GENTING MALAYSIA

**FIRST QUARTERLY REPORT**

Quarterly report on consolidated results for the three months ended 31 March 2015. The figures have not been audited.

## CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE THREE MONTHS ENDED 31 MARCH 2015

| | UNAUDITED INDIVIDUAL QUARTER First quarter ended 31 March | | UNAUDITED CUMULATIVE PERIOD Three months ended 31 March | |
|---|---|---|---|---|
| | 2015 RM'000 | 2014 RM'000 | 2015 RM'000 | 2014 RM'000 |
| **Revenue** | **2,093,140** | 2,026,050 | **2,093,140** | 2,026,050 |
| Cost of sales | **(1,504,911)** | (1,345,226) | **(1,504,911)** | (1,345,226) |
| **Gross profit** | **588,229** | 680,824 | **588,229** | 680,824 |
| Other income | **112,243** | 48,562 | **112,243** | 48,562 |
| Other expenses | **(217,481)** | (255,776) | **(217,481)** | (255,776) |
| **Profit from operations** | **482,991** | 473,610 | **482,991** | 473,610 |
| Finance costs | **(7,759)** | (10,379) | **(7,759)** | (10,379) |
| **Profit before taxation** | **475,232** | 463,231 | **475,232** | 463,231 |
| Taxation | **(116,975)** | (113,536) | **(116,975)** | (113,536) |
| **Profit for the financial period** | **358,257** | 349,695 | **358,257** | 349,695 |
| **Profit attributable to:** | | | | |
| Equity holders of the Company | **362,102** | 358,289 | **362,102** | 358,289 |
| Non-controlling interests | **(3,845)** | (8,594) | **(3,845)** | (8,594) |
| | **358,257** | 349,695 | **358,257** | 349,695 |
| **Earnings per share attributable to equity holders of the Company:** | | | | |
| Basic and diluted earnings per share (sen) | **6.39** | 6.32 | **6.39** | 6.32 |

*(The Condensed Consolidated Income Statement should be read in conjunction with the audited Financial Statements for the financial year ended 31 December 2014.)*

**GENTING MALAYSIA BERHAD**
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**
**FOR THE THREE MONTHS ENDED 31 MARCH 2015**

| | UNAUDITED INDIVIDUAL QUARTER First quarter ended 31 March | | UNAUDITED CUMULATIVE PERIOD Three months ended 31 March | |
|---|---|---|---|---|
| | 2015 RM'000 | 2014 RM'000 | 2015 RM'000 | 2014 RM'000 |
| **Profit for the financial period** | **358,257** | 349,695 | **358,257** | 349,695 |
| **Other comprehensive income** | | | | |
| Items that will be reclassified subsequently to profit or loss: | | | | |
| Available-for-sale financial assets | | | | |
| - Fair value gain/(loss) | **71,118** | (178,215) | **71,118** | (178,215) |
| - Reclassification to profit or loss upon disposal | **(3,732)** | - | **(3,732)** | - |
| Cash flow hedges | | | | |
| - Fair value loss | **(1,688)** | (762) | **(1,688)** | (762) |
| Foreign currency exchange differences | **547,230** | 90,607 | **547,230** | 90,607 |
| **Other comprehensive income/(loss), net of tax** | **612,928** | (88,370) | **612,928** | (88,370) |
| **Total comprehensive income for the financial period** | **971,185** | 261,325 | **971,185** | 261,325 |
| **Total comprehensive income/(loss) attributable to:** | | | | |
| Equity holders of the Company | **977,333** | 269,808 | **977,333** | 269,808 |
| Non-controlling interests | **(6,148)** | (8,483) | **(6,148)** | (8,483) |
| | **971,185** | 261,325 | **971,185** | 261,325 |

*(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited Financial Statements for the financial year ended 31 December 2014.)*

**GENTING MALAYSIA BERHAD**
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**
**AS AT 31 MARCH 2015**

| | UNAUDITED As at 31.03.2015 RM'000 | As at 31.12.2014 RM'000 |
|---|---|---|
| **ASSETS** | | |
| **Non-current assets** | | |
| Property, plant and equipment | **7,993,890** | 7,426,480 |
| Land held for property development | **184,672** | 184,672 |
| Investment properties | **2,037,729** | 1,958,810 |
| Intangible assets | **4,647,183** | 4,482,221 |
| Available-for-sale financial assets | **1,373,761** | 1,239,176 |
| Long term receivables | **315,353** | 324,714 |
| Deferred tax assets | **202,027** | 200,581 |
| | **16,754,615** | 15,816,654 |
| **Current assets** | | |
| Inventories | **102,476** | 100,325 |
| Trade and other receivables | **865,154** | 787,984 |
| Amounts due from other related companies | **34,496** | 29,606 |
| Financial asset at fair value through profit or loss | **8,489** | 7,171 |
| Available-for-sale financial assets | **1,244,160** | 1,266,125 |
| Restricted cash | **23,901** | 19,087 |
| Cash and cash equivalents | **2,775,292** | 2,770,256 |
| | **5,053,968** | 4,980,554 |
| **TOTAL ASSETS** | **21,808,583** | 20,797,208 |
| | | |
| **EQUITY AND LIABILITIES** | | |
| **Equity attributable to equity holders of the Company** | | |
| Share capital | **593,804** | 593,804 |
| Reserves | **17,568,323** | 16,612,906 |
| Treasury shares | **(902,412)** | (902,412) |
| | **17,259,715** | 16,304,298 |
| **Non-controlling interests** | **32,697** | (30,662) |
| **TOTAL EQUITY** | **17,292,412** | 16,273,636 |
| | | |
| **Non-current liabilities** | | |
| Other long term liabilities | **198,664** | 199,170 |
| Long term borrowings | **1,429,345** | 1,411,079 |
| Deferred tax liabilities | **655,214** | 658,594 |
| Derivative financial instruments | **3,608** | 2,009 |
| | **2,286,831** | 2,270,852 |
| **Current liabilities** | | |
| Trade and other payables | **1,818,639** | 1,851,996 |
| Amount due to holding company | **19,595** | 15,552 |
| Amounts due to other related companies | **90,070** | 93,912 |
| Amount due to a joint venture | **-** | 28,533 |
| Short term borrowings | **221,659** | 207,144 |
| Derivative financial instruments | **3,398** | 3,257 |
| Taxation | **75,979** | 52,326 |
| | **2,229,340** | 2,252,720 |
| **TOTAL LIABILITIES** | **4,516,171** | 4,523,572 |
| **TOTAL EQUITY AND LIABILITIES** | **21,808,583** | 20,797,208 |
| | | |
| **NET ASSETS PER SHARE (RM)** | **3.04** | 2.88 |

