

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

**UNAUDITED INTERIM FINANCIAL REPORT**  
**FOR THE QUARTER ENDED 31 JANUARY 2013**

<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 - 19

**BERJAYA LAND BERHAD**

(COMPANY NO: 201765-A)

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 JANUARY 2013  
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

		<u>Group</u>	
		At 31/01/2013	At 30/04/2012 (Audited)
	Note	RM'000	RM'000
<b>Non-Current Assets</b>			
Property, Plant and Equipment		1,792,304	1,833,024
Investment Properties		619,464	615,123
Land Held For Development		774,631	608,221
Prepaid Land Lease Premiums		1,060	1,076
Associated Companies		327,791	322,563
Jointly Controlled Entities		84,148	97,953
Investments		182,868	198,108
Intangible Assets		5,472,693	5,457,319
Receivables		439,791	418,546
Deferred Tax Assets		16,288	13,858
		<u>9,711,038</u>	<u>9,565,791</u>
<b>Current Assets</b>			
Property Development Costs		753,119	528,128
Inventories		172,869	183,745
Receivables		740,042	691,886
Short Term Investments		38,068	29,368
Tax Recoverable		10,565	16,741
Deposits, Cash And Bank Balances		725,990	816,012
Assets Classified as Held for Sale		-	4,781
		<u>2,440,653</u>	<u>2,270,661</u>
<b>Total Assets</b>		<u><u>12,151,691</u></u>	<u><u>11,836,452</u></u>
<b>Equity</b>			
Share Capital	A4	2,500,168	2,500,168
Reserves :			
Exchange Reserves		(132,635)	(157,328)
Capital Reserve		10,804	10,804
Fair Value Reserve		1,983,501	1,983,501
Available-For-Sale ("AFS") Reserve		14,776	33,882
Consolidation Reserve		15,734	22,510
Retained Earnings		760,541	781,447
		<u>2,652,721</u>	<u>2,674,816</u>
Equity Funds		5,152,889	5,174,984
Less: Treasury Shares	A4	(45,466)	(45,466)
Net Equity Funds		5,107,423	5,129,518
Non-controlling interests		3,253,763	3,145,114
Total Equity		<u>8,361,186</u>	<u>8,274,632</u>

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

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 JANUARY 2013  
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Note	<u>Group</u>	
		At 31/01/2013	At 30/04/2012 (Audited)
		RM'000	RM'000
<b>Non-Current Liabilities</b>			
Medium Term Notes	B8	400,000	550,000
Retirement Benefit Obligations		5,508	5,199
Long Term Borrowings	B8	846,426	1,241,644
Other Long Term Liabilities		320,873	349,610
Deferred Taxation		163,649	164,208
		1,736,456	2,310,661
<b>Current Liabilities</b>			
Payables		554,363	593,044
Short Term Borrowings	B8	1,301,006	625,443
Medium Term Notes	B8	150,000	-
Retirement Benefit Obligations and Provisions		1,896	718
Tax Payable		46,784	31,954
		2,054,049	1,251,159
<b>Total Liabilities</b>		3,790,505	3,561,820
<b>Total Equity and Liabilities</b>		12,151,691	11,836,452
<i>Net assets per RM0.50 share attributable to ordinary equity holders (with voting rights) of the parent (sen)</i>		<i>103</i>	<i>103</i>

*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 2012.

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

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 JANUARY 2013  
CONDENSED CONSOLIDATED INCOME STATEMENT**

	Note	CURRENT QUARTER ENDED		FINANCIAL PERIOD ENDED	
		31/1/2013 RM'000	31/1/2012 RM'000	31/1/2013 RM'000	31/1/2012 RM'000
Revenue		1,032,194	1,121,431	3,112,827	3,111,025
Operating expenses, net		(911,346)	(984,797)	(2,674,950)	(2,700,638)
Profit from operations		120,848	136,634	437,877	410,387
Investment related income, net	A3	3,952	16,418	31,155	39,341
Share of results from associated companies		1,426	2,999	6,602	9,259
Share of results from jointly controlled entities		(4,561)	(1,833)	(15,822)	(15,090)
Finance costs		(38,855)	(39,561)	(111,573)	(132,011)
Profit before tax	B5	82,810	114,657	348,239	311,886
Taxation	B6	(53,013)	(48,383)	(146,655)	(133,679)
Profit net of tax		29,797	66,274	201,584	178,207
Attributable to:					
- Equity holders of the Parent		(17,292)	2,522	16,416	2,923
- Non-controlling interests		47,089	63,752	185,168	175,284
		29,797	66,274	201,584	178,207
(Loss)/Earnings per share (sen)	B11				
Basic		(0.35)	0.05	0.33	0.06
Fully diluted		(0.35)	0.05	0.33	0.06

