GENTING BERHAD

FOURTH QUARTERLY REPORT

Quarterly report on consolidated results for the financial year ended 31 December 2016. The figures for the cumulative period have been audited.

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

	UNAUDITED INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Year Quarter 31/12/2016 RM'000	Preceding Year Corresponding Quarter 31/12/2015 RM'000	Current Year-To-Date 31/12/2016 RM'000	Preceding Year Corresponding Period 31/12/2015 RM'000
Revenue	**4,753,054**	4,919,421	**18,365,805**	18,100,356
Cost of sales	**(3,076,636)**	(3,583,651)	**(12,463,329)**	(12,958,692)
Gross profit	**1,676,418**	1,335,770	**5,902,476**	5,141,664
Other income	**1,927,221**	304,360	**3,002,055**	2,038,556
Net fair value (loss)/gain on derivative financial instruments	**(9,623)**	115,990	**(93,536)**	(585,064)
Reversal of previously recognised impairment losses	**-**	-	**195,225**	227,044
Impairment losses	**(110,482)**	(33,593)	**(188,244)**	(456,028)
Other expenses	**(492,765)**	(916,710)	**(2,499,877)**	(2,456,068)
Finance cost	**(167,599)**	(161,380)	**(678,830)**	(558,875)
Share of results in joint ventures and associates	**(51,443)**	82,254	**(116,426)**	94,768
Profit before taxation	**2,771,727**	726,691	**5,522,843**	3,445,997
Taxation	**(359,317)**	(114,051)	**(991,466)**	(848,320)
Profit for the period	**2,412,410**	612,640	**4,531,377**	2,597,677
Profit attributable to:				
Equity holders of the Company	**1,143,706**	338,946	**2,146,482**	1,388,012
Holders of perpetual capital securities of a subsidiary	**97,778**	88,767	**365,852**	361,106
Non-controlling interests	**1,170,926**	184,927	**2,019,043**	848,559
	2,412,410	612,640	**4,531,377**	2,597,677
Earnings per share (sen) for profit attributable to equity holders of the Company:				
- Basic	**30.71**	9.12	**57.69**	37.34
- Diluted	**30.70**	9.12	**57.33**	37.22

(The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

	UNAUDITED INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Year Quarter 31/12/2016 RM'000	Preceding Year Corresponding Quarter 31/12/2015 RM'000	Current Year-To-Date 31/12/2016 RM'000	Preceding Year Corresponding Period 31/12/2015 RM'000
Profit for the period	**2,412,410**	612,640	**4,531,377**	2,597,677
Other comprehensive income/(loss)				
Items that will not be reclassified subsequently to profit or loss:				
Reversal of revaluation surplus on intangible assets	**(13,258)**	-	**(13,258)**	-
Actuarial (loss)/gain on retirement benefit liability	**(10,624)**	8,604	**(10,624)**	8,604
	(23,882)	8,604	**(23,882)**	8,604
Items that will be reclassified subsequently to profit or loss:				
Available-for-sale financial assets				
- Fair value gain/(loss)	**25,371**	189,390	**(411,321)**	(768,181)
- Reclassification to profit or loss	**(767,781)**	231,091	**(727,962)**	411,762
Cash flow hedges				
- Fair value gain/(loss)	**143,275**	30,820	**49,024**	(82,097)
- Reclassifications	**6,410**	-	**6,410**	-
Share of other comprehensive income of joint ventures and associates	**48,187**	6,183	**22,785**	42,522
Net foreign currency exchange differences	**1,945,756**	(664,802)	**163,284**	8,416,882
	1,401,218	(207,318)	**(897,780)**	8,020,888
Other comprehensive income/(loss) for the period, net of tax	**1,377,336**	(198,714)	**(921,662)**	8,029,492
Total comprehensive income for the period	**3,789,746**	413,926	**3,609,715**	10,627,169
Total comprehensive income attributable to:				
Equity holders of the Company	**2,280,388**	197,147	**1,841,469**	5,822,311
Holders of perpetual capital securities of a subsidiary	**249,463**	29,819	**439,206**	1,333,720
Non-controlling interests	**1,259,895**	186,960	**1,329,040**	3,471,138
	3,789,746	413,926	**3,609,715**	10,627,169

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015)

GENTING BERHAD
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

	As At 31 Dec 2016 RM'000	As At 31 Dec 2015 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	**32,667,577**	31,139,374
Land held for property development	**378,931**	359,688
Investment properties	**2,099,651**	2,070,669
Plantation development	**2,513,605**	2,154,922
Leasehold land use rights	**495,758**	387,063
Intangible assets	**6,527,377**	6,666,618
Rights of use of oil and gas assets	**4,674,855**	4,458,182
Joint ventures	**1,284,790**	1,118,660
Associates	**1,023,322**	1,200,807
Available-for-sale financial assets	**2,116,993**	2,302,973
Derivative financial instruments	**114,097**	121,844
Deferred tax assets	**238,890**	393,293
Other non-current assets	**6,164,241**	4,642,362
	60,300,087	57,016,455
CURRENT ASSETS		
Property development costs	**50,006**	90,847
Inventories	**583,026**	480,620
Trade and other receivables	**2,479,176**	3,848,351
Amounts due from joint ventures and associates	**10,733**	12,161
Financial assets at fair value through profit or loss	**10,799**	8,068
Available-for-sale financial assets	**1,619,735**	1,566,556
Derivative financial instruments	**7,708**	93,133
Restricted cash	**565,106**	626,340
Cash and cash equivalents	**25,318,527**	23,612,902
	30,644,816	30,338,978
Assets classified as held for sale	**1,600,918**	2,077,079
	32,245,734	32,416,057
TOTAL ASSETS	**92,545,821**	89,432,512
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	**375,002**	374,320
Treasury shares	**(221,206)**	(219,597)
Reserves	**34,650,267**	32,463,004
	34,804,063	32,617,727
Perpetual capital securities of a subsidiary	**7,144,850**	7,071,496
Non-controlling interests	**23,804,436**	23,101,805
TOTAL EQUITY	**65,753,349**	62,791,028
NON-CURRENT LIABILITIES		
Long term borrowings	**15,745,048**	17,017,416
Deferred tax liabilities	**2,024,950**	1,891,794
Derivative financial instruments	**232,186**	270,714
Other non-current liabilities	**822,424**	494,441
	18,824,608	19,674,365
CURRENT LIABILITIES		
Trade and other payables	**5,193,984**	5,009,332
Amounts due to joint ventures	**127,976**	109,803
Short term borrowings	**2,219,637**	1,487,345
Derivative financial instruments	**73,384**	69,509
Taxation	**341,814**	291,130
	7,956,795	6,967,119
Liabilities classified as held for sale	**11,069**	-
	7,967,864	6,967,119
TOTAL LIABILITIES	**26,792,472**	26,641,484
TOTAL EQUITY AND LIABILITIES	**92,545,821**	89,432,512
NET ASSETS PER SHARE (RM)	**9.35**	8.78

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015)

