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Announcement of Final Results for the Year Ended 30 June 2013

FINANCIAL HIGHLIGHTS			
	2013	2012	<i>Increase/ (Decrease)</i>
	HK\$'M	HK\$'M	
Turnover	24,140	21,493	12%
Revenue	17,030	12,757	33%
Profit/(loss) from operations before finance costs	7,578	(1,077)	N/A
Profit/(loss) attributable to shareholders of the Company	6,296	(1,294)	N/A
	HK\$	HK\$	
Earnings/(loss) per share	19.37	(3.98)	N/A
Dividend per share : Interim	-	0.50	
Declared special interim dividend in specie	(Note) 4.87	-	
Proposed final	1.50	1.70	
Total	6.37	2.20	190%
Note: Please refer Note 7 - Dividends			
Equity per share attributable to shareholders of the Company	153.65	134.32	14%

RESULTS

The consolidated results of Guoco Group Limited (the “Company”) and its subsidiaries (the “Group”) for the financial year ended 30 June 2013 together with comparative figures for the previous year are as follows:

CONSOLIDATED INCOME STATEMENT

	Note	2013 HK\$'000	2012 HK\$'000
Turnover	2 & 3	<u>24,140,457</u>	<u>21,492,748</u>
Revenue	2 & 3	17,029,907	12,756,613
Cost of sales		(8,840,890)	(6,770,679)
Other attributable costs		(251,576)	(224,183)
		<u>7,937,441</u>	<u>5,761,751</u>
Other revenue		795,010	613,806
Other net income/(losses)	4	4,109,467	(2,880,848)
Administrative and other operating expenses		(5,264,362)	(4,571,771)
Profit/(loss) from operations before finance costs		<u>7,577,556</u>	<u>(1,077,062)</u>
Finance costs	2(b) & 5(a)	(1,179,429)	(800,567)
Profit/(loss) from operations	2	6,398,127	(1,877,629)
Valuation surplus on investment properties		221,798	24,803
Share of profits of associates	5(c)	987,495	760,236
Share of profits less losses of jointly controlled entities	5(c)	68,392	37,414
Profit/(loss) for the year before taxation	2 & 5	<u>7,675,812</u>	<u>(1,055,176)</u>
Tax expenses	6	(774,152)	(167,162)
Profit/(loss) for the year		<u>6,901,660</u>	<u>(1,222,338)</u>
Attributable to:			
Shareholders of the Company		6,296,389	(1,293,754)
Non-controlling interests		605,271	71,416
Profit/(loss) for the year		<u>6,901,660</u>	<u>(1,222,338)</u>
Appropriations:			
Final dividend paid in respect of prior year	7	(553,029)	(712,530)
Interim dividend paid in respect of current year	7	-	(162,252)
		<u>(553,029)</u>	<u>(874,782)</u>
Earnings/(loss) per share		HK\$	HK\$
Basic	8	<u>19.37</u>	<u>(3.98)</u>
Diluted	8	<u>19.37</u>	<u>(3.98)</u>
		HK\$'000	HK\$'000
Declared special interim dividend	7	<u>(1,602,477)</u>	-
Proposed final dividend	7	<u>(493,577)</u>	<u>(559,387)</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2013 HK\$'000	2012 HK\$'000
Profit/(loss) for the year	<u>6,901,660</u>	<u>(1,222,338)</u>
Other comprehensive income for the year (after tax and reclassification adjustments)		
Items that will not be reclassified to profit or loss:		
Actuarial gains/(losses) on defined benefit obligation	<u>49,791</u>	<u>(92,450)</u>
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of financial statements of foreign subsidiaries, associates and jointly controlled entities	69,144	(676,341)
Exchange differences on monetary items forming part of the net investments in foreign subsidiaries and associates	87,039	88,300
Changes in fair value of available-for-sale financial assets	382,224	(1,450,639)
Transfer to profit or loss:		
- disposal of available-for-sale financial assets	6,454	(724,784)
- impairment loss of an available-for-sale financial asset	-	78,815
Release of valuation reserve upon disposal of properties	(303)	(279)
Share of other comprehensive income of associates	<u>333,155</u>	<u>(4,320)</u>
	<u>877,713</u>	<u>(2,689,248)</u>
Other comprehensive income for the year, net of tax	<u>927,504</u>	<u>(2,781,698)</u>
Total comprehensive income for the year	<u>7,829,164</u>	<u>(4,004,036)</u>
Total comprehensive income for the year attributable to:		
Shareholders of the Company	6,989,925	(3,682,913)
Non-controlling interests	<u>839,239</u>	<u>(321,123)</u>
	<u>7,829,164</u>	<u>(4,004,036)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	2013 HK\$'000	2012 HK\$'000
NON-CURRENT ASSETS			
Fixed assets			
- Investment properties		12,978,189	11,780,345
- Other property, plant and equipment		14,160,170	14,335,456
Interest in associates		6,351,462	5,335,474
Interest in jointly controlled entities		860,283	872,673
Available-for-sale financial assets		12,239,563	11,553,905
Deferred tax assets		30,228	182,402
Intangible assets		9,077,698	7,446,019
Goodwill		1,226,940	529,089
		<u>56,924,533</u>	<u>52,035,363</u>
CURRENT ASSETS			
Development properties		30,847,421	32,323,125
Properties held for sale		3,776,677	1,596,480
Trade and other receivables	9	4,599,115	3,064,096
Trading financial assets		11,820,487	9,512,333
Cash and short term funds		16,079,428	8,800,090
		<u>67,123,128</u>	<u>55,296,124</u>
CURRENT LIABILITIES			
Trade and other payables	10	8,107,664	5,920,110
Current portion of bank loans and other borrowings		13,891,258	14,968,759
Taxation		1,283,867	1,025,463
Provisions and other liabilities		234,131	85,563
		<u>23,516,920</u>	<u>21,999,895</u>
NET CURRENT ASSETS		<u>43,606,208</u>	<u>33,296,229</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>100,530,741</u>	<u>85,331,592</u>
NON-CURRENT LIABILITIES			
Non-current portion of bank loans and other borrowings		36,175,962	28,880,715
Amount due to non-controlling interests		806,955	723,365
Provisions and other liabilities		643,884	727,669
Deferred tax liabilities		418,821	232,148
		<u>38,045,622</u>	<u>30,563,897</u>
NET ASSETS		<u>62,485,119</u>	<u>54,767,695</u>
CAPITAL AND RESERVES			
Share capital		1,276,195	1,276,039
Reserves		49,282,030	42,922,092
Equity attributable to shareholders of the Company		50,558,225	44,198,131
Non-controlling interests		11,926,894	10,569,564
TOTAL EQUITY		<u>62,485,119</u>	<u>54,767,695</u>

