

# **Berjaya Sports Toto Berhad**

(Company no: 9109-K)

Date: 18 March 2013

Subject: **UNAUDITED QUARTERLY (Q3) FINANCIAL REPORT FOR  
THE PERIOD ENDED 31 JANUARY 2013**

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**UNAUDITED QUARTERLY (Q3) FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2013**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>Group</b>	
	<b>31-1-2013</b>	<b>30-4-2012</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	124,960	131,139
Other investments	41,076	38,140
Investment properties	97,238	92,236
Investment in associated companies	7,761	6,379
Deferred tax assets	13,864	11,417
Intangible assets	645,441	643,857
	<u>930,340</u>	<u>923,168</u>
<b>Current assets</b>		
Inventories	11,271	14,082
Receivables	120,311	74,984
Tax recoverable	109	136
Short term investments	-	759
Deposits, cash and bank balances	518,875	408,847
	<u>650,566</u>	<u>498,808</u>
Asset classified as held for sale	-	4,781
	<u>650,566</u>	<u>503,589</u>
<b>TOTAL ASSETS</b>	<u>1,580,906</u>	<u>1,426,757</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital (par value per share : RM0.10)	135,103	135,103
Capital reserve	21,327	21,327
Exchange reserve	24,590	8,248
Available-For-Sale ("AFS") reserve	9,953	17,504
Retained earnings	443,701	412,303
Equity funds	634,674	594,485
Less : Treasury shares	(4,292)	(120,295)
Net equity funds	630,382	474,190
Non-controlling interests	40,568	31,399
<b>Total equity</b>	<u>670,950</u>	<u>505,589</u>
<b>Non-current liabilities</b>		
Retirement benefit obligations	2,258	1,903
Medium Term Notes	400,000	550,000
Deferred tax liabilities	4,380	4,412
Other long term liabilities	568	694
	<u>407,206</u>	<u>557,009</u>
<b>Current liabilities</b>		
Provisions	648	513
Medium Term Notes	150,000	-
Payables	310,747	337,425
Tax payable	41,355	26,221
<b>Total current liabilities</b>	<u>502,750</u>	<u>364,159</u>
<b>Total liabilities</b>	<u>909,956</u>	<u>921,168</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>1,580,906</u>	<u>1,426,757</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.47	0.36

**Note:**

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 (Q3) FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2013**  
**CONDENSED CONSOLIDATED INCOME STATEMENT**

	3 months ended			9 months ended		
	31-1-2013 RM'000	31-1-2012 RM'000	+/-<-> %	31-1-2013 RM'000	31-1-2012 RM'000	+/-<-> %
REVENUE	888,727	983,459	(9.6)	2,697,341	2,691,640	0.2
PROFIT FROM OPERATIONS	136,126	170,303	(20.1)	450,882	458,073	(1.6)
Investment related income	3,649	3,506	4.1	29,621	10,382	185.3
Investment related expenses	-	(1,172)	(100.0)	-	(1,599)	(100.0)
Finance costs	(8,662)	(7,598)	14.0	(24,050)	(22,971)	4.7
Share of results of associated companies	(620)	(100)	520.0	(3,634)	(54)	6,629.6
PROFIT BEFORE TAX	130,493	164,939	(20.9)	452,819	443,831	2.0
INCOME TAX EXPENSE	(42,635)	(50,354)	(15.3)	(134,884)	(128,124)	5.3
PROFIT FOR THE PERIOD	87,858	114,585	(23.3)	317,935	315,707	0.7
PROFIT ATTRIBUTABLE TO:						
Equity holders of the parent	86,069	112,740	(23.7)	309,350	310,517	(0.4)
Non-controlling interests	1,789	1,845	(3.0)	8,585	5,190	65.4
	87,858	114,585	(23.3)	317,935	315,707	0.7
EARNINGS PER SHARE (SEN)						
-Basic	6.49	8.44		23.39	23.23	
-Diluted	6.49	8.44		23.39	23.23	
DIVIDEND PER SHARE (SEN)						
- First interim	-	-		6.50	8.00	
- Second interim	-	-		-	8.00	
- Third interim	-	6.00		-	6.00	
- Second interim - share dividend	-	-		9.50	-	

