



THIRD QUARTERLY REPORT

Quarterly report on consolidated results for the nine months ended 30 September 2012. The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2012

	UNAUDITED INDIVIDUAL QUARTER		UNAUDITED CUMULATIVE PERIOD	
	Third quarter ended 30 September		Nine months ended 30 September	
	<u>2012</u> <u>RM'000</u>	<u>2011</u> <u>RM'000</u>	<u>2012</u> <u>RM'000</u>	<u>2011</u> <u>RM'000</u>
Revenue	1,943,076	2,315,836	5,966,359	6,162,441
Cost of sales	(1,384,618)	(1,732,908)	(3,994,477)	(4,456,290)
Gross profit	558,458	582,928	1,971,882	1,706,151
Other income	49,512	35,007	119,671	113,080
Other expenses	(140,150)	(141,798)	(579,585)	(342,643)
Profit from operations before impairment losses	467,820	476,137	1,511,968	1,476,588
Impairment losses	(178,894)	(1,316)	(183,914)	(5,179)
Profit from operations	288,926	474,821	1,328,054	1,471,409
Finance costs	(7,711)	(10,721)	(31,128)	(20,717)
Share of results in jointly controlled entities	-	(593)	-	(2,603)
Share of results in associates	-	(423)	1,333	(1,175)
Profit before taxation	281,215	463,084	1,298,259	1,446,914
Taxation	(90,868)	(115,939)	(341,448)	(368,318)
Profit for the financial period	190,347	347,145	956,811	1,078,596
Profit attributable to:				
Equity holders of the Company	190,347	347,145	956,811	1,078,596
Earnings per share attributable to equity holders of the Company:				
Basic earnings per share (sen)	3.36	6.13	16.89	19.05
Diluted earnings per share (sen)	3.36	6.13	16.88	19.02

(The Condensed Consolidated Income Statement should be read in conjunction with the audited Financial Statements for the financial year ended 31 December 2011.)

GENTING MALAYSIA BERHAD
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2012

	UNAUDITED INDIVIDUAL QUARTER		UNAUDITED CUMULATIVE PERIOD	
	Third quarter ended 30 September		Nine months ended 30 September	
	<u>2012</u> <u>RM'000</u>	<u>2011</u> <u>RM'000</u>	<u>2012</u> <u>RM'000</u>	<u>2011</u> <u>RM'000</u>
Profit for the financial period	190,347	347,145	956,811	1,078,596
Other comprehensive (loss)/income:				
Available-for-sale financial assets				
- Fair value (loss)/gain	(31,560)	(347,035)	222,397	(690,468)
- Reclassification to profit or loss upon disposal	(1,430)	-	(1,430)	-
Share of other comprehensive income of an associate				
- Foreign currency exchange differences	-	(15)	3	(9)
- Reclassification to profit or loss upon disposal	-	-	12	-
Foreign currency exchange differences	(218,816)	191,762	(151,016)	49,015
Other comprehensive (loss)/income, net of tax	(251,806)	(155,288)	69,966	(641,462)
Total comprehensive (loss)/income for the financial period	(61,459)	191,857	1,026,777	437,134
Total comprehensive (loss)/income attributable to:				
Equity holders of the Company	(61,459)	191,857	1,026,777	437,134

GENTING MALAYSIA BERHAD
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2012

	Unaudited As at 30.09.2012 RM'000	As at 31.12.2011 RM'000	As at 01.01.2011 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	5,016,105	4,797,899	4,374,776
Land held for property development	184,534	184,534	181,534
Investment properties	1,415,601	1,562,290	304,008
Intangible assets	4,094,265	4,332,320	3,144,542
Jointly controlled entities	13,106	13,227	17,228
Associates	-	24,445	1,521
Available-for-sale financial assets	1,308,651	1,608,220	2,371,445
Long term receivables	267,257	257,257	7,505
Deferred tax assets	1,936	1,377	2,630
	<u>12,301,455</u>	<u>12,781,569</u>	<u>10,405,189</u>
Current assets			
Inventories	74,553	75,784	73,865
Trade and other receivables	389,333	548,680	412,518
Amounts due from other related companies	10,686	16,683	20,241
Amounts due from jointly controlled entities and associate	2,604	1,886	20
Assets classified as held for sale	-	-	19,658
Financial assets at fair value through profit or loss	3,708	65,043	90,785
Available-for-sale financial assets	756,811	250,025	250,025
Restricted cash	7,626	624,077	645,814
Cash and cash equivalents	2,806,484	2,142,775	2,866,264
	<u>4,051,805</u>	<u>3,724,953</u>	<u>4,379,190</u>
TOTAL ASSETS	<u>16,353,260</u>	<u>16,506,522</u>	<u>14,784,379</u>
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Company			
Share capital	593,804	592,441	591,531
Reserves	12,913,891	12,226,648	11,852,546
Treasury shares	(892,328)	(892,292)	(835,370)
TOTAL EQUITY	<u>12,615,367</u>	<u>11,926,797</u>	<u>11,608,707</u>
Non-current liabilities			
Other long term liabilities	205,203	176,526	174,930
Long term borrowings	655,628	970,555	346,301
Deferred tax liabilities	777,411	816,688	829,065
	<u>1,638,242</u>	<u>1,963,769</u>	<u>1,350,296</u>
Current liabilities			
Trade and other payables	1,280,597	1,591,597	907,242
Amount due to holding company	14,743	24,752	16,204
Amounts due to other related companies	39,522	43,372	53,414
Amounts due to jointly controlled entity and associate	26,067	32,036	25,637
Short term borrowings	459,627	829,181	701,781
Taxation	117,416	95,018	121,098
Dividend payable	161,679	-	-
	<u>2,099,651</u>	<u>2,615,956</u>	<u>1,825,376</u>
TOTAL LIABILITIES	<u>3,737,893</u>	<u>4,579,725</u>	<u>3,175,672</u>
TOTAL EQUITY AND LIABILITIES	<u>16,353,260</u>	<u>16,506,522</u>	<u>14,784,379</u>
NET ASSETS PER SHARE (RM)	<u>2.22</u>	<u>2.11</u>	<u>2.05</u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited Financial Statements for the financial year ended 31 December 2011.)

