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ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 30 JUNE 2015

FINANCIAL HIGHLIGHTS			
	2015	2014	<i>Increase</i>
	HK\$'M	HK\$'M	<i>/(Decrease)</i>
Turnover	33,771	<u>36,002</u>	(6%)
Revenue	21,748	21,323	2%
Profit from operations	5,436	5,414	0%
Profit attributable to equity shareholders of the Company	4,625	5,752	(20%)
	HK\$	HK\$	
Earnings per share	14.23	<u>17.70</u>	(20%)
Dividend per share : Interim	1.00	1.00	
Proposed final	3.00	<u>3.00</u>	
Total	4.00	<u>4.00</u>	-
Equity per share attributable to equity shareholders of the Company	177.60	170.93	4%

RESULTS

The consolidated results of Guoco Group Limited (the “Company”) and its subsidiaries (together the “Group”) for the financial year ended 30 June 2015 together with comparative figures for the previous year are as follows:

CONSOLIDATED INCOME STATEMENT

	Note	2015 HK\$'000	2014 HK\$'000
Turnover	2 & 3	<u>33,770,697</u>	<u>36,002,466</u>
Revenue	2 & 3	21,747,872	21,323,088
Cost of sales		(11,810,644)	(12,269,918)
Other attributable costs		<u>(310,671)</u>	<u>(240,645)</u>
		9,626,557	8,812,525
Other revenue		421,587	484,507
Other net income	4	1,608,744	3,103,873
Administrative and other operating expenses		<u>(5,195,284)</u>	<u>(5,703,970)</u>
Profit from operations before finance costs		6,461,604	6,696,935
Finance costs	2(b) & 5(a)	<u>(1,025,426)</u>	<u>(1,282,501)</u>
Profit from operations	2	5,436,178	5,414,434
Valuation surplus on investment properties		428,510	792,460
Share of profits of associates and joint ventures	5(c)	<u>930,192</u>	<u>1,150,955</u>
Profit for the year before taxation	2 & 5	6,794,880	7,357,849
Tax expenses	6	<u>(908,153)</u>	<u>(538,445)</u>
Profit for the year		<u>5,886,727</u>	<u>6,819,404</u>
Attributable to:			
Equity shareholders of the Company		4,624,794	5,752,227
Non-controlling interests		<u>1,261,933</u>	<u>1,067,177</u>
Profit for the year		<u>5,886,727</u>	<u>6,819,404</u>
Earnings per share		HK\$	HK\$
Basic	8	<u>14.23</u>	<u>17.70</u>
Diluted	8	<u>14.23</u>	<u>17.70</u>

Details of dividends payable to equity shareholders of the Company attributable to the profit for the year are set out in note 7.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2015 HK\$'000	2014 HK\$'000
Profit for the year	<u>5,886,727</u>	<u>6,819,404</u>
Other comprehensive income for the year (after tax and reclassification adjustments)		
Items that will not be reclassified to profit or loss:		
Actuarial gains/(losses) on defined benefit obligation	<u>12,101</u>	<u>(30,646)</u>
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of financial statements of foreign subsidiaries, associates and joint ventures	(3,307,877)	1,286,539
Exchange differences on monetary items forming part of the net investments in foreign subsidiaries and associates	352,253	2,845
Exchange translation reserve reclassified to profit or loss upon disposal of subsidiaries	(46,264)	(17,865)
Exchange translation reserve reclassified to profit or loss upon deemed disposal of associate	(15,721)	-
Release of reserves upon liquidation of subsidiaries	(88,521)	-
Changes in fair value of cash flow hedge	(22,489)	-
Changes in fair value of available-for-sale financial assets	872,501	1,738,757
Transfer to profit or loss on disposal of available-for-sale financial assets	81,327	(124,849)
Share of other comprehensive income of associates	<u>143,452</u>	<u>68,710</u>
	<u>(2,031,339)</u>	<u>2,954,137</u>
Other comprehensive income for the year, net of tax	<u>(2,019,238)</u>	<u>2,923,491</u>
Total comprehensive income for the year	<u>3,867,489</u>	<u>9,742,895</u>
Total comprehensive income for the year attributable to:		
Equity shareholders of the Company	3,492,197	8,309,626
Non-controlling interests	<u>375,292</u>	<u>1,433,269</u>
	<u>3,867,489</u>	<u>9,742,895</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	2015 HK\$'000	2014 HK\$'000
NON-CURRENT ASSETS			
Fixed assets			
- Investment properties		14,708,484	14,695,461
- Other property, plant and equipment		14,556,234	15,475,000
Interest in associates and joint ventures		7,342,114	8,040,574
Available-for-sale financial assets		13,787,439	14,027,703
Intangible assets		9,039,945	9,837,415
Goodwill		1,289,398	1,395,616
Pensions surplus		80,203	-
		<u>60,803,817</u>	<u>63,471,769</u>
CURRENT ASSETS			
Development properties		24,853,204	27,729,083
Properties held for sale		7,906,293	3,772,189
Trade and other receivables	9	5,536,002	5,469,844
Trading financial assets		7,549,450	14,294,468
Cash and short term funds		20,477,389	14,006,644
Assets held for sale		870,912	-
		<u>67,193,250</u>	<u>65,272,228</u>
CURRENT LIABILITIES			
Trade and other payables	10	6,637,198	5,984,966
Bank loans and other borrowings		12,078,105	18,917,349
Taxation		1,112,605	902,676
Provisions and other liabilities		131,723	148,458
Liabilities held for sale		567,946	-
		<u>20,527,577</u>	<u>25,953,449</u>
NET CURRENT ASSETS		<u>46,665,673</u>	<u>39,318,779</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>107,469,490</u>	<u>102,790,548</u>
NON-CURRENT LIABILITIES			
Bank loans and other borrowings		32,032,835	29,645,479
Amount due to non-controlling interests		970,471	896,653
Provisions and other liabilities		618,210	703,939
Deferred tax liabilities		529,729	484,825
		<u>34,151,245</u>	<u>31,730,896</u>
NET ASSETS		<u>73,318,245</u>	<u>71,059,652</u>
CAPITAL AND RESERVES			
Share capital		1,275,414	1,275,200
Reserves		57,163,694	54,968,924
Total equity attributable to equity shareholders of the Company		58,439,108	56,244,124
Non-controlling interests		14,879,137	14,815,528
TOTAL EQUITY		<u>73,318,245</u>	<u>71,059,652</u>

