



### THIRD QUARTERLY REPORT

Quarterly report on consolidated results for the third quarter ended 30 September 2017. The figures have not been audited.

### **CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017**

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Year Quarter 30/09/2017 RM'000	Preceding Year Corresponding Quarter 30/09/2016 RM'000 Restated	Current Year- To-Date 30/09/2017 RM'000	Preceding Year Corresponding Period 30/09/2016 RM'000 Restated
<b>Revenue</b>	<b>5,039,580</b>	4,683,695	<b>14,760,956</b>	13,612,751
Cost of sales	<b>(3,165,411)</b>	(3,011,724)	<b>(9,334,011)</b>	(9,444,079)
<b>Gross profit</b>	<b>1,874,169</b>	1,671,971	<b>5,426,945</b>	4,168,672
Other income	<b>382,173</b>	363,398	<b>1,721,771</b>	1,074,834
Net fair value loss on derivative financial instruments	<b>(18,698)</b>	(15,455)	<b>(42,824)</b>	(83,913)
Reversal of previously recognised impairment losses	-	195,225	-	195,225
Impairment losses	<b>(252,738)</b>	(16,082)	<b>(366,157)</b>	(77,762)
Other expenses	<b>(925,638)</b>	(556,037)	<b>(2,606,472)</b>	(1,990,023)
Finance cost	<b>(236,793)</b>	(164,089)	<b>(681,218)</b>	(511,231)
Share of results in joint ventures and associates	<b>(3,627)</b>	(40,824)	<b>(45,626)</b>	(64,983)
<b>Profit before taxation</b>	<b>818,848</b>	1,438,107	<b>3,406,419</b>	2,710,819
Taxation	<b>(282,675)</b>	(247,068)	<b>(824,336)</b>	(622,327)
<b>Profit for the period</b>	<b>536,173</b>	1,191,039	<b>2,582,083</b>	2,088,492
Profit attributable to:				
Equity holders of the Company	<b>191,127</b>	574,004	<b>1,245,175</b>	990,096
Holders of perpetual capital securities of a subsidiary	<b>78,694</b>	92,441	<b>259,477</b>	268,074
Non-controlling interests	<b>266,352</b>	524,594	<b>1,077,431</b>	830,322
	<b>536,173</b>	1,191,039	<b>2,582,083</b>	2,088,492
Earnings per share (sen) for profit attributable to equity holders of the Company:				
- Basic	<b>5.03</b>	15.41	<b>33.13</b>	26.62
- Diluted	<b>4.88</b>	15.31	<b>32.49</b>	26.39

*(The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016)*

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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017**

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Year Quarter 30/09/2017 RM'000	Preceding Year Corresponding Quarter 30/09/2016 RM'000 Restated	Current Year- To-Date 30/09/2017 RM'000	Preceding Year Corresponding Period 30/09/2016 RM'000 Restated
<b>Profit for the period</b>	<b>536,173</b>	1,191,039	<b>2,582,083</b>	2,088,492
<b>Other comprehensive income/(loss)</b>				
<b>Item that will not be reclassified subsequently to profit or loss:</b>				
Actuarial gain on retirement benefit liability	<u>1,561</u>	-	<u>1,561</u>	-
	<u>1,561</u>	-	<u>1,561</u>	-
<b>Items that will be reclassified subsequently to profit or loss:</b>				
Available-for-sale financial assets				
- Fair value loss	(113,037)	(93,929)	(10,218)	(436,692)
- Reclassification to profit or loss	52,549	(4,945)	(165,926)	39,819
Cash flow hedges				
- Fair value gain/(loss)	19,627	10,601	29,541	(94,251)
- Reclassifications	(4,228)	-	(12,343)	-
Share of other comprehensive (loss)/income of joint ventures and associates	(20,788)	5,393	(54,436)	(25,402)
Net foreign currency exchange differences	<u>(81,826)</u>	836,109	<u>(987,006)</u>	(1,784,982)
	<u>(147,703)</u>	753,229	<u>(1,200,388)</u>	(2,301,508)
<b>Other comprehensive (loss)/income for the period, net of tax</b>	<b>(146,142)</b>	753,229	<b>(1,198,827)</b>	(2,301,508)
<b>Total comprehensive income/(loss) for the period</b>	<b>390,031</b>	1,944,268	<b>1,383,256</b>	(213,016)
Total comprehensive (loss)/income attributable to:				
Equity holders of the Company	(4,235)	1,029,403	235,016	(452,617)
Holders of perpetual capital securities of a subsidiary	124,539	187,905	299,654	189,743
Non-controlling interests	269,727	726,960	848,586	49,858
	<u>390,031</u>	1,944,268	<u>1,383,256</u>	(213,016)

*(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016)*

**GENTING BERHAD**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2017**

	As At 30 Sept 2017 RM'000	As At 31 Dec 2016 RM'000 Restated
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	35,825,075	34,783,543
Land held for property development	375,623	378,931
Investment properties	2,067,618	2,099,651
Leasehold land use rights	486,187	495,758
Intangible assets	6,135,641	6,527,377
Rights of use of oil and gas assets	4,230,979	4,674,855
Joint ventures	1,256,687	1,284,790
Associates	813,313	1,023,322
Available-for-sale financial assets	1,919,512	2,116,993
Derivative financial instruments	519	114,097
Deferred tax assets	217,249	238,890
Other non-current assets	6,047,847	6,164,241
	<b>59,376,250</b>	<b>59,902,448</b>
<b>CURRENT ASSETS</b>		
Property development costs	51,708	50,006
Inventories	595,138	583,026
Trade and other receivables	2,437,174	2,479,176
Amounts due from joint ventures and associates	9,158	10,733
Financial assets at fair value through profit or loss	8,562	10,799
Available-for-sale financial assets	1,017,921	1,619,735
Derivative financial instruments	939	7,708
Restricted cash	937,932	565,106
Cash and cash equivalents	29,403,729	25,318,527
	<b>34,462,261</b>	<b>30,644,816</b>
Assets classified as held for sale	33,903	1,600,918
	<b>34,496,164</b>	<b>32,245,734</b>
	<b>93,872,414</b>	<b>92,148,182</b>
<b>TOTAL ASSETS</b>		
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	2,795,947	375,002
Treasury shares	(221,206)	(221,206)
Reserves	32,232,139	34,430,257
	<b>34,806,880</b>	<b>34,584,053</b>
Perpetual capital securities of a subsidiary	1,540,037	7,144,850
Non-controlling interests	23,380,509	23,580,630
<b>TOTAL EQUITY</b>	<b>59,727,426</b>	<b>65,309,533</b>
<b>NON-CURRENT LIABILITIES</b>		
Long term borrowings	22,261,656	15,745,048
Deferred tax liabilities	2,072,621	2,071,127
Derivative financial instruments	186,800	232,186
Other non-current liabilities	522,672	822,424
	<b>25,043,749</b>	<b>18,870,785</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	5,824,651	5,193,984
Amounts due to joint ventures	101,612	127,976
Short term borrowings	2,192,246	2,219,637
Derivative financial instruments	57,367	73,384
Taxation	589,574	341,814
Dividend payable	324,286	-
	<b>9,089,736</b>	<b>7,956,795</b>
Liabilities classified as held for sale	11,503	11,069
	<b>9,101,239</b>	<b>7,967,864</b>
<b>TOTAL LIABILITIES</b>	<b>34,144,988</b>	<b>26,838,649</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>93,872,414</b>	<b>92,148,182</b>
<b>NET ASSETS PER SHARE (RM)</b>	<b>9.10</b>	<b>9.29</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 2016)*

