

**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](#)**Second Quarter \* 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 *	Seok Hui Blackwell
Designation *	Group Company Secretary
Date & Time of Broadcast	23-Jan-2009 18:14:46
Announcement No.	00158

**>> Announcement Details**

The details of the announcement start here ...

For the Financial Period Ended *	31-12-2008
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**Attachments** [SecondQuarterEnded31Dec08.pdf](#)Total size = **253K**  
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**Unaudited Half-year and Second Quarter 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**

	Unaudited		Increase/ (Decrease) %	Unaudited		Increase/ (Decrease) %
	1 <sup>st</sup> Half	1 <sup>st</sup> Half		2 <sup>nd</sup> Qtr	2 <sup>nd</sup> Qtr	
	1 Jul to 31 Dec 08 US\$m	1 Jul to 31 Dec 07 US\$m		1 Oct to 31 Dec 08 US\$m	1 Oct to 31 Dec 07 US\$m	
Revenue	<b>201.8</b>	295.7	(31.8)%	<b>88.2</b>	134.8	(34.6)%
Bass Strait oil and gas royalty	<b>23.1</b>	14.1	63.8%	<b>11.8</b>	10.5	12.4%
(Loss)/gain on disposal of investments / assets	<b>(0.1)</b>	3.3	N/A	<b>(0.1)</b>	3.3	N/A
Other operating income	<b>3.4</b>	13.6	(75.0)%	<b>0.3</b>	5.9	(94.9)%
Direct costs of raw materials and consumables	<b>(98.5)</b>	(160.2)	(38.5)%	<b>(42.7)</b>	(63.2)	(32.4)%
Personnel expenses	<b>(54.7)</b>	(71.7)	(23.7)%	<b>(24.3)</b>	(39.9)	(39.1)%
Other operating expenses	<b>(13.0)</b>	(17.8)	(27.0)%	<b>(5.6)</b>	(13.7)	(59.1)%
PROFIT BEFORE DEPRECIATION & AMORTISATION	<b>62.0</b>	77.0	(19.5)%	<b>27.6</b>	37.7	(26.8)%
Depreciation and impairment	<b>(11.4)</b>	(16.7)	(31.7)%	<b>(5.2)</b>	(8.3)	(37.3)%
Amortisation	<b>(2.9)</b>	(3.3)	(12.1)%	<b>(1.2)</b>	(1.7)	(29.4)%
PROFIT BEFORE FINANCING COSTS	<b>47.7</b>	57.0	(16.3)%	<b>21.2</b>	27.7	(23.5)%
Interest and other financing cost on borrowing	<b>(22.0)</b>	(27.9)	(21.1)%	<b>(9.9)</b>	(14.1)	(29.8)%
Interest income	<b>5.5</b>	7.3	(24.7)%	<b>2.5</b>	4.6	(45.7)%
Net foreign exchange loss	<b>(0.2)</b>	(1.7)	(88.2)%	<b>(2.1)</b>	(0.7)	200.0%
PROFIT BEFORE TAX	<b>31.0</b>	34.7	(10.7)%	<b>11.7</b>	17.5	(33.1)%
Income tax expense	<b>(1.9)</b>	(4.6)	(58.7)%	<b>(0.3)</b>	(1.7)	(82.4)%
NET PROFIT FOR THE PERIOD	<b>29.1</b>	30.1	(3.3)%	<b>11.4</b>	15.8	(27.8)%

**NOTE TO INCOME STATEMENT**

	Unaudited		Increase/ (Decrease) %	Unaudited		Increase/ (Decrease) %
	1 <sup>st</sup> Half	1 <sup>st</sup> Half		2 <sup>nd</sup> Qtr	2 <sup>nd</sup> Qtr	
	1 Jul to 31 Dec 08 US\$m	1 Jul to 31 Dec 07 US\$m		1 Oct to 31 Dec 08 US\$m	1 Oct to 31 Dec 07 US\$m	
Profit before tax is stated after (charging)/crediting:						
Gain on disposal of investments / assets:						
Gain on disposal of investments	<b>(0.1)</b>	3.3	(103.0)%	<b>(0.1)</b>	3.3	(103.0)%
Other operating income:						
Dividend income	-	0.2	(100.0)%	-	0.2	(100.0)%
Management fees	<b>(1.6)</b>	4.5	N/A	<b>(2.2)</b>	2.7	N/A
Other fees	-	3.8	(100.0)%	-	0.3	(100.0)%
Direct costs of raw materials and consumables:						
Provision of doubtful debts	<b>(0.1)</b>	(1.9)	(94.7)%	<b>(0.1)</b>	(1.9)	(94.7)%
Amortisation :						
Amortisation of Bass Strait oil and gas royalty	<b>(2.9)</b>	(3.3)	(12.1)%	<b>(1.2)</b>	(1.7)	(29.4)%
Realised exchange (loss) / gain on financial derivatives	<b>(2.3)</b>	0.8	N/A	<b>0.8</b>	0.8	-

