

Berjaya Sports Toto Berhad

(Company no: 9109-K)

Date: 16 December 2016

Subject: **UNAUDITED QUARTERLY (Q2) FINANCIAL REPORT FOR
THE PERIOD ENDED 31 OCTOBER 2016**

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UNAUDITED QUARTERLY (Q2) FINANCIAL REPORT FOR THE PERIOD ENDED 31 OCTOBER 2016
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Group	
	31-10-2016	30-4-2016
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	213,368	217,226
Other investments	75,282	86,394
Investment properties	99,576	99,576
Investment in associated companies	47,407	44,231
Deferred tax assets	37,794	43,484
Intangible assets	767,157	777,803
	1,240,584	1,268,714
Current assets		
Inventories	406,387	467,013
Receivables	411,778	370,474
Tax recoverable	6,234	4,713
Deposits, cash and bank balances	370,029	533,462
	1,194,428	1,375,662
TOTAL ASSETS	2,435,012	2,644,376
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital (par value per share : RM0.10)	135,103	135,103
Capital reserve	285,306	21,327
Exchange reserve	101,139	85,129
Available-For-Sale reserve	(10,891)	3,991
Retained earnings	267,004	531,412
Equity funds	777,661	776,962
Less : Treasury shares	(10,061)	(10,061)
Net equity funds	767,600	766,901
Non-controlling interests	65,594	73,956
Total equity	833,194	840,857
Non-current liabilities		
Retirement benefit obligations	3,204	3,385
Borrowings	501,786	695,000
Deferred tax liabilities	4,601	4,907
Other long term liability	1,054	1,283
	510,645	704,575
Current liabilities		
Provisions	2,372	1,418
Borrowings	277,547	135,978
Payables	806,279	958,255
Tax payable	4,975	3,293
Total current liabilities	1,091,173	1,098,944
Total liabilities	1,601,818	1,803,519
TOTAL EQUITY AND LIABILITIES	2,435,012	2,644,376
Net assets per share (RM)	0.57	0.57

Note:

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

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

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

UNAUDITED QUARTERLY (Q2) FINANCIAL REPORT FOR THE PERIOD ENDED 31 OCTOBER 2016
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	3 months ended			6 months ended		
	31-10-2016 RM'000	Restated 31-10-2015 RM'000	+/-<-> %	31-10-2016 RM'000	Restated 31-10-2015 RM'000	+/-<-> %
REVENUE	1,454,808	1,428,981	1.8	2,890,415	2,756,054	4.9
PROFIT FROM OPERATIONS	112,070	121,436	(7.7)	214,232	239,650	(10.6)
Investment related income	5,826	3,975	46.6	11,651	8,549	36.3
Investment related expenses	(7,003)	(1,509)	364.1	(8,578)	(1,568)	447.1
Finance costs	(12,527)	(11,491)	9.0	(25,308)	(22,989)	10.1
Share of results of associated companies	(2,984)	2,520	N/A	(214)	4,272	N/A
PROFIT BEFORE TAX	95,382	114,931	(17.0)	191,783	227,914	(15.9)
TAXATION	(31,316)	(41,942)	(25.3)	(66,337)	(77,306)	(14.2)
PROFIT FOR THE PERIOD	64,066	72,989	(12.2)	125,446	150,608	(16.7)
PROFIT ATTRIBUTABLE TO:						
Owners of the parent	62,148	70,649	(12.0)	120,889	143,116	(15.5)
Non-controlling interests	1,918	2,340	(18.0)	4,557	7,492	(39.2)
	64,066	72,989	(12.2)	125,446	150,608	(16.7)
EARNINGS PER SHARE (SEN)						
-Basic	4.61	5.27		8.97	10.66	
-Diluted	4.61	5.27		8.97	10.66	
DIVIDEND PER SHARE (SEN)						
- First interim	-	-		4.00	2.50	
- First interim - Share dividend	-	-		-	2.50	
- Second interim	4.00	5.00		4.00	5.00	