**GENTING BERHAD**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017**

	← 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 2017, as previously reported	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
Effects of change in accounting policy (see Note (I) (a))	-	-	-	-	-	-	(6,895)	(213,115)	-	(220,010)	-	(223,806)	(443,816)
At 1 January 2017, as restated	375,002	1,481,249	1,098,684	293,012	384,336	(85,317)	6,154,573	25,103,720	(221,206)	34,584,053	7,144,850	23,580,630	65,309,533
Transfer from share premium (see Note below)	1,481,249	(1,481,249)	-	-	-	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	-	-	-	1,245,175	-	1,245,175	259,477	1,077,431	2,582,083
Other comprehensive (loss)/income	-	-	-	-	(149,581)	9,327	(870,535)	630	-	(1,010,159)	40,177	(228,845)	(1,198,827)
Total comprehensive (loss)/income for the period	-	-	-	-	(149,581)	9,327	(870,535)	1,245,805	-	235,016	299,654	848,586	1,383,256
Transfer due to realisation of revaluation reserve	-	-	-	(246)	-	-	-	246	-	-	-	-	-
Effects arising from changes in composition of the Group	-	-	-	-	-	-	-	10,683	-	10,683	-	36,325	47,008
Transfer upon expiry of share option scheme of a subsidiary	-	-	-	-	-	-	-	197	-	197	-	(197)	-
Effects of share-based payment	-	-	-	-	-	-	-	-	-	-	-	62,844	62,844
Issue of shares upon exercise of warrants	939,696	-	(148,794)	-	-	-	-	-	-	790,902	-	-	790,902
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(1,128,869)	(1,128,869)
Perpetual capital securities distribution payable and paid by a subsidiary	-	-	-	-	-	-	-	-	-	-	(363,189)	-	(363,189)
Redemption of perpetual capital securities, net of transaction costs by a subsidiary	-	-	-	-	-	-	-	(32,492)	-	(32,492)	(5,541,278)	(29,003)	(5,602,773)
Tax credit arising from perpetual capital securities of a subsidiary	-	-	-	-	-	-	-	11,422	-	11,422	-	10,193	21,615
Appropriation:													
Special single-tier dividend for financial year ended 31 December 2016	-	-	-	-	-	-	-	(242,041)	-	(242,041)	-	-	(242,041)
Final single-tier dividend for financial year ended 31 December 2016	-	-	-	-	-	-	-	(226,574)	-	(226,574)	-	-	(226,574)
Interim single-tier dividend for financial year ending 31 December 2017	-	-	-	-	-	-	-	(324,286)	-	(324,286)	-	-	(324,286)
<b>Balance at 30 September 2017</b>	<b>2,795,947</b>	<b>-</b>	<b>949,890</b>	<b>292,766</b>	<b>234,755</b>	<b>(75,990)</b>	<b>5,284,038</b>	<b>25,546,680</b>	<b>(221,206)</b>	<b>34,806,880</b>	<b>1,540,037</b>	<b>23,380,509</b>	<b>59,727,426</b>

**Note**

With the Companies Act 2016 ("the Act") that came into effect on 31 January 2017, the credit standing in the share premium account of RM1,481.2 million has been transferred to share capital account. Pursuant to subsection 618(3) of the Act, the Group may exercise its right to use the amount standing to the credit of its share premium within 24 months after the commencement of the Act. The Board of Directors will make a decision thereon before 31 January 2019. The balance of RM2,795.9 million in share capital represents 3,849.4 million ordinary shares.

(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 2016)

**GENTING BERHAD**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 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, as previously reported	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
Effects of change in accounting policy (see Note (l) (a))	-	-	-	-	-	-	(2,593)	(195,259)	-	(197,852)	-	(188,800)	(386,652)
At 1 January 2016, as restated	374,320	1,417,380	1,108,905	301,167	948,462	(203,303)	5,878,727	22,813,814	(219,597)	32,419,875	7,071,496	22,913,005	62,404,376
Profit for the period	-	-	-	-	-	-	-	990,096	-	990,096	268,074	830,322	2,088,492
Other comprehensive loss	-	-	-	-	(237,780)	(77,999)	(1,118,681)	(8,253)	-	(1,442,713)	(78,331)	(780,464)	(2,301,508)
Total comprehensive (loss)/income for the period	-	-	-	-	(237,780)	(77,999)	(1,118,681)	981,843	-	(452,617)	189,743	49,858	(213,016)
Transfer due to realisation of revaluation reserve	-	-	-	(1,282)	-	-	-	1,282	-	-	-	-	-
Effects arising from changes in composition of the Group	-	-	-	-	-	117,014	-	301,857	-	418,871	-	47,852	466,723
Transfer upon expiry of share option scheme of a subsidiary	-	-	-	-	-	-	-	3,835	-	3,835	-	(3,835)	-
Effects of share-based payment	-	-	-	-	-	-	-	-	-	-	-	62,938	62,938
Issue of shares upon exercise of warrants	682	63,856	(10,219)	-	-	-	-	-	-	54,319	-	-	54,319
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(487,218)	(487,218)
Buy-back of shares by the Company	-	-	-	-	-	-	-	-	(1,609)	(1,609)	-	-	(1,609)
Perpetual capital securities distribution payable and paid by a subsidiary	-	-	-	-	-	-	-	-	-	-	(354,469)	-	(354,469)
Tax credit arising from perpetual capital securities of a subsidiary	-	-	-	-	-	-	-	19,543	-	19,543	-	17,401	36,944
Appropriation: Final single-tier dividend for financial year ended 31 December 2015	-	-	-	-	-	-	-	(130,333)	-	(130,333)	-	-	(130,333)
<b>Balance at 30 September 2016</b>	<b>375,002</b>	<b>1,481,236</b>	<b>1,098,686</b>	<b>299,885</b>	<b>710,682</b>	<b>(164,288)</b>	<b>4,760,046</b>	<b>23,991,841</b>	<b>(221,206)</b>	<b>32,331,884</b>	<b>6,906,770</b>	<b>22,600,001</b>	<b>61,838,655</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 2016)*

**GENTING BERHAD**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017**

	Current Year-To-Date RM'000	Preceding Year Corresponding Period RM'000 Restated
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	3,406,419	2,710,819
Adjustments for:		
Depreciation and amortisation	1,579,680	1,456,276
Finance cost	681,218	511,231
Net exchange loss – unrealised	375,138	219,451
Impairment losses	366,157	77,762
Impairment and write off of receivables	157,024	616,456
Assets written off	106,376	16,724
Share of results in joint ventures and associates	45,626	64,983
Net fair value loss on derivative financial instruments	42,824	83,913
Interest income	(711,011)	(750,217)
Gain on disposal of assets and liabilities classified as held for sale	(302,173)	-
Net gain on disposal of available-for-sale financial assets	(224,921)	(4,835)
Construction profit	(58,645)	(100,657)
Investment income	(29,660)	(43,177)
Reversal of previously recognised impairment losses	-	(195,225)
Other non-cash items	116,769	24,835
	<u>2,144,402</u>	<u>1,977,520</u>
<b>Operating profit before changes in working capital</b>	<b>5,550,821</b>	<b>4,688,339</b>
Net change in current assets	(55,664)	737,116
Net change in current liabilities	287,327	(412,243)
	<u>231,663</u>	<u>324,873</u>
<b>Cash generated from operations</b>	<b>5,782,484</b>	<b>5,013,212</b>
Tax paid (net of tax refund)	(530,561)	(557,379)
Onerous lease paid	(93,382)	-
Retirement gratuities paid	(4,335)	(1,884)
Other operating activities	-	(874)
	<u>(628,278)</u>	<u>(560,137)</u>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>5,154,206</b>	<b>4,453,075</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(2,716,059)	(2,710,373)
Increase in investments, intangible assets and other long term financial assets	(274,983)	(1,563,355)
Proceeds from disposal of assets and liabilities classified as held for sale	1,871,289	-
Proceeds from disposal of investments	721,990	35,970
Interest received	407,721	304,165
Proceeds from disposal of property, plant and equipment	3,993	274,986
Acquisitions of subsidiaries	-	(106,754)
Proceeds from redemption of unquoted preference shares in a Malaysian corporation by a subsidiary	-	100,000
Other investing activities	107,672	(23,127)
	<u>121,623</u>	<u>(3,688,488)</u>
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES</b>	<b>121,623</b>	<b>(3,688,488)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Redemption of perpetual capital securities by a subsidiary	(5,602,773)	-
Repayment of borrowings and transaction costs	(2,852,766)	(3,399,513)
Dividends paid to non-controlling interests	(992,173)	(393,610)
Finance cost paid	(729,422)	(494,039)
Dividends paid	(468,615)	(130,333)
Restricted cash	(364,261)	63,719
Perpetual capital securities distribution paid by a subsidiary	(326,914)	(319,162)
Proceeds from bank borrowings and issuance of Medium Term Notes from a subsidiary	5,429,250	2,446,142
Proceeds from issuance of Notes from a subsidiary	4,465,744	-
Proceeds from issue of shares upon exercise of warrants	790,902	54,319
Buy-back of shares by the Company and subsidiaries	-	(3,973)
Proceeds from changes in ownership interest in subsidiary	-	488,870
Other financing activities	136,672	73,487
	<u>(514,356)</u>	<u>(1,614,093)</u>
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(514,356)</b>	<b>(1,614,093)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>4,761,473</b>	<b>(849,506)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD</b>	<b>25,318,527</b>	<b>23,612,902</b>
<b>EFFECTS OF CURRENCY TRANSLATION</b>	<b>(676,271)</b>	<b>(419,219)</b>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<b>29,403,729</b>	<b>22,344,177</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>		
Bank balances and deposits	23,056,619	19,019,248
Money market instruments	6,347,110	3,324,929
	<u>29,403,729</u>	<u>22,344,177</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 2016)*

