



# ASIA PACIFIC BREWERIES LIMITED

(Company Registration No. 193100007-K)  
(Incorporated in the Republic of Singapore)

## RESULTS FOR THE YEAR ENDED 30 SEPTEMBER 2009 Financial Statements and Dividend Announcement

The Directors are pleased to make the following announcement of the unaudited results for the year ended 30 September 2009.

### PART I- INFORMATION REQUIRED FOR ANNOUNCEMENT OF QUARTERLY (Q1, Q2 & Q3), HALF AND FULL YEAR RESULTS

1(a) An income statement (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

#### 1(a)(i) GROUP PROFIT STATEMENT

	30/9/2009 \$'000	30/9/2008 \$'000	Change %
Revenue	2,040,221	1,997,871	2.1%
Cost of sales	(1,258,158)	(1,228,548)	2.4%
Gross profit	782,063	769,323	1.7%
Other (expenses)/income (net)	(10,072)	5,469	NM
Operating expenses			
- Distribution	(80,501)	(75,785)	6.2%
- Marketing	(271,373)	(276,362)	-1.8%
- Administration	(128,241)	(141,169)	-9.2%
	(480,115)	(493,316)	-2.7%
Trading profit	291,876	281,476	3.7%
Share of joint venture and associated companies' profits	13,733	13,237	3.7%
Share of joint venture's impairment	-	(19,085)	NM
Gross income from investments	1,616	2,098	-23.0%
Profit before interest, taxation and exceptional items	307,225	277,726	10.6%
Interest income	6,665	12,207	-45.4%
Interest expense	(12,326)	(16,522)	-25.4%
	(5,661)	(4,315)	31.2%
Profit before taxation and exceptional items	301,564	273,411	10.3%
Exceptional items	14,404	(8,202)	NM
Profit before taxation	315,968	265,209	19.1%
Taxation	(96,672)	(99,379)	-2.7%
Profit after taxation	219,296	165,830	32.2%
Attributable profit to:			
Shareholders of the Company			
Before exceptional items	157,993	131,949	19.7%
Exceptional items	14,404	(8,202)	NM
	172,397	123,747	39.3%
Minority interests	46,899	42,083	11.4%
	219,296	165,830	32.2%

NM – Not meaningful

**1(a)(ii) BREAKDOWN AND EXPLANATORY NOTES TO GROUP PROFIT STATEMENT**

	<u>30/9/2009</u> <u>\$'000</u>	<u>30/9/2008</u> <u>\$'000</u>	<u>Change</u> <u>%</u>
Included in Other income/(expenses) and Operating expenses are:			
Depreciation and amortisation	(68,931)	(55,648)	23.9%
Allowance for bad and doubtful debts	(595)	(279)	113.3%
Allowance for inventory obsolescence	(2,529)	(2,031)	24.5%
Foreign exchange (loss)/gain	(12,836)	241	NM
(Loss)/Profit on disposal of fixed assets	(1,226)	72	NM
Impairment of fixed assets (net)	(1,612)	(3,322)	-51.5%
Impairment of intangible assets	(4,773)	-	NM
Write-back of employee share-based expenses	<u>314</u>	<u>48</u>	NM
<b>Taxation</b>			
(Under)/Over provision of prior year's taxation	<u>(842)</u>	<u>6,721</u>	NM
<b>Exceptional items</b>			
Gain on disposal of properties	-	759	NM
Gain on disposal of a subsidiary company	3,703	-	NM
Loss on disposal of investment by a joint venture company	-	(4,539)	NM
Restructuring cost and professional fee	(384)	(4,422)	-91.3%
Compensation fee	11,085	-	NM
	14,404	(8,202)	NM
Profit before interest, taxation and exceptional items as a percentage of revenue	<u>15.1%</u>	<u>13.9%</u>	