GENTING BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

	←					Attributable to equity holders of the Company				→			
	Share Capital RM'000	Share Premium RM'000	Warrants Reserve RM'000	Revaluation Reserve RM'000	Fair Value Reserve RM'000	Cash Flow Hedge Reserve RM'000	Other Reserves RM'000	Retained Earnings RM'000	Treasury Shares RM'000	Total RM'000	Perpetual Capital Securities of a Subsidiary RM'000	Non-controlling Interests RM'000	Total Equity RM'000
At 1 January 2016	374,320	1,417,380	1,108,905	301,167	948,462	(203,303)	5,881,320	23,009,073	(219,597)	32,617,727	7,071,496	23,101,805	62,791,028
Profit for the year	-	-	-	-	-	-	-	2,146,482	-	2,146,482	365,852	2,019,043	4,531,377
Other comprehensive (loss)/income	-	-	-	(6,933)	(564,126)	972	280,148	(15,074)	-	(305,013)	73,354	(690,003)	(921,662)
Total comprehensive (loss)/income for the year	-	-	-	(6,933)	(564,126)	972	280,148	2,131,408	-	1,841,469	439,206	1,329,040	3,609,715
Transfer due to realisation of revaluation reserve	-	-	-	(1,222)	-	-	-	1,222	-	-	-	-	-
Effects arising from changes in composition of the Group	-	-	-	-	-	117,014	-	302,349	-	419,363	-	59,609	478,972
Transfer upon expiry of share option scheme of a subsidiary	-	-	-	-	-	-	-	5,171	-	5,171	-	(5,171)	-
Effects of share-based payment	-	-	-	-	-	-	-	-	-	-	-	77,788	77,788
Issue of shares upon exercise of warrants	682	63,869	(10,221)	-	-	-	-	-	-	54,330	-	-	54,330
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(756,802)	(756,802)
Buy-back of shares by the Company	-	-	-	-	-	-	-	-	(1,609)	(1,609)	-	-	(1,609)
Perpetual capital securities distribution payable and paid by a subsidiary	-	-	-	-	-	-	-	-	-	-	(365,852)	-	(365,852)
Tax credit arising from perpetual capital securities of a subsidiary	-	-	-	-	-	-	-	(2,055)	-	(2,055)	-	(1,833)	(3,888)
Appropriation:													
Final single-tier dividend for financial year ended 31 December 2015	-	-	-	-	-	-	-	(130,333)	-	(130,333)	-	-	(130,333)
Balance at 31 December 2016	375,002	1,481,249	1,098,684	293,012	384,336	(85,317)	6,161,468	25,316,835	(221,206)	34,804,063	7,144,850	23,804,436	65,753,349

(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 2015)

GENTING BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

	← Attributable to equity holders of the Company →												
	Share Capital RM'000	**Share Premium RM'000**	**Warrants Reserve RM'000**	**Revaluation Reserve RM'000**	**Fair Value Reserve RM'000**	**Cash Flow Hedge Reserve RM'000**	**Other Reserves RM'000**	**Retained Earnings RM'000**	**Treasury Shares RM'000**	**Total RM'000**	**Perpetual Capital Securities of a Subsidiary RM'000**	**Non-controlling Interests RM'000**	**Total Equity RM'000**
At 1 January 2015	374,305	1,416,014	1,109,124	305,853	1,259,555	(124,920)	1,056,189	21,650,588	(212,461)	26,834,247	6,098,882	20,132,317	53,065,446
Profit for the year	-	-	-	-	-	-	-	1,388,012	-	1,388,012	361,106	848,559	2,597,677
Other comprehensive (loss)/income	-	-	-	-	(311,093)	(78,383)	4,825,131	(1,356)	-	4,434,299	972,614	2,622,579	8,029,492
Total comprehensive (loss)/income for the year	-	-	-	-	(311,093)	(78,383)	4,825,131	1,386,656	-	5,822,311	1,333,720	3,471,138	10,627,169
Transfer due to realisation of revaluation reserve	-	-	-	(4,686)	-	-	-	4,686	-	-	-	-	-
Effects arising from changes in composition of the Group	-	-	-	-	-	-	-	(128,564)	-	(128,564)	-	(30,641)	(159,205)
Transfer upon expiry of share option scheme of a subsidiary	-	-	-	-	-	-	-	183,732	-	183,732	-	(183,732)	-
Effects of share-based payment	-	-	-	-	-	-	-	-	-	-	-	85,311	85,311
Issue of shares upon exercise of warrants	15	1,366	(219)	-	-	-	-	-	-	1,162	-	-	1,162
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(393,708)	(393,708)
Buy-back of shares by the Company	-	-	-	-	-	-	-	-	(7,136)	(7,136)	-	-	(7,136)
Perpetual capital securities distribution payable and paid by a subsidiary	-	-	-	-	-	-	-	-	-	-	(361,106)	-	(361,106)
Tax credit arising from perpetual capital securities of a subsidiary	-	-	-	-	-	-	-	23,517	-	23,517	-	21,120	44,637
Appropriation:													
Final single-tier dividend for financial year ended 31 December 2014	-	-	-	-	-	-	-	(111,542)	-	(111,542)	-	-	(111,542)
Balance at 31 December 2015	374,320	1,417,380	1,108,905	301,167	948,462	(203,303)	5,881,320	23,009,073	(219,597)	32,617,727	7,071,496	23,101,805	62,791,028

(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 2015)

GENTING BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

	Current Year-To-Date RM'000	Preceding Year Corresponding Period RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	**5,522,843**	3,445,997
Adjustments for:		
Depreciation and amortisation	**1,923,254**	1,904,591
Impairment losses and write off of receivables	**804,485**	772,471
Finance cost	**678,830**	558,875
Impairment losses	**188,244**	456,028
Assets written off	**120,123**	38,021
Share of results in joint ventures and associates	**116,426**	(94,768)
Net fair value loss on derivative financial instruments	**93,536**	585,064
Net (gain)/loss on disposal of available-for-sale financial assets	**(1,306,958)**	11,033
Interest income	**(1,024,490)**	(580,898)
Net exchange gain – unrealised	**(197,114)**	(111,906)
Reversal of previously recognised impairment losses	**(195,225)**	(227,044)
Construction profit	**(111,728)**	(43,481)
Investment income	**(57,367)**	(146,071)
Gain on deemed dilution of shareholding in associate	**(26,413)**	(107,490)
Deferred expenses written off	**-**	137,124
Gain arising from acquisition of business	**-**	(52,423)
Other non-cash items	**23,783**	156,078
	1,029,386	3,255,204
Operating profit before changes in working capital	**6,552,229**	6,701,201
Net change in current assets	**834,487**	(659,724)
Net change in current liabilities	**(429,591)**	(268,982)
	404,896	(928,706)
Cash generated from operations	**6,957,125**	5,772,495
Tax paid (net of tax refund)	**(671,042)**	(998,356)
Retirement gratuities paid	**(3,395)**	(5,017)
Other operating activities	**(5,221)**	(25,577)
	(679,658)	(1,028,950)
NET CASH FROM OPERATING ACTIVITIES	**6,277,467**	4,743,545
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	**(3,782,394)**	(3,468,398)
Increase in investments, intangible assets and other long term financial assets	**(1,974,689)**	(2,154,918)
Acquisition of subsidiaries (see note below)	**(106,754)**	(146,523)
Proceeds from disposal of investments	**1,828,283**	2,727,775
Interest received	**419,995**	297,012
Proceeds from disposal of property, plant and equipment	**292,801**	37,443
Proceeds from redemption of unquoted preference shares in a Malaysian corporation by a subsidiary	**100,000**	-
Loan to associate	**-**	(423,904)
Other investing activities	**242,855**	184,982
NET CASH USED IN INVESTING ACTIVITIES	**(2,979,903)**	(2,946,531)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings and transaction costs	**(3,992,603)**	(1,624,335)
Finance cost paid	**(776,360)**	(537,896)
Dividends paid to non-controlling interests	**(756,802)**	(393,708)
Perpetual capital securities distribution paid by a subsidiary	**(365,852)**	(361,106)
Dividends paid	**(130,333)**	(111,542)
Buy-back of shares by the Company and subsidiaries	**(6,378)**	(365,537)
Proceeds from bank borrowings	**3,271,240**	2,400,774
Proceeds from changes in ownership interest in subsidiary	**488,870**	-
Restricted cash	**70,852**	67,054
Proceeds from issue of shares upon exercise of warrants	**54,330**	1,162
Purchase of shares by a subsidiary pursuant to its employee share scheme	**-**	(57,267)
Proceeds from issuance of Medium Term Notes from a subsidiary	**-**	2,400,000
Proceeds from issuance of Sukuk Murabahah from a subsidiary	**-**	1,000,000
Other financing activities	**88,165**	124,825
NET CASH (USED IN)/FROM FINANCING ACTIVITIES	**(2,054,871)**	2,542,424
NET INCREASE IN CASH AND CASH EQUIVALENTS	**1,242,693**	4,339,438
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	**23,612,902**	16,391,246
EFFECTS OF CURRENCY TRANSLATION	**462,932**	2,882,218
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	**25,318,527**	23,612,902
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Bank balances and deposits	**20,969,335**	20,012,861
Money market instruments	**4,349,192**	3,600,041
	25,318,527	23,612,902

