



#### 4<sup>th</sup> QUARTERLY REPORT

Quarterly report on consolidated results for the financial year ended 31 December 2011. The figures for the cumulative period have been audited.

#### CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

|                                                                                    | UNAUDITED          |                       | CUMULATIVE PERIOD   |                      |
|------------------------------------------------------------------------------------|--------------------|-----------------------|---------------------|----------------------|
|                                                                                    | INDIVIDUAL QUARTER |                       |                     |                      |
|                                                                                    | Current Year       | Preceding Year        | Current Year        | Preceding Year       |
|                                                                                    | Quarter            | Corresponding Quarter | To-Date             | Corresponding Period |
|                                                                                    | 31/12/2011         | 31/12/2010            | 31/12/2011          | 31/12/2010           |
|                                                                                    | RM'000             | RM'000                | RM'000              | RM'000               |
| <b>Revenue</b>                                                                     | <b>5,063,177</b>   | 4,086,714             | <b>19,559,041</b>   | 15,194,737           |
| Cost of sales                                                                      | <b>(3,070,334)</b> | (2,227,253)           | <b>(11,733,217)</b> | (8,537,663)          |
| <b>Gross profit</b>                                                                | <b>1,992,843</b>   | 1,859,461             | <b>7,825,824</b>    | 6,657,074            |
| Other income                                                                       |                    |                       |                     |                      |
| - net gain on dilution of shareholding arising from bond conversions               | -                  | -                     | -                   | 436,250              |
| - net gain arising from Deferred Consideration                                     | -                  | -                     | -                   | 413,601              |
| - others                                                                           | <b>71,589</b>      | 53,415                | <b>552,820</b>      | 414,745              |
| Net fair value gain/(loss) on derivative financial instruments                     | <b>64,446</b>      | (2,361)               | <b>55,301</b>       | 63,990               |
| Reversal of previously recognised impairment loss                                  | <b>308,628</b>     | -                     | <b>308,628</b>      | 22,329               |
| Impairment losses                                                                  | <b>(9,901)</b>     | -                     | <b>(38,932)</b>     | (1,576,749)          |
| Other expenses                                                                     |                    |                       |                     |                      |
| - loss on discontinuance of cash flow hedge accounting using interest rate swaps   | -                  | (145,445)             | -                   | (145,445)            |
| - others                                                                           | <b>(482,309)</b>   | (301,651)             | <b>(1,576,286)</b>  | (1,225,266)          |
| Finance cost                                                                       | <b>(115,947)</b>   | (282,204)             | <b>(493,070)</b>    | (723,899)            |
| Share of results in jointly controlled entities and associates                     | <b>(26,915)</b>    | 1,560                 | <b>39,036</b>       | 57,694               |
| <b>Profit before taxation</b>                                                      | <b>1,802,434</b>   | 1,182,775             | <b>6,673,321</b>    | 4,394,324            |
| Taxation                                                                           | <b>(387,412)</b>   | (376,600)             | <b>(1,528,140)</b>  | (983,625)            |
| <b>Profit for the period</b>                                                       | <b>1,415,022</b>   | 806,175               | <b>5,145,181</b>    | 3,410,699            |
| Profit attributable to:                                                            |                    |                       |                     |                      |
| Equity holders of the Company                                                      | <b>772,913</b>     | 465,433               | <b>2,867,501</b>    | 2,202,957            |
| Non-controlling interests                                                          | <b>642,109</b>     | 340,742               | <b>2,277,680</b>    | 1,207,742            |
|                                                                                    | <b>1,415,022</b>   | 806,175               | <b>5,145,181</b>    | 3,410,699            |
| Earnings per share (sen) for profit attributable to equity holders of the Company: |                    |                       |                     |                      |
| - Basic                                                                            | <b>20.94</b>       | 12.57                 | <b>77.52</b>        | 59.57                |
| - Diluted                                                                          | <b>20.87</b>       | 12.56                 | <b>77.21</b>        | 59.46                |

(The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2010).

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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011**

|                                                                                          | UNAUDITED<br>INDIVIDUAL QUARTER                    |                                                                       | CUMULATIVE PERIOD                                  |                                                                      |
|------------------------------------------------------------------------------------------|----------------------------------------------------|-----------------------------------------------------------------------|----------------------------------------------------|----------------------------------------------------------------------|
|                                                                                          | Current<br>Year<br>Quarter<br>31/12/2011<br>RM'000 | Preceding<br>Year<br>Corresponding<br>Quarter<br>31/12/2010<br>RM'000 | Current<br>Year<br>To-Date<br>31/12/2011<br>RM'000 | Preceding<br>Year<br>Corresponding<br>Period<br>31/12/2010<br>RM'000 |
| <b>Profit for the period</b>                                                             | <b>1,415,022</b>                                   | 806,175                                                               | <b>5,145,181</b>                                   | 3,410,699                                                            |
| <b>Other comprehensive income/(loss):</b>                                                |                                                    |                                                                       |                                                    |                                                                      |
| Asset revaluation surplus                                                                | -                                                  | -                                                                     | -                                                  | 23,741                                                               |
| Actuarial (loss)/gain on retirement benefit liability                                    | <b>(7,111)</b>                                     | 2,012                                                                 | <b>(7,111)</b>                                     | 2,012                                                                |
| Cash flow hedges                                                                         |                                                    |                                                                       |                                                    |                                                                      |
| - Fair value gain/(loss)                                                                 | <b>2,362</b>                                       | (6,209)                                                               | <b>(14,381)</b>                                    | (141,580)                                                            |
| - Reclassifications                                                                      | <b>3,983</b>                                       | 196,126                                                               | <b>30,214</b>                                      | 319,693                                                              |
| Available-for-sale financial assets                                                      |                                                    |                                                                       |                                                    |                                                                      |
| - Fair value (loss)/gain                                                                 | <b>(81,589)</b>                                    | 189,879                                                               | <b>(617,860)</b>                                   | 1,167,396                                                            |
| - Reclassified to profit or loss upon disposal                                           | <b>(5,186)</b>                                     | (254)                                                                 | <b>(226,776)</b>                                   | (19,491)                                                             |
| Share of other comprehensive (loss)/income of jointly controlled entities and associates | <b>(286)</b>                                       | 8,268                                                                 | <b>(242)</b>                                       | 13,492                                                               |
| Net foreign currency exchange differences                                                | <b>(40,950)</b>                                    | 330,737                                                               | <b>422,784</b>                                     | (903,654)                                                            |
| <b>Other comprehensive (loss)/income for the period, net of tax</b>                      | <b>(128,777)</b>                                   | 720,559                                                               | <b>(413,372)</b>                                   | 461,609                                                              |
| <b>Total comprehensive income for the period</b>                                         | <b>1,286,245</b>                                   | 1,526,734                                                             | <b>4,731,809</b>                                   | 3,872,308                                                            |
| Total comprehensive income attributable to:                                              |                                                    |                                                                       |                                                    |                                                                      |
| Equity holders of the Company                                                            | <b>718,695</b>                                     | 480,862                                                               | <b>2,721,926</b>                                   | 1,999,855                                                            |
| Non-controlling interests                                                                | <b>567,550</b>                                     | 1,045,872                                                             | <b>2,009,883</b>                                   | 1,872,453                                                            |
|                                                                                          | <b>1,286,245</b>                                   | 1,526,734                                                             | <b>4,731,809</b>                                   | 3,872,308                                                            |

*(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2010).*

**GENTING BERHAD**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2011**

|                                                             | As At<br>31 Dec 2011<br>RM'000 | As At<br>31 Dec 2010<br>RM'000<br>Restated |
|-------------------------------------------------------------|--------------------------------|--------------------------------------------|
| <b>ASSETS</b>                                               |                                |                                            |
| <b>NON-CURRENT ASSETS</b>                                   |                                |                                            |
| Property, plant and equipment                               | 21,629,650                     | 18,684,443                                 |
| Land held for property development                          | 539,738                        | 571,244                                    |
| Investment properties                                       | 1,306,094                      | 43,293                                     |
| Plantation development                                      | 1,007,644                      | 843,631                                    |
| Leasehold land use rights                                   | 161,154                        | 129,814                                    |
| Intangible assets                                           | 6,504,457                      | 5,031,259                                  |
| Exploration costs                                           | 890,047                        | 577,221                                    |
| Jointly controlled entities                                 | 149,573                        | 62,319                                     |
| Associates                                                  | 811,323                        | 765,874                                    |
| Financial assets at fair value through profit or loss       | -                              | 1,956                                      |
| Available-for-sale financial assets                         | 1,913,390                      | 2,591,448                                  |
| Derivative financial instruments                            | 69,810                         | 1,223                                      |
| Deferred tax assets                                         | 146,545                        | 177,010                                    |
| Other non-current assets                                    | 386,098                        | 267,121                                    |
|                                                             | <b>35,515,523</b>              | <b>29,747,856</b>                          |
| <b>CURRENT ASSETS</b>                                       |                                |                                            |
| Property development costs                                  | 18,316                         | 14,162                                     |
| Inventories                                                 | 539,037                        | 520,591                                    |
| Trade and other receivables                                 | 2,804,642                      | 2,280,423                                  |
| Amounts due from jointly controlled entities and associates | 14,489                         | 7,686                                      |
| Financial assets at fair value through profit or loss       | 65,043                         | 94,806                                     |
| Available-for-sale financial assets                         | 696,002                        | 841,961                                    |
| Derivative financial instruments                            | 409                            | -                                          |
| Restricted cash                                             | 1,124,606                      | 881,476                                    |
| Cash and cash equivalents                                   | 13,235,748                     | 14,548,553                                 |
|                                                             | <b>18,498,292</b>              | <b>19,189,658</b>                          |
| Assets classified as held for sale                          | 330,853                        | 76,635                                     |
|                                                             | <b>18,829,145</b>              | <b>19,266,293</b>                          |
|                                                             | <b>54,344,668</b>              | <b>49,014,149</b>                          |
| <b>TOTAL ASSETS</b>                                         |                                |                                            |
| <b>EQUITY AND LIABILITIES</b>                               |                                |                                            |
| <b>Equity attributable to equity holders of the Company</b> |                                |                                            |
| Share capital                                               | 371,566                        | 371,356                                    |
| Treasury shares                                             | (209,585)                      | (43,194)                                   |
| Reserves                                                    | 17,456,793                     | 15,169,296                                 |
|                                                             | <b>17,618,774</b>              | <b>15,497,458</b>                          |
| <b>Non-controlling interests</b>                            | <b>15,548,169</b>              | <b>13,949,034</b>                          |
| <b>TOTAL EQUITY</b>                                         | <b>33,166,943</b>              | <b>29,446,492</b>                          |
| <b>NON-CURRENT LIABILITIES</b>                              |                                |                                            |
| Long term borrowings                                        | 11,651,973                     | 11,849,364                                 |
| Deferred tax liabilities                                    | 1,940,110                      | 1,481,999                                  |
| Derivative financial instruments                            | 9,365                          | 1,655                                      |
| Other non-current liabilities                               | 332,955                        | 326,779                                    |
|                                                             | <b>13,934,403</b>              | <b>13,659,797</b>                          |
| <b>CURRENT LIABILITIES</b>                                  |                                |                                            |
| Trade and other payables                                    | 4,376,660                      | 4,098,856                                  |
| Amount due to jointly controlled entities and associates    | 10,548                         | 4,476                                      |
| Short term borrowings                                       | 2,514,659                      | 1,581,668                                  |
| Derivative financial instruments                            | 21,835                         | 4,252                                      |
| Taxation                                                    | 311,063                        | 218,608                                    |
|                                                             | <b>7,234,765</b>               | <b>5,907,860</b>                           |
| Liabilities classified as held for sale                     | 8,557                          | -                                          |
|                                                             | <b>7,243,322</b>               | <b>5,907,860</b>                           |
| <b>TOTAL LIABILITIES</b>                                    | <b>21,177,725</b>              | <b>19,567,657</b>                          |
| <b>TOTAL EQUITY AND LIABILITIES</b>                         | <b>54,344,668</b>              | <b>49,014,149</b>                          |
| <b>NET ASSETS PER SHARE (RM)</b>                            | <b>4.77</b>                    | <b>4.18</b>                                |

