

# **Berjaya Corporation Berhad**

Company No: 554790-X

Date: 29 September 2011

Subject: **UNAUDITED INTERIM FINANCIAL REPORT FOR  
THE PERIOD ENDED 31 JULY 2011**

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**BERJAYA CORPORATION BERHAD****(Company No: 554790 - X)**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JULY 2011  
CONDENSED CONSOLIDATED INCOME STATEMENT

	3 months ended	
	31/07/2011	31/07/2010
	RM'000	RM'000
GROUP REVENUE	1,787,757	1,744,567
Less: revenue from discontinued operation	(41,032)	(127,402)
Revenue from continuing operations	<u>1,746,725</u>	<u>1,617,165</u>
<b><u>Continuing Operations</u></b>		
PROFIT FROM OPERATIONS	193,810	167,278
Investment related income	356,288	149,517
Investment related expenses	(90,039)	(17,623)
Finance costs	(77,384)	(82,213)
Share of results of associates	12,189	20,136
Share of results of jointly controlled entities	(6,866)	(7,442)
PROFIT BEFORE TAX	387,998	229,653
INCOME TAX EXPENSE	(46,720)	(48,079)
PROFIT AFTER TAX FROM CONTINUING OPERATIONS	341,278	181,574
<b><u>Discontinued Operation</u></b>		
PROFIT AFTER TAX FROM DISCONTINUED OPERATION	<u>1,799</u>	<u>5,816</u>
PROFIT AFTER TAX	<u>343,077</u>	<u>187,390</u>
ATTRIBUTABLE TO:		
- Equity holders of the parent		
- from continuing operations	269,326	121,453
- from discontinued operation	1,259	4,010
	<u>270,585</u>	<u>125,463</u>
- Non-controlling interests	72,492	61,927
	<u>343,077</u>	<u>187,390</u>
EARNINGS PER SHARE (SEN)		
- Basic, for the period from continuing operations	6.16	2.79
- Basic, for the period from discontinued operation	0.03	0.09
- Basic, for the period	<u>6.19</u>	<u>2.88</u>
- Diluted, for the period from continuing operations	6.12	2.77
- Diluted, for the period from discontinued operation	0.03	0.09
- Diluted, for the period	<u>6.15</u>	<u>2.86</u>

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

**BERJAYA CORPORATION BERHAD****(Company No: 554790 - X)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JULY 2011

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	3 months ended	
	31/07/2011	31/07/2010
	RM'000	RM'000
PROFIT AFTER TAX	343,077	187,390
OTHER COMPREHENSIVE ITEMS		
Changes in fair value of available-for-sale investments	(928)	(38,645)
Foreign currency translation	7,437	(12,030)
Share of other comprehensive items of associates	(1,630)	(6,400)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>347,956</u>	<u>130,315</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:		
- Equity holders of the parent	278,181	126,084
- Non-controlling interests	<u>69,775</u>	<u>4,231</u>
	<u>347,956</u>	<u>130,315</u>

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

**BERJAYA CORPORATION BERHAD**

(Company No: 554790 - X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JULY 2011

