

Berjaya Sports Toto Berhad

(Company no: 9109-K)

Date: 20 June 2016

Subject: **UNAUDITED QUARTERLY (Q4) FINANCIAL REPORT FOR
THE YEAR ENDED 30 APRIL 2016**

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UNAUDITED QUARTERLY (Q4) FINANCIAL REPORT FOR THE YEAR ENDED 30 APRIL 2016
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Group	
	30-4-2016	30-4-2015
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	217,225	166,478
Other investments	86,394	106,240
Investment properties	99,576	95,966
Investment in associated companies	44,226	18,797
Deferred tax assets	40,804	23,692
Intangible assets	777,803	763,756
	1,266,028	1,174,929
Current assets		
Inventories	458,629	364,042
Receivables	364,141	278,312
Tax recoverable	4,296	2,210
Deposits, cash and bank balances	533,710	430,205
	1,360,776	1,074,769
TOTAL ASSETS	2,626,804	2,249,698
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital (par value per share : RM0.10)	135,103	135,103
Capital reserve	21,327	21,327
Exchange reserve	84,892	59,800
Available-For-Sale reserve	3,570	15,560
Retained earnings	528,955	477,419
Equity funds	773,847	709,209
Less : Treasury shares	(10,061)	(24,712)
Net equity funds	763,786	684,497
Non-controlling interests	73,677	71,070
Total equity	837,463	755,567
Non-current liabilities		
Retirement benefit obligations	3,385	3,818
Borrowings	695,000	495,000
Deferred tax liabilities	4,694	3,664
Other long term liabilities	1,520	1,551
	704,599	504,033
Current liabilities		
Provisions	1,418	1,095
Borrowings	135,978	200,000
Payables	943,903	782,536
Tax payable	3,443	6,467
Total current liabilities	1,084,742	990,098
Total liabilities	1,789,341	1,494,131
TOTAL EQUITY AND LIABILITIES	2,626,804	2,249,698
Net assets per share (RM)	0.57	0.51

Note:

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

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

The annexed notes form an integral part of this quarterly financial report.

UNAUDITED QUARTERLY (Q4) FINANCIAL REPORT FOR THE YEAR ENDED 30 APRIL 2016
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	3 months ended			12 months ended		
	30-4-2016 RM'000	Restated 30-4-2015 RM'000	+/-<-> %	30-4-2016 RM'000	Restated 30-4-2015 RM'000	+/-<-> %
REVENUE	1,484,146	1,457,498	1.8	5,563,229	5,283,644	5.3
PROFIT FROM OPERATIONS	152,442	120,552	26.5	476,678	533,818	(10.7)
Investment related income	8,968	7,479	19.9	21,572	40,454	(46.7)
Investment related expenses	(7,350)	(151)	4,767.5	(8,918)	(154)	5,690.9
Finance costs	(12,732)	(11,309)	12.6	(47,842)	(45,340)	5.5
Share of results of associated companies	(1,648)	1,315	N/A	4,774	5,234	(8.8)
PROFIT BEFORE TAX	139,680	117,886	18.5	446,264	534,012	(16.4)
TAXATION	(32,689)	(35,138)	(7.0)	(130,844)	(160,708)	(18.6)
PROFIT FOR THE PERIOD/YEAR	106,991	82,748	29.3	315,420	373,304	(15.5)
PROFIT ATTRIBUTABLE TO:						
Owners of the parent	104,714	77,511	35.1	306,183	361,610	(15.3)
Non-controlling interests	2,277	5,237	(56.5)	9,237	11,694	(21.0)
	106,991	82,748	29.3	315,420	373,304	(15.5)
EARNINGS PER SHARE (SEN)						
-Basic	7.77	5.77		22.70	26.86	
-Diluted	7.77	5.77		22.70	26.86	
DIVIDEND PER SHARE (SEN)						
- First interim	-	-		2.50	5.50	
- First interim - Share dividend	-	-		2.50	-	
- Second interim	-	-		5.00	6.00	
- Third interim	-	-		4.00	5.00	
- Fourth interim	5.00	5.00		5.00	5.00	

The annexed notes form an integral part of this quarterly financial report.

