

# **RESORTS WORLD BHD**

(Incorporated in Malaysia under Company No. 58019-U)

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## **SECOND QUARTERLY REPORT**

Quarterly report on consolidated results for the six months ended 30 June 2008. The figures have not been audited.

### **CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2008**

	<b>UNAUDITED INDIVIDUAL QUARTER</b>		<b>UNAUDITED CUMULATIVE PERIOD</b>	
	<b>Second quarter ended 30 June</b>		<b>Six months ended 30 June</b>	
	<b><u>2008</u></b>	<b><u>2007</u></b>	<b><u>2008</u></b>	<b><u>2007</u></b>
	<b><u>RM'000</u></b>	<b><u>RM'000</u></b>	<b><u>RM'000</u></b>	<b><u>RM'000</u></b>
<b>Revenue</b>	<b>1,240,769</b>	1,031,878	<b>2,332,692</b>	2,095,732
Cost of sales	<b>(725,266)</b>	(627,086)	<b>(1,389,215)</b>	(1,286,180)
<b>Gross profit</b>	<b>515,503</b>	404,792	<b>943,477</b>	809,552
Other income:				
- Gain on disposal of long term investment arising from foreign exchange translation	<b>19,102</b>	-	<b>19,102</b>	-
- Others	<b>34,706</b>	21,834	<b>62,428</b>	44,521
Other expenses	<b>(58,283)</b>	(65,699)	<b>(117,098)</b>	(123,394)
<b>Profit from operations</b>	<b>511,028</b>	360,927	<b>907,909</b>	730,679
Finance cost	<b>(1)</b>	(3,110)	<b>(1,644)</b>	(6,590)
Share of results in:				
- Jointly controlled entity	<b>298</b>	113	<b>453</b>	118
- Associate	-	31,100	-	(62,971)
Gain on dilution of equity investment in associate	-	-	-	63,210
<b>Profit before taxation</b>	<b>511,325</b>	389,030	<b>906,718</b>	724,446

**RESORTS WORLD BHD**  
**CONDENSED CONSOLIDATED INCOME STATEMENTS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2008**

	<b>UNAUDITED INDIVIDUAL QUARTER</b>		<b>UNAUDITED CUMULATIVE PERIOD</b>	
	<b>Second quarter ended 30 June</b>		<b>Six months ended 30 June</b>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Taxation	(127,153)	(83,294)	(225,283)	(181,162)
<b>Profit for the financial period</b>	<b>384,172</b>	<b>305,736</b>	<b>681,435</b>	<b>543,284</b>
Attributable to:				
Equity holders of the Company	384,281	305,833	681,642	543,480
Minority interest	(109)	(97)	(207)	(196)
	<b>384,172</b>	<b>305,736</b>	<b>681,435</b>	<b>543,284</b>
<b>Earnings per share attributable to equity holders of the Company:</b>				
Basic earnings per share (sen)	<b>6.69</b>	5.52	<b>11.90</b>	9.66
Diluted earnings per share (sen)	<b>6.64</b>	5.28	<b>11.77</b>	9.16

*(The Condensed Consolidated Income Statements should be read in conjunction with the audited Financial Statements for the financial year ended 31 December 2007.)*

