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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 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.

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**Full Year Results \* Financial Statement And Related 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                    | 26-Aug-2010 20:33:58    |
| Announcement No.                            | 00200                   |

**>> Announcement Details**

The details of the announcement start here ...

|                                  |                                  |
|----------------------------------|----------------------------------|
| For the Financial Period Ended * | 30-06-2010                       |
| Description                      | Please refer to the attachments. |

**Attachments**
 [FullYearEnded30June2010.pdf](#)
 [Appendix\\_1.pdf](#)

Total size = **128K**  
(2048K size limit recommended)

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**Full Year 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**

|   | Audited                            |                                    | Increase/<br>(Decrease)<br>% |
|---|------------------------------------|------------------------------------|------------------------------|
|   | 12 months ended                    |                                    |                              |
|   | 1 Jul 09 to<br>30 June 10<br>US\$m | 1 Jul 08 to<br>30 June 09<br>US\$m |                              |
| Revenue   | 331.1                              | 350.6                              | (5.6%)                       |
| Bass Strait oil and gas royalty                 | 38.6                               | 39.2                               | (1.5%)                       |
| Gain on disposal of investments / assets        | -                                  | 0.9                                | (100.0%)                     |
| Other operating income                          | 9.1                                | 9.2                                | (1.1%)                       |
| Direct costs of raw materials and consumables   | (169.5)                            | (178.2)                            | (4.9%)                       |
| Personnel expenses                              | (87.9)                             | (95.3)                             | (7.8%)                       |
| Other operating expenses                        | (24.9)                             | (28.6)                             | (12.9%)                      |
| PROFIT BEFORE DEPRECIATION & AMORTISATION       | 96.5                               | 97.8                               | (1.3%)                       |
| Depreciation and impairment                     | (23.4)                             | (22.3)                             | 4.9%                         |
| Amortisation                                    | (6.7)                              | (5.7)                              | 17.5%                        |
| PROFIT BEFORE FINANCING COSTS                   | 66.4                               | 69.8                               | (4.9%)                       |
| Interest and other financing costs on borrowing | (39.7)                             | (40.4)                             | (1.7%)                       |
| Interest income                                 | 8.3                                | 9.6                                | (13.5%)                      |
| Net foreign exchange gain / (loss)              | 6.7                                | (3.3)                              | NM                           |
| PROFIT BEFORE TAX                               | 41.7                               | 35.7                               | 16.8%                        |
| Income tax benefit                              | 7.8                                | 31.7                               | (75.4%)                      |
| NET PROFIT FOR THE YEAR                         | 49.5                               | 67.4                               | (26.5%)                      |

## NOTE TO INCOME STATEMENT

|  | Audited                            |                                    | Increase/<br>(Decrease)<br>% |
|--|------------------------------------|------------------------------------|------------------------------|
|  | 12 months ended                    |                                    |                              |
|  | 1 Jul 09 to<br>30 June 10<br>US\$m | 1 Jul 08 to<br>30 June 09<br>US\$m |                              |
| Profit after tax is stated after (charging)/crediting:           |                                    |                                    |                              |
| Gain on disposal of investments / assets:                        |                                    |                                    |                              |
| Gain on disposal of investments                                  | -                                  | 1.1                                | (100.0%)                     |
| Loss on disposal of hotels, property and equipment               | -                                  | (0.2)                              | (100.0%)                     |
| Direct costs of raw materials and consumables:                   |                                    |                                    |                              |
| Provision for doubtful debts                                     | -                                  | (0.2)                              | (100.0%)                     |
| Amortisation :   |                                    |                                    |                              |
| Amortisation of Bass Strait oil and gas royalty                  | (6.7)                              | (5.7)                              | 17.5%                        |
| Income tax benefit :   |                                    |                                    |                              |
| Write-back of deferred tax in respect of prior years             | 21.0                               | 32.2                               | (34.8%)                      |
| Recognition of tax losses / temporary difference on deferred tax | -                                  | (0.5)                              | (100.0%)                     |