**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	
	Unaudited	Audited	Unaudited	Audited
	31-Dec-08	30-Jun-08	31-Dec-08	30-Jun-08
	US\$m	US\$m	US\$m	US\$m
<b>ASSETS</b>				
Hotels, property, plant and equipment	1,067.2	1,459.1	-	-
Intangible assets	140.9	199.2	-	-
Investment in subsidiaries	-	-	1,084.8	1,270.7
Other investments	10.3	12.1	-	-
<b>TOTAL NON-CURRENT ASSETS</b>	<b>1,218.4</b>	<b>1,670.4</b>	<b>1,084.8</b>	<b>1,270.7</b>
Inventories	0.8	1.1	-	-
Development properties	191.2	199.9	-	-
Trade and other receivables	61.3	96.6	0.2	0.3
Advances to subsidiaries	-	-	281.8	423.5
Cash and cash equivalents	6.0	39.6	-	-
<b>TOTAL CURRENT ASSETS</b>	<b>259.3</b>	<b>337.2</b>	<b>282.0</b>	<b>423.8</b>
<b>TOTAL ASSETS</b>	<b>1,477.7</b>	<b>2,007.6</b>	<b>1,366.8</b>	<b>1,694.5</b>
<b>LESS LIABILITIES</b>				
Loans and borrowings	81.7	97.5	77.3	93.0
Trade and other payables	49.8	95.5	1.5	1.3
Corporate tax payable	0.5	-	-	-
Provisions	2.4	7.8	0.4	0.4
<b>TOTAL CURRENT LIABILITIES</b>	<b>134.4</b>	<b>200.8</b>	<b>79.2</b>	<b>94.7</b>
Advances from subsidiaries	-	-	431.0	470.7
Loans and borrowings	374.3	521.4	-	-
Provisions	11.5	18.6	-	-
Deferred tax liabilities	100.9	137.7	-	-
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>486.7</b>	<b>677.7</b>	<b>431.0</b>	<b>470.7</b>
<b>TOTAL LIABILITIES</b>	<b>621.1</b>	<b>878.5</b>	<b>510.2</b>	<b>565.4</b>
<b>NET ASSETS</b>	<b>856.6</b>	<b>1,129.1</b>	<b>856.6</b>	<b>1,129.1</b>
<b>SHARE CAPITAL AND RESERVES</b>	<b>856.6</b>	<b>1,129.1</b>	<b>856.6</b>	<b>1,129.1</b>

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

### Amount repayable in one year or less, or on demand

As at 31 Dec 2008		As at 30 Jun 2008	
Secured	Unsecured	Secured	Unsecured
-	81.7	4.5	93.0

### Amount repayable after one year

As at 31 Dec 2008		As at 30 Jun 2008	
Secured	Unsecured	Secured	Unsecured
374.3	-	521.4	-

### Details of any collateral

As at 31 December 2008, the Group's unsecured borrowings that were repayable in one year or less stood at US\$81.7 million. The Group continues to have committed banking lines to meet its funding requirements.

The Group's long term borrowings totalled US\$374.3m were secured on three hotels owned by the Group with a total net book value of US\$547.2m.

As at 31 December 2008, one hotel with a net book value of US\$235.0m was charged as security for a letter of credit facility from a bank with a facility limit of US\$40.0m.

