

BERJAYA LAND BERHAD
(COMPANY NO: 201765-A)

UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 31 JANUARY 2012

<u>Table of Contents</u>	Page
Condensed Consolidated Statement of Financial Position	1
Condensed Consolidated Income Statement	3
Condensed Consolidated Statement of Comprehensive Income	4
Condensed Consolidated Statement of Changes in Equity	5 - 6
Condensed Consolidated Statement of Cash Flows	7
Notes to the Unaudited Interim Financial Report	8 - 11
Additional Information Required by the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities LR")	12 - 17

BERJAYA LAND BERHAD

(COMPANY NO: 201765-A)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 31 JANUARY 2012
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

		<u>Group</u>	
		At 31/01/12	At 30/04/11 (Audited)
	Note	RM'000	RM'000
Non-Current Assets			
Property, Plant and Equipment		1,843,876	1,892,194
Investment Properties		588,692	584,311
Land Held For Development		612,836	556,284
Prepaid Land Lease Premiums		1,081	1,097
Associated Companies		312,710	309,584
Jointly Controlled Entities		100,729	115,585
Investments		258,798	301,999
Intangible Assets		5,446,143	5,445,372
Receivables		394,648	352,093
Deferred Tax Assets		10,820	10,762
		<u>9,570,333</u>	<u>9,569,281</u>
Current Assets			
Property Development Costs		506,341	388,532
Inventories		215,993	200,948
Receivables		626,769	609,771
Short Term Investments		16,267	14,868
Tax Recoverable		16,295	26,542
Deposits, Cash And Bank Balances		809,041	889,193
Assets Classified as Held for Sale		35,325	37,291
		<u>2,226,031</u>	<u>2,167,145</u>
Total Assets		<u><u>11,796,364</u></u>	<u><u>11,736,426</u></u>
Equity			
Share Capital	A4	2,500,168	2,500,168
Reserves :			
Exchange Reserves		(164,396)	(154,101)
Capital Reserve		10,804	10,804
Fair Value Reserve		1,983,501	1,983,501
Available-For-Sale ("AFS") Reserve		59,063	85,529
Retained Earnings		725,731	751,667
		<u>2,614,703</u>	<u>2,677,400</u>
Equity Funds		5,114,871	5,177,568
Less: Treasury Shares	A4	(45,466)	(45,466)
Net Equity Funds		<u>5,069,405</u>	<u>5,132,102</u>
Non-controlling interests		3,115,699	2,866,984
Total Equity		<u>8,185,104</u>	<u>7,999,086</u>

BERJAYA LAND BERHAD

(COMPANY NO: 201765-A)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 31 JANUARY 2012
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

		Group	
		At 31/01/12	At 30/04/11
			(Audited)
	Note	RM'000	RM'000
Non-Current Liabilities			
Medium Term Notes	B8	550,000	550,000
Retirement Benefit Obligations		4,105	4,678
Long Term Borrowings	B8	662,948	396,342
Other Long Term Liabilities		356,210	369,172
Deferred Taxation		153,758	157,397
		<u>1,727,021</u>	<u>1,477,589</u>
Current Liabilities			
Payables		581,172	630,871
Short Term Borrowings	B8	1,248,374	859,920
8% Secured Exchangeable Bonds	B8	-	711,000
Derivative Liability		-	24,388
Retirement Benefit Obligations and Provisions		1,856	168
Tax Payable		52,837	33,404
		<u>1,884,239</u>	<u>2,259,751</u>
Total Liabilities		<u>3,611,260</u>	<u>3,737,340</u>
Total Equity and Liabilities		<u>11,796,364</u>	<u>11,736,426</u>
<i>Net assets per RM0.50 share attributable to ordinary equity holders (with voting rights) of the parent (sen)</i>		<u>102</u>	<u>103</u>

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

Net equity funds divided by the number of outstanding shares in issue with voting rights.

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 April 2011.

