

**BERJAYA LAND BERHAD**  
**(COMPANY NO: 201765-A)**

**UNAUDITED INTERIM FINANCIAL REPORT**  
**FOR THE PERIOD ENDED 31 OCTOBER 2006**

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**BERJAYA LAND BERHAD**

(COMPANY NO: 201765-A)

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE PERIOD ENDED 31 OCTOBER 2006  
CONDENSED CONSOLIDATED BALANCE SHEET**

	Note	<u>Group</u>	
		At 31/10/06	At 30/04/06 (Audited)
		RM'000	RM'000
<b>Non-Current Assets</b>			
Property, Plant and Equipment		1,602,016	1,602,961
Investment Properties		764,850	519,787
Land Held For Development		238,401	238,200
Associated Companies		1,210,444	1,520,106
Investments		56,156	28,589
Deferred Tax Assets		762	731
Intangible Assets		40,399	6,138
		3,913,028	3,916,512
<b>Current Assets</b>			
Development Properties		288,134	276,641
Inventories		92,167	94,229
Amount Due From Penultimate Holding Company		83,716	81,059
Receivables		577,153	559,418
Tax Recoverable		49,048	44,456
Deposits		176,467	34,505
Cash And Bank Balances		66,622	128,680
		1,333,307	1,218,988
<b>Total Assets</b>		5,246,335	5,135,500
<b>Equity</b>			
Share Capital		895,485	895,423
Share Premium		57,529	57,529
Reserves :			
Exchange Reserves		45,294	54,171
Retained Profits		1,049,872	822,207
		1,095,166	876,378
Equity attributable to equity holders of the parent		2,048,180	1,829,330
Minority Interests		71,786	71,998
Total Equity		2,119,966	1,901,328
<b>Non-Current Liabilities</b>			
5% Irredeemable Convertible Unsecured Loan Stocks ("ICULS") 1999/2009		225,710	310,359
8% Exchangeable Bonds		900,000	-
Retirement Benefit Obligations		1,472	1,847
Long Term Borrowings	B9	690,982	621,139
Other Long Term Liabilities		234,538	231,887
Deferred Taxation		211,589	134,064
		2,264,291	1,299,296
<b>Current Liabilities</b>			
Payables		466,646	967,262
Short Term Borrowings	B9	354,566	959,972
Dividend Payable		32,237	-
Retirement Benefit Obligations		74	74
Taxation		8,555	7,568
		862,078	1,934,876
<b>Total Equity and Liabilities</b>		5,246,335	5,135,500
<i>Net assets per share attributable to ordinary equity holders of the parent (sen)</i>		229	204

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

**BERJAYA LAND BERHAD**  
(COMPANY NO : 201765-A)

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE PERIOD ENDED 31 OCTOBER 2006  
CONDENSED CONSOLIDATED INCOME STATEMENT**

	CURRENT QUARTER		PERIOD	
	ENDED		ENDED	
	31/10/06	31/10/05	31/10/06	31/10/05
Note	RM'000	RM'000	RM'000	RM'000
Revenue	121,960	143,446	246,332	256,544
Operating expenses, net	(115,133)	(121,084)	(227,914)	(222,248)
Profit from operations	6,827	22,362	18,418	34,296
Results arising from investing activities	7,236	26,691	10,379	36,907
Compensation from holding company	-	226,891	-	226,891
Share of results from associated companies	33,795	41,327	76,249	87,501
Finance costs (including put option holding costs)	(46,613)	(265,732)	(85,387)	(305,273)
Profit before taxation	1,245	51,539	19,659	80,322
Taxation	7,108	(9,976)	3,731	(12,554)
Profit for the period	8,353	41,563	23,390	67,768
Attributable to:				
- Equity holders of the Parent	8,597	41,102	23,602	67,026
- Minority interests	(244)	461	(212)	742
	8,353	41,563	23,390	67,768
Earnings per share (sen)				
Basic	1.06	4.35	2.73	7.10

