

Berjaya Sports Toto Berhad

(Company no: 9109-K)

Subject: **UNAUDITED QUARTERLY FINANCIAL REPORT FOR
THE YEAR ENDED 30 APRIL 2009**

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UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE YEAR ENDED 30 APRIL 2009
CONDENSED CONSOLIDATED BALANCE SHEET

	Group	
	30-4-2009	30-4-2008
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	98,360	94,910
Long term investments	13,204	14,993
Investment properties	73,371	71,205
Investment in associated companies	164	165
Prepaid land lease payments	2,705	2,743
Deferred tax assets	5,250	858
Intangible assets	618,379	618,425
	811,433	803,299
Current assets		
Inventories	7,471	7,832
Receivables	48,796	68,463
Tax recoverable	14,769	16,627
Short term investments	6,429	1,794
Deposits, cash and bank balances	230,475	126,173
	307,940	220,889
TOTAL ASSETS	1,119,373	1,024,188
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 reserve	12,358	10,853
Capital reserve	27,184	-
Retained earnings	504,538	383,388
Equity funds	886,614	736,775
Less : Treasury shares	(406,099)	(406,099)
Net equity funds	480,515	330,676
Minority interests	14,707	23,244
Total equity	495,222	353,920
Non-current liabilities		
Retirement benefit obligations	1,204	1,004
Borrowings	124,247	262,686
Deferred tax liabilities	1,847	2,473
Deferred liabilities	37,147	34,992
	164,445	301,155
Current liabilities		
Provisions	75	1,340
Payables	219,327	244,785
Borrowings	138,439	97,314
Tax payable	45,816	25,674
Dividend payable	56,049	-
Total current liabilities	459,706	369,113
Total liabilities	624,151	670,268
TOTAL EQUITY AND LIABILITIES	1,119,373	1,024,188
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.38	0.26

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.

Certain comparative figures have been reclassified to conform with current year's presentation.

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

UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE YEAR ENDED 30 APRIL 2009

CONDENSED CONSOLIDATED INCOME STATEMENT

	3 months ended			12 months ended		
	30-4-2009 RM'000	30-4-2008 RM'000	+/<-> %	30-4-2009 RM'000	30-4-2008 RM'000	+/<-> %
REVENUE	870,333	866,831	0.4	3,695,686	3,277,797	12.7
PROFIT FROM OPERATIONS	154,787	98,775	56.7	598,011	515,223	16.1
Investment related income	(1,089)	1,541	N/A	7,200	12,831	(43.9)
Investment related expenses	556	(1,335)	N/A	(3,771)	(2,997)	25.8
Finance costs	(3,440)	(5,052)	(31.9)	(16,111)	(22,430)	(28.2)
Share of result from an associated company	(1)	-	100.0	(1)	-	100.0
PROFIT BEFORE TAX	150,813	93,929	60.6	585,328	502,627	16.5
INCOME TAX EXPENSE	(40,995)	(28,079)	46.0	(167,068)	(143,878)	16.1
PROFIT FOR THE YEAR	109,818	65,850	66.8	418,260	358,749	16.6
ATTRIBUTABLE TO :						
Equity holders of the parent	107,249	60,762	76.5	410,493	348,663	17.7
Minority interests	2,569	5,088	(49.5)	7,767	10,086	(23.0)
	109,818	65,850	66.8	418,260	358,749	16.6
EARNINGS PER SHARE (SEN)						
-Basic	8.54	4.83	76.8	32.68	27.60	18.4
-Diluted	8.54	4.83	76.8	32.68	27.60	18.4
DIVIDEND PER SHARE (SEN)						
- First interim	-	-		4.50	7.40	
- Second interim	-	-		5.25	5.92	
- Third interim	-	-		4.46	5.92	
- Fourth interim	11.00	6.66		11.00	6.66	

UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE YEAR ENDED 30 APRIL 2009
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 2008	135,103	(406,099)	218,284	383,388	330,676	23,244	353,920
Effects of foreign exchange differences	-	-	1,505	-	1,505	(2,980)	(1,475)
Net income and expenses recognised directly in equity	-	-	1,505	-	1,505	(2,980)	(1,475)
Profit for the year	-	-	-	410,493	410,493	7,767	418,260
Total recognised net income and expenses for the year	-	-	1,505	410,493	411,998	4,787	416,785
Adjustment due to foreign subsidiary company's share buyback	-	-	-	-	-	(13,324)	(13,324)
Transferred from distributable earnings to capital reserves arising from a subsidiary company's bonus issue of shares	-	-	27,184	(27,184)	-	-	-
Distribution of dividends	-	-	-	(262,159)	(262,159)	-	(262,159)
At 30 April 2009	135,103	(406,099)	246,973	504,538	480,515	14,707	495,222
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)
Effects of foreign exchange differences	-	-	85	-	85	2,979	3,064
Net income and expenses recognised directly in equity	-	-	85	-	85	2,979	3,064
Profit for the year	-	-	-	348,663	348,663	10,086	358,749
Total recognised net income and expenses 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

