

SECOND QUARTERLY REPORT

Quarterly report on consolidated results for the six months ended 30 June 2013. The figures have not been audited.

**CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2013**

	UNAUDITED INDIVIDUAL QUARTER Second quarter ended 30 June		UNAUDITED CUMULATIVE PERIOD Six months ended 30 June	
	<u>2013</u> <u>RM'000</u>	<u>2012</u> <u>RM'000</u>	<u>2013</u> <u>RM'000</u>	<u>2012</u> <u>RM'000</u>
Revenue	2,224,464	2,119,482	4,086,458	4,023,283
Cost of sales	(1,433,536)	(1,275,728)	(2,661,590)	(2,609,859)
Gross profit	790,928	843,754	1,424,868	1,413,424
Other income	49,739	37,972	89,247	70,159
Other expenses	(259,555)	(232,207)	(530,637)	(439,435)
Profit from operations before impairment losses	581,112	649,519	983,478	1,044,148
Impairment losses	-	-	(35)	(5,020)
Profit from operations	581,112	649,519	983,443	1,039,128
Finance costs	(11,144)	(11,016)	(20,647)	(23,417)
Share of results in associates	-	-	-	1,333
Profit before taxation	569,968	638,503	962,796	1,017,044
Taxation	(112,935)	(142,703)	(88,046)	(250,580)
Profit for the financial period	457,033	495,800	874,750	766,464
Profit attributable to:				
Equity holders of the Company	460,406	495,800	879,863	766,464
Non-controlling interests	(3,373)	-	(5,113)	-
	457,033	495,800	874,750	766,464
Earnings per share attributable to equity holders of the Company:				
Basic earnings per share (sen)	8.12	8.75	15.51	13.53
Diluted earnings per share (sen)	8.12	8.74	15.51	13.52

(The Condensed Consolidated Income Statement should be read in conjunction with the audited Financial Statements for the financial year ended 31 December 2012.)

GENTING MALAYSIA BERHAD
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2013

	UNAUDITED INDIVIDUAL QUARTER		UNAUDITED CUMULATIVE PERIOD	
	Second quarter ended 30 June		Six months ended 30 June	
	<u>2013</u> <u>RM'000</u>	<u>2012</u> <u>RM'000</u>	<u>2013</u> <u>RM'000</u>	<u>2012</u> <u>RM'000</u>
Profit for the financial period	457,033	495,800	874,750	766,464
Other comprehensive income				
Items that will be reclassified subsequently to profit or loss:				
Available-for-sale financial assets				
- Fair value (loss)/gain	(11,024)	(270,096)	461,821	253,957
- Reclassification to profit or loss upon disposal	(3,813)	-	(3,813)	-
Share of other comprehensive income of an associate				
- Foreign currency exchange differences	-	-	-	3
- Reclassification to profit or loss upon disposal	-	12	-	12
Foreign currency exchange differences	316,259	177,981	284,738	67,800
Other comprehensive income/(loss), net of tax	301,422	(92,103)	742,746	321,772
Total comprehensive income for the financial period	758,455	403,697	1,617,496	1,088,236
Total comprehensive income attributable to:				
Equity holders of the Company	761,828	403,697	1,622,609	1,088,236
Non-controlling interests	(3,373)	-	(5,113)	-
	758,455	403,697	1,617,496	1,088,236

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited Financial Statements for the financial year ended 31 December 2012.)

