

Berjaya Sports Toto Berhad

(Company no: 9109-K)

Date: 17 June 2014

Subject: **UNAUDITED QUARTERLY (Q4) FINANCIAL REPORT FOR
THE YEAR ENDED 30 APRIL 2014**

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UNAUDITED QUARTERLY (Q4) FINANCIAL REPORT FOR THE YEAR ENDED 30 APRIL 2014
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Group	
	30-4-2014	30-4-2013
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	164,692	121,864
Other investments	89,320	58,987
Investment properties	95,506	99,023
Investment in associated companies	7,662	7,793
Deferred tax assets	17,738	18,417
Intangible assets	750,074	644,485
	1,124,992	950,569
Current assets		
Inventories	267,926	16,878
Receivables	254,717	142,105
Tax recoverable	1,366	121
Short term investments	-	3,771
Deposits, cash and bank balances	489,766	429,626
	1,013,775	592,501
Assets classified as held for sale	2,315	-
	1,016,090	592,501
TOTAL ASSETS	2,141,082	1,543,070
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital (par value per share : RM0.10)	135,103	135,103
Capital reserve	21,327	21,327
Exchange reserve	19,894	12,997
Available-For-Sale ("AFS") reserve	19,848	10,424
Retained earnings	433,771	423,221
Equity funds	629,943	603,072
Less : Treasury shares	(11,860)	(32,907)
Net equity funds	618,083	570,165
Non-controlling interests	78,248	43,049
Total equity	696,331	613,214
Non-current liabilities		
Retirement benefit obligations	3,848	2,406
Long term borrowings	400,000	400,000
Deferred tax liabilities	3,594	364
Other long term liabilities	1,436	927
	408,878	403,697
Current liabilities		
Provisions	913	421
Short term borrowings	333,725	150,000
Payables	693,261	348,186
Tax payable	7,974	27,552
Total current liabilities	1,035,873	526,159
Total liabilities	1,444,751	929,856
TOTAL EQUITY AND LIABILITIES	2,141,082	1,543,070
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.46	0.42

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 (Q4) FINANCIAL REPORT FOR THE YEAR ENDED 30 APRIL 2014
CONDENSED CONSOLIDATED INCOME STATEMENT

	3 months ended			12 months ended		
	30-4-2014	30-4-2013	+/->	30-4-2014	30-4-2013	+/->
	RM'000	RM'000	%	RM'000	RM'000	%
REVENUE	1,358,848	930,966	46.0	4,340,862	3,628,362	19.6
PROFIT FROM OPERATIONS	105,465	117,837	(10.5)	539,537	570,077	(5.4)
Investment related income	7,493	5,148	45.6	39,139	34,174	14.5
Investment related expenses	(1,207)	-	100.0	(34,854)	-	100.0
Finance costs	(11,969)	(7,321)	63.5	(41,576)	(31,371)	32.5
Share of results of associated companies	(212)	390	N/A	(2,001)	(3,354)	(40.3)
PROFIT BEFORE TAX	99,570	116,054	(14.2)	500,245	569,526	(12.2)
INCOME TAX EXPENSE	(25,737)	(38,257)	(32.7)	(161,842)	(166,020)	(2.5)
PROFIT FOR THE PERIOD/YEAR	73,833	77,797	(5.1)	338,403	403,506	(16.1)
PROFIT ATTRIBUTABLE TO:						
Equity holders of the parent	69,357	75,627	(8.3)	323,938	391,085	(17.2)
Non-controlling interests	4,476	2,170	106.3	14,465	12,421	16.5
	73,833	77,797	(5.1)	338,403	403,506	(16.1)
EARNINGS PER SHARE (SEN)						
-Basic	5.25	5.61		24.31	29.43	
-Diluted	5.25	5.61		24.31	29.43	
DIVIDEND PER SHARE (SEN)						
- First interim	-	-		4.0	6.5	
- Second interim	-	-		6.0	-	
- Third interim	-	-		-	8.0	
- Fourth interim	7.0	4.0		7.0	4.0	
- Second interim - share dividend	-	-		-	9.5	
- Third interim - share dividend	-	-		9.5	-	