BERJAYA LAND BERHAD
(COMPANY NO : 201765-A)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 31 JANUARY 2012
CONDENSED CONSOLIDATED INCOME STATEMENT**

	Note	CURRENT QUARTER ENDED		FINANCIAL PERIOD ENDED	
		31/01/12	31/01/11	31/01/12	31/01/11
		RM'000	RM'000	RM'000	RM'000
Revenue		1,121,431	990,595	3,111,025	2,992,209
Operating expenses, net		(984,797)	(818,356)	(2,700,638)	(2,575,353)
Profit from operations		136,634	172,239	410,387	416,856
Investment related income, net	A3	16,418	25,323	39,341	95,532
Share of results from associated companies		2,999	4,651	9,259	11,619
Share of results from jointly controlled entities		(1,833)	(3,652)	(15,090)	(16,725)
Finance costs		(39,561)	(45,431)	(132,011)	(153,855)
Profit before tax	B5	114,657	153,130	311,886	353,427
Taxation	B6	(48,383)	(51,367)	(133,679)	(130,081)
Profit net of tax		66,274	101,763	178,207	223,346
Attributable to:					
- Equity holders of the Parent		2,522	34,910	2,923	85,130
- Non-controlling interests		63,752	66,853	175,284	138,216
		66,274	101,763	178,207	223,346
Earnings per share (sen)	B11				
Basic		0.05	0.70	0.06	1.71
Fully diluted		0.05	0.70	0.06	1.71

The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the year ended 30 April 2011.

BERJAYA LAND BERHAD
(COMPANY NO : 201765-A)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 31 JANUARY 2012
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	CURRENT QUARTER		FINANCIAL PERIOD	
	ENDED		ENDED	
	31/01/12	31/01/11	31/01/12	31/01/11
	RM'000	RM'000	RM'000	RM'000
Profit net of tax	66,274	101,763	178,207	223,346
<u>Other comprehensive income/(expenses)</u>				
Gain/(loss) on changes in fair value of available-for-sale investments	31,148	34,891	(19,881)	(37,021)
Share of associated companies' changes in fair value of available-for-sale investments	(2,054)	-	(4,375)	(11,451)
Currency translation differences	(30,720)	(16,838)	4,748	(38,175)
Total comprehensive income for the quarter/period	<u>64,648</u>	<u>119,816</u>	<u>158,699</u>	<u>136,699</u>
Attributable to:				
- Equity holders of the Parent	2,200	18,037	(32,327)	4,846
- Non-controlling interests	62,448	101,779	191,026	131,853
	<u>64,648</u>	<u>119,816</u>	<u>158,699</u>	<u>136,699</u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 April 2011.

BERJAYA LAND BERHAD

(COMPANY NO : 201765-A)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 JANUARY 2012
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	-----> Attributable to the equity holders of the Parent <----->								Non- controlling interests RM'000	Total equity RM'000
	-----> Non - distributable <----->				Distributable					
	Share capital RM '000	Exchange reserves RM '000	AFS reserve RM '000	Fair value reserve RM '000	Capital reserve RM '000	Retained earnings RM'000	Treasury shares RM'000	Total net equity funds RM'000		
At 1 May 2011	2,500,168	(154,101)	85,529	1,983,501	10,804	751,667	(45,466)	5,132,102	2,866,984	7,999,086
Total comprehensive income	-	(8,784)	(26,466)	-	-	2,923	-	(32,327)	191,026	158,699
Transaction with owners:										
Reversal due to a disposal of a subsidiary company	-	(1,511)	-	-	-	-	-	(1,511)	-	(1,511)
Non-controlling interests arising from:										
- dilution of equity interest in a subsidiary company	-	-	-	-	-	8,463	-	8,463	50,123	58,586
- additional subscription of shares in subsidiary companies	-	-	-	-	-	-	-	-	154,974	154,974
Dividend payable *	-	-	-	-	-	(37,322)	-	(37,322)	-	(37,322)
Non-controlling interests share of dividend	-	-	-	-	-	-	-	-	(147,408)	(147,408)
	-	(1,511)	-	-	-	(28,859)	-	(30,370)	57,689	27,319
At 31 January 2012	2,500,168	(164,396)	59,063	1,983,501	10,804	725,731	(45,466)	5,069,405	3,115,699	8,185,104