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

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

The interim financial report is unaudited and has been prepared in accordance with FRS 134 “Interim Financial Reporting” and paragraph 9.22 of Bursa Malaysia Securities Berhad (“Bursa Securities”) Listing Requirements. The financial information for the current quarter and nine months ended 30 September 2017 have been reviewed by the Company’s auditor in accordance with the International Standards on Review Engagements (“ISRE”) 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2016. 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 2016 except for:

- (i) the adoption of new FRSs and amendments that are mandatory for the Group for the financial year beginning 1 January 2017;
- (ii) the inclusion of an accounting policy statement in respect of revenue earned from capacity payment from power generation; and
- (iii) the change in accounting policy for oil palm bearer plants.

**Adoption of new FRSs and amendments**

This is in respect of :

- Amendments to FRS 107 “Statement of Cash Flows” – Disclosure Initiative.
- Amendments to FRS 112 “Income Taxes” – Recognition of Deferred Tax Assets for Unrealised Losses.

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

**Accounting policy on capacity payment**

This is in respect of the recognition of capacity payment on the 660-MW coal-fired power plant in the Banten Province, West Java, Indonesia (“Banten Plant”). The capacity payment represents finance income recognised using the effective interest method on the amount receivable from the offtaker of the Banten Plant.

**Change in accounting policy for oil palm bearer plants**

As reported in the previous quarter, the Group has changed its accounting policy for bearer plants to be in accordance with the accounting requirements of FRS 116 “Property, Plant and Equipment”. A bearer plant is a living plant that is used in the production or supply of agricultural produce, is expected to bear produce for more than one period and has a remote likelihood of being sold as agricultural produce, except for incidental scrap sales.

Prior to the change in accounting policy, the Group adopted the capital maintenance model on its bearer plants (i.e. oil palm trees) where all new planting expenditure (also termed as plantation development expenditure) incurred from the stage of land clearing up to the stage of maturity was capitalised and not depreciated. Replanting expenditure was charged to profit or loss in the financial year in which the expenditure was incurred.

Under the revised accounting policy, bearer plants are classified as property, plant and equipment and are accounted for in the same way as self-constructed items of property, plant and equipment. Plantation development and replanting expenditures are capitalised at cost and depreciated on a straight-line basis over its useful life of 22 years from the date of maturity. The bearer plants are subsequently measured at cost less accumulated depreciation and accumulated impairment loss, if any. The new accounting policy is more aligned with the underlying principle in the revised standard, Agriculture: Bearer Plants (Amendments to MFRS 116 “Property, Plant and Equipment” and MFRS 141 “Agriculture”) issued under the Malaysian Financial Reporting Standards (“MFRS”) Framework.

The change in accounting policy has been applied retrospectively and comparatives were restated. The change has resulted in additional depreciation charges to profit or loss in the current and previous quarters. The replanting expenditure that was charged to profit or loss in the previous quarters as other expenses is reversed and capitalised under property, plant and equipment. The corresponding tax impacts have been accounted for.

Plantation development expenditure has been reclassified to property, plant and equipment on the condensed consolidated statement of financial position.

Cash flows from replanting expenditures which were previously classified as part of operating activities are classified as part of investing activities in the statement of cash flows under the new accounting policy.

The effects of the change in accounting policy on the comparatives are as follows:

### Condensed Consolidated Income Statement

	<u>As previously reported</u>	<u>Adjustments</u>	<u>Restated</u>
	RM'000	RM'000	RM'000
<b><u>Quarter ended 30 September 2016</u></b>			
Cost of sales	(2,992,005)	(19,719)	(3,011,724)
Other expenses	(561,841)	5,804	(556,037)
Profit before taxation	1,452,022	(13,915)	1,438,107
Taxation	(251,266)	4,198	(247,068)
Profit for the period	1,200,756	(9,717)	1,191,039
Profit/(loss) attributable to:			
Equity holders of the Company	577,210	(3,206)	574,004
Non-controlling interests	531,105	(6,511)	524,594
Earnings per share (sen):			
- Basic	15.50	(0.09)	15.41
- Diluted	15.40	(0.09)	15.31
<b><u>Nine months ended 30 September 2016</u></b>			
Cost of sales	(9,386,693)	(57,386)	(9,444,079)
Other expenses	(2,007,112)	17,089	(1,990,023)
Profit before taxation	2,751,116	(40,297)	2,710,819
Taxation	(632,149)	9,822	(622,327)
Profit for the period	2,118,967	(30,475)	2,088,492
Profit/(loss) attributable to:			
Equity holders of the Company	1,002,776	(12,680)	990,096
Non-controlling interests	848,117	(17,795)	830,322
Earnings per share (sen):			
- Basic	26.96	(0.34)	26.62
- Diluted	26.72	(0.33)	26.39

### Condensed Consolidated Statement of Financial Position

#### **As at 31 December 2016**

#### **Non-current assets**

Property, plant and equipment	32,667,577	2,115,966	34,783,543
Plantation development	2,513,605	(2,513,605)	-

#### **Non-current liabilities**

Deferred tax liabilities	2,024,950	46,177	2,071,127
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#### **Equity**

Reserves	34,650,267	(220,010)	34,430,257
Non-controlling interests	23,804,436	(223,806)	23,580,630

<b>Net assets per share (RM)</b>	9.35	(0.06)	9.29
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## Condensed Consolidated Statement of Financial Position

	<u>As previously reported</u>	<u>Adjustments</u>	<u>Restated</u>
	RM'000	RM'000	RM'000
<b><u>As at 1 January 2016</u></b>			
<b>Non-current assets</b>			
Property, plant and equipment	31,139,374	1,824,182	32,963,556
Plantation development	2,154,922	(2,154,922)	-
<b>Non-current liabilities</b>			
Deferred tax liabilities	1,891,794	55,912	1,947,706
<b>Equity</b>			
Reserves	32,463,004	(197,852)	32,265,152
Non-controlling interests	23,101,805	(188,800)	22,913,005
<b>Net assets per share (RM)</b>	<b>8.78</b>	<b>(0.06)</b>	<b>8.72</b>

## Condensed Consolidated Statement of Cash Flows

### **Nine months ended 30 September 2016**

#### **Cash flows from operating activities**

Profit before taxation	2,751,116	(40,297)	2,710,819
Depreciation and amortisation	1,398,890	57,386	1,456,276

#### **Cash flows from investing activities**

Purchase of property, plant and equipment	(2,552,986)	(157,387)	(2,710,373)
Increase in investments, intangible assets and other long term financial assets	(1,703,653)	140,298	(1,563,355)

### **Malaysian Financial Reporting Standards**

On 19 November 2011, the Malaysian Accounting Standards Board ("MASB") issued a new MASB approved accounting framework, the 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**

On 3 January 2017, Genting Singapore PLC ("GENS") Group, an indirect 52.8% subsidiary of the Company, completed the disposal of its interest in its former associate, Landing Jeju Development Co., Ltd, at a cash consideration of RM1,871.3 million (SGD596.3 million). The Group has recognised a gain on disposal of RM302.2 million (SGD96.3 million) for the nine months ended 30 September 2017.

Other than the above and the disclosures in Note (e) ii), iii) and iv) below, there were no other unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group for the nine months ended 30 September 2017.

(d) **Material Changes in Estimates**

Genting Malaysia Berhad (“GENM”) Group, which is 49.3% owned by the Company, has conducted a review of the estimated useful lives of its assets in line with its business operations and consequently, the depreciation and amortisation expense of property, plant and equipment in GENM Group has reduced by RM59.1 million in the current quarter.

Other than the above, there were no significant changes made in estimates of amounts reported in prior financial years.