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

**UNAUDITED QUARTERLY (Q3) FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2013**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	3 months ended			9 months ended		
	31-1-2013	31-1-2012	+/-<->	31-1-2013	31-1-2012	+/-<->
	RM'000	RM'000	%	RM'000	RM'000	%
PROFIT AFTER TAXATION	87,858	114,585	(23.3)	317,935	315,707	0.7
OTHER COMPREHENSIVE INCOME						
Gain/(loss) on changes in fair value						
of available-for-sale investments	2,451	3,337	(26.6)	3,182	(791)	N/A
Transfer to profit or loss upon disposal	(312)	-	100.0	(11,737)	-	100.0
Effects of foreign exchange differences	9,541	(4,402)	N/A	17,930	6,067	195.5
<b>TOTAL COMPREHENSIVE</b>						
<b>    INCOME FOR THE PERIOD</b>	<b>99,538</b>	<b>113,520</b>	<b>(12.3)</b>	<b>327,310</b>	<b>320,983</b>	<b>2.0</b>
<b>TOTAL COMPREHENSIVE INCOME</b>						
<b>    ATTRIBUTABLE TO:</b>						
Equity holders of the parent	95,840	112,083	(14.5)	318,141	315,685	0.8
Non-controlling interests	3,698	1,437	157.3	9,169	5,298	73.1
	<b>99,538</b>	<b>113,520</b>	<b>(12.3)</b>	<b>327,310</b>	<b>320,983</b>	<b>2.0</b>

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

**UNAUDITED QUARTERLY (Q3) FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2013**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Attributable to Equity Holders of the Parent							Total equity RM'000
	Share capital RM'000	Treasury shares RM'000	Reserves		Retained earnings RM'000	Total to holders of parent company RM'000	Non- controlling interests RM'000	
			Non-distributable AFS reserve RM'000	Other reserves RM'000				
<b>At 1 May 2012</b>	135,103	(120,295)	17,504	29,575	412,303	474,190	31,399	505,589
Total comprehensive income for the period	-	-	(7,551)	16,342	309,350	318,141	9,169	327,310
	135,103	(120,295)	9,953	45,917	721,653	792,331	40,568	832,899
<b>Transactions with owners:</b>								
Treasury shares acquired	-	(9,953)	-	-	-	(9,953)	-	(9,953)
Distribution of treasury shares as share dividend	-	125,956	-	-	(125,956)	-	-	-
Distribution of dividends	-	-	-	-	(151,996)	(151,996)	-	(151,996)
	-	116,003	-	-	(277,952)	(161,949)	-	(161,949)
<b>At 31 January 2013</b>	135,103	(4,292)	9,953	45,917	443,701	630,382	40,568	670,950
<b>At 1 May 2011</b>	135,103	(57,341)	15,015	19,745	341,846	454,368	23,723	478,091
Total comprehensive income for the period	-	-	(1,142)	6,310	310,517	315,685	5,298	320,983
	135,103	(57,341)	13,873	26,055	652,363	770,053	29,021	799,074
<b>Transactions with owners:</b>								
Treasury shares acquired	-	(14,629)	-	-	-	(14,629)	-	(14,629)
Adjustment due to foreign subsidiary company's share buyback	-	-	-	-	-	-	(2,476)	(2,476)
Dividend paid to non-controlling interests	-	-	-	-	-	-	(727)	(727)
Distribution of dividends	-	-	-	-	(253,845)	(253,845)	-	(253,845)
	-	(14,629)	-	-	(253,845)	(268,474)	(3,203)	(271,677)
<b>At 31 January 2012</b>	135,103	(71,970)	13,873	26,055	398,518	501,579	25,818	527,397

