

# **BERJAYA LAND BERHAD**

Company No: 201765-A

21 September 2015

## **UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 JULY 2015**

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**BERJAYA LAND BERHAD**  
(Company No: 201765 - A)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 JULY 2015**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Note	Group	
		As at 31/07/2015 RM'000	As at 30/04/2015 RM'000 (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		2,307,170	2,586,999
Investment properties		610,558	607,758
Land held for development		864,917	849,888
Prepaid land lease premiums		1,432	1,018
Associated companies		377,141	378,015
Joint ventures		36,795	44,812
Investments		118,311	165,350
Intangible assets		5,110,595	5,093,609
Receivables		610,360	564,539
Deferred tax assets		26,673	22,955
		<u>10,063,952</u>	<u>10,314,943</u>
<b>Current Assets</b>			
Property development costs		1,396,373	1,351,288
Inventories		554,910	479,542
Receivables		904,290	871,823
Short term investments		3,100	10,364
Tax recoverable		20,796	3,087
Deposits, cash and bank balances		984,718	1,082,074
Assets of disposal group/non current assets classified as held for sale		513,904	58,009
		<u>4,378,091</u>	<u>3,856,187</u>
<b>TOTAL ASSETS</b>		<u>14,442,043</u>	<u>14,171,130</u>
<b>EQUITY AND LIABILITIES</b>			
Share capital	A4	2,500,168	2,500,168
Reserves:			
Exchange reserves		76,203	(3,354)
Capital reserve		10,804	10,804
Fair value reserve		1,935,385	1,935,385
Available-For-Sale ("AFS") reserve		6,111	13,114
Consolidation reserve		21,220	21,220
Retained earnings		477,894	467,982
		<u>2,527,617</u>	<u>2,445,151</u>
Equity funds		5,027,785	4,945,319
Less: Treasury shares	A4	(20,699)	(20,699)
Net equity funds		5,007,086	4,924,620
Non-controlling interests		3,321,097	3,292,065
<b>Total equity</b>		<u>8,328,183</u>	<u>8,216,685</u>

**BERJAYA LAND BERHAD**  
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**UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 JULY 2015**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Note	Group	
		As at 31/07/2015 RM'000	As at 30/04/2015 RM'000 (Audited)
<b>Non-current liabilities</b>			
Medium term notes	B8	1,287,852	1,142,734
Retirement benefit obligations		7,159	9,511
Long term borrowings	B8	1,899,467	2,016,297
Other long term liabilities		246,583	235,958
Deferred taxation		118,151	117,054
		<u>3,559,212</u>	<u>3,521,554</u>
<b>Current Liabilities</b>			
Payables		1,471,189	1,392,313
Short term borrowings	B8	714,654	826,237
Medium term notes	B8	55,000	200,000
Retirement benefit obligations and provisions		3,539	1,107
Tax payable		19,751	13,234
Liabilities directly associated with disposal group classified as held for sale		290,515	-
		<u>2,554,648</u>	<u>2,432,891</u>
<b>Total Liabilities</b>		<u>6,113,860</u>	<u>5,954,445</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>14,442,043</u>	<u>14,171,130</u>
 <i>Net assets per RM0.50 share attributable to ordinary equity holders (with voting rights) of the parent (RM)</i>			
		<u>1.00</u>	<u>0.98</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 2015.

**BERJAYA LAND BERHAD**  
(Company No: 201765 - A)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 JULY 2015**  
**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

