GuocoLeisure Limited
A Member of the Hong Leong Group

Unaudited Financial Statement And Related Announcement For Half-year and Second Quarter Ended 31 December 2014

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

	Unaudited 1st Half Ended			Unaudited 2nd Quarter Ended		
	1 Jul to 31 Dec 14 US$m	1 Jul to 31 Dec 13 US$m	Increase/ (Decrease) %	**1 Oct to 31 Dec 14 US$m**	1 Oct to 31 Dec 13 US$m	Increase/ (Decrease) %
Revenue	**200.6**	214.5	(6.5%)	**99.6**	106.7	(6.7%)
Bass Strait oil and gas royalty	**23.6**	22.4	5.4%	**10.6**	10.8	(1.9%)
Gain on disposal of investments/assets	**0.1**	0.8	(87.5%)	**-**	-	-
Other operating income	**7.6**	7.2	5.6%	**4.0**	3.7	8.1%
Direct costs of raw materials and consumables	**(95.0)**	(100.3)	(5.3%)	**(48.2)**	(51.1)	(5.7%)
Personnel expenses	**(57.3)**	(62.1)	(7.7%)	**(28.3)**	(32.2)	(12.1%)
Other operating expenses	**(14.5)**	(16.4)	(11.6%)	**(6.8)**	(7.3)	(6.8%)
PROFIT BEFORE DEPRECIATION & AMORTISATION	**65.1**	66.1	(1.5%)	**30.9**	30.6	1.0%
Depreciation	**(11.8)**	(12.0)	(1.7%)	**(5.8)**	(6.1)	(4.9%)
Amortisation	**(1.9)**	(2.0)	(5.0%)	**(0.9)**	(1.0)	(10.0%)
PROFIT BEFORE FINANCING COSTS	**51.4**	52.1	(1.3%)	**24.2**	23.5	3.0%
Finance costs	**(15.6)**	(15.7)	(0.6%)	**(7.2)**	(8.0)	(10.0%)
Finance income	**3.6**	3.5	2.9%	**1.8**	1.8	-
Net foreign exchange gain/(loss)	**0.3**	(0.6)	N.M	**(0.2)**	0.1	N.M
PROFIT BEFORE TAX	**39.7**	39.3	1.0%	**18.6**	17.4	6.9%
Income tax expense	**(8.5)**	(9.3)	(8.6%)	**(3.9)**	(3.8)	2.6%
PROFIT FOR THE PERIOD	**31.2**	30.0	4.0%	**14.7**	13.6	8.1%
PROFIT ATTRIBUTABLE TO:						
- Owners of the Company	**31.4**	30.2	4.0%	**14.8**	13.7	8.0%
- Non-controlling interests	**(0.2)**	(0.2)	-	**(0.1)**	(0.1)	-
PROFIT FOR THE PERIOD	**31.2**	30.0	4.0%	**14.7**	13.6	8.1%

Note: N.M - not meaningful

Note to Income Statement

	Unaudited 1st Half Ended			Unaudited 2nd Quarter Ended		
	1 Jul to 31 Dec 14 US$m	1 Jul to 31 Dec 13 US$m	Increase/ (Decrease) %	**1 Oct to 31 Dec 14 US$m**	1 Oct to 31 Dec 13 US$m	Increase/ (Decrease) %
Profit before tax is stated after (charging) / crediting:						
Gain on disposal of investments/assets	**0.1**	0.8	(87.5%)	**-**	-	-
Other operating income	**7.6**	7.2	5.6%	**4.0**	3.7	8.1%
Amortisation of Bass Strait oil and gas royalty	**(1.9)**	(2.0)	(5.0%)	**(0.9)**	(1.0)	(10.0%)
Income tax expenses	**(8.5)**	(9.3)	(8.6%)	**(3.9)**	(3.8)	2.6%