**RESORTS WORLD BHD**  
**CONDENSED CONSOLIDATED BALANCE SHEET**  
**AS AT 30 JUNE 2008**

	Unaudited As at 30.6.2008 RM'000	Audited As at 31.12.2007 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	3,648,369	3,663,449
Land held for property development	186,117	186,117
Investment properties	16,780	17,910
Leasehold land use rights	94,901	95,471
Jointly controlled entity	1,647	1,194
Available-for-sale financial asset	957,021	1,505,362
Other long term investments	3,170	535,502
Long term receivables	10,102	9,241
	<u>4,918,107</u>	<u>6,014,246</u>
<b>Current assets</b>		
Inventories	61,126	59,099
Trade and other receivables	178,948	188,346
Amount due from other related companies	28,739	28,074
Short term investments	1,440,963	794,880
Bank balances and deposits	2,790,943	2,256,871
	<u>4,500,719</u>	<u>3,327,270</u>
<b>TOTAL ASSETS</b>	<u><b>9,418,826</b></u>	<u><b>9,341,516</b></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	587,260	583,012
Reserves	8,126,357	8,083,134
Treasury shares	(554,377)	(477,185)
	<u>8,159,240</u>	<u>8,188,961</u>
<b>Minority interests</b>	<u>7,534</u>	<u>7,741</u>
<b>TOTAL EQUITY</b>	<u><b>8,166,774</b></u>	<u><b>8,196,702</b></u>
<b>Non-current liabilities</b>		
Other long term liabilities	92,564	95,226
Deferred taxation	212,483	202,984
	<u>305,047</u>	<u>298,210</u>
<b>Current liabilities</b>		
Trade and other payables	426,148	492,177
Amount due to holding company	15,553	13,187
Amount due to other related companies	62,850	46,384
Amount due to jointly controlled entity	283	176
Short term borrowings	76,350	175,058
Taxation	213,268	119,622
Dividend payable	152,553	-
	<u>947,005</u>	<u>846,604</u>
<b>TOTAL LIABILITIES</b>	<u><b>1,252,052</b></u>	<u><b>1,144,814</b></u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><b>9,418,826</b></u>	<u><b>9,341,516</b></u>
<b>NET ASSETS PER SHARE (RM)</b>	<u><b>1.42</b></u>	<u><b>1.43</b></u>

*(The Condensed Consolidated Balance Sheet should be read in conjunction with the audited Financial Statements for the financial year ended 31 December 2007.)*

**RESORTS WORLD BHD**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2008**

	Attributable to equity holders of the Company								
	Share Capital	Share Premium	Fair	Other Reserves	Treasury Shares	Retained Earnings	Total	Minority Interests	Total Equity
			Value Reserve						
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 January 2008</b>	<b>583,012</b>	<b>927,674</b>	<b>349,504</b>	<b>(224,028)</b>	<b>(477,185)</b>	<b>7,029,984</b>	<b>8,188,961</b>	<b>7,741</b>	<b>8,196,702</b>
Foreign exchange differences recognised directly in equity	-	-	-	(72,565)	-	-	(72,565)	-	(72,565)
Available-For-Sale Financial Asset - Fair value movement	-	-	(515,759)	-	-	-	(515,759)	-	(515,759)
Net income and expenses recognised directly in equity	-	-	(515,759)	(72,565)	-	-	(588,324)	-	(588,324)
Profit for the financial period	-	-	-	-	-	681,642	681,642	(207)	681,435
Total recognised income and expenses for the financial period	-	-	(515,759)	(72,565)	-	681,642	93,318	(207)	93,111
Share based payments under ESOS	-	-	-	36	-	-	36	-	36
Issue of shares	4,248	102,422	-	-	-	-	106,670	-	106,670
Buy-back of shares	-	-	-	-	(77,192)	-	(77,192)	-	(77,192)
Appropriation: Final dividend declared for the year ended 31 December 2007	-	-	-	-	-	(152,553)	(152,553)	-	(152,553)
<b>At 30 June 2008</b>	<b>587,260</b>	<b>1,030,096</b>	<b>(166,255)</b>	<b>(296,557)</b>	<b>(554,377)</b>	<b>7,559,073</b>	<b>8,159,240</b>	<b>7,534</b>	<b>8,166,774</b>
<b>At 1 January 2007</b>	<b>547,294</b>	<b>60,086</b>	<b>-</b>	<b>(69,367)</b>	<b>-</b>	<b>5,711,489</b>	<b>6,249,502</b>	<b>8,136</b>	<b>6,257,638</b>
Foreign exchange differences recognised directly in equity	-	-	-	(54,447)	-	-	(54,447)	-	(54,447)
Decrease in equity portion of convertible bonds in associate	-	-	-	(6,474)	-	-	(6,474)	-	(6,474)
Net income and expenses recognised directly in equity	-	-	-	(60,921)	-	-	(60,921)	-	(60,921)
Profit for the financial period	-	-	-	-	-	543,480	543,480	(196)	543,284
Total recognised income and expenses for the financial period	-	-	-	(60,921)	-	543,480	482,559	(196)	482,363
Share based payments under ESOS	-	-	-	11	-	-	11	-	11
Issue of shares	25,565	621,920	-	-	-	-	647,485	-	647,485
Appropriation: Final dividend declared for the year ended 31 December 2006	-	-	-	-	-	(125,067)	(125,067)	-	(125,067)
<b>At 30 June 2007</b>	<b>572,859</b>	<b>682,006</b>	<b>-</b>	<b>(130,277)</b>	<b>-</b>	<b>6,129,902</b>	<b>7,254,490</b>	<b>7,940</b>	<b>7,262,430</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 2007.)*