NM - Not meaningful

**1(b)(i) A balance sheet (for the issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year.**

<b>BALANCE SHEETS</b>	<b>Group</b>		<b>Company</b>	
	<b>As at 30/9/2009 \$'000</b>	<b>As at 30/9/2008 \$'000</b>	<b>As at 30/9/2009 \$'000</b>	<b>As at 30/9/2008 \$'000</b>
<b>CAPITAL AND RESERVES</b>				
Share capital	277,538	277,523	277,538	277,523
Reserves	754,779	679,656	846,263	740,202
	1,032,317	957,179	1,123,801	1,017,725
<b>MINORITY INTERESTS</b>	100,363	98,327	-	-
	1,132,680	1,055,506	1,123,801	1,017,725
Represented by:				
<b>NON-CURRENT ASSETS</b>				
Fixed assets	606,727	605,086	1,444	1,999
Subsidiary companies	-	-	730,105	709,743
Joint venture companies	279,195	290,933	300,878	298,677
Associated company	383	362	-	-
Other investments	10,871	18,016	14	14
Intangible assets	230,744	232,378	48	2,987
Deferred tax assets	4,733	3,787	-	-
Other receivables	20,523	30,575	1,071	1,194
	1,153,176	1,181,137	1,033,560	1,014,614
<b>CURRENT ASSETS</b>				
Inventories	158,123	158,115	-	-
Trade receivables	160,365	160,779	-	-
Other receivables	41,838	46,343	979	804
Amounts due from subsidiary companies	-	-	55,297	50,486
Amounts due from joint venture companies	28,424	14,893	24,199	14,882
Amounts due from related companies	5,524	4,292	88	153
Short term investments	6,188	6,005	-	-
Bank fixed deposits	102,572	95,499	29,064	5,536
Cash and bank balances	90,260	44,724	11,495	1,473
	593,294	530,650	121,122	73,334
<b>Deduct: CURRENT LIABILITIES</b>				
Trade payables	227,441	193,408	-	-
Other payables	134,939	139,618	20,159	23,888
Amount due to subsidiary companies	-	-	-	377
Amounts due to joint venture and associated companies	5,801	7,356	120	122
Amounts due to related companies	18,396	16,480	1,021	2,447
Borrowings	104,780	155,586	-	37,776
Provision for taxation	56,648	45,545	9,581	5,613
	548,005	557,993	30,881	70,223
<b>NET CURRENT ASSETS/ (LIABILITIES)</b>	45,289	(27,343)	90,241	3,111
<b>Deduct: NON-CURRENT LIABILITIES</b>				
Other payables	-	2,617	-	-
Borrowings	23,780	54,661	-	-
Deferred tax liabilities	36,223	34,902	-	-
Provision for employee benefits	5,782	6,108	-	-
	65,785	98,288	-	-
	1,132,680	1,055,506	1,123,801	1,017,725

- 1(b)(ii) Aggregate amount of Group's borrowings and debt securities.**  
**The Group's borrowings and debt securities as at the end of the financial period reported on, and comparative figures as at the end of the immediately preceding financial year:**

**Amount repayable in one year or less, or on demand**

	<b>As at 30/9/2009</b> <b>\$'000</b>	<b>As at 30/9/2008</b> <b>\$'000</b>
Secured	5,889	5,676
Unsecured	98,891	149,910
	<u>104,780</u>	<u>155,586</u>

**Amount repayable after one year**

	<b>As at 30/9/2009</b> <b>\$'000</b>	<b>As at 30/9/2008</b> <b>\$'000</b>
Secured	9,705	12,192
Unsecured	14,075	42,469
	<u>23,780</u>	<u>54,661</u>

**Details of any collateral**

The secured borrowings as at 30 September 2009 are secured on the assets of the respective borrowing subsidiary company.

- 1(c) **A cash flow statement (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

### GROUP CASH FLOW STATEMENT

	<u>30/9/2009</u> \$'000	<u>30/9/2008</u> \$'000
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>		
Profit before taxation and exceptional items	301,564	273,411
Adjustments for:		
Depreciation of fixed assets	68,188	54,685
Provision for employee benefits	3,494	5,112
Amortisation of brands	743	963
Loss/(Profit) on disposal of fixed assets (net)	1,226	(72)
Impairment of fixed assets (net)	1,612	3,322
Impairment of intangible assets	4,773	-
Share of joint venture and associated companies' profits	(13,733)	(13,237)
Investment income	(1,616)	(2,098)
Interest income	(6,665)	(12,207)
Interest expense	12,326	16,522
Changes in fair value of financial instruments	2,662	(3,907)
Write-back of employee share-based expense	(314)	(48)
Share of joint venture's impairment	-	19,085
Gain on dilution in interest in a subsidiary company	-	(435)
Operating cash flows before working capital changes	374,260	341,096
Change in inventories	(568)	(41,779)
Change in trade and other receivables	11,868	1,269
Change in trade and other payables	30,340	13,486
Change in joint venture/ associated and related companies' balances	(14,186)	(18,369)
Currency realignment	3,280	(10,970)
Cash generated from operations	404,994	284,733
Interest received	7,800	12,207
Interest paid	(12,830)	(16,997)
Employee benefits paid	(3,227)	(3,281)
Payment of cash-settled options	(1,042)	(1,390)
Income taxes paid	(80,912)	(89,172)
<b>Net cash from operating activities</b>	<b>314,783</b>	<b>186,100</b>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>		
Dividends from joint venture companies	23,198	18,387
Investment income	1,616	2,098
Compensation fee	11,085	-
Proceeds from disposal of fixed assets	1,713	6,672
Proceeds from disposal of investments	167	1,257
Proceeds from disposal of subsidiary company	3,220	-
Dilution of investment in a subsidiary company	-	4,437
Purchase of investment	(65)	-
Purchase of fixed assets	(88,738)	(101,034)
Increase in investment in a joint venture company	(2,098)	-
Additional loans to joint venture company	-	(15,176)
Acquisition of subsidiary companies	-	(5,243)
Purchase of additional interest in a subsidiary company	(3,783)	(3,203)
Repayment/(Addition) of trade advances	6,242	(111)
<b>Net cash used in investing activities</b>	<b>(47,443)</b>	<b>(91,916)</b>