	Note	<b>CURRENT QUARTER ENDED</b>	
		<b>31/07/2015</b>	<b>31/07/2014</b>
		<b>RM'000</b>	<b>RM'000</b>
REVENUE		1,511,224	1,410,826
OPERATING EXPENSES, NET		(1,366,132)	(1,270,572)
<hr/>			
PROFIT FROM OPERATIONS	A3	145,092	140,254
Investment related income, net	A3	10,182	39,431
Share of results from associated companies		(664)	2,429
Share of results from joint ventures		(1,917)	(7,562)
Finance costs		(50,572)	(42,176)
<hr/>			
PROFIT BEFORE TAX	B5	102,121	132,376
TAXATION	B6	(43,310)	(46,024)
<hr/>			
PROFIT NET OF TAX		<u>58,811</u>	<u>86,352</u>
ATTRIBUTABLE TO:			
- Owners of the parent		9,912	37,663
- Non-controlling interests		48,899	48,689
<hr/>			
		<u>58,811</u>	<u>86,352</u>
EARNINGS PER SHARE (SEN)	B11		
- Basic		<u>0.20</u>	<u>0.76</u>
- Fully diluted		<u>0.20</u>	<u>0.76</u>

The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the audited financial statements for the year ended 30 April 2015.

**BERJAYA LAND BERHAD**  
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**UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 JULY 2015**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	<b>CURRENT QUARTER</b>	
	<b>ENDED</b>	
	<b>31/07/2015</b>	<b>31/07/2014</b>
	<b>RM'000</b>	<b>RM'000</b>
PROFIT NET OF TAX	58,811	86,352
OTHER COMPREHENSIVE INCOME		
<u>Items that may be subsequently reclassified to profit or loss</u>		
Net changes in fair value of available-for-sale investments:		
- Changes in fair value during the quarter	(8,449)	13,174
- Transfer to profit or loss upon disposal	-	(18,240)
Share of an associated company's changes in fair value of available-for-sale investments	(1,911)	(644)
Currency translation differences	102,025	(30,909)
<b>TOTAL COMPREHENSIVE INCOME FOR THE QUARTER</b>	<b>150,476</b>	<b>49,733</b>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>		
- Owners of the parent	82,466	4,546
- Non-controlling interests	68,010	45,187
	<b>150,476</b>	<b>49,733</b>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 April 2015.

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**UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 JULY 2015**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	<b>Attributable to the owners of the Parent</b>										
	<b>Non Distributable</b>										
	<b>Share capital</b>	<b>Exchange reserves</b>	<b>Capital reserve</b>	<b>Fair value reserve</b>	<b>AFS reserve</b>	<b>Consolidation reserve</b>	<b>Retained earnings</b>	<b>Treasury shares</b>	<b>Total net equity funds</b>	<b>Non-controlling interests</b>	<b>Total equity</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
At 1 May 2015	2,500,168	(3,354)	10,804	1,935,385	13,114	21,220	467,982	(20,699)	4,924,620	3,292,065	8,216,685
Total comprehensive income	-	79,557	-	-	(7,003)	-	9,912	-	82,466	68,010	150,476
<b>Transactions with owners:</b>											
Non-controlling interests arising from:											
- dilution of equity interest in a subsidiary company	-	-	-	-	-	-	-	-	-	735	735
Non-controlling interests share of dividend	-	-	-	-	-	-	-	-	-	(39,713)	(39,713)
	-	-	-	-	-	-	-	-	-	(38,978)	(38,978)
At 31 July 2015	<u>2,500,168</u>	<u>76,203</u>	<u>10,804</u>	<u>1,935,385</u>	<u>6,111</u>	<u>21,220</u>	<u>477,894</u>	<u>(20,699)</u>	<u>5,007,086</u>	<u>3,321,097</u>	<u>8,328,183</u>

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**UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 JULY 2015**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)**