The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the year ended 30 April 2012.

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

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 JANUARY 2013  
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	<b>CURRENT QUARTER</b>		<b>FINANCIAL PERIOD</b>	
	<b>ENDED</b>		<b>ENDED</b>	
	<b>31/01/2013</b>	<b>31/01/2012</b>	<b>31/01/2013</b>	<b>31/01/2012</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Profit net of tax	29,797	66,274	201,584	178,207
<u>Other comprehensive income</u>				
Net changes in fair value of available-for-sale investments:				
- changes in fair value during the quarter/period	(1,198)	31,148	(9,216)	(19,881)
- transfer to profit or loss upon disposal	(208)	-	(11,737)	-
Share of associated companies' changes in fair value of available-for-sale investments	38	(2,054)	(4,212)	(4,375)
Currency translation differences	(415)	(30,720)	47,951	4,748
Total comprehensive income for the quarter/period	<u>28,014</u>	<u>64,648</u>	<u>224,370</u>	<u>158,699</u>
Attributable to:				
- Equity holders of the Parent	(25,191)	2,200	22,003	(32,327)
- Non-controlling interests	53,205	62,448	202,367	191,026
	<u>28,014</u>	<u>64,648</u>	<u>224,370</u>	<u>158,699</u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 April 2012.

**BERJAYA LAND BERHAD**

(COMPANY NO : 201765-A)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 JANUARY 2013  
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	-----> Attributable to the equity holders of the Parent <----->										
	-----> Non - distributable <----->					Distributable					Non- controlling interests RM'000
	Share capital RM '000	Exchange reserves RM '000	Capital reserve RM '000	Fair value reserve RM '000	AFS reserve RM '000	Consolidation reserve RM '000	Retained earnings RM'000	Treasury shares RM'000	Total net equity funds RM'000		
At 1 May 2012	2,500,168	(157,328)	10,804	1,983,501	33,882	22,510	781,447	(45,466)	5,129,518	3,145,114	8,274,632
Total comprehensive income	-	24,693	-	-	(19,106)	-	16,416	-	22,003	202,367	224,370
Transactions with owners:											
Non-controlling interests arising from:											
- accretion of equity interest in a subsidiary company	-	-	-	-	-	(6,776)	-	-	(6,776)	(3,176)	(9,952)
- additional subscription of shares in subsidiary companies	-	-	-	-	-	-	-	-	-	90	90
Dividend payable #	-	-	-	-	-	-	(37,322)	-	(37,322)	-	(37,322)
Non-controlling interests share of dividend	-	-	-	-	-	-	-	-	-	(90,632)	(90,632)
	-	-	-	-	-	(6,776)	(37,322)	-	(44,098)	(93,718)	(137,816)
At 31 January 2013	2,500,168	(132,635)	10,804	1,983,501	14,776	15,734	760,541	(45,466)	5,107,423	3,253,763	8,361,186

# In respect of financial year ended 30 April 2012

**BERJAYA LAND BERHAD**

(COMPANY NO : 201765-A)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 JANUARY 2013  
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONT'D)**

	-----> Attributable to the equity holders of the Parent ----->										
	-----> Non - distributable ----->					Distributable					Non- controlling interests RM'000
	Share capital RM '000	Exchange reserves RM '000	Capital reserve RM '000	Fair value reserve RM '000	AFS reserve RM '000	Consolidation 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)	10,804	1,983,501	85,529	-	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
Transactions 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)	10,804	1,983,501	59,063	-	725,731	(45,466)	5,069,405	3,115,699	8,185,104

\* In respect of financial year ended 30 April 2011

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 2012.