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

|  | Audited                            |                                    | Increase/<br>(Decrease)<br>% |
|--|------------------------------------|------------------------------------|------------------------------|
|  | 12 months ended                    |                                    |                              |
|  | 1 Jul 09 to<br>30 June 10<br>US\$m | 1 Jul 08 to<br>30 June 09<br>US\$m |                              |
| Profit for the year  | 49.5                               | 67.4                               | (26.5)%                      |
| Other comprehensive income:  |                                    |                                    |                              |
| Net exchange translation difference relating to financial statements of foreign subsidiaries | (70.0)                             | (169.3)                            | 58.6%                        |
| Net change in fair value on available for sale investments                                   | 3.3                                | (2.5)                              | NM                           |
| Other comprehensive income for the year, net of income tax                                   | (66.7)                             | (171.8)                            | 61.2%                        |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>   | <b>(17.2)</b>                      | <b>(104.4)</b>                     | <b>83.5%</b>                 |

**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        |                |
|--------------------------------------|----------------|----------------|----------------|----------------|
|                                      | Audited        | Audited        | Audited        | Audited        |
|                                      | 30-Jun-10      | 30-Jun-09      | 30-Jun-10      | 30-Jun-09      |
|                                      | US\$m          | US\$m          | US\$m          | US\$m          |
| <b>ASSETS</b>                        |                |                |                |                |
| Hotels, property and equipment       | 1,093.7        | 1,227.8        | -              | -              |
| Intangible assets                    | 162.7          | 161.2          | -              | -              |
| Investment in subsidiaries           | -              | -              | 1,183.1        | 1,209.6        |
| Other investments                    | 9.2            | 8.3            | -              | -              |
| <b>TOTAL NON-CURRENT ASSETS</b>      | <b>1,265.6</b> | <b>1,397.3</b> | <b>1,183.1</b> | <b>1,209.6</b> |
| Inventories                          | 0.7            | 0.7            | -              | -              |
| Development properties               | 178.5          | 186.6          | -              | -              |
| Trade and other receivables          | 72.6           | 76.0           | 0.2            | 0.2            |
| Advances to subsidiaries             | -              | -              | 141.5          | 141.1          |
| Cash and cash equivalents            | 30.4           | 22.3           | -              | -              |
| <b>TOTAL CURRENT ASSETS</b>          | <b>282.2</b>   | <b>285.6</b>   | <b>141.7</b>   | <b>141.3</b>   |
| <b>TOTAL ASSETS</b>                  | <b>1,547.8</b> | <b>1,682.9</b> | <b>1,324.8</b> | <b>1,350.9</b> |
| <b>LESS LIABILITIES</b>              |                |                |                |                |
| Loans and borrowings                 | 54.0           | 81.7           | 54.0           | 81.7           |
| Trade and other payables             | 75.8           | 78.4           | 1.7            | 1.5            |
| Corporate tax payable                | 9.4            | 0.2            | -              | -              |
| Provisions                           | 1.3            | 1.6            | 0.2            | 0.4            |
| <b>TOTAL CURRENT LIABILITIES</b>     | <b>140.5</b>   | <b>161.9</b>   | <b>55.9</b>    | <b>83.6</b>    |
| Advances from subsidiaries           | -              | -              | 298.5          | 265.3          |
| Loans and borrowings                 | 373.0          | 426.6          | -              | -              |
| Provisions                           | 6.8            | 10.8           | -              | -              |
| Deferred tax liabilities             | 57.1           | 81.6           | -              | -              |
| <b>TOTAL NON-CURRENT LIABILITIES</b> | <b>436.9</b>   | <b>519.0</b>   | <b>298.5</b>   | <b>265.3</b>   |
| <b>TOTAL LIABILITIES</b>             | <b>577.4</b>   | <b>680.9</b>   | <b>354.4</b>   | <b>348.9</b>   |
| <b>NET ASSETS</b>                    | <b>970.4</b>   | <b>1,002.0</b> | <b>970.4</b>   | <b>1,002.0</b> |
| <b>SHARE CAPITAL AND RESERVES</b>    | <b>970.4</b>   | <b>1,002.0</b> | <b>970.4</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 Jun 2010 |           | As at 30 Jun 2009 |           |
|-------------------|-----------|-------------------|-----------|
| Secured           | Unsecured | Secured           | Unsecured |
| US\$m             | US\$m     | US\$m             | US\$m     |
| -                 | 54.0      | -                 | 81.7      |

### Amount repayable after one year

| As at 30 Jun 2010 |           | As at 30 Jun 2009 |           |
|-------------------|-----------|-------------------|-----------|
| Secured           | Unsecured | Secured           | Unsecured |
| US\$m             | US\$m     | US\$m             | US\$m     |
| 373.0             | -         | 426.6             | -         |

### Details of any collateral

As at 30 June 2010, the Group's unsecured borrowings that were repayable in one year or less stood at US\$54.0 million. The Group continues to have committed banking lines to meet its funding requirements.

