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FOSTER'S
GROUP

ASX RELEASE



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Foster's Brewing

If you would prefer to receive this notification by email please reply to

jane.dowsey@fostersgroup.com or

Ph: +61 3 9633 2105

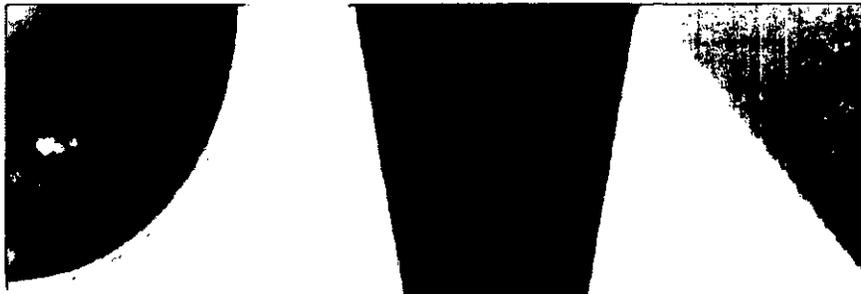
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FOSTER'S GROUP

77 Southbank Boulevard Southbank Victoria 3006 Australia GPO Box 753 Melbourne Victoria 3001
Tel 61 3 9633 2000 Fax 61 3 9633 2002 Foster's Group Limited ABN 49 007 620 886 www.fostersgroup.com



Foster's Group 2008 Full Year Results
26 August 2008



**OUTLOOK STATEMENT
DISCLAIMER**

Foster's Group Limited (Foster's) advises that the following presentation contains forward looking statements which may be subject to significant uncertainties outside of Foster's control.

No representation is made as to the accuracy or reliability of forecasts or the assumptions on which they are based.

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



David Crawford

Chairman

BOARD AGENDA

2008 Results

- Balance sheet and cash flow strong
- Strong beer performance
- Wine results do not meet our expectations

Wine Review

- Comprehensive review in progress
- Review to be completed by end 2008

CEO Recruitment

- Search is progressing according to plan

Board Renewal

- 3 new Board members in the past 12 months
- New perspectives and balance of skills

Acting CEO

- Top level accountability
- Business continuity and smooth transition to the incoming CEO



Ian Johnston
Acting
Chief Executive Officer



Angus McKay
Chief Financial Officer



2008 RESULTS SUMMARY

- Earnings per share¹ up 3.4% to 36.8 cents
- Constant currency EBITs up 4.3% to \$1,139m
- Net Profit¹ down 0.4% to \$713.2m
- Cash Flow after Dividends up 52% to \$434m
- Final Dividend up 9.6% to 14.25 cents per share
- Continuing business significant items of \$606m after tax

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



KEY FINANCIALS

	Constant Currency Change	Reported Currency Change	FY 08
Volume (9L cases millions)	-3.9%	-3.9%	156.1m
Net Sales Revenue	-0.1%	-4.0%	\$4,372.7m
EBITS	+4.3%	-1.4%	\$1,138.9m
Net Interest Expense	-13.2%	-22.7%	\$(144.7)m
Tax Expense	+7.5%	+2.7%	\$(278.8)m
Net Profit after tax ¹	+4.0%	-0.4%	\$713.2m
Earnings per share ¹	+7.9%	+3.4%	36.8¢
ROCE ¹		+50bps	15.5%

1. Continuing and discontinued business before significant items and SGARA



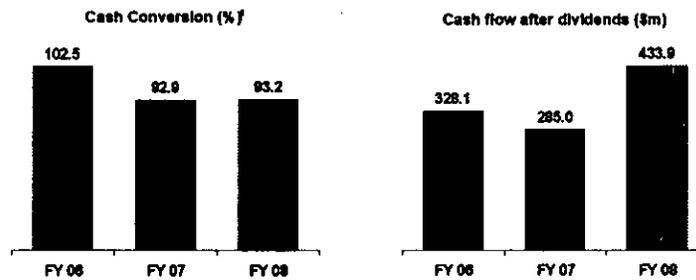
KEY FINANCIALS
CONTINUING BUSINESS SIGNIFICANT ITEMS

	Americas \$m	AAP \$m	Total \$m
Goodwill	190.2	201.3	391.5
Brand names	79.3	-	79.3
Property, plant and equipment	89.1	5.0	94.1
Agriculture	24.8	-	24.8
Inventory	40.5	86.4	126.9
Other	13.8	-	13.8
Continuing Business Significant Items pre tax (loss)	437.7	292.7	730.4
Tax			124.6
Continuing Business Significant Items after tax (loss)			605.8



KEY FINANCIALS
CASH FLOW

Cash flow remains outstanding



1. Cash Conversion is defined as Continuing business OCFPIT divided by EBITDAS



EBITS

		Constant Currency Change	Reported Currency Change	FY 08 \$m
Region	AAP	+8.1%	+9.0%	948.4
	Americas	-21.1%	-40.7%	150.8
	EMEA	+16.6%	+6.2%	87.3
	Corporate	-7.0%	-7.6%	(47.6)
	Total EBITs	+4.3%	-1.4%	1,138.9
Category	BCS	+6.8%	+7.7%	793.8
	Wine	-1.8%	-16.4%	392.7
	Corporate	-7.0%	-7.6%	(47.6)
	Total EBITs	+4.3%	-1.4%	1,138.9



