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**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 Group Limited currently comprises Mr. Quek Leng Chan as Executive Chairman; Mr. Kwek Leng Hai as President, CEO; Mr. Tan Lim Heng, Mr. James Eng, Jr. and Mr. Ding Wai Chuen as executive directors; Mr. Kwek Leng San as non-executive director and Mr. Sat Pal Khattar, Mr. Volker Stoeckel and Mr. Roderic N. A. Sage as independent non-executive directors.

 Print this page

<b>First Quarter * Financial Statement And Dividend Announcement</b>	
* 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	16-Oct-2009 18:44:03
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<b>&gt;&gt; Announcement Details</b>	
The details of the announcement start here ...	
For the Financial Period Ended *	30-09-2009

**Attachments**

 FirstQuarterEnded30Sept09.pdf  
 Total size = **260K**  
 (2048K size limit recommended)



**Unaudited First Quarter Financial Statement And Dividend Announcement**

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

	Unaudited 1 <sup>st</sup> Qtr		Increase/ (Decrease) %
	1 Jul to 30 Sep 09 US\$m	1 Jul to 30 Sep 08 US\$m	
Revenue	84.5	113.6	-25.6%
Bass Strait oil and gas royalty	10.3	11.3	-8.8%
Other operating income	2.4	3.1	-22.6%
Direct costs of raw materials and consumables	(41.8)	(55.8)	-25.1%
Personnel expenses	(21.9)	(30.4)	-28.0%
Other operating expenses	(6.9)	(7.4)	-6.8%
<b>PROFIT BEFORE DEPRECIATION &amp; AMORTISATION</b>	<b>26.6</b>	<b>34.4</b>	<b>-22.7%</b>
Depreciation and impairment	(6.1)	(6.2)	-1.6%
Amortisation	(1.6)	(1.7)	-5.9%
<b>PROFIT BEFORE FINANCING COSTS</b>	<b>18.9</b>	<b>26.5</b>	<b>-28.7%</b>
Interest and other financing cost on borrowing	(10.2)	(12.1)	-15.7%
Interest income	2.1	3.0	-30.0%
Net foreign exchange gain	1.8	1.9	-5.3%
<b>PROFIT BEFORE TAX</b>	<b>12.6</b>	<b>19.3</b>	<b>-34.7%</b>
Income tax expenses	(0.6)	(1.6)	-62.5%
<b>NET PROFIT FOR THE PERIOD</b>	<b>12.0</b>	<b>17.7</b>	<b>-32.2%</b>

**NOTE TO INCOME STATEMENT**

	Unaudited 1 <sup>st</sup> Qtr		Increase/ (Decrease) %
	1 Jul to 30 Sep 09 US\$m	1 Jul to 30 Sep 08 US\$m	
Profit before tax is stated after (charging)/crediting:			
Other operating income:			
Management fees	-	0.6	-100.0%
Amortisation:			
Amortisation of Bass Strait oil and gas royalty	(1.6)	(1.7)	-5.9%
Realised exchange loss on financial derivatives	-	(3.1)	100.0%

**1(a)(ii) Statement of Comprehensive Income**

	Unaudited 1 <sup>st</sup> Qtr		Increase/ (Decrease) %
	1 Jul to 30 Sep 09 US\$m	1 Jul to 30 Sep 08 US\$m	
Net Profit for the period	12.0	17.7	-32.2%
Other comprehensive income:			
Exchange differences arising from consolidation of foreign operations and net investment in foreign operations	(22.2)	(104.3)	78.7%
Net change in fair value on available-for sale financial assets	1.2	(0.2)	NM
Total comprehensive income for the period	(9.0)	(86.8)	89.6%

