

BERJAYA LAND BERHAD

Company No: 201765-A

27 June 2016

**UNAUDITED INTERIM FINANCIAL REPORT FOR
THE QUARTER ENDED 30 APRIL 2016**

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BERJAYA LAND BERHAD
(Company No: 201765 - A)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 APRIL 2016
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| | Note | Group | |
|---|------|-------------------------------|--|
| | | As at 30/04/2016 RM'000 | As at 30/04/2015 RM'000 (Audited) |
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | | 1,704,463 | 2,586,999 |
| Investment properties | | 621,903 | 607,758 |
| Land held for development | | 1,376,141 | 849,888 |
| Prepaid land lease premiums | | 1,002 | 1,018 |
| Associated companies | | 491,022 | 378,015 |
| Joint ventures | | 38,267 | 44,812 |
| Investments | | 93,618 | 165,350 |
| Intangible assets | | 4,710,443 | 5,093,609 |
| Receivables | | 640,156 | 564,539 |
| Deferred tax assets | | 5,826 | 22,955 |
| | | <u>9,682,841</u> | <u>10,314,943</u> |
| Current Assets | | | |
| Property development costs | | 345,771 | 1,351,288 |
| Inventories | | 577,433 | 479,542 |
| Receivables | | 1,123,273 | 871,823 |
| Short term investments | | 2,281 | 3,087 |
| Tax recoverable | | 8,453 | 10,364 |
| Deposits, cash and bank balances | | 1,651,317 | 1,082,074 |
| Assets of disposal group/non current assets classified as held for sale | | 946,309 | 58,009 |
| | | <u>4,654,837</u> | <u>3,856,187</u> |
| TOTAL ASSETS | | <u><u>14,337,678</u></u> | <u><u>14,171,130</u></u> |
| EQUITY AND LIABILITIES | | | |
| Share capital | A4 | 2,500,168 | 2,500,168 |
| Reserves: | | | |
| Exchange reserves | | 130,446 | (3,354) |
| Capital reserve | | 10,804 | 10,804 |
| Fair value reserve | | 1,912,756 | 1,935,385 |
| Available-For-Sale ("AFS") reserve | | 4,718 | 13,114 |
| Consolidation reserve | | 21,220 | 21,220 |
| Retained earnings | | 195,943 | 467,982 |
| | | <u>2,275,887</u> | <u>2,445,151</u> |
| Equity funds | | 4,776,055 | 4,945,319 |
| Less: Treasury shares | A4 | (20,699) | (20,699) |
| Net equity funds | | 4,755,356 | 4,924,620 |
| Non-controlling interests | | 3,228,971 | 3,292,065 |
| Total equity | | <u><u>7,984,327</u></u> | <u><u>8,216,685</u></u> |

BERJAYA LAND BERHAD
(Company No: 201765 - A)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 APRIL 2016
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| | Note | Group | |
|--|------|-------------------------------|--|
| | | As at 30/04/2016 RM'000 | As at 30/04/2015 RM'000 (Audited) |
| Non-current liabilities | | | |
| Medium term notes | B8 | 1,343,205 | 1,142,734 |
| Retirement benefit obligations | | 6,897 | 9,511 |
| Long term borrowings | B8 | 1,484,525 | 2,016,297 |
| Other long term liabilities | | 234,441 | 235,958 |
| Deferred taxation | | 120,357 | 117,054 |
| | | <u>3,189,425</u> | <u>3,521,554</u> |
| Current Liabilities | | | |
| Payables | | 2,279,588 | 1,392,313 |
| Short term borrowings | B8 | 758,715 | 826,237 |
| Medium term notes | B8 | 105,000 | 200,000 |
| Retirement benefit obligations and provisions | | 4,375 | 1,107 |
| Tax payable | | 16,248 | 13,234 |
| | | <u>3,163,926</u> | <u>2,432,891</u> |
| Total Liabilities | | <u>6,353,351</u> | <u>5,954,445</u> |
| TOTAL EQUITY AND LIABILITIES | | <u>14,337,678</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>0.95</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 30 APRIL 2016
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