UNAUDITED QUARTERLY (Q4) FINANCIAL REPORT FOR THE YEAR ENDED 30 APRIL 2016
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	3 months ended			12 months ended		
	30-4-2016 RM'000	30-4-2015 RM'000	+/<-> %	30-4-2016 RM'000	30-4-2015 RM'000	+/<-> %
PROFIT AFTER TAXATION	106,991	82,748	29.3	315,420	373,304	(15.5)
OTHER COMPREHENSIVE INCOME:						
<u>Items that may be reclassified</u> <u>subsequently to profit or loss</u>						
Net changes on available-for-sale ("AFS") financial assets						
- Changes in fair value of AFS investments	14,275	6,084	134.6	(14,690)	(3,072)	378.2
- Disposal of AFS investments transferred to profit or loss	122	(17)	N/A	1,191	(554)	N/A
- Effects of foreign exchange differences	(37,304)	(14,902)	150.3	19,779	30,016	(34.1)
<u>Items that will not be reclassified</u> <u>subsequently to profit or loss</u>						
Actuarial gain/(loss) recognised in defined benefit pension scheme	658	23	2,760.9	658	(543)	N/A
Tax effect relating to components of other comprehensive income	(132)	(5)	2,540.0	(132)	149	N/A
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD/YEAR	84,610	73,931	14.4	322,226	399,300	(19.3)
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:						
Owners of the parent	78,833	67,675	16.5	319,619	391,899	(18.4)
Non-controlling interests	5,777	6,256	(7.7)	2,607	7,401	(64.8)
	84,610	73,931	14.4	322,226	399,300	(19.3)

The annexed notes form an integral part of this quarterly financial report.

UNAUDITED QUARTERLY (Q4) FINANCIAL REPORT FOR THE YEAR ENDED 30 APRIL 2016
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the parent								
	Share capital RM'000	Treasury shares RM'000	Reserves		Retained earnings RM'000	Total to owners of parent company RM'000	Non- controlling interests RM'000	Total equity RM'000	
			Non-distributable						Distributable
			AFS reserve RM'000	Other reserves RM'000					RM'000
At 1 May 2015	135,103	(24,712)	15,560	81,127	477,419	684,497	71,070	755,567	
Total comprehensive income for the year	-	-	(11,990)	25,092	306,517	319,619	2,607	322,226	
	135,103	(24,712)	3,570	106,219	783,936	1,004,116	73,677	1,077,793	
Transactions with owners:									
Distribution of dividends	-	-	-	-	(222,079)	(222,079)	-	(222,079)	
Purchase of treasury shares	-	(18,251)	-	-	-	(18,251)	-	(18,251)	
Distribution of treasury shares as share dividend	-	32,902	-	-	(32,902)	-	-	-	
	-	14,651	-	-	(254,981)	(240,330)	-	(240,330)	
At 30 April 2016	135,103	(10,061)	3,570	106,219	528,955	763,786	73,677	837,463	
At 1 May 2014	135,103	(11,860)	18,667	47,410	439,186	628,506	75,129	703,635	
Total comprehensive income for the year	-	-	(3,107)	33,717	361,289	391,899	7,401	399,300	
	135,103	(11,860)	15,560	81,127	800,475	1,020,405	82,530	1,102,935	
Transactions with owners:									
Distribution of dividends	-	-	-	-	(316,398)	(316,398)	-	(316,398)	
Purchase of treasury shares	-	(12,852)	-	-	-	(12,852)	-	(12,852)	
Arising from increase in equity interest in a subsidiary company	-	-	-	-	(6,658)	(6,658)	(10,704)	(17,362)	
Dividend paid to non-controlling interests	-	-	-	-	-	-	(756)	(756)	
	-	(12,852)	-	-	(323,056)	(335,908)	(11,460)	(347,368)	
At 30 April 2015	135,103	(24,712)	15,560	81,127	477,419	684,497	71,070	755,567	

The annexed notes form an integral part of this quarterly financial report.