1(b)(i) A Statement of Financial Position (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
	30-Sep-09 US\$m	30-Jun-09 US\$m	30-Sep-09 US\$m	30-Jun-09 US\$m
<b>ASSETS</b>				
Hotels, property, plant and equipment	1,174.2	1,227.8	-	-
Intangible assets	165.9	161.2	-	-
Investment in subsidiaries	-	-	1,187.7	1,209.6
Other investments	9.5	8.3	-	-
<b>TOTAL NON-CURRENT ASSETS</b>	<b>1,349.6</b>	<b>1,397.3</b>	<b>1,187.7</b>	<b>1,209.6</b>
Inventories	0.7	0.7	-	-
Development properties	187.1	186.6	-	-
Trade and other receivables	74.1	76.0	0.3	0.2
Advances to subsidiaries	-	-	153.8	141.1
Cash and cash equivalents	38.1	22.3	-	-
<b>TOTAL CURRENT ASSETS</b>	<b>300.0</b>	<b>285.6</b>	<b>154.1</b>	<b>141.3</b>
<b>TOTAL ASSETS</b>	<b>1,649.6</b>	<b>1,682.9</b>	<b>1,341.8</b>	<b>1,350.9</b>
<b>LESS LIABILITIES</b>				
Loans and borrowings	64.0	81.7	64.0	81.7
Trade and other payables	94.8	78.4	1.9	1.5
Corporate tax payable	0.2	0.2	-	-
Provisions	1.5	1.6	0.4	0.4
<b>TOTAL CURRENT LIABILITIES</b>	<b>160.5</b>	<b>161.9</b>	<b>66.3</b>	<b>83.6</b>
Advances from subsidiaries	-	-	282.5	265.3
Loans and borrowings	407.4	426.6	-	-
Provisions	9.8	10.8	-	-
Deferred tax liabilities	78.9	81.6	-	-
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>496.1</b>	<b>519.0</b>	<b>282.5</b>	<b>265.3</b>
<b>TOTAL LIABILITIES</b>	<b>656.6</b>	<b>680.9</b>	<b>348.8</b>	<b>348.9</b>
<b>NET ASSETS</b>	<b>993.0</b>	<b>1,002.0</b>	<b>993.0</b>	<b>1,002.0</b>
<b>SHARE CAPITAL AND RESERVES</b>	<b>993.0</b>	<b>1,002.0</b>	<b>993.0</b>	<b>1,002.0</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 30 Sep 2009		As at 30 Jun 2009	
Secured	Unsecured	Secured	Unsecured
-	64.0	-	81.7

**Amount repayable after one year**

As at 30 Sep 2009		As at 30 Jun 2009	
Secured	Unsecured	Secured	Unsecured
407.4	-	426.6	-

**Details of any collateral**

As at 30 September 2009, the Group's unsecured borrowings that were repayable in one year or less stood at US\$64.0million. The Group continues to have committed banking lines to meet its funding requirements.

The Group's long term borrowings of US\$407.4 million are secured on three hotels owned by the Group with a total net book value of US\$601.4 million. In addition, another hotel with a net book value of US\$257.7 million is charged as security under a US\$44.2 million letter of credit facility from a bank.