ACQUISITION OF SUBSIDIARIES

Fair value of net assets acquired and net cash outflow on acquisition of subsidiaries by Genting Plantations Berhad ("GENP") Group, which is 52.2% owned by the Company, are analysed as follows:

		As at date of acquisition RM'000
Plantation development		**(120,671)**
Leasehold land use rights		**(85,927)**
Property, plant and equipment		**(4,383)**
Inventories		**(1,327)**
Other receivables		**(3,068)**
Cash and bank balances		**(926)**
Trade and other payables		**88,625**
Deferred tax liabilities		**1,452**
Non-controlling interests		**2,545**
Total purchase consideration/Identifiable net assets acquired		**(123,680)**
Less :	Cash and bank balances acquired	**926**
	Deferred consideration payable	**16,000**
Net cash outflow on acquisition of subsidiaries		**(106,754)**

This acquisition relates to the GENP Group's acquisition of 100% equity interest in Cahaya Agro Abadi Pte Ltd and Palm Capital Investment Pte Ltd as disclosed in Note (j) ii) in Part I of this interim report. The purchase price allocation of the acquisition was provisional as at 31 December 2016 and the GENP Group expects to complete the final purchase price allocation exercise within the twelve-month window period from the acquisition date.

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015)

(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 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 2015. 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 2015 except for the adoption of new FRSs and amendments that are mandatory for the Group for the financial year beginning 1 January 2016:

- Annual Improvements to FRSs 2012-2014 Cycle.

- Amendments to FRS 10 "Consolidated Financial Statements", FRS 12 "Disclosure of Interests in Other Entities" and FRS 128 "Investments in Associates and Joint Ventures" – Investment Entities: Applying the Consolidation Exception.

- Amendments to FRS 11 "Joint Arrangements" – Accounting for Acquisitions of Interests in Joint Operations.

- Amendments to FRS 101 "Presentation of Financial Statements" – Disclosure Initiative.

- Amendments to FRS 116 "Property, Plant and Equipment" and FRS 138 "Intangible Assets" – Clarification of Acceptable Methods of Depreciation and Amortisation.

- Amendment to FRS 127 "Separate Financial Statements" – Equity Method in Separate Financial Statements.

The adoption of these new FRSs and amendments does not have a material impact on the interim financial information of the Group.

Malaysian Financial Reporting Standards

On 19 November 2011, the Malaysian Accounting Standards Board ("MASB") issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS Framework").

The MFRS Framework is to be applied by all entities other than private entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 "Agriculture" and IC Interpretation 15 "Agreements for Construction of Real Estate", including its parent, significant investor and venturer (herein called "Transitioning Entities").

On 8 September 2015, MASB announced that in light of the International Accounting Standards Board's deferral of IFRS 15 "Revenue from Contracts with Customers", the effective date for the Transitioning Entities to apply the MFRS Framework will also be deferred to 1 January 2018.

The Group falls within the scope definition of Transitioning Entities and accordingly, will adopt the MFRS Framework from the financial year beginning on 1 January 2018. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. Adjustments required on transition, if any, will be made retrospectively against opening retained earnings.

(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 gain on disposal of available-for-sale financial assets of RM1.3 billion included in "Other Income" in the Income Statement for the current quarter and current financial year relates mainly to the one-off gain arising from the disposal of investment in Genting Hong Kong Limited ("GENHK") by Genting Malaysia Berhad ("GENM") Group, which is 49.3% owned by the Company, and Genting Overseas Holdings Limited, a direct wholly owned subsidiary of the Company.

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 quarter and current financial year ended 31 December 2016.

(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) During the current financial year ended 31 December 2016, the Company issued 6,825,368 new ordinary shares of 10 sen each, for cash arising from the exercise of warrants at exercise price of RM7.96 per ordinary share.

ii) During the current financial year ended 31 December 2016, the Company had purchased a total of 200,000 ordinary shares of 10 sen each of its issued share capital from the open market for a total consideration of RM1.6 million. The share buy-back transactions were financed by internally generated funds. The purchased 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, share buy-back, resale and repayment of debt securities or equity securities for the current financial year ended 31 December 2016.

(f) **Dividend Paid**

Dividend paid during the current financial year ended 31 December 2016 is as follows:

	RM'000
Final dividend paid on 28 July 2016 for the financial year ended 31 December 2015	
- 3.5 sen per ordinary share of 10 sen each	130,333

(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 gain or loss on financial assets, gain or loss on disposal of financial assets, gain or loss on deemed dilution of shareholdings in associates, project costs written off, reversal of previously recognised impairment losses, impairment losses, pre-opening and development expenses, 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 2016 is set out below:

RM'million	Leisure & Hospitality: Malaysia	Leisure & Hospitality: Singapore	Leisure & Hospitality: United Kingdom	Leisure & Hospitality: United States of America and Bahamas	Leisure & Hospitality: Total	Plantation: Malaysia	Plantation: Indonesia	Plantation: Total	Power *	Property	Oil & Gas	Investments & Others	Total
Revenue													
Total revenue	6,666.8	6,686.9	1,816.2	1,365.0	16,534.9	905.5	368.2	1,273.7	1,011.5	196.0	228.3	198.3	19,442.7
Inter segment	(1,044.3)	(0.7)	-	-	(1,045.0)	-	-	-	-	(9.6)	(8.0)	(14.3)	(1,076.9)
External	5,622.5	6,686.2	1,816.2	1,365.0	15,489.9	905.5	368.2	1,273.7	1,011.5	186.4	220.3	184.0	18,365.8
Adjusted EBITDA	2,505.6	2,392.1	260.4	191.5	5,349.6	390.2	94.5	484.7	124.2	54.0	181.7	(69.5)	6,124.7

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

	RM'million
Adjusted EBITDA	6,124.7
Net fair value loss on derivative financial instruments	(93.5)
Gain on deemed dilution of shareholding in associate	26.4
Net gain on disposal of available-for-sale financial assets	1,307.0
Reversal of previously recognised impairment losses	195.2
Impairment losses	(188.2)
Depreciation and amortisation	(1,923.3)
Interest income	1,024.5
Finance cost	(678.8)
Share of results in joint ventures and associates	(116.4)
Others **	(154.8)
Profit before taxation	**5,522.8**

* The Group had accounted for the construction and development of the 660MW coal-fired power plant in the Banten Province, West Java, Indonesia ("Banten Plant") in accordance with FRS 111 "Construction Contracts" as required under IC Interpretation 12 "Service Concession Arrangements" whereby the construction profit is recognised based on the percentage of completion method. Construction revenue and costs of approximately RM949.4 million and RM837.7 million respectively, have been disclosed under the "Power" segment in the consolidated income statement for the current financial year 31 December 2016 thereby generating a construction profit of RM111.7 million.