GENTING MALAYSIA BERHAD
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2013

	UNAUDITED	As at
	As at	31.12.2012
	30.06.2013	RM'000
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	5,681,801	5,200,793
Land held for property development	184,534	184,534
Investment properties	1,415,588	1,400,995
Intangible assets	4,207,291	4,107,924
Joint ventures	13,069	13,104
Available-for-sale financial assets	1,482,134	1,195,686
Long term receivables	254,395	255,359
Deferred tax assets	124,329	1,886
	<u>13,363,141</u>	<u>12,360,281</u>
Current assets		
Inventories	75,729	76,952
Trade and other receivables	467,476	395,654
Amounts due from other related companies	19,485	5,544
Amounts due from joint ventures	1,869	2,566
Financial asset at fair value through profit or loss	3,532	3,696
Available-for-sale financial assets	1,119,201	787,161
Restricted cash	8,004	7,650
Cash and cash equivalents	3,736,221	3,223,939
	<u>5,431,517</u>	<u>4,503,162</u>
TOTAL ASSETS	<u>18,794,658</u>	<u>16,863,443</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	593,804	593,804
Reserves	14,866,780	13,456,869
Treasury shares	(896,038)	(894,061)
	<u>14,564,546</u>	<u>13,156,612</u>
Non-controlling interests	<u>33,096</u>	<u>-</u>
TOTAL EQUITY	<u>14,597,642</u>	<u>13,156,612</u>
Non-current liabilities		
Other long term liabilities	177,739	190,646
Long term borrowings	1,113,585	894,934
Deferred tax liabilities	725,182	749,695
	<u>2,016,506</u>	<u>1,835,275</u>
Current liabilities		
Trade and other payables	1,496,648	1,472,205
Amount due to holding company	21,347	18,721
Amounts due to other related companies	101,105	54,204
Amounts due to joint ventures and associate	25,992	26,062
Short term borrowings	227,293	216,826
Taxation	95,427	83,538
Dividend payable	212,698	-
	<u>2,180,510</u>	<u>1,871,556</u>
TOTAL LIABILITIES	<u>4,197,016</u>	<u>3,706,831</u>
TOTAL EQUITY AND LIABILITIES	<u>18,794,658</u>	<u>16,863,443</u>
NET ASSETS PER SHARE (RM)	<u>2.57</u>	<u>2.32</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited Financial Statements for the financial year ended 31 December 2012.)

GENTING MALAYSIA BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2013

	Attributable to equity holders of the Company								Non-controlling Interests	Total Equity
	Share Capital	Share Premium	Available-for-sale		Treasury Shares	Retained Earnings	Total	Total		
			Financial Assets Reserve	Other Reserves						
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 January 2013	593,804	1,170,620	1,235,200	(416,047)	(894,061)	11,467,096	13,156,612	-	13,156,612	
Total comprehensive income/(loss) for the period	-	-	458,008	284,738	-	879,863	1,622,609	(5,113)	1,617,496	
Transactions with owners:										
Effects arising from changes in composition of the Group	-	-	-	-	-	-	-	38,209	38,209	
Buy-back of shares	-	-	-	-	(1,977)	-	(1,977)	-	(1,977)	
Appropriation:										
Final dividend declared for the year ended 31 December 2012	-	-	-	-	-	(212,698)	(212,698)	-	(212,698)	
Total transactions with owners	-	-	-	-	(1,977)	(212,698)	(214,675)	38,209	(176,466)	
At 30 June 2013	593,804	1,170,620	1,693,208	(131,309)	(896,038)	12,134,261	14,564,546	33,096	14,597,642	
At 1 January 2012	592,441	1,144,118	952,187	(290,571)	(892,292)	10,420,914	11,926,797	-	11,926,797	
Total comprehensive income for the period	-	-	253,957	67,815	-	766,464	1,088,236	-	1,088,236	
Transactions with owners:										
Share based payments under ESOS	-	-	-	(217)	-	-	(217)	-	(217)	
Issue of shares	956	18,644	-	-	-	-	19,600	-	19,600	
Buy-back of shares	-	-	-	-	(36)	-	(36)	-	(36)	
Appropriation:										
Final dividend declared for the year ended 31 December 2011	-	-	-	-	-	(204,079)	(204,079)	-	(204,079)	
Total transactions with owners	956	18,644	-	(217)	(36)	(204,079)	(184,732)	-	(184,732)	
At 30 June 2012	593,397	1,162,762	1,206,144	(222,973)	(892,328)	10,983,299	12,830,301	-	12,830,301	

(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 2012.)

