



(Company No. 5350X)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2010**

The Board of Directors of Guinness Anchor Berhad wishes to announce the unaudited results of the Group for the third quarter ended 31 March 2010.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	3 MONTHS ENDED		9 MONTHS ENDED	
	31/03/2010	31/03/2009	31/03/2010	31/03/2009
	RM'000	RM'000	RM'000	RM'000
1. Revenue	370,817	314,826	1,049,920	1,009,149
2. Operating expenses	308,432	271,445	893,903	857,725
3. Other operating income	267	520	1,331	2,443
4. Profit from operations	62,652	43,901	157,348	153,867
5. Finance cost	147	295	367	701
6. Profit before tax	62,505	43,606	156,981	153,166
7. Taxation	16,044	11,007	39,955	38,569
8. Profit/(loss) after tax	46,461	32,599	117,026	114,597
9. Net profit for the period	46,461	32,599	117,026	114,597
10. Profit attributable to equity holders of the company	46,461	32,599	117,026	114,597
11. Earnings per share :				
(a) Basic (based on 302,098,000 stock units) (sen)	15.38	10.79	38.74	37.93
(b) Fully diluted (based on stock units) (sen)	N/A	N/A	N/A	N/A

(The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 June 2009)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT 31/3/2010 RM'000	AS AT 30/06/2009 RM'000
Non-current assets		
Property, plant and equipment	204,845	212,253
Intangible assets	7,064	6,529
Prepaid lease payment	13,666	13,857
Deferred tax assets	1,924	1,924
Receivables	1,279	1,585
	<u>228,778</u>	<u>236,148</u>
Current assets		
Inventories	56,761	69,453
Receivables, deposits and prepayments	262,813	176,777
Cash and cash equivalents	134,252	163,772
	<u>453,826</u>	<u>410,002</u>
Current liabilities		
Payables and accruals	159,289	162,970
Current tax liabilities	11,590	9,831
Short term borrowings	15,000	-
	<u>185,879</u>	<u>172,801</u>
Net current assets	<u>267,947</u>	<u>237,201</u>
	<u>496,725</u>	<u>473,349</u>
Financed by:		
Capital and reserves		
Share capital	151,049	151,049
Reserves		
Capital reserve	4,875	5,063
Retained earnings	309,753	286,189
Shareholders' funds	<u>465,677</u>	<u>442,301</u>
Non-current liabilities		
Deferred tax liabilities	31,048	31,048
	<u>496,725</u>	<u>473,349</u>
Net Assets per share attributable to equity holders of the company (RM)	<u>1.54</u>	<u>1.46</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statement for the year ended 30 June 2009)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE QUARTER ENDED 31 MARCH 2010**

	9 MONTHS ENDED	
	31/03/2010	31/03/2009
	RM'000	RM'000
Cash flows from operating activities		
Profit before taxation	156,981	153,166
Adjustments for:		
Amortisation of intangible assets	1,731	906
Amortisation of prepaid lease prepayments	191	192
Depreciation of property, plant and equipment	21,240	20,309
(Gain)/Loss on disposal of property, plant and equipment	(660)	60
Interest expense	367	701
Interest income	(1,331)	(2,443)
Operating profit before changes in working capital	178,519	172,891
(Increase)/Decrease in working capital		
Inventories	12,692	12,721
Receivables, deposits and prepayment	(85,730)	(53,918)
Payables and accruals	(3,681)	(9,475)
Cash generated from operations	101,800	122,219
Tax paid	(38,196)	(34,615)
Interest paid	(367)	(701)
Net cash from operating activities	63,237	86,903
Cash flows from investing activities		
Acquisition of property, plant and equipment	(16,197)	(15,310)
Interest received	1,331	2,443
Proceeds from disposal of property, plant and equipment	759	17
Net cash used in investing activities	(14,107)	(12,850)
Cash flows from financing activity		
Dividends paid	(93,650)	(80,811)
Borrowings	15,000	27,900
Net cash used in financing activity	(78,650)	(52,911)
Net change in cash and cash equivalents	(29,520)	21,142
Cash and cash equivalents at beginning of year	163,772	183,374
Cash and cash equivalents at end of period	134,252	204,516

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Financial Statement for the year ended 30 June 2009)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 MARCH 2010**

	Attributable to equity holders of the Company			
	Share Capital RM'000	Non- Distributable Capital Reserve RM'000	Distributable Retained Earnings RM'000	Total RM'000
<u>9 months quarter ended 31 March 2010</u>				
Balance at 1 July 2009	151,049	5,063	286,189	442,301
Net gains and losses recognised directly in equity : Foreign exchange translation difference	-	(188)	188	-
Profit after taxation	-	-	117,026	117,026
Dividends	-	-	(93,650)	(93,650)
Balance at 31 March 2010	151,049	4,875	309,753	465,677
<u>9 months quarter ended 31 March 2009</u>				
Balance at 1 July 2008	151,049	4,967	255,318	411,334
Net gains and losses recognised directly in equity : Foreign exchange translation difference	-	20	(20)	-
Profit after taxation	-	-	114,597	114,597
Dividends	-	-	(80,811)	(80,811)
Balance at 31 March 2009	151,049	4,987	289,084	445,120

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2009)

Notes:

1. Basis of Preparation

The interim financial report has been prepared in accordance with the requirements of Financial Reporting Standards ("FRS") 134 "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board (MASB) and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. It should be read in conjunction with the Group's annual audited financial statements for the year ended 30 June 2009.