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Group As at 31/07/2011 RM'000	Group As at 30/04/2011 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	2,844,954	2,827,892
Biological assets	15,612	13,989
Other investments	68,207	80,100
Investment properties	607,414	609,060
Prepaid land lease premiums	1,118	1,097
Land held for development	2,097,784	2,074,486
Investment in associated companies	954,190	662,090
Investment in jointly controlled entities	108,103	115,585
Deferred tax assets	39,590	33,454
Other receivables	351,818	352,093
Intangible assets	5,882,865	5,893,071
	<u>12,971,655</u>	<u>12,662,917</u>
<b>Current Assets</b>		
Development properties	750,927	716,392
Inventories	811,623	845,822
Trade and other receivables	1,187,564	1,119,703
Short term investments	14,921	14,868
Tax recoverable	76,257	43,162
Deposits with financial institutions	1,705,951	688,956
Cash and bank balances	664,713	579,423
Assets classified as held for sale	36,225	1,204,287
	<u>5,248,181</u>	<u>5,212,613</u>
<b>TOTAL ASSETS</b>	<u>18,219,836</u>	<u>17,875,530</u>
<b>EQUITY AND LIABILITIES</b>		
Share capital	4,222,939	4,221,301
Irredeemable Convertible Unsecured Loan Stocks - Equity component	196,150	176,869
Reserves	1,909,393	1,659,977
	<u>6,328,482</u>	<u>6,058,147</u>
Less: Treasury shares	(49,248)	(37,323)
	<u>6,279,234</u>	<u>6,020,824</u>
Non-controlling interests	4,807,367	4,762,320
<b>Equity funds</b>	<u>11,086,601</u>	<u>10,783,144</u>
<b>Non-current liabilities</b>		
Irredeemable Convertible Unsecured Loan Stocks ("ICULS")	14,419	14,381
Long term borrowings	1,543,193	1,350,319
Other long term liabilities	419,384	442,641
Deferred taxation	353,322	355,044
Provisions	8,919	10,484
	<u>2,339,237</u>	<u>2,172,869</u>
<b>Current Liabilities</b>		
8% Secured Exchangeable Bonds	695,400	702,000
Trade and other payables	1,803,813	1,861,036
Provisions	2,867	964
Short term borrowings	2,216,346	1,731,682
Taxation	75,572	35,271
Derivative liability	-	24,388
Liabilities directly associated with assets classified as held for sale	-	564,176
	<u>4,793,998</u>	<u>4,919,517</u>
<b>Total Liabilities</b>	<u>7,133,235</u>	<u>7,092,386</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>18,219,836</u>	<u>17,875,530</u>
Basic net assets per share (sen)	145.54	139.53
Dilutive net assets per share (sen)	143.50	135.87

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

Basic : Equity funds less non-controlling interests and ICULS - equity component divided by the number of outstanding shares in issue with voting rights.

Dilutive : Equity funds less non-controlling interests divided by the number of outstanding shares in issue with voting rights 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**
**(Company No: 554790 - X)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JULY 2011

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to the equity holders of the Parent										Total net equity funds RM'000	Non-controlling interests RM'000	Total equity RM'000
	Non-distributable					Distributable							
	Share capital RM'000	ICULS - equity component RM'000	AFS reserve RM'000	Reserve of disposal group classified as held for sale RM'000	Share option reserve RM'000	Fair value reserve RM'000	Capital reserve RM'000	Foreign currency translation reserves RM'000	Retained earnings RM'000	Treasury shares RM'000			
At 1 May 2011	4,221,301	176,869	13,178	3,888	2,895	960,047	17,804	(126,491)	788,656	(37,323)	6,020,824	4,762,320	10,783,144
Total comprehensive income	-	-	2,333	(1,814)	-	-	4	7,073	270,585	-	278,181	69,775	347,956
<b>Transaction with owners:</b>													
Re-issue of BCorp ICULS pursuant to sale of BCorp ICULS previously held within the Group to third parties	-	20,100	-	-	-	-	-	-	(1,053)	-	19,047	-	19,047
Transfer of reserves	-	-	(3,494)	(2,074)	690	(18,381)	(814)	1,179	22,894	-	-	-	-
Arising from conversion of BCorp ICULS - by cash option	1,638	(819)	-	-	-	-	-	-	-	-	819	-	819
Treasury shares	-	-	-	-	-	-	-	-	-	(11,925)	(11,925)	-	(11,925)
Adjustment in relation to part disposal/dilution of equity interest in subsidiary companies	-	-	-	-	-	-	(3,522)	(2,166)	(19,955)	-	(25,643)	(53,509)	(79,152)
Adjustment due to increase in equity in subsidiary companies	-	-	-	-	-	-	-	(2,421)	284	-	(2,137)	(5,313)	(7,450)
Share based payment	-	-	-	-	68	-	-	-	-	-	68	21	89
Capital contribution by non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	54,096	54,096
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(20,023)	(20,023)
	1,638	19,281	(3,494)	(2,074)	758	(18,381)	(4,336)	(3,408)	2,170	(11,925)	(19,771)	(24,728)	(44,499)
At 31 July 2011	4,222,939	196,150	12,017	-	3,653	941,666	13,472	(122,826)	1,061,411	(49,248)	6,279,234	4,807,367	11,086,601