GENTING MALAYSIA BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2013

UNAUDITED
Six months ended
30 June

	2013 RM'000	2012 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	962,796	1,017,044
Adjustments for:		
Depreciation and amortisation	269,285	260,284
Property, plant and equipment written off	848	246
Finance costs	20,647	23,417
Interest income	(34,720)	(28,472)
Investment income	(8,866)	(15,726)
Construction loss	-	48,150
Impairment losses	35	5,020
Net fair value loss/(gain) on financial assets at fair value through profit or loss	322	(3,863)
Loss on disposal of property, plant and equipment	894	314
Gain on disposal on available-for-sale financial assets	(3,813)	-
Share of results in associates	-	(1,333)
Other non-cash items and adjustments	(2,612)	8,959
	<u>242,020</u>	<u>296,996</u>
Operating profit before working capital changes	1,204,816	1,314,040
Net change in current assets	(50,959)	92,934
Net change in current liabilities	136,325	(280,608)
	<u>85,366</u>	<u>(187,674)</u>
Cash generated from operations	1,290,182	1,126,366
Net tax paid	(217,478)	(224,810)
Retirement gratuities paid	(4,600)	(3,824)
Other net operating payments	(7,542)	(7,938)
	<u>(229,620)</u>	<u>(236,572)</u>
Net Cash Flow From Operating Activities	1,060,562	889,794
CASH FLOWS FROM INVESTING ACTIVITIES		
Property, plant and equipment	(687,422)	(298,530)
Purchase of investments	(177,948)	(6,682)
Proceeds from disposal of an associate	-	23,909
Proceeds from disposal of available-for-sale financial assets	48,424	-
Other investing activities	44,107	41,520
	<u>(772,839)</u>	<u>(239,783)</u>
Net Cash Flow From Investing Activities		
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares	-	19,600
Buy-back of shares	(1,977)	(36)
Proceeds from borrowings	371,898	-
Repayment of borrowings	(174,611)	(611,661)
Restricted cash	-	616,384
Finance costs paid	(13,997)	(13,240)
Others	21,509	4,599
	<u>202,822</u>	<u>15,646</u>
Net Cash Flow From Financing Activities		
NET MOVEMENT IN CASH AND CASH EQUIVALENTS	490,545	665,657
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	3,223,939	2,142,775
EFFECT OF CURRENCY TRANSLATION	21,737	2,227
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	3,736,221	2,810,659
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Bank balances and deposits	2,778,021	1,443,013
Money market instruments	958,200	1,367,646
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	3,736,221	2,810,659

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited Financial Statements for the financial year ended 31 December 2012.)

GENTING MALAYSIA BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT – SECOND QUARTER ENDED 30 JUNE 2013

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 six months ended 30 June 2013 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 2012. 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 2012 except for the adoption of new standards, amendments to published standards and interpretations that are applicable to the Group for the financial period beginning 1 January 2013.

The adoption of these new standards, amendments to published standards and interpretations do not have a material impact on the interim financial information of the Group, some of which are as set out below:

i) MFRS 11 "Joint arrangement"

The standard requires a party to a joint arrangement to determine the type of joint arrangement in which it is involved by assessing its rights and obligations arising from the arrangement, rather than its legal form. There are two types of joint arrangement: joint operations and joint ventures. Joint operations arise where a joint operator has rights to the assets and obligations relating to the arrangement and hence accounts for its interest in assets, liabilities, revenue and expenses. Joint ventures arise where the joint operator has rights to the net assets of the arrangement and hence equity accounts for its interest.

The adoption of MFRS 11 has no financial impact on the results of the Group other than the classification of the jointly controlled entities currently held by the Group as joint ventures.

ii) Amendment to MFRS 101 "Presentation of items of other comprehensive income"

The amendment requires entities to separate items presented in 'other comprehensive income' in the statement of comprehensive income into two groups, based on whether or not they may be recycled to profit or loss in the future. There is no financial impact on the results of the Group as these changes affect presentation only.

