

GUOCO GROUP LIMITED
(Incorporated in Bermuda with limited liability)
(Stock Code: 53)

OVERSEAS REGULATORY ANNOUNCEMENT

(This overseas regulatory announcement is issued pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.)

Please refer to the attached announcement on the next page.


The board of directors of Guoco currently comprises Mr. Quek Leng Chan as Executive Chairman; Mr. Kwek Leng Hai as President, CEO; Mr. Tan Lim Heng and Mr. James Eng, Jr. as executive directors; Mr. Kwek Leng San as non-executive director and Mr. Sat Pal Khattar, Mr. Volker Stoeckel and Mr. Ding Wai Chuen as independent non-executive directors.

 Print this page

Full Year * Financial Statement And Dividend Announcement	
* Asterisks denote mandatory information	
Name of Announcer *	GUOCOLEISURE LIMITED
Company Registration No.	EC27568
Announcement submitted on behalf of	GUOCOLEISURE LIMITED
Announcement is submitted with respect to *	GUOCOLEISURE LIMITED
Announcement is submitted by *	Linda Hoon
Designation *	Group Company Secretary
Date & Time of Broadcast	01-Sep-2008 17:41:51
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>> Announcement Details	
The details of the announcement start here ...	
For the Financial Period Ended *	30-06-2008

Attachments

 290808_full_year_announcement_results_and_dividend.pdf
 Total size = **300K**
 (2048K size limit recommended)

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GuocoLeisure Limited

A member of Hong Leong Group
(formerly known as BIL International Limited)

Full Year Financial Statement And Dividend Announcement

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

	Audited		Increase/ (Decrease) %
	12 months ended		
	1 Jul 07 to 30 June 08 US\$m	1 Jul 06 to 30 June 07 US\$m	
Revenue	529.3	422.6	25.2%
Bass Strait oil and gas royalty	44.4	21.4	107.5%
Gain on disposal of investments / assets	3.9	0.1	3,800.0%
Other operating income	26.3	19.1	37.7%
Direct costs of raw materials and consumables	(278.7)	(202.2)	37.8%
Personnel expenses	(145.7)	(129.6)	12.5%
Other operating expenses	(44.9)	(40.4)	11.1%
PROFIT BEFORE DEPRECIATION & AMORTISATION	134.6	91.0	47.9%
Depreciation and impairment	(25.4)	(38.9)	(34.7%)
Amortisation	(6.9)	(6.0)	15.0%
PROFIT BEFORE FINANCING COSTS	102.3	46.1	121.9%
Interest and other financing cost on borrowing	(54.5)	(50.4)	8.1%
Interest income	14.2	12.5	13.6%
Net foreign exchange loss	(3.4)	(3.4)	0.0%
PROFIT BEFORE TAX	58.6	4.8	1,120.8%
Income tax (expense) / benefit	(1.9)	7.8	-
NET PROFIT FOR THE YEAR	56.7	12.6	350.0%

NOTE TO INCOME STATEMENT

	Audited		Increase/ (Decrease) %
	12 months ended		
	1 Jul 07 to 30 June 08 US\$m	1 Jul 06 to 30 June 07 US\$m	
Profit after tax is stated after (charging)/crediting:			
Gain on disposal of investments / assets:			
Gain on disposal of investments	3.7	1.9	94.7%
Gain / (loss) on disposal of hotels, property, plant & equipment	0.2	(1.8)	-
Other operating income:			
Dividend income	0.2	0.3	(33.3%)
Management fees	6.1	5.3	15.1%
Other fees	7.4	3.4	117.6%
Direct costs of raw materials and consumables:			
Write back of provision for doubtful debts	0.4	3.4	(88.2%)
Amortisation :			
Amortisation of Bass Strait oil and gas royalty	(6.9)	(6.0)	15.0%
Income tax (expense) / benefit :			
Adjustment for under provision of tax in respect of prior years	(0.9)	(2.6)	(65.4%)
Write back of deferred tax in respect of prior years due to change in tax rate	-	11.2	(100.0%)