UNAUDITED QUARTERLY (Q4) FINANCIAL REPORT FOR THE YEAR ENDED 30 APRIL 2016
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	12 months ended 30-4-2016 RM'000	12 months ended 30-4-2015 RM'000
OPERATING ACTIVITIES		
Receipts from customers	5,944,158	5,580,875
Payments to prize winners, suppliers, duties, taxes and other operating expenses	(5,558,453)	(5,190,320)
Other receipts	398	105
Net cash generated from operating activities	386,103	390,660
INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	1,161	914
Proceeds from disposal of investment properties	-	4,653
Proceeds from disposal of long term investments	2,269	1,950
Acquisition of investment in associated companies	(20,281)	(1,029)
Acquisition of property, plant and equipment	(76,469)	(28,215)
Acquisition/improvement cost of investment properties	(2,806)	(188)
Acquisition of a business operation	-	(12,927)
Acquisition of long term investments	(1,571)	(17,468)
Acquisition of investment in a subsidiary company	(12,351)	-
Acquisition of treasury shares from non-controlling interests by a foreign subsidiary company	-	(17,362)
Dividend received	1,298	2,141
Interest received	15,436	15,389
Other receipts arising from investments	6,129	19,015
Other payments from investing activities	(41,814)	(13,365)
Net cash used in investing activities	(128,999)	(46,492)
FINANCING ACTIVITIES		
Issuance of medium term notes/drawdown of borrowings	349,655	295,000
Repayment of medium term notes/borrowings	(208,297)	(333,725)
Payment of hire purchase liabilities	(597)	(746)
Treasury shares acquired	(18,251)	(12,852)
Dividends paid to shareholders of the Company	(222,882)	(315,213)
Dividends paid to non-controlling interests of a subsidiary company	(62)	(1,389)
Interest paid	(47,010)	(42,869)
Placements in banks as security pledged for borrowings	-	(2,698)
Net cash used in financing activities	(147,444)	(414,492)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	109,660	(70,324)
CASH & CASH EQUIVALENTS AT 1 MAY	427,299	489,570
Effects of exchange rate changes	(6,258)	8,053
CASH & CASH EQUIVALENTS AT 30 APRIL	530,701	427,299

	12 months ended 30-4-2016 RM'000	12 months ended 30-4-2015 RM'000
Cash and cash equivalents carried forward comprise the following:		
Cash and bank balances	131,113	114,801
Deposits with financial institutions	402,597	315,404
	533,710	430,205
Less : Cash and cash equivalents restricted for use - Deposits with financial institutions	(3,009)	(2,906)
	530,701	427,299

The annexed notes form an integral part of this quarterly financial report.

UNAUDITED QUARTERLY (Q4) FINANCIAL REPORT FOR THE YEAR ENDED 30 APRIL 2016
NOTES TO THE QUARTERLY FINANCIAL REPORT

A1 The quarterly financial report is not audited and has been prepared in compliance with MFRS 134, Interim Financial Reporting Standards in Malaysia, International Accounting Standards 34 - Interim Financial Reporting and applicable disclosure provision of the 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 Group 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 Group since the year ended 30 April 2015.

The accounting policies and methods of computations used in the preparation of the financial statements are consistent with those adopted in the audited financial statements for the year ended 30 April 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 MFRSs, Amendments to MFRSs 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 business operations are not significantly affected by seasonal or cyclical factors except for our toto betting operations that may be positively impacted by the festive seasons.

A3 There were no other unusual items as a result of their nature, size or incidence that had affected assets, liabilities, equity, net income or cash flows for the quarter and year ended 30 April 2016.

There were no changes in estimates reported in the prior financial year that had a material effect in the current quarter ended 30 April 2016.

A4 The cumulative shares bought back are being held as treasury shares with none of the shares being cancelled or resold during the fourth quarter ended 30 April 2016.

The details of the share buy-back are as follows:

Month	Price per share (RM)			Number of shares	Total consideration RM'000
	Lowest	Highest	Average		
August 2015	3.00	3.14	3.09	3,994,100	12,338
September 2015	2.98	3.02	2.99	900,000	2,690
January 2016	2.99	3.04	3.00	1,073,761	3,223
TOTAL				5,967,861	18,251

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 as at 1 May 2015	3.72	6,635,972	24,712
Increase in treasury shares	3.06	5,967,861	18,251
Distribution as share dividend	3.41	12,603,833	42,963
		(9,546,061)	(32,902)
Total treasury shares as at 30 April 2016	3.29	3,057,772	10,061