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 2013.

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

During the six months ended 30 June 2013, the Company had repurchased 500,000 ordinary shares of 10 sen each of its issued share capital from the open market for a consideration of approximately RM1,977,000. 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.

There were no other issuance, cancellation, repurchase, resale or repayments of debts or equity securities for the six months ended 30 June 2013.

f) Dividend Paid

No dividend has been paid for the six months ended 30 June 2013.

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.

Segment analysis for the six months ended 30 June 2013 is set out below:

	<u>Leisure & Hospitality</u>			<u>Property</u>	<u>Investments & Others</u>	<u>Total</u>
	<u>Malaysia RM'000</u>	<u>United Kingdom RM'000</u>	<u>United States of America RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Revenue						
Total revenue	2,808,282	773,096	454,588	39,970	87,178	4,163,114
Inter segment	(2,671)	-	-	(5,603)	(68,382)	(76,656)
External	<u>2,805,611</u>	<u>773,096</u>	<u>454,588</u>	<u>34,367</u>	<u>18,796</u>	<u>4,086,458</u>
Adjusted EBITDA	<u>950,709</u>	<u>96,982</u>	<u>165,852</u>	<u>22,162</u>	<u>1,434</u>	<u>1,237,139</u>
Total Assets	<u>4,095,557</u>	<u>3,969,625</u>	<u>3,084,253</u>	<u>1,898,240</u>	<u>5,746,983</u>	<u>18,794,658</u>

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

Adjusted EBITDA for reportable segments	1,237,139
Pre-operating expenses	(30,559)
Gain on disposal of assets	2,919
Impairment loss	(35)
Fair value loss on financial assets at fair value through profit or loss	(322)
Investment income	8,866
EBITDA	<u>1,218,008</u>
Depreciation and amortisation	(269,285)
Interest income	34,720
Finance costs	(20,647)
Profit before taxation	<u>962,796</u>

h) Property, Plant and Equipment

During the six months ended 30 June 2013, acquisitions of property, plant and equipment by the Group were RM677.9 million.

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 2013 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 six months ended 30 June 2013.

k) Changes in Contingent Liabilities or Contingent Assets

There were no material changes in the contingent liabilities or contingent assets since the financial year ended 31 December 2012.

l) Capital Commitments

Authorised capital commitments not provided for in the interim financial statements as at 30 June 2013 are as follows:

	RM'000
Contracted	1,151,703
Not contracted	1,470,998
	<u>2,622,701</u>
Analysed as follows:	
- Property, plant and equipment	2,153,201
- Investments	469,500
	<u>2,622,701</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 six months ended 30 June 2013 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>117,980</u>	<u>223,603</u>
ii) Licensing fee for the use of "Genting", "Resorts World" and "Awana" logo charged by GENT to the Group.	<u>52,130</u>	<u>99,721</u>
iii) Licensing fee for the use of "Resorts World" and "Genting" intellectual property outside Malaysia charged by GENT Group to the Group.	<u>337</u>	<u>675</u>
iv) Provision of GENT Group Management and Support Services by GENT Group to the Group.	<u>1,386</u>	<u>3,000</u>
v) Rental charges for premises by the Company to Oriregal Creations Sdn Bhd.	<u>381</u>	<u>762</u>
vi) Rental charges and related services by the Group to GENT Group.	<u>870</u>	<u>1,737</u>
vii) Rental charges and related services by the Group to Genting Plantations Berhad ("GENP") Group.	<u>555</u>	<u>1,109</u>
viii) Air ticketing and transportation services rendered by the Group to Genting Hong Kong Limited ("GENHK") Group.	<u>128</u>	<u>417</u>
ix) Provision of professional and marketing services by the Group to Resorts World Inc Pte Ltd ("RWI") Group.	<u>3,558</u>	<u>6,421</u>
x) 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>12,597</u>	<u>24,414</u>
xi) Provision of information technology consultancy, development, implementation, support and maintenance service and other management services by the Group to GENT Group.	<u>1,103</u>	<u>2,214</u>
xii) Provision of information technology consultancy, development, implementation, support and maintenance service and other management services by the Group to GENP Group.	<u>748</u>	<u>1,795</u>
xiii) Provision of information technology consultancy, development, implementation, support and maintenance service and other management services by the Group to GENHK Group.	<u>225</u>	<u>410</u>
xiv) Provision of management and support services by the Group to an entity connected with a director of the Company.	<u>4,055</u>	<u>4,055</u>

