

# **Berjaya Corporation Berhad**

Company No: 554790-X

Date: 27 December 2005

Subject: **UNAUDITED INTERIM FINANCIAL REPORT FOR  
THE PERIOD ENDED 31 OCTOBER 2005**

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BERJAYA CORPORATION BERHAD  
 UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 OCTOBER 2005  
 CONDENSED CONSOLIDATED INCOME STATEMENT

	3 months ended		Year to date ended	
	31-10-2005 RM'000	31-10-2004 RM'000	31-10-2005 RM'000	31-10-2004 RM'000
REVENUE	708,061	791,528	1,372,676	1,629,871
PROFIT FROM OPERATIONS	47,599	55,584	87,817	127,385
Results arising from investing activities#	(11,099)	56,409	(26,485)	46,103
Waiver of loans	254,618	62,756	254,618	62,756
Finance costs	(294,842)	(85,731)	(373,550)	(169,985)
Share of results in associates	65,318	56,717	140,192	129,366
PROFIT BEFORE TAXATION	61,594	145,735	82,592	195,625
TAXATION	(50,309)	(43,852)	(90,682)	(87,614)
PROFIT/(LOSS) AFTER TAXATION	11,285	101,883	(8,090)	108,011
Minority interests	(29,116)	(45,110)	(50,633)	(78,705)
(LOSS)/PROFIT ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY	<u>(17,831)</u>	<u>56,773</u>	<u>(58,723)</u>	<u>29,306</u>
(LOSS)/EARNINGS PER SHARE (SEN)				
-Basic	(4.09)	3.79	(13.59)	1.96
-Diluted	*	2.96	*	1.53

- Notes:

The Company was incorporated on 30 July 2001 under the name of Berjaya Corporation Sdn Bhd and subsequently converted into a public limited company and assumed the name of Berjaya Corporation Berhad on 18 August 2005.

Pursuant to the Scheme of Arrangement ("SOA") under Section 176 of the Companies Act, 1965 of Berjaya Group Berhad ("BGroup"), the Company became the owner of the entire shareholding in BGroup through an exchange of shares and will assume BGroup's listing status on the Main Board of Bursa Malaysia Securities Berhad ("Bursa Securities").

The acquisition of BGroup is accounted for using the merger accounting method. The results for the current quarter incorporate the results of BGroup for the entire quarter, i.e. from 1 August 2005 to 31 October 2005, and the results for the year-to-date incorporate the results of BGroup from 1 May 2005 to 31 October 2005. The figures for the preceding period corresponding quarter and cumulative quarter are financial results of BGroup as if the Company and BGroup had been in combination since the incorporation of BGroup.

# Results arising from investing activities comprise of interest income and other investment related income less investment related expenses.

\* No diluted loss per share is presented as the effect on the basic loss per share is anti-dilutive.

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

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

BERJAYA CORPORATION BERHAD  
 UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 OCTOBER 2005  
 CONDENSED CONSOLIDATED BALANCE SHEET

	Group As at 31-10-2005 RM'000	Group As at 30-04-2005 Audited RM'000
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	2,323,208	1,980,165
Other investments	359,672	407,416
Investment properties	630,739	631,075
Land held for development	1,707,697	840,763
Investment in unconsolidated subsidiary company	6,591	6,601
Investment in associated companies	1,706,266	1,860,147
Deferred tax assets	16,697	15,892
Other long term assets	1,102	1,030
Intangible assets	780,441	975,039
	<u>7,532,413</u>	<u>6,718,128</u>
<b>Current Assets</b>		
Development properties	760,863	690,314
Inventories	406,188	398,657
Trade and other receivables	1,363,170	1,150,804
Tax recoverable	65,374	63,760
Deposits with financial institutions	385,608	308,542
Cash and bank balances	212,743	230,351
	<u>3,193,946</u>	<u>2,842,428</u>
<b>Current Liabilities</b>		
Trade and other payables	1,965,237	1,642,278
Provisions	182,932	172,378
Short term borrowings	1,552,718	1,562,277
Taxation	53,572	32,878
	<u>3,754,459</u>	<u>3,409,811</u>
<b>NET CURRENT LIABILITIES</b>	<u>(560,513)</u>	<u>(567,383)</u>
	<u>6,971,900</u>	<u>6,150,745</u>
<b>FINANCED BY</b>		
Share capital	1,229,725	1,498,173
Irredeemable Convertible Unsecured Loan Stocks - Equity component	307,313	422,095
Reserves	(113,698)	(1,428,069)
Equity funds	1,423,340	492,199
Minority interests	2,459,798	2,428,998
Capital funds	3,883,138	2,921,197
<b>LONG TERM LIABILITIES</b>		
Irredeemable Convertible Unsecured Loan Stocks	940,838	432,874
Long term borrowings	1,386,973	2,270,424
Other long term liabilities	315,635	288,489
Deferred taxation	328,220	136,609
Provisions	29,717	30,683
Insurance reserves	87,379	70,469
	<u>3,088,762</u>	<u>3,229,548</u>
	<u>6,971,900</u>	<u>6,150,745</u>
Basic net tangible assets ("NTA") per share (sen)	27.29	(60.40)
Dilutive net tangible assets ("NTA") per share (sen)	57.42	(25.14)
Basic net assets per share (sen)	90.75	4.68
Dilutive net assets per share (sen)	94.59	25.63