- A4 As at 30 April 2016, the number of outstanding shares in issue and fully paid with voting rights was 1,347,972,300 ordinary shares of RM0.10 each (30 April 2015 : 1,344,394,100 ordinary shares of RM0.10 each).
- A5 During the financial year ended 30 April 2016, the Company paid the following dividends:
- (i) Fourth interim single tier dividend on 6 August 2015, in respect of financial year ended 30 April 2015, of 5 sen per share on 1,344,394,100 ordinary shares with voting rights amounting to RM67,220,000;
 - (ii) First interim dividend in respect of financial year ended 30 April 2016 consists the following:
 - a) single tier cash dividend of 2.5 sen per share on 1,339,500,000 ordinary shares with voting rights amounting to RM33,488,000 paid on 23 October 2015; and
 - b) share dividend via distribution 9,546,061 treasury shares on the basis of 1 treasury share for every 140 existing ordinary shares held, credited into the entitled depositors' securities accounts maintained with Bursa Malaysia Depository Sdn Bhd on 23 October 2015;
 - (iii) Second interim single tier dividend on 3 February 2016, in respect of financial year ended 30 April 2016, of 5 sen per share on 1,349,046,061 ordinary shares with voting rights amounting to RM67,452,000; and
 - (iv) Third interim single tier dividend on 28 April 2016, in respect of financial year ended 30 April 2016, of 4 sen per share on 1,347,972,300 ordinary shares with voting rights amounting to RM53,919,000.

A6 Segmental revenue and results for the financial year ended 30 April 2016 were as follows:

<u>REVENUE</u>	External	Inter- segment	Total
	RM'000	RM'000	RM'000
Toto betting and leasing of lottery equipment	3,313,851	-	3,313,851
Motor dealership	2,174,908	-	2,174,908
Others	74,470	5,379	79,849
Elimination : Intersegment Revenue	-	(5,379)	(5,379)
Total revenue	5,563,229	-	5,563,229

RESULTS

Toto betting and leasing of lottery equipment	490,075
Motor dealership	21,017
Others	(15,455)
	<u>495,637</u>
Unallocated corporate expenses	(18,959)
Profit from operations	476,678
Finance costs	(47,842)
Interest income	19,579
Investment related income	1,993
Investment related expenses	(8,918)
Share of results of associated companies	4,774
Profit before tax	<u>446,264</u>
Taxation	(130,844)
Profit for the year	<u>315,420</u>

A7 There were no material subsequent events for the financial year ended 30 April 2016 up to the date of this announcement.

- A8 There were no changes in the composition of the Group for the current year ended 30 April 2016 including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations other than as disclosed below:
- (i) H.R. Owen Plc, a subsidiary company of the Group, had on 4 December 2015 completed the acquisition of 50,000 ordinary share of GBP1.00 each representing 100% equity interest in Bodytechnics Limited, for a total cash consideration of GBP2.6 million (equivalent to approximately RM15.6 million). Bodytechnics Limited is a private company limited by shares incorporated in United Kingdom and the principal activities are maintenance and repair of motor vehicles.
 - (ii) On 26 January 2016, the Company announced that Sports Toto Malaysia Management Pte Ltd, a dormant subsidiary, had on 26 January 2016 received a notification from the Accounting and Corporate Regulatory Authority of Singapore that its name has been struck off from the Register pursuant to Section 344 of the Singapore Companies Act, Cap. 50. with effect from 14 January 2016.
 - (iii) On 26 April 2016, the Group completed the subscription of 22,500,000 new ordinary shares in Ssangyong Berjaya Motor Philippines Inc. ("Ssangyong") for a total consideration of Peso22.5 million (equivalent to RM1.9 million), representing 20% equity interests in Ssangyong.
 - (iv) On 29 April 2016, the Group completed the subscription of 10,450,000 new ordinary shares in Berjaya Auto Philippines Inc. ("BAuto") for a total consideration of Peso115.68 million (equivalent to RM9.6 million) and the equity interests in BAUTO has increased from 30% to 35%.
 - (v) On 29 April 2016, the Group completed the subscription of 56,000,000 new ordinary shares in Berjaya Pizza Philippines Inc. ("BPizza") for a total consideration of Peso56.0 million (equivalent to RM4.6 million) and the equity interests in BPizza has increased from 30% to 41.4%.
- A9 There were no material changes in contingent liabilities or financial guarantee since the last annual reporting date as at 30 April 2015.
- A10 There were no material changes in capital commitments since the last annual reporting date as at 30 April 2015.