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	GROUP		COMPANY	
	Audited 30 Jun 08 US\$m	Audited 30 Jun 07 US\$m	Audited 30 Jun 08 US\$m	Audited 30 Jun 07 US\$m
ASSETS				
Hotels, property, plant and equipment	1,459.1	1,449.5	-	-
Intangible assets	199.2	188.0	-	-
Investment in subsidiaries	-	-	1,270.7	1,180.8
Other investments	12.1	22.3	-	-
TOTAL NON-CURRENT ASSETS	1,670.4	1,659.8	1,270.7	1,180.8
Inventories	1.1	1.1	-	-
Development properties *	199.9	249.9	-	-
Trade and other receivables	96.6	103.7	0.3	-
Advances to subsidiaries	-	-	423.5	354.1
Cash and cash equivalents	39.6	47.1	-	-
TOTAL CURRENT ASSETS	337.2	401.8	423.8	354.1
TOTAL ASSETS	2,007.6	2,061.6	1,694.5	1,534.9
LESS LIABILITIES				
Loans and borrowings	97.5	183.7	93.0	-
Trade and other payables	95.5	110.0	1.3	0.6
Corporate tax payable	-	0.1	-	-
Provisions	7.8	5.9	0.4	0.5
TOTAL CURRENT LIABILITIES	200.8	299.7	94.7	1.1
Advances from subsidiaries	-	-	470.7	466.7
Loans and borrowings	521.4	533.9	-	-
Provisions	18.6	24.2	-	-
Deferred tax liabilities	137.7	136.7	-	-
TOTAL NON-CURRENT LIABILITIES	677.7	694.8	470.7	466.7
TOTAL LIABILITIES	878.5	994.5	565.4	467.8
NET ASSETS	1,129.1	1,067.1	1,129.1	1,067.1
SHARE CAPITAL AND RESERVES	1,129.1	1,067.1	1,129.1	1,067.1

* Comparatives in the balance sheet have been changed from previous year to conform with current year's presentation.

1(b)(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 30 Jun 2008		As at 30 Jun 2007	
Secured	Unsecured	Secured	Unsecured
US\$m	US\$m	US\$m	US\$m
4.5	93.0	177.7	6.0

Amount repayable after one year

As at 30 Jun 2008		As at 30 Jun 2007	
Secured	Unsecured	Secured	Unsecured
US\$m	US\$m	US\$m	US\$m
521.4	-	533.9	-

Details of any collateral

At 30 June 2008, the Group's borrowings that were repayable in one year or less stood at US\$97.5 million, of which \$93.0 million was unsecured.

The Group's secured borrowings totalled US\$521.4m (2007: US\$667.9m) were secured on three hotels (2007: five hotels) owned by the Group with net book value of US\$756.1m (2007: US\$1,011.9m).

As at 30 June 2008, one hotel with net book value of US\$325.5m (2007: US\$327.2m) was charged as security for a letter of credit facility from a bank with a facility limit of US\$55.2m (2007: US\$65.5m).

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group	
	Audited	
	12 months 1 Jul 07 to 30 Jun 08 US\$m	12 months 1 Jul 06 to 30 Jun 07 US\$m
OPERATING ACTIVITIES		
Profit before financing costs and exchange gain / (loss)	102.3	46.1
Adjustments for non-cash items		
Depreciation of hotel, property, plant and equipment	25.4	38.9
Amortisation Bass Strait oil and gas royalty	6.9	6.0
Other non cash item	1.7	0.7
Provisions (net)	6.4	7.6
Gain on disposal of assets included in investing cash flow	(3.9)	(0.1)
Net change in working capital items		
Inventories	52.5	(35.4)
Trade and other receivables	7.2	(12.1)
Trade and other payables	(14.5)	14.8
Provisions utilised	(10.2)	(15.2)
Income tax paid	(0.3)	(0.1)
Other operating cash flows	(2.5)	(0.1)
Dividend received	0.2	0.3
Repurchase of shares for employee share option scheme	(12.3)	-
CASH FLOWS FROM OPERATING ACTIVITIES	158.9	51.4
INVESTING ACTIVITIES		
Proceeds from sale of plant and equipment	5.3	0.2
Proceeds from sale of investments	5.0	1.9
Proceeds from capital distribution of other investments	7.9	-
Acquisition of hotel, property, plant and equipment	(41.1)	(21.9)
Acquisition of other investments	(0.5)	(0.8)
Acquisition of business operation	-	(60.9)
CASH FLOWS FROM INVESTING ACTIVITIES	(23.4)	(81.5)
FINANCING ACTIVITIES		
Drawdown of short-term borrowings	99.2	192.6
Repayment of short-term borrowings	(194.4)	(45.0)
Interest received	3.5	2.6
Interest paid	(52.2)	(49.6)
Retainer and guarantee fees paid	(1.9)	(0.8)
Realised exchange gains on financial derivatives	2.9	1.1
Dividend paid to shareholders of the Company	-	(30.2)
CASH FLOWS FROM FINANCING ACTIVITIES	(142.9)	70.7
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(7.4)	40.6
Cash and cash equivalents at beginning of the year	47.1	7.1
Effect of exchange rate fluctuations on cash held	(0.1)	(0.6)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	39.6	47.1