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

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 JANUARY 2013  
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	9 months ended	
	31/01/2013 RM'000	31/01/2012 RM'000
<b>OPERATING ACTIVITIES</b>		
Receipts from customers/operating revenue	3,458,056	3,376,895
Payment to prize winners, suppliers, duties, taxes and other operating expenses	(3,151,386)	(2,997,243)
Tax paid	(133,353)	(123,383)
Other receipts (including tax refunds)	2,587	21,465
Net cash generated from operating activities	<u>175,904</u>	<u>277,734</u>
<b>INVESTING ACTIVITIES</b>		
Sale of property, plant and equipment and non current assets	2,277	2,321
Sale of short term investments	9,027	1,579
Partial disposal of equity interest in a subsidiary company	-	25,415
Sale of investments in a subsidiary company	-	13,482
Sale of other investments	26,385	-
Acquisition of property, plant and equipment, non current assets and properties	(191,698)	(119,007)
Acquisition of other investments and short term investments	(31,348)	(25,614)
Acquisition of investments in associated companies	(4,800)	-
Acquisition of treasury shares by a subsidiary company	(11,925)	(17,105)
Interest received	23,921	28,330
Dividend received	1,410	4,158
Advances to related companies	(3,650)	(1,005)
Advances to jointly controlled entities	(14,718)	(32,817)
Receipt of capital distribution from an associated company	-	14,340
Other (payments)/receipts	(53,085)	1,985
Net cash used in investing activities	<u>(248,204)</u>	<u>(103,938)</u>
<b>FINANCING ACTIVITIES</b>		
Issuance of share capital to non controlling interest by a subsidiary company	90	157,142
Drawdown of bank and other borrowings	489,044	1,008,187
Redemption of 8% Secured Exchangeable Bonds	-	(695,400)
Repayment of borrowings and other borrowings	(241,495)	(362,315)
Dividend paid to shareholders of the Company	(38,398)	(37,299)
Dividend paid to non-controlling interests of a subsidiary company	(92,739)	(191,460)
Interest paid	(111,674)	(137,566)
Other payments	(11,339)	(16,001)
Net cash used in financing activities	<u>(6,511)</u>	<u>(274,712)</u>
NET CASH OUTFLOW	(78,811)	(100,916)
EFFECTS OF EXCHANGE RATE CHANGES	(12,234)	23,797
OPENING CASH AND CASH EQUIVALENTS	795,680	865,593
CLOSING CASH AND CASH EQUIVALENTS	<u>704,635</u>	<u>788,474</u>
The closing cash and cash equivalents comprise the following:		
Deposits, cash and bank balances	725,990	809,041
Bank overdraft (included under short term borrowings)	(21,355)	(20,567)
	<u>704,635</u>	<u>788,474</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 2012.



## 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 2012. 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 2012.

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 2012.

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.

### Malaysian Financial Reporting Standards Framework

On 19 November 2011, the Malaysian Accounting Standards Board ("MASB") issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework). The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called 'Transitioning Entities'). Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for an additional two years. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2014.

The Group falls within the definition of Transitioning Entities and has accordingly, opted to defer the adoption of the MFRS Framework to the financial year beginning 1 May 2014.

- 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.

**NOTES**

- A3 (a) There were no unusual or material items affecting the Group in the financial quarter and period ended 31 January 2013 other than as disclosed below:

Income Statement

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

	Quarter ended <u>31/01/2013</u> RM'000	Financial period ended <u>31/01/2013</u> RM'000
Fair value changes of fair value through profit or loss ("FVTPL") quoted equity investments	265	2,075
Impairment in value of available-for-sale ("AFS") quoted equity investments	(5,521)	(19,559)
Net (loss)/gain on quoted AFS investments transferred from equity upon disposal	(2)	9,795
Gain on disposal of unquoted investments	-	8,834
	<u>(5,258)</u>	<u>1,145</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 2013.

- 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 2013.

