GENTING BERHAD

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FIRST QUARTERLY REPORT

Quarterly report on consolidated results for the first quarter ended 31 March 2005. The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2005

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 31/03/2005 RM'000	PRECEDING YEAR CORRES-PONDING QUARTER 31/03/2004 RM'000	CURRENT YEAR-TO-DATE 31/03/2005 RM'000	PRECEDING YEAR CORRES-PONDING PERIOD 31/03/2004 RM'000
Revenue	**1,274,145**	1,123,184	**1,274,145**	1,123,184
Cost of sales	**(725,912)**	(589,588)	**(725,912)**	(589,588)
Gross profit	**548,233**	533,596	**548,233**	533,596
Other income	**47,311**	24,962	**47,311**	24,962
Other expenses	**(80,510)**	(63,606)	**(80,510)**	(63,606)
Profit from operations	**515,034**	494,952	**515,034**	494,952
Finance cost	**(43,222)**	(23,307)	**(43,222)**	(23,307)
Share of results in jointly controlled entities and associates	**15,553**	(157)	**15,553**	(157)

GENTING BERHAD
CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2005 (cont'd)

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 31/03/2005 RM'000	PRECEDING YEAR CORRES-PONDING QUARTER 31/03/2004 RM'000	CURRENT YEAR-TO-DATE 31/03/2005 RM'000	PRECEDING YEAR CORRES-PONDING PERIOD 31/03/2004 RM'000
Profit from ordinary activities before taxation	**487,365**	471,488	**487,365**	471,488
Taxation	**(127,975)**	(138,371)	**(127,975)**	(138,371)
Profit from ordinary activities after taxation	**359,390**	333,117	**359,390**	333,117
Minority shareholders' interests	**(121,538)**	(110,163)	**(121,538)**	(110,163)
Net profit for the period	**237,852**	222,954	**237,852**	222,954
Basic earnings per share (sen)	**33.76**	31.65	**33.76**	31.65
Diluted earnings per share (sen)	**33.60**	31.37	**33.60**	31.37

(The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2004).

GENTING BERHAD
CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2005

	(UNAUDITED) AS AT 31 MAR 2005 RM'000	(AUDITED) AS AT 31 DEC 2004 RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	**6,608,628**	6,550,364
Land held for property development	**496,669**	495,098
Jointly controlled entities	**38,824**	39,689
Associates	**2,251,867**	2,230,115
Other long term assets	**725,890**	380,332
Deferred taxation	**7,184**	4,632
Intangible assets	**66,769**	13,699
CURRENT ASSETS		
Property development costs	**107,037**	105,397
Inventories	**327,565**	309,913
Trade and other receivables	**1,378,436**	553,923
Amount due from associates	**1,292**	682
Short term investments	**1,970,715**	1,706,598
Bank balances and deposits	**3,181,250**	4,206,073
	6,966,295	6,882,586
LESS: CURRENT LIABILITIES		
Trade and other payables	**760,013**	876,987
Short term borrowings	**1,070,241**	783,904
Taxation	**111,575**	94,267
	1,941,829	1,755,158
NET CURRENT ASSETS	**5,024,466**	5,127,428
	15,220,297	14,841,357
FINANCED BY		
SHARE CAPITAL	**352,258**	352,232
RESERVES	**7,763,894**	7,516,322
SHAREHOLDERS' EQUITY	**8,116,152**	7,868,554
MINORITY INTERESTS	**3,575,771**	3,432,046
NON-CURRENT LIABILITIES		
Long term borrowings	**2,907,195**	2,908,803
Other long term liabilities	**106,172**	108,547
Deferred taxation	**515,007**	523,407
Total non-current liabilities	**3,528,374**	3,540,757
	15,220,297	14,841,357
NET TANGIBLE ASSETS PER SHARE (RM)	**11.43**	11.15

(The Condensed Consolidated Balance Sheet should be read in conjunction with the audited financial statements for the financial year ended 31 December 2004).

