



**Carlsberg Brewery Malaysia Berhad**

Company No. 9210-K  
(Incorporated in Malaysia)

Interim Financial Report  
31 March 2009

## Interim Financial Report for the Quarter Ended 31 March 2009

### CARLSBERG BREWERY MALAYSIA BERHAD

(Company No.: 9210-K)

### CONDENSED CONSOLIDATED INCOME STATEMENTS

For the Quarter Ended 31 March 2009

	3 months ended 31 March		3 months ended 31 March	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Revenue	289,850	289,433	289,850	289,433
Cost of sales	(210,181)	(204,886)	(210,181)	(204,886)
Gross Profit	79,669	84,547	79,669	84,547
Other operating income	45	442	45	442
Sales & distribution costs	(44,562)	(44,403)	(44,562)	(44,403)
Administrative expenses	(6,467)	(6,193)	(6,467)	(6,193)
Other operating expenses	(888)	(1,130)	(888)	(1,130)
Operating profit	27,797	33,263	27,797	33,263
Interest income	1,387	1,950	1,387	1,950
Share of results of associated company	217	278	217	278
Profit Before Taxation	29,401	35,491	29,401	35,491
Taxation	(7,810)	(8,991)	(7,810)	(8,991)
Profit For The Period	21,591	26,500	21,591	26,500
Profit Attributable To:				
Equity holders of the parent	21,388	26,500	21,388	26,500
Minority Interests	203	0	203	0
	21,591	26,500	21,591	26,500
EPS - Basic (sen)	7.00	8.67	7.00	8.67
- Diluted (sen)	N/A	N/A	N/A	N/A

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

## Interim Financial Report for the Quarter Ended 31 March 2009

### CARLSBERG BREWERY MALAYSIA BERHAD

(Company No. : 9210 -K)

### CONDENSED CONSOLIDATED BALANCE SHEET

As at 31 March 2009

	Note	AS AT END OF CURRENT QUARTER 31.03.09 (UNAUDITED) RM'000	AS AT PRECEDING FINANCIAL YEAR END 31.12.08 (AUDITED) RM'000
<b>ASSETS</b>			
<b><u>Non-Current Assets</u></b>			
Property, Plant & Equipment		138,421	139,548
Other Intangible Assets		8,031	8,289
Prepaid Lease Payments		8,577	8,610
Investment in an Associate		14,682	13,946
		169,711	170,393
<b><u>Current Assets</u></b>			
Inventories		53,899	66,297
Trade Receivables		140,455	136,219
Other Receivables and Prepayments		16,931	22,820
Amount due from related companies		2,489	4,488
Cash & Cash Equivalents		231,686	227,017
		445,460	456,841
<b>TOTAL ASSETS</b>		615,171	627,234
<b>EQUITY</b>			
<b>Total Equity attributable to shareholders of the Company</b>			
Share Capital		141,996	141,996
Reserves		10,682	10,163
Retained Earnings		337,448	315,986
		490,126	468,145
Minority Interests		1,435	1,232
<b>Total Equity</b>		491,561	469,377
<b><u>Non-Current Liabilities</u></b>			
Provision for Deferred Tax		17,219	17,219
<b><u>Current Liabilities</u></b>			
Trade Payables		63,046	78,269
Other Payables and Accruals		32,801	44,762
Amount due to holding company	15	1,617	4,034
Amount due to related companies		1,149	4,191
Short term borrowings		6,958	6,324
Current Tax Liabilities		820	3,058
		106,391	140,638
<b>Total Liabilities</b>		123,610	157,857
<b>TOTAL EQUITY AND LIABILITIES</b>		615,171	627,234
<b>Net Assets Per Share (RM)</b>		1.61	1.54

The condensed consolidated balance sheets should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

## Interim Financial Report for the Quarter Ended 31 March 2009

### CARLSBERG BREWERY MALAYSIA BERHAD

(Company No.: 9210-K)

### CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Quarter Ended 31 March 2009

GROUP	Attributable to Equity Holders of the Parent						Total	Minority Interest	Total Equity
	Share Capital	Treasury Shares	Share Premium	Exchange Reserve	Capital Reserve	Retained Earnings			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2008	154,039	(12,043)	7,367	(5,900)	8,678	319,241	471,382	-	471,382
Exchange differences	-	-	-	13	-	-	13	-	13
Profit for the period	-	-	-	-	-	26,500	26,500	-	26,500
Dividends to shareholders	-	-	-	-	-	-	-	-	-
<b>At 31 March 2008</b>	<b>154,039</b>	<b>(12,043)</b>	<b>7,367</b>	<b>(5,887)</b>	<b>8,678</b>	<b>345,741</b>	<b>497,895</b>	<b>-</b>	<b>497,895</b>
At 1 January 2009	154,039	(12,043)	7,367	(5,882)	8,678	315,986	468,145	1,232	469,377
Exchange differences	-	-	-	519	-	-	519	-	519
Profit for the period	-	-	-	-	-	21,388	21,388	203	21,591
Share- based transaction	-	-	-	-	-	74	74	-	74
<b>At 31 March 2009</b>	<b>154,039</b>	<b>(12,043)</b>	<b>7,367</b>	<b>(5,363)</b>	<b>8,678</b>	<b>337,448</b>	<b>490,126</b>	<b>1,435</b>	<b>491,561</b>