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

**UNAUDITED QUARTERLY (Q3) FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2013**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>9 months ended 31-1-2013 RM'000</b>	<b>9 months ended 31-1-2012 RM'000</b>
<b>OPERATING ACTIVITIES</b>		
Receipts from customers	2,934,270	2,925,207
Payments to prize winners, suppliers, duties, taxes and other operating expenses	(2,601,056)	(2,546,533)
Other receipts	88	58
<b>Net cash generated from operating activities</b>	<b>333,302</b>	<b>378,732</b>
<b>INVESTING ACTIVITIES</b>		
Net proceeds from disposal of property, plant and equipment	710	322
Net proceeds from disposal of investments	759	1,483
Net proceeds from disposal of long term investments	24,713	-
Acquisition of investment in associated company	(4,800)	-
Acquisition of property, plant and equipment	(9,063)	(9,025)
Acquisition of investment properties	(4,922)	(6,392)
Acquisition of investments	(13,621)	(4,469)
Acquisition of treasury shares by a subsidiary company	-	(2,476)
Dividend received	437	28
Interest received	10,555	10,354
Other (payments)/receipts from investing activities	(37,760)	489
<b>Net cash used in investing activities</b>	<b>(32,992)</b>	<b>(9,686)</b>
<b>FINANCING ACTIVITIES</b>		
Payment of hire purchase liabilities	(217)	(183)
Treasury shares acquired	(11,925)	(14,629)
Dividends paid	(154,099)	(332,985)
Dividends paid to non-controlling interests	-	(727)
Interest paid on Medium Term Notes	(30,288)	(29,065)
<b>Net cash used in financing activities</b>	<b>(196,529)</b>	<b>(377,589)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>103,781</b>	<b>(8,543)</b>
<b>CASH &amp; CASH EQUIVALENTS AT 1 MAY</b>	<b>408,847</b>	<b>449,897</b>
Exchange difference	6,247	1,524
<b>CASH &amp; CASH EQUIVALENTS AT 31 JANUARY</b>	<b>518,875</b>	<b>442,878</b>
	<b>9 months ended 31-1-2013 RM'000</b>	<b>9 months ended 31-1-2012 RM'000</b>
Cash and cash equivalents carried forward comprise the following:		
Cash and bank balances	50,701	72,783
Deposits with financial institutions	468,174	370,095
	<b>518,875</b>	<b>442,878</b>

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

**UNAUDITED QUARTERLY (Q3) FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2013**  
**NOTES TO THE QUARTERLY FINANCIAL REPORT**

A1 The quarterly financial report is not audited and has been prepared in compliance with MFRS 134, Interim Financial Reporting Standards in Malaysia and IAS 34, Interim Financial Reporting as well as paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The condensed consolidated interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 30 April 2012. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions which are significant for understanding the changes in the financial position and performance of the Group since the year ended 30 April 2012.

Since the issuance of the previous annual audited financial statements as at 30 April 2012, the Group has adopted the Malaysian Financial Reporting Standards ("MFRS") framework issued by the MASB with effect from 1 May 2012. This MFRS framework was introduced by the MASB in order to fully converge Malaysia's existing Financial Reporting Standards ("FRS") framework with the International Financial Reporting Standards ("IFRS") framework issued by the International Accounting Standards Board. Whilst all FRSs issued under the previous FRS framework were equivalent to the MFRSs issued under the MFRS framework, there are some differences in relation to the transitional provisions and effective dates contained in certain of the FRSs.