1(a)(ii) Statement of Comprehensive Income

	Unaudited 1st Half Ended			Unaudited 2nd Quarter Ended		
	1 Jul to 31 Dec 14 US$m	1 Jul to 31 Dec 13 US$m	Increase/ (Decrease) %	**1 Oct to 31 Dec 14 US$m**	1 Oct to 31 Dec 13 US$m	Increase/ (Decrease) %
Profit for the period	**31.2**	30.0	4.0%	**14.7**	13.6	8.1%
Other comprehensive income:						
Items that may be reclassified subsequently to profit or loss:						
Net exchange translation difference relating to financial statements of foreign subsidiaries	**(93.0)**	65.2	N.M	**(43.2)**	15.2	N.M
Change in fair value of cash flow hedge	**(4.8)**	-	N.M	**(4.8)**	-	N.M
Change in fair value of available-for-sale investments	**-**	0.1	N.M	**-**	0.1	N.M
Other comprehensive income for the period, net of income tax	**(97.8)**	65.3	N.M	**(48.0)**	15.3	N.M
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**(66.6)**	95.3	N.M	**(33.3)**	28.9	N.M
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:						
- Owners of the Company	**(66.7)**	95.6	N.M	**(33.3)**	29.0	N.M
- Non-controlling interests	**0.1**	(0.3)	N.M	**-**	(0.1)	N.M
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**(66.6)**	95.3	N.M	**(33.3)**	28.9	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 31-Dec-14 US$m	Audited 30-June-14 US$m	**Unaudited 31-Dec-14 US$m**	Audited 30-June-14 US$m
ASSETS				
Hotels, property and equipment	**1,195.9**	1,286.8	**-**	-
Intangible assets	**133.2**	152.4	**-**	-
Investment in subsidiaries	**-**	-	**955.7**	1,199.1
Other investments	**4.1**	3.1	**-**	-
TOTAL NON-CURRENT ASSETS	**1,333.2**	1,442.3	**955.7**	1,199.1
Inventories	**1.2**	1.0	**-**	-
Development properties	**177.0**	176.8	**-**	-
Trade and other receivables	**52.4**	85.1	**0.6**	1.0
Assets held for sale	**-**	0.1	**-**	-
Advances to subsidiaries	**-**	-	**435.3**	92.0
Cash and cash equivalents	**5.9**	9.1	**-**	-
TOTAL CURRENT ASSETS	**236.5**	272.1	**435.9**	93.0
TOTAL ASSETS	**1,569.7**	1,714.4	**1,391.6**	1,292.1
LIABILITIES				
Loans and borrowings	**22.8**	250.4	**-**	0.5
Trade and other payables	**84.7**	114.3	**1.6**	2.0
Corporate tax payable	**9.1**	9.5	**-**	-
Provisions	**1.3**	1.3	**-**	-
TOTAL CURRENT LIABILITIES	**117.9**	375.5	**1.6**	2.5
Loans and borrowings	**305.3**	99.2	**-**	-
Provisions	**-**	1.6	**-**	-
Deferred tax liabilities	**22.1**	23.3	**-**	-
TOTAL NON-CURRENT LIABILITIES	**327.4**	124.1	**-**	-
TOTAL LIABILITIES	**445.3**	499.6	**1.6**	2.5
NET ASSETS	**1,124.4**	1,214.8	**1,390.0**	1,289.6
SHARE CAPITAL AND RESERVES				
Equity attributable to owners of the Company	**1,126.8**	1,217.3	**1,390.0**	1,289.6
Non-controlling interests	**(2.4)**	(2.5)	**-**	-
TOTAL EQUITY	**1,124.4**	1,214.8	**1,390.0**	1,289.6

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

Amount repayable in one year or less, or on demand

As at 31 Dec 2014		As at 30 Jun 2014	
Secured	**Unsecured**	Secured	Unsecured
-	**22.8**	238.4	12.0

Amount repayable after one year

As at 31 Dec 2014		As at 30 Jun 2014	
Secured	**Unsecured**	Secured	Unsecured
90.4	**214.9**	99.2	-

Details of any collateral

As at 31 December 2014, the Group's unsecured borrowings that were repayable in one year or less stood at US$22.8 million. The Group continues to have banking lines to meet its funding requirements.