*(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2010).*

GENTING BERHAD  
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

|                                                               | ← Attributable to equity holders of the Company → |                            |                                  |                                    |                                         |                             |                                |                              |                   |                   | Non-controlling<br>Interests<br>RM'000 | Total<br>Equity<br>RM'000 |
|---------------------------------------------------------------|---------------------------------------------------|----------------------------|----------------------------------|------------------------------------|-----------------------------------------|-----------------------------|--------------------------------|------------------------------|-------------------|-------------------|----------------------------------------|---------------------------|
|                                                               | Share<br>Capital<br>RM'000                        | Share<br>Premium<br>RM'000 | Revaluation<br>Reserve<br>RM'000 | Fair<br>Value<br>Reserve<br>RM'000 | Cash Flow<br>Hedge<br>Reserve<br>RM'000 | Other<br>Reserves<br>RM'000 | Retained<br>Earnings<br>RM'000 | Treasury<br>Shares<br>RM'000 | Total<br>RM'000   |                   |                                        |                           |
| At 1 January 2011                                             | 371,356                                           | 1,179,121                  | 315,083                          | 1,079,850                          | (16,228)                                | (1,187,597)                 | 13,799,067                     | (43,194)                     | 15,497,458        | 13,949,034        | 29,446,492                             |                           |
| Profit for the year                                           | -                                                 | -                          | -                                | -                                  | -                                       | -                           | 2,867,501                      | -                            | 2,867,501         | 2,277,680         | 5,145,181                              |                           |
| Other comprehensive (loss)/income                             | -                                                 | -                          | -                                | (400,012)                          | 11,152                                  | 252,025                     | (8,740)                        | -                            | (145,575)         | (267,797)         | (413,372)                              |                           |
| Total comprehensive<br>(loss)/income for the year             | -                                                 | -                          | -                                | (400,012)                          | 11,152                                  | 252,025                     | 2,858,761                      | -                            | 2,721,926         | 2,009,883         | 4,731,809                              |                           |
| Transfer due to realisation of<br>revaluation reserve         | -                                                 | -                          | (1,339)                          | -                                  | -                                       | -                           | 1,339                          | -                            | -                 | -                 | -                                      |                           |
| Effects arising from changes<br>in composition of the Group   | -                                                 | -                          | -                                | -                                  | -                                       | -                           | (218,318)                      | -                            | (218,318)         | (140,793)         | (359,111)                              |                           |
| Effects of share-based payment                                | -                                                 | -                          | -                                | -                                  | -                                       | -                           | -                              | -                            | -                 | 53,136            | 53,136                                 |                           |
| Effects of issue of shares by<br>subsidiaries                 | -                                                 | -                          | -                                | -                                  | -                                       | -                           | -                              | -                            | -                 | 28,107            | 28,107                                 |                           |
| Issue of shares                                               | 210                                               | 5,813                      | -                                | -                                  | -                                       | -                           | -                              | -                            | 6,023             | -                 | 6,023                                  |                           |
| Buy-back of shares by the Company<br>and subsidiaries         | -                                                 | -                          | -                                | -                                  | -                                       | -                           | -                              | (166,391)                    | (166,391)         | (57,073)          | (223,464)                              |                           |
| Dividends to non-controlling<br>interests                     | -                                                 | -                          | -                                | -                                  | -                                       | -                           | -                              | -                            | -                 | (294,125)         | (294,125)                              |                           |
| Appropriation:                                                |                                                   |                            |                                  |                                    |                                         |                             |                                |                              |                   |                   |                                        |                           |
| Final dividend for financial year<br>ended 31 December 2010   | -                                                 | -                          | -                                | -                                  | -                                       | -                           | (125,058)                      | -                            | (125,058)         | -                 | (125,058)                              |                           |
| Interim dividend for financial year<br>ended 31 December 2011 | -                                                 | -                          | -                                | -                                  | -                                       | -                           | (96,866)                       | -                            | (96,866)          | -                 | (96,866)                               |                           |
| <b>Balance at 31 December 2011</b>                            | <b>371,566</b>                                    | <b>1,184,934</b>           | <b>313,744</b>                   | <b>679,838</b>                     | <b>(5,076)</b>                          | <b>(935,572)</b>            | <b>16,218,925</b>              | <b>(209,585)</b>             | <b>17,618,774</b> | <b>15,548,169</b> | <b>33,166,943</b>                      |                           |

(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 2010).

GENTING BERHAD  
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

← Attributable to equity holders of the Company →

|                                                               | Share<br>Capital<br>RM'000 | Share<br>Premium<br>RM'000 | Revaluation<br>Reserve<br>RM'000 | Fair<br>Value<br>Reserve<br>RM'000 | Cash Flow<br>Hedge<br>Reserve<br>RM'000 | Other<br>Reserves<br>RM'000 | Retained<br>Earnings<br>RM'000 | Treasury<br>Shares<br>RM'000 | Total<br>RM'000   | Non-controlling<br>Interests<br>RM'000 | Total<br>Equity<br>RM'000 |
|---------------------------------------------------------------|----------------------------|----------------------------|----------------------------------|------------------------------------|-----------------------------------------|-----------------------------|--------------------------------|------------------------------|-------------------|----------------------------------------|---------------------------|
| At 1 January 2010                                             | 370,485                    | 1,155,002                  | 302,709                          | 432,165                            | (116,061)                               | (223,016)                   | 11,802,479                     | (43,036)                     | 13,680,727        | 11,645,609                             | 25,326,336                |
| Profit for the year                                           | -                          | -                          | -                                | -                                  | -                                       | -                           | 2,202,957                      | -                            | 2,202,957         | 1,207,742                              | 3,410,699                 |
| Other comprehensive income/(loss)                             | -                          | -                          | 12,969                           | 647,685                            | 99,833                                  | (964,581)                   | 992                            | -                            | (203,102)         | 664,711                                | 461,609                   |
| Total comprehensive<br>income/(loss) for the year             | -                          | -                          | 12,969                           | 647,685                            | 99,833                                  | (964,581)                   | 2,203,949                      | -                            | 1,999,855         | 1,872,453                              | 3,872,308                 |
| Transfer due to realisation of<br>revaluation reserve         | -                          | -                          | (595)                            | -                                  | -                                       | -                           | 595                            | -                            | -                 | -                                      | -                         |
| Effects arising from changes<br>in composition of the Group   | -                          | -                          | -                                | -                                  | -                                       | -                           | -                              | -                            | -                 | 795,364                                | 795,364                   |
| Effects of share-based payment                                | -                          | -                          | -                                | -                                  | -                                       | -                           | -                              | -                            | -                 | 34,875                                 | 34,875                    |
| Effects of issue of shares by<br>subsidiaries                 | -                          | -                          | -                                | -                                  | -                                       | -                           | 60                             | -                            | 60                | 37,248                                 | 37,308                    |
| Issue of shares                                               | 871                        | 24,119                     | -                                | -                                  | -                                       | -                           | -                              | -                            | 24,990            | -                                      | 24,990                    |
| Buy-back of shares by the Company<br>and subsidiaries         | -                          | -                          | -                                | -                                  | -                                       | -                           | -                              | (158)                        | (158)             | (103,461)                              | (103,619)                 |
| Dividends to non-controlling interests                        | -                          | -                          | -                                | -                                  | -                                       | -                           | -                              | -                            | -                 | (333,054)                              | (333,054)                 |
| Appropriation:                                                |                            |                            |                                  |                                    |                                         |                             |                                |                              |                   |                                        |                           |
| Final dividend for financial year<br>ended 31 December 2009   | -                          | -                          | -                                | -                                  | -                                       | -                           | (116,446)                      | -                            | (116,446)         | -                                      | (116,446)                 |
| Interim dividend for financial year<br>ended 31 December 2010 | -                          | -                          | -                                | -                                  | -                                       | -                           | (91,570)                       | -                            | (91,570)          | -                                      | (91,570)                  |
| <b>Balance at 31 December 2010</b>                            | <b>371,356</b>             | <b>1,179,121</b>           | <b>315,083</b>                   | <b>1,079,850</b>                   | <b>(16,228)</b>                         | <b>(1,187,597)</b>          | <b>13,799,067</b>              | <b>(43,194)</b>              | <b>15,497,458</b> | <b>13,949,034</b>                      | <b>29,446,492</b>         |

(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 2010).