GENTING BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2005

	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Reserve on Exchange Differences RM'000	Other Reserves RM'000	Unappro-priated Profit RM'000	Total RM'000
Balance at 1 January 2004	352,169	97,803	308,524	66,183	-	6,220,168	7,044,847
Net profit/(loss) not recognised in the income statement	-	-	(168)	4,646	-	168	4,646
Net profit for the financial period	-	-	-	-	-	222,954	222,954
Balance at 31 March 2004	352,169	97,803	308,356	70,829	-	6,443,290	7,272,447
Balance at 1 January 2005	**352,232**	**99,541**	**308,238**	**74,151**	**-**	**7,034,392**	**7,868,554**
Issue of shares [see Note I(f) (i)]	**26**	**718**	**-**	**-**	**-**	**-**	**744**
Share of associate's other reserves	**-**	**-**	**-**	**-**	**11,205**	**-**	**11,205**
Net profit/(loss) not recognised in the income statement	**-**	**-**	**(140)**	**(2,203)**	**-**	**140**	**(2,203)**
Net profit for the financial period	**-**	**-**	**-**	**-**	**-**	**237,852**	**237,852**
Balance at 31 March 2005	**352,258**	**100,259**	**308,098**	**71,948**	**11,205**	**7,272,384**	**8,116,152**

(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 2004).

GENTING BERHAD
CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2005

	CURRENT YEAR-TO-DATE RM'000	PRECEDING YEAR CORRES-PONDING PERIOD RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit from ordinary activities before taxation	**487,365**	471,488
Adjustments for:		
Depreciation of property, plant and equipment ("PPE")	**98,951**	88,976
Finance cost	**43,222**	23,307
Share of results in jointly controlled entities and associates	**(15,553)**	157
Interest income	**(31,681)**	(17,217)
Other non-cash items	**4,754**	(2,404)
	99,693	92,819
Operating profit before changes in working capital	**587,058**	564,307
Net change in current assets	**(847,007)**	(28,028)
Net change in current liabilities	**(106,852)**	(43,259)
	(953,859)	(71,287)
Cash generated from operations	**(366,801)**	493,020
Taxation paid	**(119,682)**	(114,244)
Retirement gratuities paid	**(609)**	(141,389)
Other net operating receipts	**2,372**	1,397
	(117,919)	(254,236)
NET CASH (USED IN)/INFLOW FROM OPERATING ACTIVITIES	**(484,720)**	238,784
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase in investments and other long term assets	**(376,732)**	(104,977)
Purchase of PPE	**(148,929)**	(92,658)
Acquisition of Maxims Casino Business *	**(74,682)**	-
Interest received	**31,421**	16,807
Other net receipts from investing activities	**41,352**	2,989
NET CASH USED IN INVESTING ACTIVITIES	**(527,570)**	(177,839)
CASH FLOWS FROM FINANCING ACTIVITIES		
Finance cost paid	**(44,494)**	(13,425)
Repayment of borrowings	**(20,000)**	(30,000)
Proceeds from bank borrowings	**296,809**	11,970
Other net receipts from financing activities	**927**	582
NET CASH INFLOW FROM/(USED IN) FINANCING ACTIVITIES	**233,242**	(30,873)

GENTING BERHAD
CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2005 (Cont'd)

	CURRENT YEAR-TO-DATE RM'000	PRECEDING YEAR CORRES-PONDING PERIOD RM'000
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	**(779,048)**	30,072
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	**5,543,700**	4,136,984
EFFECT OF CURRENCY TRANSLATION	**(491)**	73
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	**4,764,161**	4,167,129
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Bank balances and deposits	**3,181,250**	3,036,865
Money market instruments (included in Short term investments)	**1,582,911**	1,130,264
	4,764,161	4,167,129

*** ANALYSIS OF THE ACQUISITION OF MAXIMS CASINO BUSINESS**

Net assets acquired and net cash outflow on acquisition of Maxims Casino Business are analysed as follows:

	CURRENT YEAR-TO-DATE RM'000
Property, plant and equipment	**54,672**
Intangible assets	**3,573**
Inventories	**571**
Bank balances and deposits	**357**
Trade and other payables	**(43)**
Net assets acquired	**59,130**
Goodwill	**15,909**
Total purchase consideration	**75,039**
Bank balances and deposits acquired	**(357)**
Net cash outflow on acquisition of Maxims Casino Business	**74,682**

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2004).

GENTING BERHAD

NOTES TO THE INTERIM FINANCIAL REPORT – 1ST QUARTER ENDED 31 MARCH 2005

(I) Compliance with Financial Reporting Standard ("FRS") 134: Interim Financial Reporting

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

The interim financial report is unaudited and has been prepared in accordance with FRS 134 (previously MASB 26), "Interim Financial Reporting" and paragraph 9.22 of the Bursa Malaysia Securities Berhad ("Bursa Malaysia") Listing Requirements.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2004. 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 2004 as well as any new approved accounting standards that are effective and applicable in the current financial year.

