

RESORTS WORLD BHD

(Incorporated in Malaysia under Company No. 58019-U)

Wisma Genting, 28 Jalan Sultan Ismail, 50250 Kuala Lumpur. P.O. Box 10937

50930 Kuala Lumpur, Malaysia. Tel: 03-21612288/23332288, Fax: 03-21615304 Telex: MA 30022.

Website: <http://www.genting.com.my>

FIRST QUARTERLY REPORT

Quarterly report on consolidated results for the three months ended 31 March 2008. The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2008

	UNAUDITED INDIVIDUAL QUARTER		UNAUDITED CUMULATIVE PERIOD	
	First quarter ended 31 March		Three months ended 31 March	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Revenue	1,091,923	1,063,854	1,091,923	1,063,854
Cost of sales	(663,949)	(659,094)	(663,949)	(659,094)
Gross profit	427,974	404,760	427,974	404,760
Other income	27,722	22,687	27,722	22,687
Other expenses	(58,815)	(57,695)	(58,815)	(57,695)
Profit from operations	396,881	369,752	396,881	369,752
Finance cost	(1,643)	(3,480)	(1,643)	(3,480)
Share of results in jointly controlled entity and associate	155	(94,066)	155	(94,066)
Gain on dilution of equity investment in associate	-	63,210	-	63,210
Profit before taxation	395,393	335,416	395,393	335,416

RESORTS WORLD BHD
CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2008

	UNAUDITED INDIVIDUAL QUARTER		UNAUDITED CUMULATIVE PERIOD	
	First quarter ended 31 March		Three months ended 31 March	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Taxation	(98,130)	(97,868)	(98,130)	(97,868)
Profit for the financial period	297,263	237,548	297,263	237,548
Attributable to:				
Equity holders of the Company	297,361	237,647	297,361	237,647
Minority interest	(98)	(99)	(98)	(99)
	297,263	237,548	297,263	237,548
Earnings per share attributable to equity holders of the Company:				
Basic earnings per share (sen)	5.09	4.27	5.09	4.27
Diluted earnings per share (sen)	5.02	4.01	5.02	4.01

(The Condensed Consolidated Income Statements should be read in conjunction with the audited Financial Statements for the financial year ended 31 December 2007.)

RESORTS WORLD BHD
CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2008

	Unaudited As at 31.3.2008 RM'000	Audited As at 31.12.2007 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	3,657,013	3,663,449
Land held for property development	186,117	186,117
Investment properties	16,940	17,910
Leasehold land use rights	95,187	95,471
Jointly controlled entity	1,350	1,194
Available-for-sale financial asset	898,949	1,505,362
Other long term investments	508,349	535,502
Long term receivables	9,667	9,241
	<u>5,373,572</u>	<u>6,014,246</u>
Current assets		
Inventories	62,559	59,099
Trade and other receivables	181,717	188,346
Amount due from other related companies	19,227	28,074
Short term investments	1,109,541	794,880
Bank balances and deposits	2,129,044	2,256,871
	<u>3,502,088</u>	<u>3,327,270</u>
TOTAL ASSETS	<u>8,875,660</u>	<u>9,341,516</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	587,238	583,012
Reserves	7,802,353	8,083,134
Treasury shares	(505,681)	(477,185)
	<u>7,883,910</u>	<u>8,188,961</u>
Minority interests	<u>7,643</u>	<u>7,741</u>
TOTAL EQUITY	<u>7,891,553</u>	<u>8,196,702</u>
Non-current liabilities		
Other long term liabilities	92,328	95,226
Deferred taxation	207,447	202,984
	<u>299,775</u>	<u>298,210</u>
Current liabilities		
Trade and other payables	405,258	492,177
Amount due to holding company	12,656	13,187
Amount due to other related companies	44,040	46,384
Amount due to jointly controlled entity	177	176
Short term borrowings	76,350	175,058
Taxation	145,851	119,622
	<u>684,332</u>	<u>846,604</u>
TOTAL LIABILITIES	<u>984,107</u>	<u>1,144,814</u>
TOTAL EQUITY AND LIABILITIES	<u>8,875,660</u>	<u>9,341,516</u>
NET ASSETS PER SHARE (RM)	<u>1.37</u>	<u>1.43</u>

(The Condensed Consolidated Balance Sheet should be read in conjunction with the audited Financial Statements for the financial year ended 31 December 2007.)