AAP BCS KEY FINANCIALS

Underlying EBITs up 5.7%

		Reported Change	FY 08 \$m
Reported	Volume – Total ¹	-3.1%	110.9
	NSR	+3.5%	2,267.8
	EBITS	+8.0%	780.2
Underlying²	Volume – Beer ¹	-2.1%	102.9
	Volume – Other ¹	-6.5%	6.5
	Volume – Total ¹	-2.4%	109.4
	NSR	+4.6%	2,230.7
	EBITS	+5.7%	766.1
	EBITS Margin	+38 bps	34.3%

1. 9L cases millions

2. Excluding Boag's, asset sale profits and Australian Logistics Transformation costs



AAP BEER KEY BRANDS

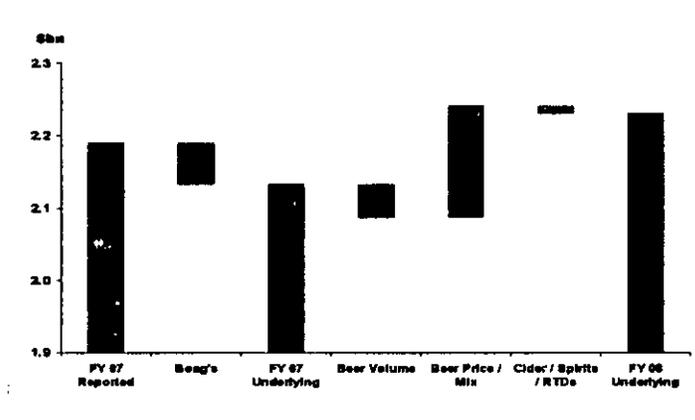
	Volume	Net Sales Revenue	
	-6.7%	+0.2%	<ul style="list-style-type: none"> # 1 beer in Australia¹ VB return to value growth in fiscal 2008
	+1.0%	+7.6%	<ul style="list-style-type: none"> 6 years of consecutive growth
	+64.2%	+71.0%	<ul style="list-style-type: none"> Australia's fastest growing volume and value brand¹
	-15.9%	-14.1%	<ul style="list-style-type: none"> Price repositioned

1. Source: Nielsen ScanTrack Liquor MAT to June 2008



AAP BCS NET SALES REVENUE

Beer net sales revenue per case up 7.9%



AAP BCS COST OF SALES

Fiscal 2008 cost of sales increases in line with guidance

-
- FY 08**
- Costs in line with guidance range
 - Mix adjusted unit cost of sales increased ~3.5%
 - Malt
 - Barley
 - Aluminium
 - Fuel
 - North Fremantle closure
 - Australian logistics transformation
-
- FY 09**
- Mix adjusted unit cost of sales increases expected to be between 4 and 6%
 - Malt
 - Hops
 - Fuel
-



GLOBAL WINE

Currency is the key contributor to earnings decline

-
- Currency**
- Approximately \$70m net unfavourable impact
 - Constant currency wine earnings down 1.8%
-
- Volume**
- Distributor inventory realignment
 - 0.9 million cases in Americas (second half)
 - 0.2 million cases in Australia (first half)
 - Lower sales of Australian wine in the Americas
-
- Cost of Sales**
- Fiscal 2008 constant currency wine unit cost of sales up 1.5%
 - Lower cost Australia vintage 2008
 - Production efficiencies
 - Higher cost Australian vintage 2007
 - Higher glass cost California
-



GLOBAL WINE KEY FINANCIALS

Good growth in AAP and EMEA

		Constant Currency Change	Reported Currency Change	FY 08 \$m
AAP	Volume ¹	-8.7%	-8.7%	10.7
	NSR	-1.8%	-2.1%	676.2
	EBITS	+14.0%	+13.7%	168.2
Americas	Volume ¹	-9.6%	-9.6%	18.0
	NSR	-8.9%	-19.5%	978.3
	EBITS	-22.0%	-41.6%	146.6
EMEA	Volume ¹	+6.1%	+6.1%	10.0
	NSR	+5.7%	-2.0%	431.6
	EBITS	+21.3%	+10.0%	77.9
Total	Volume ¹	-5.7%	-5.7%	38.7
	NSR	-3.9%	-11.1%	2,086.1
	EBITS	-1.8%	-16.4%	392.7