(b) **Disclosure of Audit Report Qualification and Status of Matters Raised**

The audit report of the Group's annual financial statements for the financial year ended 31 December 2004 did not contain any qualification.

(c) **Seasonal or Cyclical Factors**

On an overall basis, the business operations of the Group's Leisure & Hospitality Division and Plantations Division are subject to seasonal fluctuations whilst the Paper Division is subject to cyclical fluctuations. The results of the Leisure & Hospitality Division are affected by major festive seasons and holidays. The production of fresh fruit bunches is seasonal in nature and normally peaks in the second half of the year. More detailed commentary is set out in Notes 1 and 2 in Part II of this interim financial report.

(d) **Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow**

The balance in "Trade and other receivables" for the Group has increased from RM553.9 million as at 31 December 2004 to RM1,378.4 million as at 31 March 2005.

Genting Overseas Holdings Limited ("GOHL"), a wholly-owned subsidiary of the Company and which holds a 64.3% interest in Genting International P.L.C. ("GIPLC") as at 31 March 2005, made a payment of USD218.5 million (approximately RM830.3 million) in March 2005 in relation to its subscription to GIPLC's Rights Issue (please refer to the disclosure made in Note 8 (b) of Part II of this interim financial report). This amount is included in "Trade and other receivables" as at 31 March 2005, pending allotment and issuance of the Rights Shares by GIPLC.

The Rights Shares have subsequent to 31 March 2005 been issued and the above mentioned amount in "Trade and other receivables" was transferred and reflected in GIPLC's bank balances and deposits with a corresponding increase in GIPLC's share capital and share premium accounts in April 2005.

Other than the above, there were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group in the current quarter ended 31 March 2005.

(e) **Material Changes in Estimates**

There have been no significant changes made in estimates of amounts reported in prior financial years.

(f) **Changes in Debt and Equity Securities**

i) The Company issued 52,000 new ordinary shares of 50 sen each, for cash, arising from the exercise of options granted under the Genting Executive Share Option Scheme at exercise prices of RM13.08 and RM14.34 per ordinary share during the current quarter.

ii) There was an issuance of 180,000 new ordinary shares of 50 sen each, for cash, by Asiatic Development Berhad, a 54.8% owned subsidiary of the Company, arising from the exercise of options granted under the Asiatic Executive Share Option Scheme at an exercise price of 92 sen per ordinary share during the current quarter.

iii) There was an issuance of 2,000 new ordinary shares of 50 sen each, for cash, by Resorts World Bhd, a 57.3% owned subsidiary of the Company, arising from the exercise of options granted under the Resorts Executive Share Option Scheme at an exercise price of RM8.50 per ordinary share during the current quarter.

Other than the above, there were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current quarter ended 31 March 2005.

(g) **Dividends Paid**

No dividend has been paid for the current quarter.

(h) **Segment Information**

Segment analysis for the current quarter ended 31 March 2005 is set out below:

	Leisure & Hospitality RM'000	Plantations RM'000	Properties RM'000	Paper RM'000	Oil & Gas RM'000	Power RM'000	Others RM'000	Eliminations RM'000	Total RM'000
Operating Revenue									
External	797,557	95,210	15,925	121,456	23,935	180,848	39,214	-	1,274,145
Inter segment	470	-	3,830	482	-	2,740	20,830	(28,352)	-
	798,027	95,210	19,755	121,938	23,935	183,588	60,044	(28,352)	1,274,145
Results									
Segment profit/(loss)	349,208	40,166	4,206	17,389	11,596	73,004	(11,908)	(308)	483,353
Interest income									31,681
Finance cost									(43,222)
Share of results in jointly controlled entities and associates	5,884	1,025	262	-	-	8,382	-	-	15,553
Profit from ordinary activities before taxation									487,365
Taxation									(127,975)
Profit from ordinary activities after taxation									359,390
Minority shareholders' interests									(121,538)
Net profit for the financial period									237,852

(i) **Valuation of Property, Plant and Equipment**

Property, plant and equipment, which are stated at revalued amounts, have been brought forward without amendment from the previous annual financial statements.

(j) **Material Events Subsequent to the End of Financial Period**

Other than the corporate proposals as reported in Note 8 of part II of this interim financial report, there were no other material events subsequent to the end of the current quarter that have not been reflected in this interim financial report.