* In respect of financial year ended 30 April 2011

BERJAYA LAND BERHAD

(COMPANY NO : 201765-A)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 JANUARY 2012
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONT'D)**

	-----> Attributable to the equity holders of the Parent <----->										
	<----- Non - distributable ----->					Distributable					
	Share capital	Share premium	Exchange reserves	AFS reserve	Fair value reserve	Capital reserve	Retained earnings	Treasury shares	Total net equity funds	Non-controlling interests	Total Equity
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 May 2010 - as previously reported	1,256,093	57,529	(97,815)	-	1,983,501	10,804	1,972,665	(45,466)	5,137,311	2,690,784	7,828,095
Effects of adopting FRS 139	-	-	-	104,562	-	-	(11,772)	-	92,790	-	93,958
Share of associated companies' effects of adopting FRS 139	-	-	-	11,451	-	-	-	-	11,451	-	11,451
At 1 May 2010 - as restated	1,256,093	57,529	(97,815)	116,013	1,983,501	10,804	1,960,893	(45,466)	5,241,552	2,691,952	7,933,504
Total comprehensive income	-	-	(32,980)	(47,304)	-	-	85,130	-	4,846	131,853	136,699
Transaction with owners:											
Issuance of shares in respect of Bonus Issue	1,244,075	(57,529)	-	-	-	-	(1,186,546)	-	-	-	-
Non-controlling interests arising from dilution of equity interest in a subsidiary company	-	-	-	-	-	-	-	-	-	61,436	61,436
Dividend payable #	-	-	-	-	-	-	(74,644)	-	(74,644)	-	(74,644)
Non-controlling interests share of dividend	-	-	-	-	-	-	-	-	-	(151,137)	(151,137)
	1,244,075	(57,529)	-	-	-	-	(1,261,190)	-	(74,644)	(89,701)	(164,345)
At 31 January 2011	2,500,168	-	(130,795)	68,709	1,983,501	10,804	784,833	(45,466)	5,171,754	2,734,104	7,905,858

In respect of financial year ended 30 April 2010

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 April 2011.

BERJAYA LAND BERHAD
(COMPANY NO : 201765-A)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 31 JANUARY 2012
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	9 months ended	
	31/01/12	31/01/11
	RM'000	RM'000
OPERATING ACTIVITIES		
Receipts from customers/operating revenue	3,376,895	3,085,655
Payment to prize winners, suppliers, duties, taxes and other operating expenses	(2,997,243)	(2,656,138)
Tax paid	(123,383)	(158,616)
Other receipts (including tax refunds)	21,465	42,119
Net cash generated from operating activities	<u>277,734</u>	<u>313,020</u>
INVESTING ACTIVITIES		
Sale of property, plant and equipment and non current assets	2,321	5,814
Sale of short term investments	1,579	17,045
Partial disposal of equity interest in a subsidiary company	25,415	82,351
Sale of investments in a subsidiary company	13,482	-
Sale of investments in an associated company	-	105,547
Sale of other investments	-	2,665
Acquisition of property, plant and equipment, non current assets and properties	(119,007)	(77,545)
Acquisition of other investments and short term investments	(25,614)	(97,413)
Acquisition of treasury shares by a subsidiary company	(17,105)	-
Interest received	28,330	20,181
Dividend received	4,158	17,825
(Advances to)/Repayment from related companies	(1,005)	165,208
Advances to jointly controlled entities	(32,817)	(26,768)
Receipt of capital distribution from an associated company	14,340	-
Other receipts/(payments)	1,985	(247)
Net cash (used in)/generated from investing activities	<u>(103,938)</u>	<u>214,663</u>
FINANCING ACTIVITIES		
Issuance of share capital to non controlling interest by a subsidiary company	157,142	-
Issuance of medium term notes by a subsidiary company	-	550,000
Drawdown of bank and other borrowings	1,008,187	223,699
Redemption of 8% Secured Exchangeable Bonds	(695,400)	-
Repayment of borrowings and other borrowings	(362,315)	(799,170)
Dividend paid to shareholders of the Company	(37,299)	(74,644)
Dividend paid to non-controlling interests of a subsidiary company	(191,460)	(150,217)
Interest paid	(137,566)	(125,801)
Other payments	(16,001)	(16,779)
Net cash used in financing activities	<u>(274,712)</u>	<u>(392,912)</u>
NET CASH (OUTFLOW)/INFLOW	(100,916)	134,771
EFFECTS OF EXCHANGE RATE CHANGES	23,797	(3,772)
OPENING CASH AND CASH EQUIVALENTS	865,593	567,179
CLOSING CASH AND CASH EQUIVALENTS	<u>788,474</u>	<u>698,178</u>
The closing cash and cash equivalents comprise the following:		
Deposits, cash and bank balances	809,041	727,926
Bank overdraft (included under short term borrowings)	(20,567)	(29,748)
	<u>788,474</u>	<u>698,178</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 30 April 2011.