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

UNAUDITED QUARTERLY (Q2) FINANCIAL REPORT FOR THE PERIOD ENDED 31 OCTOBER 2016
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	3 months ended			6 months ended		
	31-10-2016 RM'000	31-10-2015 RM'000	+/<-> %	31-10-2016 RM'000	31-10-2015 RM'000	+/<-> %
PROFIT AFTER TAXATION	64,066	72,989	(12.2)	125,446	150,608	(16.7)
OTHER COMPREHENSIVE INCOME:						
<u>Items that may be reclassified</u> <u>subsequently to profit or loss</u>						
Net changes on available-for-sale ("AFS") financial assets						
- Changes in fair value of AFS investments	(2,686)	(16,783)	(84.0)	(16,813)	(22,444)	(25.1)
- Disposal of AFS investments transferred to profit or loss	-	1,069	(100.0)	-	1,069	(100.0)
- Effects of foreign exchange differences	(1,447)	67,725	N/A	5,022	104,377	(95.2)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	59,933	125,000	(52.1)	113,655	233,610	(51.3)
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:						
Owners of the parent	63,885	127,203	(49.8)	122,017	232,298	(47.5)
Non-controlling interests	(3,952)	(2,203)	79.4	(8,362)	1,312	(737.3)
	59,933	125,000	(52.1)	113,655	233,610	(51.3)

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

UNAUDITED QUARTERLY (Q2) FINANCIAL REPORT FOR THE PERIOD ENDED 31 OCTOBER 2016
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the parent							
	Share capital RM'000	Treasury shares RM'000	Reserves			Total to owners of parent company RM'000	Non- controlling interests RM'000	Total equity RM'000
			Non-distributable		Distributable			
			AFS reserve RM'000	Other reserves RM'000	Retained earnings RM'000			
At 1 May 2016	135,103	(10,061)	3,991	106,456	531,412	766,901	73,956	840,857
Total comprehensive income for the period	-	-	(14,882)	16,010	120,889	122,017	(8,362)	113,655
Transferred from distributable earnings to capital reserve arising from a subsidiary company's bonus issue of shares	-	-	-	263,979	(263,979)	-	-	-
	135,103	(10,061)	(10,891)	386,445	388,322	888,918	65,594	954,512
Transactions with owners:								
Distribution of dividends	-	-	-	-	(121,318)	(121,318)	-	(121,318)
	-	-	-	-	(121,318)	(121,318)	-	(121,318)
At 31 October 2016	135,103	(10,061)	(10,891)	386,445	267,004	767,600	65,594	833,194
At 1 May 2015	135,103	(24,712)	15,560	81,127	477,419	684,497	71,070	755,567
Total comprehensive income for the period	-	-	(18,774)	107,956	143,116	232,298	1,312	233,610
	135,103	(24,712)	(3,214)	189,083	620,535	916,795	72,382	989,177
Transactions with owners:								
Distribution of dividends	-	-	-	-	(100,708)	(100,708)	-	(100,708)
Purchase of treasury shares	-	(15,028)	-	-	-	(15,028)	-	(15,028)
Distribution of treasury shares as share dividend	-	32,902	-	-	(32,902)	-	-	-
	-	17,874	-	-	(133,610)	(115,736)	-	(115,736)
At 31 October 2015	135,103	(6,838)	(3,214)	189,083	486,925	801,059	72,382	873,441

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

UNAUDITED QUARTERLY (Q2) FINANCIAL REPORT FOR THE PERIOD ENDED 31 OCTOBER 2016
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	6 months ended 31-10-2016 RM'000	6 months ended 31-10-2015 RM'000
OPERATING ACTIVITIES		
Receipts from customers	2,991,786	2,925,654
Payments to prize winners, suppliers, duties, taxes and other operating expenses	(2,927,633)	(2,749,602)
Other receipts	39	31
Net cash generated from operating activities	64,192	176,083
INVESTING ACTIVITIES		
Net proceeds from disposal of property, plant and equipment	1,314	337
Net proceeds from disposal of long term investments	-	1,815
Acquisition of investment in associated company	(10,183)	-
Acquisition of property, plant and equipment	(19,395)	(25,078)
Acquisition/improvement cost of investment properties	-	(2,805)
Acquisition of investments	(2,235)	(1,736)
Dividend received	833	810
Interest received	6,702	5,681
Other receipts arising from investments	218	215
Other payments from investing activities	(9,009)	(52,706)
Net cash used in investing activities	(31,755)	(73,467)
FINANCING ACTIVITIES		
Drawdown of borrowings	64,347	244,655
Repayment of borrowings	(115,992)	(200,000)
Payment of hire purchase liabilities	(329)	(277)
Treasury shares acquired	-	(15,028)
Dividends paid to shareholders of the Company	(121,503)	(101,271)
Dividends paid to non-controlling interests of a subsidiary company	-	(56)
Interest paid	(25,999)	(23,201)
Net cash used in financing activities	(199,476)	(95,178)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(167,039)	7,438
CASH & CASH EQUIVALENTS AT 1 MAY	530,453	427,299
Effects of exchange rate changes	3,872	26,291
CASH & CASH EQUIVALENTS AT 31 OCTOBER	367,286	461,028
	6 months ended 31-10-2016 RM'000	6 months ended 31-10-2015 RM'000
Cash and cash equivalents carried forward comprise the following:		
Cash and bank balances	105,570	176,362
Deposits with financial institutions	264,459	288,130
	370,029	464,492
Less : Cash and cash equivalents restricted for use		
- Deposits with financial institutions	(2,743)	(3,464)
	367,286	461,028