** Others include pre-opening and development expenses, assets written off, gain or loss on disposal of assets and share-based payment expenses.

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

RM'million	Leisure & Hospitality: Malaysia	Leisure & Hospitality: Singapore	Leisure & Hospitality: United Kingdom	Leisure & Hospitality: United States of America and Bahamas	Leisure & Hospitality: Total	Plantation: Malaysia	Plantation: Indonesia	Plantation: Total	Power	Property	Oil & Gas	Investments & Others	Total
Segment Assets	9,395.9	17,517.2	4,857.0	7,650.3	39,420.4	1,741.5	3,503.2	5,244.7	4,873.0	2,952.7	5,359.0	5,726.5	63,576.3
Segment Liabilities	1,916.6	1,074.3	421.7	496.1	3,908.7	93.0	188.8	281.8	795.5	246.3	812.8	384.4	6,429.5

	RM'million
A reconciliation of segment assets to total assets is as follows:	
Segment assets	63,576.3
Interest bearing instruments	24,687.3
Joint ventures	1,284.8
Associates	1,023.3
Unallocated corporate assets	373.2
Assets classified as held for sale	1,600.9
Total assets	**92,545.8**
A reconciliation of segment liabilities to total liabilities is as follows:	
Segment liabilities	6,429.5
Interest bearing instruments	17,985.1
Unallocated corporate liabilities	2,366.8
Liabilities classified as held for sale	11.1
Total liabilities	**26,792.5**

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

During the current financial year ended 31 December 2016, acquisitions and disposals of property, plant and equipment by the Group were RM3,721.9 million and RM285.9 million respectively.

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

i) On 18 January 2017, the Company announced that on 17 January 2017, its wholly owned subsidiaries, Genting Overseas Holdings Limited ("GOHL") and GOHL Capital Limited ("GOHL Capital"), have completed the book-building process and priced its offering of USD1 billion 4.25% guaranteed notes due 2027 (the "Notes"). The Notes will be fully and unconditionally guaranteed by GOHL which holds 100% equity interest in GOHL Capital. The Notes will also have the benefit of a keepwell deed entered into with the Company. On 25 January 2017, the Company further announced that the Notes have been issued by GOHL Capital on 24 January 2017 and listed on The Stock Exchange of Hong Kong Limited on 25 January 2017.

ii) On 3 January 2017, the Board of Directors of Genting Singapore PLC ("GENS"), an indirect 52.9% subsidiary of the Company, announced that the proposed disposal of interest in an integrated resort in Jeju, Korea, previously announced by GENS on 11 November 2016, has been completed on 3 January 2017. Subsequent to the completion, the GENS Group has ceased to have any equity interest in Callisto Business Limited, Happy Bay Pte Ltd, Landing Jeju Development Co, Ltd, Landing L&B LLC and Autumnglow Pte Ltd. The aggregate cash consideration for the disposal was fully paid on completion. The total cash consideration for the disposal is approximately RM1,845.7 million (equivalent to approximately SGD596.3 million) and the gain on the disposal is approximately RM298.1 million (equivalent to approximately SGD96.3 million).

Other than the disclosure of the above and the disclosure in Note 7 in Part II of this interim report, there were no other material events subsequent to the end of the current financial year ended 31 December 2016 that have not been reflected in this interim report.

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

i) On 31 May 2016, the Group completed the disposal of its 40% effective interest in PT Lestari Banten Energi, the project company that is developing a 660MW coal-fired power plant in West Java, Indonesia, to Jaderock Investment Singapore Pte Ltd, a wholly owned subsidiary of SDIC Power Holdings Co.,Ltd. The financial effects of the disposal have been included in the Condensed Consolidated Statement of Changes in Equity for the current financial year.

ii) On 15 September 2016, GENP announced the completion of the acquisition of 100% equity interest in Cahaya Agro Abadi Pte Ltd ("CAA") and Palm Capital Investment Pte Ltd ("PCI") by PalmIndo Holdings Pte Ltd, a 73.685% indirect subsidiary of GENP. Following the completion of the aforesaid acquisition, GENP holds a 70% effective interest each in PT Agro Abadi Cemerlang and PT Palma Agro Lestari Jaya, which are in turn 95% owned subsidiaries of CAA and PCI respectively.

Other than the above, there were no other material changes in the composition of the Group for the current financial year ended 31 December 2016.

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

There were no material changes in contingent liabilities or contingent assets since the last financial year ended 31 December 2015.

(l) **Capital Commitments**

Authorised capital commitments not provided for in the interim financial statements as at 31 December 2016 are as follows:

	RM'million
Contracted	3,912.8
Not contracted	21,302.3
	25,215.1
Analysed as follows:	
- Property, plant and equipment	23,292.3
- Power concession assets (intangible assets and other non-current assets)	798.4
- Plantation development	523.0
- Investments	396.5
- Rights of use of oil and gas assets	129.2
- Intangible assets	52.8
- Leasehold land use rights	22.9
	25,215.1

(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 2016 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 2015 and the approved shareholders' mandates for recurrent related party transactions.

	Current quarter RM'000	**Current financial year-to-date RM'000**
<u>Group</u>		
i) Provision of share registration services and secretarial services by a wholly owned subsidiary of the Company to GENHK Group.	6	26
ii) Licensing fee for the use of the name "Genting" charged by wholly owned subsidiaries of the Company to Genting Simon Sdn Bhd.	183	582
iii) Licensing fee for the use of a software charged by a wholly owned subsidiary of the Company to FreeStyle Gaming Limited, an indirect wholly owned subsidiary of Resorts World Inc Pte Ltd ("RWI").	19	62
iv) Provision of services in connection with the clinical study by TauRx Pharmaceuticals Ltd Group, an associate of the Group, to a subsidiary of the Company.	6,762	22,261
v) Interest income earned by indirect subsidiaries from their associates.	11,685	41,630