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 June 2013, the Group's financial instruments measured and recognised at fair value on a recurring basis are as follows:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Financial assets				
Financial assets at fair value through profit or loss	3,532	-	-	3,532
Available-for-sale financial assets	2,020,588	577,426	3,321	2,601,335
	<u>2,024,120</u>	<u>577,426</u>	<u>3,321</u>	<u>2,604,867</u>

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared with the last financial year ended 31 December 2012.

GENTING MALAYSIA BERHAD
ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES – SECOND QUARTER ENDED
30 JUNE 2013

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		
	2Q2013	2Q2012	Var	1Q2013	Var	2013	2012	Var	
	RM'Mil	RM'Mil	%	RM'Mil	%	RM'Mil	RM'Mil	%	
Revenue									
Leisure & Hospitality									
- Malaysia	1,461.7	1,397.8	5%	1,343.9	9%	2,805.6	2,708.4	4%	
- United Kingdom	509.6	472.9	8%	263.5	93%	773.1	816.2	-5%	
- United States of America	228.4	216.7	5%	226.2	1%	454.6	435.1	4%	
	2,199.7	2,087.4	5%	1,833.6	20%	4,033.3	3,959.7	2%	
Property	15.8	18.9	-16%	18.6	-15%	34.4	37.0	-7%	
Investments & others	9.0	13.2	-32%	9.8	-8%	18.8	26.6	-29%	
	2,224.5	2,119.5	5%	1,862.0	19%	4,086.5	4,023.3	2%	
Adjusted EBITDA									
Leisure & Hospitality									
- Malaysia	549.3	560.4	-2%	401.4	37%	950.7	1,022.4	-7%	
- United Kingdom	72.9	130.2	-44%	24.1	+>100%	97.0	164.6	-41%	
- United States of America	85.1	60.6	40%	80.8	5%	165.9	61.9	+>100%	
	707.3	751.2	-6%	506.3	40%	1,213.6	1,248.9	-3%	
Property	8.7	14.3	-39%	13.4	-35%	22.1	28.7	-23%	
Others	1.5	1.4	7%	(0.1)	+>100%	1.4	2.4	-42%	
	717.5	766.9	-6%	519.6	38%	1,237.1	1,280.0	-3%	
Pre-operating expenses	(25.3)	(5.6)	->100%	(5.3)	->100%	(30.6)	(23.3)	-31%	
Gain/(loss) on disposal of assets	2.9	(0.5)	+>100%	-	NC	2.9	(0.3)	+>100%	
Impairment losses	-	-	-	-	-	-	(5.0)	NC	
Net fair value (loss)/gain on financial assets at fair value through profit or loss	(0.3)	(2.0)	85%	-	NC	(0.3)	3.8	->100%	
Investment income	4.5	7.9	-43%	4.4	2%	8.9	15.7	-43%	
EBITDA	699.3	766.7	-9%	518.7	35%	1,218.0	1,270.9	-5%	
Depreciation and amortisation	(133.3)	(132.4)	-1%	(136.0)	2%	(269.3)	(260.3)	-3%	
Interest income	15.1	15.2	-1%	19.6	-23%	34.7	28.5	22%	
Finance costs	(11.1)	(11.0)	-1%	(9.5)	-17%	(20.6)	(23.4)	12%	
Share of results in associates	-	-	-	-	-	-	1.3	NC	
Profit before taxation	570.0	638.5	-11%	392.8	45%	962.8	1,017.0	-5%	

NC: Not comparable

1) Review of Performance (Cont'd)

a) Quarter ended 30 June 2013 ("2Q 2013") compared with quarter ended 30 June 2012 ("2Q 2012")

The Group's revenue in 2Q 2013 was RM2,224.5 million, which was an increase of 5% compared with RM2,119.5 million in 2Q 2012.