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Statement of Changes in Equity – Group

	Share Capital US\$m	Contributed Surplus US\$m	Translation Reserve US\$m	Fair Value Reserve US\$m	Capital Reserve Share Based Payment US\$m	Equity Compensation Reserve US\$m	Reserve for Own Shares US\$m	Retained Earnings US\$m	Total US\$m
Balance at 1 Jul 2007	273.6	654.2	94.1	2.8	(1.6)	2.7	(16.2)	57.5	1,067.1
Net exchange translation difference relating to financial statements of foreign subsidiaries	-	-	18.0	-	-	-	-	-	18.0
Changes in fair value of financial assets and liabilities:									
- available for sale investments	-	-	-	(1.3)	-	-	-	-	(1.3)
Net gains recognised directly in equity	-	-	18.0	(1.3)	-	-	-	-	16.7
Net profit for the year	-	-	-	-	-	-	-	56.7	56.7
Total recognised income and expense for the year	-	-	18.0	(1.3)	-	-	-	56.7	73.4
Value of employee services received for issue of share options	-	-	-	-	-	0.9	-	-	0.9
Purchase of shares for GL Value Creation Incentive Share Scheme	-	-	-	-	-	-	(12.3)	-	(12.3)
Balance at 30 June 2008	273.6	654.2	112.1	1.5	(1.6)	3.6	(28.5)	114.2	1,129.1
Balance at 1 Jul 2006	273.6	654.2	12.6	(4.9)	(1.6)	2.7	(16.2)	75.1	995.5
Net exchange translation difference relating to financial statements of foreign subsidiaries	-	-	81.5	-	-	-	-	-	81.5
Changes in fair value of financial assets and liabilities:									
- available for sale investments	-	-	-	7.7	-	-	-	-	7.7
Net gains recognised directly in equity	-	-	81.5	7.7	-	-	-	-	89.2
Net profit for the year	-	-	-	-	-	-	-	12.6	12.6
Total recognised income and expense for the year	-	-	81.5	7.7	-	-	-	12.6	101.8
First and final dividend of SGD0.035 per share for the year ended 30 June 2006	-	-	-	-	-	-	-	(30.2)	(30.2)
Balance at 30 June 2007	273.6	654.2	94.1	2.8	(1.6)	2.7	(16.2)	57.5	1,067.1

Statement of Changes in Equity – Company

	Share Capital US\$m	Contributed Surplus US\$m	Capital Reserve Share Based Payment US\$m	Equity Compensation Reserve US\$m	Reserve for Own Shares US\$m	Retained Earnings US\$m	Total US\$m
Balance at 1 Jul 2007	273.6	654.2	(1.6)	2.7	(16.2)	154.4	1,067.1
Net profit for the year	-	-	-	-	-	74.3	74.3
Total recognised income and expense for the year	-	-	-	-	-	74.3	74.3
Purchase of shares for GL Value Creation Incentive Share Scheme	-	-	-	-	(12.3)	-	(12.3)
Balance at 30 June 2008	273.6	654.2	(1.6)	2.7	(28.5)	228.7	1,129.1
Balance at 1 Jul 2006	273.6	654.2	(1.6)	2.7	(16.2)	82.8	995.5
Net profit for the year	-	-	-	-	-	101.8	101.8
Total recognised income and expense for the year	-	-	-	-	-	101.8	101.8
First and final dividend of SGD0.035 per share for the year ended 30 June 2006	-	-	-	-	-	(30.2)	(30.2)
Balance at 30 June 2007	273.6	654.2	(1.6)	2.7	(16.2)	154.4	1,067.1

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year

Number of shares (million)	
(a) Issued and fully paid ordinary shares:- Balance at beginning and end of year	1,368.1
(b) Issue of share options:- Balance at beginning year	-
Granted during the year	15.1
Lapsed during the year	(1.0)
Balance at end of year	14.1

	As at 30 Jun 08 million	As at 30 Jun 07 million
No. of shares that would be transferred by the Trust to eligible employees to satisfy the outstanding share options under the Share Option Plan	14.1	-

2. **Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice**

These figures for the year ended 30 June 2008 have been audited by our auditors, KPMG, in accordance with Singapore Standards on Auditing. Please refer to the Auditors' report below.