**GENTING BERHAD**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011**

|                                                                                 | Current<br>Year-To-Date<br>RM'000 | Preceding Year<br>Corresponding<br>Period<br>RM'000 |
|---------------------------------------------------------------------------------|-----------------------------------|-----------------------------------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                     |                                   |                                                     |
| Profit before taxation                                                          | 6,673,321                         | 4,394,324                                           |
| Adjustments for:                                                                |                                   |                                                     |
| Depreciation and amortisation                                                   | 1,402,607                         | 1,191,687                                           |
| Finance cost                                                                    | 493,070                           | 723,899                                             |
| Reversal of previously recognised impairment loss                               | (308,628)                         | (22,329)                                            |
| Impairment loss and write off of receivables                                    | 298,056                           | 304,499                                             |
| Property, plant and equipment ("PPE") written off                               | 74,529                            | 59,614                                              |
| Impairment losses                                                               | 38,932                            | 1,576,749                                           |
| Net fair value loss on financial assets at fair value through profit or loss    | 12,235                            | 3,468                                               |
| Gain on disposal of available-for-sale financial assets                         | (226,776)                         | (19,491)                                            |
| Interest income                                                                 | (180,529)                         | (158,483)                                           |
| Share of results in jointly controlled entities and associates                  | (39,036)                          | (57,694)                                            |
| Net fair value gain on derivative financial instruments                         | (55,301)                          | (63,990)                                            |
| Construction profit                                                             | (13,380)                          | -                                                   |
| Loss on discontinuance of cash flow hedge accounting using interest rate swaps  | -                                 | 145,445                                             |
| Net gain on dilution of shareholding arising from bond conversions              | -                                 | (436,250)                                           |
| Net gain arising from Deferred Consideration                                    | -                                 | (413,601)                                           |
| Other non-cash items                                                            | 77,987                            | (17,051)                                            |
|                                                                                 | <u>1,573,766</u>                  | <u>2,816,472</u>                                    |
| <b>Operating profit before changes in working capital</b>                       | <b>8,247,087</b>                  | <b>7,210,796</b>                                    |
| Net change in current assets                                                    | (810,900)                         | (1,674,869)                                         |
| Net change in current liabilities                                               | 382,676                           | 1,512,107                                           |
|                                                                                 | <u>(428,224)</u>                  | <u>(162,762)</u>                                    |
| <b>Cash generated from operations</b>                                           | <b>7,818,863</b>                  | <b>7,048,034</b>                                    |
| Taxation paid                                                                   | (985,751)                         | (805,205)                                           |
| Retirement gratuities paid                                                      | (8,396)                           | (3,520)                                             |
| Other net operating receipt                                                     | 79,127                            | 42,302                                              |
|                                                                                 | <u>(915,020)</u>                  | <u>(766,423)</u>                                    |
| <b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>                                | <b>6,903,843</b>                  | <b>6,281,611</b>                                    |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                                     |                                   |                                                     |
| Purchase of PPE                                                                 | (3,939,097)                       | (3,584,577)                                         |
| Increase in investments, intangible assets and other long term financial assets | (3,854,021)                       | (2,472,223)                                         |
| Interest received                                                               | 179,513                           | 155,793                                             |
| Proceeds from disposal of investments                                           | 490,700                           | 268,371                                             |
| Proceeds from Deferred Consideration                                            | -                                 | 429,293                                             |
| Other investing activities                                                      | 87,683                            | 139,684                                             |
|                                                                                 | <u>(7,035,222)</u>                | <u>(5,063,659)</u>                                  |
| <b>NET CASH USED IN INVESTING ACTIVITIES</b>                                    |                                   |                                                     |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                                     |                                   |                                                     |
| Repayment of borrowings and transaction costs                                   | (10,330,150)                      | (1,902,401)                                         |
| Finance cost paid                                                               | (417,077)                         | (603,454)                                           |
| Acquisition of additional shares from non-controlling interests                 | (386,548)                         | -                                                   |
| Dividends paid to non-controlling interests                                     | (294,125)                         | (333,054)                                           |
| Restricted cash (deposits pledged as borrowings and interest payments)          | (272,520)                         | (636,583)                                           |
| Buy-back of shares by the Company and subsidiaries                              | (223,464)                         | (128,167)                                           |
| Dividend paid                                                                   | (221,924)                         | (208,016)                                           |
| Proceeds from bank borrowings                                                   | 10,710,274                        | 3,092,658                                           |
| Proceeds from issue of shares to non-controlling interests                      | 28,499                            | 31,116                                              |
| Proceeds from issue of Medium Term Notes                                        | -                                 | 149,445                                             |
| Settlement of interest rate swaps                                               | -                                 | (168,894)                                           |
| Other financing activities                                                      | (19,097)                          | (27,677)                                            |
|                                                                                 | <u>(1,426,132)</u>                | <u>(735,027)</u>                                    |
| <b>NET CASH USED IN FINANCING ACTIVITIES</b>                                    |                                   |                                                     |
| <b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>                     | <b>(1,557,511)</b>                | <b>482,925</b>                                      |
| <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR</b>                 | <b>14,548,553</b>                 | <b>14,392,625</b>                                   |
| <b>EFFECTS OF CURRENCY TRANSLATION</b>                                          | <b>244,706</b>                    | <b>(326,997)</b>                                    |
| <b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR</b>                       | <b>13,235,748</b>                 | <b>14,548,553</b>                                   |
| <b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>                                    |                                   |                                                     |
| Bank balances and deposits                                                      | 11,925,887                        | 12,772,754                                          |
| Money market instruments                                                        | 1,309,861                         | 1,775,799                                           |
|                                                                                 | <u>13,235,748</u>                 | <u>14,548,553</u>                                   |

*(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2010).*

## GENTING BERHAD

### NOTES TO THE INTERIM FINANCIAL REPORT – 4<sup>th</sup> QUARTER ENDED 31 DECEMBER 2011

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

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

The interim financial report 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 figures for the cumulative period have been audited.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2010. 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 2010 except for the adoption of new FRSs, amendments and IC Interpretations that are mandatory for the Group for the financial year beginning 1 January 2011 and the adoption of significant accounting policies following events and transactions which occurred during the current financial year ended 31 December 2011.

The adoption of these new FRSs, amendments and IC interpretations do not have a material impact on the interim financial information of the Group except for the adoption of the FRSs as set out below:

##### Revised FRS 3 “Business Combinations”

The revised standard continues to apply the acquisition method to business combinations but with some significant changes compared with FRS 3. For example, all payments to purchase a business are recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently remeasured through the profit or loss. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs are expensed. The Group has adopted this revised standard prospectively to all business combinations from 1 January 2011.

##### Revised FRS 127 “Consolidated and separate financial statements”

The revised standard requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. All earnings and losses of the subsidiary are attributed to the parent and the non-controlling interests, even if the attribution of losses to the non-controlling interests results in a debit balance in the shareholders' equity. Profit or loss attributable to non-controlling interests for prior years is not restated. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is remeasured to fair value, and a gain or loss is recognised in profit or loss. The Group has adopted this revised standard prospectively to transactions with non-controlling interests from 1 January 2011.

##### Amendments to FRS 7 “Financial Instruments: Disclosures”

The amendment promotes enhanced disclosures on fair value measurement of financial instruments via the introduction of the concept of the fair value hierarchy. There is no financial impact on the results of the Group as these changes only affect disclosures.

#### IC Interpretation 4 “Determining whether an arrangement contains a lease”

The interpretation requires the Group to identify any arrangement that does not take the legal form of a lease, but conveys a right to use an asset in return for a payment or series of payments. This interpretation provides guidance for determining whether such arrangements are, or contain, leases. The assessment is based on the substance of the arrangement and requires assessment of whether the fulfillment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset. If the arrangement contains a lease, the requirements of FRS 117 “Leases” should be applied to the lease element of the arrangement. The adoption of this interpretation does not have any impact to the Group except for the disclosure made in Note 1 in Part II of this interim report relating to an associate, which amount is not material for a retrospective adjustment.

#### IC Interpretation 12 “Service concession arrangements”

The interpretation applies to contractual arrangements whereby a private sector operator participates in the development, financing, operation and maintenance of infrastructure for public sector services. Depending on the contractual terms, this interpretation requires the operator to recognise a financial asset if it has an unconditional contractual right to receive cash or an intangible asset if it receives a right (licence) to charge users of the public service. Some contractual terms may give rise to both a financial asset and an intangible asset.

Genting Power China Limited (“GPCL”), an indirect wholly owned subsidiary of the Company, has applied the provision of this interpretation on its power plant located in Meizhou Wan, in the Fujian Province of China. Consequently, GPCL has now recognised its right on the power plant as an intangible asset as compared to its previous recognition of the power plant as property, plant and equipment and leasehold land use rights. The intangible asset is amortised over its period of the concession of 21.5 years. The application of this interpretation has been accounted for retrospectively in accordance with FRS 108 “Accounting Policies, Changes in Accounting Estimates and Errors” and certain comparative balances have been restated.

The table below shows the effects of the adoption of IC Interpretation 12 to the Statement of Financial Position of the Group:

|                                                                   | As previously<br>reported | Effects of<br>Adopting IC<br>Interpretation 12 | After effects<br>of adopting IC<br>Interpretation 12 |
|-------------------------------------------------------------------|---------------------------|------------------------------------------------|------------------------------------------------------|
|                                                                   | RM'000                    | RM'000                                         | RM'000                                               |
| <b>Statement of Financial Position<br/>as at 31 December 2010</b> |                           |                                                |                                                      |
| <u>Non-current assets</u>                                         |                           |                                                |                                                      |
| Property, plant and equipment                                     | 19,932,467                | (1,248,024)                                    | 18,684,443                                           |
| Leasehold land use rights                                         | 133,852                   | (4,038)                                        | 129,814                                              |
| Intangible assets                                                 | <u>3,779,197</u>          | <u>1,252,062</u>                               | <u>5,031,259</u>                                     |

The adoption of this interpretation does not have any impact to the earnings per share of the Group in the current and corresponding prior periods.

