

**BERJAYA ASSETS BERHAD
(COMPANY NO: 3907-W)**

27 November 2015

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2015**

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BERJAYA ASSETS BERHAD

(COMPANY NO : 3907-W)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2015
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<u>Group</u>	
	As at 30/09/15	As at 30/06/15
	RM'000	(Audited) RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	290,614	292,401
Investment properties	2,508,288	2,475,216
Land held for development	95,071	95,071
Joint ventures	16,112	14,450
Investments	164,844	170,835
Intangible assets	155,726	156,002
	<u>3,230,655</u>	<u>3,203,975</u>
CURRENT ASSETS		
Inventories	196,513	196,603
Receivables	33,909	35,692
Tax recoverable	37	36
Deposits with licensed banks	77,676	64,066
Cash and bank balances	26,002	22,890
	<u>334,137</u>	<u>319,287</u>
TOTAL ASSETS	<u><u>3,564,792</u></u>	<u><u>3,523,262</u></u>
EQUITY		
Share capital	1,113,042	1,113,042
Share premium	258,985	258,985
Reserves :		
Foreign currency translation reserve	16,318	7,178
Available-for-sale ("AFS") reserve	24,257	25,416
Retained earnings	720,514	708,901
	<u>761,089</u>	<u>741,495</u>
Equity attributable to owners of the parent	2,133,116	2,113,522
Non-controlling interests	419,759	416,711
Total equity	<u><u>2,552,875</u></u>	<u><u>2,530,233</u></u>
NON-CURRENT LIABILITIES		
Long term bank borrowings	314,594	314,710
Senior bonds	158,978	158,891
Hire purchase liabilities	82	82
Other long term liabilities	75,501	77,530
Deferred tax liabilities	67,732	67,775
	<u>616,887</u>	<u>618,988</u>

BERJAYA ASSETS BERHAD

(COMPANY NO : 3907-W)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2015
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT'D)**

	Group	
	As at 30/09/15	As at 30/06/15
	RM'000	(Audited) RM'000
CURRENT LIABILITIES		
Payables	135,133	126,409
Short term bank borrowings	244,914	231,658
Hire purchase liabilities	18	23
Tax payable	14,965	15,951
	<u>395,030</u>	<u>374,041</u>
Total liabilities	<u>1,011,917</u>	<u>993,029</u>
TOTAL EQUITY AND LIABILITIES	<u>3,564,792</u>	<u>3,523,262</u>
<i>Net assets per share attributable to ordinary owners of the parent (sen)</i>	<i>192</i>	<i>190</i>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 June 2015.

BERJAYA ASSETS BERHAD
(COMPANY NO : 3907-W)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2015
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

		CURRENT QUARTER ENDED	
		30/09/15	30/09/14
		RM'000	RM'000
	Note		
Revenue		96,331	97,332
Operating expenses		(70,340)	(76,849)
Profit from operations		<u>25,991</u>	<u>20,483</u>
Other income	A4	12,300	3,237
Other expenses	A4	(9,034)	(2,532)
Share of results from joint ventures		(170)	(119)
Finance costs		<u>(11,209)</u>	<u>(11,226)</u>
Profit before tax		17,878	9,843
Income tax expense	B5	<u>(2,565)</u>	<u>(1,522)</u>
Profit net of tax		<u>15,313</u>	<u>8,321</u>
Attributable to:			
- Owners of the Parent		11,613	7,136
- Non-controlling interests		<u>3,700</u>	<u>1,185</u>
		<u>15,313</u>	<u>8,321</u>
Earnings per share (sen):			
Basic	B10	<u>1.04</u>	<u>0.64</u>
Diluted	B10	<u>N/A</u>	<u>N/A</u>

N/A denotes Not Applicable

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

BERJAYA ASSETS BERHAD

(COMPANY NO: 3907-W)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2015
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME**

	CURRENT QUARTER ENDED	
	30/09/15	30/09/14
	RM'000	RM'000
Profit net of tax	15,313	8,321
<u>Other comprehensive income</u>		
<u>Items that may be subsequently reclassified to profit or loss</u>		
Net (loss)/gain on available-for-sale investments:		
- (Loss)/Gain on fair value changes	(387)	10,189
- Transfer to profit or loss upon disposal	(790)	(1,547)
Currency translation difference	9,206	(1,176)
Total comprehensive income	<u>23,342</u>	<u>15,787</u>
Attributable to:		
- Owners of the Parent	19,594	14,173
- Non-controlling interests	3,748	1,614
	<u>23,342</u>	<u>15,787</u>

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

BERJAYA ASSETS BERHAD
(COMPANY NO : 3907-W)

UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2015
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<----- Attributable to the owners of the Parent ----->