	Attributable to the owners of the Parent										
	Non Distributable										
	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	Non-controlling interests RM'000	Total equity RM'000
At 1 May 2014	2,500,168	(81,883)	10,804	1,983,501	31,873	17,782	941,751	(45,466)	5,358,530	3,261,525	8,620,055
Total comprehensive income	-	(24,390)	-	-	(8,727)	-	37,663	-	4,546	45,187	49,733
<b>Transactions with owners:</b>											
Non-controlling interests arising from:											
- additional acquisition of equity interest in a subsidiary company	-	-	-	-	-	-	(220)	-	(220)	(18,780)	(19,000)
- partial disposal of equity interest in a subsidiary company	-	-	-	-	-	3,438	-	-	3,438	27,090	30,528
- additional subscription of shares in a subsidiary company	-	-	-	-	-	-	-	-	-	31,037	31,037
Resale of treasury shares	-	-	-	-	-	-	(11,541)	20,807	9,266	-	9,266
Non-controlling interests share of dividend	-	-	-	-	-	-	-	-	-	(56,612)	(56,612)
	-	-	-	-	-	3,438	(11,761)	20,807	12,484	(17,265)	(4,781)
At 31 July 2014	<u>2,500,168</u>	<u>(106,273)</u>	<u>10,804</u>	<u>1,983,501</u>	<u>23,146</u>	<u>21,220</u>	<u>967,653</u>	<u>(24,659)</u>	<u>5,375,560</u>	<u>3,289,447</u>	<u>8,665,007</u>

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 2015.

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**UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 JULY 2015**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	3 months ended	
	31/07/2015 RM'000	31/07/2014 RM'000
<b>OPERATING ACTIVITIES</b>		
Receipts from customers/operating revenue	1,546,952	1,567,277
Payment to prize winners, suppliers, duties, taxes and other operating expenses	(1,562,553)	(1,559,073)
Tax paid	(50,394)	(42,971)
Other receipts (inclusive of tax refunds)	2,318	1,136
Net cash used in operating activities	<u>(63,677)</u>	<u>(33,631)</u>
<b>INVESTING ACTIVITIES</b>		
Sale of property, plant and equipment and non-current assets	239	3,443
Sale of short term investments	-	4,570
Sale of other investments	42,474	23,919
Partial disposal of equity interest in a subsidiary company	-	30,528
Resale of treasury shares	-	9,266
Acquisition of property, plant and equipment, non-current assets and properties	(13,616)	(6,488)
Acquisition of other investments and short term investments	(1,287)	(2,607)
Acquisition of additional equity interest in a subsidiary company	-	(17,100)
Additional subscription of shares in an associated company	-	(1,029)
Interest received	8,584	9,413
Dividend received	695	114
Advances from/(Repayment to) related companies	23,886	10,697
Advances to joint ventures	(2,008)	(4,794)
Other payments	(1,803)	(4,180)
Net cash generated from investing activities	<u>57,164</u>	<u>55,752</u>
<b>FINANCING ACTIVITIES</b>		
Issuance of share capital to non-controlling interests	735	31,037
Drawdown of bank and other borrowings	439,228	528,777
Repayment of bank and other borrowings	(469,822)	(482,977)
Dividends paid to non-controlling interests of a subsidiary company	-	(756)
Interest paid	(60,575)	(47,966)
Placement in banks as security pledged for borrowings	(10,379)	-
Other payments	(1,988)	(4,354)
Net cash (used in)/generated from financing activities	<u>(102,801)</u>	<u>23,761</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(109,314)	45,882
<b>EFFECTS OF EXCHANGE RATE CHANGES</b>	(552)	(6,251)
<b>OPENING CASH AND CASH EQUIVALENTS</b>	915,369	823,159
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<u>805,503</u>	<u>862,790</u>
The closing cash and cash equivalents comprise the following:		
Deposits, cash and bank balances	984,718	1,034,352
Bank overdraft (included under short term borrowings)	(25,398)	(44,244)
Less: cash and cash equivalents restricted in use	(153,817)	(127,318)
	<u>805,503</u>	<u>862,790</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 2015.



**UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 JULY 2015**  
**NOTES TO THE INTERIM FINANCIAL REPORT**

- 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 2015. 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 2015. 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 2015.

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 ended 31 July 2015 other than as disclosed below:

Statement of Profit or Loss

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

	Quarter ended 31/07/2015 RM'000
Fair value changes of fair value through profit or loss ("FVTPL") quoted equity investments	(857)
Impairment loss of quoted available-for-sale ("AFS") investments	(59)
Liquidated damages on termination of sales and purchase agreement	(1,903)
	<u><u>(2,819)</u></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 July 2015.