| | Note | CURRENT QUARTER ENDED | | FINANCIAL YEAR ENDED | |
|--|------|-----------------------|----------------------|----------------------|----------------------|
| | | 30/04/2016 RM'000 | 30/04/2015 RM'000 | 30/04/2016 RM'000 | 30/04/2015 RM'000 |
| REVENUE | | 1,703,928 | 1,621,501 | 6,288,060 | 5,910,163 |
| OPERATING EXPENSES, NET | | <u>(1,499,189)</u> | <u>(1,494,851)</u> | <u>(5,706,396)</u> | <u>(5,352,023)</u> |
| PROFIT FROM OPERATIONS | A3 | 204,739 | 126,650 | 581,664 | 558,140 |
| Investment related expenses, net | A3 | (560,570) | (392,442) | (333,486) | (330,963) |
| Share of results from associated companies | | (16,852) | 4,317 | (17,082) | 10,011 |
| Share of results from joint ventures | | (7,305) | (7,101) | (13,772) | (22,193) |
| Finance costs | | <u>(54,479)</u> | <u>(53,339)</u> | <u>(207,259)</u> | <u>(189,719)</u> |
| (LOSS)/PROFIT BEFORE TAX | B5 | (434,467) | (321,915) | 10,065 | 25,276 |
| TAXATION | B6 | <u>(57,578)</u> | <u>(47,191)</u> | <u>(184,486)</u> | <u>(187,104)</u> |
| LOSS NET OF TAX | | <u>(492,045)</u> | <u>(369,106)</u> | <u>(174,421)</u> | <u>(161,828)</u> |
| ATTRIBUTABLE TO: | | | | | |
| - Owners of the parent | | (458,582) | (418,517) | (261,388) | (382,960) |
| - Non-controlling interests | | <u>(33,463)</u> | <u>49,411</u> | <u>86,967</u> | <u>221,132</u> |
| | | <u>(492,045)</u> | <u>(369,106)</u> | <u>(174,421)</u> | <u>(161,828)</u> |
| LOSS PER SHARE (SEN) | B11 | | | | |
| - Basic | | <u>(9.19)</u> | <u>(8.39)</u> | <u>(5.24)</u> | <u>(7.68)</u> |
| - Fully diluted | | <u>(9.19)</u> | <u>(8.39)</u> | <u>(5.24)</u> | <u>(7.68)</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
(Company No: 201765 - A)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 APRIL 2016
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| | CURRENT QUARTER | | FINANCIAL YEAR | |
|---|-------------------------|-------------------------|------------------------|-------------------------|
| | ENDED | | ENDED | |
| | 30/04/2016 | 30/04/2015 | 30/04/2016 | 30/04/2015 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| LOSS NET OF TAX | (492,045) | (369,106) | (174,421) | (161,828) |
| 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/year | 14,194 | 9,226 | (17,475) | (685) |
| - Transfer to profit or loss upon disposal | 122 | (18) | 1,191 | (18,794) |
| Share of an associated company's changes in fair value of available-for-sale investments | 12,334 | (339) | 11,542 | (1,684) |
| Currency translation differences | (97,602) | (41,575) | 118,833 | 139,244 |
| Changes in fair value of gaming rights | - | (105,228) | - | (133,228) |
| Adjustments arising from amortisation gaming rights | (7,200) | - | (7,200) | - |
| <u>Items that will not be subsequently reclassified to profit or loss</u> | | | | |
| Actuarial loss recognised in defined benefit pension scheme | 658 | 23 | 658 | (543) |
| Tax effect relating to components of other comprehensive income | (132) | (5) | (132) | 149 |
| TOTAL COMPREHENSIVE INCOME FOR THE QUARTER/YEAR | <u>(569,671)</u> | <u>(507,022)</u> | <u>(67,004)</u> | <u>(177,369)</u> |
| TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO: | | | | |
| - Owners of the parent | (532,249) | (476,669) | (180,218) | (374,047) |
| - Non-controlling interests | (37,422) | (30,353) | 113,214 | 196,678 |
| | <u>(569,671)</u> | <u>(507,022)</u> | <u>(67,004)</u> | <u>(177,369)</u> |

BERJAYA LAND BERHAD
(Company No: 201765 - A)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 APRIL 2016
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| | Attributable to the owners of the Parent | | | | | | | | | | |
|---|--|---------------------------|------------------------------|-----------------------|---------------------------------|---------------|-----------------------------|---------------------------|----------------------------------|-------------------------------------|------------------------|
| | Non Distributable | | | | | | Retained earnings RM'000 | Treasury shares RM'000 | Total net equity funds RM'000 | Non-controlling interests RM'000 | Total equity 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 | | | | | | |
| 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 | - | 96,629 | - | (7,200) | (8,396) | - | (261,251) | - | (180,218) | 113,214 | (67,004) |
| Share of an associated company's effect arising on acquisition of additional interest of its subsidiary company | - | - | - | - | - | - | 19,168 | - | 19,168 | - | 19,168 |
| Transactions with owners: | | | | | | | | | | | |
| Non-controlling interests arising from: | | | | | | | | | | | |
| - deemed disposal arising from dilution of equity interest in a subsidiary company | - | 37,171 | - | - | - | - | (37,156) | - | 15 | - | 15 |
| - accretion of equity interest in a subsidiary company | - | - | - | - | - | - | - | - | - | (18,253) | (18,253) |
| - disposal of equity interest in a subsidiary company | - | - | - | - | - | - | - | - | - | (3) | (3) |
| Non-controlling interests share of dividend | - | - | - | - | - | - | - | - | - | (130,949) | (130,949) |
| Adjustments arising from amortisation gaming rights | - | - | - | (15,429) | - | - | 7,200 | - | (8,229) | (27,103) | (35,332) |
| | - | 37,171 | - | (15,429) | - | - | (29,956) | - | (8,214) | (176,308) | (184,522) |
| At 30 April 2016 | <u>2,500,168</u> | <u>130,446</u> | <u>10,804</u> | <u>1,912,756</u> | <u>4,718</u> | <u>21,220</u> | <u>195,943</u> | <u>(20,699)</u> | <u>4,755,356</u> | <u>3,228,971</u> | <u>7,984,327</u> |