RESORTS WORLD BHD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED 31 MARCH 2008

	Attributable to equity holders of the Company								
	Share Capital	Share Premium	Fair Value Reserve	Other Reserves	Treasury Shares	Retained Earnings	Total	Minority Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2008	583,012	927,674	349,504	(224,028)	(477,185)	7,029,984	8,188,961	7,741	8,196,702
Foreign exchange differences recognised directly in equity	-	-	-	(132,705)	-	-	(132,705)	-	(132,705)
Available-For-Sale Financial Asset - Fair value movement	-	-	(547,456)	-	-	-	(547,456)	-	(547,456)
Net income and expenses recognised directly in equity	-	-	(547,456)	(132,705)	-	-	(680,161)	-	(680,161)
Profit for the financial period	-	-	-	-	-	297,361	297,361	(98)	297,263
Total recognised income and expenses for the financial period	-	-	(547,456)	(132,705)	-	297,361	(382,800)	(98)	(382,898)
Share based payments under ESOS	-	-	-	18	-	-	18	-	18
Issue of shares	4,226	102,001	-	-	-	-	106,227	-	106,227
Buy-back of shares	-	-	-	-	(28,496)	-	(28,496)	-	(28,496)
At 31 March 2008	587,238	1,029,675	(197,952)	(356,715)	(505,681)	7,327,345	7,883,910	7,643	7,891,553
At 1 January 2007	547,294	60,086	-	(69,367)	-	5,711,489	6,249,502	8,136	6,257,638
Foreign exchange differences recognised directly in equity	-	-	-	(50,877)	-	-	(50,877)	-	(50,877)
Decrease in equity portion of convertible bonds in associate	-	-	-	(6,057)	-	-	(6,057)	-	(6,057)
Net income and expenses recognised directly in equity	-	-	-	(56,934)	-	-	(56,934)	-	(56,934)
Profit for the financial period	-	-	-	-	-	237,647	237,647	(99)	237,548
Total recognised income and expenses for the financial period	-	-	-	(56,934)	-	237,647	180,713	(99)	180,614
Issue of shares	14,470	351,481	-	-	-	-	365,951	-	365,951
At 31 March 2007	561,764	411,567	-	(126,301)	-	5,949,136	6,796,166	8,037	6,804,203

(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 2007.)

RESORTS WORLD BHD
CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE THREE MONTHS ENDED 31 MARCH 2008

	Unaudited three months ended 31 March	
	2008 RM'000	2007 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	395,393	335,416
Adjustments for:		
Depreciation of property, plant and equipment	65,671	58,360
Finance costs	1,643	3,480
Interest income	(23,580)	(15,583)
Share of results in jointly controlled entity and associate	(155)	94,066
Unrealised exchange loss/(gain)	1,271	(3,237)
Gain on dilution of equity investment in associate	-	(63,210)
Other non-cash items and adjustments	(128)	858
	44,722	74,734
Operating profit before working capital changes	440,115	410,150
Net change in current assets	1,835	1,239
Net change in current liabilities	(97,539)	31,948
	(95,704)	33,187
Cash generated from operations	344,411	443,337
Net tax paid	(67,382)	(52,293)
Retirement gratuities paid	(4,209)	(637)
Other net operating receipts/(payments)	283	(182)
	(71,308)	(53,112)
Net Cash Flow From Operating Activities	273,103	390,225
CASH FLOWS FROM INVESTING ACTIVITIES		
Property, plant and equipment	(89,224)	(88,253)
Other investments	26,497	15,714
Net Cash Flow From Investing Activities	(62,727)	(72,539)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares	5,877	12,352
Buy-back of shares	(28,496)	-
Interest paid	-	(842)
Other financing expenses	(1)	(20)
Net Cash Flow From Financing Activities	(22,620)	11,490
NET INCREASE IN CASH AND CASH EQUIVALENTS	187,756	329,176
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	3,051,751	1,980,677
EFFECT OF CURRENCY TRANSLATION	(922)	(413)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	3,238,585	2,309,440
<u>ANALYSIS OF CASH AND CASH EQUIVALENTS</u>		
Bank balances and deposits	2,129,044	1,225,660
Money market instruments (included in short term investments)	1,109,541	1,083,780
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	3,238,585	2,309,440

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited Financial Statements for the financial year ended 31 December 2007.)

