

BERJAYA LAND BERHAD
(COMPANY NO: 201765-A)

UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 31 OCTOBER 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 - 10
Additional Information Required by the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities LR")	11 - 18

BERJAYA LAND BERHAD
(COMPANY NO: 201765-A)

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

	Note	<u>Group</u>	
		At 31/10/2013	At 30/04/2013 (Audited)
		RM'000	RM'000
Non-Current Assets			
Property, Plant and Equipment		1,843,880	1,838,930
Investment Properties		642,912	642,656
Land Held For Development		1,051,480	960,768
Prepaid Land Lease Premiums		1,045	1,055
Associated Companies		374,480	367,990
Jointly Controlled Entities		70,508	77,282
Investments		231,891	188,675
Intangible Assets		5,574,667	5,463,962
Receivables		463,648	435,880
Deferred Tax Assets		27,391	18,417
		<u>10,281,902</u>	<u>9,995,615</u>
Current Assets			
Property Development Costs		579,247	544,529
Inventories		395,217	180,726
Receivables		863,593	744,658
Short Term Investments		5,607	19,675
Tax Recoverable		10,316	11,295
Deposits, Cash And Bank Balances		869,384	742,038
Assets Classified as Held for Sale		-	28,304
		<u>2,723,364</u>	<u>2,271,225</u>
Total Assets		<u>13,005,266</u>	<u>12,266,840</u>
Equity			
Share Capital	A4	2,500,168	2,500,168
Reserves :			
Exchange Reserves		(170,582)	(179,780)
Capital Reserve		10,804	10,804
Fair Value Reserve		1,983,501	1,983,501
Available-For-Sale ("AFS") Reserve		26,880	14,720
Consolidation Reserve		22,510	22,510
Retained Earnings		950,814	872,980
		<u>2,823,927</u>	<u>2,724,735</u>
Equity Funds		5,324,095	5,224,903
Less: Treasury Shares	A4	(45,466)	(45,466)
Net Equity Funds		<u>5,278,629</u>	<u>5,179,437</u>
Non-controlling Interests		3,261,580	3,208,319
Total Equity		<u>8,540,209</u>	<u>8,387,756</u>

BERJAYA LAND BERHAD
(COMPANY NO: 201765-A)

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

	Note	<u>Group</u>	
		At 31/10/2013	At 30/04/2013 (Audited)
		RM'000	RM'000
Non-Current Liabilities			
Medium Term Notes	B8	400,000	400,000
Retirement Benefit Obligations		6,572	6,057
Long Term Borrowings	B8	1,422,362	813,612
Other Long Term Liabilities		301,179	313,390
Deferred Taxation		98,275	95,242
		2,228,388	1,628,301
Current Liabilities			
Payables		730,823	628,193
Short Term Borrowings	B8	1,222,317	1,437,069
Medium Term Notes	B8	180,000	150,000
Retirement Benefit Obligations and Provisions		2,684	456
Dividend Payable		37,322	-
Tax Payable		63,523	35,065
		2,236,669	2,250,783
Total Liabilities		4,465,057	3,879,084
Total Equity and Liabilities		13,005,266	12,266,840

Net assets per RM0.50 share attributable to ordinary equity holders (with voting rights) of the parent (sen)

	106	104
--	-----	-----

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 2013.

BERJAYA LAND BERHAD
(COMPANY NO : 201765-A)

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

	Note	CURRENT QUARTER ENDED		FINANCIAL PERIOD ENDED	
		31/10/2013	31/10/2012	31/10/2013	31/10/2012
		RM'000	RM'000	RM'000	RM'000
Revenue		1,039,864	1,053,442	2,067,650	2,080,633
Operating expenses, net		(876,082)	(877,120)	(1,665,284)	(1,763,604)
Profit from operations	A3	163,782	176,322	402,366	317,029
Investment related income, net	A3	16	3,222	23,926	27,203
Share of results from associated companies		2,676	3,370	2,615	5,176
Share of results from jointly controlled entities		(4,089)	(4,845)	(10,020)	(11,261)
Finance costs		(45,115)	(36,245)	(85,764)	(72,718)
Profit before tax	B5	117,270	141,824	333,123	265,429
Taxation	B6	(50,302)	(43,551)	(103,404)	(93,642)
Profit net of tax		66,968	98,273	229,719	171,787
Attributable to:					
- Equity holders of the Parent		12,637	26,798	115,156	33,708
- Non-controlling interests		54,331	71,475	114,563	138,079
		66,968	98,273	229,719	171,787
Earnings per share (sen)	B11				
Basic		0.25	0.54	2.31	0.68
Fully diluted		0.25	0.54	2.31	0.68

The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the year ended 30 April 2013.

