



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

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2012**

The Board of Directors of Guinness Anchor Berhad wishes to announce the unaudited results of the Group for the period ended 31 March 2012.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL PERIOD 3 MONTHS ENDED			CUMULATIVE PERIOD 9 MONTHS ENDED		
	31/03/2012	31/03/2011	% Change +/-	31/03/2012	31/03/2011	% Change +/-
	RM'000	RM'000		RM'000	RM'000	
1. Revenue	364,714	351,916	3.6%	1,277,659	1,139,961	12.1%
2. Operating expenses	294,844	284,802		1,048,554	936,124	
3. Interest income	758	344		2,975	1,730	
4. Profit from operations	70,628	67,458	4.7%	232,080	205,567	12.9%
5. Interest expense	1,907	134		1,975	409	
6. Profit before tax	68,721	67,324	2.1%	230,105	205,158	12.2%
7. Taxation	17,187	18,352		57,541	52,856	
8. Net profit for the period	51,534	48,972	5.2%	172,564	152,302	13.3%
9. Foreign currency translation differences for foreign operation	(14)	20		(38)	146	
10. Total comprehensive income for the period	51,520	48,992	5.2%	172,526	152,448	13.2%
11. Profit attributable to owners of the company	51,534	48,972		172,564	152,302	
12. Total comprehensive income attributable to owners of the company	51,520	48,992		172,526	152,448	
13. Earnings per share:						
(a) Basic (based on 302,098,000 stock units) (sen)	17.06	16.21		57.12	50.41	
(b) Fully diluted (based on stock units) (sen)	N/A	N/A		N/A	N/A	

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Group's Annual Audited Financial Statements for the year ended 30 June 2011.)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT 31/03/2012 RM'000	AS AT 30/06/2011 RM'000
Non-current assets		
Property, plant and equipment	220,107	222,953
Intangible assets	20,333	9,124
Other receivables	1,136	1,152
	<u>241,576</u>	<u>233,229</u>
Current assets		
Inventories	58,317	65,402
Trade and other receivables	318,639	205,966
Current tax assets	4,779	764
Cash and cash equivalents	196,719	179,777
	<u>578,454</u>	<u>451,909</u>
Current liabilities		
Trade and other payables	196,362	132,577
Current tax liabilities	16,116	3,353
	<u>212,478</u>	<u>135,930</u>
Net current assets	<u>365,976</u>	<u>315,979</u>
	<u>607,552</u>	<u>549,208</u>
Financed by:		
Capital and reserves		
Share capital	151,049	151,049
Reserves		
Capital reserve	5,075	5,113
Retained earnings	218,836	360,454
Shareholders' funds	<u>374,960</u>	<u>516,616</u>
Non-current liabilities		
Deferred tax liabilities	32,592	32,592
Borrowings	200,000	-
	<u>232,592</u>	<u>32,592</u>
	<u>607,552</u>	<u>549,208</u>
Net Assets per share attributable to owners of the company (RM)	<u>1.24</u>	<u>1.71</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's Annual Audited Financial Statements for the year ended 30 June 2011)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE PERIOD ENDED 31 MARCH 2012**

	9 MONTHS ENDED	
	31/03/2012	31/03/2011
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	230,105	205,158
Adjustments for:		
Amortisation of intangible assets	3,042	1,607
Depreciation of property, plant equipment	22,483	23,025
(Gain)/loss on disposal of property, plant and equipment	(516)	(385)
Interest expense	1,975	409
Interest income	(2,975)	(1,730)
Translation differences of foreign operation	(38)	146
Operating profit before changes in working capital	254,076	228,230
(Increase)/Decrease in working capital		
Inventories	7,085	3,475
Receivables, deposits and prepayment	(112,658)	(84,839)
Payables and accruals	63,786	(4,333)
Cash generated from operations	212,289	142,533
Tax paid	(48,793)	(41,780)
Interest paid	(1,975)	(409)
Net cash from operating activities	161,521	100,344
Cash flows from investing activities		
Acquisition of property, plant and equipment	(19,943)	(21,658)
Acquisition of intangible assets	(14,251)	(353)
Interest received	2,975	1,730
Proceeds from disposal of property, plant and equipment	822	402
Net cash used in investing activities	(30,397)	(19,879)
Cash flows from financing activities		
Dividend paid	(314,182)	(105,734)
Borrowings	200,000	10,000
Net cash used in financing activities	(114,182)	(95,734)
Net change in cash and cash equivalents	16,942	(15,269)
Cash and cash equivalents at beginning of year	179,777	149,626
Cash and cash equivalents at end of period	196,719	134,357