**BERJAYA CORPORATION BERHAD**
**(Company No: 554790 - X)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JULY 2011

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

	Attributable to the equity holders of the Parent							Retained earnings	Treasury shares	Total net equity funds	Non-controlling interests	Total equity
	Non-distributable				Distributable							
	Share capital	ICULS - equity component	AFS reserve	Share option reserve	Fair value reserve	Capital reserves	Foreign currency translation reserves	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 May 2010	4,021,886	313,414	-	-	969,949	18,960	(77,922)	695,083	(3,680)	5,937,690	4,815,314	10,753,004
Prior year adjustment	-	-	-	-	-	-	-	(5,295)	-	(5,295)	(1,973)	(7,268)
Effects of adopting IC 13	-	-	-	-	-	-	-	(5,295)	-	(5,295)	(1,973)	(7,268)
As restated	4,021,886	313,414	-	-	969,949	18,960	(77,922)	689,788	(3,680)	5,932,395	4,813,341	10,745,736
Effects of adopting FRS 139	-	-	84,671	-	-	-	-	7,693	-	92,364	74,532	166,896
	4,021,886	313,414	84,671	-	969,949	18,960	(77,922)	697,481	(3,680)	6,024,759	4,887,873	10,912,632
Total comprehensive income	-	-	3,882	-	-	4	(3,265)	125,463	-	126,084	4,231	130,315
<b>Transaction with owners:</b>												
Buy back of BCorp ICULS	-	(29,330)	-	-	-	-	-	(21,475)	-	(50,805)	-	(50,805)
Re-issue of BCorp ICULS pursuant to sale of BCorp ICULS previously held within the Group to third parties	-	2,580	-	-	-	-	-	2,284	-	4,864	-	4,864
Transfer of reserves	-	-	(21,280)	-	(6,517)	(1,622)	(355)	29,774	-	-	-	-
Arising from conversion of BCorp ICULS												
- by cash option	175,168	(87,584)	-	-	-	-	-	-	-	87,584	-	87,584
- by surrender option	2,211	(2,211)	-	-	-	-	-	-	-	-	-	-
Treasury shares	-	-	-	-	-	-	-	-	(8,771)	(8,771)	-	(8,771)
Acquisition of subsidiary company	-	-	-	-	-	-	-	-	-	-	429	429
Adjustment in relation to part disposal/dilution of equity interest in subsidiary companies	-	-	-	-	-	-	-	-	-	-	81,267	81,267
Adjustment due to increase in equity in subsidiary companies	-	-	-	-	-	-	-	-	-	-	(132,944)	(132,944)
Capital contribution by non-controlling interests	-	-	-	3,225	-	-	-	-	-	3,225	1,383	4,608
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(54,695)	(54,695)
	177,379	(116,545)	(21,280)	3,225	(6,517)	(1,622)	(355)	10,583	(8,771)	36,097	(104,560)	(68,463)
At 31 July 2010	4,199,265	196,869	67,273	3,225	963,432	17,342	(81,542)	833,527	(12,451)	6,186,940	4,787,544	10,974,484