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**BERJAYA LAND BERHAD**  
(COMPANY NO : 201765-A)

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE PERIOD ENDED 31 OCTOBER 2006  
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	----- Attributable to the equity holders of the Parent -----						
	Share capital RM '000	Share premium RM '000	Non - distributable reserves RM '000	Distributable reserves RM'000	Total RM'000	Minority interests RM'000	Total Equity RM'000
At 1 May 2005	868,077	934,686	73,293	1,646,909	3,522,965	73,643	3,596,608
Issuance of shares from conversion of 5% ICULS 1999/2009	10,883	6,530	-	-	17,413	-	17,413
Net profit for the period	-	-	-	67,026	67,026	742	67,768
Gain on accretion of an associated company	-	-	-	33,955	33,955	-	33,955
Currency translation differences	-	-	(14,034)	-	(14,034)	-	(14,034)
Dividend *	-	-	-	(31,642)	(31,642)	-	(31,642)
At 31 October 2005	<u>878,960</u>	<u>941,216</u>	<u>59,259</u>	<u>1,716,248</u>	<u>3,595,683</u>	<u>74,385</u>	<u>3,670,068</u>
At 1 May 2006	895,423	57,529	54,171	822,207	1,829,330	71,998	1,901,328
Issuance of shares from conversion of 5% ICULS 1999/2009	62	-	-	-	62	-	62
Share of associated company's effects of adoption of FRS 140	-	-	-	6,707	6,707	-	6,707
Effects of adoption of FRS 140	-	-	-	195,428	195,428	-	195,428
Effects of adoption of FRS 3	-	-	-	34,165	34,165	-	34,165
Net profit/(loss) for the period	<u>895,485</u>	<u>57,529</u>	<u>54,171</u>	<u>1,058,507</u>	<u>2,065,692</u>	<u>71,998</u>	<u>2,137,690</u>
Currency translation differences	-	-	(8,877)	-	(8,877)	-	(8,877)
Dividend **	-	-	-	(32,237)	(32,237)	-	(32,237)
At 31 October 2006	<u>895,485</u>	<u>57,529</u>	<u>45,294</u>	<u>1,049,872</u>	<u>2,048,180</u>	<u>71,786</u>	<u>2,119,966</u>

\* This represents the final dividend in respect of financial year ended 30 April 2005 which was approved for payment on 24 October 2005.

\*\* This represents the final dividend in respect of financial year ended 30 April 2006 which was approved for payment on 18 October 2006.

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

**BERJAYA LAND BERHAD**

(COMPANY NO : 201765-A)

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE PERIOD ENDED 31 OCTOBER 2006  
CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

