

Berjaya Corporation Berhad

Company No: 554790-X

Date: 23 December 2008

Subject: **UNAUDITED INTERIM FINANCIAL REPORT FOR
THE PERIOD ENDED 31 OCTOBER 2008**

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BERJAYA CORPORATION BERHADUNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 OCTOBER 2008
CONDENSED CONSOLIDATED INCOME STATEMENT

	3 months ended		Year to date ended	
	31/10/2008	31/10/2007	31/10/2008	31/10/2007
	RM'000	RM'000	RM'000	RM'000
REVENUE	1,608,617	639,910	3,097,771	1,205,430
PROFIT FROM OPERATIONS	191,614	205,898	395,565	277,093
Investment related income	28,779	409,668	55,162	572,072
Investment related expenses	(78,812)	(228,270)	(103,488)	(246,788)
Finance costs	(69,023)	(157,303)	(137,342)	(225,985)
Share of results of associates	6,293	49,728	5,778	100,756
PROFIT BEFORE TAX	78,851	279,721	215,675	477,148
INCOME TAX EXPENSE	(49,505)	(23,183)	(100,244)	(51,138)
PROFIT FOR THE PERIOD	<u>29,346</u>	<u>256,538</u>	<u>115,431</u>	<u>426,010</u>
ATTRIBUTABLE TO:				
- Equity holders of the parent	10,554	106,258	43,557	242,731
- Minority interests	18,792	150,280	71,874	183,279
	<u>29,346</u>	<u>256,538</u>	<u>115,431</u>	<u>426,010</u>
EARNINGS PER SHARE (SEN)				
-Basic, for the period	<u>0.28</u>	<u>3.25</u>	<u>1.14</u>	<u>7.50</u>
-Diluted, for the period	<u>0.27</u>	<u>2.94</u>	<u>1.10</u>	<u>6.92</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 2008
CONDENSED CONSOLIDATED BALANCE SHEET

	Group As at 31/10/2008	Group As at 30/04/2008 (Audited)
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	2,279,552	2,132,121
Biological assets	9,160	8,714
Other investments	253,290	307,924
Investment properties	553,983	551,588
Prepaid land lease premiums	146,054	146,450
Land held for development	1,524,853	1,573,687
Investment in associated companies	571,779	578,403
Investment in jointly controlled entities	194,054	141,260
Deferred tax assets	19,266	19,134
Intangible assets	6,411,519	6,348,236
	<u>11,963,510</u>	<u>11,807,517</u>
Current Assets		
Development properties	1,206,586	883,164
Inventories	445,222	338,920
Trade and other receivables	1,812,430	1,721,155
Short term investments	16,923	39,316
Tax recoverable	137,235	121,840
Deposits with financial institutions	712,689	980,467
Cash and bank balances	525,613	507,989
Assets of disposal group/Assets classified as held for sale	24,641	25,412
	<u>4,881,339</u>	<u>4,618,263</u>
TOTAL ASSETS	<u>16,844,849</u>	<u>16,425,780</u>
EQUITY AND LIABILITIES		
Share capital	3,047,414	3,003,791
Irredeemable Convertible Unsecured Loan Stocks - Equity component	777,903	822,826
Reserves	1,825,074	1,819,394
	<u>5,650,391</u>	<u>5,646,011</u>
Minority interests	<u>4,498,749</u>	<u>4,592,800</u>
Equity funds	<u>10,149,140</u>	<u>10,238,811</u>
Non-current liabilities		
Irredeemable Convertible Unsecured Loan Stocks ("ICULS")	175,777	176,948
8% Secured Exchangeable Bonds	882,000	900,000
Long term borrowings	1,684,137	1,578,076
Other long term liabilities	273,793	280,295
Deferred taxation	363,630	362,387
Provisions	4,028	4,875
	<u>3,383,365</u>	<u>3,302,581</u>
Current Liabilities		
Trade and other payables	1,625,116	1,414,480
Provisions	277,077	229,864
Short term borrowings	1,155,104	1,026,025
Taxation	85,839	68,032
Insurance reserves	155,675	132,329
Liabilities of disposal group/assets classified as held for sale	13,533	13,658
	<u>3,312,344</u>	<u>2,884,388</u>
Total Liabilities	<u>6,695,709</u>	<u>6,186,969</u>
TOTAL EQUITY AND LIABILITIES	<u>16,844,849</u>	<u>16,425,780</u>
Basic net assets per share (sen)	159.89	160.57
Dilutive net assets per share (sen)	146.86	146.69