**BERJAYA CORPORATION BERHAD****(Company No: 554790 - X)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JULY 2011

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	3 months ended	
	31/07/2011	31/07/2010
	RM'000	RM'000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Receipts from operations	1,821,228	1,742,072
Payments for operating expenses (including taxes)	(1,656,881)	(1,569,967)
Net cash generated from operating activities	<u>164,347</u>	<u>172,105</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Disposal of investment in subsidiary companies	509,470	95,127
Disposal of investment in associated companies	-	105,547
Acquisition of investments in subsidiary companies	(327)	(195,873)
Receipts from investments (include sales of property, plant & equipment)	25,201	87,519
Advances to jointly controlled entities	(7,745)	(6,212)
Payment for investments (include purchase of property, plant & equipment)	(71,369)	(76,915)
Net cash generated from investing activities	<u>455,230</u>	<u>9,193</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Acquisition of treasury shares by the Company	(11,925)	(8,771)
Issuance of share capital	819	87,584
Issuance of share capital to non-controlling interests of subsidiary companies	54,747	1,860
Proceeds from re-issue of BCorp ICULS	-	4,864
Balance of proceeds from re-issue of BCorp ICULS in previous year	-	25,347
Dividend paid to shareholders of the Company	(69)	(392)
Dividends paid to non-controlling interests of subsidiary companies	(56,870)	(53,979)
Repurchase of ICULS	-	(48,225)
Interest paid	(52,427)	(55,317)
Issuance of medium term notes by subsidiary companies	-	500,000
Drawdown of bank and other borrowings	1,061,374	440,525
Repayment of bank and other borrowings	(507,412)	(895,575)
Net cash generated from/(used in) financing activities	<u>488,237</u>	<u>(2,079)</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<u>1,107,814</u>	<u>179,219</u>
<b>OPENING CASH AND CASH EQUIVALENTS</b>	<u>1,123,985</u>	<u>1,154,987</u>
Effect of exchange rate changes	2,130	(515)
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<u><u>2,233,929</u></u>	<u><u>1,333,691</u></u>
Cash and cash equivalents carried forward comprise:	RM'000	RM'000
Deposits with financial institutions	1,705,951	937,321
Cash and bank balances	664,713	589,262
Bank overdraft (included under short term borrowings)	(83,098)	(93,864)
	<u>2,287,566</u>	<u>1,432,719</u>
Less :		
Remisiers' deposit held in trust	(15,064)	(16,225)
Clients' money held in trust	(38,573)	(82,803)
	<u><u>2,233,929</u></u>	<u><u>1,333,691</u></u>

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

**BERJAYA CORPORATION BERHAD****(Company No: 554790 - X)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JULY 2011

## 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 Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities LR").

The condensed consolidated interim financial report should be read in conjunction with the audited financial statements of the Company for the year ended 30 April 2011. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant for understanding the changes in the financial position and performance of the Company since the year ended 30 April 2011.

The accounting policies and methods of computation adopted by the Group in the quarterly financial statements are consistent with those adopted in the audited financial statements for the year ended 30 April 2011.

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 2011.

The initial application of the FRSs, Amendments to FRSs 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 The following business operations of the Group are affected by seasonal or cyclical factors:

- (a) the property development segment is affected by the prevailing cyclical economic conditions.
- (b) the stock and futures broking businesses are influenced by the performance of the stock market.
- (c) 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.
- (d) the gaming business may be positively impacted by the festive seasons.

- A3 (a) The following are the unusual items that occurred during the current quarter under review:

<u>Recognised directly in income statement</u>	Current Quarter RM'000
Gain on disposal of subsidiary companies	309,689
Gain on partial disposal of associated companies	4,345
Gain on disposal of investment properties	870
Fair value change on derecognition of derivative liability	24,389
Loss on partial disposal of associated companies	(66,826)
Write-back/impairment in value of investment in associated companies	(6,956)
Fair value changes of fair value through profit or loss ("FVTPL") investments	(11,427)
	<u>254,084</u>

- (b) There were no material change in estimates of amounts reported in the current quarter ended 31 July 2011 other than those changes that resulted from the adoption of new FRSs, Amendments to FRSs, Interpretations and Technical Releases mentioned in Note A1 above.

**BERJAYA CORPORATION BERHAD****(Company No: 554790 - X)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JULY 2011

## NOTES TO THE INTERIM FINANCIAL REPORT

A4 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 year ended 31 July 2011 except for the following (rounded to nearest thousand):

- (a) Share capital
- (i) 1,638,000 ordinary shares of RM1.00 each were issued pursuant to the tendering of 1,638,000 BCorp ICULS of RM0.50 nominal value each and the payment in cash of RM819,000.
- (b) 0% 10-year irredeemable convertible unsecured loan stocks of RM0.50 nominal value each ("BCorp ICULS")
- (i) 1,638,000 BCorp ICULS have been tendered for the subscription of 1,638,000 ordinary shares of RM1.00 each.
- (ii) 40,200,000 BCorp ICULS previously held within the Group have been re-issued to third parties.
- (c) Treasury shares  
10,200,000 ordinary shares of RM1.00 each were bought back and held as treasury shares with none of these shares being cancelled or sold.