The Net tangible assets per share is calculated based on the following :

Basic : Equity funds less goodwill on consolidation, other intangible assets and ICULS - equity component divided by the number of outstanding shares in issue.

Dilutive : Equity funds less goodwill on consolidation and other intangible assets divided by the number of outstanding shares in issue add potential conversion of the Company's ICULS in issue to shares.

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

Basic : Equity funds less ICULS - equity component divided by the number of outstanding shares in issue.

Dilutive : Equity funds divided by the number of outstanding shares in issue and the potential conversion of the Company's ICULS in issue to shares.

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

BERJAYA CORPORATION BERHAD  
 UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 OCTOBER 2005  
 CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Non-distributable						Accumulated losses RM'000	Total RM'000
	Share capital RM'000	Share premium RM'000	ICULS - equity component RM'000	Merger reserves RM'000	Capital reserves RM'000	Foreign currency translation reserves RM'000		
At 1 May 2005	1,498,173	734,356	422,095	-	12,487	67,884	(2,242,802)	492,193
Privatisation of Berjaya Group Berhad	(1,198,538)	(734,356)	-	1,932,894	-	-	-	-
Issue of shares for acquisition of subsidiary	802,085	-	-	-	-	-	-	802,085
Issue of shares for exchange of BGroup warrants	128,005	-	-	-	-	-	(128,005)	-
Issue of ICULS for exchange of BGroup ICULS	-	-	(281,397)	-	-	-	281,397	-
Issue of ICULS for repayment of bank borrowings - equity component	-	-	166,615	-	-	-	-	166,615
Exchange difference on translation of net assets of foreign subsidiary companies and associated companies	-	-	-	-	(1)	11,059	-	11,058
Gain on accretion of an associated company	-	-	-	-	-	-	20,741	20,741
Net loss for the period	-	-	-	-	-	-	(58,723)	(58,723)
Distribution to holders of irredeemable convertible unsecured loan stocks	-	-	-	-	-	-	(10,629)	(10,629)
Transfer from accumulated losses	-	-	-	-	217,011	(583)	(216,428)	-
At 31 October 2005	<u>1,229,725</u>	<u>-</u>	<u>307,313</u>	<u>1,932,894</u>	<u>229,497</u>	<u>78,360</u>	<u>(2,354,449)</u>	<u>1,423,340</u>

	Non-distributable						Accumulated losses RM'000	Total RM'000
	Share capital RM'000	Share premium RM'000	ICULS - equity component RM'000	Capital reserves RM'000	Foreign currency translation reserves RM'000	Foreign currency translation reserves RM'000		
At 1 May 2004	1,498,171	734,356	422,097	-	52,061	(2,398,907)	307,778	
Exchange difference on translation of net assets of foreign subsidiary companies and associated companies	-	-	-	-	4,410	-	4,410	
Gain on accretion of an associated company	-	-	-	-	-	30,682	30,682	
Net profit for the period	-	-	-	-	-	29,306	29,306	
Distribution to holders of irredeemable convertible unsecured loan stocks	-	-	-	-	-	(10,552)	(10,552)	
Transfer from accumulated losses	-	-	-	12,487	(939)	(11,548)	-	
Issuance of shares from conversion of ICULS - equity component	2	-	(2)	-	-	-	-	
At 31 October 2004	<u>1,498,173</u>	<u>734,356</u>	<u>422,095</u>	<u>12,487</u>	<u>55,532</u>	<u>(2,361,019)</u>	<u>361,624</u>	

