

**GENTING BERHAD ANNOUNCES FIRST QUARTER RESULTS  
FOR THE PERIOD ENDED 31 MARCH 2019**

**KUALA LUMPUR, 23 MAY 2019** - Genting Berhad today announced its financial results for the first quarter ended 31 March 2019 ("1Q19").

In 1Q19, Group revenue was RM5,572.8 million, an increase of 6% over that of the previous year's corresponding quarter's ("1Q18") revenue of RM5,250.8 million.

Revenue and adjusted earnings before interest, tax, depreciation and amortisation ("EBITDA") of Resorts World Sentosa ("RWS") were lower in 1Q19. However, its non-gaming revenue business registered growth with higher spend per visitor. Hotel occupancy remained high at 93% during 1Q19.

Increased revenue from Resorts World Genting ("RWG") was mainly attributed to an exceptionally high hold percentage in the mid to premium players segments. However, the overall volume of business from gaming segment declined during 1Q19 due to reduction in incentives offered to the players as part of the cost rationalisation initiatives. The increase in EBITDA which arose from higher revenue and lower payroll and related expenses as a result of a reduction in the number of employees were offset by higher casino duty.

Whilst revenue from the casino businesses in United Kingdom ("UK") and Egypt was a marginal increase, the rate of increase in EBITDA was higher due mainly to higher revenue and the impact of adoption of MFRS 16. These were partially offset by lower debts recovery in 1Q19.

Higher revenue and EBITDA from the leisure and hospitality businesses in United States of America ("US") and Bahamas were due mainly to the stronger US Dollar exchange rate to the Malaysian Ringgit.

Total revenue from Plantation Division increased in 1Q19 due mainly to the higher offtake of biodiesel and refined palm products from Downstream Manufacturing. Higher sales volume led to higher revenue from the plantation segment. EBITDA however decreased due mainly to weaker palm product selling prices. This decrease was partially offset by higher EBITDA from Downstream Manufacturing with both its biodiesel and refinery operations registering higher offtake and capacity utilisation.

Revenue and EBITDA from the Power Division decreased compared with last year due to lower generation from the Indonesian Banten coal-fired power plant as a consequence of the higher number of outage days in 1Q19.

The Oil & Gas Division generated lower revenue and EBITDA in 1Q19 due mainly to lower average oil prices.

The adjusted loss before interest, tax, depreciation and amortisation from "Investments & Others" included net foreign exchange losses on net foreign currency denominated financial assets which was lower in 1Q19.

The Group's profit before tax for 1Q19 was RM1,179.1 million, a decrease of 18% compared with RM1,440.4 million in 1Q18. The profit before tax for 1Q19 had been impacted by the provision for termination related costs of RM198.3 million by Genting Malaysia Berhad ("GENM") as well as a loss on a discontinued cash flow hedge. These have been partially offset by the gain on disposal of Coastbright Limited, an indirect wholly owned subsidiary of GENM.

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 will continue to review its capital expenditure requirements and rationalise its operating cost structure to mitigate the impact of the hike in casino duties against an increasingly challenging operating environment. Additionally, the GENM Group will focus on leveraging the new assets to grow key business segments. To this end, the GENM Group will place emphasis on intensifying database marketing efforts to optimise yield management, as well as improving service delivery and operational efficiencies at RWG to enhance overall guest experience;
- b) RWS has embarked on a re-development investment of approximately SGD4.5 billion to expand and transform its world class integrated resort, delivering new attractions, entertainment and lifestyle offerings from 2020 onwards. Its mega expansion plans will see the addition of two new immersive environments – Minion Park and Super Nintendo World – added to Universal Studios Singapore providing guests with new rides and experiences. S.E.A. Aquarium will be expanded into the current Maritime Experiential Museum, to be rebranded as the Singapore Oceanarium. A new Waterfront Lifestyle Complex, that will house two stylish hotels, exciting trendy facilities and novel food & beverage offerings, will transform the RWS waterfront into an exciting all-day, all-night venue. This investment reinforces its commitment to make RWS the leading Integrated Resort destination in the world and will shape the business model for the next stage of growth.

Geopolitical frictions continue to cast a cloud of uncertainty for 2019. RWS will innovate its offerings and re-engineer its marketing efforts to broaden reach, and deepen commitment in key target markets.