**GROUP CASH FLOW STATEMENT (cont'd)**

	<b>30/9/2009</b>	<b>30/9/2008</b>
	<b>\$'000</b>	<b>\$'000</b>
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>		
Proceeds from issue of shares by the Company	12	101
Proceeds from issue of shares by a subsidiary company	2,117	4,315
Repayment of bank borrowings (net)	(88,780)	(22,571)
Repayment of loans from minority interests	(2,617)	(7,868)
Payment of dividends:		
- by the Company to shareholders	(82,617)	(82,611)
- by subsidiary companies to minority interests	(41,589)	(29,690)
<b>Net cash used in financing activities</b>	<b>(213,474)</b>	<b>(138,324)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>53,866</b>	<b>(44,140)</b>
Effect of exchange rate changes on cash and cash equivalents	(4,731)	(1,116)
Cash and cash equivalents at beginning of year	132,987	178,243
<b>Cash and cash equivalents at end of year</b>	<b>182,122</b>	<b>132,987</b>
<b>Cash and cash equivalents at end of year consist of:</b>		
Bank fixed deposits	102,572	95,499
Cash and bank balances	90,260	44,724
Bank overdrafts	(10,710)	(7,236)
	<b>182,122</b>	<b>132,987</b>
<b>Analysis of disposal of subsidiary company</b>		
Current assets	(2,624)	-
Current liabilities	3,107	-
Cash and bank balances	(547)	-
	(64)	-
Gain on disposal	(3,703)	-
Consideration received	(3,767)	-
Add: Cash and cash equivalents of subsidiary company	547	-
Net cash inflow from disposal of subsidiary company	<b>(3,220)</b>	-
<b>Analysis of the acquisition of subsidiary companies:</b>		
Fixed assets	4,621	4,216
Other non-current assets	3,651	-
Current assets	528	912
Cash and cash equivalents	-	505
Current liabilities	(6,736)	(5,987)
	2,064	(354)
(Less)/Add: Minority interests	(849)	50
Subsidiary companies acquired	1,215	(304)
Goodwill arising on acquisition	4,704	6,052
Consideration	5,919	5,748
Less: Cash injection by subsidiary company	(5,468)	-
Funded by minority interests	(451)	-
Cash and cash equivalents of subsidiary companies	-	(505)
Net cash outflow on acquisition of subsidiary companies	<b>-</b>	<b>5,243</b>

- 1(d)(i) A statement (for the issuer and group) showing either  
 (i) all changes in equity or  
 (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

## STATEMENT OF CHANGES IN EQUITY

	Group								
	Share Capital \$'000	Capital Reserve \$'000	Revenue Reserve \$'000	Exchange Reserve \$'000	Dividend Reserve \$'000	Other Reserve \$'000	Total \$'000	Minority Interests \$'000	Total Equity \$'000
<u>Year ended 30 September 2009</u>									
Balance at 1 October 2008	277,523	15,799	725,713	(108,380)	46,472	52	957,179	98,327	1,055,506
Currency translation difference	-	-	-	(14,654)	-	-	(14,654)	(5,391)	(20,045)
Net expenses recognised directly in equity	-	-	-	(14,654)	-	-	(14,654)	(5,391)	(20,045)
Profit after taxation	-	-	172,397	-	-	-	172,397	46,899	219,296
Total recognised gains/(loss)	-	-	172,397	(14,654)	-	-	157,743	41,508	199,251
Share contribution by minority interests	-	-	-	-	-	-	-	2,117	2,117
Issue of shares in the Company upon exercise of Share Options	15	-	-	-	-	(3)	12	-	12
Dividend paid to minority interests	-	-	-	-	-	-	-	(41,589)	(41,589)
<u>Dividends</u>									
Final dividend paid for the previous year	-	-	-	-	(46,472)	-	(46,472)	-	(46,472)
Interim dividend paid for the year	-	-	(36,145)	-	-	-	(36,145)	-	(36,145)
Final dividend proposed for the year	-	-	(46,473)	-	46,473	-	-	-	-
	-	-	(82,618)	-	1	-	(82,617)	-	(82,617)
Balance at 30 September 2009	277,538	15,799	815,492	(123,034)	46,473	49	1,032,317	100,363	1,132,680