These consolidated condensed interim financial statements are the Group's first MFRS condensed consolidated interim financial statements for part of the period covered by the Group's first MFRS annual financial statements for the year ending 30 April 2013 and hence MFRS 1: First-Time Adoption of Malaysian Financial Reporting Standards (MFRS 1) has been applied. The transition from FRS to MFRS has no material impact on the statement of financial position and statement of cash flows except as discussed below:

Investment in subsidiaries, jointly controlled entities and associates

MFRS 1 allows a first-time adopter to measure its subsidiaries, jointly controlled entities and associates in its separate financial statements on its date of transition either at cost, in accordance with MFRS 127: Consolidated and Separate Financial Statements; or deemed cost. The deemed cost of such an investment shall be either the fair value at the entity's date of transition to MFRS in its separate financial statements or the previous GAAP carrying amount at that date.

The Company has elected to measure its investment in one of the subsidiaries at fair value at the entity's date of transition, i.e. 1 May 2010 by determining the fair value based on discounted cash flow computation. There is no Group impact as this only applies to the entity's separate financial statements.

- 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 quarter ended 31 January 2013 except for that as disclosed in Note A8.

There were no changes in estimates reported in the prior financial year that had a material effect in the current quarter ended 31 January 2013.

- A4 The cumulative shares bought back are being held as treasury shares with none of the shares being cancelled or resold during the financial quarter ended 31 January 2013, other than the 29,330,612 treasury shares that were distributed as share dividend on 30 January 2013.

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		
July 2012	4.28	4.29	4.29	800,000	3,438
August 2012	4.28	4.38	4.34	1,500,000	6,515
TOTAL				2,300,000	9,953

The number of treasury shares held in hand as at 31 January 2013 are as follows:

	Average price per share (RM)	Number of shares	Amount RM'000
Total treasury shares as at 1 May 2012		28,030,072	120,295
Increase in treasury shares		2,300,000	9,953
Distribution as share dividend		(29,330,612)	(125,956)
Total treasury shares as at 31 January 2013	4.29	999,460	4,292

As at 31 January 2013, the number of outstanding shares in issue and fully paid with voting rights was 1,350,030,612 ordinary shares of RM0.10 each (31 January 2012 : 1,334,000,000 ordinary shares of RM0.10 each).

- A5 During the financial period ended 31 January 2013, the Company paid the following dividends:
- i) Fourth interim single tier exempt dividend on 8 August 2012, in respect of financial year ended 30 April 2012, of 5 sen per share on 1,323,000,000 ordinary shares with voting rights amounting to RM66,150,000; and
  - ii) First interim single tier exempt dividend on 16 October 2012, in respect of financial year ending 30 April 2013, of 6.5 sen per share on 1,320,700,000 ordinary shares with voting rights amounting to RM85,845,600; and
  - iii) Second interim dividend via a share dividend distribution equivalent to 9.5 sen per share (based on treasury shares book cost) was credited into the entitled depositors' securities accounts on 30 January 2013, in respect of financial year ending 30 April 2013, amounting to RM125,956,000 (based on treasury shares book cost).



A6 Segmental revenue and results for the financial period ended 31 January 2013 were as follows:

<u>REVENUE</u>	External	Inter- segment	Total
	RM'000	RM'000	RM'000
Toto betting and leasing of lottery equipment	2,670,158	-	2,670,158
Others	27,183	11,393	38,576
Elimination : Intersegment Revenue	-	(11,393)	(11,393)
Total revenue	<u>2,697,341</u>	<u>-</u>	<u>2,697,341</u>

RESULTS

Toto betting and leasing of lottery equipment	477,674
Others	<u>(11,924)</u>
	465,750
Unallocated corporate expenses	<u>(14,868)</u>
Operating profit	450,882
Finance costs	(24,050)
Interest income	10,555
Investment related income	19,066
Share of results of associated companies	<u>(3,634)</u>
Profit before tax	452,819
Income tax expense	<u>(134,884)</u>
Profit for the period	<u>317,935</u>

A7 There were no material subsequent events for the financial period ended 31 January 2013 up to the date of this announcement.