1. 9L cases millions



GLOBAL WINE BRAND PERFORMANCE

	Adjusted Shipment Volume ¹	Shipment Volume	Net Sales Revenue	
 BERINGER	-1.4%	-3.6%	-1.5%	<ul style="list-style-type: none"> California Collection price increase Depletions growth net of California Collection
 GABBIANO	22.8%	10.7%	12.6%	<ul style="list-style-type: none"> Strong growth in EMEA Strong depletions in Americas
 LINDEMANS	-0.2%	-5.6%	-3.6%	<ul style="list-style-type: none"> Strong growth in EMEA Cask de-emphasis in Australia
 MATA	20.7%	18.0%	29.3%	<ul style="list-style-type: none"> Strong growth in AAP Increased availability

1. Americas depletions and AAP and EMEA shipments



GLOBAL WINE BRAND PERFORMANCE

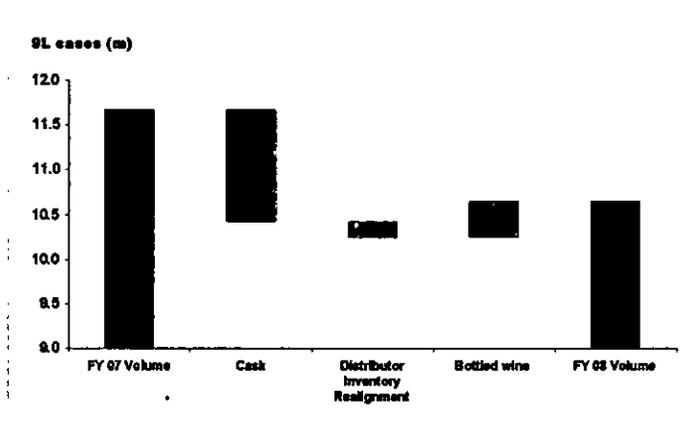
	Adjusted Shipment Volume ¹	Shipment Volume	Net Sales Revenue	
	-3.9%	-7.2%	-5.7%	<ul style="list-style-type: none"> • Lower availability • Increased prices on super premium and luxury
	-1.5%	-7.2%	-8.2%	<ul style="list-style-type: none"> • Strong growth in AAP and EMEA
	6.5%	5.6%	5.4%	<ul style="list-style-type: none"> • Good growth in EMEA and AAP
	0.6%	0.0%	0.8%	<ul style="list-style-type: none"> • Growth in AAP and EMEA

1. Americas depletions and AAP and EMEA shipments



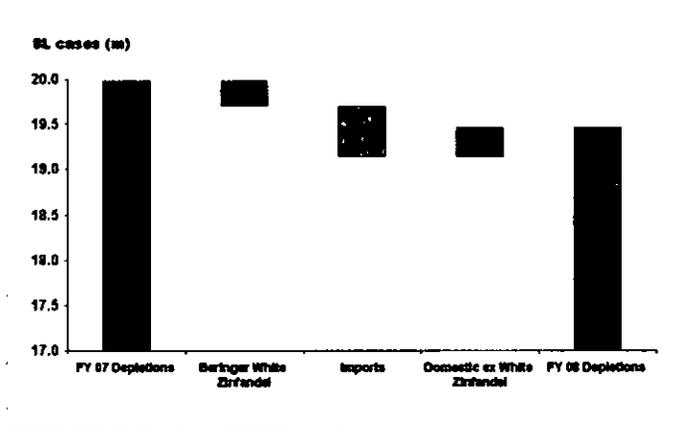
AAP WINE SHIPMENTS

Underlying bottled wine volume up 3.2%



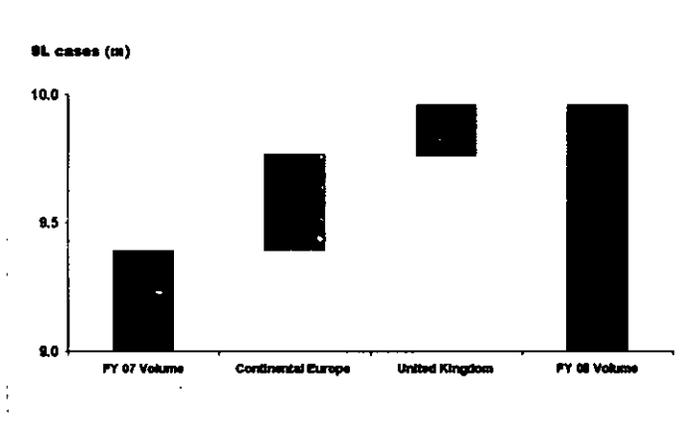
AMERICAS WINE DEPLETIONS

Californian portfolio in line with expectations



EMEA WINE SHIPMENTS

Continental Europe is the key growth driver



GLOBAL WINE COST OF SALES OUTLOOK

Cost of sales increases expected in fiscal 2009

- Cost of Sales**
- Fiscal 2009 constant currency mix adjusted cost of sales mid to high single digit increase expected
 - More expensive Australian 2007 and 2008 vintages
 - Higher glass costs in California

- 2008 Australian Vintage**
- Australian industry vintage up ~25% compared to 2007 vintage¹
 - Australian industry remains oversupplied
 - Foster's grape and bulk wine costs up between 5 and 10%