RESORTS WORLD BHD
NOTES TO THE INTERIM FINANCIAL REPORT - FIRST QUARTER ENDED 31 MARCH 2008

Part I: Compliance with Financial Reporting Standard (“FRS”) 134

a) *Accounting Policies and Methods of Computation*

The interim financial report is unaudited and has been prepared in accordance with Financial Reporting Standard (“FRS”) 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 2008 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 2007. The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual audited financial statements for the financial year ended 31 December 2007.

In the current financial period, the Group adopted the following revised FRSs and IC interpretation which are applicable to financial statements for annual periods beginning on or after 1 January 2008 and are relevant to its operations:-

FRS 107	Cash Flow Statements
FRS 112	Income Taxes
FRS 118	Revenue
FRS 134	Interim Financial Reporting
FRS 137	Provisions, Contingent Liabilities and Contingent Assets
Amendment to FRS 121 ₂₀₀₇	The Effects of Changes in Foreign Exchange Rates – Net Investment in Foreign Operation.
IC Interpretation 8	Scope of FRS 2

The above FRSs and IC interpretation do not have any significant financial impact for the Group for the financial period ended 31 March 2008. In respect of FRS 112, the Group will continue to recognise in the income statement, the tax impact arising from the investment tax allowances as and when it is utilised.

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 2008.

d) *Material Changes in Estimates*

There were no material changes in estimates of amounts reported in prior interim periods of the current financial quarter ended 31 March 2008 or that of prior financial years.

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

- i) The Company issued 2,908,000 new ordinary shares of 10 sen each, for cash, arising from the exercise of options granted under the Executive Share Option Scheme for Eligible Executives of Resorts World Bhd during the three months ended 31 March 2008 at the following exercise price:

Exercise price (RM)	No. of options exercised during the three months ended 31 March 2008
1.700	80,000
1.898	587,000
2.134	20,000
2.064	2,221,000
	<u>2,908,000</u>

- ii) The Company issued RM1.1 billion nominal value zero coupon convertible notes due in 2008 (“Notes”) which are convertible at the option of the holders of the Notes into new ordinary shares of the Company at any time during the period beginning on and including 20 October 2006 and ending on 11 September 2008.

During the three months ended 31 March 2008, RM100.4 million of Notes were converted into 39.4 million new ordinary shares of 10 sen each of the Company. The balance of the Notes that remains outstanding as at 31 March 2008 is RM76.4 million.

- iii) At the Annual General Meeting of the Company held on 21 June 2007, the shareholders of the Company approved the renewal of the authority for the Company to purchase its own shares of up to 10% of the issued and paid-up share capital of the Company.

During the three months ended 31 March 2008, the Company had repurchased a total of 7,940,900 ordinary shares of 10 sen each of its issued share capital from the open market for a total consideration of RM28.5 million. The repurchased transactions were financed by internally generated funds. The repurchased shares are held as treasury shares in accordance with the requirements of Section 67A (as amended) of the Companies Act, 1965.

f) **Dividends Paid**

No dividend has been paid for the three months ended 31 March 2008.

g) **Segment Information**

Segment analysis for the three months ended 31 March 2008 is set out below:

<u>Revenue</u>	<u>Leisure & Hospitality</u> RM'000	<u>Property</u> RM'000	<u>Others</u> RM'000	<u>Eliminations</u> RM'000	<u>Total</u> RM'000
External	1,085,769	2,478	3,676	-	1,091,923
Inter segment	332	1,388	14,623	(16,343)	-
	<u>1,086,101</u>	<u>3,866</u>	<u>18,299</u>	<u>(16,343)</u>	<u>1,091,923</u>

g) *Segment Information (Continued)*

	<u>Leisure & Hospitality</u> RM'000	<u>Property</u> RM'000	<u>Others</u> RM'000	<u>Eliminations</u> RM'000	<u>Total</u> RM'000
Results					
Segment profit	371,266	918	1,117	-	373,301
Interest income					23,580
Finance cost					(1,643)
Share of results in jointly controlled entity					155
Profit before taxation					395,393
Taxation					(98,130)
Profit for the financial period					<u>297,263</u>

h) *Valuation of Property, Plant and Equipment*

There was no valuation of property, plant and equipment since the last financial year ended 31 December 2007.

i) *Material Events Subsequent to the end of Financial Period*

The non-renounceable offer for sale (“OFS”) by Resorts World Limited (an indirect wholly-owned subsidiary of the Company) of its entire equity interest of 593,719,711 ordinary shares of USD0.10 each in Genting International Public Limited Company (“Offer Shares”) to the shareholders of the Company on a pro-rata basis of 1 Offer Share for every 10 existing ordinary shares of RM0.10 each in the Company held by the shareholders of the Company, at the offer price of RM0.88 per Offer Share was completed on 30 April 2008. Total gross proceeds from the OFS were RM522.5 million generating a gain on disposal of RM19.0 million arising from foreign exchange translation.