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

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

Dilutive : Equity funds less minority interests divided by the number of outstanding shares in issue and the potential conversion of the Company's outstanding ICULS 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 2008
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Non-distributable					Retained earnings RM'000	Total RM'000	Minority interests RM'000	Total equity RM'000
	Share capital RM'000	ICULS - equity component RM'000	Fair value reserve RM'000	Capital reserves RM'000	Foreign currency translation reserves RM'000				
At 1 May 2008	3,003,791	822,826	1,174,962	10,118	(71,314)	705,556	5,645,939	4,592,799	10,238,738
Exchange difference on translation of net assets of foreign subsidiary companies and associated companies	-	-	-	-	22,425	-	22,425	13,550	35,975
Buy back of BCorp ICULS	-	(2,089)	-	-	-	966	(1,123)	-	(1,123)
Adjustment in relation to part disposal/dilution of equity interest in subsidiary companies	-	-	-	-	-	-	-	1,933	1,933
Adjustment due to increase in equity in subsidiary companies	-	-	-	-	-	-	-	(60,403)	(60,403)
Transfer from accumulated losses	-	-	(559)	-	10	549	-	-	-
Net recognised income and expense recognised directly in equity	-	-	(559)	-	22,435	1,515	21,302	(44,920)	(23,618)
Profit for the period	-	-	-	-	-	43,557	43,557	71,874	115,431
Total recognised income and expense for the period	-	(2,089)	(559)	-	22,435	45,072	64,859	26,954	91,813
Arising from conversion of irredeemable convertible unsecured loan stocks ("BCorp ICULS")									
- by cash option	322	(161)	-	-	-	-	161	-	161
- by surrender option	43,301	(43,301)	-	-	-	-	-	-	-
Reclassification to BCorp ICULS-equity component from BCorp ICULS-liability component	-	628	-	-	-	-	628	-	628
Share of changes in reserves of associates	-	-	-	16	(345)	-	(329)	-	(329)
Dividend paid to minority interests	-	-	-	-	-	-	-	(86,123)	(86,123)
Dividend	-	-	-	-	-	(60,867)	(60,867)	-	(60,867)
MI share of goodwill	-	-	-	-	-	-	-	(34,881)	(34,881)
At 31 October 2008	<u>3,047,414</u>	<u>777,903</u>	<u>1,174,403</u>	<u>10,134</u>	<u>(49,224)</u>	<u>689,761</u>	<u>5,650,391</u>	<u>4,498,749</u>	<u>10,149,140</u>

	Non-distributable					Total RM'000	Minority interests RM'000	Total equity RM'000
	Share capital RM'000	ICULS - equity component RM'000	Capital reserves RM'000	Foreign currency translation reserves RM'000	(Accumulated losses) / Retained earnings RM'000			
At 1 May 2007	2,423,841	890,706	11,695	(24,196)	(20,957)	3,281,089	1,261,126	4,542,215
Exchange difference on translation of net assets of foreign subsidiary companies and associated companies	-	-	-	(38,784)	-	(38,784)	(2,986)	(41,770)
Buy back of BCorp ICULS	-	(150,698)	-	-	47,370	(103,328)	-	(103,328)
Adjustment in relation to part disposal/dilution of equity interest in subsidiary companies	-	-	-	11,174	(8,482)	2,692	344,353	347,045
Adjustment due to increase in equity in subsidiary companies	-	-	-	-	-	-	(341,044)	(341,044)
Transfer from accumulated losses	-	-	(399)	(2,393)	2,792	-	-	-
Net recognised income and expense recognised directly in equity	-	-	(399)	(30,003)	41,680	11,278	323	11,601
Profit for the period	-	-	-	-	242,731	242,731	183,279	426,010
Total recognised income and expense for the period	-	(150,698)	(399)	(30,003)	284,411	103,311	183,602	286,913
Issued for cash	13	-	-	-	-	13	-	13
Arising from conversion of BCorp ICULS by surrender option	99,023	(99,023)	-	-	-	-	-	-
Reclassification to BCorp ICULS - equity component from BCorp ICULS - liability component	-	320,511	-	-	-	320,511	-	320,511
Re-issue of BCorp ICULS pursuant to sale of BCorp ICULS previously held within the Group to third parties	-	50,000	-	-	9,800	59,800	-	59,800
Dividend paid to minority interests	-	79,197	-	-	(47,520)	31,677	(61,739)	(30,062)
Dividend	-	-	-	-	(72,528)	(72,528)	-	(72,528)
MI share of goodwill	-	-	-	-	-	-	22,678	22,678
At 31 October 2007	<u>2,522,877</u>	<u>1,090,693</u>	<u>11,296</u>	<u>(54,199)</u>	<u>153,206</u>	<u>3,723,873</u>	<u>1,405,667</u>	<u>5,129,540</u>