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Group's Annual Audited Financial Statements for the year ended 30 June 2011)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2012**

	Attributable to equity holders of the Company			
	<i>Non-Distributable</i>		<i>Distributable</i>	
	Share Capital RM'000	Capital Reserve RM'000	Retained Earnings RM'000	Total RM'000
<u>9 months ended 31 March 2012</u>				
Balance at 1 July 2011	151,049	5,113	360,454	516,616
Total comprehensive income for the period	-	(38)	172,564	172,526
Dividend paid	-	-	(314,182)	(314,182)
Balance at 31 March 2012	151,049	5,075	218,836	374,960
<u>9 months ended 31 March 2011</u>				
Balance at 1 July 2010	151,049	4,859	315,020	470,928
Total comprehensive income for the period	-	146	152,302	152,448
Dividend paid	-	-	(105,734)	(105,734)
Balance at 31 March 2011	151,049	5,005	361,588	517,642

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Group's Annual Audited Financial Statements for the year ended 30 June 2011)

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 and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the Group’s annual audited financial statements for the year ended 30 June 2011.

2. Significant Accounting Policies

The accounting policies applied by the Group in these condensed consolidated 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 2011.

3. Realised and Unrealised Profits/Losses

	As at 31/03/2012 <u>RM'000</u>	As at 30/06/2011 <u>RM'000</u>
Total retained profits / (accumulated losses) of the Company and its subsidiaries :		
- Realised	254,101	401,929
- Unrealised	(34,563)	(40,632)
	-----	-----
	219,538	361,297
Less: consolidation adjustment	(702)	(843)
	-----	-----
Total group retained profits / (accumulated losses) as per consolidated accounts	218,836	360,454
	=====	=====

4. Audit Report on Preceding Annual Financial Statements

The Group annual audited financial statements for the year ended 30 June 2011 were not qualified.

5. Seasonal or Cyclical Factors

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

6. Exceptional Items

There were no exceptional items for the current financial quarter under review.

7. Changes in Estimates

There were no changes in estimates that have had any material effect on current financial quarter under review.

8. Debt and Equity Securities

There were no issuance, repayment of debt and equity securities for the current financial quarter under review, other than the issuance of medium term notes and commercial papers of RM200,000,000 as disclosed under Note 22.

9. Dividend Paid

	9 Months ended 31 March	
	2012 RM'000	2011 RM'000
<u>Final Dividend Paid</u>		
2011 – 44 sen per share, single tier	132,923	
2010 – 35 sen per share, single tier		105,734
<u>Special Interim Dividend Paid</u>		
2012 – 60 sen per share, single tier	181,259	

On 23 February 2012, the Company declared a single tier Interim Dividend of 10 sen per 50 sen stock unit, amounting to RM30,209,800 in respect of the financial year ending 30 June 2012. The said dividend was paid on 26 April 2012.

10. Segmental Reporting

The Group's business is focused only in malt liquor brewing including production, packaging, marketing and distribution of its products, principally in Malaysia. Approximately 1% of the total sales is exported, mainly to Southeast Asian countries. As such, only one reportable segment analysis is prepared.

Segment assets, liabilities and capital expenditures information are included in the internal management reports that are reviewed by the Group's Managing Director.

	9 months ended 31/03/2012 RM'000	9 months ended 31/03/2011 RM'000
Total Segment Assets	820,030 =====	724,586 =====
Total Segment Liabilities	445,070	206,944
Total Segment Equity	374,960 -----	517,642 -----
	820,030 =====	724,586 =====

No reconciliation is performed for the segment report as there is no difference.