Notes:

1. ACCOUNTING POLICIES AND BASIS OF PREPARATION

(a) Statement of compliance

Although not required to do so under the Bye-Laws of the Company, these financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and accounting principles generally accepted in Hong Kong. These financial statements also comply with the applicable disclosure requirements of the Hong Kong Companies Ordinance, which for this financial year and the comparative period, as permitted by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, continue to be those of the predecessor Companies Ordinance (Cap. 32).

These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The HKICPA has issued certain revised HKFRSs and amendments to HKFRSs, which term collectively includes HKASs and Interpretations, that became effective for the current accounting period of the Group. The adoption of the revised standards, amendments and interpretations had no material impact on the results and financial position of the Group.

The Group has not applied any new/revised standard or interpretation that is not yet effective for the current accounting period.

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 30 June 2015 comprise the Company and its subsidiaries and the Group's interests in associates and joint ventures.

The measurement basis used in the preparation of the financial statements is the historical cost basis modified by the revaluation of investment properties and the marking to market of certain financial instruments.

Non-current assets and disposal groups held for sale are stated at the lower of carrying amount and fair value less costs to sell.

The preparation of financial statements in conformity with HKFRSs requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

2. SEGMENT REPORTING

In a manner consistent with the way in which information is reported internally to the Group's senior executive management for the purposes of resource allocation and performance assessment, the Group has five reportable segments, as described below, which are the Group's strategic business units. The strategic business units engage in different business activities, offer different products and services and are managed separately. The following summary describes the operations in each segment:

Segment	Business activities	Operated by
Principal investment:	This segment covers equity and direct investments as well as treasury operations, with trading and strategic investments in global capital markets.	Subsidiaries
Property development and investment:	This segment involves development of residential and commercial properties and holding properties for rental income in the key geographical markets of Singapore, China, Malaysia, Vietnam and Hong Kong.	Subsidiaries
Hospitality and leisure:	This segment owns, leases or manages hotels and operates gaming and leisure businesses in the United Kingdom, Spain and Belgium.	Subsidiaries
Financial services:	This segment covers commercial and consumer banking, Islamic banking, investment banking, life and general insurance, Takaful insurance, fund management and unit trust, stock and commodities broking, bullion trading and corporate advisory services.	Subsidiaries and associate
Oil and gas:	This segment receives royalty income from the entitlement of Bass Strait oil trust in Australia.	Subsidiary

During the year, the Group re-assessed the identification of operating segments reported in the financial statements, and has aggregated the operating segments "Securities, commodities and brokerage" and "Financial services" into a single reportable segment as they have similar economic characteristics.

Performance is evaluated on the basis of profit or loss from operations before taxation. Inter-segment pricing is determined on an arm's length basis. The Group's measurement methods used to determine reported segment profit or loss remain unchanged from the financial year 2013/14.

2. SEGMENT REPORTING (cont'd)

Information regarding the Group's reportable segments for the purposes of resource allocation and assessment of segment performance for the year is set out below.

(a) Reportable segment revenue and profit or loss, assets and liabilities

	Principal investment HK\$'000	Property development and investment HK\$'000	Hospitality and leisure HK\$'000	Financial services HK\$'000	Oil and gas HK\$'000	Total HK\$'000
Segment revenue and profit or loss						
For the year ended 30 June 2015						
Turnover	13,098,104	8,864,291	11,725,340	82,962	-	33,770,697
Revenue from external customers	1,075,279	8,864,291	11,725,340	82,962	-	21,747,872
Inter-segment revenue	44,334	9,768	-	8,744	-	62,846
Reportable segment revenue	1,119,613	8,874,059	11,725,340	91,706	-	21,810,718
Operating profit	2,467,647	2,305,964	1,478,820	19,690	213,646	6,485,767
Finance costs	(320,082)	(376,912)	(341,052)	(11,543)	-	(1,049,589)
Valuation surplus on investment properties	-	428,510	-	-	-	428,510
Share of profits of associates and joint ventures	-	12,365	-	917,827	-	930,192
Profit before taxation	2,147,565	2,369,927	1,137,768	925,974	213,646	6,794,880
Segment assets and liabilities						
At 30 June 2015						
Reportable segment assets	37,274,368	55,259,365	26,491,615	989,797	639,808	120,654,953
Interest in associates and joint ventures	-	705,235	-	6,636,879	-	7,342,114
Total assets	37,274,368	55,964,600	26,491,615	7,626,676	639,808	127,997,067
Reportable segment liabilities	10,553,897	32,784,668	10,809,792	530,465	-	54,678,822

2. SEGMENT REPORTING (cont'd)

(a) Reportable segment revenue and profit or loss, assets and liabilities (cont'd)