The Group's long term borrowings of US\$373.0 million are secured on three hotels owned by the Group with a total net book value of US\$562.7 million.

In addition, another hotel with a net book value of US\$240.9 million is charged as security for a letter of credit facility from a bank as a result of a guarantee given by the Group. The maximum liability in any one year under the guarantee is US\$41.6 million (£27.7 million) and the maximum aggregate liability under the guarantee is US\$83.2 million (£55.4 million).

**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<br>1 Jul 09 to<br>30 Jun 10<br>US\$m | 12 months<br>1 Jul 08 to<br>30 Jun 09<br>US\$m |
| <b>OPERATING ACTIVITIES</b>                                   |  |  |
| Profit before financing costs and exchange gain / (loss)      | 66.4   | 69.8   |
| Adjustments for non-cash items                                |  |  |
| Depreciation of hotel, property and equipment                 | 23.4   | 22.3   |
| Amortisation of Bass Strait oil and gas royalty               | 6.7  | 5.7  |
| Other non-cash items  | 0.4  | (0.5)  |
| Provisions (net)  | 1.6  | (3.8)  |
| Gain on disposal of investments / assets                      | -  | (0.9)  |
| Net change in working capital items                           |  |  |
| Inventories / Development properties                          | 7.3  | 6.7  |
| Trade and other receivables                                   | 3.4  | 20.6   |
| Trade and other payables                                      | (2.6)  | (17.1)   |
| Provisions utilised   | (5.8)  | (10.2)   |
| Income tax paid   | (0.1)  | (0.1)  |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                   | <b>100.7</b>                                   | <b>92.5</b>                                    |
| <b>INVESTING ACTIVITIES</b>                                   |  |  |
| Proceeds from sale of equipment                               | 0.3  | 0.5  |
| Proceeds from sale of investments                             | 2.5  | 2.1  |
| Proceeds from capital distribution of other investments       | 0.4  | -  |
| Acquisition of hotel, property and equipment                  | (8.2)  | (36.9)   |
| Acquisition of other investments                              | (7.5)  | -  |
| <b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>                | <b>(12.5)</b>                                  | <b>(34.3)</b>                                  |
| <b>FINANCING ACTIVITIES</b>                                   |  |  |
| Drawdown of short-term borrowings                             | 117.5  | 215.3  |
| Repayment of short-term borrowings                            | (138.4)  | (219.6)  |
| Buy-back of mortgage debentures                               | (3.8)  | -  |
| Interest received   | 0.3  | 1.5  |
| Interest paid   | (37.1)   | (40.5)   |
| Other financing costs   | (2.6)  | (1.6)  |
| Realised exchange (loss) / gains on financial derivatives     | 0.1  | (2.5)  |
| Dividend paid to shareholders of the Company                  | (14.4)   | (21.5)   |
| <b>CASH FLOWS USED IN FINANCING ACTIVITIES</b>                | <b>(78.4)</b>                                  | <b>(68.9)</b>                                  |
| <b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b> | <b>9.8</b>                                     | <b>(10.7)</b>                                  |
| Cash and cash equivalents at beginning of the year            | 22.3   | 39.6   |
| Effect of exchange rate fluctuations on cash held             | (1.7)  | (6.6)  |
| <b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>           | <b>30.4</b>                                    | <b>22.3</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<br>US\$m | Contributed Surplus<br>US\$m | Translation Reserve<br>US\$m | Fair Value Reserve<br>US\$m | Capital Reserve Share Based Payment<br>US\$m | Equity Compensation Reserve<br>US\$m | Reserve for Own Shares<br>US\$m | Retained Earnings<br>US\$m | Total<br>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        |
| Profit for the year  | -                      | -                            | -                            | -                           | -  | -                                    | -                               | 49.5                       | 49.5           |
| Other comprehensive income:  |                        |                              |                              |                             |  |                                      |                                 |                            |                |
| Net exchange translation difference relating to financial statements of foreign subsidiaries | -                      | -                            | (70.0)                       | -                           | -  | -                                    | -                               | -                          | (70.0)         |
| Changes in fair value of available for sale investments                                      | -                      | -                            | -                            | 3.3                         | -  | -                                    | -                               | -                          | 3.3            |