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

UNAUDITED QUARTERLY (Q2) FINANCIAL REPORT FOR THE PERIOD ENDED 31 OCTOBER 2016
NOTES TO THE QUARTERLY FINANCIAL REPORT

A1 The quarterly financial report is not audited and has been prepared in compliance with MFRS 134, Interim Financial Reporting Standards in Malaysia, International Accounting Standards 34 - Interim Financial Reporting and applicable disclosure provision of the Listing Requirements of Bursa Malaysia Securities Berhad.

The condensed consolidated interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 April 2016. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions which are significant for understanding the changes in the financial position and performance of the Group since the financial year ended 30 April 2016.

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 financial year ended 30 April 2016.

The Group has not early adopted new or revised standards and amendments to standards that have been issued but not yet effective for the accounting period beginning 1 May 2016.

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 impacts to the financial statements of the Group upon their first adoption.

A2 Our business operations are not significantly affected by seasonal or cyclical factors except for our toto betting operations that may be positively impacted by the festive seasons.

A3 (a) There were no other unusual items as a result of their nature, size or incidence that had affected assets, liabilities, equity, net income or cash flows for the quarter ended 31 October 2016 other than as disclosed below:

(i) Transfer of distributable retained earnings to capital reserve arising from a foreign subsidiary company's bonus issue of shares as disclosed in the consolidated statement of changes in equity; and

(ii) Recognised directly in statement of profit or loss:

Included under investment related expenses

	Current Quarter RM'000	Financial period ended 31 October 2016 RM'000
Loss on deemed partial disposal arising from dilution of equity interest in an associated company as disclosed in A8 (ii)	7,003	8,578
	7,003	8,578

(b) There were no changes in estimates reported in the prior financial year that had a material effect in the current quarter ended 31 October 2016.

- A4 The cumulative shares bought back are being held as treasury shares with none of the shares being cancelled or resold during the second quarter ended 31 October 2016.

The number of treasury shares held in hand as at 31 October 2016 were as follows:

	Average price per share (RM)	Number of shares	Amount RM'000
Total treasury shares as at 31 October 2016	3.29	3,057,772	10,061

As at 31 October 2016, the number of outstanding shares in issue and fully paid with voting rights was 1,347,972,300 ordinary shares of RM0.10 each (31 October 2015 : 1,349,046,061 ordinary shares of RM0.10 each).

- A5 During the financial period ended 31 October 2016, the Company paid the following dividends:
- (i) Fourth interim single tier dividend on 9 August 2016, in respect of financial year ended 30 April 2016, of 5 sen per share on 1,347,972,300 ordinary shares with voting rights amounting to RM67,399,000; and
 - (ii) First interim single tier dividend on 18 October 2016, in respect of financial year ending 30 April 2017, of 4 sen per share on 1,347,972,300 ordinary shares with voting rights amounting to RM53,919,000.

- A6 Segmental revenue and results for the financial period ended 31 October 2016 were as follows:

<u>REVENUE</u>	External	Inter-segment	Total
	RM'000	RM'000	RM'000
Toto betting and leasing of lottery equipment	1,592,851	-	1,592,851
Motor dealership	1,213,596	-	1,213,596
Others	83,968	3,493	87,461
Elimination : Intersegment Revenue	-	(3,493)	(3,493)
Total revenue	<u>2,890,415</u>	<u>-</u>	<u>2,890,415</u>

RESULTS

Toto betting and leasing of lottery equipment	210,978
Motor dealership	17,418
Others	<u>(5,922)</u>
	222,474
Unallocated corporate expenses	<u>(8,242)</u>
Profit from operations	214,232
Finance costs	(25,308)
Interest income	10,819
Investment related income	832
Investment related expenses	(8,578)
Share of results of associated companies	<u>(214)</u>
Profit before tax	191,783
Taxation	<u>(66,337)</u>
Profit for the period	<u>125,446</u>