	Principal investment HK\$'000	Property development and investment HK\$'000	Hospitality and leisure HK\$'000	Financial services HK\$'000	Oil and gas HK\$'000	Total HK\$'000
Segment revenue and profit or loss						
For the year ended 30 June 2014						
Turnover	15,931,256	7,967,771	12,026,668	76,771	-	36,002,466
Revenue from external customers	1,251,878	7,967,771	12,026,668	76,771	-	21,323,088
Inter-segment revenue	26,593	8,999	11,122	6,317	-	53,031
Reportable segment revenue	1,278,471	7,976,770	12,037,790	83,088	-	21,376,119
Operating profit	3,513,051	2,143,315	747,033	18,276	291,002	6,712,677
Finance costs	(298,249)	(526,973)	(459,302)	(10,014)	(3,705)	(1,298,243)
Valuation surplus on investment properties	-	792,460	-	-	-	792,460
Share of profits of associates and joint ventures	-	119,183	-	1,031,772	-	1,150,955
Profit before taxation	3,214,802	2,527,985	287,731	1,040,034	287,297	7,357,849
Segment assets and liabilities						
At 30 June 2014						
Reportable segment assets	37,504,949	53,692,725	27,646,514	967,511	891,724	120,703,423
Interest in associates and joint ventures	-	1,138,531	-	6,902,043	-	8,040,574
Total assets	37,504,949	54,831,256	27,646,514	7,869,554	891,724	128,743,997
Reportable segment liabilities	11,276,109	34,369,802	11,700,648	337,786	-	57,684,345

2. SEGMENT REPORTING (cont'd)

(b) Reconciliations of reportable segment revenue and finance costs

Revenue

	2015 HK\$'000	2014 HK\$'000
Reportable segment revenue	21,810,718	21,376,119
Elimination of inter-segment revenue	<u>(62,846)</u>	<u>(53,031)</u>
Consolidated revenue (note 3)	<u><u>21,747,872</u></u>	<u><u>21,323,088</u></u>

Finance costs

	2015 HK\$'000	2014 HK\$'000
Reportable finance costs	1,049,589	1,298,243
Elimination of inter-segment finance costs	<u>(24,163)</u>	<u>(15,742)</u>
Consolidated finance costs (note 5(a))	<u><u>1,025,426</u></u>	<u><u>1,282,501</u></u>

2. SEGMENT REPORTING (cont'd)

(c) Geographical information

The following table illustrates the geographical location of the Group's revenue from external customers, profit from operations, the Group's total assets and non-current assets other than financial instruments, deferred tax assets and pensions surplus ("specified non-current assets"). The geographical information is classified by reference to the location of the income generating entities.

	Revenue from external customers		Profit from operations	
	2015	2014	2015	2014
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
The People's Republic of China				
- Hong Kong	1,165,862	1,336,477	2,150,991	3,229,443
- Mainland China	2,368,895	2,531,216	527,938	916,472
United Kingdom and Continental Europe	11,461,421	11,737,984	1,182,878	355,775
Singapore	6,469,752	4,943,762	(Note) 1,373,818	507,170
Australasia and others	281,942	773,649	200,553	405,574
	21,747,872	21,323,088	5,436,178	5,414,434
	Segment assets		Specified non-current assets	
	2015	2014	2015	2014
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
The People's Republic of China				
- Hong Kong	38,020,441	38,401,611	453,844	433,647
- Mainland China	21,348,479	23,103,792	1,157,722	1,346,298
United Kingdom and Continental Europe	24,022,223	25,216,236	21,632,189	23,268,000
Singapore	28,779,284	26,624,617	13,991,210	13,723,199
Australasia and others	15,826,640	15,397,741	9,701,210	10,672,922
	127,997,067	128,743,997	46,936,175	49,444,066

Note:

In accordance with applicable Hong Kong Financial Reporting Standards, at Group level, revenue arising from the sale of properties has been recognised upon completion of development projects instead of the percentage of completion method adopted by GuocoLand Limited ("GuocoLand") for residential projects under progressive payment schemes in Singapore.

GuocoLand has adopted the Singapore Interpretation of Financial Reporting Standard No. 115 Agreements for the Construction of Real Estate and the accompanying practice note issued specifically in the context of the sale of development properties in Singapore. Consequently, GuocoLand continues to adopt the percentage of completion method of revenue recognition for residential projects under progressive payment schemes in Singapore. For residential projects under deferred payment schemes in Singapore and overseas, the revenue and expenses are accounted for under the completion of construction method.

2. SEGMENT REPORTING (cont'd)

(c) Geographical information (cont'd)

Accordingly, operating profits of GuocoLand for the year amounting to HK\$12.4 million (2014: HK\$320.1 million) in Singapore have been deferred for recognition in the consolidated financial statements. The Group has recognised operating profits of GuocoLand of HK\$507.0 million (2014: HK\$280.6 million) which have been deferred in previous years. Up to 30 June 2015, accumulated operating profits of GuocoLand totalling HK\$17.8 million (2014: HK\$534.0 million) in Singapore have been deferred for recognition, and will be recognised by the Group upon completion of the relevant development projects in subsequent years.

3. TURNOVER AND REVENUE

The principal activity of the Company is investment holding and investment management. The principal activities of the subsidiaries which materially affected the results or assets of the Group during the year include principal investment, property development and investment, hospitality and leisure, stock and commodities broking, bullion trading and corporate advisory services.

An analysis of the amount of each significant category of turnover and revenue from principal activities during the year is as follows:

	2015	2014
	HK\$'000	HK\$'000
Revenue from sale of properties	8,615,884	7,733,117
Revenue from hospitality and leisure	11,692,673	11,972,599
Interest income		
- from listed securities	1,643	-
- others	349,478	342,994
Dividend income		
- from listed securities	848,338	1,020,495
- others	264	54,209
Rental income from properties	139,676	138,459
Securities commission and brokerage	44,799	38,358
Others	55,117	22,857
	<hr/>	<hr/>
Revenue	21,747,872	21,323,088
Proceeds from sale of investments in securities	12,022,825	14,679,378
	<hr/>	<hr/>
Turnover	<u>33,770,697</u>	<u>36,002,466</u>

4. OTHER NET INCOME

	2015 HK\$'000	2014 HK\$'000
Net realised and unrealised gains on trading financial assets	813,787	2,252,159
Net realised and unrealised (losses)/gains on derivative financial instruments	(1,450)	55,526
Net realised gains on disposal of available-for-sale financial assets	683,754	161,688
Net gains on foreign exchange contracts	459,022	72,291
Other exchange losses	(450,448)	(54,426)
Net losses on disposal of fixed assets	(419)	(527)
(Loss)/gain on disposal of subsidiaries and associates	(19,233)	608,589
Gain on liquidation of subsidiaries	88,521	-
Other income	35,210	8,573
	<u>1,608,744</u>	<u>3,103,873</u>

