

PRESS RELEASE
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GUINNESS ANCHOR BERHAD CONTINUES WITH PROFIT GROWTH MOMENTUM

Soft Consumer Sentiment Continues to Pose Challenges

3-month period ended 31 March 2016 versus corresponding quarter ended 31 March 2015

- Revenue in the mentioned quarter grew 4.9% from RM437 million to RM459 million.
- Profit before tax increased 33.5% from RM53 million to RM70 million.
- Earnings per share increased from 13.06 sen to 16.83 sen.

Cumulative 9-month period ended 31 March 2016 versus corresponding period ended 31 March 2015

- Revenue grew 2.8% from RM1.35 billion to RM1.4 billion.
- Profit before tax for the period increased 20% from RM227 million to RM272 million.
- Earnings per share increased from 56.33 sen to 67.79 sen.

Guinness Anchor Berhad (GAB) recorded encouraging results in the quarter ended 31 March 2016 by employing effective strategies and increasing business efficiency, mitigating a continually challenging external environment.

Hans Essaadi, Managing Director of GAB said, “Our performance continues to show solid growth, credited to GAB’s effective long-term strategies targeting tailored core brands’ activation platforms, product innovation, and operational efficiencies. The festive Chinese New Year period also contributed to higher sales volume.”

“We expect to maintain the momentum going forward by leveraging on Heineken’s strong global brands’ activation platforms, and supported by an efficient global supply chain which opens opportunities for cost savings through more strategic procurement,” he added.

With the recent increase in excise duties for alcohol products effective 1 March 2016 and subdued Malaysian consumer sentiment, the Group continues to operate in a challenging environment.

Essaadi said GAB is cautious of increasing prices as this will push consumers away from duty-paid products to contraband.

“We appreciate and fully support the efforts of the Royal Malaysian Customs Department in combating contraband beer, which continue to lead to revenue loss to the industry and also represent significant loss in taxes to the Government,” he said.

He said that it was also imperative for the beer and stout industry to continue to work with the Government to further develop a sustainable business eco-system for local businesses.

In the last nine 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 part of our marketing strategy.

To commemorate the Company’s 50th Anniversary, on 19 January 2016, GAB 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.

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About 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.

About Heineken N.V.

Heineken is the world's most international brewer. It is the leading developer and marketer of premium beer and cider brands. Led by the Heineken brand, the Heineken Group has a portfolio of more than 250 international, regional, local and specialty beers and ciders. Heineken has a well-balanced geographic footprint with leadership positions in both developed and developing markets. Heineken employs 73,000 people and operate more than 167 breweries in 70 countries.

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