The Group's secured borrowings as at 31 December 2014 of US$90.4 million that is repayable after one year, is secured on one hotel owned by the Group with a total net book value of US$146.3 million.

In December 2014, the Group has drawn down US$214.9 million unsecured bank borrowings, that is repayable after one year, to redeem the secured debenture stocks due on 20 December 2014.

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

	GROUP			
	Unaudited 1st Half		Unaudited 2nd Quarter	
	1 Jul to 31 Dec 14 US$m	1 Jul to 31 Dec 13 US$m	**1 Oct to 31 Dec 14 US$m**	1 Oct to 31 Dec 13 US$m
OPERATING ACTIVITIES				
Profit before financing costs	**51.4**	52.1	**24.2**	23.5
Adjustments for non-cash items				
Depreciation of hotels, property and equipment	**11.8**	12.0	**5.8**	6.1
Amortisation of Bass Strait oil and gas royalty	**1.9**	2.0	**0.9**	1.0
Gain on disposal of investments/assets	**(0.1)**	(0.8)	**-**	-
Other non-cash items	**0.4**	0.4	**0.2**	0.2
Net change in working capital items				
Inventories/development properties	**(0.4)**	0.8	**(0.4)**	(0.2)
Trade and other receivables	**32.8**	17.6	**7.2**	14.5
Trade and other payables	**(34.0)**	(11.4)	**(8.7)**	(14.3)
Provisions	**(2.2)**	(2.8)	**(1.0)**	(2.1)
Income tax paid	**(6.6)**	(6.9)	**(3.5)**	(3.6)
Purchase of shares of the Company for ESOS 2008	**(4.0)**	(0.7)	**-**	-
CASH FLOWS FROM OPERATING ACTIVITIES	**51.0**	62.3	**24.7**	25.1
INVESTING ACTIVITIES				
Proceeds from sale of investments/assets	**0.1**	9.1	**-**	0.2
Acquisition of hotels, property and equipment	**(30.4)**	(12.3)	**(16.4)**	(7.5)
CASH FLOWS USED IN INVESTING ACTIVITIES	**(30.3)**	(3.2)	**(16.4)**	(7.3)
FINANCING ACTIVITIES				
Drawdown of short-term borrowings	**1.6**	19.4	**-**	6.5
Repayment of short-term borrowings	**(3.0)**	(50.3)	**(1.6)**	(11.5)
Drawdown of long-term borrowings	**223.1**	-	**223.1**	-
Redemption of mortgaged debenture stock	**(223.4)**	-	**(223.4)**	-
Interest received	**-**	0.1	**-**	0.1
Interest paid	**(14.5)**	(15.6)	**(14.4)**	(15.4)
Other financing costs	**(0.3)**	(0.2)	**(0.2)**	(0.2)
Realised exchange gain/(losses) on financial derivatives	**0.5**	(0.4)	**0.6**	(0.6)
Dividend paid to shareholders of the Company	**(20.1)**	(21.0)	**(20.1)**	(21.0)
CASH FLOWS USED IN FINANCING ACTIVITIES	**(36.1)**	(68.0)	**(36.0)**	(42.1)
NET DECREASE IN CASH AND CASH EQUIVALENTS	**(15.4)**	(8.9)	**(27.7)**	(24.3)
Cash and cash equivalents at beginning of the period	**(2.4)**	7.7	**9.8**	23.7
Effect of exchange rate fluctuations on cash held	**0.9**	(0.4)	**1.0**	(1.0)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD*	**(16.9)**	(1.6)	**(16.9)**	(1.6)