*(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited Financial Statements for the financial year ended 31 December 2014.)*

**GENTING MALAYSIA BERHAD**
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**
**FOR THE THREE MONTHS ENDED 31 MARCH 2015**

| | Attributable to equity holders of the Company | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Share Capital | Share Premium | Available-for-sale Financial Assets Reserve | Cash Flow Hedges Reserve | Other Reserves | Treasury Shares | Retained Earnings | Total | Non-controlling Interests | Total Equity |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| **At 1 January 2015** | **593,804** | **1,170,620** | **1,260,841** | **(5,287)** | **721,384** | **(902,412)** | **13,465,348** | **16,304,298** | **(30,662)** | **16,273,636** |
| **Total comprehensive income/(loss) for the period** | **-** | **-** | **67,386** | **(1,688)** | **549,533** | **-** | **362,102** | **977,333** | **(6,148)** | **971,185** |
| **Transactions with owners:** | | | | | | | | | | |
| **Changes in ownership interest in a subsidiary that do not result in a loss of control** | **-** | **-** | **-** | **-** | **-** | **-** | **(22,686)** | **(22,686)** | **69,507** | **46,821** |
| **Performance-based employee share scheme** | **-** | **-** | **-** | **-** | **770** | **-** | **-** | **770** | **-** | **770** |
| **Total transactions with owners** | **-** | **-** | **-** | **-** | **770** | **-** | **(22,686)** | **(21,916)** | **69,507** | **47,591** |
| **At 31 March 2015** | **593,804** | **1,170,620** | **1,328,227** | **(6,975)** | **1,271,687** | **(902,412)** | **13,804,764** | **17,259,715** | **32,697** | **17,292,412** |
| | | | | | | | | | | |
| At 1 January 2014 | 593,804 | 1,170,620 | 1,667,076 | 1,545 | 247,747 | (898,185) | 12,675,348 | 15,457,955 | 19,646 | 15,477,601 |
| Total comprehensive (loss)/income for the period | - | - | (178,215) | (762) | 90,496 | - | 358,289 | 269,808 | (8,483) | 261,325 |
| At 31 March 2014 | 593,804 | 1,170,620 | 1,488,861 | 783 | 338,243 | (898,185) | 13,033,637 | 15,727,763 | 11,163 | 15,738,926 |

*(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited Financial Statements for the financial year ended 31 December 2014.)*

**GENTING MALAYSIA BERHAD**
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**
**FOR THE THREE MONTHS ENDED 31 MARCH 2015**

| | UNAUDITED Three months ended 31 March | |
|---|---|---|
| | **2015 RM'000** | **2014 RM'000** |
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Profit before taxation | **475,232** | 463,231 |
| Adjustments for: | | |
| Depreciation and amortisation | **158,715** | 149,335 |
| Property, plant and equipment written off | **1,901** | 605 |
| Net loss on disposal of property, plant and equipment | **332** | 140 |
| Gain on disposal of available-for-sale financial assets | **(3,732)** | - |
| Finance costs | **7,759** | 10,379 |
| Interest income | **(21,405)** | (20,308) |
| Investment income | **(6,923)** | (3,979) |
| Other non-cash items and adjustments | **(21,405)** | (484) |
| | **115,242** | 135,688 |
| **Operating profit before working capital changes** | **590,474** | 598,919 |
| Net change in current assets | **(20,386)** | (61,886) |
| Net change in current liabilities | **(46,625)** | (47,239) |
| | **(67,011)** | (109,125) |
| **Cash generated from operations** | **523,463** | 489,794 |
| Net tax paid | **(80,503)** | (109,487) |
| Retirement gratuities paid | **(1,655)** | (2,164) |
| Other net operating payments | **(3,455)** | (3,901) |
| | **(85,613)** | (115,552) |
| **Net Cash Flow From Operating Activities** | **437,850** | 374,242 |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Property, plant and equipment | **(537,219)** | (323,569) |
| Purchase of investments | **(32,017)** | (9,138) |
| Proceeds from disposal of available-for-sale financial assets | **79,197** | 1,667 |
| Other investing activities | **17,364** | 15,585 |
| **Net Cash Flow From Investing Activities** | **(472,675)** | (315,455) |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | |
| Repayment of borrowings and transaction costs | **(34,941)** | (31,221) |
| Restricted cash | **3,439** | 11,362 |
| Finance costs paid | **(9,034)** | (8,592) |
| Others | **-** | 10,983 |
| **Net Cash Flow From Financing Activities** | **(40,536)** | (17,468) |
| **NET MOVEMENT IN CASH AND CASH EQUIVALENTS** | **(75,361)** | 41,319 |
| **CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD** | **2,770,256** | 3,720,034 |
| **EFFECT OF CURRENCY TRANSLATION** | **80,397** | 19,834 |
| **CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD** | **2,775,292** | 3,781,187 |
| **ANALYSIS OF CASH AND CASH EQUIVALENTS** | | |
| Bank balances and deposits | **2,327,603** | 2,789,220 |
| Money market instruments | **447,689** | 991,967 |
| **CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD** | **2,775,292** | 3,781,187 |