5. PROFIT FOR THE YEAR BEFORE TAXATION

Profit for the year before taxation is arrived at after charging/(crediting):

(a) Finance costs	2015 HK\$'000	2014 HK\$'000
Interest on bank advances and other borrowings wholly repayable within five years	1,603,876	1,722,403
Other borrowing costs	124,785	165,269
Total borrowing costs	<u>1,728,661</u>	<u>1,887,672</u>
Less: borrowing costs capitalised into:		
- development properties	(385,540)	(330,996)
- investment properties	(33,768)	(245,210)
- other property, plant and equipment	(283,927)	(28,965)
Total borrowing costs capitalised (Note)	<u>(703,235)</u>	<u>(605,171)</u>
	<u>1,025,426</u>	<u>1,282,501</u>

Note: These borrowing costs have been capitalised at rates of 1.57% to 8.00% per annum (2014: 1.73% to 7.56%).

(b) Staff cost	2015 HK\$'000	2014 HK\$'000
Contributions to defined contribution retirement plans	87,420	100,248
Expenses recognised in respect of defined benefit retirement plans	6,892	4,774
Total retirement costs	<u>94,312</u>	<u>105,022</u>
Equity-settled share-based payment expenses	19,628	357
Salaries, wages and other benefits	<u>3,811,047</u>	<u>3,890,644</u>
	<u>3,924,987</u>	<u>3,996,023</u>

5. PROFIT FOR THE YEAR BEFORE TAXATION (cont'd)

(c) Other items	2015 HK\$'000	2014 HK\$'000
Depreciation	687,514	722,168
Impairment losses recognised/(reversed)		
- other property, plant and equipment	14,171	89,583
- intangible assets	(31,419)	100,612
Amortisation		
- casino licences and brand names	11,147	10,192
- Bass Strait oil and gas royalty	27,621	30,460
- other intangible assets	62,102	70,927
Operating lease charges		
- properties	606,319	655,248
- others	47,815	46,939
Auditors' remuneration		
- audit services	16,566	17,571
- tax services	1,302	2,628
- other services	1,178	1,790
Donations	7,628	5,650
	<u>606,319</u>	<u>655,248</u>
	<u>47,815</u>	<u>46,939</u>
Gross rental income from investment properties	(139,676)	(138,459)
Less: direct outgoings	37,311	38,498
Net rental income	<u>(102,365)</u>	<u>(99,961)</u>
Share of (profits)/losses of associates and joint ventures:		
- listed associates	(940,332)	(1,045,770)
- unlisted associates	(1,302)	(36,738)
	<u>(941,634)</u>	<u>(1,082,508)</u>
	<u>11,442</u>	<u>(68,447)</u>
- unlisted joint ventures	<u>(930,192)</u>	<u>(1,150,955)</u>

6. TAX EXPENSES

Tax expenses in the consolidated income statement represent:

	2015 HK\$'000	2014 HK\$'000
Current tax - Hong Kong Profits Tax		
Provision for the year	279,222	2,581
Over-provision in respect of prior years	<u>(16)</u>	<u>(8)</u>
	<u>279,206</u>	<u>2,573</u>
Current tax - Overseas		
Provision for the year	786,523	512,496
Over-provision in respect of prior years	<u>(229,275)</u>	<u>(151,295)</u>
	<u>557,248</u>	<u>361,201</u>
Deferred tax		
Origination and reversal of temporary differences	60,063	230,786
Utilisation of deferred tax asset in relation to tax losses	14,078	4,147
Effect of changes in tax rate on deferred tax balances	<u>(2,442)</u>	<u>(60,262)</u>
	<u>71,699</u>	<u>174,671</u>
	<u>908,153</u>	<u>538,445</u>

The provision for Hong Kong Profits Tax is calculated at 16.5% (2014: 16.5%) of the estimated assessable profits for the year ended 30 June 2015. Taxation for overseas subsidiaries is similarly charged at the appropriate current rates of taxation ruling in the relevant countries.

7. DIVIDENDS

	2015 HK\$'000	2014 HK\$'000
Dividends payable/paid in respect of the current year:		
- Interim dividend of HK\$1.00 (2014: HK\$1.00) per ordinary share	324,888	324,741
- Proposed final dividend of HK\$3.00 (2014: HK\$3.00) per ordinary share	<u>987,154</u>	<u>987,154</u>
	<u>1,312,042</u>	<u>1,311,895</u>
Dividends paid/(refunded) in respect of the prior year:		
- No special interim dividend (2014: Special interim dividend in specie of HK\$5.01 (Note)) per ordinary share	-	1,626,231
- Final dividend of HK\$3.00 (2014: HK\$1.50) per ordinary share	975,146	487,383
- Refund of unclaimed dividends	<u>(1,752)</u>	<u>-</u>
	<u>973,394</u>	<u>2,113,614</u>

7. DIVIDENDS (cont'd)

Note: Following the declaration of the special interim dividend in specie in respect of the financial year 2012/13 on 3 July 2013, the distribution of shares in The Rank Group Plc ("Rank Share") was completed on 5 September 2013 ("settlement date"). Based on the closing price of GBp153.1 per Rank Share and the exchange rate on this settlement date, the special interim dividend in specie paid was approximately HK\$1,626.2 million, representing approximately HK\$5.01 per ordinary share.

The final dividend proposed for the year ended 30 June 2015 of HK\$987,154,000 (2014: HK\$987,154,000) is calculated based on 329,051,373 ordinary shares (2014: 329,051,373 ordinary shares) in issue as at 30 June 2015.

The final dividend proposed after the end of the reporting period has not been recognised as a liability at the end of the reporting period in the accounts.

8. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company of HK\$4,624,794,000 (2014: HK\$5,752,227,000) and the weighted average number of 325,024,511 ordinary shares (2014: 325,024,511 ordinary shares) in issue during the year.

(b) Diluted earnings per share

For the year ended 30 June 2015 and 2014, the diluted earnings per share equalled the basic earnings per share as there were no dilutive potential ordinary shares outstanding during the years.

9. TRADE AND OTHER RECEIVABLES

	2015 HK\$'000	2014 HK\$'000
Trade debtors	1,774,964	1,412,791
Accrued receivables for sales consideration not yet billed on completed development properties	2,122,503	1,349,561
Deposits and prepayments	1,386,594	2,622,234
Derivative financial instruments, at fair value	219,313	46,597
Interest receivables	32,628	38,661
	<u>5,536,002</u>	<u>5,469,844</u>

Included in trade and other receivables is HK\$90.7 million (2014: HK\$83.7 million) which is expected to be recovered after one year.

9. TRADE AND OTHER RECEIVABLES (cont'd)

As of the end of the reporting period, the ageing analysis of trade debtors (which are included in trade and other receivables), based on the invoice date and net of allowance for doubtful debts, is as follows:

	2015 HK\$'000	2014 HK\$'000
Within 1 month	1,757,111	1,373,580
1 to 3 months	11,248	31,499
More than 3 months	6,605	7,712
	<u>1,774,964</u>	<u>1,412,791</u>

10. TRADE AND OTHER PAYABLES

	2015 HK\$'000	2014 HK\$'000
Trade creditors	889,532	978,191
Other payables and accrued operating expenses	5,406,753	4,749,310
Derivative financial instruments, at fair value	209,120	93,172
Amounts due to fellow subsidiaries	131,413	163,998
Amounts due to associates	380	295
	<u>6,637,198</u>	<u>5,984,966</u>

Included in trade and other payables is HK\$943.4 million (2014: HK\$990.5 million) which is expected to be payable after one year.

As of the end of the reporting period, the ageing analysis of trade creditors (which are included in trade and other payables), based on the invoice date, is as follows:

	2015 HK\$'000	2014 HK\$'000
Within 1 month	678,567	906,287
1 to 3 months	74,707	17,044
More than 3 months	136,258	54,860
	<u>889,532</u>	<u>978,191</u>

The amounts due to fellow subsidiaries and associates are unsecured, interest free and have no fixed repayment terms.

11. HONG KONG DOLLAR AMOUNTS

The audited consolidated financial statements of the Group are expressed in the United States dollars ("USD"), which is the functional currency of the Company. The Hong Kong dollar ("HKD") figures presented in the sections entitled "FINANCIAL HIGHLIGHTS" and "RESULTS" above are the HKD equivalents of the corresponding USD figures in the audited consolidated financial statements, which are translated at the rates ruling at the respective financial year ends for presentation purposes only (2015: US\$1 = HK\$7.75205, 2014: US\$1 = HK\$7.75075).

DIVIDEND

The Directors will recommend to the shareholders for approval at the forthcoming annual general meeting a final dividend of HK\$3.00 per share, totalling HK\$987.2 million payable for the financial year ended 30 June 2015. Subject to shareholders' approval at the forthcoming annual general meeting of the Company to be held on 24 November 2015, the final dividend will be payable on 10 December 2015 to the shareholders whose names appear on the Register of Members of the Company on 1 December 2015.

REVIEW OF OPERATIONS

Financial Results

The audited consolidated profit attributable to equity shareholders for the year ended 30 June 2015, after taxation and non-controlling interests, amounted to HK\$4,625 million, as compared to HK\$5,752 million for the previous year. Profit from operations slightly increased year-on-year. Basic earnings per share amounted to HK\$14.23.

For the year ended 30 June 2015, profits before taxation were generated from the following sources:

- principal investment of HK\$2,468 million;
- property development and investment of HK\$2,747 million, including release of operating profits which have been deferred in previous years of HK\$507 million;
- hospitality and leisure of HK\$1,479 million;
- financial services of HK\$937 million; and
- oil and gas royalty of HK\$214 million.

Revenue increased by 2% to HK\$21.7 billion. The increase was mainly attributable to the increase in revenue derived from the property development and investment sector of HK\$897 million which was partially offset by the decline in revenue from the hospitality and leisure sector of HK\$301 million and the principal investment sector of HK\$177 million.

Principal Investment

Our investment focus has remained on identifying important market and sector cycles as well as laggards with good recovery potential. In view of demanding valuations in most western markets, we continued to focus more on Asia and especially the Chinese market. Following a powerful A-share rally and concerns over rising speculation in the domestic market, we substantially reduced our exposure to Chinese stocks just ahead of a major sell-off. At the same time, we also realized profits in some other markets, posting another year of solid double-digit total portfolio returns. Equity prices are expected to stay volatile but this may also create long-term investment opportunities. We will stay alert to market developments and look to capitalize on potential situations.

Through diligent monitoring and strong risk management, our Group Treasury helped navigate the Group through the challenging global foreign exchange and interest rate market conditions during the year to mitigate the financial exposure and optimize returns.

Property Development and Investment

GuocoLand Limited (“GuocoLand”)

GuocoLand ended the financial year 2014/15 with a profit attributable to equity holders of S\$226.4 million on the back of revenue of S\$1,159.9 million.

Whilst revenue in the current financial year had decreased 7% mainly due to lower revenue recognised for projects in Malaysia, gross margin had improved from 25% in the previous year to 34% in the current financial year due to the change in sales mix. This has led to gross profit rising by 27% as compared to the previous financial year.

Other income reduced by 59% to S\$102.4 million in the current financial year. This was due to a one-off gain from disposal of subsidiaries in the previous financial year and a lower fair value gain for investment properties in the current year. Administrative expenses increased by 37% to S\$107.3 million in the current financial year mainly due to one-off professional fees for GuocoLand’s operations in China. Finance costs reduced by 25% mainly due to higher capitalisation of interest expenses during the financial year.