The number of treasury shares held in hand as at 31 January 2013 were as follows :

	Average price per share (RM)	Number of shares	Amount RM'000
Total treasury shares at 1 May 2012/31 January 2013	1.89	24,037,104	45,466

As at 31 January 2013, 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 2012 : 4,976,300,000 ordinary shares of RM0.50 each).

**NOTES**

A5 The Company did not pay any dividend in the financial period ended 31 January 2013. At the Company's Annual General Meeting held on 25 October 2012, 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 2012. The Company paid this final dividend on 12 December 2012.

A6 Segmental information for the financial period ended 31 January 2013:

Revenue

	<u>External</u> <u>RM'000</u>	<u>Inter-segment</u> <u>RM'000</u>	<u>Total</u> <u>RM'000</u>
Toto betting operations and leasing of lottery equipment	2,684,810	-	2,684,810
Property development and investment	142,669	5,929	148,598
Hotels and resorts	202,193	2,213	204,406
Clubs and others	83,155	12,045	95,200
Sub-total	<u>3,112,827</u>	<u>20,187</u>	<u>3,133,014</u>
Less: Inter-segment revenue	-	(20,187)	(20,187)
Total revenue	<u><u>3,112,827</u></u>	<u><u>-</u></u>	<u><u>3,112,827</u></u>

Results

	<u>RM'000</u>
Toto betting operations and leasing of lottery equipment	466,083
Property development and investment	3,660
Hotels and resorts	16,628
Clubs and others	(29,654)
	<u>456,717</u>
Unallocated corporate expenses	(18,840)
Profit from operations	437,877
Investment related income, net:	
- Interest income	27,949
- Dividend income	2,061
- Fair value changes of FVTPL quoted equity investments	2,075
- Net gain on quoted AFS investment transferred from equity upon disposal	9,795
- Gain on disposal of unquoted investments	8,834
- Impairment in value of AFS quoted equity investments	(19,559)
	<u>31,155</u>
	469,032
Share of results from associated companies	6,602
Share of results from jointly controlled entities	(15,822)
Finance costs	(111,573)
Profit before tax	<u>348,239</u>
Taxation	(146,655)
Profit for the period	<u><u>201,584</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 period under review.
- A8 There were no material changes in the composition of the Group for the financial period ended 31 January 2013 including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations except for:
- (a) the increase of its equity interest in Berjaya Sports Toto Berhad ("BToto") from 40.33% to 40.40% following the buyback of treasury shares by BToto;
  - (b) the acquisition by Berjaya Kyoto Development (S) Pte Ltd of 100% equity interest comprising two units of specified equity in Skyland TMK, Japan for a cash consideration of JPY100,000 (about RM3,984);
  - (c) the acquisition by Berjaya Kyoto Development (S) Pte Ltd of 100% equity interest comprising one common share in Berjaya Kyoto Holdings Godo Kaisha, Japan for a cash consideration of JPY1.00 (about RM0.04);
  - (d) the subscription by Berjaya Philippines Inc. ("BPI"), an indirect subsidiary of BToto of 4 million new shares of Php1.00 each, representing 40% equity interest in Berjaya Auto Philippines Inc. ("BAP"), a company incorporated in the Philippines for a cash consideration of Php4.0 million (about RM300,000). BAP's principal activities are the selling and distribution of Mazda brand cars within the territory of the Philippines.
- On 29 November 2012, BPI subscribed for a further 58.7 million new shares of Php1.00 each in BAP for a cash consideration of Php58.7 million (about RM4.5 million) in relation to the increase in the paid-up share capital of BAP from Php10.0 million to Php209.0 million, thereby reducing BPI's equity interest in BAP from 40% to 30%.
- As at 31 January 2013, BPI's 30% equity interest in BAP comprised 62.7 million shares of Php1.00 each at a total cost of Php62.7 million (about RM4.8 million).
- (e) the subscription by BPI of 40% equity interest in Cosway Philippines Inc. ("CPI"), a company incorporated in the Philippines for a cash consideration of Php400,000 (about RM30,000). As at 31 January 2013, CPI has not commenced business; and
  - (f) the incorporation by BToto of a wholly-owned subsidiary company, Sports Toto Malaysia Management Pte. Ltd. ("STMM"), a Singapore incorporated company. STMM will act as the trustee-manager of the proposed Sports Toto Malaysia business trust to be constituted under the Business Trust Act, Chapter 31A of Singapore as disclosed in Note B7(e).
- A9 There are no material changes in contingent liabilities since the last audited statement of financial position as at 30 April 2012.
- A10 There were no material changes in capital commitments since the last audited statement of financial position as at 30 April 2012 except for the completion of the acquisition of land amounting to about RM151.8 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