BERJAYA CORPORATION BERHAD

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 OCTOBER 2008

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	6 months ended	
	31/10/2008	31/10/2007
	RM'000	RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Receipts from operations	3,388,057	938,867
Payments for operating expenses (including taxes)	(3,057,272)	(760,290)
Net cash generated from operating activities	<u>330,785</u>	<u>178,577</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Cash effects of disposal of subsidiary company	-	(195)
Acquisition of investments in subsidiary companies	(49,513)	(307,039)
Cash effects of acquisition of subsidiary companies	(59,174)	-
Receipts from investments (include sales of property, plant & equipment)	69,726	515,626
Advances to jointly controlled entities	(178,026)	-
Payment for investments (include purchase of property, plant & equipment)	(297,118)	(287,395)
Net cash used in investing activities	<u>(514,105)</u>	<u>(79,003)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Issuance of share capital	161	13
Issuance of share capital to minority shareholders of subsidiary companies	518	-
Proceeds from re-issue of Berjaya Land Berhad ICULS	-	509,239
Proceeds from re-issue of BCorp ICULS	-	51,427
Acquisition of treasury shares by subsidiary companies	(25,588)	-
Capital distribution by a subsidiary company	(255)	-
Dividend paid to shareholders of the Company	(33,583)	-
Dividends paid to minority shareholders of subsidiary companies	(94,589)	(5)
Repurchase of ICULS	(1,123)	(375,402)
Interest paid	(129,508)	(109,398)
Repayment of advances to an associated company	-	(75,023)
Drawdown of bank and other borrowings	541,689	671,200
Repayment of bank and other borrowings	(325,469)	(491,530)
Net cash (used in)/generated from financing activities	<u>(67,747)</u>	<u>180,521</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>(251,067)</u>	<u>280,095</u>
OPENING CASH AND CASH EQUIVALENTS	<u>1,321,765</u>	<u>615,600</u>
Effect of exchange rate changes	20,234	(6,690)
CLOSING CASH AND CASH EQUIVALENTS	<u><u>1,090,932</u></u>	<u><u>889,005</u></u>
Cash and cash equivalents carried forward comprise:	RM'000	RM'000
Deposits with financial institutions	712,689	877,750
Cash and bank balances	525,613	231,717
Bank overdraft (included under short term borrowings)	(95,842)	(135,933)
	<u>1,142,460</u>	<u>973,534</u>
Less :		
Remisiers' deposit held in trust	(15,765)	(20,817)
Clients' money held in trust	(36,084)	(63,712)
	<u>1,090,611</u>	<u>889,005</u>
Excluding: Cash and Cash equivalents classified as held for sale	321	-
	<u><u>1,090,932</u></u>	<u><u>889,005</u></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 2008

NOTES TO THE INTERIM FINANCIAL REPORT

- A1 The interim financial report is not audited and has been prepared in compliance with Financial Reporting Standards ("FRS") 134 - Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities LR").

The interim financial report should be read in conjunction with the audited financial statements of the Company for the year ended 30 April 2008.

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

- A2 The audit report of the Company'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 is 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 are influenced by the performance of the stock market.
- (d) the local island beach resorts situated at the East Coast of Peninsular Malaysia are affected by the North-East monsoon season in the third quarter of the financial year.
- (e) the gaming business may be positively impacted by the festive seasons.

- A4 (a) The following are the unusual items that occurred during the current quarter under review:

(i) Recognised directly in income statements

	Current Quarter RM'000	Financial Year to date RM'000
Impairment in value of investment in associated companies	(37,074)	(48,748)
Impairment in value of other investments	(9,024)	(21,503)
Write-back of impairment in value of other investments	1,394	8,370
Fair value adjustment on investment properties	(436)	1,911
Loss on foreign exchange	(30,999)	(30,999)
	<u>(76,139)</u>	<u>(90,969)</u>

BERJAYA CORPORATION BERHAD

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 OCTOBER 2008
NOTES TO THE INTERIM FINANCIAL REPORT

A4 (ii) Balance Sheet

During the financial period under review, the Group:

- increased its equity interest in Absolute Prestige Sdn Bhd from 20% to 51% by acquiring an additional 31% equity interest for a cash consideration of RM9.30 million; and
- acquired 100% equity interest in T.P.C. Development Limited for a total cash consideration of approximately USD75.0 million (or about RM253.3 million).