BERJAYA LAND BERHAD
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UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 APRIL 2016
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 | (79,273) | 10,804 | 1,983,501 | 31,873 | 17,782 | 941,692 | (45,466) | 5,361,081 | 3,261,232 | 8,622,313 |
| Total comprehensive income | - | 75,919 | - | (48,116) | (18,759) | - | (383,091) | - | (374,047) | 196,678 | (177,369) |
| Share of an associated company's loss on partial disposal of its subsidiary company | - | - | - | - | - | - | (658) | - | (658) | - | (658) |
| Transactions with owners: | | | | | | | | | | | |
| Non-controlling interests arising from: | | | | | | | | | | | |
| - additional acquisition of equity interest in subsidiary companies | - | - | - | - | - | - | (26,360) | - | (26,360) | (58,864) | (85,224) |
| - 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 | - | - | - | - | - | - | - | - | - | 40,947 | 40,947 |
| - accretion of equity interest in a subsidiary company | - | - | - | - | - | - | - | - | - | 12,851 | 12,851 |
| Resale of treasury shares | - | - | - | - | - | - | (13,707) | 24,767 | 11,060 | - | 11,060 |
| Dividend payable * | - | - | - | - | - | - | (49,894) | - | (49,894) | - | (49,894) |
| Non-controlling interests share of dividend | - | - | - | - | - | - | - | - | - | (187,869) | (187,869) |
| | - | - | - | - | - | 3,438 | (89,961) | 24,767 | (61,756) | (165,845) | (227,601) |
| At 30 April 2015 | <u>2,500,168</u> | <u>(3,354)</u> | <u>10,804</u> | <u>1,935,385</u> | <u>13,114</u> | <u>21,220</u> | <u>467,982</u> | <u>(20,699)</u> | <u>4,924,620</u> | <u>3,292,065</u> | <u>8,216,685</u> |

* In respect of financial year ended 30 April 2014

BERJAYA LAND BERHAD
(Company No: 201765 - A)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 APRIL 2016
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

| | 12 months ended | |
|---|------------------------|-----------------------|
| | 30/04/2016 | 30/04/2015 |
| | RM'000 | RM'000 |
| OPERATING ACTIVITIES | | |
| Receipts from customers/operating revenue | 6,751,402 | 6,243,376 |
| Payment to prize winners, suppliers, duties, taxes and other operating expenses | (6,303,781) | (5,817,666) |
| Tax paid | (188,124) | (221,014) |
| Deposit received in respect of sale of development properties | 688,656 | - |
| Other receipts (inclusive of tax refunds) | 9,604 | 24,717 |
| Net cash generated from operating activities | <u>957,757</u> | <u>229,413</u> |
| INVESTING ACTIVITIES | | |
| Sale of property, plant and equipment and non-current assets | 406,253 | 101,065 |
| Sale of short term investments | 861 | 3,254 |
| Sale of other investments | 44,592 | 89,047 |
| Net repayment of advances from a former subsidiary company | 63,205 | - |
| Net cash outflow from deemed disposal arising from dilution of interest in a subsidiary company | (26,829) | - |
| Partial disposal of equity interest in a subsidiary company | - | 30,528 |
| Resale of treasury shares | - | 11,060 |
| Acquisition of property, plant and equipment, non-current assets and properties | (221,967) | (294,628) |
| Acquisition of other investments | (1,571) | (17,468) |
| Acquisition of business operations | - | (68,488) |
| Acquisition of equity interest in a subsidiary company | (12,351) | - |
| Acquisition of additional equity interest in subsidiary companies | - | (40,294) |
| Acquisition of treasury shares by subsidiary companies | (18,251) | (30,214) |
| Acquisition of equity interest in associated companies | (1,867) | (1,029) |
| Additional subscription of shares in a joint venture/associated companies | (19,179) | - |
| Interest received | 32,272 | 25,505 |
| Dividend received | 2,757 | 5,278 |
| Net advances from related companies | 88,498 | 3,124 |
| Net advances to joint ventures | (15,053) | (7,979) |
| Other payments | (35,656) | (779) |
| Net cash generated from/(used in) investing activities | <u>285,714</u> | <u>(192,018)</u> |
| FINANCING ACTIVITIES | | |
| Issuance of share capital to non-controlling interests | - | 37,928 |
| Drawdown of bank and other borrowings | 1,072,220 | 2,042,738 |
| Repayment of bank and other borrowings | (1,380,084) | (1,531,367) |
| Dividend paid to shareholders of the Company | - | (49,903) |
| Dividends paid to non-controlling interests of a subsidiary company | (131,011) | (188,504) |
| Interest paid | (192,951) | (193,372) |
| Placement in banks as security pledged for borrowings | (680,899) | (16,120) |
| Other payments | (7,549) | (75,048) |
| Net cash (used in)/generated from financing activities | <u>(1,320,274)</u> | <u>26,352</u> |
| NET CHANGE IN CASH AND CASH EQUIVALENTS | (76,803) | 63,747 |
| EFFECTS OF EXCHANGE RATE CHANGES | (8,217) | 28,463 |
| OPENING CASH AND CASH EQUIVALENTS | <u>915,369</u> | <u>823,159</u> |
| CLOSING CASH AND CASH EQUIVALENTS | <u><u>830,349</u></u> | <u><u>915,369</u></u> |