(k) **Changes in the Composition of the Group**

i) On 25 January 2005, Genting International P.L.C. ("GIPLC"), a 64.3% owned subsidiary of Genting Overseas Holdings Limited ("GOHL"), which in turn is a wholly-owned subsidiary of the Company as at 31 March 2005, announced that Genting International (UK) Limited ("GIUK"), its indirect wholly-owned subsidiary had successfully completed the sale of a 50% equity stake in Coastbright Limited ("Coastbright") to Stanley Leisure plc ("Stanley Leisure") for a consideration of 1,433,333 new ordinary shares of 25p each fully-paid in the capital of Stanley Leisure.

GIPLC had announced on 12 January 2005 that Coastbright, which was then a wholly-owned subsidiary of GIUK had successfully completed its acquisition of the Maxims Casino business of Lydiashourne Limited, a wholly-owned indirect subsidiary of Gala Group Limited. Maxims Casino is situated at Palace Gate, Kensington, London.

ii) On 13 May 2005, the Company announced that GOHL had entered into a Share Sale and Purchase Agreement ("SSPA") with GIPLC for the disposal of its entire equity interest in Sedby Limited ("Sedby"), for a sale consideration of USD 18.4 million. Consequently, the Company will effectively dispose of its 80.0% equity interest in E-Genting Holdings Sdn Bhd ("EGH").

Similarly, on 13 May 2005, Resorts World Berhad ("RWB"), through Commerce International Merchant Bankers Berhad, announced that Resorts World Limited ("RWL"), a wholly-owned subsidiary of RWB, had entered into a SSPA with GIPLC for the disposal of its entire equity interest in Geremi Limited, for a sale consideration of USD4.6 million. Consequently, RWB will effectively dispose of its 20.0% equity interest in EGH.

Please refer to the disclosure made in Note 8(a) of Part II of this interim financial report.

Other than the above, there were no other material changes in the composition of the Group.

(l) **Changes in Contingent Liabilities or Contingent Assets**

Certain subsidiaries of the Group had in November 2000 disposed their interest of 29.1 million shares of NCL Holding ASA ("NCL") to Arrasas Limited ("Arrasas"), a wholly-owned subsidiary of Star Cruises Ltd, which in turn is a 36.1% associated company of Resorts World Bhd, at Norwegian Kroner ("NOK") 15 per share. The valuation proceedings at the Oslo City Court, ongoing since October 2001, culminated in the valuation court's decision on 5 December 2003, which fixed the redemption price at NOK25 per share. Pursuant to this decision, Arrasas is required to pay NOK10 per share (representing the amount in excess of NOK15 per share as previously agreed under respective stock purchase agreements). Consequently, the Group may receive an additional consideration amounting to approximately USD45.9 million (approximately RM174.6 million). On 8 January 2004, Arrasas appealed the decision. The Appeal Court has to conduct, inter alia, full new valuation proceedings to reassess the redemption price for the shares. It is likely that the outcome of the said appeal will be known sometime towards the end of the first half of 2005.

Other than the status of the contingent asset as disclosed above and the disclosure of changes in material litigation made in Note 11 of Part II of this interim financial report, there were no other significant changes in contingent liabilities or contingent assets since the last financial year ended 31 December 2004.

(m) **Capital Commitments**

Authorised capital commitments not provided for in the interim financial statements as at 31 March 2005 are as follows:

	RM'000
Contracted	272,911
Not contracted	580,566
	853,477
Analysed as follows:	
- Property, plant and equipment	751,176
- Investments	59,143
- Exploration cost	43,158
	853,477

GENTING BERHAD

ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA – 1ST QUARTER ENDED 31 MARCH 2005

(II) Compliance with Appendix 9B of Bursa Malaysia Listing Requirements

1. **Review of Performance**

The comparison of the quarterly results are tabulated below:

	Current Quarter 2005 RM'million	Current Quarter 2004 RM'million	% +/-	Preceding Quarter 4Q 2004 RM'million	% +/-
Revenue					
Leisure & Hospitality	**797.6**	715.1	+12	704.3	+13
Plantations	**95.2**	81.3	+17	143.5	-34
Properties	**15.9**	16.2	-2	13.4	+19
Paper	**121.5**	114.0	+7	120.5	+1
Power	**180.8**	168.8	+7	187.9	-4
Oil & Gas	**23.9**	17.1	+40	16.1	+48
Proceeds from disposal of quoted short-term securities	**28.2**	0.9	>100	-	>100
Others	**11.0**	9.8	+12	8.3	+33
	1,274.1	1,123.2	+13	1,194.0	+7
Profit/(loss) before tax and unusual items					
Leisure & Hospitality	**349.2**	338.1	+3	211.7	+65
Plantations	**40.2**	37.8	+6	65.3	-38
Properties	**4.2**	4.5	-7	(13.3)	>100
Paper	**17.4**	13.7	+27	10.4	+67
Power	**73.0**	72.8	-	75.2	-3
Oil & Gas	**11.6**	9.4	+23	5.0	>100
Others	**(12.2)**	1.5	>100	8.5	>100
	483.4	477.8	+1	362.8	+33
Interest income	**31.7**	17.2	+84	30.1	+5
Finance cost	**(43.2)**	(23.3)	+85	(41.4)	+4
Share of results in jointly controlled entities and associates	**15.5**	(0.2)	>100	(32.4)	>100
Profit before tax	**487.4**	471.5	+3	319.1	+53

The Group registered a revenue of RM1,274.1 million in the current quarter compared to RM1,123.2 million in the previous year's corresponding quarter, which is an increase of 13%. Increased revenue is recorded from all the divisions with the exception of the Properties Division, which revenue decreased marginally by 2%.

The increased revenue from the Leisure & Hospitality Division is mainly attributable to its better underlying performance arising from higher visitor arrivals.

The increase in revenue from the Plantations Division is mainly due to higher fresh fruit bunches ("FFB") production as a result of improved yield and the inclusion of crop from plantations acquired in the second quarter of 2004.

Increased revenue from the Paper Division arose mainly from the higher average selling prices of paper in the current quarter.

The higher revenue from the Power Division is mainly due to higher capacity utilisation.

Higher average oil prices and increased production contributed to the higher revenue from the Oil & Gas division.

The Group profit before tax for the current quarter is RM487.4 million, an increase of 3% compared to the previous year's corresponding quarter's profit before tax of RM471.5 million.

The increase in profit from the Leisure & Hospitality Division, Paper Division and the Oil & Gas Division is in line with the increase in revenue.

The profit before tax from the Plantations Division is marginally higher than that of the previous year's corresponding quarter as the full effect of the increase in FFB production was substantially offset by the lower crude palm oil ("CPO") selling prices registered in the current quarter.

The share of results in jointly controlled entities and associates in the current quarter included a share of profit of RM6.2 million from Star Cruises Limited ("SCL") compared to a share of loss of RM5.8 million in the previous year's corresponding quarter. The share of results of jointly controlled entities in the current quarter is a share of profit of RM0.1 million.

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 RM487.4 million in the current quarter as compared to RM319.1 million in the preceding quarter, which is an increase of 53%.

The increased profit from the Leisure & Hospitality Division in the current quarter is due to the weaker performance of this Division in the preceding quarter as a result of lower luck factor in the premium player business, property, plant and equipment written off and assets impairment losses.

The lower profit from the Plantations Division in the current quarter is mainly due to the seasonally lower FFB production coupled with lower CPO selling prices.

The profit from the Properties Division in the preceding quarter was affected by the write-off of capitalised expenses of RM15.1 million.

Higher average selling prices of paper contributed to the higher profit in the current quarter.

The higher profit from the Oil & Gas Division is due mainly to the higher production and higher average oil prices in the current quarter.

The share of results in jointly controlled entities and associates in the current quarter included a share of profit of RM6.2 million from SCL compared to a share of loss of RM41.6 million in the preceding quarter.

3. **Prospects**

In line with the government's continued policy to promote Malaysia as an international tourist destination and barring unforeseen circumstances, the Leisure & Hospitality Division's performance is expected to be satisfactory for the remaining period of the year.

Barring any unforeseen circumstances, the performance of the other Divisions in the Group is also 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**

The breakdown of tax charges for the current quarter are as set out below:

	Current Quarter RM'000
Current taxation	
Malaysian income tax charge	132,807
Foreign income tax charge	5,122
	137,929
Deferred tax charge	3,924
Share of tax in associates	1,557
	143,410
Prior period taxation	
Income tax over provided	(617)
Deferred tax over provided	(14,818)
Taxation charge	127,975

The effective tax rate of the Group for the current quarter, before adjustments made in respect of net over provisions for prior years' taxation is higher than the statutory tax rate. This is mainly due to non-deductibility of certain expenses for tax purposes.