Share of profit of associates and joint ventures decreased by S\$18.5 million to S\$0.8 million in the current financial year as a result of lower profit recognition on completed joint venture developments in Malaysia.

Equity attributable to ordinary equity holders of GuocoLand was S\$2.94 billion as at 30 June 2015, an increase of 12% from 30 June 2014. Gearing for GuocoLand has also improved as at 30 June 2015. These were mainly the result of the profit recorded during the financial year as well as foreign currency translation gains arising from a stronger Chinese Renminbi as compared to 30 June 2014.

Singapore

Singapore continues to be the main contributor of GuocoLand’s revenue and profit for the year ended 30 June 2015. In the current financial year, Singapore contributed revenue of S\$714.7 million, similar to the previous financial year. Singapore’s segment profit before tax reduced by 3% to S\$225.0 million mainly due to lower fair value gain from its investment properties in the current financial year.

In Singapore, the broad property market remains subdued. According to data released by the Urban Redevelopment Authority, the overall private residential property price index fell by 0.9% in the second quarter of 2015. This was the seventh consecutive month of decline and at a rate about the same as compared to the previous quarter. However, Singapore appears to remain a viable market to foreigners with an increase in the number of foreigners buying properties (1,017 purchases) in the second quarter as compared to (636 purchases) in the first quarter of 2015.

China

Revenue from China for the current financial year was S\$401.0 million, close to the S\$411.5 million achieved for the previous financial year. China’s segment profit before tax had decreased by S\$64.6 million to S\$100.5 million in the current financial year mainly due to a one-off gain from disposal of subsidiaries in the previous financial year.

In China, new home prices rose for a third consecutive month in July 2015. Home prices strengthened in 31 out of 70 major cities, with first-tier cities like Beijing and Shanghai leading the recovery.

Malaysia

Whilst revenue from Malaysia decreased by 67% to S\$39.8 million, Malaysia's segment profit before tax improved by 6% to S\$77.1 million. This was because the drop in profit from sales of development projects was offset by a higher fair value gain from its investment properties in the current financial year.

In Malaysia, the property market has softened as political and economic uncertainty weigh down on the sector.

Operating conditions are challenging within GuocoLand's embedded markets, especially Singapore and China. GuocoLand will continue its focus on sales and leasing of its current projects while remaining watchful for investment opportunities.

Hospitality and Leisure

GuocoLeisure Limited ("GuocoLeisure")

GuocoLeisure recorded a profit after tax for the year ended 30 June 2015 at US\$47.5 million, an increase of 23% as compared to US\$38.6 million in the previous year.

Revenue stood at US\$423.2 million, which was 8% below that of the previous financial year. This was mainly due to lower revenues generated from the gaming segment as a result of lower drop and win margin during the year. Hotel revenue was stable as compared to the previous corresponding period. However, the depreciation of GBP/USD contributed further to the decline of revenue in USD terms during the financial year. Revenue from the Bass Strait oil and gas royalty in Australia also decreased by 24% to US\$31.7 million, principally due to lower average crude oil and gas prices and lower oil and gas production, as well as the depreciation of AUD/USD as compared to the previous financial year.

Cost of sales decreased by 8% as compared to the previous financial year. This was resulted mainly from the weakening of GBP/USD and lower gaming duty in tandem with the decrease in revenue from the gaming segment during the financial year.

Administrative expenses also decreased by 9% for the year ended 30 June 2015. This was mainly due to the implementation of the new Value Centre General Management model at the hotel segment which resulted in significant cost savings at its central support office.

Lower financing costs for the financial year were primarily due to the savings from the interest costs relating to the refinancing of mortgage debentures in December 2014 at the hotel segment.

GuocoLeisure's net assets before non-controlling interests as at 30 June 2015 decreased by 5% to US\$1,152.1 million from US\$1,217.3 million as at 30 June 2014 principally attributed to the net foreign exchange translation loss referred to above.

The first hotels under two of GuocoLeisure's new brands were launched during the current financial year - the Amba Hotel Charing Cross in December 2014 and every Hotel Piccadilly in February 2015.

The Rank Group Plc ("Rank")

Rank registered an increase of 8% in its profit after taxation (before exceptional items and discontinued operations) for the year ended 30 June 2015 to GBP56.9 million.

Revenue from continuing operations grew by 3% to GBP700.7 million, with a strong 18% growth in digital revenue being offset by lower revenue from Mecca Bingo venues (following the closure of a number of underperforming venues) and adverse exchange rates impacting euro denominated income in Spain and Belgium.

Operating profit before exceptional items of GBP84.0 million was up by 16% compared to the previous year, with all three brands recording growing profits. The Grosvenor Casinos brand increased operating profit by 17% to GBP66.5 million, with its digital channel delivering its first ever profit despite the introduction of a new 15% remote gaming duty (on a point of consumption basis) levied on all UK digital income from 1 December 2014. Mecca's profits were 16% higher at GBP43.0 million, although venues revenue was marginally down versus the previous year. The strong profit improvement was driven by a reduction in the rate of gaming duty on bingo from 20% to 10%, tight cost control in venues and closure of a number of underperforming clubs.

Exceptional items and discontinued operations credit totalling GBP17.9 million comprised a GBP2.1 million credit following the closure or disposal of a number of bingo clubs, restructuring and legal costs and a GBP15.8 million release from tax provisions on discontinued businesses. The tax provision release predominantly relates to the successful conclusion of a long running transfer pricing dispute.

Financial Services

Hong Leong Financial Group Berhad ("HLFG")

HLFG achieved a profit before tax of RM3,023.3 million for the year ended 30 June 2015 as compared to RM3,009.2 million in the previous corresponding year, an increase of RM14.1 million or 1%. The overall increase in profit before tax was mainly due to higher contribution from the banking division.

