



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

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER AND YEAR ENDED 30 JUNE 2012**

The Board of Directors of Guinness Anchor Berhad wishes to announce the unaudited results of the Group for the quarter and year ended 30 June 2012.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL PERIOD 3 MONTHS ENDED			CUMULATIVE PERIOD 12 MONTHS ENDED		
	30/06/2012	36/06/2011	% Change +/(-)	30/06/2012	30/06/2011	% Change +/(-)
	RM'000	RM'000		RM'000	RM'000	
1. Revenue	346,028	348,759	(0.8)%	1,623,687	1,488,720	9.1%
2. Operating expenses	297,892	311,998		1,346,446	1,248,122	
3. Interest income	1,293	984		4,268	2,714	
4. Profit from operations	49,429	37,745	30.9%	281,509	243,312	15.7%
5. Interest expense	2,553	20		4,528	429	
6. Profit before tax	46,876	37,725	24.2%	276,981	242,883	14.0%
7. Taxation	12,041	8,649		69,582	61,505	
8. Net profit for the period	34,835	29,076	19.8%	207,399	181,378	14.3%
9. Foreign currency translation differences for foreign operation	118	108		80	254	
10. Total comprehensive income for the period	34,953	29,184	19.8%	207,479	181,632	14.2%
11. Profit attributable to owners of the company	34,835	29,076		207,399	181,378	
12. Total comprehensive income attributable to owners of the company	34,953	29,184		207,479	181,632	
13. Earnings per share:						
(a) Basic (based on 302,098,000 stock units) (sen)	11.53	9.63		68.65	60.04	
(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 30/06/2012 RM'000	AS AT 30/06/2011 RM'000
Non-current assets		
Property, plant and equipment	231,549	222,953
Intangible assets	25,873	9,124
Other receivables	1,132	1,152
	<u>258,554</u>	<u>233,229</u>
Current assets		
Inventories	65,833	65,402
Trade and other receivables	284,478	205,966
Current tax assets	9,733	764
Cash and cash equivalents	160,820	179,777
	<u>520,864</u>	<u>451,909</u>
Current liabilities		
Trade and other payables	154,712	132,577
Current tax liabilities	12,318	3,353
Borrowings	50,000	0
	<u>217,030</u>	<u>135,930</u>
Net current assets	<u>303,834</u>	<u>315,979</u>
	<u>562,388</u>	<u>549,208</u>
Financed by:		
Capital and reserves		
Share capital	151,049	151,049
Reserves		
Capital reserve	5,193	5,113
Retained earnings	223,461	360,454
Shareholders' funds	<u>379,703</u>	<u>516,616</u>
Non-current liabilities		
Deferred tax liabilities	32,685	32,592
Borrowings	150,000	-
	<u>182,685</u>	<u>32,592</u>
	<u>562,388</u>	<u>549,208</u>
Net Assets per share attributable to owners of the company (RM)	<u>1.26</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 30 JUNE 2012**

	12 MONTHS ENDED	
	30/06/2012	30/06/2011
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	276,981	242,883
Adjustments for:		
Amortisation of intangible assets	4,093	2,892
Depreciation of property, plant equipment	30,310	35,408
(Gain)/loss on disposal of property, plant and equipment	(643)	124
Interest expense	4,528	429
Interest income	(4,268)	(2,714)
Translation differences of foreign operation	80	254
Restructuring of distribution channel expenses	(5,400)	7,000
Operating profit before changes in working capital	305,681	286,276
(Increase)/Decrease in working capital		
Inventories	(431)	10,289
Receivables, deposits and prepayment	(78,492)	(10,255)
Payables and accruals	27,535	(29,487)
Cash generated from operations	254,293	256,823
Tax paid	(69,493)	(60,049)
Interest paid	(4,528)	(429)
Net cash from operating activities	180,272	196,345
Cash flows from investing activities		
Acquisition of property, plant and equipment	(39,273)	(31,810)
Acquisition of intangible assets	(20,842)	(1,582)
Interest received	4,268	2,714
Proceeds from disposal of property, plant and equipment	1,010	428
Net cash used in investing activities	(54,837)	(30,250)
Cash flows from financing activities		
Dividend paid	(344,392)	(135,944)
Borrowings	200,000	0
Net cash used in financing activities	(144,392)	(135,944)
Net change in cash and cash equivalents	(18,957)	30,151
Cash and cash equivalents at beginning of year	179,777	149,626
Cash and cash equivalents at end of period	160,820	179,777

