



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

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2015**

The Board of Directors of Guinness Anchor Berhad wishes to announce the unaudited results of the Group for the period ended 31 March 2015.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL PERIOD 3 MONTHS ENDED			CUMULATIVE PERIOD 9 MONTHS ENDED		
	31/03/2015	31/03/2014	% Change +/(-)	31/03/2015	31/03/2014	% Change +/(-)
	RM'000	RM'000		RM'000	RM'000	
1. Revenue	437,334	372,551	17.4%	1,351,264	1,197,717	12.8%
2. Operating expenses	(382,991)	(323,254)		(1,121,752)	(992,321)	
3. Operating Profit	54,343	49,297	10.2%	229,512	205,396	11.7%
4. Interest income/(expense)	(1,738)	(1,885)		(2,621)	(3,679)	
5. Profit before tax	52,605	47,412	11.0%	226,891	201,717	12.5%
6. Taxation	(13,150)	(11,854)		(56,722)	(50,447)	
7. Net profit for the period	<u>39,455</u>	<u>35,558</u>	11.0%	<u>170,169</u>	<u>151,270</u>	12.5%
8. Profit attributable to owners of the company	<u>39,455</u>	<u>35,558</u>		<u>170,169</u>	<u>151,270</u>	
9. Total comprehensive income attributable to owners of the company	<u>39,455</u>	<u>35,558</u>		<u>170,169</u>	<u>151,270</u>	
10. Earnings per share :						
(a) Basic (based on 302,098,000 stock units) (sen)	13.06	11.77		56.33	50.07	
(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 2014)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT 31/03/2015 RM'000	AS AT 30/06/2014 RM'000
Non-current assets		
Property, plant and equipment	215,891	220,424
Intangible assets	33,226	38,790
Other receivables	902	1,019
	<u>250,019</u>	<u>260,233</u>
Current assets		
Inventories	71,609	39,489
Trade and other receivables	309,265	333,368
Current tax assets	4,337	7,446
Cash and cash equivalents	124,004	61,804
	<u>509,215</u>	<u>442,107</u>
Current liabilities		
Trade and other payables	175,852	152,676
Current tax liabilities	0	0
Borrowings	100,000	100,000
	<u>275,852</u>	<u>252,676</u>
Net current assets	<u>233,363</u>	<u>189,431</u>
	<u>483,382</u>	<u>449,664</u>
Financed by:		
Capital and reserves		
Share capital	151,049	151,049
Reserves		
Retained earnings	241,495	205,760
Shareholders' funds	<u>392,544</u>	<u>356,809</u>
Non-current liabilities		
Deferred tax liabilities	40,838	42,855
Borrowings	50,000	50,000
	<u>90,838</u>	<u>92,855</u>
	<u>483,382</u>	<u>449,664</u>
Net Assets per share attributable to owners of the company (RM)	<u>1.30</u>	<u>1.18</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 2014)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE PERIOD ENDED 31 MARCH 2015**

	9 MONTHS ENDED	
	31/03/2015	31/03/2014
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	226,891	201,717
Adjustments for:		
Amortisation of intangible assets	8,010	7,073
Depreciation of property, plant and equipment	22,538	24,036
(Gain)/loss on disposal of property, plant and equipment	(302)	(684)
Interest expense	4,650	5,649
Interest income	(2,029)	(1,970)
Operating profit before changes in working capital	259,758	235,821
(Increase)/Decrease in working capital		
Inventories	(32,120)	(22,442)
Receivables, deposits and prepayment	24,220	(4,140)
Payables and accruals	23,176	(6,831)
Cash generated from operations	275,034	202,408
Tax paid	(55,630)	(45,204)
Interest paid	(4,650)	(5,649)
Net cash from operating activities	214,754	151,555
Cash flows from investing activities		
Acquisition of property, plant and equipment	(18,011)	(17,783)
Acquisition of intangible assets	(2,445)	(10,521)
Interest received	2,029	1,970
Proceeds from disposal of property, plant and equipment	307	817
Net cash used in investing activities	(18,120)	(25,517)
Cash flows from financing activity		
Dividends paid	(134,434)	(146,518)
Borrowings	0	100,000
Net cash used in financing activity	(134,434)	(46,518)
Net change in cash and cash equivalents	62,200	79,520
Cash and cash equivalents at beginning of year	61,804	68,242
Cash and cash equivalents at end of period	124,004	147,762