#### (b) **Seasonal or Cyclical Factors**

On an overall basis, the business operations of the Group's Leisure & Hospitality Division and Plantation Division are subject to seasonal fluctuations. The results of the Leisure & Hospitality Division are affected by major festive seasons and holidays. Fresh fruit bunches (“FFB”) production is seasonal in nature. Production of FFB normally peaks in the second half of the year but this cropping pattern can be affected by changes in weather conditions. More detailed commentary is set out in Notes 1 and 2 in Part II of this interim financial report.



(c) **Unusual items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow**

The reversal of impairment loss in the current financial period relates to the United Kingdom casino licences which had been previously impaired.

The impairment losses charged in the current financial period arose mainly from the Group's investments in certain jointly controlled entities and associate.

Other than the above, there were no other unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group for the current financial year ended 31 December 2011.

(d) **Material Changes in Estimates**

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

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

i) The Company issued 2,101,000 new ordinary shares of 10 sen each, for cash, arising from the exercise of options granted under the Genting Executive Share Option Scheme ("ESOS") at an exercise price of RM2.616 and RM2.868 per ordinary share for the current financial year ended 31 December 2011.

ii) During the current financial year ended 31 December 2011, the Company had repurchased a total of 16,000,100 ordinary shares of 10 sen each of its issued share capital from the open market for a total consideration of RM166.4 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.

Other than the above, there were no other issuance, cancellation, repurchase, resale and repayment of debt securities of the Group and equity securities of the Company for the current financial year ended 31 December 2011.

(f) **Dividends Paid**

Dividends paid during the current financial year ended 31 December 2011 are as follows:

|                                                                                                                                          |                |
|------------------------------------------------------------------------------------------------------------------------------------------|----------------|
|                                                                                                                                          | RM'000         |
| Final dividend paid on 27 July 2011 for the year ended 31 December 2010<br>- 4.5 sen less 25% tax per ordinary share of 10 sen each      | 125,058        |
| Interim dividend paid on 27 October 2011 for the year ended 31 December 2011<br>- 3.5 sen less 25% tax per ordinary share of 10 sen each | 96,866         |
|                                                                                                                                          | <u>221,924</u> |

(g) **Segment Information**

The segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker whereby the Group's business is considered from both a geographic and industry perspective. The performance of the operating segments is based on a measure of adjusted earnings before interest, tax, depreciation and amortisation ("EBITDA"). This measurement basis also excludes the effects of non-recurring items from the operating segments, such as net fair value gains and losses, gain or loss on disposal of financial assets, reversal of previously recognised impairment loss, impairment losses, pre-opening expenses, development expenses, property related termination costs, assets written off, gain or loss on disposal of assets and share-based payment expenses.

(g) **Segment Information (Cont'd)**

Segment analysis for the current financial year ended 31 December 2011 is set out below:

| RM'million             | Leisure & Hospitality |                 |                |                           | Total           | Power          | Plantation     | Property       | Oil & Gas      | Investments & Others | Total           |
|------------------------|-----------------------|-----------------|----------------|---------------------------|-----------------|----------------|----------------|----------------|----------------|----------------------|-----------------|
|                        | Malaysia              | Singapore       | United Kingdom | United States of America* |                 |                |                |                |                |                      |                 |
| <b>Revenue</b>         |                       |                 |                |                           |                 |                |                |                |                |                      |                 |
| Total revenue          | 6,470.3               | 7,844.7         | 1,154.8        | 1,836.8                   | 17,306.6        | 1,901.7        | 1,200.0        | 170.6          | 11.2           | 96.9                 | 20,687.0        |
| Inter segment          | (1,056.2)             | (18.0)          | (6.1)          | -                         | (1,080.3)       | -              | -              | (6.8)          | (11.2)         | (29.7)               | (1,128.0)       |
| External               | <u>5,414.1</u>        | <u>7,826.7</u>  | <u>1,148.7</u> | <u>1,836.8</u>            | <u>16,226.3</u> | <u>1,901.7</u> | <u>1,200.0</u> | <u>163.8</u>   | <u>-</u>       | <u>67.2</u>          | <u>19,559.0</u> |
| <b>Adjusted EBITDA</b> | <u>2,654.4</u>        | <u>4,046.4</u>  | <u>158.9</u>   | <u>37.0</u>               | <u>6,896.7</u>  | <u>632.0</u>   | <u>607.0</u>   | <u>37.5</u>    | <u>(66.9)</u>  | <u>(49.8)</u>        | <u>8,056.5</u>  |
| Segment Assets         | <u>4,520.5</u>        | <u>19,644.3</u> | <u>3,112.9</u> | <u>2,744.8</u>            | <u>30,022.5</u> | <u>3,219.8</u> | <u>2,126.4</u> | <u>2,601.3</u> | <u>1,106.2</u> | <u>3,618.1</u>       | <u>42,694.3</u> |

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

|                                                                                                                                                | RM'million            |
|------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| Adjusted EBITDA                                                                                                                                | 8,056.5               |
| Net fair value gain on derivative financial instruments                                                                                        | 55.3                  |
| Net fair value loss on financial assets at fair value through profit or loss                                                                   | (12.2)                |
| Gain on disposal of available-for-sale financial assets                                                                                        | 226.8                 |
| Property related termination costs                                                                                                             | (39.4)                |
| Reversal of previously recognised impairment loss                                                                                              | 308.6                 |
| Impairment losses                                                                                                                              | (38.9)                |
| Others (include pre-opening and development expenses, assets written off, gain or loss on disposal of assets and share-based payment expenses) | <u>(207.2)</u>        |
| EBITDA                                                                                                                                         | 8,349.5               |
| Depreciation and amortisation                                                                                                                  | (1,402.6)             |
| Interest income                                                                                                                                | 180.5                 |
| Finance cost                                                                                                                                   | (493.1)               |
| Share of results in jointly controlled entities and associates                                                                                 | 39.0                  |
| <b>Profit before taxation</b>                                                                                                                  | <b><u>6,673.3</u></b> |

(g) **Segment Information (Cont'd)**

| A reconciliation of segment assets to total assets is as follows: | <b>RM'million</b>      |
|-------------------------------------------------------------------|------------------------|
| Segment assets                                                    | 42,694.3               |
| Interest bearing instruments                                      | 10,519.6               |
| Jointly controlled entities                                       | 149.6                  |
| Associates                                                        | 811.3                  |
| Deferred tax assets                                               | 146.5                  |
| Current tax assets                                                | 23.4                   |
| <b>Total assets</b>                                               | <b><u>54,344.7</u></b> |

\* Genting Malaysia Berhad ("GENM") Group, which is 49.4% owned by the Company, had accounted for the construction and development of the video lottery facility at the Aqueduct Racetrack in the City of New York, United States of America ("Resorts World Casino New York City"), in accordance with FRS 111 "Construction Contracts", whereby the construction profit is recognised based on the percentage of completion method. Construction revenue and costs of approximately RM1,741.5 million and RM1,728.1 million respectively have been disclosed under the United States of America ("US") segment in the consolidated Income Statement for the financial year ended 31 December 2011, thereby generating a construction profit of RM13.4 million. Resorts World Casino New York City commenced operations on 28 October 2011 and the revenue and adjusted EBITDA included in the financial statements of the GENM Group from 28 October 2011 to 31 December 2011 amounted to RM95.3 million and RM23.6 million respectively.

(h) **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.

(i) **Material Events Subsequent to the end of the financial period**

i) On 25 January 2012, the Company announced that Swallow Creek Limited ("SCL"), an indirect 95% owned subsidiary of the Company had on 20 January 2012 entered into a Share Sale and Purchase Agreement ("SSPA") with AWE Limited ("AWE") to dispose of its 100% equity interests in each of Genting Oil Natuna Pte Ltd ("GONPL") and Sanyen Oil & Gas Pte Ltd ("SOGPL") (collectively, the "Target Companies") (the "Disposal").

GONPL and SOGPL are principally involved in oil and gas exploration and development in the Natuna Sea, Indonesia and own a 100% participating interest in the Northwest Natuna Production Sharing Contract and Anambas Production Sharing Contract in Indonesia respectively.

AWE will pay SCL a cash consideration of USD39 million for the entire issued share capital in the Target Companies, which comprises 2 ordinary shares each. In addition, SCL will assign loans and receivables owed to SCL by Target Companies of USD100 million to AWE.

The Disposal is not expected to have any material impact on the Group's earnings or net assets for the financial year ending 31 December 2012.

On 17 February 2012, the Company further announced that the Disposal has been completed on that day and both GONPL and SOGPL ceased to be subsidiaries of the Company with immediate effect.

- ii) On 5 January 2012, GENM announced that Genting New York LLC (“Genting New York”), an indirect wholly owned subsidiary of GENM has entered into a non-binding letter of intent dated 3 January 2012 with the New York State Urban Development Corporation (doing business as Empire State Development Corporation), to consider the development of an integrated mixed-used complex on real property located adjacent to the Aqueduct Racetrack in the City of New York, United States of America (“Project”).

The proposed Project is anticipated to cost at least USD4 billion, which will include an integrated 3.8 million square feet of convention and exhibition centre with up to 3,000 hotel rooms and an expansion of Resorts World Casino New York City.

Genting New York will work closely with Empire State Development Corporation and the relevant parties to negotiate terms in good faith, with a view of entering into a binding Memorandum of Understanding on or before 30 November 2012.

- iii) On 22 February 2012, Genting Singapore PLC (“GENS”), a 52.0% subsidiary of the Company, announced a proposed Regulation S (as defined under the U.S. Securities Act of 1933) offering of Singapore Dollar denominated perpetual subordinated capital securities.

Proceeds from the proposed transaction will be used to fund GENS’s general corporate purposes, as well as to finance capital expenditure and the expansion of its business.

Other than the above, there were no other material events subsequent to the end of the current financial year ended 31 December 2011 that have not been reflected in this interim financial report.