- A7 There were no material subsequent events for the financial period ended 31 October 2016 up to the date of this announcement except as disclosed below:
- (i) On 9 December 2016, Berjaya Philippines Inc. ("BPI"), an indirect subsidiary of the Company listed on the Philippine Stock Exchange ("PSE") released an announcement to PSE that it had on 8 December 2016 executed a Share Sale Agreement to purchase from Bentley Motors Limited 6,589,934 shares of H.R. Owen Plc ("H.R. Owen"), an existing subsidiary company of BPI for a total consideration of £14.8 million (equivalent to RM82.6 million), or £2.25 per share ("Share Purchase"). Completion of the aforesaid Share Purchase is within 6 months, or not later than 8 June 2017. Upon the completion of the Share Purchase, BPI will increase its equity interests in H.R. Owen from 72.03% to 98.38%.
- A8 There were no changes in the composition of the Group for the current quarter ended 31 October 2016 including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations other than as disclosed below:
- (i) On 6 May 2016, BPI completed the subscription of 42,500 new ordinary shares in Neptune Properties Inc. ("Neptune") for a total consideration of Peso82.3 million (equivalent to RM7.1 million), representing 41.5% equity interests in Neptune;
 - (ii) the deemed partial disposal in July 2016 arising from the dilution of the BPI's equity interest in an associated company, Bermaz Auto Philippines Inc. (formerly known as Berjaya Auto Philippines Inc.) ("B.Auto Philippines") from 35% to 33.25% following B.Auto Philippines enlarged its issued and paid up share capital from Peso209.0 million to Peso220.0 million arising from new placement of shares. On 18 August 2016, BPI's equity interest in B. Auto Philippines has further diluted from 33.25% to 25.48% following B.Auto Philippines further enlarged its issued and paid up share capital from Peso220.0 million to Peso287.1 million through additional new placement of shares. Subsequently on 15 September 2016, B.Auto Philippines issued stock dividend amounting to Peso623.0 million to its existing shareholders via issuance of B.Auto Philippines shares and its issued and paid up share capital has further increased to Peso910.1 million while BPI's equity interest in B.Auto Philippines remains unchanged, at 25.48%; and
 - (iii) On 5 August 2016, BPI completed the subscription of 40,000 new ordinary shares in Berjaya Pizza Philippines Inc. ("B. Pizza Philippines") for a total consideration of Peso35.0 million (equivalent to RM3.0 million) and the equity interests in B. Pizza Philippines increased from 41.43% to 45.76%.
- A9 There were no changes in contingent liabilities or financial guarantee since the last annual reporting date as at 30 April 2016.
- A10 There were no material changes in capital commitments since the last annual reporting date as at 30 April 2016.

**UNAUDITED QUARTERLY (Q2) FINANCIAL REPORT FOR THE PERIOD ENDED 31 OCTOBER 2016
ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS
OF BURSA MALAYSIA SECURITIES BERHAD**

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

The revenue from toto betting is presented net of gaming tax and Malaysia Goods and Services Tax ("GST") on gaming supply. In the previous year corresponding quarter ended 31 October 2015, the revenue from toto betting was recognised based on ticket sales net of gaming tax but inclusive of GST which was classified under cost of sales and this has been adjusted and reclassified to conform with current presentation.

Review of Results for the quarter

As compared to the previous year corresponding quarter ended 31 October 2015, the Group recorded an increase in revenue of 1.8% whilst pre-tax profit dropped by 17.0%. The increase in revenue in the current quarter was mainly attributed to the contribution from H.R. Owen Plc ("H.R. Owen"), as well as International Lottery & Totalizator Systems, Inc. ("ILTS") arising from recognition of substantial project contract sales in the current quarter under review. The higher revenue achieved was partly offset by lower revenue reported by Sports Toto Malaysia Sdn Bhd ("Sports Toto") and Philippine Gaming Management Corporation ("PGMC"). Pre-tax profit for the current quarter was lower mainly due to lower results reported by Sports Toto and PGMC coupled with higher investment related expenses incurred as disclosed in Note A3 but mitigated by the improved performance of H.R. Owen as well as ILTS in the current quarter.

Sports Toto, the principal subsidiary, recorded a drop in revenue and pre-tax profit of 6.2% and 22.2% respectively as compared to the previous year corresponding quarter. The drop in revenue was mainly due to the previous year corresponding quarter achieving strong sales from high jackpot in the 4D Jackpot game. The higher percentage drop in pre-tax profit was mainly due to higher prize payout and operating expenses incurred in the current quarter under review.