GENTING MALAYSIA BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2012

	Attributable to equity holders of the Company						
	Share Capital	Share Premium	Available-for-sale		Treasury Shares	Retained Earnings	Total Equity
			Financial Assets Reserve	Other Reserves			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 January 2012	592,441	1,144,118	952,187	(290,571)	(892,292)	10,420,914	11,926,797
Share based payments under ESOS	-	-	-	(278)	-	-	(278)
Issue of shares	1,363	26,502	-	-	-	-	27,865
Buy-back of shares	-	-	-	-	(36)	-	(36)
Appropriation:							
Final dividend declared for the year ended 31 December 2011	-	-	-	-	-	(204,079)	(204,079)
Interim dividend declared for the year ending 31 December 2012	-	-	-	-	-	(161,679)	(161,679)
Total comprehensive income/(loss) for the period	-	-	220,967	(151,001)	-	956,811	1,026,777
At 30 September 2012	593,804	1,170,620	1,173,154	(441,850)	(892,328)	11,011,967	12,615,367
At 1 January 2011	591,531	1,126,454	1,771,300	(393,448)	(835,370)	9,348,240	11,608,707
Share based payments under ESOS	-	-	-	22	-	-	22
Issue of shares	626	12,151	-	-	-	-	12,777
Buy-back of shares	-	-	-	-	(54,185)	-	(54,185)
Appropriation:							
Final dividend declared for the year ended 31 December 2010	-	-	-	-	-	(186,862)	(186,862)
Interim dividend declared for the year ending 31 December 2011	-	-	-	-	-	(161,230)	(161,230)
Total comprehensive (loss)/ income for the period	-	-	(690,468)	49,006	-	1,078,596	437,134
At 30 September 2011	592,157	1,138,605	1,080,832	(344,420)	(889,555)	10,078,744	11,656,363

(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 2011.)

GENTING MALAYSIA BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2012

	Unaudited Nine months ended 30 September	
	2012 RM'000	2011 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,298,259	1,446,914
Adjustments for:		
Depreciation and amortisation	386,131	259,110
Assets written off	11,356	724
Finance costs	31,128	20,717
Interest income	(46,603)	(55,909)
Investment income	(23,633)	(23,050)
Construction loss/(profit)	48,150	(54,326)
Impairment losses	183,914	5,179
Net fair value (gain)/loss on financial assets at fair value through profit or loss	(3,543)	13,697
Gain on disposal of investment properties	-	(12,642)
Loss/(gain) of disposal of property, plant and equipment	9,069	(120)
Gain on disposal on available-for-sale financial assets	(1,430)	-
Share of results in jointly controlled entities	-	2,603
Share of results in associates	(1,333)	1,175
Other non-cash items and adjustments	28,867	5,031
	622,073	162,189
Operating profit before working capital changes	1,920,332	1,609,103
Net change in current assets	37,550	(571,440)
Net change in current liabilities	(356,967)	368,967
	(319,417)	(202,473)
Cash generated from operations	1,600,915	1,406,630
Net tax paid	(357,850)	(324,015)
Retirement gratuities paid	(4,089)	(3,204)
Other net operating payments	(12,665)	(18,522)
	(374,604)	(345,741)
Net Cash Flow From Operating Activities	1,226,311	1,060,889
CASH FLOWS FROM INVESTING ACTIVITIES		
Property, plant and equipment	(419,131)	(299,847)
Purchase of investment properties	-	(871,207)
Proceed from disposal of associates	24,672	-
Proceed from disposal of investment properties	-	32,300
Purchase of investments	(33,753)	(835,797)
Proceeds from disposal of available-for-sale financial assets	1,909	-
Proceeds from disposal of investments	-	15,938
Other investing activities	61,055	43,119
	(365,248)	(1,915,494)
Net Cash Flow From Investing Activities		
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares	27,865	12,777
Proceeds from borrowings	-	1,363,811
Buy-back of shares	(36)	(54,185)
Dividend paid	(204,079)	(186,862)
Finance costs paid	(20,271)	(11,770)
Repayment of borrowings	(626,783)	(677,465)
Restricted cash	616,450	27,512
Others	13,668	(25,120)
	(193,186)	448,698
Net Cash Flow From Financing Activities		
NET MOVEMENT IN CASH AND CASH EQUIVALENTS	667,877	(405,907)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	2,142,775	2,866,264
EFFECT OF CURRENCY TRANSLATION	(4,168)	5,478
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	2,806,484	2,465,835
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Bank balances and deposits	1,302,502	1,761,238
Money market instruments	1,503,982	704,597
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	2,806,484	2,465,835