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

UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE YEAR ENDED 30 APRIL 2009
CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	12-month ended 30-4-2009 RM'000	12-month ended 30-4-2008 RM'000
OPERATING ACTIVITIES		
Receipts from customers	4,018,147	3,530,174
Payments to prize winners, suppliers, duties, taxes and other operating expenses	(3,536,284)	(3,185,435)
Other receipts	8,419	159
Net cash generated from operating activities	490,282	344,898
INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	754	491
Proceeds from disposal of investments	1,794	8,811
Acquisition of treasury shares by a subsidiary company	(15,860)	-
Acquisition of property, plant and equipment	(23,802)	(18,113)
Payment for land lease	-	(2,800)
Acquisition of other investments	(9,609)	(3,434)
Repayment of advances from penultimate holding company and its subsidiary company	-	75,927
Repayment to related companies	-	(605)
Interest received	4,583	8,532
Other receipts arising from investing activities	6,480	3,997
Net cash (used in)/generated from investing activities	(35,660)	72,806
FINANCING ACTIVITIES		
Capital distributions	(255)	(282)
Repayment of bank borrowings	(97,314)	(112,500)
Treasury shares acquired	-	(124,860)
Dividends paid	(240,636)	(277,509)
Interest paid on bank borrowings	(16,495)	(22,805)
Net cash used in financing activities	(354,700)	(537,956)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	99,922	(120,252)
CASH & CASH EQUIVALENTS AT 1 MAY	126,173	246,860
Exchange difference	4,380	(435)
CASH & CASH EQUIVALENTS AT 30 APRIL	230,475	126,173
	12-month ended 30-4-2009 RM'000	12-month ended 30-4-2008 RM'000
Cash and cash equivalents carried forward comprise the following:		
Cash and bank balances	32,781	60,849
Deposits with financial institutions	197,694	65,324
	230,475	126,173

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

UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE YEAR ENDED 30 APRIL 2009
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 2008.

The same accounting policies and methods of computation used in the preparation of the financial statements for the year ended 30 April 2008 have been applied in the preparation of the quarterly financial statements under review except for the adoption of the new and revised Financial Reporting Standards ("FRS"), amendments to FRSs and Interpretations, as listed in the audited financial statements for the year ended 30 April 2008, which were effective for financial periods beginning on or after 1 July 2007. These FRSs have no significant impact on the financial statements of the Group upon their initial application.

- A2 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.
- A3 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 2009.

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

- A4 The cumulative shares bought back are being held as treasury shares with none of the shares being cancelled or resold during the fourth quarter ended 30 April 2009.

The number of treasury shares held in hand as at 30 April 2009 are as follows:

	Average price per share (RM)	Number of shares	Amount RM'000
Total treasury shares as at 1 May 2008 / 30 April 2009	4.27	95,030,072	406,099

As at 30 April 2009, 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 2008 : 1,256,000,000 ordinary shares of RM0.10 each).

- A5 During the financial year ended 30 April 2009, the Company paid the following dividends:
- fourth interim dividend on 29 August 2008, in respect of financial year ended 30 April 2008, of 9 sen per share on 1,256,000,000 ordinary shares with voting rights, less income tax of 26% amounting to RM83,649,600;
 - first interim dividend on 20 October 2008, in respect of financial year ended 30 April 2009, of 6 sen per share on 1,256,000,000 ordinary shares with voting rights, less income tax of 25% amounting to RM56,520,000;
 - second interim dividend on 13 February 2009, in respect of financial year ended 30 April 2009, of 7 sen per share on 1,256,000,000 ordinary shares with voting rights, less income tax of 25% amounting to RM65,940,000.

A6 Segmental revenue and results for the financial year ended 30 April 2009 were as follows:

<u>REVENUE</u>	External	Inter- segment	Total
	RM'000	RM'000	RM'000
Toto betting and leasing of lottery equipment	3,680,123	-	3,680,123
Others	15,563	12,255	27,818
Elimination : Intersegment Revenue	-	(12,255)	(12,255)
Total revenue	<u>3,695,686</u>	<u>-</u>	<u>3,695,686</u>
 <u>RESULTS</u>			
Toto betting and leasing of lottery equipment			615,814
Others			<u>(8,445)</u>
			607,369
Unallocated corporate expenses			<u>(9,358)</u>
Operating profit			598,011
Finance costs			(16,111)
Interest income			4,869
Other investment related income			2,331
Investment related expenses			(3,771)
Share of result from an associated company			<u>(1)</u>
Profit before tax			585,328
Income tax expense			<u>(167,068)</u>
Profit for the year			<u>418,260</u>