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

The results for the current quarter do not include any profit or loss on sale of unquoted investments and properties which are not in the ordinary course of business of the Group.

7. **Quoted Securities other than Securities in Existing Subsidiary and Associated Companies**

(a) The dealings in quoted securities for the current quarter are as follows:

	Current quarter RM'000
Total purchases at cost	402,825
Total disposal proceeds	28,221
Total gain on disposal	2,710

(b) The details of the investments in quoted shares, excluding subsidiary companies and associates, as at 31 March 2005 are as set out below:

	Current quarter RM'000
Total investments at cost	1,084,986
Total investments at book value	1,070,218
Total investments at market value	1,190,665

8. **Status of Corporate Proposals Announced**

(a) On 13 May 2005, the Company announced that Genting Overseas Holdings Limited ("GOHL"), had entered into a Share Sale and Purchase Agreement ("GOHL-SSPA") with Genting International P.L.C. ("GIPLC"), a 64.3% indirectly owned subsidiary of the Company, for the disposal of its entire equity interest in Sedby Limited ("Sedby"), for a sale consideration of USD 18.4 million. Consequently, the Company will effectively dispose of its 80.0% equity interest in E-Genting Holdings Sdn Bhd ("EGH").

Similarly, on 13 May 2005, Resorts World Berhad ("RWB"), through Commerce International Merchant Bankers Berhad, announced that Resorts World Limited ("RWL"), a wholly-owned subsidiary of RWB, had entered into a Share Sale and Purchase Agreement ("RWL-SSPA") with GIPLC for the disposal of its entire equity interest in Geremi Limited ("Geremi"), for a sale consideration of USD4.6 million. Consequently, RWB will effectively dispose of its 20.0% equity interest in EGH.

The GOHL-SSPA and RWL-SSPA were entered into pursuant to GOHL's and RWL's acceptance of the offer made by GIPLC through a letter of offer dated 10 May 2005 to acquire GOHL's and RWL's interest in Sedby and Geremi respectively. The total consideration of USD23.0 million (approximately RM87.4 million) will be satisfied through the issuance of 130,681,819 new GIPLC shares at an issue price of USD0.176 per GIPLC share. Accordingly, GOHL and RWL will still have 65.0% and 8.0% equity interests respectively in EGH through GIPLC.

The GOHL-SSPA has become unconditional but is pending completion procedures.

The RWL-SSPA is conditional on the following conditions being fulfilled or complied with within six months from the date of the RWL-SSPA or within any extended period thereof :

i) Completion of the disposal by RWB of its 20.0% equity interest in EGH to Geremi, which has become unconditional but is pending completion procedures;

ii) Approval of the shareholders of RWB at an Extraordinary General Meeting to be convened. The approval of the shareholders of RWB is required for the disposal pursuant to the principles of aggregation set out in Practice Note No.14/2002 issued in relation to Chapter 10 of the Listing Requirements of Bursa Malaysia; and

iii) All other approvals that may be required or imposed by the relevant authorities for the purposes of the RWL-SSPA.

GIPLC will make an application to the Luxembourg Stock Exchange for the listing of the new GIPLC shares to be issued pursuant to the disposals by GOHL and RWL.

The disposals are not expected to have a material effect on the earnings of the Genting Group and the Resorts Group respectively for the financial year ending 31 December 2005. The disposals will not have a material effect on the consolidated Net Tangible Assets of the Company and RWB respectively based on their respective audited financial statements as at 31 December 2004.

(b) On 25 April 2005, GIPLC announced that at the close of the renounceable rights issue ("Rights Issue") on 24 March 2005, valid acceptances and excess applications for a total of 2,372,306,063 new rights shares ("Rights Shares") were received. Previously, on 23 November 2004, GIPLC had announced a Rights Issue of 2,365,745,405 Rights Shares at an issue price of USD0.13 for each Rights Share, on the basis of five Rights Shares for every three existing shares of par value USD0.10 each, held in the capital of GIPLC.

Dealings in the Rights Shares in their fully-paid form on both the Luxembourg Stock Exchange and CLOB International commenced on Friday, 6 May 2005. With the listing of the Rights Shares, GIPLC's paid-up capital comprises of a total of 3,785,192,648 ordinary shares of USD0.10 each.