	<b>6-month period ended</b>	
	<b>31/10/06</b>	<b>31/10/05</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>OPERATING ACTIVITIES</b>		
Receipts from customers/operating revenue	332,302	284,586
Payment to suppliers and other operating expenses	(248,984)	(265,672)
Tax paid	(2,546)	(11,656)
Other payments (including tax refunds)	(2,408)	(4,963)
Net cash generated from operating activities	<u>78,364</u>	<u>2,295</u>
<b>INVESTING ACTIVITIES</b>		
Sale of property, plant and equipment	4,997	352
Sale of other investments and properties	1,162	237
Acquisition of property, plant and equipment and properties	(11,959)	(18,715)
Acquisition of equity interest in an associated company	(8,417)	(37)
Acquisition of equity interest in a subsidiary company	(17)	-
Cash effects of acquisition of subsidiary company	2,001	-
Acquisition of additional equity interest in associated companies	(8,018)	(17,089)
Partial disposal of equity interest in an associated company	841	-
Acquisition of other investments, including ICULS bought back	(147,608)	(47,470)
Proceeds from capital distribution by an associated company	302,952	257,444
Interest received	5,679	6,109
Advances to related companies *	(28,315)	(28,291)
Repayment of advances to an associated company	(467,900)	(31,179)
Advances to an associated company	-	(8,194)
Dividend received	119,964	44,618
Other payments (including share application monies for certain investments)	(53,404)	(29,424)
Net cash (used in)/generated from investing activities	<u>(288,042)</u>	<u>128,361</u>
<b>FINANCING ACTIVITIES</b>		
Issuance of 8% Exchangeable Bonds	900,000	-
8% Exchangeable Bonds issue expenses	(14,444)	-
Drawdown of bank and other borrowings	160,675	105,396
Repayment of borrowings and other borrowings	(691,870)	(103,979)
Interest paid	(53,941)	(76,310)
Other payments	(3,926)	(3,833)
Net cash generated from/(used in) financing activities	<u>296,494</u>	<u>(78,726)</u>
<b>NET CASH INFLOW</b>	<b>86,816</b>	<b>51,930</b>
<b>EFFECTS OF EXCHANGE RATE CHANGES</b>	<b>652</b>	<b>(3,800)</b>
<b>OPENING CASH AND CASH EQUIVALENTS</b>	<b>119,387</b>	<b>147,973</b>
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b><u>206,855</u></b>	<b><u>196,103</u></b>
The closing cash and cash equivalents comprise the following:		
Deposits with licensed banks	176,467	120,387
Cash and bank balances	66,622	129,670
Bank overdraft (included under short term borrowings)	(36,234)	(53,954)
	<u>206,855</u>	<u>196,103</u>

\* This represents dividend income and sale proceeds of securities in respect of the Group's quoted investments that have been pledged to financial institutions for credit facilities granted to holding and related companies before the inception of the Revamped Listing Requirements of Bursa Malaysia Securities Berhad. Such dividend income and sale proceeds were paid directly to the financial institutions concerned and accordingly, have been reflected as advances to related companies.

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

## NOTES

- 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.

The interim financial report should be read in conjunction with the audited financial statements of the Company for the year ended 30 April 2006.

The same accounting policies and methods of computation used in the preparation of the financial statements for the year ended 30 April 2006 have been applied in the preparation of the interim financial report under review except for the changes arising from the adoption of the new/revised FRSs issued by MASB that are effective for financial year beginning on or after 1 January 2006.

The principal effect of the changes in accounting policies resulting from the adoption of the new/revised FRSs are summarised as follows:

- (a) FRS 3: Business Combination

The adoption of FRS 3 required that, after reassessment, any excess of the Group's interest in the fair value of acquiree's identifiable assets, liabilities and contingent liabilities over the cost of acquisition (previously referred to as "negative goodwill"), should be recognised immediately in the consolidated income statements. Previously, negative goodwill was classified as intangibles. The revision was accounted for as a prospective adjustment to the opening balance of retained earnings as disclosed in the condensed consolidated statement of changes in equity.

- (b) FRS 101: Presentation of Financial Statements

The adoption of FRS 101 has no financial impact on the Group but affected the presentation of minority interests and certain disclosures. Minority interests is now presented within total equity in the Consolidated Balance Sheet and as an allocation from net profit for the period in the Consolidated Income Statement. The movement of minority interests is now presented in the Consolidated Statement of Changes in Equity. The share of associated companies' results is now presented net of tax in the Consolidated Income Statement.

- (c) FRS 116: Property, Plant and Equipment

The adoption of FRS 116 has resulted in the review of residual value of the Group's hotel properties and motor vehicles which has resulted in a higher quarterly depreciation charge of approximately RM5.94 commencing 1 May 2006. The revision was accounted for as a prospective change in accounting estimates and the comparatives of the previous financial year ended 30 April 2006 are not restated.

Previously, no depreciation was provided for hotel properties as the Group had maintained the hotel properties such that the residual value of the hotel properties were at least equivalent to their carrying value and depreciation was therefore insignificant.

- (d) FRS 133: Earnings Per Share

The adoption of FRS 133 has resulted in the inclusion of shares that will be issued upon the conversion of a mandatorily convertible instrument in the calculation of basic earnings per share

**NOTES (Continued)**

from the date the contract is entered into. The basic earnings per share of the prior period has been restated to reflect this revision.