- 2008 Californian Vintage**
- Californian industry vintage expected to be similar to 2007
 - Industry supply in balance

1. Source: Wine Makers Federation of Australia



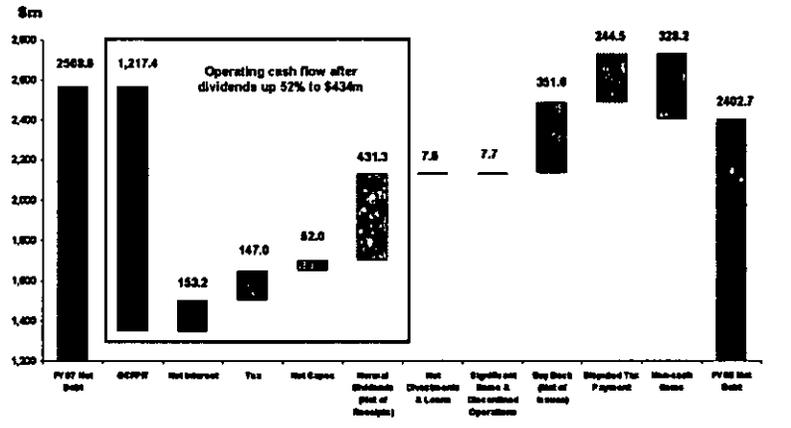
CURRENCY SENSITIVITIES

Selected Currency			Wine EBITD	Group Profit Before Tax
	FY 07	FY 08	\$m	\$m
Impact of FX on FY 08				
AUD/USD	78.66	89.60	(52.3)	(21.2)
AUD/GBP	40.66	44.73	(36.4)	(33.1)
Other			19.3	19.9
Total			(69.6)	(34.4)
FY 09 Indicative Sensitivities		FY 08	Sensitivity	
AUD/USD	89.60	1¢ change	5.3	3.1
AUD/GBP	44.73	1p change	8.9	8.4



CASH FLOW AND NET DEBT

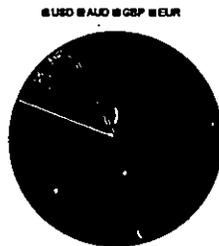
Cash flow after dividends outstanding



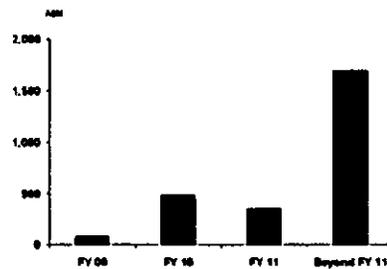
CAPITAL STRUCTURE AND DEBT PROFILE

Robust and stable balance sheet

Debt Portfolio



Debt Maturity



- BBB/Baa2 (Stable Outlook) credit rating
- Gearing 62.4%, Interest cover 8x pre significant, 3x post significant
- 52% fixed, 48% floating
- Gross debt weighted average maturity 7.7 years

- \$1.5 billion of committed liquidity
- \$161 million cash on hand
- No debt capital market or term facilities maturing during fiscal 2009



Ian Johnston
Acting
Chief Executive Officer

**AUSTRALIAN BEER
HIGHLIGHTS**

Foster's has 7 of Australia's top 10 beer brands¹

1. Nielsen Scanback Liquor MMT to June 2008

#1 beer brand¹,
return to revenue growth,
VB Gold success

6th consecutive
year of growth

Fastest growing
beer brand by
volume and value¹

Price
repositioned,
Crown
Ambassador
release



AUSTRALIAN BEER GROWTH IN GROWTH CATEGORIES

1. Nielsen Scantrack Liquor MAY to June 2008

Unmatched portfolio of international premium brands

Corona continues to lead category growth¹

Created the low carb segment

Established the 'green beer' category in Australia

Re-launched as a lower carb beer

From concept to market in 60 days, firmly established as the leading flavoured beer



AUSTRALIAN WINE ACCOLADES

- 22 Trophies • 145 Gold Medals • 715 Silver and Bronzes
- 135 wines across 24 brands were awarded medals in every show in which they were entered