Notes:

1. ACCOUNTING POLICIES AND BASIS OF PREPARATION

(a) Statement of compliance

Although not required to do so under the Bye-Laws of the Company, these financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The HKICPA has issued certain revised HKFRSs and amendments to HKFRSs, which term collectively includes HKASs and Interpretations, that became effective for the current accounting period of the Group. The adoption of the revised standards, amendments and interpretations had no material impact on the results and financial position of the Group. In addition, the Amendments to HKAS 1, Presentation of Financial Statements - Presentation of Items of Other Comprehensive Income have been effective from 1 July 2012. The Amendments require an entity to present the items of other comprehensive income that may be reclassified to profit or loss in the future if certain conditions are met, separately from those that would never be reclassified to profit or loss. This change in presentation has no effect on reported profit or loss, total income and expenses or net assets for any period presented.

The Group has not applied any new/revised standard or interpretation that is not yet effective for the current accounting period.

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 30 June 2013 comprise the Company and its subsidiaries and the Group's interests in associates and jointly controlled entities.

The measurement basis used in the preparation of the financial statements is the historical cost modified by the revaluation of investment properties and the marking to market of certain financial instruments.

The preparation of financial statements in conformity with HKFRSs requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

2. SEGMENT REPORTING

In a manner consistent with the way in which information is reported internally to the Group's senior executive management for the purposes of resource allocation and performance assessment, the Group has six reportable segments, as described below, which are the Group's strategic business units. The strategic business units engage in different business activities, offer different products and services and are managed separately. The following summary describes the operations in each segment:

Segment	Business activities	Operated by
Principal investment:	This segment covers equity and direct investments as well as treasury operations, with trading and strategic investments in global capital markets.	Subsidiaries
Property development and investment:	This segment involves development of residential and commercial properties and holding properties for rental income in the key geographical markets of Singapore, China, Malaysia, Vietnam and Hong Kong.	Subsidiaries
Hospitality and leisure business:	This business segment owns, leases or manages hotels and operates gaming business in the United Kingdom, Spain and Belgium.	Subsidiaries
Securities, commodities and brokerage:	This segment provides stock and commodities broking and corporate advisory services principally in Hong Kong.	Subsidiaries
Oil and gas:	This segment receives royalty income from the entitlement of Bass Strait oil trust in Australia.	Subsidiary
Financial services:	This segment covers commercial and consumer banking, Islamic banking, investment banking, life and general insurance, Takaful insurance, fund management and unit trust, corporate advisory services and stockbroking.	Associate

Performance is evaluated on the basis of profit or loss from operations before taxation. Inter-segment pricing is determined on an arm's length basis. The Group's measurement methods used to determine reported segment profit or loss remain unchanged from the financial year 2011/12.

2. SEGMENT REPORTING (cont'd)

Information regarding the Group's reportable segments for the purposes of resource allocation and assessment of segment performance for the year is set out below.

(a) Reportable segment revenue and profit or loss, assets and liabilities

	Principal investment HK\$'000	Property development and investment HK\$'000	Hospitality and leisure business HK\$'000	Securities, commodities and brokerage HK\$'000	Oil and gas HK\$'000	Financial services HK\$'000	Total HK\$'000
Segment revenue and profit or loss							
For the year ended 30 June 2013							
Turnover	8,014,217	5,511,889	10,567,709	46,642	-	-	24,140,457
Revenue from external customers	903,667	5,511,889	10,567,709	46,642	-	-	17,029,907
Inter-segment revenue	26,583	8,199	-	2,358	-	-	37,140
Reportable segment revenue	930,250	5,520,088	10,567,709	49,000	-	-	17,067,047
Operating profit/(loss)	4,668,562	1,996,717	623,879	(520)	311,304	-	7,599,942
Finance costs	(278,586)	(541,339)	(376,918)	(1,854)	(3,118)	-	(1,201,815)
Valuation surplus on investment properties	-	221,798	-	-	-	-	221,798
Share of profits of associates	-	39,009	-	-	-	948,486	987,495
Share of profits less losses of jointly controlled entities	-	68,392	-	-	-	-	68,392
Profit/(loss) before taxation	4,389,976	1,784,577	246,961	(2,374)	308,186	948,486	7,675,812
Segment assets and liabilities							
As at 30 June 2013							
Reportable segment assets	33,683,927	55,834,680	25,426,969	992,498	897,842	-	116,835,916
Interest in associates	-	275,281	-	-	-	6,076,181	6,351,462
Interest in jointly controlled entities	-	860,283	-	-	-	-	860,283
Total assets	33,683,927	56,970,244	25,426,969	992,498	897,842	6,076,181	124,047,661
Reportable segment liabilities	11,940,368	37,879,418	11,238,370	503,533	853	-	61,562,542

2. SEGMENT REPORTING (cont'd)

(a) Reportable segment revenue and profit or loss, assets and liabilities (cont'd)