NOTES

- A1 The quarterly financial report is not audited and has been prepared in compliance with FRS 134, Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

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

Changes in Accounting Policies

The accounting policies and methods of computations used in the preparation of the financial statements are consistent with those adopted in the audited financial statements for the year ended 30 April 2011, except for the adoption of the new and revised Financial Reporting Standards ("FRSs"), Amendments to FRSs, Interpretations and Technical Releases which were effective for the financial periods beginning on or after 1 May 2011.

Unless otherwise described below, these new and revised FRSs, Amendments to FRSs, Interpretations and Technical Releases are expected to have no significant impact on the financial statements of the Group upon their initial application except for the changes in presentation and disclosures of financial information.

Revised FRS 3: Business Combinations and Amendments to FRS 127: Consolidated and Separate Financial Statements

The revised FRS 3 introduces a number of changes in the accounting for business combinations occurring after 1 July 2010. These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results.

The amended FRS 127 requires that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as an equity transaction. Therefore, such transactions will no longer give rise to goodwill, nor will they give rise to a gain or loss. Furthermore, the revised standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary.

The changes from revised FRS 3 and amended FRS 127 will affect future acquisitions or loss of control and transactions with non-controlling interests.

Standards and Interpretations issued but not yet effective

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.

NOTES

- A2 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;
 - (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; and
 - (iii) the toto betting operations may be positively impacted by the festive seasons.
- A3 (a) There were no unusual or material items affecting the Group in the financial period ended 31 January 2012 other than as disclosed below:

Income Statement

Included under investment related income/(expenses), net:

	Quarter ended 31/01/12 RM'000	Financial period ended 31/01/12 RM'000
Fair value change on derecognition of derivative liability	-	24,388
(Loss)/Gain on disposal of equity interest in a subsidiary company	(131)	11,497
Gain on capital distribution by an associated company	14,340	14,340
Fair value changes of fair value through profit or loss ("FVTPL") quoted equity investments	7,084	(11,408)
Impairment in value of available-for-sale ("AFS") quoted equity investments	(19,137)	(33,495)
Reversal of impairment in value of an associated company	7,598	-
Fair value adjustments on investment properties	(1,875)	600
Gain on disposal of an investment property	5	529
	<u>7,884</u>	<u>6,451</u>

- (b) There were no major changes in estimates reported in the prior financial year that had a material effect in the financial period ended 31 January 2012.

- A4 There were no issuances and repayment of debts and equity securities, share cancellation and resale of treasury shares for the financial period ended 31 January 2012 except for the exchange of a total of RM15.60 million nominal value of 8% Secured Exchangeable Bonds by certain Bondholders into 3,677,508 shares of Berjaya Sports Toto Berhad ("BToto") at an exchange price of RM4.242 per BToto share. The total outstanding Exchangeable Bonds after the exchange was reduced to RM695.40 million. On 15 August 2011, the Company has fully redeemed the remaining RM695.40 million Exchangeable Bonds at 100% of their nominal value.

The number of treasury shares held in hand as at 31 January 2012 were as follows :

	Average price per share (RM)	Number of shares	Amount RM'000
Total treasury shares at 1 May 2011/31 January 2012	1.89	24,037,104	45,466

NOTES

As at 31 January 2012, the number of ordinary shares in issue and fully paid with voting rights was 4,976,300,000 ordinary shares of RM0.50 each (31 January 2011 : 4,976,300,000 ordinary shares of RM0.50 each).