*(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited Financial Statements for the financial year ended 31 December 2014.)*

**Part I: Compliance with Malaysian Financial Reporting Standard ("MFRS") 134**

***a) Accounting Policies and Methods of Computation***

The interim financial report is unaudited and has been prepared in accordance with MFRS 134 "Interim Financial Reporting" and paragraph 9.22 of Bursa Malaysia Securities Berhad ("Bursa Securities") Listing Requirements. The financial information for the three months ended 31 March 2015 have been reviewed by the Company's auditors in accordance with the International Standards on Review Engagements ("ISRE") 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2014. The accounting policies and methods of computation adopted for the interim financial report are consistent with those adopted for the annual audited financial statements for the financial year ended 31 December 2014 except for the accounting policy on share-based compensation:

**Share-based compensation**

For equity-settled, share-based compensation plan, the fair value of employee services rendered in exchange for the grant of the shares is recognised as an expense with a corresponding increase in equity over the vesting period. The total amount to be expensed in the income statement over the vesting period is determined by reference to the fair value of shares granted at the grant date and the number of shares vested by vesting date. At each reporting date, the Group will revise its estimates of the number of shares that are expected to be vested and recognise the impact of this revision in the income statement with a corresponding adjustment to equity.

The Group has applied the accounting policy on share-based compensation in respect of the employee share grant scheme granted on 16 March 2015 and the adoption of this accounting policy does not have a material impact on the interim financial report for the three months ended 31 March 2015.

***b) Seasonal or Cyclical Factors***

The business operations of the Group's leisure and hospitality division are subject to seasonal fluctuations. The results are affected by major festive seasons and holidays.

***c) Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows***

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group for the three months ended 31 March 2015.

***d) Material Changes in Estimates***

There were no material changes in estimates of amounts reported in prior financial years.

***e) Changes in Debt and Equity Securities***

There were no other issuance, cancellation, repurchase, resale or repayments of debts or equity securities for the three months ended 31 March 2015.

***f) Dividend Paid***

No dividend has been paid for the three months ended 31 March 2015.

### *g) Segment Information*

The segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker. The performance of the operating segments is based on a measure of adjusted earnings before interest, tax, depreciation and amortisation (EBITDA). This measurement basis excludes the effects of non-recurring items from the reporting segments, such as impairment losses, pre-operating expenses, project costs written off and assets written off.

Segment analysis for the three months ended 31 March 2015 is set out below:

| | **Leisure & Hospitality** | | | **Property** | **Investments & Others** | **Total** |
|---|---|---|---|---|---|---|
| | **Malaysia RM'000** | **United Kingdom RM'000** | **United States of America and Bahamas RM'000** | **RM'000** | **RM'000** | **RM'000** |
| **Revenue** | | | | | | |
| Total revenue | 1,394,152 | 355,723 | 313,765 | 22,277 | 46,648 | 2,132,565 |
| Inter segment | (1,669) | - | - | (3,228) | (34,528) | (39,425) |
| External | 1,392,483 | 355,723 | 313,765 | 19,049 | 12,120 | 2,093,140 |
| **Adjusted EBITDA** | 484,659 | 38,327 | 46,779 | 6,253 | 32,037 | 608,055 |
| **Total Assets** | 5,088,018 | 4,478,692 | 4,730,660 | 2,417,374 | 5,093,839 | 21,808,583 |

A reconciliation of adjusted EBITDA to profit before taxation is provided as follows:

| | |
|---|---|
| Adjusted EBITDA for reportable segments | 608,055 |
| Pre-operating expenses | (14,546) |
| Property, plant and equipment written off | (1,901) |
| Depreciation and amortisation | (158,715) |
| Interest income | 21,405 |
| Finance costs | (7,759) |
| Others | 28,693 |
| **Profit before taxation** | 475,232 |

### *h) Property, Plant and Equipment*

During the three months ended 31 March 2015, acquisitions of property, plant and equipment by the Group were RM574.4 million.

### *i) Material Event Subsequent to the end of Financial Period*

**Proposed Shareholders' Mandate for the disposal of Genting Hong Kong Limited ("GENHK") Shares**

On 11 May 2015, GENM announced that it proposes to obtain its shareholders' mandate for the disposal by Resorts World Limited, an indirect wholly-owned subsidiary of GENM, of the entire 1,431,059,180 ordinary shares of USD0.10 each in GENHK, representing 17.81% of the total issued and paid-up share capital of GENHK ("Proposed Disposal Mandate"). The Proposed Disposal Mandate is subject to the approval to be obtained from the non-interested shareholders of GENM at an extraordinary general meeting to be convened.

Other than the above, there were no material events subsequent to the end of current financial period ended 31 March 2015 that have not been reflected in this interim financial report.

