



**BERJAYA**  
**BERJAYA ASSETS BERHAD**

(Company No. 3907-W)



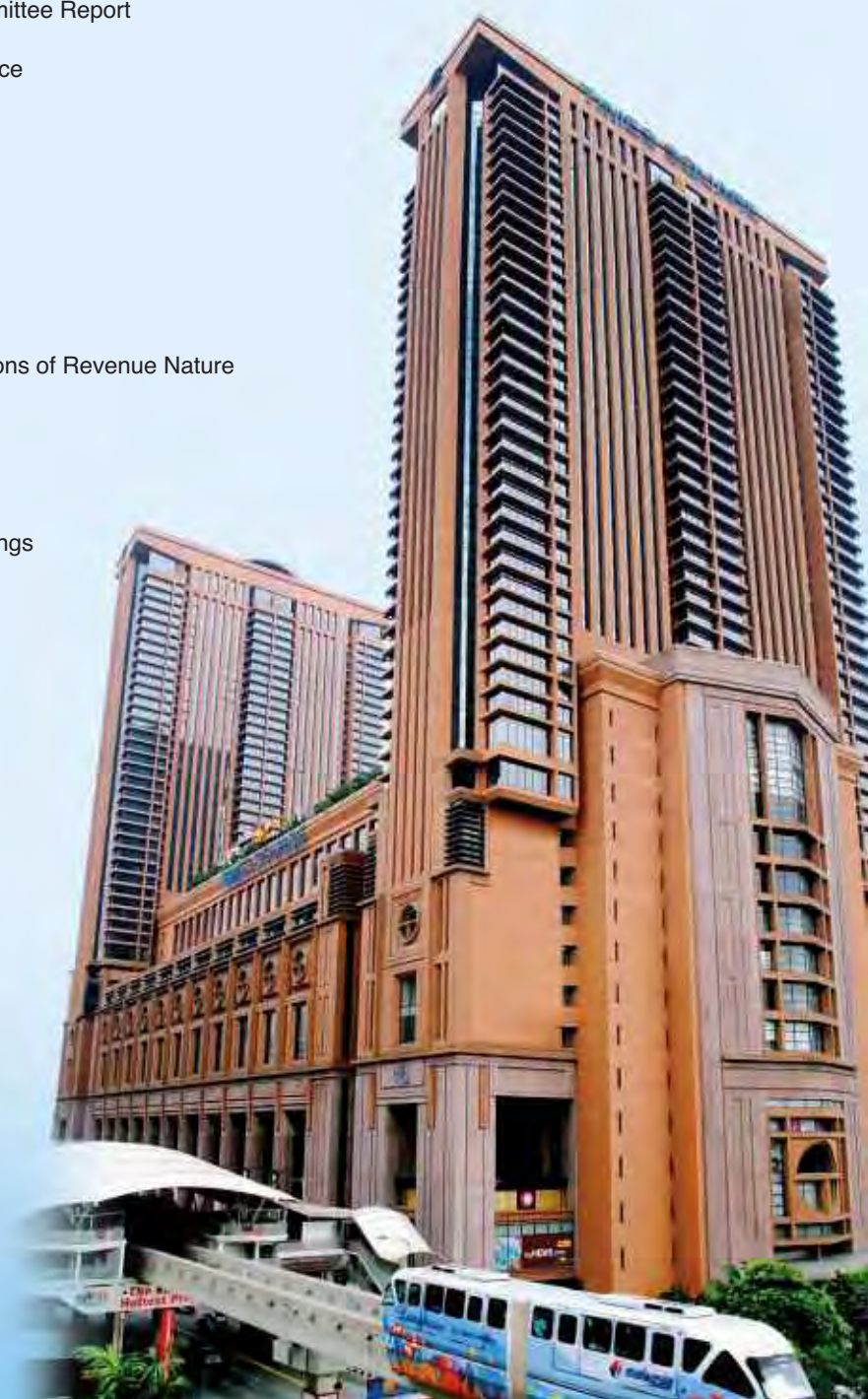
ANNUAL REPORT **2011**





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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

YAM Tunku Dato' Seri Shahabuddin Bin Tunku Besar Burhanuddin	(Chairman) Independent Non-Executive
Tan Sri Dato' Tan Chee Sing	(Deputy Chairman) Non-Independent Non-Executive
Tan Thiam Chai	Executive Director
Ng Su Onn	Executive Director
Chan Kien Sing	Non-Independent Non-Executive
Lim Meng Kwong	Non-Independent Non-Executive
Datuk Robert Yong Kuen Loke	Independent Non-Executive
Heng Kiah Choong	Independent Non-Executive
Dato' Mohd Salleh Bin Ahmad	Independent Non-Executive

## AUDIT AND RISK MANAGEMENT COMMITTEE

Heng Kiah Choong (Chairman)  
Chan Kien Sing  
Dato' Mohd Salleh Bin Ahmad

## NOMINATION COMMITTEE

YAM Tunku Dato' Seri Shahabuddin  
Bin Tunku Besar Burhanuddin  
(Chairman)  
Heng Kiah Choong  
Dato' Mohd Salleh Bin Ahmad

## REMUNERATION COMMITTEE

YAM Tunku Dato' Seri Shahabuddin  
Bin Tunku Besar Burhanuddin  
(Chairman)  
Heng Kiah Choong  
Dato' Mohd Salleh Bin Ahmad

## SECRETARIES

Su Swee Hong  
(MAICSA No. 0776729)  
Wan Foong Yee  
(MAICSA No. 7025376)

## SHARE REGISTRAR

Berjaya Registration Services  
Sdn Bhd  
Lot 06-03, Level 6 (East Wing)  
Berjaya Times Square  
No. 1 Jalan Imbi  
55100 Kuala Lumpur  
Tel: 03 - 2145 0533  
Fax: 03 - 2145 9702

## AUDITORS

Ernst & Young  
Chartered Accountants  
Level 23A Menara Milenium  
Jalan Damanlela  
Pusat Bandar Damansara  
50490 Kuala Lumpur

## REGISTERED OFFICE

Lot 13-01A, Level 13 (East Wing)  
Berjaya Times Square  
No. 1 Jalan Imbi  
55100 Kuala Lumpur  
Tel: 03 - 2149 1999  
Fax: 03 - 2143 1685

## PRINCIPAL BANKER

Malayan Banking Berhad

## STOCK EXCHANGE LISTING

Main Market of  
Bursa Malaysia Securities Berhad

## STOCK SHORT NAME

BJASSET (3239)

## PLACE OF INCORPORATION AND DOMICILE

Malaysia

## PROFILE OF BOARD OF DIRECTORS



### **YAM TUNKU DATO' SERI SHAHABUDDIN BIN TUNKU BESAR BURHANUDDIN**

D.K, S.P.T.J., AO (Australia)

76 years of age, Malaysian

Chairman/Independent Non-Executive

YAM Tunku Dato' Seri Shahabuddin Bin Tunku Besar Burhanuddin was appointed to the Board as Chairman on 3 August 2009. He graduated with a Bachelor of Science (Economics) from Queens University of Belfast, Northern Ireland.

He began his career with Esso Malaysia Limited as an economic analyst and moved on as a Finance Manager in one of the finance companies within Malayan Banking Group. Currently he is the Executive Chairman and co-founder of Strateq Sdn Bhd (formerly known as Kompakar Inc Bhd) which is a leading technology provider offering scalable integrated solutions that has been instrumentally localised and expanding to countries in the Asia Pacific Region.

Amongst the accolades bestowed on Tunku were the Austrade International Award 2000 Australian Export Awards for outstanding contribution to Australia's international trading performance by a foreign individual based outside of Australia, the "Darjah Seri Paduka Tuanku Ja'afar Yang Amat Terpuji (S.P.T.J.)" by his Royal Highness The Yang Di-Pertuan Besar Negeri Sembilan and the appointment as an Honorary Officer (AO) in the General Division of the Order of Australia award for his service to Australian-Malaysian relations by the Governor-General of the Commonwealth of Australia.

Tunku is the Vice Chairman of Iris Corporation Berhad, a MSC Status company listed on the ACE Market of Bursa Malaysia Securities Berhad and involved in the business of technology consulting, implementation of digital identity and business solutions. He is also a director of Axis Reit Managers Berhad, DHL Worldwide Express (M) Sdn Bhd, Jotun (M) Sdn Bhd, Vision Four Production Sdn Bhd and several private limited companies.

Tunku is the Chairman of the Nomination Committee and the Remuneration Committee.



### **TAN SRI DATO' TAN CHEE SING**

56 years of age, Malaysian

Deputy Chairman/Non-Independent Non-Executive

He was appointed to the Board as Deputy Chairman on 1 April 2010.

He is a businessman and entrepreneur having a wide spectrum of business with extensive experience in property development, resort management, restaurants, leisure and entertainment operations through his investments in various public and private companies.

Currently, he is the Group Chief Executive Officer of Dijaya Corporation Berhad, the Executive Vice-Chairman of TT Resources Berhad, Chief Executive Officer of Tropicana Golf & Country Resort Berhad and the Chairman of Sports Toto Malaysia Sdn Bhd. He also holds directorships in Berjaya Capital Berhad, Bukit Kiara Resort Berhad, Tioman Island Resort Berhad, KDE Recreation Berhad, Berjaya Golf Resort Berhad and U Mobile Sdn Bhd, a 3G mobile service provider.

His brother, Tan Sri Dato' Seri Vincent Tan Chee Yioun is a major shareholder of the Company.

## PROFILE OF BOARD OF DIRECTORS



### TAN THIAM CHAI

52 years of age, Malaysian  
Executive Director

He was appointed to the Board on 16 July 2008 and appointed as an Executive Director of the Company on 18 June 2009. He graduated with a Diploma in Commerce (Financial Accounting) from Kolej Tuanku Abdul Rahman and also completed The Association of Chartered Certified Accountants (UK) professional course in 1981. He is a Fellow member of the Association of Chartered Certified Accountants (UK) since 1990 and also a member of the Malaysian Institute of Accountants.

He started work with an accounting firm in Kuala Lumpur for about 2 years and thereafter served in various Finance and Accounting positions with the Hong Leong Group of Companies in Malaysia as well as in Hong Kong for about 8 years. He joined the Berjaya Corporation Group of Companies in early 1991 as a Finance Manager of an operating subsidiary and was promoted to Operation Manager later that year. In 1992, he was transferred to the Corporate Head Office of Berjaya Group Berhad to head the Group Internal Audit function and subsequently in 1993, he was promoted to oversee the Group Accounting function of Berjaya Group Berhad.

Currently, he is the Chief Financial Officer of Berjaya Corporation Berhad. He is also an Executive Director of Berjaya Land Berhad, a Director of Berjaya Food Berhad, Magni-Tech Industries Berhad, Cosway Corporation Berhad, Indah Corporation Berhad, Cosway Corporation Limited, Hong Kong and Taiga Building Products Ltd, Canada.

He also holds directorships in several other private limited companies.



### NG SU ONN

59 years of age, Malaysian  
Executive Director

Mr Ng was appointed to the Board as an Executive Director on 15 August 2011. He graduated in 1974 with a Bachelor of Science Degree in Chemistry and Mathematics from University of Malaya and later obtained a Bachelor of Science First Class Honours Degree in Chemistry from the same university in 1975. In 1988, he received a Master in Business Administration Degree from Cranfield School of Management, Bedford, United Kingdom and in 1996, he was listed on Dean's list at Hamburger University, Oak Brook, Illinois, USA. He became an Associate Member of Institute of Chemist in 1981. He has more than 30 years of experience in the operations and management of companies and also in leading the development of its businesses. He began his career with Guinness Anchor Berhad where he worked for 16 years until 1991. Prior to joining McDonald's Malaysia in 1995 as an Executive Director, he was attached to Checker Asia (M) Sdn Bhd as General Manager. Thereafter, he joined 7-Eleven Malaysia Sdn Bhd ("7-Eleven") as an Executive Director in 2007 and was the Managing Director of 7-Eleven prior to his resignation in August 2011.



## PROFILE OF BOARD OF DIRECTORS



### CHAN KIEN SING

55 years of age, Malaysian  
Non-Independent Non-Executive Director

He was appointed to the Board on 9 April 2001. He is a member of The Malaysian Institute of Certified Public Accountants and Malaysian Institute of Accountants. Having articulated with Messrs Peat Marwick Mitchell (now known as KPMG) from 1975 to 1981, he subsequently joined Arab-Malaysian Merchant Bank Berhad (now known as AmMerchant Bank Berhad) specialising in corporate finance until 1989 when he joined Berjaya Group Berhad.

Currently, he is an Executive Director of Berjaya Corporation Berhad, Berjaya Sports Toto Berhad and Berjaya Media Berhad. He is also the Chief Executive Officer of 7-Eleven Malaysia Sdn Bhd and the Managing Director of Sun Media Corporation Sdn Bhd. He also sits on the boards of Berjaya Group Berhad, Berjaya Capital Berhad, Berjaya Retail Berhad, Intan Utilities Berhad, Berjaya Vacation Club Berhad, Cosway Corporation Limited, Hong Kong, International Lottery & Totalizator Systems Inc, United States of America and several other private limited companies.

He is a member of the Audit and Risk Management Committee.



### LIM MENG KWONG

58 years of age, Malaysian  
Non-Independent Non-Executive Director

He was appointed to the Board on 7 May 2003. He is a member of Malaysian Institute of Accountants and holds a Master's degree in Business Administration from the Cranfield Institute of Management, United Kingdom.

Currently, he is the Special Projects Director and was previously the head of the Group Investment Division of Berjaya Corporation Berhad holding the position as Senior General Manager. Prior to joining Berjaya Corporation Berhad, he was working in the Corporate Finance Division in a leading local merchant bank and has various financial and audit experience both in Malaysia and the United Kingdom.

He is the Chairman of Berjaya Philippines Inc. and he also holds directorships in various subsidiaries of Berjaya Assets Berhad and Berjaya Corporation Berhad.

## PROFILE OF BOARD OF DIRECTORS



### DATUK ROBERT YONG KUEN LOKE

59 years of age, Malaysian  
Independent Non-Executive Director

He was appointed to the Board on 9 April 2001. He is a Fellow member of The Institute of Chartered Accountants in England and Wales, The Association of Chartered Certified Accountant and a member of The Institute of Certified Public Accountants of Singapore and the Malaysian Institute of Accountants. He is also a Council Member of Malaysian Institute of Certified Public Accountants and presently serves as a member of its executive committee. He has many years of working experience in the fields of accounting, audit, treasury and financial management. He started his career in London in 1973 and worked for more than five years in chartered accounting firms in London, including two years with Moore Stephens & Co. Subsequently, he was with Price Waterhouse, Singapore from 1979 to 1982. From 1983 to 1986, he served as Group Finance Manager in UMW Holdings Berhad and Group Treasurer in Edaran Otomobil Nasional Bhd. He joined Berjaya Group of Companies in 1987 until his retirement as Executive Director on 30 November 2007 and is currently an Independent Non-Executive Director of the Company.

He is also a Director of Berjaya Corporation Berhad, Berjaya Land Berhad and Berjaya Sports Toto Berhad.



### HENG KIAH CHOONG

62 years of age, Malaysian  
Independent Non-Executive Director

He was appointed to the Board on 27 February 2001. He started his sports-related business upon completion of his secondary education in 1966. Currently, he is the Managing Director of Sai (M) Sdn Bhd, overseeing the overall management of the graphic design and Sports Event Management departments. He has extensive interest in sports-related business and activities. He is currently the Vice-President of the Malaysian Tenpin Bowling Congress, Deputy President of Kuala Lumpur Tenpin Bowling Congress and Marketing Committee of Olympic Council of Malaysia. His company is the marketing representative of the International Sepak Takraw Federation responsible in the marketing and promotion of sepak takraw and distribution of sepak takraw equipment.

He is the Chairman of the Audit and Risk Management Committee and a member of the Nomination Committee and the Remuneration Committee.



### DATO' MOHD SALLEH BIN AHMAD

69 years of age, Malaysian  
Independent Non-Executive Director

He was appointed to the Board on 28 March 2005. He graduated with a degree in Bachelor of Arts (Second Class Honours), University of Malaya. He began his career with the Ministry of Finance as Assistant Secretary in 1966. He was promoted to Principal Assistant Secretary in 1969 and was the Deputy Head of Division prior to his departure in 1988. Thereafter, he joined the Ministry of Defence and was the Director of Establishment and Services. He was appointed as the Chief Executive Officer of Koperasi Serbaguna Anak-Anak Selangor Berhad (KOSAS) in 1991 until January 2005. He also holds directorships in several private limited companies.

He is a member of the Audit and Risk Management Committee, the Remuneration Committee and the Nomination Committee.

Save as disclosed, none of the Directors have:

1. any family relationship with any Directors and/or major shareholders of the Company;
2. any conflict of interest with the Company; and
3. any conviction for offences within the past 10 years other than traffic offences.

## CHAIRMAN'S STATEMENT

ON BEHALF OF THE BOARD OF DIRECTORS, I AM PLEASED TO PRESENT THE ANNUAL REPORT AND FINANCIAL STATEMENTS OF BERJAYA ASSETS BERHAD FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011.

### FINANCIAL RESULTS

For the financial year ended 30 June 2011, the Group registered a revenue of RM354.0 million compared to revenue of RM371.58 million in the previous 14-month period ended 30 June 2010. The lower revenue for the current year was mainly due to the previous financial period having a 14-month period whereby the gaming business operated by its subsidiary, Natural Avenue Sdn Bhd ("NASB"), also recorded a higher number of draws.

The Group reported a higher pre-tax profit of RM368.9 million compared to pre-tax profit of RM314.91 million achieved in the previous 14-month period, mainly due to the higher profit recorded by Berjaya Times Square Sdn Bhd ("BTSSB") group arising from the favourable fair value adjustment of its investment properties and higher property sales.

### DIVIDEND

For the financial year ended 30 June 2011, the Board has recommended a final dividend of 4 sen per ordinary share of RM1.00 each less 25% income tax for the approval of shareholders at the forthcoming annual general meeting.

### PROPERTY INVESTMENT AND DEVELOPMENT

For the financial year under review, the BTSSB group registered a higher revenue of RM132.8 million compared to RM118.3 million in the previous financial period, and an increase in pre-tax profit to RM340.7 million from RM290.0 million in the previous financial period. The increase in revenue was mainly due to higher property sales and rental income. The higher pre-tax profit for the year also included a favourable fair value adjustment of RM243.6 million compared to the previous 14-month period of RM251.47 million.

Due to overwhelming demand for good retail properties, BTSSB made a higher total profit of RM80 million from property sales during the year as compared to RM17.4 million profit made last year.

The monthly average rental revenue had increased by 11.6% from last year while the monthly average car park revenue had increased by 14.3% due to the increase in car park rates and number of parking tickets issued.

Consistent efforts in marketing and promotion had boosted confidence among retailers and event organisers. As such, more shops were opened resulting in an increase in rental revenue while the variety of events drew a high number of visitors to Berjaya Times Square ("BTS").

Being a leading inner-city shopping complex in the heart of Kuala Lumpur, BTS provides an encompassing lifestyle-cum-entertainment experience which caters to the middle and mass markets. With a gross built-up area measuring 7.5 million square feet, BTS has recorded a steady increase in footfall, events and improved financial performance since its opening eight years ago on 29 September 2003.



You could enjoy delicious pizzas and pastas at Papa John's Pizza, BTS.



Kim Gary Restaurant at Lower Ground Floor, BTS, provides a selection of Chinese cuisine.





7-Eleven outlet at Level 1, BTS.



Bionn International, a newly opened beauty centre.



Elda offers stylish casual apparels.

Averaging 2.5 million visitors a month, the 12-level shopping complex which measures approximately 3.5 million square feet houses the **Berjaya Times Square Theme Park** which is the largest indoor theme park in the country with 14 major rides and attractions; a three-storey **IT Centre** covering more than 80,000 square feet with a wide range of IT gadgets and products to cater to the needs of modern digital lifestyle; **Golden Screen Cinemas (GSC)**, a 9-screen Cineplex; **GSC Maxx**, with a seating capacity of 555; **Ampang Superbowl**, one of the largest bowling centres in the country with 48 lanes; **Cold Storage Supermarket**; **Taste of Asia Food Court**; **1st Avenue**, a shopping district consisting of over 30 lifestyle boutiques in a 25,000 square feet galleria; the **Square Bazaar**, the largest indoor city bazaar which is able to accommodate approximately 350 vendors at full capacity; and more than 1,000 units of retail, food and beverage and service outlets.

The **1st Avenue Shopping District** drew inspiration from the famed Fifth Avenue in New York and boasts architectural composition which reminisces the 'Big Apple' – impressive indoor sky arch ceiling, quaint, neighbourly shops and warm cobblestones complete with a replica of a subway station. The exciting array of young and fresh names in fashion available at this shopping precinct include premium surfing brand, **Quiksilver**, which operates a specialty eyewear store, and **Offline Blogshop** – a unique retail concept that showcases a collection of fashion wear and products from online designers and entrepreneurs. Visit **Zucca International** for statement heels and bags or **Cecil McBee** for stylish clutches. Leather aficionados will appreciate the affordable designer jackets available at **Elda**, while fans of the latest Taiwan and Korean trends will be spoilt for choice at **Shizzu**.

Meanwhile, **Shimino Japanese Crepes** also calls 1st Avenue home and serves up its unique crepes, whereas **Smoothie** would appeal to the health-conscious with their healthy, tasty and affordable juices and yoghurt drinks. The aroma of freshly baked cookies will lead you to the **Famous Amos** outlet; while those fascinated with magic and illusion would be drawn to **Magic Club** by the impressive accessories and products or even sign-up for courses ranging from beginner to professional levels.

An alignment of tenant mix at the Lower Ground Floor and the 3<sup>rd</sup> Floor saw the arrival of numerous food and beverage choices such as Taiwan bubble tea outlet, **Chatime**, **I Love Yoo** offering freshly-made 'yao char kuai', the Hong Kong-grown **Kim Gary Restaurant**, **Buddy Smoothies** for soybean-based desserts, **Yaku's** hand-made crepes, Western-Chinese fusion fare at **One Chef Restaurant** and a variety of Japanese dishes at **Teppanyaki**. The **Taste of Asia** food court also commenced business at the Lower Ground Floor, offering over 500 variants of food and beverages ranging from Western to local as well as Asian cuisine.

Complementing BTS's entertainment components, **Stars Archery** is a great place for those keen to have a shot at archery in air-conditioned comfort. Customers can complete a day of retail therapy at our latest tenants – **Thai Odyssey**, **Cenosis** and **Bionn**, which provide packages catering to head-to-toe pampering.

The financial year glittered with appearances of artistes and celebrities, both local and foreign, as BTS became the favoured venue for music album and movie launches.

Crowds thronged the shopping complex during promo tours for local singers, **Gary Chaw** during his 'Sensation World Tour', and **Fish Leong** for her 'What Love Songs Didn't Tell You' promo tour. The new album launch of local band, **Hujan**, also saw their fans singing along during the mini concert at The Boulevard. Local Chinese movie, **Lelio Popo**, featuring 988 radio deejays, was launched at the Lower Ground Concourse during Christmas while the premiere of **CUNI!**, a local romantic comedy, saw its main cast in attendance to mingle with media and guests.

Die-hard fans of Hong Kong dramas were in for a treat as the main actors from the popular TVB series, **No Regrets**, came to town to meet their fans. Besides that, Hong Kong artiste, **Kate Tsui**, who is the ambassador for **Terimee**, attended the academy's graduation ceremony and judged the annual slimming competition. The fashion show-cum-launch of 1st Avenue saw local celebrities and fashionistas such as Amber Chia, Deanna Yusof, Sean Ghazi, Hannah Tan, Jojo Struys, Mizz Nina, Siti Saleha, William San, Xandria Ooi, Yuri Wong and Yeoh Yann Yann turned up to support the privately-hosted event.

On 23 October 2010, the 80,000 square feet IT Centre was officially launched, offering a wide variety of IT gadgets and products for the tech savvy.

Returning events to BTS are the Gatsby Styling Dance Contest, CIMB KL Open Squash Championships, NST Spell-It-Right, AND1 3x3 Basketball, Astro Battleground, RHB-The Star Mighty Minds, POS Malaysia Stamp Week and 8TV Chinese Carnival.

NASB presented awards to its outstanding agents.



CashSweep live draw at NASB's Kuching Regional office.

## GAMING

For the financial year ended 30 June 2011, NASB registered a revenue and pre-tax profit of RM221.2 million and RM21.1 million respectively, compared to revenue and pre-tax profit for RM253.3 million and RM20 million in the previous 14-month financial period. The pre-tax profit for the financial year under review had increased by 5.1% despite the financial period being shorter by two months.

The improved performance was mainly attributed to the increase in the average per draw sales and lower prize payout. NASB will continue carrying out effective promotional events, and improving customer service and public relation activities to maintain steady revenue growth.

On 6 December 2010, NASB obtained approval from the Ministry of Finance to revise the STARTER Prizes for its 1+3 Digit Big Game from RM200 per RM1 bet to RM180 per RM1 bet. The STARTER Prizes for the 1+3 Digit Big permutation variant "1+3D i-Cash Big" was also revised proportionately. This revised prize structure took effect from 15 December 2010.

NASB conducts Refresher Clinics for its ticketing staff as part of its on-going customer service improvement exercise.

Promotional and public relations activities were organised by NASB at specific sales outlets. These events are part of NASB's continuous effort to instill customer confidence in its CashSweep products. Members of the public are encouraged to witness the CashSweep live draws at NASB's Draw Hall in its Kuching Regional Office.



## CORPORATE SOCIAL RESPONSIBILITY ("CSR")

During the year under review, BTS shared the yuletide joy with 46 children aged between 6 to 20 years from Rumah Hope. The Christmas celebration saw the generosity spirit abound. The fun-filled day began with the screening of 3D animation movie, 'Rapunzel: A Tangled Tale', and popcorn treats, sponsored by GSC Maxx. A trip to BTS would not be complete without patronising the largest indoor theme park in the country, Berjaya Times Square Theme Park, where the children were entertained by musical dramas, dance performances and a meet-and-greet session with Santa Claus, Mrs. Clause as well as the theme park mascots, Professor Cosmo and Oort. The children also had the chance to create their own memorabilia – photo frames using colourful mosaic tiles, and competed to decorate Christmas trees which were subsequently donated to Rumah Hope. The children were also presented with stationery sets, books, apparels and movie DVDs sponsored by the retailers of BTS.

Collaborating closely with the theme park, BTS also supported the Shower of Love Celebration for 450 children from 10 schools in Cheras, of which 160 are special children. This event was jointly organised by BTS & Yayasan Pendidikan Cheras, and was graced by Yang Amat Berbahagia Puan Sri Norainee Abdul Rahman, wife of the Deputy Prime Minister of Malaysia.

On 26 February 2011, the management and staff of BTS were involved in the inaugural Berjaya Founder's Day event, which is a CSR event by the Berjaya Corporation Group of Companies carried out in honour of its founder, Tan Sri Dato' Seri Vincent Tan Chee YOUN. The fundraising carnival raised RM3.2 million which benefited 25 charitable and non-governmental organisations. The majority of BTS staff took part as working crew for the day and played their part in giving back to the society.

BTS was also the venue sponsor for several charity and community events such as Creative Walks with Charity, Lonpac Insurance's I Love Earth Campaign, MAA-MEDicare The Perfect 10 Charity Walk Hunt, NIKON Charity Photo Hunt, Esprit Big Bang, Fiesta 1Malaysia Tahun Baru Cina by the Ministry of Youth and Sports, Sports Toto National Charity Convoy, MSD HIV Awareness Campaign by the Malaysian AIDS Council and the 15th Annual Chess Competition for the Blind, Deaf & Handicapped.

NASB pledged an annual donation of RM300,000 to Sarawak Turf & Equestrian Club ("STEC") Kidney Foundation to assist the needy who are suffering from renal failure. As the main financial contributor to STEC Kidney Foundation, NASB supports 45 kidney patients who receive dialysis treatment at various charitable dialysis centres in Kuching, Sibul and Miri.

In conjunction with Chinese New Year, NASB held its Annual Charity Event on 4 January 2011 in Sibul for members of various welfare and charitable organisations in Sarawak. This annual event is held on rotation in Kuching, Sibul and Miri each Chinese New Year.

In support of local culture and sports, NASB contributed RM35,000 to the "Kuching Festival CASH Martial Arts Display". NASB was the main sponsor for the martial arts display, which was one of the events of the Kuching Festival. The martial arts display featured approximately 1,000 martial art exponents showcasing their skills and talents. The event was aimed at promoting greater understanding among the multi-racial population, particularly youths, on the diversity of Sarawak's culture as well as cultivating goodwill and the spirit of unity.

NASB sponsored the Kuching Festival CASH Martial Arts Display.



NASB's Annual Charity Event for members of various welfare and charitable organisations.



NASB contributes RM300,000 to the STEC Kidney Foundation annually.







BTS celebrated Christmas with the children from Rumah Hope.



BTS was the venue sponsor for several charity and community events.



Berjaya Corporation Group of Companies celebrated the inaugural Berjaya Founder's Day in BTS.

## FUTURE OUTLOOK

In 2011, the global economy has become increasingly vulnerable, particularly with the advanced nations showing slower pace of growth. However, most emerging and developing economies remain in the positive growth trajectory, although slightly affected by the deepening euro debt crisis and sluggish growth in the United States. Malaysia's economy moderated to a 4% growth in the second quarter from a growth rate of 4.9% in the first quarter due to weak external economic conditions.

With the aggressive implementation of the 10th Malaysian Plan and the Economic Transformation Programme, the country's economy continued to be sustained by healthy domestic demand, private consumption and increase in capital spending, as well as strong exports of commodity and resource-based products amid slower global growth.