	Principal investment HK\$'000	Property development and investment HK\$'000	Hospitality and leisure business HK\$'000	Securities, commodities and brokerage HK\$'000	Oil and gas HK\$'000	Financial services HK\$'000	Total HK\$'000
Segment revenue and profit or loss							
For the year ended 30 June 2012							
Turnover	9,577,381	1,678,568	10,182,058	54,741	-	-	21,492,748
Revenue from external customers	841,246	1,678,568	10,182,058	54,741	-	-	12,756,613
Inter-segment revenue	10,145	7,531	-	7,097	-	-	24,773
Reportable segment revenue	851,391	1,686,099	10,182,058	61,838	-	-	12,781,386
Operating (loss)/profit	(2,154,831)	(313,988)	1,013,333	5,266	381,309	-	(1,068,911)
Finance costs	(123,621)	(342,211)	(342,475)	(411)	-	-	(808,718)
Valuation surplus on investment properties	-	24,803	-	-	-	-	24,803
Share of profits of associates	-	22,290	-	-	-	737,946	760,236
Share of profits less losses of jointly controlled entities	-	37,414	-	-	-	-	37,414
(Loss)/profit before taxation	(2,278,452)	(571,692)	670,858	4,855	381,309	737,946	(1,055,176)
Segment assets and liabilities							
As at 30 June 2012							
Reportable segment assets	24,469,637	51,961,636	23,346,559	308,365	1,037,143	-	101,123,340
Interest in associates	-	309,350	-	-	-	5,026,124	5,335,474
Interest in jointly controlled entities	-	872,673	-	-	-	-	872,673
Total assets	24,469,637	53,143,659	23,346,559	308,365	1,037,143	5,026,124	107,331,487
Reportable segment liabilities	8,473,778	35,931,255	8,112,379	44,712	1,668	-	52,563,792

2. SEGMENT REPORTING (cont'd)

(b) Reconciliations of reportable segment revenue and finance costs

Revenue

	2013 HK\$'000	2012 HK\$'000
Reportable segment revenue	17,067,047	12,781,386
Elimination of inter-segment revenue	<u>(37,140)</u>	<u>(24,773)</u>
Consolidated revenue (note 3)	<u>17,029,907</u>	<u>12,756,613</u>

Finance costs

	2013 HK\$'000	2012 HK\$'000
Reportable finance costs	(1,201,815)	(808,718)
Elimination of inter-segment finance costs	<u>22,386</u>	<u>8,151</u>
Consolidated finance costs (note 5 (a))	<u>(1,179,429)</u>	<u>(800,567)</u>

2. SEGMENT REPORTING (cont'd)

(c) Geographical information

The following table illustrates the geographical location of the Group's revenue from external customers, profit/(loss) from operations, the Group's total assets and non-current assets other than financial instruments and deferred tax assets ("specified non-current assets"). The geographical information is classified by reference to the location of the income generating entities.

	Revenue from external customers		Profit/(loss) from operations	
	2013 HK\$'000	2012 HK\$'000	2013 HK\$'000	2012 HK\$'000
The People's Republic of China				
Hong Kong	957,864	906,155	4,395,771	(2,207,656)
Mainland China	108,797	277,031	(556,566)	(340,738)
United Kingdom and Continental Europe	10,289,737	9,896,310	523,561	676,287
Singapore	5,022,520	1,415,652	(Note) 1,643,216	(341,738)
Australasia and others	650,989	261,465	392,145	336,216
	17,029,907	12,756,613	6,398,127	(1,877,629)
	Segment assets		Specified non-current assets	
	2013 HK\$'000	2012 HK\$'000	2013 HK\$'000	2012 HK\$'000
The People's Republic of China				
Hong Kong	34,524,043	24,726,813	414,446	397,402
Mainland China	26,549,013	24,394,762	1,426,669	1,116,897
United Kingdom and Continental Europe	23,101,154	20,952,801	21,015,095	18,829,800
Singapore	25,663,699	24,145,730	12,404,209	11,269,336
Australasia and others	14,209,752	13,111,381	9,394,323	8,685,621
	124,047,661	107,331,487	44,654,742	40,299,056

Note:

In accordance with applicable Hong Kong Financial Reporting Standards, at Group level we have recognised revenue arising from the sale of properties upon completion of development projects instead of the percentage of completion method adopted by GuocoLand Limited ("GuocoLand") for residential projects under progressive payment schemes in Singapore.

GuocoLand has adopted the Singapore Interpretation of Financial Reporting Standard No. 115 Agreements for the Construction of Real Estate and the accompanying practice note issued specifically in the context of the sale of development properties in Singapore. Consequently, GuocoLand continues to adopt the percentage of completion method of revenue recognition for residential projects under progressive payment schemes in Singapore. For residential projects under deferred payment schemes in Singapore and overseas, the revenue and expenses are accounted for under the completion of construction method.

2. SEGMENT REPORTING (cont'd)

(c) Geographical information (cont'd)

Accordingly, operating profits of GuocoLand for the year amounting to HK\$202.5 million (2012: HK\$1.1 billion) in Singapore have been deferred for recognition in the Group accounts. The Group has recognised operating profits of GuocoLand of HK\$1.4 billion (2012: HK\$38.8 million) which have been deferred in previous years in Singapore. Up to 30 June 2013, accumulated operating profits of GuocoLand totalling HK\$503.4 million (2012: HK\$1.7 billion) in Singapore have been deferred for recognition, and will be recognised by the Group upon completion of the relevant development projects in subsequent years.

3. TURNOVER AND REVENUE

The principal activity of the Company is investment holding. The principal activities of the subsidiaries which materially affected the results or assets of the Group during the year include principal investment, property development and investment, securities and commodities broking, investment advisory and hotel and gaming operations.