2. Significant Accounting Policies

Except as described below, the accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 30 June 2009.

On 1 January 2010, the Group adopted the following FRSs:-

FRS, Amendments to FRSs and Interpretations

FRS 101 Presentation of Financial Statements (Revised 2009)
FRS 139 Financial Instruments: Recognition and Measurement

(a) FRS 101: Presentation of Financial Statements

FRS 101 separates owner and non-owner changes in equity. Therefore, the current consolidated statement of changes in equity only includes details of transactions with owners. All non-owner changes in equity are presented as a single line labeled as total comprehensive income. Comparative information, with exception of the requirements under FRS 139, had been re-presented so that it is also in conformity with the revised standard. This standard does not have any impact on the financial position and results of the Group.

(b) FRS 139: Financial Instruments: Recognition and Measurement

FRS 139 sets out the new requirements for the recognition and measurement of the Group's financial instruments. Financial Instruments are recorded initially at fair value. Subsequent measurement of the financial instruments at the balance sheet date reflects the designation of the financial instruments. The Group determines the classification at initial recognition and for the purpose of the first adoption of the standard, as at transitional date on 1 January 2010.

Financial assets

Loans and receivables

Loans and receivables category comprises debts instruments that are not quoted in an active market, trade and other receivables and cash and cash equivalents.

Financial assets categorized as loans and receivables are subsequently measured at amortised cost using the effective interest method.

2. Significant Accounting Policies (continued)

Financial liabilities

Financial liabilities are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

Staff loans

Prior to the adoption of FRS 139, staff loans were recorded at cost. With the adoption of FRS 139, staff loans are now recognized initially at their fair values, which are estimated by discounting the expected cash flows using the current market interest rate of a loan with similar risk and tenure. This standard does not have material impact on the financial position and results of the Group.

3. Audit Report on Preceding Annual Financial Statements

The Group annual financial statements for the year ended 30 June 2009 were not qualified.

4. Seasonal or Cyclical Factors

The business operations of the Group are generally affected by festive seasons.

5. Exceptional Items

There were no exceptional items for the current financial quarter under review except for the effects arising from the adoption of FRS 139 as disclosed in Note 2.

6. Changes in Estimates

There were no estimates of amount reported in prior financial years.

7. Changes in Share Capital

There were no issuance and repayment of debt or any movement in the share capital for the current financial quarter under review.

8. Dividend Paid

	9 Months Ended 31 March	
	2010 RM'000	2009 RM'000
<u>Final Paid</u>		
2009 – 31 sen per share tax exempt	93,650	
(2008 – 14 sen per share tax exempt and 17 sen per share less income tax @ 25%)		80,811

9. Segmental Reporting

There was no segmental analysis prepared as the Group operated solely in the brewing industry involving production, packaging, marketing and distribution of its products principally in Malaysia. Approximately 1% of the total sales are exports, mainly to South East Asian countries based on location of customers.

10. Property, Plant and Equipment Valuation

There were no changes in the valuation of property, plant and equipment for the current financial quarter under review.

11. Events Subsequent to the End of the Period

Between the end of the third quarter and the date of this announcement, there has not been any item, transaction or event of a material and unusual nature which, in the opinion of the Directors is likely to affect substantially the results of the operations of the Group for the third quarter ended 31 March 2010.

12. Changes in the Composition of the Group

There were no changes in the composition of the Group during the current financial quarter under review including business combination, acquisition or disposal of subsidiaries and long-term investments, restructuring and discontinuing operations.

13. Changes in Contingent Liabilities or Contingent Assets

There were no contingent liabilities or contingent assets as at the date of this report. (see also Note 25 below).

14. Capital Commitments

Capital commitments not provided for in the financial statements as at 31 March 2010 are as follows:

	RM'000
Property, plant and equipment	
Authorised but not contracted for	25,621
Authorised and contracted for	13,504
	<u>39,125</u>

15. Significant Related Party Transactions

As at the end of the current period under review, the Group has entered into/or completed the following Significant Related Party Transactions:

	Fraser and Neave Limited ("F&N") and its related corporations			Heineken International B.V. and its related corporations
	Diageo Plc and its related corporations	Asia Pacific Breweries Limited Group	Other F&N related corporations	
	RM'000	RM'000	RM'000	RM'000
Purchase of goods	9,123	17	16,344	252
Sale of products	7,458	-	-	1,186
Royalties payable	3,677	11,471	-	2,113
Marketing and technical services fees payable	2,019	-	-	60
Marketing fees receivable	-	5,069	-	1,504

All Related Party Transactions had been entered into in the ordinary course of business on normal commercial terms. These transactions are within the ambit of the general mandate approved by the shareholders of the Company on 26 November 2009.