**RESORTS WORLD BHD**  
**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2008**

	Unaudited six months ended 30 June	
	2008 RM'000	2007 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	906,718	724,446
Adjustments for:		
Depreciation of property, plant and equipment	130,437	117,955
Finance costs	1,644	6,590
Interest income	(53,137)	(33,825)
Share of results in jointly controlled entity and associate	(453)	62,853
Unrealised exchange loss/(gain)	3,029	(3,853)
Gain on disposal of long term investment	(19,102)	-
Gain on dilution of equity investment in associate	-	(63,210)
Other non-cash items and adjustments	362	1,786
	<b>62,780</b>	<b>88,296</b>
<b>Operating profit before working capital changes</b>	<b>969,498</b>	<b>812,742</b>
Net change in current assets	(4,888)	(104,739)
Net change in current liabilities	(20,365)	(2,472)
	<b>(25,253)</b>	<b>(107,211)</b>
<b>Cash generated from operations</b>	<b>944,245</b>	<b>705,531</b>
Net tax paid	(120,895)	(99,618)
Retirement gratuities paid	(4,923)	(890)
Other net operating receipts/(payments)	528	(546)
	<b>(125,290)</b>	<b>(101,054)</b>
<b>Net Cash Flow From Operating Activities</b>	<b>818,955</b>	<b>604,477</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Property, plant and equipment	(142,334)	(151,933)
Net proceeds from disposal of long term investment	520,073	-
Other investments	54,845	34,152
<b>Net Cash Flow From Investing Activities</b>	<b>432,584</b>	<b>(117,781)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of shares	6,320	18,085
Buy-back of shares	(77,192)	-
Repayment of borrowings	-	(45,832)
Interest paid	-	(2,857)
Other financing expenses	(2)	(22)
<b>Net Cash Flow From Financing Activities</b>	<b>(70,874)</b>	<b>(30,626)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>1,180,665</b>	<b>456,070</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD</b>	<b>3,051,751</b>	<b>1,980,677</b>
<b>EFFECT OF CURRENCY TRANSLATION</b>	<b>(510)</b>	<b>(445)</b>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<b>4,231,906</b>	<b>2,436,302</b>
<b><u>ANALYSIS OF CASH AND CASH EQUIVALENTS</u></b>		
Bank balances and deposits	2,790,943	1,325,849
Money market instruments (included in short term investments)	1,440,963	1,110,453
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<b>4,231,906</b>	<b>2,436,302</b>

*(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited Financial Statements for the financial year ended 31 December 2007.)*

**RESORTS WORLD BHD**  
**NOTES TO THE INTERIM FINANCIAL REPORT - SECOND QUARTER ENDED 30 JUNE 2008**

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

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

The interim financial report is unaudited and has been prepared in accordance with Financial Reporting Standard (FRS) 134: Interim Financial Reporting and paragraph 9.22 of Bursa Malaysia Securities Berhad (Bursa Securities) Listing Requirements. The financial information for the six months ended 30 June 2008 have been reviewed by the Company’s auditors 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 2007. 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 2007.