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

BERJAYA CORPORATION BERHAD  
 UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 OCTOBER 2005  
 CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	6 months ended	
	31-10-2005 RM'000	31-10-2004 RM'000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Receipts from operations	1,354,129	1,550,797
Payments for operating expenses (including taxes)	(1,206,246)	(1,401,161)
Net cash generated from operating activities	<u>147,883</u>	<u>149,636</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Cash effect on the deconsolidation of subsidiary companies	-	(24,454)
Sales of investments in subsidiary companies	-	22,981
Acquisition of investments in subsidiary companies	(16,511)	(7,853)
Receipt of capital distribution from an associated company	257,444	29,221
Receipts from investments (include sales of property, plant & equipment)	129,444	337,279
Payment for investments (include purchase of property, plant & equipment and BLand ICULS bought back)	(138,863)	(305,709)
Net cash generated from investing activities	<u>231,514</u>	<u>51,465</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Issuance of share capital to minority shareholder of a subsidiary company	2,000	1,999
Dividends paid to minority shareholders of subsidiary companies	(32)	(2,295)
Distribution to holders of ICULS	(10,629)	(10,552)
Interest paid	(136,410)	(142,647)
Drawdown of bank and other borrowings	247,050	253,553
Repayment of bank and other borrowings	(448,348)	(269,334)
Net cash used in financing activities	<u>(346,369)</u>	<u>(169,276)</u>
INCREASE IN CASH AND CASH EQUIVALENTS	33,028	31,825
OPENING CASH AND CASH EQUIVALENTS	292,587	128,494
Effect of exchange rate changes	(4,014)	(2,864)
CLOSING CASH AND CASH EQUIVALENTS	<u>321,601</u>	<u>157,455</u>
	RM'000	RM'000
Cash and cash equivalents carried forward comprise:		
Deposits with financial institutions	385,608	308,795
Cash and bank balances	212,743	170,233
Bank overdraft (included under short term borrowings)	(244,136)	(303,031)
	<u>354,215</u>	<u>175,997</u>
Less :		
Remisiers' deposit held in trust	(13,142)	(10,225)
Clients' money held in trust	(19,472)	(8,317)
	<u>321,601</u>	<u>157,455</u>

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

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

BERJAYA CORPORATION BERHAD  
 UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 OCTOBER 2005  
 NOTES TO THE INTERIM FINANCIAL REPORT

A1 The interim financial report is not audited and has been prepared in compliance with MASB 26, Interim Financial Reporting.

The interim financial report should be read in conjunction with the audited financial statements of BGroup for the year ended 30 April 2005. The comparative results of the period ended 31 October 2004 and balance sheet as at 30 April 2005 are equivalent to the figures of BGroup.

The same accounting policies and methods of computation used in the preparation of the financial statements of BGroup for the year ended 30 April 2005 have been applied in the preparation of the quarterly financial statements under review except that the acquisition of BGroup is accounted for using the merger accounting method.

A2 The audit report of BGroup's most recent annual audited financial statements does not contain any qualification.

A3 The following business operations of the Group are affected by seasonal or cyclical factors:

- a. the consumer durables segment are affected by major festive seasons and sales campaign in certain period of the financial year.
- b. the property development segment is affected by the prevailing cyclical economic conditions.
- c. the stock and futures broking businesses that are influenced by the performance of the stock market.
- d. the local beach resorts situated at the East Coast of Peninsular Malaysia which are affected by the North-East monsoon season in the third quarter of the financial year.

A4 The following are the unusual items that occurred during the current quarter and financial period to date under review:

	Current Quarter RM'000	Financial Year to date RM'000
Holdings costs in respect of put option of BLand's 5% ICULS 1999/2009 included in finance costs	(226,891)	(226,891)
Impairment in value of investment in an associated company	(8,326)	(25,617)
Impairment in value of other investments	(3,685)	(4,168)
	<u>(238,902)</u>	<u>(256,676)</u>

There was no material change in estimates during the financial period under review.