## (e) FRS 140: Investment Properties

The adoption of FRS140 has resulted in a change in accounting policy for investment properties whereby the investment properties are now stated at fair value, representing indicative open market values determined by external valuers. Previously, investment properties were stated at cost. The change in revaluation of the cost of investment properties are taken as an adjustment to the opening balance of retained earnings during the current period in which the adoption is first made. The effects of the adoption are as follows:

	RM'000
Increase in retained earnings	195,428
Increase in investment properties	267,709
Increase in deferred taxation liabilities	<u>72,281</u>

In addition, certain investment properties amounting to approximately RM22.7 million have been reclassified to property, plant and equipment as they no longer qualify as investment properties in accordance with FRS 140.

A2 The audit report of the Company's most recent annual audited financial statements did not contain any qualification.

A3 Our principal business operations are not significantly affected by any seasonal or cyclical factors except for:

- (i) the property development division which is affected by the prevailing cyclical economic conditions; and
- (ii) the local island beach resorts situated at the East Coast of Peninsular Malaysia which are affected by the North-East monsoon season during the third quarter of the financial year.

A4 (a) There were no unusual or material items affecting the Group in the current quarter and financial period ended 31 October 2006 other than as disclosed below:

	Quarter ended <u>31/10/06</u> RM'000	Financial period ended <u>31/10/06</u> RM'000
Gain on disposal of investments	-	641
(Loss)/Gain on partial disposal of investment in an associated company	(3)	838
Write back of impairment in value of quoted investments	2,603	1,319
Impairment in value of investment in an associated company	<u>(539)</u>	<u>(1,206)</u>
	<u>2,061</u>	<u>1,592</u>



**NOTES (Continued)**

(b) There were no material changes in estimates of amounts reported in the current quarter and financial period ended 31 October 2006 other than those changes that resulted from the adoption of new FRSs as mentioned in Note A1 above.

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 current financial period ended 31 October 2006 except for the issuance of 62,000 new ordinary shares of RM1.00 each when RM62,000 nominal value of ICULS 1999/2009 were converted into shares at the rate of RM1.00 nominal value of ICULS 1999/2009 for one fully paid ordinary share.

A6 The Company did not pay any dividend in the current quarter ended 31 October 2006.

A7 Segmental information for the financial period ended 31 October 2006:-

Revenue

	<u>External</u> <u>RM'000</u>	<u>Inter segment</u> <u>RM'000</u>	<u>Total</u> <u>RM'000</u>
Property development and investment	62,842	1,078	63,920
Hotel, resort and recreation	183,490	143	183,633
Sub-total	<u>246,332</u>	<u>1,221</u>	<u>247,553</u>
Less: Inter segment revenue	-	(1,221)	(1,221)
Total revenue	<u><u>246,332</u></u>	<u><u>-</u></u>	<u><u>246,332</u></u>

Results

	<u>RM'000</u>
Property development and investment	14,812
Hotel, resort and recreation	<u>11,686</u>
	26,498
Unallocated corporate expenses	<u>(8,080)</u>
Profit from operations	18,418
Share of results from associated companies	76,249
Finance costs	(85,387)
Results from investing activities	
- Interest income	<u>7,718</u>
- Others	<u>2,661</u>
	<u>10,379</u>
Profit before taxation	19,659
Taxation	3,731
Profit for the period	<u><u>23,390</u></u>

A8 The valuation of land and buildings have been brought forward without amendment from the previous annual report except for the properties that have been classified as investment properties whereby the fair value model is adopted in accordance with FRS 140: Investment Properties.