In the current financial period, the Group adopted the following revised FRSs and IC interpretation which are applicable to financial statements for annual periods beginning on or after 1 January 2008 and are relevant to its operations:-

FRS 107	Cash Flow Statements
FRS 112	Income Taxes
FRS 118	Revenue
FRS 134	Interim Financial Reporting
FRS 137	Provisions, Contingent Liabilities and Contingent Assets
Amendment to FRS 121 <sub>2007</sub> The Effects of Changes in Foreign Exchange Rates ó Net Investment in Foreign Operation.	

IC Interpretation 8	Scope of FRS 2
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The above FRSs and IC interpretation do not have any significant financial impact for the Group for the financial period ended 30 June 2008 and corresponding period ended 30 June 2007. In respect of FRS 112, the Group will continue to recognise in the income statement, the tax impact arising from the investment tax allowances as and when it is utilised.

**b) *Seasonal or Cyclical Factors***

The business operations of the Group’s leisure and hospitality division are subject to seasonal fluctuations. The results are affected by major festive seasons and holidays.

**c) *Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows***

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group for the six months ended 30 June 2008.

**d) *Material Changes in Estimates***

There were no material changes in estimates of amounts reported in prior interim periods of the current financial quarter ended 30 June 2008 or that of prior financial years.

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

- i) The Company issued 3,126,000 new ordinary shares of 10 sen each, for cash, arising from the exercise of options granted under the Executive Share Option Scheme for Eligible Executives of Resorts World Bhd during the six months ended 30 June 2008 at the following exercise prices:

<b>Exercise price (RM)</b>	<b>No. of options exercised during the six months ended 30 June 2008</b>
1.700	80,000
1.898	630,000
2.134	20,000
2.064	2,396,000
	<hr/>
	<b>3,126,000</b>

- ii) The Company issued RM1.1 billion nominal value zero coupon convertible notes due in 2008 (öNotesö) which are convertible at the option of the holders of the Notes into new ordinary shares of the Company at any time during the period beginning on and including 20 October 2006 and ending on 11 September 2008.

During the six months ended 30 June 2008, RM100.4 million of Notes were converted into 39.4 million new ordinary shares of 10 sen each of the Company. The balance of the Notes that remains outstanding as at 30 June 2008 is RM76.4 million.

- iii) At the Annual General Meeting of the Company held on 23 June 2008, the shareholders of the Company had approved, amongst others,

- (I) the proposed renewal of the authority for the Company to purchase its own shares of up to 10% of the issued and paid-up share capital of the Company; and
- (II) the proposed exemption under Practice Note 2.9.10 of the Malaysian Code on Take-Overs and Mergers, 1998 to Genting Berhad (öGentingö) and persons acting in concert with it from the obligation to undertake a mandatory take-over offer on the remaining voting shares in the Company not already owned by them, upon the purchase by the Company of its own shares pursuant to the renewal of the authority for the purchase of own shares (öProposed Exemptionö).

On 2 July 2008, Genting informed the Company that Securities Commission (öSCö) has, on 1 July 2008, approved the Proposed Exemption subject to the requirement that Genting and persons acting in concert with it must at all times disclose to the SC all acquisitions or purchases of the voting shares in the Company made by them in a 12-month period from 1 July 2008.

During the six months ended 30 June 2008, the Company had repurchased a total of 25,014,300 ordinary shares of 10 sen each of its issued share capital from the open market for a total consideration of RM77.2 million. The repurchased transactions were financed by internally generated funds. The repurchased shares are held as treasury shares in accordance with the requirements of Section 67A (as amended) of the Companies Act, 1965.

**f) Dividends Paid**

No dividend has been paid for the six months ended 30 June 2008.