As compared to the previous year corresponding quarter, PGMC registered a drop in revenue and pre-tax profit of 11.8% and 19.5% respectively mainly due to lower lease rental income earned as a result of lower sales reported by the Philippine Charity Sweepstakes Office ("PCSO") in the current quarter under review.

H.R. Owen registered an increase in revenue to RM587.5 million from RM562.3 million as compared to previous year corresponding quarter. Its pre-tax profit increased to RM5.1 million as compared to RM1.9 million reported in the previous year corresponding quarter. The improved results was mainly due to higher revenue boosted by higher sales volume of new cars coupled with certain new models available for sale during the current quarter under review. However, the aforesaid positive results was partly set off by unfavourable foreign exchange effect in conversion to Ringgit Malaysia (reporting currency of the Berjaya Sports Toto Berhad's Group) in the current quarter under review.

For the 6-month period

For the 6-month period under review, the Group reported higher revenue of 4.9% whilst pre-tax profit dropped by 15.9% as compared to the previous year corresponding period. The increase in revenue in the current period was mainly attributed to the higher revenue reported by H.R. Owen and the recognition of substantial project contract sales for ILTS had contributed to the higher revenue attained by the Group in the current period under review. The drop in pre-tax profit was mainly due to the results of Sports Toto and PGMC as explained in the ensuing paragraphs coupled with the higher investment related expenses incurred as disclosed in Note A3 while mitigated by improved results reported by ILTS in the current period under review.

As compared to the previous year corresponding period, Sports Toto reported a drop in revenue and pre-tax profit of 1.6% and 8.8% respectively. The decrease in pre-tax profit was mainly due to higher prize payout and operating expenses incurred in the current period under review.

PGMC reported lower revenue and pre-tax profit of 4.5% and 9.9% respectively as compared to previous year corresponding period mainly due to lower lease rental income earned from PCSO.

H.R. Owen (in its functional currency, Great Britain Pound), registered an increase in revenue and pre-tax profit as compared to previous year corresponding period mainly due to higher revenue boosted by higher sales volume of new cars coupled with certain new models available for sale during the current period under review. The improved performance of H.R. Owen was partly offset by the unfavourable foreign exchange effect in conversion into Ringgit Malaysia in the current period. With that, it reported an increase in revenue to RM1.2 billion from RM1.1 billion but pre-tax profit decreased to RM12.0 million from RM12.8 million.

B2 Review of 2nd Quarter's Results Vs 1st Quarter's Results of financial year ending 30 April 2017

As compared to the preceding quarter ended 31 July 2016, the Group recorded an increase in revenue of 1.3% mainly attributed to higher revenue contributed by ILTS upon its recognition of substantial project contract sales in the current quarter but partly offset by lower revenue reported by H.R. Owen. The Group registered a decrease in pre-tax profit of 1.1% mainly due to lower pre-tax profit reported by Sports Toto, PGMC and H.R. Owen as well as higher investment related expenses incurred as disclosed in Note A3 but mitigated by improved results reported by ILTS in the current quarter under review.

Sports Toto recorded a drop in revenue and pre-tax profit of 0.2% and 11.7% respectively mainly due to strong sales from high jackpot in the 4D Jackpot game in the preceding quarter. The higher percentage drop in pre-tax profit was mainly due to higher prize payout and operating expenses incurred in the current quarter under review.

PGMC registered a drop in revenue and pre-tax profit of 12.1% and 23.9% respectively as compared to the preceding quarter mainly due to lower lease rental income earned as a result of lower sales reported by PCSO.

H.R. Owen recorded a decrease in revenue to RM587.5 million from RM626.1 million as compared to preceding quarter and pre-tax profit decreased to RM5.1 million as compared to RM6.9 million reported in the preceding quarter. This was mainly due to lower sales achieved as well as the unfavourable foreign exchange effect in conversion to Ringgit Malaysia in the current quarter under review.

B3 Future Prospects

The volatility of the global economic environment, weaker consumer sentiments and rising costs that affect consumer spending power as well as intense competition from the illegal gaming activities continue to pose challenges to the businesses of the Group. With this, the Directors expect the NFO business to be challenging for the remaining quarters of the financial year ending 30 April 2017. In spite of the above, the Directors expect the Group to maintain its market share in the NFO business.