An analysis of the amount of each significant category of turnover and revenue from principal activities during the year is as follows:

	2013	2012
	HK\$'000	HK\$'000
Revenue from sale of properties	5,298,701	1,470,571
Revenue from hotel and gaming operations	10,505,158	10,077,564
Interest income		
- from listed securities	25,768	1,745
- others	177,398	180,440
Dividend income from listed securities	820,646	817,847
Rental income from properties	133,107	124,745
Securities commission and brokerage	27,925	38,213
Others	41,204	45,488
Revenue	17,029,907	12,756,613
Proceeds from sale of investments in securities	7,110,550	8,736,135
Turnover	24,140,457	21,492,748

4. OTHER NET INCOME/(LOSSES)

	2013 HK\$'000	2012 HK\$'000
Net realised and unrealised gains/(losses) on trading financial assets	3,969,255	(2,983,381)
Net realised and unrealised gains/(losses) on derivative financial instruments	19,485	(52,616)
Net realised gains on disposal of available-for-sale financial assets	44,462	488,983
Impairment loss on an available-for-sale financial asset	-	(457,781)
Net gains on foreign exchange contracts	41,840	105,224
Other exchange (losses)/gains	(5,779)	8,842
Net losses on disposal of fixed assets	(6,764)	(3,529)
Gain on disposal of associates	24,349	-
Other income	22,619	13,410
	<u>4,109,467</u>	<u>(2,880,848)</u>

5. PROFIT/(LOSS) FOR THE YEAR BEFORE TAXATION

Profit/(loss) for the year before taxation is arrived at after charging/(crediting):

(a) Finance costs

	2013 HK\$'000	2012 HK\$'000
Interest on bank advances and other borrowings wholly repayable within five years	1,667,068	1,222,260
Other borrowing costs	182,525	306,907
Total borrowing costs	<u>1,849,593</u>	<u>1,529,167</u>
Less: borrowing costs capitalised into:		
- development properties	(409,528)	(522,597)
- investment properties	(233,270)	(179,703)
- property, plant and equipment	(27,366)	(26,300)
Total borrowing costs capitalised (Note)	<u>(670,164)</u>	<u>(728,600)</u>
	<u>1,179,429</u>	<u>800,567</u>

Note: These borrowing costs have been capitalised at rates of 1.11% to 7.57% per annum (2012: 0.85% to 7.36%).

(b) Staff cost

	2013 HK\$'000	2012 HK\$'000
Contributions to defined contribution retirement plan	66,879	52,375
Expenses recognised in respect of defined benefit retirement plans	7,640	3,676
Total retirement costs	<u>74,519</u>	<u>56,051</u>
Equity settled share-based payment forfeited	(19,229)	(52,236)
Salaries, wages and other benefits	3,481,097	3,335,000
	<u>3,536,387</u>	<u>3,338,815</u>

5. PROFIT/(LOSS) FOR THE YEAR BEFORE TAXATION (cont'd)

(c) Other items

	2013 HK\$'000	2012 HK\$'000
Depreciation	679,527	663,304
Provision/(write-back) of allowance for foreseeable losses on development properties	14,901	(58,898)
Impairment loss on intangible assets	19,757	140,978
Impairment loss on goodwill	225,482	-
Amortisation		
- Bass Strait oil and gas royalty	34,130	34,529
- casino licences and brand name	8,439	74,154
- other intangible assets	60,790	-
Operating lease charges		
- properties	520,830	478,931
- others	69,028	91,682
Auditors' remuneration		
- audit services	17,391	14,077
- tax services	2,125	3,746
- other services	1,939	5,972
Donations	5,849	5,576
	<u>(133,107)</u>	<u>(124,745)</u>
Gross rental income from investment properties		
Less: direct outgoings	<u>39,917</u>	<u>52,817</u>
Net rental income	<u>(93,190)</u>	<u>(71,928)</u>
Share of (profits)/losses of associates:		
- listed	(987,906)	(761,113)
- unlisted	411	877
	<u>(987,495)</u>	<u>(760,236)</u>
Share of profits less losses of jointly controlled entities:		
- unlisted	<u>(68,392)</u>	<u>(37,414)</u>

6. TAX EXPENSES

Tax expenses in the consolidated income statement represent:

	2013 HK\$'000	2012 HK\$'000
Current tax - Hong Kong Profits Tax		
Tax for the year	(1,528)	(70)
Over/(under)-provision in respect of prior years	<u>9,681</u>	<u>(6,709)</u>
	<u>8,153</u>	<u>(6,779)</u>
Current tax - Overseas		
Tax for the year	(836,168)	(524,807)
Over/(under)-provision in respect of prior years	<u>164,452</u>	<u>(41,308)</u>
	<u>(671,716)</u>	<u>(566,115)</u>
Deferred tax		
Origination and reversal of temporary differences	(105,849)	446,714
Utilisation of deferred tax asset in relation to tax losses	(4,631)	(35,848)
Effect of changes in tax rate on deferred tax balances	<u>(109)</u>	<u>(5,134)</u>
	<u>(110,589)</u>	<u>405,732</u>
	<u>(774,152)</u>	<u>(167,162)</u>

The provision for Hong Kong Profits Tax is calculated at 16.5% (2012: 16.5%) of the estimated assessable profits for the year ended 30 June 2013. Taxation for overseas subsidiaries is similarly charged at the appropriate current rates of taxation ruling in the relevant countries.

7. DIVIDENDS

	2013 HK\$'000	2012 HK\$'000
Year 2011/2012:		
Final dividend paid of HK\$1.70 per ordinary share (Year 2010/2011: HK\$2.20 per ordinary share)	553,029	712,530
Year 2012/2013:		
No interim dividend paid during the year ended 30 June 2013 (Year 2011/2012: HK\$0.50 per ordinary share)	-	162,252
	<u>553,029</u>	<u>874,782</u>
Year 2012/2013:		
(a) Declared special interim dividend in specie on ordinary shares (Year 2011/2012: Nil)	1,602,477	-
(b) Proposed final dividend of HK\$1.50 per ordinary share (Year 2011/2012: HK\$1.70 per ordinary share)	<u>493,577</u>	<u>559,387</u>
	<u>2,096,054</u>	<u>559,387</u>

- (a) On 3 July 2013, the Company declared a special interim dividend in respect of the financial year ended 30 June 2013 to be effected by way of a distribution in specie of approximately 88.84 million shares representing approximately 22.74% of the issued share capital of The Rank Group Plc ("Rank"), at a basis of 0.27 Rank share for every one ordinary share in the Company.