**g) Segment Information**

Segment analysis for the six months ended 30 June 2008 is set out below:

	<u>Leisure &amp; Hospitality</u> <u>RM'000</u>	<u>Property</u> <u>RM'000</u>	<u>Others</u> <u>RM'000</u>	<u>Eliminations</u> <u>RM'000</u>	<u>Total</u> <u>RM'000</u>
<b>Revenue</b>					
External	2,314,091	3,220	15,381	-	2,332,692
Inter segment	668	2,752	32,604	(36,024)	-
	<u>2,314,759</u>	<u>5,972</u>	<u>47,985</u>	<u>(36,024)</u>	<u>2,332,692</u>
<b>Results</b>					
<b>Segment profit</b>	838,416	(274)	16,630	-	854,772
Interest income					53,137
Finance cost					(1,644)
Share of result in jointly controlled entity					453
<b>Profit before taxation</b>					<u>906,718</u>
Taxation					<u>(225,283)</u>
<b>Profit for the financial period</b>					<u>681,435</u>

**h) Valuation of Property, Plant and Equipment**

There was no valuation of property, plant and equipment since the last financial year ended 31 December 2007.

**i) Material Events Subsequent to the end of Financial Period**

There were no material events subsequent to the end of current financial period ended 30 June 2008 that have not been reflected in this interim financial report.

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

There have been no material changes in the composition of the Group for the six months ended 30 June 2008.

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

There were no material changes in the contingent liabilities or contingent assets since the last financial year ended 31 December 2007.

**l) Capital Commitments**

Capital commitments not provided for in the financial statements as at 30 June 2008 are as follows:

	<b>RM'000</b>
Authorised property, plant and equipment expenditure not provided for in the financial statements:	
- Contracted	96,635
- Not contracted	455,525
	<u>552,160</u>



**RESORTS WORLD BHD**  
**ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES – SECOND QUARTER ENDED**  
**30 JUNE 2008**

**Part II : Compliance with Appendix 9B of Bursa Securities Listing Requirements**

**1) Review of Performance**

The results of the Group are tabulated below:

	INDIVIDUAL QUARTER			PRECEDING QUARTER		SIX MONTHS ENDED 30 JUNE		
	2Q2008	2Q2007	Var	1Q2008	Var	2008	2007	Var
	RM'Mil	RM'Mil	%	RM'Mil	%	RM'Mil	RM'Mil	%
<b>Revenue</b>								
Leisure & Hospitality	1,228.4	1,027.0	+20%	1,085.7	+13%	2,314.1	2,079.5	+11%
Property	0.7	0.9	-22%	2.5	-72%	3.2	2.3	+39%
Others	11.7	4.0	+>100%	3.7	+>100%	15.4	13.9	+11%
	<b>1,240.8</b>	<b>1,031.9</b>	<b>+20%</b>	<b>1,091.9</b>	<b>+14%</b>	<b>2,332.7</b>	<b>2,095.7</b>	<b>+11%</b>
<b>Profit before tax</b>								
Leisure & Hospitality	467.1	339.0	+38%	371.3	+26%	838.4	687.4	+22%
Property	(1.1)	0.2	->100%	0.9	->100%	(0.2)	0.8	->100%
Others - gain on disposal (*)	19.1	-	+>100%	-	+>100%	19.1	-	+>100%
- others	(3.6)	3.5	->100%	1.1	->100%	(2.5)	8.7	->100%
	<b>481.5</b>	<b>342.7</b>	<b>+41%</b>	<b>373.3</b>	<b>+29%</b>	<b>854.8</b>	<b>696.9</b>	<b>+23%</b>
Interest income	29.5	18.2	+62%	23.6	+25%	53.1	33.8	+57%
Finance cost	-	(3.1)	+100%	(1.6)	+100%	(1.6)	(6.6)	+76%
Share of results in jointly controlled entity and associate	0.3	31.2	-99%	0.1	+>100%	0.4	(62.9)	+>100%
Gain on dilution of equity investment in associate	-	-	-	-	-	-	63.2	-100%
	<b>511.3</b>	<b>389.0</b>	<b>+31%</b>	<b>395.4</b>	<b>+29%</b>	<b>906.7</b>	<b>724.4</b>	<b>+25%</b>

(\*) This represents the gain on disposal of long term investment arising from foreign exchange translation.