The Group has provisionally estimated the goodwill arising from the above business combinations amounting to approximately RM82.67 million, pending the finalisation of the determination of the cost of business combinations. The purchase price allocation exercise for the above business combinations which principally comprise the determination of fair values of certain hotel properties, are currently in progress.

- (b) There were no material changes in estimates of amounts reported in the current quarter and financial period ended 31 October 2008 other than those changes that resulted from the adoption of new FRSs as mentioned in Note A1.

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 2008 except for the following (rounded to nearest thousand):

(a) Share capital

43,301,000 ordinary shares of RM1.00 each was issued pursuant to conversion of 86,602,000 BCorp ICULS of RM0.50 nominal value each; 322,000 ordinary shares of RM1.00 each was issued pursuant to the tendering of 322,000 BCorp ICULS of RM0.50 nominal value each and the payment in cash of RM161,000.

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

- (i) 86,924,000 BCorp ICULS of RM0.50 nominal value each have been tendered for the subscription of 43,623,000 ordinary shares of RM1.00 each.
- (ii) 1,256,000 BCorp ICULS of RM0.50 nominal value each have been reclassified from liability component to equity component as these BCorp ICULS have been released from the put option obligation placed on it.
- (iii) 4,178,000 BCorp ICULS of RM0.50 nominal value each have been bought back from third parties by subsidiaries of the Group.

A6 The Company did not pay any dividend in the financial period ended 31 October 2008.

BERJAYA CORPORATION BERHADUNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 OCTOBER 2008
NOTES TO THE INTERIM FINANCIAL REPORT

A7 Segment information for the financial period ended 31 October 2008:-

REVENUE	External RM'000	Inter- segment RM'000	Total RM'000
Toto betting operations	1,766,352	-	1,766,352
Financial services	250,628	5,637	256,265
Property investment and development	66,174	54,485	120,659
Hotel and resort	146,274	3,038	149,312
Marketing of consumer products and services	675,806	3,582	679,388
Others	192,537	13,675	206,212
Elimination: Inter-segment Revenue	-	(80,417)	(80,417)
Total revenue	<u>3,097,771</u>	<u>-</u>	<u>3,097,771</u>

RESULTS

	Total RM'000
Toto betting operations	316,358
Financial services	(18,662)
Property investment and development	5,246
Hotel and resort	21,169
Marketing of consumer products and services	72,035
Others	(137)
	<u>396,009</u>
Unallocated corporate items	(444)
Profit from operations	<u>395,565</u>
Investment related income	
-Interest income	33,897
-Write-back of impairment in value of investment in other investments	8,370
-Fair value adjustment on investment properties	1,911
-Others	10,984
	<u>55,162</u>
Investment related expenses	
-Impairment in value of investment in associated companies	(47,187)
-Impairment in value of other investments	(23,008)
-Loss on foreign exchange	(30,999)
-Others	(2,294)
	<u>(103,488)</u>
Finance costs	(137,342)
Share of results of associates	5,778
Profit before tax	<u>215,675</u>
Income tax expense	(100,244)
Profit for the year	<u><u>115,431</u></u>