The higher revenue was mainly attributable to:

1. higher revenue from the leisure and hospitality business in Malaysia by RM63.9 million, mainly contributed by overall higher volume of business mitigated by lower hold percentage in the premium players business;
2. higher revenue from the casino business in United Kingdom ("UK") by RM36.7 million mainly contributed by higher volume of business despite a lower hold percentage of its London casino operations; and
3. higher revenue from the leisure and hospitality business in United States of America ("US") by RM11.7 million, contributed by higher volume of business from the operations of Resorts World Casino New York City ("RWNYC").

The Group's adjusted EBITDA in 2Q 2013 was RM717.5 million compared with RM766.9 million in 2Q 2012. The lower adjusted EBITDA was mainly attributable to:

1. leisure and hospitality business in Malaysia which registered an adjusted EBITDA of RM549.3 million compared with RM560.4 million in 2Q 2012. The lower adjusted EBITDA margin of 38% (2Q 2012: 40%) was mainly due to higher promotional expenses; and
2. casino business in the UK which registered a lower adjusted EBITDA by RM57.3 million in 2Q 2013 mainly due to higher bad debts written off; mitigated by
3. leisure and hospitality business in the US which registered a higher adjusted EBITDA by RM24.5 million mainly contributed by higher revenue and lower operating expenses.

The Group's profit before taxation of RM570.0 million in 2Q 2013 was lower by 11% compared with RM638.5 million in 2Q 2012. The lower profit before taxation was mainly due to:

1. lower adjusted EBITDA as mentioned above; and
2. higher pre-operating expenses by RM19.7 million mainly due to expenses incurred for the start up of Resorts World Bimini in Bahamas, partially offset by lower pre-operating expenses incurred for the development of a destination resort in the City of Miami, Florida, US.

b) Financial period for the six months ended 30 June 2013 ("1H 2013") compared with six months ended 30 June 2012 ("1H2012")

The Group's revenue in the 1H 2013 was RM4,086.5 million, an increase of 2% compared with RM4,023.3 million in the 1H 2012.

The higher revenue was mainly attributable to:

1. higher revenue from the leisure and hospitality business in Malaysia by RM97.2 million or 4%. The increase is mainly due to the overall higher volume of business and higher hold percentage in the premium players business; and
2. higher revenue from the leisure and hospitality business in the US by RM19.5 million, mainly contributed by higher volume of business from the operations of RWNYC; offset by
3. lower revenue from the leisure and hospitality business in the UK by RM43.1 million mainly due to lower hold percentage of its London casino operations despite a higher volume of business.

1) Review of Performance (Cont'd)

b) Financial period for the six months ended 30 June 2013 ("1H 2013") compared with six months ended 30 June 2012 ("1H 2012") (Cont'd)

The Group's adjusted EBITDA in 1H 2013 was RM1,237.1 million compared with RM1,280.0 million in 1H 2012. The lower adjusted EBITDA was mainly attributable to:

1. the leisure and hospitality business in Malaysia registered an adjusted EBITDA of RM950.7 million compared with RM1,022.4 million in 1H 2012. The adjusted EBITDA margin was 34% as compared to 38% in 1H 2012 mainly due to higher promotional expenses as well as contributions in support of the Group's social responsibility efforts; and
2. the casino business in the UK registered a lower adjusted EBITDA by RM67.6 million in 1H 2013 mainly due to higher bad debts written off; mitigated by
3. higher adjusted EBITDA by RM104.0 million from the leisure and hospitality business in US mainly contributed by higher volume of business from RWNYC operations. Included in the adjusted EBITDA for leisure and hospitality business in US for 1H 2012 was the construction loss of RM48.2 million incurred relating to the cost overrun from the development of RWNYC.