Penfolds

SEPELT
EST. 1874

Stonier Lane

SALTRAM
WINE ESTATES LTD



MILDARA

Colobran Hills



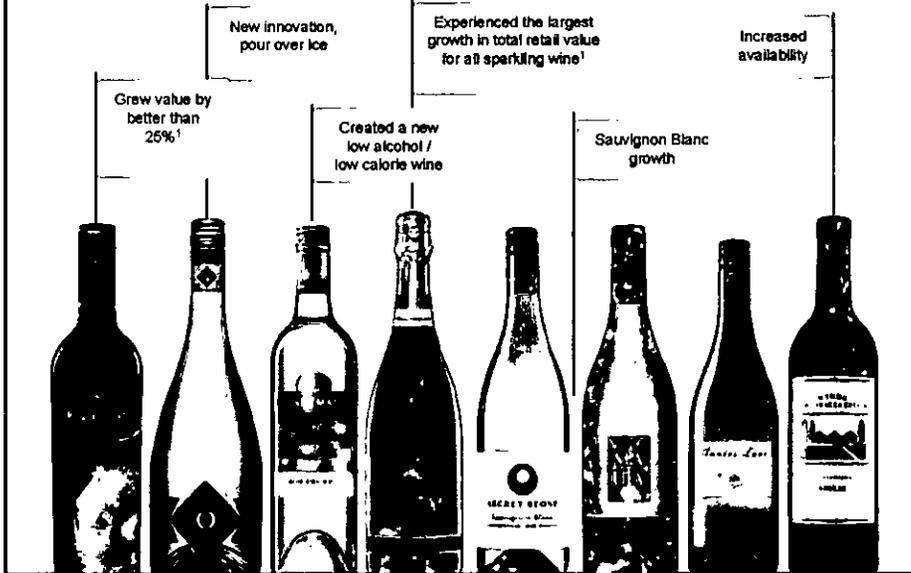
LD
LINDEMANS



FOSTERS
WINE

AUSTRALIAN WINE HIGHLIGHTS

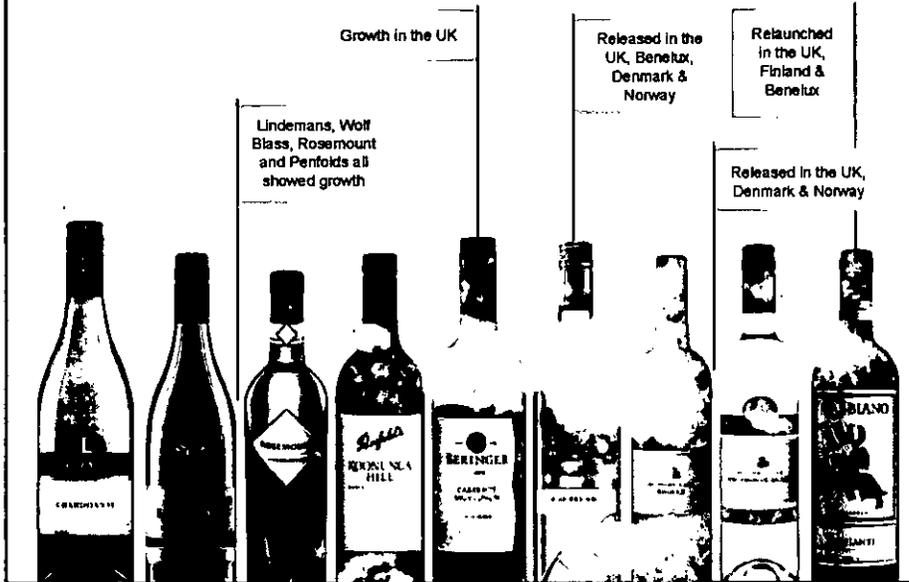
1. Nielsen Scantrack Liquor MAT June 2008