**1(d)(i) STATEMENT OF CHANGES IN EQUITY (cont'd)**

	<b>Group</b>								
<u>Year ended 30 September 2008</u>	Share Capital \$'000	Capital Reserve \$'000	Revenue Reserve \$'000	Exchange Reserve \$'000	Dividend Reserve \$'000	Other Reserve \$'000	Total \$'000	Minority Interests \$'000	Total Equity \$'000
Balance at 1 October 2007	277,411	15,799	684,580	(70,503)	46,469	63	953,819	104,623	1,058,442
Currency translation difference	-	-	-	(37,877)	-	-	(37,877)	(3,980)	(41,857)
Net expenses recognised directly in equity	-	-	-	(37,877)	-	-	(37,877)	(3,980)	(41,857)
Profit after taxation	-	-	123,747	-	-	-	123,747	42,083	165,830
Total recognised gains/(loss)	-	-	123,747	(37,877)	-	-	85,870	38,103	123,973
Share contribution by minority interests	-	-	-	-	-	-	-	4,315	4,315
Issue of shares in the Company upon exercise of Share Options	112	-	-	-	-	(11)	101	-	101
Dividend paid to minority interests	-	-	-	-	-	-	-	(29,690)	(29,690)
Change of interests in subsidiary companies	-	-	-	-	-	-	-	(19,024)	(19,024)
<u>Dividends</u>									
Final dividend paid for the previous year	-	-	-	-	(46,469)	-	(46,469)	-	(46,469)
Interim dividend paid for the year	-	-	(36,142)	-	-	-	(36,142)	-	(36,142)
Final dividend proposed for the year	-	-	(46,472)	-	46,472	-	-	-	-
	-	-	(82,614)	-	3	-	(82,611)	-	(82,611)
Balance at 30 September 2008	277,523	15,799	725,713	(108,380)	46,472	52	957,179	98,327	1,055,506

**1(d)(i) STATEMENT OF CHANGES IN EQUITY (cont'd)**

<u>Year ended 30 September 2009</u>	Company				
	Share Capital \$'000	Revenue Reserve \$'000	Dividend Reserve \$'000	Other Reserve \$'000	Total Equity \$'000
Balance at 1 October 2008	277,523	693,678	46,472	52	1,017,725
Profit after taxation	-	188,681	-	-	188,681
Total recognised gain	-	188,681	-	-	188,681
Issue of shares in the Company upon exercise of Share Options	15	-	-	(3)	12
<u>Dividends</u>					
Final dividend paid for the previous year	-	-	(46,472)	-	(46,472)
Interim dividend paid for the year	-	(36,145)	-	-	(36,145)
Final dividend proposed for the year	-	(46,473)	46,473	-	-
	-	(82,618)	1	-	(82,617)
Balance at 30 September 2009	277,538	799,741	46,473	49	1,123,801

<u>Year ended 30 September 2008</u>	Company				
	Share Capital \$'000	Revenue Reserve \$'000	Dividend Reserve \$'000	Other Reserve \$'000	Total Equity \$'000
Balance at 1 October 2007	277,411	626,685	46,469	63	950,628
Profit after taxation	-	149,607	-	-	149,607
Total recognised gain	-	149,607	-	-	149,607
Issue of shares in the Company upon exercise of Share Options	112	-	-	(11)	101
<u>Dividends</u>					
Final dividend paid for the previous year	-	-	(46,469)	-	(46,469)
Interim dividend paid for the year	-	(36,142)	-	-	(36,142)
Final dividend proposed for the year	-	(46,472)	46,472	-	-
	-	(82,614)	3	-	(82,611)
Balance at 30 September 2008	277,523	693,678	46,472	52	1,017,725

**1(d)(ii) SHARE CAPITAL**

Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	<u>Number of Shares</u>	
	4th Quarter to 30/9/2009	3th Quarter to 30/6/2008
Issued and fully paid ordinary shares:		
As at beginning and end of period	258,180,774	258,180,774
Issue during the period - Exercise of share options	-	-
	<hr/>	<hr/>
As at end of year/period	258,180,774	258,180,774
	<hr/> <hr/>	<hr/> <hr/>
	<b>As at 30/9/2009</b>	<b>As at 30/9/2008</b>
The number of shares that may be issued upon exercise of share options outstanding at the end of the year	65,210	71,108
	<hr/> <hr/>	<hr/> <hr/>

The Company did not hold any treasury shares as at 30 September 2009 and 30 September 2008.