The Group's profit before taxation for 1H 2013 was lower by RM54.2 million or 5% compared with 1H 2012. The lower profit before taxation was mainly due to:

1. lower adjusted EBITDA as mentioned above; and
2. higher pre-operating expenses by RM7.3 million mainly due to expenses incurred for the start up of Resorts World Bimini in Bahamas, partially offset by lower pre-operating expenses incurred for the development of a destination resort in the City of Miami, Florida, US.

2) Material Changes in Profit Before Taxation for the Current Quarter ("2Q 2013") as compared with the Immediate Preceding Quarter ("1Q 2013")

Profit before taxation for 2Q 2013 of RM570.0 million was higher by 45% compared to 1Q 2013 of RM392.8 million. The higher profit before taxation was mainly due to:

1. higher adjusted EBITDA by RM147.9 million from the leisure and hospitality business in Malaysia mainly due to higher revenue in 2Q 2013 and contributions in support of the Group's social responsibility efforts made in 1Q 2013;
2. higher adjusted EBITDA by RM48.8 million from the casino business in the UK mainly due to higher volume of business coupled with higher hold percentage of its London operations. These were offset by higher bad debts written off during 2Q 2013; and
3. higher adjusted EBITDA by RM4.3 million from the leisure and hospitality business in US mainly contributed by higher volume of business from RWNYC operations.

3) Prospects

The improving overall business and economic indicators appear largely tentative in the US and Europe. In Asia, the economic environment continues to be on a positive trajectory, though concerns remain over growth prospects in China.

The growth outlook in the gaming sector remains promising given the robust performances reported by operators in Macau and Singapore. Growth in tourism together with expanded travelling and hospitality capacities will continue to augur well for the regional leisure and hospitality industry. The Group is positive on the overall outlook for the industry.

In Malaysia, the Group will continue to tap the expanding regional gaming market and enhance the mid and premium segments of the business. The Group has announced plans to increase its hotel capacity and upgrade its outdoor theme park to a world class attraction, vis-a-vis a tie up with 20th Century Fox - an internationally renowned media and entertainment brand, at Resorts World Genting. Commencing 1 September 2013, the outdoor theme park will be closed to facilitate the upgrading. The closure is not expected to materially affect the overall Group's performance.

In the UK, the Group will continue its focus on expanding the premium players business for the London casinos whilst initiatives are in place to continue growing market share of its casinos outside London. The progress of construction of Resorts World Birmingham is well underway and the Group looks forward to its opening in mid 2015.

In the US, RWNYC continues to deliver commendable results. RWNYC's continual marketing efforts are set on attracting more visitations and deliver enhanced awareness of the Resorts World branding. In the city of Miami, the Group intends to pursue its developmental options and preparations to facilitate the development of the former Miami Herald site had been initiated. Resorts World Bimini in the Bahamas commenced operations on 28 June 2013 and the Group intends to add a new hotel and supporting infrastructure to cater for the increase in visitations to the resort.

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 2013 are as follows:

	Current quarter ended 30 June 2013	Six months ended 30 June 2013
	<u>RM'000</u>	<u>RM'000</u>
Current taxation charge:		
Malaysian income tax charge	115,280	206,582
Foreign income tax charge	19,708	23,375
Deferred tax credit	(9,436)	(117,568)
	<u>125,552</u>	<u>112,389</u>
Prior years' taxation:		
Income tax under/(over) provided	370	(829)
Deferred tax over provided	(12,987)	(23,514)
	<u>112,935</u>	<u>88,046</u>

The effective tax rate of the Group for the current quarter ended 30 June 2013 (before the adjustment of taxation in respect of prior years) is lower than the statutory tax rate mainly due to income subject to tax in different jurisdictions, income not subject to tax and tax incentives; offset by, non-deductible expenses.