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**UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 JULY 2015**  
**NOTES TO THE INTERIM FINANCIAL REPORT**

A4 There were no issuances and repayment of debts and equity securities, share cancellation for the financial quarter ended 31 July 2015.

The number of treasury shares held in hand as at 31 July 2015 were as follows :

	Average price per share RM	Number of shares	Amount RM'000
Total treasury shares at 1 May 2015 and at 31 July 2015	1.89	10,943,000	20,699

As at 31 July 2015, the number of ordinary shares in issue and fully paid with voting rights was 4,989,394,000 ordinary shares of RM0.50 each (31 July 2014 : 4,987,300,000 ordinary shares of RM0.50 each).

A5 The Company did not pay any dividend during the financial quarter ended 31 July 2015.

A6 Segmental information for the financial quarter ended 31 July 2015:

REVENUE

	External RM'000	Inter-segment RM'000	Total RM'000
Toto betting operations and leasing of lottery equipment	801,118	-	801,118
Motor retailer	533,585	-	533,585
Property development and investment	89,977	2,013	91,990
Hotels and resorts	68,059	445	68,504
Clubs and others	18,485	5,317	23,802
Sub-total	1,511,224	7,775	1,518,999
Less: Inter-segment revenue	-	(7,775)	(7,775)
Total revenue	1,511,224	-	1,511,224

**BERJAYA LAND BERHAD**  
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**UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 JULY 2015**  
**NOTES TO THE INTERIM FINANCIAL REPORT**

A6 Segmental information for the financial quarter ended 31 July 2015 (cont'd):

RESULTS

	RM'000
Toto betting operations and leasing of lottery equipment	121,355
Motor retailer	12,899
Property development and investment	13,642
Hotels and resorts	4,408
Clubs and others	<u>(17,689)</u>
	134,615
Unallocated corporate items	<u>10,477</u>
	145,092
Investment related income, net:	
- Interest income	12,306
- Dividend income	695
- Fair value changes of FVTPL quoted equity investments	(857)
- Impairment loss of quoted AFS investment	(59)
- Others	<u>(1,903)</u>
	10,182
Share of results from associates companies	(664)
Share of results from joint ventures	(1,917)
Finance costs	<u>(50,572)</u>
Profit before tax	102,121
Taxation	<u>(43,310)</u>
Profit for the quarter	<u><u>58,811</u></u>

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 other than as disclosed below:

On 17 August 2015, Berjaya Sports Toto Berhad ("BToto") announced that its subsidiary company, Berjaya Philippines Inc., listed on the Philippine Stock Exchange ("PSE") had on even date released an announcement to PSE that its wholly-owned subsidiary company, Philippine Gaming Management Corporation had entered into a Supplemental and Status Quo Agreement with the Philippine Charity Sweepstakes Office ("PCSO") on 13 August 2015 for maintaining the status quo of PGMC's leasing of online lottery equipment and provision of software support to PCSO for a period of three years from 22 August 2015 to 21 August 2018.

A8 There were no material changes in the composition of the Group for the financial quarter ended 31 July 2015 including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations except for:

- (i) the dilution of the Group's equity interest in Berjaya Kyoto Development (S) Pte Ltd ("BKD"), from 100% to 50%, after Berjaya Corporation Berhad subscribed for 1 ordinary share in BKD for cash consideration of SGD34.68 million (or about RM97.28 million); and
- (ii) the dilution of the Group's equity interest in Asia Jet Partners Malaysia Sdn Bhd (formerly known as Berjaya Airport Services Sdn Bhd) ("AJM") from 100% to 51%, after Asia Jet Partners Holdings Limited subscribed for 735,000 shares in AJM's enlarged share capital of 1,500,000 ordinary shares of RM1.00 each, for a cash consideration of RM735,000.