Subsequent to the quarter ended 31 July 2011 and up to the date of this announcement:-

	<u>RM'000</u>	<u>RM'000</u>
Share capital - Issued and fully paid up as at 31 July 2011		4,222,939
Arising from conversion of BCorp ICULS		
- by cash option	-	
- by surrender option	-	-
Issued as part settlement for the acquisition of a subsidiary (refer Note B8(b))		33,013
Share capital - Issued and fully paid up as at 28 September 2011		<u><u>4,255,952</u></u>

The details of the share buyback during the financial period ended 31 July 2011 are as follows:

Month	Price per share (RM)			Number of shares	Total consideration RM'000
	Lowest	Highest	Average		
May 2011	1.07	1.22	1.12	3,800,000	4,257
Jun 2011	1.14	1.25	1.19	4,000,000	4,753
Jul 2011	1.12	1.23	1.21	2,400,000	2,915
				<u>10,200,000</u>	<u>11,925</u>

**BERJAYA CORPORATION BERHAD****(Company No: 554790 - X)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JULY 2011

## NOTES TO THE INTERIM FINANCIAL REPORT

The number of treasury shares held in hand as at 31 July 2011 are as follows:

	Average price per share RM	Number of shares	Amount RM'000
Balance as at 30 April 2011	1.13	33,100,000	37,323
Increase in treasury shares	1.17	10,200,000	11,925
<b>Total treasury shares as at 31 July 2011</b>	<b>1.14</b>	<b>43,300,000</b>	<b>49,248</b>

As at 31 July 2011, the number of outstanding shares in issue and fully paid up with voting rights (rounded to nearest thousand) was 4,179,639,000 (31 July 2010: 4,189,265,000) ordinary shares of RM1.00 each.

A5 The Company did not pay any dividend in the financial period ended 31 July 2011.

A6 Segment information for the financial period ended 31 July 2011:-

REVENUE	External RM'000	Inter-segment RM'000	Total RM'000
Revenue from continuing operations			
Toto betting operations	841,912	-	841,912
Financial services	10,839	500	11,339
Property investment and development	80,987	4,242	85,229
Hotels and resorts	76,680	438	77,118
Marketing of consumer products and services	652,185	9,022	661,207
Others	84,122	11,809	95,931
Elimination: Inter-segment Revenue	-	(26,011)	(26,011)
Total revenue from continuing operations	<u>1,746,725</u>	<u>-</u>	<u>1,746,725</u>
Revenue from discontinued operation			
Financial services	<u>41,032</u>	<u>-</u>	<u>41,032</u>
Total revenue	<u><u>1,787,757</u></u>	<u><u>-</u></u>	<u><u>1,787,757</u></u>

**BERJAYA CORPORATION BERHAD****(Company No: 554790 - X)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JULY 2011

## NOTES TO THE INTERIM FINANCIAL REPORT

RESULTS	Results from continuing operations RM'000	Results from discontinued operation RM'000	Total RM'000
Toto betting operations	140,869	-	140,869
Financial services	10,387	832	11,219
Property investment and development	1,731	-	1,731
Hotels and resorts	7,062	-	7,062
Marketing of consumer products and services	55,844	-	55,844
Others	(22,517)	-	(22,517)
	<u>193,376</u>	<u>832</u>	<u>194,208</u>
Unallocated corporate items	434	-	434
Profit from operations	<u>193,810</u>	<u>832</u>	<u>194,642</u>
Investment related income			
-Interest income	14,310	1,567	15,877
-Gain on disposal of subsidiary companies	309,689	-	309,689
-Gain on partial disposal of associated companies	4,345	-	4,345
-Gain on disposal of investment properties	870	-	870
-Fair value change on derecognition of derivative liability	24,389	-	24,389
-Write-back of impairment in value of investment in associated companies	2,095	-	2,095
- Dividend income and others	590	-	590
	<u>356,288</u>	<u>1,567</u>	<u>357,855</u>
Investment related expenses			
-Loss on partial disposal of associated companies	(66,826)	-	(66,826)
-Impairment in value of investment in associated companies	(9,051)	-	(9,051)
-Fair value changes of FVTPL investments	(11,427)	-	(11,427)
-Others	(2,735)	-	(2,735)
	<u>(90,039)</u>	<u>-</u>	<u>(90,039)</u>
Finance costs	(77,384)	-	(77,384)
Share of results of associates	12,189	-	12,189
Share of results of jointly controlled entities	(6,866)	-	(6,866)
Profit before tax	<u>387,998</u>	<u>2,399</u>	<u>390,397</u>
Income tax expense	(46,720)	(600)	(47,320)
Profit for the year	<u><u>341,278</u></u>	<u><u>1,799</u></u>	<u><u>343,077</u></u>