**NOTES (Continued)**

- A9 There were no material events subsequent to the end of this current quarter that have not been reflected in the financial statements for this financial period.
- A10 There were no material changes in the composition of the Group for the financial period ended 31 October 2006 including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations except for:
- a) the acquisition of 49.9% in Aston Martin Lagonda (S.E.A.) Pte Ltd, a company incorporated in Singapore, by Berjaya Leisure (Cayman) Limited ("BLCL") for a total consideration of S\$3.65 million (or about RM8.47 million) comprising 1,935,737 ordinary shares of S\$1.00 each;
  - b) the partial disposal of 18.57% equity interest in Navodaya Mass Entertainments Ltd ("NME"), India, a 37.12% associated company by BLCL for a total sales consideration of INR10.6875 million (or about RM841,000). The Group now treats the remaining 18.56% equity interest in NME as investment;
  - c) the acquisition of 100% equity interest, representing 100,000 shares of INR10 each in Berjaya Vacation Club India Private Ltd by Berjaya Vacation Club Berhad and Berjaya Vacation Club (Cayman) Limited for a total cash consideration of INR100,000 (or about RM8,210);
  - d) the acquisition of 100% equity interest in Berjaya Air Capital (Cayman) Limited by the Company for a total consideration of USD1.00 comprising 1 ordinary share of USD1.00; and
  - e) the subscription of 40% in Pasdec-Cempaka Sdn Bhd by the Company, comprising of 10,000 ordinary shares of RM1.00 each.
- A11 The changes in contingent liabilities since the last audited balance sheet as at 30 April 2006 are as follows:

	RM'000
Unsecured guarantee given by the Company to financial institution for credit facilities granted to a related company	
Balance as at 31 October 2006/30 April 2006	<u>21,146</u>

B1 The Group recorded a revenue of RM121.9 million and a pre-tax profit of RM1.2 million in the current quarter ended 31 October 2006 as compared to a revenue of RM143.4 million and a pre-tax profit of RM51.5 million of the preceding year corresponding quarter. The reduction in revenue was mainly due to the lower revenue registered by the property development division following the lower progress billings as a major part of the Group's development projects are at the tail end of the development cycle.

The lower pre-tax profit in the current quarter was mainly due to:

- (i) the substantial reduction in interest income earned from the penultimate holding company, Berjaya Group Berhad ("BGB") after the substantial settlement of inter-company advances due by BGB in December 2005;
- (ii) the higher quarterly depreciation charge of approximately RM5.94 million incurred by the hotels and resorts division on its hotel properties as a result of adopting FRS 116 as explained in Note A1 above;
- (iii) the incurrence of 8% Exchangeable Bonds issue expenses; and
- (iv) the lower share of associated companies' results (mainly from BToto) equity accounted by the Group.

For the cumulative 6 months ended 31 October 2006, the Group reported a revenue of RM246.3 million and a pre-tax profit of RM19.7 million as compared to a revenue of RM256.5 million and a pre-tax profit of RM80.3 million registered in the preceding year corresponding period. The reduction in revenue was mainly due to the lower revenue from the property development as explained in Note B1 above, mitigated by the higher revenue from the higher occupancy achieved by the hotels and resorts division. The drop in pre-tax profit was mainly due to the reasons explained above.

B2 In the current quarter under review, the Group's revenue was slightly lower by approximately 2% as compared to the preceding quarter ended 31 July 2006 whilst the Group recorded a pre-tax profit of RM1.2 million as compared to a pre-tax profit of RM18.4 million reported in the preceding quarter. The lower pre-tax profit was mainly due to the lower share of results from associated companies (mainly BToto) equity accounted for by the Group, the incurrence of the bonds issue expenses and a higher finance cost.

B3 Barring any unforeseen circumstances, the Directors anticipate that the Group's operating performance for the forthcoming financial quarters ending 30 April 2007 will be satisfactory.

**NOTES (Continued)**

B4 There is no profit forecast for the quarter under review.