	<----- Non - distributable ----->				Distributable			
	Share Capital RM'000	Share Premium RM'000	AFS Reserve RM'000	Foreign Currency Translation Reserve RM'000	Retained Earnings RM'000	Equity Funds RM'000	Non- controlling Interests RM'000	Total Equity RM'000
At 1 July 2015	1,113,042	258,985	25,416	7,178	708,901	2,113,522	416,711	2,530,233
Total comprehensive income	-	-	(1,159)	9,140	11,613	19,594	3,748	23,342
Transactions with owners:								
Non-controlling interests share of dividend	-	-	-	-	-	-	(700)	(700)
At 30 September 2015	<u>1,113,042</u>	<u>258,985</u>	<u>24,257</u>	<u>16,318</u>	<u>720,514</u>	<u>2,133,116</u>	<u>419,759</u>	<u>2,552,875</u>
At 1 July 2014	1,113,042	258,985	46,799	2,329	658,491	2,079,646	418,681	2,498,327
Total comprehensive income	-	-	8,203	(1,166)	7,136	14,173	1,614	15,787
Transactions with owners:								
Non-controlling interests share of dividend	-	-	-	-	-	-	(2,100)	(2,100)
Partial disposal of a subsidiary	-	-	-	-	(40)	(40)	170	130
At 30 September 2014	<u>1,113,042</u>	<u>258,985</u>	<u>55,002</u>	<u>1,163</u>	<u>665,587</u>	<u>2,093,779</u>	<u>418,365</u>	<u>2,512,144</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 30 June 2015.

BERJAYA ASSETS BERHAD
(COMPANY NO : 3907-W)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2015
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	CURRENT QUARTER ENDED	
	30/09/15 RM'000	30/09/14 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from operations	101,335	101,106
Payments for operating expenses (including taxes)	(80,965)	(77,485)
Other receipts/(payments)	4,967	(3,430)
Net cash generated from operating activities	<u>25,337</u>	<u>20,191</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Sales of other investments	1,205	5,497
Sales of properties	7,000	-
Partial disposal of equity interest in a subsidiary	-	130
Acquisition of plant and machinery	(953)	(300)
Acquisition of properties	-	(195,485)
Subscription of RPS in a joint venture	(1,500)	-
Acquisition of investments	-	(1,350)
Interest received	529	823
Dividend received	50	424
Other payments	-	(1,755)
Net cash generated from/(used in) investing activities	<u>6,331</u>	<u>(192,016)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of bank and other borrowings	5,000	175,471
Repayment of borrowings and loans	(15,200)	(5,864)
Dividend paid to non-controlling interests of a subsidiary company	(700)	(2,100)
Interest paid	(7,603)	(6,218)
Payment of hire purchase liabilities	(7)	-
Placements in banks as security pledged for borrowings	(4,563)	-
Other (payments)/receipts	(21)	96
Net cash (used in)/generated from financing activities	<u>(23,094)</u>	<u>161,385</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	8,574	(10,440)
EFFECTS OF EXCHANGE RATE CHANGES	1,400	416
OPENING CASH AND CASH EQUIVALENTS	16,188	116,058
CLOSING CASH AND CASH EQUIVALENTS	<u>26,162</u>	<u>106,034</u>
The closing cash and cash equivalents comprise the following:		
Deposits with licensed banks	77,676	99,882
Cash and bank balances	26,002	13,650
	<u>103,678</u>	<u>113,532</u>
Less:		
Bank overdrafts	(9,707)	(7,498)
Cash and cash equivalent restricted in usage	(67,809)	-
	<u>26,162</u>	<u>106,034</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 30 June 2015.

NOTES:

- A1 The interim financial report is not audited and has been prepared in compliance with Malaysian Financial Reporting Standards (MFRS) 134 - Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of the Company for the year ended 30 June 2015, which were prepared under Malaysian Financial Reporting Standards. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions which are significant for understanding the changes in the financial position and performance of the Company since the year ended 30 June 2015.

The accounting policies and methods of computations used in the preparation of the financial statements are consistent with those adopted in the audited financial statements for the year ended 30 June 2015.

The Group has not early adopted new or revised standards and amendments to standards that have been issued but not yet effective for the accounting period beginning 1 July 2015.

The initial application of the MFRSs, Amendments to MFRSs and IC Interpretations, which will be applied prospectively or which requires extended disclosures, is not expected to have any significant financial impact to the financial statements of the Group upon their first adoption.

- A2 The audit report of the Company's most recent annual audited financial statements did not contain any qualification.
- A3 Our principal business operations are not significantly affected by any seasonal or cyclical factors except for the gaming and recreation businesses that may be favourably impacted by the festive and school holiday seasons respectively.