### *j) Changes in the Composition of the Group*

There were no material changes in the composition of the Group for the three months ended 31 March 2015.

***k) Changes in Contingent Liabilities or Contingent Assets***

There were no material changes in the contingent liabilities or contingent assets since the financial year ended 31 December 2014.

***l) Capital Commitments***

Authorised capital commitments not provided for in the financial statements as at 31 March 2015 are as follows:

| | **RM'000** |
|---|---|
| Contracted | 2,857,930 |
| Not contracted | 2,874,261 |
| | 5,732,191 |
| Analysed as follows: | |
| - Property, plant and equipment | 5,375,666 |
| - Investments | 356,525 |
| | 5,732,191 |

***m) Significant Related Party Transactions***

In the normal course of business, the Group undertakes on agreed terms and prices, transactions with related companies and other related parties. The related party transactions of the Group carried out during the three months ended 31 March 2015 are as follows:

| | | **Current quarter RM'000** |
|---|---|---|
| i) | Provision of technical know-how and management expertise in the resort's operations by Genting Berhad ("GENT") Group to the Group. | 99,825 |
| ii) | Licensing fee for the use of "Genting", "Resorts World" and "Awana" logo charged by GENT to the Group. | 49,571 |
| iii) | Licensing fee for the use of "Resorts World" and "Genting" intellectual property outside Malaysia charged by GENT Group to the Group. | 203 |
| iv) | Provision of GENT Group Management and Support Services by GENT Group to the Group. | 1,836 |
| v) | Rental charges and related services by the Group to GENT Group. | 969 |
| vi) | Provision of information technology consultancy, development, implementation, support and maintenance service and other management services by the Group to GENT Group. | 1,126 |
| vii) | Provision of management and support services by the Group to GENT Group. | 482 |
| viii) | Rental charges and related services by the Group to Genting Plantations Berhad ("GENP") Group. | 683 |
| ix) | Provision of information technology consultancy, development, implementation, support and maintenance service and other management services by the Group to GENP Group. | 1,089 |
| x) | Licensing fee for the use of "Resorts World" and "Genting" intellectual property in the United States of America and the Bahamas charged by Resorts World Inc Pte Ltd ("RWI") Group to the Group. | 16,027 |
| xi) | Provision of professional and marketing services by the Group to RWI Group. | 4,550 |
| xii) | Provision of management and consultancy services on theme park and resort development and operations by International Resort Management Services Pte Ltd to the Company. | 7,500 |
| xiii) | Rental charges for premises by the Company to Oriregal Creations Sdn Bhd. | 381 |
| xiv) | Provision of management and support services by the Group to SE Mass II LLC. | 1,305 |
| xv) | Rental charges by Genting Development Sdn Bhd to the Group. | 371 |
| xvi) | Provision of information technology consultancy, development, implementation, support and maintenance service and other management services by the Group to Genting Hong Kong Limited Group. | 267 |

### n) *Fair Value of Financial Instruments*

The Group uses the following hierarchy for determining the fair value of all financial instruments carried at fair value:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
Level 3: Inputs for the assets or liabilities that are not based on observable market data (that is, unobservable inputs).

As at 31 March 2015, the Group's financial instruments measured and recognised at fair value on a recurring basis are as follows:

| | Level 1 RM'000 | Level 2 RM'000 | Level 3 RM'000 | Total RM'000 |
|---|---|---|---|---|
| **Financial assets** | | | | |
| Financial asset at fair value through profit or loss | 8,489 | - | - | 8,489 |
| Available-for-sale financial assets | 1,932,275 | 683,926 | 1,720 | 2,617,921 |
| | 1,940,764 | 683,926 | 1,720 | 2,626,410 |

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared with the last financial year ended 31 December 2014.

**GENTING MALAYSIA BERHAD**
**ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES – FINANCIAL PERIOD ENDED 31 MARCH 2015**

**Part II: Compliance with Appendix 9B of Bursa Securities Listing Requirements**

### *1) Review of Performance*

The results of the Group are tabulated below:

| | INDIVIDUAL QUARTER | | | PRECEDING QUARTER | |
|---|---|---|---|---|---|
| | 1Q2015 RM'Mil | 1Q2014 RM'Mil | Var % | 4Q2014 RM'Mil | Var % |
| **Revenue** | | | | | |
| Leisure & Hospitality | | | | | |
| - Malaysia | **1,392.5** | 1,361.1 | 2% | 1,421.6 | -2% |
| - United Kingdom | **355.7** | 381.5 | -7% | 342.1 | 4% |
| - United States of America and Bahamas | **313.8** | 256.6 | 22% | 264.4 | 19% |
| | **2,062.0** | 1,999.2 | 3% | 2,028.1 | 2% |
| Property | **19.0** | 15.7 | 21% | 17.1 | 11% |
| Investments & others | **12.1** | 11.2 | 8% | 12.7 | -5% |
| | **2,093.1** | 2,026.1 | 3% | 2,057.9 | 2% |
| **Adjusted EBITDA** | | | | | |
| Leisure & Hospitality | | | | | |
| - Malaysia | **484.6** | 502.6 | -4% | 497.1 | -3% |
| - United Kingdom | **38.3** | 76.3 | -50% | 96.3 | -60% |
| - United States of America and Bahamas | **46.8** | 14.7 | >100% | (25.2) | >100% |
| | **569.7** | 593.6 | -4% | 568.2 | - |
| Property | **6.3** | 4.1 | 54% | 11.3 | -44% |
| Investments & others | **32.0** | 7.9 | >100% | 26.4 | 21% |
| **Adjusted EBITDA** | **608.0** | 605.6 | - | 605.9 | - |
| Pre-operating expenses | **(14.5)** | (2.4) | ->100% | (11.8) | -23% |
| Project costs written off | **-** | - | NC | (55.5) | NC |
| Property, plant and equipment written off | **(1.9)** | (0.6) | ->100% | (30.4) | 94% |
| Depreciation and amortisation | **(158.7)** | (149.3) | -6% | (157.7) | -1% |
| Interest income | **21.4** | 20.3 | 5% | 20.8 | 3% |
| Finance costs | **(7.8)** | (10.4) | 25% | (2.9) | ->100% |
| Others | **28.7** | - | NC | - | NC |
| **Profit before taxation** | **475.2** | 463.2 | 3% | 368.4 | 29% |