(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 30 JUNE 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>12 months ended 30 June 2012</u>				
Balance at 1 July 2011	151,049	5,113	360,454	516,616
Total comprehensive income for the period	-	80	207,399	207,479
Dividend paid	-	-	(344,392)	(344,392)
Balance at 30 June 2012	151,049	5,193	223,461	379,703
<u>12 months ended 30 June 2011</u>				
Balance at 1 July 2010	151,049	4,859	315,020	470,928
Total comprehensive income for the period	-	254	181,378	181,632
Dividend paid	-	-	(135,944)	(135,944)
Balance at 30 June 2011	151,049	5,113	360,454	516,616

(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 30/06/2012 <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	261,616	401,929
- Unrealised	(37,256)	(40,632)
	-----	-----
	224,360	361,297
Less: consolidation adjustment	(899)	(843)
	-----	-----
Total group retained profits / (accumulated losses) as per consolidated accounts	223,461	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

	12 Months ended 30 June	
	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	
<u>Interim Dividend Paid</u>		
2011 – 10 sen per share, single tier		30,210
2012 – 10 sen per share, single tier	30,210	

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 2% 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.

	12 months ended 30/06/2012 RM'000	12 months ended 30/06/2011 RM'000
Total Segment Assets	779,418 =====	685,138 =====
Total Segment Liabilities	399,715	168,522
Total Segment Equity	379,703 -----	516,616 -----
	779,418 =====	685,138 =====

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

10. Segmental Reporting (continued)

	3 months ended 30/06/2012 RM'000	12 months ended 30/06/2012 RM'000
Segment profit	46,994	277,061
<i>Included in the measure of segment profit are:</i>		
Revenue from external customers	327,582	1,531,253
Cost of sales	(232,006)	(1,049,660)
Depreciation	8,878	34,403
	=====	=====
<i>Not included in the measure of segment profit but provided to Managing Director</i>		
Interest expense	(1,260)	(260)
	=====	=====
	3 months ended 30/06/2012 RM'000	12 months ended 30/06/2012 RM'000
Segment profit	46,994	277,061
Foreign Operation Translation	(118)	(80)
	-----	-----
Consolidated profit before tax	46,876	276,981
	=====	=====

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 fourth 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 30 June 2012.

13. 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 except for the following:

On 11 February 2011, Malayan Breweries (Malaya) Sdn Bhd and Malayan Breweries Marketing Sdn Bhd applied to the Companies Commission of Malaysia ("CCM") to have their names struck-off from the register of companies of CCM pursuant to Section 308 of the Companies Act, 1965.

13. Changes in the Composition of the Group (Continued)

In July 2012, Malayan Breweries Marketing Sdn Bhd received a notice dated 5 June 2012 pursuant to Section 308(4) of the Companies Act, 1965 from CCM notifying that the company has been struck off from the register of companies of CCM.

The deregistration of Malayan Breweries (Malaya) Sdn Bhd is still pending completion.

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 ended 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 30 June 2012 are as follows:

	<u>RM'000</u>
Property, plant and equipment Authorised but not contracted for	44,750
Authorised and contracted for	<u>30,596</u>
	<u>75,346</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
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Purchase of goods	12,410	-	-	11,251
Sale of products	13,552	-	-	-
Royalties payable	6,559	19,051	-	5,445
Marketing and technical services fees payable	3,622	-	-	673
Marketing fees receivable	-	11,517	-	6,181

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 30 June 2012 versus the same quarter in 2011

Group revenue for the quarter under review decreased marginally by 0.8% compared to the corresponding quarter in the previous financial year as healthy volume growth in the malt liquor market ("MLM") was offset by the planned reduction of duty not paid volume.

Profit before tax was higher by 24.2% compared to the corresponding quarter in the previous financial year. This was due to improved pricing in the MLM, favourable product mix and the non repeat of one off costs taken in the corresponding period of the previous financial year.