A5 The Company did not pay any dividend in respect of the financial period ended 31 January 2012. At the Company's Annual General Meeting held on 24 October 2011, the shareholders of the Company approved a final dividend of 1 sen per ordinary share of RM0.50 each less 25% income tax in respect of the financial year ended 30 April 2011. The Company paid this final dividend on 9 December 2011.

A6 Segmental information for the financial period ended 31 January 2012:

Revenue

	External RM'000	Inter-segment RM'000	Total RM'000
Toto betting operations and leasing of lottery equipment	2,679,793	-	2,679,793
Property development and investment	145,457	6,081	151,538
Hotels and resorts	202,664	1,278	203,942
Clubs and others	83,111	23,153	106,264
Sub-total	<u>3,111,025</u>	<u>30,512</u>	<u>3,141,537</u>
Less: Inter-segment revenue	-	(30,512)	(30,512)
Total revenue	<u><u>3,111,025</u></u>	<u><u>-</u></u>	<u><u>3,111,025</u></u>

Results

	RM'000
Toto betting operations and leasing of lottery equipment	476,853
Property development and investment	(16,144)
Hotels and resorts	11,215
Clubs and others	<u>(39,186)</u>
	432,738
Unallocated corporate expenses	(22,351)
Profit from operations	<u>410,387</u>
Investment related income, net:	
- Interest income	32,777
- Dividend income	28
- Fair value change on derecognition of derivative liability	24,388
- Gain on disposal of equity interest in a subsidiary company	11,497
- Gain on capital distribution by an associated company	14,340
- Fair value changes of FVTPL quoted equity investments	(11,408)
- Impairment in value of AFS quoted equity investments	(33,495)
- Fair value adjustments on investment properties	600
- Gain on disposal of an investment property	529
- Others	85
	39,341
Share of results from associated companies	9,259
Share of results from jointly controlled entities	(15,090)
Finance costs	<u>(132,011)</u>
Profit before taxation	311,886
Taxation	<u>(133,679)</u>
Profit for the period	<u><u>178,207</u></u>

NOTES

- A7 There were no material events subsequent to the end of this current quarter that have not been reflected in the financial statements for this current financial quarter under review.
- A8 There were no material changes in the composition of the Group for the financial period ended 31 January 2012 including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations except for:
- (a) the decrease of its equity interest in BToto from 42.61% to 41.37% following the exchange of RM15.60 million 8% Secured Exchangeable Bonds by certain Bondholders into 3.67 million BToto shares, the disposal of 17.985 million BToto shares and the buyback of treasury shares by BToto;
 - (b) the disposal of the Group's entire 100% equity interest in Berjaya Vacation Club (India) Pte Ltd for a cash consideration of USD5.35 million (or about RM15.90 million); and
 - (c) the incorporation of a new subsidiary company, Berjaya Land (Labuan) Limited in Labuan.
- A9 The changes in contingent liabilities since the last audited statement of financial position as at 30 April 2011 are as follows:
- | | At 31/01/12 | At 30/04/11 |
|--|-------------|-------------|
| | RM'000 | RM'000 |
| Unsecured guarantee given by the Company to financial institution for credit facilities granted to a related company | * | * |
- * Upon adoption of FRS 139 effective 1 May 2010, the financial guarantee provided to a financier for a related company is no longer disclosed as contingent liability but would instead be recorded as a financial liability if considered likely to crystallise. The Company has assessed the financial guarantee contract and concluded that the financial impact of the guarantee is not material.
- A10 There were no material changes in capital commitments since the last audited statement of financial position as at 30 April 2011 except for the additional approved and contracted capital commitment of RM432.5 million.

- B1 The main operating businesses of the Group are toto betting operations and related activities, property development and investment and the operations of hotels and resorts. The key factors (other than general economic conditions) affecting the performance of the main operating businesses in the Group are as follows:

Toto betting operations and related activities

- disposable income of the general public, Jackpot cycles, luck factor and the number of draws in the financial period.

Property development and investment

- demographic of population, location of the properties, costs of building materials and related services, lending guidelines and interest rates of the financial institutions, rental rates, age and condition of investment properties and the quality of property management.