BERJAYA CORPORATION BERHAD

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 OCTOBER 2008

NOTES TO THE INTERIM FINANCIAL REPORT

- A8 The valuation of land and buildings have been brought forward without amendment from the previous annual audited financial statements other than an increase of RM1.92 million in the fair values of certain investment properties.
- A9 Save as disclosed, there were no significant events since the end of this current quarter up to the date of this announcement.
- A10 There were no changes in the composition of the Group for the current period ended 31 July 2008, including business combinations, acquisition or disposal of subsidiary companies and long term investments, restructuring and discontinuing operations except for the following:-
- (a) On 2 May 2008, BLand announced that BLCL, its wholly owned subsidiary company, has completed the acquisition from Tradewinds Resources Sdn Bhd ("Tradewinds Resources") of 93.6 million ordinary shares of HKD1.00 each, representing 100% stake, in T.P.C. Development Limited, ("TPC Development") a company incorporated in Hong Kong, for USD25.0 million (or about RM84.5 million) and the repayment of inter-company debt owing by TPC Development to Tradewinds Resources of USD50.0 million (or about RM169.0 million). The total cash settlement under the acquisition is USD75.0 million (or about RM253.5 million). TPC Development has a 75% equity interest in T.P.C. Nghi Tam Village Limited, a company incorporated in Vietnam, which owns the InterContinental Hanoi Westlake Hotel in Hanoi City, Vietnam. BLand had previously announced this transaction on 7 November 2007.
 - (b) On 5 May 2008, BLand completed the acquisition of an additional 31% equity interest in Absolute Prestige Sdn Bhd ("APSB") upon the payment of the balance of the purchase consideration of about RM7.90 million. With this additional 31% equity interest in APSB, BLand has a total shareholding of 51% in APSB. APSB holds a long term lease on Wisma Peladang, along Jalan Bukit Bintang, Kuala Lumpur. APSB has converted Wisma Peladang into a hotel named "the Piccolo Hotel" and 3 floors of commercial retail centre called Piccolo Galleria.
 - (c) On 9 June 2008, the Company announced that its subsidiary company, Cosway (M) Sdn Bhd, has acquired 10,000 ordinary shares of KRW5,000 each representing 100% equity interest for a total cash consideration of KRW51.5 million, which is about RM172,000, in Vmart Korea, Inc.
 - (d) On 20 June 2008, the Company announced the incorporation of Berjaya Pizza Company Sdn Bhd ("BPizza") on 19 June 2008. BPizza entered into a development agreement with Papa John's International Inc, a Delaware corporation, United States of America on 20 June 2008 for the exclusive rights to develop and operate the "Papa John's Pizza" franchise business ("PJPFB") in Malaysia. Also, BPizza shall have the first right of refusal for the potential expansion of the PJPFB into Vietnam, Singapore, Thailand, Indonesia and the Philippines.
 - (e) On 25 June 2008, BLand announced that its subsidiary company RC Hotels and Resort JV Holdings (BVI) Company Limited has on 24 June 2008 subscribed for 79 ordinary shares of MVR20 each and one preferential share of MVR20 representing a total of 80% equity interest in ENA Hotel Holding Company Pvt Ltd, a company incorporated in the Republic of Maldives.
 - (f) On 1 July 2008, BLand announced the incorporation of a new subsidiary company, Berjaya Vietnam International University Township One Member Limited Liability Company.
 - (g) On 2 July 2008, BLand announced that it has acquired two ordinary shares of RM1.00 representing 100% equity interest of the issued and paid-up share capital in Mantra Design Sdn Bhd ("MDSB") for a total cash consideration of RM2.00. The intended principal activities of MDSB are providing services in relation to interior designing and consultancy services for building and land development works.

BERJAYA CORPORATION BERHAD

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 OCTOBER 2008

NOTES TO THE INTERIM FINANCIAL REPORT

- A10 (h) On 26 August 2008, Berjaya Media Berhad ("BMedia") announced that Gemtech (M) Sdn Bhd has completed the disposal of its 2.8 million shares in The Edge Communications Sdn Bhd, a 50% associated company of BMedia, to Net Edge Online Sdn Bhd for a consideration of RM85.0 million, satisfied by the transfer of 170.0 million units of BCorp ICULS.
- (i) On 6 August 2008, the Company announced that Berjaya Group (Cayman) Limited ("BGCL"), a wholly owned subsidiary company of the Group, had on 5 August 2008 received the Business Licence pursuant to the incorporation, in the People's Republic of China, of Beijing Green Century Interior Decoration Co Ltd, a wholly owned subsidiary company of BGCL.
- (j) On 15 August 2008, BLand announced that Berjaya Leisure (Cayman) Limited, its wholly owned subsidiary company, had on 13 August 2008, subscribed for its 81% equity interest in Berjaya Jeju Resort Limited.
- (k) On 8 September 2008, BToto announced that it has on 5 September 2008 incorporated a wholly owned subsidiary company in Hong Kong under the name of Berjaya-ILTS Limited ("Berjaya-ILTS"). Berjaya-ILTS is presently dormant but its intended principal activities are sales and marketing of lottery systems and related products and services.
- (l) On 22 October 2008, the Company announced that its subsidiary company, Cosway (HK) Limited, has on even date acquired one ordinary share of RM1.00 each for a cash consideration of HKD1.00 and subscribed for another 1,999,999 ordinary shares of HKD1.00 each representing 100% equity interest in Vmart Corp (HK) Limited ("Vmart") for a cash consideration of HKD1,999,999 for a total consideration of HKD2.0 million. Vmart is an investment holding company.
- A11 There were no material changes in contingent liabilities or contingent asset since the last annual balance sheet date.
- A12 There were no material changes in capital commitment since the last audited annual balance sheet date as at 30 April 2008 except for:
- (a) the completion of the acquisition of two wholly owned subsidiary companies amounting to RM220.0 million as detailed in Notes A10(a) and (b).
- (b) BLand's proposed subscription of the BLand group's portion of share capital in two newly incorporated joint venture companies amounting to about RM45.0 million as detailed in Notes B8(i) and (ii).