AMERICAS WINE BERINGER CALIFORNIA COLLECTION



EMEA WINE HIGHLIGHTS



ACTING CEO AGENDA

Acting CEO Mandate

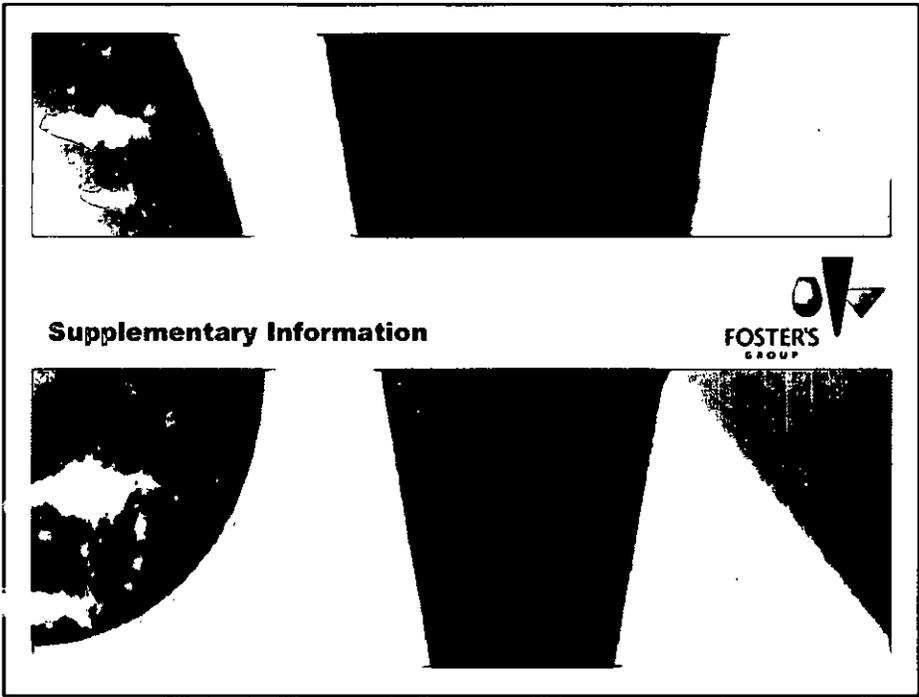
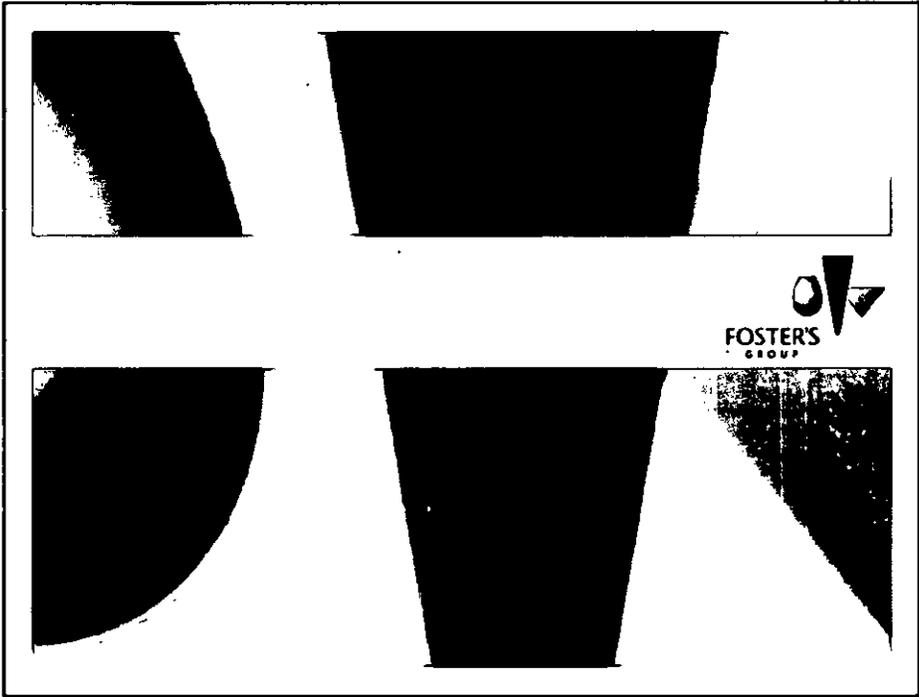
- Protect and drive day to day business performance
- Ensure a smooth transition to the incoming CEO
- Take the "no regrets" decisions to facilitate performance improvement

Priorities

- Beer remains the backbone of Foster's business
- Build volume growth and gain value share
- Reduce business costs
- Continue to build business capability

Outlook

- No earnings guidance subject to wine review outcomes
- Beer market expected to remain resilient
- Wine category remains in growth – but slowing
- Higher wine cost of goods in fiscal 2009
- Strong cash flow to remain a characteristic



CONTINUING BUSINESS RESULT

	1H 08 \$m	2H 08 \$m	FY 08 \$m	1H 07 \$m	2H 07 \$m	FY 07 \$m
Volume ⁽¹⁾	84.3	71.8	156.1	85.0	77.5	162.5
NSR	2,356.3	2,016.4	4,372.7	2,367.8	2,187.4	4,555.2
EBITDAS	711.8	594.7	1,306.5	683.4	622.3	1,305.7
EBITAS	636.1	505.8	1,141.9	616.6	542.1	1,158.7
EBITS	634.6	504.3	1,138.9	613.2	541.7	1,154.9
EBIT	638.7	502.1	1,140.8	601.8	515.0	1,116.8
Net Profit <i>(pre-Significant Items)</i>	398.7	318.1	716.8	355.0	314.0	689.0

Continuing business before significant items

⁽¹⁾ Q/L cases millions



EPS RECONCILIATION

	FY 08 \$m	EPS ¢s	FY 07 \$m	EPS ¢s
Net profit after tax (before significant items and SGARA)	713.2	36.8	716.1	35.6
Significant Items after tax ⁽¹⁾ Profit / (Loss)	(602.9)		277.5	
SGARA after tax	1.4		(27.4)	
Net profit after tax	111.7	5.8	966.2	48.0
Diluted Weighted Average Shares	1,938.3		2,013.5	

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



CASH FLOW CONTINUING BUSINESS

	FY 08 \$m	FY 07 \$m	Change
Continuing business OCFPIT, before Significant Items	1,217.4	1,213.2	
Less: Significant Items	7.3	63.3	
Discontinued Operations	(5.8)	(35.4)	
Dividends Received	0.0	(0.4)	
Reported OCFPIT ⁽¹⁾	1,215.9	1,185.7	
EBITDAS	1,306.5	1,305.7	0.1%
OCFPIT	1,217.4	1,213.2	0.3%
Cash Conversion	93.2%	92.9%	0.3pts