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

UNAUDITED QUARTERLY (Q4) FINANCIAL REPORT FOR THE YEAR ENDED 30 APRIL 2014
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	3 months ended			12 months ended		
	30-4-2014 RM'000	30-4-2013 RM'000	+/-<-> %	30-4-2014 RM'000	30-4-2013 RM'000	+/-<-> %
PROFIT AFTER TAXATION	73,833	77,797	(5.1)	338,403	403,506	(16.1)
OTHER COMPREHENSIVE INCOME						
Gain on changes in fair value of available-for-sale investments	7,812	135	5,686.7	27,787	3,318	737.5
Transfer to profit or loss upon disposal/derecognition	469	380	23.4	(17,293)	(11,357)	52.3
Effects of foreign exchange differences	2,176	(12,088)	N/A	5,394	5,702	(5.4)
Actuarial loss recognised in defined benefit pension scheme	(1,236)	-	100.0	(1,236)	-	100.0
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD/YEAR	83,054	66,224	25.4	353,055	401,169	(12.0)
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:						
Equity holders of the parent	75,347	64,646	16.6	339,482	388,754	(12.7)
Non-controlling interests	7,707	1,578	388.4	13,573	12,415	9.3
	83,054	66,224	25.4	353,055	401,169	(12.0)

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

UNAUDITED QUARTERLY (Q4) FINANCIAL REPORT FOR THE YEAR ENDED 30 APRIL 2014
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			Total to holders of parent company RM'000	Non-controlling interests RM'000	
			Non-distributable		Distributable			
			AFS reserve RM'000	Other reserves RM'000	Retained earnings RM'000			
At 1 May 2013	135,103	(32,907)	10,424	34,324	423,221	570,165	43,049	613,214
Total comprehensive income for the year	-	-	9,424	6,897	323,161	339,482	13,573	353,055
	135,103	(32,907)	19,848	41,221	746,382	909,647	56,622	966,269
Transactions with owners:								
Treasury shares acquired	-	(103,695)	-	-	-	(103,695)	-	(103,695)
Acquisition of subsidiary company	-	-	-	-	-	-	22,398	22,398
Arising from increase in equity interest in a subsidiary company	-	-	-	-	(1,069)	(1,069)	(772)	(1,841)
Distribution of treasury shares as share dividend	-	124,742	-	-	(124,742)	-	-	-
Distribution of dividends	-	-	-	-	(186,800)	(186,800)	-	(186,800)
	-	21,047	-	-	(312,611)	(291,564)	21,626	(269,938)
At 30 April 2014	135,103	(11,860)	19,848	41,221	433,771	618,083	78,248	696,331
At 1 May 2012 (as previously reported)	135,103	(120,295)	17,504	29,575	412,303	474,190	31,399	505,589
Effects of adopting MFRS 112	-	-	-	-	5,333	5,333	-	5,333
	135,103	(120,295)	17,504	29,575	417,636	479,523	31,399	510,922
Total comprehensive income for the year	-	-	(7,080)	4,749	391,085	388,754	12,415	401,169
Transactions with owners:								
Treasury shares acquired	-	(38,568)	-	-	-	(38,568)	-	(38,568)
Adjustment due to foreign subsidiary company's share buyback	-	-	-	-	-	-	(765)	(765)
Distribution of treasury shares as share dividend	-	125,956	-	-	(125,956)	-	-	-
Distribution of dividends	-	-	-	-	(259,544)	(259,544)	-	(259,544)
	-	87,388	-	-	(385,500)	(298,112)	(765)	(298,877)
At 30 April 2013	135,103	(32,907)	10,424	34,324	423,221	570,165	43,049	613,214