Japan has taken a step towards opening integrated resorts with some cities conducting feasibility studies and the Request-for-Concept process to deepen the understanding of Integrated Resorts ("IR") and engage in dialogues with interested IR operators. The Genting Singapore Limited ("GENS") Group is stepping up its efforts and deploying more resources to be seriously engaged in the anticipated competitive bid process. The Request-for-Proposal process is expected to be initiated by cities once the Japanese Government officially publishes the National Guidelines. Backed by the solid track record of operating in a highly respected jurisdiction and reinforced by a robust balance sheet, GENS Group is well positioned to deliver a compelling bid that will showcase a large-scale integrated resort destination which will enhance Japan's tourism appeal and make significant contributions to its tourism economy;

- c) In the UK, the GENM Group remains committed to streamlining its operations and improving overall operational efficiency to strengthen its position in the country. The GENM Group endeavours to continue delivering sustainable performance by managing business volatility in the premium players segment. The GENM Group will also place emphasis on efforts to grow its market share in the mass market segment. The GENM Group is encouraged by the improvements recorded at Resorts World Birmingham and will continue implementing various initiatives to grow visitation and business volume at the property;
- d) In the US, Resorts World Casino New York City (“RWNYC”) remains the market leader by gaming revenue in the northeast US region. While the operations at RWNYC continue to deliver steady growth despite a crowded market, the GENM Group will continue to boost its direct marketing efforts and introduce various promotional activities to drive visitation and frequency of play at the property. In Miami, the GENM Group will continue leveraging the upgraded Hilton Miami Downtown hotel to grow visitation and revenue. In the Bahamas, the GENM Group remains focused on enhancing infrastructure and connectivity at Resorts World Bimini. This includes leveraging partnerships with renowned brands to drive visitation and revenue at the resort;
- e) The Genting Plantations Berhad (“GENP”) Group’s prospects for the rest of the year will track the performance of its mainstay Plantation segment, which in turn is dependant principally on the movements in palm products selling prices and the GENP Group’s fresh fruit bunches (“FFB”) production. Palm products prices are influenced by factors such as the demand and supply dynamics of palm oil and other substitute oils and fats, weather patterns, currency exchange fluctuations, global economic conditions as well as relevant government policies and regulations such as biodiesel mandates and import/export tax and duty regimes.

Barring any weather anomalies impacting its FFB production, the GENP Group expects the overall upward trajectory to continue for this year, driven by higher output from its Indonesia operations underpinned by additional mature areas and a better age profile.

The GENP Group’s Property segment will continue with offerings that are aligned to the broader market demand. The Premium Outlets are expected to perform well in 2019 with the full year contribution from the third phase of the Johor Premium Outlets, which commenced operations in November 2018.

With the implementation of the mandatory B10 biodiesel for the transportation sector and B7 biodiesel for the industrial sector in 2019, local demand for the GENP Group’s biodiesel operations is expected to improve while offtake for discretionary biodiesel blending has so far been supported by the favourable palm oil gas oil (“POGO”) spread.

The GENP Group’s refinery operations will continue to focus on expanding its market reach and offtake including supplying feedstock to cater for the expected increase in demand for the GENP Group’s biodiesel production;

- f) The operational availability and efficiency of the Banten power plant in Indonesia are expected to be stable and continue to contribute positive cash flows to the Group's performance. In Gujarat, India, contribution from the Jangi wind farm is expected to improve with the approaching peak wind season which falls between May and August;
  
- g) Production from the Chengdaoxi oil field in China is expected to be stable arising from the new wells which were put into production in the second half of 2018. Brent oil prices have shown some improvement since early this year, peaking to a price of USD73/bbl. The Brent oil price is forecast to stabilise in the region of USD70/bbl for the next 6 months and hence, contribution from Genting CDX Singapore Pte Ltd will continue to remain positive. With the approval from the Ministry of Energy and Mineral Resources of Indonesia on the Plan of Development for the Kasuri block, Genting Oil Kasuri Pte Ltd ("GOKPL") will enter into the development phase of the project, the front end engineering design ("FEED") tendering work which commenced since second half of 2018 was recently concluded, with FEED work commencing soon. Utilising 1.7 trillion cubic feet of discovered gas in place, GOKPL plans to supply 170 million cubic feet per day of natural gas for 20 years to a petrochemical plant in West Papua, which is to be built and owned by a third party; and
  
- h) Construction of Resorts World Las Vegas ("RWLV") is progressing well. As of 9 May 2019, RWLV has completed concrete work up to level 65 of the West Tower and level 64 of the East Tower. The hotel towers are scheduled to reach their full height (level 69) on 23 July 2019. Total development and land costs incurred as of 31 March 2019 were approximately USD1.3 billion. RWLV, an iconic must-see luxury destination resort, is designed to appeal to a wide array of domestic and international tourists as well as business and leisure guests. The first phase is estimated to cost approximately USD4.1 billion and is targeted to open by the end of 2020.