BERJAYA LAND BERHAD
(COMPANY NO : 201765-A)

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

	CURRENT QUARTER ENDED		FINANCIAL PERIOD ENDED	
	31/10/2013 RM'000	31/10/2012 RM'000	31/10/2013 RM'000	31/10/2012 RM'000
Profit net of tax	66,968	98,273	229,719	171,787
<u>Other comprehensive income</u>				
Net changes in fair value of available-for-sale investments:				
- changes in fair value during the quarter/period	(2,628)	(6,472)	42,923	(8,018)
- transfer to profit or loss upon disposal/derecognition	(15,129)	(16,947)	(17,437)	(11,529)
Share of associated companies' changes in fair value of available-for-sale investments	(1,673)	(779)	1,720	(4,250)
Currency translation differences	(94,123)	13,702	7,389	48,366
Total comprehensive income for the quarter/period	<u>(46,585)</u>	<u>87,777</u>	<u>264,314</u>	<u>196,356</u>
Attributable to:				
- Equity holders of the Parent	(69,334)	22,865	136,514	47,194
- Non-controlling interests	22,749	64,912	127,800	149,162
	<u>(46,585)</u>	<u>87,777</u>	<u>264,314</u>	<u>196,356</u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 April 2013.

BERJAYA LAND BERHAD

(COMPANY NO : 201765-A)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 OCTOBER 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 2013	2,500,168	(179,780)	10,804	1,983,501	14,720	22,510	872,980	(45,466)	5,179,437	3,208,319	8,387,756	
Total comprehensive income	-	9,198	-	-	12,160	-	115,156	-	136,514	127,800	264,314	
Transactions with owners:												
Non-controlling interests arising from:												
- accretion of equity interest in a subsidiary company	-	-	-	-	-	-	-	-	-	(32,781)	(32,781)	
- acquisition of a subsidiary company	-	-	-	-	-	-	-	-	-	21,582	21,582	
Dividend payable *	-	-	-	-	-	-	(37,322)	-	(37,322)	-	(37,322)	
Non-controlling interests share of dividend	-	-	-	-	-	-	-	-	-	(63,340)	(63,340)	
	-	-	-	-	-	-	(37,322)	-	(37,322)	(74,539)	(111,861)	
At 31 October 2013	2,500,168	(170,582)	10,804	1,983,501	26,880	22,510	950,814	(45,466)	5,278,629	3,261,580	8,540,209	

* In respect of financial year ended 30 April 2013

BERJAYA LAND BERHAD

(COMPANY NO : 201765-A)

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

	-----> Attributable to the equity holders of the Parent ----->										
	-----> Non - distributable ----->					Distributable					
	Share capital	Exchange reserves	Capital reserve	Fair value reserve	AFS reserve	Consolidation 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 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	-	29,660	-	-	(16,174)	-	33,708	-	47,194	149,162	196,356
Transactions with owners:											
Non-controlling interests arising from:											
- dilution 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 October 2012	2,500,168	(127,668)	10,804	1,983,501	17,708	15,734	777,833	(45,466)	5,132,614	3,200,558	8,333,172

In respect of financial year ended 30 April 2012

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 2013.

BERJAYA LAND BERHAD
(COMPANY NO : 201765-A)