BERJAYA LAND BERHAD
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UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 APRIL 2016
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

| | 12 months ended | |
|---|------------------------|-----------------------|
| | 30/04/2016 | 30/04/2015 |
| | RM'000 | RM'000 |
| The closing cash and cash equivalents comprise the following: | | |
| Deposits, cash and bank balances | 1,651,317 | 1,082,074 |
| Bank overdraft (included under short term borrowings) | (9,537) | (23,267) |
| Less: cash and cash equivalents restricted in use | <u>(811,431)</u> | <u>(143,438)</u> |
| | <u><u>830,349</u></u> | <u><u>915,369</u></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 30 APRIL 2016
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 and year ended 30 April 2016 other than as disclosed below:

Statement of Profit or Loss

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

| | Quarter ended 30/04/2016 RM'000 | Financial year ended 30/04/2016 RM'000 |
|---|--|--|
| Fair value changes of fair value through profit or loss ("FVTPL") quoted equity investments | (2,287) | (6,859) |
| Impairment loss of quoted available-for-sale ("AFS") investments | - | (59) |
| Impairment loss of unquoted AFS investments | (6,810) | (6,810) |
| Liquidated damages on termination of sales and purchase agreement | - | (1,903) |
| Impairment in goodwill | (373,265) | (373,265) |
| Amortisation of gaming rights | (28,354) | (28,354) |
| Impairment in value of: | | |
| - property, plant and equipment | (16,266) | (16,266) |
| - investments in associated companies | (28,651) | (28,651) |
| - investment in joint venture | (1,225) | (1,225) |
| - assets held for sale | (131,812) | (131,812) |
| Fair value changes of investment properties | 11,345 | 11,345 |
| Loss on disposal of AFS investments | (1,954) | (1,954) |
| Gain on deemed partial disposal arising from dilution of equity interest in a subsidiary company (refer to Note A8(ii)) | - | 44,803 |
| Gain on re-measurement to fair value of the remaining stake in a former subsidiary company (refer to Note A8(ii)) | - | 149,064 |
| | <u>(579,279)</u> | <u>(391,946)</u> |

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 APRIL 2016
NOTES TO THE INTERIM FINANCIAL REPORT

A3 (a) There were no unusual or material items affecting the Group in the financial quarter and year ended 30 April 2016 other than as disclosed below (cont'd):

Statement of Profit or Loss

A non-cash impairment loss amounting to RM373,265,000 relating to gaming cash generating unit ("CGU") of the Malaysian gaming operations was recognised due to the excess of this CGU's carrying value over its value-in-use as a consequence of annual impairment review. The Malaysian gaming operations continued to be affected by the challenging economy and regulatory environment.

Amortisation of gaming rights amounting to RM28,354,000 relating to the Philippines gaming operations was recognised as the useful life of this gaming rights is now assessed to be finite.

An impairment in value of assets held for sale amounting to RM131.8 million was recognised in respect of the sale of project by Berjaya (China) Great Mall Co Ltd which is pending completion as disclosed in Note B7(d). These assets held for sale have been written down to the lower of its carrying value and fair value less costs to sell, after taking into consideration of provisional amounts of project progress billings yet to be billed by contractors as well as various estimated business, land value appreciation and other types of taxes to be incurred.

(b) There were no major changes in estimates reported in the prior financial quarter that had a material effect in the financial quarter and year ended 30 April 2016.

A4 There were no issuances and repayment of debts and equity securities or any share cancellation for the financial year ended 30 April 2016.

The number of treasury shares held in hand as at 30 April 2016 were as follows :

| | Average price per share RM | Number of shares | Amount RM'000 |
|--|----------------------------|------------------|---------------|
| Total treasury shares at 1 May 2015 and at 30 April 2016 | 1.89 | 10,943,000 | 20,699 |

As at 30 April 2016, the number of ordinary shares in issue and fully paid with voting rights was 4,989,394,000 ordinary shares of RM0.50 each (30 April 2015 : 4,989,394,000 ordinary shares of RM0.50 each).

A5 The Company did not pay any dividend during the financial year ended 30 April 2016.

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 APRIL 2016
NOTES TO THE INTERIM FINANCIAL REPORT

A6 Segmental information for the financial year ended 30 April 2016:

REVENUE

| | External RM'000 | Inter- segment RM'000 | Total RM'000 |
|--|--------------------|-----------------------------|-----------------|
| Toto betting operations and leasing of lottery equipment | 3,369,081 | - | 3,369,081 |
| Motor retailer | 2,174,908 | - | 2,174,908 |
| Property development and investment | 380,130 | 8,443 | 388,573 |
| Hotels and resorts | 282,524 | 1,972 | 284,496 |
| Clubs and others | 81,417 | 21,184 | 102,601 |
| Sub-total | 6,288,060 | 31,599 | 6,319,659 |
| Less: Inter-segment revenue | - | (31,599) | (31,599) |
| Total revenue | 6,288,060 | - | 6,288,060 |