Operations of hotels and resorts

- room rates, seasonal festive periods and school holidays, location of the hotels and resorts, tourism and currency exchange trends, energy/other supplies costs, quality of rooms/amenities/service.

Review of Results For the Quarter

For the current quarter ended 31 January 2012, the Group recorded an increase of 13% in revenue whilst pre-tax profit dropped by 25% as compared to the preceding year corresponding quarter.

The higher revenue was mainly contributed by the gaming business operated by Sports Toto (Malaysia) Sdn Bhd which recorded a higher revenue from the traditionally high sales during the Chinese Lunar New Year festive season in the current quarter coupled with higher number of draws in the current quarter under review. The hotels and resorts business also reported higher revenue particularly from improved occupancy rates of the Group's resort in Pulau Langkawi, Kedah during the Langkawi International Maritime Airshow ("LIMA") held in the current quarter under review. However, the property development business recorded lower progress billings.

The lower pre-tax profit was mainly due to the lower progress billings reported by the property development business as several residential and commercial development projects are nearing completion but this was partly mitigated by the gain on capital distribution of an associated company, favourable fair value changes of FVTPL quoted investments and lower finance costs. Further, in the previous year corresponding quarter, the Group received a one-off special dividend income from a quoted investment.

Review of Results For the 9-month Period

The Group's revenue grew by 4% in the current 9-month period whilst pre-tax profit dropped by 12% as compared to the previous year corresponding period. The growth in revenue was mainly attributed to the factors mentioned above.

The drop in pre-tax profit was mainly due to the lower progress billings reported by the property development business. The hotels and resorts business also incurred higher refurbishment and upgrading costs of certain resorts as well as higher energy costs resulting from increased diesel price and electricity tariff rates. In addition, the Group also incurred higher impairment of quoted investments as a result of the volatile stock market. The negative factors that contributed to the lower pre-tax profit were partly mitigated by the higher profit contribution from the gaming business which had a lower prize payout as well as the lower finance costs of the Group in this current period under review. The Group also recorded an exceptional gain on disposal of an associated company of approximately RM53.2 million in the previous year corresponding period.

NOTES**B2 Review of Results of Third Quarter Vs Second Quarter**

For the current quarter under review, the Group reported a revenue of RM1.12 billion as compared to RM988.6 million reported in the preceding quarter. Pre-tax profit for the current quarter was higher at RM114.7 million as compared to RM102.5 million reported in the preceding quarter ended 31 October 2011.

The higher revenue was contributed by the gaming business from the traditionally high sales during the Chinese Lunar New Year festival in the month of January 2012 coupled with the current quarter having higher number of draws compared to the preceding quarter. The property development business also reported higher revenue from higher progress billings in this quarter. The revenue contribution from the hotels and resorts business was lower this quarter due to the onset of the North-East monsoon season.

The higher pre-tax profit was mainly due to higher profit contribution from the gaming business. The Group also reported a gain on capital distribution by an associated company and favourable fair value changes of FVTPL quoted investments in the current quarter under review.

B3 Future Prospects

Given the uncertain economic outlook, the Directors are of the view that the Group's performance for the remaining quarter of the financial year ending 30 April 2012 will be challenging.

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

B5 Profit before tax is stated after charging/(crediting):

	Quarter ended <u>31/01/12</u> RM'000	Financial period ended <u>31/01/12</u> RM'000
Interest income	(8,437)	(32,777)
Dividend income	-	(28)
Other income excluding dividend and interest income	(7,995)	(6,007)
Gain on disposal of investment properties	(5)	(529)
Depreciation of property, plant and equipment	24,631	73,339
Amortisation of intangible assets	395	1,252
Impairment loss on receivables	-	27
Impairment in value of AFS quoted investments	19,137	33,495
Provision for and write off of inventories	-	-
Foreign exchange loss	246	2,661
Gain or loss on derivatives	-	-

NOTES

B6 The taxation charges for the financial quarter and period ended 31 January 2012 were detailed as follows:

	Quarter ended <u>31/01/12</u> RM'000	Financial period ended <u>31/01/12</u> RM'000
Malaysian income tax	42,585	120,079
Foreign tax	5,467	17,187
Underprovision in prior years	70	110
Deferred taxation	261	(3,697)
	<u>48,383</u>	<u>133,679</u>

The disproportionate tax charge of the Group for the financial quarter and period ended 31 January 2012 was mainly due to certain expenses being disallowed for tax purposes and non-availability of the Group tax relief in respect of losses incurred by certain subsidiary companies.