⁽¹⁾ Statutory Operating Cash Flow pre Interest, Tax & Dividends



CONTINUING BUSINESS FREE CASH FLOW PRE SIGNIFICANT ITEMS

	FY-08 \$m	FY 07 \$m
EBITDAS	1,306.5	1,305.7
Working Capital	(64.2)	(86.5)
Other Items	(24.9)	(6.0)
Continuing OCFPIT before Significants	1,217.4	1,213.2
Dividends Received	-	0.4
Net Interest Paid	(153.2)	(209.7)
Tax Paid	(147.0)	(228.1)
Continuing Net Operating Cash Flows before Significants	917.2	775.8
Net Capex	(52.0)	(144.6)
Dividends Paid ⁽¹⁾	(431.3)	(346.0)
Free Cash Flow after Dividends	433.9	285.2

⁽¹⁾ Excludes the dividend component of the off-market share buy-back completed on 15 October 2007



AUSTRALIA, ASIA AND PACIFIC

	1H 08 \$m	2H 08 \$m	FY 08 \$m	1H 07 \$m	2H 07 \$m	FY 07 \$m
BCS Volume	59.8	51.1	110.9	60.3	54.1	114.4
Wine Volume	5.8	4.9	10.7	6.5	5.2	11.7
Total Volume ⁽¹⁾	65.6	55.9	121.5	66.8	59.3	126.1
BCS NSR	1,217.1	1,050.7	2,267.8	1,155.5	1,034.9	2,190.4
Wine NSR	345.5	330.7	676.2	359.4	331.1	690.5
Total NSR	1,562.6	1,381.4	2,944.0	1,514.9	1,366.0	2,880.9
BCS EBIT	433.4	346.8	780.2	396.3	325.8	722.1
Wine EBIT	82.1	86.1	168.2	55.5	92.4	147.9
Total EBIT	515.5	432.9	948.4	451.8	418.2	870.0
EBIT	520.2	429.7	949.9	442.2	389.0	831.2

⁽¹⁾ 9L cases millions



AMERICAS

	1H 08 \$m	2H 08 \$m	FY 08 \$m	1H 07 \$m	2H 07 \$m	FY 07 \$m
BCS Volume	2.6	2.7	5.3	2.9	2.9	5.8
Wine Volume	10.2	7.8	18.0	9.9	10.0	19.9
Total Volume ⁽¹⁾	12.8	10.4	23.2	12.8	12.9	25.7
BCS NSR	3.0	3.3	6.3	2.2	1.9	4.1
Wine NSR	551.6	426.7	978.3	623.0	592.8	1,215.8
Total NSR	554.6	430.0	984.6	625.2	594.7	1,219.9
BCS EBIT	1.4	2.8	4.2	0.5	2.8	3.3
Wine EBIT	96.9	49.7	146.6	144.4	106.5	250.9
Total EBIT	98.3	52.5	150.8	144.9	109.3	254.2
EBIT	97.7	53.5	151.2	143.1	111.8	254.9

⁽¹⁾ 9L cases millions



EUROPE, MIDDLE EAST AND AFRICA

	1H 08 \$m	2H 08 \$m	FY 08 \$m	1H 07 \$m	2H 07 \$m	FY 07 \$m
BCS Volume	0.6	0.7	1.3	0.7	0.6	1.3
Wine Volume	5.2	4.8	10.0	4.7	4.7	9.4
Total Volume ⁽¹⁾	5.8	5.5	11.3	5.4	5.3	10.7
BCS NSR	6.9	5.6	12.5	7.5	6.7	14.2
Wine NSR	232.2	199.4	431.6	220.2	220.0	440.2
Total NSR	239.1	205.0	444.1	227.7	226.7	454.4
BCS EBIT	4.2	5.2	9.4	5.0	6.4	11.4
Wine EBIT	40.9	37.0	77.9	33.7	37.1	70.8
Total EBIT	45.1	42.2	87.3	38.7	43.5	82.2
EBIT	45.1	42.2	87.3	38.7	43.5	82.2

⁽¹⁾ 9L cases millions



GLOBAL WINE

	1H 08 \$m	2H 08 \$m	FY 08 \$m	1H 07 \$m	2H 07 \$m	FY 07 \$m
Volume ⁽¹⁾	21.2	17.5	38.7	21.1	19.9	41.0
NSR	1,129.3	956.8	2,086.1	1,202.6	1,143.9	2,346.5
EBITDAS	266.5	221.3	487.8	275.7	280.2	555.9
EBITAS	221.3	174.1	395.4	236.8	236.2	473.0
EBITS	219.9	172.8	392.7	233.6	236.0	469.6
EBIT	224.0	170.6	394.6	222.2	209.3	431.5
Capex	20.1	59.3	79.4	52.6	72.1	124.7

⁽¹⁾ 9L cases millions



GLOBAL BCS

	1H 08 \$m	2H 08 \$m	FY 08 \$m	1H 07 \$m	2H 07 \$m	FY 07 \$m
Volume ⁽¹⁾	63.1	54.4	117.5	63.9	57.6	121.5
NSR	1,227.0	1,059.6	2,286.6	1,165.2	1,043.5	2,208.7
EBITDAS	466.2	392.0	858.2	426.6	367.4	794.0
EBITAS	439.1	355.0	794.1	401.7	335.4	737.1
EBITS	439.0	354.8	793.8	401.6	335.2	736.8
EBIT	439.0	354.8	793.8	401.6	335.2	736.8
Capex	24.7	24.0	48.7	24.8	37.0	61.8