A8 There were no changes in the composition of the Group for the current period ended 31 January 2013 including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations except for the following:

- (a) On 12 July 2012, FEAB Properties Sdn Bhd, a wholly-owned subsidiary company of the Group, completed the disposal of its entire equity interest of 17.19% comprising 25,848 ordinary shares in Cassis International Pte Ltd, Singapore for a consideration of about USD4.3 million (equivalent to RM13.7 million), thus realising a gain on disposal of RM8.8 million.
- (b) On 10 August 2012, Berjaya Philippines Inc. ("BPI"), an indirect subsidiary company of the Company, completed its subscription of 4.0 million new shares of Php1.00 each, representing 40% equity interest in Berjaya Auto Philippines Inc. ("BAP"), a company incorporated in the Philippines, for a cash consideration of Php4.0 million (equivalent to approximately RM300,000). BAP's principal activities are the selling and distribution of Mazda brand cars within the territory of the Philippines.

On 29 November 2012, BPI subscribed for a further 58.7 million new shares of Php1.00 each in BAP for a cash consideration of Php58.7 million (equivalent to approximately RM4.5 million) in relation to the increase in the paid-up share capital of BAP from Php10.0 million to Php209.0 million, thereby reducing BPI's equity interest in BAP from 40% to 30%.

As at 31 January 2013, BPI's 30% equity interest in BAP comprised 62.7 million shares of Php1.00 each at a total cost of Php62.7 million (equivalent to approximately RM4.8 million).

- (c) On 28 September 2012, BPI subscribed for 400,000 shares of Php1.00 each representing 40% equity interest in Cosway Philippines Inc. ("CPI"), a company incorporated in the Philippines, for a cash consideration of Php400,000 (equivalent to approximately RM30,000). As at 31 January 2013, CPI has not commenced business.
- (d) On 17 October 2012, the Company announced the incorporation of a wholly-owned subsidiary company, Sports Toto Malaysia Management Pte. Ltd. ("STMM"), a Singapore incorporated company. STMM will act as the trustee-manager of the proposed Sports Toto Malaysia business trust to be constituted under the Business Trust Act, Chapter 31A of Singapore.

A9 There were no changes in contingent liabilities or financial guarantee since the last audited reporting date as at 30 April 2012.

A10 There were no material changes in capital commitments since the last annual reporting date as at 30 April 2012.

**UNAUDITED QUARTERLY (Q3) FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2013  
ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS  
OF BURSA MALAYSIA SECURITIES BERHAD**

B1 The main business segment of the Group is toto betting and leasing of lottery equipment as the Group is primarily engaged in the number forecast operation ("NFO") business. The key factors affecting the performance of the Group include the disposable income of the general public, Jackpot cycles, luck factor and the number of draws in the financial period.

For the quarter

Compared to the previous year corresponding quarter ended 31 January 2012, the Group recorded a decrease in revenue and pre-tax profit of 9.6% and 20.9% respectively. This was mainly due to the results of Sports Toto Malaysia Sdn Bhd ("Sports Toto") as explained in the ensuing paragraph. Berjaya Philippines Inc. group ("BPI") reported a slight growth of 1.8% in revenue and an increase of 10.0% in pre-tax profit.

Sports Toto, the principal subsidiary, recorded a decrease in revenue and pre-tax profit of 9.8% and 15.1% respectively as compared to the previous year corresponding quarter. This was mainly due to the previous year corresponding quarter which had benefited from the traditionally high sales during the Chinese Lunar New Year festive season coupled with strong sales recorded by Supreme 6/58 game which recorded its highest jackpot ever of RM57.2 million in the month of January 2012 and higher number of draws. The larger drop in pre-tax profit was mainly due to higher prize payout in the current quarter under review.

For the 9-month period

For the 9-month period under review, the Group registered a slight increase in revenue and pre-tax profit of 0.2% and 2.0% respectively. This was mainly due to the results of Sports Toto as explained in the ensuing paragraph. BPI registered an increase in revenue and pre-tax profit of 12.2% and 29.5% respectively mainly contributed by higher lease rental income arising from the improved sales registered by the Philippine Charity Sweepstakes Office. The higher rate of increase in pre-tax profit was the result of the recognition of gain on disposal of certain quoted investments in the current period under review. The above increase in Group pre-tax profit was also attributed to the recognition of realised gain on disposal of certain unquoted investments as disclosed in Note A8.