(m) **Significant Related Party Transactions (Cont'd)**

		Current quarter RM'000	Current financial year-to-date RM'000
Group			
vi)	Provision of management services by Genting Awanpura Sdn Bhd, a wholly owned subsidiary of GENP, to Genting Simon Sdn Bhd.	84	461
vii)	Acquisitions of Cahaya Agro Abadi Pte Ltd and Palm Capital Investment Pte Ltd from Green Palm Capital Corp by an indirect subsidiary of GENP.	-	123,680
viii)	Licensing fee for the use of "Resorts World" and "Genting" intellectual property in the United States of America and the Bahamas charged by RWI Group to GENM Group.	18,832	75,079
ix)	Rental charges by Genting Development Sdn Bhd to GENM Group.	331	1,322
x)	Provision of management and consultancy services on theme park and resort development and operations by International Resort Management Services Pte Ltd ("IRMS") to GENM.	2,502	10,008
xi)	Rental charges for premises by GENM Group to Warisan Timah Holdings Sdn Bhd.	629	2,358
xii)	Provision of water supply services by an entity connected with shareholder of BB Entertainment Ltd ("BBEL") to GENM Group.	750	2,553
xiii)	Provision of maintenance services by entities connected with shareholder of BBEL to GENM Group.	4,852	11,619
xiv)	Rental charges for office space by GENM Group to GENHK Group.	1,401	3,502
xv)	Provision of construction service by an entity connected with shareholder of BBEL to GENM Group.	152	2,942
xvi)	Purchase of rooms by GENM Group from an entity connected with shareholder of BBEL.	152	2,408
xvii)	Licensing fee for the use of Internet Gaming System platform in the United Kingdom charged by RWI Group to GENM Group.	256	1,098
xviii)	Licensing fee for the use of "Genting" intellectual property in United Kingdom charged by RWI Group to GENM Group.	-	6,003
xix)	Provision of aviation related services by GENM Group to GENHK Group.	-	1,092

(m) **Significant Related Party Transactions (Cont'd)**

		Current quarter RM'000	Current financial year-to-date RM'000
<u>Group</u>			
xx)	Provision of information technology consultancy, development, implementation, support and maintenance services and other management services by GENM Group to GENHK Group.	342	1,735
xxi)	Disposal of GENHK shares by GENM Group and GOHL to Golden Hope Limited.	1,763,273	1,763,273
xxii)	Air ticketing services and provision of reservation and booking services rendered by GENHK Group to GENS Group.	2,213	8,414
xxiii)	Sale of goods and services by GENS Group to GENHK Group.	2,777	4,899
xxiv)	Provision of goods and services by DCP (Sentosa) Pte Ltd to GENS Group.	14,073	63,874
xxv)	Leasing of office space and related expenses by IRMS from GENS Group.	199	994
<u>Company</u>			
i)	Licensing fees from the subsidiaries to the Company for the use of name and accompanying logo of "Genting", "Resorts World" and "Awana" owned by the Company.	51,538	195,501
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.	104,427	404,457
iii)	Finance cost charged by subsidiaries to the Company on the interest bearing portion of the amount due to subsidiaries.	45,631	181,678
iv)	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.	772	3,788
v)	Rental charges for office space and related services by a subsidiary of GENM.	678	2,713
vi)	Provision of management and/or support services by subsidiaries to the Company.	-	1,722
vii)	Provision of management and/or support services by the Company to its subsidiaries, associates and joint ventures.	4,593	17,472

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

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

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

As at 31 December 2016, the Group's financial instruments measured and recognised at fair value on a recurring basis are as follows:

RM'million	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets				
Financial assets at fair value through profit or loss	10.8	-	-	10.8
Available-for-sale financial assets	872.7	1,250.0	1,614.0	3,736.7
Derivative financial instruments	-	121.8	-	121.8
	883.5	**1,371.8**	**1,614.0**	**3,869.3**
Financial liability				
Derivative financial instruments	**-**	**305.6**	**-**	**305.6**

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared with the last financial year ended 31 December 2015.

The following table presents the changes in financial instruments classified within Level 3:

Available-for-sale financial assets	**RM'million**
As at 1 January 2016	1,589.6
Foreign exchange differences	57.4
Additions	106.3
Transfer from Level 2	100.8
Fair value changes – recognised in other comprehensive income	(138.9)
Investment income and interest income	19.4
Disposal	(19.7)
Transfer to investment in associates	(98.8)
Reclassification	(2.1)
As at 31 December 2016	**1,614.0**

During the current financial year, the fair value of the Group's unquoted equity investment of RM100.8 million that was classified as available-for-sale financial asset was transferred from Level 2 to Level 3.

GENTING BERHAD
ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES – FINANCIAL YEAR ENDED 31 DECEMBER 2016
(II) Compliance with Appendix 9B of Bursa Securities Listing Requirements

1. **Performance Analysis**
The comparison of the results are tabulated below:

	Current Quarter 2016 RM'million	Current Quarter 2015 RM'million	% +/-	Preceding Quarter 3Q 2016 RM'million	% +/-	Financial Year Ended 31 December 2016 RM'million	Financial Year Ended 31 December 2015 RM'million	% +/-
Revenue								
Leisure & Hospitality								
- Malaysia	**1,507.4**	1,481.1	+2	1,460.5	+3	**5,622.5**	5,576.6	+1
- Singapore	**1,709.7**	1,683.3	+2	1,739.3	-2	**6,686.2**	6,807.7	-2
- UK	**403.1**	430.5	-6	380.0	+6	**1,816.2**	1,350.3	+35
- US and Bahamas	**341.3**	350.9	-3	321.7	+6	**1,365.0**	1,288.2	+6
	3,961.5	3,945.8	-	3,901.5	+2	**15,489.9**	15,022.8	+3
Plantation								
- Malaysia	**294.2**	273.0	+8	260.9	+13	**905.5**	878.8	+3
- Indonesia	**168.7**	78.0	>100	83.3	>100	**368.2**	228.5	+61
	462.9	351.0	+32	344.2	+34	**1,273.7**	1,107.3	+15
Power	**162.4**	446.4	-64	290.7	-44	**1,011.5**	1,225.6	-17
Property	**42.7**	65.8	-35	47.1	-9	**186.4**	256.7	-27
Oil & Gas	**72.2**	60.2	+20	55.0	+31	**220.3**	264.7	-17
Investments & Others	**51.3**	50.3	+2	45.2	+13	**184.0**	223.3	-18
	4,753.0	4,919.5	-3	4,683.7	+1	**18,365.8**	18,100.4	+1
Profit before tax								
Leisure & Hospitality								
- Malaysia	**671.3**	654.6	+3	641.2	+5	**2,505.6**	2,474.0	+1
- Singapore	**718.5**	566.7	+27	713.0	+1	**2,392.1**	2,610.0	-8
- UK	**26.9**	24.2	+11	42.0	-36	**260.4**	(124.2)	>100
- US and Bahamas	**92.3**	23.3	>100	24.2	>100	**191.5**	112.8	+70
	1,509.0	1,268.8	+19	1,420.4	+6	**5,349.6**	5,072.6	+5
Plantation								
- Malaysia	**147.2**	79.5	+85	125.5	+17	**390.2**	305.1	+28
- Indonesia	**68.8**	0.2	>100	21.6	>100	**94.5**	4.7	>100
	216.0	79.7	>100	147.1	+47	**484.7**	309.8	+56
Power	**(2.3)**	33.0	>-100	96.3	>-100	**124.2**	60.2	>100
Property	**13.4**	18.0	-26	15.5	-14	**54.0**	78.3	-31
Oil & Gas	**53.7**	37.0	+45	46.1	+16	**181.7**	186.3	-2
Investments & Others	**301.8**	(150.1)	>100	(10.7)	>100	**(69.5)**	581.8	>-100
Adjusted EBITDA	**2,091.6**	1,286.4	+63	1,714.7	+22	**6,124.7**	6,289.0	-3
Net fair value (loss)/gain on derivative financial instruments	**(9.6)**	116.0	>-100	(15.4)	+38	**(93.5)**	(585.1)	+84
Net gain/(loss) on disposal of available-for-sale financial assets	**1,302.2**	(226.9)	>100	5.0	>100	**1,307.0**	(11.0)	>100
Gain on deemed dilution of shareholding in associate	**0.3**	3.5	-91	-	NM	**26.4**	107.5	-75
Reversal of previously recognised impairment losses	**-**	-	-	195.2	-100	**195.2**	227.0	-14
Impairment losses	**(110.4)**	(33.6)	>-100	(16.1)	>-100	**(188.2)**	(456.0)	+59
Depreciation and amortisation	**(524.4)**	(508.5)	-3	(459.9)	-14	**(1,923.3)**	(1,904.6)	-1
Interest income	**274.3**	189.2	+45	269.6	+2	**1,024.5**	580.9	+76
Finance cost	**(167.6)**	(161.4)	-4	(164.1)	-2	**(678.8)**	(558.9)	-21
Share of results in joint ventures and associates	**(51.4)**	82.2	>-100	(40.8)	-26	**(116.4)**	94.7	>-100
Others	**(33.3)**	(20.2)	-65	(36.2)	+8	**(154.8)**	(337.5)	+54
	2,771.7	726.7	>100	1,452.0	+91	**5,522.8**	3,446.0	+60