NC: Not comparable

## *1) Review of Performance (Cont'd)*

### a) Quarter ended 31 March 2015 ("1Q 2015") compared with quarter ended 31 March 2014 ("1Q 2014")

The Group's revenue in 1Q 2015 was RM2,093.1 million, an increase of 3% compared with RM2,026.1 million in 1Q 2014.

The higher revenue was mainly attributable to:

1. higher revenue from the leisure and hospitality business in United States of America ("US") and Bahamas by RM57.2 million mainly contributed by higher volume of business from the operations of Resorts World Casino New York City ("RWNYC") and Resorts World Bimini in Bahamas ("Bimini operations"); and
2. higher revenue from the leisure and hospitality business in Malaysia by RM31.4 million, mainly contributed by overall higher volume of business offset by lower hold percentage in the premium players business; offset by
3. lower revenue from the casino business in United Kingdom ("UK") by RM25.8 million, mainly due to lower hold percentage and lower volume of business of its International Markets.

The Group's adjusted EBITDA in 1Q 2015 was at RM608.0 million compared with RM605.6 million 1Q 2014. The higher adjusted EBITDA was mainly attributable to:

1. leisure and hospitality business in the US and Bahamas which reported a higher adjusted EBITDA by RM32.1 million mainly due to higher revenue and lower payroll costs for RWNYC. In addition, Bimini operations reported a lower loss before interest, tax, depreciation and amortisation ("LBITDA") in 1Q 2015 of RM49.3 million compared to 1Q 2014; and
2. "investments and others" segment which reported higher adjusted EBITDA by RM24.1 million mainly due to foreign exchange gains on its USD denominated assets as a result of the strengthening of USD against RM; offset by
3. casino business in the UK which reported a lower adjusted EBITDA by RM38.0 million mainly due to lower revenue and higher bad debts written off in 1Q 2015; and
4. leisure and hospitality business in Malaysia which reported a lower adjusted EBITDA of RM484.6 million compared with RM502.6 million in 1Q 2014. The adjusted EBITDA margin was 35% as compared to 37% in 1Q 2014 mainly due to higher payroll costs and costs relating to premium players business.

The Group's profit before taxation of RM475.2 million in 1Q 2015 was higher by 3% compared with RM463.2 million in 1Q 2014. The higher profit before taxation was mainly due to:

1. higher adjusted EBITDA as mentioned above; and
2. one-off gain arising from a waiver of debt of RM28.7 million; offset by
3. higher pre-operating expenses by RM12.1 million mainly due to expenses incurred for Resorts World Birmingham ("RWB") operations; and
4. higher depreciation and amortisation charges by RM9.4 million mainly from Bimini operations.

## *2) Material Changes in Profit before Taxation for the Current Quarter ("1Q 2015") compared with the Immediate Preceding Quarter ("4Q 2014")*

Profit before taxation for 1Q 2015 of RM475.2 million was higher by 29% compared to 4Q 2014 of RM368.4 million. The higher profit before taxation was mainly due to:

1. leisure and hospitality business in the US and Bahamas which registered an adjusted EBITDA of RM46.8 million in 1Q 2015 compared with a LBITDA of RM25.2 million in 4Q 2014 mainly due to higher revenue and lower payroll and related costs for RWNYC. In addition, Bimini operations reported lower LBITDA by RM17.8 million in 1Q 2015 compared to 4Q 2014 mainly due to increased visitations and higher volume of business to the resort;
2. project costs totalling RM55.5 million fully written off in 4Q 2014 due to the unsuccessful application of the licenses in New York State;
3. one-off gain arising from a waiver of debt of RM28.7 million; and
4. lower assets written off by RM28.5 million as the Group wrote off RM30.4 million of its assets in 4Q 2014 mainly in relation to the upgrading and expansion works for Genting Integrated Tourism Plan ("GITP") development; offset by
5. lower adjusted EBITDA by RM58.0 million from casino business in the UK mainly due to higher bad debts written off in 1Q 2015; and
6. lower adjusted EBITDA by RM12.5 million from leisure and hospitality business in Malaysia mainly due to lower revenue.

### 3) Prospects

Overall, the global economic growth is expected to remain moderate, with uneven prospects across the major economies. In Malaysia, economic activities are likely to moderate in view of the fiscal measures undertaken this year.

The outlook for international tourism in 2015 is expected to be encouraging, with growing demands albeit at a slower rate. Meanwhile, regional gaming operators in Macau and Singapore continue to see a slowdown in gaming revenues as the Asian premium players market remains challenging.

The Group continues to be cautious on the near term outlook of the leisure and hospitality industry, but remains positive in the longer term.