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited Financial Statements for the financial year ended 31 December 2011.)

Part I: Compliance with Malaysian Financial Reporting Standard (“MFRS”) 134

a) *Accounting Policies and Methods of Computation*

The interim financial report is unaudited and has been prepared in accordance with MFRS 134 “Interim Financial Reporting” and paragraph 9.22 of Bursa Malaysia Securities Berhad (“Bursa Securities”) Listing Requirements. The financial information for the nine months ended 30 September 2012 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 2011. For the periods up to and including the year ended 31 December 2011, the Group prepared its financial statements in accordance with Financial Reporting Standards (“FRS”). Except for certain differences, the requirements under FRS and MFRS are similar. The accounting policies and methods of computation adopted for the interim financial report are consistent with those adopted for the annual audited financial statements for the financial year ended 31 December 2011, except for the initial elections upon first time adoption of MFRS as disclosed below:

(i) Initial elections upon first time adoption of MFRS

The interim financial report for the nine months ended 30 September 2012 is prepared in accordance with MFRSs, including MFRS 1 “First-time adoption of MFRS”. Subject to certain transition elections as disclosed below, the Group has consistently applied the same accounting policies in its opening MFRS statement of financial position at 1 January 2011 (transition date) and throughout all periods presented, as if these policies had always been in effect.

Exemption for business combinations

MFRS 1 provides the option to apply MFRS 3 “Business Combinations” prospectively for business combination that occurred from the transition date or from a designated date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date or a designated date prior to the transition date. The Group elected to apply MFRS 3 prospectively to business combinations that occurred after 1 January 2011. Business combinations that occurred prior to 1 January 2011 have not been restated. In addition, the Group has also applied MFRS 127 “Consolidated and Separate Financial Statements” from the same date.

(ii) Explanations of transition from FRSs to MFRSs

The adoption of MFRS 1 does not have any impact on the reported financial position, financial performance and cash flows of the Group and hence, no reconciliations from FRSs to MFRSs were prepared.

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

The unusual items included in the interim financial statements for the nine months ended 30 September 2012 related mainly to the impairment losses on the Group's investments. In accordance with MFRS 136: Impairment of Assets, the Group conducted its annual impairment review during the third quarter ended 30 September 2012. Impairment loss is recognised when the carrying amount of the asset, at the point of review, exceeds its recoverable amount. An impairment loss can be reversed, to the extent of the previously recognised impairment losses for the same asset, if the recoverable amount determined at the subsequent review exceeds the carrying amount. This is not applicable to goodwill as any impairment loss recognised for goodwill cannot be reversed in subsequent periods. Consequently, the Group recorded a total impairment loss of RM178.9 million during the quarter ended 30 September 2012 as detailed below:

- i) Impairment losses totalling RM87.5 million on the goodwill arising from the acquisition of the Omni Center in the City of Miami, Florida, US in 2011 and on certain buildings in the Omni Center. These impairment losses are due to the excess of the assets' carrying values over their recoverable amounts.
- ii) An impairment loss of RM64.5 million relating to certain provincial casino licences and assets in the United Kingdom ("UK"). The overall UK casino operations reported higher business volumes and operational profitability for the nine months ended 30 September 2012. However, certain casinos in the provincial estate were affected by the economic slowdown in the UK, resulting in the impairment.
- iii) An impairment loss of RM26.9 million relating to carrying value of the casino concession agreement in Egypt. This impairment loss was due to the uncertainty of the commencement date on casino concession agreement caused by the current political and economic climate in Egypt. This carrying value of the casino concession arose as a result of the purchase price allocation on the acquisition of casino businesses in UK.