NM = Not meaningful

Quarter ended 31 December 2016 compared with quarter ended 31 December 2015

The Group recorded total revenue of RM4,753.0 million for the current quarter, which was lower by 3% compared with the previous year's corresponding quarter's revenue of RM4,919.5 million.

Higher revenue from Resorts World Sentosa ("RWS") in the current quarter was largely contributed by higher gaming revenue as a result of higher rolling win percentage in the premium player business and the revised strategy to focus on better margin business. Consequently, adjusted earnings before interest, tax, depreciation and amortisation ("EBITDA") improved compared with the previous year's corresponding quarter.

Increased revenue from Resorts World Genting ("RWG") in Malaysia was due mainly to higher business volume from the mid to premium segment of the business. The higher revenue and lower costs relating to the premium players business contributed to higher adjusted EBITDA in the current quarter.

The casino business in the United Kingdom ("UK") recorded lower revenue due mainly to the weaker Sterling Pound exchange rate to the Malaysian Ringgit during the current quarter. This was partially offset by higher volume of business from its non-premium players business as well as higher contribution from Resorts World Birmingham. However, its adjusted EBITDA was marginally higher than that of the previous year's corresponding quarter.

Revenue from the leisure and hospitality business in United States of America ("US") and Bahamas was lower due mainly to lower volume of business and lower hold percentage from the operations of Resorts World Bimini in Bahamas ("Bimini operations"). Adjusted EBITDA increased in the current quarter due mainly to net reversal of expenses over-accrued in previous periods partially offset by the lower revenue.

Revenue and adjusted EBITDA from Plantation-Malaysia and Plantation-Indonesia increased in the current quarter due mainly to stronger palm product selling prices and higher FFB production from Plantation-Indonesia which outstripped the decline in FFB production in Plantation-Malaysia.

Lower revenue from the Power Division was due mainly to lower construction revenue recognised in the current quarter arising from the lower percentage of completion of the 660MW coal-fired Banten Plant in Indonesia as the power plant nears completion, as well as lower generation from the Jangi Wind Farm. This Division suffered an adjusted loss before interest, tax, depreciation and amortisation ("LBITDA") in the current quarter due mainly to the lower construction profit recognised offset by higher operating expenses incurred on the Banten Plant.

Revenue and adjusted EBITDA from the Oil & Gas Division improved in the current quarter due mainly to higher average oil prices.

An adjusted EBITDA was recorded in the "Investments & Others" segment in the current quarter compared with an adjusted LBITDA due mainly to foreign exchange gains from net foreign currency denominated financial assets as compared with foreign exchange losses in the previous year's corresponding quarter.

The Group's share of results in joint ventures and associates for the current quarter was a share of net loss due mainly to the net loss suffered by the Lanco Kondapalli Indian Power Plant.

Profit before tax for the current quarter at RM2,771.7 million increased significantly compared with the previous year's corresponding quarter's profit of RM726.7 million due mainly to the one-off gain of approximately RM1.3 billion arising from the disposal of the Group's investment in GENHK.

Financial year ended 31 December 2016 compared with the previous financial year ended 31 December 2015

The Group's revenue of RM18,365.8 million for the current financial year was comparable with that of the previous financial year of RM18,100.4 million.

Revenue and adjusted EBITDA from RWS were lower in the current financial year due mainly to its gaming operations and the inclusion of a one-off property tax refund of SGD102.7 million in the previous financial year's adjusted EBITDA.

Higher volume of business from RWG's mid to premium players business contributed to marginally higher revenue and adjusted EBITDA from RWG in the current financial year.

The casino business in UK recorded higher revenue due mainly to better hold percentage from the High End Markets, higher volume of business of its non-premium players business and higher contribution from Resorts World Birmingham. The higher revenue and lower bad debt written off contributed to an adjusted EBITDA in the current financial year as compared with an adjusted LBITDA in the previous financial year.

Higher revenue from the leisure and hospitality business in the US and Bahamas was due mainly to higher volume of business from Resorts World Casino New York City ("RWNYC operations") as well as the stronger USD exchange rate to the Malaysian Ringgit in the current financial year, partially offset by lower revenue from the Bimini SuperFast cruise ferry which ceased operations in January 2016. Adjusted EBITDA increased due mainly to higher revenue and net reversal of expenses over-accrued in previous periods partially offset by higher operating expenses relating to premium players business for Bimini operations.

Revenue and adjusted EBITDA from the Plantation Division increased in the current financial year due mainly to stronger palm product selling prices despite lower FFB production. Overall FFB production declined as the growth registered by Plantation-Indonesia, owing to an enlarged harvesting area and improving maturity profile, was insufficient to compensate a weather-induced reduction in FFB production from Plantation-Malaysia.

Revenue from the Power Division in the current financial year decreased due mainly to lower construction revenue recognised from the lower percentage of completion of the Banten Plant as the plant approached completion and commissioning. However, its adjusted EBITDA increased due mainly to lower construction costs incurred on the Banten Plant in the current financial year.

Lower revenue and adjusted EBITDA from the Property Division were due mainly to substantially lower land sales concluded in the current financial year.

Lower revenue and adjusted EBITDA from the Oil & Gas Division were due mainly to lower average oil prices.

The adjusted LBITDA recorded by "Investments & Others" in the current financial year was due mainly to start-up costs in various Group investments partially offset by net foreign exchange gains on net foreign currency denominated financial assets. There were higher net foreign exchange gains recorded in the previous financial year.

The Group's share of results in joint ventures and associates for the current financial year was a share of net loss due mainly to the net loss suffered by the Meizhou Wan Power Plant and the Lanco Kondapalli Indian Power Plant.

Profit before tax for the current financial year was RM5,522.8 million compared with RM3,446.0 million in the previous financial year. The increase was due mainly to the one-off gain of approximately RM1.3 billion arising from the disposal of the Group's investment in GENHK.

2. **Material Changes in Profit Before Taxation for the Current Quarter as Compared with the Immediate Preceding Quarter**

The Group's profit before tax for the current quarter was RM2,771.7 million compared with RM1,452.0 million in the preceding quarter. The increase was due mainly to higher adjusted EBITDA and the one-off gain of approximately RM1.3 billion arising from the disposal of the Group's investment in GENHK.

Revenue from RWS was marginally lower due to its gaming and non-gaming businesses whilst its adjusted EBITDA was comparable with that of the preceding quarter.