**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			
	Unaudited		Unaudited	
	1 <sup>st</sup> Half 1 Jul to 31 Dec 08 US\$m	1 <sup>st</sup> Half 1 Jul to 31 Dec 07 US\$m	2 <sup>nd</sup> Qtr 1 Oct to 31 Dec 08 US\$m	2 <sup>nd</sup> Qtr 1 Oct to 31 Dec 07 US\$m
<b>OPERATING ACTIVITIES</b>				
Profit before financing costs and exchange gain / (loss)	47.7	57.0	21.2	27.7
Adjustments for non-cash items				
Depreciation of hotel, property, plant and equipment	11.4	16.7	5.2	8.3
Amortisation Bass Strait oil and gas royalty	2.9	3.3	1.2	1.7
Other non-cash items	0.7	-	0.4	-
Provisions (net)	(6.9)	-	(4.3)	-
Gain / (loss) on disposal of assets included in investing cash flow	0.1	(3.3)	0.1	(3.3)
Net change in working capital items				
Inventories / Development properties	4.8	43.8	1.5	3.9
Trade and other receivables	35.2	17.7	23.1	6.4
Trade and other payables	(45.7)	(22.3)	(29.8)	(17.6)
Provisions utilised	(5.6)	(5.2)	(1.4)	(2.0)
Income tax (paid) / benefit	(0.1)	(0.2)	(0.1)	0.8
Other operating cash flows	-	4.3	1.2	4.5
Dividend received	-	0.2	-	0.2
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>44.5</b>	<b>112.0</b>	<b>18.3</b>	<b>30.6</b>
<b>INVESTING ACTIVITIES</b>				
Proceeds from sale of plant and equipment	0.3	0.1	0.1	-
Proceeds from sale of investments	1.0	3.3	(0.1)	3.3
Acquisition of hotel, property, plant and equipment	(19.2)	(11.8)	(10.5)	(6.4)
Acquisition of other investments	-	(0.1)	-	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>(17.9)</b>	<b>(8.5)</b>	<b>(10.5)</b>	<b>(3.1)</b>
<b>FINANCING ACTIVITIES</b>				
Drawdown of non-current borrowings	-	0.1	-	0.1
Drawdown of short-term borrowings	81.7	21.4	41.7	1.8
Repayment of short-term borrowings	(92.7)	(95.6)	(22.8)	(34.0)
Interest received	1.0	7.3	0.4	6.3
Interest paid	(20.3)	(27.2)	(17.7)	(13.5)
Retainer and guarantee fees paid	(0.1)	(0.7)	(0.1)	(0.7)
Realised exchange (loss) / gain on financial derivatives	(2.3)	0.8	0.8	0.8
Dividend paid to shareholders of the Company	(21.5)	-	(21.5)	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>(54.2)</b>	<b>(93.9)</b>	<b>(19.2)</b>	<b>(39.2)</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(27.6)</b>	<b>9.6</b>	<b>(11.4)</b>	<b>(11.7)</b>
Cash and cash equivalents at beginning of the period	39.6	47.1	20.0	67.4
Effect of exchange rate fluctuations on cash held	(6.0)	(1.9)	(2.6)	(0.9)
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>6.0</b>	<b>54.8</b>	<b>6.0</b>	<b>54.8</b>

**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 2008	273.6	654.2	112.1	1.5	(1.6)	3.6	(28.5)	114.2	1,129.1
Net exchange translation difference relating to financial statements of foreign subsidiaries	-	-	(104.3)	-	-	-	-	-	(104.3)
Changes in fair value of financial assets and liabilities:									
- available for sale investments	-	-	-	(0.2)	-	-	-	-	(0.2)
Net gains recognised directly in equity	-	-	(104.3)	(0.2)	-	-	-	-	(104.5)
Net profit for the period	-	-	-	-	-	-	-	17.7	17.7
Total recognised income and expense for the period	-	-	(104.3)	(0.2)	-	-	-	17.7	(86.8)
Value of employee services received for issue of share options	-	-	-	-	-	0.3	-	-	0.3
Balance at 30 Sep 2008	273.6	654.2	7.8	1.3	(1.6)	3.9	(28.5)	131.9	1,042.6
Net exchange translation difference relating to financial statements of foreign subsidiaries	-	-	(175.5)	-	-	-	-	-	(175.5)
Changes in fair value of financial assets and liabilities:									
- available for sale investments	-	-	-	(0.4)	-	-	-	-	(0.4)
Net gains recognised directly in equity	-	-	(175.5)	(0.4)	-	-	-	-	(175.9)
Net profit for the period	-	-	-	-	-	-	-	11.4	11.4
Total recognised income and expense for the period	-	-	(175.5)	(0.4)	-	-	-	11.4	(164.5)
First and final dividend of SGD0.025 per share for the year ended 30 June 2008	-	-	-	-	-	-	-	(21.5)	(21.5)
Balance at 31 Dec 2008	273.6	654.2	(167.7)	0.9	(1.6)	3.9	(28.5)	121.8	856.6
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	-	-	15.7	-	-	-	-	-	15.7
Changes in fair value of financial assets and liabilities:									
- available for sale investments	-	-	-	(0.2)	-	-	-	-	(0.2)
Net gains recognised directly in equity	-	-	15.7	(0.2)	-	-	-	-	15.5
Net profit for the period	-	-	-	-	-	-	-	14.3	14.3
Total recognised income and expense for the period	-	-	15.7	(0.2)	-	-	-	14.3	29.8
Balance at 30 Sep 2007	273.6	654.2	109.8	2.6	(1.6)	2.7	(16.2)	71.8	1,096.9
Net exchange translation difference relating to financial statements of foreign subsidiaries	-	-	(13.2)	-	-	-	-	-	(13.2)
Changes in fair value of financial assets and liabilities:									
- available for sale investments	-	-	-	1.7	-	-	-	-	1.7
Net gains recognised directly in equity	-	-	(13.2)	1.7	-	-	-	-	(11.5)
Net profit for the period	-	-	-	-	-	-	-	15.8	15.8
Total recognised income and expense for the period	-	-	(13.2)	1.7	-	-	-	15.8	4.3
Balance at 31 Dec 2007	273.6	654.2	96.6	4.3	(1.6)	2.7	(16.2)	87.6	1,101.2