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

	6 months ended	
	31/10/2013	31/10/2012
	RM'000	RM'000
OPERATING ACTIVITIES		
Receipts from customers/operating revenue	2,221,749	2,296,250
Payment to prize winners, suppliers, duties, taxes and other operating expenses	(1,966,558)	(2,079,387)
Tax paid	(84,884)	(91,809)
Other receipts/(payments) (net of tax refunds)	8,137	(2,455)
Net cash generated from operating activities	<u>178,444</u>	<u>122,599</u>
INVESTING ACTIVITIES		
Sale of property, plant and equipment and non-current assets	128,850	1,241
Sale of short term investments	14,068	1,465
Sale of other investments	17,675	25,802
Acquisition of property, plant and equipment, non-current assets and properties	(91,013)	(194,338)
Acquisition of other investments and short term investments	(25,340)	(23,331)
Acquisition of investment in a subsidiary company	(75,180)	-
Additional subscription of shares in an associated company	(1,901)	(326)
Acquisition of treasury shares by subsidiary companies	(33,202)	(11,925)
Interest received	16,277	17,443
Dividend received	1,057	1,824
Repayment from/(Advances to) related companies	5,782	(2,291)
Advances to jointly controlled entities	(23,301)	(10,813)
Deposits placement with investment advisers	(62,768)	-
Other payments	(29,175)	(46,481)
Net cash used in investing activities	<u>(158,171)</u>	<u>(241,730)</u>
FINANCING ACTIVITIES		
Issuance of share capital to non controlling interest by a subsidiary company	-	90
Drawdown of bank and other borrowings	1,388,376	335,365
Repayment of borrowings and other borrowings	(1,137,610)	(220,794)
Dividend paid to shareholders of the Company	(34)	(30)
Dividend paid to non-controlling interests of a subsidiary company	(64,713)	(90,632)
Interest paid	(81,939)	(66,643)
Other payments	(8,229)	(7,541)
Net cash generated from/(used in) financing activities	<u>95,851</u>	<u>(50,185)</u>
NET CHANGE IN CASH FLOWS	116,124	(169,316)
EFFECTS OF EXCHANGE RATE CHANGES	2,822	7,450
OPENING CASH AND CASH EQUIVALENTS	<u>718,225</u>	<u>795,680</u>
CLOSING CASH AND CASH EQUIVALENTS	<u>837,171</u>	<u>633,814</u>
The closing cash and cash equivalents comprise the following:		
Deposits, cash and bank balances	869,384	653,088
Bank overdraft (included under short term borrowings)	(32,213)	(19,274)
	<u>837,171</u>	<u>633,814</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 2013.

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 2013. 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 2013.

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 2013.

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 impact to the financial statements of the Group upon their first adoption.

- 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 quarter and period ended 31 October 2013 other than as disclosed below:

Income Statement

- (i) Included in the profit from operations was the gain realised on disposal of a hotel property, Berjaya Singapore Hotel, amounting to RM94.7 million in the financial period ended 31 October 2013.

- (ii) Included under investment related income, net:

	Quarter ended 31/10/2013 RM'000	Financial period ended 31/10/2013 RM'000
Corporate exercise expenses incurred by a subsidiary	(23,491)	(23,491)
Fair value changes of fair value through profit or loss ("FVTPL") quoted equity investments	(2,337)	6,406
Impairment in value of available-for-sale ("AFS") quoted equity investments	(329)	(329)
Net gain on quoted AFS investments transferred from equity upon disposal	15,120	20,057
Gain on disposal of land held for development	1,909	1,909
	<u>12,454</u>	<u>4,552</u>

- (b) There were no major changes in estimates reported in the prior financial quarter that had a material effect in the financial quarter ended 31 October 2013.

NOTES

- 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 October 2013.

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

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

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

- A5 The Company did not pay any dividend in the financial period ended 31 October 2013. At the Company's Annual General Meeting held on 25 October 2013, 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 2013. The Company paid this final dividend on 18 December 2013.

- A6 Segmental information for the financial period ended 31 October 2013:

Revenue

	External RM'000	Inter-segment RM'000	Total RM'000
Toto betting operations and leasing of lottery equipment	1,746,230	-	1,746,230
Property development and investment	106,341	4,125	110,466
Hotels and resorts	151,685	1,002	152,687
Clubs and others	63,394	3,107	66,501
Sub-total	2,067,650	8,234	2,075,884
Less: Inter-segment revenue	-	(8,234)	(8,234)
Total revenue	2,067,650	-	2,067,650

Results

	RM'000
Toto betting operations and leasing of lottery equipment	303,854
Property development and investment	(373)
Hotels and resorts	117,642
Clubs and others	(9,981)
	411,142
Unallocated corporate expenses	(8,776)
Balance brought forward	402,366

NOTES

A6 Segmental information for the financial period ended 31 October 2013 (cont'd):

	<u>RM'000</u>
Balance carried forward	402,366
Investment related income, net:	
- Interest income	18,317
- Dividend income	1,057
- Corporate exercise expenses incurred by a subsidiary	(23,491)
- Fair value changes of FVTPL quoted equity investments	6,406
- Impairment in value of available-for-sale ("AFS") quoted equity investments	(329)
- Net gain on quoted AFS investment transferred from equity upon disposal	20,057
- Gain on disposal of land held for development	1,909
	23,926
Share of results from associated companies	2,615
Share of results from jointly controlled entities	(10,020)
Finance costs	(85,764)
Profit before tax	333,123
Taxation	(103,404)
Profit for the period	229,719