| Total other comprehensive income, net of income tax  | -                      | -                            | (70.0)                       | 3.3                         | -  | -                                    | -                               | -                          | (66.7)         |
| Total comprehensive income, net of income tax  | -                      | -                            | (70.0)                       | 3.3                         | -  | -                                    | -                               | 49.5                       | (17.2)         |
| Transactions with owners, recorded directly in equity:                                       |                        |                              |                              |                             |  |                                      |                                 |                            |                |
| First and final dividend of SGD0.015 per share for the year ended 30 June 2009               | -                      | -                            | -                            | -                           | -  | -                                    | -                               | (14.4)                     | (14.4)         |
| Total transactions with owners   | -                      | -                            | -                            | -                           | -  | -                                    | -                               | (14.4)                     | (14.4)         |
| Balance at 30 June 2010  | 273.6                  | 654.2                        | (127.2)                      | 2.3                         | (1.6)  | 2.7                                  | (28.5)                          | 194.9                      | 970.4          |
| Balance at 1 Jul 2008  | 273.6                  | 654.2                        | 112.1                        | 1.5                         | (1.6)  | 3.6                                  | (28.5)                          | 114.2                      | 1,129.1        |
| Profit for the year  | -                      | -                            | -                            | -                           | -  | -                                    | -                               | 67.4                       | 67.4           |
| Other comprehensive income:  |                        |                              |                              |                             |  |                                      |                                 |                            |                |
| Net exchange translation difference relating to financial statements of foreign subsidiaries | -                      | -                            | (169.3)                      | -                           | -  | -                                    | -                               | -                          | (169.3)        |
| Changes in fair value of available for sale investments                                      | -                      | -                            | -                            | (2.5)                       | -  | -                                    | -                               | -                          | (2.5)          |
| Total other comprehensive income, net of income tax  | -                      | -                            | (169.3)                      | (2.5)                       | -  | -                                    | -                               | -                          | (171.8)        |
| Total comprehensive income, net of income tax  | -                      | -                            | (169.3)                      | (2.5)                       | -  | -                                    | -                               | 67.4                       | (104.4)        |
| Transactions with owners, recorded directly in equity:                                       |                        |                              |                              |                             |  |                                      |                                 |                            |                |
| Value of employee services received for issue of share options                               | -                      | -                            | -                            | -                           | -  | (0.9)                                | -                               | -                          | (0.9)          |
| First and final dividend of SGD0.025 per share for the year ended 30 June 2008               | -                      | -                            | -                            | -                           | -  | -                                    | -                               | (21.8)                     | (21.8)         |
| Total transactions with owners   | -                      | -                            | -                            | -                           | -  | (0.9)                                | -                               | (21.8)                     | (22.7)         |
| Balance at 30 June 2009  | 273.6                  | 654.2                        | (57.2)                       | (1.0)                       | (1.6)  | 2.7                                  | (28.5)                          | 159.8                      | 1,002.0        |