Against this scenario, BTS will continue to focus on organising more events and activities that will garner high publicity returns and positively increase its visitor footfall. This will provide its tenants with direct incremental sales volume while growing its property value. In order to keep up with current trends and demands of the shoppers, BTS will be unveiling several architectural changes in the coming year thus providing its loyal customers with a refreshed outlook and more conducive retailing experience. In line with the Government's effort to promote tourism as part of the National Key Economic Areas, the key action plan is to promote the BTS brand name globally through close working partnerships with travel agencies and Tourism Malaysia.

The gaming business under NASB is expected to maintain a steady growth despite the current economic slowdown. NASB will continue to conduct trainings to improve its quality of service and step up its promotional and public relations activities to increase customers' confidence in CashSweep's products.

## APPRECIATION

I would like to welcome Mr. Ng Su Onn who joined the Board as Executive Director on 15 August 2011.

On behalf of the Board, I wish to express my appreciation and gratitude to the management, staff and agents for their dedication, commitment and hard work. I would also like to thank our customers, business associates, financiers, shareholders, retailers and regulatory authorities for their continuous support and cooperation.

To my fellow colleagues on the Board, I thank them for their dedication, guidance and support; and look forward to their active participation in the Board.

**YAM Tunku Dato' Seri Shahabuddin  
Bin Tunku Besar Burhanuddin**  
Chairman

18 October 2011

## 成功资产主席报告

### 我谨代表董事部，欣然提呈成功资产有限公司截至2011年6月30日之财政年度的年度报告及财务报告。

#### 财务业绩

在截至2011年6月30日的财政年度，本集团取得RM3亿5千4百万的营业额，相比之下，截至2010年6月30日之14个月时期的营业额是RM3亿7千1百58万。营业额比往年低的主要原因是上一个财政年长达14个月，而子公司 Natural Avenue 私人有限公司 (“NASB”) 所经营的博采业务也举行更多次的开彩。

本集团呈报 RM3 亿 6 千 890 万的扣税前盈利，之前 14 个月时期的扣税前盈利则是 RM3 亿 1 千 4 百 91 万，主要是因为成功时代广场集团因其投资产业获得更有利的公平价值调整和产业销售额更高而取得更高盈利。

#### 股息

在截至2011年6月30日的财政年度，董事部已建议派发每一 RM1.00 普通股 4 分扣 25% 所得税的年终股息，并在来届股东年度大会上寻求股东批准。

#### 产业投资和发展

在受检讨的财政年度，BTSSB 集团取得更高的 RM1 亿 3 千 2 百 80 万营业额，前一财政时期为 RM1 亿 1 千 8 百 30 万，其扣税前盈利则由前一财政时期的 RM2 亿 9 千万增至 RM3 亿 4 千零 70 万，营业额的增长主要可归功于产业销售和零售收入增加。本年度的扣税前盈利也包括了 RM2 亿 4 千 3 百 60 万的有利公平价值调整，更高于之前月份份财政的 RM2 亿 5 千 1 百 47 万。

由于优良零售产业的需求殷切，BTSSB 在本年度通过产业销售取得总共 RM8 千万的更高盈利，去年则取得 RM1 千 7 百 40 万盈利。

每月平均租金收入比去年增长 11.6%，每月平均停车场收入则因为调高停车场收费率和发出更多停车票而增长了 14.3%。

持续不断的行销和推销努力加强了零售商和活动主办者的信心。因此，更多商店的开设使到租金收入增加，而种类繁多的活动也吸引更多访客前来成功时代广场。

作为吉隆坡市中心顶尖的城内购物广场，成功时代广场迎合中层阶级和普罗大众市场而提供包罗万有的生活姿彩兼娱乐体验。自从在 2003 年 9 月 29 日开张以来，总建筑面积高达 7 百 50 万方尺的成功时代广场缔造稳健的客流量和活动增长，以及更出色的财务表现。

该每月平均迎来 2 百 50 万访客的 12 层购物广场面积约为 3 百 50 万方尺，内有成功时代广场主题乐园，即国内最大型的室内主题乐园，拥有 14 种骑乘设施和景点；一座面积超过 80,000 方尺的三层资讯科技中心，备有系列广泛的器材和产品以迎合现代化数码生活方式需求；Golden Screen Cinemas (GSC)，即一座拥有 9 个银幕的小型戏院；拥有 555 个座位的 GSC Maxx; Ampang Superbowl，即国内最具规模的保龄球场之一，拥有 48 条球道；Cold Storage 超级市场；Taste of Asia 美食中心；1st Avenue，即一个有超过 30 家生活姿彩时装店占用 25,000 方尺空间的购物区域；the Square Bazaar，即最具规模的户外城市商场，最多可容纳大约 350 位商家；以及超过 1,000 单位的零售，饮食和服务商店。



Starbucks - 位于成功时代广场一楼最新的星巴克分店。



Borders - Borders Express 让喜爱阅读的人们乐在其中。



**The 1st Avenue** 购物区域是从闻名遐尔的纽约 Fifth Avenue 取得灵感, 其建筑风格包括重现 'Big Apple' - 令人印象深刻的室内天空拱形天花板, 逗趣, 邻里风味商店和温暖的鹅卵石, 甚至还有一个复制的地铁站。该购物区域所搜集的时装界后起之秀和新崛起者包括高档冲浪品牌 **Quiksilver**, 它经营一家专营眼镜店, 以及 **Offline Blogshop** - 即一家独一无二的零售概念店, 它展售在线设计师和企业家的时装和产品系列。光顾 **Zucca International** 以欣赏自创高跟鞋和包包或 **Cecil McBee** 的独具风格服装。皮具爱好者将会欣赏 **Elda** 的容易负担名家设计夹克, 而最新台湾和韩国潮流粉丝则将在 **Shizzu** 面对难以取舍问题。

另一方面 **Shimino** 日本薄烤饼 (**Shimino Japanese Crepes**) 也进驻 1st Avenue 和推出其独一无二的薄烤饼, **Smoochie** 的健康, 美味且容易负担果汁和酸乳酪饮料则将吸引注重健康者。新鲜出炉曲奇饼的香味势必引导您到 **Famous Amos** 商店; 而迷上了魔术和幻象将被 **Magic Club** 之令人惊异饰件和产品所吸引, 或甚至报名参加由初学至职业水平的课程。

Lower Ground 层和第三层的租户混合均匀, 已经营业的许多饮食店有台湾珍珠奶茶店 **Chatime**, **I Love Yoo** 则供应鲜炸的油条, 香港风味 **Kim Gary** 餐馆, 供应大豆制作小吃的 **Buddy Smoothies**, **Yaku** 的手工薄烤饼, 中西混合风味的 **One Chef** 餐馆和 **Teppanyaki** 的一系列日本料理。**Taste of Asia** 美食中心也已在 Lower Ground 层开张营业, 它呈献超过 500 种饮食, 包括西餐, 本地风味乃至亚洲佳肴。



成功时代广场主办了CIMB 快乐壁球公开冠军赛。



Gatsby Styling舞蹈比赛成功时代广场举行。

辅助成功时代广场之娱乐选择的 **Stars** 射箭场则是乐于在冷气设备射箭场弯弓者的首选。顾客们可在我们的最新租户商号 - **Thai Odyssey**, **Cenosis** 和 **Bionn** 享受保健护理, 它们提供呵护您全身的配套。

财政年也少不了星光熠熠和本地和海外艺人和名人表演, 而成功时代广场也崛起为发售专辑和电影首映的热门地点。

大量观众在本地歌星举行巡回宣传活动时涌至本购物广场, 如 **曹格** 的 'Sensation World Tour', 以及 **梁静茹** 的 'What Love Songs Didn't Tell You' 巡回活动。在本地乐队 **Hujan** 的专辑发售礼上, 他们在 The Boulevard 举行的小型演唱会上带动歌迷一起高歌。988 电台 DJ 们参演的本地中文电影 **靓女婆婆** 是于圣诞节期间在 Lower Ground 大厅举行推介礼, 而本地浪漫喜剧 **CUN!** 之主要艺人也亲自亮相和与媒体及观众打成一片。

香港电视剧的忠诚支持者也大有收获, 这是因为热门无线连续剧 **巾帼枭雄之羲海豪情** 的主要艺人亲临会见粉丝。此外, 香港艺人 **徐子珊**, 也就是 **特丽美** 代言人, 也出席了该中心的毕业典礼和担任其年度瘦身比赛的评判。1st Avenue 的时装表演兼推介礼邀请到本地名人和时装界红人如谢丽萍 (Amber Chia), Deanna Yusof, Sean Ghazi, Hannah Tan, Jojo Struys, Mizz Nina, Siti Saleha, 辛威廉 (William San), 黄长娣 (Xandria Ooi), 黄有礼 (Yuri Wong) 和杨雁雁 (Yeoh Yann Yann) 出席而使该私人盛会生色不少。

在 2010 年 10 月 23 日, 占地 8 万方尺的资讯科技中心 (IT Centre) 正式开幕, 为掌握科技者呈献应有尽有的资讯科技器材和产品。

其他再次于成功时代广场举行的活动有 **Gatsby Styling Dance** 竞赛, **CIMB** 吉隆坡壁球公开赛, **NST** 拼字比赛, **AND1 3x3** 篮球赛, **Astro Battleground**, **RHB-The Star Mighty Minds**, **POS Malaysia** 集邮周和 **8TV** 中文嘉年华。



TVB高收视率电视剧,“义海豪情”,的演员们到成功时代广场接见剧迷。





1st Avenue的Shizzu提供各类韩流服饰。



位于诗巫NASB区域办事处。



CashSweep大万博彩位于砂拉越其中一间的分行。

## 博彩

截至 2011 年 6 月 30 日的财政年度，NASB 分别取得 RM2 亿 2 千 1 百 20 万和 RM2 千 1 百 10 万的的营业额和扣税前盈利，之前 14 个月时期的营业额和扣税前盈利数额分别是 RM2 亿 5 千 3 百 30 万和 RM2 千万。尽管其财政时期少了两个月，受检讨财政年度的营业额却增长了5.1%。

表现进步可归功于每次开彩平均营业额的增加和奖金赔率减低。NASB 将继续推行有效的促销活动，并改善顾客服务及公共关系活动，以维持稳健的营业额成长。

在 2010 年 12 月 6 日，NASB 已获得财政部批准以调低其 1+3大万游戏特别奖奖金，由每下注 RM1 赢得 RM200 减至每下注 RM1 赢得 RM180。而从 1+3大万变化而来之 "1+3D i-Cash Big" 的特别奖奖金也将作出相应的调整。该奖金结构调整已从 2010 年 12 月 15 日起生效。

NASB 为其售票员工开办了进修学习班，这是该公司现有的顾客服务提升活动之一。

NASB 更在特定的销售分店举办促销和公共关系活动。这些活动乃是 NASB 致力通过其 CashSweep 产品以建立顾客信心的努力之一。该公司鼓励公众人士见证在其古晋区域办事处之开彩厅举行的 CashSweep 现场开彩。

## 企业社会责任

在受检讨时期，成功时代广场与来自 Rumah Hope 之 46 名年龄介于 6 至 20 岁的儿童分享了圣诞喜悦。圣诞节也是慷慨解囊行善的时刻。该欢度乐趣无穷的一天始于播映 3D 动画电影 'Rapunzel: A Tangled Tale' 和享受爆玉米花，皆

由 GSC Maxx 赞助。小朋友们在国内最大型的室内主题乐园，即成功时代广场主题乐园，观赏了音乐剧，舞蹈表演和会见圣诞老人，Mrs. Clause，以及该主题乐园的吉祥物 Professor Cosmo 和 Oort。小朋友们也有机会创制他们的个人纪念品 - 即以彩色瓷砖制成的相框，并装饰最终捐献给 Rumah Hope 的圣诞树。他们也获赠文具配套，书籍，衣物和电影 DVD，皆由成功时代广场的零售商赞助。

通过与该主题乐园密切合作，成功时代广场也赞助了蕉赖 10 所学校之 450 名儿童的 Shower of Love 庆祝会，其中 160 名是特殊儿童。该盛会是由成功时代广场和 Yayasan Pendidikan Cheras 联合主办，并获得马来西亚副首相夫人 Yang Amat Berbahagia Puan Sri Norainee Abdul Rahman 莅临出席。

在 2011 年 2 月 26 日，成功时代广场的管理层和员工参与了首届成功创办人日活动，即是以成功集团创办人丹斯里拿督斯里陈志远的名义推行的企业社会责任活动。该筹款活动总共筹获 RM3 百 20 万以捐助 25 家慈善和非政府组织。大多数的成功时代广场员工都在当天担任工作人员，为回馈社会尽一份力量。

成功时代广场也热心赞助会场以举办多项慈善和社区活动，例如 Creative Walks with Charity，Lonpac 保险公司的 I Love Earth Campaign，MAA-MEDicare The Perfect 10 Charity Walk Hunt，NIKON Charity Photo Hunt，Esprit Big Bang，青年及体育部的农历新年 Fiesta 1 Malaysia，多多博彩 National Charity Convoy，马来西亚爱滋病理事会的 MSD HIV 醒觉运动和第 15 届失明者，失聪者和残疾人年度西洋棋比赛。



Nikon Charity Photo Hunt 2010 在成功时代广场举行。

NASB 承诺每年捐献 RM30 万给 Sarawak Turf & Equestrian Club ("STEC") 的肾脏基金，以协助因患上肾衰竭病而需要帮助者。作为 STEC 肾脏基金的主要捐款来源，NASB 赞助古晋，诗巫和美里多家慈善洗肾中心的 45 名接受洗肾治疗的肾病患者。

在农历新年期间，NASB 于 2011 年 1 月 4 日在诗巫为砂劳越州各福利和慈善组织举办其年度的慈善活动。该年度活动是于农历新年轮流在古晋，诗巫和美里举行。

为了推广本地文化和体育，NASB 已捐赠 RM3 万 5 千 给 "古晋节 CASH 武术表演"。NASB 是该武术表演，即古晋节节目的主要赞助机构。该武术表演吸引大约 1 千名武术好手展示他们的技艺和才华。该盛会的宗旨在于促进多元种族人口，尤其是青年，对砂劳越之多元文化的了解，以及发扬亲善和团结精神。

### 未来展望

在 2011 年，全球经济愈加弱势，尤其是在先进国出现成长放缓的情况下。然而，尽管稍微受到欧洲的债务危机和美国成长缓慢的影响，大多数新兴和发展中经济体依然处于正面成长趋势。由于外在经济状况疲弱，马来西亚的经济已放缓，第二季度的成长率为 4%，第一季度的成长率则是 4.9%。

由于当局积极落实第 10 个马来西亚计划和经济转型计划，尽管全球成长率放缓，我国的经济继续获得健康的国内需求，私人消费和更高的资本开销，以及强劲的原产品与基于资源产品出口的支撑。

在这种情况下，成功时代广场将继续专注于举办更多能取得高宣传回报和积极提高其访客流量的项目和活动。这样可直接推高其租户的营业额，同时提升其产业价值。为了追上当今的趋势和购物者的需求，成功时代广场将在来年推行多项建筑提升计划，给予忠诚顾客新鲜感和更舒适的购物体验。配合政府促进旅游业作为国家关键经济领域的努力，其关键行动计划是通过与旅行社和马来西亚旅游局密切合作，向全球宣传成功时代广场品牌。



NASB 在一年一度的慈善活动上捐款帮助慈善机构。



农历新年期间，NASB 为许多老人院的老人举办一场丰盛的晚宴。

尽管目前经济放缓，NASB 旗下的博彩业务预料将继续稳健成长。NASB 将继续举办培训课程以改善其服务素质和加强其宣传和公共关系活动，并增加顾客对 CashSweep 产品的信心。

### 感谢

我谨此欢迎 Ng Su Onn 先生在 2011 年 8 月 15 日加入董事会出任执行董事。

我谨代表董事会真诚地感谢管理层，所有员工和代理们的奉献精神 and 辛勤努力。我也在此谢过本公司顾客，来往商家，融资机构，股东，零售商和监管当局的持续支持与合作。

对于诸位董事会成员，我感谢他们的专业精神，指教和合作，并展望大家活跃于董事会的活动。

**YAM Tunku Dato' Seri Shahabuddin**

**Bin Tunku Besar Burhanuddin**

主席

2011 年 10 月 18 日

# CORPORATE STRUCTURE

OF MAIN OPERATING COMPANIES AS AT 30 SEPTEMBER 2011

## BERJAYA ASSETS BERHAD

<b>100%</b>	<b>BERJAYA TIMES SQUARE SDN. BHD.</b>
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- \* Berjaya Times Square, Kuala Lumpur
- \* Berjaya Times Square Theme Park

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<b>65%</b>	<b>NATURAL AVENUE SDN. BHD.</b>
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- \* Number forecast operator in Sarawak

<b>100%</b>	<b>SUBLIME CARTEL SDN. BHD.</b>
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- \* Provision of lottery consultancy and related services

++ Combined Interest



## GROUP FINANCIAL HIGHLIGHTS

Description	12 months ended 30 June 2011 RM'000	14 months ended 30 June 2010 RM'000	← 12 months ended 30 April →		
			2009 RM'000	2008 RM'000	2007 RM'000
Revenue	354,000	371,584	332,449	310,016	400,120
Profit/(Loss) Before Tax	368,886	314,912	40,153	36,004	(54,070)
Profit/(Loss) For The Year/Period	295,937	240,979	14,615	3,847	(54,922)
Profit/(Loss) Attributable To Equity Holders of the Parent	290,646	235,673	8,197	(2,050)	(59,629)
Share Capital	1,113,042	1,113,042	1,113,042	1,113,042	905,050
Reserves	727,647	364,515	128,842	120,645	176,331
Equity Funds	1,840,689	1,477,557	1,241,884	1,233,687	1,081,381
Non-controlling Interests	5,013	3,747	3,466	3,078	440
<b>Total Equity</b>	<b>1,845,702</b>	<b>1,481,304</b>	<b>1,245,350</b>	<b>1,236,765</b>	<b>1,081,821</b>
Deferred Tax Liabilities	245,814	178,145	111,048	92,812	66,527
Long Term Liabilities	331,055	369,320	406,439	459,869	622,877
Current Liabilities	103,314	126,109	185,707	199,445	212,591
<b>Total Liabilities</b>	<b>680,183</b>	<b>673,574</b>	<b>703,194</b>	<b>752,126</b>	<b>901,995</b>
<b>Total Equity And Liabilities</b>	<b>2,525,885</b>	<b>2,154,878</b>	<b>1,948,544</b>	<b>1,988,891</b>	<b>1,983,816</b>
Property, Plant And Equipment	179,869	176,222	193,767	210,925	214,942
Investment Properties	1,791,850	1,607,000	1,380,000	1,314,491	1,305,915
Associated Company	–	–	–	–	–
Jointly Controlled Entities	5,999	5,478	8,194	7,149	6,581
Investments	177,206	1,000	1,000	47,485	32,337
Derivative Asset	166	–	–	–	–
Goodwill	140,609	140,609	140,609	140,609	140,609
Other Intangible Assets	19,770	20,871	22,155	23,256	24,357
Total Non-Current Assets	2,315,469	1,951,180	1,745,725	1,743,915	1,724,741
Current Assets	210,416	203,698	202,819	244,976	259,075
<b>Total Assets</b>	<b>2,525,885</b>	<b>2,154,878</b>	<b>1,948,544</b>	<b>1,988,891</b>	<b>1,983,816</b>
Net Assets Per Share (RM)	1.65	1.33	1.12	1.11	1.19
Earnings/(Loss) Per Share (Sen)	26.11	21.17	0.74	(0.22)	(6.59)
Gross Dividend Rate (Sen)	4.00	2.00	–	–	–

### Notes:

Where additional shares are issued, the earnings/(loss) per share is calculated on a weighted average number of shares in issue.

The Company's financial year end was changed from 30 April to 30 June in the previous financial period.

# 集团财政简报

摘要	截至 6月30日 的12个月	截至 6月30日 的14个月	←截至4月30日的12个月→		
	2011 RM'000	2010 RM'000	2009 RM'000	2008 RM'000	2007 RM'000
营业额	354,000	371,584	332,449	310,016	400,120
税前盈利/(亏损)	368,886	314,912	40,153	36,004	(54,070)
全年/期益/(损)	295,937	240,979	14,615	3,847	(54,922)
可分配予 股东的盈利/(亏损)	290,646	235,673	8,197	(2,050)	(59,629)
股本	1,113,042	1,113,042	1,113,042	1,113,042	905,050
储备金	727,647	364,515	128,842	120,645	176,331
股东基金	1,840,689	1,477,557	1,241,884	1,233,687	1,081,381
非控股股东权益	5,013	3,747	3,466	3,078	440
股东权益总额	1,845,702	1,481,304	1,245,350	1,236,765	1,081,821
递延课税	245,814	178,145	111,048	92,812	66,527
长期债务	331,055	369,320	406,439	459,869	622,877
流动债务	103,314	126,109	185,707	199,445	212,591
债务总额	680,183	673,574	703,194	752,126	901,995
<b>股东权益及债务总额</b>	<b>2,525,885</b>	<b>2,154,878</b>	<b>1,948,544</b>	<b>1,988,891</b>	<b>1,983,816</b>
固定资产	179,869	176,222	193,767	210,925	214,942
投资产业	1,791,850	1,607,000	1,380,000	1,314,491	1,305,915
联号公司	—	—	—	—	—
联号控制的实体	5,999	5,478	8,194	7,149	6,581
投资	177,206	1,000	1,000	47,485	32,337
衍生资产	166	—	—	—	—
商誉	140,609	140,609	140,609	140,609	140,609
其他无形资产	19,770	20,871	22,155	23,256	24,357
流动环资产总额	2,315,469	1,951,180	1,745,725	1,743,915	1,724,741
流动资产	210,416	203,698	202,819	244,976	259,075
<b>资产总额</b>	<b>2,525,885</b>	<b>2,154,878</b>	<b>1,948,544</b>	<b>1,988,891</b>	<b>1,983,816</b>
每股净资产(RM)	1.65	1.33	1.12	1.11	1.19
(亏损)/每股收益(Sen)	26.11	21.17	0.74	(0.22)	(6.59)
毛股息率(Sen)	4.00	2.00	—	—	—

## 注:

若有发行额外股票, 每股收益/(亏损)将按加权平均股额计算。

本公司的财政年度从上一个财政期开始已由截至4月30日改为截至6月30日。



# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Board of Directors of Berjaya Assets Berhad is pleased to present the report of the Audit and Risk Management Committee for the financial year ended 30 June 2011.

## MEMBERS AND MEETING ATTENDANCES

The members of the Audit and Risk Management Committee are as follows:

**Heng Kiah Choong**

Chairman/Independent Non-Executive Director

**Chan Kien Sing**

Non-Independent Non-Executive Director

**Dato' Mohd Salleh Bin Ahmad**

Independent Non-Executive Director

The Audit and Risk Management Committee held five (5) meetings during the financial year ended 30 June 2011. The details of attendance of the members are as follows:

Name	Attendance
Heng Kiah Choong	5/5
Chan Kien Sing	5/5
Dato' Mohd Salleh Bin Ahmad	5/5

The Deputy General Manager of Group Internal Audit and the General Manager of Group Accounts and Budgets, the Senior General Manager of Finance of Berjaya Times Square Sdn Bhd were also invited to attend the Audit and Risk Management Committee meetings. The external auditors were also invited to attend two (2) of these meetings.

## SUMMARY OF ACTIVITIES OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

The activities undertaken by the Audit and Risk Management Committee during the financial year ended 30 June 2011 included the following:

1. Reviewed the quarterly and year-to-date unaudited financial results before submission to the Board for consideration and approval;
2. Reviewed the external auditors' scope of work and audit plan for the year;
3. Reviewed the management responses and their follow-up actions pertaining to the audit findings in order to ensure that appropriate action was taken by Management on the recommendations of the Internal Auditor;
4. Reviewed the risk management report of operating subsidiaries;
5. Reviewed and discussed the external auditors' audit report and management responses thereof;
6. Reviewed the Statement of Internal Control, Statement of Corporate Governance and audited financial statements of the Group prior to submission to the Board for their consideration and approval;
7. Reported to the Board on its activities and significant findings and results; and
8. Reviewed the related party transactions and the shareholders' circulars in relation to the recurrent related party transactions.

## AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

### INTERNAL AUDIT FUNCTION

#### SUMMARY OF ACTIVITIES OF THE INTERNAL AUDIT FUNCTION

The Company does not have its own in-house Internal Audit function. The internal audit function was outsourced to the internal auditors of its affiliated company, Berjaya Land Berhad, to assist the Audit and Risk Management Committee in discharging its duties and responsibilities. Their role is to provide the Audit and Risk Management Committee with independent and objective reports on the state of internal controls of the operating units within the Group and the extent of compliance by such units with the Group's established policies and procedures.

The activities undertaken by the Internal Audit Division during the financial year ended 30 June 2011 included the following:

1. Tabled Internal Audit Plan for the Audit and Risk Management Committee's review and endorsement.
2. Reviewed the existing systems, controls and governance processes of various operating units within the Group.
3. Conducted audit reviews and evaluated risk exposures relating to the Group's governance process and system of internal controls on reliability and integrity of financial and operational information, safeguarding of assets, efficiency of operations, compliance with established policies and procedures and statutory requirements.
4. Provided recommendations to assist the various operating units and the Group in accomplishing its internal control requirements by suggesting improvements to the control processes.
5. Issued internal audit reports incorporating audit recommendations and management's responses in relation to audit findings on weaknesses in the systems and controls to the Audit and Risk Management Committee and the respective operations management.
6. Followed up review to ensure that the agreed internal audit recommendations are effectively implemented.
7. Presented internal audit reports to the Audit and Risk Management Committee for review.

For the financial year under review, the Internal Audit Division conducted audit assignments on various operating units in the Group involved in property investment and management, theme park and gaming operations.

The estimated cost for the Internal Audit function in respect of the financial year ended 30 June 2011 was approximately RM143,000.

#### TERMS OF REFERENCE OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

##### 1. MEMBERSHIP

The Audit and Risk Management Committee ("the Committee") shall be appointed by the Board from amongst the Directors and shall consist of not less than three members and all the Committee must be non-executive directors, with majority of them being independent directors and at least one member of the Committee must be a member of the Malaysian Institute of Accountants or possesses such other qualifications and experience as approved by Bursa Malaysia Securities Berhad ("Bursa Securities").

If a member of the Committee resigns, dies or for any other reason ceases to be a member with the result that the number of members is reduced to below three, the Board of Directors shall, within three months of that event, appoint such number of new members as may be required to make up the minimum number of three members.

##### 2. QUORUM

A quorum for the Committee shall consist of two members and a majority of the members present must be Independent Directors.



## AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

### 3. CHAIRMAN

The Chairman of the Committee shall be an Independent Director appointed by the Board. He shall report on each meeting of the Committee to the Board.

### 4. SECRETARY

The Company Secretary shall be the Secretary of the Committee and shall be responsible, in conjunction with the Chairman, for drawing up the agenda and circulating it, supported by explanatory documentation to the Committee members prior to each meeting.

The Secretary shall also be responsible for keeping the minutes of meetings of the Committee and circulating them to the Committee members and to the other members of the Board of Directors.

### 5. FREQUENCY OF MEETINGS

Meetings shall be held not less than four times a year and will normally be attended by the Director charged with the responsibilities of the Group's finance and Head of Internal Audit. The presence of external auditors will be requested if required and the external auditors may also request a meeting if they consider it necessary.

### 6. AUTHORITY

The Committee is authorised by the Board to investigate any activity within its terms of reference and shall have unrestricted access to both the internal and external auditors and to all employees of the Group. The Committee is also authorised by the Board to obtain external legal or other independent professional advice as necessary.

The Committee is also authorised to convene meetings with the external auditors, the internal auditors or both, excluding the attendance of other directors and employees of the Company, whenever deemed necessary.

### 7. DUTIES

The duties of the Committee shall be:

- (a) To review and recommend the appointment of external auditors, the audit fee and any questions of resignation or dismissal including recommending the nomination of person or persons as external auditors;
- (b) To discuss with the external auditors where necessary, on the nature and scope of audit and to ensure coordination of audit where more than one audit firm is involved;
- (c) To review the quarterly results and year-end financial statements prior to the approval by the Board, focusing on:
  - going concern assumption
  - compliance with applicable financial reporting standards and regulatory requirements
  - any changes in accounting policies and practices
  - significant issues arising from the audit
  - major judgemental areas
- (d) To prepare Audit and Risk Management Committee Report at the end of each financial year;
- (e) To discuss problems and reservations arising from the interim and final external audits, and any matters the external auditors may wish to discuss (in the absence of management, where necessary);
- (f) To review the external auditors' management letter and management's response;
- (g) To review any related party transaction and conflict of interest situation that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity;
- (h) To do the following in relation to the internal audit function:
  - review the adequacy of scope, functions, competency and resources of the internal audit department and that it has the necessary authority to carry out its work;
  - review internal audit programme;

## AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

- ensure coordination of external audit with internal audit;
  - consider the major findings of internal audit investigations and management's response, and ensure that appropriate actions are taken on the recommendations of the internal audit function;
  - review any appraisal or assessment of the performance of the staff of the internal audit function;
  - approve any appointment or termination of senior staff member of the internal audit function;
  - inform itself of resignations of internal audit staff members and provide the resigning staff member an opportunity to submit his/her reason for resignation;
  - to monitor related party transactions entered into by the Company and its subsidiaries, and to ensure that the Directors report such transactions annually to shareholders via the annual report;
  - to review and monitor the effectiveness of internal control systems and to evaluate the systems with the external auditors;
- (i) To carry out such other responsibilities, functions or assignments as may be defined jointly by the Audit Committee and the Board of Directors from time to time;
- (j) In compliance with Paragraph 15.16 of the Bursa Securities Main Market Listing Requirements, where the Committee is of the view that a matter reported by it to the Board has not been satisfactorily resolved resulting in a breach of the Listing Requirements, the Committee must promptly report such matter to Bursa Securities;
- (k) To undertake the following risk management activities:
- Establishing Strategic Context – Ensuring that the strategic context of the risk management strategy is complete and takes into account the environment within which the Group operates and the requirements of all stakeholders and the Board.
  - Establishing Risk Management Processes – Determining the overall risk management processes that should be adopted by the business units and developing appropriate guidelines and policies for implementation.
  - Establishing Risk Management Structure – Ensuring a short and long term risk management strategy, framework and methodology have been implemented and consistently applied by all business units.
  - Embedding Risk Management Capability – Ensuring risk management processes are integrated into all core business processes and that the culture of the organisation reflects the risk consciousness of the Board.
  - Establishing Reporting Mechanism – Providing a consolidated risk and assurance report to the Board and Audit Committee to support the statement relating to internal control in the company's annual report.
  - Integrating & coordinating assurance activity – Ensuring alignment and coordination of assurance activity across the organisation.
  - Establishing Business Benefits – Identifying opportunities to release potential business benefits through the enhancement of risk management capabilities within the Group.
  - Establishing Effectiveness of Risk Management Processes – Simplifying and improving the effectiveness of existing risk management structures.
  - Managing the Group Wide Risk Management Programme – Supporting the implementation of the risk management processes within the business. The Committee will act as steering committee for the Group Wide Risk Management Programme (GWRM).