In the current quarter, the Group reported lower revenue and pre-tax profit of RM1.03 billion and RM82.8 million respectively as compared to the preceding year corresponding quarter. The drop in revenue and pre-tax profit was mainly due to the lower revenue and pre-tax profit of the gaming business operated by Sports Toto (Malaysia) Sdn Bhd ("STMSB"), the principal subsidiary of BToto. STMSB had in the previous year corresponding quarter benefited from the traditionally high sales during the Chinese Lunar New Year festive season coupled with strong sales of its Supreme 6/58 game which recorded its highest jackpot ever of RM57.2 million in the month of January 2012 and higher number of draws. The drop in pre-tax profit of STMSB in the current quarter was also attributed to the higher prize payout.

The hotels and resorts business results (particularly from the Malaysian hotels and resorts) in the current quarter was comparable to the previous year corresponding quarter. However, the overseas hotels and resorts recorded lower revenue and profits arising from low tourist arrivals from its key European markets as a result of the European economic uncertainties caused by its debt crisis. The property development and investment business has registered higher progress billings and correspondingly improved profit contribution in the current quarter and this has partly cushioned the drop in profit contribution from the gaming business.

In addition, the Group reported higher exceptional gain (mainly from the receipt of capital distribution by an associated company) in the previous year corresponding quarter.

Review of Results For the 9-month Period

The Group reported revenue of RM3.11 billion in the current 9-month period which is comparable to the previous year corresponding period. The Group pre-tax profit increased by approximately 12% to RM348.2 million in this 9-month period under review from pre-tax profit of RM311.9 million reported in the same period last year.

The gaming business reported marginally lower profit contribution in the current period compared to the previous year corresponding period. The higher revenue and pre-tax profit in the previous year corresponding period was mainly due to the high sales recorded during Chinese Lunar New Year festive season as well as high jackpots in the Supreme 6/58 and Power 6/55 games. This slight drop in profit contribution was fully covered by the improved results from the hotels and resorts business (particularly from the Malaysian hotels and resorts) mainly due to the

**NOTES**Review of Results For the 9-month Period (Cont'd)

lower maintenance and operating expenses following its ongoing cost structure revamping exercise and improved average room rates. The property development business also reported higher profit contribution arising from higher progress billings. In addition, the Group incurred lower finance costs in the current quarter under review.

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

For the third quarter under review, the Group reported lower revenue of RM1.03 billion as compared to RM1.05 billion reported in the preceding quarter. Pre-tax profit for the third quarter was also lower at RM82.8 million as compared to RM141.8 million reported in the preceding quarter ended 31 October 2012.

The lower revenue for the current quarter was mainly attributed to the lower revenue recorded by the hotels and resorts business due to the onset of the North-East monsoon season and the marginally lower gaming revenue from BToto Group. The property development business reported higher progress billings which partly mitigated the lower revenue from the other business segments.

The profit contribution from the hotels and resorts business was correspondingly lower due to the factor mentioned in the paragraph above whilst the gaming business registered higher prize payout in the current quarter as compared to the preceding quarter. This was partly mitigated by the improved revenue and a corresponding higher profit contribution from the property development business.

**B3** Future Prospects

Going forward, the Group expects its subsidiary, BToto to continue consolidating the earnings from STMSB subject to certain dilution effect arising from the proposed restructuring exercise of BToto that involves the transfer of STMSB to a business trust which is expected to be listed on the Singapore Stock Exchange in the fourth quarter of the current financial year ending 30 April 2013 (refer to Note B7(e)). The Group also expects its hotels and resorts business to maintain its occupancy rates and average room rates whilst the focus of the property development business will be on its overseas development projects which are still in their gestation stage during this financial year. Given the cautious economic outlook, the Directors are of the view that the Group's performance will remain challenging in the remaining quarter of the financial year ending 30 April 2013.