Sports Toto, recorded a marginal drop in revenue and pre-tax profit of 0.3% and 0.4% respectively as compared to the previous year corresponding period. The higher revenue and pre-tax profit in the previous year corresponding period was mainly due to the high sales recorded during Chinese Lunar New Year festive season as well as high jackpots in the Supreme 6/58 and Power 6/55 games.

**B2 Quarter 3 Vs Quarter 2**

As compared to the preceding quarter ended 31 October 2012, the Group recorded a decrease in revenue and pre-tax profit of 2.2% and 19.2% respectively. This was mainly attributed to the results of BPI and Sports Toto. BPI reported a drop in revenue and pre-tax profit of 11.5% and 18.6% respectively as compared to preceding quarter ended 31 October 2012 mainly due to lower lease rental income earned as a result of the drop in sales registered by the Philippine Charity Sweepstake Office for the current quarter under review.

Sports Toto recorded a slight decrease in revenue of 1.8% as compared to the preceding quarter ended 31 October 2012. The decrease in pre-tax profit of 8.4% as compared to the preceding quarter ended 31 October 2012 was mainly due to higher prize payout in the current quarter under review.

**B3 Future Prospects**

In spite of the cautious economic outlook, the gaming sector is expected to be resilient and the Directors expect the Group to maintain its market share in the NFO business. In addition, with the targeted completion of the proposed listing of STM-Trust on SGX-ST in the fourth quarter of financial year ending 30 April 2013 (the Proposals as disclosed in Note B6 and Note 44 (ii) in the 2012 audited financial statements), the Group will continue to consolidate the earnings from Sports Toto for the financial year ending 30 April 2013 subject to certain dilution effect arising from the Proposed Placement and Proposed Public Issue.

**B4** There was no profit forecast or profit guarantee given by the Group for the financial period ended 31 January 2013.

**B5 Income tax expense**

	Current quarter RM'000	Current period ended 31 January 2013 RM'000
Based on the results for the period:		
- Malaysian income tax	35,734	116,087
- Under provision in prior year	-	660
- Foreign countries income tax	5,485	20,573
- Origination and reversal of temporary differences	1,416	(2,436)
	42,635	134,884

The effective tax rate on the Group's profit for the current quarter and financial period ended 31 January 2013 was higher than the statutory tax rate mainly due to certain expenses being disallowed for taxation purposes and profits in certain subsidiary companies are separately assessed for tax and not relieved by losses in other companies within the Group.

**B6** There were no other corporate proposals announced but not completed as at the date of this announcement other than that as disclosed in Note 44(ii) in the Company's audited financial statements for the financial year ended 30 April 2012 in relation to the following:

On 5 June 2012, the Company announced the proposed transfer of its 100% equity interest in a wholly-owned subsidiary company, Sports Toto Malaysia Sdn Bhd ("STM") for a consideration of RM6 billion to a business trust to be constituted and registered in Singapore to be known as Sports Toto Malaysia Trust ("STM-Trust") and the proposed listing of up to 4.89 billion STM-Trust units on the Mainboard of the Singapore Exchange Securities Trading Limited.

As at todate, the Company had announced that it had obtained the following approvals from the relevant authorities / parties:

<u>Relevant authorities / parties</u>	<u>Date of Approval</u>
Ministry of Finance	27 July 2012
Controller of Foreign Exchange of Bank Negara Malaysia	24 August 2012
Holder of the Medium Term Notes	28 November 2012
Singapore Exchange Securities Trading Limited ("SGX-ST")	10 December 2012
Shareholders of the Company	12 December 2012

SGX-ST has via its letter dated 8 March 2013 granted its approval for an extension of validity period of the conditional eligibility-to-list by 3 months to 10 June 2013.