## STATEMENT ON CORPORATE GOVERNANCE

The Board of Directors of Berjaya Assets Berhad (or “the Company”) acknowledges that good corporate governance is vital to uphold the business integrity and to sustain the performance and profitability of the Group’s business operation. In this context, the Board strives to ensure that the Company adheres and complies with the principles and best practices of the Malaysian Code of Corporate Governance (“the Code”).

The Board is pleased to present to the shareholders the following statement on corporate governance and the extent of compliance with the best practices of the Code throughout the financial year ended 30 June 2011.

### (A) DIRECTORS

#### (i) The Board

The Board is responsible for the effective leadership and control of the Group and this includes the following:

- (a) Overseeing the conduct of the Company’s business to evaluate whether the business is being properly managed;
- (b) Identifying principal risks to ensure the implementation of appropriate systems to manage these risks;
- (c) Maintaining shareholders and investors relations of the Company; and
- (d) Reviewing the adequacy and integrity of the Company’s internal control systems and management systems; including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

The Board meets regularly on a quarterly basis with additional meetings being convened as necessary. During the financial year ended 30 June 2011, the Board met four (4) times and the record of attendance of each Director is set out below:

Directors	Number of Meetings Attended
YAM Tunku Dato’ Seri Shahabuddin Bin Tunku Besar Burhanuddin	4/4
Tan Sri Dato’ Tan Chee Sing	3/4
Tan Thiam Chai	4/4
Chan Kien Sing	4/4
Lim Meng Kwong	4/4
Datuk Robert Yong Kuen Loke	4/4
Heng Kiah Choong	4/4
Dato’ Mohd Salleh Bin Ahmad	4/4
Ng Su Onn (appointed on 15 August 2011)	–

## STATEMENT ON CORPORATE GOVERNANCE

### (ii) Board Composition

The Board currently has nine (9) members, comprising two (2) Executive Directors, three (3) Non-Independent Non-Executive Directors and four (4) Independent Directors. A brief profile of each Director is contained in pages 2 to 5.

The Board is satisfied with its current composition which comprises members with diverse mix of skills, competence, knowledge, background and expertise in discharging their responsibilities and duties in managing the Group's business affairs. The role of the Independent Non-Executive Directors is to provide independent view, advice and judgement to ensure a balanced and unbiased decision making process and act in the best interest of the Company.

### (iii) Supply of Information

All the Board members have full and timely access to all information within the Group. They are provided with the relevant agenda and Board papers in sufficient time prior to Board Meetings to enable the Directors to obtain further clarifications or explanations, if any, to facilitate informed decision making. The Board papers include reports on financial, operational and corporate developments of the Group. The Directors also have access to the advice and services of the Company Secretaries and independent professional advice, where necessary, at the expense of the Company.

### (iv) Appointment to the Board

The Nomination Committee currently comprises the following members:

1. **YAM Tunku Dato' Seri Shahabuddin Bin Tunku Besar Burhanuddin**  
Chairman/Independent Non-Executive
2. **Heng Kiah Choong**  
Independent Non-Executive
3. **Dato' Mohd Salleh Bin Ahmad**  
Independent Non-Executive

The Committee is empowered by its terms of reference and its primary function is to recommend to the Board, candidates for directorships of the Company and the members of the Board Committees.

The Committee will review the required mix of skills and experience of the Directors of the Board, in determining the appropriate Board balance and size of the non-executive participation.

### (v) Directors' Training

All Directors have attended the Mandatory Accreditation Programme and the Continuing Education Programme conducted by various course leaders. The Directors recognised that continuing education and lifelong learning are critical for them and they will continue to evaluate and determine their training needs to equip themselves with the skills and knowledge on the relevant new laws and regulations and changing business environment to best serve the interest of the Company.



## STATEMENT ON CORPORATE GOVERNANCE

Details of the training programmes attended by the current Directors during the financial year ended 30 June 2011 were as follows:

Director	Seminars/Conferences/Forum
YAM Tunku Dato' Seri Shahabuddin Bin Tunku Besar Burhanuddin	<ul style="list-style-type: none"> <li>• In-house talk on Director's duties</li> <li>• In-house seminar               <ul style="list-style-type: none"> <li>– Redefining the roles and functions of an Independent Director</li> </ul> </li> </ul>
Tan Sri Dato' Tan Chee Sing	<ul style="list-style-type: none"> <li>• Tan Sri Dato' Tan Chee Sing was briefed by management on the business operations of the Group during the financial year ended 30 June 2011 and he also kept himself abreast with the latest developments on the various economic and business issues in the country and around the world through his extensive networking and the relevant reading material.</li> </ul>
Tan Thiam Chai	<ul style="list-style-type: none"> <li>• Seminar on recent changes to Financial Reporting Standards (FRS)</li> <li>• Half Day Governance Program               <ul style="list-style-type: none"> <li>– Assessing the risk and control environment</li> </ul> </li> <li>• Half Day Seminar by PEMANDU               <ul style="list-style-type: none"> <li>– Launch of corporate integrity pledge</li> </ul> </li> <li>• Governance Programmed Series – The board responsibility for corporate culture               <ul style="list-style-type: none"> <li>– Selected governance concerns and tools for addressing corporate culture and board performance</li> </ul> </li> </ul>
Chan Kien Sing	<ul style="list-style-type: none"> <li>• WAN-IFRA CEO's Conference</li> <li>• Seminar on recent changes to Financial Reporting Standards (FRS)</li> <li>• Sustainability Programme: Trading &amp; Services &amp; Industrial Products</li> </ul>
Lim Meng Kwong	<ul style="list-style-type: none"> <li>• Half Day Governance Program               <ul style="list-style-type: none"> <li>– Assessing the risk and control environment</li> </ul> </li> </ul>
Datuk Robert Yong Kuen Loke	<ul style="list-style-type: none"> <li>• Seminar on the changing landscape of shareholder Activism               <ul style="list-style-type: none"> <li>– The Roles We Play</li> </ul> </li> <li>• Seminar on recent changes to Financial Reporting Standards (FRS)</li> </ul>

## STATEMENT ON CORPORATE GOVERNANCE

Director	Seminars/Conferences/Forum
Heng Kiah Choong	<ul style="list-style-type: none"> <li>• Half Day Governance Program               <ul style="list-style-type: none"> <li>– Assessing the risk and control environment</li> </ul> </li> <li>• Governance Programmed Series – The board responsibility for corporate culture               <ul style="list-style-type: none"> <li>– Selected governance concerns and tools for addressing corporate culture and board performance</li> </ul> </li> </ul>
Dato' Mohd Salleh Bin Ahmad	<ul style="list-style-type: none"> <li>• Seminar on Recent Changes to Financial Reporting Standards (FRS)</li> <li>• Half Day Governance Program               <ul style="list-style-type: none"> <li>– Assessing the risk and control environment</li> </ul> </li> <li>• Governance Programmed Series – The board responsibility for corporate culture               <ul style="list-style-type: none"> <li>– Selected governance concerns and tools for addressing corporate culture and board performance</li> </ul> </li> </ul>

### (vi) Re-election of Directors

All Directors are required to submit themselves for re-election at least once in every three years. New Directors appointed since the last Annual General Meeting (“AGM”) will retire at the forthcoming AGM and be eligible for re-election. Pursuant to Section 129(6) of the Companies Act, 1965, Directors who are over seventy (70) years of age are required to submit themselves for re-appointment at the AGM.

## (B) DIRECTORS' REMUNERATION

### (i) Remuneration Committee

The Remuneration Committee currently comprises the following members:

**YAM Tunku Dato' Seri Shahabuddin Bin Tunku Besar Burhanuddin**

Chairman/Independent Non-Executive

**Heng Kiah Choong**

Independent Non-Executive

**Dato' Mohd Salleh Bin Ahmad**

Independent Non-Executive

The Remuneration Committee is entrusted with responsibilities to set up the policy framework and to recommend to the Board on all elements of the remuneration package of the executive directors. The determination of remuneration packages of non-executives directors, including the non-executive Chairman, is a matter for the Board as a whole with the Directors concerned abstaining from deliberation and voting on decision in respect of his individual remuneration.

The fees payable to the Directors will be recommended by the Board for approval by shareholders at the AGM.

## STATEMENT ON CORPORATE GOVERNANCE

### (ii) Details of the Directors' Remuneration

The aggregate Directors' remuneration paid or payable to the Directors in office during the financial year by the Company and the Group categorised into appropriate components for the financial year ended 30 June 2011 are as follows:

	←----- RM'000 ----->				
	Fees	Salaries and Other Emoluments	Bonus	Benefits-in-kind	Total
Executive	4	123	20	–	147
Non-Executive	130	12	–	–	142
	134	135	20	–	289

The number of Directors of the Company who served during the financial year and whose total remuneration from the Group falling within the respective bands are as follows:

Range of Remuneration (RM)	Executive Director	Non-Executive Director(s)
1 – 50,000	–	4
100,001 – 150,000	1	–

### (C) RELATIONS WITH SHAREHOLDERS AND INVESTORS

The AGM remains the principal forum for communication and dialogue with shareholders. Shareholders are encouraged to attend and participate at the Company's AGM where the Board members, senior management and Auditors in attendance will clarify any questions or issues in relation to the Company's performance, operations or any other concerns or expectation.

The Company keeps the shareholders, investors and members of the public abreast of all the group's performance and operation via the quarterly financial reports, annual reports, announcements and circular to shareholders made by the Company to the Bursa Securities during the year. Such information may also be obtained from the Company's website at <http://www.berjaya.com>.

The Board has appointed Dato' Mohd Salleh Bin Ahmad as the Senior Non-Executive Director to whom shareholders' concerns may be conveyed.

### (D) ACCOUNTABILITY AND AUDIT

#### (i) Financial Reporting

The Board is responsible for presenting a clear, balanced and comprehensive assessment of the Group's financial position, performance and prospects, primarily through the Annual Report and quarterly financial statements.

The Directors are also responsible for ensuring the annual financial statements are prepared in accordance with the provisions of the Companies Act, 1965 and the applicable Financial Reporting Standards in Malaysia.

A statement by the Directors of their responsibilities in the preparation of financial statements is set out in the ensuing section.



## STATEMENT ON CORPORATE GOVERNANCE

### (ii) Directors' Responsibility Statement in Respect of Financial Statements

The Directors are required by the Companies Act, 1965 to prepare financial statements which give a true and fair view of the state of affairs of the Company and of the Group and of the results and cash flows of the Company and of the Group as at the end of the financial year. In preparing those financial statements, the Directors are required to:

- (a) select suitable accounting policies and then apply them consistently;
- (b) state whether applicable financial reporting standards have been followed, subject to any material departures being disclosed and explained in the financial statements;
- (c) make judgements and estimates that are reasonable and prudent; and
- (d) prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and of the Group and to enable them to ensure that the financial statements comply with the Companies Act, 1965. The Directors are also responsible for safeguarding the assets of the Group and reasonable steps have been taken to prevent and detect fraud and other irregularities.

### (iii) Internal Control

The Board of Directors has overall responsibility for maintaining a sound system of internal control, which provides reasonable assessment of effective and efficient operations, internal financial controls and compliance with laws and regulations as well as with internal procedures and guidelines. A Statement on Internal Control of the Group is set out on page 28 of the Annual Report.

### (iv) Relationship with Auditors

Through the Audit and Risk Management Committee, the Company has established a transparent and appropriate relationship with auditors, both internal and external. From time to time, the auditors highlight to the Audit and Risk Management Committee and the Board on matters that require the Board's attention.

## (E) COMPLIANCE WITH THE CODE

The Board is satisfied that the Company has, in all material aspects, complied with the best practices of the Code during the financial year ended 30 June 2011.

# STATEMENT ON INTERNAL CONTROL

## RESPONSIBILITY

The Board of Directors of Berjaya Assets Berhad recognises that it is responsible for the Group's system of internal control and for reviewing its adequacy and integrity. The Board's responsibility in relation to the system of internal control extends to all subsidiaries of the Group. The system of internal control of the Group is designed to manage rather than eliminate the risk of failure to achieve business objectives and thus only provide reasonable but not absolute assurance against material misstatement or loss.

The Board's primary objective and direction in managing the Group's business risks are focused on the achievement of the Group's business objectives. The Board, throughout the financial year under review, has identified, evaluated and managed the significant risks being faced by the Group through the monitoring of the Group's performance and profitability at its Board meetings.

The Board entrusts the Audit and Risk Management Committee with the overall responsibility to regularly review and monitor risk management activities of the Group and to approve appropriate risk management procedures and measurement methodologies.

## MANAGEMENT STYLE AND CONTROL CONSCIOUSNESS

The Group's main focus is on property investment and development, operated by Berjaya Times Square Sdn Bhd's Group as well as gaming business operated by Natural Avenue Sdn Bhd.

Whilst the Board maintains full direction over appropriate strategic, financial and compliance issues, it has delegated to its management team the responsibility of managing the Group's day-to-day operations and also the implementation of the system of internal control within an established framework.

The management of the respective core businesses formulates their business plans, which include the strategies and goals and an assessment of its current position and future prospects for the Board's review. The Board also receives regular updates on the Group's performance from management at Board meetings.

The key features of the framework, which encompasses the Group's system of internal control, include:

- Segregation of duties
- Clear reporting line
- Structured limit of authority
- Monitoring mechanisms (reports & meetings)
- Trained personnel
- Formal operating and draw procedures
- Physical security and Systems access controls
- Surprise checks on agents
- Quarterly comparison of operating companies' actual financial performance with budget
- Independent assurance on the system of internal control from internal audit visits

## ASSURANCE MECHANISM

The Board had tasked the Audit and Risk Management Committee, in its Terms of Reference, with the duty of reviewing and monitoring the effectiveness of the Group's system of internal control. The Board then reviewed the minutes of the Audit and Risk Management Committee's meetings. Internal audit reviews of the Group are provided by an affiliated company, Berjaya Land Berhad. The Internal Auditors will report directly to the Audit and Risk Management Committee. The Audit and Risk Management Committee has reviewed the internal audit reports for several major subsidiary companies of the Group during the financial year. The report of the Audit and Risk Management Committee is set out on pages 18 to 21 of the Annual Report.

The Board is committed towards operating a sound system of internal control and recognises that the system must continuously evolve to support the type of business and size of operations of the Group. As such, the Board will, when necessary, put in place appropriate action plans to rectify any potential weaknesses or further enhance the system of internal control.

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## DIRECTORS' REPORT

The directors present their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 June 2011.

### PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and provision of management services to its subsidiary companies.

The principal activities of the subsidiary companies consist of:

- (i) number forecast lotteries in Sarawak;
- (ii) general trading and commission agent;
- (iii) provision of lottery consultancy and related services;
- (iv) investment holding;
- (v) property investment and development; and
- (vi) operation of theme park.

There have been no significant changes in the nature of the Group's activities during the financial year.

### RESULTS

	Group RM'000	Company RM'000
Profit for the year	295,937	21,201
Attributable to:		
Equity holders of the Parent	290,646	21,201
Non-controlling interests	5,291	–
	<u>295,937</u>	<u>21,201</u>

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature other than as disclosed in the notes to the financial statements and the effects arising from the changes in accounting policies due to the adoption of FRS 139 Financial Instruments: Recognition and Measurement which has resulted in a decrease in the Group's profit for the year by RM554,000 as disclosed in Note 2.3.

### DIVIDENDS

Since 30 June 2010, the Company had on 11 January 2011, paid a final gross dividend of 2 sen per ordinary share of RM1.00 on 1,113,041,559 ordinary shares with voting rights less 25% income tax in respect of the financial period ended 30 June 2010, amounting to approximately RM16.696 million.

On 9 August 2011, the Board recommended a final dividend of 4 sen less 25% income tax in respect of the current financial year ended 30 June 2011 on 1,113,041,559 ordinary shares of RM1.00 each (net 3 sen per ordinary share of RM1.00) amounting to approximately RM33.391 million, to be approved by the Company's shareholders at the forthcoming Annual General Meeting. This dividend will be accounted for in the shareholders' equity as an appropriation of retained earnings in the financial year ending 30 June 2012.

## DIRECTORS' REPORT

### DIRECTORS

The names of the directors of the Company in office since the date of the last report and at the date of this report are:

YAM Tunku Dato' Seri Shahabuddin Bin Tunku Besar Burhanuddin  
 Tan Sri Dato' Tan Chee Sing  
 Tan Thiam Chai  
 Chan Kien Sing  
 Lim Meng Kwong  
 Datuk Robert Yong Kuen Loke  
 Heng Kiah Choong  
 Dato' Mohd Salleh Bin Ahmad  
 Ng Su Onn

(Appointed on 15 August 2011)

### DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial period, no director has received or become entitled to receive any benefits (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors as shown in Note 27 or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with any director or with a firm of which he is a member, or with a company in which he has a substantial financial interest, except as disclosed in Note 36.

### DIRECTORS' INTERESTS IN SHARES

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in shares of the Company and its related corporations during the financial year were as follows:

#### The Company – Deemed Interest

Berjaya Assets Berhad	No. of Ordinary Shares of RM1.00 each			
	At 1.7.2010	Acquired	Disposed	At 30.6.2011
Tan Sri Dato' Tan Chee Sing	63,025,146	–	–	63,025,146

None of the other directors in office at the end of the financial year had any interest in shares in the Company or its related corporations during the financial year.

### SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

Significant event during the financial year is disclosed in Note 5.

### OTHER STATUTORY INFORMATION

- (a) Before the statements of financial position, income statements and statements of comprehensive income of the Group and of the Company were made out, the directors took reasonable steps:
- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that there were no known bad debts and that adequate provision had been made for doubtful debts; and
  - (ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business have been written down to an amount which they might be expected so to realise.

## DIRECTORS' REPORT

### OTHER STATUTORY INFORMATION (CONTD.)

- (b) At the date of this report, the directors are not aware of any circumstances which would render:
- (i) it necessary to write off any bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; and
  - (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.
- (c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.
- (e) At the date of this report, there does not exist:
- (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
  - (ii) any contingent liability in respect of the Group or of the Company which has arisen since the end of the financial year.
- (f) In the opinion of the directors:
- (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations when they fall due; and
  - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

### AUDITORS

The auditors, Ernst & Young, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the directors dated 18 October 2011.

**YAM TUNKU DATO' SERI SHAHABUDDIN  
BIN TUNKU BESAR BURHANUDDIN**

**CHAN KIEN SING**



## STATEMENT BY DIRECTORS

PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT, 1965

We, **YAM TUNKU DATO' SERI SHAHABUDDIN BIN TUNKU BESAR BURHANUDDIN** and **CHAN KIEN SING**, being two of the directors of **BERJAYA ASSETS BERHAD**, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 36 to 103 are drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the state of affairs of the Group and of the Company as at 30 June 2011 and of the results and the cash flows of the Group and of the Company for the year then ended.

The information set out in Note 41 to the financial statements have been prepared in accordance with the Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by Malaysian Institute of Accountants.

Signed on behalf of the Board in accordance with a resolution of the directors dated 18 October 2011.

**YAM TUNKU DATO' SERI SHAHABUDDIN  
BIN TUNKU BESAR BURHANUDDIN**

**CHAN KIEN SING**

## STATUTORY DECLARATION

PURSUANT TO SECTION 169(16) OF THE COMPANIES ACT, 1965

I, **TAN THIAM CHAI**, being the Director primarily responsible for the financial management of **BERJAYA ASSETS BERHAD**, do solemnly and sincerely declare that the accompanying financial statements set out on pages 36 to 104 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the  
abovenamed **TAN THIAM CHAI** at Kuala Lumpur  
in the Federal Territory on 18 October 2011.

**TAN THIAM CHAI**

Before me,

**TEE WENG YEAN (W441)**

Commissioner for Oaths  
Kuala Lumpur

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BERJAYA ASSETS BERHAD (Incorporated in Malaysia)

## Report on the financial statements

We have audited the financial statements of Berjaya Assets Berhad, which comprise the statements of financial position as at 30 June 2011 of the Group and of the Company, and the income statements and statements of comprehensive income, statements of changes in equity and statements of cash flows, of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 36 to 103.

### *Directors' responsibility for the financial statements*

The directors of the Company are responsible for the preparation of financial statements that give a true and fair view in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia and for such internal control as the directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and the Company as at 30 June 2011 and of their financial performance and cash flows of the Group and of the Company for the year then ended.

### *Report on other legal and regulatory requirements*

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

- (a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries have been properly kept in accordance with the provisions of the Act.
- (b) We have considered the financial statements and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which are indicated in Note 40.
- (c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.
- (d) The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification material to the consolidated financial statements and did not include any comment required to be made under Section 174(3) of the Companies Act, 1965.

## INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BERJAYA ASSETS BERHAD (Incorporated in Malaysia)

### Other matters

- (a) The supplementary information set out in Note 41 on page 104 is disclosed to meet the requirements of Bursa Malaysia Securities Berhad. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.
- (b) This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

### ERNST & YOUNG

AF: 0039

Chartered Accountants

Kuala Lumpur, Malaysia

18 October 2011

### TEOH SOO HOCK

No. 2477/10/11(J)

Chartered Accountant



## STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2011

	Note	Group		Company	
		2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
<b>NON-CURRENT ASSETS</b>					
Property, plant and equipment	3	179,869	176,222	8	—
Investment properties	4	1,791,850	1,607,000	—	—
Subsidiary companies	5	—	—	1,406,547	1,177,160
Associated company	6	—	—	—	—
Jointly controlled entities	7	5,999	5,478	—	—
Other investments	8	177,206	1,000	2,359	—
Long term receivable	12	—	—	—	254,192
Derivative asset	9	166	—	—	—
Intangible assets	10	160,379	161,480	—	—
		<u>2,315,469</u>	<u>1,951,180</u>	<u>1,408,914</u>	<u>1,431,352</u>
<b>CURRENT ASSETS</b>					
Inventories	11	106,052	95,679	—	—
Receivables	12	43,903	20,059	54,966	26,328
Tax recoverable		1,222	1,977	4,246	1,435
Cash and bank balances	13	59,239	40,978	2,736	968
Non-current assets classified as held for sale	14	—	45,005	—	788
		<u>210,416</u>	<u>203,698</u>	<u>61,948</u>	<u>29,519</u>
<b>TOTAL ASSETS</b>		<u>2,525,885</u>	<u>2,154,878</u>	<u>1,470,862</u>	<u>1,460,871</u>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity attributable to equity holders of the Company</b>					
Share capital	15	1,113,042	1,113,042	1,113,042	1,113,042
Share premium	16	258,985	258,985	258,985	258,985
Available-for-sale reserve	17	99,828	—	1,579	—
Retained earnings	18	368,834	105,530	87,823	83,327
		<u>1,840,689</u>	<u>1,477,557</u>	<u>1,461,429</u>	<u>1,455,354</u>
Equity funds		1,840,689	1,477,557	1,461,429	1,455,354
Non-controlling interests		5,013	3,747	—	—
		<u>1,845,702</u>	<u>1,481,304</u>	<u>1,461,429</u>	<u>1,455,354</u>
<b>NON-CURRENT LIABILITIES</b>					
Bank borrowings	19	311,397	369,260	—	—
Hire purchase liabilities	20	3,090	60	—	—
Long term liabilities	21	16,568	—	—	—
Deferred tax liabilities	22	245,814	178,145	3,002	—
		<u>576,869</u>	<u>547,465</u>	<u>3,002</u>	<u>—</u>
<b>CURRENT LIABILITIES</b>					
Payables	23	49,150	66,206	6,431	5,517
Bank borrowings	19	51,364	59,079	—	—
Hire purchase liabilities	20	2,526	35	—	—
Tax payable		274	789	—	—
		<u>103,314</u>	<u>126,109</u>	<u>6,431</u>	<u>5,517</u>
Total liabilities		<u>680,183</u>	<u>673,574</u>	<u>9,433</u>	<u>5,517</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>2,525,885</u>	<u>2,154,878</u>	<u>1,470,862</u>	<u>1,460,871</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# INCOME STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2011

	Note	Group		Company	
		12 Months to 30.6.2011 RM'000	14 Months to 30.6.2010 RM'000	12 Months to 30.6.2011 RM'000	14 Months to 30.6.2010 RM'000
Revenue	24a)	354,000	371,584	25,029	25,008
Cost of sales	24b)	(210,653)	(234,492)	–	–
Gross profit		143,347	137,092	25,029	25,008
Fair value adjustment on investment properties	4	243,607	251,975	–	–
Other income	25	67,969	38,095	777	180,472
Distribution and marketing expenses		(4,293)	(3,353)	–	–
Administrative expenses		(54,592)	(66,503)	(1,209)	(1,115)
Other expenses	28	(997)	(1,003)	–	(19)
Operating profit		395,041	356,303	24,597	204,346
Finance costs	29	(27,311)	(43,050)	(163)	(163)
Share of results of jointly controlled entities		1,156	1,659	–	–
Profit before tax	30	368,886	314,912	24,434	204,183
Income tax expense	31	(72,949)	(73,933)	(3,233)	(1,728)
Profit for the year/period		295,937	240,979	21,201	202,455
Attributable to:					
Equity holders of the Parent		290,646	235,673	21,201	202,455
Non-controlling interests		5,291	5,306	–	–
		295,937	240,979	21,201	202,455
<b>Earnings per share attributable to equity holders of the Parent (sen)</b>					
Basic	32	26.11	21.17		
Net dividend per share (sen)					
Final dividend	33			3.00	1.50

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# STATEMENTS OF COMPREHENSIVE INCOME

## FOR THE YEAR ENDED 30 JUNE 2011

	Group		Company	
	12 Months to 30.6.2011 RM'000	14 Months to 30.6.2010 RM'000	12 Months to 30.6.2011 RM'000	14 Months to 30.6.2010 RM'000
Profit for the year/period	295,937	240,979	21,201	202,455
Other comprehensive income:				
Net gain on fair value changes of available-for-sale investments	6,091	–	189	–
Income tax relating to components of other comprehensive income	–	–	–	–
	<u>302,028</u>	<u>240,979</u>	<u>21,390</u>	<u>202,455</u>
Attributable to:				
Equity holders of the Parent	296,737	235,673	21,390	202,455
Non-controlling interests	5,291	5,306	–	–
	<u>302,028</u>	<u>240,979</u>	<u>21,390</u>	<u>202,455</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2011

<--- Attributable to the equity holders of the Parent ---->

	<-- Non-distributable -->		Distributable		Equity Funds RM'000	Non-controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Available- for-sale Reserve RM'000	Retained Earnings/ (Accumulated Losses) RM'000			
<b>At 1 July 2010</b>							
– as previously reported	1,113,042	258,985	–	105,530	1,477,557	3,747	1,481,304
Effects of adopting FRS 139 (Note 2.3)	–	–	93,737	(10,646)	83,091	–	83,091
<b>At 1 July 2010 – as restated</b>	1,113,042	258,985	93,737	94,884	1,560,648	3,747	1,564,395
Total comprehensive income	–	–	6,091	290,646	296,737	5,291	302,028
Transaction with owners:							
Dividends (Note 33)	–	–	–	(16,696)	(16,696)	–	(16,696)
Dividends paid to non-controlling interests	–	–	–	–	–	(4,025)	(4,025)
<b>At 30 June 2011</b>	1,113,042	258,985	99,828	368,834	1,840,689	5,013	1,845,702
<b>At 1 May 2009</b>	1,113,042	258,985	–	(130,143)	1,241,884	3,466	1,245,350
Total comprehensive income	–	–	–	235,673	235,673	5,306	240,979
Transaction with owners:							
Dividends paid to non-controlling interests	–	–	–	–	–	(5,025)	(5,025)
<b>At 30 June 2010</b>	1,113,042	258,985	–	105,530	1,477,557	3,747	1,481,304

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.



# STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2011

	<---- Non-distributable ---->			Distributable	Total
	Share Capital RM'000	Share Premium RM'000	Available- for-sale Reserve RM'000	Retained Earnings/ (Accumulated Losses) RM'000	
<b>At 1 July 2010</b>					
– as previously reported	1,113,042	258,985	–	83,327	1,455,354
Effects of adopting FRS 139 (Note 2.3)	–	–	1,390	(9)	1,381
<b>At 1 July 2010 – as restated</b>	1,113,042	258,985	1,390	83,318	1,456,735
Total comprehensive income	–	–	189	21,201	21,390
Transaction with owners: Dividends (Note 33)	–	–	–	(16,696)	(16,696)
<b>At 30 June 2011</b>	<u>1,113,042</u>	<u>258,985</u>	<u>1,579</u>	<u>87,823</u>	<u>1,461,429</u>
<b>At 1 May 2009</b>	1,113,042	258,985	–	(119,128)	1,252,899
Total comprehensive income	–	–	–	202,455	202,455
<b>At 30 June 2010</b>	<u>1,113,042</u>	<u>258,985</u>	<u>–</u>	<u>83,327</u>	<u>1,455,354</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2011

	12 Months to 30.6.2011 RM'000	14 Months to 30.6.2010 RM'000
	<b>Note</b>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	388,105	403,913
Payments to suppliers, prize winners and other operating expenses	(286,810)	(254,144)
Payment for pool betting duties, gaming tax, royalties and other government contributions	(42,871)	(47,761)
Tax refund	196	454
Payment of taxes	(4,810)	(8,040)
Other receipts/(payments)	368	(3,426)
	<hr/>	<hr/>
Net cash generated from operating activities	54,178	90,996
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of property, plant and equipment	8	38
Acquisitions of property, plant and equipment	(a) (3,911)	(2,468)
Acquisitions of properties	(1,850)	–
Sale of other investments	6,563	26,774
Sale of properties	116,703	26,457
Acquisition of investment in a jointly controlled entity	(1,240)	–
Acquisition of other investments	(44,270)	(1,636)
Interest received	1,281	582
Dividends received	3,307	3,255
Other payments arising from investments	–	(1,387)
	<hr/>	<hr/>
Net cash generated from investing activities	76,591	51,615
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Drawdown of borrowings and loans	370,000	–
Repayment of borrowings and loans	(436,580)	(81,400)
Interest paid	(25,924)	(46,016)
Payment of hire purchase liabilities	(2,479)	(35)
Dividends paid to shareholders of the Company	(16,696)	–
Dividends paid to non-controlling interests	(4,025)	(5,025)
	<hr/>	<hr/>
Net cash used in financing activities	(115,704)	(132,476)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	15,065	10,135
<b>OPENING CASH AND CASH EQUIVALENTS</b>	40,978	30,843
	<hr/>	<hr/>
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	(b) 56,043	40,978
	<hr/>	<hr/>

## CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2011

(a) The additions in property, plant and equipment were acquired by way of:

	<b>12 Months to 30.6.2011 RM'000</b>	<b>14 Months to 30.6.2010 RM'000</b>
Cash	3,911	2,468
Hire purchase and leasing	8,000	–
Prepayments made in the previous financial period	3,887	–
	<hr/> 15,798	<hr/> 2,468

(b) The closing cash and cash equivalents comprise of:

	<b>12 Months to 30.6.2011 RM'000</b>	<b>14 Months to 30.6.2010 RM'000</b>
Deposits with licensed banks (Note 13)	32,398	27,256
Cash on hand and at banks (Note 13)	26,841	13,722
Bank overdraft (Note 19)	(3,196)	–
	<hr/> 56,043	<hr/> 40,978

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# STATEMENT OF CASH FLOWS

## FOR THE YEAR ENDED 30 JUNE 2011

	12 Months to 30.6.2011 RM'000	14 Months to 30.6.2010 RM'000
<b>Note</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Payment for operating expenses	(565)	(77)
Payment of taxes	(42)	(432)
Net cash used in operating activities	<u>(607)</u>	<u>(509)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Sale of other investments	81	–
Acquisition of property, plant and equipment	(a) (12)	–
Interest received	759	521
Dividends received	12,241	22,553
Net cash generated from investing activities	<u>13,069</u>	<u>23,074</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	(163)	(163)
Inter-company repayment/(advances)	6,165	(24,688)
Dividends paid to shareholders of the Company	(16,696)	–
Net cash used in financing activities	<u>(10,694)</u>	<u>(24,851)</u>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>1,768</b>	<b>(2,286)</b>
<b>OPENING CASH AND CASH EQUIVALENTS</b>	<b>968</b>	<b>3,254</b>
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>(b) 2,736</b>	<b>968</b>

(a) The additions in property, plant and equipment were acquired by way of:

	12 Months to 30.6.2011 RM'000	14 Months to 30.6.2010 RM'000
Cash	<u>12</u>	<u>–</u>

(b) The closing cash and cash equivalents comprise of:

Deposits with licensed banks (Note 13)	2,554	955
Cash on hand and at banks (Note 13)	182	13
	<u>2,736</u>	<u>968</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.



# NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

## 1 CORPORATE INFORMATION

The principal activities of the Company are investment holding and provision of management services to its subsidiary companies.

The principal activities of the subsidiary companies consist of:

- (i) number forecast lotteries in Sarawak;
- (ii) general trading and commission agent;
- (iii) provision of lottery consultancy and related services;
- (iv) investment holding;
- (v) property investment and development; and
- (vi) operation of theme park.

There have been no significant changes in the nature of the Group's activities during the financial year.

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office of the Company is located at Lot 13-01A, Level 13 (East Wing), Berjaya Times Square, No. 1 Jalan Imbi, 55100 Kuala Lumpur.

In the previous financial period, the Group and the Company changed their financial year end from 30 April to 30 June. The current financial year covers a 12-month period from 1 July 2010 to 30 June 2011 with comparatives covering a 14-month period from 1 May 2009 to 30 June 2010. Consequently, the comparative amounts are not of comparable period.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 18 October 2011.

## 2 SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Basis of Preparation

The financial statements of the Group and of the Company have been prepared on a historical cost basis unless otherwise indicated in the accounting policies below and comply with Financial Reporting Standards ("FRSs") and the Companies Act, 1965 in Malaysia.

The financial statements are presented in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand (RM'000) except when otherwise indicated.

### 2.2 Summary of Significant Accounting Policies

#### (a) Subsidiary Companies and Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and all its subsidiary companies made up to the end of the financial year. Subsidiary companies are those entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities.

Subsidiary companies are consolidated using the acquisition method of accounting.

Under the acquisition method of accounting, the results of subsidiary companies acquired during the financial year are included in the consolidated income statement from the effective date of acquisition and continues to be consolidated until the date such control ceases. The acquisition method of accounting involves allocating the cost of the acquisition to the fair value of the assets acquired and liabilities and contingent liabilities assumed at the date of acquisition. At the Group level, provisions are made for the acquiree's contingent liabilities existing at the date of acquisition as the Group deems fit that it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations. The cost of an acquisition is measured as the aggregate of the fair values, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued. Any costs directly attributable to the acquisition is recognised immediately in the income statement.

Any excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities represents goodwill.

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

### 2 SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

#### 2.2 Summary of Significant Accounting Policies (contd.)

##### (a) Subsidiary Companies and Basis of Consolidation (contd.)

Any excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition is recognised immediately in the income statement.

Uniform accounting policies are adopted in the consolidated financial statements for similar transactions and other events in similar circumstances. In the preparation of the consolidated financial statements, the financial statements of all subsidiary companies are adjusted for the material effects of dissimilar accounting policies. All intra-group balances, income and expenses shall be eliminated in full.

Non-controlling interests represent the equity in a subsidiary company not attributable, direct or indirectly, to the Group which consist of:

- i) the amount of those non-controlling interests at the date of original combination; and
- ii) the non-controlling interests' share of changes in the equity since the date of the combination.

Non-controlling interests shall be presented in the consolidated statement of financial position within equity, separately from the equity of the owners of the parent. Profit or loss and each component of other comprehensive income are attributed to the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Transactions with non-controlling interests that do not result in loss of control, are accounted for as equity transactions. The carrying amounts of the controlling and non-controlling interests shall be adjusted to reflect the changes in their relative interests in the subsidiary company. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of consideration paid or received shall be recognised directly in equity and attributed to the owners of the parent.

When control in a business is acquired in stages, the previously held equity interests in the acquiree are re-measured to fair value at the acquisition date with any corresponding gain or loss recognised in the income statement. Similarly, when control over a subsidiary company is lost, any interest retained is measured at fair value and the corresponding gain or loss recognised in the income statement.

In the Company's separate financial statements, investments in subsidiary companies are stated at cost less impairment losses.

##### (b) Associated Companies

Associated companies are companies in which the Group has a long term equity interest and where it exercises significant influence over its financial and operating policies through Board representation.

Investments in associated companies are accounted for in the consolidated financial statements by the equity method of accounting based on the latest audited or management financial statements of the companies concerned made up to the Group's financial year-end. Uniform accounting policies are adopted for like transactions and events in similar circumstances.

Under the equity method of accounting, the Group's share of results of associated companies during the financial year is included in the consolidated financial statements. The Group's share of results of associated companies acquired or disposed of during the year, is included in the consolidated income statement from the date that significant influence effectively commences until the date that significant influence effectively ceases, as appropriate.

Unrealised gains on transactions between the Group and the associated companies are eliminated to the extent of the Group's interest in the associated companies. Unrealised losses are eliminated in full.

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

### 2 SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

#### 2.2 Summary of Significant Accounting Policies (contd.)

##### (b) Associated Companies (contd.)

The Group's interest in associated companies is carried in the consolidated statement of financial position at cost plus the Group's share of post-acquisition retained profits or accumulated losses and other reserves less impairment losses.

Goodwill relating to an associated company is included in the carrying amount of the investment and is not amortised. Any excess of the Group's share of net fair value of the associate's identifiable assets, liabilities and contingent liabilities over the cost of investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of associate's profit and loss in the period in which the investment is acquired.

When the Group's share of losses exceeds its interest in an equity accounted associated company, the carrying amount of that interest is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payment on behalf of the associated companies. In the Company's separate financial statements, investments in associated companies are stated at cost less impairment losses.

In the Company's separate financial statements, investments in associated companies are stated at cost less impairment losses.

##### (c) Jointly Controlled Entities

A jointly controlled entity is a joint venture that involves the establishment of a corporation, partnership or another entity in which the Group has joint control over its economic activity established under a contractual arrangement.

Investment in jointly controlled entities are accounted for in the consolidated financial statements by the equity method of accounting based on the audited financial statements of the jointly controlled entities. Under the equity method of accounting, the Group's share of profits less losses of the jointly controlled entities during the period is included in the consolidated income statement. The Group's interest in the jointly controlled entities are carried in the consolidated statement of financial position at cost plus the Group's share of post-acquisition retained profits or accumulated losses and other reserves as well as goodwill on acquisition.

Unrealised gains on transactions between the Group and its jointly controlled entities are eliminated to the extent of the Group's interest in the jointly controlled entities. Unrealised losses are eliminated in full.

In the Company's separate financial statements, investments in jointly controlled entities are stated at cost less impairment losses.

##### (d) Affiliated Companies

The Group treats companies substantially owned directly or indirectly by a major shareholder of the Company, Tan Sri Dato' Seri Vincent Tan Chee Yioun and persons connected with him as affiliated companies.

##### (e) Property, Plant and Equipment, and Depreciation

All items of property, plant and equipment are initially recorded at cost. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Subsequent to recognition, property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

### 2 SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

#### 2.2 Summary of Significant Accounting Policies (contd.)

##### (e) Property, Plant and Equipment, and Depreciation (contd.)

Depreciation of property, plant and equipment is provided for on a straight-line basis to write off the cost of each asset to its residual value over the estimated useful life, at the following annual rates:

Freehold building	2%
Short term leasehold land and buildings	Over 50 years
Plant, machinery and equipment	10% – 20%
Computer equipment	10% – 20%
Renovation and signage	10% – 33.3%
Furniture, fittings and office equipment	10% – 50%
First aid and theme park equipment	10% – 20%
Cinema fixtures, fittings and equipment	10% – 20%
Motor vehicles	14% – 20%
Others *	10% – 20%

\* Others comprise mainly ponies, lottery computer system and telecommunications equipment.

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.

##### (f) Investment Properties

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value. Fair value is arrived at by reference to market evidence of transaction prices for similar properties and is performed by independent professional valuers.

Gains or losses arising from changes in the fair values of investment properties are recognised in the income statement in the year in which they arise.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in the income statement in the year in which they arise.

When an item of property, plant and equipment is transferred to investment property following a change in its use, any difference arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value is recognised directly in other comprehensive income. However, if a fair value gain reverses a previous impairment loss, the gain is recognised in the income statement. Upon disposal of the investment property, any surplus previously recorded in other comprehensive income is transferred to retained earnings.

When an item of property inventory or property development is transferred to investment properties following a change in its use, any difference arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value is recognised directly to the income statement.

##### (g) Inventories

Properties held for sale are stated at the lower of cost and net realisable value. Cost is determined on the specific identification basis and includes costs of land, construction and appropriate development overheads.

Finished goods and souvenirs are stated at the lower of cost and net realisable value. Cost of finished goods and souvenirs comprise of invoiced value of the goods purchased plus incidental expenses. Cost is determined on the first-in, first-out basis.

Ticket inventories and gaming equipment are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis.

Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.



## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

### 2 SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

#### 2.2 Summary of Significant Accounting Policies (contd.)

##### (h) Provisions

Provisions are recognised when the Group or the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Liquidated ascertained damages which have been accrued based on estimates of settlement sums to be agreed, are recognised in the income statement.

##### (i) Leases

###### (i) As Lessee

Finance leases, which transfer to the Group and the Company substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the income statement. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

Leased assets are depreciated over the estimated useful life of the asset. However, if there is no reasonable certainty that the Group and the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life and the lease term.

Operating lease payments are recognised as an expense in the income statement on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

###### (ii) As Lessor

Leases where the Group and the Company retain substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income. The accounting policy for rental income is set out in Note 2.2 (w)(vi).

##### (j) Intangible Assets

###### (i) Goodwill

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. Following the initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is not amortised but instead, it is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

### 2 SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

#### 2.2 Summary of Significant Accounting Policies (contd.)

##### (j) Intangible Assets (contd.)

##### (ii) Other Intangible Asset

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair values as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Intangible assets with finite lives are amortised on a straight line basis over the estimated economic useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortisation period and the amortisation method for an intangible asset are reviewed yearly at each reporting date.

Other intangible asset comprises the rights to receive Special Cash Sweep Lottery royalty revenue. The intangible asset is amortised over the period of the rights of 30 years commencing 9 November 1999.

##### (k) Income Tax

##### (i) Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in the income statement except to the extent that the tax relates to items recognised outside income statement which is recognised either in other comprehensive income or directly in equity.

##### (ii) Deferred Tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit; and
- in respect of taxable temporary differences associated with investments in subsidiary companies, associated companies and jointly controlled entities, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiary companies, associated companies and jointly controlled entities, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

### 2 SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

#### 2.2 Summary of Significant Accounting Policies (contd.)

##### (k) Income Tax (contd.)

###### (ii) Deferred Tax (contd.)

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside income statement is recognised outside income statement. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

###### (iii) Gaming and Sales Tax

Revenues, expenses and assets are recognised net of the amount of gaming or sales tax, while expenses are recognised net of sales tax except:

- where the sales tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.
- receivables and payables that are stated with the amount of sales tax included.

The net amount of gaming and sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statements of financial position.

##### (l) Employee Benefits

###### (i) Short Term Benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Group. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

###### (ii) Defined Contribution Plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. Such contributions are recognised as an expense in the income statement as incurred. As required by law, companies in Malaysia make such contributions to the Employees Provident Fund (“EPF”).

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

### 2 SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

#### 2.2 Summary of Significant Accounting Policies (contd.)

##### (m) Impairment of Non-Financial Assets

The carrying amounts of the Group's non-financial assets, other than investment properties, property development costs, inventories, deferred tax assets and non-current assets (or disposal group) held for sale are reviewed at each reporting date to determine whether there is an indication of impairment. If any such indication exists, the asset's recoverable amount is estimated to determine the amount of impairment loss.

For goodwill, intangible assets that have an indefinite useful life and intangible assets that are not yet available for use, the recoverable amount is estimated at each reporting date or more frequently when there are indications of impairment.

For the purpose of impairment testing of these assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit ("CGU") to which the asset belongs to. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's CGUs, or groups of CGUs, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

An impairment loss is recognised in the income statement in the year in which it arises, unless the asset is carried at a revalued amount, in which case the impairment loss is accounted for as a revaluation decrease to the extent that the impairment loss does not exceed the amount held in the asset revaluation reserve for the same asset.

Impairment loss on goodwill is not reversed in a subsequent period. An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of an asset other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset other than goodwill is recognised in the income statement, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase.

##### (n) Foreign Currencies

###### (i) Functional and Presentation Currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

###### (ii) Foreign Currency Transactions

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency ("foreign currencies") are recorded in the functional currencies using the exchange rates prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are translated at the rates prevailing on the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.



## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

### 2 SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

#### 2.2 Summary of Significant Accounting Policies (contd.)

##### (n) Foreign Currencies (contd.)

##### (ii) Foreign Currency Transactions (contd.)

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in the income statement for the year.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in the income statement for the year except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income. Exchange differences arising from such non-monetary items are also recognised directly in other comprehensive income.

##### (iii) Foreign Operations

The results and financial position of foreign operations that have a functional currency different from the presentation currency ("RM") of the consolidated financial statements are translated into RM as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate prevailing at the reporting date;
- Income and expenses for each profit or loss and statement of comprehensive income are translated at average exchange rates for the year, which approximate the exchange rates at the dates of the transactions; and
- All the resulting exchange differences are recognised in other comprehensive income and accumulated in a separate component of equity under exchange reserve.

The principal closing rate used in translation is as follows:

Foreign currency	Currency code	2011 RM	2010 RM
1 Sterling Pound	GBP	4.863	–

##### (o) Financial Assets

Financial assets are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

The Group and the Company determine the classification of their financial assets at initial recognition, and the categories include financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets.

##### (i) Financial Assets at Fair Value Through Profit or Loss

Financial assets are classified as financial assets at fair value through profit or loss if they are held for trading or are designated as such upon initial recognition. Financial assets held for trading are derivatives (including separated embedded derivatives) or financial assets acquired principally for the purpose of selling in the near term.

Financial assets designated as financial assets at fair value through profit or loss are a group of financial assets which consist of certain quoted securities that is managed and its performance is evaluated at a fair value basis, in accordance with a documented risk management or investment strategy, and information about these group of financial assets is provided internally on that basis to the Group's and the Company's key management personnel.

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

### 2 SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

#### 2.2 Summary of Significant Accounting Policies (contd.)

##### (o) Financial Assets (contd.)

##### (i) Financial Assets at Fair Value Through Profit or Loss (contd.)

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value are recognised in the income statement. Net gains or net losses on financial assets at fair value through profit or loss do not include exchange differences, interest and dividend income. Exchange differences, interest and dividend income on financial assets at fair value through profit or loss are recognised separately in the income statement as part of other losses or other income.

Financial assets at fair value through profit or loss could be presented as current or non-current. Financial assets that are held primarily for trading purposes are presented as current whereas financial assets that are not held primarily for trading purposes are presented as current or non-current based on the expected settlement date.

##### (ii) Loans and Receivables

Financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables.

Subsequent to initial recognition, loans and receivables are measured at the amortised cost using the effective interest method. Gains and losses are recognised in income statement when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months after the reporting date which are classified as non-current.

##### (iii) Held-To-Maturity Investments

Financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has the positive intention and ability to hold the investment to maturity.

Subsequent to initial recognition, held-to-maturity investments are measured at the amortised cost using the effective interest method. Gains and losses are recognised in the income statement when the held-to-maturity investments are derecognised or impaired, and through the amortisation process.

Held-to-maturity investments are classified as non-current assets, except for those having maturity within 12 months after the reporting date which are classified as current.

##### (iv) Available-For-Sale Financial Assets

Available-for-sale financial assets are financial assets that are designated as available for sale or are not classified in any of the three preceding categories.

After initial recognition, available-for-sale financial assets are measured at fair value. Any gains or losses from changes in fair value of the financial asset are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in income statement. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the income statement as a reclassification adjustment when the financial asset is derecognised. Interest income calculated using the effective interest method is recognised in the income statement.

Dividends from an available-for-sale equity instrument are recognised in the income statement when the Group and the Company's right to receive payment is established.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

### 2 SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

#### 2.2 Summary of Significant Accounting Policies (contd.)

##### (o) Financial Assets (contd.)

##### (iv) Available-For-Sale Financial Assets (contd.)

Available-for-sale financial assets are classified as non-current assets unless they are expected to be realised within 12 months after the reporting date.

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss previously recognised in other comprehensive income will be recognised in the income statement.

##### (p) Impairment of Financial Assets

The Group and the Company assess at each reporting date whether there is any objective evidence that a financial asset is impaired.

##### (i) Trade and Other Receivables and Other Financial Assets Carried at Amortised Cost

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis based on similar risk characteristics. Objective evidence of impairment for a portfolio of receivables could include the Group's and the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

If any such evidence exists, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in the income statement.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of receivables, where the carrying amount is reduced through the use of an allowance account. When a receivable becomes uncollectible, it is written off against the allowance account.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost had the impairment not been recognised at the reversal date. The amount of reversal is recognised in the income statement.

##### (ii) Available-For-Sale Financial Assets

Significant financial difficulties of the issuer or obligor, and the disappearance of an active trading market are considerations to determine whether there is objective evidence that investment securities classified as available-for-sale financial assets are impaired. A significant or prolonged decline in the fair value of investments in equity instruments below its cost is also an objective evidence of impairment.

If an available-for-sale financial asset is impaired, the difference between its cost (net of any principal payment and amortisation) and its current fair value less any impairment loss previously recognised in profit or loss, is transferred from equity to the income statement.

Impairment losses on available-for-sale equity investments are not reversed in the income statement in the subsequent periods. Increase in fair value of equity instruments, if any, subsequent to impairment loss is recognised in other comprehensive income. For available-for-sale debt investments, impairment losses are subsequently reversed in income statement if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss in the income statement.

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

### 2 SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

#### 2.2 Summary of Significant Accounting Policies (contd.)

##### (q) Cash and Cash Equivalents

Cash comprises cash in hand, at bank and demand deposits. Cash equivalents, which are short term, highly liquid investments that are readily convertible to known amounts subject to insignificant risk of changes in value, against which the bank overdrafts, if any, are deducted.

##### (r) Financial Liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Financial liabilities, within the scope of FRS 139, are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

##### (i) Financial Liabilities at Fair Value Through Profit or Loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities held for trading include derivatives entered into by the Group and the Company that do not meet the hedge accounting criteria. Derivative liabilities are initially measured at fair value and subsequently stated at fair value with any resultant gains or losses recognised in the income statement. Net gains or losses on derivatives include exchange differences.

##### (ii) Other Financial Liabilities

Other financial liabilities of the Group and the Company include trade payables, other payables and loans and borrowings.

Trade and other payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Loans and borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

For other financial liabilities, gains and losses are recognised in the income statement when the liabilities are derecognised, and through the amortisation process.

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the income statement.

##### (s) Financial Guarantee Contracts

A financial guarantee contract is a contract that requires the guarantor to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are recognised initially as a liability at fair value, net of transaction costs. Subsequent to initial recognition, financial guarantee contracts are recognised as income in the income statement over the period of the guarantee. If it is probable that the liability will be higher than the amount initially recognised less amortisation, the liability is recorded at the higher amount with the difference charged to the income statement.

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

### 2 SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

#### 2.2 Summary of Significant Accounting Policies (contd.)

##### (t) Borrowing Costs

Borrowing costs consist of interest and transaction costs that the Group and the Company incurred in connection with the borrowing of funds.

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale.

Transaction costs that are directly attributable to the issue of financial liabilities measured at amortised cost are amortised over the tenures of the respective financial liabilities at effective interest rates.

All other borrowing costs are recognised in the income statement in the period they are incurred.

##### (u) Equity Instruments

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are approved and declared for payment.

The transaction costs of an equity transaction are accounted for as a deduction from equity, net of tax. Equity transaction costs comprise only those incremental external costs directly attributable to the equity transaction which would otherwise have been avoided.

##### (v) Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event/s not wholly within the control of the Group.

Contingent liabilities and assets are not recognised in the statements of financial position of the Group except for contingent liabilities assumed in a business combination of which the fair value can be reliably measured.

##### (w) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

##### (i) Dividend income

Dividend income from investments in subsidiary and associated companies and a jointly controlled entity is recognised when the shareholders' right to receive the dividend payment is established. Dividend income from other investments is recognised on receipt basis.

##### (ii) Interest income

Interest income from short term deposits and advances are recognised on an accrual basis, unless recoverability is in doubt.

##### (iii) Gaming activities

Revenue from gaming activities is recognised based on ticket sales net of gaming tax relating to draw days within the financial year.

##### (iv) Gaming equipment sale

Revenue from the sale of gaming equipment is recognised net of discounts upon delivery of products and customer acceptance.



## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

### 2 SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

#### 2.2 Summary of Significant Accounting Policies (contd.)

##### (w) Revenue Recognition (contd.)

###### (v) Management fee income

Management fee income is recognised on an accrual basis.

###### (vi) Rental income

Revenue from rental of investment properties is recognised on an accrual basis unless collection is in doubt, in which case it is recognised on receipt basis.

###### (vii) Sale of goods and properties

Revenue relating to sale of goods and properties are recognised net of discounts and sales taxes upon the transfer of risks and rewards.

###### (viii) Theme park tickets

Revenue from sale of theme park and cinema tickets are recognised when obligation to render services are discharged.

###### (ix) Income from services

Revenue from services rendered is recognised net of services taxes when the services are performed.

###### (x) Sale of fruits, beverages and related services

Revenue from the sale of fruits, beverages and related services are recognised upon the transfer of risks and rewards.

###### (xi) Other income

Other than the above, all other income is recognised on accrual basis.

##### (x) Non-Current Assets Held For Sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary.

Immediately before classification as held for sale, the measurement of the non-current assets is brought up-to-date in accordance with applicable FRSs. Then on initial classification as held for sale, non-current assets are measured in accordance with FRS 5 that is at the lower of carrying amount and fair value less costs to sell. Any differences are included in the income statement.

##### (y) Segment Information

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Group who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance.

The Group adopts business segment analysis as its primary reporting format and geographical segment analysis as its secondary reporting format. The segment information by geographical locations is not applicable as the Group operates solely in Malaysia.

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

### 2 SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

#### 2.2 Summary of Significant Accounting Policies (contd.)

##### (y) Segment Information (contd.)

Segment revenue and expenses are those directly attributable to the segments and include any joint revenue and expenses where a reasonable basis of allocation exists. Revenue and expenses do not include items arising on investing or financing activities.

Segment assets include all operating assets used by a segment and do not include items arising on investing or financing activities.

Segment liabilities comprise operating liabilities and do not include liabilities arising on investing or financing activities such as bank borrowings.

#### 2.3 Changes in Accounting Policies

On 1 July 2010, the Group and the Company adopted the following new FRSs, Amendments to FRSs, Interpretations and Technical Releases:

FRS 1 First-time Adoption of Financial Reporting Standards  
 FRS 3 Business Combinations (revised)  
 FRS 4 Insurance Contracts  
 FRS 7 Financial Instruments: Disclosures  
 FRS 8 Operating Segments  
 FRS 101 Presentation of Financial Statements (revised)  
 FRS 123 Borrowing Costs  
 FRS 127 Consolidated and Separate Financial Statements (amended)  
 FRS 139 Financial Instruments: Recognition and Measurement

Amendments to FRS 1 First-time Adoption of Financial Reporting Standards and FRS 127 Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate  
 Amendments to FRS 2 Share Based Payments: Vesting Conditions and Cancellation  
 Amendments to FRS 2 Share-based Payment  
 Amendments to FRS 5 Non-current Assets Held for Sale and Discontinued Operations  
 Amendments to FRS 7 Financial Instruments: Disclosures (Compilation)  
 Amendment to FRS 8 Operating Segments  
 Amendment to FRS 108 Accounting Policies, Changes in Accounting Estimates and Errors  
 Amendment to FRS 117 Leases  
 Amendment to FRS 119 Employee Benefits  
 Amendment to FRS 120 Accounting for Government Grants and Disclosure of Government Assistance  
 Amendment to FRS 123 Borrowing Costs  
 Amendment to FRS 127 Consolidated and Separate Financial Statements  
 Amendment to FRS 128 Investments in Associates  
 Amendment to FRS 129 Financial Reporting in Hyperinflationary Economies  
 Amendment to FRS 131 Interests in Joint Ventures  
 Amendments to FRS 132 Financial Instruments: Presentation (Compilation)  
 Amendments to FRS 132 Classification of Rights Issues  
 Amendment to FRS 134 Interim Financial Reporting  
 Amendments to FRS 138 Intangible Assets  
 Amendments to FRS 139 Financial Instruments: Recognition and Measurement, FRS 7 Financial Instruments: Disclosures and IC Interpretation 9 Reassessment of Embedded Derivatives  
 Amendment to FRS 140 Investment Property  
 Amendments to FRSs 'Improvements to FRSs (2009)'  
 IC Interpretation 9 Reassessment of Embedded Derivatives  
 IC Interpretation 10 Interim Financial Reporting and Impairment  
 IC Interpretation 11 FRS 2 – Group and Treasury Share Transactions  
 IC Interpretation 12 Service Concession Arrangements  
 IC Interpretation 13 Customer Loyalty Programmes  
 IC Interpretation 14 FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction  
 IC Interpretation 16 Hedges of a Net Investment in a Foreign Operation  
 IC Interpretation 17 Distributions of Non-cash Assets to Owners  
 Amendments to IC Interpretation 9 Reassessment of Embedded Derivatives  
 TR i – 3 Presentation of Financial Statements of Islamic Financial Institutions

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

### 2 SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

#### 2.3 Changes in Accounting Policies (contd.)

Adoption of the above new FRSs, Amendments to FRSs, Interpretations and Technical Releases did not have any effect on the financial performance or position of the Group and the Company except for those discussed below:

##### **Revised FRS 3 Business Combinations and Amendments to FRS 127 Consolidated and Separate Financial Statements**

The revised FRS 3 introduces a number of changes in the accounting for business combinations occurring after 1 July 2010. These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results.

The amended FRS 127 requires that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as an equity transaction. Therefore, such transactions will no longer give rise to goodwill, nor will they give rise to a gain or loss. Furthermore, the revised standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary.