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 UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 OCTOBER 2005  
 NOTES TO THE INTERIM FINANCIAL REPORT

A5 There were no issuances and repayment of debts and equity securities, share buy-backs, share cancellation, shares held as treasury shares and resale of treasury shares for the financial period ended 31 October 2005 except for the following:

a) Share capital

- Pursuant to the SOA under Section 176 of the Companies Act, 1965, the Company issued:
- 299,634,614 ordinary shares of RM1.00 each to the shareholders of BGroup on the basis of one ordinary share of the Company for every five existing BGroup shares of RM1.00.
  - 128,005,026 ordinary shares of RM1.00 each to the warrant holders of BGroup on the basis of one ordinary share for every twenty existing BGroup warrants.
  - 802,085,626 ordinary shares of RM1.00 each for the acquisition of 100% equity interest in Bukit Tinggi Resort Berhad.

b) 0% 10-year irredeemable convertible unsecured loan stocks ("BCorp ICULS")

- Pursuant to the SOA under Section 176 of the Companies Act, 1965, the Company issued:
- 281,396,878 BCorp ICULS of RM0.50 each to the BGroup ICULS holders of BGroup on the basis of two BCorp ICULS for every three existing BGroup ICULS.
  - 1,458,636,000 BCorp ICULS of RM0.50 each for repayment of BGroup bank borrowings.

A6 No dividend has been paid by the Company since the end of the previous financial year.

A7 Segment information for the financial period ended 31 October 2005:-

REVENUE	External RM'000	Inter- segment RM'000	Total RM'000
Financial services	153,733	871	154,604
Manufacturing	246,196	16	246,212
Property investment and development	89,857	1,502	91,359
Hotel, resort and recreation	170,641	240	170,881
Restaurants	265,733	-	265,733
Marketing of consumer products and services	429,710	3,944	433,654
Others	16,806	-	16,806
Elimination: Inter-segment Revenue	-	(6,573)	(6,573)
Total revenue	<u>1,372,676</u>	<u>-</u>	<u>1,372,676</u>

BERJAYA CORPORATION BERHAD  
 UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 OCTOBER 2005  
 NOTES TO THE INTERIM FINANCIAL REPORT

A7 Segment information for the financial period ended 31 October 2005:- (cont'd)

RESULTS

	Total RM'000
Financial services	15,804
Manufacturing	16,389
Property investment and development	19,100
Hotel, resort and recreation	14,070
Restaurants	(16,835)
Marketing of consumer products and services	40,934
Others	<u>8,816</u>
	98,278
Unallocated corporate expenses	<u>(10,461)</u>
Profit from operations	87,817
Results arising from investing activities	
-Interest income	<u>8,197</u>
-Others	<u>(34,682)</u>
	(26,485)
Waiver of loans	254,618
Finance costs	(373,550)
Share of net profits of associates	<u>140,192</u>
Profit before taxation	82,592
Taxation	<u>(90,682)</u>
Net loss after taxation	<u><u>(8,090)</u></u>

A8 The valuation of land and buildings have been brought forward without amendment from the previous annual audited financial statements.

A9 Save as disclosed, there were no significant events since the end of this current quarter up to the date of this announcement.



BERJAYA CORPORATION BERHAD  
UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 OCTOBER 2005  
NOTES TO THE INTERIM FINANCIAL REPORT

A10 There were no changes in the composition of the Group for the current quarter ended 31 October 2005, including business combinations, acquisition or disposal of subsidiary companies and long term investments, restructuring and discontinuing operations except for the following:-

- (a) On 28 June 2005, the Company announced that Berjaya Forest Products (Cayman) Limited ("BFP"), a wholly owned subsidiary company of the Group, had on 27 June 2005 completed a re-domiciliation exercise by deregistering itself in the Cayman Islands and, on the same day, registered by way of continuation to the Grand Duchy of Luxembourg under a new name Berjaya Forest Products (Luxembourg) S.a.r.l. This entire exercise shall not affect the property or rights of BFP and the rationale of this exercise is to optimise the return on investment in BFP.
- (b) On 21 July 2005, Dunham-Bush (Malaysia) Bhd ("DBM") completed the acquisition from Mr Lim Kok Kiong of an additional 20% equity interest in Topgroup M&E Service Sdn Bhd ("TME") comprising 5,000 ordinary shares of RM1.00 each for a total cash consideration of RM230,000 or RM46.00 per share.
- (c) On 22 July 2005, Cosway Corporation Berhad announced that its wholly owned subsidiary company Cosway (M) Sdn Bhd has on even date acquired 12 ordinary shares of AUD1.00 each representing 100% of the issued and paid up share capital of Cosway Value Club (Australia) Pty Ltd ("CVCA") for a total cash consideration of AUD12.00 or approximately RM34.37.