**1(d)(iii) The total number of issued share excluding treasury shares as at end of the current financial period and as at the end of the immediately preceding year.**

The Company's total number of issued shares excluding treasury shares is 258,180,774 as at 30 September 2009 and 258,178,774 as at 30 September 2008.

The Company did not hold any treasury shares as at 30 September 2009 and 30 September 2008.

**1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

**2. Whether the figures have been audited or reviewed and in accordance with which standard or practice.**

The figures have not been audited or reviewed by our auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group and the Company have applied the same accounting policies and methods of computation as in the most recently audited financial statements.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for and the effect of the change.**

Not applicable.

**6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:**

- (a) based on the weighted average number of ordinary shares on issue and  
(b) on a fully diluted basis (detailing any adjustments made to the earnings).

	Group	
	30/9/2009	30/9/2008
Earnings per ordinary share (cents):		
(a) Based on the weighted average number of ordinary shares on issue		
- before exceptional items	61.2	51.1
- after exceptional items	66.8	47.9
(b) On a fully diluted basis		
- before exceptional items	61.2	51.1
- after exceptional items	66.8	47.9

**7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-**

- (a) current financial period reported on; and  
(b) immediately preceding financial year.

	Group		Company	
	As at 30/9/2009	As at 30/9/2008	As at 30/9/2009	As at 30/9/2008
Net asset value per ordinary share based on total number of shares outstanding	\$4.00	\$3.71	\$4.35	\$3.94

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current period reported on.

### REVIEW OF OPERATIONS – FULL YEAR 2008/09

The principal activities of the Group are the brewing and sale of beer and stout. These activities are carried out through the Company's subsidiaries, joint ventures and associated companies to which the Company provides management and administrative services.

The Directors are pleased to announce the financial results for the year ended 30 September 2009. Group profit before interest, tax and exceptional items (PBIT) at \$307.2 million registered an increase of \$29.5 million or 11% over last year. Excluding APB's share of impairment charge on Kingway Brewery Holdings Ltd ("Kingway") recorded in FY 2008, translation difference and gestation losses, organic PBIT grew by 4%.

Attributable net profit before exceptional items (APBE) increased by \$26.0 million or 20% to \$158.0 million. Excluding APB's share of impairment charge on Kingway recorded in FY 2008, translation difference and gestation losses, organic APBE increased by 6%.

Attributable net profit after exceptional items (ANP) increased \$48.7 million or 39% to \$172.4 million due to an exceptional gain of \$14.4 million instead of the exceptional loss of \$8.2 million recorded last year. The exceptional gain arose from a compensation fee received from termination of a business development project and gain on sale of Liquorland Limited, a chain of liquor retail stores in New Zealand.

	PBIT* \$'million	APBE \$'million
<b>Year to Date results (as announced)</b>	<b>307.2</b>	<b>158.0</b>
Add (Less): Gestation losses <sup>1</sup>	16.7	15.1
Translation gains	(1.5)	(1.0)
<b>Adjusted Year to Date results (a)</b>	<b>322.4</b>	<b>172.1</b>
<b>Last year's results (as announced)</b>	<b>277.7</b>	<b>131.9</b>
Add: Gestation losses <sup>2</sup>	13.7	11.7
Share of joint venture's impairment <sup>3</sup>	19.1	19.1
<b>Adjusted last year's results (b)</b>	<b>310.5</b>	<b>162.7</b>
<b>Organic growth (c) = (a) – (b)</b>	<b>11.9</b>	<b>9.4</b>
<b>Organic growth % (c) / (b)</b>	<b>3.8%</b>	<b>5.8%</b>

\*Before exceptional items.

<sup>1</sup> Gestation losses refer to the first 3 years' results from greenfield breweries in Vientiane (Laos), Guangzhou (Guangdong, China) and Hyderabad (Andhra Pradesh, India).