Performance for the 12 months ended 30 June 2012 versus the same period in 2011

Group revenue for the year ended 30 June 2012 increased by RM135.0 million or 9.1% to RM1.6 billion compared with the previous financial year. The Group saw MLM volume grow strongly to over one million hectolitres as its brands continued to grow and take additional market share, Guinness and Heineken both performed particularly strongly whilst Tiger also maintained its very pleasing growth trajectory.

Profit before tax for the year grew by 14.0% reflecting improved pricing in the MLM, favourable product mix and good cost control. This performance was achieved despite the significant planned reduction of duty not paid volume, high investments in brand building activities and investments in systems, processes and the Group's production facilities.

Comparison of Results with Preceding Quarter

Group revenue for the quarter under review was lower by RM18.7 million or 5.1% compared to RM364.7 million recorded for the preceding quarter. Higher revenue in the preceding quarter was mainly driven by the Chinese New Year sales.

Correspondingly, Group profit before tax for the same quarter declined by RM21.8 million or 31.8%.

18. Prospects

The Group expects 2012 / 2013 to be a challenging year given the many uncertainties in the global economic outlook which may adversely impact consumer sentiment and dampen the overall domestic economic growth.

In anticipation of the fiscal budget announcement by the Malaysian Government, the Group hopes that there will be no increase in excise duties on beer and stout products as any hike in excise duties could negatively impact the industry performance.

The Group will migrate to a new IT infrastructure come October 2012 with the objectives of enhancing its operational efficiency and productivity to support its growing business needs.

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 30/06/2012 RM'000	Current year to date 30/06/2012 RM'000
Taxation		
Malaysian - current	13,323	70,864
- prior year	(1,375)	(1,375)
	11,948	69,489
Deferred taxation		
Malaysian - current	431	431
- prior year	(338)	(338)
	93	93
	12,041	69,582

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 30 June 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
	200,000

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, which were issued in December 2011, 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
<u>Type of derivative</u>	RM'000	RM'000	RM'000
Forward foreign exchange contracts	2,842	2,824	18
- 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 30/06/2012 RM'000	Current year to date 30/06/2012 RM'000
Depreciation and amortization	8,878	34,403
Provision for and write-off of receivables	(642)	(2)
Provision for and write-off of inventories	1,264	3,283
(Gain)/loss on derivatives	18	(113)

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 30 June 2012.

25. Material Litigation

Neither the Company nor any of its subsidiaries is engaged in any material litigation either as Plaintiff or as Defendant as of the date of this report.

26. Dividend

The Board has proposed a final single tier dividend of 55 sen per 50 sen stock unit for the financial year ended 30 June 2012 (2011: 44 sen per 50 sen stock unit, single tier). Subject to approval of the shareholders at the forthcoming 48th Annual General Meeting, the date of which will be announced later, the final single tier dividend will be paid on 21 December 2012 to stockholders registered at the close of business on 10 December 2012. The entitlement date shall therefore be 10 December 2012.

A Depositor shall qualify for entitlement only in respect of:

- (a) Shares deposited into the Depositor's securities account before 12.30 p.m. on 6 December 2012 (in respect of shares which are exempted from mandatory deposit),
- (b) Shares transferred into the Depositor's securities account before 4.00 p.m. on 10 December 2012 in respect of ordinary transfers; and
- (c) Shares bought on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

Pursuant to FRS 110, the proposed final single tier dividend totaling RM166,153,900 has not been accounted for in the financial statements as at 30 June 2012.

Total dividends for the year ended 30 June 2012 will amount to 125 sen per 50 sen stock unit (2011: 54 sen) comprising:

- (i) a single tier Special Interim Dividend of 60 sen per 50 sen stock unit paid on 20 January 2012,
- (ii) a single tier Interim Dividend of 10 sen per 50 sen stock unit paid on 26 April 2012; and
- (iii) a proposed final single tier dividend of 55 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 RM207,399,000 by the weighted average number of ordinary stock units outstanding as at 30 June 2012 of 302,098,000.

(b) Diluted Earnings Per Share

Not Applicable.

For and on Behalf of the Board

Charles Ireland
Managing Director

28 August 2012