7. DIVIDENDS (cont'd)

Based on the closing price of GBp153.5 per Rank share as at 2 July 2013, this would represent a value of approximately HK\$4.87 dividend per ordinary share. The special interim dividend in specie declared of approximately HK\$1,602,477,000 is calculated based on 329,051,373 ordinary shares of the Company in issue as at 30 June 2013. This amount will be subsequently revised in the consolidated and company's financial statements based on the closing price of Rank share and the exchange rate on the settlement date on or about 5 September 2013. After the distribution, the Group's ownership in Rank would decrease from 74.5% to approximately 51.76%.

- (b) The final dividend proposed for the year ended 30 June 2013 of HK\$493,577,000 (2012: HK\$559,387,000) is calculated based on 329,051,373 ordinary shares (2012: 329,051,373 ordinary shares) in issue as at 30 June 2013.

The special interim dividend in specie declared and final dividend proposed after the end of the reporting period have not been recognised as liabilities at the end of the reporting period in the accounts.

8. EARNINGS/(LOSS) PER SHARE

(a) Basic earnings/(loss) per share

The calculation of basic earnings/(loss) per share is based on the profit attributable to shareholders of the Company of HK\$6,296,389,000 (2012: loss of HK\$1,293,754,000) and the weighted average number of 325,024,511 ordinary shares (2012: 325,024,511 ordinary shares) in issue during the year.

(b) Diluted earnings/(loss) per share

For the year ended 30 June 2013 and 2012, the diluted earnings/(loss) per share equalled the basic earnings/(loss) per share as there was no dilutive potential ordinary share outstanding during the year.

9. TRADE AND OTHER RECEIVABLES

	2013	2012
	HK\$'000	HK\$'000
Trade debtors	2,350,946	1,692,388
Accrued receivables for sales consideration not yet billed on completed development properties	717,838	-
Deposits and prepayments	1,431,122	1,324,684
Derivative financial instruments, at fair value	92,368	14,682
Interest receivables	6,841	32,342
	<u>4,599,115</u>	<u>3,064,096</u>

Included in trade and other receivables is HK\$65.9 million (2012: HK\$64.4 million) which is expected to be recovered after one year.

9. TRADE AND OTHER RECEIVABLES (cont'd)

As of the end of reporting period, the ageing analysis of trade debtors (which are included in trade and other receivables), based on the invoice date and net of allowance for doubtful debts, is as follows:

	2013 HK\$'000	2012 HK\$'000
Within 1 month	2,317,833	1,666,647
1 to 3 months	16,382	13,441
More than 3 months	16,731	12,300
	<u>2,350,946</u>	<u>1,692,388</u>

10. TRADE AND OTHER PAYABLES

	2013 HK\$'000	2012 HK\$'000
Trade creditors	1,409,582	892,690
Other payables and accrued operating expenses	6,473,662	4,821,021
Derivative financial instruments, at fair value	94,385	154,272
Amounts due to fellow subsidiaries	127,413	49,459
Amounts due to associates	272	302
Amounts due to jointly controlled entities	2,350	2,366
	<u>8,107,664</u>	<u>5,920,110</u>

Included in trade and other payables is HK\$923.8 million (2012: HK\$421.1 million) which is expected to be payable after one year.

As of the end of the reporting period, the ageing analysis of trade creditors (which are included in trade and other payables), based on the invoice date, is as follows:

	2013 HK\$'000	2012 HK\$'000
Within 1 month	1,218,586	783,868
1 to 3 months	116,841	34,661
More than 3 months	74,155	74,161
	<u>1,409,582</u>	<u>892,690</u>

The amounts due to fellow subsidiaries, associates and jointly controlled entities are unsecured, interest free and have no fixed repayment terms.

11. HONG KONG DOLLAR AMOUNTS

The audited consolidated financial statements of the Group are expressed in the United States dollars ("USD"), which are the functional currency of the Company. The Hong Kong dollar ("HKD") figures presented in the sections entitled "FINANCIAL HIGHLIGHTS" and "RESULTS" above are the HKD equivalents of the corresponding USD figures in the audited consolidated financial statements, which are translated at the rates ruling at the respective financial year ends for presentation purposes only (2013: US\$1 = HK\$7.7568, 2012: US\$1 = HK\$7.75585).

DIVIDEND

The Directors will recommend to the shareholders for approval at the forthcoming annual general meeting a final dividend of HK\$1.50 per share, totalling HK\$493.6 million payable for the financial year ended 30 June 2013. Subject to shareholders' approval at the forthcoming annual general meeting of the Company to be held on 19 November 2013, the final dividend will be payable on 5 December 2013 to the shareholders whose names appear on the Register of Members of the Company on 26 November 2013.

REVIEW OF OPERATIONS

Financial Results

The Group registered a high operating profit of HK\$6.4 billion for the financial year 2012/13 arising from substantial contributions from Principal Investment, and, to a lesser extent, from Property Development and Investment, and Hospitality and Leisure. In terms of consolidated profit attributable to shareholders, after taxation and non-controlling interests, the Group achieved HK\$6.3 billion for the year, compared with a loss of HK\$1.3 billion for the previous year.

For the year ended 30 June 2013, the principal investment division posted a net operating profit of HK\$4.7 billion mainly from trading financial assets.

Profits (before taxation) were also generated from the following sources:

- property development and investment of HK\$2.0 billion, including release of operating profits which have been deferred in previous years of HK\$1.4 billion;
- contributions from associates and jointly controlled entities of HK\$1.1 billion;
- hospitality and leisure business of HK\$623.9 million;
- oil and gas royalty of HK\$311.3 million;

and were set off by finance costs in the sum of HK\$1.2 billion.