The changes from revised FRS 3 and amended FRS 127 will affect future acquisitions or loss of control and transactions with non-controlling interests.

The adoption of revised FRS 3 and amended FRS 127 has no financial impact to the consolidated financial statements for the year ended 30 June 2011 as there were no acquisitions or disposals of subsidiary companies in this year.

##### **FRS 7 Financial Instruments: Disclosures**

Prior to 1 July 2010, information about financial instruments was disclosed in accordance with the requirements of FRS 132 Financial Instruments: Disclosure and Presentation. FRS 7 introduces new disclosures to improve the information about financial instruments. It requires the disclosure of qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk, including sensitivity analysis to market risk.

The Group and the Company have applied FRS 7 prospectively in accordance with the transitional provisions. Hence, the new disclosures have not been applied to the comparatives. The new disclosures are included throughout the Group's and the Company's financial statements for the year ended 30 June 2011.

##### **FRS 8 Operating Segments**

FRS 8, which replaces FRS 114 Segment Reporting, specifies how an entity should report information about its operating segments, based on information about the components of the entity that is available to the chief operating decision maker for the purposes of allocating resources to the segments and assessing their performance. The Standard also requires the disclosure of information about the products and services provided by the segments, the geographical areas in which the Group operates, and revenue from the Group's major customers. The Group concluded that the reportable operating segments determined in accordance with FRS 8 are the same as the business segments previously identified under FRS 114.

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

### 2 SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

#### 2.3 Changes in Accounting Policies (contd.)

##### **FRS 101 Presentation of Financial Statements (revised)**

The revised FRS 101 introduces changes in the presentation and disclosures of financial statements. The revised Standard separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with all non-owner changes in equity presented as a single line. The Standard also introduces the statement of comprehensive income, with all items of income and expense recognised in income statement, together with all other items of recognised income and expense recognised directly in equity, either in one single statement, or in two linked statements. The Group and the Company have elected to present this statement in two linked statements.

In addition, a statement of financial position is required at the beginning of the earliest comparative period following a change in accounting policy, the correction of an error or the classification of items in the financial statements.

The revised FRS 101 also requires the Group to make new disclosures to enable users of the financial statements to evaluate the Group's objectives, policies and processes for managing capital as disclosed in Note 39.

The revised FRS 101 was adopted retrospectively by the Group and the Company.

##### **FRS 139 Financial Instruments: Recognition and Measurement**

FRS 139 establishes principles for recognising and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items. The Group and the Company have adopted FRS 139 prospectively on 1 July 2010 in accordance with the transitional provisions. The effects arising from the adoption of this Standard have been accounted for by adjusting the opening balance of retained earnings or if appropriate another category of equity as at 1 July 2010. Comparatives are not restated.

The details of the changes in accounting policies and the effects arising from the adoption of FRS 139 are discussed below:

##### **(i) Equity instruments**

Prior to 1 July 2010, the Group classified its investment in equity instruments which were held for non-trading purposes as non-current investments. Such investments were carried at cost less impairment losses. Upon the adoption of FRS 139, these investments, except for those whose fair value cannot be reliably measured, are designated at 1 July 2010 as available-for-sale financial assets and are accordingly stated at their fair values as at that date. The adjustments to their previous carrying amounts are recognised as adjustments to the available-for-sale reserve or opening balance of retained earnings respectively as at 1 July 2010.

##### **(ii) Impairment of trade and other receivables**

Prior to 1 July 2010, provision for doubtful debts was recognised when it was considered uncollectible. Upon the adoption of FRS 139, an impairment loss is recognised when there is objective evidence that an impairment loss has occurred. The amount of the loss is measured as the difference between the receivable's carrying amount and the present value of the estimated future cash flows discounted at the receivable's original effective interest rate. As at 1 July 2010, the Group has re-measured the allowance for impairment losses as at that date in accordance with FRS 139 and the difference is recognised as adjustments to the opening balance of retained earnings as at that date.

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

### 2 SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

#### 2.3 Changes in Accounting Policies (contd.)

##### FRS 139 Financial Instruments: Recognition and Measurement (contd.)

###### (iii) Financial guarantee contracts

During the current and prior years, the Company provided financial guarantees to banks in connection with bank loans and other banking facilities granted to its subsidiary companies. Prior to 1 July 2010, the Company did not provide for such guarantees unless it was more likely than not that the guarantees would be called upon. The guarantees were then disclosed as contingent liabilities. Upon the adoption of FRS 139, the fair values of these financial guarantees are determined based on the likelihood of the guaranteed party defaulting within the guaranteed period and estimate the loss exposure (after considering the value of physical assets pledged for the loans).

The Company has assessed the financial guarantee contracts and concluded that the financial impact of the guarantees is not material.

###### (iv) Inter-company loans

During the current and prior years, the Group and the Company granted interest-free or low-interest loans and advances to some of its subsidiary and affiliated companies. Prior to 1 July 2010, these loans and advances were recorded at cost in the respective companies' financial statements.

Upon the adoption of FRS 139, the Group and the Company have assessed and concluded that these inter-company loans are repayable on demand and the fair values of these inter-company loans equate their cost. As such, no adjustments to their previous carrying amounts are required.

###### (v) Transaction costs of borrowings

Prior to 1 July 2010, the Group and the Company have charged all transaction costs relating to borrowings to the income statement when incurred. Upon the adoption of FRS 139, these transaction costs are now capitalised and amortised over the tenure of the borrowings at effective interest rates. The adjustments to the carrying value of the borrowings are recognised as adjustments to the opening retained earnings.

###### (vi) Long term liabilities

The Group has liabilities including tenancy deposits relating to its leased investment properties which are interest-free. Prior to 1 July 2010, these financial liabilities were recorded at cost in the Group's financial statements. Upon the adoption of FRS 139, the interest-free liabilities are recorded initially at fair value that is lower than cost.

The difference between the fair values of tenancy deposits and the absolute amounts represents amounts received for services to be rendered during the period of the respective tenancy and is recorded as part of deferred income. Subsequent to initial recognition, these liabilities are measured at amortised cost. As at 1 July 2010, the Group has remeasured such liabilities at their amortised cost. The adjustments to their previous carrying amounts are recognised as adjustments to the opening balance of retained earnings as at 1 July 2010.



## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

## 2.3 Changes in Accounting Policies (contd.)

## FRS 139 Financial Instruments: Recognition and Measurement (contd.)

## (vii) Financial impact

The following are effects arising from the above changes in the accounting policies:

	Increase/(Decrease)	
	At 30.6.2011 RM'000	At 1.7.2010 RM'000
<b>Statement of financial position</b>		
<b>Group</b>		
Other investments	89,180	83,091
Available-for-sale reserve	99,828	93,737
Retained earnings	(8,453)	(10,646)
Long term liabilities		
– rental deposits	14,552	11,429
– other deferred income	2,016	2,772
Long term borrowings		
– secured term loans	(1,603)	–
Payables (current)		
– other payables	(16,568)	(14,201)
Short term borrowings		
– secured term loans	(592)	–
	<hr/>	<hr/>
<b>Company</b>		
Other investments	1,570	1,381
Available-for-sale reserve	1,579	1,390
Retained earnings	(9)	(9)
	<hr/>	<hr/>
<b>Income Statement and Statement of Comprehensive Income</b>		
		<b>Increase/ (Decrease) Year ended 30.6.2011 RM'000</b>
<b>Group</b>		
Other income		
– finance income – loans and receivables		755
Finance costs		
– unwinding of discount and charge out of deferred transaction costs		1,309
Profit before tax		(554)
Income tax expense		–
Profit for the year		(554)
Net gain on fair value changes of available-for-sale investments		6,091
Total comprehensive income for the year		5,537
Total comprehensive income attributable to owners of the Parent		5,537
		<hr/>
<b>Company</b>		
Net gain on fair value changes of available-for-sale investments		189
Total comprehensive income for the year		189
Total comprehensive income attributable to owners of the Parent		189
		<hr/>

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

### 2 SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

#### 2.4 Standards And Interpretations Issued But Not Yet Effective

At the date of authorisation of these financial statements, the following new FRSs, Amendments to FRSs, Interpretations and Technical Releases were issued but not yet effective and have not been applied by the Group or by the Company.

##### **Effective for financial periods beginning on or after 30 August 2010**

Amendments to IC Interpretation 15 Agreements for the Construction of Real Estate

##### **Effective for financial periods beginning on or after 1 January 2011**

Amendments to FRS 1 Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters

Amendments to FRS 1 Additional Exemptions for First-time Adopters

Amendments to FRS 2 Group Cash-settled Share-based Payment Transactions

Amendments to FRS 7 Improving Disclosures about Financial Instruments

Amendments to FRSs 'Improvements to FRSs (2010)'

IC Interpretation 4 Determining whether an Agreement contains a Lease

IC Interpretation 18 Transfers of Assets from Customers

Amendments to IC Interpretation 13 '(Improvements to FRSs (2010))'

TR 3 Guidance on Disclosures of Transitions of IFRSs

TR i – 4 Shariah Compliant Sale Contracts

##### **Effective for financial periods beginning on or after 1 July 2011**

IC Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments

Amendments to IC Interpretation 14 Prepayments of a Minimum Funding Requirement

##### **Effective for financial periods beginning on or after 1 January 2012**

FRS 124 Related Party Disclosures

IC Interpretation 15 Agreements for the Construction of Real Estate

The new FRSs, IC Interpretations and Amendments to FRSs and IC Interpretations above are expected to have no significant impact on the financial statements of the Group and the Company upon their initial application except for the changes in presentation and disclosures of financial information.

#### 2.5 Significant Accounting Estimates and Judgements

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities at the report date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

##### **(a) Critical Judgements Made in Applying Accounting Policies**

The following are the judgements made by management in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

##### **(i) Classification between investment properties and property, plant and equipment**

The Group has developed certain criteria based on FRS 140 in making judgement whether a property qualifies as an investment property. Investment property is a property held to earn rentals or for capital appreciation or both.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group would account for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement have been made by the Group that the portion held for administrative purposes is insignificant.

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

### 2 SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

#### 2.5 Significant Accounting Estimates and Judgements (contd.)

##### (a) Critical Judgements Made in Applying Accounting Policies (contd.)

###### (ii) Operating lease commitments – the Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined that it retains all the significant risks and rewards of ownership of these properties which are leased out on operating leases.

###### (iii) Impairment of available-for-sale investments

The Group reviews its equity instruments classified as available-for-sale investments at each reporting date to assess whether they are impaired. These investments are considered impaired when there has been a significant or prolonged decline in the fair value below their cost.

The determination of what is “significant” or “prolonged” requires judgement. In making this judgement, the Group evaluates, among other factors, historical share price movements and the duration and extent to which the fair value of an investment is less than its cost. “Significant” is determined as decline in fair value greater than 20%, and “prolonged” period is determined as greater than 12 months.

For the financial year ended 30 June 2011, no impairment loss is recognised for available-for-sale investments.

###### (iv) Financial guarantee contracts

The Company determines the fair value of the guarantees at initial recognition based on the likelihood of the guaranteed party defaulting within the guaranteed period and estimates the loss exposure after considering the value of physical assets pledged for the loans/borrowings obtained from external financiers.

The Company has assessed the existing financial guarantee contracts and determined that the guarantees are more likely not to be called upon by the financiers. Financial impact of such guarantees is not material.

##### (b) Key Sources of Estimation Uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

###### (i) Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value-in-use of the cash-generating unit (“CGU”) to which the goodwill is allocated. Estimating a value-in-use amount requires management to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill as at 30 June 2011 was RM140,609,000 (2010: RM140,609,000). Further details are disclosed in Note 10.

###### (ii) Impairment of property, plant and equipment and investment in subsidiary companies

During the current financial year, the Group has recognised impairment losses in respect of its property, plant and equipment. The Group carried out the impairment test based on the assessment of the fair value of the respective asset's or CGU's fair value less costs to sell or based on the estimation of the value-in-use (“VIU”) of the CGUs to which the respective property, plant and equipment and subsidiary companies are allocated. Estimating the VIU requires the Group to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows. Further details of the impairment losses recognised in the previous financial period is disclosed in Note 3(a).

The carrying amount of property, plant and equipment of the Group as at 30 June 2011 was RM179,869,000 (2010 : RM176,222,000).

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

### 2 SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

#### 2.5 Significant Accounting Estimates and Judgements (contd.)

##### (b) Key Sources of Estimation Uncertainty (contd.)

###### (iii) Depreciation of plant, machinery and equipment

The cost of plant, machinery and equipment is depreciated on a straight-line basis over the assets' useful lives. Management estimates the useful lives of these plant, machinery and equipment to be within 5 to 10 years. These are common life expectancies applied in the industry.

###### (iv) Impairment of loans and receivables

The Group assesses at each reporting date whether there is any objective evidence that a receivable is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. Details of impairment of loans and receivables are disclosed in Note 12.

###### (v) Income tax

Significant estimation is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final outcome of these matters are different from the amounts initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. Details of income tax expense are disclosed in Note 31.

###### (vi) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses, unabsorbed capital allowances and other deductible temporary differences to the extent that it is probable that taxable profit will be available against which the losses and capital allowances can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The details of deferred tax assets are disclosed in Note 22.

###### (vii) Revaluation of investment properties

The Group carries its investment properties at fair value, with changes in fair values being recognised in the income statement. The Group engaged independent professional valuer to determine fair value at the reporting date by reference to open market value using the Investment, Discounted Cash Flow and Comparison Methods.

###### (viii) Derivative asset

The Group measures the derivative asset by reference to the fair value of the derivative asset at reporting date. Estimating fair value of the derivative asset requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the derivative asset, and making relevant assumptions. The details of the derivative asset are disclosed in Note 9.

###### (ix) Provision for minimum rental payable

In the previous financial period, a subsidiary company of the Group made a provision for minimum rental payable of USD886,000 (approximately RM2,669,000) upon the termination of a lease on a theatre system. During the financial year, the subsidiary company received a statement of accounts from the lessor stating that the amount owing to the lessor as RMNil. The management is of the view that after consulting its legal advisors this RMNil balance statement of accounts does not preclude the lessor from filing a claim for the minimum rental payable. As such, the provision should remain as included in Note 23.

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

## 3 PROPERTY, PLANT AND EQUIPMENT

GROUP	Net carrying	Impairment			Write off	Depre- ciation	Net carrying
	amount as	Additions	losses	Disposals			amount as
30 June 2011	at 1.7.10	RM'000	RM'000	RM'000	RM'000	RM'000	at 30.6.11
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Freehold building	152,110	–	–	–	–	(3,474)	148,636
Short term leasehold land and buildings	4,334	–	–	–	–	(101)	4,233
Plant, machinery and equipment	940	–	–	–	–	(701)	239
Computer equipment	920	9,686	–	–	–	(1,203)	9,403
Renovation and signage	2,436	4,203	–	–	–	(1,491)	5,148
Furniture, fittings and office equipment	2,133	366	–	(6)	(310)	(553)	1,630
First aid and theme park equipment	12,493	16	–	–	(1)	(3,840)	8,668
Cinema fixtures, fittings and equipment	–	500	–	–	–	(111)	389
Motor vehicles	811	760	–	–	–	(320)	1,251
Others	45	267	–	(2)	–	(38)	272
	176,222	15,798	–	(8)	(311)	(11,832)	179,869

GROUP	Net carrying	Impairment			Write off	Depre- ciation	Net carrying
	amount as	Additions	losses	Disposals			amount as
30 June 2010	at 1.5.09	RM'000	RM'000	RM'000	RM'000	RM'000	at 30.6.10
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Freehold building	156,163	–	–	–	–	(4,053)	152,110
Short term leasehold land and buildings	4,453	–	–	–	–	(119)	4,334
Plant, machinery and equipment	1,758	–	–	–	–	(818)	940
Computer equipment	966	358	–	(1)	–	(403)	920
Renovation and signage	1,631	1,791	–	–	–	(986)	2,436
Furniture, fittings and office equipment	2,726	134	(67)	(1)	(5)	(654)	2,133
First aid and theme park equipment	16,970	2	–	–	(1)	(4,478)	12,493
Cinema fixtures, fittings and equipment	8,104	–	(6,597)	–	–	(1,507)	–
Motor vehicles	933	183	–	–	–	(305)	811
Others	63	–	–	–	–	(18)	45
	193,767	2,468	(6,664)	(2)	(6)	(13,341)	176,222



## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

## 3 PROPERTY, PLANT AND EQUIPMENT (CONTD.)

## GROUP

	Cost RM'000	Accumulated depreciation RM'000	Accumulated impairment losses RM'000	Net carrying amount RM'000
<b>At 30 June 2011</b>				
Freehold building	173,715	25,079	–	148,636
Short term leasehold land and buildings	5,074	841	–	4,233
Plant, machinery and equipment	7,345	7,106	–	239
Computer equipment	14,030	4,627	–	9,403
Renovation and signage	8,648	3,500	–	5,148
Furniture, fittings and office equipment	5,025	3,328	67	1,630
First aid and theme park equipment	38,478	29,810	–	8,668
Cinema fixtures, fittings and equipment	22,276	11,469	10,418	389
Motor vehicles	2,781	1,530	–	1,251
Others	767	495	–	272
	<b>278,139</b>	<b>87,785</b>	<b>10,485</b>	<b>179,869</b>

## At 30 June 2010

Freehold building	173,715	21,605	–	152,110
Short term leasehold land and buildings	5,074	740	–	4,334
Plant, machinery and equipment	7,345	6,405	–	940
Computer equipment	8,091	7,171	–	920
Renovation and signage	6,325	3,889	–	2,436
Furniture, fittings and office equipment	5,974	3,774	67	2,133
First aid and theme park equipment	38,490	25,997	–	12,493
Cinema fixtures, fittings and equipment	21,776	11,358	10,418	–
Motor vehicles	2,056	1,245	–	811
Others	515	470	–	45
	<b>269,361</b>	<b>82,654</b>	<b>10,485</b>	<b>176,222</b>

(a) In the previous financial period, the Group conducted a review of the recoverable amount of certain subsidiary companies' assets. The review led to the recognition of an impairment loss of RM6,664,000 as disclosed in Note 30 due to the uncertainties of their future plans.

(b) The net carrying amount of property, plant and equipment held under hire purchase arrangements are as follows:

	Group	
	2011 RM'000	2010 RM'000
Motor vehicles	51	87
Computer equipment	8,268	–
	<b>8,319</b>	<b>87</b>

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

## 3 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

- (c) The net carrying amounts of property, plant and equipment pledged to financial institutions for bank borrowings granted to the Group, as referred to in Note 19 are as follows:

	Group	
	2011 RM'000	2010 RM'000
Freehold building	148,636	152,110
Short term leasehold land and buildings	4,233	4,334
Plant, machinery and equipment	6	6
Computer equipment	9,395	920
Renovation and signage	5,148	2,436
Furniture, fittings and office equipment	1,630	2,133
Cinema fixtures, fittings and equipment	389	–
Motor vehicles	1,169	707
Others	272	45
	170,878	162,691

- (d) Included in the cost of property, plant and equipment of the Group are fully depreciated assets which are still in use:

	Group	
	2011 RM'000	2010 RM'000
At cost		
Furniture, fittings and office equipment	1,125	1,090
Computers	1,810	1,753
Renovation	284	1,986
First aid equipment	73	73
Motor vehicles	386	261
	3,678	5,163

## COMPANY

	Net carrying amount as at		Net carrying amount as at	
	1.7.10/ 1.5.09 RM'000	Additions RM'000	Depre- ciation RM'000	30.6.11/ 30.6.10 RM'000
<b>30 June 2011</b>				
Computer equipment	–	12	(4)	8
<b>30 June 2010</b>				
Computer equipment	3	–	(3)	–

	Cost RM'000	Accumulated depreciation RM'000	Net carrying amount RM'000
<b>At 30 June 2011</b>			
Computer equipment	24	16	8
<b>At 30 June 2010</b>			
Computer equipment	12	12	–

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

### 4 INVESTMENT PROPERTIES

	Group	
	2011 RM'000	2010 RM'000
At fair value:		
At 1 July 2010/1 May 2009	1,607,000	1,380,000
Fair value adjustment	243,607	251,975
Additions	1,850	–
Disposals during the year/period	(60,607)	(24,975)
	1,791,850	1,607,000

Investment properties have been pledged to financial institutions for bank borrowings as referred to in Note 19.

The fair value of the investment properties is measured on 30 June 2011 by an independent professional valuer by reference to open market value using the Investment, Discounted Cash Flow and Comparison Methods.

### 5 SUBSIDIARY COMPANIES

	Company	
	2011 RM'000	2010 RM'000
Unquoted shares at cost	1,406,547	1,177,160

The Group's effective equity interest in the subsidiary companies, their respective principal activities and countries of incorporation are shown in Note 40.

In the previous financial period, the Company conducted a review of the recoverable amount of its investments in certain subsidiary companies of which its share of net assets in the respective subsidiary companies at the reporting date exceeded its carrying value of investments. The review led to the reversal of impairment losses of investment in subsidiary companies of RM179,951,000 as disclosed in Note 25.

During the financial year, the Group through its subsidiary company, Berjaya Times Square Sdn Bhd ("BTSSB"), acquired 100% equity interest in Danau Laris Sdn Bhd ("DLSB") comprising 2 ordinary shares of RM1.00 each for a total cash consideration of RM2.00. DLSB is currently dormant. The acquisition did not have any material impact to the financial statements of the Group in the current financial year.

During the financial year, the Company subscribed 229,387,000 ordinary shares of RM1.00 each in BTSSB, a wholly-owned subsidiary of the Company for a total consideration of RM229,387,000.

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

## 6 ASSOCIATED COMPANY

	Group	
	2011 RM'000	2010 RM'000
Unquoted shares at cost	530	530
Share of post acquisition reserves	(30)	(30)
	500	500
Less : Accumulated impairment losses	(500)	(500)
	–	–

The Group's share of losses in the associated company has been accounted for to the extent of its investment cost.

The details of the associated company are set out in Note 40.

## 7 JOINTLY CONTROLLED ENTITIES

	Group	
	2011 RM'000	2010 RM'000
Unquoted shares at cost	3,740	2,500
Share of post acquisition reserves	2,259	2,978
	5,999	5,478

- (a) The Group's share of profit after tax of the jointly controlled entities which have been recognised in the financial statements amounted to RM1,156,000 (2010 : RM1,659,000).

The Group also received a capital repayment amounting to RMNil (2010 : RM2,500,000) and a net dividend income amounting to RM1,875,000 (2010 : RM1,875,000) from a certain jointly controlled entity.

- (b) During the financial year, the Group through its subsidiary company, BTSSB, subscribed for 250,000 ordinary shares of GBP1.00 each, representing 50% equity interest, in a jointly controlled entity, Cardiff City (House of Sport) Limited (formerly known as Borley (House of Sport) Limited) ("Cardiff"). BTSSB has also subscribed for 750,000 3% Redeemable Convertible Unsecured Loan Stocks of nominal value GBP1.00 each in Cardiff ("3% RCULS"). Details of the 3% RCULS are disclosed in Notes 8 and 9.

Details of the jointly controlled entities are as follows:

Name of Jointly Controlled Entities	Paid-up Capital	Effective interest		Principal Activity
		2011 %	2010 %	
Berjaya – GSC Sdn Bhd	RM5,000,000	50	50	Cinema operations
Cardiff City (House of Sport) Limited <i>(formerly known as Borley (House of Sport) Limited)</i>	GBP500,000 <i>(approximately RM2,431,000)</i>	50	–	Development and running of a sports and leisure academy

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

### 7 JOINTLY CONTROLLED ENTITIES (CONTD.)

The aggregate amounts of each of the current assets, non-current assets, current liabilities, non-current liabilities, income and expenses related to the Group's interest in the jointly controlled entities are as follows:

	Group	
	2011 RM'000	2010 RM'000
<b>Assets and Liabilities</b>		
Current assets	3,651	3,747
Non-current assets	8,558	3,539
Total assets	12,209	7,286
Current liabilities	2,200	1,503
Non-current liability	4,010	305
Total liabilities	6,210	1,808
<b>Results</b>		
Revenue	5,897	6,179
Expenses, including finance costs and income tax expense	(4,741)	(4,520)

### 8 OTHER INVESTMENTS

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Quoted shares in Malaysia at fair value	165,182	–	2,359	–
Quoted loan stocks in Malaysia at fair value	7,426	–	–	–
Unquoted loan stocks outside Malaysia at fair value	3,565	–	–	–
Malaysian Government Securities at cost	1,033	1,000	–	–
Total investments	177,206	1,000	2,359	–
Market value of:				
– Malaysian Government Securities	1,050	1,061	–	–

During the financial year, the Group has changed its intention not to dispose of the quoted investments and reclassified these quoted investments from non-current assets classified as held for sale to non-current other investments as disclosed in Note 14.

As at 30 June 2011, the investments in quoted shares and loan stocks include investments in affiliated companies, Berjaya Corporation Berhad, Berjaya Land Berhad, Berjaya Media Berhad and Dijaya Corporation Berhad with a net carrying amount of RM90,638,000, RM64,550,000, RM1,070,000 and RM15,500,000 respectively.

Certain quoted shares of the Group with fair value of RM112,258,000 have been pledged to financial institutions for credit facilities granted to certain of its subsidiary companies.



## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

### 8 OTHER INVESTMENTS (CONTD.)

Quoted loan stocks in Malaysia designated as available-for-sale equity investments comprise investments in 0% Irredeemable Convertible Unsecured Loan Stocks 2005/2015 issued by an affiliated company, Berjaya Corporation Berhad ("BCorp ICULS"). The BCorp ICULS at nominal value of RM0.50 each are constituted by a Trust Deed dated 28 October 2005 between BCorp and the Trustee for the holders of BCorp ICULS. The main features of BCorp ICULS are as follows:

- a) The BCorp ICULS shall be convertible into ordinary shares of BCorp during the period from 31 October 2005 to the maturity date on 30 October 2015 at the rate of two RM0.50 nominal value of BCorp ICULS or at the rate of one RM0.50 nominal value of BCorp ICULS plus RM0.50 in cash for one ordinary share of BCorp; and
- b) Upon the conversion of the BCorp ICULS into new BCorp ordinary shares, such shares shall rank pari passu in all respects with the ordinary shares of BCorp in issue at the time of conversion except that they shall not be entitled to any dividend or other distributions declared in respect of a financial period prior to the financial period in which the BCorp ICULS are converted or any interim dividend declared prior to the date of conversion of the BCorp ICULS.

Unquoted loan stocks outside Malaysia designated as available-for-sale debt investments comprise investment in 3% RCULS issued by a jointly controlled entity, Cardiff, as disclosed in Note 7. The 3% RCULS of nominal value GBP1.00 each are constituted by a deed dated 30 November 2010 between Cardiff and the holders of 3% RCULS. The main features of 3% RCULS are as follows:

- a) The 3% RCULS shall be convertible into ordinary shares of Cardiff during the period from 30 November 2010 to the maturity date on 29 November 2015 at the rate of one GBP1.00 nominal value of 3% RCULS for one GBP1.00 ordinary share of Cardiff;
- b) Upon conversion of the 3% RCULS into new Cardiff ordinary shares, such shares shall rank pari passu in all respects with the ordinary shares of Cardiff in issue at the time of conversion except that they shall not be entitled to any dividend or other distributions declared in respect of a financial period prior to the financial period in which 3% RCULS are converted or any interim dividend declared prior to the date of conversion of 3% RCULS; and
- c) The interest on 3% RCULS is payable semi-annually in arrears.

The investment in Malaysian Government Securities is pledged to the Malaysian Government as security in compliance with the terms and conditions for the issuance of gaming licence by the Minister of Finance.

### 9 DERIVATIVE ASSET

	Group	
	2011 RM'000	2010 RM'000
At 1 July 2010/1 May 2009	–	–
Recognised during the year	166	–
	<hr/>	<hr/>
At 30 June 2011/2010	166	–
	<hr/>	<hr/>

This represents the exchange feature which is a separated embedded derivative contained in the unquoted 3% RCULS disclosed in Note 8. 3% RCULS holders are able to exchange the 3% RCULS into unquoted Cardiff ordinary shares at the rate of one 3% RCULS for one Cardiff ordinary share. The derivative asset is carried at fair value through profit or loss. The fair value of this unquoted derivative asset is measured as the difference between the fair value of the hybrid instrument and the fair value of the host contract.

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

## 10 INTANGIBLE ASSETS

## Group

	Goodwill on consolidation RM'000	Rights RM'000	Total RM'000
<b>Cost</b>			
At 1 July 2010/1 May 2009 and at 30 June 2011/2010	199,928	28,243	228,171
<b>Accumulated amortisation and impairment losses</b>			
At 1 May 2009	59,319	6,088	65,407
Amortisation (Note 30)	–	1,284	1,284
At 30 June 2010	59,319	7,372	66,691
Amortisation (Note 30)	–	1,101	1,101
At 30 June 2011	59,319	8,473	67,792
<b>Net carrying value</b>			
At 30 June 2011	140,609	19,770	160,379
At 30 June 2010	140,609	20,871	161,480

## Rights

Comprises the rights to receive Special Cash Sweep Lottery royalty revenue. The intangible asset is amortised over the period of the rights of 30 years commencing 9 November 1999.

## Impairment test for goodwill

Goodwill of RM140,609,000 (2010 : RM140,609,000) has been allocated to the Group's CGUs identified to the gaming and related activities business segment.

## Key assumptions used in value-in-use calculations

The recoverable amount of a CGU is determined based on value-in-use calculations using cash flow projections based on financial budgets covering a five year period. The key assumptions used for value-in-use calculations are:

## (i) Budgeted gross margin and growth rate

The basis used to determine the value assigned to the budgeted gross margins and growth rate is the average gross margins and average growth rate achieved in the years before the budgeted year and increased for expected efficiency improvements.