RESULTS

| | RM'000 |
|--|-----------|
| Toto betting operations and leasing of lottery equipment | 519,209 |
| Motor retailer | 19,787 |
| Property development and investment | 38,530 |
| Hotels and resorts | 21,293 |
| Clubs and others | (33,478) |
| | 565,341 |
| Unallocated corporate items | 16,323 |
| | 581,664 |
| Investment related expenses, net: | |
| - Interest income | 57,204 |
| - Dividend income | 1,183 |
| - Fair value changes of FVTPL quoted equity investments | (6,859) |
| - Impairment loss of quoted AFS investment | (59) |
| - Impairment loss of unquoted AFS investment | (6,810) |
| - Liquidated damages on termination of sales and purchase agreement | (1,903) |
| - Impairment in goodwill | (373,265) |
| - Amortisation of gaming rights | (28,354) |
| - Impairment in value | |
| - property, plant and equipment | (16,266) |
| - investments in associated companies | (28,651) |
| - investment in joint venture | (1,225) |
| - asset held for sale | (131,812) |
| - Gain on deemed partial disposal arising from dilution of equity interest in a subsidiary company | 44,803 |
| - Gain on re-measurement of fair value of the remaining stake in a former subsidiary company | 149,064 |
| - Fair value changes of investment properties | 11,345 |
| - Loss on disposal of AFS investments | (1,954) |
| - Others | 73 |
| | (333,486) |
| Share of results from associated companies | (17,082) |
| Share of results from joint ventures | (13,772) |
| Finance costs | (207,259) |
| Profit before tax | 10,065 |
| Taxation | (184,486) |
| Loss for the year | (174,421) |

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NOTES TO THE INTERIM FINANCIAL REPORT

- 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 year ended 30 April 2016 including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations except for:
- (i) the increase of the Group's equity interest in Berjaya Sports Toto Berhad ("BToto") from 40.92% to 41.10% following the buyback of shares by BToto;
 - (ii) the deemed partial disposal arising from 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 SGD34.66 million (or about RM97.28 million);
 - (iii) 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;
 - (iv) the acquisition of the entire equity interest in Bodytechnics Limited, a company incorporated in United Kingdom by H.R. Owen Plc for a total cash consideration of GBP2.60 million (or about RM15.6 million). The principal activities of Bodytechnics Limited are maintenance and repair of motor vehicles;
 - (v) the striking off of Sports Toto Malaysia Management Pte Ltd from the Register of the Accounting and Corporate Regulatory Authority of Singapore pursuant to Section 344 of the Singapore Companies Act, Cap. 50;
 - (vi) the disposal of 100% equity interest in Mantra Design Sdn Bhd ("MDSB") for RM2.00 and the full settlement of amount owing by MDSB to the Company of RM12,432;
 - (vii) the subscription of 22,500,000 new ordinary shares in Ssangyong Berjaya Motor Philippines Inc. ("Ssangyong") by BToto Group for a total consideration of Peso22.5 million (equivalent to RM1.9 million), representing 20% equity interests in Ssangyong;
 - (viii) the subscription of 10,450,000 new ordinary shares in Berjaya Auto Philippines Inc. ("BAP") by BToto Group for a total consideration of Peso115.68 million (equivalent to RM9.6 million) and BToto Group's equity interests in BAP has increased from 30% to 35%; and
 - (ix) the subscription of 56,000,000 new ordinary shares in Berjaya Pizza Philippines Inc. ("BPizza") by BToto Group for a total consideration of Peso56.0 million (equivalent to RM4.6 million) and BToto Group's equity interests in BPizza has increased from 30% to 41.4%.
- 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.

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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.

In the previous quarters, revenue from toto betting operations was recognised based on ticket sales net of gaming tax but inclusive of Malaysian Goods and Services Tax ("GST"). With effect from the third quarter of this financial year, revenue from toto betting operations has been adjusted and presented net of gaming tax as well as GST on gaming supply. The GST was previously classified under Cost of Sales.

(A) Review of Results For the Quarter

For the current quarter under review, the Group reported a revenue of RM1.7 billion and pre-tax loss of RM434.47 million as compared to RM1.62 billion and RM321.92 million respectively reported in the previous year corresponding quarter.

The marginal higher Group revenue was mainly due to the higher revenue recorded by:

- (i) the property development and investment business from the completion of the sales of several parcels of vacant land;
- (ii) the foreign hotels from the favourable effect of foreign exchange translation to Ringgit Malaysia despite this business reporting overall lower occupancy rates and average room rates; and
- (iii) BToto Group from the higher revenue contributed from H.R. Owen Plc ("HRO") as a result of additional sales outlets as well as the introduction of new models by car manufacturers. HRO's results also benefited from the favourable effect of foreign exchange translation to Ringgit Malaysia.

The abovementioned had mitigated the lower revenue contributed by BToto's principal subsidiary, Sports Toto Malaysia Sdn Bhd ("STMSB"), mainly due to the full 3-month GST effect in the current quarter as compared to only 1-month GST effect in the previous year corresponding quarter (gaming revenue is now presented net of GST) and the impact of increasing illegal gaming activities.

The higher profit from operations for the current quarter under review was mainly due to the higher profit contribution from:

- (i) STMSB from lower prize payout despite reporting lower gaming revenue; and
- (ii) the hotels and resorts business from its lower operating expenses.