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**UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 JULY 2015**  
**NOTES TO THE INTERIM FINANCIAL REPORT**

- A9 There are no material changes in contingent liabilities since the last audited statement of financial position as at 30 April 2015.
- A10 There were no material changes in capital commitments since the last audited statement of financial position as at 30 April 2015.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 JULY 2015**  
**ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR**

B1 The main operating businesses of the Group are toto betting operations and related activities, motor retailing and provision of aftersales services, 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.

Motor retailing and provision of aftersales services

- the trend in prestige and specialist cars.

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 under review, the Group reported a revenue of RM1.51 billion and pre-tax profit of RM102.12 million as compared to RM1.41 billion and RM132.38 million respectively reported in the previous year corresponding quarter.

The higher Group revenue was mainly due to:

- higher revenue from H.R. Owen Plc from having additional outlets and higher new car sales volume as well as favourable foreign exchange effect from the Group's various foreign businesses; and
- higher progress billings reported by the property development and investment business.

These have offset the lower revenue reported by the gaming business operated by BToto's principal subsidiary, Sports Toto Malaysia Sdn Bhd ("STMSB") and the hotels and resorts business from an overall lower occupancy rates and average room rates.

In spite of the higher Group revenue, the Group's pre-tax profit was lower in the current quarter under review mainly due to:

- STMSB reporting lower pre-tax profit due to higher prize payout coupled with the absorption of Malaysian Goods and Services Tax ("GST") expense;
- the hotels and resorts business reported correspondingly lower profit contribution from lower revenue; and
- higher finance costs.

These were partly mitigated by the higher profit contribution of the property development and investment business from the higher revenue registered as a result of higher progress billings and the favourable foreign exchange from the Group's various foreign businesses.

In the same quarter last year, the Group reported favourable fair value adjustments in its quoted shares of about RM10.1 million and gain on disposal of certain quoted shares of about RM18.2 million.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 JULY 2015**  
**ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR**

**B2 Review of Results of First Quarter Vs Fourth Quarter of the Preceding Year**

For the current quarter under review, the Group reported a drop of about 7% in revenue to RM1.51 billion from RM1.63 billion reported in the preceding quarter. Pre-tax profit for the current quarter was at RM102.12 million as compared to a pre-tax loss of RM321.92 million reported in the fourth quarter of previous financial year ended 30 April 2015.

The lower Group revenue was mainly due to:

- (i) lower revenue reported by STMSB from having a lower number of draws in the current quarter (in the preceding quarter, STMSB benefited from higher sales during the Chinese New Year festive period); and
- (ii) lower cars sales volume reported by H.R. Owen Plc (a subsidiary of Berjaya Philippines Inc). These were partly mitigated by the higher revenue from the hotels and resorts business arising from higher occupancy rates in certain resorts and also higher progress billings from the property development and investment business.

The factors that contributed to the Group's pre-tax profit for the current quarter under review are discussed in Note B1.

The pre-tax loss of the preceding quarter was mainly due to the the non-cash impairment of goodwill relating to the gaming cash generating units ("CGUs") amounting to RM380.73 million, resulting from the excess of these CGUs carrying values over their recoverable amounts. In addition, the Group also accounted for impairment in value of investment in associated companies of RM18.83 million and impairment in value of property, plant and equipment of RM5.44 million.

**B3 Future Prospects**

In view of cautious domestic consumer spending as a result of inflationary effect on the economy and the impact of GST being absorbed by STMSB as well as the weakening of the Malaysian Ringgit, the gaming business is expected to be challenging while maintaining its market share in the industry. The performance of the hotels and resorts business expected to remain satisfactory whilst the focus of the property development business will be on its overseas development projects. As such, the Directors are of the view that the performance of the Group will continue to remain challenging in the remaining quarters of the financial year ending 30 April 2016.