⁽¹⁾ 0L cases millions



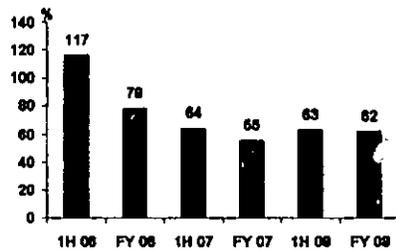
DEBT SUMMARY

		FY 08 \$m	FY 07 \$m
Gross Debt	Gross Borrowings	2,584.5	2,874.5
	Debt Issuance Costs	(21.2)	(18.8)
	Fair Value Adjustment to Fixed Debt	66.1	2.1
	Borrowings per Balance Sheet	2,629.4	2,857.8
Net Debt	Cash	(160.9)	(287.5)
	Fair Value of Fixed Rate Debt Hedges	(65.8)	(1.7)
	Net Debt	2,402.7	2,568.6
Debt Portfolio	AUD (A\$)	301.1	301.1
	USD (US\$)	2,020.5	1,935.0
	GBP (GBP)	80.0	100.0
	Other (A\$)	16.4	51.5
	% Fixed – Gross Borrowings	52%	48%
	Weighted average maturity of gross debt	7.7 yrs	8.7 yrs

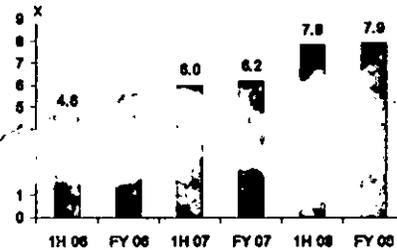


CAPITAL STRUCTURE

Gearing



Group Interest Cover (1)



(1) EBITs Interest cover



DEFINITIONS

Exchange rate

Average exchange rates used for profit and loss purposes in the 12 months ended 30 June 2008 are: \$A1 = \$US 0.8960 (2007: \$A1 = \$US 0.7866), \$A1 = GBP 0.4473 (2007: \$A1 = GBP 0.4066). Period end exchange rates used for balance sheet items are: \$A1 = \$US 0.9617 (2007: \$A1 = \$US 0.8466), \$A1 = GBP 0.4622 (2007: \$A1 = GBP 0.4229).

Constant Currency

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

BCS

Beer, Cider, Spirits / Ready To Drink (RTD) category

Discontinued Business

Wine Clubs & Services, Asian brewing businesses and residual Australian Leisure and Hospitality.

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.

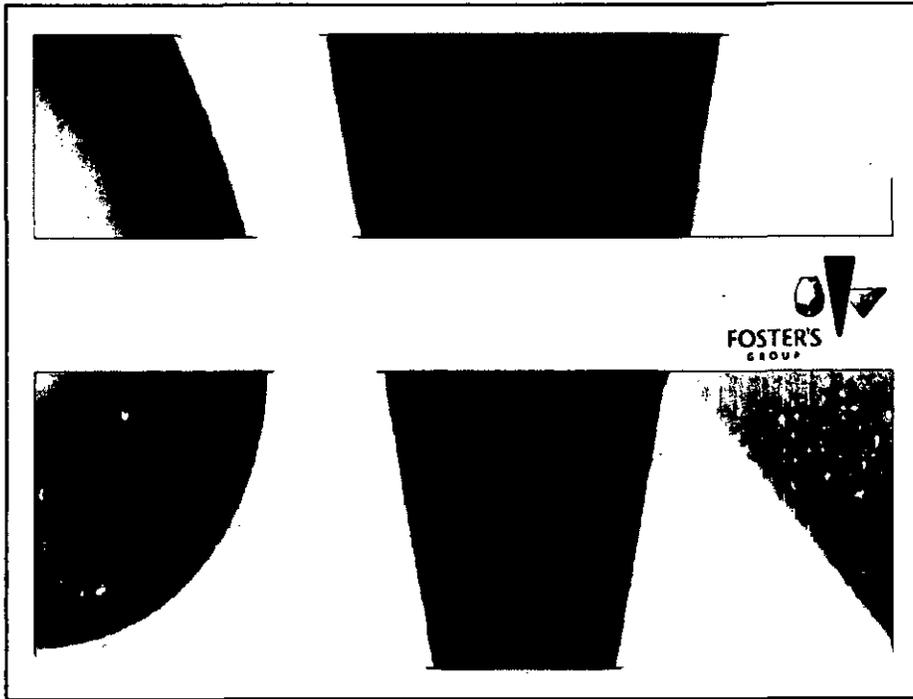
Continuing business OCFPIT

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 accounting standard AASB141 "Agriculture".





END