The effective tax rate of the Group for the six months ended 30 June 2013 is lower than the statutory tax rate mainly due to recognition of previously unrecognised tax losses in the US, income subject to tax in different jurisdictions, income not subject to tax and tax incentives; offset by, non-deductible expenses.

6) *Status of Corporate Proposals Announced*

There were no other corporate proposals announced but not completed as at 22 August 2013.

7) *Group Borrowings*

The details of the Group's borrowings as at 30 June 2013 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	USD70,794	226,645
	Secured	GBP131	648
Long term borrowings	Secured	USD117,128	374,985
	Unsecured	GBP148,953	738,600

8) *Outstanding derivatives*

There are no outstanding derivatives as at 30 June 2013.

9) *Fair Value Changes of Financial Liabilities*

As at 30 June 2013, 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 August 2013.

11) *Dividend Proposed or Declared*

- (a) (i) An interim dividend of 4.30 sen less 25% tax per ordinary share of 10 sen each in respect of the financial year ending 31 December 2013 has been declared by the Directors.
- (ii) The interim dividend declared and paid for the previous year's corresponding period was 3.80 sen per ordinary share of 10 sen each, less 25% tax.
- (iii) The interim dividend shall be payable on 22 October 2013.
- (iv) 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 2013 in respect of ordinary transfers; and
- (II) Shares bought on Bursa Securities on a cum entitlement basis according to the Main Market Listing Requirements of Bursa Securities.
- (b) The total dividend payable for the financial year ending 31 December 2013 is 4.30 sen per ordinary share of 10 sen each, less 25% tax.

12) Profit Before Taxation

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

	Current quarter ended 30 June 2013 <u>RM'000</u>	Six months ended 30 June 2013 <u>RM'000</u>
<u>Charges:</u>		
Depreciation and amortisation	133,295	269,285
Impairment loss	-	35
Impairment loss on receivables	561	1,456
Finance costs	11,144	20,647
Net foreign currency exchange losses	3,665	7,117
Net loss on disposal of property, plant and equipment	917	894
<u>Credits:</u>		
Gain on disposal of available-for-sale financial assets	3,813	3,813
Investment income	4,469	8,866
Interest income	15,168	34,720

Other than the above, there were no write-down of inventories and gain or loss on derivatives for the current quarter and six months ended 30 June 2013.

13) Earnings per share ("EPS")

- (a) The earnings used as the numerator in calculating basic and diluted EPS for the current quarter and six months ended 30 June 2013 are as follows:

	Current quarter ended 30 June 2013 <u>RM'000</u>	Current financial year-to-date ended 30 June 2013 <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)	460,406	879,863

- (b) The weighted average number of ordinary shares used as the denominator in calculating basic and diluted EPS for the current quarter and six months ended 30 June 2013 are as follows:

	Current quarter ended 30 June 2013 <u>Number of Shares ('000)</u>	Current financial year-to-date ended 30 June 2013 <u>Number of Shares ('000)</u>
Weighted average number of ordinary shares in issue (*) (used as denominator for the computation of basic and diluted EPS)	5,672,272	5,672,354

(*) The weighted average number of ordinary shares of RM0.10 each in issue during the current quarter and six months ended 30 June 2013 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 June 2013, 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'000	As at the end of last financial year RM'000
Total retained profits of Genting Malaysia Berhad and its subsidiaries:		
- Realised	12,024,124	11,560,004
- Unrealised	(593,605)	(760,948)
	<hr/> 11,430,519	<hr/> 10,799,056
Total share of accumulated losses from associated companies:		
- Realised	-	(918)
Total share of accumulated losses from joint ventures:		
- Realised	(10,456)	(10,456)
	<hr/> 11,420,063	<hr/> 10,787,682
Add: Consolidation adjustments	714,198	679,414
	<hr/> 12,134,261	<hr/> 11,467,096
Total Group retained profits as per consolidated accounts	<hr/> <hr/> 12,134,261	<hr/> <hr/> 11,467,096

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 2012 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 August 2013.