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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.


FIRST QUARTER 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	14-Oct-2011 17:39:22
Announcement No.	00099

>> ANNOUNCEMENT DETAILS

The details of the announcement start here ...

For the Financial Period Ended *	30-09-2011
Description	Please refer to the attachment.
Attachments	 GuocoLeisure-1Q30092011.pdf Total size = 65K (2048K size limit recommended)



GuocoLeisure Limited

A member of the Hong Leong Group

Unaudited Financial Statement And Related Announcement For First Quarter Ended 30 September 2011

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 st Qtr		Increase/ (Decrease) %
	1 Jul to 30 Sep 11 US\$m	1 Jul to 30 Sep 10 US\$m	
Revenue	96.8	102.2	(5.3%)
Bass Strait oil and gas royalty	19.4	11.2	73.2%
Gain on disposal of investments / assets	0.2	0.2	-
Other operating income	10.5	1.9	452.6%
Direct costs of raw materials, consumables and services	(45.9)	(48.5)	(5.4%)
Personnel expenses	(25.8)	(22.6)	14.2%
Other operating expenses	(7.3)	(6.9)	5.8%
PROFIT BEFORE DEPRECIATION & AMORTISATION	47.9	37.5	27.7%
Depreciation	(6.0)	(5.3)	13.2%
Amortisation	(1.1)	(1.8)	(38.9%)
PROFIT BEFORE FINANCING COSTS	40.8	30.4	34.2%
Finance costs	(9.1)	(9.4)	(3.2%)
Finance income	2.4	2.0	20.0%
Net foreign exchange gain / (loss)	0.5	(2.0)	N.M
PROFIT BEFORE TAX	34.6	21.0	64.8%
Income tax expense	(10.5)	(4.3)	144.2%
NET PROFIT FOR THE PERIOD	24.1	16.7	44.3%
NET PROFIT ATTRIBUTABLE TO:			
- Owners of the Company	24.3	16.7	45.5%
- Non-controlling interests	(0.2)	-	N.M
NET PROFIT FOR THE PERIOD	24.1	16.7	44.3%

Note: N.M - not meaningful

1(a)(ii) Notes to Income Statement

	Unaudited 1 st Qtr		Increase/ (Decrease) %
	1 Jul to 30 Sep 11 US\$m	1 Jul to 30 Sep 10 US\$m	
Profit after tax is stated after (charging) / crediting:			
Gain on disposal of investments / assets	0.2	0.2	-
Other operating income	10.5	1.9	452.6%
Amortisation of Bass Strait oil and gas royalty	(1.1)	(1.8)	(38.9%)
Income tax expenses	(10.5)	(4.3)	144.2%

1(a)(iii) Statement of Comprehensive Income

	Unaudited 1 st Qtr		Increase/ (Decrease) %
	1 Jul to 30 Sep 11 US\$m	1 Jul to 30 Sep 10 US\$m	
Net Profit for the period	24.1	16.7	44.3%
Other comprehensive income:			
Net exchange translation difference relating to financial statements of foreign subsidiaries	(32.9)	56.2	N.M
Net change in fair value on available-for-sale investments	-	3.1	N.M
Other comprehensive income for the period, net of income tax	(32.9)	59.3	N.M
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD	(8.8)	76.0	N.M
TOTAL COMPREHENSIVE (LOSS) / INCOME ATTRIBUTABLE TO:			
- Owners of the Company	(8.6)	76.0	N.M
- Non-controlling interest	(0.2)	-	N.M
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD	(8.8)	76.0	N.M