10. Segmental Reporting (continued)

	3 months ended 31/03/2012 RM'000	9 months ended 31/03/2012 RM'000
Segment profit	68,707	230,067
<i>Included in the measure of segment profit are:</i>		
Revenue from external customers	336,826	1,203,671
Cost of sales	(237,010)	(817,654)
Depreciation	8,699	25,525
	=====	=====
<i>Not included in the measure of segment profit but provided to Managing Director</i>		
Interest expense	(1,149)	1,000
	=====	=====
	3 months ended 31/03/2012 RM'000	9 months ended 31/03/2012 RM'000
Segment profit	68,707	230,067
Foreign Operation Translation	14	38
	-----	-----
Consolidated profit before tax	68,721	230,105
	=====	=====

11. Property, Plant and Equipment Valuation

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

12. Events Subsequent to the end of the Reporting 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 quarter ended 31 March 2012.

13. Changes in the Composition of the Group

Save and except as disclosed in the Group's audited financial statements for the year ended 30 June 2011, 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 the Composition of the Group (Continued)

The deregistration of the following dormant subsidiaries are still pending completion:

- Malayan Breweries (Malaya) Sdn Bhd
- Malayan Breweries Marketing Sdn Bhd

The deregistration of the above companies are not expected to have any material impact on the net assets and earnings per share of the Group for the financial year ending 30 June 2012.

14. Changes in Contingent Liabilities or Contingent Assets

There were no contingent liabilities or contingent assets as at the date of this report.

15. Capital Commitments

Capital commitments not provided for in the financial statements as at 31 March 2012 are as follows:

	<u>RM'000</u>
Property, plant and equipment Authorised but not contracted for	62,996
Authorised and contracted for	<u>142,915</u>
	<u>205,911</u>

16. Significant Related Party Transactions

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

	Diageo Plc and its related corporations	Fraser and Neave, Limited ("F&N") and its related corporations Asia Pacific Breweries Limited Group	Other F&N related corporations	Heineken International BV and its related corporations
	RM'000	RM'000	RM'000	RM'000
Purchase of goods	8,761	-	-	6,958
Sale of products	10,535	-	-	-
Royalties payable	5,372	14,793	-	4,064
Marketing and technical services fees payable	2,820	-	-	438
Marketing fees receivable	-	11,517	-	3,857

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 3 November 2011.

17. Review of Performance

Performance for the quarter ended 31 March 2012 versus the same quarter in 2011

Group revenue for the quarter ended 31 March 2012 increased by RM12.8 million or 3.6% compared to the corresponding quarter in the previous financial year. The Group continued to see double digit volume growth in the MLM (Malt Liquor Market) sector compared to the same quarter last year but this was partially offset by the reduction of duty free volume.

The Chinese New Year 2012 “Grand Treasures of the Year of the Dragon” campaign coupled with other promotional activities for major commercial events such as the Tiger Asian Music Festival 2012 and Guinness St. Patrick’s Day were among the key contributors to the Group revenue.

Group profit before interest and tax shows growth of 4% versus the corresponding quarter in 2011. However, profit growth after interest before tax was 2% due to interest expenses on the commercial papers / medium term notes issued by the Company in December 2011 and January 2012.

Performance for the 9 months ended 31 March 2012 versus the same period in 2011

Group revenue rose RM137.7 million or 12.1% compared to the corresponding period in 2011. Our brands continue to show positive growth with Guinness leading the growth followed by Heineken and Tiger.

Group profit before tax grew by 12.2%. After excluding the one-off reversal last financial year of costs over-accrued, the adjusted growth is 19%. The growth is attributed to favourable brand mix and better management of overhead expenses.

Comparison of Results with Preceding Quarter

Group revenue for the quarter under review was lower by RM103.6 million or 22.1% compared to RM468.3 million recorded for the preceding quarter. Higher revenue in the preceding quarter was mainly driven by the timing of Chinese New Year sales.

Correspondingly, Group profit before tax for the same quarter was lower by RM19.1 million or 21.7%.