CVCA is presently dormant and it will serve as a vehicle for Cosway (M) Sdn Bhd to introduce its products into Australia in the future.

- (d) The deregistration of a wholly-owned dormant subsidiary company, Dunham-Bush International Brazil S.C.LTDA by DBM pursuant to a voluntary liquidation.
- (e) On 6 September 2005, the Company announced that Berjaya Forest Products (Luxembourg) S.a.r.l ("BFPL"), a wholly owned subsidiary company of the Group has on 1 September 2005 received 12,669,808 Stapled Units in Taiga Building Products Ltd ("TBP") arising from the conversion of 3,167,452 common shares in Taiga Forest Products Ltd ("Taiga"), an associated company of BFPL. The transaction was effected through a plan of arrangement approved by the shareholders of Taiga on 27 June 2005. Under the plan of arrangement, each Taiga common share was exchanged for 4 Stapled Units in TBP. Each Stapled Unit consist of one common share and a 14% unsecured subordinated note in the principal amount of CAD5.32 or approximately RM17.20 of TBP.
- (f) With regard to the Berjaya Group Berhad ("BGroup") voluntary scheme of arrangement pursuant to Section 176 of the Companies Act, 1965, the following have been completed on 31 October 2005:
  - (i) the exchange of BGroup securities with the Company's securities in the following ratio:
    - 5 BGroup shares for 1 ordinary share of the Company at par;
    - 3 BGroup ICULS for 2 units of 0% 10-year irredeemable convertible unsecured loan stocks of RM0.50 nominal value of the Company ("BCorp ICULS");
    - 20 BGroup Warrants for 1 ordinary share of the Company at par.

As a result of the exchange of BGroup shares, BGroup became a wholly owned subsidiary company of the Company.

- (ii) the repayment of certain of the Group's bank borrowings partly through the issuance of approximately 1,458.6 million units of BCorp ICULS of RM0.50 nominal value and the balance restructured into a new term loan.

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NOTES TO THE INTERIM FINANCIAL REPORT

A10 (Continued)

- (f) (iii) the acquisition of Bukit Tinggi Resort Berhad ("BTR") for a consideration of approximately RM802.1 million satisfied entirely through the issuance of 802.1 million ordinary shares of the Company at par.

Pursuant to the condition of the Securities Commission's letter dated 9 February 2004 in respect of the status of the application for the Certificate of Fitness for occupation for the "horse stable", we wish to inform that BTR has received a temporary building permit for the horse stable.

- (g) The Group increased its equity interest in Berjaya Sports Toto Berhad ("BToto") by converting a total of 88.381 million BToto ICULS at a conversion rate of one BToto ICULS and RM0.20 cash for one new ordinary BToto share into 88.381 million BToto shares. The Group has also disposed of 7.112 million BToto shares. Consequently, the Group's equity interest in BToto as at 31 October 2005 increased to approximately 48.3%.
- (h) The subscription of 4,000 ordinary shares of THB10 or approximately RM0.92 each, representing 40% equity interest in Berjaya Property (Thailand) Company Limited, a company incorporated in Thailand, by Berjaya Leisure (Cayman) Limited, a wholly owned subsidiary of the Group.

A11 There were no material changes in contingent liabilities or contingent asset since the last annual balance sheet date.

A12 There is no material additional capital commitment since the last annual balance sheet date other than the proposed purchase of land and building for the relocation and expansion programme for a China subsidiary under DBM group amounting to approximately RM25.0 million.

BERJAYA CORPORATION BERHAD  
UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 OCTOBER 2005  
ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

- B1 For the current quarter ended 31 October 2005, the Group registered a consolidated revenue of RM708.1 million and pre-tax profit of RM61.6 million as compared to RM791.5 million revenue and RM145.7 million pre-tax profit in the preceding year corresponding quarter. The lower revenue and similarly for pre-tax profit were mainly due to the following:
- i) the full effect of deconsolidation of Convenience Shopping Sdn Bhd ("CSSB") upon its divestment;
  - ii) the deconsolidation of Matrix International Berhad ("Matrix") arising from the dilution of the Group's equity interest in Matrix in the previous financial year;
  - iii) the lower progress billings invoiced by the property development division following the completion of its major property development projects in the previous year; and
  - iv) the loss of sales for Roadhouse Grill, Inc which operates restaurants mainly in Florida, USA as a result of Hurricane Katrina in August 2005.