**UNAUDITED QUARTERLY (Q4) FINANCIAL REPORT FOR THE YEAR ENDED 30 APRIL 2016
ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS
OF BURSA MALAYSIA SECURITIES BERHAD**

B1 The Group is primarily engaged in the number forecast operation ("NFO") business. The main operating businesses of the Group are toto betting, leasing of lottery equipment, motor retailing and provision of aftersales services. The key factors (other than general economic conditions) affecting the main performance of the main operating businesses in the Group are disposable income of the general public, Jackpot cycles, luck factor, increasing illegal gaming activities and the number of draws in the financial year as well as the trend in prestige and specialist cars predominantly in the London area of United Kingdom.

The revenue from toto betting is presented net of gaming tax and Malaysia Goods and Services Tax ("GST") on gaming supply. The revenue from toto betting was previously recognised based on ticket sales net of gaming tax but inclusive of GST which also classified under cost of sales. Certain comparative figures have been adjusted and reclassified to conform with current period's / year's presentation.

Review of results for the quarter

As compared to the previous year corresponding quarter ended 30 April 2015, the Group recorded an increase in revenue and pre-tax profit of 1.8% and 18.5% respectively. The Group attributed the increase in revenue to higher revenue contribution from H.R. Owen Plc ("H.R. Owen"). The quantum of increase was partially set off by lower revenue reported by Sports Toto Malaysia Sdn Bhd ("Sports Toto"). The higher increase in pre-tax profit was mainly attributable to the results of Sports Toto and Philippine Gaming Management Corporation ("PGMC") as explained in the ensuing paragraphs.

Sports Toto, the principal subsidiary, registered a drop in revenue of 3.1% mainly due to the full 3 months GST effect in the current quarter as compared to only 1 month effect in the previous year corresponding quarter (GST was implemented on 1 April 2015) as revenue is presented net of GST on gaming supply as well as increasing illegal gaming activities. The drop in Sports Toto's revenue would have been 1.8% if the effect of GST was excluded. As compared to the previous year corresponding quarter, lower prize payout has mainly contributed to Sports Toto's increase in pre-tax profit of 37.4% in the current quarter under review.

PGMC (in its functional currency, Philippine Peso), registered a decrease in revenue mainly due to lower lease rental income earned from the Philippine Charity Sweepstakes Office. In spite of that, it recorded an increase in pre-tax profit mainly attributable to lower operating expenses incurred in the current quarter as compared to previous year corresponding quarter. Upon translation to Ringgit Malaysia (reporting currency of the Berjaya Sports Toto Berhad's Group), it reported an increase in revenue and pre-tax profit of 0.3% and 7.6% respectively as a result of the favourable foreign exchange effect during the current quarter under review.

Review of results for the quarter (Cont'd)

H.R. Owen reported an increase in revenue mainly due to the revenue contribution from additional outlets as well as introduction of new models by the car manufacturers. However, it reported a drop in pre-tax profit mainly due to higher operating expenses incurred as compared to previous year corresponding quarter. The favourable foreign exchange effect during the current quarter upon translation to Ringgit Malaysia has enhanced the sales performance of H.R. Owen with the increase in revenue to RM623.6 million from RM578.4 million in previous year corresponding quarter. However, it reported a decrease in pre-tax profit to RM3.9 million from RM11.5 million in the same quarter last year.

For the 12-month period

For the 12-month period under review, the Group reported an increase in revenue of 5.3% whilst pre-tax profit dropped by 16.4%. The Group attributed the revenue growth to higher revenue contribution from PGMC and H.R. Owen. The drop in pre-tax profit was mainly due to lower profits of Sports Toto and H.R. Owen as explained in the ensuing paragraphs and the refund of RM18.0 million stamp duty (pursuant to the rescission of the share purchase agreement following the aborted listing exercise of Sports Toto Malaysia Trust) recorded in the previous financial year. The drop in the Group's pre-tax profit would have been 13.5% if the aforesaid refund of RM18.0 million stamp duty had been excluded.