BERJAYA CORPORATION BERHAD

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 OCTOBER 2008
ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

B1 For the quarter

The Group registered a revenue of RM1.61 billion and pre-tax profit of RM78.9 million in the current quarter ended 31 October 2008 as compared to a revenue of RM639.9 million and pre-tax profit of RM279.7 million reported in the previous year corresponding quarter.

The increase in revenue was mainly attributed to:

- (a) the consolidation of Berjaya Sports Toto Berhad ("BToto") as a subsidiary company of the Group effective February 2008;
- (b) higher sales from consumer marketing business; and
- (c) increased premium income from general insurance business.

In the previous year corresponding quarter there were significant non-recurring items such as the gain of RM339 million from the placement of 170 million 5% Berjaya Land Berhad ICULS and the gain of RM36 million from the disposal of certain subsidiaries which were partly offset by the loss arising on dilution of interest in a subsidiary company of RM221 million (all totaling about RM154 million).

In the current quarter, the Group incurred losses on foreign exchange of RM31 million due to the weakened Ringgit and made additional impairment in value of investments in associated companies and certain quoted investments totaling RM64 million as detailed in Note A4(i). Profit from operations for the current quarter under review was lower than previous year mainly due to lower brokerage income from the stock-broking business arising from the stock market downturn and high claims ratio which led to underwriting loss in the general insurance business.

For the 6-month Period

As for the 6-month period ended 31 October 2008, the Group's revenue and pre-tax profit were RM3.1 billion and RM215.7 million respectively as compared to a revenue and pre-tax profit of RM1.2 billion and RM477.1 million respectively reported in the previous year corresponding period. The increase in the current period's revenue and lower pre-tax profit were mainly due to reasons mentioned in the paragraphs above. However, operationally for the 6-month period the Group performed better than previous year, mainly due to the consolidation of BToto as a subsidiary company of the Group and higher profit contribution from the consumer marketing business.

B2 Second quarter vs First quarter

For the quarter under review, the Group reported approximately 8% increase in revenue as compared to the previous quarter. The increase in revenue was mainly due to the higher-revenue contribution from the gaming business operated under BToto which recorded strong sales from its games and higher sales from consumer marketing business.

The Group, however, reported a decrease in pre-tax profit from RM136.8 million to RM78.9 million in this current quarter under review. The lower pre-tax profit was mainly due to the lower profit contribution from the hotel and resorts division arising from lower room bookings coupled with lower property billings from property development division and higher underwriting loss incurred by the general insurance business. In addition, the weakened Ringgit Malaysia caused the Group to incur exchange losses and the Group incurred an additional impairment in value of investment in associated companies as well as certain quoted investments arising from the stock market downturn.

Future prospects

- B3** The Directors took cognizance of the prevailing global economic conditions arising from the financial meltdown in the West and its unavoidable impact on the regional economies (including the Malaysian economy) that may affect the operating performance of the Group in the remaining quarters of the financial year ending 30 April 2009, but expect the gaming business under BToto as well as the direct selling business under Cosway (M) Sdn Bhd to be resilient. As such, the Directors are confident that the Group will continue to register revenue and operating profit growth in the remaining quarters of this financial year from the gaming business and the direct selling business contributions.

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B4 There is no profit forecast or profit guarantee for the financial period ended 31 October 2008.

B5 The taxation charge for the current quarter and financial period ended 31 October 2008 are 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	49,431	96,405
- Outside Malaysia	6,596	13,575
Deferred tax	(3,473)	(4,734)
Over-provision in prior years	(3,049)	(5,002)
	<u>49,505</u>	<u>100,244</u>

The disproportionate tax charge of the Group for the current quarter ended 31 October 2008 was mainly 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 ended 31 October 2008.