** including bank overdraft of US$22.8 million (2013:US$9.5 million) under loan and borrowings.*

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$m	Equity Compen -sation Reserve US$m	ESOS Reserve US$m	Retained Earnings US$m	Total US$m	Non-Controlling Interests US$m	Total Equity US$m
Balance at 1 Jul 2014	**273.6**	**654.2**	**(10.4)**	**0.6**	**(1.6)**	**3.4**	**(42.2)**	**339.7**	**1,217.3**	**(2.5)**	**1,214.8**
Profit for the period	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**31.4**	**31.4**	**(0.2)**	**31.2**
Other comprehensive income:											
Net exchange translation difference relating to financial statements of foreign subsidiaries	**-**	**-**	**(93.3)**	**-**	**-**	**-**	**-**	**-**	**(93.3)**	**0.3**	**(93.0)**
Changes in fair value of cash flow hedge	**-**	**-**	**-**	**(4.8)**	**-**	**-**	**-**	**-**	**(4.8)**	**-**	**(4.8)**
Total other comprehensive income, net of income tax	**-**	**-**	**(93.3)**	**(4.8)**	**-**	**-**	**-**	**-**	**(98.1)**	**0.3**	**(97.8)**
Total comprehensive income for the period, net of income tax	**-**	**-**	**(93.3)**	**(4.8)**	**-**	**-**	**-**	**31.4**	**(66.7)**	**0.1**	**(66.6)**
Transactions with owners, recorded directly in equity:											
Purchase of shares of the Company for ESOS 2008	**-**	**-**	**-**	**-**	**-**	**-**	**(4.0)**	**-**	**(4.0)**	**-**	**(4.0)**
Value of employee services received for issue of share option	**-**	**-**	**-**	**-**	**-**	**0.3**	**-**	**-**	**0.3**	**-**	**0.3**
First and final dividend of SGD0.020 per share for the year ended 30 June 2014	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(20.1)**	**(20.1)**	**-**	**(20.1)**
Total transactions with owners	**-**	**-**	**-**	**-**	**-**	**0.3**	**(4.0)**	**(20.1)**	**(23.8)**	**-**	**(23.8)**
Balance at 31 December 2014	**273.6**	**654.2**	**(103.7)**	**(4.2)**	**(1.6)**	**3.7**	**(46.2)**	**351.0**	**1,126.8**	**(2.4)**	**1,124.4**
Balance at 1 Jul 2013	273.6	654.2	(107.8)	0.5	(1.6)	2.7	(40.3)	325.2	1,106.5	(1.9)	1,104.6
Profit for the period	-	-	-	-	-	-	-	30.2	30.2	(0.2)	30.0
Other comprehensive income:											
Net exchange translation difference relating to financial statements of foreign subsidiaries	-	-	65.3	-	-	-	-	-	65.3	(0.1)	65.2
Changes in fair value of available-for-sale investments	-	-	-	0.1	-	-	-	-	0.1	-	0.1
Total other comprehensive income, net of income tax	-	-	65.3	0.1	-	-	-	-	65.4	(0.1)	65.3
Total comprehensive income for the period, net of income tax	-	-	65.3	0.1	-	-	-	30.2	95.6	(0.3)	95.3
Transactions with owners, recorded directly in equity:											
Purchase of shares of the Company for ESOS 2008	-	-	-	-	-	-	(0.7)	-	(0.7)	-	(0.7)
Value of employee services received for issue of share option	-	-	-	-	-	0.4	-	-	0.4	-	0.4
First and final dividend of SGD0.020 per share for the year ended 30 June 2013	-	-	-	-	-	-	-	(21.0)	(21.0)	-	(21.0)
Total transactions with owners	-	-	-	-	-	0.4	(0.7)	(21.0)	(21.3)	-	(21.3)
Balance at 31 December 2013	273.6	654.2	(42.5)	0.6	(1.6)	3.1	(41.0)	334.4	1,180.8	(2.2)	1,178.6