In Malaysia, the introduction of the Goods and Services Tax is expected to impact our revenue and earnings for the remaining period of this year. The Group remains focused on its key business segments by improving yield management systems, operational efficiencies and delivery of services to mitigate the impact. The construction and development works for GITP are progressing well. Approximately one third of the rooms at the new 1,300-room First World Hotel Tower 2A have been opened since December last year, with the remaining rooms to be available for sale by mid-2015. The other attractions and facilities under the GITP are expected to be completed in phases from the second half of 2016. Special promotional events and activities at Resorts World Genting ("RWG") will continue throughout the year in conjunction with the Genting Group's 50th anniversary celebrations to attract more visitors to RWG.

In the UK, the Group will continue to place emphasis on further growing its domestic and international market segments. The Group is also cautious on the volatility implicit in the International Markets division given the continuing challenges in Asia affecting the premium players segment. This year will see the introduction of new enabling technologies to further improve the operational efficiency of the business as well as the opening of RWB, which is situated next door to the second largest concert arena in the UK, namely Genting Arena, in the second half of 2015.

In the US, RWNYC continues to lead the New York State gaming market in terms of gaming revenue. The Group will continue to strive towards improving visitation levels and growing the business to retain its position as the leading operator in Northeast US. At Bimini, the Group expects the overall business volume to improve following the full opening of its new Hilton hotel in the second half of 2015.

### 4) Variance of Actual Profit from Forecast Profit

The Group did not issue any profit forecast or profit guarantee for the year.

### 5) Taxation

Taxation charges for the current quarter ended 31 March 2015 are as follows:

| | Current quarter ended 31 March 2015 RM'000 |
|---|---|
| Current taxation | |
| Malaysian income tax charge | 104,317 |
| Foreign income tax charge | 8,641 |
| | 112,958 |
| Deferred tax charge | 3,650 |
| | 116,608 |
| Prior period taxation | |
| Income tax under provided | 367 |
| | 116,975 |

The effective tax rates of the Group for the current quarter ended 31 March 2015 are lower than the statutory tax rate mainly due to income not subject to tax and tax incentive; offset by non-deductible expenses.

## *6) Status of Corporate Proposals Announced*

There were no other corporate proposals announced but not completed as at 21 May 2015, save for the Proposed Disposal Mandate as disclosed under Part I, item (i) on material event subsequent to the end of financial period.

## *7) Group Borrowings*

The details of the Group's borrowings as at 31 March 2015 are as set out below:

| | Secured/Unsecured | Foreign Currency '000 | RM Equivalent '000 |
|---|---|---|---|
| Short term borrowings | Secured | USD59,474 | 221,659 |
| Long term borrowings | Secured | USD163,234 | 608,374 |
| | Unsecured | GBP149,360 | 820,971 |

## *8) Outstanding derivatives*

As at 31 March 2015, the values and maturity analysis of the outstanding derivatives of the Group are as follows:

| Types of Derivative | Contract/Notional Value RM'000 | Fair Value Liabilities RM'000 |
|---|---|---|
| Interest Rate Swaps | | |
| GBP | 362,774 | |
| - Less than 1 year | | 3,398 |
| - 1 year to 3 years | | 3,608 |

Other that the above, there is no significant change for the financial derivatives in respect of the following since the last financial year ended 31 December 2014:

(a) the credit risk, market risk and liquidity risk associated with these financial derivatives;

(b) the cash requirements of the financial derivatives; and

(c) the policy in place for mitigating or controlling the risks associated with these financial derivatives.

## *9) Fair Value Changes of Financial Liabilities*

As at 31 March 2015, the Group does not have any financial liabilities measured at fair value through profit or loss.

## *10) Changes in Material Litigation*

There are no pending material litigations as at 21 May 2015.

## *11) Dividend Proposed or Declared*

No dividend has been proposed or declared for the current quarter ended 31 March 2015.

### *12) Profit before Taxation*

Profit before taxation has been determined after inclusion of the following charges and credits:

| | Current quarter ended 31 March 2015 RM'000 |
|---|---|
| **Charges:** | |
| Depreciation and amortisation | 158,715 |
| Property, plant and equipment written off | 1,901 |
| Net loss on disposal of property, plant and equipment | 332 |
| Net impairment loss on receivables | 1,324 |
| Finance costs | 7,759 |
| **Credits:** | |
| Net foreign currency exchange gains | 22,891 |
| Interest income | 21,405 |
| Investment income | 6,923 |

### *13) Earnings per share ("EPS")*

(a) The earnings used as the numerator in calculating basic and diluted EPS for the current quarter ended 31 March 2015 are as follows:

| | Current quarter ended 31 March 2015 RM'000 |
|---|---|
| Profit for the financial period attributable to equity holders of the Company (used as numerator for the computation of basic and diluted EPS) | 362,102 |

(b) The weighted average number of ordinary shares used as the denominator in calculating basic and diluted EPS for the current quarter ended 31 March 2015 are as follows:

| | Current quarter ended 31 March 2015 Number of Shares ('000) |
|---|---|
| Weighted average number of ordinary shares in issue (*) (used as denominator for the computation of basic and diluted EPS) | 5,670,437 |

*(*) The weighted average number of ordinary shares of RM0.10 each in issue during the current quarter 31 March 2015 excludes the weighted average treasury shares held by the Company.*