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

UNAUDITED QUARTERLY (Q4) FINANCIAL REPORT FOR THE YEAR ENDED 30 APRIL 2014
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	12 months ended 30-4-2014 RM'000	12 months ended 30-4-2013 RM'000
OPERATING ACTIVITIES		
Receipts from customers	4,586,480	3,943,044
Payments to prize winners, suppliers, duties, taxes and other operating expenses	(4,199,179)	(3,535,360)
Other receipts	81	78
Net cash generated from operating activities	387,382	407,762
INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	1,136	873
Proceeds from disposal of short term investments	3,771	759
Proceeds from disposal of long term investments	17,806	24,713
Proceeds from disposal of investment properties	3,900	-
Acquisition of investment in subsidiary company	(77,021)	-
Acquisition of investment in associated company	(1,901)	(4,645)
Acquisition of property, plant and equipment	(27,563)	(15,345)
Acquisition of/additional cost incurred for investment properties	(801)	(5,002)
Acquisition of treasury shares from non-controlling interests by a foreign subsidiary company	-	(765)
Acquisition of investments	(33,490)	(35,421)
Dividend received	3,833	441
Interest received	12,158	13,319
Deposits placement with investment advisers	(48,198)	-
Other receipts from investing activities	3,068	1,276
Other payments from investing activities	(34,854)	(37,786)
Net cash used in investing activities	(178,156)	(57,583)
FINANCING ACTIVITIES		
Drawdown of borrowings	366,707	-
Repayment of borrowings	(182,982)	-
Repayment of hire purchase liabilities	(603)	(300)
Treasury shares acquired	(104,118)	(40,118)
Dividends paid	(188,901)	(259,891)
Interest paid	(41,770)	(31,515)
Net cash used in financing activities	(151,667)	(331,824)
NET INCREASE IN CASH AND CASH EQUIVALENTS	57,559	18,355
CASH & CASH EQUIVALENTS AT 1 MAY	429,626	408,847
Exchange difference	2,581	2,424
CASH & CASH EQUIVALENTS AT 30 APRIL	489,766	429,626
	12 months ended 30-4-2014 RM'000	12 months ended 30-4-2013 RM'000
Cash and cash equivalents carried forward comprise the following:		
Cash and bank balances	144,762	68,860
Deposits with financial institutions	345,004	360,766
	489,766	429,626

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

UNAUDITED QUARTERLY (Q4) FINANCIAL REPORT FOR THE YEAR ENDED 30 APRIL 2014
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 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 2013. 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 2013.

The accounting policies and methods of computations used in the preparation of the financial statements are consistent with those adopted in the audited financial statements for the year ended 30 April 2013.

The Group has not early adopted new or revised standards and amendments to standards that have been issued but not yet effective for the accounting period beginning 1 May 2013.

The initial application of the MFRSs, Amendments to MFRSs and IC Interpretations, which will be applied prospectively or which requires extended disclosures, is not expected to have any significant financial impacts to the financial statements of the Group upon their first adoption.

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 2014 except as disclosed in Note A8 (c), B11 and investment related expenses as disclosed in income statements.

There were no changes in estimates reported in the prior financial year that had a material effect in the current year ended 30 April 2014.

A4 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 2014, other than the 30,618,886 treasury shares that were distributed as share dividend on 28 April 2014.

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 2013	4.16	4.26	4.23	5,690,000	24,088
August 2013	4.01	4.10	4.04	2,150,000	8,692
December 2013	3.97	4.00	3.99	4,950,000	19,758
January 2014	3.96	4.04	3.98	4,600,000	18,319
February 2014	3.90	4.01	3.98	5,370,200	21,373
March 2014	3.88	3.91	3.91	2,929,800	11,465
TOTAL				25,690,000	103,695

A4 The number of treasury shares held in hand as at 30 April 2014 are as follows:

	Average price per share (RM)	Number of shares	Amount RM'000
Total treasury shares as at 1 May 2013		7,840,072	32,907
Increase in treasury shares		25,690,000	103,695
Distribution as share dividend		(30,618,886)	(124,742)
Total treasury shares as at 30 April 2014	4.07	2,911,186	11,860

As at 30 April 2014, the number of outstanding shares in issue and fully paid with voting rights was 1,348,119,000 ordinary shares of RM0.10 each (30 April 2013 : 1,343,190,000 ordinary shares of RM0.10 each).

A5 During the financial year ended 30 April 2014, the Company paid the following dividends:

- i) Fourth interim single tier exempt dividend on 1 August 2013, in respect of financial year ended 30 April 2013, of 4 sen per share on 1,339,040,000 ordinary shares with voting rights amounting to RM53,561,600; and
- ii) First interim single tier exempt dividend on 17 October 2013, in respect of financial year ended 30 April 2014, of 4 sen per share on 1,335,350,000 ordinary shares with voting rights amounting to RM53,414,000; and
- iii) Second interim single tier exempt dividend on 28 January 2014, in respect of financial year ended 30 April 2014, of 6 sen per share on 1,330,400,000 ordinary shares with voting rights amounting to RM79,824,000; and
- iv) Third interim dividend via a share dividend distribution in respect of financial year ended 30 April 2014 equivalent to 9.5 sen per share, amounting to RM124,742,000 (based on treasury shares book cost) was credited into the entitled depositors' securities accounts maintained with Bursa Malaysia Depository Sdn Bhd on 28 April 2014.