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 Malaysia Securities Berhad ("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>837</u>	<u>27,064</u>

(ii) There were no disposal of quoted securities in the current quarter ended 31 October 2008.

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B7 (b) Investments in quoted securities : -

At end of
current quarter
RM'000

(i) at cost;	<u>124,062</u>
(ii) at carrying value/book value;	<u>88,223</u>
(iii) at market value.	<u>200,933</u>

B8 There has been no further developments for those corporate proposals disclosed in Notes 43 and 44 to the audited financial statements of the Company for the financial year ended 30 April 2008 except for the following:-

- (a) With reference to Note 44(4), on 24 October 2008, the Company announced that the agreement for the proposed acquisition of 60% equity interest in Clark Hatch International Inc, a company incorporated in the Federal Territory of Labuan, has been terminated by mutual consent due to the non-fulfilment of certain conditions precedent.
- (b) With reference to Note 44(5), on 17 September 2008, BMedia announced the following revised proposals to replace the Proposed BMedia Distribution and Proposed BMedia Loss Cancellation:
- a) proposed distribution by way of dividend-in-specie of up to 145,330,713 units of BCorp ICULS on the basis of one (1) unit of BCorp ICULS for every two (2) BMedia shares held; and
- b) proposed reduction of the share capital of BMedia by a minimum of RM46,470,655 and a maximum of RM58,132,286 (resulting in the reduction of the par value of the ordinary shares of BMedia from RM1.00 to RM0.80) and reduction of the share premium reserve of BMedia by a minimum of RM20,528,296 and a maximum of RM32,189,927 to set off the accumulated losses of BMedia amounting to RM78,660,582.

Approvals from the Securities Commission and BMedia shareholders were obtained on 31 October 2008 and 3 December 2008 respectively.

Events announced subsequent to the audited accounts:

- (i) On 20 August 2008, BLand announced that it has entered into a conditional memorandum of agreement with the Government of Jeju Special Self-Governing Province and Jeju Free International City Development Center ("JDC") for the proposed development of an international themed village ("JejuThemedVillage") on a parcel of freehold land measuring about 586,000 square metres in the vicinity of San 35-7 Seokwang-Ri, Anduk-Myun, Seogwipo-City, Jeju Special Self-Governing Province in Korea. JejuThemedVillage will feature residential and commercial/retail components based on themes from various countries. The JejuThemedVillage will be located within JDC's proposed Myths and History Theme Park. The JejuThemedVillage will be developed by a company, for which the proposed initial issued and paid-up share capital shall not be less than USD10 million and would be subscribed by BLand and JDC in the proportion of 81% and 19% respectively.
- (ii) On 28 August 2008, BLand announced that it has on 25 August 2008 entered into a memorandum of agreement with the Economic & Social Development Fund, Libya and OYIA Company For Development And Tourism Investment, Libya ("OYIA") to collaborate on a joint venture for the proposed development of three parcels of land measuring in total about 345 hectares (or about 852.5 acres) located along the Airport Road in Tripoli, Libya into an integrated golf resort cum residential and commercial development ("TripoliProject").

On 15 September 2008, BLand announced that BLCL, its wholly owned subsidiary company, had on 15 September 2008 entered into a joint venture agreement with OYIA for the TripoliProject. A limited liability company will be established under the name of "Berjaya OYIA Development Limited", whereby BLCL and OYIA will hold 60% and 40% equity interest in it respectively.

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B8 (iii) On 18 September 2008, the Company announced that it has entered into a memorandum of understanding with TMC Life Sciences Berhad and Viet Ha Corporation ("Viet Ha") to jointly carry out activities relating to the design, construction, furnishing, equipping and operating a hospital in or near Hanoi, Vietnam. Viet Ha is a wholly state-owned company of Hanoi People's Committee with an investment licence.

