



19/01/16

## **GAB RECORDS STEADY REVENUE GROWTH; CAUTIOUSLY OPTIMISTIC OF THE FUTURE**

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### **Cumulative 6-month period ended 31 December 2015 versus corresponding period ended 31 December 2014**

- Revenue grew by 1.7% from RM914 million to RM930 million
- Profit before tax (PBT) increased by 16% from RM174 million to RM202 million

### **3-month period ended 31 December 2015 versus corresponding quarter ended 31 December 2014**

- Revenue grew 0.7% from RM521 million to RM524 million
- PBT rose 16% from RM102 million to RM118 million
- Earnings per share increased from 25 sen to 30 sen

The quarterly profit rise of 16% was due to improved cost efficiency, phasing of certain brand advertisement and promotion investments which will take place in the coming months, and higher sales.

“GAB remains cautious in the year ahead despite favourable growth. We are confident GAB’s strong fundamentals will continue to help us maintain our leading market position in Malaysia. However, we are concerned that consumer sentiment may remain weak in 2016 in a challenging and changing environment,” GAB Managing Director Hans Essaadi said.

“Profit in the last quarter was largely due to our strategic commercial initiatives and taking the ongoing cost management practices to the next level. The excellent anti-contraband work carried out by the Government also helped our bottom line,” Essaadi said.

Contraband beers continue to be sold in the country despite the Government’s robust work in going after offenders, causing the Government to lose RM500 million in tax revenue annually due to alcohol smuggling activities. Malaysia’s excise duty remains one of the highest in the world and second highest in Asia.

“In view of the challenging year ahead, we will continue to focus on delivering key strategies for the financial year, whilst staying agile to face the changing environment. Backed by a resilient first six months performance, we remain cautiously optimistic about delivering a good performance for FY2016.”

In this challenging environment, GAB, as the country’s leading brewer, strives to be innovative in its offerings. In the last six months, GAB launched four new exciting variants, Tiger White, Smirnoff Ice Black and limited edition offerings, Tiger Radler Mandarin Orange and Strongbow Red Berries. A new limited edition packaging, Heineken Spectre, was also introduced.



As announced by the company on 25 November 2015, GAB changed its financial year from 30 June to 31 December. As a result of the change, the financial statements for 2016 will be for a period of 18 months, beginning 1 July 2015 and ending 31 December 2016.

In 2016, GAB celebrates its 50<sup>th</sup> anniversary in Malaysia, and over the years, the company has grown the product portfolio several times with iconic brands loved and enjoyed by consumers across the country.

To commemorate this special milestone, GAB has declared a single tier special dividend of 30 sen per 50 sen stock unit on top of the single tier interim dividend of 20 sen unit giving a total dividend of 50 sen for the financial period ending 31 December 2016, payable on 15 April 2016.

- End -

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

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

- World-acclaimed iconic Asian beer TIGER BEER, and its doubly refreshing variant TIGER RADLER and its other innovative brew TIGER WHITE – Asia's Wheat Beer;
- The World's No. 1 stout GUINNESS;
- The World's No. 1 international premium beer HEINEKEN;
- The all-time local favourite 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 No. 1 cider STRONGBOW, the No. 1 German wheat beer PAULANER, Japan's No. 1 100% malt beer KIRIN ICHIBAN and the World's No. 1 Ready-To-Drink alcoholic beverage SMIRNOFF ICE.

Listed on the Main Market of Bursa Malaysia, GAB's principal shareholder is GAPL Pte Ltd based in Singapore. GAPL Pte Ltd is 100% owned by Heineken N.V indirectly.

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