Revenue increased by 33% to HK\$17.0 billion. The increase was mainly attributable to the increase in revenue derived from the property development and investment sector in the sum of HK\$3.8 billion.

Principal Investment

Global stocks enjoyed double-digit gains on average in the twelve months to June 2013 with developed markets taking the lead but there was sharp divergence in emerging market performance. Our investment approach continued to focus on strategic opportunities with attractive fundamental value. During the year, we allocated more resources in identifying and analyzing long-term cycle trends in markets as well as sectors that are expected to generate substantial returns over time. At the same time, after severe under-performance by a number of markets such as China, we aimed to follow their developments closely so as to be able to timely position for the eventual recovery.

Volatile market conditions have been challenging, reducing the positive contribution that Treasury team made in managing currency exposures relative to the year before. The team has further extended the research, analytics and risk management support to the Group's operating companies to enhance the overall performance of the Group.

Property Development and Investment

GuocoLand Limited ("GuocoLand")

GuocoLand ended the year 30 June 2013 with a profit before tax of S\$98.5 million, an increase of 2% as compared to S\$96.7 million in the previous year.

Revenue achieved for current year was S\$677.4 million, on par with last year but gross profit declined by 29%. Gross profit declined mainly due to additional construction costs for Goodwood Residence and Sophia Residence in the current year as a result of higher estimated completion costs arising from default by the main contractor which is under judicial management.

Other income increased by S\$81.5 million in the current year as compared to that of the previous year. This was largely due to the fair value gain recognised for the investment properties and income recognised from a customer's deposit for the purchase of certain units in Goodwood Residence.

Higher borrowings and lower capitalisation of interest expenses during the current year resulted in increase in finance costs by S\$31.1 million. Tax expenses of S\$55.0 million in current year were higher than previous year by S\$22.8 million primarily because of withholding tax expenses arising from GuocoLand's internal restructuring to streamline its equity holdings in China.

Shareholders' equity attributable to equity holders of GuocoLand was S\$2.65 billion as at 30 June 2013, an increase of 10% from 30 June 2012. The increase was principally due to the issuance of S\$200 million in aggregate principal of 4.7% senior perpetual securities by the GuocoLand group in May 2013.

Singapore

GuocoLand (Singapore) Pte. Ltd. ("GuocoLand Singapore") continues to be the main contributor of GuocoLand's revenue and profit for the year ended 30 June 2013. Revenue and profit from operating activities of GuocoLand Singapore increased marginally by 5% and 1% respectively as compared to the previous year.

Sentiment for luxury residential properties in Singapore remains cautious. The series of government cooling measures since 2010, including the recent introduction of a total debt servicing ratio framework for all property loans, have dampened overall residential property sales.

China

Revenue from GuocoLand (China) Limited decreased by 63% mainly due to fewer projects completed for the year ended 30 June 2013 as compared to the previous year.

In China, despite central government's controls on the market and slowing of economic growth, the real estate sector showed strength and solid housing demand in the first half of 2013.

In August 2013, GuocoLand disposed of its entire interests in its wholly owned subsidiary group which held a land parcel of approximately 296,000 square metres located in the Xuanwu District, Nanjing. This disposal will generate a net profit of approximately S\$81 million for GuocoLand group in the financial year 2013/14.

The business environment in GuocoLand's key markets continues to be challenging. In view of the present uncertainties, GuocoLand will continue to focus on strong execution of its current projects. It will remain vigilant on costs and be alert to opportunities to add value to its portfolio.

Hospitality and Leisure Business

GuocoLeisure Limited (“GuocoLeisure”)

GuocoLeisure recorded a profit after tax for the year ended 30 June 2013 at US\$43.6 million, a decrease of 43.4% as compared to US\$77.0 million in the previous year. Stripping away the one-off items realised in the previous year from the resolution of a royalty settlement dispute and write back of deferred tax as a result of two UK hotel properties' internal restructuring, as well as a compensation from hotel lease termination received in the current year, profit after tax recorded a normalised decrease of 12.2% relative to the previous year.

Revenue increased by 2.8% to US\$380.3 million mainly due to higher revenue generated from the hotel segment during the 2012 Summer Olympics. Whilst the revenues of the hotel operations showed a growth of 4.5%, volatility in the gaming sector affected overall revenue performance.

Bass Strait oil and gas royalties decreased by 16.9% to US\$44.6 million due to lower average crude oil prices and low oil production compared to the previous year. In addition, a one-off royalty distribution of US\$5.5 million arising from the resolution of a royalty entitlement dispute was received in the previous year.

Shareholders' equity attributable to owners of GuocoLeisure as at 30 June 2013 decreased by 1.1% to US\$1.107 billion from US\$1.119 billion as at 30 June 2012, principally due to the net effect of earnings generated during the year offset with net foreign exchange translation losses arising from translation of GBP- and AUD-denominated net assets into USD, and dividend payment during the year.

Following the 2012 Olympics, London hotels are experiencing a drop in demand which, combined with the need to absorb a significant increase in new supply pre-Olympics, will present challenges to hoteliers in 2013 and 2014. The appointment of a new CEO for GuocoLeisure's hospitality business and the rebranding plans for the hotels is expected to help its UK based business to weather the current economic cycle.

The Rank Group Plc (“Rank”)

Rank registered an increase in its profit after taxation (before exceptional items and discontinued operations) for the year ended 30 June 2013 by 2% to GBP48.1 million.

For the year ended 30 June 2013, Rank’s revenue from continuing operations grew by 7.0% to GBP625.0 million, partly due to taxes on gaming machines moving from a sales tax to gaming duty from 1 February 2013. The gaming duty effectively grosses up revenue but has no material impact on overall profitability.

Operating profit before exceptional items of GBP69.9 million was marginally up in the current year. The Grosvenor Casinos brand delivered a strong increase in operating profit (including the contribution generated from the acquisition of Gala Casinos) but Mecca’s profits were adversely impacted by reduced frequency of customer visits to venues and increased digital marketing costs on customer acquisition. Despite the continuing Eurozone difficulties, Enracha, Rank’s casino operation in Spain, delivered an improved performance with reduced losses in its fledgling online business.