This has offset the lower profit contribution reported by HRO and the property development and investment business from higher operating expenses as well as the business and other taxes incurred in relation to the sale of project by Berjaya (China) Great Mall Co. Ltd (which is pending completion) as explained in Note B7(d).

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(A) Review of Results For the Quarter (Cont'd)

The Group equity accounted higher share of losses from its associated companies, mainly due to the full 3-month effect of equity accounting the results from BKD in the current quarter under review.

As disclosed in Note A3(a), in this current quarter under review, the Group incurred impairment losses of:

- (i) goodwill amounting to RM373.3 million in respect of the Malaysian gaming operations which continued to be affected by the challenging economy and regulatory environment;
- (ii) amortisation of gaming rights in respect of the Philippines gaming operations amounting to RM28.3 million;
- (iii) investments in associated companies amounting to RM28.7 million;
- (iv) impairment in value of asset held for sale amounting to RM131.8 million;
- (v) property, plant and equipment amounting to RM16.3 million; and
- (vi) investments amounting to RM9.1 million.

The higher profit from operations has partly mitigated the aforesaid impairment losses. In spite of that, the Group incurred a higher pre-tax loss for the current quarter under review as compared to the previous year corresponding quarter.

(B) Review of Results For the Year

For the current financial year under review, the Group reported a revenue of RM6.29 billion and pre-tax profit of RM10.07 million as compared to RM5.91 billion and RM25.28 million respectively reported in the previous financial year.

The higher Group revenue was mainly due to the sales of several parcels of land by the property development and investment business and the higher revenue reported by HRO due to the factors explained in the paragraph B1(A) above. STMSB reported lower gaming revenue mainly due to the full 12-month GST effect in the current financial year as compared to the 1-month effect in the previous financial year (gaming revenue is now presented of GST) and the impact of increasing illegal gaming activities. STMSB would have reported comparable revenue in the current year had the GST effect been excluded. The hotels and resorts business reported lower revenue from an overall lower average room rates, despite an overall marginal increase in occupancy rates.

The Group reported lower pre-tax profit in the current financial year mainly due to the recognition of impairment losses detailed in Note A3, and also due to the lower profit contribution from:

- (i) STMSB from higher prize payout and GST effect;
- (ii) the hotels and resorts due to lower overall occupancy and average room rates and higher operating costs; and
- (iii) HRO mainly due to higher operating expenses.

The abovementioned factors was partly mitigated by the gain realised on disposal of several parcels of vacant land by the property development and investment business and also by the gain in deemed disposal arising from the dilution of the Group's equity in BKD and the resulting gain on re-measurement to fair value of its stake in BKD totalling RM193.9 million.

B2 Review of Results of Fourth Quarter Vs Third Quarter

For the current quarter under review, the Group reported a higher revenue of RM1.7 billion as compared to RM1.5 billion reported in the preceding quarter. Pre-tax loss for the current quarter was at RM434.47 million as compared to pre-tax profit of RM32.3 million reported in the third quarter ended 31 January 2016.

The higher revenue was mainly contributed by the property development business and HRO from the factors mentioned in Note B1(A). The hotels and resorts business has reported higher revenue after the end of monsoon season that had affected resorts on the East Coast of Peninsular Malaysia. These have offset the lower gaming revenue reported by STMSB from lower number of draws as compared to preceding quarter.

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B2 Review of Results of Fourth Quarter Vs Third Quarter (Cont'd)

The Group's operating performance and pre-tax loss of the current quarter are explained in Note B1(A).

B3 Future Prospects

In view of the rising costs that dampened domestic consumer spending caused by the prevailing economic conditions, the impact of GST and increasing illegal gaming activities, the gaming business is expected to be challenging even though STMSB is expected to maintain its market share in the Numbers Forecast Operator industry. The performance of the hotels and resorts business is expected to remain satisfactory whilst the property market outlook is expected to remain lukewarm. Under the foregoing circumstances, the Directors are of the view that the operating performance of the Group will continue to remain challenging in the financial year ending 30 April 2017.

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

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

| | Quarter ended 30/04/2016 RM'000 | Financial year ended 30/04/2016 RM'000 |
|---|--|---|
| Interest income | (18,811) | (57,204) |
| Dividend income | 6 | (1,183) |
| Other income excluding dividend and interest income | (8,120) | (30,197) |
| Depreciation of property, plant and equipment | 28,903 | 94,308 |
| Loss/(Gain) on disposal of property, plant and equipment | 1,686 | (1,561) |
| Impairment loss of property, plant and equipment | 16,266 | 16,266 |
| Amortisation of gaming rights | 28,354 | 28,354 |
| Amortisation of other intangible assets | 141 | 609 |
| (Reversal of impairment)/Impairment loss on receivables | (35) | 70 |
| Impairment loss of goodwill | 373,265 | 373,265 |
| Impairment of assets held for sale | 131,812 | 131,812 |
| Impairment/(Reversal of impairment) loss of inventories | 952 | (9) |
| Net foreign exchange gain | (44,517) | (48,369) |
| Impairment loss of quoted AFS investments | - | 59 |
| Impairment loss of unquoted AFS investments | 6,810 | 6,810 |
| Impairment loss of investments in associated companies | 28,651 | 28,651 |
| Impairment loss of investments in joint ventures | 1,225 | 1,225 |
| Fair value changes of FVTPL quoted equity investments | 2,287 | 6,859 |
| Fair value changes of investment properties | (11,345) | (11,345) |
| Gain on deemed disposal arising from dilution of equity interest in a subsidiary company | - | (44,803) |
| Gain on re-measurement of fair value of the remaining stake in a former subsidiary company | - | (149,064) |
| Gain or loss on derivatives | - | - |

