



## **GUINNESS ANCHOR BERHAD'S (GAB) GROWTH CONTINUES WITH IMPROVED Q1 EARNINGS**

PETALING JAYA, 21 November 2012 - Guinness Anchor Berhad (GAB) announced today that it achieved a net profit of RM56.8 million for its first quarter ended 30 September 2012, an increase from RM55.2 million for the same quarter in the previous year.

As for first quarter revenue, it was down by 11.8% to RM392.3 million as compared to the same quarter last year. The drop can be attributed to two reasons. First, there was no speculative buying by the trade this year ahead of the National Budget announcement. Second, the company instituted a nine day business freeze at the end of its first quarter to facilitate the migration phase of the company's IT infrastructure project, Project Quantum. Sales achieved during this nine day period will be recognised in Q2 performance.

Earnings per share were 18.81 sen versus 18.28 sen last year, while net assets per share attributable to shareholders stood at RM1.45 as at 30 September 2012.

GAB Managing Director, Charles Ireland said, "We are very pleased with our performance. Our results are ahead despite there being no speculative buying as the government announced that there will be no beer excise increase well ahead of the National Budget announcement."

Charles added that the nine day business freeze also meant a shorter first quarter for F13. "Our first quarter has always been 91 days, while the second quarter is 92 days. But Project Quantum's business freeze meant our F13 first quarter was only 82 days, while the second quarter will be 101 days due to the roll over of nine days."

GAB's Quantum IT project went "live" in October, and saw the introduction of two new IT systems to replace four old platforms. The new IT infrastructure is expected to be fully functional by January 2013. The new best-in-class systems will simplify and standardise processes, increasing GAB's efficiency and productivity.

“Putting everything into consideration, the board and management team are satisfied with our performance and it shows that our brands and our business are solid,” said Charles.

Charles shared that it was a busy first quarter for GAB with the launch of Heineken’s new bottle, *Guinness Arthur’s Day* celebrations and plenty of pitch action with *Tiger Street Football*.

“Our Iconic Portfolio boasts four of the five biggest beer brands in Malaysia, and it is important that we constantly innovate to keep our brands the first choice for consumers.”

In the coming months, Heineken will be hosting one of the country’s biggest music festivals called *Thirst with Avicii, Justice and Above and Beyond* headlining. While *Tiger FC* will be hosting viewing parties across Kuala Lumpur and Guinness will be adding festive cheer with its *Merry Guinness Campaign*.

## **Outlook**

GAB expects the domestic market to remain fairly robust this financial year. However, the company is cautious of global economic uncertainties and the impact they may have on consumer sentiment and overall domestic economic growth.

The company will continue with its strategy of investing in people, brands and performance to build momentum and maintain its competitiveness. GAB also expects its new IT infrastructure to enhance operational efficiency and productivity to support the company’s growing business needs, putting the company in good position for another year of growth.

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### **About Guinness Anchor Berhad (GAB)**

GAB with its portfolio of iconic, international brands, is the leading brewer in Malaysia. GAB brews, markets and distributes:

- Asia's fastest growing beer TIGER;
- The world's No 1 stout GUINNESS Foreign Extra Stout and its variant Guinness Draught;
- The world's No 1 international premium beer HEINEKEN;
- The all-time favourite quality local brew ANCHOR SMOOTH and its strong beer variant ANCHOR STRONG;
- The premium Irish ale KILKENNY;
- The real Shandy ANGLIA;

GAB also produces the wholesome, premium quality non-alcoholic MALTA. GAB's brand portfolio also includes the world's bestselling cider STRONGBOW and the no.1 German wheat beer PAULANER.

Listed on the Main Market of Bursa Malaysia, GAB evolved from the merger between Guinness Malaysia Bhd and Malayan Breweries (Malaya) Sdn Bhd. The company's principal shareholder is GAPL Pte Ltd based in Singapore. GAPL Pte Ltd is a joint venture between Diageo PLC and Asia Pacific Breweries Ltd. Guinness Anchor Marketing Sdn Bhd is a 100% owned subsidiary of GAB.