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	ESOS Reserve US$m	Retained Earnings US$m	Total US$m
Balance at 1 Jul 2014	**273.6**	**654.2**	**(1.6)**	**2.9**	**(42.2)**	**402.7**	**1,289.6**
Profit for the period	**-**	**-**	**-**	**-**	**-**	**124.5**	**124.5**
Other comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total comprehensive income for the period, net of income tax	**-**	**-**	**-**	**-**	**-**	**124.5**	**124.5**
Transactions with owners, recorded directly in equity:							
Purchase of shares of the Company for ESOS 2008	**-**	**-**	**-**	**-**	**(4.0)**	**-**	**(4.0)**
First and final dividend of SGD0.020 per share for the year ended 30 June 2014	**-**	**-**	**-**	**-**	**-**	**(20.1)**	**(20.1)**
Balance at 31 December 2014	**273.6**	**654.2**	**(1.6)**	**2.9**	**(46.2)**	**507.1**	**1,390.0**
Balance at 1 Jul 2013	273.6	654.2	(1.6)	2.7	(40.3)	373.7	1,262.3
Profit for the period	-	-	-	-	-	67.8	67.8
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the period, net of income tax	-	-	-	-	-	67.8	67.8
Transactions with owners, recorded directly in equity:							
Purchase of shares of the Company for ESOS 2008	-	-	-	-	(0.7)	-	(0.7)
First and final dividend of SGD0.020 per share for the year ended 30 June 2013	-	-	-	-	-	(21.0)	(21.0)
Balance at 31 December 2013	273.6	654.2	(1.6)	2.7	(41.0)	420.5	1,308.4

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 well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, 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	Half-Year ended 31 December 2014
(a) Issued and fully paid ordinary shares:	
As at 1 July and 31 December 2014	1,368,063,633
(b) Grant of share options under ESOS 2008:	
As at 1 July 2014	70,400,000
Options lapsed	(1,000,000)
As at 31 December 2014	69,400,000

	As at 31 Dec 2014	As at 31 Dec 2013
Number of shares held in the ESOS Trust to be transferred to eligible employees to satisfy the outstanding share options under the ESOS 2008	**68,295,000**	61,966,000

There was no change in the Company's share capital since the immediate preceding financial period reported on.

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.

	As at 31 Dec 2014	As at 30 June 2014
Total issued ordinary shares	**1,368.1 million**	1,368.1 million
Less: No. of shares acquired by the ESOS Trust for ESOS 2008	**(68.3) million**	(63.9) million
Total issued ordinary shares excluding shares acquired by the ESOS Trust for ESOS 2008	**1,299.8 million**	1,304.2 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.

Not applicable

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 2014 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 1st Half		Group Unaudited 2nd Quarter	
	1 Jul to 31 Dec 14[1]	1 Jul to 31 Dec 13[2]	**1 Oct to 31 Dec 14**	1 Oct to 31 Dec 13
Basic earnings per share (US cents)	**2.4**	2.3	**1.1**	1.0
Diluted earnings per share (US cents)	**2.4**	2.3	**1.1**	1.0

[1] Based on the weighted average number of ordinary shares in issue after adjusting for the shares held by the ESOS Trust for ESOS 2008, being 1,302.3 million shares.
[2] Based on the weighted average number of ordinary shares in issue after adjusting for the shares held by the ESOS Trust for ESOS 2008, being 1,311.8 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.

Net assets per share (US cents)	**Unaudited 1st Half 31 Dec 14[1]**	Audited Full Year 30 June 14[2]
The Group	**86.5**	93.3
The Company	**106.7**	98.8

[1] Based on the weighted average number of ordinary shares in issue after adjusting for the shares held by the ESOS Trust for ESOS 2008, being 1,302.3 million shares.
[2] 2 Based on the weighted average number of ordinary shares in issue after adjusting for the shares held by the ESOS Trust for ESOS 2008, being 1,315.4 million shares.

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

Income Statement

Profit after tax for the half-year stood at US$31.2 million, an increase of 4.0% as compared to US$30.0 million in the previous corresponding period. The following review sets out the factors that affected profit after tax for the period:

Revenue
Revenue decreased by 6.5% to US$200.6 million year-on-year due mainly to lower revenue generated from both gaming and property development segments. The volatility in the gaming sector will continue to affect overall revenue performance. Hotel revenue was stable as compared to previous corresponding period.