A7 There were no significant events since the end of this current quarter up to the date of this announcement.

**BERJAYA CORPORATION BERHAD**

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NOTES TO THE INTERIM FINANCIAL REPORT

- A8 There were no changes in the composition of the Group for the current period ended 31 July 2011, including business combinations, acquisition or disposal of subsidiary companies and long term investments, restructuring and discontinuing operations except for the following:-
- (a) On 4 May 2011, the Company announced that Roasters Asia Pacific (HK) Limited, a wholly owned subsidiary company of the Group, received the business licence for the incorporation of a new wholly owned subsidiary company under the name of Kenny Rogers Roasters Catering (Shenzhen) Company Ltd ("KRR Shenzhen") in Shenzhen, the People's Republic of China ("PRC"). The intended principal activity of KRR Shenzhen is to develop and operate the Kenny Rogers Roasters chain of restaurants in the PRC.
  - (b) On 15 June 2011, the Company announced that Berjaya Capital Berhad ("BCapital"), its indirect wholly owned subsidiary company, completed the disposal of 47.2 million ordinary shares of RM1.00 each, representing 40% equity interest, in Berjaya Sompo Insurance Berhad ("BSompo") to Sompo Japan Asia Holdings Pte Ltd for a cash consideration of RM496.0 million. Consequently, BSompo became a 30% associated company of the Group.
  - (c) On 14 July 2011, Berjaya Land Berhad ("BLand") announced the completion of the disposal by BVC and BVCCayman, its wholly owned subsidiary companies, of their 100% equity interest in BVCIndia to A.R. Foundations Private Limited for a total cash consideration of USD5.35 million of which USD0.53 million was for BVC and USD4.82 million was for BVCCayman.
  - (d) On 27 July 2011, Berjaya Food Berhad incorporated a new wholly-owned subsidiary under the name of Berjaya Food (International) Sdn Bhd to undertake the proposed joint venture to operate the Kenny Rogers Roasters business in Indonesia.
- A9 There were no material changes in contingent liabilities or contingent asset since the last audited statement of financial position as at 30 April 2011.
- A10 There were no material changes in capital commitment since the last audited statement of financial position as at 30 April 2011.

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**B1 For the quarter**

The Group's revenue and pre-tax profit for the current quarter ended 31 July 2011 and the previous year corresponding quarter are tabulated below:

	3 months ended	
	31/07/2011	31/07/2010
	RM'000	RM'000
Revenue		
from continuing operations	1,746,725	1,617,165
from discontinued operation	41,032	127,402
	<u>1,787,757</u>	<u>1,744,567</u>
Pre-tax profit		
from continuing operations	387,998	229,653
from discontinued operation	2,399	8,130
	<u>390,397</u>	<u>237,783</u>

The increase in group revenue was mainly contributed by the consumer marketing business operated by the Cosway group. The higher group pre-tax profit was mainly due to the gain on disposal of 40% equity interest in Berjaya Sampo Insurance Berhad ("BSompo") and the improved results from the gaming business under Berjaya Sports Toto Berhad as well as the consumer marketing business operated by the Cosway group which was in tandem with its revenue growth.