The pre-tax profit for the current quarter also included the holding costs in respect of the Berjaya Land Berhad put option on its 5% ICULS amounting to approximately RM226.9 million which was offset by the gains from the waiver of loans of approximately RM254.6 million. In addition, the pre-tax profit for the current quarter appears lower than the preceding year corresponding quarter as the preceding year quarter included the gain from the disposal of investments in Unza Holdings Pte Ltd of approximately RM14.0 million and waiver of loans and debts amounting to RM62.8 million.

For the half year ended 31 October 2005, the Group recorded a consolidated revenue of RM1.37 billion and a pre-tax profit of RM82.6 million as compared to RM1.63 billion and RM195.6 million respectively in the previous corresponding period. The lower revenue and pre-tax profits was mainly due to reasons explained in the preceding paragraphs.

- B2 As compared to the preceding quarter ended 31 July 2005, the Group revenue increased 6.5% to RM708.1 million from RM664.6 million whilst pre-tax profit improved to RM61.6 million from RM21.0 million. In the current quarter, the Group recognised the holding costs in respect of the Berjaya Land Berhad put option on its 5% ICULS amounting to approximately RM226.9 million included under finance costs in the income statement. However, this is mitigated by the recognition of gains from the waiver of loans of approximately RM254.6 million and the gains recorded by the property development division from the disposal of pieces of land.
- B3 The Group restructuring exercise was completed on 23 December 2005 and the Company's securities are expected to be listed in early January 2006. The Directors expect that there would be significant one-off charges relating to the restructuring exercise in the third quarter of this financial year. However, the Group expects to realise a substantial amount of exceptional gain upon the completion of the proposed disposal of 320 million BToto shares by its subsidiary company, Berjaya Land Berhad, towards the end of the financial year which may offset the effects of the abovementioned charges.

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B4 There is no profit forecast or profit guarantee for the financial period ended 31 October 2005.

B5 The taxation charge for the quarter and financial period ended 31 October 2005 is detailed as follows:

	Current Quarter RM'000	Financial Year to date RM'000
Based on the results for the period:-		
Current period provision		
- In Malaysia	34,448	70,418
- Outside Malaysia	773	6,219
Deferred tax	11,878	10,196
Under - provision in prior years	<u>3,210</u>	<u>3,849</u>
	<u><u>50,309</u></u>	<u><u>90,682</u></u>

The disproportionate tax charge of the Group is due to certain expenses being disallowed for tax purposes and non-availability of Group tax relief in respect of losses incurred by certain subsidiary companies.

B6 There were no profits / (losses) on sales of unquoted investment and properties, other than from those subsidiary companies with principal activities of property development, for the current quarter under review.

BERJAYA CORPORATION BERHAD  
 UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 OCTOBER 2005  
 ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

B7 The particulars of the purchase and disposal of quoted securities by all companies other than insurance company, stockbroking companies and such other companies exempted by Bursa Securities were as follows :

(a) (i) The total purchase consideration of quoted securities are as follows:

	Current Quarter RM'000	Financial Year to date RM'000
Cost of purchase	<u>-</u>	<u>1,136</u>

(ii) The disposals of quoted securities are as follows:

Proceeds of quoted securities disposed	<u>7,833</u>	<u>7,833</u>
Gain on disposal of quoted securities	<u>4,638</u>	<u>4,638</u>

(b) Investments in quoted securities : -

	At end of current quarter RM'000
(i) at cost;	<u>142,174</u>
(ii) at carrying value/book value;	<u>77,301</u>
(iii) at market value.	<u>80,173</u>

B8 There has been no further developments for those corporate proposals disclosed in Notes 38 and 39 to the audited financial statements of BGroup for the financial year ended 30 April 2005 except for the following:-

(a) With regard to Note 38(B)(4), on 6 September 2005, BLand announced that BLCL has agreed to extend a further advance of SGD3 million or approximately RM6.69 million for Informatics' operational needs. The total InfoAdvance would be SGD7 million or approximately RM15.62 million.