NOTES (CONTINUED)

A4 a) There were no other unusual items as a result of their nature, size or incidence that had affected the financial statements for the financial quarter ended 30 September 2015 except for the following:

	Current Quarter ended 30/09/15 RM'000
Amortisation of intangible assets	(276)
Impairment in value of AFS quoted investments	(4,398)
Gain on disposal of investment properties	3,934
Gain on disposal of quoted investments	790
	50
	50

b) There were no material changes in estimates of amounts reported in the current financial quarter ended 30 September 2015.

A5 There were no issuance and repayment of debts and equity securities, share buy-back, share cancellation, shares held as treasury shares and resale of treasury shares for the financial year ended 30 September 2015. In addition, none of the outstanding 415,982,348 Warrants 2008/2018 were exercised in the financial period ended 30 September 2015.

A6 The Company did not pay any dividend in the financial quarter ended 30 September 2015. At the Company's Annual General Meeting held on 27 November 2015, the shareholders of the Company approved a single tier final dividend of 1 sen per ordinary share of RM1.00 each in respect of the financial year ended 30 June 2015. The final dividend will be paid on 28 January 2016 and the entitlement date has been fixed on 8 January 2016.

A7 Segmental information for the financial quarter ended 30 September 2015:

	External	Inter - segment	Total
<u>REVENUE</u>	RM '000	RM '000	RM '000
Property development and investment	39,373	-	39,373
Gaming and related activities	49,278	937	50,215
Hotel and recreation	7,680	-	7,680
Elimination : Intersegment revenue	-	(937)	(937)
Total revenue	96,331	-	96,331

NOTES (CONTINUED)

A7 Segmental information for the financial quarter ended 30 September 2015 (Contd.):

<u>RESULTS</u>	RM '000
Property development and investment	22,094
Gaming and related activities	6,923
Hotel and recreation	(2,530)
	<u>26,487</u>
Unallocated corporate expenses	(496)
Profit from operations	<u>25,991</u>
Other income	
- property development and investment	5,014
- gaming and related activities	199
- hotel and recreation	36
- unallocated	7,051
	<u>12,300</u>
	38,291
Other expenses	
- property development and investment	(662)
- gaming and related activities	(4,008)
- unallocated	(4,364)
	<u>(9,034)</u>
	29,257
Share of results after tax from joint ventures	(170)
Finance costs	(11,209)
Profit before tax	<u>17,878</u>
Income tax expense	(2,565)
Profit for the year	<u><u>15,313</u></u>

A8 The valuation of land and buildings have been brought forward without amendment from the previous annual report.

A9 There were no material events subsequent to the end of this current quarter that have not been reflected in the financial statements for this current financial quarter.

NOTES (CONTINUED)

A10 There were no material changes in the composition of the Group for the financial quarter ended 30 September 2015 including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations except for:

- a) the subscription of 1,500 redeemable preference shares ("RPS") of RM0.01 nominal value in TREC Holdings Sdn Bhd ("TREC") at an issue price of RM1,000 per RPS for a total consideration of RM1.50 million by Jernih Wiramas Sdn Bhd, a wholly owned subsidiary of the Company. The principal activity of TREC is property development and investment; and
- b) the acquisition of 100% equity interest comprising 2 ordinary shares of RM1.00 each in Aroma Kiara Sdn Bhd ("AKSB") for a total cash consideration of RM2.00. AKSB is currently dormant and the intended principal activity is investment holding.

A11 There were no material changes in contingent liabilities or contingent assets since the last audited statement of financial position as at 30 June 2015.

A12 The changes in capital commitments since the last audited statement of financial position as at 30 June 2015 are as follows:

	At 30/09/15 RM'000	At 30/06/15 RM'000
Capital expenditure approved and contracted for	27,431	27,431
Proposed RPS subscription in a joint venture	4,650	6,150
	<u>32,081</u>	<u>33,581</u>

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD****B1 For the Quarter**

The Group registered a revenue of RM96.3 million and pre-tax profit of RM17.9 million in the current quarter ended 30 September 2015 as compared to a revenue of RM97.3 million and a pre-tax profit of RM9.8 million reported in the previous year corresponding quarter. The lower Group revenue was mainly due to the gaming business segment operated by Natural Avenue Sdn Bhd ("NASB") which was impacted by rampant illegal gaming activities that resulted in an 11% drop in revenue. These were partly mitigated by higher rental income from property development and investment business segment and the hotel and recreation business segment arising from higher occupancy rates.

The Group pre-tax profit for the current quarter under review was higher than the previous year corresponding quarter mainly due to property development and investment business segment reporting higher profit contribution due to higher revenue registered. NASB also reported higher profit contribution due to lower prize payout. In addition, the Group recognised a gain on foreign exchange amounting to RM2.1 million.

B2 First Quarter vs Preceding Fourth Quarter

For the current quarter under review, the Group registered a revenue of RM96.3 million which was lower compared to the revenue of RM101.0 million in the preceding quarter ended 30 June 2015. The current quarter's pre-tax profit of RM17.9 million was lower than the pre-tax profit of RM24.8 million reported for the preceding quarter.