<sup>2</sup> Gestation losses refer to the first 3 years' results from greenfield breweries in Vientiane (Laos), Ulaanbaatar (Mongolia) and Hyderabad (Andhra Pradesh, India).

<sup>3</sup> Impairment charge of \$19.1 million was to write down the carrying value of Heineken-APB (China) Pte Ltd's ("HAPBC") investment in Kingway.

### **Commentary on performance:**

This financial year is the first year that our subsidiary in Mongolia, MCS-APB, is being reclassified out of gestation results. If MCS-APB was to be treated on the same basis as last year under gestation results, organic growth for PBIT and APBE would be 7% and 9% respectively.

#### **Singapore**

Overall volume grew 3% with export, contract packing and domestic sales outperforming last year. PBIT rose 25% due mainly to volume growth, improved margins from price increases, lower overheads and lower expenditure on marketing activities.

#### **Malaysia**

Volume fell marginally due to lower contract packing sales. PBIT fell by 10% which was attributable to lower margins arising from an unfavourable sales mix and higher discounts to customers in light of the weak economic conditions.

#### **Papua New Guinea**

PBIT rose 27% due to higher volume, better margins from price increases and appreciation of the Kina. Sales volume grew 4%. Excluding the effect of translation gain, PBIT grew 20%.

#### **New Zealand**

In a year of unsatisfactory performance, profit slipped by 79% due to:

- lower volume arising from the challenging market conditions brought about by intense competition;
- unfavourable sales mix;
- higher packaging costs and
- an unrealised exchange loss from the revaluation of forward foreign exchange contracts.

Excluding the effect of translation loss arising from the 17% decline in the New Zealand dollar and the unrealised loss on revaluation of forward contracts, PBIT fell by 62%. Trading conditions are not expected to improve in the short term. Measures are in place to address the performance in New Zealand.

#### **Indochina (Cambodia, Laos and Vietnam)**

Volume grew marginally by 1% as a result of the weak economic conditions. PBIT increased by 15% which was mainly attributable to better margins from price increases. Excluding the gestation loss from Laos and translation losses, PBIT grew by 16%.

#### **China**

Results of our China operations improved by \$23.8 million. Excluding the \$19.1 million impairment charge on Kingway recorded in FY 2008, operating losses of our operations in China were pared down by 45% to \$5.9 million. The better performance was attributable to volume growth, improvement in sales mix and lower expenditure on marketing activities. HAPBC has ceased discussion with Nantong Fuhao Alcohol Industry Co Ltd on the sale of its 49% stake in Jiangsu Dafuhao Breweries Co. Ltd.

#### **Thailand**

Volume fell 17% due to prevailing market conditions arising from political unrest and regulatory restrictions on the consumption and advertising of alcoholic products. PBIT fell 74% due to lower volume and payment of a fee to APBL following a negotiated settlement to extend the initial license and distribution period and to allow certain exclusive rights in Thailand.

#### **South Asia (India and Sri Lanka)**

Volume for South Asia grew by 30%. Losses were pared down to \$9.8 million as a result of lower marketing expenditure and lower overheads.

#### **Mongolia**

Volume increased 15%. However, operating loss at \$7.3 million was mainly attributable to unrealised foreign exchange loss from the currency realignment of US dollar loans that stemmed from the weakening Mongolia Tugrik against the US dollar. Excluding the impact from the foreign exchange loss, operating loss was pared down to \$1.9 million.

**Corporate Office**

Corporate office expenses were lower than last year as a result of a settlement fee received from our joint venture company in Thailand.

**Taxation**

The Group effective tax rate of 30.6% (2008: 37.5%) was higher than the Singapore statutory tax rate of 17% (2008: 18%). This was due to the high taxes imposed on the profits of certain overseas subsidiaries and the non-recognition of tax benefits on gestation losses of greenfield breweries. This to some extent is compensated by non-taxable one-off gains and reduced disallowable expenses.

**REVIEW OF BALANCE SHEETS****Company**

The increase in investment in subsidiaries was mainly due to capital injection in India and Sri Lanka. The increase in investment in joint venture companies was due to the additional purchase of shares in Thai Asia Pacific Brewery Co., Ltd. The bank borrowings had been repaid via internal generated funds.

**Group**

Lower investment in joint venture companies was due to lower profit from Thailand as a result of domestic political uncertainty and losses from the China operations. Lower non-current other receivables was attributable to lower rebates given to secure beer distribution in New Zealand as a result of slower business activities. Reduction in bank borrowings was due to repayment of loans and the impact of foreign currency translation. The higher tax provision was due mainly to timing of payments.