Bass Strait oil and gas royalty
Income from the Bass Strait oil and gas royalty in Australia increased by 5.4% principally due to higher royalties received as a result of higher oil production compared to previous corresponding period.

Gain on disposal of investments/assets
The decrease in gain on disposal of investments/assets was mainly due to sale of a casino licence by Clermont Leisure UK in the previous corresponding period.

Direct costs of raw materials, consumables and services
The decrease in direct costs of raw materials, consumables and services for the half-year by 5.3% was due mainly to lower gaming duty in tandem with the decrease in revenue from gaming sector during the period.

Personnel expenses
The implementation of the new VCGM management model at the Group's hotel operations has decentralised decision-making and resulted in significant cost savings at central support office.

Other operating expenses
The decrease in other operating expenses for the half-year reflecting overall cost disciplines for the group and transformation cost incurred during the start-up stage in the previous corresponding period.

Income tax expense
The decrease in income tax expense was mainly due to higher tax provision on property development segment in the previous corresponding period.

Statement of Comprehensive Income

Total comprehensive loss for the half-year was US$66.6 million. This included a net foreign exchange translation loss of US$93.0 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 31 December 2014 depreciated against the USD by 8.5% and 12.8% respectively as compared to 30 June 2014.

Statement of Financial Position

The Group's net assets before non-controlling interests decreased by 7.4% from US$1,217.3 million as at 30 June 2014 to US$1,126.8 million as at 31 December 2014. This is mainly attributable to net foreign exchange translation loss referred to above.

Excluding the effects of currency translation, other significant factors that affected the Group's net assets as at 31 December 2014 were as follows:

a) Trade and other receivables – decrease was primarily due to lower outstanding debts and prepayments for the hotel segment during the half-year.
b) Cash and cash equivalents – decrease was mainly due to lower operational receipt from gaming operation and higher shares purchase of the Company for ESOS 2008 during the half-year.
c) Short term loans and borrowings – decrease was due to redemption of mortgaged debenture stock.
d) Trade and other payables – decrease was mainly due to scheduled settlement of creditor liabilities.
e) Long term loans and borrowings – increase was due to draw down of bank loan facility for redemption of the mortgaged debenture stock.
f) Provisions – decrease was due to actual pension payments made during the period.

Statement of Cash Flows

A negative net cash flow of US$15.4 million was recorded for the half-year as compared with negative net cash flow of US$8.9 million in the previous corresponding period. This was primarily due to lower cash flow from gaming operations as well as higher share purchases for ESOS 2008 during the period. However, this was offset by lower repayment of short term loan and borrowings.

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 group's first hotel under its new "Amba" brand, the Amba Hotel Charing Cross, was launched in the final quarter of 2014. The first hotel under the group's new "every" brand is on track to be launched in first quarter of 2015. The refurbishment of our hotels is expected to continue over the next 12 months. The impact of rooms not available for sale due to the refurbishment will continue to be felt over this period. Average occupancy for the London hotel market is expected to remain stable, with average room rates rising at modest levels.

The Pound Sterling has fallen against the US Dollar by more than 10% from the beginning of the financial year. This continues to impact our revenues, assets and liabilities, which are predominantly denominated in Pound Sterling.

Global oil prices have declined significantly over the past six months. To date, this has not affected the group's revenue from its oil and gas royalty as the group receives the payments one quarter in arrears. However, it is expected that the royalty will be much lower in the coming quarters due to significantly lower oil prices and a weaker Australian Dollar.

The group refinanced its £138 million mortgaged debenture stock in December 2014 with a floating rate term loan. Based on prevailing benchmark rates, this is expected to result in interest cost savings for the group.

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/recommended.

13. If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have a general mandate from shareholders for interested person transactions.

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 half-year ended 31 December 2014 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Susan Lim
Group Company Secretary

2 February 2015