### 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 2008	273.6	654.2	(1.6)	2.7	(28.5)	228.7	1,129.1
Net profit for the period	-	-	-	-	-	(86.5)	(86.5)
Total recognised income and expense for the period	-	-	-	-	-	(86.5)	(86.5)
Balance at 30 Sep 2008	273.6	654.2	(1.6)	2.7	(28.5)	142.2	1,042.6
Net profit for the period	-	-	-	-	-	(164.5)	(164.5)
Total recognised income and expense for the period	-	-	-	-	-	(164.5)	(164.5)
First and final dividend of SGD0.025 per share for the year ended 30 June 2008	-	-	-	-	-	(21.5)	(21.5)
Balance at 31 Dec 2008	273.6	654.2	(1.6)	2.7	(28.5)	(43.8)	856.6
Balance at 1 Jul 2007	273.6	654.2	(1.6)	2.7	(16.2)	154.4	1,067.1
Net profit for the period	-	-	-	-	-	29.8	29.8
Total recognised income and expense for the period	-	-	-	-	-	29.8	29.8
Balance at 30 Sep 2007	273.6	654.2	(1.6)	2.7	(16.2)	184.2	1,096.9
Net profit for the period	-	-	-	-	-	4.3	4.3
Total recognised income and expense for the period	-	-	-	-	-	4.3	4.3
Balance at 31 Dec 2007	273.6	654.2	(1.6)	2.7	(16.2)	188.5	1,101.2



**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 reporting period	1,368.1
(b) Issue of share options:- Balance at beginning year	14.1
Granted during the period	-
Lapsed during the period	(2)
Balance at end of period	12.1

	As at 31 Dec 08 million	As at 31 Dec 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	12.1	-

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

The total number of issued shares for both as at the end of the current financial period and as at the end of the immediately preceding year were 1,368.1million.

**1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Other than shares held by an independent Trust for the purpose of the Group's Value Creation Share Incentive Scheme, the Company did not hold any treasury shares as at 31 December 2008.

There were no sales, transfers, disposal, cancellation and/or use of treasury shares for the six months ended 31 December 2008.

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

These figures have not been audited nor reviewed by the auditors.

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

Not applicable.

**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 2008 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**

	Unaudited		Unaudited	
	<b>1<sup>st</sup> Half 1 Jul to 31 Dec 08</b>	1 <sup>st</sup> Half 1 Jul to 31 Dec 07	<b>2<sup>nd</sup> Qtr 1 Oct to 31 Dec 08</b>	2 <sup>nd</sup> Qtr 1 Oct to 31 Dec 07
Basic earnings per share (US cents)	<b>2.2</b>	2.2	<b>0.9</b>	1.2
Diluted earnings per share (US cents)	<b>2.2</b>	2.2	<b>0.9</b>	1.2

Both Basic and Diluted earnings per share for the first half of 2009 and the corresponding period of the immediately preceding financial year are calculated based on the weighted average number of shares of 1,328.1 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.**