Note: N.M - not meaningful

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 30-Sep-11	Audited 30-Jun-11	Unaudited 30-Sep-11	Audited 30-Jun-11
	US\$m	US\$m	US\$m	US\$m
ASSETS				
Hotels, property and equipment	1,165.6	1,189.3	-	-
Intangible assets	175.3	190.1	-	-
Investment in subsidiaries	-	-	1,309.7	1,298.3
Other investments	4.4	4.3	-	-
TOTAL NON-CURRENT ASSETS	1,345.3	1,383.7	1,309.7	1,298.3
Inventories	0.9	1.0	-	-
Development properties	178.0	178.3	-	-
Trade and other receivables	78.1	91.1	0.3	0.3
Advances to subsidiaries	-	-	135.2	140.8
Cash and cash equivalents	39.0	19.6	-	-
TOTAL CURRENT ASSETS	296.0	290.0	135.5	141.1
TOTAL ASSETS	1,641.3	1,673.7	1,445.2	1,439.4
LESS LIABILITIES				
Loans and borrowings	48.4	35.0	48.4	35.0
Trade and other payables	82.8	84.7	3.2	2.3
Corporate tax payable	10.9	6.6	-	-
Provisions	0.6	0.9	-	-
TOTAL CURRENT LIABILITIES	142.7	127.2	51.6	37.3
Advances from subsidiaries	-	-	298.5	298.5
Loans and borrowings	347.2	383.6	-	-
Provisions	9.4	11.5	-	-
Deferred tax liabilities	47.9	48.6	-	-
TOTAL NON-CURRENT LIABILITIES	404.5	443.7	298.5	298.5
TOTAL LIABILITIES	547.2	570.9	350.1	335.8
NET ASSETS	1,094.1	1,102.8	1,095.1	1,103.6
SHARE CAPITAL AND RESERVES				
Equity attributable to owners of the Company	1,095.1	1,103.6	1,095.1	1,103.6
Non-controlling interest	(1.0)	(0.8)	-	-
TOTAL EQUITY	1,094.1	1,102.8	1,095.1	1,103.6

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 2011		As at 30 Jun 2011	
Secured	Unsecured	Secured	Unsecured
-	48.4	-	35.0

Amount repayable after one year

As at 30 Sep 2011		As at 30 Jun 2011	
Secured	Unsecured	Secured	Unsecured
347.2	-	383.6	-

Details of any collateral

As at 30 September 2011, the Group's unsecured borrowings that were repayable in one year or less stood at US\$48.4 million. The Group continues to have adequate banking lines to meet its funding requirements.

The Group's long term borrowings of US\$347.2 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\$252.9 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 guarantee expires in April 2012 and the maximum liability under the guarantee is US\$43.2 million (£27.7 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 Unaudited	
	1 st Qtr 1 Jul to 30 Sep 11 US\$m	1 st Qtr 1 Jul to 30 Sep 10 US\$m
OPERATING ACTIVITIES		
Profit before financing costs	40.8	30.4
Adjustments for non-cash items		
Depreciation	6.0	5.3
Amortisation of Bass Strait oil and gas royalty	1.1	1.8
Gain on disposal of investments / assets	(0.2)	(0.2)
Other non-cash items	0.1	-
Provisions	(0.7)	0.5
Net change in working capital items		
Inventories / development properties	0.1	0.2
Trade and other receivables	13.0	(4.5)
Trade and other payables	(8.7)	18.2
Provisions	(1.7)	(1.6)
Income tax paid	(4.4)	(2.9)
CASH FLOWS FROM OPERATING ACTIVITIES	45.4	47.2
INVESTING ACTIVITIES		
Proceeds from sale of investment	-	1.2
Proceeds from sale of equipment	0.3	-
Acquisition of hotels, property and equipment	(12.9)	(5.1)
CASH FLOWS USED IN INVESTING ACTIVITIES	(12.6)	(3.9)
FINANCING ACTIVITIES		
Drawdown of short-term borrowings	43.4	13.1
Repayment of short-term borrowings	(28.3)	(26.1)
Buy-back of mortgage debenture stock	(24.5)	-
Interest received	0.3	0.1
Interest paid	(2.6)	(0.1)
Other financing costs	-	(0.1)
Realised exchange gain on financial derivatives	0.1	0.4
CASH FLOWS USED IN FINANCING ACTIVITIES	(11.6)	(12.7)
NET INCREASE IN CASH AND CASH EQUIVALENTS	21.2	30.6
Cash and cash equivalents at beginning of the year	19.6	30.4
Effect of exchange rate fluctuations on cash held	(1.8)	2.0
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	39.0	63.0