B5 The taxation charge for the current quarter and financial period ended 31 October 2006 is detailed as follows:

		Quarter ended <u>31/10/06</u> RM'000	Financial period ended <u>31/10/06</u> RM'000
Current period provision	- In Malaysia	(72)	4,594
	- Outside Malaysia	809	1,240
Overprovision in prior years		(14,409)	(14,809)
Deferred taxation		6,564	5,244
		<u>(7,108)</u>	<u>(3,731)</u>

The disproportionate tax charge of the Group for the current quarter and financial period ended 31 October 2006 was mainly due to overprovision of tax in the prior years.

B6 For the financial period ended 31 October 2006, there is no gain on disposal of unquoted investments.

B7 (a) (i) The total purchase consideration of quoted securities are as follows:

	Quarter ended <u>31/10/06</u> RM'000	Financial period ended <u>31/10/06</u> RM'000
Quoted securities in Malaysia	<u>-</u>	<u>5,260</u>

(ii) The disposal of quoted securities in the current quarter and financial period ended 31 October 2006 are as follows:

	Quarter ended <u>31/10/06</u> RM'000	Financial period ended <u>31/10/06</u> RM'000
Total sales consideration	<u>-</u>	<u>1,162</u>
Gain on disposal of securities	<u>-</u>	<u>641</u>

**NOTES (Continued)**

(b) Investments in quoted securities as at 31 October 2006 are as follows:

		RM'000	RM'000
Quoted securities, at cost	- In Malaysia	18,829	
	- Outside Malaysia	15,129	33,958
Quoted securities, at book value	- In Malaysia	13,399	
	- Outside Malaysia	7,711	21,110
Quoted securities, at market value	- In Malaysia	23,940	
	- Outside Malaysia	7,711	31,651

B8 (a) On 23 January 2002, the Company gave BToto a written undertaking ("Undertaking Letter") relating to the settlement arrangement for the inter-company advances whereby it undertakes to settle the outstanding advances within 3 years from the date of issue of BToto ICULS on 5 August 2002. On 10 August 2005, the Company announced that, pursuant to a request made by the Company to BToto for an extension of time by another one year to 4 August 2006 to settle in full the amount owing to BToto, BToto has agreed to the proposed extension of time requested by the Company.

On 15 August 2006, the Company announced that it has repaid BToto RM387.9 million cash as further partial settlement of the inter-company advances due to BToto.

On the same day, the Company announced that it has requested a further extension of time by another year to 4 August 2007 to settle in full the above residual advances owing to BToto. BToto has agreed to the Company's request of extension of the settlement period to 4 August 2007.

As at 31 October 2006, the outstanding intercompany advances due to BToto was RM92.865 million, after taking into account the Group's repayment of RM80 million and RM387.9 million during the first quarter ended 31 July 2006 and the current quarter respectively.

(b) On 19 July 2004, the Company announced that Selat Makmur Sdn Bhd ("SMSB"), a subsidiary company of Berjaya Land Development Sdn Bhd which in turn is a wholly owned subsidiary of the Company, had on even date entered into a conditional sale and purchase agreement with Selangor Turf Club ("STC") for the acquisition of 3 parcels of leasehold land measuring a total area of approximately 244.7926 acres located in Sungai Besi together with all existing buildings and fixtures erected thereon from STC for a total consideration of RM640.0 million to be settled by way of cash of RM35.0 million payable to STC and the balance of RM605.0 million to be set-off against the consideration to be payable to STC to SMSB for the purchase of 2 parcels of land measuring a total area of approximately 750 acres located in Sungai Tinggi proposed to be acquired by SMSB from BerjayaCity Sdn Bhd.

On 13 October 2004, the Company announced that the approval from the FIC has been obtained for the above proposal.

On 14 November 2004, the Company announced that shareholders' approvals for the above proposal have been obtained. The above proposal is subject to the authority's approval.

**NOTES (Continued)**

- (c) On 2 December 2005, the Company announced the proposed subscription by Berjaya Leisure (Cayman) Limited ("BLCL"), a wholly owned subsidiary of the Company, of 51% of the enlarged capital contribution of Berjaya (China) Great Mall Co. Ltd ("GMOC") for a total cash consideration of Renminbi ("RMB") 33.3 million.

