

Berjaya Sports Toto Berhad

(Company no: 9109-K)

Subject: **UNAUDITED QUARTERLY FINANCIAL REPORT FOR
THE YEAR ENDED 30 APRIL 2008**

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UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE YEAR ENDED 30 APRIL 2008
CONDENSED CONSOLIDATED BALANCE SHEET

	Group	
	30-4-2008	30-4-2007
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	94,910	92,132
Long term investments	14,993	13,231
Investment properties	71,205	68,031
Prepaid land lease payments	2,743	-
Investment in associated companies	165	165
Deferred tax assets	858	1,468
Intangible assets	618,425	617,810
	<u>803,299</u>	<u>792,837</u>
Current assets		
Inventories	7,832	10,284
Receivables	68,785	67,881
Tax recoverable	16,627	10,444
Amount due from affiliated companies	-	75,056
Short term investments	1,794	8,811
Deposits, cash and bank balances	126,173	246,860
	<u>221,211</u>	<u>419,336</u>
Asset classified as held for sale	-	1,062
	<u>221,211</u>	<u>420,398</u>
TOTAL ASSETS	<u>1,024,510</u>	<u>1,213,235</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital (par value per share : RM0.10)	135,103	135,103
Share premium	207,431	207,431
Exchange reserves	10,853	10,768
Retained earnings	383,388	346,222
Equity funds	736,775	699,524
Less : Treasury shares	(406,099)	(281,239)
Net equity funds	330,676	418,285
Minority interests	23,244	10,179
Total equity	<u>353,920</u>	<u>428,464</u>
Non-current liabilities		
Provisions	1,004	774
Long term borrowings	237,500	360,000
Deferred tax liabilities	2,473	3,400
Deferred income and liabilities	34,992	46,639
	<u>275,969</u>	<u>410,813</u>
Current liabilities		
Provisions	1,340	832
Payables	245,107	205,348
Amount due to affiliated companies	-	605
Short term borrowings	122,500	112,500
Tax payable	25,674	54,673
Total current liabilities	<u>394,621</u>	<u>373,958</u>
Total liabilities	<u>670,590</u>	<u>784,771</u>
TOTAL EQUITY AND LIABILITIES	<u>1,024,510</u>	<u>1,213,235</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.26	0.33

The net assets per share is calculated based on the following :

Net equity funds divided by the number of outstanding shares in issue with voting rights.

The annexed notes form an integral part of this quarterly financial report.

UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE YEAR ENDED 30 APRIL 2008
CONDENSED CONSOLIDATED INCOME STATEMENT

	3 months ended		12 months ended	
	30-4-2008 RM'000	30-4-2007 RM'000	30-4-2008 RM'000	30-4-2007 RM'000
REVENUE	866,831	829,361	3,277,777	3,035,288
PROFIT FROM OPERATIONS	98,775	152,713	515,094	546,520
Investment related income	1,541	3,065	17,544	28,789
Investment related expenses	(1,335)	66	(7,581)	(1,229)
Finance costs	(5,052)	(6,711)	(22,430)	(28,746)
Share of results of an associated company	-	-	-	(2)
PROFIT BEFORE TAX	93,929	149,133	502,627	545,332
INCOME TAX EXPENSE	(28,079)	(56,601)	(143,878)	(162,806)
PROFIT FOR THE YEAR	65,850	92,532	358,749	382,526
ATTRIBUTABLE TO :				
Equity holders of the parent	60,762	92,226	348,663	375,687
Minority interests	5,088	306	10,086	6,839
	65,850	92,532	358,749	382,526
EARNINGS PER SHARE (SEN)				
-Basic	4.83	7.20	27.60	29.05
-Diluted	4.83	7.20	27.60	29.05
DIVIDEND PER SHARE (SEN)				
- First interim	-	-	7.40	9.00
- Second interim	-	-	5.92	9.13
- Third interim	-	-	5.92	9.13
- Fourth interim	6.66	5.48	6.66	5.48

The annexed notes form an integral part of this quarterly financial report.

UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE YEAR ENDED 30 APRIL 2008
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to Equity Holders of the Parent						
	Share capital RM'000	Treasury shares RM'000	Reserves		Total to holders of parent company RM'000	Minority interests RM'000	Total Equity RM'000
			Non-distributable RM'000	Distributable RM'000			
At 1 May 2007	135,103	(281,239)	218,199	346,222	418,285	10,179	428,464
Share buyback	-	(124,860)	-	-	(124,860)	-	(124,860)
Translation difference of foreign subsidiary companies	-	-	85	-	85	2,979	3,064
Net income recognised directly in equity	-	-	85	-	85	2,979	3,064
Profit for the year	-	-	-	348,663	348,663	10,086	358,749
Total recognised income and expense for the year	-	-	85	348,663	348,748	13,065	361,813
Distribution of dividends	-	-	-	(311,497)	(311,497)	-	(311,497)
At 30 April 2008	135,103	(406,099)	218,284	383,388	330,676	23,244	353,920
At 1 May 2006	675,515	(238,427)	346,849	453,946	1,237,883	10,306	1,248,189
Effects on adopting FRS140	-	-	-	10,776	10,776	-	10,776
RM0.50 Second Capital Distribution	675,515	(238,427)	346,849	464,722	1,248,659	10,306	1,258,965
Share buyback	(540,412)	22,520	(129,473)	-	(647,365)	-	(647,365)
	-	(65,332)	-	-	(65,332)	-	(65,332)
Translation difference of foreign subsidiary companies	-	-	823	-	823	2,399	3,222
Loss on accretion of parent's equity interest due to foreign subsidiary company's share buyback	-	-	-	(2,455)	(2,455)	(1,778)	(4,233)
Net income and expense recognised directly in equity	-	-	823	(2,455)	(1,632)	621	(1,011)
Profit for the year	-	-	-	375,687	375,687	6,839	382,526
Total recognised income and expense for the year	-	-	823	373,232	374,055	7,460	381,515
Adjustment due to parent's increase equity interest in subsidiary company	-	-	-	-	-	(7,587)	(7,587)
Distribution of dividends	-	-	-	(491,732)	(491,732)	-	(491,732)
At 30 April 2007	135,103	(281,239)	218,199	346,222	418,285	10,179	428,464

The annexed notes form an integral part of this quarterly financial report.

UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE YEAR ENDED 30 APRIL 2008
CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	12-month ended 30-4-2008 RM'000	12-month ended 30-4-2007 RM'000
OPERATING ACTIVITIES		
Receipts from customers	3,530,174	3,335,464
Payments to prize winners, suppliers, duties, taxes and other operating expenses	(3,185,668)	(2,870,698)
Other receipts	52	70
Net cash generated from operating activities	344,558	464,836
INVESTING ACTIVITIES		
Net proceeds from disposal of property, plant and equipment	619	714
Net proceeds from disposal of investment in an associated company	-	152
Net proceeds from disposal of investments	8,120	66,114
Acquisition of investments	(3,434)	(61,183)
Acquisition of treasury shares by a subsidiary company	-	(4,419)
Acquisition of property, plant and equipment	(18,113)	(32,703)
Prepayment of land lease	(2,800)	-
Acquisition of additional equity interest in a subsidiary company	-	(16,844)
Payment for subsequent expenditure of investment properties	-	(455)
Repayment from related companies	75,930	488,892
Repayment to related companies	-	(850)
Interest received	8,532	14,441
Other receipts for investing activities	3,997	5,922
Net cash generated from investing activities	72,851	459,781
FINANCING ACTIVITIES		
Capital Distributions	(282)	(647,150)
Drawdown of bank borrowings	-	200,000
Repayment of bank borrowings	(112,500)	(302,500)
Treasury shares acquired	(124,860)	(65,332)
Dividends paid	(277,509)	(492,751)
Interest paid on bank borrowings	(22,805)	(28,907)
Net cash used in financing activities	(537,956)	(1,336,640)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(120,547)	(412,023)
CASH & CASH EQUIVALENTS AT 1 MAY	246,860	659,742
Exchange difference	(140)	(859)
CASH & CASH EQUIVALENTS AT 30 APRIL	126,173	246,860

	12-month ended 30-4-2008 RM'000	12-month ended 30-4-2007 RM'000
Cash and cash equivalents carried forward comprise the following :		
Cash and bank balances	60,849	20,394
Deposits with financial institutions	65,324	226,466
	126,173	246,860

The annexed notes form an integral part of this quarterly financial report.

UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE YEAR ENDED 30 APRIL 2008
NOTES TO THE QUARTERLY FINANCIAL REPORT

- A1 The quarterly financial report is not audited and has been prepared in compliance with FRS 134, Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The quarterly financial report should be read in conjunction with the audited financial statements of the Company for the year ended 30 April 2007.

The same accounting policies and methods of computation used in the preparation of the financial statements for the year ended 30 April 2007 have been applied in the preparation of the quarterly financial statements under review except for the adoption of the new/revised Financial Reporting Standards ("FRS") 117 : Leases and FRS 124 : Related Party Disclosures which are effective for financial periods beginning on or after 1 October 2006. These FRSs have no significant impact on the financial statements of the Group upon their initial application.