The aforesaid proposals are currently pending the approval from the Monetary Authority of Singapore.

B7 The Group's borrowings as at 31 January 2013 were as follows:

	RM'000
Secured - denominated in Ringgit Malaysia:	
Long term borrowings	400,000
Short term borrowings	150,000
Total Medium Term Notes	<u>550,000</u>

B8 There is no pending material litigation since the last annual reporting date up to the date of this announcement.

B9 The Board does not recommend the payment of dividend for the third quarter ended 31 January 2013 (previous year corresponding quarter ended 31 January 2012 : third interim single tier exempt dividend of 6 sen per share). The first interim single tier exempt dividend of 6.5 sen per share was paid on 16 October 2012, the second interim dividend via a share dividend distribution equivalent to 9.5 sen per share (based on the treasury shares book cost) was credited into the entitled depositors' securities accounts on 30 January 2013. The total dividend distribution per share in respect of the financial period ended 31 January 2013 amounted to 16 sen per share (previous year corresponding financial period ended 31 January 2012 : 22 sen single tier exempt dividend per share). The total dividends paid todate for the current financial year ending 30 April 2013 is approximately RM211.8 million which represents approximately 68.5% of the attributable profit of the Group for the 9 months financial period ended 31 January 2013.

The Board noted that the Company is undertaking a major restructuring which will lead to the listing of Sports Toto Malaysia Sdn Bhd ("STM") as a Business Trust ("STM-Trust") on the SGX-ST. Hence, the Board is mindful of its covenants and undertakings in respect of the said exercise which includes the need to deliver STM in a healthy financial position and to settle all advances (previously received from STM) when the transfer of the latter to the STM-Trust is effected.

The Board also took into consideration the anticipated special cash dividend that may be declared after the listing of STM-Trust as well as its intention to eventually distribute the bulk of the STM-Trust units to shareholders as set out in the Extraordinary General Meeting Circular to shareholders dated 27 November 2012. Therefore, the Board wants to ensure that the Group has a comfortable level of retained earnings to undertake the aforesaid.

B10 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:

	Group (3-month period)	
	31-1-13	31-1-12
Profit attributable to equity holders of the Company (RM'000)	86,069	112,740
Weighted average number of ordinary shares in issue and fully paid with voting rights ('000)	1,325,482	1,335,060
Basic earnings per share (sen)	6.49	8.44
	Group (9-month period)	
	31-1-13	31-1-12
Profit attributable to equity holders of the Company (RM'000)	309,350	310,517
Weighted average number of ordinary shares in issue and fully paid with voting rights ('000)	1,322,294	1,336,687
Basic earnings per share (sen)	23.39	23.23

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

B11 Profit before tax is stated after charging/(crediting):

	Current quarter RM'000	Financial period ended 31 January 2013 RM'000
Interest income	(3,412)	(10,555)
Dividend income included in investment related income	(237)	(437)
Other income excluding dividend and interest income	(577)	(1,625)
Depreciation of property, plant and equipment	6,138	19,145
Impairment in value of available-for-sale quoted and unquoted investments	-	-
Foreign exchange (gain)/loss	(51)	50
Provision for and write off of receivables	-	-
Provision for and write off of inventories	-	-
Gain on disposal of quoted or unquoted investment or properties	-	(18,629)
Gain or loss on derivatives	-	-

B12 Realised and unrealised earnings of the Group is analysed as follows:

	As at 31-1-13 RM'000	As at 30-04-12 RM'000
Total retained earnings of the Company and its subsidiaries:		
- realised	657,499	597,047
- unrealised	33,503	32,100
	691,002	629,147
Less: Consolidation adjustments	(247,301)	(216,844)
Total group retained earnings as per consolidated accounts	443,701	412,303

cc: Securities Commission