The commercial banking division recorded a profit before tax of RM2,746.2 million for the year, an increase of RM133.0 million or 5% versus last year. This was mainly due to higher write back of allowance for impairment losses on loans, advances and financing of RM104.0 million and increase in the share of profit of RM39.1 million from Bank of Chengdu Co., Ltd. and the Sichuan Jincheng Consumer Finance joint venture. Collectively, the contributions from Bank of Chengdu Co., Ltd. and the Sichuan Jincheng Consumer Finance joint venture of RM417.7 million have now risen to represent 15.2% of the division's profit before tax results from 14.5% last year.

The insurance division registered a profit before tax of RM287.6 million for the year ended 30 June 2015 as compared to RM350.4 million last year, a decrease of RM62.8 million or 18%. The decrease in profit was mainly due to lower net income of RM25.3 million, higher operating expenses of RM17.7 million and higher allowance for impairment losses of RM20.7 million.

The investment banking division recorded a profit before tax of RM78.5 million for the year ended 30 June 2015 which is flat against RM78.9 million of last year. This is mainly due to lower contribution from the asset management division.

GROUP FINANCIAL COMMENTARY

Capital Management

- The Group's consolidated total equity attributable to equity shareholders of the Company as at 30 June 2015 amounted to HK\$58.4 billion, an increase of 4% or HK\$2.2 billion compared to the previous year.

- The equity-debt ratio as at 30 June 2015 is as follows:

	HK\$'M
Total borrowings	44,111
Less: Cash and short term funds	(20,477)
Trading financial assets	<u>(7,549)</u>
Net debt	<u>16,085</u>
Total equity attributable to equity shareholders of the Company	<u>58,439</u>
Equity-debt ratio	<u>78 : 22</u>

- The Group's total cash balance and marketable securities were mainly in USD (34%), MYR (23%), GBP (17%), RMB (7%) and HKD (6%).

Total Borrowings

The decrease in total borrowings from HK\$48.6 billion as at 30 June 2014 to HK\$44.1 billion as at 30 June 2015 was primarily due to the repayment of loans. The Group's total borrowings are mainly denominated in SGD (57%), USD (15%), GBP (9%), MYR (6%) and HKD (5%).

The Group's bank loans and other borrowings are repayable as follows:

	Bank loans HK\$'M	Mortgage debenture stock HK\$'M	Other borrowings HK\$'M	Total HK\$'M
Within 1 year or on demand	10,126	-	1,952	12,078
After 1 year but within 2 years	12,518	-	1,652	14,170
After 2 years but within 5 years	8,948	-	7,729	16,677
After 5 years	421	710	55	1,186
	<u>21,887</u>	<u>710</u>	<u>9,436</u>	<u>32,033</u>
	<u>32,013</u>	<u>710</u>	<u>11,388</u>	<u>44,111</u>

Bank loans, mortgage debenture stock and other borrowings are secured by certain properties, fixed assets and trading financial assets with an aggregate book value of HK\$31.1 billion.

Committed borrowing facilities available to Group companies and not yet drawn as at 30 June 2015 amounted to approximately HK\$9.5 billion.

Interest Rate Exposure

The Group's interest rate risk arises from treasury activities and borrowings. The Group manages its interest rate exposure with a focus on reducing the Group's overall cost of debt and exposure to changes in interest rates. The Group uses interest rate swaps to manage its interest rate exposure as appropriate.

As at 30 June 2015, approximately 70% of the Group's borrowings were at floating rates and the remaining 30% were at fixed rates. The Group had interest rate swaps with outstanding notional amount of HK\$4.3 billion.

Foreign Currency Exposure

The Group from time to time enters into foreign exchange contracts, which are primarily over-the-counter derivatives, principally for hedging foreign currency exposures and investments.

As at 30 June 2015, there were outstanding foreign exchange contracts with a total notional amount of HK\$21.8 billion for hedging of foreign currency equity and bond investments.

Equity Price Exposure

The Group maintains an investment portfolio which comprises majority listed equities. Equity investments are subject to asset allocation limits.

Contingent Liabilities

(a) GuocoLand

The significant contingent liabilities of the GuocoLand group as at 30 June 2015 relate to claims and counter-claims arising from an acquisition in November 2007 of a 100% interest in Hainan Jing Hao Asset Limited ("Hainan Co"), which in turn held a 90% stake in Beijing Cheng Jian Dong Hua Real Estate Development Company Limited ("DZM Project Co"), the company undertaking the Dongzhimen project in Beijing ("DZM Project") by GuocoLand (China) Limited ("GLC"), a wholly-owned subsidiary of GuocoLand. Details of the significant contingent liabilities were disclosed in the Group's financial statements for the year ended 30 June 2014.

During the year, GLC obtained a judgment ("Appeal Judgment") from the Hainan High Court which overruled the judgment by the Hainan Haikou Intermediate People's Court, and also revoked the decision of the Industrial and Commercial Administrative Bureau ("ICAB") of Hainan Province. ICAB had earlier reverted GLC's registered ownership in Hainan Co, to the vendors of the DZM Project. The Appeal Judgment effectively restored GLC's ownership in Hainan Co.

Subsequent to the reporting date, on 20 August 2015, GuocoLand announced that GLC had entered into a Master Transaction Agreement (the "Agreement") to dispose all the equity, contractual and loan interest of GLC in or relating to the DZM Project (hereinafter referred to as the "Transaction"). The Agreement provides that the buyer will indemnify GLC, its affiliates and representatives from and against all actions, losses and liabilities to which any of these parties is or may become subject to arising out of or related to the DZM Project.

(b) Rank

i) Property leases

Concurrent to the GBP211 million (approximately HK\$2,573.7 million) sale and leaseback in 2006, Rank transferred the rights and obligations but not the legal titles of 44 property leases to a third party. Rank remains potentially liable in the event of default by the third party. Should default occur then Rank would have recourse to two guarantors. It is understood that, of the original 44 leases transferred, 11 of these have not expired or been surrendered. These 11 leases have durations of between 17 months and 98 years and a current annual rental obligation (net of sub-let income) of approximately GBP1.1 million (approximately HK\$13.2 million).