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

- i) During the nine months ended 30 September 2017, the Company issued 99,359,574 new ordinary shares for cash arising from the exercise of warrants at exercise price of RM7.96 per ordinary share.
- ii) On 24 January 2017, GOHL Capital Limited (“GOHL Capital”), an indirect wholly owned subsidiary of the Company, issued USD1 billion 4.25% guaranteed notes due 2027 (the “Notes”) with interest payable semi-annually. The Notes were listed on The Stock Exchange of Hong Kong Limited on 25 January 2017.
- iii) On 31 March 2017, GENM Capital Berhad, a wholly owned subsidiary of GENM, issued RM2.6 billion in nominal value of Medium Term Notes (“MTN”) for working capital and funding of the development of Genting Integrated Tourism Plan (“GITP”). The issuance comprises RM1.25 billion 5-year MTN at coupon rate of 4.78% per annum, RM1.1 billion 10-year MTN at coupon rate of 4.98% per annum and RM0.25 billion 15-year MTN at coupon rate of 5.20% per annum under its MTN Programme which is guaranteed by GENM. The coupons are payable semi-annually.
- iv) On 12 September 2017, GENS redeemed SGD1.8 billion of its 5.125% Perpetual Subordinated Capital Securities.

Other than the above, there were no other issuance, cancellation, share buy-back, resale and repayment of debt securities or equity securities for the nine months ended 30 September 2017.

(f) **Dividends Paid**

Dividends paid during the nine months ended 30 September 2017 are as follows:

	<b>RM'000</b>
i) Special single-tier dividend paid on 30 March 2017 for the financial year ended 31 December 2016	
- 6.5 sen per ordinary share	242,041
ii) Final single-tier dividend paid on 23 June 2017 for the financial year ended 31 December 2016	
- 6.0 sen per ordinary share	226,574
	<u>468,615</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 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 nine months ended 30 September 2017 is set out below:

RM'million	Leisure & Hospitality				Plantation				Power*	Property	Oil & Gas	Investments & Others	Total	
	Malaysia	Singapore	United Kingdom	United States of America and Bahamas	Total	Malaysia	Indonesia	Downstream Manufacturing						Total
<b>Revenue</b>														
Total revenue	4,895.7	5,664.2	1,394.9	1,129.1	13,083.9	689.0	407.2	477.9	1,574.1	763.9	152.5	231.5	279.3	16,085.2
Inter/intra segment	(757.4)	(0.8)	-	-	(758.2)	(358.9)	-	-	(358.9)	-	(7.4)	(4.8)	(194.9)	(1,324.2)
External	<u>4,138.3</u>	<u>5,663.4</u>	<u>1,394.9</u>	<u>1,129.1</u>	<u>12,325.7</u>	<u>330.1</u>	<u>407.2</u>	<u>477.9</u>	<u>1,215.2</u>	<u>763.9</u>	<u>145.1</u>	<u>226.7</u>	<u>84.4</u>	<u>14,761.0</u>
<b>Adjusted EBITDA</b>	<u>1,613.0</u>	<u>2,830.3</u>	<u>167.2</u>	<u>193.8</u>	<u>4,804.3</u>	<u>289.3</u>	<u>139.7</u>	<u>4.9</u>	<u>433.9</u>	<u>293.3</u>	<u>58.7</u>	<u>158.7</u>	<u>(583.4)</u>	<u>5,165.5</u>
Main foreign currency	RM	SGD	GBP	USD		RM	^IDR	RM		^IDR	RM/USD	^RMB		
Exchange ratio of 1 unit/ 100 units^ of foreign currency to RM		3.1272	5.5402	4.3475			0.0326			0.0326	4.3475	63.8328		

RM'million

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

Adjusted EBITDA	5,165.5
Net fair value loss on derivative financial instruments	(42.8)
Net gain on disposal of available-for-sale financial assets	224.9
Gain on disposal of assets and liabilities classified as held for sale	302.2
Impairment losses	(366.2)
Depreciation and amortisation	(1,579.7)
Interest income	711.0
Finance cost	(681.2)
Share of results in joint ventures and associates	(45.6)
Others **	(281.7)
<b>Profit before taxation</b>	<b><u>3,406.4</u></b>

\* Revenue and adjusted EBITDA for the nine months ended 30 September 2017 comprised revenue and adjusted EBITDA from:

- (i) the construction and development of the 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 RM183.3 million and RM124.7 million respectively, have been disclosed under the "Power" segment in the consolidated income statement for the nine months ended 30 September 2017 thereby generating a construction profit of RM58.6 million; and
- (ii) sale of electricity by the Indonesian coal-fired power plant following the start of commercial operations on 28 March 2017.

\*\* 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					Plantation				Power	Property	Oil & Gas	Investments & Others	Total
	Malaysia	Singapore	United Kingdom	United States of America and Bahamas	Total	Malaysia	Indonesia	Downstream Manufacturing	Total					
Segment Assets	10,909.8	17,019.8	5,047.1	7,341.3	40,318.0	1,259.1	3,450.7	446.2	5,156.0	5,329.9	2,876.7	4,807.3	4,840.6	63,328.5
Segment Liabilities	2,392.1	1,310.3	556.4	374.5	4,633.3	99.0	126.5	13.4	238.9	861.5	181.4	689.5	311.3	6,915.9
Main foreign currency	RM	SGD	GBP	USD		RM	^IDR	RM		^IDR	RM/USD	^RMB/^IDR		
Exchange ratio of 1 unit/ 100 units^ of foreign currency to RM		3.1127	5.6827	4.1985			0.0315			0.0315	4.1985	63.4401 / 0.0315		

RM'million

A reconciliation of segment assets to total assets is as follows:

Segment assets	63,328.5
Interest bearing instruments	28,082.2
Joint ventures	1,256.7
Associates	813.3
Unallocated corporate assets	357.8
Assets classified as held for sale	33.9
<b>Total assets</b>	<b>93,872.4</b>

A reconciliation of segment liabilities to total liabilities is as follows:

Segment liabilities	6,915.9
Interest bearing instruments	24,555.4
Unallocated corporate liabilities	2,662.2
Liabilities classified as held for sale	11.5
<b>Total liabilities</b>	<b>34,145.0</b>

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

During the nine months ended 30 September 2017, acquisitions and disposals of property, plant and equipment by the Group were RM2,565.6 million and RM2.1 million respectively.

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

- i) On 11 October 2017, the Company announced that on 10 October 2017, GOHL Capital has completed the book-building process and priced an offering of USD500 million 4.25% guaranteed notes due 2027 ("Further Notes"), which will constitute a further issuance of, and be consolidated and form a single series with, the existing USD1 billion principal amount of notes that were originally issued by GOHL Capital on 24 January 2017 (as disclosed in Note (e) ii) above). On 19 October 2017, the Company further announced that the Further Notes have been issued by GOHL Capital on 17 October 2017 and listed on The Stock Exchange of Hong Kong Limited on 18 October 2017.
- ii) On 24 October 2017, GENS announced that it has successfully completed the issuance of the publicly offered unsecured and unsubordinated Japanese Yen-denominated bonds of 20 billion Yen in Japan. The proceeds of the bonds will be utilised by GENS's Japan branch as necessary from time to time for working capital and general corporate purposes in Japan.

Other than the disclosure of the above and the disclosure in Note 7(i) in Part II of this interim financial report, there were no other material events subsequent to the end of the nine months ended 30 September 2017 that have not been reflected in this interim report.

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

- i) As disclosed in Note (c) above, on 3 January 2017, GENS Group completed the disposal of its interest in its former associate, Landing Jeju Development Co., Ltd.
- ii) On 16 March 2017, Genting Plantations Berhad ("GENP") Group, which is 51.6% owned by the Company, completed the disposal of its 70% effective interest in PT Permata Sawit Mandiri to PT Suryaborneo Mandiri, a related party, for a cash consideration of USD3,190,000. The financial effects of the disposal have been included in the Condensed Consolidated Statement of Changes in Equity for the nine months ended 30 September 2017.

Other than the above, there were no other material changes in the composition of the Group for the nine months ended 30 September 2017.

(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 2016.

(l) **Capital Commitments**

Authorised capital commitments not provided for in the interim financial statements as at 30 September 2017 are as follows:

	<b>RM'million</b>
Contracted	4,262.7
Not contracted	18,439.8
	<u>22,702.5</u>
Analysed as follows:	
- Property, plant and equipment	22,283.0
- Investments	294.8
- Rights of use of oil and gas assets	62.5
- Intangible assets	41.3
- Leasehold land use rights	20.9
	<u>22,702.5</u>

(m) **Significant Related Party Transactions**

Significant related party transactions which were entered into on agreed terms and prices for the current quarter and nine months ended 30 September 2017 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 2016 and the approved shareholders' mandates for recurrent related party transactions.

