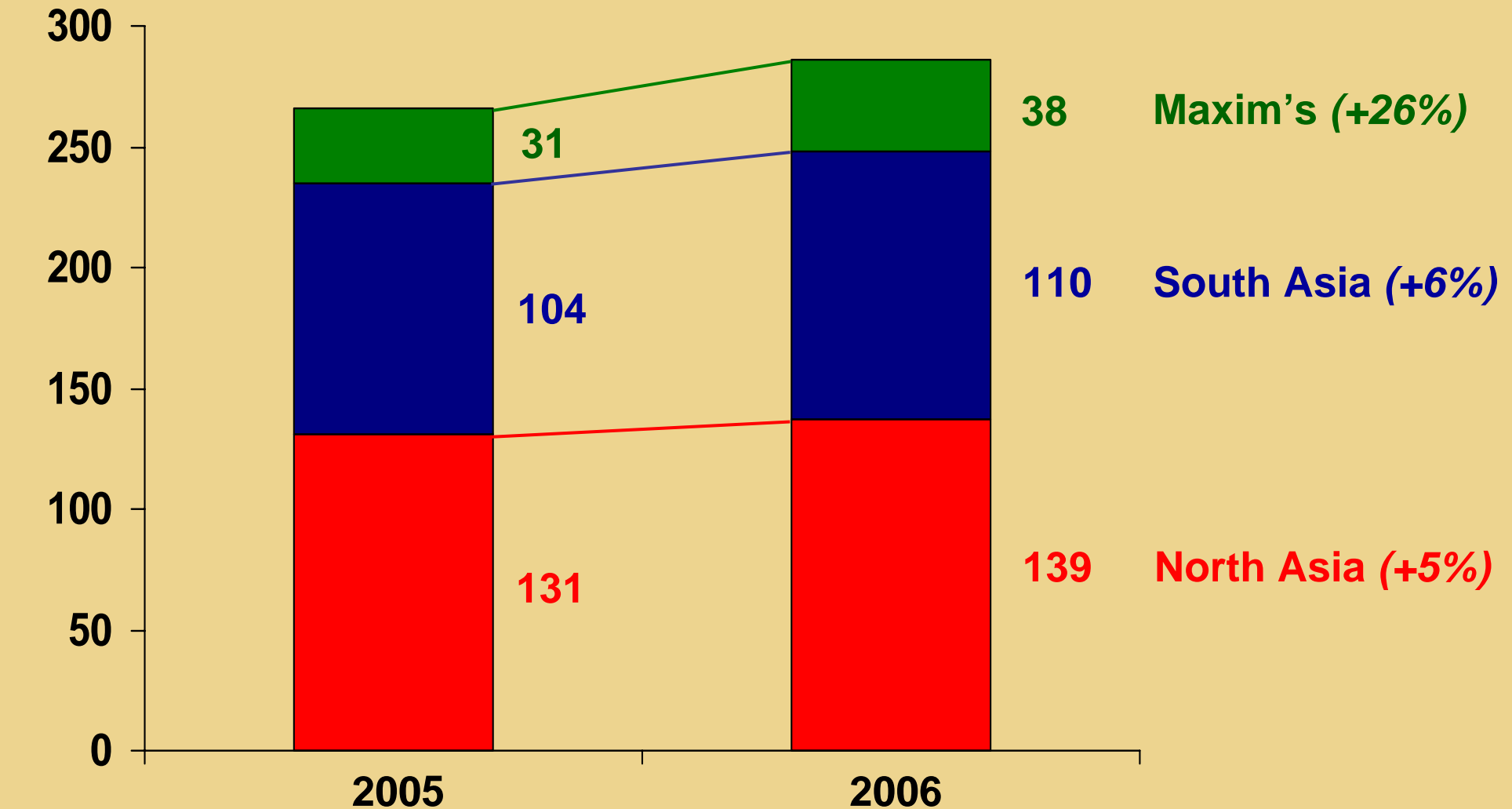


<i>(US\$m)</i>	<u>2005</u>	<u>2006</u>	<u>Change</u>	
Sales incl. associates	5,539	6,010	471	9%
Underlying EBITDA	326	344	18	6%
Underlying PBIT	250	269	19	7%
Underlying PATAM	190	211	21	11%
Underlying EPS (US¢)	14.23	15.70	1.47	10%

Underlying PBIT by region



(US\$m)