Other than the above, there were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group for the nine months ended 30 September 2012.

d) Material Changes in Estimates

There were no material changes in estimates of amounts reported in prior financial years.

e) Changes in Debt and Equity Securities

- i) The Company issued 13,631,000 new ordinary shares of 10 sen each, for cash, arising from the exercise of options granted under the Executive Share Option Scheme ("ESOS") for Eligible Executives of Genting Malaysia Berhad during the nine months ended 30 September 2012 at the following exercise prices:

Exercise price (RM)	No. of options exercised during the nine months ended 30 September 2012
1.700	25,000
1.898	1,591,000
1.984	75,000
2.064	11,795,000
2.134	145,000
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	13,631,000

- ii) During the nine months ended 30 September 2012, the Company had repurchased 10,000 ordinary shares of 10 sen each of its issued share capital from the open market for a consideration of approximately RM36,000. 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) Dividend Paid

Dividend paid during the nine months ended 30 September 2012 is as follows:

	RM'000
Final dividend for the year ended 31 December 2011 paid on 23 July 2012	
4.8 sen less 25% tax per ordinary share of RM0.10 each	<u>204,079</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. The performance of the operating segments is based on a measure of adjusted earnings before interest, tax, depreciation and amortisation (EBITDA). This measurement basis excludes the effects of non-recurring items from the reporting segments, such as fair value gains and losses, impairment losses, pre-operating expenses, gain or loss on disposal of assets and assets written off. Interest income is not included in the result for each operating segment.

Segment analysis for the nine months ended 30 September 2012 is set out below:

	<u>Leisure & Hospitality</u>			<u>Property</u>	<u>Investments & Others</u>	<u>Total</u>
	<u>Malaysia</u> <u>RM'000</u>	<u>United Kingdom</u> <u>RM'000</u>	<u>United States of America</u> <u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Revenue						
Total revenue	4,115,099	1,102,917	649,692	63,215	144,882	6,075,805
Inter segment	(3,568)	-	-	(8,127)	(97,751)	(109,446)
External	<u>4,111,531</u>	<u>1,102,917</u>	<u>649,692</u>	<u>55,088</u>	<u>47,131</u>	<u>5,966,359</u>
Adjusted EBITDA	<u>1,547,755</u>	<u>150,765</u>	<u>123,412</u>	<u>41,454</u>	<u>8,561</u>	<u>1,871,947</u>
Total Assets	<u>3,856,796</u>	<u>3,321,360</u>	<u>2,528,403</u>	<u>1,914,161</u>	<u>4,732,540</u>	<u>16,353,260</u>

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

Adjusted EBITDA for reportable segments	1,871,947
Pre-operating expenses	(29,398)
Loss on disposal of assets	(6,873)
Assets written off	(11,356)
Impairment losses	(183,914)
Net fair value gain on financial assets at fair value through profit or loss	3,543
Investment income	<u>23,633</u>
EBITDA	<u>1,667,582</u>
Depreciation and amortisation	(386,131)
Interest income	46,603
Finance costs	(31,128)
Share of results in associates	<u>1,333</u>
Profit before taxation	<u>1,298,259</u>

h) Valuation of Property, Plant and Equipment

There was no valuation of property, plant and equipment since the financial year ended 31 December 2011.

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 September 2012 that have not been reflected in this interim financial report.

j) Changes in the Composition of the Group

There were no material changes in the composition of the Group for the nine months ended 30 September 2012.

k) Changes in Contingent Liabilities or Contingent Assets

As disclosed in the audited financial statements for the financial year ended 31 December 2011, a subsidiary of the Group had received billings made by a contractor in respect of work performed for the subsidiary and an external consultant had been engaged by the subsidiary to review and verify these billings. Consequently, an appropriate amount of the billings had been recognised in the financial statements based on the consultant's independent review. The amount which was in dispute of RM83.0 million had not been recognised as a liability in the financial statements as at 31 December 2011 as the Group was of the view that the obligation to settle it was not probable and had been disclosed as a contingent liability.

In May 2012, the subsidiary entered into a settlement agreement with the contractor to agree on a final settlement amount. As a result, a liability of RM48.2 million has been accrued in the interim financial statements as at 31 March 2012. The liability has been settled in the second quarter ended 30 June 2012.

Other than the above development, there were no material changes in the contingent liabilities or contingent assets since the financial year ended 31 December 2011.

l) Capital Commitments

Authorised capital commitments not provided for in the interim financial statements as at 30 September 2012 are as follows:

	RM'000
Contracted	634,226
Not contracted	1,561,427
	<u>2,195,653</u>
Analysed as follows:	
- Property, plant and equipment	1,648,135
- Investments	547,518
	<u>2,195,653</u>

m) Significant Related Party Transactions

In the normal course of business, the Group undertakes on agreed terms and prices, transactions with related companies and other related parties. The related party transactions of the Group carried out during the nine months ended 30 September 2012 are as follows:

	Current quarter RM'000	Current financial year-to- date RM'000
i) Provision of technical know-how and management expertise in the resort's operations by Genting Berhad ("GENT") Group to the Group.	<u>115,878</u>	<u>329,218</u>
ii) Licensing fee for the use of "Genting" and "Awana" logo charged by GENT to the Group.	<u>50,133</u>	<u>143,845</u>
iii) Licensing fee for the use of "Resorts World" and "Genting" intellectual property charged by GENT Group to the Group.	<u>292</u>	<u>938</u>
iv) Provision of GENT Group Management and Support Services by GENT Group to the Group.	<u>1,638</u>	<u>5,011</u>
v) Rental charges for premises by the Company to Oriregal Creations Sdn Bhd.	<u>403</u>	<u>1,143</u>
vi) Rental charges and related services by the Group to GENT Group.	<u>866</u>	<u>2,602</u>
vii) Rental charges and related services by the Group to Genting Plantations Berhad ("GENP") Group.	<u>548</u>	<u>1,646</u>
viii) Purchase of holiday packages from Genting Hong Kong Limited ("GENHK") Group.	<u>303</u>	<u>758</u>
ix) Air ticketing and transportation services rendered by the Group to GENHK Group.	<u>168</u>	<u>439</u>
x) Technical services rendered by Resorts World Inc Pte Ltd ("RWI") to the Group.	<u>-</u>	<u>690</u>
xi) Provision of marketing services by the Group to GENS Group.	<u>2,819</u>	<u>5,977</u>
xii) Provision of professional and marketing services by the Group to RWI Group.	<u>1,121</u>	<u>1,121</u>
xiii) Licensing fee for the use of "Resorts World" and "Genting" intellectual property in the United States of America charged by RWI to the Group.	<u>11,717</u>	<u>32,657</u>
xiv) Provision of information technology consultancy, development, implementation, support and maintenance service and other management services by the Group to GENT Group.	<u>1,194</u>	<u>3,348</u>
xv) Provision of information technology consultancy, development, implementation, support and maintenance service and other management services by the Group to GENP Group.	<u>999</u>	<u>2,348</u>
xvi) Provision of information technology consultancy, development, implementation, support and maintenance service and other management services by the Group to GENHK Group.	<u>176</u>	<u>696</u>
xvii) Shareholder's advance by the Group to Genting Inti Education Sdn Bhd.	<u>673</u>	<u>673</u>
xviii) Purchase of holiday packages from GENS Group.	<u>671</u>	<u>671</u>
xix) Sales of mooncakes by GENM to GENS Group.	<u>1,257</u>	<u>1,257</u>

GENTING MALAYSIA BERHAD
ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES – THIRD QUARTER ENDED
30 SEPTEMBER 2012

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		Var %	PRECEDING QUARTER		Var %	NINE MONTHS ENDED 30 SEPTEMBER		Var %
	3Q2012 RM'Mil	3Q2011 RM'Mil		2Q2012 RM'Mil	2012 RM'Mil		2011 RM'Mil		
Revenue									
Leisure & Hospitality									
- Malaysia	1,403.2	1,389.1	1%	1,397.8	0%	4,111.6	4,040.8	2%	
- United Kingdom	286.7	332.3	-14%	472.9	-39%	1,102.9	866.0	27%	
- United States of America	214.6	566.9	-62%	216.7	-1%	649.7	1,194.6	-46%	
	1,904.5	2,288.3	-17%	2,087.4	-9%	5,864.2	6,101.4	-4%	
Property	18.1	10.3	76%	18.9	-4%	55.1	23.7	+>100%	
Investments & others	20.5	17.2	19%	13.2	55%	47.1	37.3	26%	
	<u>1,943.1</u>	<u>2,315.8</u>	-16%	<u>2,119.5</u>	-8%	<u>5,966.4</u>	<u>6,162.4</u>	-3%	
Adjusted EBITDA									
Leisure & Hospitality									
- Malaysia	525.1	523.0	0%	560.5	-6%	1,547.7	1,572.1	-2%	
- United Kingdom	(13.8)	30.7	->100%	130.2	->100%	150.8	98.8	53%	
- United States of America	61.5	25.9	+>100%	60.6	1%	123.4	54.3	+>100%	
	572.8	579.6	-1%	751.3	-24%	1,821.9	1,725.2	6%	
Property	12.7	7.1	79%	14.3	-11%	41.4	13.3	+>100%	
Others	6.2	3.3	88%	1.4	+>100%	8.6	8.8	-2%	
	<u>591.7</u>	<u>590.0</u>	0%	<u>767.0</u>	-23%	<u>1,871.9</u>	<u>1,747.3</u>	7%	
Pre-operating expenses	(6.1)	(32.2)	81%	(5.6)	-9%	(29.4)	(49.5)	41%	
Property related termination costs	-	-	-	-	-	-	(39.4)	NC	
(Loss)/gain on disposal of assets	(6.6)	-	NC	(0.5)	->100%	(6.9)	12.8	->100%	
Assets written off	(11.1)	(0.1)	->100%	(0.1)	->100%	(11.3)	(0.7)	->100%	
Impairment losses	(178.9)	(1.3)	->100%	-	NC	(183.9)	(5.2)	->100%	
Net fair value (loss)/gain on financial assets at fair value through profit or loss	(0.2)	(15.4)	99%	(2.0)	90%	3.6	(13.7)	+>100%	
Investment income	7.9	7.8	1%	7.9	0%	23.6	23.0	3%	
EBITDA	<u>396.7</u>	<u>548.8</u>	-28%	<u>766.7</u>	-48%	<u>1,667.6</u>	<u>1,674.6</u>	0%	
Depreciation and amortisation	(125.8)	(93.3)	-35%	(132.4)	5%	(386.1)	(259.1)	-49%	
Interest income	18.1	19.3	-6%	15.2	19%	46.6	55.9	-17%	
Finance costs	(7.7)	(10.7)	28%	(11.0)	30%	(31.1)	(20.7)	-50%	
Share of results in jointly controlled entities	-	(0.6)	NC	-	-	-	(2.6)	NC	
Share of results in associates	-	(0.4)	NC	-	-	1.3	(1.2)	+>100%	
Profit before taxation	<u>281.3</u>	<u>463.1</u>	-39%	<u>638.5</u>	-56%	<u>1,298.3</u>	<u>1,446.9</u>	-10%	