**REVIEW OF GROUP CASHFLOW**

The cash generated from operations was mainly utilised to fund working capital requirement, capital expenditures, repayment of bank borrowings and the distribution of dividends to shareholders.

**9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The uncertainty in the global economy will continue to flow through to the markets in which we operate. APB will optimise its brand portfolio to compete effectively amidst the difficult environment and capitalise on the varied consumer needs and trends as well as tightening control on operating costs.

**11. If a decision regarding dividend has been made:-**

**(a) Whether a final ordinary dividend has been recommended:** Yes

**(b) (i) Amount per share** : 18 cents

**(ii) Previous corresponding period** : 18 cents

**(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

1 tier (tax-exempt) dividend.

**(d) The date the dividend is payable.**

The Directors proposed a final dividend of 18 cents per share (2008: 18 cents per share) to be paid on 10 February 2010.

**(e) The date on which Registrable Transfers received by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.**

Registrable transfers received by the Company's Registrar, Tricor Barbinder Share Registration Services, 8 Cross Street, #11-00 PWC Building, Singapore 048424 up to 5.00 pm on 28 January 2010 will be registered before entitlements to the dividend are determined.

Notice is hereby given that the share registers will be closed on 29 January 2010 for the preparation of dividend warrants.

**12. If no dividend has been declared (recommended), a statement to that effect.**

Not applicable.

**PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**
**13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**
**GROUP SEGMENTAL RESULTS**  
**For year ended 30 September 2009**

	Singapore \$'000	Malaysia \$'000	Papua New Guinea \$'000	New Zealand \$'000	Indochina \$'000	Mongolia \$'000	South Asia \$'000	China \$'000	Thailand \$'000	Corporate Office \$'000	Group \$'000
Revenue	493,253	-	263,959	371,601	831,569	15,271	54,313	-	-	10,255	2,040,221
<b>Profit/(Loss) before interest, taxation and exceptional items</b>											
Subsidiary companies	64,851	-	77,109	10,635	163,862	(7,326)	(9,794)	-	-	(5,845)	293,492
Joint venture and associated companies	5,817	12,811	-	-	-	-	-	(5,869)	974	-	13,733
	70,668	12,811	77,109	10,635	163,862	(7,326)	(9,794)	(5,869)	974	(5,845)	307,225
Interest income											6,665
Interest expense											(12,326)
Exceptional items											14,404
Taxation											(96,672)
Minority interests, net of taxes											(46,899)
<b>Attributable profit</b>											172,397
<b>Total assets</b>											
Assets	159,438	48,727	96,752	378,617	494,146	26,319	92,166	180,857	44,111	27,772	1,548,905
Tax assets											4,733
Bank deposits and cash balances											192,832
											1,746,470
<b>Total liabilities</b>											
Liabilities	(89,019)	-	(47,502)	(65,096)	(154,262)	(2,292)	(13,298)	-	-	(20,890)	(392,359)
Tax liabilities											(92,871)
Borrowings											(128,560)
											(613,790)
Other segment information:											
Capital expenditure	3,456	-	28,663	22,703	29,586	1,900	2,295	-	-	135	88,738
Depreciation and amortisation	10,086	-	4,746	15,671	32,971	2,296	2,254	-	-	907	68,931
Impairment of fixed assets	61	-	382	434	735	-	-	-	-	-	1,612
Impairment of intangible assets	-	-	-	-	2,260	-	-	-	-	2,513	4,773
<b>Attributable profit/(loss) before exceptional items</b>	59,749	12,811	37,593	6,598	72,882	(4,926)	(11,788)	(5,869)	974	(10,031)	157,993
Exceptional items	(384)	-	-	3,703	-	-	-	-	-	11,085	14,404
<b>Attributable profit/(loss)</b>	59,365	12,811	37,593	10,301	72,882	(4,926)	(11,788)	(5,869)	974	1,054	172,397
<b>Business Segment</b>											
					<b>Brewery \$'000</b>	<b>Investment \$'000</b>				<b>Corporate Office \$'000</b>	<b>Group \$'000</b>
Revenue					2,029,966	-				10,255	2,040,221
Profit/(Loss) before interest, taxation and exceptional items					311,454	1,616				(5,845)	307,225
Total assets					1,659,645	17,059				69,766	1,746,470
Capital expenditure					88,603	-				135	88,738
Indochina: Cambodia, Laos and Vietnam											
South Asia: India and Sri Lanka											