Underlying PBIT by format



(US\$m)	2005			2006		
	<u>1H</u>	<u>2H</u>	<u>FY</u>	<u>1H</u>	<u>2H</u>	<u>FY</u>
Super / hypermarkets	46	74	120	54	78	132
Health & beauty stores	25	30	55	28	35	63
Convenience stores	18	27	45	21	31	52
Maxim's	10	21	31	14	24	38
IKEA / properties	9	6	15	1	1	2
	<u>108</u>	<u>158</u>	<u>266</u>	<u>118</u>	<u>169</u>	<u>287</u>

Underlying PATAM



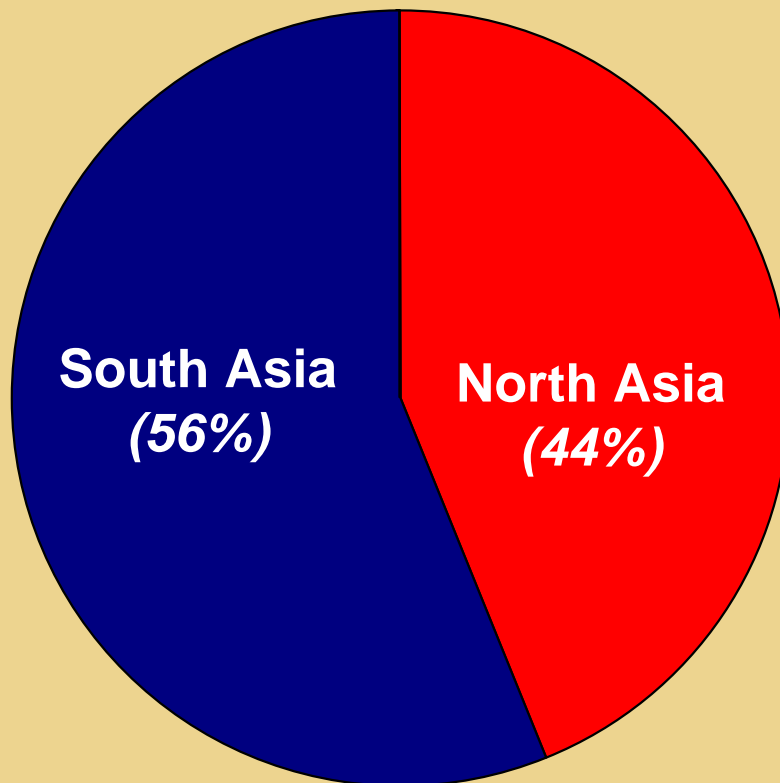
<i>(US\$m)</i>	<u>2005</u>	<u>2006</u>	<u>Change</u>
Underlying PBIT	250	269	19
Net interest expense	(9)	(6)	3
Tax	(50)	(52)	(2)
Minorities	(1)	-	1
Underlying PATAM	<u>190</u>	<u>211</u>	21