B7 The corporate proposals announced by the Group but not completed as at the date of this announcement are listed below:

- (a) 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 ("STC Land") 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 satisfied with a transfer of 750 acres of land located in Sungai Tinggi ("BCity Land") with a newly built turf club thereon ("STC Proposals"). SMSB had proposed to acquire BCity Land from BerjayaCity Sdn Bhd ("BCity"), a subsidiary company of Berjaya Corporation Berhad and to appoint BCity as the turnkey contractor of the new turf club.

The Company had on 13 October 2004 and 14 November 2004 announced that the approvals from the Foreign Investment Committee ("FIC") and shareholders have been obtained for the STC Proposals.

On 29 January 2010, the Company announced that STC and SMSB have mutually agreed to an extension of time to 18 January 2011 to fulfill the conditions precedent ("CP") in the abovementioned conditional sale and purchase agreement. This extension of time was further extended by STC to 18 January 2012.

Subsequently, on 28 June 2010, the Company announced the status of the CP as follows:

1. Approval of the FIC for the STC Proposals was obtained on 12 October 2004.
2. Approval of the FIC for the acquisition of the BCity Land by STC was obtained on 21 October 2004.
3. Approvals of the shareholders of SMSB, the Company, BCity and Berjaya Group Berhad for the STC Proposals was obtained on November 2004.
4. Approvals of the State Authority Consent for the transfer of the portion of STC Land in favour of SMSB was obtained on 11 January 2005. However, the consent had lapsed and application will be re-submitted after item 6 of the CP below is fulfilled.

NOTES

5. The agreement between STC and SMSB on the layout plans, building plans, designs, drawings and specifications for the new turf club is still pending the fulfillment of item 6 of the CP below.
- 6a. The approval for the master layout plan for BCity Land which was obtained on 11 February 2008 is to be re-tabled due to the change of the Selangor State government and SMSB is awaiting the decision from the Selangor State government.
- 6b. The approval for the Majlis Daerah Hulu Selangor ("MDHS") for the Development Order, Earthworks and Infrastructure and Building Plan pertaining to the construction of the new turf club is pending as MDHS is unable to process the application until item 6a above is fulfilled.
- 6c. The approval of the State Exco of Selangor for the conversion and sub-division of BCity Land is pending as the application will only be tabled at the State Exco of Selangor after approvals for items 6a and 6b are obtained.

On 22 December 2011, the Company announced that STC granted SMSB request for a further extension of time from 19 January 2012 to 18 January 2013.

- (b) On 12 December 2007, the Company announced that its holding company, Berjaya Corporation Berhad had on behalf of the Company, entered into an agreement of cooperation ("Agreement") with Hanoi Electronics Corporation, Vietnam ("Hanel") to record their agreement in principle for the Company and Hanel to collaborate on the proposed development of a parcel of land measuring approximately 405 hectares (or about 1,000 acres) in Sai Dong A, Long Bien District, Hanoi City, Vietnam into a mixed residential, commercial and industrial township development ("Project"). Subject to the approvals from the relevant authorities in Vietnam, the Company and Hanel proposed to undertake the development of the Project via a joint venture and will establish a limited liability company in Vietnam to be known as "Berjaya-Hanel Company Limited" ("JVC"). A conditional joint venture agreement will be entered into within 6 months from the date of the execution of the Agreement or such extended time to be mutually agreed between the parties. The estimated total investment charter capital for the JVC shall be between USD2.0 billion (or about RM6.7 billion) to USD3.0 billion (or about RM10.1 billion) and the estimated charter capital of the JVC shall be between USD300 million (or about RM1.0 billion) to USD450 million (or about RM1.5 billion). The Company's portion of the charter capital is estimated to be between USD210 million (or about RM703.5 million) to USD315 million (or about RM1.1 billion) representing 70% stake in the JVC.