A6 Segmental revenue and results for the financial year ended 30 April 2014 were as follows:

<u>REVENUE</u>	External	Inter- segment	Total
	RM'000	RM'000	RM'000
Toto betting and leasing of lottery equipment	3,503,290	-	3,503,290
Franchised motor vehicle dealer	786,091	772	786,863
Others	51,481	38,298	89,779
Elimination : Intersegment Revenue	-	(39,070)	(39,070)
Total revenue	4,340,862	-	4,340,862

RESULTS

Toto betting and leasing of lottery equipment	565,914
Franchised motor vehicle dealer	14,935
Others	(22,305)
	<u>558,544</u>
Unallocated corporate expenses	(19,007)
Operating profit	539,537
Finance costs	(41,576)
Interest income	12,158
Investment related income	26,981
Investment related expenses	(34,854)
Share of results of associated companies	(2,001)
Profit before tax	500,245
Income tax expense	(161,842)
Profit for the year	338,403

A7 There were no material subsequent events for the financial year ended 30 April 2014 and up to the date of this announcement.

A8 There were no changes in the composition of the Group for the current financial year ended 30 April 2014 including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations except for the following:

- (a) On 4 June 2013, Berjaya Philippines Inc. ("BPI"), a subsidiary company of the Group completed the disposal of its entire equity interest of 0.68% comprising 1.0 million ordinary shares in RadioShack Corporation, USA for a consideration of about USD3.85 million (equivalent to RM11.73 million), thus realising a gain on disposal of RM5.0 million.
- (b) On 17 June 2013, the Company announced the constitution of Sports Toto Malaysia Trust ("STM Trust") under the Business Trust Act, Chapter 31A of Singapore by a declaration of trust by a wholly-owned subsidiary company, namely Sports Toto Malaysia Management Pte. Ltd., as trustee-manager of STM Trust under a trust deed dated 13 June 2013.

- A8 (c) On 30 July 2013, BPI made a cash offer to acquire the entire issued and to be issued share capital of H.R. Owen Plc ("H.R. Owen") at an offer price of 130 pence per share and subsequent increased the offer price to 170 pence per share. On 23 September 2013, the mandatory cash offer was declared wholly unconditional with BPI being the beneficial owner of over 50% equity interests in H.R. Owen. BPI's shareholdings in H.R. Owen further increased to 71.2% as at the mandatory cash offer closing and completion date on 11 October 2013 for a total cash consideration of approximately £25.7 million (equivalent to approximately RM129.2 million) for the cash offer. Hence H.R. Owen is now a subsidiary company of BPI. The subsequent consolidation of H.R. Owen is regarded as a business combination in accordance with MFRS 3 : Business Combinations. The Group is now undertaking a purchase price allocation exercise to identify and measure intangible assets, if any, and the goodwill on acquisition which is now provisionally estimated to be RM91.4 million and included in the statement of financial position. As at 30 April 2014, BPI's shareholdings in H.R. Owen has increased to 72.03% after further acquisition of about 211,000 H.R. Owen's shares for a total consideration of £374,000 (equivalent to approximately RM1.8 million).
- (d) During the current financial year ended 30 April 2014, BPI further acquired Redtone International Berhad's ("Redtone") securities for a total cash consideration of approximately RM25.34 million. As at 30 April 2014, BPI's shareholdings in Redtone after certain disposals were 17.3 million shares of stock of RM0.10 each (representing 3.4% of the total outstanding stock) and 81.3 million units of convertible debts denominated at RM0.10 per unit (representing 38.4% of total convertible debt).
- (e) During the financial year ended 30 April 2014, International Lottery & Totalizator System, Inc., a 71.32% wholly-owned subsidiary of Berjaya Lottery Management (HK) Limited ("BLM"), which in turn is a wholly-owned subsidiary of the Company has incorporated a 100% wholly-owned subsidiary company namely Delaware International Lottery & Totalizator Systems.
- A9 There were no changes in contingent liabilities or financial guarantee since the last audited reporting date as at 30 April 2013.
- A10 There were no material changes in capital commitments since the last annual reporting date as at 30 April 2013 other than the commitment related to corporate proposals not completed as disclosed in Note B6 (iii).