**GROUP SEGMENTAL RESULTS**  
For year ended 30 September 2008

	Singapore \$'000	Malaysia \$'000	Papua New Guinea \$'000	New Zealand \$'000	Indochina \$'000	Mongolia \$'000	South Asia \$'000	China \$'000	Thailand \$'000	Corporate Office \$'000	Group \$'000
Revenue	503,840	-	220,344	436,110	771,138	13,855	44,495	-	-	8,089	1,997,871
<b>Profit/(Loss) before interest, taxation and exceptional items</b>											
Subsidiary companies	50,925	-	60,766	49,416	142,442	662	(12,021)	-	-	(8,616)	283,574
Joint venture and associated companies	5,825	14,166	-	-	-	-	-	(10,609)	3,855	-	13,237
Share of joint venture's impairment	-	-	-	-	-	-	-	(19,085)	-	-	(19,085)
	56,750	14,166	60,766	49,416	142,442	662	(12,021)	(29,694)	3,855	(8,616)	277,726
Interest income											12,207
Interest expense											(16,522)
Exceptional items											(8,202)
Taxation											(99,379)
Minority interests, net of taxes											(42,083)
<b>Attributable profit</b>											<b>123,747</b>
<b>Total assets</b>											
Assets	178,967	48,925	56,900	374,593	530,559	35,621	82,403	190,777	47,069	21,963	1,567,777
Tax assets											3,787
Bank deposits and cash balances											140,223
											<b>1,711,787</b>
<b>Total liabilities</b>											
Liabilities	(87,847)	-	(31,342)	(63,581)	(139,487)	(4,316)	(12,915)	-	-	(26,099)	(365,587)
Tax liabilities											(80,447)
Borrowings											(210,247)
											<b>(656,281)</b>
Other segment information:											
Capital expenditure	4,762	-	9,650	21,791	44,136	2,114	17,820	-	-	761	101,034
Depreciation and amortisation	11,524	-	3,422	15,456	19,920	2,045	2,334	-	-	947	55,648
Impairment/(Write-back) of fixed assets	3,262	-	209	(399)	250	-	-	-	-	-	3,322
<b>Attributable profit/(loss) before exceptional items</b>	47,437	14,165	29,737	30,670	54,416	(642)	(13,649)	(29,694)	3,854	(4,345)	131,949
Exceptional items	(3,663)	-	-	-	-	-	-	(4,539)	-	-	(8,202)
<b>Attributable profit/(loss)</b>	43,774	14,165	29,737	30,670	54,416	(642)	(13,649)	(34,233)	3,854	(4,345)	123,747
<b>Business Segment</b>											
					<b>Brewery \$'000</b>	<b>Investment \$'000</b>			<b>Corporate Office \$'000</b>	<b>Group \$'000</b>	
Revenue					1,989,782	-			8,089	1,997,871	
Profit/(Loss) before interest, taxation and exceptional items					284,244	2,098			(8,616)	277,726	
Total assets					1,658,808	24,021			28,958	1,711,787	
Capital expenditure					100,273	-			761	101,034	
Indochina: Cambodia, Laos and Vietnam											
South Asia: India and Sri Lanka											

**14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Please refer to paragraph 8.

**15. A breakdown of sales as follows:-**

	<b>Group</b>		
	<b>30/9/2009 \$'000</b>	<b>30/9/2008 \$'000</b>	<b>% increase/ (decrease)</b>
(a) Sales reported for first half year	1,065,052	1,055,621	0.9%
(b) Operating profit after tax before deducting minority interests reported for first half year	115,999	112,123	3.5%
(c) Sales reported for second half year	975,169	942,250	3.5%
(d) Operating profit after tax before deducting minority interests reported for second half year	103,297	53,707	92.3%

**16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year:**

	<b>30/9/2009 \$'000</b>	<b>30/9/2008 \$'000</b>
Ordinary	82,618	82,614

**17. INTERESTED PERSON TRANSACTIONS**

Particulars of interested person transactions for the period 1 October 2008 to 30 September 2009 as required under Rule 907 of the SGX Listing Manual.

<b>Name of interested person</b>	<b>Aggregate value of all interested person transactions (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) \$</b>	<b>Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) \$</b>
Heineken Group of Companies	7,092,710	48,162,161
Fraser and Neave, Limited	1,426,392	12,647,059
Fraser & Neave Holdings Bhd	-	25,708,922



**18. Annual General Meeting**

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at Level 2, Alexandra Point, 438 Alexandra Road, Singapore 119958 on Friday 22 January 2010 at 10.00 am.

BY ORDER OF THE BOARD  
Anthony Cheong Fook Seng  
Company Secretary

12 November 2009