**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	
	1 <sup>st</sup> Qtr 1 Jul to 30 Sep 09 US\$m	1 <sup>st</sup> Qtr 1 Jul to 30 Sep 08 US\$m
<b>OPERATING ACTIVITIES</b>		
Profit before financing costs and exchange gain / (loss)	18.9	26.5
Adjustments for non-cash items		
Depreciation of hotels, property, plant and equipment	6.1	8.2
Amortisation of Bass Strait oil and gas royalty	1.6	1.7
Other non-cash items	-	0.3
Provisions (net)	0.4	(2.6)
Net change in working capital items		
Inventories / Development properties	0.1	3.3
Trade and other receivable	1.9	12.1
Trade and other payables	8.7	(15.9)
Provision utilised	(1.5)	(4.2)
Income tax paid	(0.1)	-
Other operating cash flows	-	(1.2)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>36.1</b>	<b>26.2</b>
<b>INVESTING ACTIVITIES</b>		
Proceeds from sale of plant and equipment	0.1	0.2
Proceed from sale of investments	-	1.1
Acquisition of hotels, property, plant and equipment	(1.7)	(8.7)
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>	<b>(1.6)</b>	<b>(7.4)</b>
<b>FINANCING ACTIVITIES</b>		
Drawdown of short-term borrowings	-	40.0
Repayment of short-term borrowings	(17.5)	(69.9)
Interest received	0.1	0.6
Interest paid	(0.4)	(2.6)
Other financing cost	(0.1)	-
Realised exchange loss on financial derivatives	-	(3.1)
<b>CASH FLOWS USED IN FINANCING ACTIVITIES</b>	<b>(17.9)</b>	<b>(35.0)</b>
<b>NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>16.6</b>	<b>(16.2)</b>
Cash and cash equivalents at beginning of the year	22.3	39.6
Effect of exchange rate fluctuations on cash held	(0.8)	(3.4)
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>38.1</b>	<b>20.0</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	Contributed Surplus	Translation Reserve	Fair Value Reserve	Capital Reserve Share Based Payment	Equity Compensation Reserve	Reserve for Own Shares	Retained Earnings	Total
	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m
Balance at 1 Jul 2009	273.6	654.2	(57.2)	(1.0)	(1.6)	2.7	(28.5)	159.8	1,002.0
Total comprehensive income for the period	-	-	(22.2)	1.2	-	-	-	12.0	(9.0)
Total recognised income and expense for the period	-	-	(22.2)	1.2	-	-	-	12.0	(9.0)
Value of employee services received for issue of share options	-	-	-	-	-	-	-	-	-
Balance at 30 Sep 2009	273.6	654.2	(79.4)	0.2	(1.6)	2.7	(28.5)	171.8	993.0
Balance at 1 Jul 2008	273.6	654.2	112.1	1.5	(1.6)	3.6	(28.5)	114.2	1,129.1
Total comprehensive income for the period	-	-	(104.3)	(0.2)	-	-	-	17.7	(86.8)
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

**Statement of Changes in Equity – Company**

	Share Capital	Contributed Surplus	Capital Reserve Share Based Payment	Equity Compensation Reserve	Reserve for Own Shares	Retained Earnings	Total
	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m
Balance at 1 Jul 2009	273.6	654.2	(1.6)	2.7	(28.5)	101.6	1,002.0
Total comprehensive income for the period	-	-	-	-	-	(9.0)	(9.0)
Total recognised income and expense for the period	-	-	-	-	-	(9.0)	(9.0)
Balance at 30 Sep 2009	273.6	654.2	(1.6)	2.7	(28.5)	92.6	993.0
Balance at 1 Jul 2008	273.6	654.2	(1.6)	2.7	(28.5)	228.7	1,129.1
Total comprehensive income 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



**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**

Issued Shares & Share Options	1st Quarter ended 30 September 2009
(a) Issued and fully paid ordinary shares: As at 1 July and 30 September 2009	1,368,063,633
(b) Issue of share options: As at 1 July 2009	11,800,000
Options lapsed As at 30 September 2009	<u>11,800,000</u>

	As at 30 Sep 09	As at 30 Sep 08
No. of shares that would be transferred by the Trust to eligible employees to satisfy the outstanding share options under the GL Value Creation Incentive Share Scheme	11,800,000	14,100,000

**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 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.**

The Company did not hold any treasury shares as at 30 September 2009.

There were no sales, transfers, disposal, cancellation and/or use of treasury shares for the period ended 30 September 2009.

**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 2009 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**

The adoption of FRS 1 – Presentation of Financial Statements (Revised) has changed the presentation of the statement of changes in equity and includes the statement of comprehensive income.

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**

	Group Unaudited 1 <sup>st</sup> Qtr	
	1 Jul to 30 Sep 09	1 Jul to 30 Sep 08
Basic earnings per share (US cents)	0.9	1.3
Diluted earnings per share (US cents)	0.9	1.3

Both Basic and Diluted earnings per share for the current and previous corresponding financial quarter are calculated based on the weighted average number of shares of 1,328.1 million.

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.