Capex

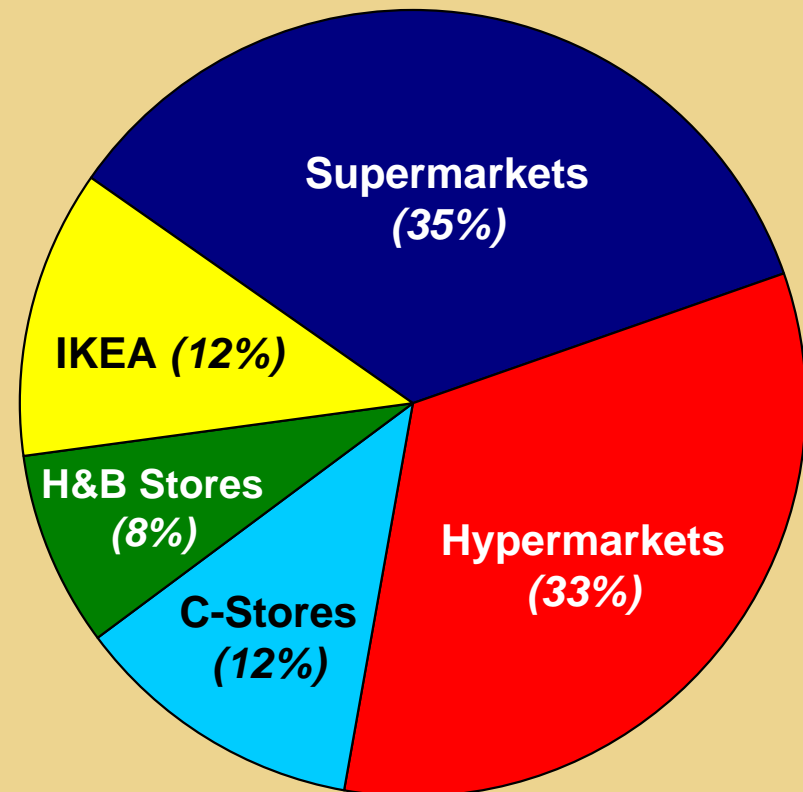


Total: US\$177m

By region



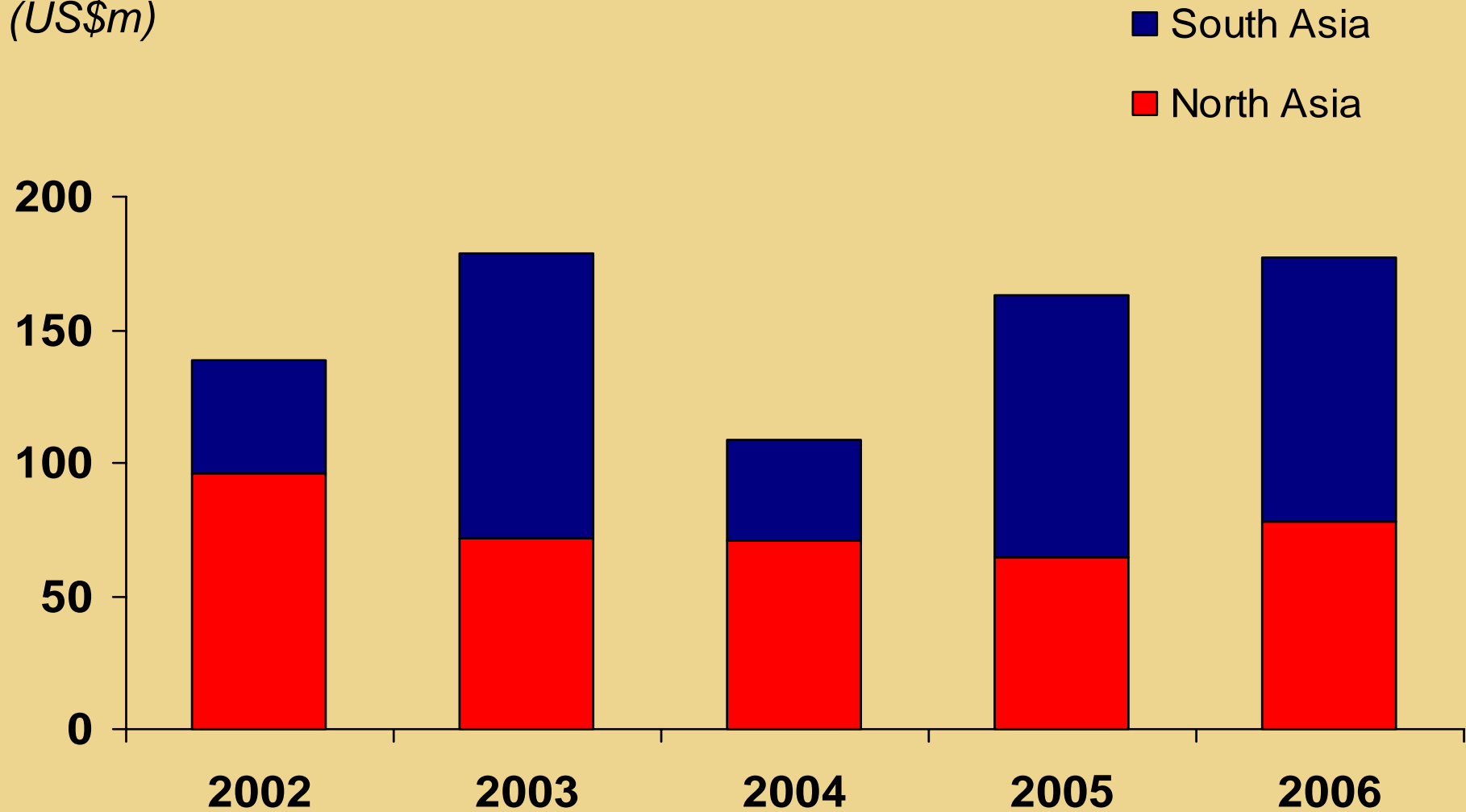
By format



Total capex



(US\$m)



Cash flow



<i>(US\$m)</i>	<u>2005</u>	<u>2006</u>		
	<u>FY</u>	<u>1H</u>	<u>2H</u>	<u>FY</u>
EBITDA	326	151	193	344
Dividends from associates	24	7	14	21
Working capital	40	(56)	45	(11)
Interest / tax / other	(36)	(16)	(24)	(40)
Operating cash flow	354	86	228	314
Normal capex	(112)	(70)	(89)	(159)
Free cash flow	<u>242</u>	<u>16</u>	<u>139</u>	<u>155</u>