Other than the above, there were no material events subsequent to the end of current financial period ended 31 March 2008 that have not been reflected in this interim financial report.

j) *Changes in the Composition of the Group*

There have been no material changes in the composition of the Group for the three months ended 31 March 2008.

k) *Changes in Contingent Liabilities or Contingent Assets*

There were no material changes in the contingent liabilities or contingent assets since the last financial year ended 31 December 2007.

l) *Capital Commitments*

Capital commitments not provided for in the financial statements as at 31 March 2008 are as follows:

	RM'000
Authorised property, plant and equipment expenditure not provided for in the financial statements:	
- Contracted	208,465
- Not contracted	448,502
	<u>656,967</u>

RESORTS WORLD BHD**ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES – FIRST QUARTER ENDED 31 MARCH 2008****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	
	1Q2008 RM'Mil	1Q2007 RM'Mil	Var %	4Q2007 RM'Mil	Var %
Revenue					
Leisure & Hospitality	1,085.7	1,052.5	3%	1,132.2	-4%
Property	2.5	1.4	79%	5.9	-58%
Others	3.7	9.9	-63%	3.1	19%
	<u>1,091.9</u>	<u>1,063.8</u>	3%	<u>1,141.2</u>	-4%
Profit before tax					
Leisure & Hospitality	371.3	348.4	7%	403.8	-8%
Property	0.9	0.6	50%	2.1	-57%
Others	1.1	5.1	-78%	1.2	-8%
	<u>373.3</u>	<u>354.1</u>	5%	<u>407.1</u>	-8%
Interest income	23.6	15.6	51%	26.7	-12%
Finance cost	(1.6)	(3.5)	54%	(2.0)	20%
Share of results in jointly controlled entity and associate	0.1	(94.0)	+>100%	-	+>100%
Gain on dilution of investment in associate	-	63.2	-100%	-	-100%
	<u>395.4</u>	<u>335.4</u>	18%	<u>431.8</u>	-8%

The Group registered revenue of RM1,091.9 million and profit before tax of RM395.4 million in the first quarter ended 31 March 2008. Revenue increased by 3% and profit before tax increased by 18% compared with the corresponding quarter in 2007.

The increase in revenue in the first quarter ended 31 March 2008 is mainly attributable to better underlying performance in the leisure and hospitality segment arising mainly from higher volume of business.

The higher profit before tax in the first quarter ended 31 March 2008 is mainly attributable to the following:

- higher revenue in the leisure and hospitality business;
- higher interest income; and
- The Group no longer equity account for the results of SCL since 31 July 2007. The share of loss in SCL last year was RM94.0m.

The effect of the above has been reduced by a gain on dilution of investment in SCL of RM63.2 million incurred last year.

2) Material Changes in Profit Before Taxation for the Current Quarter as compared with the Immediate Preceding Quarter

The Group registered a profit before tax of RM395.4 million in the first quarter ended 31 March 2008 compared with RM431.8 million in the fourth quarter ended 31 December 2007.

The lower profit before tax is mainly due to lower volume of business as a result of lower visitors arrivals.

3) **Prospects**

Continuing uncertain conditions may affect consumer sentiment which can have an impact on consumer spending and visitations to Genting Highlands Resort. The Group will continue to focus on yield management and enhancing operational efficiency as well as leveraging on the promotional activities of "Visit Malaysia Year".

Barring unforeseen circumstances, the performance of the Group is expected to be satisfactory for the remaining period of the year.

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 three months ended 31 March 2008 are as follows:

	<u>Current quarter</u> <u>ended</u> <u>31 March 2008</u> <u>RM'000</u>
Current taxation charge:	
Malaysian income tax charge	88,014
Deferred tax charge	4,463
	<hr/>
	92,477
Prior years' taxation:	
Income tax under provided	5,653
	<hr/>
	98,130 <hr/>

The effective tax rate of the Group for the current quarter is lower than statutory income tax rate mainly due to tax incentives claimed for the quarter.

6) **Profit on Sale of Unquoted Investments and/or Properties**

The results for the three months ended 31 March 2008 do not include any profit or loss on sale of unquoted investments and properties which are not in the ordinary course of business.