	Unaudited	Audited
	1 <sup>st</sup> Qtr	Full Year
Net assets per share (US cents)	30 Sep 09	30 Jun 09
The Group	74.8	75.4
The Company	74.8	75.4

Net asset value per share is calculated based on the weighted average number of shares of 1,328.1 million in issue during the current financial quarter and immediately preceding 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 first quarter ended 30 September 2009 stood at US\$12.0 million, a decrease of 32.2% as compared to US\$17.7 million in the previous corresponding quarter. The following factors affected the profit after tax:

#### Revenue

For the quarter ended 30 September 2009, revenue decreased by 25.6% quarter-on-quarter (q-o-q) to US\$84.5 million. This was mainly due to lower revenues from the hotel, gaming and property development segments, which collectively reduced by 14.3% q-o-q. The other component of the decline in revenues was due to the lower GBP against USD as compared to the previous corresponding period.

#### Bass Strait oil and gas royalty

Income from the Bass Strait oil and gas royalty in Australia reduced by 8.8% q-o-q principally attributable to lower royalties received as a result of lower average crude oil and gas prices in the current quarter as compared to the same period a year ago.

#### Other operating income

Other operating income declined by 22.6% for the quarter ended 30 September 2009 due mainly to lower hotel management fee income.

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

Direct cost reduced by 25.1% q-o-q in tandem with the decline in revenue for the quarter ended 30 September 2009. Excluding currency effect, direct costs were down by 13.7% q-o-q.

#### Personnel expenses

The reduction in personnel expenses q-o-q was chiefly due to the effect of cost rationalization undertaken in the hotel business in the previous financial year.

#### Other operating expenses

Other operating expenses for the current quarter decreased by 6.8% q-o-q due mainly to the effect of cost rationalisation undertaken in the previous financial year in the hotel and gaming segments.

#### Net financing costs

Lower net financing costs for the quarter ended 30 September 2009 were predominantly attributable to lower outstanding short-term borrowings.

#### Statement of Comprehensive Income

Total comprehensive income for the quarter ended 30 September 2009 was a deficit of US\$9.0 million. This was mainly due to a foreign exchange translation difference as a result of translating the Group's UK subsidiaries which is denominated in GBP into the Group's reporting currency, which is USD. The GBP against USD rate declined by 4% to 1.59 in September 2009 from 1.66 in June 2009.

This was partly offset by a positive mark-to-market valuation of one of the Group's investments.

As compared to the corresponding period in the previous year, average GBP and AUD rates declined by 9.3% and 16% respectively.

### **Statement of Financial Position**

The Group's net assets as at 30 September 2009 decreased by 0.9% to US\$0.99 billion from US\$1.00 billion as at 30 June 2009 due principally to a net translation difference of US\$22.4 million, which arose from the translation of the Group's UK subsidiaries into USD equivalent for group consolidation and reporting purposes.

Set out below are factors other than the impact of currency translation that affected the Group's major assets and liabilities as at 30 September 2009:

- a) Cash and cash equivalents – increase due mainly to revenue generated from hotel operations and royalty income received.
- b) Trade and other payables – an increase of provisions for debenture interest and property rents which are paid semi annually and quarterly respectively.
- c) Loans and borrowings – loan repayments resulted in a decline in loans and borrowings.

### **Cash Flow Statement**

Net cash generated of US\$16.6 million for the current quarter as compared to a decrease in cash of US\$16.2 million in the previous corresponding quarter was mainly due to settlement of trade creditors and higher capital expenditure on hotel refurbishment in the previous corresponding quarter.

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**

Present global economic conditions remain weak. However, barring unforeseen circumstances, the Group is confident that it is well positioned to meet the challenges in the next reporting period and 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/recommended, 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 consolidated financial statements of GuocoLeisure Limited for the first quarter ended 30 September 2009, false or misleading in any material respect.

**BY ORDER OF THE BOARD**

**Seok Hui Blackwell**  
**Group Company Secretary**

**16 October 2009**



**GuocoLeisure Limited**  
A member of the Hong Leong Group

**STATEMENT PURSUANT TO RULE 705(5) 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 consolidated financial statements of GuocoLeisure Limited for the first quarter ended 30 September 2009 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