Working Capital

<i>(US\$m)</i>	<u>2005</u>	<u>2006</u>
Stock	424	472
Trade creditors	790	844
Trade creditors to stock ratio	1.86x	1.79x

Cash flow



<i>(US\$m)</i>	<u>2005</u>	<u>2006</u>
Free cash flow	242	155
Asset sales	136	10
Investment capex	(51)	(18)
Dividends paid – ordinary	(101)	(118)
– special	(334)	-
Net cash (outflow) / inflow	<u>(108)</u>	<u>29</u>

Balance sheet

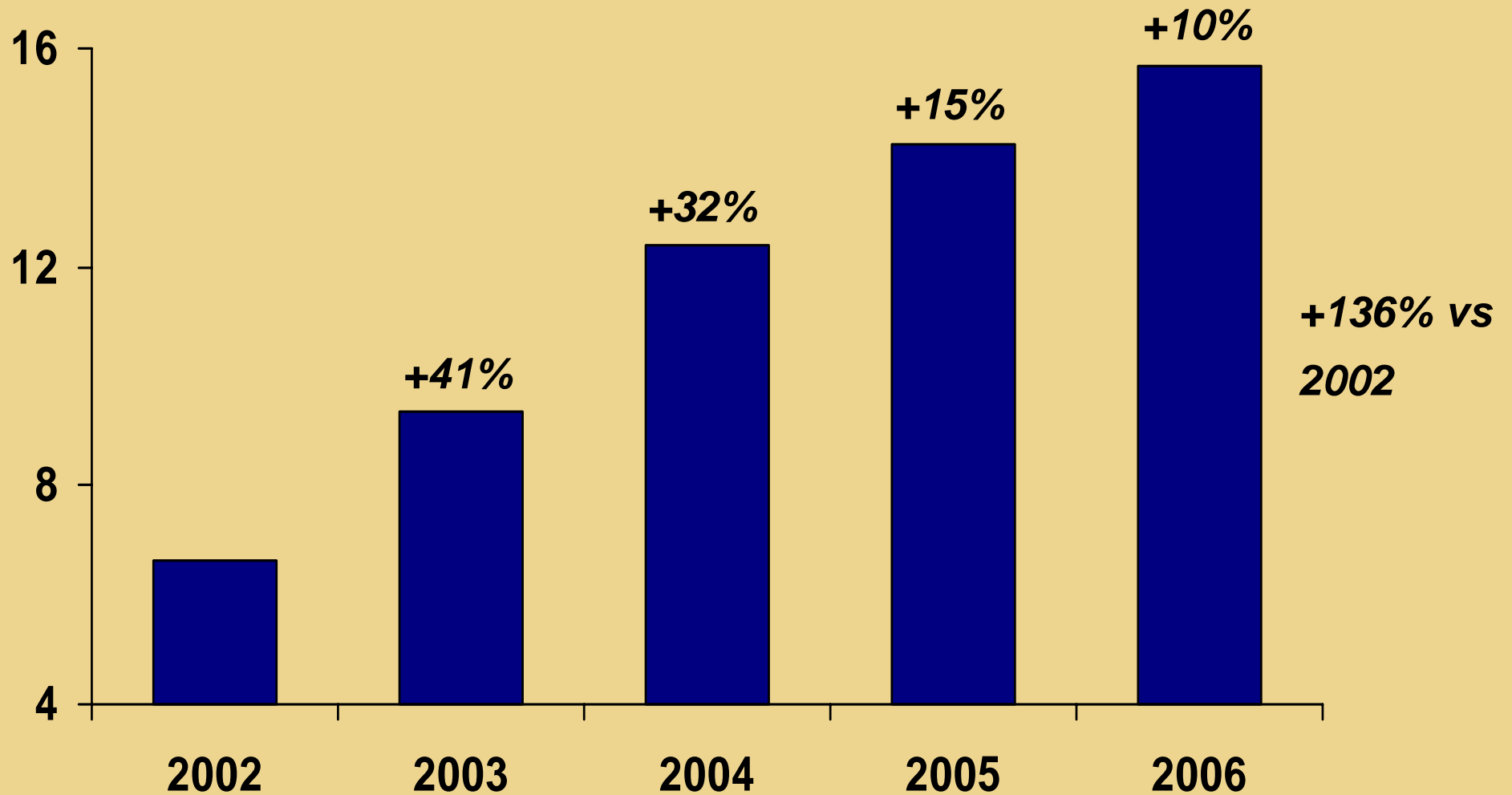


<i>(US\$m)</i>	<u><i>At 31/12/05</i></u>	<u><i>At 31/12/06</i></u>
Property	168	175
Other fixed assets	610	680
Net working capital	(536)	(547)
Net cash	1	20
Total equity	<u>243</u>	<u>328</u>