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

- i) On 20 April 2011, Mastika Lagenda Sdn Bhd (“MLSB”), an indirect 97.7% owned subsidiary of the Company, acquired an additional 15% equity interest in Genting Sanyen Power Sdn Bhd (“GSP”) from BG Overseas Holdings Limited for a cash consideration of RM183.75 million. Consequently, MLSB’s shareholding in GSP increased from 60% as at 1 January 2011 to 75% as at 20 April 2011.
- ii) During the current financial year ended 31 December 2011, Genting Overseas Holdings Limited, a wholly owned subsidiary of the Company, acquired an additional 45.0 million shares in GENS. Consequently, the Company’s shareholding in GENS increased from 51.7% as at 1 January 2011 to 52.0% as at 31 December 2011.
- iii) On 20 December 2011, Sandai Maju Pte Ltd., an indirect wholly owned subsidiary of Genting Plantations Berhad (“GENP”), which in turn is a 54.6% subsidiary of the Company, subscribed for 700 ordinary shares of Rp1,000,000 each in PT Citra Sawit Cemerlang (“PTCSC”) representing 70% of PTCSC’s enlarged issued and paid-up share capital for a cash consideration of Rp700,000,000 and accordingly, PTCSC became an indirect subsidiary of GENP.

Other than the above, there were no other material changes in the composition of the Group for the current financial year ended 31 December 2011.

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

During the financial year ended 31 December 2011, a subsidiary of the GENM Group has received billings made by a contractor in respect of work performed for the subsidiary and an external consultant had been engaged by the subsidiary to review and verify these billings. Consequently, an appropriate amount of the billings has been recognised in the financial statements based on the consultant's independent review. The amount which is in dispute of RM83.0 million has not been recognised as a liability in the financial statements as at 31 December 2011 as the GENM Group is of the view that the obligation to settle it is not probable. This has been disclosed as a contingent liability in accordance with FRS 137 "Provisions, Contingent Liabilities and Contingent Assets".

Other than the above and the disclosure of the material litigation made in Note 11 in Part II of this interim financial report, there were no other significant changes in the contingent liabilities or contingent assets since the last financial year ended 31 December 2010.

(l) **Capital Commitments**

Authorised capital commitments not provided for in the interim financial statements as at 31 December 2011 are as follows:

|                | <b>RM'million</b> |
|----------------|-------------------|
| Contracted     | 688.4             |
| Not contracted | 3,818.0           |
|                | <u>4,506.4</u>    |

Analysed as follows:

|                                                                |                |
|----------------------------------------------------------------|----------------|
| i) Group                                                       |                |
| - Development expenditure *                                    | 1,670.5        |
| - Property, plant and equipment                                | 1,657.5        |
| - Plantation development                                       | 559.4          |
| - Investments                                                  | 292.4          |
| - Drilling and exploration costs                               | 247.0          |
| - Leasehold land use rights                                    | 59.7           |
| - Investment properties                                        | 13.8           |
| - Available-for-sale financial assets                          | 2.4            |
|                                                                | <u>4,502.7</u> |
| ii) Share of capital commitment in jointly controlled entities |                |
| - Investment properties                                        | 3.6            |
| - Property, plant and equipment                                | 0.1            |
|                                                                | <u>3.7</u>     |
|                                                                | <u>4,506.4</u> |

\* This relates mainly to the second phase of the integrated resort project, Resorts World Sentosa of GENS.

(m) **Significant Related Party Transactions**

Significant related party transactions which were entered into on agreed terms and prices for the current quarter and current financial year ended 31 December 2011 are set out below. The relationship of the related parties are as disclosed in the annual audited financial statements for the financial year ended 31 December 2010 and the approved shareholders' mandates for recurrent related party transactions.

| <u>Group</u>                                                                                                                                                        | <b>Current quarter<br/>RM'000</b> | <b>Current<br/>financial<br/>year-to-date<br/>RM'000</b> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|----------------------------------------------------------|
| i) Provision of share registration services and secretarial services by a wholly owned subsidiary of the Company to Genting Hong Kong Limited ("Genting HK") Group. | 6                                 | 26                                                       |
| ii) Subscription by Dragasac Limited, a wholly owned subsidiary of the Company of 346,875 Class C Common Stock in Synthetic Genomics, Inc.                          | -                                 | 5,300                                                    |
| iii) Subscription by the Group in Resorts World Inc Pte Ltd ("RWI") rights issue of SGD30 million.                                                                  | -                                 | 73,753                                                   |
| iv) Provision of management services by GaiaAgri Services Limited to AsianIndo Holdings Pte Ltd.                                                                    | 533                               | 2,123                                                    |
| v) Subscription by GENP Group, of 209,447 shares of Series A Preferred Stock in Agradis, Inc. for USD1.26 million (approximately RM3.8 million) over four tranches. | -                                 | 1,615                                                    |
| vi) Sale of land by Genting Property Sdn Bhd to Genting Simon Sdn Bhd, a jointly controlled entity of GENP.                                                         | 38,356                            | 38,356                                                   |
| vii) Rental charges for premises by GENM to Oriregal Creations Sdn Bhd.                                                                                             | 380                               | 1,515                                                    |
| viii) Purchase of holiday packages by GENM Group from Genting HK Group.                                                                                             | 374                               | 1,167                                                    |
| ix) Technical services fee rendered by RWI to GENM Group.                                                                                                           | 248                               | 2,608                                                    |
| x) Professional design consultancy and master-planning services rendered to Resorts World at Sentosa Pte Ltd by International Resorts Management Services Pte Ltd.  | 73                                | 373                                                      |
| xi) Hotel accommodation, food and beverage and theme park charges by GENS Group to International Resorts Management Services Pte Ltd.                               | 275                               | 275                                                      |
| xii) Air ticketing services and provision of management services rendered by Genting HK Group to GENS Group.                                                        | 6,218                             | 9,280                                                    |

|                                                                                                                                                                                                                                                                                                         | Current quarter<br>RM'000 | Current<br>financial<br>year-to-date<br>RM'000 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|------------------------------------------------|
| <b><u>Group</u></b>                                                                                                                                                                                                                                                                                     |                           |                                                |
| xiii) Provision of information technology, implementation, support and maintenance services, hotel accommodation, food and beverage and theme park charges by GENS Group to Genting HK Group.                                                                                                           | 642                       | 2,818                                          |
| xiv) Provision of goods and services by DCP (Sentosa) Pte Ltd to GENS Group.                                                                                                                                                                                                                            | 13,413                    | 52,602                                         |
| xv) Provision of management services by GENS to Ambadell.                                                                                                                                                                                                                                               | 89                        | 353                                            |
| xvi) Hotel accommodation, food and beverage and theme park charges by GENS Group to RWI.                                                                                                                                                                                                                | 289                       | 289                                            |
| xvii) Sale of artworks by Tan Sri Lim Kok Thay to GENS Group.                                                                                                                                                                                                                                           | -                         | 16,843                                         |
| <b><u>Company</u></b>                                                                                                                                                                                                                                                                                   |                           |                                                |
| i) Licensing fees from the subsidiaries to the Company for the use of name and accompanying logo of "Genting" and "Awana" owned by the Company.                                                                                                                                                         | 47,817                    | 184,978                                        |
| ii) Management fees from Genting Hotel & Resorts Management Sdn Bhd ("GHRM"), a wholly owned subsidiary of the Company, to the Company for the provision of the necessary resort management services to enable GHRM to perform its various obligations under the Resort Management Agreement with GENM. | 107,154                   | 416,083                                        |
| iii) Interest income earned by the Company from its subsidiaries on the interest bearing portion of the amount due from subsidiaries.                                                                                                                                                                   | 10,471                    | 40,230                                         |
| iv) Finance cost charged by subsidiaries to the Company on the interest bearing portion of the amount due to subsidiaries.                                                                                                                                                                              | 33,696                    | 131,881                                        |
| v) Provision of information technology consultancy, development, implementation, support and maintenance service, other management services and rental of information technology equipment by subsidiaries to the Company.                                                                              | 863                       | 3,818                                          |
| vi) Rental charges for office space and related services by a subsidiary of GENM.                                                                                                                                                                                                                       | 567                       | 2,205                                          |
| vii) Provision of management and/or support services by the Company to its subsidiaries and associates.                                                                                                                                                                                                 | 6,867                     | 13,062                                         |

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

## 1. Performance Analysis

The comparison of the results are tabulated below:

|                                                                                     | Current Quarter    |                    |            | Preceding Quarter     |            | Financial Year-to-date |                    |            |
|-------------------------------------------------------------------------------------|--------------------|--------------------|------------|-----------------------|------------|------------------------|--------------------|------------|
|                                                                                     | 2011<br>RM'million | 2010<br>RM'million | %<br>+/-   | 3Q 2011<br>RM'million | %<br>+/-   | 2011<br>RM'million     | 2010<br>RM'million | %<br>+/-   |
| <b>Revenue</b>                                                                      |                    |                    |            |                       |            |                        |                    |            |
| Leisure & Hospitality                                                               |                    |                    |            |                       |            |                        |                    |            |
| - Malaysia                                                                          | 1,377.2            | 1,347.2            | +2         | 1,386.9               | -1         | 5,414.1                | 5,060.6            | +7         |
| - Singapore                                                                         | 1,922.6            | 1,855.1            | +4         | 1,960.4               | -2         | 7,826.7                | 6,406.9            | +22        |
| - United Kingdom                                                                    | 282.7              | 224.1              | +26        | 332.3                 | -15        | 1,148.7                | 959.9              | +20        |
| - United States of America                                                          | 642.2              | -                  | NM         | 566.9                 | +13        | 1,836.8                | -                  | NM         |
|                                                                                     | 4,224.7            | 3,426.4            | +23        | 4,246.5               | -1         | 16,226.3               | 12,427.4           | +31        |
| Power                                                                               | 457.9              | 322.2              | +42        | 523.2                 | -12        | 1,901.7                | 1,576.2            | +21        |
| Plantation                                                                          | 290.5              | 274.9              | +6         | 315.0                 | -8         | 1,200.0                | 900.2              | +33        |
| Property                                                                            | 74.8               | 27.3               | >100       | 38.0                  | +97        | 163.8                  | 106.4              | +54        |
| Oil & Gas                                                                           | -                  | 23.2               | -100       | -                     | -          | -                      | 114.0              | -100       |
| Investments & Others                                                                | 15.2               | 12.7               | +20        | 21.2                  | -28        | 67.2                   | 70.5               | -5         |
|                                                                                     | <u>5,063.1</u>     | <u>4,086.7</u>     | <u>+24</u> | <u>5,143.9</u>        | <u>-2</u>  | <u>19,559.0</u>        | <u>15,194.7</u>    | <u>+29</u> |
| <b>Profit before tax</b>                                                            |                    |                    |            |                       |            |                        |                    |            |
| Leisure & Hospitality                                                               |                    |                    |            |                       |            |                        |                    |            |
| - Malaysia                                                                          | 687.4              | 686.1              | -          | 656.9                 | +5         | 2,654.4                | 2,483.7            | +7         |
| - Singapore                                                                         | 974.2              | 939.6              | +4         | 922.6                 | +6         | 4,046.4                | 3,407.0            | +19        |
| - United Kingdom                                                                    | 60.1               | 10.2               | >100       | 30.7                  | +96        | 158.9                  | 91.3               | +74        |
| - United States of America                                                          | (17.3)             | -                  | NM         | 25.9                  | >100       | 37.0                   | -                  | NM         |
|                                                                                     | 1,704.4            | 1,635.9            | +4         | 1,636.1               | +4         | 6,896.7                | 5,982.0            | +15        |
| Power                                                                               | 157.1              | 152.6              | +3         | 140.8                 | +12        | 632.0                  | 546.4              | +16        |
| Plantation                                                                          | 124.1              | 142.3              | -13        | 154.2                 | -20        | 607.0                  | 442.3              | +37        |
| Property                                                                            | 16.3               | 5.1                | >100       | 9.6                   | +70        | 37.5                   | 27.5               | +36        |
| Oil & Gas                                                                           | (22.5)             | 1.3                | >100       | (4.2)                 | >100       | (66.9)                 | 23.0               | >100       |
| Investments & Others                                                                | (22.2)             | (35.8)             | -38        | (53.1)                | -58        | (49.8)                 | 73.1               | >100       |
| <b>Adjusted EBITDA</b>                                                              | <u>1,957.2</u>     | <u>1,901.4</u>     | <u>+3</u>  | <u>1,883.4</u>        | <u>+4</u>  | <u>8,056.5</u>         | <u>7,094.3</u>     | <u>+14</u> |
| Net gain on dilution of shareholding arising from bond conversions                  | -                  | -                  | -          | -                     | -          | -                      | 436.3              | -100       |
| Net gain arising from Deferred Consideration                                        | -                  | -                  | -          | -                     | -          | -                      | 413.6              | -100       |
| Net fair value gain/(loss) on derivative financial instruments                      | 64.4               | (2.4)              | >100       | (8.6)                 | >100       | 55.3                   | 64.0               | -14        |
| Net fair value gain/(loss) on financial assets at fair value through profit or loss | 4.3                | 10.9               | -61        | (16.4)                | >100       | (12.2)                 | (3.5)              | >100       |
| Gain on disposal of available-for-sale financial assets                             | 5.2                | 0.3                | >100       | 77.6                  | -93        | 226.8                  | 19.5               | >100       |
| Property related termination costs                                                  | -                  | -                  | -          | -                     | -          | (39.4)                 | -                  | NM         |
| Reversal of previously recognised impairment loss                                   | 308.6              | -                  | NM         | -                     | NM         | 308.6                  | 22.3               | >100       |
| Impairment losses                                                                   | (9.9)              | -                  | NM         | (25.1)                | -61        | (38.9)                 | (1,576.7)          | -98        |
| Loss on discontinuance of cash flow hedge accounting using interest rate swaps      | -                  | (145.4)            | -100       | -                     | -          | -                      | (145.4)            | -100       |
| Others                                                                              | (59.4)             | (38.5)             | +54        | (51.2)                | +16        | (207.2)                | (230.7)            | -10        |
| <b>EBITDA</b>                                                                       | <u>2,270.4</u>     | <u>1,726.3</u>     | <u>+32</u> | <u>1,859.7</u>        | <u>+22</u> | <u>8,349.5</u>         | <u>6,093.7</u>     | <u>+37</u> |
| Depreciation and amortisation                                                       | (374.4)            | (302.6)            | +24        | (372.4)               | +1         | (1,402.6)              | (1,191.7)          | +18        |
| Interest income                                                                     | 49.4               | 39.7               | +24        | 48.1                  | +3         | 180.5                  | 158.5              | +14        |
| Finance cost                                                                        | (116.0)            | (282.2)            | -59        | (120.4)               | -4         | (493.1)                | (723.9)            | -32        |
| Share of results in jointly controlled entities and associates                      | (27.0)             | 1.6                | >100       | 16.8                  | >100       | 39.0                   | 57.7               | -32        |
| <b>Profit before tax</b>                                                            | <u>1,802.4</u>     | <u>1,182.8</u>     | <u>+52</u> | <u>1,431.8</u>        | <u>+26</u> | <u>6,673.3</u>         | <u>4,394.3</u>     | <u>+52</u> |

NM = Not meaningful



## **Quarter ended 31 December 2011 compared with quarter ended 31 December 2010**

The Group registered total revenue of RM5,063.1 million in the current quarter compared with RM4,086.7 million in the previous year's corresponding quarter, an increase of 24%. The profit before tax was RM1,802.4 million, an increase of 52% compared with the previous year's corresponding quarter's profit of RM1,182.8 million.

The increase in the revenue of the Leisure & Hospitality Division was contributed by the leisure and hospitality businesses in Singapore, Malaysia, the United Kingdom ("UK") and the United States of America ("US").

The increase in revenue from Resorts World Sentosa ("RWS"), Singapore's first Integrated Resort ("Singapore IR") came mainly from its non-gaming segment. The business of RWS remains solid in the current quarter and its adjusted earnings before interest, tax, depreciation and amortisation ("EBITDA") is comparable with that of the previous year's corresponding quarter.

The increase in revenue from the leisure and hospitality business in Malaysia was mainly due to overall higher volume of business despite a lower hold percentage in the premium players business.

The higher revenue and adjusted EBITDA from the UK operations was contributed mainly by its London casino operations.

Revenue from the US segment in the current quarter included construction revenue from the development of Resorts World Casino New York City and revenue of RM95.3 million mainly from the operations of Resorts World Casino New York City, which marked its debut on 28 October 2011. Consequently, an adjusted EBITDA of RM23.6 million mainly from the operations of Resorts World Casino New York City was recorded whilst construction loss of RM40.9 million was incurred due to cost overrun from the development of Resorts World Casino New York City.

The increase in revenue from the Power Division was due to higher energy charge in the Kuala Langat power plant and increased tariff rate in the Meizhou Wan power plant. Consequently, the adjusted EBITDA is higher than that of the previous year's quarter.

The increase in the Plantation Division's revenue in the current quarter was mainly due to an improvement in FFB production on the back of continued good yields, especially from the Sabah estates. The adjusted EBITDA, however, was lower due to lower palm products selling prices and higher operating expenditure for the operations in Malaysia.

Revenue and adjusted EBITDA from the Property Division was contributed mainly by the property segment of GENP, which improved due to better demand for its industrial and commercial properties.

The share of loss in jointly controlled entities and associates arose mainly from an accounting adjustment made in respect of the Lanco Kondapalli power plant following the adoption of IC Interpretation 4 "Determining whether an arrangement contains a lease", which came into effect on 1 January 2011.

The profit before tax for the current quarter included a reversal of RM308.6 million in respect of previously recognised impairment loss which relates to the UK casino licences and a net fair value gain of RM64.4 million on derivative financial instruments. The previous year's corresponding quarter's profit before tax had included loss on discontinuance of cash flow hedge accounting using interest rate swaps of RM145.4 million arising from settlement of interest rate swaps.

## **Financial year ended 31 December 2011 compared with previous financial year ended 31 December 2010**

Group revenue for the current financial year ended 31 December 2011 was RM19,559.0 million compared with RM15,194.7 million in the previous financial year. The Group's profit before tax increased 52% to RM6,673.3 million from RM4,394.3 million for the previous financial year.

Revenue from the Singapore IR increased compared with revenue in the previous financial year due to its first full year of operations. The higher revenue contributed to the higher adjusted EBITDA. The higher revenue and adjusted EBITDA of the Malaysian leisure and hospitality business was due to overall higher volume of business and higher hold percentage in the premium players business. A construction revenue of RM1,741.5 million was generated from the development of Resorts World Casino New York City, with a construction profit of RM13.4 million. The higher revenue and adjusted EBITDA of the US segment was also due to the operations of Resorts World Casino New York City. Improved performance from the UK operations was mainly due to contributions from its London casino operations.

The higher revenue of the Power Division was due mainly to the Meizhou Wan power plant as a result of higher dispatch. The current financial year's revenue had also included a compensation in respect of prior years from the Fujian provincial government arising from an increase in tariff rates. The higher revenue contributed to the increase in the adjusted EBITDA in the current financial year.

The Plantation Division's revenue and adjusted EBITDA increased due to higher palm products prices and higher FFB production.

Increased revenue and adjusted EBITDA from the Property Division was mainly from GENP's property segment, attributable to better demand for its industrial and commercial properties.

There was no revenue from the Oil & Gas Division following the disposal of Genting Oil & Gas (China) Limited ("GOGL") on 10 December 2010. GOGL was involved in oil and gas development and production. The loss incurred during the current financial period arose mainly from general and administrative expenses.

The lower share of results in jointly controlled entities and associates was mainly due to an accounting adjustment made in respect of the Lanco Kondapalli power plant following the adoption of IC Interpretation 4 "Determining whether an arrangement contains a lease", which came into effect on 1 January 2011.

The Group's profit before tax for the current financial year included:

- reversal of previously recognised impairment loss of RM308.6 million;
- gain on disposal of available-for-sale financial assets of RM226.8 million;
- property related termination costs of RM39.4 million;
- impairment losses of RM38.9 million mainly from the Group's investments in certain jointly controlled entities and associate; and
- net fair value gain of RM55.3 million on derivative financial instruments.

The profit before tax for the previous financial year had included:

- net gain on dilution of RM436.3 million from the dilution of the Company's shareholding in GENS when convertible bonds were fully converted into new ordinary shares of GENS;
- net gain of RM413.6 million arising from the entitlement to deferred consideration;
- impairment losses of RM1,576.7 million;
- net loss of RM145.4 million arising from the discontinuance of cash flow hedge accounting using interest rate swaps; and
- net fair value gain of RM64.0 million on derivative financial instruments.

## 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 RM1,802.4 million in the current quarter compared with RM1,431.8 million in the preceding quarter, an increase of 26%. Higher adjusted EBITDA came mainly from the Leisure & Hospitality, Power and Property divisions.