Higher adjusted EBITDA from RWG in the current quarter was due mainly to higher revenue.

Lower adjusted EBITDA from the casino business in UK was due mainly to higher payroll costs in the current quarter.

Higher revenue and net reversal of expenses over-accrued in previous periods contributed to a higher adjusted EBITDA for the leisure and hospitality business in the US and Bahamas compared with the preceding quarter.

The Plantation Division recorded higher adjusted EBITDA in the current quarter due mainly to stronger palm product selling prices as well as higher FFB production from Plantation-Indonesia.

The Power Division recorded an adjusted LBITDA in the current quarter due to lower construction profit and higher operating expenses incurred on the Banten Plant.

The higher adjusted EBITDA in the Oil & Gas Division was due mainly to higher average oil prices in the current quarter.

Higher adjusted EBITDA from “Investments & Others” segment in the current quarter was due mainly to higher net foreign exchange gains from net foreign currency denominated financial assets.

* *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 results for a detailed review of their respective performance.*

Listed subsidiaries	*Announcement date*
Genting Singapore PLC	*22 February 2017*
Genting Plantations Berhad	*22 February 2017*
Genting Malaysia Berhad	*23 February 2017*

3. **Prospects**

The performance of the Group for the 2017 financial year may be impacted as follows:

(a) In Malaysia, the GENM Group remains focused on the development of the Genting Integrated Tourism Plan (“GITP”), with some offerings opened last year. The remaining attractions and facilities under the GITP will open progressively in 2017. Meanwhile, the GENM Group will continue to improve on overall operational efficiencies and service delivery, as well as to optimise yield management and database marketing efforts to grow volume of business and visitations;

(b) With ongoing uncertainty in the macroeconomic and political environment, coupled with a difficult Asian gaming market, the GENS Group continues to adopt a measured approach in the VIP gaming business. The impairment of receivables relating to this business segment has reduced since it calibrated its credit policies and remodeled its commission structure. Profit margins have improved in this segment. Coupled with the GENS Group's marketing focus on growing the regional premium mass business, GENS is optimistic in delivering sustainable earnings growth. However, with the uncertain global political setting and its attendant effect that creates a volatile exchange rate regime, its marketing programs may be negatively impacted.

As one of Asia Pacific's most recognised and prominent tourism destinations, RWS has been a success story. It has continually refreshed its entertainment and visitor experiences, created new signature dining and marquee events and attracted more than 20 million visitors a year from across the region. Its integrated resort (“IR”) hotels have continued to outperform industry-wide matrices with consistently high room occupancy rate of more than 90% at stable average room rates. The Maritime Experiential Museum, which is Asia's only maritime silk-road themed edutainment institution, is scheduled to undergo a complete renovation and it will re-open with all-new content in end 2017.

In relation to the GENS Group's diversification plan, it is encouraged by the recent passage of the IR Promotion Bill in Japan. It continues to track the progress of the IR Execution Bill which will pave the way for the formal bidding process for a Japan gaming licence. The GENS Group has sufficient financial resources and is well placed to bid for this opportunity.

The GENS Group has completed a study of its capital structure, and over the next 3 years will execute a corporate finance strategy that fulfills its various investment requirements including IR projects, and yet maintaining an efficient capital funding model;

(c) In the UK, the non-premium players business has continued to perform commendably. The GENM Group remains committed to further strengthening its position in this segment and improving its business efficiency. While the premium players business remains a volatile segment, it has delivered encouraging results on a full year basis following the revised strategies adopted to reposition this part of the business. Emphasis will be placed on stabilising the operations and growing the business at Resorts World Birmingham as well as the online operation;

(d) In the US, RWNYC has maintained its position as the market leader in terms of gaming revenue in the Northeast US region despite growing regional competition, and has successfully achieved sustained business growth. The GENM Group will continue to step up its direct marketing efforts to increase visitations and frequency of play.

In the Bahamas, the GENM Group will focus on implementing targeted marketing initiatives to attract higher level of visitations and volume of business at the resort;

(e) For 2017, the prospects of the GENP Group's Plantation segment will largely be driven by the direction of palm oil prices and FFB production. Palm oil prices are in turn dictated by a combination of factors including the overall industry-wide production trend, changes in weather conditions and the resultant impact on crop productivity, the extent of demand from major importing countries, the direction of substitute commodities and crude oil prices, currency movements, global economic conditions and the progress of the implementation of biodiesel mandates in Malaysia and Indonesia.

On the FFB production front, the addition of newly-mature areas and the progress of existing mature areas into higher yielding brackets in Indonesia will remain the major growth drivers as output from Malaysia is expected to be muted amid the intensification of replanting activities;

(f) The construction of the Indonesian Banten coal fired power plant continues to progress towards its anticipated completion in the first half of 2017. The recognition of construction revenue and its cost for the final 5% of construction in accordance with IC Interpretation 12 will be in the quarter the power plant commences commercial operations. Contribution from the Jangi wind farm in Gujarat, India is expected to be lower as a result of the low wind season expected for the first four months of 2017; and

(g) The contribution from the Genting CDX Singapore Pte Ltd production oil field in the Chengdaoxi block in China is expected to improve compared with 2016 in view of the global recovery in oil prices and better than expected oil production coming from wells drilled in 2016. Work on the preparation of the Plan of Development ("POD") continues for the Kasuri block in Indonesia. The approval of the POD is targeted before the end of 2017.

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 2016 are set out below:

	Current quarter RM'000	**Current financial year-to-date RM'000**
Current taxation		
Malaysian income tax charge	47,100	357,891
Foreign income tax charge	97,719	370,781
	144,819	728,672
Deferred tax charge	233,941	329,679
	378,760	1,058,351
Prior period taxation		
Income tax over provided	(19,443)	(66,885)
	359,317	991,466

The effective tax rate of the Group for the current quarter and financial year ended 31 December 2016 was lower than the Malaysian statutory income tax rate due mainly to income not subject to tax and tax incentives, 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:

	Current quarter RM'000	Current financial year-to-date RM'000
Charges:		
Finance cost	167,599	678,830
Depreciation and amortisation	524,364	1,923,254
Impairment losses and write off of receivables	188,029	804,485
Impairment losses	110,482	188,244
Inventories written off	73	442
Intangible assets written off	80,141	80,141
Net fair value loss on derivative financial instruments	9,623	93,536
Credits:		
Interest income	274,273	1,024,490
Investment income	14,190	57,367
Reversal of previously recognised impairment losses	-	195,225
Net gain on disposal of property,plant and equipment	133,893	127,483
Gain on disposal of quoted available-for-sale financial assets	1,297,206	1,304,559
Gain on disposal of unquoted available-for-sale financial assets	4,917	2,399
Gain on deemed dilution of shareholding in associate	345	26,413
Net foreign exchange gain	319,442	96,488

7. **Status of Corporate Proposals Announced**

Proposed disposal of 95% equity interest in PT Permata Sawit Mandiri ("PT PSM") to PT Suryaborneo Mandiri ("PT SBM") for a total cash consideration of USD3,190,000 ("Proposed Disposal")

On 25 January 2017, GENP announced that Palma Citra Investama Pte Ltd, a 73.685% indirect subsidiary of GENP, had on 25 January 2017 entered into a conditional sale and purchase agreement with PT SBM, a related party, for the purpose of disposing 950 Series A shares and 34,100 Series B shares of IDR1,000,000 each in PT PSM for a cash consideration of USD3,190,000.