## Statement of Changes in Equity – Company

|  | Share Capital<br>US\$m | Contributed Surplus<br>US\$m | Capital Reserve Share Based Payment<br>US\$m | Equity Compensation Reserve<br>US\$m | Reserve for Own Shares<br>US\$m | Retained Earnings<br>US\$m | Total<br>US\$m |
|--|------------------------|------------------------------|--|--------------------------------------|---------------------------------|----------------------------|----------------|
| Balance at 1 Jul 2009  | 273.6                  | 654.2                        | (1.6)  | 2.7                                  | (28.5)                          | 101.6                      | 1,002.0        |
| Net loss for the year  | -                      | -                            | -  | -                                    | -                               | (17.2)                     | (17.2)         |
| Other comprehensive income   | -                      | -                            | -  | -                                    | -                               | -                          | -              |
| Total comprehensive income, net of income tax                                  | -                      | -                            | -  | -                                    | -                               | (17.2)                     | (17.2)         |
| Transactions with owners, recorded directly in equity:                         |                        |                              |  |                                      |                                 |                            |                |
| First and final dividend of SGD0.015 per share for the year ended 30 June 2009 | -                      | -                            | -  | -                                    | -                               | (14.4)                     | (14.4)         |
| Total transactions with owners   | -                      | -                            | -  | -                                    | -                               | (14.4)                     | (14.4)         |
| Balance at 30 June 2010  | 273.6                  | 654.2                        | (1.6)  | 2.7                                  | (28.5)                          | 70.0                       | 970.4          |
| Balance at 1 Jul 2008  | 273.6                  | 654.2                        | (1.6)  | 2.7                                  | (28.5)                          | 228.7                      | 1,129.1        |
| Net loss for the year  | -                      | -                            | -  | -                                    | -                               | (105.3)                    | (105.3)        |
| Other comprehensive income   | -                      | -                            | -  | -                                    | -                               | -                          | -              |
| Total comprehensive income, net of income tax                                  | -                      | -                            | -  | -                                    | -                               | (105.3)                    | (105.3)        |
| Transactions with owners, recorded directly in equity:                         |                        |                              |  |                                      |                                 |                            |                |
| First and final dividend of SGD0.025 per share for the year ended 30 June 2008 | -                      | -                            | -  | -                                    | -                               | (21.8)                     | (21.8)         |
| Total transactions with owners   | -                      | -                            | -  | -                                    | -                               | (21.8)                     | (21.8)         |
| Balance at 30 June 2009  | 273.6                  | 654.2                        | (1.6)  | 2.7                                  | (28.5)                          | 101.6                      | 1,002.0        |
|  |                        |                              |  |                                      |                                 |                            |                |

**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  | 4 <sup>th</sup> Quarter ended<br>30 June 2010 |
| (a) Issued and fully paid ordinary shares:<br>As at 1 April and 30 June 2010 | 1,368,063,633                                 |
| (b) Issue of share options:<br>As at 1 April 2010                            | 11,800,000                                    |
| Options lapsed<br>As at 30 June 2010   | <u>-</u><br><u>11,800,000</u>                 |

|  | As at<br>30 Jun 10 | As at<br>30 Jun 09 |
|--|--------------------|--------------------|
| 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         | 11,800,000         |

**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 year and as at the end of the immediately preceding year was 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 June 2010.

There were no sales, transfers, disposal, cancellation and/or use of treasury shares for the year ended 30 June 2010.

**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 2010 have been audited by the Group's 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 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**

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 09 to<br>30 Jun 10 | 1 Jul 08 to<br>30 Jun 09 |
| Basic earnings per share (US cents)   | 3.7                      | 5.1                      |
| Diluted earnings per share (US cents) | 3.7                      | 5.1                      |

Both Basic and Diluted earnings per share for the current financial year and the immediately preceding financial year were calculated based on the weighted average number of shares of 1,328.1 million shares.

**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<br>Full Year<br>30 Jun 10 | Audited<br>Full Year<br>30 Jun 09 |
|---------------------------------|-----------------------------------|-----------------------------------|
| Net assets per share (US cents) |                                   |                                   |
| The Group                       | 73.1                              | 75.4                              |
| The Company                     | 73.1                              | 75.4                              |

Net asset value per share was calculated based on the weighted average number of shares of 1,328.1 million ordinary shares in issue during the current and immediately preceding financial 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**

The Group's net profit before tax increased by 16.8% to US\$41.7 million for the financial year ended 30 June 2010, from US\$35.7 million in the previous financial year. This was mainly due to better operating margins as personnel costs and other operating costs were lower by 7.8% and 12.9% respectively.

Profit after tax was however lower by 26.5% due mainly to additional tax provision made as well as lower deferred tax write-back in the current financial year as compared to the previous financial year.

### **Revenue**

For the financial year ended 30 June 2010, revenue decreased by 5.6% to US\$331.1 million, from US\$350.6 million in the previous financial year. This was principally due to losses suffered in the gaming segment in the current year and lower property sales in Fiji as the Group continued its exit from its property development business in Fiji.