The Group registered revenue of RM1,240.8 million and profit before tax of RM511.3 million for the current quarter. This is an increase of 20% and 31% respectively compared with the previous year's corresponding quarter. The increase in revenue is mainly attributable to better underlying performance in the leisure and hospitality segment arising primarily from better luck factor from the premium player business and higher volume of business. The higher profit before tax is mainly attributable to higher revenue in the leisure and hospitality business, gain on disposal of long term investment arising from foreign exchange translation and higher interest income.

The Group registered revenue of RM2,332.7 million and profit before tax of RM906.7 million for the six months ended 30 June 2008. The increase in revenue is mainly attributable to better underlying performance in the leisure and hospitality segment arising primarily from better luck factor from the premium player business and higher volume of business. The increase in profit before tax is mainly attributable to the following:

- higher profitability in the leisure and hospitality business;
- higher interest income;
- gain on disposal of long term investment arising from foreign exchange translation; and
- the Group no longer equity account for the results of Star Cruises Limited (öSCLö) since 31 July 2007. The share of loss in SCL last year was RM62.9 million.

The effect of the above has been reduced by a gain on dilution of equity investment in SCL of RM63.2 million incurred last year.

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

The Group registered a profit before tax of RM511.3 million in the current quarter compared with RM395.4 million in the preceding quarter.

The higher profit before tax was mainly attributable to better underlying performance in the leisure and hospitality segment arising primarily from better luck factor from the premium player business and higher volume of business in the current quarter.

3) ***Prospects***

Prospects for the leisure and hospitality industry in the second half of 2008 may be challenging. The continuing uncertain conditions and inflationary pressures will have an impact on overall consumer spending and may affect visitations to Genting Highlands Resort. Nevertheless, the Group will continue its focus on yield management and to maximise operational efficiency in all its business segments.

4) ***Variance of Actual Profit from Forecast Profit***

The Group did not issue any profit forecast or profit guarantee for the year.

5) ***Taxation***

Taxation charges for the current quarter and six months ended 30 June 2008 are as follows:

	<b><u>Current quarter ended 30 June 2008</u></b>	<b><u>Current financial year-to-date ended 30 June 2008</u></b>
	<b><u>RM'000</u></b>	<b><u>RM'000</u></b>
Current taxation charge:		
Malaysian income tax charge	122,174	210,188
Deferred tax charge	5,036	9,499
	<u>127,210</u>	<u>219,687</u>
Prior years taxation:		
Income tax (over)/under provided	(57)	5,596
	<u>127,153</u>	<u>225,283</u>

The effective tax rate of the Group for both the current quarter and current financial period before the adjustment of taxation in respect of prior years, is lower than statutory income tax rate mainly due to tax incentives claimed and non-taxable income generated during the current quarter and current financial period.

6) ***Profit on Sale of Unquoted Investments and/or Properties***

The results for the six months ended 30 June 2008 do not include any profit or loss on sale of unquoted investments and properties which are not in the ordinary course of business.

7) ***Quoted Securities other than Securities in Existing Subsidiaries and Associates***

(a) The dealings of quoted securities for the current quarter and six months ended 30 June 2008 were as follows:

	<u>Current quarter</u>	<u>Six months ended 30 June 2008</u>
	<u>RM'000</u>	<u>RM'000</u>
Total sale proceeds	522,473	522,473
Gain on disposal arising from foreign exchange translation	<u>19,102</u>	<u>19,102</u>

(b) The details of the investments in quoted shares excluding subsidiaries as at 30 June 2008 are set out below:

	<u>Available-For- Sale Financial Asset</u>
	<u>RM'000</u>
Total investments at cost	1,195,076
Total investments at book value	957,021
Total investments at market value	<u>957,021</u>

8) ***Status of Corporate Proposals Announced***

There were no corporate proposals announced but not completed as at 20 August 2008.