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

**NOTES**

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

	Quarter ended <u>31/01/2013</u> RM'000	Financial period ended <u>31/01/2013</u> RM'000
Interest income	(8,973)	(27,949)
Dividend income	(237)	(2,061)
Other income excluding dividend and interest income	-	-
Gain on disposal of investment properties	-	-
Depreciation of property, plant and equipment	23,342	70,533
Amortisation of intangible assets	149	348
Impairment loss on receivables	120	599
Impairment in value of AFS quoted investments	5,521	19,559
Provision for and write off of inventories	-	-
Net foreign exchange loss	113	3,241
Net loss/(gain) on quoted AFS investments transferred from equity upon disposal	2	(9,795)
Fair value changes of FVTPL quoted equity investments	(265)	(2,075)
Gain on disposal of unquoted investments	-	(8,834)
Gain or loss on derivatives	-	-
	<u>                    </u>	<u>                    </u>

B6 The taxation charges for the financial quarter and period ended 31 January 2013 were detailed as follows:

	Quarter ended <u>31/01/2013</u> RM'000	Financial period ended <u>31/01/2013</u> RM'000
Malaysian income tax	45,943	131,554
Foreign tax	5,618	21,169
Under/(Over) provision in prior years	2,143	(3,079)
Deferred taxation	(691)	(2,989)
	<u>53,013</u>	<u>146,655</u>

The disproportionate tax charge of the Group for the financial quarter and period ended 31 January 2013 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 then, 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 ("Sungai Besi 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

**NOTES**

million to be satisfied with a transfer of 750 acres of land located in Sungai Tinggi ("Sungai Tinggi Land") with a newly built turf club thereon ("STC Proposals") ("SPA"). SMSB had proposed to acquire Sungai Tinggi 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 fulfil 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 Sungai Tinggi 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 Sungai Besi 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.
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 Sungai Tinggi 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 Sungai Tinggi 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.

Further to the above announcement, on 13 August 2012, the Company announced that SMSB and STC had entered into a Supplemental Agreement to mutually vary certain terms of the SPA, details of which are as follows:

- if there is any CP remains outstanding, SMSB shall be entitled to request from STC further extension of time to fulfil the CPs pursuant to the proposed acquisition of Sungai Besi Land. STC shall grant an extension of one year subject to a cash payment of RM3.0 million by SMSB for such extension; and
- upon signing the Supplemental Agreement, SMSB shall pay STC an advance part payment of RM7.0 million which will be deducted from the cash portion of the consideration of RM35.0 million. The balance of the purchase consideration shall be paid within 33 months from the date of the last CP is fulfilled or such date as mutually extended.



**NOTES**

On 18 December 2012, the Company announced that STC has confirmed the grant of further extension of time from 19 January 2013 to 18 January 2014 in consideration of the payment of RM3.0 million by SMSB to fulfil the below mentioned remaining conditions precedent pursuant to the proposed acquisition of Sungai Besi Land:

1. renewal of consent by Land and Mines Department (Federal) for the transfer to SMSB of the portion of Sungai Besi Land (held under H.S.(D) 61790 No. P.T. 2872 in the Mukim of Petaling, District and State of Wilayah Persekutuan) that resides in Wilayah Persekutuan, Kuala Lumpur which had expired on 11 January 2006; and
2. the approvals, permits or consents of any other relevant authorities as may be required by applicable laws include inter-alia the following:
  - (i) approval from the Town and Country Planning Department of the State of Selangor on the re-tabling of the amended master layout plan which was re-submitted on 19 August 2008;
  - (ii) approval from the Majlis Daerah Hulu Selangor for the Development Order and building plan pertaining to the construction of the new turf club after approval under item 2(i) above is obtained; and
  - (iii) approval from the State Exco of Selangor for the conversion and sub-division of Sungai Tinggi Land after approvals under item 2(i) and (ii) above are obtained.

- (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.