**UNAUDITED QUARTERLY (Q4) FINANCIAL REPORT FOR THE YEAR ENDED 30 APRIL 2014
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

As compared to the previous year corresponding quarter ended 30 April 2013, the Group registered an increase in revenue of 46% while it recorded a drop in pre-tax profit of 14.2%. The increase in revenue was mainly attributed to the consolidation of H.R. Owen Plc's ("H.R. Owen") revenue in the current quarter. The drop in pre-tax profit was mainly due to the results of Sports Toto Malaysia Sdn Bhd ("Sports Toto") and Berjaya Philippines Inc. ("BPI") as explained in the ensuing paragraphs.

Sports Toto, the principal subsidiary, recorded a drop in revenue of 0.8% mainly due to partial sales contribution from the Chinese New Year (which fell on 31 January 2014) festive period in the current quarter as compared to full benefit of higher sales contribution in the previous year corresponding quarter. As compared to the previous year corresponding quarter, Sports Toto recorded a decrease in pre-tax profit of 27.7% mainly due to higher prize payout and operating expenses (including charitable contributions) in the current quarter.

As compared to the previous year corresponding quarter, BPI recorded lower revenue and pre-tax profit of 6.5% and 10.7% respectively mainly due to lower lease rental income earned as a result of lower sales reported by Philippine Charity Sweepstakes Office. The higher percentage drop in pre-tax profit was mainly due to the finance costs incurred in the current quarter under review.

For the financial year

For the financial year under review, the Group registered an increase in revenue of 19.6% mainly attributed to the consolidation of H.R. Owen in the current financial year. The Group recorded a drop in pre-tax profit of 12.2% mainly due to the previous financial year benefiting from the gain on disposal of certain investments coupled with corporate exercise expenses incurred in the current financial year. Excluding the corporate related expenses, the drop in the Group's pre-tax profit would have been 8.4%.

As compared to the previous financial year, Sports Toto recorded a drop in revenue and pre-tax profit of 1.9% and 6.9% respectively. The higher drop in pre-tax profit was mainly due to higher prize payout in the current financial year.

BPI recorded lower revenue and pre-tax profit of 13.8% and 18.4% respectively mainly due to lower lease rental income earned as a result of lower sales reported by the Philippine Charity Sweepstakes Office. The higher percentage drop in pre-tax profit was mainly due to corporate expenses incurred but mitigated by the recognition of fair value gain arising from the business combination of H.R. Owen as well as finance costs incurred in the current financial year under review. BPI's drop in pre-tax profit would have been 23.3% if the aforesaid fair value gain and corporate exercise expenses were excluded.

B2 Quarter 4 Vs Quarter 3 of financial year

As compared to the preceding quarter ended 31 January 2014, the Group registered an increase in revenue of 10.7% mainly attributed to the higher revenue contributed by H.R. Owen coupled with the higher sales registered by Sports Toto in the current quarter as explained in the ensuing paragraph. H.R. Owen traditionally achieved the best performance in the first half of the calendar year of which the higher growth was reflected in the 4th quarter of the Group's financial year. The Group recorded a decrease in pre-tax profit of 20.0% despite the increase in revenue mainly due to the results of Sports Toto but mitigated by higher pre-tax profit reported by BPI as explained in the ensuing paragraphs.

As compared to the preceding quarter, Sports Toto registered an increase in revenue of 4.3% while pre-tax profit was down by 32.1%. The increase in revenue was mainly attributed to the seasonally higher sales during the Chinese New Year festive period in the current quarter under review. The decrease in pre-tax profit was mainly due to higher prize payout and operating expenses (including charitable contributions) in the current quarter under review.

BPI recorded a decrease in revenue of 3.0% mainly due to lower lease rental income from lower sales reported by Philippine Charity Sweepstakes Office. In spite of the drop in revenue, BPI registered an increase in pre-tax profit of 36.6% mainly attributed to the preceding quarter incurring the bulk of the corporate exercise expenses pursuant to the cash offer for H.R. Owen.

