



## **GUINNESS ANCHOR BERHAD (GAB) CONTINUES STRONG DOMESTIC GROWTH Profit for 9 months grows by 13%**

PETALING JAYA, 23 May 2012 - Guinness Anchor Berhad (GAB) today announced that it has recorded an increase of 13% in its profit after tax, from RM 152.3 million to a total of RM 172.6 million for the nine months ended 31 March 2012, compared to the previous corresponding period. As for revenue, it increased by 12% to a total of RM 1.3 billion for the period under review.

As for the third quarter ended 31 March 2012, the company achieved RM 51.5 million in net profit after tax, up 5% from RM 48.9 million a year earlier, on the back of strong sales generated by promotional activities of large scale commercial events like Guinness St Patrick's Celebration and Tiger Asian Music Festival.

Earnings per share for the nine months under review grew to 57.12 sen compared to 50.41 sen last year, while net assets per share attributable to shareholders stood at RM 1.24 as at 31 March 2012.

GAB Managing Director, Charles Ireland, said the results are in line with expectations. "We continue to experience strong growth in the domestic market while seeing steep declines in our duty not paid sector as a result of our revised strategy to focus on the domestic market."

He adds the company's sustained domestic growth is a reflection of their brands' popularity. We have 4 out of the 5 top alcohol brands in Malaysia, and were delighted they received recognition with wins at the Putra Brand Awards for each of Tiger, Guinness, Heineken and Anchor<sup>1</sup>."

"The world class brand experiences that we create also present an opportunity to gauge our brands' appeal. Our recent Guinness St Patrick's Celebration at Changkat Bukit Bintang was Asia's largest St Patrick's Day celebration attracting 11,500 party goers. While last month Tiger Asian Music Festival drew a crowd of 40,000."

As for a competitor's recent new entry in the premium segment, Charles said, "We believe the "noise" created is in fact helping to stimulate Heineken sales. Heineken's growth is strong and we believe the new entrant is unlikely to affect Heineken's performance."

In the coming months, GAB is set to bring more iconic brand experiences to consumers. In July, Heineken will be supporting the Rainforest World Music Festival in Sarawak for the 15<sup>th</sup> year.

In addition, the company will also step up its service training efforts through GAB Academy. With an annual investment of more than RM2 million and more than 5,000 trainees to date, GAB is committed to playing an active role to raise hospitality standards in this country.

<sup>1</sup> The winners of the Putra Brand Awards are determined by an online poll of 6,000 consumers nationwide - the largest consumer research sampling of its kind in the country. The Awards is endorsed by the Government and supported by industry players ranging from ad agencies to media specialists.

## **Outlook**

GAB is on track to deliver an 11<sup>th</sup> consecutive year of growth for the financial year 2012. However, the company expects its performance to continue to be negatively affected by the presence of contraband products in Malaysia.

The easy availability of these products is negatively impacting GAB's revenue. If left unchecked, it will further affect the company's financial results.

Over the coming months, GAB will continue to work hard with the Customs and the respective authorities to mitigate this risk.

Amidst the challenging environment, the company is committed to maintain its competitiveness and solid position in the malt liquor market through continued investments in its people, brands and performance.

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## **About Guinness Anchor Berhad**

GAB with its portfolio of iconic, international brands, is one of the beer and stout market leader 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 best selling 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.