### **Bass Strait oil and gas royalty**

Royalty income from oil and gas production in Australia registered a slight decrease of 1.5% to US\$38.6 million from US\$39.2 million in the previous financial year. This was due chiefly to lower royalties received as a result of lower yearly average crude oil and gas prices in the current financial year. However, this was partly offset by the strengthening of the AUD, which increased by 19% as compared to the previous financial year.

### **Gain on sale of investments**

There was no significant disposal of investments in the current financial year while a one-off gain of US\$0.9 million on disposal of investments was reported in the previous financial year.

### **Other operating income**

Other operating income fell by 1.1% to US\$9.1 million from US\$9.2 million in the previous financial year. This was principally due to lower sub-lease and rental income in the current financial year.

### **Direct costs of raw materials, consumables and services**

The decrease in direct costs of raw materials, consumables and services in the current financial year was generally in tandem with the decline in revenue.

### **Personnel expenses**

Personnel expenses, at US\$87.9 million, were 7.8% lower in the current financial year as compared to US\$95.3 million reported in the previous financial year. This arose as a result of cost and operational rationalisation efforts undertaken by the Group's hotel operations since the second half of the previous financial year.

### **Other operating expenses**

Other operating expenses decreased by 12.9% to US\$24.9 million from US\$28.6 million in the previous financial year. This was again due to cost rationalisation efforts as mentioned above.

### **Net financing costs**

Net financing costs were lower predominantly attributable to lower outstanding loans and lower lending rates in the current financial year.

### Income Tax

Income tax benefit decreased to US\$7.8 million from US\$31.7 million in the previous financial year due to a lower write-back of deferred tax liability and additional tax provision made.

### **Statement of Comprehensive Income**

Total comprehensive income was a net negative figure of US\$17.2 million for the financial year ended 30 June 2010. This was mainly due to a foreign exchange translation difference of US\$70.0 million as a result of translating the books of the Group's UK subsidiaries which are denominated in GBP into the Group's reporting currency, which is USD. The GBP declined by 10% against the USD, from 1.66 in June 2009 to 1.50 in June 2010.

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

### **Statement of Financial Position**

The Group's total assets as at 30 June 2010 decreased by 8.0% to US\$1.6 billion from US\$ 1.7 billion as at the end of the previous financial year, due principally to an adverse foreign exchange translation of US\$70.0 million as a result of the translation of GBP-denominated assets 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 June 2010:

- a) Intangible assets – reduction was due to amortisation of royalty rights to the oil and gas reserves in Australia
- b) Trade and other receivables – reduction was due to lower pre-payment and deposits
- c) Cash and cash equivalents – reduction was due to dividend and interest payments as well as capital expenditure on hotel refurbishment
- d) Development properties – reduction was due to sale of properties in Denarau, Fiji
- e) Loans and borrowings – reduction was due to partial repayment of loans
- f) Deferred tax liabilities – reduction was due to reversal of deferred tax provisions no longer required.

### **Cash Flow Statement**

Cash and cash equivalents increased by US\$9.8 million in the current financial year as compared to a decrease in cash of US\$10.7 million in the previous financial year. This was mainly due to lower capital expenditure and dividend payments in the current financial year as compared to 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**

Present global economic conditions remain uncertain. However, barring unforeseen circumstances, the Group is confident that it is well positioned to meet the uncertainty 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?**

Name of dividend: First and Final  
Dividend type: Cash  
Dividend rate: S\$0.015 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?**

Name of dividend: First and Final  
Dividend type: Cash  
Dividend rate: S\$0.015 per ordinary share  
Par value of shares: US\$0.20

### **(c) Date payable**

1 November 2010

The Directors propose, subject to shareholders' approval at the 49<sup>th</sup> Annual General Meeting of the Company to be held on 15 October 2010 ("AGM"), a first and final dividend of S\$0.015 per ordinary share ("Dividend") to be paid on 1 November 2010.

### **(d) Books closure date**

22 October 2010

**NOTICE IS HEREBY GIVEN THAT** subject to shareholders of the Company approving the proposed payment of the Dividend at the AGM, the share transfer books and register of members of the Company will be closed on 22 October 2010 for the preparation of payment of dividends.