Exceptional items totalling GBP15.5 million comprised costs associated with the Gala Casinos acquisition, losses on the disposal of the loss-making online sportsbook operation (Blue Square Bet), provisions for indirect and direct taxation matters as well as impairment and onerous lease adjustments associated with the venue businesses.

The Grosvenor Casinos brand has grown its customer base across both channels however only digital contributed positively to the increase in customer visits. Total spend per visit rose in the twelve-month period by 7% driven principally by major player activity in the London venues.

The growth in venues customers for Mecca came from the under-35 age group, which grew by 6% in the period. Digital spend per visit declined as more customers migrated to the mobile platform where the variety of games on offer is currently limited and consequently dwell time is shorter.

Shareholders’ equity of Rank as at 30 June 2013 increased by 6.1% to GBP241.9 million from GBP228.0 million as at 30 June 2012, principally due to Rank’s profit for the year offset by the dividends paid to equity holders of Rank during the year.

Rank remains confident in its long-term prospects and sees good growth opportunities for its expanded casino estate and digital channels.

Financial Services

Hong Leong Financial Group Berhad (“HLFG”)

HLFG recorded a profit before tax of RM2,630.0 million for the year ended 30 June 2013 as compared to RM2,393.7 million in the previous year, with an increase of 10%.

The commercial banking division recorded a higher profit before tax of RM2,392.9 million for the current year as compared to RM2,236.2 million in the previous year, an increase of 7.0%. The increase was due to higher net income and lower other operating expenses coupled with a higher share of profits from the investment in associate, Bank of Chengdu Co., Ltd. This was however offset by higher allowance for impairment

losses on loans, advances and financing coupled with lower write back of impairment losses on financial assets.

The investment banking division recorded a profit before tax of RM67.9 million for the current year as compared to RM51.5 million in the previous year, an increase of 31.8%. This was primarily attributable to higher contributions from the investment banking segment, offset by higher overheads and provisions from the asset management segment.

The insurance division registered a profit before tax of RM183.9 million for the current year as compared to RM208.8 million in the previous year, a decrease of 11.9%. The decrease in profit was principally due to lower net income (higher reserves requirements due to lower interest rates). This was however mitigated by lower overheads and a higher share of profits from the investment in associate, MSIG Insurance (Malaysia) Berhad.

HLFG remains positive that its core businesses will continue to grow at a sustainable pace and believes that it can further strengthen its post-merger franchises and achieve greater cost efficiencies in its enlarged entities with core transformational changes made to the way it operates.

GROUP FINANCIAL COMMENTARY

Capital Management

- The Group's consolidated total equity (including non-controlling interests) as at 30 June 2013 amounted to HK\$62.5 billion, an increase of 14% compared to the total equity as at 30 June 2012.
- The Group's consolidated total equity attributable to shareholders of the Company as at 30 June 2013 amounted to HK\$50.6 billion, an increase of HK\$6.4 billion compared to the previous year.
- The equity-debt ratio as at 30 June 2013 is as follows:

	HK\$'M
Total borrowings	50,067
Less: Cash and short term funds	(16,079)
Marketable securities	<u>(11,820)</u>
Net debt	<u><u>22,168</u></u>
Equity attributable to shareholders of the Company	<u><u>50,558</u></u>
Equity-debt ratio	<u><u>70 : 30</u></u>

- The Group's total cash balance and marketable securities were mainly in USD (58%), HKD (11%), SGD (7%), MYR (6%) and JPY (4%).

Total Borrowings

The increase in total borrowings from HK\$43.8 billion as at 30 June 2012 to HK\$50.1 billion as at 30 June 2013 was primarily due to the issuance of US\$500.0 million (approximately HK\$3.9 billion) fixed rate bonds under the Group's medium term note programme in August 2012. The acquisition of the Gala Casinos by Rank was partly financed by new bank loans of GBP140.0 million (approximately HK\$1.7 billion) which also contributed to the increase in total borrowings over last year. The Group's total borrowings are mainly denominated in SGD (54%), USD (20%), GBP (9%) and RMB (7%).

The Group's bank loans and other borrowings are repayable as follows:

	Bank loans	Mortgage debenture stock	Other borrowings	Total
	HK\$'M	HK\$'M	HK\$'M	HK\$'M
Within 1 year or on demand	11,741	-	2,150	13,891
After 1 year but within 2 years	7,733	1,704	3,880	13,317
After 2 years but within 5 years	12,872	-	7,571	20,443
After 5 years	795	693	928	2,416
	<u>21,400</u>	<u>2,397</u>	<u>12,379</u>	<u>36,176</u>
	<u>33,141</u>	<u>2,397</u>	<u>14,529</u>	<u>50,067</u>

Bank loans, mortgage debenture stock and other borrowings are secured by certain properties, fixed assets and trading financial assets with an aggregate book value of HK\$39.5 billion.

Committed borrowing facilities available to Group companies and not yet drawn as at 30 June 2013 amounted to approximately HK\$12.1 billion.

Interest Rate Exposure

The Group's interest rate risk arises from treasury activities and borrowings. The Group manages its interest rate exposure with a focus on reducing the Group's overall cost of debt and exposure to changes in interest rates. The Group uses interest rate swaps to manage its interest rate exposure as appropriate.

As at 30 June 2013, approximately 67% of the Group's borrowings were at floating rates and the remaining 33% were at fixed rates.

Foreign Currency Exposure

The Group from time to time enters into foreign exchange contracts, which are primarily over-the-counter derivatives, principally for hedging foreign currency exposures and investments.

As at 30 June 2013, there were outstanding foreign exchange contracts with a total notional amount of HK\$15.4 billion for hedging of foreign currency equity and bond investments.