(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 2014)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2015**

	Attributable to equity holders of the Company			
	<i>Share Capital</i>	<i>Non- Distributable Capital Reserve</i>	<i>Distributable Retained Earnings</i>	<i>Total</i>
	RM'000	RM'000	RM'000	RM'000
<u>9 months ended 31 March 2015</u>				
Balance at 1 July 2014	151,049	0	205,760	356,809
Total comprehensive income for the period	-	0	170,169	170,169
Dividends paid	-	-	(134,434)	(134,434)
Balance at 31 March 2015	151,049	0	241,495	392,544
<u>9 months ended 31 March 2014</u>				
Balance at 1 July 2013	151,049	0	214,491	365,540
Total comprehensive income for the period	-	0	151,270	151,270
Dividends paid	-	-	(146,518)	(146,518)
Balance at 31 March 2014	151,049	0	219,243	370,292

(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 2014)

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 2014.

Certain comparatives were restated to conform with the disclosure for current reporting period.

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 2014 except as disclosed below.

The Group has changed its accounting treatment of returnable bottles effective 31 March 2015. Returnable bottles are capitalized as Fixed Assets and depreciated over its useful life. The change in accounting policy is to align the treatment of returnable bottles with all other returnable packaging items. The change in accounting treatment does not have any material effect on the current financial quarter under review.

3. Realised and Unrealised Profits/Losses

	As at 31/03/2015 <u>RM'000</u>	As at 30/06/2014 <u>RM'000</u>
Total retained profits / (accumulated losses) of the Company and its subsidiaries :		
- Realised	284,858	248,142
- Unrealised	(41,940)	(41,142)
	-----	-----
	242,918	207,000
Less: consolidation adjustment	(1,423)	(1,240)
	-----	-----
Total group retained profits / (accumulated losses) as per consolidated accounts	241,495	205,760
	=====	=====

4. Audit Report on Preceding Annual Financial Statements

The Group annual audited financial statements for the year ended 30 June 2014 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 and repayment of debt and equity securities for the current quarter ended 31 March 2015, save for those as disclosed under Note 22.

9. Dividend Paid

	9 Months ended 31 March	
	2015 RM'000	2014 RM'000
<u>Final Dividend Paid</u>		
2014 – 44.5 sen per share tax exempt	134,434	
2013 – 48.5 sen per share tax exempt		146,518

On 5 February 2015, the Company declared a single tier Interim Dividend of 20 sen per 50 sen stock unit, amounting to RM60,419,600 in respect of the financial year ending 30 June 2015. The said dividend was paid on 22 April 2015.

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 1.3% of the total sales are exported. 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.

10. Segmental Reporting (continued)

	9 months ended 31/03/2015 RM'000	9 months ended 31/03/2014 RM'000
Total Segment Assets	759,234 =====	839,537 =====
Total Segment Liabilities	366,690	279,027
Total Segment Equity	392,544 ----- 759,234 =====	560,510 ----- 839,537 =====

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

	3 months ended 31/03/2015 RM'000	9 months ended 31/03/2015 RM'000
Segment profit	52,605	226,891
<i>Included in the measure of segment profit are:</i>		
Revenue from external customers	432,006	1,336,301
Cost of sales	(289,939)	(861,806)
Depreciation	10,283 =====	30,548 =====
<i>Not included in the measure of segment profit but provided to Managing Director</i>		
Interest income/(expense)	(1,738) =====	(2,621) =====

	3 months ended 31/03/2015 RM'000	9 months ended 31/03/2015 RM'000
Profit or loss		
Segment profit	52,605	226,891
Foreign Operation Translation	0	0
Consolidated profit before tax	----- 52,605 =====	----- 226,891 =====

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 Period

Between the end of the first 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 2015.