18. Prospects for the current financial year

The Group is on the right track to deliver continued growth for the financial year 2012. However, the uncertain global economic outlook in light of the ongoing European sovereign debt crisis may negatively impact consumer sentiment and dampen the overall Malaysian economic growth.

The Group also expects its performance to be negatively affected by the presence of contraband products in Malaysia. The easy availability of these products is already 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.

GUINNESS ANCHOR BERHAD
(Company No. 5350X)

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

The Group will continue to invest in the Malaysian market and strive to deliver high returns to its shareholders. The capital investment on the Group's IT infrastructure upgrade is expected to be completed by end of this calendar year. This project is aimed to enhance the Group's business processing capabilities to world class standards and to better gauge spending effectiveness and brand performances.

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 quarter ended 31/03/2012 RM'000	Current year to date 31/03/2012 RM'000
Taxation		
Malaysian - current	17,187	57,541
- prior year	-	-
	<hr/> 17,187	<hr/> 57,541
Deferred taxation		
Malaysian - current	-	-
- prior year	-	-
	<hr/> -	<hr/> -
	<hr/> 17,187	<hr/> 57,541

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

21. Status of Corporate Proposals

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

22. Group Borrowings and Debt Securities

Total Group borrowings as at 31 March 2012 are as follows:

	<u>RM'000</u>
<u>Current</u>	
Commercial Papers (CPs)	50,000
<u>Non-Current - Unsecured</u>	
Medium Term Notes (MTNs)	150,000
	<u>200,000</u>

In January 2012, the Company issued CPs of RM200 million in nominal value, which is made up of RM150 million with a 2 months maturity period (due and repaid in March 2012) and RM50 million with a 9 months maturity period (due for repayment in October 2012).

The non-current portion of the MTNs of RM150 million in nominal value is repayable at RM100 million and RM50 million in December 2014 and December 2016 respectively.

The proceeds of the CPs/MTNs are used by GAB Group for its general corporate purposes including repayment of bank borrowings, if any.

The aforesaid CPs/MTNs have been assigned a rating of AAA by RAM Rating Services Berhad.

23. Financial Instruments

The outstanding derivative as at the end of the reporting period is as follows:

	Notional Value	Fair Value	Loss arising from fair value changes
	RM'000	RM'000	RM'000
<u>Type of derivative</u>			
Forward foreign exchange contracts	15,084	14,925	159
- Less than one year			

The above forward foreign exchange contracts were entered into by the Group to minimise its exposure to foreign currency risks as a result of transactions denominated in currencies other than its functional currency, arising from the normal business activities; in accordance with the Group's foreign currency hedging policy.

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Foreign currency differences arising on retranslation are recognised in comprehensive income, except for differences arising on the retranslation of a financial instrument designated as a hedge of currency risk, which is recognised in other comprehensive income.

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.

24. Notes to the Statement of Comprehensive Income

	Current quarter ended 31/03/2012 RM'000	Current year to date 31/03/2012 RM'000
Depreciation and amortization	8,699	25,525
Provision for and write-off of receivables	-	640
Provision for and write-off of inventories	693	2,019
(Gain)/loss on derivatives	159	(131)

Other than the items highlighted above which have been included in the Consolidated Statement of Comprehensive Income, there were no impairment of assets nor profits/(losses) on any other items and sale of quoted securities, investments and properties included in the results for the period ended 31 March 2012.

25. 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.

26. Dividend

The Board of Directors does not recommend any dividend to be paid in respect of the quarter ended 31 March 2012.

Total dividend declared for the 9 months ended 31 March 2012 was 70 sen per 50 sen stock unit.

27. Earnings Per Share

(a) Basic Earnings Per Share

Basic earnings per share for the period under review is calculated by dividing the net profit attributable to the shareholders of RM51,534,000 by the weighted average number of ordinary stock units outstanding as at 31 March 2012 of 302,098,000.

(b) Diluted Earnings Per Share

Not Applicable.

For and on Behalf of the Board

Charles Ireland
Managing Director