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

## Interim Financial Report for the Quarter Ended 31 March 2009

### CARLSBERG BREWERY MALAYSIA BERHAD

(Company No.: 9210-K)

### CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the Quarter Ended 31 March 2009

	3 months ended 31 March	
	2009 RM'000	2008 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	29,401	35,491
Adjustments for:		
Amortisation of intangible assets	325	522
Amortisation of prepaid lease payments	33	33
Depreciation of property, plant and equipment	4,820	4,877
Gain on disposal of property, plant and equipment	(45)	(442)
Other non-cash	74	-
Interest income	(1,387)	(1,950)
Share of profit after tax of equity accounted associate	(217)	(278)
Operating profit before working capital changes	33,004	38,253
Changes in working capital:		
Inventories	12,398	8,329
Receivables, deposits and prepayments	3,652	23,459
Payables and accruals	(32,644)	(26,562)
Cash generated from operations	16,410	43,479
Income taxes paid	(10,047)	(3,797)
Net cash from operating activities	6,363	39,682
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of property, plant and equipment	312	448
Acquisition of property, plant and equipment	(3,959)	(2,004)
Acquisition of intangible assets	(68)	(220)
Interest income	1,387	1,950
Net cash from / (used in) in investing activities	(2,328)	174
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from short term borrowing by a jointly-controlled entity	634	660
Net cash used in financing activities	634	660
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	4,669	40,516
<b>CASH AND CASH EQUIVALENTS AT 1 JANUARY</b>	227,017	216,774
<b>CASH AND CASH EQUIVALENTS AT 31 MARCH</b>	231,686	257,290

The condensed consolidated cash flow statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

**Notes:**

**1. Basis of Preparation**

The interim financial statements are unaudited and has been prepared in accordance with the requirements of Financial Reporting Standard (FRS) 134 “Interim Financial Reporting” (previously known as MASB 26) issued by the Malaysian Accounting Standard Board and paragraph 9.22 and Appendix 9B of the Listing Requirements of the Bursa Malaysia Securities Berhad. It should be read in conjunction with the Group’s annual audited financial statements for the year ended 31 December 2008.

The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2008.

The accounting policies and methods of computation adopted by the Group in these quarterly financial statements are consistent with those adopted in the most recent audited annual financial statements for the year ended 31 December 2008.

**2. Auditors’ Report on Preceding Annual Financial Statements**

The auditors’ report on the financial statements for the year ended 31 December 2008 was not qualified.

**3. Seasonal or Cyclical Factors**

The Group’s level of operations for the quarter under review was impacted by the higher local consumption of beer, stout and shandy during the 2009 Chinese New Year festive period.

**4. Unusual Items**

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial period ended 31 March 2009.

**5. Changes in Estimates**

There were no changes in estimates that have had a material effect in the current quarter.

**6. Debt and Equity Securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities.

*Share Buyback*

During the period, there was no purchase of shares by the Company.

All shares bought back in 1999 were retained as treasury shares for the current quarter and financial year-to-date.

**7. Dividends**

No dividends were paid during the current quarter.

**8. Segmental Information**

There is no segmental analysis disclosed as the Group operates in the brewing industry in Malaysia involving the production, packaging, marketing and distribution of its products principally in Malaysia. Approximately 9.0 per cent of the total sales revenue was generated through exports.

**9. Material Contracts**

Apart from that disclosed in the previous announcements, there are no other material contracts.

**10. Carrying Amount of Revalued Assets**

The valuations of property, plant and equipment and investment properties have been brought forward without amendment from the financial statements for the year ended 31 December 2008.

**11. Subsequent Events**

There were no material events subsequent to the end of the current quarter.

**12. Changes in Composition of the Group**

There has been no change in the composition of the Group in the current quarter.

**13. Changes in Contingent Liabilities and Contingent Assets**

There were no changes in contingent liabilities or contingent assets since the last annual balance sheet as at 31 December 2008.