- A2 The audit report of the Company's most recent annual audited financial statements does not contain any qualification.
- A3 Our business operations are not significantly affected by seasonal or cyclical factors except for our toto betting operations that may be positively impacted by the festive seasons.
- A4 There were no other unusual items as a result of their nature, size or incidence that had affected assets, liabilities, equity, net income or cash flows for the year ended 30 April 2008 other than that as disclosed in Note A5, statement of changes in equity and cash flow statement.

There were no changes in estimates reported in the prior financial year that had a material effect in the current quarter.

- A5 The cumulative shares bought back are being held as treasury shares with none of the shares being cancelled or resold during the financial year ended 30 April 2008.

The details of the share buy-back are as follows :

Month	Price per share (RM)			Number of shares	Total consideration RM'000
	Lowest	Highest	Average		
June 2007	4.88	5.46	5.23	14,000,000	73,237
July 2007	5.31	5.31	5.31	500,000	2,663
August 2007	4.62	4.82	4.74	5,000,000	23,724
January 2008	4.91	5.18	5.05	3,000,000	15,162
March 2008	4.86	5.06	4.96	2,030,072	10,074
TOTAL			5.09	24,530,072	124,860

The number of treasury shares held in hand as at 30 April 2008 are as follows :

	Average price per share (RM)	Number of shares	Amount RM'000
Balance as at 1 May 2007		70,500,000	281,239
Increase in treasury shares		24,530,072	124,860
Total treasury shares as at 30 April 2008	4.27	95,030,072	406,099

As at 30 April 2008, the number of outstanding shares in issue and fully paid with voting rights was 1,256,000,000 ordinary shares of RM0.10 each (30 April 2007 : 1,280,530,072 ordinary shares of RM0.10 each).

A6 During the financial year ended 30 April 2008, the Company paid the following dividends :

- i) fourth interim dividend on 30 August 2007, in respect of financial year ended 30 April 2007, of 7.5 sen per share on 1,263,430,072 ordinary shares with voting rights, less income tax of 27% amounting to RM69,172,788.
- ii) first interim dividend on 10 October 2007, in respect of financial year ended 30 April 2008, of 10 sen per share on 1,261,030,072 ordinary shares with voting rights, less income tax of 26% amounting to RM93,316,223.
- iii) second interim dividend on 15 January 2008, in respect of financial year ended 30 April 2008, of 8 sen per share on 1,261,030,072 ordinary shares with voting rights, less income tax of 26% amounting to RM74,652,980.
- iv) third interim dividend on 30 April 2008, in respect of financial year ended 30 April 2008, of 8 sen per share on 1,256,000,000 ordinary shares with voting rights, less income tax of 26% amounting to RM74,355,200.

A7 Segmental revenue and results for the financial year ended 30 April 2008 were as follows :

<u>REVENUE</u>	External	Inter- segment	Total
	RM'000	RM'000	RM'000
Toto betting operations	3,250,259	-	3,250,259
Others	27,518	18,140	45,658
Elimination : Intersegment Revenue	-	(18,140)	(18,140)
Total revenue	<u>3,277,777</u>	<u>-</u>	<u>3,277,777</u>
 <u>RESULTS</u>			
Toto betting operations			521,588
Others			<u>2,310</u>
			523,898
Unallocated corporate expenses			<u>(8,804)</u>
Operating profit			515,094
Finance costs			(22,430)
Interest income			9,621
Other investment related income			7,923
Investment related expenses			<u>(7,581)</u>
Profit before tax			502,627
Income tax expense			<u>(143,878)</u>
Profit for the year			<u>358,749</u>

A8 The valuation of land and buildings have been brought forward without amendment from the previous annual report as no revaluation has been carried out since 30 April 2007 except for those property transferred to investment property during the year.

A9 There were no material subsequent events for the financial year ended 30 April 2008 up to the date of this announcement.

A10 There were no changes in the composition of the Group for the current year ended 30 April 2008 including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations except for the following :

- i) disposal of 1,388,889 shares of Roadhouse Grill, Inc., representing an equity interest of 4.75% by Prime Gaming Philippines, Inc., a subsidiary company, for a total consideration of USD40,124 (equivalent to approximately RM156,000).
- ii) increase in Berjaya Sports Toto (Cayman) Limited's ("BSTC") equity interest in Berjaya Lottery Management (HK) Limited ("BLM") from 83.7% to 100% as a result of BSTC's acquisition of a total 63,000,000 ordinary shares of HKD1.00 each representing the remaining 16.3% direct equity interest in BLM from Berjaya Group (Cayman) Limited at a consideration of RM1.00.