Equity Price Exposure

The Group maintains an investment portfolio which comprises listed and unlisted equities. Equity investments are subject to asset allocation limits.

Contingent Liabilities

(a) GuocoLand

In November 2007, GuocoLand (China) Limited (“GLC”), a wholly owned subsidiary of GuocoLand, acquired a 90% equity interest in a company that owns 100% interest in a mixed development property project in Beijing (“DZM Project Company”). Legal disputes between GLC and the vendor of the 90% interest in the DZM Project Company over the title of the equity interest and claims by other parties against DZM Project Company under guarantees purportedly entered into by DZM Project Company are being litigated.

As previously stated, GuocoLand is constantly exploring options and opportunities to manage the litigation and its interest in DZM. GuocoLand has from time to time received proposals from third parties concerning GuocoLand’s interests in DZM and has engaged in discussions with some of them. So far, there is nothing concrete and the outcome is uncertain.

(b) Rank

i) Rank liabilities relating to Fiscal Neutrality Case

In May 2010, Rank received GBP30.8 million (approximately HK\$364.6 million) (VAT of GBP26.4 million (approximately HK\$312.6 million) plus interest of GBP4.4 million (approximately HK\$52.0 million)) relating to a claim for repayment of overpaid VAT on amusement machines. This claim was heard at the European Court of Justice in 2011 but the decision was not conclusive and part of the appeal was referred back to the UK courts. The case was heard at the Upper Tribunal in June 2012 and a number of specific points have been referred back to the First Tier Tribunal for further consideration. Rank agreed with HM Revenue & Customs to delay this hearing until another point of dispute in relation to the claim was heard at the Court of Appeal in May 2013. The result of this hearing is expected by the end of October 2013.

ii) Other VAT and duty

In previous periods Rank has disclosed contingent liabilities in respect of a limited number of VAT and duty issues. During the period an amount of GBP12.2 million (approximately HK\$144.3 million) (plus interest) has been provided to cover the directors’ best estimate of the expected outflow. However, it remains possible that the ultimate resolution of these issues will vary from the amount provided. Rank’s total exposure, including the amount provided, is estimated at approximately GBP29 million (approximately HK\$342.9 million) (plus interest).

HUMAN RESOURCES AND TRAINING

The Group employed approximately 14,990 employees as at 30 June 2013. The Group continued to follow a measured approach towards achieving an optimal and efficient size of its workforce and is committed to providing its staff with ongoing development programmes to enhance productivity and work quality.

The remuneration policy for the Group's employees is reviewed on a regular basis. Remuneration packages are structured to take into account the level and composition of pay and general market conditions in the respective countries and businesses in which the Group operates. Bonus and other merit payments are linked to the financial performance of the Group and individual achievement as incentives to optimise performance. Share options are granted to eligible employees to reward their contribution and foster loyalty towards the Group.

GROUP OUTLOOK

The Group maintains a sanguine view of the market outlook. While the Fed has signalled a need to "taper" its QE approach, the message has been communicated effectively to avoid any surprise to investors. Such a move is expected to be gradual with no disruption to the prevailing low-interest-rate environment. In China, economic growth is slowing down after years of rapid expansion, but is expected to remain at steady levels, because the authorities have the policy tools to stimulate growth to keep the economy on an even keel. At the same time, macro conditions in Japan and Europe are showing signs of improvement or are stabilizing. Taken together, these should provide an improved backdrop for financial markets and asset prices. The Group will continue to monitor the risks associated with its core businesses, and will provide support for the sustainable growth of those businesses.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the year the Company did not redeem any of its listed securities. Neither did the Company nor any of its other subsidiaries purchase or sell any of the Company's listed securities.

CODE ON CORPORATE GOVERNANCE PRACTICES ("CGP Code")

The Board has adopted a Code of Corporate Governance Practices (the "CGP Code"), which is based on the principles set out in Appendix 14 (the "HKEx Code") to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

The Company has complied throughout the year with the HKEx Code, save that non-executive directors are not appointed for a specific term. However, they are subject to retirement by rotation and re-election at the annual general meetings of the Company pursuant to the Bye-Laws of the Company and the CGP Code. As such, the Company considers that such provisions are sufficient to meet the intent of the relevant provisions of the HKEx Code.

REVIEW BY BOARD AUDIT COMMITTEE (“BAC”)

The BAC reviewed the applicable accounting principles and practices adopted by the Company and discussed the auditing, internal controls and financial reporting matters including a review of the annual results of the Company for the year ended 30 June 2013 with the auditors and management.

CLOSURE OF REGISTER OF MEMBERS

For ascertaining shareholders’ right to attend and vote at the forthcoming annual general meeting:

Closure dates of Register of Members (both days inclusive)	15 November 2013 (Friday) to 19 November 2013 (Tuesday)
Latest time to lodge transfers	4:30 p.m. on 14 November 2013 (Thursday)
Record date	19 November 2013 (Tuesday)
Annual General Meeting	19 November 2013 (Tuesday)

For ascertaining shareholders’ entitlement to the proposed final dividend*:

Closure date of Register of Members	26 November 2013 (Tuesday)
Latest time to lodge transfers	4:30 p.m. on 25 November 2013 (Monday)
Record date	26 November 2013 (Tuesday)
Proposed final dividend payment date	5 December 2013 (Thursday)

*(*subject to shareholders’ approval at the annual general meeting)*

During the periods of the closure of Register of Members, no share transfers will be registered. For registration, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s Branch Share Registrars in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong before the relevant latest time to lodge transfers.

As at the date of this announcement, the board of directors of the Company comprises Mr Quek Leng Chan as Executive Chairman; Mr Kwek Leng Hai as President, CEO; Mr Tan Lim Heng as executive director; Mr Kwek Leng San as non-executive director and Mr Volker Stoeckel, Mr Roderic N. A. Sage and Mr David Michael Norman as independent non-executive directors.

By Order of the Board
Stella Lo Sze Man
Company Secretary

Hong Kong, 30 August 2013