NASB reported lower revenue due to the similar factor mentioned in Note B1 in the quarter under review as compared to the preceding quarter. The property development and investment business segment also reported lower revenue due to lower rental income. These were partly mitigated by higher income from the theme park arising from higher ticket sales.

The Group reported lower pre-tax profit in the current quarter under review mainly due to lower profit contribution from property development and investment business segment. These were partly mitigated by higher profit contribution from NASB arising from lower prize payout. In addition, the Group recognised favourable fair value changes of investment properties amounting to RM5.6 million and certain one-off other income in the preceding quarter.

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)**
B3 Future Prospects

The implementation of the Goods and Services Tax in April 2015 and the falling crude oil prices as well as the lacklustre performance of the tourism industry and the weakening Ringgit Malaysia may have an impact on the Malaysian economy. Despite the aforesaid, the Directors expect the property investment and hotel and related businesses operated by BTSSB Group and the gaming business operated by NASB to maintain its occupancy rates and market share respectively going forward. The Directors envisage that the operating performance of the Group for the remaining quarters in financial year ending 30 June 2016 will be challenging.

B4 There is no profit forecast or profit guarantee for the financial quarter ended 30 September 2015.

B5 The income tax expense for the financial quarter ended 30 September 2015 are detailed as follows:

	Current Quarter ended 30/09/15 RM'000
Malaysian taxation:	
Current period provision	2,636
Over provision in prior years	(28)
Deferred tax	(43)
	<u>2,565</u>

The disproportionate tax charge of the Group for the financial year ended 30 September 2015 was mainly due to certain income not being subjected to income tax and availability of unused tax losses and unabsorbed capital allowances.

B6 Other than the outstanding proposals below, the Company does not have any other outstanding corporate proposals at the date of this announcement.

As disclosed in Note 44 in the Company's audited financial statements for the financial year ended 30 June 2013, BWSB had entered into a conditional sale and purchase agreement for the proposed acquisition by BWSB from Kelana Megah Sdn Bhd ("KMSB") of its intended lease interest in a parcel of vacant land measuring about 4.285 acres held under Lot No. PTB 20379, Bandar Johor Bahru, Daerah Johor Bahru, Negeri Johor for a cash consideration of RM27.99 million ("KMSB SPA").

The conditions precedent stipulated in the KMSB SPA are still pending.

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)**

B7 The Group borrowings as at 30 September 2015 are as follows:

Secured:	RM'000
Short term bank borrowings	
- Denominated in Ringgit Malaysia	217,144
- Denominated in GBP (£4,125,000)	27,770
	244,914
Long term bank borrowings	
- Denominated in Ringgit Malaysia	120,207
- Denominated in GBP (£28,875,000)	194,387
	314,594
Senior bonds	158,978
Total borrowings	718,486

B8 There was no pending material litigation since the date of the last audited statement of financial position to the date of this announcement.

B9 The Board does not recommend any dividend in the current quarter (previous year ended 30 September 2014 : Nil).

B10 The earnings per share is calculated by dividing profit attributable to owners of the Parent by the weighted average number of ordinary shares in issue:

	<u>Current Quarter Ended</u>			
	30/09/2015	30/09/2014	30/09/2015	30/09/2014
	RM'000	RM'000	Sen	Sen
Profit for the quarter	11,613	7,136		
Weighted average number of ordinary shares ('000)	1,113,042	1,113,042		
Basic earnings per share			1.04	0.64

No diluted earnings per share is presented for the current financial quarter ended 30 September 2015 as the computation based on the outstanding warrants would have an antidilutive effect.

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)**

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

	Current Quarter ended 30/09/2015 RM'000
Interest income	(571)
Dividend income	(50)
Other income excluding dividend and interest income	(523)
Fair value gain on investment properties	-
Gain on disposal of investment properties	(3,934)
Depreciation of property, plant and equipment	2,932
Amortisation of intangible assets	276
Impairment loss on receivables	1,386
Gain on disposal of AFS quoted investments	(790)
Impairment in value of AFS quoted investments	4,398
Provision for and write off of inventories	N/A
Foreign exchange gain	(2,075)
Gain or loss on derivatives	<u>N/A</u>

N/A denotes Not Applicable

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

	As at 30/09/2015 RM'000	As at 30/06/2015 RM'000
Total retained earnings of the Company and its subsidiaries:		
- realised	547,413	525,857
- unrealised	<u>784,745</u>	<u>786,359</u>
	1,332,158	1,312,216
Less: Consolidation adjustments	<u>(611,644)</u>	<u>(603,315)</u>
Total group retained earnings as per financial statements	<u>720,514</u>	<u>708,901</u>

cc: Securities Commission