Subsequently, on 29 December 2011, the Company announced that BLDSB and PTC entered into a supplementary agreement ("SSPA") to waive one of the condition precedent relating to the obtaining of the planning permission approval of the Property from relevant authorities and to vary the terms of payment of the balance of deposit. On 14 November 2011, the approval of members of PTC was obtained. Hence, following the SSPA, the SPA is now unconditional and is pending completion upon full payment of purchase consideration.

- (e) On 5 June 2012, BToto announced the proposed transfer of its 100% equity interest in a wholly-owned subsidiary company, Sports Toto (Malaysia) Sdn Bhd for a consideration of RM6 billion to a business trust to be constituted and registered in Singapore to be known as Sports Toto Malaysia Trust ("STM-Trust") and the proposed listing of up to 4.89 billion STM-Trust units on the Mainboard of the Singapore Exchange Securities Trading Limited.

As at todate, BToto had announced that it had obtained the following approvals from the relevant authorities/ parties:

<u>Relevant authorities/parties</u>	<u>Date of Approval</u>
Ministry of Finance	27 July 2012
Controller of Foreign Exchange of Bank Negara Malaysia	24 August 2012
Holder of the Medium Term Notes	28 November 2012
Singapore Exchange Securities Trading Limited ("SGX-ST")	10 December 2012
Shareholders of BToto	12 December 2012

SGX-ST has via its letter dated 8 March 2013 granted its approval for an extension of validity period of the conditional eligibility-to-list by 3 months to 10 June 2013.

The aforesaid proposals are currently pending the approval from the Monetary Authority of Singapore.

**NOTES**

B8 Group borrowings and debt securities as at 31 January 2013:

		RM'000	RM'000
Short term borrowings			
Secured -	Denominated in Ringgit Malaysia	1,013,076	
	Denominated in USD (USD70,284,000) *	217,627	
	Denominated in SGD (SGD18,000,000) *	44,951	
	Denominated in GBP (£575,000) *	2,805	
		1,278,459	
Unsecured -	Denominated in Ringgit Malaysia	7,067	
	Denominated in USD (USD5,000,000) *	15,480	
		22,547	
			1,301,006
Long term borrowings			
Secured -	Denominated in Ringgit Malaysia	681,578	
	Denominated in USD (USD51,982,000) *	160,936	
	Denominated in GBP (£802,000) *	3,912	
			846,426
Total borrowings			<u>2,147,432</u>
Medium Term Notes (secured) - short term			150,000
- long term			400,000
			<u>550,000</u>

\* Converted at the respective exchange rates prevailing as at 31 January 2013

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 period ended 31 January 2013 (previous year corresponding quarter ended 31 January 2012 : Nil).

B11 The basic and fully diluted earnings/(loss) per share are calculated as follows:

	Group (3-month period)			
	Income/(Loss) (RM'000)		Earnings/(Loss) per share (sen)	
	31/01/2013	31/01/2012	31/01/2013	31/01/2012
Net (loss)/profit for the quarter attributable to equity holders of the Parent	(17,292)	2,522		
Weighted average number of ordinary shares in issue with voting rights ('000)	4,976,300	4,976,300		
Basic (loss)/earnings per share (sen)			(0.35)	0.05

**NOTES**

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

	Group (9-month period)			
	Income (RM'000)		Earnings per share (sen)	
	31/01/2013	31/01/2012	31/01/2013	31/01/2012
Net profit for the period attributable to equity holders of the Parent	16,416	2,923		
Weighted average number of ordinary shares in issue with voting rights ('000)	4,976,300	4,976,300		
Basic earnings per share (sen)			0.33	0.06

There are no potential ordinary shares outstanding as at 31 January 2013. As such, the fully diluted earnings/(loss) per share of the Group is equivalent to the basic earnings/(loss) per share.

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

	As at 31/01/2013 RM'000	As at 30/04/2012 RM'000
Total retained earnings of the Company and its subsidiaries:		
- realised	716,400	654,359
- unrealised	233,941	321,237
	950,341	975,596
Less: Consolidation adjustments	(189,800)	(194,149)
Total Group retained earnings as per financial statements	760,541	781,447

c.c. Securities Commission