PT PSM will cease to be an indirect 70% owned subsidiary of GENP upon completion of the Proposed Disposal which is expected to be in the first quarter of 2017.

Other than the above, there were no other corporate proposals announced but not completed as at 16 February 2017.

8. **Group Borrowings and Debt Securities**

The details of the Group's borrowings and debt securities as at 31 December 2016 are as set out below:

	Secured/ Unsecured	Foreign Currency 'million		RM Equivalent 'million
Short term borrowings	Secured	USD	103.0	461.1
	Secured	SGD	185.3	573.5
	Unsecured	GBP	189.8	1,041.1
	Unsecured	USD	32.2	143.9
Long term borrowings	Secured	USD	1,122.8	5,026.4
	Secured	SGD	1,040.7	3,221.1
	Secured			63.8
	Unsecured	USD	100.0	447.7
	Unsecured			6,986.0

9. **Outstanding Derivatives**

As at 31 December 2016, the values and maturity analysis of the outstanding derivatives of the Group are as follows:

Types of Derivative	Contract/ Notional Value RM'million	Fair Value Assets/ (Liabilities) RM'million
Cross Currency Swaps		
USD	319.7	
- Less than 1 year		2.3
- 1 year to 3 years		14.6
- More than 3 years		98.6
SGD	185.7	
- Less than 1 year		(9.2)
- 1 year to 3 years		(15.8)
- More than 3 years		(35.6)
Interest Rate Swaps		
USD	3,048.8	
- Less than 1 year		(59.2)
- 1 year to 3 years		(80.7)
- More than 3 years		(99.2)
GBP	362.1	
- Less than 1 year		(4.0)
Forward Foreign Currency Exchange		
SGD	12.2	
- Less than 1 year		1.9
USD	92.7	
- Less than 1 year		2.5

There is no significant change for the financial derivatives in respect of the following since the last financial year ended 31 December 2015:

(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 quarter and current financial year ended 31 December 2016 are as follows:

Type of financial liabilities	Current quarter fair value gain RM'million	Current financial year-to-date fair value loss RM'million	Basis of fair value measurement	Reasons for the loss
Interest Rate Swaps	5.6	(0.4)	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.

11. **Changes in Material Litigation**

There were no pending material litigations since the last financial year ended 31 December 2015 and up to 16 February 2017.

12. **Dividend Proposed or Declared**

(a) i) The Board has declared a special single-tier dividend of 6.5 sen per ordinary share;

ii) The special single-tier dividend shall be payable on 30 March 2017;

iii) Entitlement to the special single-tier dividend:-

A Depositor shall qualify for entitlement to the special single-tier dividend only in respect of:-

- Shares transferred into Depositor's Securities Account before 4.00 p.m on 10 March 2017 in respect of ordinary transfer; and

- Shares bought on Bursa Securities on a cum entitlement basis according to the Main Market Listing Requirement of Bursa Securities.

(b) i) A final single-tier dividend for the financial year ended 31 December 2016 has been recommended by the Directors for approval by shareholders;

ii) The recommended final single-tier dividend, if approved, would amount to 6.0 sen per ordinary share;

iii) A final single-tier dividend of 3.5 sen per ordinary share of 10 sen each has been declared for the previous financial year ended 31 December 2015; and

iv) The date of payment of the recommended final single-tier dividend shall be determined by the Directors and announced at a later date; and

(c) Should the final single-tier dividend be approved at the forthcoming Annual General Meeting, the total dividend paid/payable for the current financial year ended 31 December 2016 would amount to 12.5 sen per ordinary share, comprising a special single-tier dividend of 6.5 sen per ordinary share and a proposed final single-tier dividend of 6.0 sen per ordinary share.

13. **Earnings Per Share (“EPS”)**

(a) The earnings used as the numerator in calculating basic and diluted EPS for the current quarter and current financial year ended 31 December 2016 is as follows:

	Current quarter RM’000	**Current financial year-to-date RM’000**
Profit for the financial period attributable to equity holders of the Company (used as numerator for the computation of Basic EPS)	1,143,706	2,146,482
Net impact on earnings on potential exercise of Performance Share Scheme awarded to executives of the Company’s subsidiary and warrants issued to shareholders of the Company’s subsidiary	(665)	(1,114)
Profit for the financial period attributable to equity holders of the Company (used as numerator for the computation of Diluted EPS)	1,143,041	2,145,368

(b) The weighted average number of ordinary shares used as the denominator in calculating basic and diluted EPS for the current quarter and current financial year ended 31 December 2016 is as follows:

	Current quarter No. of shares ‘000	**Current financial year-to-date No. of shares ‘000**
Weighted average number of ordinary shares in issue (used as denominator for the computation of Basic EPS)	3,723,700	3,720,518
Adjustment for potential conversion of warrants	-	21,873
Weighted average number of ordinary shares in issue (used as denominator for the computation of Diluted EPS)	3,723,700	3,742,391

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

The breakdown of the retained profits of the Group as at 31 December 2016, into realised and unrealised profits, pursuant to a directive issued by Bursa Securities on 25 March 2010 and 20 December 2010 is as follows:

	As at the end of current quarter RM'million	**As at the end of last financial year RM'million**
Total retained profits/(accumulated losses):		
- Realised	37,886.1	33,826.6
- Unrealised	(1,619.9)	(1,355.7)
	36,266.2	32,470.9
Total share of retained profits/(accumulated losses) from associates:		
- Realised	322.1	393.9
- Unrealised	5.0	(21.6)
Total share of retained profits from joint ventures:		
- Realised	220.7	228.7
- Unrealised	16.0	-
	36,830.0	33,071.9
Less: Consolidation adjustments	(11,513.2)	(10,062.8)
Total Group retained profits	25,316.8	23,009.1

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. **Exemption for Kien Huat Realty Sdn Berhad ("KHR") and persons acting in concert with it ("PACs") from the obligation to undertake a mandatory take-over**

On 6 November 2013, KHR and PACs obtained approval from the Securities Commission Malaysia to exempt KHR and PACs from the obligation to undertake a mandatory take-over offer on the remaining voting shares in the Company not already held by them upon the exercise of the warrants by KHR and/or PACs ("Exemption"). The Exemption is effective until:

(i) the full exercise of the 424,632,772 warrants subscribed by KHR and the PACs; or

(ii) the expiry of the warrants on 18 December 2018; or

(iii) the Exemption is no longer relevant when the collective shareholding of KHR and PACs is more than 50% of the voting shares or voting rights of the Company.

whichever occurs first.

As at 16 February 2017, KHR and PACs collectively hold 1,698,531,090 voting shares and 424,632,772 warrants in the Company representing approximately 45.61% and 57.88% of the total outstanding voting shares and warrants in the Company, and have not acquired any voting shares, voting rights or warrants since the Exemption came into effect on 6 November 2013, other than the 424,632,772 warrants subscribed by them under the non-renounceable restricted issue of new warrants in December 2013.

Assuming only KHR and PACs exercise their warrants in full (but not other warrant holders), then the total voting shares held by KHR and PACs will increase to 2,123,163,862 representing approximately 51.18% in the Company, and a mandatory take-over offer obligation for the remaining voting shares in the Company will not arise from the exercise of the warrants provided that the Exemption remains in effect.

16. **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 2015 did not contain any qualification.

17. **Approval of Financial Statements**

The condensed consolidated financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 23 February 2017.