7) **Quoted Securities other than Securities in Existing Subsidiaries and Associates**

(a) There are no dealings in quoted securities for the three months ended 31 March 2008.

(b) The details of the investments in quoted shares excluding subsidiaries as at 31 March 2008 are set out below:

	<u>Long Term</u> <u>Investment</u> <u>RM'000</u>	<u>Available-For-Sale</u> <u>Financial Asset</u> <u>RM'000</u>
Total investments at cost	505,179	1,195,076
Total investments at book value	505,179	898,949
Total investments at market value	<hr/>	<hr/>
	817,331	898,949

8) ***Status of Corporate Proposals Announced***

On 2 May 2008, the Company announced that the present mandate granted by the shareholders on 21 June 2007 to buy back its own shares will expire at the conclusion of the forthcoming Annual General Meeting (“AGM”). In this regard, the Company intends to seek the approval of its shareholders for the proposed renewal of the authority for the Company to purchase and/or hold its own shares (of an aggregate amount of up to ten per centum (10%) of the Company’s prevailing issued and paid-up share capital at any time) (“Proposed Share Buy-Back Renewal”) at a general meeting to be convened (“General Meeting”).

As Genting Berhad (“Genting”) holds directly approximately 48.36% of the voting shares in the Company, and together with the persons acting in concert with it (“PACs”), collectively hold approximately 48.45% of the voting shares in the Company as at 28 April 2008, the purchase by the Company of its own shares (pursuant to the Proposed Share Buy-Back Renewal) may trigger an obligation by Genting and the PACs to undertake a mandatory take-over offer on the remaining voting shares in the Company under the Malaysian Code on Take-Overs and Mergers, 1998 (“Code”). In this regard, Genting and the PACs intend to apply to the Securities Commission (“SC”) for an exemption under Practice Note 2.9.10 of the Code (“Proposed Exemption”). Pursuant to the Code, the SC may consider granting the Proposed Exemption if the approval of the independent shareholders of the Company is obtained, and accordingly, the Company proposes to table the Proposed Exemption together with the Proposed Share Buy-Back Renewal at the General Meeting. The Proposed Exemption and Proposed Share Buy-Back Renewal are inter-conditional.

Other than the above, there were no other corporate proposals announced but not completed as at 21 May 2008.

9) ***Group Borrowings and Debt Securities***

The details of the Group’s borrowings are as set out below:

		As at 31 March 2008
		RM’000
Short term borrowings	Unsecured	76,350

As at 21 May 2008, RM972.5 million of the short term borrowings comprising the zero coupon convertible notes has been converted into new ordinary shares of the Company, whilst RM51.1 million of the zero coupon convertible notes was settled in cash.

10) ***Off Balance Sheet Financial Instruments***

There are no off balance sheet financial instruments as at 21 May 2008.

11) ***Changes in Material Litigation***

There are no pending material litigations as at 21 May 2008.

12) ***Dividend Proposed or Declared***

No dividend has been proposed or declared for the current quarter ended 31 March 2008.

13) Earnings per share (“EPS”)

- (a) The earnings used as the numerator in calculating basic and diluted earnings per share for the current quarter ended 31 March 2008 are as follows:

	<u>Current quarter ended 31 March 2008</u> <u>RM'000</u>
Profit for the financial period attributable to equity holders of the Company (used as numerator for the computation of Basic and Diluted EPS)	<u>297,361</u>

- (b) The weighted average number of ordinary shares used as the denominator in calculating basic and diluted earnings per share for the current quarter ended 31 March 2008 are as follow:

	<u>Current quarter ended 31 March 2008</u> <u>Number of shares</u>
Weighted average number of ordinary shares in issue (*) (used as denominator for the computation of Basic EPS)	5,837,598,389
Adjustment for share options granted under the Executive Share Option Scheme For Eligible Executives of Resorts World Bhd	25,480,926
Adjustment for shares issuable arising from the conversion of Convertible Notes	61,232,706
Weighted average number of ordinary shares in issue (used as denominator for the computation of Diluted EPS)	<u>5,924,312,021</u>

(*) The weighted average number of ordinary shares of RM0.10 each in issue during the current quarter ended 31 March 2008 excludes the weighted average treasury shares held by the Company.

14) 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 2007 was not qualified.

TAN SRI LIM KOK THAY
Chairman and Chief Executive
RESORTS WORLD BHD
28 May 2008