The formation of the JVC and the development of the Project is subject to the relevant authorities approvals in Vietnam.

- (c) On 28 January 2008, the Company announced that it had on even date entered into an agreement in principle ("Agreement") with Tin Nghia Co. Ltd, Vietnam ("TNC"), Development Investment Construction Corporation, Vietnam ("DIC") and Vietnam Infrastructure Hexagon Limited ("VIHL") to record their agreement in principle to collaborate on the proposed construction of a bridge across the Dong Nai River linking Nhon Trach District, Dong Nai Province to Ho Chi Minh City ("Bridge Project").

In general, the abovementioned parties have agreed that the Company and TNC shall contribute up to 50% of the charter/equity capital of the joint venture company whilst DIC and VIHL shall contribute the remaining 50%. The Bridge Project will be jointly managed by the Company and VIHL.

The Bridge Project is subject to the approvals of the People's Committees of Dong Nai Province and Ho Chi Minh City.

NOTES

- (d) On 16 August 2011, the Company announced its wholly-owned subsidiary company, Berjaya Land Development Sdn Bhd ("BLDSB"), has on even date, entered into a conditional sale and purchase agreement ("SPA") with Penang Turf Club ("PTC"), for the proposed acquisition by BLDSB of approximately 57.3 acres of freehold land ("Property") for a total cash consideration of RM459.0 million ("Proposed Acquisition").

The Proposed Acquisition is conditional upon :

- (i) the planning permission approval for the development of the Property from the relevant authorities; and
(ii) approval of members of PTC.

B8 Group borrowings and debt securities as at 31 January 2012:

	RM'000
Short term borrowings	
Secured - Denominated in Ringgit Malaysia	987,275
Denominated in USD (USD84,772,000) *	258,642
Denominated in GBP (£513,000) *	2,457
	<u>1,248,374</u>
Long term borrowings	
Secured - Denominated in Ringgit Malaysia	512,470
Denominated in USD (USD47,556,000) *	145,095
Denominated in GBP (£1,124,000) *	5,383
	<u>662,948</u>
Total bank borrowings	<u>1,911,322</u>
Medium Term Notes (secured)	<u>550,000</u>

The 8% Secured Exchangeable Bonds amounting to RM695.4 million were fully redeemed on 15 August 2011.

** Converted at the respective exchange rates prevailing as at 31 January 2012*

- B9** There was no pending material litigation as at the date of this announcement.

- B10** The Board does not recommend any dividend for the current quarter under review (previous year corresponding quarter ended 31 January 2011 : Nil).

- B11** The basic and fully diluted earnings per share are calculated as follows:

	Group (3-month period)			
	Income (RM'000)		Earnings per share (sen)	
	31/01/12	31/01/11	31/01/12	31/01/11
Net profit for the quarter attributable to equity holders of the Parent	<u>2,522</u>	<u>34,910</u>		
Weighted average number of ordinary shares in issue with voting rights ('000)	<u>4,976,300</u>	<u>4,976,300</u>		
Basic earnings per share (sen)			<u>0.05</u>	<u>0.70</u>

NOTES

B11 The basic and fully diluted earnings per share are calculated as follows (cont'd):

	Group (9-month period)			
	Income (RM'000)		Earnings per share (sen)	
	31/01/12	31/01/11	31/01/12	31/01/11
Net profit for the period attributable to equity holders of the Parent	2,923	85,130		
Weighted average number of ordinary shares in issue with voting rights ('000)	4,976,300	4,976,300		
Basic earnings per share (sen)			0.06	1.71

There are no potential ordinary shares outstanding as at 31 January 2012. As such, the fully diluted earnings per share of the Group is equivalent to the basic earnings per share.

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

	As at 31/01/12 RM'000	As at 30/04/11 RM'000
Total retained earnings of the Company and its subsidiaries:		
- realised	633,875	764,024
- unrealised	181,081	121,733
	814,956	885,757
Less: Consolidation adjustments	(89,225)	(134,090)
Total Group retained earnings as per financial statements	725,731	751,667