B3 Future Prospects

The gaming sector in Malaysia is expected to remain resilient and the Directors expect the Group to maintain its market share in the NFO business.

B4 There was no profit forecast or profit guarantee given by the Group for the financial year ended 30 April 2014.

B5 Income tax expense

	Current quarter RM'000	Current year ended 30 April 2014 RM'000
Based on the results for the quarter/year:		
- Malaysian income tax	29,593	125,763
- (Over)/under provision in prior year	(4,783)	12,930
- Foreign countries income tax	3,090	22,295
Deferred tax:		
- Origination and reversal of temporary differences	(2,163)	854
	25,737	161,842

The effective tax rate on the Group's profit for the current quarter and financial year ended 30 April 2014 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 The development for the corporate proposal disclosed in Note 43 (ii) to the audited financial statements of the Company for the financial year ended 30 April 2013 are as follows:

- (i) Note 43 (ii) relates to the proposed transfer of the Company's 100% equity interest in Sports Toto to STM Trust, a business trust constituted in Singapore ("Transfer") and the proposed listing of up to 4.89 billion STM Trust units on the Mainboard of the Singapore Exchange Securities Trading Limited.

The Transfer was completed on 31 October 2013 following the issuance of 4,369,999,998 units in STM Trust at an issue price of SGD0.5001 each to Berjaya Sports Toto (Cayman) Limited and bill of exchange in favour of the Company amounting to RM571.32 million, which was subsequently indorsed in favour of Sports Toto.

On 2 December 2013, the Company announced that the Board decided not to proceed with the proposed listing after considering the challenging market conditions and the poor performances of the listed yield stocks such as real estate investment trusts ("REIT") and other business trusts in Singapore.

On 21 January 2014, the Company announced that following the abortion of the proposed listing, the relevant parties have unwound the Transfer that was completed on 31 October 2013 and STM has been reverted back as a 100% direct subsidiary of the Company.

- (ii) On 20 February 2014, the Company announced that H.R. Owen, an indirect subsidiary listed on the London Stock Exchange ("LSE"), has on 19 February 2014 announced the proposed cancellation of Admission to the Official List and to trading on the LSE's main market for listed securities (the "De-Listing") as a result of its shares in public hands were only 2.5% of H.R. Owen's issued share capital. In order to comply with the LSE listing requirements, a company must have at least 25% of its shares in public hands. The De-Listing was effected with the offer for the qualifying shareholders to sell their shares to BPI at 170 pence per share and the aforesaid was completed on 15 April 2014.

Corporate proposals announced but not completed are as follows:

- (iii) On 10 January 2014, the Company announced that International Lottery & Totalizator System, Inc. ("ILTS California"), a 71.32% wholly-owned subsidiary of Berjaya Lottery Management (HK) Limited ("BLM"), which in turn is a wholly-owned subsidiary company of the Company has filed Form 8-K pursuant to the United States Securities Exchange Act of 1934, as amended ("the Act") that ILTS California will be merged with its present 100% wholly-owned subsidiary, Delaware International Lottery & Totalizator Systems, Inc. ("ILTS DE").

Thereafter, ILTS DE will carry out a reverse stock split of ILTS DE's common stock such that BLM will be the sole shareholder of ILTS DE. Each shareholder of ILTS DE holding less than one whole share of common stock would be paid USD1.33 in cash per pre-reverse stock split shares in lieu of fractional share interests.

ILTS DE (as the successor to ILTS California) will thereafter terminate its registration and reporting obligations under the Act. Upon completion of these transactions, ILTS DE will be wholly-owned by the Company via BLM and its shares will cease to be traded on the Over-The-Counter Markets. ILTS California has obtained the written consent of BLM, approving the merger and the reverse stock split.

ILTS California plans to file with the United States Securities and Exchange Commission an Information Statement on Schedule 14C and a statement on Schedule 13E-3 in connection with the merger and the reverse stock split. The merger and reverse stock split will be consummated promptly no earlier than 20 calendar days following the date on which the Information Statement is first mailed to shareholders of ILTS California.