A11 The changes in contingent liabilities since the last audited balance sheet date as at 30 April 2007 are as follows :

RM'000

Unsecured

Corporate Guarantee given by the Company to financial institutions for a RM600 million syndicated credit facilities granted to a wholly-owned subsidiary company :

Balance as at 1 May 2007	472,500
Reduction due to repayment of borrowings	<u>(112,500)</u>
Balance as at 30 April 2008	<u><u>360,000</u></u>

UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE YEAR ENDED 30 APRIL 2008
ADDITIONAL INFORMATION REQUIRED BY LISTING REQUIREMENTS OF BURSA
MALAYSIA SECURITIES BERHAD

B1 For the quarter

As compared to the previous year corresponding quarter ended 30 April 2007, the Group achieved a growth in revenue of 4.5% but recorded a drop in pre-tax profit of 37.0%. The drop in pre-tax profit was mainly due to the results of Sports Toto Malaysia Sdn Bhd ("Sports Toto") as explained in the following paragraph and lower interest income as a result of the cessation of interest income earned from Berjaya Land Berhad upon the full settlement of the residual inter-company balance on 30 July 2007 as well as lower surplus funds being retained by the Group.

The principal subsidiary, Sports Toto achieved a growth in revenue of 1.6% but recorded a drop in pre-tax profit of 48.4% when compared to previous year corresponding quarter. In spite of having two draws less in the current quarter, the revenue growth was mainly derived from the strong sales of 4 Digit game as well as traditionally higher sales from the Chinese New Year festival in February 2008. On a per draw basis, revenue increased by approximately 6.7%. The drop in pre-tax profit (even though registering revenue growth) was mainly due to higher prize payout as well as higher marketing expenditure in the current quarter under review.

For the year ended 30 April 2008

For the 12-month period under review, the Group achieved a growth in revenue of 8.0% to RM3.28 billion compared to RM3.04 billion in the previous corresponding year ended 30 April 2007. However, the Group recorded a drop in pre-tax profit of 7.8% as compared to the previous year. The drop in pre-tax profit (even though registering revenue growth) was mainly due to the results of Sports Toto as explained in the following paragraph and lower interest income as a result of the full settlement of the inter-company balance on 30 July 2007 due from Berjaya Land Berhad and distribution of surplus funds as dividends to the Company's shareholders.

The principal subsidiary, Sports Toto, achieved a growth in revenue of 6.7% to approximately RM3.2 billion for the current year in spite of having three draws less when compared to the previous year. The higher revenue was mainly attributed to the increased sales of the 4 Digit game coupled with strong sales of the Mega 6/52 game which recorded its highest ever jackpot of RM19.3 million in January 2008. On a per draw basis, revenue increased by 8.6%. However, the pre-tax profit dropped by 12.2% as compared to the previous year ended 30 April 2007. The drop in pre-tax profit (even though registering revenue growth) was mainly due to higher prize payout and higher marketing expenditure in the current year under review.

B2 Quarter 4 Vs Quarter 3

As compared to the preceding quarter ended 31 January 2008, the Group registered a marginal increase in revenue by about 0.6% but recorded a drop in pre-tax profit of 36.6%. The increase in revenue was mainly attributed to higher revenue registered by International Lottery Totalizator Systems, Inc as well as by Prime Gaming Philippines, Inc. The drop in pre-tax profit was mainly due to the results of Sports Toto as explained in the following paragraph.

Sports Toto recorded a drop in revenue and pre-tax profit of 1.3% and 44% respectively as compared to the preceding quarter ended 31 January 2008. The lower revenue was mainly due to the current quarter having two draws less than the preceding quarter. However, on a per draw basis, revenue increased by approximately 3.6%. The drop in pre-tax profit was mainly due to higher prize payout and higher marketing expenditure in the current quarter under review.

B3 Barring unforeseen circumstances, the Directors expect the Group's performance for the financial year ending 30 April 2009 will be good.

B4 There was no provision of profit forecast in a public document and no provision of profit guarantee by the Group during the year under review.

B5 Taxation

	Current quarter RM'000	Financial year ended 30 April 2008 RM'000
Based on the results for the quarter / year:-		
- Malaysian taxation	20,789	125,381
- Foreign countries taxation	5,182	19,058
Overprovision of taxation in prior year	(2)	(240)
Reversal from deferred tax liabilities	(33)	(391)
Underprovision of deferred tax in prior year	2,143	70
	<u>28,079</u>	<u>143,878</u>

The effective tax rate on the Group's profit for the current quarter and financial year ended 30 April 2008 was higher than the statutory tax rate mainly due to certain expenses being disallowed for taxation purposes.