(c) On 13 April 2005, the Company announced that the present mandate granted by the shareholders on 23 June 2004 to buy back its own shares will expire at the conclusion of the forthcoming Annual General Meeting ("AGM"). In this regard, the Company proposes to seek from its shareholders at the aforesaid AGM to be convened, a renewal of the authority to purchase up to a maximum of ten per centum (10%) of the issued and paid-up share capital of the Company comprising 704,517,954 ordinary shares of RM0.50 each as at 13 April 2005 ("the Proposed Share Buy-Back").

As at 20 May 2005, the Proposed Share Buy-Back is subject to the approval of the shareholders at the AGM to be convened.

(d) On 22 May 2002, the Company announced that Mastika Lagenda Sdn Bhd, an indirect 97.7% owned subsidiary of the Company, had entered into a Share Sale Agreement ("SSA") with Tenaga Nasional Bhd ("TNB") on 21 May 2002 for the acquisition of TNB's 40% stake in Sepang Power Sdn Bhd ("SPSB") for a total cash consideration of RM65.7 million ("Proposed Share Acquisition"). In the SSA, both parties have agreed that subject to the approval of all relevant authorities, SPSB's power plant will be commissioned no earlier than Year 2007.

An initial payment of 10% of the purchase consideration amounting to RM6.57 million has been paid and the balance of 90% will be paid on the Completion Date which is within 14 days after all Conditions Precedent are satisfied.

As at 20 May 2005, the completion of the Proposed Share Acquisition is still outstanding pending the execution of the shareholder's agreement.

Other than the above, there were no other corporate proposals announced but not completed as at 20 May 2005.

9. **Group Borrowings and Debt Securities**

The details of the Group's borrowings and debt securities as at 31 March 2005 are as set out below:

	Secured/ Unsecured	**Foreign Currency ’000**	**RM Equivalent ’000**
Short term borrowings	Unsecured	USD 269,554 -	1,024,303 45,938
Long term borrowings	Unsecured	USD 765,045 -	2,907,171 24

10. **Off Balance Sheet Financial Instruments**

As at 20 May 2005, the Group had the following off balance sheet financial instruments:

(a) Foreign Currency Contracts

Currency	**Contract Amounts ’000**	**Transaction Dates**	**Expiry Dates**
US Dollars	27,991	01/10/2004 to 12/05/2005	24/05/2005 to 12/12/2005
Swiss Francs	7,574	25/03/2005 to 10/05/2005	10/06/2005 to 10/03/2006
Euro	554	22/02/2005 to 15/04/2005	30/06/2005 to 29/07/2005
Singapore Dollars	162	15/04/2005	29/07/2005

As the above foreign currency contracts are entered into to cover the Group's commitments in foreign currencies, the contracted rates will be used to translate the underlying foreign currency transactions into Ringgit Malaysia. The above contracts are entered into with licenced banks.

(b) USD Interest Rate Swap ("IRS") and Hedging Transactions

i) On 25 April 2001, the Group had drawndown a loan amounting to USD200.0 million which was subjected to a floating interest rate based on LIBOR. Of this loan, USD120.0 million has been repaid to-date. The balance outstanding on this loan amounts to a total of USD80.0 million.

The outstanding IRS agreements entered into by the Group in respect of the loan are as follows:

Transaction Date	**Effective Date of Commencement**	**Maturity Dates**	**Outstanding Contract Amounts USD'000**
13 August 2001	25 October 2001	25/04/2006	12,000
16 August 2001	25 October 2001	25/04/2006	12,000
22 August 2001	25 October 2001	25/04/2006	8,000
30 August 2001	25 October 2001	25/04/2006	8,000
08 May 2002	25 July 2002	25/04/2006	10,000
24 July 2003	25 October 2003	25/04/2006	30,000
Total			80,000

The above swaps effectively fix the interest rate payable on that tranche of the loan from the respective effective dates of commencement of contracts and up to their respective maturity dates as set out above.

ii) On 27 November 2002, the Group had drawndown a loan amounting to USD53.0 million which was subjected to a floating interest rate based on LIBOR. Of these loans, USD13.2 million was repaid on 29 November 2004.

Subsequently, the Group entered into IRS agreements as follows:

Transaction Date	**Effective Date of Commencement**	**Maturity Dates**	**Outstanding Contract Amounts USD'000**
11 June 2003	27 May 2003	27/11/2005 to 27/11/2007	19,101
16 January 2004	28 May 2004	27/11/2005 to 27/11/2007	20,649
Total			39,750

The above IRS effectively swap the interest rate payable from floating rate to floating rate in arrears subjected to a cap on the LIBOR of 5% per annum from the respective effective dates of commencement of contracts and up to their respective maturity dates.

iii) On 29 May 2003, 24 November 2003 and 11 December 2003, the Group had drawndown loans amounting to a total of USD73.93 million which were subjected to floating interest rates based on LIBOR. Of these loans, a total of USD8.28 million has been repaid to-date.