### *14) Realised and Unrealised Profits/Loss*

The breakdown of the retained profits of the Group as at 31 March 2015, into realised and unrealised profits, pursuant to a directive issued by Bursa Securities on 25 March 2010 and 20 December 2010 is as follows:

| | **As at the end of current quarter RM'000** | **As at the end of last financial year RM'000** |
|---|---|---|
| Total retained profits of Genting Malaysia Berhad and its subsidiaries: | | |
| - Realised | 13,687,241 | 13,242,871 |
| - Unrealised | (443,889) | (448,690) |
| | 13,243,352 | 12,794,181 |
| Total share of accumulated losses from joint ventures: | | |
| - Realised | (10,456) | (23,202) |
| | 13,232,896 | 12,770,979 |
| Add: Consolidation adjustments | 571,868 | 694,369 |
| Total Group retained profits as per consolidated accounts | 13,804,764 | 13,465,348 |

The determination of realised and unrealised profits is compiled based on Guidance of Special Matter No. 1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements*, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits above is solely for the purposes of complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

### *15) Disclosure of Audit Report Qualification and Status of Matters Raised*

The audit report of the Group's annual financial statements for the year ended 31 December 2014 was not qualified.

### *16) Approval of Interim Financial Statements*

The interim financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 28 May 2015.

GENTING MALAYSIA BERHAD
(58019-U)

**PRESS RELEASE** **For Immediate Release**

**GENTING MALAYSIA BERHAD ANNOUNCES RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2015**

**KUALA LUMPUR, 28 May 2015 –** Genting Malaysia Berhad ("Genting Malaysia" or the "Group") today announced its financial results for the first quarter ended 31 March 2015 ("1Q15").

The Group achieved a 3% growth in total revenue to RM2,093.1 million in 1Q15 compared to RM2,026.1 million in the preceding year ("1Q14"). The Malaysian business contributed RM1,392.5 million in revenue, representing a 2% growth from 1Q14, primarily due to an overall higher volume of business despite lower hold percentage in the premium players business. The Group's core business at Resorts World Genting ("RWG") continues to show resiliency in spite of the ongoing redevelopment works under the Genting Integrated Tourism Plan ("GITP") and the uncertainties affecting the Asian premium players market. In the United Kingdom ("UK"), the Group's revenue decreased by 7% to RM355.7 million mainly due to lower hold percentage and volume of business in its International Markets division, which cater to the premium players business. Revenue from the Group's operations in the United States ("US"), which includes Resorts World Bimini ("Bimini") in the Bahamas, improved by 22% to RM313.8 million largely contributed by higher volumes of business from the Resorts World Casino New York City ("RWNYC") and Bimini operations.

The Group reported an adjusted earnings before interest, taxation, depreciation and amortisation ("EBITDA") of RM608.0 million in 1Q15. The adjusted EBITDA margin for the Malaysia operations was lower at 35% in 1Q15 compared to 37% in 1Q14 mainly due to higher payroll costs and costs relating to the premium players business. In the US, the leisure and hospitality business reported higher adjusted EBITDA primarily due to higher revenue and lower payroll costs at RWNYC and lower adjusted loss before interest, tax, depreciation and amortisation at Bimini. The Group also benefited from foreign exchange gains on its USD denominated assets. This was offset by lower adjusted EBITDA contributions from the UK.

The Group registered a profit before taxation of RM475.2 million this quarter, representing a 3% growth as compared to 1Q14. During the quarter, the Group incurred pre-operating expenses for its Resorts World Birmingham ("RWB") operations and higher depreciation and amortisation charges arising from its Bimini operations. There was also a one-off gain arising from a waiver of debt.

Overall, the global economic growth is expected to remain moderate, with uneven prospects across the major economies. In Malaysia, economic activities are likely to moderate in view of the fiscal measures undertaken this year.

The outlook for international tourism in 2015 is expected to be encouraging, with growing demands albeit at a slower rate. Meanwhile, regional gaming operators in Macau and Singapore continue to see a slowdown in gaming revenues as the Asian premium players market remains challenging.

The Group continues to be cautious on the near term outlook of the leisure and hospitality industry, but remains positive in the longer term.

In Malaysia, the introduction of the Goods and Services Tax is expected to impact our revenue and earnings for the remaining period of this year. The Group remains focused on its key business segments by improving yield management systems, operational efficiencies and delivery of services to mitigate the impact. The construction and development works for GITP are progressing well.

Approximately one third of the rooms at the new 1,300-room First World Hotel Tower 2A have been opened since December last year, with the remaining rooms to be available for sale by mid-2015. The other attractions and facilities under the GITP are expected to be completed in phases from the second half of 2016. Special promotional events and activities at RWG will continue throughout the year in conjunction with the Genting Group's 50$^{th}$ anniversary celebrations to attract more visitors to RWG.

In the UK, the Group will continue to place emphasis on further growing its domestic and international market segments. The Group is also cautious on the volatility implicit in the International Markets division given the continuing challenges in Asia affecting the premium players segment. This year will see the introduction of new enabling technologies to further improve the operational efficiency of the business as well as the opening of RWB, which is situated next door to the second largest concert arena in the UK, namely Genting Arena, in the second half of 2015.

In the US, RWNYC continues to lead the New York State gaming market in terms of gaming revenue. The Group will continue to strive towards improving visitation levels and growing the business to retain its position as the leading operator in Northeast US. At Bimini, the Group expects the overall business volume to improve following the full opening of its new Hilton hotel in the second half of 2015.