Informatics revised its proposed renounceable non-underwritten rights issue to two new ordinary shares of SGD0.05 or approximately RM0.11 each together with one free warrant for every two existing shares held at an issue price of SGD0.05 or approximately RM0.11 per share ("InfoRightsIssue"). The InfoAdvance will be repaid in full by Informatics by applying the credit of the InfoAdvance partially against BLand group's entitlement to the InfoRightsIssue or on 31 December 2005 whichever is the earlier.

(b) With regard to Note 38(B)(3), on 21 November 2005, the Company announced that its 70%-owned subsidiary company, Country Farms Sdn Bhd, had on 16 November 2005 completed the subscription of 60% equity interest in Country Farm Organics Mart Pte Ltd ("CFarmMart") for a cash consideration of SGD60,000 or approximately RM141,000. CFarmMart will be involved in the sale and distribution of organic and natural health food and non-food products in Singapore.

B8 (Continued)

- (c) With regard to Note 39(B)(4), the acceptance and payment for the rights issue of the BCorp ICULS closed on 5 December 2005. The application received was for 420 million rights BCorp ICULS being the required minimum subscription amount.
- (d) With regard to Note 39(B)(6), on 14 December 2005, BLand completed the 1st bonus issue of one new BLand share for every one BLand share held. On the same day, BLand also completed the capital repayment of RM0.80 and consolidation of five ordinary shares of RM0.20 each held after the capital repayment into one ordinary share of RM1.00 each in BLand. On 15 December 2005, BLand completed the 2nd bonus issue on the basis of three new BLand shares for every two BLand shares held immediately after the BLand 1st bonus issue and capital repayment and consolidation. On 23 December 2005, the Company completed the issuance of up to approximately 4,108 million BCorp ICULS to BLand for the settlement of the inter-company balances owing by BGroup to BLand. On the same date, BGroup completed the compensation of RM226.9 million to BLand for the termination of a put option obligation with BLand by BGroup with approximately 576.3 million BCorp ICULS. On the same date, BLand completed the payment of the special dividend-in-specie of 65% gross less 28% income tax of BCorp ICULS.
- (e) With regard to Note 39(B)(9), on 23 December 2005, the Company completed the issuance of up to approximately 3,655 million B Corp ICULS and cash payment of RM130.2 million to B Capital for the settlement of the inter-company balances owing by BGroup to BCapital. On the same date, BCapital completed the following:
  - (i) the bonus issue of seven new BCapital shares for every five BCapital shares held.
  - (ii) the capital repayment of RM0.90 and consolidation of ten ordinary BCapital shares of RM0.10 each held after the capital repayment into one ordinary share of RM1.00 each in BCapital.
  - (iii) the payment of a special dividend-in-specie of 220% less 28% income tax of BCorp ICULS.

Status of corporate proposals announced subsequent to the audited financial statements:

- (i) On 14 September 2005, the Company announced that its wholly owned subsidiary company, Berjaya Books Sdn Bhd ("BBooks"), has proposed to grant a call option to Borders International Services, Inc ("Borders") to acquire up to 50% equity interest in BBooks. BBooks holds the franchise from Borders to develop and operate Borders stores in Malaysia.
- (ii) On 13 October 2005, BCapital announced that Eng Securities Sdn Bhd ("EngSec"), a wholly owned subsidiary company of the BCapital group, has on even date entered into an agreement to dispose of its dealer's licence to Malaysian Industrial Development Finance Berhad for a cash consideration of RM30.0 million. On even date, EngSec has also entered into an agreement with Inter-Pacific Securities Sdn Bhd to transfer its entire business including all its assets and liabilities for a consideration that will be determined on the completion date.