NC: Not comparable

1) *Review of Performance (Cont'd)*

a) **Quarter ended 30 September 2012 ("3Q 2012") compared with quarter ended 30 September 2011 ("3Q 2011")**

The Group's revenue in 3Q 2012 was RM1,943.1 million, which was a decrease of 16% compared with RM2,315.8 million in 3Q 2011.

The lower revenue was mainly attributable to:

1. completion of the development of Resorts World Casino New York City ("RWNYC") resulting in no further construction revenue being recognised from its development in 3Q 2012. Construction revenue recorded in 3Q 2011 was RM566.9 million;
2. lower revenue from the leisure and hospitality business in United Kingdom ("UK") by RM45.6 million contributed mainly by a lower hold percentage of its London casino operations despite an overall higher volume of business; mitigated by
3. the revenue from the leisure and hospitality business in the United States of America ("US") of RM214.6 million, mainly from the operations of RWNYC, which commenced operations in October 2011;
4. higher revenue from the leisure and hospitality business in Malaysia by RM14.1 million. The increase is mainly due to the overall higher volume of business despite a lower hold percentage in the premium players business;
5. the property segment reported a higher revenue by RM7.8 million compared to 3Q 2011. This is mainly attributable to the additional rental income arising from properties in the City of Miami, Florida, US.

The Group's adjusted EBITDA in 3Q 2012 was RM591.7 million compared with RM590.0 million in 3Q 2011. The higher adjusted EBITDA was mainly attributable to:

1. leisure and hospitality business in the US which registered an adjusted EBITDA of RM61.5 million mainly from the operations of RWNYC. Included in the adjusted EBITDA for 3Q 2011 was the construction profit of RM25.9 million;
2. leisure and hospitality business in Malaysia which registered an adjusted EBITDA of RM525.1 million compared with RM523.0 million in 3Q 2011. The adjusted EBITDA margin was 37% (3Q 2011: 38%); offset by
3. casino business in the UK which registered an adjusted loss before interest, tax, depreciation and amortisation of RM13.8 million for 3Q 2012 compared to an adjusted EBITDA of RM30.7 million in 3Q 2011 mainly due to lower revenue from its London casino operations.

The Group's profit before taxation of RM281.3 million in 3Q 2012 was lower by 39% compared with RM463.1 million in 3Q 2011. The lower profit before taxation was mainly due to:

1. impairment losses of RM178.9 million as mentioned in Part I (c) above;
2. higher depreciation and amortisation charges by RM32.5 million mainly from the Group's operations in the US;
3. higher assets written off by RM11.0 million mainly due to closure of certain provincial casinos in the UK; mitigated by
4. higher adjusted EBITDA;
5. lower pre-operating expenses by RM26.1 million mainly due to the expenses incurred in relation to the development and operations of RWNYC in 3Q 2011.

Excluding the impairment losses, the Group's profit before taxation would have been 1% lower than 3Q 2011.

1) Review of Performance (Cont'd)

b) Financial period for the nine months ended 30 September 2012 (“YTD 3Q 2012”) compared with nine months ended 30 September 2011 (“ YTD 3Q 2011”)

The Group's revenue in YTD 3Q 2012 was RM5,966.4 million, a decrease of 3% compared with RM6,162.4 million in YTD 3Q 2011.

The lower revenue was mainly attributable to:

1. completion of the development of RWNYC resulting in no further construction revenue being recognised from its development in YTD 3Q 2012. Construction revenue recorded in YTD 3Q 2011 was RM1,194.6 million; mitigated by
2. the revenue from the leisure and hospitality business in the US of RM649.7 million, mainly from the operations of RWNYC, which commenced operations in October 2011;
3. higher revenue from the leisure and hospitality business in the UK by RM236.9 million contributed mainly by the overall higher volume of business and higher hold percentage of its London casino operations;
4. higher revenue from the leisure and hospitality business in Malaysia by RM70.8 million or 2%. The increase is mainly due to the overall higher volume of business despite a lower hold percentage in the premium players business;
5. the property segment reported a higher revenue by RM31.4 million compared to YTD 3Q 2011 mainly attributable to the additional rental income arising from properties in the City of Miami, Florida, US.

