



**GENTING BERHAD**  
(No. 7916-A)

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**PRESS RELEASE**

**For Immediate Release**

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**GENTING BERHAD ANNOUNCES 4TH QUARTER RESULTS  
FOR THE PERIOD ENDED 31<sup>ST</sup> DECEMBER 2008**

**Key points:**

- **4Q08 revenue – higher contribution from all business divisions, except for the Plantation Division.**
- **4Q08 loss before tax – due to impairment loss, arising from compliance with FRS139 in respect of the accounting for Resorts World Bhd’s investment in Star Cruises Limited.**
- **FY08 revenue – up by 7% to RM9.1 billion.**
- **FY08 profit before tax – declined by 49%, mainly due to higher impairment losses and lower one-off gains compared with FY07.**

**KUALA LUMPUR, 26 FEBRUARY 2009** - Genting Berhad today announced that its Group revenue for the fourth quarter 2008 (“4Q08”) grew by 6% to RM2.39 billion from RM2.25 billion in 4Q07. All business divisions recorded higher revenue in 4Q08, except for the Plantation Division, which was affected by lower palm product prices during the quarter.

The Group posted a loss before tax of RM108.9 million in 4Q08 mainly due to an impairment loss of RM781.5 million registered by its subsidiary Resorts World Bhd (“RWB”). This impairment loss was recognised in compliance with the requirements of FRS139, Financial Instruments: Recognition and Measurement, in which the cumulative fair value loss of RWB’s investment in Star Cruises Limited previously recognised in equity, has now been accounted for as an impairment loss in the Income Statement.

The Leisure & Hospitality Division and the Oil & Gas Division reported higher profit in 4Q08. However, the Plantation Division’s profit was affected by lower palm product prices and the Power Division was affected by a one-off windfall profit levy imposed by the Malaysian government. In addition, the China-based Meizhou Wan power plant suffered a loss due to reduced generation of electricity and higher cost of coal compared to 4Q07. The 4Q07 results also included one-off gains from dilution of the Company’s shareholdings in RWB and Genting International PLC (“GIPLC”).

For the financial year ended 31 December 2008 (“FY08”), all divisions recorded higher revenue. This enabled the Group to achieve its highest ever revenue of RM9.1 billion, a 7% increase compared to FY07. All business divisions, except for the Power Division, recorded higher profits in FY08. However, due to higher impairment losses and lower one-off gains, the Group’s FY08 profit before tax was RM1,734.8 million, a 49% decrease compared to FY07.

Profit from the Leisure & Hospitality Division in FY08 rose in line with the higher revenue from Genting Highlands Resort’s operations. The UK casino operations suffered a loss before impairment losses in FY08, as a result of lower business volume, redundancy costs, write-offs due to closure of casinos, bad debts, higher gaming duties pursuant to the change in gaming duty rate from April 2007 and exacerbated by the weaker Pound Sterling. The lower profit from the Power Division in FY08 was

mainly due to the Meizhou Wan power plant being affected by higher operating costs, which arose primarily from the higher coal prices, and lower electricity sales achieved in China. In addition, the Kuala Langat power plant in Malaysia was affected by a one-off windfall profit levy payment.

The Group's prospects for the 2009 financial year are challenging as the performance of the Group will be impacted by the following factors:

- (a) the RWB Group management recognises that the worsening global economic situation will render the business environment challenging and expects consumer sentiment to be impacted by the slowing local economy which may affect visitations to Genting Highlands Resort. The management will continue to closely monitor its business and take appropriate measures to address any slowdown in business activities;
- (b) the general economic outlook for the UK is poor and has been exacerbated by recessionary fears and sharp declines in the main economic indicators. The GIPLC management expects that the economic slowdown will have a material impact on disposable income and that as a result, the trading results of the UK casino operations will be adversely affected;
- (c) in preparation for the scheduled opening of the integrated resort project of GIPLC in Singapore, the GIPLC Group will be incurring significant pre-opening costs as it accelerates its human resource recruitment, training and sales and marketing programs for the integrated resort. Staff and payroll related costs would comprise a significant portion of such pre-opening costs. Such costs are likely to be expensed in 2009 and therefore, would have a significant impact to the overall profit and loss results of the GIPLC Group in 2009;
- (d) coal prices are expected to weaken in line with the continued slow down of the global economy. However, the performance of Meizhou Wan power plant could be affected by lower than expected tariff increases; and
- (e) ADB Group's performance in the 2009 financial year is expected to be reasonable, although it is not likely to match the record profit achieved in FY08 due to the anticipated softer palm oil prices.