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 October 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 40.61% to 40.85% following the buyback of treasury shares by BToto;
- (b) the constitution of Sports Toto Malaysia Trust ("STM-Trust") under the Business Trust Act, Chapter 31A of Singapore by a declaration of trust by a wholly-owned subsidiary company of BToto, namely Sports Toto Malaysia Management Pte. Ltd., as trustee-manager of STM-Trust under a trust deed dated 13 June 2013; and
- (c) the cash offer made by Berjaya Philippines Inc. ("BPI") on 30 July 2013, to acquire the entire issued and to be issued share capital of H.R. Owen Plc ("H.R. Owen") at an offer price of 130 pence per share. BPI subsequent increased the offer price to 170 pence per share. On 23 September 2013, the mandatory cash offer was declared wholly unconditional with BPI being the beneficial owner of over 50% equity interests in H.R. Owen. BPI's shareholdings in H.R. Owen further increased to 71.2% as at the mandatory cash offer closing and completion date on 11 October 2013 for a total cash consideration of approximately £25.7 million (equivalent to approximately RM129.2 million for the cash offer). Hence H.R. Owen is now a subsidiary company of BPI. The subsequent consolidation of H.R. Owen is regarded as a business combination in accordance with FRS 3 Business Combinations. BPI is now undertaking a purchase price allocation exercise to identify and measure intangible assets, if any, and the goodwill on acquisition which is now provisionally estimated to be RM91.4 million and included in its statement of financial position.

A9 There are no material changes in contingent liabilities since the last audited statement of financial position as at 30 April 2013.

A10 There were no material changes in capital commitments since the last audited statement of financial position as at 30 April 2013 other than the commitment related to the mandatory cash offer of H.R. Owen as disclosed in Note A8 (c).

NOTES

- 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 a revenue of RM1.04 billion and pre-tax profit of RM117.3 million as compared to RM1.05 billion and RM141.8 million respectively reported in the previous year corresponding quarter.

The lower revenue was mainly due to lower revenue reported by the gaming business operated by Sports Toto Malaysia Sdn Bhd ("STMSB"), the principal subsidiary of BToto. The drop was mainly due to strong sales from the high jackpot in the Power Toto 6/55 game reported by STMSB as well as more number of draw days in the previous year corresponding quarter. The lower gaming business revenue was partly mitigated by the improved revenue reported by the hotels and resorts business from higher occupancy and average room rates and higher progress billings reported by the property development and investment business.

The drop in pre-tax profit in the current quarter under review was mainly due to:

- lower revenue and higher prize payout registered by STMSB;
- the corporate exercise expenses incurred by BToto pursuant to the proposed listing of STM Trust (which was aborted) in the current quarter under review; and
- higher finance costs.

The above factors were partly mitigated by the correspondingly higher profit contribution reported by the hotels and resorts and the property development and investment businesses arising from higher revenue.

Review of Results For the 6-month Period

The Group reported revenue of RM2.07 billion in the 6-month period under review as compared to RM2.08 billion reported in the previous year corresponding period. In spite of the drop in revenue, the Group pre-tax profit was higher at RM333.1 million in the current 6-month period as compared to RM265.4 million registered in the same period last year.

The lower revenue was mainly due to the lower gaming revenue reported by STMSB from having lower number of draws in the current period under review. This drop in revenue was partly mitigated by the improved revenue reported by the hotels and resorts business from higher occupancy and average room rates and higher progress billings reported by the property development and investment business.

NOTES

B1 Review of Results For the 6-month Period (Cont'd)

The improved pre-tax profit was mainly due to the correspondingly higher profit contribution reported by the hotels and resorts and the property development and investment businesses arising from higher revenue recognised. In addition, the Group realised a gain on disposal of a hotel property, Berjaya Singapore Hotel, amounting to about RM94.7 million in the current period. The aforementioned factors offset the lower profit contribution reported by the gaming business.

B2 Review of Results of Second Quarter Vs First Quarter

For the current quarter under review, the Group reported revenue of RM1.04 billion which was comparable to RM1.03 billion reported in the preceding quarter. Pre-tax profit for the current quarter was also lower at RM117.3 million as compared to RM215.8 million reported in the first quarter ended 31 July 2013.

The drop in pre-tax profit was mainly due to the gain on disposal of Berjaya Singapore Hotel which was reported in the first quarter. In addition, the gaming business also reported lower profit contribution in the second quarter mainly due to the corporate exercise expenses explained in Note B1 and higher prize pay-out. These were partly mitigated by the higher profit contribution from the hotels and resorts business (from higher occupancy rates) and also the property development and investment business which reported higher progress billings in this quarter under review.