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

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

	Quarter ended 31/07/2015 RM'000
Interest income	(12,306)
Dividend income	(695)
Other income excluding dividend and interest income	(7,698)
Depreciation of property, plant and equipment	49,900
Gain on disposal of property, plant and equipment	(2,177)
Amortisation of intangible assets	33
Reversal of impairment loss on receivables	(24)
Provision for and write off of inventories	1,163
Net foreign exchange gain	(9,475)
Impairment loss of quoted AFS investments	59
Fair value changes of FVTPL quoted equity investments	857
Gain or loss on derivatives	-

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B6 The taxation charges for the financial quarter ended 31 July 2015 were detailed as follows:

	Quarter ended 31/07/2015 RM'000
Malaysian income tax	36,349
Foreign tax	9,588
Overprovision in prior years	(6)
Deferred taxation	(2,621)
	<u>43,310</u>

The disproportionate tax charge of the Group for the financial quarter ended 31 July 2015 was mainly due to certain expenses being disallowed for tax purposes, 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.

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.

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

- 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.

As announced on 16 August 2010, CP no. 4,5,6a, 6b and 6c above have yet to be fulfilled.

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 22 December 2011, the Company announced that STC granted an extension of time from 19 January 2012 to 18 January 2013.

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.

On 13 August 2012, the Company announced that SMSB and STC had entered into a supplemental to mutually vary certain terms of the SPA ("Supplemental Agreement"), 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.

SMSB had paid a further sum of RM3.0 million to STC as consideration for the further extension of time to 19 January 2015 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 items 2(i) and (ii) above are obtained.

Pursuant to the aforesaid Supplemental Agreement, the period is extended for another year to fulfil the above conditions precedent.



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

- (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.

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B8 Group borrowings and debt securities as at 31 July 2015:

		RM'000	RM'000
		RM'000	RM'000
Short term borrowings			
Secured - Denominated in Ringgit Malaysia		448,051	
Denominated in USD (USD21,177,000)	*	80,826	
Denominated in GBP (£1,000,000)	*	5,956	
Denominated in SGD (S\$23,923,000)	*	66,478	
Denominated in RMB (RMB183,998,000)	*	113,343	
			714,654
Long term borrowings			
Secured - Denominated in Ringgit Malaysia		1,022,640	
Denominated in USD (USD81,368,000)	*	310,546	
Denominated in GBP (£12,500,000)	*	74,450	
Denominated in KRW (KRW100,000,000,000)	*	326,000	
Denominated in RMB (RMB247,676,000)	*	152,568	
Denominated in SGD (SGD4,773,000)	*	13,263	
			<u>1,899,467</u>
			<u>1,899,467</u>
Medium Term Notes (secured)	- short term		55,000
	- long term		<u>1,287,852</u>
			<u>1,342,852</u>

\* *Converted at the respective exchange rates prevailing as at 31 July 2015*

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 (previous year corresponding quarter ended 31 July 2014 : Nil).

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

	Group (3-month period)			
	31/07/2015	31/07/2014	31/07/2015	31/07/2014
	RM'000		sen	
Net profit for the quarter attributable to equity holders of the Parent	<u>9,912</u>	<u>37,663</u>		
Weighted average number of ordinary shares in issue with voting rights ('000)	<u>4,989,394</u>	<u>4,977,137</u>		
Basic earnings per share			<u>0.20</u>	<u>0.76</u>

There are no potential ordinary shares outstanding as at 31 July 2015. 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 31/07/2015 RM'000	As at 30/04/2014 RM'000 (Audited)
Realised earnings		506,296	510,658
Unrealised earnings		<u>427,396</u>	<u>448,960</u>
		933,692	959,618
Share of results from associated companies	*	59,304	59,968
Share of results from joint ventures	*	<u>(194,028)</u>	<u>(192,111)</u>
		798,968	827,475
Less: Consolidation adjustments		<u>(321,074)</u>	<u>(359,493)</u>
		<u>477,894</u>	<u>467,982</u>

\* *It is not practical to segregate the share of results from associated companies and joint ventures to realised and unrealised earnings.*

c.c. Securities Commission