<u>Group</u>	<b>Current quarter RM'000</b>	<b>Current financial Year-to-date 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 ("GENHK") Group.	<u>7</u>	<u>20</u>
ii) Licensing fee for the use of the name "Genting" charged by wholly owned subsidiaries of the Company to Genting Simon Sdn Bhd.	<u>160</u>	<u>440</u>
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").	<u>24</u>	<u>67</u>
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.	<u>3,152</u>	<u>13,514</u>
v) Interest income earned by indirect subsidiaries from their associates.	<u>3,347</u>	<u>9,452</u>
vi) Provision of management services by Genting Awanpura Sdn Bhd, a wholly owned subsidiary of GENP, to Genting Simon Sdn Bhd.	<u>119</u>	<u>383</u>
vii) Sale of RBD palm products by Genting MusimMas Refinery Sdn Bhd to Inter-Continental Oils & Fats Pte Ltd.	<u>112,939</u>	<u>290,460</u>
viii) Sale of fresh fruit bunches by PT Agro Abadi Cemerlang to Sepanjang Group.	<u>4,499</u>	<u>5,067</u>
ix) 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.	<u>18,707</u>	<u>58,063</u>
x) Rental charges by Genting Development Sdn Bhd to GENM Group.	<u>125</u>	<u>852</u>
xi) Provision of management and consultancy services on theme park and resort development operations by International Resort Management Services Pte Ltd ("IRMS") to GENM and an indirect wholly owned subsidiary of the Company.	<u>4,663</u>	<u>9,661</u>

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

	<b>Current quarter RM'000</b>	<b>Current financial Year-to-date RM'000</b>
<b><u>Group</u></b>		
xii) Rental charges for premises by GENM Group to Warisan Timah Holdings Sdn Bhd.	543	1,660
xiii) Provision of water supply services by an entity connected with shareholder of BB Entertainment Ltd ("BBEL") to GENM Group.	1,123	2,638
xiv) Provision of maintenance services by entities connected with shareholder of BBEL to GENM Group.	2,242	11,250
xv) Rental charges for office space by GENM Group to GENHK Group.	1,781	3,660
xvi) Provision of construction services by an entity connected with shareholder of BBEL to GENM Group.	1,218	7,690
xvii) Purchase of rooms by GENM Group from an entity connected with shareholder of BBEL.	134	792
xviii) Licensing fee for the use of Internet Gaming System platform in the United Kingdom charged by RWI Group to GENM Group.	275	818
xix) Provision of aviation related services by GENM Group to GENHK Group.	350	695
xx) Provision of information technology consultancy, development, implementation, support and maintenance services and other management services by GENM Group to GENHK Group.	132	854
xxi) Rental income for GENM Group for rooftop of a car park building from Genting Highlands Premium Outlets Sdn Bhd ("GHPO").	-	4,200
xxii) Purchase of electronic table games by GENM Group from RWI Group.	-	6,753
xxiii) Provision of utilities, maintenance and security services by GENM Group to GHPO.	1,094	1,098
xxiv) Sale of goods and services by GENS Group to GENHK Group.	1,300	4,323
xxv) Purchase of goods and services by GENS Group from GENHK Group.	2,160	6,504

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

	<b>Current quarter RM'000</b>	<b>Current financial Year-to-date RM'000</b>
<b><u>Group</u></b>		
xxvi) Sale of goods and services by GENS Group to DCP (Sentosa) Pte Ltd.	956	2,699
xxvii) Purchase of goods and services by GENS Group from DCP (Sentosa) Pte Ltd.	14,554	43,449
xxviii) Sale of goods and services by GENS Group to IRMS.	201	602
xxix) Purchase of goods and services by GENS Group from IRMS.	582	1,163
<b><u>Company</u></b>		
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.	49,798	148,256
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.	88,916	288,537
iii) Finance cost charged by subsidiaries to the Company on the interest bearing portion of the amount due to subsidiaries.	45,357	134,821
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.	576	2,182
v) Rental charges for office space and related services by a subsidiary of GENM.	683	2,034
vi) Provision of management and/or support services by the Company to its subsidiaries, associates and joint ventures.	4,501	13,267



(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 30 September 2017, the Group's financial instruments measured and recognised at fair value on a recurring basis are as follows:

<b>RM'million</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets</b>				
Financial assets at fair value through profit or loss	8.6	-	-	8.6
Available-for-sale financial assets	703.4	800.0	1,434.0	2,937.4
Derivative financial instruments	-	1.5	-	1.5
	<u>712.0</u>	<u>801.5</u>	<u>1,434.0</u>	<u>2,947.5</u>
<b>Financial liability</b>				
Derivative financial instruments	-	244.2	-	244.2

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared with the last financial year ended 31 December 2016.

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

<b>Available-for-sale financial assets</b>	<b>RM'million</b>
As at 1 January 2017	1,614.0
Foreign exchange differences	(106.1)
Additions	33.8
Fair value changes – recognised in other comprehensive income	(129.1)
Investment income and interest income	21.4
<b>As at 30 September 2017</b>	<u><b>1,434.0</b></u>

There have been no transfers between the levels of the fair value hierarchy during the nine months ended 30 September 2017.

**GENTING BERHAD**  
**ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES – THIRD QUARTER ENDED 30 SEPTEMBER 2017**

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

**1. Performance Analysis**

Financial review for the current quarter and financial year to date compared with the corresponding periods last year.

	Individual Period (3 <sup>rd</sup> quarter)		Changes		Cumulative Period		Changes	
	Current Year Quarter 30/09/2017 RM'million	Preceding Year Corresponding Quarter 30/09/2016 RM'million Restated	+/- RM'million	+/- %	Current Year to date 30/09/2017 RM'million	Preceding Year Corresponding Period 30/09/2016 RM'million Restated	+/- RM'million	+/- %
<b>Revenue</b>								
Leisure & Hospitality								
- Malaysia	1,351.0	1,460.5	-109.5	-7	4,138.3	4,115.1	23.2	+1
- Singapore	1,970.4	1,739.3	231.1	+13	5,663.4	4,976.5	686.9	+14
- UK	516.4	380.0	136.4	+36	1,394.9	1,413.1	-18.2	-1
- US and Bahamas	363.2	321.7	41.5	+13	1,129.1	1,023.7	105.4	+10
	4,201.0	3,901.5	299.5	+8	12,325.7	11,528.4	797.3	+7
Plantation								
- Malaysia	242.3	261.7	-19.4	-7	689.0	612.1	76.9	+13
- Indonesia	135.1	83.3	51.8	+62	407.2	199.5	207.7	>100
- Downstream Manufacturing	155.4	22.1	133.3	>100	477.9	68.6	409.3	>100
	532.8	367.1	165.7	+45	1,574.1	880.2	693.9	+79
- Intra segment	(126.9)	(0.8)	-126.1	>-100	(358.9)	(0.8)	-358.1	>-100
	405.9	366.3	39.6	+11	1,215.2	879.4	335.8	+38
Power (see Note (i) in page 21)	290.6	290.7	-0.1	-	763.9	849.1	-85.2	-10
Property	48.6	47.1	1.5	+3	145.1	143.7	1.4	+1
Oil & Gas	68.8	55.0	13.8	+25	226.7	148.1	78.6	+53
Investments & Others	24.7	23.1	1.6	+7	84.4	64.1	20.3	+32
	5,039.6	4,683.7	355.9	+8	14,761.0	13,612.8	1,148.2	+8
<b>Profit before tax</b>								
Leisure & Hospitality								
- Malaysia	453.9	641.2	-187.3	-29	1,613.0	1,834.3	-221.3	-12
- Singapore	1,015.2	713.0	302.2	+42	2,830.3	1,673.6	1,156.7	+69
- UK	53.8	42.0	11.8	+28	167.2	233.5	-66.3	-28
- US and Bahamas	59.6	21.2	38.4	>100	193.8	88.2	105.6	>100
	1,582.5	1,417.4	165.1	+12	4,804.3	3,829.6	974.7	+25
Plantation								
- Malaysia	101.1	131.3	-30.2	-23	289.3	260.1	29.2	+11
- Indonesia	39.8	21.6	18.2	+84	139.7	25.7	114.0	>100
- Downstream Manufacturing	2.6	(1.9)	4.5	>100	4.9	(2.0)	6.9	>100
	143.5	151.0	-7.5	-5	433.9	283.8	150.1	+53
Power	109.0	96.3	12.7	+13	293.3	126.5	166.8	>100
Property	18.4	18.5	-0.1	-1	58.7	51.6	7.1	+14
Oil & Gas	43.2	46.1	-2.9	-6	158.7	128.0	30.7	+24
Investments & Others	(236.4)	(8.8)	-227.6	>-100	(583.4)	(369.3)	-214.1	-58
	1,660.2	1,720.5	-60.3	-4	5,165.5	4,050.2	1,115.3	+28
Net fair value loss on derivative financial instruments	(18.7)	(15.4)	-3.3	-21	(42.8)	(83.9)	41.1	+49
Net gain on disposal of available-for-sale financial assets	-	5.0	-5.0	-100	224.9	4.8	220.1	>100
Gain on deemed dilution of shareholding in associate	-	-	-	-	-	26.1	-26.1	-100
Gain on disposal of assets and liabilities classified as held for sale	-	-	-	-	302.2	-	302.2	NM
Reversal of previously recognised impairment losses	-	195.2	-195.2	-100	-	195.2	-195.2	-100
Impairment losses	(252.8)	(16.1)	-236.7	>-100	(366.2)	(77.8)	-288.4	>-100
Depreciation and amortisation	(482.3)	(479.6)	-2.7	-1	(1,579.7)	(1,456.3)	-123.4	-8
Interest income	209.2	269.6	-60.4	-22	711.0	750.2	-39.2	-5
Finance cost	(236.8)	(164.1)	-72.7	-44	(681.2)	(511.2)	-170.0	-33
Share of results in joint ventures and associates	(3.6)	(40.8)	37.2	+91	(45.6)	(65.0)	19.4	+30
Others	(56.4)	(36.2)	-20.2	-56	(281.7)	(121.5)	-160.2	>-100
	818.8	1,438.1	-619.3	-43	3,406.4	2,710.8	695.6	+26