B6 (iv) On 12 May 2014, the Company jointly announced with its ultimate holding company, Berjaya Corporation Berhad on the commencement of negotiations on business cooperation contract in relation to the establishment of a computerized lottery system in Vietnam. The Vietnam Lottery Business would be undertaken via Berjaya Gia Thinh Investment Technology Company Limited ("Berjaya GTI"), a company incorporated in Vietnam. Berjaya GTI is 51% owned by Berjaya Lottery Vietnam Limited ("BLV"), a company incorporated in Labuan. BLV is in turn 80% owned by Berjaya Corporation Berhad and 20% owned by the Company.

B7 The Group's borrowings as at 30 April 2014 were as follows:

<u>Long term borrowings</u>	At end of reporting date
Secured	RM'000
Denominated in	Foreign currency amount
	'000
- Ringgit Malaysia (Medium Term Notes)	400,000
	400,000
 <u>Short term borrowings</u>	
Secured	
- Ringgit Malaysia	113,414
- Ringgit Malaysia (Medium Term Notes)	180,000
- Philippine Peso	550,000 *
	40,311
	333,725
Total borrowings	733,725

* Converted at the respective exchange rate prevailing as at 30 April 2014

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

B9 The Board has declared a fourth interim dividend of 7 sen per share (previous year corresponding quarter ended 30 April 2013 : fourth interim single tier exempt dividend of 4 sen per share) in respect of the financial year ended 30 April 2014 and payable on 8 August 2014. The entitlement date has been fixed on 18 July 2014.

The first interim single tier exempt dividend of 4 sen per share was paid on 17 October 2013, the second interim single tier exempt dividend of 6 sen per share was paid on 28 January 2014 and the third 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 28 April 2014. This will bring the total dividend distribution per share in respect of financial year ended 30 April 2014 to 26.5 sen per share comprising 17 sen single tier exempt dividend and share dividend equivalent to 9.5 sen per share (previous financial year ended 30 April 2013 : 28 sen per share which comprised 18.5 sen single tier exempt dividend and share dividend equivalent to 9.5 sen per share).

Based on the number of RM0.10 fully paid ordinary shares in issue and with voting rights as at 17 June 2014 of 1.35 billion, the fourth interim dividend distribution for the financial year ended 30 April 2014 will amount to RM94.4 million. The total dividend distribution (inclusive of the share dividend) for the financial year ended 30 April 2014 is approximately RM355.3 million, **representing about 109.7% of the attributable profit of the Group for the financial year ended 30 April 2014.**

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:

	<u>Group (3-month period)</u>	
	30-4-14	30-4-13
Profit attributable to equity holders of the Company (RM'000)	<u>69,357</u>	<u>75,627</u>
Weighted average number of ordinary shares in issue and fully paid with voting rights ('000)	<u>1,320,590</u>	<u>1,347,392</u>
Basic earnings per share (sen)	<u>5.25</u>	<u>5.61</u>
	<u>Group (12-month period)</u>	
	30-4-14	30-4-13
Profit attributable to equity holders of the Company (RM'000)	<u>323,938</u>	<u>391,085</u>
Weighted average number of ordinary shares in issue and fully paid with voting rights ('000)	<u>1,332,766</u>	<u>1,329,010</u>
Basic earnings per share (sen)	<u>24.31</u>	<u>29.43</u>

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 year ended 30 April 2014 RM'000
Interest income	(3,438)	(12,158)
Dividend income included in investment related income	(1,255)	(3,833)
Other income excluding dividend and interest income	(1,612)	(16,784)
Depreciation of property, plant and equipment	8,382	29,372
Impairment in value of available-for-sale quoted and unquoted investments	-	-
Foreign exchange (gain) / loss	(29)	(827)
Provision for and write off of receivables	546	546
Provision for and write off of inventories	359	359
Gain on disposal of quoted or unquoted investment or properties	(1,657)	(8,767)
Gain or loss on derivatives	<u>-</u>	<u>-</u>

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

	As at 30-4-14 RM'000	As at 30-4-13 RM'000
Total retained earnings of the Company and its subsidiaries:		
- realised	670,833	618,344
- unrealised	<u>43,596</u>	<u>47,870</u>
	714,429	666,214
Share of results from associated companies	(7,336)	(5,335)
Less: Consolidation adjustments	<u>(273,322)</u>	<u>(237,658)</u>
Total group retained earnings as per consolidated accounts	<u><u>433,771</u></u>	<u><u>423,221</u></u>

cc: Securities Commission