

## **CARLSBERG UPS INVESTMENTS BEHIND EXCITING MARKETING CAMPAIGNS**

**SHAH ALAM, August 27, 2013** – Carlsberg Malaysia announced the Group’s first half year profit before tax of RM 107.9 million, for the period ended 30<sup>th</sup> June 2013, a decline of 7.8 percent compared with the same period last year. The Group recorded revenue of RM 815.3 million, 2.6 percent lower than the first half last year due to a marginal decline of 0.9 percent in the Malaysian operations and 5.8 percent drop in the Singapore business.

The Group’s profit before tax of RM41.1 million for the 3 months ended 30<sup>th</sup> June 2013 was 16.5 percent lower against the same period last year. Revenue for the same quarter was RM344.5 million or 10 percent lower than the quarter in the previous year.

The Group announced a single tier interim dividend of 5 sen per ordinary share of 50 sen for the half year ended 30<sup>th</sup> June 2013.

The lower revenue in Q2 was mainly due to more cautious consumers’ spending and stock rationalization, particularly in Singapore.

Carlsberg Malaysia’s Managing Director Henrik Juel Andersen who took over the helm on July 1<sup>st</sup> commented, “The market was a challenge in Q2 due to softening demand in the domestic beer market. We are positive that the remaining quarters will benefit from the strategic commercial plans we have put in place as well as the integrated Carlsberg-Barclays Premier League (BPL) campaign, which will involve thousands of participating outlets, eateries, pubs, bars and super/hypermarkets nationwide, commencing on September 1<sup>st</sup>.

“Carlsberg, being the official beer sponsor of BPL for the next three seasons, has access to the leading football club stadiums in UK and owns the rights to run BPL promotions that reward consumers with original BPL merchandizes as well as engage football fans with big-scale football viewing parties. As part of the consumer engagement programme, Carlsberg is bringing our consumers the ultimate Premier League experience by offering contest winners all-expenses-paid trips to watch live Premier League matches of their choice, in a uniquely Carlsberg VIP-style”, Andersen added.

“The Carlsberg brand continues to be the most preferred beer brand by Malaysian consumers and we are pleased that our portfolio strategy in premium beer segment continues to deliver profitable share gain. This is reflected in the higher profit margins recorded despite lower revenue,” Andersen commented.

“Our premium beer, Asahi Super Dry has gained positive momentum in the trade with increased sales and distribution, whilst our super premium beers, Kronenbourg 1664 lager and Blanc continue to make in-roads in the segment and are increasingly sought after by consumers. Somersby Apple Cider which was launched last year has exceeded sales expectations and is now the leading cider brand in Malaysia and Singapore”, Andersen shared.

Commenting on the performance in Singapore, Andersen said: “The Singapore beer market remains challenging due to the influx of many imported beer brands. In addition, we embarked on a deliberate stock rationalization exercise in end Q2 aimed at guaranteeing an optimal drinking experience for our consumers”.

He added that “Carlsberg Singapore, led by its newly-appointed country head John Botia, is implementing a more robust in-market execution strategy that offers a better mix of packs and pricing as well as exciting marketing programs to its key customers and consumers aimed at building a strong portfolio of brands and securing sustainable share gains in a very competitive market”.

Commenting on the forthcoming National Budget announcement, Andersen added that “Malaysian beer excise duty is the highest in Asia, second highest in the world, and any further hike would cause significant impact on the accessibility and growth of legitimate beer in Malaysia. It could potentially hamper the growth in tourism and retail sectors, the two key drivers identified under the Government’s Economic Transformation Programme. We are hopeful that the Government will maintain the current excise duty rate and allow us to contribute to the nation-building”.

#### **About Carlsberg Brewery Malaysia Berhad Group (Carlsberg Malaysia Group)**

The Carlsberg Malaysia Group now has a wide portfolio of leading international beer brands:

- Carlsberg, the country’s most preferred beer brand
- Leading international brands includes Kronenbourg 1664, Budweiser, Corona, Stella Artois and Becks
- Other top brands include Asahi Super Dry, Kronenbourg 1664 Blanc, Grimbergen, Hoegaarden, Erdinger, Franziskaner, Tetley’s Ale, Danish Royal Stout, Connor’s Stout, SKOL, Jolly Shandy and Somersby Apple Cider

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