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B6 The taxation charges for the financial quarter and year ended 30 April 2016 were detailed as follows:

| | Quarter ended 30/04/2016 RM'000 | Financial year ended 30/04/2016 RM'000 |
|-------------------------------|--|---|
| Malaysian income tax | 72,459 | 177,505 |
| Foreign tax | 6,724 | 26,951 |
| Underprovision in prior years | 2,850 | 2,122 |
| Deferred taxation | <u>(24,455)</u> | <u>(22,092)</u> |
| | <u>57,578</u> | <u>184,486</u> |

The disproportionate tax charge of the Group for the financial quarter and year ended 30 April 2016 was mainly due to non-deductibility of impairment losses and certain expenses being disallowed for tax purposes, as well as 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 conditions precedent ("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 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.

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

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.
- (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

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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):

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.

- (d) On 16 December 2015, the Company announced that Berjaya (China) Great Mall Co. Ltd ("GMOC"), a 51%-owned subsidiary of Berjaya Leisure (Cayman) Limited, which in turn is a wholly-owned subsidiary of the Company had entered into a Construction Project Transfer Agreement ("Contract") with Beijing SkyOcean International Holdings Limited ("Beijing SkyOcean"), for the proposed disposal of the Berjaya (China) Great Mall Recreation Centre which is under construction and located in Sanhe City, Hebei Province the People's Republic of China ("Great Mall Project"), for a cash consideration of RMB2.08 billion (or about RM1.39 billion) ("Proposed Disposal").

Beijing SkyOcean has paid:

- (i) RMB50.0 million (or about RM33.4 million) to GMOC on the signing of the Contract; and
- (ii) RMB1.015 billion (or about RM677.92 million) paid into an escrow bank account. This amount shall be released to GMOC within 5 working days after all conditions precedents ("CP") have been fulfilled ("Completion Date").

The balance cash consideration of RMB1.015 billion (or about RM677.92 million) will be paid within 13 months after Completion Date.

The CPs to be fulfilled within a period of 6 months (with an extension of another 3 months) are as follows:-

- (i) GMOC has obtained all the governmental approvals and that all the licences held by GMOC for the Great Mall Project have been changed to a wholly-owned subsidiary of Beijing SkyOcean;
- (ii) GMOC has terminated all the contracts with third parties in relation to the Great Mall Project, including but not limited to the general contractor contract, the construction contracts and the procurement contracts;

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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):

- (iii) The completed portion and the portion under construction of the Great Mall Project shall have passed the acceptance inspection conducted by a supervision company engaged by the Purchaser ("Mall Inspection"), or relevant remedies have been made; and
- (iv) The on-site delivery of the Great Mall Project to Beijing SkyOcean after the Great Mall Project has passed the Mall Inspection.

SkyOcean Holdings Group Limited which holds 100% stake in Beijing SkyOcean, and its major shareholder, Mr. Zhou Zheng shall guarantee the performance of the obligations by Beijing SkyOcean pursuant to the Contract.

The Proposed Disposal is pending completion.

- (e) BToto and Berjaya Corporation Berhad ("BCorp") had on 12 May 2014 jointly announced that following a bidding process, BCorp has been selected as the most suitable party to undertake the investment, procurement, installation of equipment and operation of a computerized lottery system for the whole of Vietnam in cooperation with Vietnam Computerized Lottery One Member Limited Liability Company ("Vietlott") under a business cooperation contract to be entered into.

On 20 January 2016, BToto jointly announced with BCorp that the Investment Registration Certificate was issued on even date to BCorp and Vietlott, from the Hanoi Department of Planning and Investment pursuant to the Business Cooperation Contract, certifying that they have been awarded an exclusive 18-year contract invest in and operate a nationwide computerized lottery in Vietnam ("Project").

The Project will be carried out by the indirect subsidiary of BCorp namely Berjaya Gia Think Investment Technology Joint Stock Company ("Berjaya GTI"). Berjaya GTI is a Vietnamese company which is 51% owned by Berjaya Lottery Vietnam Limited ("BLV"), a company incorporated in Labuan, which in turn is 80% owned by BCorp and 20% owned by BToto.