On the operation of H.R. Owen, there is no immediate material or noticeable impact on the luxury vehicles market resulting from the uncertainties of Brexit as at to-date. However, the Directors remain cautious of the impact, that may arise from the Brexit uncertainties, on the motor dealership segment performance for the remaining quarters of the financial year ending 30 April 2017.

B4 There was no profit forecast or profit guarantee given by the Group for the financial period ended 31 October 2016.

B5 Taxation

	Current quarter RM'000	Current period ended 31 October 2016 RM'000
Based on the results for the quarter:		
- Malaysian income tax	20,920	46,859
- Foreign countries income tax	5,351	12,790
Deferred tax:		
- Origination and reversal of temporary differences	5,045	6,688
	31,316	66,337

The effective tax rate on the Group's profit for the quarter and financial period ended 31 October 2016 was higher than the statutory tax rate mainly due to certain expenses being disallowed for taxation purposes and profits in certain subsidiary companies are separately assessed for tax and not relieved by losses in other companies within the Group.

B6 There were no other corporate proposals announced but not completed as at the date of this announcement.

B7 The Group's borrowings as at 31 October 2016 were as follows:

		At end of current quarter RM'000
<u>Long term borrowings</u>		
Secured	Foreign currency amount	
Denominated in	'000	
- Ringgit Malaysia (Medium Term Notes)		490,000
- Great Britain Pound	2,300 *	11,786
		501,786
<u>Short term borrowings</u>		
Secured		
Denominated in		
- Ringgit Malaysia (Medium Term Notes)		255,000
- Great Britain Pound	4,400 *	22,547
		277,547
Total bank borrowings		779,333

* Converted at the respective exchange rate prevailing as at 31 October 2016

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

B9 The Board has declared a second interim single tier dividend of 4 sen per share (previous year corresponding quarter ended 31 October 2015 : second interim single tier dividend of 5 sen per share) in respect of the financial year ending 30 April 2017 and payable on 25 January 2017. The entitlement date has been fixed on 9 January 2017.

The first interim dividend single tier dividend of 4 sen per share was paid on 18 October 2016. This will bring the total dividend distribution per share in respect of financial year ending 30 April 2017 to 8 sen per share (previous year corresponding financial period ended 31 October 2015 : cash dividend of 7.5 sen per share and share dividend equivalent to 2.5 sen per share).

Based on the number of RM0.10 fully paid ordinary shares in issue and with voting rights as at 15 December 2016 of 1.348 billion, the second interim dividend distribution for the financial year ending 30 April 2017 will amount to RM53.9 million. The total dividend distribution for the financial period ended 31 October 2016 is approximately RM107.8 million, **representing about 89.2% of the attributable profit of the Group for the financial period ended 31 October 2016.**

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

	Group (3-month period)	
	31-10-16	31-10-15
Profit attributable to equity holders of the Company (RM'000)	62,148	70,649
Weighted average number of shares with voting rights ('000)	1,347,972	1,341,377
Basic earnings per share (sen)	4.61	5.27
	Group (6-month period)	
	31-10-16	31-10-15
Profit attributable to equity holders of the Company (RM'000)	120,889	143,116
Weighted average number of shares with voting rights ('000)	1,347,972	1,342,885
Basic earnings per share (sen)	8.97	10.66

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

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

	Current quarter RM'000	Financial period ended 31 October 2016 RM'000
Interest income	(5,187)	(10,819)
Dividend income included in investment related income	(639)	(832)
Other income excluding dividend and interest income	(586)	(824)
Depreciation of property, plant and equipment	7,304	14,654
Impairment in value of available-for-sale quoted and unquoted investments	-	-
Foreign exchange (gain) / loss	3,917	12,887
Provision for and write off of receivables	46	46
Provision for and write off/(write back) of inventories	1,765	2,363
Loss on deemed partial disposal arising from dilution of equity interest in an associated company	7,003	8,578
(Gain)/loss on disposal of quoted or unquoted investment or properties	-	-
Gain or loss on derivatives	-	-
	<u> </u>	<u> </u>

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

	As at 31-10-16 RM'000	As at 30-4-16 RM'000
Total retained earnings of the Company and its subsidiaries:		
- realised	498,828	762,916
- unrealised	74,742	49,850
	<u>573,570</u>	<u>812,766</u>
Share of results from associated companies	3,730	3,944
Less: Consolidation adjustments	(310,296)	(285,298)
Total group retained earnings as per consolidated accounts	<u>267,004</u>	<u>531,412</u>

cc: Securities Commission