B8 (Continued)

- (iii) On 16 November 2005, BCapital announced the proposed acquisition of 6 million ordinary shares of RM1 each representing 2% of the equity interest in Inter-Pacific Capital Sdn Bhd, a 89.46% subsidiary company of BCapital, from Forad Holdings Sdn Bhd ("Forad") for a total cash consideration of approximately RM9.45 million ("IPCAP-Acq"). The IPCAP-Acq is conditional upon Forad being entitled to BCapital's proposed special dividend-in-specie.
- (iv) On 22 November 2005, the Company announced that Berjaya Group (Cayman) Limited, a wholly owned subsidiary company of the Group, has proposed to dispose of its entire equity interest of approximately 66.5% in Roadhouse Grill, Inc to Steakhouse Partners, Inc for a total cash consideration of approximately USD15.01 million or USD0.772 per share (equivalent to approximately RM57.03 million).
- (v) On 2 December 2005, BLand announced the proposed subscription by Berjaya Leisure (Cayman) Limited, a wholly owned subsidiary company of BLand, of 51% of the enlarged capital contribution of Berjaya (China) Great Mall Co Ltd ("GMOC") for a total cash consideration of approximately RMB33.3 million or approximately RM15.52 million. Currently, Tan Sri Dato' Seri Vincent Tan Chee Yioun is the beneficial owner of the entire issued and paid up capital of approximately RMB31.96 million or approximately RM14.89 million in GMOC. The proposed subscription is subject to approvals from various authorities in the People's Republic of China.
- (vi) On 13 December 2005, the Company announced that Berjaya Group Berhad, a wholly owned subsidiary company, had on 12 December 2005 completed the acquisition of two ordinary shares of RM1 each representing 100% of the issued and paid up capital in Changan Berjaya Auto Sdn Bhd for a total cash consideration of RM2.

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B9 Group borrowings and debt securities as at 31 October 2005 were as follows:

			At end of current quarter RM'000
Short term borrowings			
Secured			
	Foreign currency amount		
	'000		
Denominated in			
Ringgit Malaysia			1,136,622
USD	37,697	*	142,288
SGD	10,388	*	23,122
GBP	1,600	*	10,752
SLRs	1,491	*	57
SRs	156	*	109
			1,312,950
Unsecured			
Denominated in			
Ringgit Malaysia			239,768
			239,768
			1,552,718
Long term borrowings			
Secured			
	Foreign currency amount		
	'000		
Denominated in			
Ringgit Malaysia			1,122,039
USD	10,928	*	41,248
SGD	5,050	*	11,240
GBP	1,846	*	12,406
SLRs	18,883	*	698
			1,187,631
Unsecured			
Denominated in			
Ringgit Malaysia			199,342
			1,386,973
Total borrowings			2,939,691

\* Converted at the respective exchange rate prevailing as at 31 October 2005.

B10 There is no off balance sheet financial instruments as at 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.



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B12 No dividend is declared for the current period ended 31 October 2005 (2004: nil).

B13 The basic and diluted (loss)/earnings per share are calculated as follows:

	Group (3-months period)			
	31-10-2005	31-10-2004	31-10-2005	31-10-2004
	RM'000		sen	
Net (loss)/profit for the period	(17,831)	56,773		
Impact on income statement upon conversion of ICULS (there is no impact as the Company's ICULS have a zero coupon rate)	-	-		
Adjusted net (loss)/profit for the period	<u>(17,831)</u>	<u>56,773</u>		
Basic (loss)/earnings per share			<u>(4.09)</u>	<u>3.79</u>
Weighted average number of ordinary shares in issue ('000)	436,358	1,498,171		
Number of shares from ICULS conversion	1,740,033	422,097		
Number of shares used in the calculation of diluted earnings per share	<u>2,176,391</u>	<u>1,920,268</u>		
Diluted earnings per share			<u>*</u>	<u>2.96</u>
	Group (6-months period)			
	31-10-2005	31-10-2004	31-10-2005	31-10-2004
	RM'000		sen	
Net (loss)/profit for the period	(58,723)	29,306		
Impact on income statement upon conversion of ICULS (there is no impact as the Company's ICULS have a zero coupon rate)	-	-		
Adjusted net (loss)/profit for the period	<u>(58,723)</u>	<u>29,306</u>		
Basic (loss)/earnings per share			<u>(13.59)</u>	<u>1.96</u>
Weighted average number of ordinary shares in issue ('000)	431,999	1,498,171		
Number of shares from ICULS conversion	1,740,033	422,097		
Number of shares used in the calculation of diluted earnings per share	<u>2,172,032</u>	<u>1,920,268</u>		
Diluted earnings per share			<u>*</u>	<u>1.53</u>

\* No diluted loss per share is presented as the effect on the basic loss per share is anti-dilutive.

c.c. Securities Commission