A summary table of the results is attached below.

| GENTING MALAYSIA BERHAD<br>SUMMARY OF RESULTS | INDIVIDUAL QUARTER<br>1Q2015<br>RM'Mil | <br>1Q2014<br>RM'Mil | Var %<br>1Q15 vs 1Q14 | PRECEDING QUARTER<br>4Q2014<br>RM'Mil | Var %<br>1Q15 vs 4Q14 |
|---|---|---|---|---|---|
| **Revenue** | | | | | |
| Leisure & Hospitality | | | | | |
| - Malaysia | **1,392.5** | 1,361.1 | 2% | **1,421.6** | -2% |
| - United Kingdom | **355.7** | 381.5 | -7% | **342.1** | 4% |
| - United States of America and Bahamas | **313.8** | 256.6 | 22% | **264.4** | 19% |
| | **2,062.0** | 1,999.2 | 3% | **2,028.1** | 2% |
| Property | **19.0** | 15.7 | 21% | **17.1** | 11% |
| Investments & others | **12.1** | 11.2 | 8% | **12.7** | -5% |
| | **2,093.1** | 2,026.1 | 3% | **2,057.9** | 2% |
| **Adjusted EBITDA** | | | | | |
| Leisure & Hospitality | | | | | |
| - Malaysia | **484.6** | 502.6 | -4% | **497.1** | -3% |
| - United Kingdom | **38.3** | 76.3 | -50% | **96.3** | -60% |
| - United States of America and Bahamas | **46.8** | 14.7 | >100% | **(25.2)** | >100% |
| | **569.7** | 593.6 | -4% | **568.2** | - |
| Property | **6.3** | 4.1 | 54% | **11.3** | -44% |
| Investment & others | **32.0** | 7.9 | >100% | **26.4** | 21% |
| **Adjusted EBITDA** | **608.0** | 605.6 | - | **605.9** | - |
| Pre-operating expenses | **(14.5)** | (2.4) | ->100% | **(11.8)** | -23% |
| Project costs written off | - | - | NC | **(55.5)** | NC |
| Property, plant and equipment written off | **(1.9)** | (0.6) | ->100% | **(30.4)** | 94% |
| Depreciation and amortisation | **(158.7)** | (149.3) | -6% | **(157.7)** | -1% |
| Interest income | **21.4** | 20.3 | 5% | **20.8** | 3% |
| Finance costs | **(7.8)** | (10.4) | 25% | **(2.9)** | ->100% |
| Others | **28.7** | - | NC | - | NC |
| **Profit before taxation** | **475.2** | 463.2 | 3% | **368.4** | 29% |
| **Taxation** | **(117.0)** | (113.5) | -3% | **(74.6)** | -57% |
| **Profit for the financial period** | **358.2** | 349.7 | 2% | **293.8** | 22% |
| **Basic and diluted EPS (sen)** | **6.39** | 6.32 | 1% | **5.46** | 17% |

NC : Not comparable

**About Genting Malaysia**

Genting Malaysia is one of the leading leisure and hospitality corporations in the world. Listed on Bursa Malaysia with approximately RM24 billion in market capitalisation, Genting Malaysia owns and operates major properties including Resorts World Genting, Resorts World Casino New York City, Resorts World Bimini and casinos in the United Kingdom.

Resorts World Genting is a premier leisure and entertainment resort in Malaysia. It is equipped with over 9,000 rooms spread across 6 hotels, theme parks and entertainment attractions, dining and retail outlets, international shows and business convention facilities. The Group has embarked on a 10-year master plan to reinvigorate and transform RWG under GITP. This includes the development of the world's first Twentieth Century Fox World theme park. The 1,300-room First World Hotel Tower 2 annex will be fully opened by mid 2015. The other attractions and facilities under the GITP are expected to be completed in phases from second half 2016.

In Malaysia, Genting Malaysia also owns and operates Resorts World Kijal in Terengganu and Resorts World Langkawi in Langkawi.

In the United Kingdom, Genting Malaysia is one of the largest casino operators in the UK and a leading innovator in the provision of high quality customer-focused gaming. It operates 6 casinos in London and 35 casinos in the UK provinces. The Group is currently developing UK's first integrated destination leisure complex at the National Exhibition Centre in Birmingham, to be known as Resorts World Birmingham.

In the United States of America, Genting Malaysia operates Resorts World Casino New York City, a video gaming machine facility at the Aqueduct Racetrack in New York City. As the first such facility located in the city, the resort presents a premier entertainment hub providing the ultimate gaming and entertainment experience, with approximately 5,000 gaming machines, shows, events and culinary delights.

In the Bahamas, the Group operates Resorts World Bimini, which contains a casino, villas, other accommodations, restaurants and bars, resort amenities and the largest marina in the Bahamas. The Group also operates the Bimini SuperFast, a 32,000-ton cruise ship that sails between Miami and Bimini.

Genting Malaysia is a member of the Genting Group, one of Asia's leading and best-managed multinationals. The Genting Group is led by Tan Sri Lim Kok Thay, a visionary entrepreneur who has established Resorts World branded properties in Malaysia, Singapore, the Philippines, the United States, the Bahamas, the United Kingdom and soon in South Korea, as well as spearheading global investments in oil palm plantations, power generation, oil & gas, property development, cruise, biotechnology and other industries.

For more information, visit http://www.gentingmalaysia.com

For information on the major properties of Genting Malaysia
Resorts World Genting, visit www.rwgenting.com
Genting Casinos UK Limited, visit www.gentingcasinos.co.uk
Resorts World Casino New York City, visit www.rwnewyork.com
Resorts World Birmingham, visit www.resortsworldbirmingham.co.uk
Resorts World Bimini, visit www.rwbimini.com

**For editorial, please contact:**


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