3. **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter)**

See Appendix 1.

4. **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied**

The same accounting policies as in the Group's audited financial statements for the year ended 30 June 2007 have been consistently applied.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

Not applicable.

6. **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

	Audited	
	12 months	
	1 Jul 07 to 30 Jun 08	1 Jul 06 to 30 Jun 07
Basic earnings per share (US cents)	4.2	0.9
Diluted earnings per share (US cents)	4.2	0.9

Both Basic and Diluted earnings per share for the current and preceding years are calculated based on the weighted average number of shares of 1,340.4 million shares and 1,347.6 million shares respectively.

7. **Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-**
 (a) **current financial period reported on; and**
 (b) **immediately preceding financial year.**

	Audited Full Year 30 Jun 08	Audited Full Year 30 Jun 07
Net assets per share (US cents)		
The Group	84.2	79.2
The Company	84.2	79.2

Net asset value per share is calculated based on the weighted average number of shares of 1,340.4 million and 1,347.6 million ordinary shares in issue during the current and corresponding year respectively.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
 (a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on**

Income Statement

Profit after tax for the latest financial year ended 30 June 2008 was US\$56.7 million compared to US\$12.6 million in the previous financial year. The following factors affected the profit after tax:

Revenue

- For the financial year ended 30 June 2008, revenue amounted to US\$529.3 million which was 25.2% above that of the previous financial year. This was due mainly to revenue growth from the Group's hotel operations, higher revenue from the Group's gaming business as well as improved sales of properties from the Group's operations in Denarau, Fiji.

Bass Strait Oil and Gas royalty

- With the expiry and redemption of the ordinary units in the Bass Strait Oil Trust ("the Trust") in July 2007, the Group has since been entitled to the full royalty distribution from the Trust. This, alongside higher oil and gas prices have contributed to the increase in royalty income for the financial year ended 30 June 2008.

Gain on sale of investment

- The Group recorded a gain on sale of investment of US\$3.5 million in the financial year ended 30 June 2008 due mainly to the sale of one of the Group's investments.

Other operating income

- The increase in other operating income was chiefly attributable to higher management fees and other one-off fees received in the hotel operations, which brought the total other operating income to US\$26.3 million for the financial year ended 30 June 2008 or 37.7% above that of the previous financial year.

Direct costs of raw materials, consumable and services

- The increase in direct costs of raw materials, consumables and services in the financial year ended 30 June 2008 was related mainly to higher cost of sales in the Group's property development and hotel operation.

Personnel expenses

- In the financial year ended 30 June 2008, personnel expenses were higher principally because of higher people related expenses in the hotel operation. In addition, people related expenses in the gaming operation was lower in the previous financial year.

Other Operating expenses

- Other operating expenses were higher for the financial year ended 30 June 2008 mainly due to one off restructuring expenses, higher marketing and promotion expenses in the hotel operations and lower expenses incurred in the gaming operations in the previous financial year. This was partially offset by a write-back in provisions.

Net financing costs

- Higher net financing cost for the financial year ended 30 June 2008 was predominantly attributable to funding of the newly acquired gaming business, which started incurring interest costs towards the end of the second quarter of the previous financial year.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

The Group has not previously released any forecast or prospect statements.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

The prevailing uncertain global economic conditions remain to be relevant factors that may affect the Group's ongoing operational performance. Subject to these and other unforeseen external factors, we are not aware of any known factors that may affect the Group in the next 12 months.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Name of dividend: First and Final

Dividend type: Cash

Dividend rate: S\$0.025 per ordinary share

Par value of shares: US\$0.20

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

(c) Date payable

18 November 2008

The Directors propose, subject to shareholders' approval at the 47th Annual General Meeting to be held on 17 October 2008, a first and final dividend of S\$0.025 per ordinary share to be paid on 18 November 2008.

(d) Books closure date

29 October 2008

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of GL will be closed on 29 October 2008 for the preparation of payment of dividends.