The Group's adjusted EBITDA in YTD 3Q 2012 was RM1,871.9 million compared with RM1,747.3 million in YTD 3Q 2011. The higher adjusted EBITDA was mainly attributable to:

1. leisure and hospitality business in the US which registered an adjusted EBITDA of RM123.4 million mainly from the operations of RWNYC. Included in the adjusted EBITDA for YTD 3Q 2012 was the construction loss of RM48.2 million incurred relating to the cost overrun from the development of RWNYC. Excluding the construction loss, the adjusted EBITDA would have been RM171.6 million. Included in the adjusted EBITDA for YTD 3Q 2011 was the construction profit of RM54.3 million;
2. casino business in the UK which registered a higher adjusted EBITDA by RM52.0 million in the YTD 3Q 2012 mainly due to higher revenue from its London casino operations; offset by
3. leisure and hospitality business in Malaysia which registered an adjusted EBITDA of RM1,547.7 million compared with RM1,572.1 million in YTD 3Q 2011. The adjusted EBITDA margin was 38% (YTD 3Q 2011: 39%).

The Group's profit before taxation of RM1,298.3 million in YTD 3Q 2012 was lower by 10% compared with RM1,446.9 million in YTD 3Q 2011. The lower profit before taxation was mainly due to:

1. impairment losses of RM183.9 million as mentioned in Part I (c) above;
2. higher depreciation and amortisation charges by RM127.0 million mainly from the Group's operations in the US;
3. higher assets written off by RM10.6 million mainly due to closure of certain provincial casinos in the UK; mitigated by,
4. higher adjusted EBITDA from the leisure and hospitality businesses in the US and UK;
5. property related termination costs of RM39.4 million incurred on the purchase of the properties in the City of Miami, Florida, US in YTD 3Q 2011;
6. lower pre-operating expenses by RM20.1 million mainly due to expenses incurred in relation to the development and operations of RWNYC in YTD 3Q 2011. This was partially offset by the expenses incurred on the masterplan development of a destination resort in the City of Miami, Florida, US in YTD 3Q 2012.

Excluding the impairment losses, the Group's profit before taxation would have increased by 2%.

2) *Material Changes in Profit Before Taxation for the Current Quarter ("3Q 2012") as compared with the Immediate Preceding Quarter ("2Q 2012")*

Profit before taxation for 3Q 2012 of RM281.3 million is lower by 56% as compared to 2Q 2012. The lower profit before taxation was mainly due to:

1. impairment losses of RM178.9 million as mentioned in Part I (c) above;
2. an adjusted loss before interest, tax, depreciation and amortisation for 3Q 2012 of RM13.8 million for the casino business in UK compared to an adjusted EBITDA of RM130.2 million mainly due to overall lower volume of business and lower hold percentage of its London casino operations as well as higher bad debts written off in 3Q 2012; and
3. lower adjusted EBITDA by RM35.4 million from the leisure and hospitality business in Malaysia mainly due to higher payroll cost and promotional expenses.

3) *Prospects*

The global economy continues to face challenges as the general economic outlook remains uncertain. The Eurozone countries' weakening prospects for a quick recovery have impacted Asian growth prospects. The regional gaming industry in Asia continues to register growth albeit at a slower rate. Against the backdrop of these economic concerns, the Group remains cautious on the overall outlook for the leisure and hospitality industry.

In Malaysia, to address the regional competition and economic slowdown, the Group will increase its efforts on yield management and operational efficiencies. The Group will widen its range of promotions and events to target new customers whilst existing loyal customers will be rewarded with value-added offerings. Along with the Group's expansion and refurbishment initiatives, these strategies seek to grow visitations to Resorts World Genting.

In the UK, the Group is committed to its strategies of building on the Genting Brand, leveraging on its ability to deliver high quality services and enhancing the value of its linkages with its established networks in Asia. The Group maintains its focus on growing its premium players business at its London casinos whilst development and refurbishment of its provincial casinos outside London remains on track to improve competitiveness of its offerings.

In the US, the Group is pleased that RWNYC marked its one year anniversary with encouraging results and has welcomed nearly 10 million visitors to its property. Marketing efforts have intensified to expand its US customer database, leveraging on its latest improved offerings and expansion of its transportation choices to the property. With these initiatives, RWNYC is expected to contribute further to the Group's performance. The Group will continue to leverage on its management resources to build its US presence.