The higher adjusted EBITDA from RWS compared with that of the preceding quarter was mainly due to the lower impairment loss on trade receivables.

The lower adjusted EBITDA from the US segment was mainly attributable to the lower construction profit from the development of Resorts World Casino New York City in the current quarter.

The higher adjusted EBITDA of the Power Division was contributed mainly by the Meizhou Wan power plant, arising from an increase in tariff rate in the current quarter.

The sale of commercial land and industrial properties by the property segment of GENP contributed mainly to the higher adjusted EBITDA of the Property Division.

The lower adjusted EBITDA of the Plantation Division was mainly due to lower palm products prices amid generally softer commodity market conditions, a decline in FFB production in line with seasonal yield patterns and higher labour cost arising from the payment of wage incentives and recruitment related administrative expenses.

The profit before tax for the current quarter included a reversal of previously recognised impairment loss of RM308.6 million.

\* *The comments on performance in Notes 1 and 2 above are based on the results of the respective subsidiaries and associates of the Company. Some of the subsidiaries are separately listed on the Malaysian and Singapore stock exchanges. Please refer to the respective listed subsidiaries' announcements of their interim and full year results for a detailed review of their respective performance.*

| <u>Listed subsidiaries</u> | <u>Announcement date</u> |
|----------------------------|--------------------------|
| Genting Singapore PLC      | 22 February 2012         |
| Genting Plantations Bhd    | 27 February 2012         |
| Genting Malaysia Bhd       | 28 February 2012         |

### 3. Prospects

The performance of the Group for the 2012 financial year may be impacted as follows:

- (a) In this region, higher tourism arrivals, receipts and disposable income levels contributed positively to the business sentiments in the leisure and hospitality industry. The growth in the global gaming industry in 2011 was mainly driven by key Asian markets and this trend is expected to continue. The premium players business in this region saw robust growth, albeit at a slower rate.

In Malaysia, the GENM Group's emphasis on service excellence and yield management are instrumental in addressing intense regional competition. Yield management strategies have reaped tangible benefits and will continue to be pursued. GENM Group will also capitalise on regional growth in the premium players business. Along with property enhancement initiatives at Resorts World Genting, these efforts bear testimony to GENM Group's commitment towards enhancing the leisure, entertainment and hospitality experiences of its customers;

- (b) The development and construction at the West Zone of RWS are progressing well. Equarius Hotel and selected Beach Villas opened in February 2012. The rest of the West Zone comprising a world-class destination Spa, Water Park, one of the world's largest Marine Life Parks and the Aquarium will be fully operational by the second half of the year. With this last phase of development, the resort will be fully completed in 2012.

GENS Group's efforts are focused towards identifying, evaluating and investing in new projects that provide revenue growth and net income streams to the GENS Group. The continuing uncertain economic climate also presents some potentially attractive investment opportunities.

The economic challenges in Europe and the US continue to cloud the short-term outlook of the Asian economies. As the next 12 months remain uncertain, GENS expects to remain cautious in their dealings and prudent in their approach;

- (c) In the UK, the subdued economic environment in Europe had affected business and consumer sentiments. Whilst this is likely to be a backdrop going forward, the GENM Group remains committed to the development of its business, building on the strength of the Genting brand and strengthening links with GENM Group's established network in Asia, to grow further the premium players business in London;
- (d) In the US, Resorts World Casino New York City made headlines in its debut on 28 October 2011. The 2nd (final) phase of the property opened two months later with full capacity rollout. Since its initial opening, GENM Group noted that Resorts World Casino New York City's performance has been encouraging and expects it to contribute positively to the GENM Group;
- (e) The performance of the Power Division is expected to remain stable as increased tariff rates, approved in 2011, are helping to counter high coal prices; and
- (f) GENP Group's performance for the forthcoming year will be influenced by, among others, the direction of palm product prices, which in turn would be mainly determined by factors such as global economic prospects, changes in weather patterns, the regulatory environment in major consuming countries and the supply of competing crops. On the production front, growth in the GENP Group's FFB output will be underpinned mainly by the Indonesia operations, with more areas planted in previous years progressively reaching maturity over the course of the year. Operating expenditure is expected to be manageable, notwithstanding higher fertiliser cost and higher labour cost following the recently implemented revision in wage incentives.

Overall, GENP Group remains optimistic about the long-term prospects of the palm oil business. Palm oil's versatility, superior nutritional qualities, consistent availability and affordability, coupled with its vast untapped potential as a renewable energy source, bode positively for the continued growth in global demand for palm products for edible and non-edible purposes.

For the Indonesia operations, the projected increase in FFB production and the scheduled completion of palm oil processing facilities would provide a timely boost while plantation development activities are set to continue.

#### 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 and current financial year ended 31 December 2011 are set out below:

|                                    | <b>Current<br/>quarter<br/>RM'000</b> | <b>Current<br/>financial<br/>year-to-date<br/>RM'000</b> |
|------------------------------------|---------------------------------------|----------------------------------------------------------|
| Current taxation                   |                                       |                                                          |
| Malaysian income tax charge        | 217,735                               | 886,211                                                  |
| Foreign income tax charge          | 102,121                               | 172,453                                                  |
|                                    | <u>319,856</u>                        | <u>1,058,664</u>                                         |
| Deferred tax charge                | 91,667                                | 466,027                                                  |
|                                    | <u>411,523</u>                        | <u>1,524,691</u>                                         |
| Prior period/year taxation         |                                       |                                                          |
| Income tax over provided           | (12,159)                              | (11,595)                                                 |
| Deferred tax (over)/under provided | (11,952)                              | 15,044                                                   |
|                                    | <u>387,412</u>                        | <u>1,528,140</u>                                         |

The effective tax rate of the Group before adjustments in respect of prior period taxation for the current quarter and current financial year ended 31 December 2011 is lower than the statutory income tax rate mainly due to income subjected to different tax jurisdictions partially offset by expenses not deductible for tax purposes.

6. **Profit before taxation**

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

|                                                                | <b>Current<br/>quarter<br/>RM'000</b> | <b>Current<br/>financial<br/>year-to-date<br/>RM'000</b> |
|----------------------------------------------------------------|---------------------------------------|----------------------------------------------------------|
| <b>Charges:</b>                                                |                                       |                                                          |
| Finance cost                                                   | 115,947                               | 493,070                                                  |
| Depreciation and amortisation                                  | 374,454                               | 1,402,607                                                |
| Impairment loss and write off of receivables                   | 51,138                                | 298,056                                                  |
| Impairment losses                                              | 9,901                                 | 38,932                                                   |
| Net foreign exchange loss                                      | 31,819                                | 115,941                                                  |
|                                                                | <hr/>                                 | <hr/>                                                    |
| <b>Credits:</b>                                                |                                       |                                                          |
| Reversal of previously recognised impairment loss              | 308,628                               | 308,628                                                  |
| Interest income                                                | 49,380                                | 180,529                                                  |
| Investment income                                              | 11,042                                | 45,608                                                   |
| Net fair value gain on derivative financial instruments        | 64,446                                | 55,301                                                   |
| Gain on disposal of quoted available-for-sale financial assets | 5,186                                 | 226,776                                                  |
| Gain on disposal of property, plant and equipment              | 89                                    | 715                                                      |
| Gain on disposal of investment properties                      | -                                     | 12,642                                                   |
| Net foreign exchange gain                                      | 6,466                                 | -                                                        |
|                                                                | <hr/>                                 | <hr/>                                                    |

Other than the above, there were no provision for and write off of inventories for the current quarter and current financial year ended 31 December 2011.

## 7. Status of Corporate Proposals Announced

With reference to GENP's announcement dated 5 June 2009 in respect of the Proposed Joint Ventures, ("Proposed JV") for oil palm cultivation in Kabupaten Ketapang, Provinsi Kalimantan Barat, Republic of Indonesia, GENP had on 22 December 2011 further announced that:

- (i) Proposed JV between Sandai Maju Pte Ltd ("Sandai"), an indirect wholly-owned subsidiary of GENP, Borneo Palma Mulia Pte Ltd ("BPalma") and PT Mulia Agro Investama ("PTMulia") to develop 15,119 hectares (*based on Izin Lokasi or Permit location*) into oil palm plantation ("Proposed JV 1")

PT Citra Sawit Cemerlang ("PTCSC") had on 22 December 2011 received the acknowledgment of the Minister of Law and Human Rights of Indonesia effective from 20 December 2011 for the subscription by Sandai of 700 ordinary shares of Rp1,000,000 each in PTCSC representing 70% of PTCSC's enlarged issued and paid-up share capital for a cash consideration of Rp700,000,000. Accordingly, the subscription of shares was completed on 20 December 2011 resulting in PTCSC becoming GENP's indirect subsidiary. Based on the foregoing, the Proposed JV 1 has become unconditional on 20 December 2011; and

- (ii) Proposed JV between Ketapang Holdings Pte Ltd ("KHoldings"), an indirect wholly-owned subsidiary of GENP, Palma Citra Investama Pte Ltd ("Palma") and PT Sawit Mandira ("PTMandira") to develop 17,360 hectares (*based on Izin Lokasi or Location Permit*) into oil palm plantation ("Proposed JV 2")

KHoldings, Palma and PTMandira had on 22 December 2011 mutually agreed to extend the period for fulfilment of the obligations to obtain all requisite licenses, permits or approvals referred to in the Joint Venture Agreement dated 5 June 2009 for the Proposed JV 2 ("JV Agreement") for a further period of 1 year commencing from 1 January 2012 and ending on 31 December 2012. Save as set out above, all other terms and conditions of the JV agreement remain unchanged. The JV Agreement is still conditional as at 20 February 2012.

Other than the above, there were no other corporate proposals announced but not completed as at 21 February 2012.