GMOC which is principally involved in property development and investment, will undertake a mixed development project comprising retail, entertainment, theme park and water park located at Yanjiao Development & Economic Tech, Sanhe City, Hebei Province, People's Republic of China ("PRC").

Subsequently, the Company announced on 7 April 2006 that GMOC had received the approval from National Development Reform Committee of Central Government, China for its Great Mall Project subject to GMOC increasing its registered capital to RMB890.0 million payable within 3 years from the current registered capital of RMB97.2 million. In view of the aforementioned requirement, BLCL's proposed 51% subscription in GMOC will also increase from RMB33.3 million to RMB453.9 million. The registration for the increase in capital of RMB890.0 million is a condition required for applying the business licence from the appropriate authorities in PRC to develop and operate the Great Mall Project.

Pursuant thereto and in compliance with the PRC laws and regulations, BLCL had on 7 April 2006 entered into an updated subscription agreement with GMOC and Berjaya Times Square (Cayman) Limited (a company beneficially controlled by Tan Sri Dato' Seri Vincent Tan Chee Yioun and which holds 49% equity interest in GMOC) to first subscribe for RMB49.1 million representing 51% of the registered capital of GMOC of RMB97.2 million. The approval from Bank Negara Malaysia for the remittance of the funds was obtained on 2 May 2006. On 4 May 2006, BLCL remitted RMB49.1 million to GMOC.

On 13 December 2006, the Company obtained its shareholders' approval for the proposed subscription of shares in GMOC.

- (d) On 9 November 2006, the Company announced that it has entered into a memorandum of understanding with Tin Nghia Co Ltd, Vietnam ("TIMEXCO") to establish a formal relationship to undertake the co-development of the district of Nhon Trach (within the Dong Nai Province, Vietnam) ("Nhon Trach District"), inclusive of its transportation infrastructure network ("MOU").

Upon the execution of the MOU, the Company will at its own cost, be given the opportunity to review the Nhon Trach City Masterplan and other related feasibility studies and reports and have further verifications, discussions and negotiations with TIMEXCO with a view to prepare a detailed report with recommendations on the development of the Nhon Trach District town planning and transportation plan ("Project") within six (6) months from the date of the execution of the MOU (or such extended date as may be mutually agreed upon in writing). Within the limit of the Vietnamese legal framework and its rights and obligation thereunder, TIMEXCO shall, at its own cost support and assist the Company and other related partners in the process of carrying out related works for the Project and provide all information and assistance required for the completion of the work through Vietnamese consulting companies.

**NOTES (Continued)**

The MOU is not subject to the approval of the shareholders of the Company or any relevant authorities.

- (e) On 5 December 2006, the Company announced its wholly owned subsidiary, Berjaya Vacation Club Berhad ("BVC") has entered into an agreement ("Agreement") with NPC Resources Berhad ("Purchaser") for the proposed disposal by BVC of its 100% equity interest in Berjaya Resort (Sabah) Sdn Bhd ("BRS") for RM11.0 million and settlement of amount due to BVC estimated to be at RM10.0 million ("BRS Disposal"). Therefore, the total cash sum to be received pursuant to the BRS Disposal is RM21.0 million.

Based on the terms of the Agreement, the total cash sum for the BRS Disposal of RM21.0 million shall be payable as follows:

- (i) RM2.1 million representing 10% of the total cash sum was paid upon the execution of the Agreement; and
- (ii) RM18.9 million representing the balance 90% of the total cash sum ("Balance Sum") is payable within fourteen (14) days from the date of the Agreement becomes unconditional, and if so requested by the Purchaser, upon the expiration of the said fourteen (14) days, further extension not exceeding five (5) months from the date of the Agreement at an interest charge of 1% per month would be granted.

The BRS Disposal is not subject to the approvals of the shareholders of the Company or any other relevant authorities.