NM = Not meaningful

## **Quarter ended 30 September 2017 compared with quarter ended 30 September 2016**

The Group generated revenue of RM5,039.6 million in the current quarter compared with RM4,683.7 million in the previous year's corresponding quarter, which is an increase of 8%.

Revenue from Resorts World Sentosa ("RWS") increased in the current quarter, supported by stronger VIP and premium mass business volume. Revenue from the non-gaming segment also increased, with the attractions business having performed well and hotel business registering a solid average occupancy rate of 93%. Adjusted earnings before interest, tax, depreciation and amortisation ("EBITDA") surged in the current quarter underpinned by an improved operating margin and lower net impairment on receivables as a result of a more measured credit policy.

Revenue from Resorts World Genting ("RWG") decreased in the current quarter due mainly to lower hold percentage from the mid to premium segments, although overall business volume grew during the quarter. The opening of new attractions at SkyPlaza in March 2017 contributed significantly to the increase in revenue from the mass market. Adjusted EBITDA decreased due to the lower revenue, higher costs relating to the premium players business and higher operating costs incurred for the new facilities under the Genting Integrated Tourism Plan ("GITP").

Increase in revenue and adjusted EBITDA from the casino business in United Kingdom ("UK") was mainly contributed by overall higher hold percentage, higher volume of business from its premium gaming segment and the stronger Sterling Pound in the current quarter. However, these were partially mitigated by the higher level of bad debt.

Revenue and adjusted EBITDA from the leisure and hospitality business in United States of America ("US") and Bahamas increased due mainly to an improved commission structure with the New York state authority on Resorts World Casino New York City ("RWNYC")'s gaming operations and the lower adjusted loss before interest, tax, depreciation and amortisation ("LBITDA") from Resorts World Bimini ("Bimini operations") due to lower operating costs.

Increased revenue from Plantation Division was due mainly to higher FFB production from Indonesia and higher sales of refined palm products which more than compensated for the lower FFB production from Plantation-Malaysia. However, adjusted EBITDA was lower due mainly to Plantation-Malaysia as a result of lower FFB production and higher unrealised profit from intra-segment sales.

Revenue and adjusted EBITDA from the Power Division in the current quarter was mainly from the sale of electricity by the Indonesian Banten coal-fired power plant ("Banten Plant") following the start of commercial operations on 28 March 2017. Revenue is not fully comparable with previous year's corresponding quarter, which was mainly construction revenue recognised based on the percentage of completion of the Banten Plant.

Higher revenue from the Oil & Gas Division was due mainly to higher average oil prices whilst adjusted EBITDA decreased marginally in the current quarter.

The higher adjusted LBITDA from "Investments & Others" was due mainly to net foreign exchange losses on net foreign currency denominated financial assets.

Profit before tax for the current quarter was RM818.8 million compared with RM1,438.1 million in the previous year's corresponding quarter, a decrease of 43%. The lower profit before tax was due mainly to the lower Group adjusted EBITDA and a reversal of previously recognised impairment losses in the previous year's corresponding quarter compared with impairment losses in the current quarter mainly in respect of the UK casino licences.

## **Nine months ended 30 September 2017 compared with nine months ended 30 September 2016**

Group revenue for the current nine months was RM14,761.0 million compared with RM13,612.8 million in the previous year's nine months, an increase of 8%.

Revenue from RWS increased compared with the previous year's nine months and adjusted EBITDA improved significantly. This was primarily driven by higher revenue, reduction in impairment on trade receivables and improvement in operating margins arising from cost efficiency initiatives.

Revenue from RWG was comparable with that of the previous year. Significantly higher revenue was recorded from the mass market following the partial opening of new facilities under GITP since December 2016. However, this was partially offset by lower revenue from the mid to premium segments due to lower hold percentage despite the higher volume of business. Adjusted EBITDA decreased due mainly to higher costs relating to the premium players business and higher operating costs incurred for the new facilities under GITP.

The casino business in UK recorded lower revenue in the current nine months. Consequently, adjusted EBITDA decreased in line with the lower revenue, and also a higher level of bad debts.

Higher revenue was recorded by the leisure and hospitality business in the US and Bahamas due mainly to an improved commission structure with the New York state authority on RWNYC's gaming operations as well as the stronger US Dollar exchange rate to the Malaysian Ringgit. This was partially offset by lower revenue recorded by Bimini operations due to lower hold percentage and volume of business. Adjusted EBITDA increased due mainly to higher revenue and lower operating costs following the cessation of Bimini SuperFast cruise ferry operations in the first quarter of the previous year.

Revenue and adjusted EBITDA from the Plantation Division increased due to higher FFB production, stronger palm product selling prices and higher sales of biodiesel and refined palm products.

Revenue of the Power Division for the current nine months is not comparable with that of the previous year's nine months as the current year's revenue included revenue from sale of electricity by the Banten Plant following the start of commercial operations on 28 March 2017. Last year's revenue comprised mainly construction revenue. Adjusted EBITDA increased significantly in the current nine months following commercial operations at the Banten Plant.

The Oil & Gas Division recorded higher revenue and adjusted EBITDA due mainly to higher average oil prices.

Higher adjusted LBITDA from "Investments & Others" was due mainly to increased net foreign exchange losses on net foreign currency denominated financial assets.

Profit before tax for the current nine months was RM3,406.4 million, an increase of 26% over last year's profit before tax of RM2,710.8 million. The increase was due mainly to higher adjusted EBITDA, gain of RM302.2 million recognised from the completion of the disposal of the GENS Group's 50% interest in its former associate, Landing Jeju Development Co., Ltd and gain on disposal of available-for-sale financial assets. Impairment losses for the current nine months included impairment losses on the UK casino licences and the carrying value of the Group's investment in Lanco Kondapalli Power Limited ("LKPL"), an associated company, due to the adverse performance of its power plant in India for a prolonged period.

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

Financial review for the current quarter compared with the immediate preceding quarter.