## (ii) Discount rate

The discount rate used is pre-tax and reflects specific risks relating to the Company.

## Sensitivity to changes in assumptions

The management believes that no reasonably possible change in any of the above key assumptions would cause the carrying values of the CGUs to materially exceed their recoverable amounts.

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

## 11 INVENTORIES

	Group	
	2011 RM'000	2010 RM'000
At cost:		
Finished goods	20	19
Ticket inventories and souvenirs	564	115
Gaming equipment	468	545
	<hr/>	<hr/>
	1,052	679
At net realisable value:		
Properties held for sale	105,000	95,000
	<hr/>	<hr/>
	106,052	95,679
	<hr/>	<hr/>

The cost of inventories recognised as an expense during the financial year in the Group amounted to RM24,936,000 (2010 : RM15,149,000).

Properties held for sale is pledged to financial institutions for bank borrowings as referred to in Note 19.

During the current financial year, the Group carried out the impairment test based on the assessment of lower of its cost and net realisable value of the respective inventories as at the reporting date. The review led to the recognition of:

- (i) a write-back of impairment for properties held for sale of RM823,000 (2010 : RM1,685,000) as disclosed in Note 25. The net realisable value of the properties held for sale were determined by independent professional valuer by reference to open market value using the Investment, Discounted Cash Flow and Comparison Methods; and
- (ii) a write-off of inventories amounting to RM329,000 (2010 : RMNil) due to obsolescence as disclosed in Note 28.

## 12 RECEIVABLES

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
<b>Current:</b>				
<b>Trade receivables</b>				
Third parties (Note a)	14,405	18,430	–	–
Less: Allowance for impairment	(10,161)	(15,730)	–	–
	<hr/>	<hr/>	<hr/>	<hr/>
Trade receivables, net	4,244	2,700	–	–
	<hr/>	<hr/>	<hr/>	<hr/>

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

## 12 RECEIVABLES (CONTD.)

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
<b>Current: (contd.)</b>				
<b>Other receivables (Note b)</b>				
Sundry receivables	4,744	3,485	–	–
Dividend receivable	375	–	9,000	–
Deposits	1,085	1,241	173	–
Prepayments	3,258	10,114	38	40
Amount due from affiliated companies	1,414	2,519	–	–
Amount due from an associated company	42	–	–	–
Amount due from subsidiary companies	–	–	45,755	26,288
	10,918	17,359	54,966	26,328
Less: Allowance for impairment	(259)	–	–	–
	10,659	17,359	54,966	26,328
<b>Other current assets (Note c)</b>				
Deposits for acquisition of assets	29,000	–	–	–
Total current receivables	43,903	20,059	54,966	26,328
<b>Non-Current:</b>				
<b>Other receivables</b>				
Amount due from a subsidiary company	–	–	–	254,192

## a) Trade receivables

The Group's trade receivables are non-interest bearing with credit term ranging from 7 to 30 (2010 : 7 to 30) days. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

## (i) Ageing analysis of trade receivables

The ageing analysis of trade receivables is as follows:

	Group 2011 RM'000
Neither past due nor impaired	3,296
1 to 30 days past due not impaired	215
31 to 60 days past due not impaired	412
61 to 90 days past due not impaired	78
91 to 120 days past due not impaired	35
More than 120 days past due not impaired	208
Impaired	948
	10,161
	14,405

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

## 12 RECEIVABLES (CONTD.)

## a) Trade receivables (contd.)

## (i) Ageing analysis of trade receivables (contd.)

**Receivables that are neither past due nor impaired**

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group.

**Receivables that are past due but not impaired**

The Group has trade receivables amounting to RM948,000 that are past due at the reporting date but not impaired. This includes mainly trade receivables past due for technical or strategic reasons and there is no concern on the credit worthiness of the counter parties and the recoverability of these debts.

**Receivables that are impaired**

The Group's trade receivables that are individually assessed and impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

	<b>Group 2011 RM'000</b>
Trade receivables – nominal amounts	10,161
Less: Allowance for impairment	(10,161)
	<hr style="border-top: 1px solid black;"/>
	–
	<hr style="border-top: 1px solid black;"/>
Movement in allowance accounts:	
At 1 July 2010	15,730
Effects of adopting FRS 139:	
Charge for the year (Note 30)	744
Reversal of impairment loss (Note 30)	(6,313)
	<hr style="border-top: 1px solid black;"/>
At 30 June 2011	<u>10,161</u>

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that are in financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

Management conducts periodic assessment on its receivable balances on account by account basis. Hence, all impairment losses are provided for specific receivable balances. Management are of the opinion that there are no further factors that warrants the consideration of additional impairment losses on a collective basis.

## b) Other receivables

At the reporting date, the Group have provided an allowance of RM259,000 (2010 : RMNil) being impairment in respect of an insurance claim.

The amount due from subsidiary and affiliated companies are unsecured, interest bearing and repayable on demand.

## c) Other current assets

This relates to the deposits paid in respect of acquisition of several retail lots. The acquisition was completed subsequent to the financial year end.

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

### 13 CASH AND BANK BALANCES

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Deposits with licensed banks	32,398	27,256	2,554	955
Cash on hand and at banks	26,841	13,722	182	13
	<u>59,239</u>	<u>40,978</u>	<u>2,736</u>	<u>968</u>

Deposits with licensed banks of the Group amounting to RMNil (2010 : RM11,133,000) and RM16,000 (2010 : RM16,000) are pledged for syndicated credit facilities and bank guarantee facilities respectively granted to certain subsidiary companies of the Group.

Included in cash on hand and at banks of the Group is RM9,859,000 (2010 : RM11,591,000) pledged for banking facilities granted to a subsidiary company of the Group.

The range of interest rates of the Group during the financial year/period and the range of maturities of deposits of the Group as at the end of financial year/period were as follows:

	Range of interest rate		Range of maturities	
	2011 %	2010 %	2011 Days	2010 Days
Licensed banks	<u>2.00 – 3.00</u>	<u>1 – 2.55</u>	<u>1 – 31</u>	<u>1 – 31</u>

### 14 NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Quoted investments in Malaysia				
– shares	–	46,565	–	1,848
Less: Accumulated impairment losses				
– shares	–	(1,560)	–	(1,060)
	<u>–</u>	<u>45,005</u>	<u>–</u>	<u>788</u>
Market value of:				
– Quoted shares	–	128,912	–	2,191

In the previous financial period, the investments in quoted shares include investments in affiliated companies, Berjaya Land Berhad, Berjaya Corporation Berhad and Berjaya Media Berhad with a net carrying amount of RM22,632,000, RM20,798,000 and RM990,000 respectively.

In previous financial period, certain quoted shares of the Group with a net carrying amount of RM21,044,000 have been pledged to financial institutions for credit facilities granted to certain of its subsidiary companies.

During the financial year, the Group has changed its intention not to dispose of the quoted investments and reclassified these quoted investments to non-current other investments as disclosed in Note 8.



## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

## 15 SHARE CAPITAL

	Group and Company			
	Ordinary shares of RM1.00 each		Amount	
	No. of shares			
	2011 '000	2010 '000	2011 RM'000	2010 RM'000
<b>Authorised:</b>				
At 1 July 2010/1 May 2009 and at 30 June 2011/2010	5,000,000	5,000,000	5,000,000	5,000,000
<b>Issued and fully paid:</b>				
At 1 July 2010/1 May 2009 and at 30 June 2011/2010	1,113,042	1,113,042	1,113,042	1,113,042

**Warrants 2008/2018**

On 28 March 2008, the Company issued 415,982,348 free detachable Warrants 2008/2018 pursuant to the Rights Issue.

The Warrants were constituted by a Deed Poll dated 12 February 2008 and the main features of the Warrants are as follows:

- (a) Each warrant entitles the holder to subscribe for 1 new ordinary share of RM1.00 each in the Company at a price of RM1.00 per share;
- (b) The Warrants may be exercised at any time up to 27 March 2018; and
- (c) The shares arising from the exercise of Warrants shall rank pari passu in all respect with the existing ordinary shares of the Company, save and except that the new shares shall not be entitled to any dividends, rights, allotments or distributions, unless the exercise of warrants is effected before the book closure of the share registers for the determination of the entitlement to such rights or distributions.

As at the reporting date, all Warrants issued remain unexercised.

## 16 SHARE PREMIUM

	Group and Company	
	2011 RM'000	2010 RM'000
At 1 July 2010/1 May 2009 and at 30 June 2011/2010	258,985	258,985

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

### 17 AVAILABLE-FOR-SALE RESERVE

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
At 1 July 2010/1 May 2009				
– as previously reported	–	–	–	–
Effects of adopting FRS 139	93,737	–	1,390	–
At 1 July 2010/1 May 2009 – as restated	93,737	–	1,390	–
Changes in fair values of available-for-sale financial assets during the year/period	6,091	–	189	–
At 30 June 2011/2010	99,828	–	1,579	–

Available-for-sale reserve represents the cumulative fair value changes, net of tax, if applicable, of available-for-sale financial assets until they are disposed of or impaired.

### 18 RETAINED EARNINGS

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
At 1 July 2010/1 May 2009				
– as previously reported	105,530	(130,143)	83,327	(119,128)
Effects of adopting FRS 139	(10,646)	–	(9)	–
At 1 July 2010/1 May 2009 – as restated	94,884	(130,143)	83,318	(119,128)
Total comprehensive income for the year/period	290,646	235,673	21,201	202,455
Dividends (Note 33)	(16,696)	–	(16,696)	–
At 30 June 2011/2010	368,834	105,530	87,823	83,327

In the past, Malaysian companies adopted the full imputation system. The Finance Act 2007, which was gazetted on 28 December 2007, has introduced a single tier system. Under the single tier system, companies shall not be entitled to deduct tax on dividend paid, credited or distributed to its shareholders and such dividends will be exempted from tax in the hands of the shareholders.

Companies with Section 108 balance which do not opt for single tier system are allowed to use the credit balance for purpose of dividend distribution during the transitional period of 6 years until 31 December 2013. However, the Section 108 balance allowed for the purpose of dividend distribution is to be locked-in as at 31 December 2007 in accordance with Section 39 of the Finance Act, 2007.

Companies have an irrevocable option either to continue to frank dividends under limited circumstances or to disregard the Section 108 balance and pay dividends under the single tier system.

The Company did not elect for the irrevocable option to disregard the Section 108 balance.

As at 30 June 2011, the Company has Section 108 balance amounting to RM38,829,000 (2010 : RM44,394,000) available to frank future cash dividends and tax exempt account amounting to RM30,791,000 (2010 : RM30,791,000) available for the payment of future tax exempt dividends, subject to the agreement with the Inland Revenue Board and the availability of profits.

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

## 19 BANK BORROWINGS

	Group	
	2011 RM'000	2010 RM'000
<b>Short term borrowings</b>		
Secured:		
Term loan	41,168	3,400
Bridging loan	–	19,263
Syndicated credit facility	–	36,416
Revolving credit facility	7,000	–
Bank overdraft	3,196	–
	51,364	59,079
<b>Long term borrowings</b>		
Secured:		
Term loan	298,397	18,400
Bridging loan	–	121,385
Syndicated credit facility	–	229,475
Revolving credit facility	13,000	–
	311,397	369,260
<b>Total borrowings</b>		
Secured:		
Term loan	339,565	21,800
Bridging loan	–	140,648
Syndicated credit facility	–	265,891
Revolving credit facility	20,000	–
Bank overdraft	3,196	–
	362,761	428,339
<b>Maturity of borrowings</b>		
Not later than 1 year	51,364	59,079
Later than 1 year and not later than 2 years	64,491	53,400
Later than 2 years and not later than 5 years	187,025	311,060
More than 5 years	59,881	4,800
	362,761	428,339

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

### 19 BANK BORROWINGS (CONTD.)

The interest rates per annum for borrowings are as follows:

	Group	
	2011 %	2010 %
Term loan	3.75 to 6.60	3.75
Bridging loan	–	7.50 to 8.05
Syndicated credit facility	–	7.55 to 8.05
Revolving credit facility	5.38 to 5.75	–
Bank overdraft	8.60	–

The borrowings are secured by the following:

- (i) investment properties and a debenture over assets of certain subsidiary companies of the Group;
- (ii) the assignment of sales proceeds and future rental by Berjaya Times Square Sdn Bhd ("BTSSB") for the entire development project;
- (iii) a third party first fixed and floating charge over a parcel of land held under documents title HS(D) 13720 Lot No. PT 17201, Pahang and/or any other lands valued at not less than RM32 million;
- (iv) a guarantee from a director of BTSSB and major shareholder of the Company, Tan Sri Dato' Seri Vincent Tan Chee Yioun; and
- (v) corporate guarantee by the Company.

### 20 HIRE PURCHASE LIABILITIES

	Group	
	2011 RM'000	2010 RM'000
<b>Minimum lease payments:</b>		
Not later than 1 year	3,070	43
Later than 1 year and not later than 2 years	3,049	43
Later than 2 years and not later than 5 years	252	22
	6,371	108
Less: Future finance charges	(755)	(13)
Present value of hire purchase liabilities	5,616	95
<b>Present value of hire purchase liabilities:</b>		
Not later than 1 year	2,526	35
Later than 1 year and not later than 2 years	2,840	39
Later than 2 years and not later than 5 years	250	21
	5,616	95
<b>Analysed as:</b>		
Due within 12 months	2,526	35
Due after 12 months	3,090	60
	5,616	95

The hire purchase liabilities bear interest rates from 4.50% to 6.50% (2010 : 6.50%) per annum.

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

## 21 LONG TERM LIABILITIES

	Group	
	2011 RM'000	2010 RM'000
Rental deposits	14,552	–
Other deferred income (Note a)	2,016	–
	<u>16,568</u>	<u>–</u>

(a) Other deferred income represents the difference between the carrying amount and fair value of financial liabilities upon initial recognition which is recognised systematically on a straight line basis over the tenure of the liabilities.

## 22 DEFERRED TAX

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
At 1 July 2010/1 May 2009	178,145	111,048	–	–
Recognised in income statement (Note 31)	67,669	67,097	3,002	–
	<u>245,814</u>	<u>178,145</u>	<u>3,002</u>	<u>–</u>

The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows:

## Deferred Tax Liabilities of the Group

	Property, plant and equipment and investment properties RM'000	Accelerated capital allowances RM'000	Total RM'000
At 1 July 2010	201,532	78,701	280,233
Recognised in income statement	53,351	1,217	54,568
	<u>254,883</u>	<u>79,918</u>	<u>334,801</u>
At 30 June 2011	254,883	79,918	334,801
At 1 May 2009	141,199	82,283	223,482
Recognised in income statement	60,333	(3,582)	56,751
	<u>201,532</u>	<u>78,701</u>	<u>280,233</u>
At 30 June 2010	201,532	78,701	280,233

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

## 22 DEFERRED TAX (CONTD.)

## Deferred Tax Assets of the Group

	Tax losses and unabsorbed capital allowances RM'000	Unutilised investment tax allowance RM'000	Others RM'000	Total RM'000
At 1 July 2010	(99,693)	(2,771)	376	(102,088)
Recognised in income statement	12,906	–	195	13,101
At 30 June 2011	(86,787)	(2,771)	571	(88,987)
At 1 May 2009	(109,663)	(2,771)	–	(112,434)
Recognised in income statement	9,970	–	376	10,346
At 30 June 2010	(99,693)	(2,771)	376	(102,088)

## Deferred Tax Liabilities of the Company

	Property, plant and equipment RM'000	Receivables RM'000	Total RM'000
At 1 July 2010	–	–	–
Recognised in income statement	2	3,000	3,002
At 30 June 2011	2	3,000	3,002

Deferred tax assets have not been recognised in respect of the following items:

	Group	
	2011 RM'000	2010 RM'000
Unused tax losses	18,664	18,750
Unabsorbed capital allowances	25,440	22,812
Other deductible temporary differences	119,022	119,463
	163,126	161,025

The availability of the unused tax losses, unabsorbed capital allowances and other deductible temporary differences for offsetting against future taxable profits of the respective subsidiaries are subject to no substantial changes in shareholdings of the subsidiary companies under Section 44(5A) of the Income Tax Act, 1967.



## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

## 23 PAYABLES

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Trade payables	13,548	12,751	–	–
Provision for liquidated ascertained damages	867	867	–	–
Refundable deposits	19,747	37,826	–	–
Other payables and accruals	14,594	14,364	335	265
Amount due to affiliated companies	394	398	17	–
Amount due to subsidiary companies	–	–	6,079	5,252
	<u>49,150</u>	<u>66,206</u>	<u>6,431</u>	<u>5,517</u>

Provision for liquidated ascertained damages of the Group is made in respect of the delay in the completion of the development project and is in accordance with Note 2.2(h).

The normal trade credit term granted to the Group and to the Company ranges from 15 to 90 days (2010 : 15 to 90 days).

The amount due to subsidiary companies are unsecured, interest bearing and repayable on demand.

## 24a) REVENUE

The main categories of revenue are as follows:

Group	12 Months to 30.6.2011 RM'000	14 Months to 30.6.2010 RM'000
	Sale of properties	49,042
Sale of theme park and cinema tickets	12,605	13,377
Sale of fruits, beverages and related services	936	1,578
Rental income from investment properties	70,221	73,079
Gaming ticket sales less gaming tax	217,206	253,286
Gaming terminal sales	3,990	–
	<u>354,000</u>	<u>371,584</u>
Company	12 Months to 30.6.2011 RM'000	14 Months to 30.6.2010 RM'000
Gross dividends from subsidiary companies	24,228	24,120
Gross dividends from an affiliated company	76	42
Management fees from subsidiary companies	725	846
	<u>25,029</u>	<u>25,008</u>

## 24b) COST OF SALES

This relates to cost of sales incurred in respect of the business segments of gaming and related activities, property development and investment, recreation and trading and others.

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

## 25 OTHER INCOME

	Group		Company	
	12 Months to 30.6.2011 RM'000	14 Months to 30.6.2010 RM'000	12 Months to 30.6.2011 RM'000	14 Months to 30.6.2010 RM'000
Dividend income from:				
– available-for-sale investments quoted in Malaysia	4,785	3,107	–	–
Interest income:				
– fixed and other deposits	904	590	66	53
– subsidiary companies	–	–	693	468
– others	42	–	–	–
Gain on disposal of quoted investments	1,894	21,238	18	–
Write-back of impairment in value of quoted investments	–	912	–	–
Write-back of impairment in value of investment in a subsidiary company (Note 5)	–	–	–	179,951
Write-back of impairment for properties held for sale (Note 11)	823	1,685	–	–
Gain on disposal of investment properties	56,096	1,482	–	–
Finance income – loans and receivables and other liabilities at amortised costs	755	–	–	–
Miscellaneous	2,670	9,081	–	–
	<u>67,969</u>	<u>38,095</u>	<u>777</u>	<u>180,472</u>

## 26 STAFF COSTS

	Group		Company	
	12 Months to 30.6.2011 RM'000	14 Months to 30.6.2010 RM'000	12 Months to 30.6.2011 RM'000	14 Months to 30.6.2010 RM'000
Wages and salaries	8,510	9,348	234	234
Bonus	1,349	866	52	41
EPF contributions	1,115	1,154	34	33
Social security organisation contributions	116	130	1	1
Short term accumulating compensated absences	(96)	39	2	4
Other staff related expenses	672	624	–	–
	<u>11,666</u>	<u>12,161</u>	<u>323</u>	<u>313</u>

The above staff costs excludes executive director's salary and other emoluments.

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

## 27 DIRECTORS' REMUNERATION

The total remuneration paid or payable to the directors of the Group and of the Company categorised into appropriate components for the financial year/period are as follows:

	Group		Company	
	12 Months to 30.6.2011 RM'000	14 Months to 30.6.2010 RM'000	12 Months to 30.6.2011 RM'000	14 Months to 30.6.2010 RM'000
<b>Directors of the Company</b>				
Executive:				
Fees	4	–	–	–
Salary and other emoluments	143	167	–	–
	<u>147</u>	<u>167</u>	<u>–</u>	<u>–</u>
Non-Executive:				
Fees	130	127	120	115
Other emoluments	12	15	12	15
	<u>142</u>	<u>142</u>	<u>132</u>	<u>130</u>
<b>Directors of the subsidiary companies</b>				
Fees	116	140	–	–
Other emoluments	301	120	–	–
	<u>417</u>	<u>260</u>	<u>–</u>	<u>–</u>
Total	<u>706</u>	<u>569</u>	<u>132</u>	<u>130</u>

## 28 OTHER EXPENSES

	Group		Company	
	12 Months to 30.6.2011 RM'000	14 Months to 30.6.2010 RM'000	12 Months to 30.6.2011 RM'000	14 Months to 30.6.2010 RM'000
Impairment in value of quoted investments	–	520	–	19
Inventories written off	329	–	–	–
Impairment loss on other receivables	259	–	–	–
Miscellaneous	409	483	–	–
	<u>997</u>	<u>1,003</u>	<u>–</u>	<u>19</u>

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

## 29 FINANCE COSTS

	Group		Company	
	12 Months to 30.6.2011 RM'000	14 Months to 30.6.2010 RM'000	12 Months to 30.6.2011 RM'000	14 Months to 30.6.2010 RM'000
Interest expense:				
– borrowings	25,610	42,851	–	–
– hire purchase liabilities	339	16	–	–
– an affiliated company	–	183	–	–
– subsidiary companies	–	–	163	163
– loan related expenses	53	–	–	–
– unwinding of discount and charge out of deferred transaction costs	1,309	–	–	–
	<u>27,311</u>	<u>43,050</u>	<u>163</u>	<u>163</u>

## 30 PROFIT BEFORE TAX

	Group		Company	
	12 Months to 30.6.2011 RM'000	14 Months to 30.6.2010 RM'000	12 Months to 30.6.2011 RM'000	14 Months to 30.6.2010 RM'000
Profit before tax is stated after charging/(crediting):				
Direct operating expenses of investment properties:				
– revenue generating during the year/period	6,217	5,647	–	–
– non-revenue generating during the year/period	1,380	2,413	–	–
Gaming royalty	1,181	1,377	–	–
Depreciation of property, plant and equipment (Note 3)	11,832	13,341	4	3
Directors' remuneration (Note 27):				
– fees	250	267	120	115
– salary and other emoluments	456	302	12	15
Auditors' remuneration:				
– statutory audit	153	136	35	30
– under provision in prior years	16	8	5	–
– other services	67	26	35	5
Amortisation of other intangible assets (Note 10)	1,101	1,284	–	–
Reversal of impairment loss on receivables	(6,313)	(3,339)	–	–
Impairment loss on receivables	744	–	–	–
Operating leases:				
– lease payments for buildings	71	91	–	–
Staff costs (Note 26)	11,666	12,161	323	313
Gain on disposal of property, plant and equipment	–	(36)	–	–
Property, plant and equipment written off	311	6	–	–
Impairment in value of property, plant and equipment (Note 3)	–	6,664	–	–
	<u>–</u>	<u>6,664</u>	<u>–</u>	<u>–</u>

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

## 31 INCOME TAX EXPENSE

	Group		Company	
	12 Months to 30.6.2011 RM'000	14 Months to 30.6.2010 RM'000	12 Months to 30.6.2011 RM'000	14 Months to 30.6.2010 RM'000
Current income tax:				
Malaysian income tax	5,310	6,889	215	1,728
(Over)/under provision in prior years	(30)	(53)	16	–
	<u>5,280</u>	<u>6,836</u>	<u>231</u>	<u>1,728</u>
Deferred tax (Note 22):				
Relating to origination and reversal of temporary differences	67,266	67,452	3,002	–
Under/(over) provision in prior years	403	(355)	–	–
	<u>67,669</u>	<u>67,097</u>	<u>3,002</u>	<u>–</u>
Total income tax expense	<u>72,949</u>	<u>73,933</u>	<u>3,233</u>	<u>1,728</u>

Domestic income tax is calculated at the Malaysian statutory tax rate of 25% (2010 : 25%) of the estimated assessable profit for the year/period.

A reconciliation of income tax expense applicable to profit before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company is as follows:

	Group		Company	
	12 Months to 30.6.2011 RM'000	14 Months to 30.6.2010 RM'000	12 Months to 30.6.2011 RM'000	14 Months to 30.6.2010 RM'000
Profit before tax	<u>368,886</u>	<u>314,912</u>	<u>24,434</u>	<u>204,183</u>
Taxation at Malaysian statutory tax rate of 25% (2010 : 25%)	92,222	78,728	6,109	51,046
Effect of expenses not deductible for tax purposes	4,060	3,416	189	131
Effect of income not subject to tax	(24,231)	(11,069)	(3,081)	(49,449)
Effect of utilisation of previously unrecognised unutilised investment allowances and unabsorbed capital allowances	–	(108)	–	–
Deferred tax assets not recognised during the year/period	662	3,374	–	–
Deferred tax assets recognised for other temporary differences	(115)	–	–	–
Effect of utilisation of previously unrecognised tax losses	(22)	–	–	–
Under/(over) provision of deferred tax expense in prior years	403	(355)	–	–
(Over)/under provision of tax expense in prior years	(30)	(53)	16	–
Income tax expense for the year/period	<u>72,949</u>	<u>73,933</u>	<u>3,233</u>	<u>1,728</u>

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

### 32 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing profit for the year/period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the financial year/period.

	12 Months to 30.6.2011 RM'000	14 Months to 30.6.2010 RM'000
Profit attributable to ordinary equity holders of the Parent	290,646	235,673
Weighted average number of ordinary shares in issue ('000)	1,113,042	1,113,042
	<b>Sen</b>	<b>Sen</b>
Basic earnings per share	26.11	21.17

No diluted earnings per share is presented for the financial year/period as the computation based on the outstanding Warrants 2008/2018 (as disclosed in Note 15) would have an antidilutive effect.

### 33 DIVIDENDS

	Company			
	12 Months to 30.6.2011 Net dividend per share Sen	12 Months to 30.6.2011 Net dividend RM'000	14 Months to 30.6.2010 Net dividend per share Sen	14 Months to 30.6.2010 Net dividend RM'000
<b>Declared in respect of:</b>				
<b>Financial year ended 30 June 2011</b>				
– Final dividend of 4 sen less 25% income tax	3.00	33,391	–	–
<b>Financial period ended 30 June 2010</b>				
– Final dividend of 2 sen less 25% income tax	–	–	1.50	16,696*
	3.00	33,391	1.50	16,696

\* This was paid on 11 January 2011.

On 9 August 2011, the Board recommended a final dividend of 4 sen less 25% income tax in respect of the current financial year ended 30 June 2011 on 1,113,041,559 ordinary shares of RM1.00 each (net 3 sen per ordinary share of RM1.00) amounting to RM33,391,000, to be approved by the Company's shareholders at the forthcoming Annual General Meeting. This dividend will be accounted for in the shareholders' equity as an appropriation of retained earnings in the following financial year ending 30 June 2012.



## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

## 34 CONTINGENT LIABILITIES

	Company	
	12 Months to 30.6.2011 RM'000	14 Months to 30.6.2010 RM'000
Unsecured:		
Guarantees given to financial institutions for credit facilities granted to a subsidiary company	*	406,539

\* Upon adoption of FRS 139 effective 1 July 2010, the financial guarantees provided to financiers for a subsidiary company are no longer disclosed as contingent liabilities but would instead be recorded as financial liabilities if considered likely to crystallise as disclosed in Note 2.3(iii). The Company has assessed the financial guarantee contracts and concluded that the financial impact of the guarantees is not material.

## 35 COMMITMENTS

## (a) Other Commitments

	Group	
	12 Months to 30.6.2011 RM'000	14 Months to 30.6.2010 RM'000
Capital expenditure approved and contracted for	18,414	5,539

## (b) Non-Cancellable Operating Lease Commitments – Group as Lessee

	Group	
	12 Months to 30.6.2011 RM'000	14 Months to 30.6.2010 RM'000
Future minimum rental payments:		
Not later than 1 year	64	73
Later than 1 year and not later than 5 years	205	126
Later than 5 years	137	171
	406	370

The Group has entered into non-cancellable operating lease agreements which represent rental payable for the use of building. Leases are negotiated for a period of 10 years and rentals fixed for between 3 and 5 years.

## (c) Non-Cancellable Operating Lease Commitments – Group as Lessor

	Group	
	12 Months to 30.6.2011 RM'000	14 Months to 30.6.2010 RM'000
Future minimum rental receivable:		
Not later than 1 year	47,141	43,799
Later than 1 year and not later than 5 years	37,480	53,568
	84,621	97,367

The Group entered into commercial property leases on its investment properties portfolio consisting of commercial space. These leases have non-cancellable lease terms of between 6 months and 3 years (2010 : 6 months and 3 years). The future minimum rental receivable are pledged to financial institutions for bank borrowings as referred to in Note 19.