## 8. Group Borrowings and Debt Securities

The details of the Group's borrowings and debt securities as at 31 December 2011 are as set out below:

|                       | Secured/<br>Unsecured | Foreign<br>Currency<br>'million |         | RM<br>Equivalent<br>'million |
|-----------------------|-----------------------|---------------------------------|---------|------------------------------|
|                       |                       |                                 |         |                              |
| Short term borrowings | Secured               | SGD                             | 442.6   | 1,078.7                      |
|                       | Secured               | USD                             | 270.0   | 859.1                        |
|                       | Secured               | RMB                             | 533.1   | 267.3                        |
|                       | Secured               | GBP                             | 0.03    | 0.2                          |
|                       | Secured               | IDR                             | 537.0   | 0.2                          |
|                       | Unsecured             | SGD                             | 110.0   | 268.0                        |
|                       | Unsecured             | GBP                             | 8.3     | 41.2                         |
| Long term borrowings  | Secured               | SGD                             | 2,697.8 | 6,575.9                      |
|                       | Secured               | USD                             | 453.9   | 1,444.0                      |
|                       | Secured               | RMB                             | 1,603.3 | 803.7                        |
|                       | Secured               | GBP                             | 0.1     | 0.7                          |
|                       | Secured               | IDR                             | 98.3    | 0.1                          |
|                       | Unsecured             | USD                             | 295.9   | 941.5                        |
|                       | Unsecured             | GBP                             | 36.4    | 180.3                        |
|                       | Unsecured             | SGD                             | 43.6    | 106.3                        |
|                       |                       |                                 |         | 1,599.5                      |

## 9. Outstanding Derivatives

As at 31 December 2011, the values and maturity analysis of the outstanding derivatives of the Group are as follows:

| Types of Derivative                               | Contract/<br>Notional Value<br>RM'million | Net Fair<br>Value Gain/(Loss)<br>RM'million |
|---------------------------------------------------|-------------------------------------------|---------------------------------------------|
| <u>Cross Currency Swaps</u>                       |                                           |                                             |
| USD                                               | 323.4                                     |                                             |
| - Less than 1 year                                |                                           | (11.6)                                      |
| - 1 year to 3 years                               |                                           | (14.8)                                      |
| - More than 3 years                               |                                           | 84.5                                        |
| <u>Interest Rate Swaps</u>                        |                                           |                                             |
| USD                                               | 127.3                                     |                                             |
| - More than 3 years                               |                                           | (5.3)                                       |
| SGD                                               | 1,218.7                                   |                                             |
| - Less than 1 year                                |                                           | (6.1)                                       |
| - 1 year to 3 years                               |                                           | (0.5)                                       |
| <u>Interest Rate Capped Libor-In-Arrears Swap</u> |                                           |                                             |
| USD                                               | 190.9                                     |                                             |
| - Less than 1 year                                |                                           | (1.1)                                       |
| - 1 year to 3 years                               |                                           | (2.4)                                       |
| - More than 3 years                               |                                           | (1.1)                                       |
| <u>Forward Foreign Currency Exchange</u>          |                                           |                                             |
| USD                                               | 108.6                                     |                                             |
| - Less than 1 year                                |                                           | (1.9)                                       |
| CHF                                               | 13.2                                      |                                             |
| - Less than 1 year                                |                                           | (0.7)                                       |

On 25 July 2011, the Group has entered into a Cross Currency Swap contract to pay INR in exchange of USD for a period of 10 years for both principal and interest payments with a notional principal amount of USD101.7 million to hedge against the exposure of its borrowings to interest rate risk and foreign exchange risk.

On the same date, the Group has also entered into Interest Rate Swaps contracts to fix its USD and SGD interest rates with notional principal amounts of USD40.0 million and SGD500.0 million respectively, to hedge against the exposure of its borrowings to interest rate risk.

During the current financial year ended 31 December 2011, GENP Group has entered into two new Interest Rate Capped Libor-in-Arrears Swap ("IRCLIA") contracts to limit its exposure to fluctuation in interest rate movements if the interest rate moves beyond the cap at LIBOR 2.35% per annum.

The Group has entered into forward foreign exchange contracts to manage the exposure to foreign exchange risk when subsidiaries enter into transactions that are not denominated in their functional currencies.

Other than the above, there is no significant change for the financial derivatives in respect of the following since the last financial year ended 31 December 2010:

- (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.

#### 10. Fair value changes of financial liabilities

The details of fair value changes of financial liabilities for the current financial year ended 31 December 2011 are as follows:

| Type of financial liability                 | Current quarter fair value gain/(loss) RM'million | Current financial year-to-date fair value gain/(loss) RM'million | Basis of fair value measurement                                                                                   | Reasons for the gain/(loss)                                                                                                                                                                                                                        |
|---------------------------------------------|---------------------------------------------------|------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Cross Currency Swaps                        | 67.0                                              | 63.6                                                             | Foreign exchange and interest rates differential between the contracted rates and the current market fixing rates | The foreign exchange and interest rates differential between the contracted rates and the market rates up to the respective maturity dates of the contracts have moved favourably for the Group                                                    |
| Interest Rate Swaps                         | (1.2)                                             | (5.9)                                                            | Interest rate differential between the fixed contracted rate and the current market fixing rate                   | The interest rates differential between the contracted rate and the market rate up to the respective maturity dates of the contracts have moved unfavourably for the Group                                                                         |
| Forward Foreign Currency Exchange Contracts | (1.4)                                             | (2.4)                                                            | Foreign exchange differential between the contracted rate and the market forward rate                             | The foreign exchange rates differential between the contracted rate and the market forward rate from the last measurement date or contract date up to the respective maturity dates of the forward contracts have moved unfavourably for the Group |

#### 11. Changes in Material Litigation

On the status of the legal suit No. K22-245 of 2002 with regards to the claim for 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, the Court of Appeal had on 9 June 2011, upheld the decision of the High Court and dismissed the Plaintiffs' appeal against the preliminary objection raised by the Defendants (the "Court of Appeal's Ruling").

The Plaintiffs had filed a motion for leave to appeal before the Federal Court against the Court of Appeal's Ruling ("the Appeal"). On 25 July 2011, the Federal Court granted leave for the Appeal, which was heard and allowed by the Federal Court on 24 November 2011. The Federal Court further ordered that the matter be remitted to the High Court to hear the appeal for the striking out application. On 30 January 2012, the High Court heard the appeal for striking out application and has adjourned the matter to 13 March 2012 to deliver the decision.

Other than the above, there have been no change to the status of the aforesaid litigation as at 20 February 2012.

There were also no other pending material litigations since the last financial year ended 31 December 2010 and up to 21 February 2012.



12. **Dividend Proposed or Declared**

- (a) i) A final ordinary dividend for the current financial year ended 31 December 2011 has been recommended by the Directors for approval by shareholders;
- ii) The recommended final dividend, if approved, will amount to 4.5 sen per ordinary share of 10 sen each, less 25% tax;
- iii) The final dividend paid for the previous financial year ended 31 December 2010 was 4.5 sen per ordinary share of 10 sen each, less 25% tax; and
- iv) The date of payment of the recommended final dividend shall be determined by the Directors and announced at a later date.
- (b) Total dividend payable for the current financial year ended 31 December 2011, including the above recommended final dividend, if approved, will amount to 8.0 sen per ordinary share of 10 sen each, comprising an interim dividend of 3.5 sen per ordinary share of 10 sen each, less 25% tax and a proposed final dividend of 4.5 sen per ordinary share of 10 sen each, less 25% tax.

13. **Earnings Per Share (“EPS”)**

- (a) The earnings used as the numerator in calculating basic and diluted earnings per share for the current quarter and current financial year ended 31 December 2011 is as follows:

|                                                                                                                                      | <b>Current<br/>quarter<br/>RM'000</b> | <b>Current<br/>financial<br/>year-to-date<br/>RM'000</b> |
|--------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|----------------------------------------------------------|
| Profit for the financial period attributable to equity holders of the Company (used as numerator for the computation of Basic EPS)   | 772,913                               | 2,867,501                                                |
| Net impact on earnings on potential exercise of Employee Share Options awarded to executives of the Company's subsidiaries           | <u>(2,309)</u>                        | <u>(9,482)</u>                                           |
| Profit for the financial period attributable to equity holders of the Company (used as numerator for the computation of Diluted EPS) | <u>770,604</u>                        | <u>2,858,019</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 and current financial year ended 31 December 2011 is as follows:

|                                                                                                              | <b>Current<br/>quarter<br/>No. of shares<br/>'000</b> | <b>Current<br/>financial<br/>year-to-date<br/>No. of shares<br/>'000</b> |
|--------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|--------------------------------------------------------------------------|
| Weighted average number of ordinary shares in issue (used as denominator for the computation of Basic EPS)   | 3,690,310                                             | 3,699,039                                                                |
| Adjustment for share options granted under the ESOS to executives of Genting Berhad                          | <u>2,763</u>                                          | <u>2,514</u>                                                             |
| Weighted average number of ordinary shares in issue (used as denominator for the computation of Diluted EPS) | <u>3,693,073</u>                                      | <u>3,701,553</u>                                                         |

#### 14. Realised and Unrealised Profits/Losses

The breakdown of the retained profits of the Group as at 31 December 2011, 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<br>current quarter<br>RM'million | As at the end of<br>last financial<br>year<br>RM'million |
|----------------------------------------------------------------------------------------|---------------------------------------------------|----------------------------------------------------------|
| Total retained profits/(accumulated losses)<br>of Genting Berhad and its subsidiaries: |                                                   |                                                          |
| - Realised                                                                             | 24,117.3                                          | 20,634.6                                                 |
| - Unrealised                                                                           | (1,594.8)                                         | (1,170.1)                                                |
|                                                                                        | <u>22,522.5</u>                                   | <u>19,464.5</u>                                          |
| Total share of retained profits/<br>(accumulated losses) from associated<br>companies: |                                                   |                                                          |
| - Realised                                                                             | 383.0                                             | 352.7                                                    |
| - Unrealised                                                                           | (30.2)                                            | (32.8)                                                   |
| Total share of accumulated losses from<br>jointly controlled entities:                 |                                                   |                                                          |
| - Realised                                                                             | (52.7)                                            | (45.9)                                                   |
|                                                                                        | <u>22,822.6</u>                                   | <u>19,738.5</u>                                          |
| Less: Consolidation adjustments                                                        | <u>(6,603.7)</u>                                  | <u>(5,939.4)</u>                                         |
| Total Group retained profits as per<br>consolidated accounts                           | <u>16,218.9</u>                                   | <u>13,799.1</u>                                          |

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 financial year ended 31 December 2010 did not contain any qualification.

#### 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 February 2012.