During the prior year, Rank became aware of certain information in respect of a change in the financial position of the third party and one of the guarantors. However, Rank has not to date been notified of any default, or intention to default, in respect of the transferred leases.

ii) Stamp duty

Rank has received from HM Revenue & Customs ("HMRC") a determination in respect of the amount of stamp duty payable on certain transactions undertaken by Gala Casino 1 Limited (now Grosvenor Casinos (GC) Limited) before its acquisition by Rank on 12 May 2013. Rank estimates the maximum potential additional stamp duty that could be due if HMRC are successful to be GBP7.2 million (approximately HK\$87.6 million) plus interest. Under the terms of the Sale and Purchase Agreement the vast majority of any liability arising falls upon the vendor and Rank has further indemnification in the event of default by the vendor.

SUBSEQUENT EVENTS

(a) Undertaking to subscribe for the proposed rights issue of HLFG

On 12 August 2015, HLFG, a 25.37% owned associated company of the Company, with shares listed on Bursa Malaysia Securities Berhad, proposes to undertake a renounceable rights issue of new HLFG shares to raise a gross proceeds of up to RM1.1 billion (approximately HK\$2.26 billion). Guoco Assets Sdn Bhd, a wholly owned subsidiary of the Company holding 25.37% in the total issued share capital of HLFG, has undertaken to subscribe for its entitlement of approximately RM279.1 million (approximately HK\$573.7 million) of the proposed rights issue.

(b) Disposal of entire interests in DZM Project

On 20 August 2015, GuocoLand announced that its wholly-owned subsidiary, GLC, had entered into the Agreement to dispose all the equity, contractual and loan interest of GLC in or relating to the DZM Project for a total consideration of RMB10.5 billion (approximately HK\$13.10 billion). RMB9.45 billion (approximately HK\$11.78 billion) was paid upon signing of the Agreement and the balance of RMB1.05 billion (approximately HK\$1.32 billion) is payable on the last day of the 18th month from the date of the Agreement or dealt with in accordance with the tax provisions in the Agreement, as the case may be. The Transaction is expected to generate a net gain of approximately S\$480 million (approximately HK\$2.77 billion).

HUMAN RESOURCES AND TRAINING

The Group employed approximately 14,000 employees as at 30 June 2015. The Group continued to follow a measured approach towards achieving an optimal and efficient size of its workforce and is committed to providing its staff with ongoing development programmes to enhance productivity and work quality.

The remuneration policy for the Group's employees is reviewed on a regular basis. Remuneration packages are structured to take into account the level and composition of pay and general market conditions in the respective countries and businesses in which the Group operates. Bonus and other merit payments are linked to the financial results of the Group and individual achievement as incentives to optimise performance. In addition, share based award schemes are in place for granting share options and / or free shares to eligible employees to align their long term interests with those of the shareholders and for the purposes of staff motivation and talent retention.

GROUP OUTLOOK

We had witnessed how the Greek debt crisis and the abrupt reversal in the Chinese A-shares caused great uncertainty and volatility that shook confidence in every market. This type of events served as timely reminders on us to exercise caution in managing our investments. While global authorities will remain investor friendly in their policy settings, markets have to face challenges including valuations that are no longer cheap, a recovering but still sluggish global growth outlook and the possibility of US interest rate hikes in coming months.

In the midst of these uncertain and soft market conditions, each of our core businesses will continue to focus on implementing their strategies to strengthen their platforms and to enhance their competitiveness to achieve sustainable growth for all shareholders.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company, nor any of its other subsidiaries, purchased, sold or redeemed any of the Company's listed securities during the year ended 30 June 2015.

CODE ON CORPORATE GOVERNANCE PRACTICES ("CGP Code")

The Board has adopted a Code of Corporate Governance Practices (the "CGP Code"), which is based on the principles set out in Appendix 14 (the "HKEx Code") to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

The Company has complied throughout the year with the HKEx Code, save that non-executive directors are not appointed for a specific term. However, they are subject to retirement by rotation and re-election at the annual general meetings of the Company pursuant to the Bye-Laws of the Company and the CGP Code. As such, the Company considers that such provisions are sufficient to meet the intent of the relevant provisions of the HKEx Code.

REVIEW BY BOARD AUDIT COMMITTEE ("BAC")

The BAC reviewed the applicable accounting principles and practices adopted by the Company and discussed the auditing, internal controls and financial reporting matters including a review of the audited annual results of the Company for the year ended 30 June 2015 with the auditors and management.

CLOSURE OF REGISTER OF MEMBERS

For ascertaining shareholders' right to attend and vote at the forthcoming annual general meeting:

Closure dates of Register of Members (both days inclusive)	20 November 2015 (Friday) to 24 November 2015 (Tuesday)
Latest time to lodge transfers	4:30 p.m. on 19 November 2015 (Thursday)
Record date	24 November 2015 (Tuesday)
Annual General Meeting	24 November 2015 (Tuesday)

For ascertaining shareholders' entitlement to the proposed final dividend*:

Closure date of Register of Members	1 December 2015 (Tuesday)
Latest time to lodge transfers	4:30 p.m. on 30 November 2015 (Monday)
Record date	1 December 2015 (Tuesday)
Proposed final dividend payment date	10 December 2015 (Thursday)

*(*subject to shareholders' approval at the annual general meeting)*

During the periods of the closure of Register of Members, no share transfers will be registered. For registration, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrars in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong before the relevant latest time to lodge transfers.

By Order of the Board
Stella Lo Sze Man
Company Secretary

Hong Kong, 28 August 2015

As at the date of this announcement, the board of directors of the Company comprises Mr Quek Leng Chan as Chairman; Mr Kwek Leng Hai as President, CEO; Mr Kwek Leng San and Mr Tan Lim Heng as non-executive directors; and Mr Volker Stoeckel, Mr Roderic N. A. Sage and Mr David Michael Norman as independent non-executive directors.