Sports Toto registered a drop in revenue of 1.6% mainly due to the 12 months effect of GST in the current financial year as compared to only 1 month effect of GST in the previous financial year as revenue is presented net of GST on gaming supply as well as increasing illegal gaming activities. The drop in Sports Toto's revenue would have been 0.1% compared to previous financial year if the effect of GST was excluded. It registered a decrease in pre-tax profit of 14.8% as compared to previous financial year mainly due to the impact of GST and higher prize payout in the current year under review.

PGMC reported lower revenue and pre-tax profit (in its functional currency, Philippine Peso) mainly due to lower lease rental income earned from the Philippine Charity Sweepstakes Office as compared to previous financial year as well as higher operating expenses incurred in the current financial year. However, with the favourable foreign exchange effect during the current year under review, the translation of its results to Ringgit Malaysia, reported an increase in revenue and pre-tax profit of 12.5% and 2.5% respectively.

H.R. Owen reported an increase in revenue mainly attributable to the revenue contribution from additional outlets whilst it reported a drop in pre-tax profit mainly due to higher operating expenses incurred as compared to previous financial year. The favourable foreign exchange effect in the current financial year has enhanced the sales performance of H.R. Owen with the increase in revenue to RM2.17 billion from RM1.89 billion in previous financial year. However, pre-tax profit decreased to RM10.4 million from RM21.6 million in the last financial year.

B2 Review of 4th Quarter Results Vs 3rd Quarter Results of financial year ended 30 April 2016

As compared to the preceding quarter ended 31 January 2016, the Group registered an increase in revenue and pre-tax profit of 12.2% and 77.6% respectively. The increase in revenue was mainly attributable to the results of H.R. Owen whilst the higher increase in pre-tax profit in the current quarter was mainly due to the results of Sports Toto and H.R. Owen as explained in the ensuing paragraphs.

B2 Review of 4th Quarter Results Vs 3rd Quarter Results of financial year ended 30 April 2016 (Cont'd)

Sports Toto recorded a drop in revenue of 0.3% as the current quarter had lower number of draws as compared to the preceding quarter. In spite of the drop in revenue, Sports Toto registered an increase in pre-tax profit of 59.1% mainly due to lower prize payout in the current quarter under review.

As compared to preceding quarter, PGMC reported a drop in revenue of 15.5% mainly due to lower lease rental income earned from the Philippine Charity Sweepstakes Office. In spite of the decrease in revenue, PGMC recorded an increase in pre-tax profit mainly due to lower operating expenses incurred in the current quarter under review.

H.R. Owen reported an increase in revenue to RM623.6 million as compared to RM456.1 million reported in the preceding quarter and pre-tax profit of RM3.9 million as compared to pre-tax loss of RM6.3 million in the preceding quarter. The improved results of H.R. Owen was mainly attributable to higher sales achieved in the current quarter as well as the revenue contribution from the additional outlets.

B3 Future Prospects

With the rising costs resulting from difficult economic conditions which continue to dampen consumer spending, the impact of GST and increasing illegal gaming activities, the Directors expect the NFO business to be challenging for the financial year ending 30 April 2017. Notwithstanding the above, the Directors are confident the Group will maintain its market share in the NFO business.

B4 There was no profit forecast or profit guarantee given by the Group for the financial year ended 30 April 2016.

B5 Taxation

	Current quarter RM'000	Current year ended 30 April 2016 RM'000
Based on the results for the quarter/year:		
- Malaysian income tax	43,502	122,677
- Under provision in prior year	208	205
- Foreign countries income tax	5,698	24,704
Deferred tax:		
- Origination and reversal of temporary differences	(16,437)	(15,743)
- Over provision in prior year	(282)	(999)
	32,689	130,844

The effective tax rate on the Group's profit for the financial year ended 30 April 2016 was higher than the statutory tax rate mainly due to certain expenses being disallowed for taxation purposes and profits in certain subsidiary companies are separately assessed for tax and not relieved by losses in other companies within the Group. However, the effective tax rate on the Group's profit for the current quarter was lower than the statutory tax rate mainly attributed to deferred tax assets recognised in respect of prior years' unutilised tax losses by a foreign subsidiary company.