Duly completed instruments of transfer received by the following branch registrars up to 5.00 p.m. on 21 October 2010 will be registered to determine shareholders' entitlements to the Dividend:

**M & C Services Private Limited**

138 Robinson Road  
#17-00 The Corporate Office  
Singapore 068906

**Computershare Investor Services Limited**

Private Bag 92119  
Auckland 1142  
159 Hurstmere Road  
Takapuna, North Shore City 0622  
New Zealand

Shareholder (being depositors) whose securities accounts with The Central Depository (Pte) Limited are credited with shares in the capital of the Company as at 5.00 p.m. on 21 October 2010 will be entitled to the Dividend.

Payment of the Dividend (if approved at the AGM) will be made on 1 November 2010.

## 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 2010**

| <b>Business Segments</b>                             | <b>Investment<br/>US\$m</b> | <b>Oil<br/>and gas<br/>US\$m</b> | <b>Property<br/>Development<br/>US\$m</b> | <b>Hotels<br/>US\$m</b> | <b>Gaming<br/>US\$m</b> | <b>Total<br/>US\$m</b> |
|--|-----------------------------|----------------------------------|---|-------------------------|-------------------------|------------------------|
| Total revenue  | -                           | -                                | 10.9                                      | 308.4                   | 11.8                    | 331.1                  |
| Bass Strait oil and gas royalty                      | -                           | 38.6                             | -   | -                       | -                       | 38.6                   |
| Gain / (loss) on disposal of investments / assets    | -                           | -                                | -   | -                       | -                       | -                      |
| Other operating income                               | 1.0                         | -                                | 1.1                                       | 6.5                     | 0.5                     | 9.1                    |
| Direct costs of raw materials and consumables        | -                           | -                                | (9.0)                                     | (157.6)                 | (2.9)                   | (169.5)                |
| Personnel expenses                                   | (2.5)                       | -                                | (1.0)                                     | (76.2)                  | (8.2)                   | (87.9)                 |
| Operating expenses                                   | (2.9)                       | (0.1)                            | (4.6)                                     | (11.7)                  | (5.6)                   | (24.9)                 |
| Profit / (loss) before depreciation and amortisation | (4.4)                       | 38.5                             | (2.6)                                     | 69.4                    | (4.4)                   | 96.5                   |
| Depreciation and impairment                          | (0.1)                       | -                                | -   | (22.7)                  | (0.6)                   | (23.4)                 |
| Amortisation   | -                           | (6.7)                            | -   | -                       | -                       | (6.7)                  |
| Profit / (loss) before financing costs               | (4.5)                       | 31.8                             | (2.6)                                     | 46.7                    | (5.0)                   | 66.4                   |
| Finance costs  |                             |                                  |   |                         |                         | (39.7)                 |
| Finance income                                       |                             |                                  |   |                         |                         | 8.3                    |
| Net foreign exchange gain                            |                             |                                  |   |                         |                         | 6.7                    |
| Income tax benefit                                   |                             |                                  |   |                         |                         | 7.8                    |
| Net profit for the year                              |                             |                                  |   |                         |                         | 49.5                   |