16. Review of Performance

Comparison of third quarter against corresponding quarter 2009

Group revenue for the third quarter ended 31 March 2010 increased by approximately RM56 million or 17.8% as compared to the corresponding quarter last year. This was mainly due to the later timing of the Chinese New Year celebrations.

Group profit before tax was higher by 43.3% at RM62.5 million compared to RM43.6 million in the corresponding quarter 2009. This was due to consistent volume growth, benefiting from the brand investments made during the first half of the financial year.

Current 9 months results against same 9 months period of the last financial year

For the 9 months ended 31 March 2010, Group revenue grew by 4% to RM1,049.9 million from RM1,009.1 million in the corresponding period of last financial year. Profit before tax increased by RM3.8 million or 2.5% to RM156.9 million.

17. Comparison of Results with Preceding Quarter

Group revenue for the quarter under review decreased by RM7.3 million from RM378.1 million in the previous quarter to RM370.8 million. This was principally due to higher sales in the preceding quarter as a result of pre-budget speculative purchases by the trade.

Profit before tax for the Group was higher by RM3.9 million or 6.6% compared to the previous quarter, reflecting the brand investments made during the first half of the financial year.

18. Prospects

The Group believes that the malt liquor market is firming up and will continue to show upside momentum.

Overall, competition is expected to remain intense. The Group will continue to focus on strengthening its brand equity, growing and empowering organisational effectiveness and driving operational efficiencies to ensure that its leadership position is sustained.

Smuggling remains a major concern and continues to have a negative impact on both the industry and Government revenue.

The Group remains confident in delivering satisfactory results for the financial year ending 30 June 2010.

19. Variance from Profit Forecast

No profit forecast was issued during the financial quarter under review.

20. Taxation

Taxation in respect of the current financial period comprises the following:

	Current Year Quarter 31/03/2010 RM'000	Current Year To date 31/03/2010 RM'000
Taxation		
Malaysian - current	16,044	39,955
- prior year	-	-
Deferred taxation		
Malaysian - current	-	-
- prior year	-	-
	<u>16,044</u>	<u>39,955</u>

The Group's effective tax rate for the current financial quarter under review is in line with the statutory tax rate.

21. Sale of Unquoted Investments and/or Properties

There were no sales of unquoted investments or properties for the current financial quarter under review.

22. Quoted Securities

There were no purchases or disposal of quoted securities for the current financial quarter under review.

23. Status of Corporate Proposals

There was no corporate proposal announced but not completed at the date of this report.

24. Group Borrowings and Debt Securities

Total Group borrowings as at 31 March 2010 are as follows:

	RM'000
<u>Short term - unsecured</u>	
Banker Acceptance	<u>15,000</u>

This short term funding requirement is due to Group receivable and inventory position at the end of March 2010 influenced by budget speculation and build up of stocks ahead of Chinese New Year.

25. Off Balance Sheet Financial Instruments

Forward Foreign Exchange Contracts

Forward foreign exchange contracts are used by the Group as hedges in currencies other than the functional currency to manage exposure to fluctuations in foreign exchange risk. Under the Group accounting policies, foreign currency transactions that are hedged by forward foreign exchange contracts are booked in at the contracted rates. Foreign currency monetary assets and liabilities which are not hedged are translated at exchange rates ruling at balance sheet date.

As at 30 April 2010, the notional amount of forward foreign exchange contracts that were entered into by the Group to hedge its foreign purchases was RM11.9 million. The settlement dates of these forward contracts ranged between 1 and 6 months.

There is minimal credit and market risk as the above forward contracts are executed with creditworthy financial institutions. The Group is of the view that the possibility of non-performance by these financial institutions is remote on the basis of their financial strength.

26. Material Litigation

Save and except as disclosed in previous quarterly result announcements and where applicable as disclosed in the audited financial statements of the Company or its subsidiaries, neither the Company nor any of its subsidiaries is engaged in any other material litigation either as Plaintiff or as Defendant as of the date of this report.

27. Dividend

The Board of Directors does not recommend any dividend to be paid in respect of the quarter ended 31 March 2010.

28. Earnings Per Share

(a) Basic Earnings Per Share

Basic earnings per share for the period is calculated by dividing the net profit attributable to the shareholders of RM117,026,000 by the weighted average number of ordinary stock units outstanding as at 31 March 2010 of 302,098,000.

(b) Diluted Earnings Per Share

Not Applicable.

For and on Behalf of the Board

Charles Ireland
Managing Director

7 May 2010