	Current Quarter	Immediate Preceding Quarter	Changes	
	30/09/2017 RM'million	30/06/2017 RM'million	+/- RM'million	+/- %
<b>Revenue</b>				
Leisure & Hospitality				
- Malaysia	1,351.0	1,443.8	-92.8	-6
- Singapore	1,970.4	1,853.7	116.7	+6
- UK	516.4	411.2	105.2	+26
- US and Bahamas	363.2	384.9	-21.7	-6
	4,201.0	4,093.6	107.4	+3
Plantation				
- Malaysia	242.3	225.3	17.0	+8
- Indonesia	135.1	126.0	9.1	+7
- Downstream Manufacturing	155.4	196.6	-41.2	-21
	532.8	547.9	-15.1	-3
- Intra segment	(126.9)	(124.8)	-2.1	-2
	405.9	423.1	-17.2	-4
Power (see Note (i) below)	290.6	267.9	22.7	+8
Property	48.6	57.6	-9.0	-16
Oil & Gas	68.8	73.8	-5.0	-7
Investments & Others	24.7	37.2	-12.5	-34
	5,039.6	4,953.2	86.4	+2
<b>Profit before tax</b>				
Leisure & Hospitality				
- Malaysia	453.9	580.9	-127.0	-22
- Singapore	1,015.2	918.5	96.7	+11
- UK	53.8	35.7	18.1	+51
- US and Bahamas	59.6	92.8	-33.2	-36
	1,582.5	1,627.9	-45.4	-3
Plantation				
- Malaysia	101.1	101.5	-0.4	-
- Indonesia	39.8	40.4	-0.6	-1
- Downstream Manufacturing	2.6	2.7	-0.1	-4
	143.5	144.6	-1.1	-1
Power	109.0	124.0	-15.0	-12
Property	18.4	26.1	-7.7	-30
Oil & Gas	43.2	54.3	-11.1	-20
Investments & Others	(236.4)	(138.4)	-98.0	-71
<b>Adjusted EBITDA</b>	1,660.2	1,838.5	-178.3	-10
Net fair value loss on derivative financial instruments	(18.7)	(7.3)	-11.4	>-100
Net gain on disposal of available-for-sale financial assets	-	139.1	-139.1	-100
Impairment losses	(252.8)	(113.4)	-139.4	>-100
Depreciation and amortisation	(482.3)	(550.0)	67.7	+12
Interest income	209.2	188.2	21.0	+11
Finance cost	(236.8)	(233.9)	-2.9	-1
Share of results in joint ventures and associates	(3.6)	(34.6)	31.0	+90
Others	(56.4)	(77.9)	21.5	+28
	818.8	1,148.7	-329.9	-29

**Note (i)**

Included in the revenue of the Power segment is revenue from energy payment and capacity payment of the Banten Plant of RM146.4 million and RM128.5 million respectively for the current quarter and RM287.1 million and RM244.6 million respectively for the nine months ended 30 September 2017.

Group profit before tax for the current quarter was RM818.8 million compared with RM1,148.7 million in the preceding quarter, i.e. a decrease of 29%. The lower profit in the current quarter was due mainly to lower adjusted EBITDA, impairment losses on the UK casino licences and the inclusion of a gain on disposal of available-for-sale financial assets of RM139.1 million in the preceding quarter's profit.

RWS recorded higher adjusted EBITDA in the current quarter, underpinned by an improved operating margin and lower net impairment on receivables compared with the preceding quarter.

Adjusted EBITDA of RWG decreased in the current quarter due to lower hold percentage from the mid to premium segments although the overall volume of business was higher.

The casino business in UK recorded an improvement in adjusted EBITDA due mainly to higher revenue partially offset by higher level of bad debts.

Lower adjusted EBITDA from the leisure and hospitality business in the US and Bahamas was due mainly to lower revenue from RWNYC and Bimini operations.

Adjusted EBITDA from the Banten Plant increased in the current quarter compared with the preceding quarter due to higher net generation. However, this was offset by a loss on impairment of receivable from LKPL hence resulting in a lower adjusted EBITDA for the Power Division in the current quarter.

Despite higher average oil prices, adjusted EBITDA of the Oil & Gas Division decreased due to lower production in the current quarter.

The higher LBITDA from "Investments & Others" was due mainly to increased net foreign exchange losses on 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.*

<u>Listed subsidiaries</u>	<u>Announcement date</u>
<i>Genting Singapore PLC</i>	<i>6 November 2017</i>
<i>Genting Plantations Berhad</i>	<i>22 November 2017</i>
<i>Genting Malaysia Berhad</i>	<i>23 November 2017</i>

### 3. **Prospects**

The performance of the Group for the remaining period of the current financial year may be impacted as follows:

- (a) In Malaysia, the GENM Group remains focused on the development of GITP at RWG as it prepares to roll out the much anticipated 20th Century Fox World Theme Park as well as the new indoor theme park next year. With the recent additions under GITP that complement the existing attractions at RWG, the GENM Group will focus on optimising overall operational efficiencies and driving revenue growth;
- (b) RWS is committed to ensuring its integrated resort is well positioned to cater to evolving needs of vacation destination seekers from its key regional source markets. Looking ahead, its re-positioning as a lifestyle brand will broaden its appeal to attract premium customers. Scheduled for soft opening during the upcoming Christmas holiday season, Asia's only maritime silk-road theme attraction, Maritime Experiential Museum, will unveil brand new exhibits and entertainment content in immersive multi-media settings. Food connoisseurs can also look forward to the opening of a fine dining Japanese restaurant, Teppan by Yonemura, by the chef-owner of Michelin-starred Japanese restaurants, Masayoshi Yonemura from Kyoto.

RWS's gaming business grows steadily with its VIP business showing respectable increase in volume, complemented with an acceptable bad debt provision ratio. Its mass gaming business delivered a stable performance as a result of expanded premium mass business from the region and strong year-on-year growth in electronic gaming machines performance.

At the GENS Group level, it successfully raised 20 billion yen in a JPY-denominated Samurai bond in Japan in October, following establishment of its Japan branch office. The funds are earmarked for supporting its corporate activities in Japan including preparatory works in anticipation of the Japan IR execution bill passage and bidding for Japan gaming licences;

- (c) In the UK, the GENM Group is encouraged by its performance in the premium players business segment despite the challenging operating environment. The GENM Group's strategy to reduce short term volatility continues to be successful in delivering sustainable performance. As for the non-premium players business, the GENM Group will continue its efforts on strengthening its position and improving business efficiency. Visitation growth in Resorts World Birmingham has been encouraging and emphasis will continue to be placed on stabilising the operations and growing the business at the resort;
- (d) In the US, RWNYC maintained its steady business growth and remains the market leader in terms of gaming revenue in the Northeast US region, despite growing regional competition. The GENM Group will continue intensifying its direct marketing efforts to drive visitations and frequency of play at the property. Additionally, RWNYC has embarked on a USD400 million expansion which will include various new attractions, such as a 400-room hotel, F&B outlets, retail stores and entertainment facilities. In the Bahamas, the GENM Group will focus its marketing efforts on the leisure market to drive visitations and volume of business at the resort as well as continuing its cost rationalisation initiatives;
- (e) For the remaining months of 2017, the GENP Group's results will largely be contingent on the performance of the Plantation segment, which in turn is affected by movements in palm product prices and crop production, the overall supply and demand balance of the global edible oil markets, weather conditions, currency movements, global economic conditions and the development in the implementation of biodiesel mandates – particularly in Malaysia and Indonesia.

The GENP Group's FFB production has shown notable growth especially in the first half of 2017 from the diminishing effects of the El-Nino phenomenon that affected production in the previous year. However, the year-on-year rate of growth has moderated in the third quarter of 2017 and the moderation is expected to persist into the fourth quarter of 2017. Nonetheless, the GENP Group is optimistic that its full-year FFB production for 2017 will scale to a new high – exceeding the 1.73 million mt achieved in 2016 – driven by production growth in Indonesia on the back of additional areas coming into maturity and the progression of existing mature areas into higher-yielding brackets, bringing Indonesian output contribution closer to 40% of the GENP Group's total FFB production for 2017.

The completion of the GENP Group's acquisition of an effective 85% equity interest in PT Kharisma Inti Usaha on 10 October 2017 will expand planted acreage by 12% and along with it, improvement to total FFB production.

Given the sanguine property market outlook for the remainder of 2017, the GENP Group expects its property sales for this year to match that of the previous year as it continues to focus on affordable residential projects where demand is steadier under the current operating climate;

- (f) The operational availability of the Banten power plant in Indonesia is expected to remain high, therefore contributing towards stable earnings of the plant. In Gujarat, India, the Jangi wind farm has entered the low wind season and revenues will be lower in the coming months; and
- (g) Contribution from the Genting CDX Singapore Pte Ltd production oil field in the Chengdaoxi block in China is expected to improve, amidst stable oil production, following increase in oil prices lately. The Plan of Development for the Kasuri block in Indonesia is still pending approval from the Ministry of Energy and Mineral Resources.