B8 Group borrowings and debt securities as at 30 April 2016:

| | RM'000 | RM'000 |
|---|---------|-----------|
| Short term borrowings | | |
| Secured - Denominated in Ringgit Malaysia | 511,470 | |
| Denominated in USD (USD16,004,000) * | 62,226 | |
| Denominated in GBP (£5,000,000) * | 28,364 | |
| Denominated in SGD (SGD19,098,000) * | 55,247 | |
| Denominated in RMB (RMB154,000,000) * | 92,947 | |
| Denominated in PHP (PHP100,000,000) * | 8,297 | |
| Denominated in VND (VND932,227,000) | 164 | |
| | | 758,715 |
| Long term borrowings | | |
| Secured - Denominated in Ringgit Malaysia | 946,278 | |
| Denominated in USD (USD64,625,000) * | 251,263 | |
| Denominated in GBP (£11,750,000) * | 66,770 | |
| Denominated in RMB (RMB344,676,000) * | 208,030 | |
| Denominated in SGD (SGD4,212,000) * | 12,184 | |
| | | 1,484,525 |
| | | 2,243,240 |

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B8 Group borrowings and debt securities as at 30 April 2016 (Cont'd):

| | | |
|-----------------------------|--------------|-------------------------|
| | | RM'000 |
| Medium Term Notes (secured) | - short term | 105,000 |
| | - long term | <u>1,343,205</u> |
| | | <u><u>1,448,205</u></u> |

* *Converted at the respective exchange rates prevailing as at 30 April 2016*

B9 There was no pending material litigation as at the date of this announcement other than as disclosed below:

On 6 November 2015, the Company announced that its 72.6% subsidiary, Berjaya Jeju Resort Limited ("BJR"), had instituted legal proceedings in the Republic of Korea against Jeju Free International City Development Center ("JDC") for the breach by JDC of certain terms and conditions set out in the Land Sale and Purchase Agreement dated 30 March 2009 ("Land SPA") entered into between BJR and JDC in relation to the proposed mixed development of an international themed village known as the "Jeju Airst City" in Jeju Island, Republic of Korea ("Jeju Project") and to claim for losses and damages incurred as a result thereof ("JDC Lawsuit"). JDC holds a 19% stake in BJR.

Pursuant to the Land SPA, JDC is obligated to transfer the lands acquired thereunder to BJR free from all liens, security interests and encumbrances. However, on 20 March 2015 the Supreme Court of the Republic of Korea ("Korean Supreme Court") ruled that the expropriation by JDC of certain parcels of lands which were then subsequently sold to BJR pursuant to the Land SPA was invalid. Hence JDC had breached the terms of the Land SPA as it failed to transfer good and unencumbered title to the said lands to BJR. A consequence of the Korean Supreme Court decision is that certain former owners of the said lands had filed a suit demanding that the said lands be returned to them. Under the circumstances, the on-going development works on the Jeju Project has been suspended pending the resolution of this matter by JDC with the affected landowners.

Pursuant to the financing arrangement for Phase 1 of the Jeju Project and following the suspension of the development work thereon, JDC had repurchased part of the lands (under Phases 2 to 9) for KRW107.0 billion (or about RM374.5 million) and the cash proceeds were used to fully settle the loan outstanding with the financiers, and to partially settle the Phase 1 construction cost due and owing to the main contractor.

On completion of the land repurchased by JDC, BJR terminated the Land SPA in respect of the remaining land under Phase 1 of the Jeju Project. The JDC Lawsuit is still on-going.

B10 The Board does not recommend any dividend for the current quarter (previous financial year ended 30 April 2015 : Nil).

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

| | Group (3-month period) | | | |
|---|------------------------|------------------|---------------|---------------|
| | 30/04/2016 | 30/04/2015 | 30/04/2016 | 30/04/2015 |
| | RM'000 | | sen | |
| Net loss for the quarter attributable to equity holders of the Parent | <u>(458,582)</u> | <u>(418,517)</u> | | |
| Weighted average number of ordinary shares in issue with voting rights ('000) | <u>4,989,394</u> | <u>4,987,960</u> | | |
| Basic loss per share | | | <u>(9.19)</u> | <u>(8.39)</u> |

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(Company No: 201765 - A)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 APRIL 2016
ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

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

| | Group (12-month period) | | | |
|---|-------------------------|------------------|---------------|---------------|
| | 30/04/2016 | 30/04/2015 | 30/04/2016 | 30/04/2015 |
| | RM'000 | | sen | |
| Net loss for the year attributable to equity holders of the Parent | <u>(261,388)</u> | <u>(382,960)</u> | | |
| Weighted average number of ordinary shares in issue with voting rights ('000) | <u>4,989,394</u> | <u>4,985,943</u> | | |
| Basic loss per share | | | <u>(5.24)</u> | <u>(7.68)</u> |

There are no potential ordinary shares outstanding as at 30 April 2016. As such, the fully diluted loss per share of the Group is equivalent to the basic loss per share.

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

| | | As at 30/04/2016 RM'000 | As at 30/04/2015 RM'000 (Audited) |
|--|---|-------------------------------|--|
| Realised earnings | | 495,557 | 510,658 |
| Unrealised earnings | | <u>449,500</u> | <u>448,960</u> |
| | | 945,057 | 959,618 |
| Share of results from associated companies | * | 42,886 | 59,968 |
| Share of results from joint ventures | * | <u>(205,883)</u> | <u>(192,111)</u> |
| | | 782,060 | 827,475 |
| Less: Consolidation adjustments | | <u>(586,117)</u> | <u>(359,493)</u> |
| | | <u>195,943</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