<b>GENTING BERHAD</b>					
<b>SUMMARY OF RESULTS</b>	1Q19 RM'million	1Q18 RM'million	1Q19 vs 1Q18 %	4Q18 RM'million	1Q19 vs 4Q18 %
<b>Revenue</b>					
Leisure & Hospitality					
- Malaysia	1,907.7	1,597.8	+19	1,696.3	+12
- Singapore	1,932.9	2,009.2	-4	2,015.4	-4
- UK and Egypt	419.3	412.4	+2	426.6	-2
- US and Bahamas	367.0	346.3	+6	343.0	+7
	4,626.9	4,365.7	+6	4,481.3	+3
Plantation					
- Oil Palm Plantation	342.8	335.8	+2	315.2	+9
- Downstream Manufacturing	398.5	281.9	+41	247.5	+61
	741.3	617.7	+20	562.7	+32
- Intra segment	(140.3)	(110.7)	-27	(105.8)	-33
	601.0	507.0	+19	456.9	+32
Power	196.7	217.6	-10	297.8	-34
Property	47.7	48.6	-2	52.3	-9
Oil & Gas	74.4	85.6	-13	83.1	-10
Investments & Others	26.1	26.3	-1	26.1	-
	<b>5,572.8</b>	<b>5,250.8</b>	<b>+6</b>	<b>5,397.5</b>	<b>+3</b>
<b>Profit for the period</b>					
Leisure & Hospitality					
- Malaysia	702.4	683.0	+3	751.7	-7
- Singapore	1,021.5	1,082.4	-6	899.1	+14
- UK and Egypt	41.0	30.5	+34	62.1	-34
- US and Bahamas	66.0	64.8	+2	92.0	-28
	1,830.9	1,860.7	-2	1,804.9	+1
Plantation					
- Oil Palm Plantation	104.7	152.7	-31	70.6	+48
- Downstream Manufacturing	22.0	0.4	>100	2.8	>100
	126.7	153.1	-17	73.4	+73
Power	75.1	89.8	-16	143.1	-48
Property	18.3	19.1	-4	22.4	-18
Oil & Gas	55.1	60.9	-10	59.7	-8
Investments & Others	(50.6)	(158.8)	+68	(62.5)	+19
	2,055.5	2,024.8	+2	2,041.0	+1
<b>Adjusted EBITDA</b>					
Net fair value gain /(loss) on derivative financial instruments	0.3	(1.1)	>100	(1.1)	>100
Net fair value gain on financial assets at fair value through profit or loss	18.3	0.4	>100	0.5	>100
Net loss on derecognition/dilution of shareholding in joint ventures and associates	-	-	-	(0.1)	+100
Gain on disposal of a subsidiary	138.7	-	NM	-	NM
Impairment losses	(17.8)	-	NM	(72.4)	+75
Depreciation and amortisation	(625.3)	(526.2)	-19	(645.3)	+3
Interest income	174.7	210.3	-17	172.8	+1
Finance cost	(293.7)	(251.0)	-17	(253.3)	-16
Share of results in joint ventures and associates	42.4	23.9	+77	19.9	>100
Others	(314.0)	(40.7)	>-100	(132.9)	>-100
	<b>1,179.1</b>	<b>1,440.4</b>	<b>-18</b>	<b>1,129.1</b>	<b>+4</b>
<b>Profit before taxation</b>					
Taxation	(207.7)	(323.0)	+36	105.3	>-100
	<b>971.4</b>	<b>1,117.4</b>	<b>-13</b>	<b>1,234.4</b>	<b>-21</b>
<b>Profit for the period</b>					
Basic earnings per share (sen)	14.59	15.74	-7	17.01	-14

NM= Not meaningful

**About GENTING ([www.genting.com](http://www.genting.com)):**

Genting Berhad is principally an investment holding and management company. While the Company was incorporated in 1968 and listed in 1971, the Genting Group was founded in 1965 when its Founder, the late Tan Sri Lim Goh Tong started the journey to realise his vision of building a mountaintop resort in Malaysia.

Today, the Genting Group comprises Genting Berhad and its listed companies; Genting Malaysia Berhad, Genting Plantations Berhad and Genting Singapore Limited, as well as its wholly owned unlisted subsidiaries Genting Energy Limited and Resorts World Las Vegas LLC.

Led by Tan Sri Lim Kok Thay, the Group is involved in leisure and hospitality, oil palm plantations, power generation, oil and gas, property development, life sciences and biotechnology activities, with operations spanning across the globe, including in Malaysia (the Group's country of origin), Singapore, Indonesia, India, China, the United States of America, Bahamas, the United Kingdom and Egypt. In the core leisure and hospitality business, the Genting Group and its brand affiliates similarly controlled by Tan Sri Lim Kok Thay (namely Genting Hong Kong Limited and Empire Resorts, Inc.), market and offer a suite of products under a number of premier brands including **Genting, Resorts World, Genting Grand, Genting Club, Crockfords, Maxims, Crystal Cruises, Dream Cruises** and **Star Cruises**. The Genting Group of companies also have tie ups with established names such as Universal Studios®, Premium Outlets®, Hard Rock Hotel, Zouk and other renowned international brand partners.

For more information, please visit the following websites:

[www.genting.com](http://www.genting.com)

[www.gentingmalaysia.com](http://www.gentingmalaysia.com)

[www.gentingsingapore.com](http://www.gentingsingapore.com)

[www.gentingplantations.com](http://www.gentingplantations.com)

[www.gentinghk.com](http://www.gentinghk.com)

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