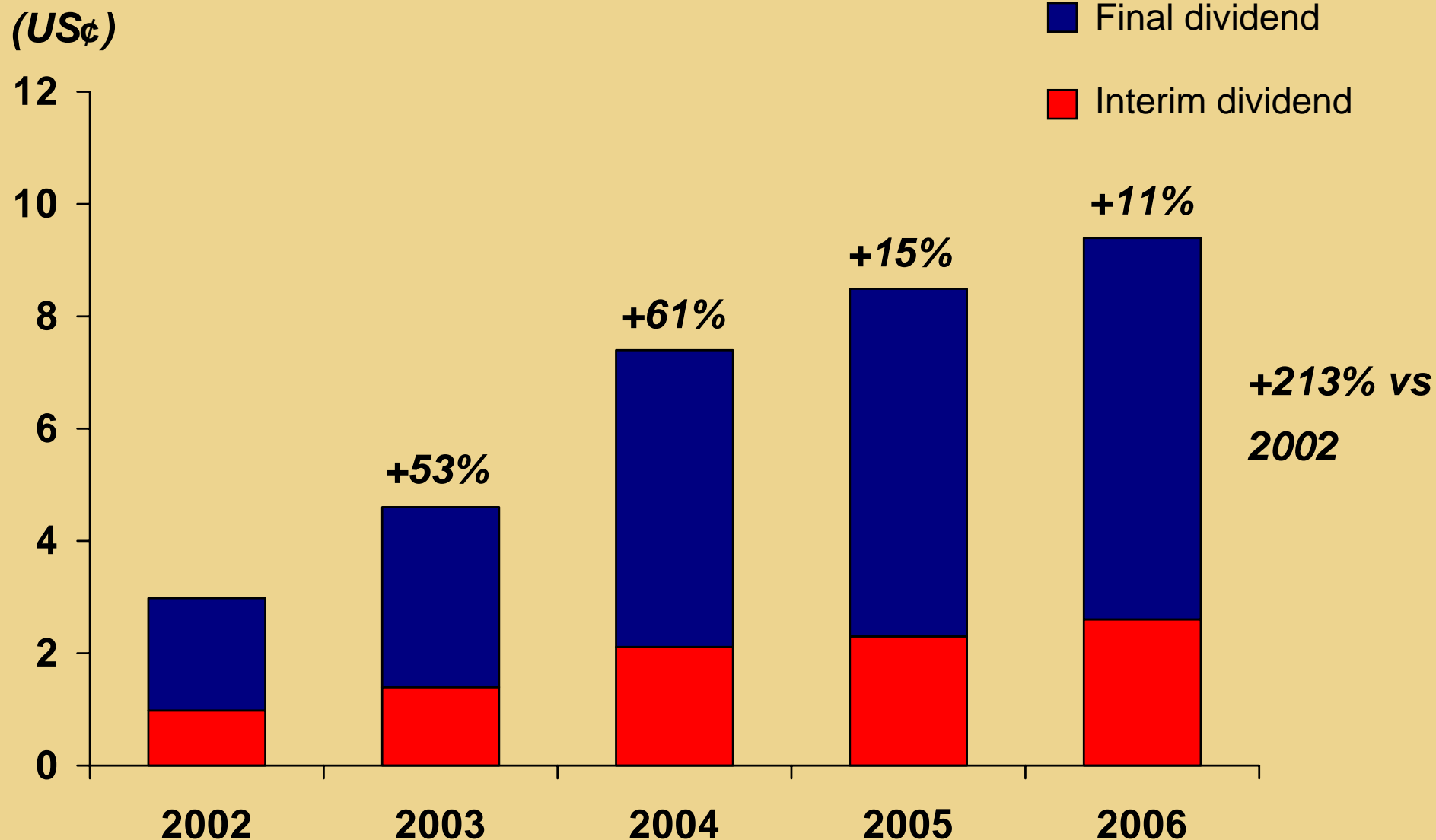
Underlying earnings per share



(US¢)



Ordinary dividends per share



- Favourable economic conditions in Asia
 - Trend sustainable
 - Improving governance and fiscal discipline
- DF's Asian retail strategy is well placed
- Steady in HK, Singapore and Taiwan
- Growth in Malaysia and Indonesia
- India, South China, Vietnam
 - Turn seeds into profit contributors