B3 Future Prospects

The gaming business in Malaysia is expected to remain resilient and the Directors expect BToto Group to maintain its market share in the NFO business. The Group also expects its hotels and resorts business to improve 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 current economic outlook, the Directors are of the view that the Group's performance will continue to remain challenging in the remaining quarters of the financial year ending 30 April 2014.

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

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

	Quarter ended <u>31/10/2013</u> RM'000	Financial period ended <u>31/10/2013</u> RM'000
Interest income	(9,137)	(18,317)
Dividend income	(6)	(1,057)
Other income excluding dividend and interest income	(5,069)	(8,516)
Depreciation of property, plant and equipment	21,366	44,967
Gain on disposal of property, plant and equipment	(1,683)	(96,401)
Amortisation of intangible assets	411	538
Impairment loss on receivables	385	1,051
Provision for and write off of inventories	-	-
Net foreign exchange gain	(9,606)	(4,900)

NOTES

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

	Quarter ended 31/10/2013 RM'000	Financial period ended 31/10/2013 RM'000
Impairment in value of available-for-sale ("AFS") quoted equity investments	329	329
Net gain on quoted AFS investments transferred from equity upon disposal	(15,121)	(20,057)
Fair value changes of FVTPL quoted equity investments	2,337	(6,406)
Gain on disposal of land held for development	(1,909)	(1,909)
Gain or loss on derivatives	-	-

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

	Quarter ended 31/10/2013 RM'000	Financial period ended 31/10/2013 RM'000
Malaysian income tax	40,246	85,869
Foreign tax	3,402	10,245
Underprovision in prior years	13,243	13,231
Deferred taxation	(6,589)	(5,941)
	<u>50,302</u>	<u>103,404</u>

The disproportionate tax charge of the Group for the quarter and financial period ended 31 October 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 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.

NOTES

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

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.

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

NOTES

- B7 The corporate proposals announced by the Group but not completed as at the date of this announcement are listed below (cont'd):
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 items 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

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

- (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) In relation to the corporate proposals announced by BToto as disclosed in Notes 47(b) and 48(a) of the Company's annual audited financial statements for the financial year ended 30 April 2013:

- (i) Note 47(b) relates to the proposed transfer of BToto's 100% equity interest in STMSB to STM Trust, a business trust constituted in Singapore ("Proposed Transfer") and the proposed listing of up to 4.89 billion STM Trust units on the Mainboard of the Singapore Exchange Securities Trading Limited.

The Proposed Transfer was completed on 31 October 2013 following the issuance of 4,369,999,998 units in STM Trust at an issue price of SGD0.5001 each to Berjaya Sports Toto (Cayman) Limited and bill of exchange in favour of BToto amounting to RM571.32 million, which was subsequently indorsed in favour of STMSB.

On 2 December 2013, BToto announced that its board decided not to proceed with the proposed listing after considering the challenging market conditions and the poor performances of the listed yield stocks such as real estate investment trusts ("REIT") and other business trusts in Singapore.

- (ii) With reference to Note 48(a), BToto announced that its subsidiary company, BPI had on 14 October 2013 announced that the mandatory cash offer for H.R. Owen shares had closed on 11 October 2013 and BPI's shareholdings in H.R. Owen on even date was 71.2%, as disclosed on Note A8(c) above. H.R. Owen is a company listed on the London Stock Exchange and operates as a franchised motor dealer in the United Kingdom.

NOTES

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

	Group (6-month period)			
	Income (RM'000)		Earnings per share (sen)	
	31/10/2013	31/10/2012	31/10/2013	31/10/2012
Net profit for the period attributable to equity holders of the Parent	115,156	33,708		
Weighted average number of ordinary shares in issue with voting rights ('000)	4,976,300	4,976,300		
Basic earnings per share (sen)			2.31	0.68

There are no potential ordinary shares outstanding as at 31 October 2013. 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 31/10/2013 RM'000	As at 30/04/2013 RM'000
Realised earnings	700,677	621,908
Unrealised earnings	417,623	393,544
	1,118,300	1,015,452
Share of results of associated companies *	74,635	72,020
Share of results of jointly controlled entities *	(159,498)	(149,478)
	1,033,437	937,994
Less: Consolidation adjustments	(82,623)	(65,014)
	950,814	872,980

* It is not practical to segregate the share of results from associated companies and from jointly controlled entities to realised and unrealised earnings.