**B2 First quarter vs fourth quarter of the preceding financial year**

For the quarter under review, the Group reported a revenue of RM1.79 billion which was lower than RM1.87 billion (comprised of RM1.75 billion from continuing operations and RM0.12 billion from discontinued operation) reported in the preceding quarter. The lower group revenue for the quarter was mainly due to the deconsolidation of BSompo upon its disposal, which was completed on 15 June 2011.

The Group reported a higher pre-tax profit of RM390.40 million in the current quarter as compared to RM261.61 million (comprised of RM243.94 million from continuing operations and RM17.67 million from discontinued operation) in the preceding quarter. The higher pre-tax profit was mainly due to the gain on disposal of 40% equity interest in BSompo.

**B3 Future prospects**

Barring unforeseen circumstances, the Directors are of the view that the operating performance of the Group's core businesses for the remaining quarters will remain satisfactory.

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B4 There is no profit forecast or profit guarantee for the financial period ended 31 July 2011.

B5 The taxation charge for the current quarter ended 31 July 2011 are detailed as follows:

	Current Quarter RM'000
Based on the results for the period for continuing operations:-	
Current period provision	
- In Malaysia	48,514
- Outside Malaysia	7,442
Deferred tax	(9,248)
Under provision in prior years	12
	<u>46,720</u>

The disproportionate tax charge of the Group for the current quarter ended 31 July 2011 was mainly due to certain capital gains which are not taxable, 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 other than the following:-

	Current Quarter RM'000
Gain on disposal of properties	<u>870</u>

B7 (a) There were no purchase and disposal of quoted securities by all companies other than insurance company, stockbroking company and such other companies exempted by Bursa Malaysia Securities Berhad ("Bursa Securities").

(b) Investments in quoted securities : -

	At end of current quarter RM'000
(i) at cost;	<u>50,793</u>
(ii) at carrying value/book value;	<u>50,100</u>
(iii) at market value.	<u>50,100</u>

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B8 There has been no further developments for those corporate proposals disclosed in Notes 47 and 48 to the audited financial statements of the Company for the financial year ended 30 April 2011 except for the following:

- (a) With reference to Note 48(7), on 27 September 2011, the Company announced that the Securities Commission had, vide its letter dated 26 September 2011, rejected the application for the proposed listing of Bermaz Motor Sdn Bhd on the Main Market of the Bursa Securities.
- (b) With reference to Note 48(9), on 7 September 2011, the Company announced that Bursa Securities approved the listing of and quotation for the new shares to be issued as part of the settlement for the consideration for the acquisition of the Dragon Spring group of companies. On 28 September 2011, the Company announced the completion of the acquisition of the Dragon Spring group of companies upon the issuance and allotment of about 33.01 million new ordinary shares of RM1.00 each in the Company at an issue price of RM1.18 per share.

Events announced subsequent to the date of the audited financial statements:

- (i) On 25 August 2011, the Company announced that Berjaya Group Berhad, its wholly owned subsidiary company, had on even date entered into a conditional agreement with Berjaya Food Berhad ("BFood") for the proposed disposal of its entire 50% stake in Berjaya Starbucks Coffee Company Sdn Bhd to BFood for a cash consideration of about RM71.7 million ("PropStarbucksDisposal"). The PropStarbucksDisposal is conditional upon BFood implementing a proposed renounceable rights issue of up to 118.94 million new ordinary shares of RM0.50 each in BFood at an issue price of RM0.65 per rights share together with up to 118.94 free detachable warrants ("BFood Warrants") on the basis of 4 BFood rights shares with 4 free BFood Warrants for every 5 existing BFood shares held.
- (ii) On 19 September 2011, the Company announced a proposed renounceable rights issue of up to about RM767.5 million nominal value of 10-year 5% irredeemable convertible unsecured loan stocks ("New ICULS") at its nominal value together with up to about 767.5 million free detachable warrants ("Warrants") on the basis of one New ICULS and one Warrant for every six existing ordinary shares held in the Company ("PropBCorpRI"). The PropBCorpRI is conditional upon the Proposed CCL Privatisation.