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 nine months ended 30 September 2012 are as follows:

	Current quarter ended 30 September 2012	Nine months ended 30 September 2012
	RM'000	RM'000
Current taxation charge:		
Malaysian income tax charge	122,184	348,695
Foreign income tax charge	4,121	33,971
Deferred tax charge	(36,082)	(41,665)
	90,223	341,001
Prior years' taxation:		
Income tax under provided	(218)	540
Deferred tax over provided	863	(93)
	90,868	341,448

5) *Taxation (Cont'd)*

The effective tax rate of the Group for the current quarter ended 30 September 2012 is higher than the statutory tax rate mainly due to impairment losses and other non-deductible expenses; mitigated by, income subject to tax in different jurisdictions, income not subject to tax and tax incentives.

The effective tax rate of the Group for the nine months ended 30 September 2012 is higher than the statutory tax rate mainly due to impairment losses and other non-deductible expenses; mitigated by, income subject to tax in different jurisdictions, income not subject to tax and tax incentives.

6) *Status of Corporate Proposals Announced*

There were no other corporate proposals announced but not completed as at 22 November 2012.

7) *Group Borrowings*

The details of the Group's borrowings as at 30 September 2012 are as set out below:

	<u>Secured/Unsecured</u>	<u>Foreign Currency</u> <u>'000</u>	<u>RM Equivalent</u> <u>'000</u>
Short term borrowings	Secured	USD33,750	102,954
	Secured	GBP37	185
	Unsecured	GBP44,753	222,552
	Unsecured	SGD53,677	133,936
Long term borrowings	Secured	USD214,727	655,025
	Secured	GBP121	603

8) *Outstanding derivatives*

There are no outstanding derivatives as at 30 September 2012.

9) *Fair Value Changes of Financial Liabilities*

As at 30 September 2012, the Group does not have any financial liabilities measured at fair value through profit or loss.

10) *Changes in Material Litigation*

There are no pending material litigations as at 22 November 2012.

11) *Dividend Proposed or Declared*

- (a) No interim dividend has been proposed or declared for the current quarter ended 30 September 2012.
- (b) Total dividend payable for the current financial year-to-date is 3.80 sen per ordinary share of 10 sen each, less 25% tax which was paid on 22 October 2012.

12) Profit Before Taxation

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

	Current quarter ended <u>30 September</u> 2012 <u>RM'000</u>	Nine months ended <u>30 September</u> 2012 <u>RM'000</u>
<u>Charges:</u>		
Depreciation and amortisation	125,847	386,131
Impairment losses	178,894	183,914
Impairment loss and write off of receivables	161	1,051
Finance costs	7,711	31,128
Net loss on disposal of property, plant and equipment	8,755	9,069
<u>Credits:</u>		
Net foreign currency exchange gains	3,254	321
Gain on disposal of quoted available-for-sale financial asset	1,430	1,430
Investment income	7,907	23,633
Interest income	18,131	46,603

Other than the above, there were no gain or loss on disposal of quoted and unquoted investment, write-down of inventories and gain or loss on derivatives for the current quarter and nine months ended 30 September 2012.

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 nine months ended 30 September 2012 are as follows:

	Current quarter ended <u>30 September</u> 2012 <u>RM'000</u>	Current financial year-to-date ended <u>30 September</u> 2012 <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)	190,347	956,811

13) Earnings per share ("EPS")(Cont'd)

- (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 nine months ended 30 September 2012 are as follows:

	Current quarter ended 30 September 2012	Current financial year-to-date ended 30 September 2012
	<u>Number of Shares ('000)</u>	<u>Number of Shares ('000)</u>
Weighted average number of ordinary shares in issue (*) (used as denominator for the computation of basic EPS)	5,671,565	5,665,979
Adjustment for share options granted under the Executive Share Option Scheme for Eligible Executives of Genting Malaysia Berhad	1,467	3,695
Weighted average number of ordinary shares in issue (used as denominator for the computation of diluted EPS)	5,673,032	5,669,674

(*) The weighted average number of ordinary shares of RM0.10 each in issue during the current quarter and nine months ended 30 September 2012 excludes the weighted average treasury shares held by the Company.

14) Realised and Unrealised Profits/Loss

The breakdown of the retained profits of the Group as at 30 September 2012, into realised and unrealised profits, pursuant to a directive issued by Bursa Securities on 25 September 2010 and 20 December 2010 is as follows:

	As at the end of current quarter RM'000	As at the end of last financial year RM'000
Total retained profits of Genting Malaysia Berhad and its subsidiaries:		
- Realised	11,094,902	10,578,548
- Unrealised	(780,635)	(818,379)
	10,314,267	9,760,169
Total share of accumulated losses from associated companies:		
- Realised	(918)	(2,251)
Total share of accumulated losses from jointly controlled entities:		
- Realised	(10,456)	(10,456)
	10,302,893	9,747,462
Add: Consolidation adjustments	709,074	673,452
Total Group retained profits as per consolidated accounts	11,011,967	10,420,914

The determination of realised and unrealised profits is compiled based on Guidance of Special Matter No. 1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements*, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits above is solely for the purposes of complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

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

The audit report of the Group's annual financial statements for the year ended 31 December 2011 was not qualified.

16) *Approval of Interim Financial Statements*

The interim financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 29 November 2012.