	<b>Unaudited 1<sup>st</sup> Half 31 Dec 08</b>	Audited Full Year 30 Jun 08
Net assets per share (US cents)		
The Group	<b>64.5</b>	84.2
The Company	<b>64.5</b>	84.2

Net asset value per share is calculated based on the weighted average number of shares of 1,328.1 million and 1,347.6 million ordinary shares in issue as at 31 December 2008 and 30 June 2008 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 half year ended 31 December 2008 was US\$29.1 million compared to US\$30.1 million in the previous corresponding period, a decrease of 3.3%. Excluding the depreciation of GBP and AUD against USD and one-off income items in the previous corresponding period, profit after tax was 63% higher. Apart from the currency effect of weaker GBP and AUD against USD, factors that affected profit after tax are as follows:

#### Revenue

- Revenue at US\$201.8 million was 31.8% below that of the previous corresponding period, due mainly to lower revenues from the hotel and property development segments. However, in the gaming segment, win revenue grew threefold as a result of higher win margins.

#### Bass Strait oil and gas royalty

- Royalty income from the Oil & Gas production in Australia rose by 63.8% to US\$23.1 million principally attributable to the laggard effect of higher average oil and gas prices.

#### Gain on disposal of investments

- Gain on disposal on investments was lower due to a one-off gain of US\$3.3 million on disposal of investments in the previous corresponding period.

#### Other operating income

- Other operating income dipped by 75.0% to US\$3.4 million due mainly to lower hotel management fees and hotel management contract termination fees reported in the previous corresponding period.

#### Direct costs of raw materials, consumable and services

- Direct cost fell 38.5% to US\$98.5 million in tandem with the decline in revenue.

#### Personnel expenses

- Personnel expenses shrank 23.7% to US\$54.7 million chiefly due to the effect of business rationalisation undertaken in the previous financial year.

#### Other Operating expenses

- Other operating expenses was 27.0% lower to US\$13.0 million due to business rationalisation undertaken in the previous year and a one-off write back of provisions in the previous corresponding period.

### Net financing costs

- Net financing cost was lower predominantly attributable to lower outstanding loans.

### Balance Sheet

Total assets as at 31 December 2008 reduced by US\$530 million or 26.4% from the position as at 30 June 2008, due mainly to the depreciation of AUD and GBP against USD.

All balance sheet assets and liabilities were impacted by the depreciation of GBP and AUD against USD, particularly fixed assets, intangible assets, short term and long term debts and shareholders funds.

Apart from currency effects, other significant movement in balance sheet items were as follows:

- Cash and cash equivalents were lower mainly due to dividend payments, loan repayments, refurbishment of hotels and settlement of trade debts.
- Short term borrowings were lower due to loan repayments.
- Trade payables were lower mainly due scheduled settlement of creditor liabilities.
- Trade Debtors were lower mainly due receipt of accrued royalty income.

### Cash Flow Statement

- There was a decrease in cash and cash equivalents of US\$27.6 million in the half year ended 31 December 2008 compared to an increase of US\$9.6 million in cash and cash equivalents in previous corresponding period.
- The decrease in the cash and cash equivalents was mainly due to lower sales of development properties in Denarau, scheduled payment of gaming duties, settlement of trade debts, capital expenditure for the refurbishment of hotels and dividend payment for 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 reporting period and in the next 12 months.

**11. Dividend**

***(a) Current Financial Period Reported On***

**Any dividend declared for the current financial period reported on?**

None.

**(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**

Not applicable.

**(d) Books closure date**

Not applicable.

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

No dividend has been declared/recommendeded.

**13. Confirmation by the Board of Directors**

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim consolidated financial statements of GuocoLeisure Limited for the second quarter and half year ended 31 December 2008, false or misleading in any material respect.

**BY ORDER OF THE BOARD**

**Seok Hui Blackwell  
Group Company Secretary**

**23 January 2009**



**GuocoLeisure Limited**

A Member of the Hong Leong Group

**STATEMENT PURSUANT TO LISTING RULE 705 (4) OF THE SGX-ST LISTING MANUAL**

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim consolidated financial statements of GuocoLeisure Limited for the second quarter and half year ended 31 December 2008, false or misleading in any material respect.

**On behalf of the Board of Directors of  
GuocoLeisure Limited**

**Quek Leng Chan  
Executive Chairman**

**Reggie Thein  
Director**