9) ***Group Borrowings and Debt Securities***

The details of the Group's borrowings are as set out below:

		<b>As at 30 June 2008</b>
		<b>RM'000</b>
Short term borrowings	Unsecured	76,350

As at 20 August 2008, RM997.0 million of the RM1.1 billion nominal value zero coupon convertible notes due in 2008 (Notes) has been converted into new ordinary shares of the Company, whilst RM51.1 million of the Notes was paid in the form of cash.

The Notes will be maturing on 21 September 2008. All Notes outstanding on 19 September 2008 will be redeemed by the Company at 99.00% of their principal amount.

### 10) *Off Balance Sheet Financial Instruments*

There are no off balance sheet financial instruments as at 20 August 2008.

### 11) *Changes in Material Litigation*

There are no pending material litigations as at 20 August 2008.

### 12) *Dividend Proposed or Declared*

- (a) (i) An interim dividend for the half year ended 30 June 2008 has been declared by the Directors.
- (ii) The interim dividend for the period ended 30 June 2008 is 3.00 sen per ordinary share of 10 sen each, less 26% tax.
- (iii) The interim dividend declared and paid for the previous year corresponding period ended 30 June 2007 was 2.88 sen per ordinary share of 10 sen each, less 27% tax.
- (iv) The interim dividend shall be payable on 21 October 2008.
- (v) Entitlement to the interim dividend:
- A Depositor shall qualify for entitlement to the interim dividend only in respect of:
- (I) Shares transferred into the Depositor's Securities Account before 4.00 p.m. on 30 September 2008 in respect of ordinary transfers; and
- (II) Shares bought on the Bursa Malaysia on a cum entitlement basis according to the rules of the Bursa Malaysia.
- (b) Total dividend payable for the current financial year-to-date is 3.00 sen per ordinary share of 10 sen each, less 26% tax.

### 13) *Earnings per share ("EPS")*

- (a) The earnings used as the numerator in calculating basic and diluted earnings per share for the current quarter and six months ended 30 June 2008 are as follows:

	<u>Current quarter</u> <u>ended</u> <u>30 June 2008</u> <u>RM'000</u>	<u>Current financial</u> <u>year-to-date ended</u> <u>30 June 2008</u> <u>RM'000</u>
Profit for the financial period attributable to equity holders of the Company (used as numerator for the computation of Basic and Diluted EPS)	384,281	681,642

**13) Earnings per share ("EPS")(Continued)**

- (b) The weighted average number of ordinary shares used as the denominator in calculating basic and diluted earnings per share for the current quarter and six months ended 30 June 2008 are as follow:

	<u>Current quarter</u> <u>ended</u> <u>30 June 2008</u>	<u>Current financial</u> <u>year-to-date ended</u> <u>30 June 2008</u>
	<u>Number of</u> <u>shares</u>	<u>Number of</u> <u>shares</u>
Weighted average number of ordinary shares in issue (*) (used as denominator for the computation of Basic EPS)	5,741,262,062	5,728,868,126
Adjustment for share options granted under the Executive Share Option Scheme For Eligible Executives of Resorts World Bhd	14,350,711	16,722,509
Adjustment for shares issuable arising from the conversion of Convertible Notes	30,418,327	46,064,091
Weighted average number of ordinary shares in issue (used as denominator for the computation of Diluted EPS)	5,786,031,100	5,791,654,726

*(\*) The weighted average number of ordinary shares of RM0.10 each in issue during the current quarter ended 30 June 2008 excludes the weighted average treasury shares held by the Company.*

**14) Disclosure of Audit Report Qualification and Status of Matters Raised**

The audit report of the Group's annual financial statements for the year ended 31 December 2007 was not qualified.

**TAN SRI LIM KOK THAY**  
**Chairman and Chief Executive**  
**RESORTS WORLD BHD**  
27 August 2008