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B9 Group borrowings and debt securities as at 31 July 2011 were as follows:

			At end of current quarter RM'000
Short term borrowings			
Secured			
	Foreign currency amount		
Denominated in	'000		
Ringgit Malaysia			1,818,924
USD	106,282	*	313,109
GBP	718	*	3,471
HKD	6,121	*	2,320
			<u>2,137,824</u>
Unsecured			
Denominated in			
Ringgit Malaysia			76,679
RMB	4,001	*	1,843
			<u>78,522</u>
			2,216,346
Long term borrowings			
Secured			
	Foreign currency amount		
Denominated in	'000		
Ringgit Malaysia		#	1,367,653
USD	48,635	*	143,645
GBP	1,240	*	5,990
			<u>1,517,288</u>
Unsecured			
Denominated in			
Ringgit Malaysia			3,331
RMB	49,005	*	22,574
			<u>25,905</u>
			1,543,193
Total bank borrowings			<u><u>3,759,539</u></u>
8% Exchangeable Bonds (secured) ^			<u><u>695,400</u></u>

\* Converted at the respective exchange rate prevailing as at 31 July 2011

# Includes medium term notes of RM655 million

^ Fully redeemed on 15 August 2011

B10 There was no financial instruments with off statement of financial position risk as at the date of announcement.

B11 There is no change in material litigation since the last annual statement of financial position date up to the date of this announcement.

B12 The Board does not recommend any dividend for the current quarter under review (previous year corresponding quarter ended 31 July 2010: Nil). In the previous financial year, the Board has recommended a final dividend of 2% single-tier exempt dividend per share in respect of the financial year ended 30 April 2011 for the approval of shareholders at the forthcoming Annual General Meeting.

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

	Group (3-month period)			
	31/07/2011	31/07/2010	31/07/2011	31/07/2010
	RM'000		sen	
Net profit for the quarter from continuing operations	269,326	121,453		
Net profit for the quarter from discontinued operation	1,259	4,010		
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 quarter	<u>270,585</u>	<u>125,463</u>		
Weighted average number of ordinary shares in issue with voting rights ('000)	4,183,944	4,108,013		
Weighted average number of shares to be issued upon conversion of mandatorily convertible ICULS ('000)	<u>186,407</u>	<u>253,952</u>		
Number of shares used in the calculation of basic earnings per share ('000)	<u>4,370,351</u>	<u>4,361,965</u>		
Basic earnings per share				
- from continuing operations			6.16	2.79
- from discontinued operation			<u>0.03</u>	<u>0.09</u>
			<u>6.19</u>	<u>2.88</u>
Adjusted net earnings for the quarter, from continuing operations	269,326	121,453		
Dilution effect on conversion of Berjaya Assets Berhad warrants	-	(134)		
Dilution effect on conversion of Silver Bird Group Berhad warrants	(130)	-		
	<u>269,196</u>	<u>121,319</u>		
Net profit for the quarter from discontinued operation	<u>1,259</u>	<u>4,010</u>		
	<u>270,455</u>	<u>125,329</u>		
Number of shares used in the calculation of basic earnings per share ('000)	4,370,351	4,361,965		
Number of shares assuming conversion of BCorp ICULS - equity component ('000)	<u>31,307</u>	<u>14,583</u>		
Adjusted number of shares used in the calculation of diluted earnings per share ('000)	<u>4,401,658</u>	<u>4,376,548</u>		
Diluted earnings per share				
- from continuing operations			6.12	2.77
- from discontinued operation			<u>0.03</u>	<u>0.09</u>
			<u>6.15</u>	<u>2.86</u>

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B14 Realised and unrealised earnings of the Group is analysed as follows:

	As at 31/07/2011 RM'000	As at 30/04/2011 RM'000
Total retained earnings of the Company and its subsidiaries:		
- realised	1,323,977	1,278,957
- unrealised	<u>226,275</u>	<u>174,311</u>
	1,550,252	1,453,268
Less: Consolidation adjustments	(488,841)	(664,612)
Total group retained earnings as per consolidated accounts	<u><u>1,061,411</u></u>	<u><u>788,656</u></u>

c.c. Securities Commission