A7 Other than as disclosed in the following, there were no material subsequent events for the financial year ended 30 April 2009 up to the date of this announcement:

- i) Berjaya Sports Toto (Cayman) Limited ("BSTC"), a wholly-owned subsidiary had on 4 May 2009 entered into a Share Sale Agreement with Ferrystar Limited for the proposed acquisition of 60,655,000 ordinary shares of Php1.00 each representing approximately 6.81% equity interest in Prime Gaming Philippines, Inc. ("PGPI") for a total consideration of Php454.91 million (approximately RM34.0 million). The proposed acquisition has been completed subsequent to the financial year and resulted in the equity interest held by BSTC in PGPI to increase from 9.12% to 15.93%. Together with the equity interests of 72.33% held through Berjaya Lottery Management (HK) Limited, the group's equity interests increased from 81.45% to 88.26%.

A8 There were no changes in the composition of the Group for the current year ended 30 April 2009 including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations except for the following:

- i) Prime Gaming Philippines, Inc. ("PGPI"), a subsidiary company had in May 2008 bought back 3,500,000 of its common shares from the open market at a price of Php120 per share at a total consideration of Php420,000,000 (equivalent to RM31,164,000). The shares bought back by PGPI included a total of 2,852,975 PGPI's shares from Berjaya Sports Toto (Cayman) Limited and Berjaya Lottery Management (HK) Limited with no change of equity interests held by these two subsidiary companies in PGPI.
- ii) incorporation of a wholly-owned subsidiary company of the Company, Berjaya-ILTS Limited ("Berjaya-ILTS") in Hong Kong in September 2008. Berjaya-ILTS is presently a dormant company. It has an authorised share capital of HK\$10,000 divided into 10,000 ordinary shares of HK\$1.00 each of which 1 share of HK\$1.00 has been issued and fully paid-up. The intended principal activities of Berjaya-ILTS are sales and marketing of lottery systems and related products and services.

- A8 iii) Prime Gaming Philippines, Inc., a subsidiary company had completed the following exercises by December 2008:
- a) reduction of the par value of its ordinary share capital from Php10 each to Php1 each;
 - b) cancellation of its treasury shares against share capital and retained earnings;
 - c) issuance of 60% bonus shares ("stock dividend"), a total of 357,744,168 ordinary shares;
 - d) bought back 40,000,000 of its common shares from open market at a price of Php7.5 per share at a total consideration of Php300,780,000 (equivalent to RM22,017,000). The shares bought back by PGPI included a total of 32,578,189 PGPI's shares from Berjaya Sports Toto (Cayman) Limited ("BSTC") and Berjaya Lottery Management (HK) Limited ("BLM").

After completion of the exercises, the equity interests held by BSTC and BLM in PGPI will remain the same at 9.12% and 72.33% respectively and the total equity interests held by BSTC group is 81.45%.

- iv) Prime Gaming Philippines, Inc., a subsidiary company had in April 2009 further bought back 23,255,813 of its common shares from the open market at a price of Php8.6 per share at a total consideration of Php200,000,000 (equivalent to RM14,690,000). The shares bought back by PGPI included a total of 18,940,807 PGPI's shares from Berjaya Sports Toto (Cayman) Limited and Berjaya Lottery Management (HK) Limited with no change of equity interests held by these two subsidiary companies in PGPI.

- A9 The changes in contingent liabilities since the last audited balance sheet date as at 30 April 2008 are as follows:

	RM'000
<u>Unsecured</u>	
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 2008	360,000
Reduction due to repayment of borrowings	(97,314)
Balance as at 30 April 2009	262,686

UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE YEAR ENDED 30 APRIL 2009
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 2008, the Group achieved an increase in revenue and pre-tax profit of 0.4% and 60.6% respectively mainly due to the results of Sports Toto Malaysia Sdn Bhd ("Sports Toto") as explained in the ensuing paragraph.

The principal subsidiary, Sports Toto achieved a growth in revenue and pre-tax profit of 1.4% and 58.6% respectively as compared to the previous year corresponding quarter. The lower increase in revenue in the current quarter was mainly due to the corresponding quarter ended 30 April 2008 having the benefit of traditionally higher sales from the Chinese Lunar New Year festival in February 2008. The higher increase in pre-tax profit compared to the increase in revenue was mainly due to the previous year corresponding quarter ended 30 April 2008 having incurred a higher prize payout.

For the 12-month period

For the 12-month period under review, the Group achieved an increase in revenue and pre-tax profit of 12.7% and 16.5% respectively as compared to the previous corresponding year ended 30 April 2008.