- (f) On 14 December 2006, the Company announced the proposed acquisition by Dian Kristal Sdn Bhd ("Dian Kristal"), a wholly-owned subsidiary of BVC of 175 units of fully furnished service suite and 6 units of penthouse service suite in Berjaya Times Square, Jalan Imbi, Kuala Lumpur from Berjaya Times Square Sdn Bhd ("BTSSB"), a wholly-owned subsidiary of Matrix International Berhad ("Matrix") for a total cash consideration of RM90.0 million ("Proposed Acquisition").

The sale and purchase agreements will be executed within 14 days from the date of the acceptance of the offer letter dated 13 December 2006 ("Offer Letter"). The cash consideration is payable within 3 months from the date of the sale and purchase agreements or 14 days from the date of the last approval is obtained, whichever is later.

The Company will finance the Proposed Acquisition through internally generated funds and bank borrowings. Dian Kristal will not assume any liabilities pursuant to the Proposed Acquisition. The terms of the transaction contained in the Offer Letter were agreed on 14 December 2006.

The Proposed Acquisition is subject to the approvals being obtained from the following:-

- (i) Foreign Investment Committee and/or any other relevant authorities; and
- (ii) Shareholders of Matrix at an extraordinary general meeting to be convened.

## NOTES (Continued)

B9 Group borrowings and debt securities as at 31 October 2006:

		RM'000
Short term borrowings		
Secured -		
Denominated in Ringgit Malaysia		352,766
Denominated in USD (USD429,000)	*	1,563
Denominated in SLRs (SLRs7,000,000)	*	237
		354,566
Long term borrowings		
Secured -		
Denominated in Ringgit Malaysia		670,397
Denominated in USD (USD3,064,000)	*	11,167
Denominated in SGD (SGD4,024,000)	*	9,418
		690,982
Total		<u>1,045,548</u>

\* Converted at the respective exchange rate prevailing as at 31 October 2006

B10 Saved as disclosed in Note A11, there were no financial instruments with off balance sheet risk as at the date of this announcement.

B11 There was no pending material litigation as at the date of this announcement.

B12 The Board does not recommend any dividend in the current quarter (previous year corresponding quarter ended 31 October 2005 : Nil).

B13 The basic earnings per share are calculated as follows:

	Group (3-month period)			
	Income (RM'000)		Earnings per share (sen)	
	31/10/06	31/10/05	31/10/06	31/10/05
Net profit for the quarter	8,597	41,102		
Increase in net profit as a result ICULS 1999/2009 interest expense added back	3,255	7,032		
Adjusted net profit for the quarter	<u>11,852</u>	<u>48,134</u>		
Weighted average number of shares outstanding ('000)	895,485	869,622		
Number of shares from mandatory ICULS 1999/2009 conversion	225,710	236,334		
Adjusted weighted average number of shares ('000)	<u>1,121,195</u>	<u>1,105,956</u>		
Basic earnings per share (sen)			<u>1.06</u>	<u>4.35</u>



**NOTES (Continued)**

B13 The basic earnings per share are calculated as follows (Cont'd):

	Group (6-month period)			
	Income (RM'000)		Earnings per share (sen)	
	31/10/06	31/10/05	31/10/06	31/10/05
Net profit for the period	23,602	67,026		
Increase in net profit as a result ICULS 1999/2009 interest expense added back	7,000	11,427		
Adjusted net profit for the period	<u>30,602</u>	<u>78,453</u>		
Weighted average number of shares outstanding ('000)	895,423	868,135		
Number of shares from mandatory ICULS 1999/2009 conversion	<u>225,710</u>	<u>236,334</u>		
Adjusted weighted average number of shares ('000)	<u>1,121,133</u>	<u>1,104,469</u>		
Basic earnings per share (sen)			<u>2.73</u>	<u>7.10</u>

No diluted loss per share is presented for the current quarter as there is no potential ordinary shares outstanding.

c.c. Securities Commission