B6 Other than subsidiary companies with principal activities of property development, there were no profits / (losses) on sale of properties and there were no profits / (losses) on sale of unquoted investments for the financial year ended 30 April 2008.

B7 The particulars of the acquisition and disposal of quoted investments by the Group were as follows :

(a) The acquisition and disposal of quoted securities during the financial year ended 30 April 2008 were as follows :

	Current quarter RM'000	Financial year ended 30 April 2008 RM'000
Cost of purchase of quoted securities	<u>3,434</u>	<u>3,434</u>
Disposal of quoted securities	<u>8,137</u>	<u>8,276</u>
Loss on disposal of quoted securities	<u>(895)</u>	<u>906</u>

(b) Investments in quoted securities as at 30 April 2008 were as follows :

	Financial year ended 30 April 2008 RM'000
(i) Total quoted long term investments at cost	<u>21,035</u>
(ii) Total quoted long term investments at book value	<u>14,365</u>
(iii) Total quoted long term investments at market value	<u>14,660</u>
(i) Total quoted short term investments at cost	<u>1,794</u>
(ii) Total quoted short term investments at book value	<u>1,794</u>
(iii) Total quoted short term investments at market value	<u>1,794</u>

B8 There were no other corporate proposals announced but not completed as at the date of this announcement.

B9 The Group's bank borrowings as at 30 April 2008 were as follows :

		RM'000
Short term borrowings :		
Unsecured	Denominated in Ringgit Malaysia	122,500
Long term borrowings :		
Unsecured	Denominated in Ringgit Malaysia	<u>237,500</u>
Total		<u><u>360,000</u></u>

B10 The Group has not entered into any financial instruments with off balance sheet risk since the last annual balance sheet date up to the date of this announcement.

B11 There is no pending material litigation since the last annual balance sheet date up to the date of this announcement.

B12 The Board has declared a fourth interim dividend of 9 sen per share less 26% income tax (30 April 2007 : 7.5 sen per share less 27% income tax) in respect of the financial year ended 30 April 2008 and payable on 29 August 2008. The entitlement date has been fixed on 13 August 2008.

The first interim dividend of 10 sen per share less 26% income tax was paid on 10 October 2007, the second interim dividend of 8 sen per share less 26% income tax was paid on 15 January 2008, the third interim dividend of 8 sen per share less 26% income tax was paid on 30 April 2008. This will bring the total gross dividend distribution per share in respect of the financial year ended 30 April 2008 to 35 sen (previous year corresponding financial year ended 30 April 2007 : 45 sen per share less income tax).

Based on the number of RM0.10 fully paid ordinary shares in issue and with voting rights as at 18 June 2008 of 1.256 billion, the fourth interim net dividend distribution for the financial year ended 30 April 2008 is approximately RM83.7 million. This will bring the total net dividend distribution for the financial year ended 30 April 2008 to approximately RM325.97 million **representing about 93.5% of the attributable profit of the Group** for the financial year ended 30 April 2008.

A Depositor shall qualify for the entitlement only in respect of :

- a. Shares transferred to the Depositor's Securities Account before 4:00 p.m. on 13 August 2008 in respect of ordinary transfers.
- b. Shares bought on Bursa Malaysia Securities Berhad ("BMSB") on a cum entitlement basis according to the rules of BMSB.

B13 The earnings per share is calculated by dividing profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue and fully paid with voting rights as follows :

	<u>Group (3-month period)</u>	
	<u>30-4-2008</u>	<u>30-4-2007</u>
Profit attributable to equity holders of the Company (RM'000)	<u>60,762</u>	<u>92,226</u>
Weighted average number of ordinary shares in issue and fully paid with voting rights ('000)	<u>1,256,858</u>	<u>1,280,530</u>
Basic earnings per share (sen)	<u>4.83</u>	<u>7.20</u>
Diluted earnings per share (sen)	<u>4.83</u>	<u>7.20</u>
	<u>Group (12-month period)</u>	
	<u>30-4-2008</u>	<u>30-4-2007</u>
Profit attributable to equity holders of the Company (RM'000)	<u>348,663</u>	<u>375,687</u>
Weighted average number of ordinary shares in issue and fully paid with voting rights ('000)	<u>1,263,438</u>	<u>1,293,140</u>
Basic earnings per share (sen)	<u>27.60</u>	<u>29.05</u>
Diluted earnings per share (sen)	<u>27.60</u>	<u>29.05</u>

cc: Securities Commission