13. Changes in the Composition of the Group

There was no change 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.

The deregistration of Malayan Breweries (Malaya) Sdn Bhd (“MBM”) is still pending completion. The deregistration of MBM is 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 2015.

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 2015 are as follows:

	RM'000
Property, plant and equipment	
Authorised but not contracted for	49,720
Authorised and contracted for	11,554
	<u>61,274</u>

16. Significant Related Party Transactions

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

	Diageo Plc and its related corporations RM'000	Heineken N.V. and its related corporations RM'000
Purchase of goods	9,524	11,596
Sale of products	14,963	-
Royalties payable	9,761	24,502
Marketing and technical services fees payable	-	641
Marketing and advertising services fee receivable	-	18,086
	<u>-</u>	<u>18,086</u>

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 28 November 2014.

17. Review of Performance

Performance for the quarter ended 31 March 2015 versus the same quarter in 2014

Group revenue grew by 17.4% to RM437.3 million compared to the same quarter last year. The double digit growth was mainly driven by better Chinese New Year sales and pricing. New brand launches in 2014 such as Kirin Ichiban, Smirnoff Ice and three new Strongbow flavours have also contributed to higher volume.

The Group's operating profit rose 10.2% mainly driven by an increase in revenue and improved cost efficiencies, partly off-set by adverse pack mix.

Performance for the 9 months ended 31 March 2015 versus the same period in 2014

Group revenue for the 9 months ended 31 March 2015 grew by 12.8% driven by volume growth, pricing and favourable brand mix. In addition, the Company continues to benefit from the measures taken against contraband beers by the Royal Malaysian Customs.

The Group's operating profit grew by 11.7% to RM229.5 million mainly due to higher revenue and cost efficiencies partly off-set by higher excise duty and sales tax payment compared to last year.

Comparison of results with preceding quarter

Group revenue for the quarter under review is lower by 16.0% and operating profit is down by 46.5% compared to the preceding quarter reflecting seasonal demand and increased commercial activities.

18. Prospects

The domestic beer business environment may be challenging in short term after the implementation of Goods and Services Tax (GST) on 1 April 2015 as consumers are likely to be cautious in their spending. The Group has taken all measures to address these challenges and is confident in delivering a strong performance for the financial year 2015.

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 31/03/2015 RM'000	Current year to date 31/03/2015 RM'000
Taxation		
Malaysian - current	13,150	56,722
- prior year	-	-
	13,130	56,722
Deferred taxation		
Malaysian - current	-	-
- prior year	-	-
	-	-
	13,150	56,722

The Group's effective tax rate for the current financial quarter 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 2015 are as follows:

	<u>RM'000</u>
<u>Current</u>	
Commercial Papers	100,000
	100,000
 <u>Non-Current - Unsecured</u>	
Medium Term Notes (MTNs)	50,000
	50,000

The Company utilized its short-term credit facilities of RM100 million to support its Chinese New Year commercial activities. The Commercial Papers which were issued in January 2015 will be fully repaid by July 2015.

MTNs of RM50 million in nominal value, which was issued in December 2011, is payable in December 2016. The Commercial Papers / MTNs programme has been assigned a rating of AAA by RAM Ratings Services Berhad.

23. Financial Instruments

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.

At the end of the reporting period, the Group does not have any outstanding derivatives

24. Notes to the Statement of Comprehensive Income

	Current quarter ended 31/03/2015 RM'000	Current year to date 31/03/2015 RM'000
Depreciation and amortization	10,283	30,548
Provision for and write-off (recovery) of receivables	(14)	(14)
Provision for and write-off of inventories	2,750	5,284
(Gain)/loss on derivatives	0	(32)

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 2015.

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 of Directors does not recommend any dividend to be paid in respect of the quarter ended 31 March 2015.

Total dividend declared for the 9 months ended 31 March 2015 was 20 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 RM170,169,000 by the weighted average number of ordinary stock units outstanding as at 31 March 2015 of 302,098,000.

(b) Diluted Earnings Per Share

Not Applicable.

For and on Behalf of the Board

Hans Essaadi
Managing Director

12 May 2015