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	Non-Controlling Interest US\$m	Total Equity US\$m
Balance at 1 Jul 2011	273.6	654.2	(49.4)	1.0	(1.6)	3.0	(28.5)	251.3	1,103.6	(0.8)	1,102.8
Profit for the period	-	-	-	-	-	-	-	24.3	24.3	(0.2)	24.1
<i>Other comprehensive income:</i>											
Net exchange translation difference relating to financial statements of foreign subsidiaries	-	-	(32.9)	-	-	-	-	-	(32.9)	-	(32.9)
Total other comprehensive income, net of income tax	-	-	(32.9)	-	-	-	-	-	(32.9)	-	(32.9)
Total comprehensive income for the period, net of income tax	-	-	(32.9)	-	-	-	-	24.3	(8.6)	(0.2)	(8.8)
<i>Transactions with owners, recorded directly in equity:</i>											
Value of employee services received for issue of share option	-	-	-	-	-	0.1	-	-	0.1	-	0.1
Total transactions with owners	-	-	-	-	-	0.1	-	-	0.1	-	0.1
Balance at 30 September 2011	273.6	654.2	82.3	1.0	(1.6)	3.1	(28.5)	275.6	1,095.1	(1.0)	1,094.1
Balance at 1 Jul 2010	273.6	654.2	(127.2)	2.3	(1.6)	2.7	(28.5)	185.4	960.9	-	960.9
Profit for the period	-	-	-	-	-	-	-	16.7	16.7	-	16.7
<i>Other comprehensive income:</i>											
Net exchange translation difference relating to financial statements of foreign subsidiaries	-	-	56.2	-	-	-	-	-	56.2	-	56.2
Changes in fair value of available-for-sale investments	-	-	-	3.1	-	-	-	-	3.1	-	3.1
Total other comprehensive income, net of income tax	-	-	56.2	3.1	-	-	-	-	59.3	-	59.3
Total comprehensive income for the period, net of income tax	-	-	56.2	3.1	-	-	-	16.7	76.0	-	76.0
<i>Transactions with owners, recorded directly in equity:</i>											
Total transactions with owners	-	-	-	-	-	-	-	-	-	-	-
Balance at 30 September 2010	273.6	654.2	71.0	5.4	(1.6)	2.7	(28.5)	202.1	1,036.9	-	1,036.9

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 2011	273.6	654.2	(1.6)	2.7	(28.5)	203.2	1,103.6
Net loss for the period	-	-	-	-	-	(8.5)	(8.5)
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the period, net of income tax	-	-	-	-	-	(8.5)	(8.5)
Balance at 30 Sep 2011	273.6	654.2	(1.6)	2.7	(28.5)	194.7	1,095.1
Balance at 1 Jul 2010	273.6	654.2	(1.6)	2.7	(28.5)	70.0	970.4
Net profit for the period	-	-	-	-	-	76.0	76.0
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the period, net of income tax	-	-	-	-	-	76.0	76.0
Balance at 30 Sep 2010	273.6	654.2	(1.6)	2.7	(28.5)	146.0	1,046.4

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 2011
(a) Issued and fully paid ordinary shares: As at 1 July and 30 September 2011	1,368,063,633
(b) Grant of share options under GL Executives' Share Option Scheme 2008:	
As at 1 July 2011	5,300,000
Options lapsed	-
As at 30 September 2011	<u>5,300,000</u>

	As at 30 Sep 11	As at 30 Sep 10
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	-	8,260,000
No. of shares that would be transferred by the Trust* to eligible employees to satisfy the outstanding share options under the GL Executives' Share Option Scheme 2008	5,300,000	-
<p>* The GL Executives' Share Option Scheme 2008 ("ESOS") was adopted in 2008 to replace the GL Value Creation Incentive Share Scheme ("VCI Scheme"). The Company intends to establish a new trust ("ESOS Trust") for the purposes of the ESOS whereby the trustee of the existing trust for the VCI Scheme ("VCI Trust") which holds 40 million GL shares for the purpose of satisfying any outstanding options that may be exercised under the VCI Scheme, will transfer to the ESOS Trust the entire 40 million GL shares currently held by the VCI Trust as all outstanding options under the VCI Scheme had lapsed as at 30 June 2011.</p>		

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 was 1,368.1 million.

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 2011.

There were no sales, transfers, disposal, cancellation and/or use of treasury shares for the period ended 30 September 2011.