**30 June 2009**

| <b>Business Segments</b>                             | <b>Investment<br/>US\$m</b> | <b>Oil<br/>and gas<br/>US\$m</b> | <b>Property<br/>Development<br/>US\$m</b> | <b>Hotels<br/>US\$m</b> | <b>Gaming<br/>US\$m</b> | <b>Total<br/>US\$m</b> |
|--|-----------------------------|----------------------------------|---|-------------------------|-------------------------|------------------------|
| Total revenue  | -                           | -                                | 12.3                                      | 311.7                   | 26.6                    | 350.6                  |
| Bass Strait oil and gas royalty                      | -                           | 39.2                             | -   | -                       | -                       | 39.2                   |
| Gain / (loss) on disposal of investments / assets    | (0.1)                       | -                                | 1.0                                       | -                       | -                       | 0.9                    |
| Other operating income                               | 0.3                         | -                                | 1.4                                       | 6.9                     | 0.6                     | 9.2                    |
| Direct costs of raw materials and consumables        | -                           | -                                | (7.7)                                     | (162.7)                 | (7.8)                   | (178.2)                |
| Personnel expenses                                   | (2.6)                       | -                                | (1.1)                                     | (83.1)                  | (8.5)                   | (95.3)                 |
| Operating expenses                                   | (2.4)                       | (0.1)                            | (4.2)                                     | (15.5)                  | (6.4)                   | (28.6)                 |
| Profit / (loss) before depreciation and amortisation | (4.8)                       | 39.1                             | 1.7                                       | 57.3                    | 4.5                     | 97.8                   |
| Depreciation and impairment                          | (0.1)                       | -                                | -   | (21.5)                  | (0.7)                   | (22.3)                 |
| Amortisation   | -                           | (5.7)                            | -   | -                       | -                       | (5.7)                  |
| Profit / (loss) before financing costs               | (4.9)                       | 33.4                             | 1.7                                       | 35.8                    | 3.8                     | 69.8                   |
| Finance costs  |                             |                                  |   |                         |                         | (40.4)                 |
| Finance income                                       |                             |                                  |   |                         |                         | 9.6                    |
| Net foreign exchange loss                            |                             |                                  |   |                         |                         | (3.3)                  |
| Income tax benefit                                   |                             |                                  |   |                         |                         | 31.7                   |
| Net profit for the year                              |                             |                                  |   |                         |                         | 67.4                   |

**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**

As the Group's operations are predominantly in the UK, both revenues and earnings were impacted by the lower GBP against USD in the current financial year. Set out below are factors other than the impact of currency translation that affected the Group's segmental revenue and earnings.

The investment segment reported a smaller loss compared to the previous financial year mainly due to one-off liquidation proceeds received from past litigation action taken against certain parties in the current financial year.

The oil and gas segment reported a decrease in royalty income year-on-year due to lower average yearly crude oil and gas prices in the current financial year as compared to the previous financial year. However, this was partially offset by the higher AUD against the USD, which increased by 19%.

Revenue in the property development segment reported a decrease for the financial year ended 30 June 2010 due mainly to lower sales of development properties in Denarau, Fiji in the current financial year.

Revenues for the hotel segment in the current financial year were higher in GBP terms due mainly to lower operating expenses as a result of cost and operational rationalisation efforts undertaken by the Group's hotel operations since the second half of the previous financial year.

The gaming segment reported a decrease in revenue and earnings due mainly to gaming losses suffered in the current financial year.

**15. A breakdown of sales**

|  | <b>Latest<br/>Financial Year<br/>US\$m</b> | <b>Previous<br/>Financial Year<br/>US\$m</b> | <b>Increase/<br/>(Decrease)<br/>%</b> |
|--|--|--|---------------------------------------|
| Sales reported for first half year                       | 170.8                                      | 201.8  | (15.4%)                               |
| Operating profit after tax reported for first half year  | 17.5                                       | 29.1   | (39.9%)                               |
| Sales reported for second half year                      | 160.3                                      | 148.8  | 7.7%                                  |
| Operating profit after tax reported for second half year | 32.0                                       | 38.3   | (16.4%)                               |

**BY ORDER OF THE BOARD**

**Seok Hui Blackwell  
Group Company Secretary**

26 August 2010





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## **Independent Auditors' Report to the members of GuocoLeisure Limited**

We have audited the accompanying financial statements of GuocoLeisure Limited (the Company) and its subsidiaries (the Group), which comprise the balance sheets of the Group and the Company as at 30 June 2010, the income statement and statement of comprehensive income, statement of changes in equity of the Group and of the Company and cash flow statement of the Group for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 1 to 46.

### *Management's responsibility for the financial statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the requirements of Bermuda law and International Financial Reporting Standards. This responsibility includes:

- a) devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets;
- b) selecting and applying appropriate accounting policies; and
- c) making accounting estimates that are reasonable in the circumstances.

### *Auditors' responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



*Opinion*

In our opinion:

- (a) the financial statements are properly drawn up in accordance with the International Financial Reporting Standards to give a true and fair view of the state of affairs of the Company as at 30 June 2010 and the results, changes in equity and cash flows of the Company for the year ended on that date; and
- (b) the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

*KPMG LLP*

**KPMG LLP**  
*Public Accountants and*  
*Certified Public Accountants*

**Singapore**  
26 August 2010