Duly completed instruments of transfers received by the following branch registrars up to 5.00 p.m. on 28 October 2008 will be registered before shareholders' entitlements to the said dividend are determined:-

- (1) **M & C Services Private Limited**
138 Robinson Road
#17-00 The Corporate Office
Singapore 068906

- (2) **Computershare Investor Services Limited**
Level 2, 159 Hurstmere Road
Takapuna, North Shore City 0622
Private Bag 92119
Auckland
New Zealand

Shareholder (being depositors) whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares in the capital of the Company at 5.00 p.m. on 28 October 2008 will be entitled to the dividend.

Payment of the dividend of S\$0.025 per ordinary share will be made on 18 November 2008.

12. If no dividend has been declared/recommended, a statement to that effect

Not applicable.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13. **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year**

30 June 2008

Business Segments	Investment US\$m	Oil and gas US\$m	Property Development US\$m	Hotels US\$m	Gaming US\$m	Total US\$m
Total revenue	-	-	70.0	433.3	26.0	529.3
Bass Strait oil and gas royalty	-	44.4	-	-	-	44.4
Gain on disposal of investments / assets	3.7	-	0.2	-	-	3.9
Other operating income	0.4	-	1.0	23.0	1.9	26.3
Direct costs of raw materials and consumables	-	-	(58.7)	(211.9)	(8.1)	(278.7)
Personnel expenses	(2.6)	-	(5.2)	(122.5)	(15.4)	(145.7)
Operating expenses	4.2	(0.2)	(6.9)	(14.8)	(27.2)	(44.9)
Profit / (loss) before depreciation and amortisation	5.7	44.2	0.4	107.1	(22.8)	134.6
Depreciation and impairment	(0.1)	-	-	(24.6)	(0.7)	(25.4)
Amortisation	-	(6.9)	-	-	-	(6.9)
Profit / (loss) before financing costs	5.6	37.3	0.4	82.5	(23.5)	102.3
Net financing costs						(40.3)
Net foreign exchange loss						(3.4)
Income tax expense						(1.9)
Net profit for the year						56.7

30 June 2007

Business Segments	Investment US\$m	Oil and gas US\$m	Property Development US\$m	Hotels US\$m	Gaming US\$m	Total US\$m
Total revenue	-	-	21.3	395.8	5.5	422.6
Bass Strait oil and gas royalty	-	21.4	-	-	-	21.4
Gain on disposal of investments / assets	-	-	-	0.1	-	0.1
Other operating income	1.0	-	1.0	17.0	0.1	19.1
Direct costs of raw materials and consumables	-	-	(8.8)	(189.9)	(3.5)	(202.2)
Personnel expenses	(2.9)	-	(5.5)	(111.5)	(9.7)	(129.6)
Operating expenses	(1.9)	(0.3)	(7.5)	(16.6)	(14.1)	(40.4)
Profit / (loss) before depreciation and amortisation	(3.8)	21.1	0.5	94.9	(21.7)	91.0
Depreciation and impairment	(0.1)	-	-	(38.6)	(0.2)	(38.9)
Amortisation	-	(6.0)	-	-	-	(6.0)
Profit / (loss) before financing costs	(3.9)	15.1	0.5	56.3	(21.9)	46.1
Net financing costs						(37.9)
Net foreign exchange loss						(3.4)
Income tax benefit						7.8
Net profit for the year						12.6

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

The investment segment made a gain from its disposal of one of the Group's investments and a write back of provisions in the current year.

The oil and gas segment showed improvement year on year due to higher oil prices and the expiry of the ordinary units in the Bass Strait Oil Trust in July 2007, which has entitled the Group to receive full royalty distribution.

Revenue in the property development segment increased significantly in the latest financial year ended 30 June 2008 compared with that of previous financial year. This was mainly due to higher sales of development properties in Denarau, Fiji. Accordingly, the segment also recorded higher direct costs and operating expenses in Fiji.

For the hotel segment, revenues registered a healthy growth mainly due to higher occupancy and average room rates.

The gaming segment reported higher revenue year-on-year due to lower revenue generated from 7 months of operations in the previous financial year.

15. A breakdown of sales

	Latest Financial Year US\$m	Previous Financial Year US\$m	Increase/ (Decrease) %
Sales reported for first half year	295.7	201.4	46.8%
Operating profit after tax reported for first half year	30.1	8.5	254.1%
Sales reported for second half year	233.6	221.2	5.6%
Operating profit after tax reported for second half year	26.6	4.1	548.8%

BY ORDER OF THE BOARD

Linda Hoon
Group General Counsel / Group Company Secretary

29/08/2008