B9 Group borrowings and debt securities as at 31 October 2008 were as follows:

			At end of current quarter RM'000
Short term borrowings			
Secured			
	Foreign currency amount		
	'000		
Denominated in Ringgit Malaysia			860,038
USD	39,209	*	139,293
GBP	296	*	1,711
SGD	6,210	*	14,924
			<u>1,015,966</u>
Unsecured			
Denominated in Ringgit Malaysia			<u>139,138</u>
			1,155,104
Long term borrowings			
Secured			
	Foreign currency amount		
	'000		
Denominated in Ringgit Malaysia			1,364,964
USD	54,792	*	194,650
GBP	2,035	*	11,760
SGD	1,010	*	2,427
CNY	20,000	*	10,336
			<u>1,584,137</u>
Unsecured			
Denominated in Ringgit Malaysia			<u>100,000</u>
			1,684,137
Total bank borrowings			
			<u><u>2,839,241</u></u>
8% Exchangeable bonds (secured)			
			<u><u>882,000</u></u>

* Converted at the respective exchange rate prevailing as at 31 October 2008

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- B10 There is no off balance sheet financial instruments as at the date of this announcement.
- B11 There is no change in material litigation since the last annual balance sheet date up to the date of this announcement.
- B12 The Board has proposed an interim dividend-in-specie of 25 Berjaya Media Berhad shares for every 1,000 Berjaya Corporation Berhad shares held, or equivalent to a dividend rate of 2.35% single-tier exempt dividend per share in respect of the financial year ending 30 April 2009 (previous year corresponding quarter ended 31 October 2007: Second interim dividend of 4% single-tier exempt dividend. 6 months ended 31 October 2007: 7% per share comprising of 6.8% single-tier exempt dividend and a 0.2% dividend less tax of 26%). The proposed interim dividend-in-specie is detailed in a separate announcement released on even date and is subject to approvals of the relevant authorities and the shareholders of the Company.

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B13 The basic and diluted earnings per share are calculated as follows:

	Group (3-months period)			
	31/10/2008	31/10/2007	31/10/2008	31/10/2007
	RM'000		sen	
Net profit for the period from	10,554	106,258		
Impact on income statement upon				
conversion of ICULS (there is no impact				
as the Company's ICULS have a zero				
coupon rate)	-	-		
Adjusted net earnings for the period	<u>10,554</u>	<u>106,258</u>		
Weighted average number				
of ordinary shares in issue ('000)	3,045,358	2,475,771		
Weighted average number of shares to be				
issued upon conversion of a mandatorily				
convertible ICULS	<u>781,116</u>	<u>796,524</u>		
Number of shares used in the calculation				
of basic earnings per share	<u>3,826,474</u>	<u>3,272,295</u>		
Basic earnings per share			<u>0.28</u>	<u>3.25</u>
Adjusted net earnings for the period	10,554	106,258		
Dilution effect on conversion of BLB ICULS	<u>-</u>	<u>(3,923)</u>		
	<u>10,554</u>	<u>102,335</u>		
Number of shares used in the calculation				
of basic earnings per share ('000)	3,826,474	3,272,295		
Number of shares assuming conversion				
of BCorp ICULS - liability component	<u>69,092</u>	<u>213,221</u>		
Adjusted number of shares used in the				
calculation of diluted earnings per share	<u>3,895,566</u>	<u>3,485,516</u>		
Diluted earnings per share			<u>0.27</u>	<u>2.94</u>

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B13

	Group (6-months period)			
	31/10/08	31/10/07	31/10/08	31/10/07
	RM'000		sen	
Net profit for the period from	43,557	242,731		
Impact on income statement upon conversion of ICULS (there is no impact as the Company's ICULS have a zero coupon rate)	-	-		
Adjusted net earnings for the period	<u>43,557</u>	<u>242,731</u>		
Weighted average number of ordinary shares in issue ('000)	3,032,948	2,454,768		
Weighted average number of shares to be issued upon conversion of a mandatorily convertible ICULS	<u>793,876</u>	<u>780,186</u>		
Number of shares used in the calculation of basic earnings per share	<u>3,826,824</u>	<u>3,234,954</u>		
Basic earnings per share			<u>1.14</u>	<u>7.50</u>
Adjusted net earnings for the period	43,557	242,731		
Dilution effect on conversion of BLB ICULS	-	(4,270)		
Dilution effect on conversion of Silver Bird warrants	<u>(602)</u>	<u>-</u>		
	<u>42,955</u>	<u>238,461</u>		
Number of shares used in the calculation of basic earnings per share ('000)	3,826,824	3,234,954		
Number of shares assuming conversion of BCorp ICULS - liability component	<u>69,092</u>	<u>213,221</u>		
Adjusted number of shares used in the calculation of diluted earnings per share	<u>3,895,916</u>	<u>3,448,175</u>		
Diluted earnings per share			<u>1.10</u>	<u>6.92</u>

c.c. Securities Commission