**14. Capital Commitments**

The amount of commitments for the purchase of property, plant and equipment not provided for in the interim financial statements as at 31 March 2009 is as follows:

	<u>RM'000</u>
Commitments in respect of expenditure contracted for	340
Approved by the directors but not contracted for	7,454
	<u>7,794</u>

**15. Holding Company**

The Directors regard Carlsberg Breweries A/S, a company incorporated in Denmark, as the holding company.

**16. Significant Related Party Transactions**

	<b>3months to 31 March 2009 RM'Million</b>
Transactions with:	
1) Holding company:	
Carlsberg Breweries A/S	
Purchase of materials and products	0.1
Reimbursement of expenses	1.1
Royalties	5.2
2) Related companies:	
a) Carlsberg Singapore Pte Ltd	
Sale of goods and services	2.2
Reimbursement of expenses	0.5
b) Carlsberg Brewery (Guangdong) Ltd	
Purchases of materials and products	0.1
c) Danish Malting Group	
Purchases of materials and products	1.2
d) Carlsberg Group Procurement AG	
Purchases of materials and products	0.1
3) Jointly-controlled entity:	
Carlsberg Distributors Taiwan Ltd	
Sales of goods and services	0.5



## **17. Review of Performance**

The Group's revenue for the first quarter ended 31 March 2009 increased marginally compared to the corresponding quarter in the previous year. The revenue for the quarter was favourably impacted by the inclusion of its acquired subsidiary Luen Heng F&B Sdn Bhd (LHFB) and the marginal price increase in 2008. This had cushioned the softening of the domestic sales amidst the on-going economic crisis. The sales for Chinese New Year in 2009 had also been lower as some of it was recorded in December 2008.

The Group's Profit Before Tax for the quarter, which includes a positive contribution from LHFB, decreased by 17.2 per cent to RM29.4 million compared to the same period last year. The decline was mainly due to higher raw material prices, a stronger US Dollar and the timing of Chinese New Year. Falling interest rates had also resulted in lower interest income earned on short term deposits.

## **18. Variation of Result against the Preceding Quarter**

The Group's revenue for the quarter increased by 41.3 per cent or RM84.7 million as compared to the preceding quarter. This result follows the trend in previous years with a strong first quarter performance arising from higher domestic sales particularly during the Chinese New Year festive period. Consequently, the Group's Profit Before Tax increased by 106.3 per cent or RM15.1 million.

## **19. Current Year Prospects**

The global economic crisis is expected to lower consumers' confidence and spending in Malaysia. Whilst the Group is resilient with a strong balance sheet and a strong product portfolio, we acknowledge the uncertainty going forward and the potential impact to the financials in the coming quarters and have accordingly implemented various contingency plans to minimize the impact.

The Group shall continue to invest appropriate resources to further strengthen its brands and product quality whilst focusing on cost efficiency and cash optimization.

The Group expects the outlook for 2009 to be challenging.

## **20. Profit Forecast**

Not applicable as no profit forecast was published.

**21. Taxation**

	<b>3 months ended 31 March</b>	
	<b>2009 RM'000</b>	<b>2008 RM'000</b>
Malaysian Income Tax		
- Current	7,810	8,991
- Deferred Taxation	-	-
	7,810	8,991

**22. Unquoted Investments and Properties**

Apart from that disclosed in the previous announcements, there are no further changes.

**23. Quoted Investments**

There were no purchases or disposals of any quoted investment during the period under review.

Investments in quoted securities as at 31 March 2009:

	<b>Cost RM'000</b>	<b>Book Value RM'000</b>	<b>Market Value RM'000</b>
Total quoted investments	10,940	14,682	20,723

**24. Status of Corporate Proposals Announced**

Status of corporate proposals announced but not completed: NIL.

**25. Borrowing and Debt Securities**

There were no further group borrowings and debt in the current quarter apart from that previously disclosed.

**26. Off Balance Sheet Financial Instruments**

*Forward Foreign Exchange Contracts*

The Group does not have any existing contracts.

**27. Material Litigation**

There was no material litigation action since the last annual balance sheet date to the date of this report.

**28. Basic Earnings Per Share**

*Basic earnings per share*

Basic earnings per share is calculated by dividing the net profit for the period by the weighted average number of ordinary shares outstanding during the period, excluding treasury shares held by the Company:

	<b>3 months ended 31.03.09</b>	<b>3 months ended 31.03.08</b>
Net Profit for the period (RM'000)	21,388	26,500
Weighted average number of ordinary shares in issue ('000)	305,748	305,748
Basic earnings per share (sen)	7.00	8.67

*Diluted earnings per share*

Not applicable.

**29. Authorisation for Issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 11 May 2009.