The Board of Directors of Genting Berhad has recommended a final gross dividend of 4.0 sen per ordinary share of 10 sen each, for the approval of shareholders. Total dividend payable for FY08 including the abovementioned final dividend, if approved, will amount to 7.0 sen per ordinary share of 10 sen each.

A table summarising the results is shown in the next page.

<b>GENTING BERHAD</b>			4Q08 vs	FULL YR	FULL YR	FY 08 vs
<b>SUMMARY OF RESULTS</b>	4Q2008	4Q2007	4Q07	2008	2007	FY 07
	(RM million)	(RM million)	(%)	(RM million)	(RM million)	(%)
<b>Revenue</b>						
Leisure & Hospitality	1,704.3	1,504.9	+13	6,251.0	5,889.0	+6
Plantation	138.2	289.9	-52	936.5	845.7	+11
Property	20.6	19.2	+7	117.6	81.7	+44
Power	471.1	390.0	+21	1,564.0	1,491.6	+5
Oil & Gas	51.0	41.3	+23	182.7	142.9	+28
Others	5.0	4.3	+16	30.7	32.9	-7
	<b>2,390.2</b>	<b>2,249.6</b>	<b>+6</b>	<b>9,082.5</b>	<b>8,483.8</b>	<b>+7</b>
<b>Profit/(Loss) before tax</b>						
Leisure & Hospitality	688.0	520.6	+32	2,229.3	2,019.2	+10
Plantation	40.4	152.9	-74	458.4	431.0	+6
Property	3.4	5.4	-37	25.9	23.0	+13
Power	(20.5)	126.7	>100	193.6	505.9	-62
Oil & Gas	22.8	17.7	+29	73.5	49.0	+50
Others	(54.9)	10.7	>100	(133.5)	102.0	>100
	<b>679.2</b>	<b>834.0</b>	<b>-19</b>	<b>2,847.2</b>	<b>3,130.1</b>	<b>-9</b>
Net gain on deemed disposal/dilution of shareholdings	-	43.5	-100	45.1	989.3	-95
Gain on disposal of investment in associates	-	-	-	-	337.1	-100
Impairment losses	(781.5)	-	>100	(1,178.0)	(1,016.1)	+16
Interest income	49.0	76.0	-36	215.6	289.4	-26
Finance cost	(64.3)	(76.3)	-16	(269.4)	(395.4)	-32
Share of results in jointly controlled entities and associates	8.7	32.4	-73	74.3	(20.9)	>100
Gain on dilution of investment in associate	-	-	-	-	81.0	-100
(Loss)/Profit before tax from continuing operations	<b>(108.9)</b>	<b>909.6</b>	<b>&gt;100</b>	<b>1,734.8</b>	<b>3,394.5</b>	<b>-49</b>
Taxation	(190.9)	(147.7)	+29	(751.4)	(662.2)	+13
(Loss)/Profit after tax from continuing operations	<b>(299.8)</b>	<b>761.9</b>	<b>&gt;100</b>	<b>983.4</b>	<b>2,732.3</b>	<b>-64</b>
Discontinued operations	-	(0.6)	-100	-	(170.0)	-100
(Loss)/Profit for the financial period	<b>(299.8)</b>	<b>761.3</b>	<b>&gt;100</b>	<b>983.4</b>	<b>2,562.3</b>	<b>-62</b>
Basic EPS (sen)*	(3.27)	13.91	>100	15.38	53.81	-71

Note: \* after discontinued operations

### **About the Genting Group:**

The Genting Group ([www.genting.com](http://www.genting.com)) is one of Asia's leading and best managed multinationals. It has over 27,000 employees, about 4,500 hectares of prime resort land and more than 80,000 hectares of plantation land. The Group comprises four listed companies, namely Genting Berhad, Resorts World Bhd, Asiatic Development Berhad and Genting International PLC with a combined market capitalisation of about RM39 billion (US\$11 billion). The Genting Group has significant interests in the leisure & hospitality, power generation, oil palm plantation, property development and oil & gas related industries.

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