Subsequently, the Group entered into IRS agreements as follows:

Transaction Date	Effective Date of Commencement	Maturity Dates	Outstanding Contract Amounts USD'000
28 November 2003	28 November 2003	29/05/2005 to 29/05/2008	19,306
12 April 2004	24 May 2004	25/11/2005 to 24/11/2008	18,000
12 April 2004	11 June 2004	12/12/2005 to 11/12/2008	5,175
13 April 2004	24 May 2004	25/11/2005 to 24/11/2008	18,000
07 May 2004	11 June 2004	12/12/2005 to 11/12/2008	5,175
Total			65,656

The above swaps effectively fix the interest rate payable on that tranche of the loan from the respective effective dates of commencement of contracts and up to their respective maturity dates as set out above.

These instruments are executed with creditworthy financial institutions and the Directors are of the view that the possibility of non-performance by these financial institutions is remote on the basis of their financial strength.

The Group uses derivative financial instruments including interest rate swap and currency swap agreements in order to limit the Group's exposure in relation to its underlying debt instruments resulting from adverse fluctuations in interest rates or foreign currency exchange rates and to diversify sources of funding. The related interest differentials under the swap agreements are recognised over the terms of the agreements in interest expense.

11. **Changes in Material Litigation**

Asiatic Development Berhad ("ADB"), a 54.8% owned subsidiary of the Company and Asiatic Tanjung Bahagia Sdn Bhd ("ATBSB") (formerly known as Tanjung Bahagia Sdn Bhd), a wholly-owned subsidiary of ADB, had vide previous announcements informed ADB's shareholders on the status of the legal suit filed in the High Court of Sabah and Sarawak at Kota Kinabalu Suit No. K22-245 of 2002 wherein ADB and ATBSB were named as the Second and Third Defendants respectively ("the Suit"). The Suit was instituted by certain natives ("the Plaintiffs") claiming Native Customary Rights over the agricultural land or part thereof held under title number CL095330724 measuring approximately 8,830 hectares situated at Sungai Tongod, District of Kinabatangan, Sandakan, Sabah which was acquired by ATBSB from Hap Seng Consolidated Berhad ("HSCB") ("the Tongod Land"). Subsequently, the Plaintiffs had also applied for an interlocutory injunction to restrain ADB and ATBSB from entering, trespassing, clearing, using or occupying the Tongod Land or part thereof ("the Injunction").

The hearing of the appeal against the Court's decision in dismissing ADB's application to strike out the plaintiffs' writ of summons and statement which was fixed on 15 April 2005 has been adjourned until further notice.

ADB's solicitors maintain their opinion that the Plaintiffs' action is misconceived and unsustainable.

Other than the above, there are no other changes in material litigation since the last financial year ended 31 December 2004 and up to 20 May 2005.

12. **Dividend Proposed or Declared**

No dividend has been proposed or declared for the current quarter.

13. **Earnings Per Share (“EPS”)**

(a) The earnings used as the numerator in calculating basic and diluted earnings per share for the current quarter is as follows:

	Current quarter RM’000
Net profit for the period (used as numerator for the computation of Basic EPS)	237,852
Dilution of earnings on potential exercise of Employee Share Options (“ESOS”) awarded to executives of Asiatic Development Berhad, a 54.8% owned subsidiary of the Company	(385)
Dilution of earnings on potential exercise of ESOS awarded to executives of Resorts World Bhd, a 57.3% owned subsidiary of the Company	(188)
Net profit for the period (used as numerator for the computation of Diluted EPS)	237,279

(b) The weighted average number of ordinary shares used as the denominator in calculating basic and diluted earnings per share for the current quarter is as follows:

	Current quarter No. of shares
Weighted average number of ordinary shares in issue (used as denominator for the computation of Basic EPS)	704,496,866
Adjustment for share options granted under the ESOS to executives of Genting Berhad	1,627,894
Weighted average number of ordinary shares in issue (used as denominator for the computation of Diluted EPS)	706,124,760

TAN SRI LIM KOK THAY
Chairman, President and Chief Executive
GENTING BERHAD
27 May 2005