B6 There were no other corporate proposals announced but not completed as at the date of this announcement other than as disclosed below:

- (i) The Company and the ultimate holding company, 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, the Company jointly announced with BCorp that the Investment Registration Certificate was issued on 20 January 2016 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 to 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 the Company.

B7 The Group's borrowings as at 30 April 2016 were as follows:

<u>Long term borrowings</u>	At end of current quarter RM'000
Secured	
Denominated in	Foreign currency amount
- Ringgit Malaysia (Medium Term Notes)	'000
	695,000
<u>Short term borrowings</u>	
Secured	
Denominated in	
- Ringgit Malaysia (Medium Term Notes)	105,000
- Philippine Peso	100,000 *
Unsecured	
Denominated in	
- Great Britain Pound	4,000 *
	22,681
	135,978
 Total bank borrowings	 830,978

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

B8 There is no pending material litigation since the last annual reporting date up to the date of this announcement.

- B9 The Board has declared a fourth interim single tier dividend of 5 sen per share (previous year corresponding quarter ended 30 April 2015 : fourth interim single tier dividend of 5 sen per share) in respect of the financial year ended 30 April 2016 and payable on 9 August 2016. The entitlement date has been fixed on 20 July 2016.

The first interim dividend consists of single tier cash dividend of 2.5 sen per share and a share dividend distribution of 9,546,061 treasury shares on the basis of 1 treasury share for every 140 ordinary shares held. Based on the treasury share book cost of RM32.98 million (equivalent to approximately RM3.45 per share), the share dividend is equivalent to 2.5 sen per share. The first interim cash dividend and share dividend were paid and distributed on 23 October 2015, the second interim single tier dividend of 5 sen per share was paid on 3 February 2016, the third interim single tier dividend of 4 sen per share was paid on 28 April 2016. This will bring the total dividend distribution per share in respect of financial year ended 30 April 2016 to 19 sen per share (previous year corresponding financial year ended 30 April 2015 : 21.5 sen per share).

Based on the number of RM0.10 fully paid ordinary shares in issue and with voting rights as at 19 June 2016 of 1.348 billion, the fourth interim dividend distribution for the financial year ended 30 April 2016 will amount to RM67.4 million. The total dividend distribution for the financial year ended 30 April 2016 is approximately RM255.2 million, **representing about 83.3% of the attributable profit of the Group for the financial year ended 30 April 2016.**

- B10 The earnings per share is calculated by dividing profit attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue and fully paid with voting rights as follows:

	Group (3-month period)	
	30-4-16	30-4-15
Profit attributable to equity holders of the Company (RM'000)	104,714	77,511
Weighted average number of shares with voting rights ('000)	1,347,972	1,344,394
Basic earnings per share (sen)	7.77	5.77
	Group (12-month period)	
	30-4-16	30-4-15
Profit attributable to equity holders of the Company (RM'000)	306,183	361,610
Weighted average number of shares with voting rights ('000)	1,348,754	1,346,498
Basic earnings per share (sen)	22.70	26.86

Diluted earnings per share is the same as basic earnings per share as there were no potential dilutive ordinary shares during the financial period.

B11 Profit before tax is stated after charging/(crediting):

	Current quarter RM'000	Financial year ended 30 April 2016 RM'000
Interest income	(8,164)	(19,579)
Dividend income included in investment related income	-	(1,189)
Other income excluding dividend and interest income	(124)	(1,039)
Depreciation of property, plant and equipment	8,143	31,887
Impairment in value of available-for-sale quoted and unquoted investments	7,102	7,161
Foreign exchange (gain)/loss	237	1,589
Provision for and write off of receivables	838	1,113
Provision for and write off/(write back) of inventories	952	(9)
(Gain)/loss on disposal of quoted or unquoted investments or properties	248	1,757
Gain or loss on derivatives	-	-
	-	-

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

	As at 30-4-16 RM'000	As at 30-4-15 RM'000
Total retained earnings of the Company and its subsidiaries:		
- realised	790,495	731,433
- unrealised	37,873	49,056
	828,368	780,489
Share of results from associated companies	3,938	(836)
Less: Consolidation adjustments	(303,351)	(302,234)
Total group retained earnings as per consolidated accounts	528,955	477,419

cc: Securities Commission