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 Group's 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 2011 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

	Group Unaudited 1 st Qtr	
	1 Jul to 30 Sep 11	1 Jul to 30 Sep 10
Basic earnings per share (US cents)	1.8	1.3
Diluted earnings per share (US cents)	1.8	1.3

Both basic and diluted earnings per share for the current and previous corresponding financial quarter were 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 st Qtr	Full Year
Net assets per share (US cents)	30 Sep 11	30 Jun 11
The Group	82.5	83.1
The Company	82.5	83.1

Net asset value per share was 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 quarter ended 30 September 2011 stood at US\$24.1 million, an increase of 44.3% as compared to US\$16.7 million in the previous corresponding quarter. The following review sets out the factors that affected profit after tax for the period:

Revenue

For the quarter ended 30 September 2011, revenue decreased by 5.3% quarter-on-quarter (q-o-q) to US\$96.8 million due mainly to lower revenue generated from the gaming segment. Whilst the revenues in the hotel operations showed steady growth of 8.9%, volatility in the gaming sector affected overall revenue performance. In the corresponding quarter last year, gaming revenues were at record levels compared to a more normalised level in the current quarter.

Bass Strait oil and gas royalty

Income from the Bass Strait oil and gas royalty in Australia increased by 73.2% q-o-q principally due to higher royalties received as a result of higher average crude oil and gas prices in the current quarter as compared to the same period a year ago. In addition, a one-off royalty distribution arising from the resolution of a royalty entitlement dispute was received during the period.

Gain on sale of investment / assets

There was a gain of US\$0.2 million from the disposal of assets in the current quarter.

Other operating income

Other operating income increased by 452.6% for the quarter ended 30 September 2011 due mainly to the reimbursement of expenses associated with the royalty entitlement dispute which was resolved as noted above.

Direct costs of raw materials, consumables and services

The decrease in direct costs of raw materials, consumables and services by 5.4% q-o-q was due mainly to lower gaming duty in tandem with the decrease in revenue from gaming operations in the current quarter.

Personnel expenses

The increase in personnel expenses q-o-q was mainly due to the expansion of sales and marketing teams for the UK hotel operations and is in line with the Group's business strategy to expand its hotel business.

Other operating expenses

The increase in other operating expenses for the quarter was mainly due to higher marketing and promotional fees in the hotel segment as compared to the previous quarter.

Tax expenses

Income tax was higher than the previous corresponding quarter due to tax provision on higher royalty income as well as the one-off royalty distribution received during the period.

Statement of Comprehensive Income

Total comprehensive loss for the quarter ended 30 September 2011 was US\$8.8 million. This included a net foreign exchange translation loss of US\$32.9 million as a result of translating the books of the Group's UK subsidiaries and the Bass Strait oil and gas royalty rights which are denominated in GBP and AUD respectively into the Group's reporting currency, which is USD. The GBP and AUD as at 30 September 2011 depreciated against the USD by 2.6% and 9.2% respectively as compared to 30 June 2011.

Statement of Financial Position

The Group's net assets as at 30 September 2011 decreased by 0.8% to US\$1.095 billion from US\$1.104 billion as at 30 June 2011 principally due to a net foreign exchange translation loss of US\$32.9 million, which arose from the translation of the Group's GBP- and AUD-denominated net assets into USD as explained in the Statement of Comprehensive Income above.

Other significant movements in the Group's net assets were as follows:

- a) Intangible assets – decrease was due to the lower AUD and GBP exchange rates against USD.
- b) Trade and other receivables – decrease was primarily due to lower outstanding trade debts for both the hotel and gaming segments for the quarter.
- c) Cash and cash equivalents – increase was due mainly to revenue generated from the hotel operations and royalty income received during the quarter.
- d) Loans and borrowings – decrease was due to buy-back of mortgage debenture stock.
- e) Corporate tax payable – increase was due to higher provision on royalty income for the quarter.
- f) Provisions – decrease was due to actual pension payments made during the quarter.

Cash Flow Statement

There was lower net cash of US\$21.2 million generated in the current quarter as compared with US\$30.6 million in the previous corresponding quarter. This was mainly due to higher capital expenditure during the quarter for hotel refurbishment.

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 situation in Europe as well as the slowdown in the US have heightened the risk of a recession in major Western economies. While business performance has shown improvement on a quarter-on-quarter basis, the Group remains vigilant and mindful of macro-economic risks that may pose a challenge to its growth plans.

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. **General Mandate from Shareholders for Interested Person Transactions ("IPTs")**

There is no general mandate from shareholders for IPTs.

14. **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 2011 false or misleading in any material aspect.

BY ORDER OF THE BOARD

Seok Hui Blackwell
Group Company Secretary

14 October 2011