The principal subsidiary, Sports Toto, achieved an increase in revenue of 13.3% to RM3.57 billion as compared to RM3.15 billion in the previous corresponding year ended 30 April 2008. The increase in revenue was mainly attributed to strong ticket sales recorded for its games and additional draws in the current year under review. Correspondingly, the pre-tax profit increased by 14.9% as compared to previous corresponding year ended 30 April 2008.

B2 Quarter 4 Vs Quarter 3

When compared with the preceding quarter ended 31 January 2009, the Group registered a decrease in revenue of 17.7% but recorded an increase in pre-tax profit of 6.6%.

The principal subsidiary, Sport Toto, registered a decrease in revenue and pre-tax profit of 19.0% and 3.5% respectively as compared to the preceding quarter. The decrease in revenue was mainly due to the current quarter having 6 draws less than the preceding quarter coupled with traditionally higher sales from the Chinese Lunar New Year festival in January 2009 which fell in the preceding quarter. The lower decrease in pre-tax profit compared to the decrease in revenue was mainly due to a higher prize payout in the preceding quarter.

B3 With the prevailing economic conditions, the Directors are of the view that the Numbers Forecast Operators (NFO) business is expected to remain resilient. Barring unforeseen circumstances, the Directors are optimistic that the Group's performance for the financial year ending 30 April 2010 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 Income tax expense

	Current quarter RM'000	Financial year ended 30 April 2009 RM'000
Based on the results for the quarter / year:		
- Malaysian taxation	34,955	149,020
- Underprovision in prior year	222	303
- Foreign countries income tax	6,947	22,833
- Origination and reversal of temporary differences	(1,129)	(5,088)
	<u>40,995</u>	<u>167,068</u>

The effective tax rate on the Group's profit for the current quarter and financial year ended 30 April 2009 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 2009.

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 2009 were as follows:

	Current quarter RM'000	Financial year ended 30 April 2009 RM'000
Cost of purchase of quoted securities	<u>-</u>	<u>3,180</u>
Disposal of quoted securities	<u>-</u>	<u>-</u>
Gain on disposal of quoted securities	<u>-</u>	<u>-</u>

(b) Investments in quoted securities as at 30 April 2009 were as follows:

	Financial year ended 30 April 2009 RM'000
(i) Total quoted long term investments at cost	<u>21,835</u>
(ii) Total quoted long term investments at book value	<u>12,412</u>
(iii) Total quoted long term investments at market value	<u>12,743</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 2009 were as follows:

		RM'000
Short term borrowings :		
Unsecured	Denominated in Ringgit Malaysia	138,439
Long term borrowings :		
Unsecured	Denominated in Ringgit Malaysia	<u>124,247</u>
Total		<u><u>262,686</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 saved for that disclosed in Note A9.

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 tax exempt dividend of 11 sen per share (30 April 2008 : 9 sen per share less 26% income tax) in respect of the financial year ended 30 April 2009 and payable on 27 July 2009. The entitlement date has been fixed on 15 July 2009.

The first interim dividend of 6 sen per share less 25% income tax was paid on 20 October 2008, the second interim dividend of 7 sen per share less 25% income tax was paid on 13 February 2009, the third interim dividend of 5 sen comprising 2.85 sen single-tier exempt dividend and 2.15 sen dividend less 25% income tax was paid on 15 May 2009. This will bring the total gross dividend distribution per share in respect of the financial year ended 30 April 2009 to 29 sen comprising 15.15 sen dividend less 25% income tax, 2.85 sen single-tier exempt dividend and 11 sen tax exempt dividend (previous year corresponding financial year ended 30 April 2008 : 35 sen per share less 26% income tax).

Based on the number of RM0.10 fully paid ordinary shares in issue and with voting rights as at 15 June 2009 of 1.256 billion, the fourth interim dividend distribution for the financial year ended 30 April 2009 is approximately RM138.16 million. This will bring the total net dividend distribution for the financial year ended 30 April 2009 to approximately RM316.7 million **representing about 77.1% of the attributable profit of the Group** for the financial year ended 30 April 2009.

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 15 July 2009 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>	
	30-4-2009	30-4-2008
Profit attributable to equity holders of the Company (RM'000)	107,249	60,762
Weighted average number of ordinary shares in issue and fully paid with voting rights ('000)	1,256,000	1,256,858
Basic earnings per share (sen)	8.54	4.83
Diluted earnings per share (sen)	8.54	4.83
	<u>Group (12-month period)</u>	
	30-4-2009	30-4-2008
Profit attributable to equity holders of the Company (RM'000)	410,493	348,663
Weighted average number of ordinary shares in issue and fully paid with voting rights ('000)	1,256,000	1,263,438
Basic earnings per share (sen)	32.68	27.60
Diluted earnings per share (sen)	32.68	27.60

Diluted earnings per share is same as basic earnings per share as there were no dilutive potential ordinary shares in issue during the financial year.

cc: Securities Commission