## NOTES TO THE FINANCIAL STATEMENTS

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## 36 SIGNIFICANT RELATED PARTY TRANSACTIONS

	Note	Group		Company	
		12 Months to 30.6.2011 RM'000	14 Months to 30.6.2010 RM'000	12 Months to 30.6.2011 RM'000	14 Months to 30.6.2010 RM'000
Management fees charged to subsidiary companies		–	–	(725)	(846)
Management fees charged by					
– Berjaya Land Berhad	a	240	280	240	280
Interest expense charged by					
– Prime Credit Leasing Sdn Bhd	a	–	183	–	–
Rental income, service charges and other related income charged to:					
– A jointly controlled entity		(1,281)	(1,414)	–	–
– Berjaya Starbucks Coffee Company Sdn Bhd	a	(430)	(467)	–	–
– Berjaya HVN Sdn Bhd	j	(142)	(191)	–	–
– Berjaya Roasters (M) Sdn Bhd	k	(578)	(664)	–	–
– Berjaya Registration Services Sdn Bhd	a	(361)	(408)	–	–
– Budi Impian Sdn Bhd	a	(302)	(350)	–	–
– Berjaya Higher Education Sdn Bhd	a	(1,044)	(1,218)	–	–
– Berjaya Krispy Kreme Doughnuts Sdn Bhd	a	(100)	(117)	–	–
– Berjaya Pizza Company Sdn Bhd	a	(84)	(97)	–	–
– KUB-Berjaya Enviro Sdn Bhd	a	(206)	(68)	–	–
– Cosway (M) Sdn Bhd	a	(468)	(422)	–	–
– Berjaya Vacation Club Berhad	a	(281)	(492)	–	–
– Berjaya Land Berhad	a	(378)	(431)	–	–
– Berjaya Books Sdn Bhd	a	(274)	(1,242)	–	–
– Berjaya Hospitality Services Sdn Bhd	a	–	(566)	–	–
– Berjaya Resort Management Services Sdn Bhd	a	(119)	(77)	–	–
– Mantra Design Sdn Bhd	a	(41)	(44)	–	–
– Wen Berjaya Sdn Bhd	a	(246)	(275)	–	–
– Berjaya Hills Berhad	a	(44)	–	–	–
– Academy of Nursing (M) Sdn Bhd	a	(452)	–	–	–
– Sports Toto Computer Sdn Bhd	a	(56)	(65)	–	–
– Informatics Education Malaysia Sdn Bhd	a	(51)	(236)	–	–
– Ascot Sports Sdn Bhd	i	(416)	(36)	–	–
– 7-Eleven Malaysia Sdn Bhd	b	(680)	(738)	–	–
– Restoran Rasa Utara Sdn Bhd ("Rasa Utara")	c	(212)	(289)	–	–
– U Mobile Sdn Bhd ("UMSB")	d	(1,604)	(1,783)	–	–
– TT Resources Food & Services Sdn Bhd	h	(286)	(234)	–	–
– MOL AccessPortal Sdn Bhd	g	(331)	(363)	–	–
		(10,467)	(12,287)	–	–

## NOTES TO THE FINANCIAL STATEMENTS

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## 36 SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTD.)

	Note	Group		Company	
		12 Months to 30.6.2011 RM'000	14 Months to 30.6.2010 RM'000	12 Months to 30.6.2011 RM'000	14 Months to 30.6.2010 RM'000
Sale of service suites to BTS Hotel Sdn Bhd	a	–	(23,770)	–	–
Parking charges charged to:					
– Berjaya Land Berhad	a	(115)	(132)	–	–
– Berjaya Resort Management Services Sdn Bhd	a	(37)	(35)	–	–
– Inter-Pacific Securities Sdn Bhd	a	(164)	(184)	–	–
– Prime Credit Leasing Sdn Bhd	a	(4)	(5)	–	–
– KUB-Berjaya Enviro Sdn Bhd	a	(30)	(5)	–	–
– Berjaya Starbucks Coffee Company Sdn Bhd	a	(49)	(53)	–	–
– Berjaya Roasters (M) Sdn Bhd	a	(32)	(34)	–	–
– Berjaya Books Sdn Bhd	a	(2)	(2)	–	–
– Sports Toto Malaysia Sdn Bhd	a	(364)	(401)	–	–
– UMSB	d	(304)	(336)	–	–
		(1,101)	(1,187)	–	–
Promotion, advertisement and publishing expenses charged by Sun Media Corporation Sdn Bhd	f	70	106	33	82
Receipt of share registration services and related expenses charged by Berjaya Registration Services Sdn Bhd	a	43	34	43	34
IT consultancy, management and maintenance services charged by Qinetics Solutions Berhad	e	1	79	–	–
Procurement of computerised lottery system and related services from International Lottery & Totalizator Systems, Inc	a	5,954	6,587	–	–

## NOTES TO THE FINANCIAL STATEMENTS

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### 36 SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTD.)

The nature of the related party relationships are as follows:

- (a) Subsidiary company/associated company of Berjaya Corporation Berhad ("BCorp"). Deemed a related party by virtue of the interests of Tan Sri Dato' Seri Vincent Tan Chee Yioun ("Tan Sri Vincent Tan") who is a major shareholder of both the Company and BCorp. Tan Sri Vincent Tan is also the Chairman of BCorp. His brother, Tan Sri Dato' Tan Chee Sing ("TSDT") is also a deemed major shareholder of the Company and a shareholder of BCorp. His sons, Dato' Robin Tan Yeong Ching ("DRT") and Rayvin Tan Yeong Sheik ("RTYS") are also Directors and shareholders of BCorp. DRT is the Chief Executive Officer of BCorp. Hence, Tan Sri Vincent Tan, TSDT, DRT and RTYS are persons connected with each other.
- (b) Subsidiary company of Berjaya Retail Berhad ("BRetail") effective 14 June 2010. Deemed a related party by virtue of Tan Sri Vincent Tan's interests in BRetail.
- (c) Associated company of United Prime Corporation Sdn Bhd ("UPC"). Deemed a related party by virtue of Tan Sri Vincent Tan's interest in UPC.
- (d) Deemed a related party by virtue of Tan Sri Vincent Tan's major shareholdings in U Telemedia Sdn Bhd, the ultimate holding company of UMSB. TSDT is also a deemed substantial shareholder of UMSB.
- (e) Subsidiary company of MOL.com Sdn Bhd ("MOL"). Tan Sri Vincent Tan and BCorp are major shareholders of MOL while DRT is the chairman and a shareholder of MOL.
- (f) Subsidiary company of Berjaya Media Berhad ("BMedia"). A company in which BCorp, Tan Sri Vincent Tan and TSDT have interest while DRT is the chairman and a shareholder of BMedia.
- (g) A wholly owned subsidiary company of MOL Global Pte Ltd ("M-Global"), Tan Sri Vincent Tan and MOL are major shareholders of M-Global.
- (h) Wholly owned subsidiary company of TT Resources Bhd. TSDT is the Executive Chairman and major shareholder of TT Resources Bhd.
- (i) A company in which Tan Sri Vincent Tan and DRT have interests.
- (j) Ceased to be a subsidiary company of BCorp on 20 April 2011.
- (k) A wholly owned subsidiary company of Berjaya Food Berhad ("BFood") effective 19 January 2011. Tan Sri Vincent Tan and BCorp are major shareholders of BFood while DRT is the Executive Chairman and a shareholder of BFood.

The compensation of the key management personnel who are directors of the Group are disclosed in Note 27.

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

**37 SEGMENT INFORMATION**

For management purposes, the Group is organised into business segments based on their products and services, and has reportable operating segments as follows:

- (i) gaming and related activities;
- (ii) property development and property investment;
- (iii) recreation; and
- (iv) trading and others.

All inter-segment transactions were carried out in the normal course of business and established under negotiated terms.

Management monitors the operating results of its business segments separately for performance assessment and makes strategic decisions based on the operating results. Segment performance is evaluated based on operating profit or loss which is measured similar to the operating profit or loss in the consolidated financial statements. Group financing (including finance costs) and income taxes are managed on a group basis and not allocated to operating segments.

No segment information by geographical location is prepared as the Group operates solely in Malaysia.

Unallocated assets/liabilities include items relating to investing and financing activities and items that cannot be reasonably allocated to individual segment. These mainly include corporate assets, tax recoverable/liabilities, borrowings, hire purchase and lease obligations.

Other non cash expenses mainly include write-off of property, plant and equipment, write down of inventories and impairment of receivables.

**Business segments:**

	<----- 12 Months to 30.6.2011 ----->			<----- 14 Months to 30.6.2010 ----->		
	External RM'000	Inter- segment RM'000	Total RM'000	External RM'000	Inter- segment RM'000	Total RM'000
<b>Revenue</b>						
Gaming and related activities	221,196	–	221,196	253,286	–	253,286
Property development and property investment	119,263	–	119,263	103,343	–	103,343
Recreation	13,541	–	13,541	14,955	–	14,955
Trading and others	–	4,131	4,131	–	4,818	4,818
Inter-segment eliminations	–	(4,131)	(4,131)	–	(4,818)	(4,818)
	<b>354,000</b>	<b>–</b>	<b>354,000</b>	<b>371,584</b>	<b>–</b>	<b>371,584</b>

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

## 37 SEGMENT INFORMATION (CONTD.)

## Business segments (contd.):

	12 Months to 30.6.2011 RM'000	14 Months to 30.6.2010 RM'000
<b>Results</b>		
Gaming and related activities	26,272	25,692
Property development and property investment	66,348	62,310
Recreation	(4,993)	(17,559)
Trading and others	(2,169)	(2,346)
	<hr/>	<hr/>
Unallocated corporate expenses	85,458 (996)	68,097 (861)
	<hr/>	<hr/>
Fair value adjustment on investment properties	84,462 243,607	67,236 251,975
Other income		
– gaming and related activities	835	728
– property development and property investment	63,173	31,471
– recreation	231	3,350
– trading and others	3,570	2,451
– unallocated	160	95
	<hr/>	<hr/>
	67,969	38,095
Other expenses		
– gaming and related activities	(757)	(203)
– property development and property investment	–	(190)
– trading and others	–	(311)
– unallocated	(240)	(299)
	<hr/>	<hr/>
	(997)	(1,003)
Operating profit	395,041	356,303
Finance costs	(27,311)	(43,050)
Share of results of jointly controlled entities	1,156	1,659
	<hr/>	<hr/>
Profit before tax	368,886	314,912
Income tax expense	(72,949)	(73,933)
	<hr/>	<hr/>
Profit for the year/period	295,937	240,979
Non-controlling interests	(5,291)	(5,306)
	<hr/>	<hr/>
Profit attributable to equity holders of the Parent	290,646	235,673



## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

## 37 SEGMENT INFORMATION (CONTD.)

## Business segments (contd.):

Assets and liabilities	2011		2010	
	Assets RM'000	Liabilities RM'000	Assets RM'000	Liabilities RM'000
Gaming and related activities	170,716	13,822	158,439	13,482
Property development and property investment	1,987,357	47,466	1,754,418	47,966
Recreation	154,533	4,183	160,546	5,064
Trading and others	20,536	153	22,247	206
Segment assets/liabilities	2,333,142	65,624	2,095,650	66,718
Investment in jointly controlled entities	5,999	–	5,478	–
Unallocated corporate assets/liabilities	186,744	614,559	53,750	606,856
Consolidated assets/liabilities	2,525,885	680,183	2,154,878	673,574

Other information	<----- 12 Months to 30.6.2011 ----->			<----- 14 Months to 30.6.2010 ----->		
	Capital expenditure RM'000	Depreciation/ Amortisation RM'000	Other non-cash expenses RM'000	Capital expenditure RM'000	Depreciation/ Amortisation RM'000	Other non-cash expenses RM'000
Gaming and related activities	9,896	1,493	588	593	665	–
Property development and property investment	5,273	2,171	961	1,850	1,688	–
Recreation	617	7,442	94	25	10,133	6
Trading and others	–	1,823	–	–	2,136	–
Unallocated	12	4	–	–	3	–
	15,798	12,933	1,643	2,468	14,625	6

Impairment losses	12 Months to 30.6.2011 RM'000	14 Months to 30.6.2010 RM'000
	Property development and property investment	–
Recreation	–	6,664
Trading and others	–	311
Unallocated	–	19
	–	7,184

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

## 38 FINANCIAL INSTRUMENTS

Certain comparative figures have not been presented for 30 June 2010 by virtue of the exemption given in the Paragraph 44AA of FRS 7, which is effective for annual periods beginning on and after 1 January 2010.

## (a) Classification of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The principal accounting policies in Note 2.2 describe how the classes of financial instruments are measured, and how income and expense, including fair value gains and losses, are recognised. The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

Group 2011	Note	Fair value through profit or loss RM'000	Loans and receivables RM'000	Held-to- maturity investments RM'000	Available- for-sale RM'000	Total RM'000
<b>Financial assets</b>						
Other investments	8	–	3,565	1,033	172,608	177,206
Derivative asset	9	166	–	–	–	166
Receivables	12	–	14,903	–	–	14,903
Deposits	13	–	32,398	–	–	32,398
Cash and bank balances	13	–	26,841	–	–	26,841
Total financial assets		166	77,707	1,033	172,608	251,514
<b>Financial liabilities</b>						
					Note	Total at amortised cost RM'000
Long term borrowings					19	311,397
Long term liabilities					21	14,552
Payables					23	49,150
Short term borrowings					19	51,364
Total financial liabilities						426,463
<b>Company 2011</b>						
			Note	Loans and receivables RM'000	Available- for-sale RM'000	Total RM'000
<b>Financial assets</b>						
Other investments			8	–	2,359	2,359
Receivables			12	54,966	–	54,966
Deposits			13	2,554	–	2,554
Cash and bank balances			13	182	–	182
Total financial assets				57,702	2,359	60,061
<b>Financial liabilities</b>						
Payables			23			6,431

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

**38 FINANCIAL INSTRUMENTS (CONTD.)****(b) Financial Risk Management Objectives and Policies**

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's businesses whilst managing its interest rate, liquidity, credit and foreign currency risks. The Group operates within clearly defined guidelines and the Group's policy is not to engage in speculative transactions.

**(c) Interest Rate Risk**

At the reporting date, the interest rate profile of the interest-bearing financial instruments is as follows:

	<b>Group 2011 RM'000</b>	<b>Company 2011 RM'000</b>
<b>Fixed rate instruments</b>		
Financial assets	3,565	–
Financial liabilities	10,000	–
<b>Floating rate instruments</b>		
Financial assets	33,854	48,309
Financial liabilities	363,155	6,079

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

The interest-bearing assets are mainly deposits with licensed banks and they are not held for speculative purposes. The interest-bearing debts are mainly term loan, bridging loan, syndicated credit facility and an amount due to affiliated companies. Term loan amounted to RM10 million are obtained at fixed rate and the remaining balance of the term loan are obtained at floating rate.

Interest rate risk exposure is managed by negotiations with the lenders to derive favourable terms, which are mutually agreeable. The information on maturity dates and effective interest rates of financial assets and liabilities are disclosed in their respective notes.

**Fair value sensitivity analysis for fixed rate instruments**

The Group does not account for any fixed rate instruments at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect the income statement.

**Sensitivity analysis for floating rate instruments**

A change of 25 basis points in interest rates at the reporting date would result in the profit before tax to be higher/(lower) by the amounts shown below. This analysis assumes that all other variables remain constant.

	<b>Higher/(lower) profits Group 2011 RM'000</b>	<b>Company 2011 RM'000</b>
<b>25 basis points increase</b>		
Floating rate instruments: – denominated in RM	(877)	7
<b>25 basis points decrease</b>		
Floating rate instruments: – denominated in RM	877	(7)

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

**38 FINANCIAL INSTRUMENTS (CONTD.)****(d) Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency rates.

The Group mainly transacts in Ringgit Malaysia. However, certain of the Group's purchases are in foreign currencies and as such, the Group is exposed to exchange rate fluctuation between Ringgit Malaysia and foreign currencies such as United States Dollar and Euro. The Group seeks to mitigate foreign currency risk with close monitoring via making payments when foreign exchange rates are favourable to the Group.

The financial liabilities of the Group that are denominated in foreign currencies are as follows:

	Group	
	2011 RM'000	2010 RM'000
Other payables		
– United States Dollar	2,669	2,858
– Euro	14	14
	2,683	2,872

The financial impact of changes in foreign currency rates is not material to the Group.

**(e) Liquidity Risk**

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to the shortage of funds.

The Group actively manages its debt maturity profile, operating cash flows and the availability of funds so as to ensure that all funding needs are met. As part of its overall liquidity management, the Group maintains sufficient levels of cash or cash convertible investments to meet its working capital requirements. In addition, the Group strives to maintain available banking facilities of a reasonable level to its overall debt position. As far as possible, the Group raises committed funding from financial institutions and balances its portfolio so as to achieve overall cost effectiveness.

**Analysis of undiscounted financial instruments by remaining contractual maturities**

Group 2011	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
<b>Financial liabilities</b>				
Payables	49,150	–	–	49,150
Rental deposits	–	14,552	–	14,552
Loans and borrowings *	74,232	305,978	62,228	442,438
	123,382	320,530	62,228	506,140

\* Loans and borrowings exclude bank overdrafts included in bank borrowings as disclosed in Note 19.

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

**38 FINANCIAL INSTRUMENTS (CONTD.)****(f) Credit Risk**

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations.

Credit risks is controlled by the application of credit approvals, limits and monitoring procedures. Credit risks are minimised and monitored by limiting the Group's association to business partners with high creditworthiness. Trade and other receivables are monitored on an ongoing basis via Group management reporting procedures to reduce the Group's exposure to bad debts.

The Group does not have any significant exposure to any individual customer or counterparty nor does it have any major concentration of credit risk related to any financial instruments.

**(g) Market price risk**

Market price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates).

The Group is exposed to equity price risk arising from its investments in quoted equity instruments. The quoted equity instruments in Malaysia are listed on Bursa Securities. These instruments are designated as available-for-sale financial assets. The Group does not have exposure to commodity price risk. To manage its market price risk arising from investments in quoted equity instruments, the Group diversifies and manages its portfolio in accordance with established guidelines and policies.

**Sensitivity analysis for equity price risk**

At the reporting date, if the FTSE Bursa Malaysia KLCI had been 1% higher/lower, with all other variables held constant, the Group's available-for-sale reserve would have been RM1,726,000 higher/lower, arising as a result of an increase/decrease in the fair value of equity instruments designated as available-for-sale financial assets.

**(h) Fair Values**

- (i) The carrying amounts of financial assets and liabilities of the Group and of the Company as at reporting date approximated their fair values except for the following:

	Note	2011 Group		2010 Group	
		Carrying Amount RM'000	Fair Value RM'000	Carrying Amount RM'000	Fair Value RM'000
<b>Financial Assets</b>					
Other investments					
– Quoted					
government securities	8	1,033	1,050	1,000	1,061

The information of the fair value of Malaysian Government Securities determined by reference to their published market closing prices at reporting date are disclosed in its respective note.

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

### 38 FINANCIAL INSTRUMENTS (CONTD.)

#### (h) Fair Values (contd.)

##### (ii) Determination of fair values

Included in these classes of financial instruments are certain financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

	<b>Note</b>
Receivables	12
Payables	23
Bank borrowings	19
Long term liabilities	21

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values, either due to their short term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

The carrying amounts of the bank borrowings are reasonable approximation of fair values due to the insignificant impact of discounting.

The fair value of quoted equity instruments are determined by reference to their published market bid prices at reporting date.

### 39 CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. This function is carried out on a centralised entity wide basis by the Group's Treasury Division. The Treasury Division will handle and manage the Group's funds and financial resources and all its loans and borrowings on a "pool basis". No changes were made in the objectives, policies or processes during the financial year/period ended 30 June 2011 and 2010.

The Group monitors capital using a gearing ratio, which is debt divided by total equity. The Group's total debt includes borrowings, hire purchase and finance lease obligations. Total equity represents net equity attributable to the owners of the parent plus non-controlling interests.

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

## 39 CAPITAL MANAGEMENT (CONTD.)

The gearing ratios as at 30 June 2011 and 30 June 2010 were as follows:

	Note	Group	
		2011 RM'000	2010 RM'000
Short term borrowings	19	51,364	59,079
Long term borrowings	19	311,397	369,260
Hire purchase liabilities	20	5,616	95
Total debt		<u>368,377</u>	<u>428,434</u>
Total equity		<u>1,845,702</u>	<u>1,481,304</u>
Gearing ratio (%)		<u>20</u>	<u>29</u>

The gearing ratio is not governed by the FRS and its definition and calculation may vary from one group/company to another.

## 40 SUBSIDIARY AND ASSOCIATED COMPANIES

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2011 %	2010 %
<b>Subsidiary Companies</b>				
Sublime Cartel Sdn Bhd	Malaysia	Provision of lottery consultancy and related services	100	100
Bumisuci Sdn Bhd	Malaysia	Investment holding	100	100
Dayadil Sdn Bhd	Malaysia	Investment holding	100	100
Ishandal Sdn Bhd	Malaysia	Investment holding	100	100
* Natural Avenue Sdn Bhd	Malaysia	Number forecast lotteries in Sarawak	65	65
Rentas Padu Sdn Bhd	Malaysia	Investment holding	100	100
# Sempurna Bahagia Sdn Bhd	Malaysia	Investment holding	100	100
Berjaya Times Square Sdn Bhd	Malaysia	Property investment, property development and investment holding	100	100
^ Berjaya Assets Pte Ltd	Singapore	Investment holding	100	100
<b>Subsidiary of Dayadil Sdn Bhd</b>				
Imej Jasa Sdn Bhd	Malaysia	Investment holding	100	100



## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

## 40 SUBSIDIARY AND ASSOCIATED COMPANIES (CONTD.)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2011 %	2010 %
<b>Subsidiary Companies (contd.)</b>				
<b>Subsidiaries of Imej Jasa Sdn Bhd</b>				
Bahagia Jiwa Sdn Bhd	Malaysia	Investment holding	100	100
Muara Tebas Sdn Bhd	Malaysia	Investment holding	100	100
<b>Subsidiary of Natural Avenue Sdn Bhd</b>				
Petekat Sdn Bhd	Malaysia	General trading and commission agent	100	100
<b>Subsidiary of Rentas Padu Sdn Bhd</b>				
Tropicfair Sdn Bhd	Malaysia	Investment holding	100	100
<b>Subsidiaries of Berjaya Times Square Sdn Bhd</b>				
Berjaya TS Management Sdn Bhd	Malaysia	Dormant	100	100
Berjaya Times Square Theme Park Sdn Bhd	Malaysia	Operation of theme park	100	100
TS Service Suites Sdn Bhd	Malaysia	Dormant	100	100
BTS Department Store Sdn Bhd	Malaysia	Dormant	100	100
Shasta Supermarket Sdn Bhd	Malaysia	Dormant	100	100
10th Avenue Food Mall Sdn Bhd	Malaysia	Ceased operations during the year	100	100
Danau Laris Sdn Bhd	Malaysia	Dormant	100	–
<b>Associated Company</b>				
Megaquest Sdn Bhd	Malaysia	Investment holding	50	50

\* *Effective interest*# *66.67% held by Bumisuci Sdn Bhd and 33.33% held by Ishandal Sdn Bhd*^ *Not audited by Ernst & Young or a member firm of Ernst & Young Global*

## NOTES TO THE FINANCIAL STATEMENTS

– 30 JUNE 2011

**41 SUPPLEMENTARY INFORMATION – BREAKDOWN OF RETAINED EARNINGS INTO REALISED AND UNREALISED**

On 25 March 2010, Bursa Malaysia Securities Berhad ("Bursa Malaysia") issued a directive to all listed issuers pursuant to Paragraphs 2.06 and 2.23 of Bursa Malaysia Main Market Listing Requirements. The directive requires all listed issuers to disclose the breakdown of the unappropriated profits or accumulated losses as at the end of the reporting period, into realised and unrealised profits or losses.

On 20 December 2010, Bursa Malaysia further issued another directive on the disclosure and the prescribed format of presentation.

The breakdown of the retained earnings of the Group and of the Company as at 30 June 2011, into realised and unrealised profits, pursuant to the directive, is as follows:

<b>At 30 June 2011</b>	<b>Group RM'000</b>	<b>Company RM'000</b>
Realised earnings	467,076	87,823
Unrealised earnings	321,275	–
	<hr/>	<hr/>
Total retained earnings	788,351	87,823
Less: Consolidation adjustments	(419,517)	–
	<hr/>	<hr/>
Retained earnings as per financial statements	<u>368,834</u>	<u>87,823</u>

The determination of realised and unrealised profits is based on the Guidance of Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, issued by the Malaysian Institute of Accountants on 20 December 2010.

# LIST OF PROPERTIES

AS AT 30 JUNE 2011

LOCATION	TENURE	SIZE	DESCRIPTION/ EXISTING USE	ESTIMATED AGE OF BUILDING	DATE OF ACQUISITION	NET BOOK VALUE RM'000
No. Geran 56069 Lot 2001, Section 52 Town and District of Kuala Lumpur (Berjaya Times Square Jalan Imbi Kuala Lumpur)	Freehold	39,591 sq meter	Shopping-cum -leisure mall	<8 years	8.7.1994 } } } } } } } } } }	2,043,636
No. Geran 56068 Lot 2000, Section 52 Town and District of Kuala Lumpur (No. 1, Jalan Imbi Kuala Lumpur)	Freehold	3,901 sq meter	Office building	<18 years	8.7.1994 }	
H.S.(D) 156049 P.T. No. 3338 Mukim Damansara District of Petaling Selangor Darul Ehsan	Freehold	512.9 sq meter	Bungalow	>10 years	15.3.2011	1,850
Lot 8189 & 8190 Town East Jalan Pending 93450 Kuching Sarawak	Leasehold 60 years expiring on 11.5.2048	245 sq meter	4-storey shop house/ office building	23 years	13.7.1996	657
No. 273 & 274 Lot 2545 & 2546 Centraland Commercial Park Off Jalan Rock 93200 Kuching Sarawak	Leasehold 60 years expiring on 5.5.2054	484.2 sq meter	4-storey shop house/ office building used as office and draw hall	17 years	31.8.2002	3,576

## NOTE:

The Group does not adopt a policy of regular valuation of its properties except for investment properties which are stated at fair value.

## OTHER INFORMATION

### MATERIAL CONTRACTS

Other than as disclosed in Notes 12, 19, 23, 27, 32, 34, 35 and 36 of the financial statements for the financial year ended 30 June 2011 neither Berjaya Assets Berhad nor any of its subsidiaries had entered into any material contracts, involving Directors and major shareholders.

### NON-AUDIT FEES

The amount of non-audit fees incurred for services rendered to the Group for the financial year ended 30 June 2011 amounted to RM67,000.

# RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE NATURE

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

<b>Berjaya Assets Berhad ("BAssets") Group with the following Related Parties</b>	<b>BAssets and/or its subsidiary companies</b>	<b>Nature of transactions</b>	<b>Amount transacted (RM'000)</b>
<b>Berjaya Corporation Berhad ("BCorp") and/or its unlisted subsidiary companies</b>			
Berjaya Registration Services Sdn Bhd	BAssets	Receipt of share registration services	43
	Berjaya Times Square Sdn Bhd ("BTSSB")	Rental income receivable for renting of shoplots at 06-01, 6th Floor and 10-02A, 10th Floor, Berjaya Times Square, No. 1, Jalan Imbi, 55100 Kuala Lumpur	361
		Parking charges receivable	10
Inter-Pacific Trading Sdn Bhd	BTSSB Berjaya Times Square Theme Park Sdn Bhd	Purchase of stationery products	36
Berjaya Hills Berhad BerjayaCity Sdn Bhd Roasters Asia Pacific (M) Sdn Bhd Berjaya Loyalty Card Sdn Bhd Berjaya Capital Berhad Inter Pacific Securities Sdn Bhd	BTSSB	Parking charges receivable	199
Berjaya Higher Education Sdn Bhd	BTSSB	Rental income receivable for renting of office at 14-01, Level 14, Berjaya Times Square, No. 1, Jalan Imbi, 55100 Kuala Lumpur	1,044
		Parking charges receivable	23
Berjaya Roasters (M) Sdn Bhd (now a subsidiary company of Berjaya Food Berhad)	BTSSB	Rental income receivable for renting of shoplots at 03-85, 3rd Floor and 09-06 to 09-13, 9th Floor, Berjaya Times Square, No. 1, Jalan Imbi, 55100 Kuala Lumpur	578
		Parking charges receivable	32
Berjaya Books Sdn Bhd	BTSSB	Rental income receivable for renting of shoplots LG-10, 11 and 11-A, Lower Ground Floor, Berjaya Times Square, No. 1, Jalan Imbi, 55100 Kuala Lumpur	96
		Parking charges receivable	2
Wen Berjaya Sdn Bhd	BTSSB	Rental income receivable for renting of café and office at 03-75A & 03-89, 3rd Floor and 07-24, 7th Floor, Berjaya Times Square, No.1 Jalan Imbi, 55100 Kuala Lumpur	246
Berjaya Pizza Company Sdn Bhd	BTSSB	Rental income receivable for renting of storage and office at 06-70B, 6th Floor and 09-16,17 &18, 9th Floor, Berjaya Times Square, No.1 Jalan Imbi, 55100 Kuala Lumpur	84
		Parking charges receivable	4
Berjaya Krispy Kreme Doughnuts Sdn Bhd	BTSSB	Rental income receivable for renting of café and office at G-30, Ground Floor and 09-19, 20 & 21, 9th Floor, Berjaya Times Square, No.1 Jalan Imbi, 55100 Kuala Lumpur	100
		Parking charges receivable	8

## RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE NATURE

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

<b>Berjaya Assets Berhad ("BAssets") Group with the following Related Parties</b>	<b>BAssets and/or its subsidiary companies</b>	<b>Nature of transactions</b>	<b>Amount transacted (RM'000)</b>
KUB-Berjaya Enviro Sdn Bhd	BTSSB	Rental income receivable for renting of shoplots at 09-01, 02 & 03, 9th Floor, Berjaya Times Square, No.1, Jalan Imbi, 55100 Kuala Lumpur	206
		Parking charges receivable	30
Berjaya HVN Sdn Bhd (ceased to be a subsidiary of BCorp effective 20 April 2011)	BTSSB	Rental income receivable for renting of shoplot at 01-46, 1st Floor, Berjaya Times Square, No.1 Jalan Imbi, 55100 Kuala Lumpur.	130
		Rental income receivable for renting of event space at Berjaya Times Square, No.1 Jalan Imbi, 55100 Kuala Lumpur.	12
Academy of Nursing (M) Sdn Bhd	BTSSB	Rental income receivable for renting of office at 10-11, 12 & 12A, 10th Floor and 11-02A, 11th Floor, Berjaya Times Square, No. 1 Jalan Imbi, 55100 Kuala Lumpur	452
		Parking charges receivables	2
Prime Credit Leasing Sdn Bhd	BAssets Group	Receipt of leasing and hire purchase facilities	44
	BTSSB	Parking charges receivables	4
<b>Cosway Corporation Limited and/or its unlisted subsidiary companies</b>			
Cosway (M) Sdn Bhd	BTSSB	Rental income receivable for renting of shoplots and office at 06-13, 06-13A , 06-15, 06-34, 6th Floor, Berjaya Times Square, No.1 Jalan Imbi, 55100 Kuala Lumpur	185
		Rental income receivable for renting of event space at Berjaya Times Square, No.1 Jalan Imbi, 55100 Kuala Lumpur.	60
<b>Berjaya Land Berhad ("BLand") and/or its unlisted subsidiary companies</b>			
BLand	BAssets	Management fee payable for services rendered that includes inter-alia, the provision of finance, corporate, secretarial and general administrative services	240
		Rental income receivable for renting of shoplots at 02-19 & 02-20, 2nd Floor, Berjaya Times Square, No.1 Jalan Imbi, 55100 Kuala Lumpur	378
BLand Group	BTSSB	Parking charges receivable	193
Budi Impian Sdn Bhd	BTSSB	Rental income receivable for renting of shoplots at LG-73, 74 & 74A, Lower Ground Floor, and 08-69, 71 & 73, 8th Floor, Berjaya Times Square, No.1 Jalan Imbi, 55100 Kuala Lumpur	302
Berjaya Vacation Club Berhad	BTSSB	Rental income receivable for renting of offices at 08-85 to 08-96, 8th Floor, Berjaya Times Square, No.1 Jalan Imbi, 55100 Kuala Lumpur	281

## RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE NATURE FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

<b>Berjaya Assets Berhad ("BAssets") Group with the following Related Parties</b>	<b>BAssets and/or its subsidiary companies</b>	<b>Nature of transactions</b>	<b>Amount transacted (RM'000)</b>
Berjaya Resort Management Sdn Bhd	BTSSB	Rental income receivable for renting of shoplots at 06-61 & 06-62, 6th Floor, Berjaya Times Square, No.1 Jalan Imbi, 55100 Kuala Lumpur	19
Mantra Design Sdn Bhd	BTSSB	Rental income receivable for renting of shoplots at 09-20 & 21, 9th Floor, Berjaya Times Square, No.1 Jalan Imbi, 55100 Kuala Lumpur	41
<b>Berjaya Sports Toto Berhad ("BToto") and/or its unlisted subsidiary companies</b>			
International Lottery & Totalizator Systems, Inc	Natural Avenue Sdn Bhd	Procurement of computerised lottery system and related services	294
Sports Toto Computers Sdn Bhd ("STCSB")	BTSSB	Rental income receivable for renting of office at 09-51, 09-53 & 09-56, 9th Floor, Berjaya Times Square, No.1 Jalan Imbi, 55100 Kuala Lumpur	56
BToto Sports Toto Malaysia Sdn Bhd STCSB	BTSSB	Parking charges receivable	373
<b>Berjaya Media Berhad and/or its unlisted subsidiary company</b>			
Sun Media Corporation Sdn Bhd	BAssets Group	Procurement of promotion, advertising and publishing services	70
<b>Other Related Parties</b>			
Informatics Education Malaysia Sdn Bhd (a)	BTSSB	Rental income receivable for renting of office at 09-23, 24 & 25, 9th Floor, Berjaya Times Square, No.1, Jalan Imbi, 55100 Kuala Lumpur	51
Berjaya Starbucks Coffee Company Sdn Bhd (a)	BTSSB	Rental income receivable for renting of cafe and office at G-09C, Ground Floor, 03-101B, 3rd Floor and 10-02, 10th Floor, Berjaya Times Square, No.1 Jalan Imbi, 55100 Kuala Lumpur. Parking charges receivable	430 49
Qinetics Solutions Berhad (b)	BAssets Group	Receipt of IT consultancy and management services	1
Restoran Rasa Utara Sdn Bhd (c)	BTSSB	Rental income receivable for renting of shoplot at 03-81, 3rd Floor, Berjaya Times Square, No.1 Jalan Imbi, 55100 Kuala Lumpur	212
7-Eleven Malaysia Sdn Bhd (d)	BTSSB	Rental income receivable for renting of shoplots at LG-57A, Lower Ground Floor, 01-16, 01-22 & 01-48, 1st Floor, 03-96C, 3rd Floor and 05-92, 5th Floor, Berjaya Times Square, No.1 Jalan Imbi, 55100 Kuala Lumpur Rental income receivable for renting of storage at 01-72A, 1st Floor and 05-75A, 5th Floor, Berjaya Times Square, No.1 Jalan Imbi, 55100 Kuala Lumpur	652 28

## RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE NATURE

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

Berjaya Assets Berhad ("BAssets") Group with the following Related Parties	BAssets and/or its subsidiary companies	Nature of transactions	Amount transacted (RM'000)
U Mobile Sdn Bhd (e)	BTSSB	Rental income receivable renting of broadcasting facility at 09-CP-01, Car Park and TB-Roof-04, Berjaya Times Square, No.1 Jalan Imbi, 55100 Kuala Lumpur	48
		Rental income receivable for renting of shoplot and office at G-17A, Ground Floor and 08-06 to 08-13A, 8th Floor, Berjaya Times Square, No.1 Jalan Imbi, 55100 Kuala Lumpur	1,483
		Rental income receivable for renting of storage at 08-74D, 8th Floor, Berjaya Times Square, No.1 Jalan Imbi, 55100 Kuala Lumpur	14
		Parking charges receivable	304
Intan Utilities Berhad (d) Roda Indah Sdn Bhd (f) Wilayah Motor Sdn Bhd (f) GPS Tech Solutions Sdn Bhd (g)	BTSSB	Parking charges receivable	11
Ascot Sports Sdn Bhd (h)	BTSSB	Rental income receivable for renting of shoplots at 10-01 & 10-01A, 10th Floor, Berjaya Times Square, No.1 Jalan Imbi, 55100 Kuala Lumpur	416
		Parking charges receivable	4
MOL AccessPortal Sdn Bhd (b)	BTSSB	Rental income receivable for renting of office and shoplots at 07-01, 7th Floor, 08-01, 08-01A & 08-02, 8th Floor, 09-62, 09-63, 09-64 & 09-97, 9th Floor, Berjaya Times Square, No.1 Jalan Imbi, 55100 Kuala Lumpur	331
		Parking charges receivable	2
TT Resources Food & Services Sdn Bhd (i)	BTSSB	Rental income receivable for renting of shoplots at Lots LG-18C & LG 24, Lower Ground Floor, Berjaya Times Square, No.1 Jalan Imbi, 55100 Kuala Lumpur	279
<b>Grand Total</b>			<b>10,553</b>

### Notes:

- An associated company of BCorp.
- Subsidiary companies of MOL.com Sdn Bhd ("MOL"). Tan Sri Dato' Seri Vincent Tan Chee Yioun ("TSVT") and related companies of BCorp Group have interests in MOL.
- A subsidiary company of United Prime Corporation Sdn Bhd ("UPC"). Deemed a related party by virtue of TSVT's interests in UPC.
- Wholly-owned subsidiary company of Berjaya Retail Berhad which in turn is a wholly-owned subsidiary of Premier Merchandise Sdn Bhd, a wholly-owned subsidiary company of Intan Utilities Berhad ("Intan"). TSVT is a deemed major shareholder of Intan.
- TSVT is a deemed major shareholder of U Mobile Sdn Bhd ("UMSB"). Tan Sri Dato' Tan Chee Sing ("TSDT"), the brother of TSVT and a Director of BAssets, is also a deemed major shareholder in UMSB.
- Wholly-owned subsidiary companies of B&B Enterprise Sdn Bhd ("B&B"). TSVT is a major shareholder in B&B.
- A company in which TSVT has interests in.
- A company in which TSVT has interests. TSVT and his sons, Dato' Robin Tan Yeong Ching ("DRTYC") and Rayvin Tan Yeong Sheik, are directors of Ascot Sport Sdn Bhd ("Ascot"). DRTYC is also a shareholder of Ascot.
- Wholly-owned subsidiary company of TT Resources Bhd. TSDT is the Executive Chairman and a major shareholder in TT Resources Bhd.



# STATISTICS ON SHAREHOLDINGS

AS AT 26 SEPTEMBER 2011

## ANALYSIS OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
less than 100	452	14.15	13,951	0.00
100 – 1,000	348	10.89	203,859	0.02
1,001 – 10,000	1,452	45.46	7,575,250	0.68
10,001 – 100,000	716	22.42	25,765,256	2.31
100,001 – 55,652,077	221	6.92	670,544,447	60.25
55,652,078* and above	5	0.16	408,938,796	36.74
<b>Total</b>	<b>3,194</b>	<b>100.00</b>	<b>1,113,041,559</b>	<b>100.00</b>

### NOTE:

Each share entitles the holder to one vote.

\* Denotes 5% of the issued ordinary share capital of the Company.

## LIST OF THIRTY (30) LARGEST SHAREHOLDERS

No.	Name of Shareholders	No. of Shares	%
1	Amsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account – Ambank (M) Berhad For Tan Sri Dato' Seri Vincent Tan Chee Yioun	143,800,000	12.92
2	Mayban Nominees (Tempatan) Sdn Bhd Mayban International (L) Ltd Labuan For Tan Sri Dato' Seri Vincent Tan Chee Yioun (01427110725C)	77,000,000	6.92
3	Portal Access Sdn Bhd	65,113,650	5.85
4	Amsec Nominees (Tempatan) Sdn Bhd Bakat Rampai Sdn Bhd	63,025,146	5.66
5	Amsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account – Ambank (M) Berhad For Tan Sri Dato' Seri Vincent Tan Chee Yioun	60,000,000	5.39
6	Berjaya Sampo Insurance Berhad	55,292,500	4.97
7	MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun (MGN-VTC0001M)	46,500,000	4.18
8	Amsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sri Dato' Tan Kok Ping	45,000,000	4.04
9	A.A Anthony Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun	42,000,000	3.77
10	Tan Sri Dato' Seri Vincent Tan Chee Yioun	36,747,500	3.30
11	Scotia Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun	30,000,000	2.70
12	Amsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account – Ambank (M) Berhad For Tan Sri Dato' Seri Vincent Tan Chee Yioun	26,000,000	2.34

## STATISTICS ON SHAREHOLDINGS

AS AT 26 SEPTEMBER 2011

### LIST OF THIRTY (30) LARGEST SHAREHOLDERS (CONT'D)

No.	Name of Shareholders	No. of Shares	%
13	Mayban Securities Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Hotel Resort Enterprise Sdn Bhd	25,699,300	2.31
14	Amsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account – Ambank (M) Berhad For BTS Hotel Sdn Bhd	25,500,000	2.29
15	OSK Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun	23,500,000	2.11
16	Berjaya Land Berhad	23,234,135	2.09
17	Amsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun (MX3999)	20,000,000	1.80
18	Scotia Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Dato' Dr Tengku Rethwan Bin Tengku Mansor	16,250,000	1.46
19	Malaysia Nominees (Tempatan) Sendirian Berhad Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun (01-00820-000)	15,000,000	1.35
20	Amsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account – Ambank (M) Berhad For Tan Sri Dato' Seri Vincent Tan Chee Yioun (CIB057)	15,000,000	1.35
21	Ambilan Imej Sdn Bhd	13,536,527	1.22
22	Inter-Pacific Equity Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Fabulous Channel Sdn Bhd (AF0010)	13,211,000	1.19
23	AMMB Nominees (Tempatan) Sdn Bhd Ambank (M) Berhad For Tan Sri Dato' Seri Vincent Tan Chee Yioun	13,000,000	1.17
24	Amsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account – Ambank (M) Berhad For Nada Embun Sdn Bhd	12,500,000	1.12
25	TA Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Bong Yam Keng	12,303,700	1.11
26	Magna Mahsuri Sdn Bhd	10,936,251	0.98
27	EB Nominees (Tempatan) Sendirian Berhad Pledged Securities Account For Berjaya Land Berhad (BBB)	10,030,000	0.90
28	Inter-Pacific Equity Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Arsam Bin Damis (AA0023)	9,272,000	0.83
29	Berjaya Capital Berhad	8,425,000	0.76
30	Mayban Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sri Dato' Tan Kok Ping	7,200,000	0.65
		<b>965,076,709</b>	<b>86.73</b>

## STATISTICS ON SHAREHOLDINGS

AS AT 26 SEPTEMBER 2011

### ANALYSIS OF WARRANTS HOLDINGS (2008/2018)

Size of Warrant Holdings	No. of Warrant Holders	%	No. of Warrants	%
less than 100	1	0.31	10	0.00
100 – 1,000	30	9.26	22,766	0.01
1,001 – 10,000	175	54.01	772,444	0.18
10,001 – 100,000	89	27.47	3,045,576	0.73
100,001 – 20,799,116	27	8.33	80,323,190	19.31
20,799,117* and above	2	0.62	331,818,362	79.77
<b>Total</b>	<b>324</b>	<b>100.00</b>	<b>415,982,348</b>	<b>100.00</b>

\* Denotes 5% of the Warrants outstanding.

### LIST OF THIRTY (30) LARGEST WARRANT HOLDERS

No.	Name of Warrant Holders	No. of Warrants	%
1	Tan Sri Dato' Seri Vincent Tan Chee Yioun	304,076,902	73.10
2	Portal Access Sdn Bhd	27,741,460	6.67
3	Inter-Pacific Equity Nominees (Tempatan) Sdn Bhd Inter-Pacific Management Sdn Bhd For Permata Dayu Sdn Bhd	14,000,000	3.37
4	Berjaya Land Berhad	13,305,654	3.20
5	BTS Hotel Sdn Bhd	10,211,506	2.45
6	Inter-Pacific Equity Nominees (Tempatan) Sdn Bhd Inter-Pacific Capital Sdn Bhd (A/C 83)	7,000,000	1.68
7	Dato' Dr Tengku Rethwan Bin Tengku Mansor	6,500,000	1.56
8	Nada Embun Sdn Bhd	5,012,616	1.21
9	Magna Mahsuri Sdn Bhd	4,374,500	1.05
10	Berjaya Capital Berhad	3,370,000	0.81
11	Berjaya Sampo Insurance Berhad	3,317,000	0.80
12	Inter-Pacific Equity Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Arsam Bin Damis (AA0023)	3,000,000	0.72
13	Inter-Pacific Equity Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Pantai Cemerlang Sdn Bhd	2,500,000	0.60

## STATISTICS ON SHAREHOLDINGS

AS AT 26 SEPTEMBER 2011

### LIST OF THIRTY (30) LARGEST WARRANT HOLDERS (CONT'D)

No.	Name of Warrant Holders	No. of Warrants	%
14	Immediate Capital Sdn Bhd	2,106,000	0.51
15	HSBC Nominees (Asing) Sdn Bhd Exempt an For HSBC Private Bank (Suisse) S.A (Spore TST ACCL)	1,309,000	0.31
16	JMP Holdings Sdn Bhd	717,028	0.17
17	Vecc-Men Holdings Sdn Bhd	717,028	0.17
18	Cimsec Nominees (Tempatan) Sdn Bhd CIMB Bank For Pek Kiam Kek (MM0606)	395,400	0.10
19	Cimsec Nominees (Tempatan) Sdn Bhd CIMB Bank For Yik Chee Lim (MY0055)	319,000	0.08
20	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Yong Kwee Lian	300,000	0.07
21	Ng Lee Lin	278,488	0.07
22	Inter-Pacific Equity Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Fabulous Channel Sdn Bhd (AF0010)	250,000	0.06
23	Dato' Robin Tan Yeong Ching	243,340	0.06
24	Nerine Tan Sheik Ping	218,340	0.05
25	Cimsec Nominees (Tempatan) Sdn Bhd CIMB For Rayvin Tan Yeong Sheik (PB)	218,340	0.05
26	Teoh Cheng Hua	218,000	0.05
27	Mercsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account For TNTT Realty Sdn Bhd	216,950	0.05
28	Pek Kiam Kek	114,000	0.03
29	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Thong Foong Tat (KTN)	111,000	0.03
30	Inter-Pacific Equity Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sin Chai	100,000	0.02
		<b>412,241,552</b>	<b>99.10</b>

## SUBSTANTIAL SHAREHOLDERS

AS AT 26 SEPTEMBER 2011

Name of Substantial Shareholders	No. of Ordinary Shares of RM1.00 each			
	Direct Interest	%	Deemed Interest	%
Tan Sri Dato' Seri Vincent Tan Chee Yioun	558,547,500	50.18	265,279,754 (a)	23.83
Portal Access Sdn Bhd	69,353,650	6.23	—	—
Berjaya Land Berhad	33,264,135	2.99	123,615,212 (b)	11.11
Teras Mewah Sdn Bhd	—	—	156,879,347 (c)	14.09
Berjaya Capital Berhad	8,425,000	0.76	72,329,027 (d)	6.50
Juara Sejati Sdn Bhd	—	—	237,633,374 (e)	21.35
Berjaya Group Berhad	—	—	237,633,374 (f)	21.35
Berjaya Corporation Berhad	—	—	237,633,374 (g)	21.35
Bakat Rampai Sdn Bhd	63,025,146	5.66	—	—
Dijaya Corporation Berhad	—	—	63,025,146 (h)	5.66
Tan Sri Dato' Tan Chee Sing	—	—	63,025,146 (i)	5.66
Golden Diversity Sdn Bhd	—	—	63,025,146 (j)	5.66

### NOTES:

- Deemed interested by virtue of his interest in Berjaya Corporation Berhad, Vecc-Men Holdings Sdn Bhd, Hotel Resort Enterprise Sdn Bhd and his deemed interest in Lim Kim Hai Sales & Services Sdn Bhd.
- Deemed interested by virtue of its 100% interests in Portal Access Sdn Bhd, Immediate Capital Sdn Bhd, BTS Hotel Sdn Bhd (formerly known as Dian Kristal Sdn Bhd) and Nada Embun Sdn Bhd as well as its interest in Berjaya Sports Toto Berhad, the holding company of Magna Mahsuri Sdn Bhd.
- Deemed interested by virtue of its interests in Berjaya Land Berhad and its deemed interest in Berjaya Sports Toto Berhad, the holding company of Magna Mahsuri Sdn Bhd.
- Deemed interested by virtue of its interests in Ambilan Imej Sdn Bhd, Inter-Pacific Capital Sdn Bhd and Berjaya Sompoo Insurance Berhad.
- Deemed interested by virtue of its interests in Berjaya Land Berhad and Berjaya Capital Berhad, and its deemed interest in Berjaya Sports Toto Berhad, the holding company of Magna Mahsuri Sdn Bhd.
- Deemed interested by virtue of its 100% interest in Teras Mewah Sdn Bhd and Juara Sejati Sdn Bhd and its deemed interest in Berjaya Sports Toto Berhad, the holding company of Magna Mahsuri Sdn Bhd.
- Deemed interested by virtue of its 100% interest in Berjaya Group Berhad.
- Deemed interested by virtue of its 100% interest in Bakat Rampai Sdn Bhd.
- Deemed interested by virtue of his interest in Dijaya Corporation Berhad.
- Deemed interested by virtue of its interest in Dijaya Corporation Berhad.

## STATEMENT OF DIRECTORS' SHAREHOLDINGS

AS AT 26 SEPTEMBER 2011

	No. of Ordinary Shares of RM1.00 each			
	Direct Interest	%	Deemed Interest	%
1. YAM Tunku Dato' Seri Shahabuddin Bin Tunku Besar Burhanuddin	—	—	—	—
2. Tan Sri Dato' Tan Chee Sing	—	—	63,025,146 *	5.66
3. Tan Thiam Chai	—	—	—	—
4. Ng Su Onn	—	—	—	—
5. Chan Kien Sing	—	—	—	—
6. Lim Meng Kwong	—	—	—	—
7. Datuk Robert Yong Kuen Loke	—	—	—	—
8. Heng Kiah Choong	—	—	—	—
9. Dato' Mohd Salleh Bin Ahmad	—	—	—	—

\* Deemed interested by virtue of his interest in Dijaya Corporation Berhad.

Save as disclosed, none of the above Directors of the Company had any interest in the shares and warrants of the Company or its related corporations as at 26 September 2011.

# NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Fifty-First Annual General Meeting of the Company will be held at Manhattan III, Level 14, Berjaya Times Square Hotel, Kuala Lumpur, No. 1 Jalan Imbi, 55100 Kuala Lumpur on Tuesday, 22 November 2011 at 10:00 a.m. for the following purposes:

## AGENDA

1. To receive and adopt the audited financial statements of the Company for the year ended 30 June 2011 and the Directors' and Auditors' Reports thereon. **RESOLUTION 1**
2. To approve the payment of a final dividend of 4 sen per ordinary share of RM1.00 each less 25% income tax in respect of the year ended 30 June 2011. **RESOLUTION 2**
3. To approve the payment of Directors' fees amounting to RM120,000 for the year ended 30 June 2011. **RESOLUTION 3**
4. To re-elect the following Directors who retire pursuant to Article 102 of the Company's Articles of Association:
  - a) Tan Thiam Chai **RESOLUTION 4**
  - b) Datuk Robert Yong Kuen Loke **RESOLUTION 5**
5. To re-elect Ng Su Onn, who retires pursuant to Article 93 of the Company's Articles of Association, as a Director of the Company. **RESOLUTION 6**
6. To re-appoint YAM Tunku Dato' Seri Shahabuddin bin Tunku Besar Burhanuddin as a Director of the Company and to hold office until the conclusion of the next Annual General Meeting of the Company pursuant to Section 129(6) of the Companies Act, 1965. **RESOLUTION 7**
7. To re-appoint Messrs Ernst & Young as Auditors and to authorise the Directors to fix their remuneration. **RESOLUTION 8**
8. As special business:
  - a) To consider and, if thought fit, pass the following Ordinary Resolutions:
    - (i) **Authority to Issue and Allot Shares Pursuant to Section 132D of the Companies Act, 1965**

"That, subject always to the Companies Act, 1965, the Articles of Association of the Company and the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered, pursuant to Section 132D of the Companies Act, 1965, to issue and allot shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the issued share capital of the Company for the time being and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."

**RESOLUTION 9**
    - (ii) **Proposed Renewal of and new Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

"That, subject to the provisions of Bursa Malaysia Securities Berhad's Main Market Listing Requirements, approval be and is hereby given for the Company and its subsidiary companies, to enter into recurrent related party transactions of a revenue or trading nature with the related parties as specified in Section 2.3 of the Circular to Shareholders dated 31 October 2011 ("Proposed Mandate") which are necessary for the day-to-day operations and/or in the ordinary course of business of the Company and its subsidiary companies on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company and that such approval shall continue to be in force until:

      - (a) the conclusion of the next Annual General Meeting ("AGM") of the Company following the forthcoming AGM at which the ordinary resolution for the Proposed Mandate will be passed, at which time it will lapse, unless by a resolution passed at a general meeting, the authority is renewed;

## NOTICE OF ANNUAL GENERAL MEETING

- (b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 143(1) of the Companies Act, 1965 (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Companies Act, 1965); or
- (c) revoked or varied by resolution passed by the shareholders at a general meeting;
- whichever is the earlier.

And Further That authority be and is hereby given to the Directors of the Company and its subsidiary companies to complete and do all such acts and things (including executing such documents as may be required) to give effect to such transactions as authorised by this Ordinary Resolution.”

### RESOLUTION 10

### NOTICE OF DIVIDEND PAYMENT AND ENTITLEMENT DATE

NOTICE IS ALSO HEREBY GIVEN THAT the final dividend of 4 sen per ordinary share of RM1.00 each less 25% income tax in respect of the financial year ended 30 June 2011, if approved by the shareholders at the forthcoming Annual General Meeting, will be paid on 16 January 2012.

The entitlement date shall be fixed on 23 December 2011 and a Depositor shall qualify for entitlement only in respect of:

- a. Shares transferred to the Depositor's Securities Account before 4.00 p.m. on 23 December 2011 in respect of ordinary transfers.
- b. Shares bought on Bursa Malaysia Securities Berhad ("Bursa Securities") on a cum entitlement basis according to the Rules of Bursa Securities.

By Order of the Board

### SU SWEE HONG

Secretary  
Kuala Lumpur

31 October 2011

### NOTES:

#### (A) APPOINTMENT OF PROXY

1. A member entitled to attend and vote at the Meeting is entitled to appoint one (1) proxy only, to attend and vote in his/her stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
2. A member of the Company who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 may appoint one (1) proxy in respect of each securities account.
3. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing, or if such appointor is a corporation, under its common seal, or the hand of its officer or its duly authorised attorney.
4. The instrument appointing a proxy must be deposited at the Company's Registered Office, Lot 13-01A, Level 13 (East Wing), Berjaya Times Square, No. 1 Jalan Imbi, 55100 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.

#### (B) SPECIAL BUSINESS

1. Resolution 9 is proposed for the purpose of granting a renewed general mandate ("General Mandate") and empowering the Directors of the Company, pursuant to Section 132D of the Companies Act, 1965, to issue and allot new shares in the Company from time to time provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed 10% of the issued and paid-up share capital of the Company for the time being. The General Mandate, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the Fiftieth Annual General Meeting held on 2 December 2010 and which will lapse at the conclusion of the Fifty-First Annual General Meeting.

The General Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital and/or acquisitions.

2. Resolution 10 is in relation to the approval on the Shareholder's Mandate on Recurrent Related Party Transactions and if passed, will allow the Company and its subsidiary companies to enter into Recurrent Related Party Transactions in accordance with paragraph 10.09 of Bursa Malaysia Securities Berhad's Main Market Listing Requirements. The explanatory notes on Ordinary Resolution 10 is set out in the Circular to Shareholders dated 31 October 2011 attached to the Annual Report.



# FORM OF PROXY



I/We \_\_\_\_\_  
(Name in full)

I.C. or Company No. \_\_\_\_\_ CDS Account No. \_\_\_\_\_  
(New and Old I.C. Nos. or Company No.)

of \_\_\_\_\_  
(Address)

being a member/members of BERJAYA ASSETS BERHAD hereby appoint:

\_\_\_\_\_ I.C. No. \_\_\_\_\_  
(Name in full) (New and Old I.C. Nos.)

of \_\_\_\_\_  
(Address)

or failing him/her, the Chairman of the meeting as my/our proxy to vote for me/us on my/our behalf, at the Fifty-First Annual General Meeting of the Company to be held at Manhattan III, Level 14, Berjaya Times Square Hotel, Kuala Lumpur, No. 1 Jalan Imbi, 55100 Kuala Lumpur on Tuesday, 22 November 2011 at 10:00 a.m. or any adjournment thereof.

This proxy is to vote on the Resolutions set out in the Notice of the Meeting as indicated with an "X" in the appropriate spaces. If no specific direction as to voting is given, the proxy will vote or abstain from voting at his/her discretion.

	FOR	AGAINST
RESOLUTION 1 – To receive and adopt the Audited Financial Statements.		
RESOLUTION 2 – To approve the payment of a final dividend.		
RESOLUTION 3 – To approve payment of Directors' fees.		
RESOLUTION 4 – To re-elect Tan Thiam Chai as Director.		
RESOLUTION 5 – To re-elect Datuk Robert Yong Kuen Loke as Director.		
RESOLUTION 6 – To re-elect Ng Su Onn as Director.		
RESOLUTION 7 – To re-appoint YAM Tunku Dato' Seri Shahabuddin bin Tunku Besar Burhanuddin as Director.		
RESOLUTION 8 – To re-appoint Auditors.		
RESOLUTION 9 – To approve authority to issue and allot shares.		
RESOLUTION 10 – To renew shareholders' mandate for Recurrent Related Party Transactions.		

<b>No. of Shares Held</b>

\_\_\_\_\_  
Signature of Shareholder(s)

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2011

**NOTES:**

1. A member entitled to attend and vote at the Meeting is entitled to appoint one (1) proxy only, to attend and vote in his/her stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
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AFFIX STAMP

THE COMPANY SECRETARY  
**BERJAYA ASSETS BERHAD** (3907-W)  
Lot 13-01A, Level 13 (East Wing)  
Berjaya Times Square  
No. 1 Jalan Imbi, 55100 Kuala Lumpur

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# GROUP ADDRESSES

## **BERJAYA TIMES SQUARE SDN BHD**

### **Corporate Office:**

Lot 08-16, PO Box 08-23  
Level 8, Berjaya Times Square  
No. 1 Jalan Imbi  
55100 Kuala Lumpur  
Tel : 03 – 2144 9821  
Fax : 03 – 2143 3055  
[www.timessquarekl.com](http://www.timessquarekl.com)

## **BERJAYA TIMES SQUARE THEME PARK SDN BHD**

Lot 09-103  
Level 9, Berjaya Times Square  
No. 1 Jalan Imbi  
55100 Kuala Lumpur  
Tel : 03 – 2117 3118  
Fax : 03 – 2143 2380

## **NATURAL AVENUE SDN BHD**

### **Head Office:**

Lot 8189 & 8190  
Town East, Jalan Pending  
93450 Kuching  
Sarawak  
Tel : 082 – 333 666  
Fax : 082 – 330 188  
[www.cashsweep.com.my](http://www.cashsweep.com.my)

### **Regional Office:**

#### **Kuching Regional Office**

No. 273-274, Lot 2545-2546  
Centraland Commercial Park  
Off Jalan Rock  
93200 Kuching  
Sarawak  
Tel : 082 – 233 466  
Fax : 082 – 233 467

#### **Sibu Regional Office**

No. 7, Lorong Wong King Huo 1D  
96000 Sibu  
Sarawak  
Tel : 084 – 320 202  
Fax : 084 – 320 246

#### **Miri Regional Office**

Lot 627, Ground Floor  
Jalan Sim Chieng Kay  
Off North Yu Seng Road  
98000 Miri  
Sarawak  
Tel : 085 – 415 331  
Fax : 085 – 415 336

[www.timesquarekl.com](http://www.timesquarekl.com)  
[www.cashsweep.com.my](http://www.cashsweep.com.my)