#### 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 nine months ended 30 September 2017 are set out below:

	Current quarter RM'000	Current financial Year-to-date RM'000
Current taxation		
Malaysian income tax charge	72,730	245,265
Foreign income tax charge	226,102	566,900
	<u>298,832</u>	<u>812,165</u>
Deferred tax (credit)/charge	(12,678)	14,505
	<u>286,154</u>	<u>826,670</u>
Prior period taxation		
Income tax over provided	(3,479)	(2,334)
	<u>282,675</u>	<u>824,336</u>

The effective tax rate of the Group for the current quarter and nine months ended 30 September 2017 is higher than the Malaysian Statutory income tax rate due mainly to expenses not deductible for tax purposes, partially offset by income subject to lower tax rates in certain jurisdictions, income not subject to tax and tax incentives.

#### 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
<b>Charges:</b>		
Finance cost	236,793	681,218
Depreciation and amortisation	482,313	1,579,680
Impairment and write off of receivables	63,834	157,024
Impairment losses	252,738	366,157
Inventories written off	195	531
Exploration costs written off	-	83,941
Net fair value loss on derivative financial instruments	18,698	42,824
Net foreign exchange loss	163,233	424,602
	<u>1,323,604</u>	<u>3,236,577</u>
<b>Credits:</b>		
Interest income	209,238	711,011
Investment income	8,528	29,660
Net gain on disposal of property, plant and equipment	1,135	2,140
Gain on disposal of quoted available-for-sale financial assets	-	224,921
Gain on disposal of assets and liabilities classified as held for sale	-	302,173
	<u>218,901</u>	<u>1,269,905</u>



## 7. Status of Corporate Proposals Announced

- (i) On 12 May 2017, GENS announced to the Singapore Exchange Securities Trading Limited (“Singapore Exchange”) its intention to redeem its SGD1.8 billion 5.125% Perpetual Subordinated Capital Securities and its SGD500 million 5.125% Perpetual Subordinated Capital Securities (together, the “Securities”) on their next call dates of 12 September 2017 and 18 October 2017 respectively. The redemptions will be at their principal amount, together with unpaid distribution accrued to such date, in accordance with the terms and conditions of the Securities.

GENS further announced on 21 August 2017 to the Singapore Exchange and in accordance with Conditions 5(b) and 6(d) of the Securities, the irrevocable notice to the holders of the Securities that GENS has elected to, and will, redeem the SGD500 million 5.125% Perpetual Subordinated Capital Securities on 19 October 2017.

The redemption of these Securities were completed on 12 September 2017 and 19 October 2017 respectively.

- (ii) On 18 August 2017, GENP announced that its wholly owned subsidiary, AsianIndo Holdings Pte Ltd, had on 18 August 2017 entered into a conditional sale and purchase agreement with Lee Rubber Company (Pte) Ltd for the purpose of acquiring 20,000,000 ordinary shares representing 100% equity interest in Knowledge One Investment Pte Ltd for a cash consideration of USD94.97 million (“Proposed Acquisition”). The Proposed Acquisition has been completed on 10 October 2017.

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

## 8. Group Borrowings and Debt Securities

The details of the Group’s borrowings and debt securities as at 30 September 2017 are as set out below:

	As at 30/09/2017				As at 31/12/2016
	Secured/ Unsecured	Foreign Currency 'million		RM Equivalent 'million	RM Equivalent 'million
Short term borrowings	Secured	RM		82.4	-
	Secured	USD	95.9	402.6	461.1
	Secured	SGD	206.2	642.0	573.5
	Unsecured	USD	-	-	143.9
	Unsecured	GBP	187.4	1,065.2	1,041.1
					2,192.2
Long term borrowings	Secured	RM		87.9	63.8
	Secured	USD	1,256.4	5,275.1	5,026.4
	Secured	SGD	844.6	2,628.9	3,221.1
	Unsecured	RM		9,585.1	6,986.0
	Unsecured	USD	1,115.8	4,684.7	447.7
					22,261.7
Total borrowings	Secured	RM		170.3	63.8
	Secured	USD	1,352.3	5,677.7	5,487.5
	Secured	SGD	1,050.8	3,270.9	3,794.6
	Unsecured	RM		9,585.1	6,986.0
	Unsecured	USD	1,115.8	4,684.7	591.6
	Unsecured	GBP	187.4	1,065.2	1,041.1
				24,453.9	17,964.6

## 9. Outstanding Derivatives

As at 30 September 2017, 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
<u>Cross Currency Swaps</u>		
SGD	186.8	
- Less than 1 year		(8.4)
- 1 year to 3 years		(13.0)
- More than 3 years		(20.0)
<u>Interest Rate Swaps</u>		
USD	2,603.9	
- Less than 1 year		(47.9)
- 1 year to 3 years		(67.7)
- More than 3 years		(85.5)
GBP	375.1	
- Less than 1 year		(1.1)
<u>Forward Foreign Currency Exchange</u>		
USD	89.5	
- Less than 1 year		0.6
<u>Commodity Futures Contracts</u>		
USD	5.7	
- Less than 1 year		0.3

There is no significant change for the financial derivatives in respect of the following since the last financial year ended 31 December 2016:

- the credit risk, market risk and liquidity risk associated with these financial derivatives;
- the cash requirements of the financial derivatives; and
- the policy in place for mitigating or controlling the risks associated with these financial derivatives.

## 10. Fair Value Changes of Financial Liabilities

As at 30 September 2017, the Group does not have any financial liabilities measured at fair value through profit or loss.

## 11. Changes in Material Litigation

There were no pending material litigations since the last financial year ended 31 December 2016 and up to 16 November 2017.

## 12. Dividend Proposed or Declared

- No dividend has been proposed or declared for the current quarter ended 30 September 2017.
- An interim single-tier dividend of 8.5 sen per ordinary share for the current financial year ending 31 December 2017 was paid on 6 October 2017.

13. **Earnings Per Share (“EPS”)**

- (a) The earnings used as the numerator in calculating basic and diluted EPS for the current quarter and nine months ended 30 September 2017 is as follows:

	<b>Current quarter RM’000</b>	<b>Current financial Year-to-date RM’000</b>
Profit for the financial period attributable to equity holders of the Company (used as numerator for the computation of Basic EPS)	191,127	1,245,175
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	<u>(496)</u>	<u>(1,614)</u>
Profit for the financial period attributable to equity holders of the Company (used as numerator for the computation of Diluted EPS)	<u>190,631</u>	<u>1,243,561</u>

- (b) The weighted average number of ordinary shares used as the denominator in calculating basic and diluted EPS for the current quarter and nine months ended 30 September 2017 is as follows:

	<b>Current quarter No. of shares ’000</b>	<b>Current financial Year-to-date No. of shares ’000</b>
Weighted average number of ordinary shares in issue (used as denominator for the computation of Basic EPS)	3,798,138	3,758,230
Adjustment for potential conversion of warrants	<u>110,543</u>	<u>69,837</u>
Weighted average number of ordinary shares in issue (used as denominator for the computation of Diluted EPS)	<u>3,908,681</u>	<u>3,828,067</u>

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

The breakdown of the retained profits of the Group as at 30 September 2017, 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 Restated
Total retained profits/(accumulated losses):		
- Realised	38,295.7	37,533.2
- Unrealised	(2,163.3)	(1,666.0)
	<u>36,132.4</u>	<u>35,867.2</u>
Total share of retained profits/(accumulated losses) from associates:		
- Realised	225.0	322.1
- Unrealised	(0.5)	5.0
Total share of retained profits from joint ventures:		
- Realised	199.4	220.7
- Unrealised	31.4	16.0
	<u>36,587.7</u>	<u>36,431.0</u>
Less: Consolidation adjustments	<u>(11,041.0)</u>	<u>(11,327.3)</u>
Total Group retained profits	<u>25,546.7</u>	<u>25,103.7</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. 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 November 2017, KHR and PACs collectively hold 1,698,531,090 voting shares and 424,632,772 warrants in the Company representing approximately 44.40% and 67.20% 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 49.96% 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 2016 did not contain any qualification.

**17. 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 23 November 2017.