



GENTING MALAYSIA BERHAD
(58019-U)

PRESS RELEASE

For Immediate Release

**GENTING MALAYSIA BERHAD ANNOUNCES RESULTS FOR THE
SECOND QUARTER ENDED 30 JUNE 2014**

KUALA LUMPUR, 28 August 2014 – Genting Malaysia Berhad (“Genting Malaysia” or the “Group”) today reported its financial results for the second quarter ended 30 June 2014 (“2Q14”).

The Group recorded a total revenue of RM1,910.8 million in 2Q14 compared to RM2,224.5 million in the corresponding quarter in the preceding year (“2Q13”). The Malaysian leisure and hospitality business declined 12% to RM1,280.9 million, primarily due to a lower hold percentage in the premium players business. Whilst the upgrading and expansion works in relation to the Genting Integrated Tourism Plan (“GITP”) had resulted in lower visitations to Resorts World Genting (“RWG”), the core business remains resilient. Revenue from the United Kingdom (“UK”) operations of RM301.5 million was 41% lower due to a lower hold percentage and volume of business, mainly at its London casinos. The operations in the United States, which includes Resorts World Bimini (“Bimini”) in the Bahamas (“US”), generated an 11% increase to RM253.0 million primarily due to the inclusion of revenue from the Bimini operations this quarter. The Group also reported higher investment income due to dividend income of RM46.8 million from the Group’s investment in Genting Hong Kong Limited (“GENHK”).

The Group achieved adjusted earnings before interest, taxation, depreciation and amortisation (“EBITDA”) of RM460.5 million in 2Q14 compared to RM724.6 million in 2Q13. In Malaysia, the adjusted EBITDA margin declined to 35% compared to 38% last year primarily due to lower revenue and higher payroll costs. The decrease in the US operations’ adjusted EBITDA was due to operational challenges as a result of infrastructure and hotel capacity constraints at Bimini. The Bimini operations contributed a loss before interest, tax, depreciation and amortisation (“LBITDA”) of RM52.9 million, whilst Resorts World Casino New York City (“RWNYC”) recorded a lower adjusted EBITDA mainly due to higher payroll costs. The UK operations registered an adjusted LBITDA of RM65.9 million, arising mainly from lower revenue.

The Group’s profit before taxation (“PBT”) for 2Q14 of RM318.8 million was 44% lower than last year. This was principally due to the Group’s lower adjusted EBITDA and higher depreciation and amortization charges, mitigated by lower pre-operating expenses.

The Group’s revenue for the first half of 2014 (“1H14”) decreased by 4% to RM3,936.9 million. Both the Malaysian and UK operations recorded lower revenue of RM2,642.0 million and RM683.0 million respectively. Although the Malaysian operations recorded a lower revenue, primarily due to a lower hold percentage in the premium players business, the core business continues to remain resilient. The UK operations registered a higher volume of business. However, this was offset by a lower hold percentage at its London casinos. Revenue from the US operations was higher by RM55.0 million or 12%, mainly contributed by the commencement of the Bimini operations. Dividend income from GENHK contributed to the Group’s higher investment income.

The Group's adjusted EBITDA for 1H14 decreased by 15% to RM1,065.5 million. The Malaysian operations reported consistent EBITDA primarily due to lower revenue and higher payroll costs. This was mitigated by the Group's social responsibility contributions in the first quarter of 2013. The UK operations registered lower adjusted EBITDA of RM10.3 million, mainly attributable to lower revenue. In the US, the lower adjusted EBITDA was mainly due to the operational challenges in Bimini. RWNYC also incurred higher payroll costs.

The Group's PBT for 1H14 decreased to RM782.0 million, 19% lower compared to the same period last year. The decrease was mainly due to lower Group adjusted EBITDA and higher depreciation and amortisation charges, mitigated by lower pre-operating expenses.

The Group declared an interim single-tier dividend of 3.00 sen per ordinary share of 10 sen each in respect of the financial year ending 31 December 2014. The interim dividend declared and paid for the previous year's corresponding period was 4.30 sen per ordinary share of 10 sen each, less 25% tax.

Global economic activities are expected to gain momentum in the second half of the year as the economic environments of major advanced economies continue to grow. Domestically, the overall business and economic indicators remain relatively stable and growth is expected to be sustainable.

The region's gaming markets are showing signs of slowing growth as evidenced by reported numbers from the Singapore and Macau markets. Whilst the region's tourism industry outlook remains largely positive, recent events affecting air travel may continue to dampen sentiment in the region.

Overall, the Group remains positive on the longer term outlook for the leisure and hospitality industry.

In Malaysia, the outdoor theme park, Arena of Stars and certain sections of the First World Plaza at RWG have been closed to facilitate the upgrading and expansion plans in relation to the GTP. The upgrading works for the Arena of Stars are expected to complete by November 2014. Despite the closures, the Group expects its core business to remain resilient and continues to develop plans to boost visitations to RWG through new fun and exciting indoor activities, attractions and events. The Group will also continue to optimize operational efficiencies, further enhance its yield management initiatives and increase marketing efforts to grow its mid and premium core business segments.

The UK economy has continued to show positive signs of recovery in the first half of 2014. The Group remains committed to further grow its premium players business and expects higher volumes to mitigate the volatility of the high roller market at its London casinos. The Group is also continuing the re-vitalisation of its business in the domestic markets against a backdrop of a broadly flat market. Construction and development of Resorts World Birmingham continues and it is expected to open in the second quarter of 2015.

In the US, RWNYC continues to deliver encouraging results and grow its market share in the State of New York. The Group will continue to develop its marketing initiatives to increase and attract new visitations, as well as grow its customer database. In Bimini, the business operations have yet to reach the expected level with the ongoing expansions of its infrastructure and capacity. The opening of the deep water jetty and new luxury hotel by the end of 2014 will improve accessibility and room capacity. With these, the visitations to Bimini are expected to grow.

A summary table of the results is attached below.

GENTING MALAYSIA BERHAD SUMMARY OF RESULTS	INDIVIDUAL QUARTER		Var %	SIX MONTHS ENDED 30 JUNE		Var %
	2Q2014	2Q2013	2Q14 vs	1H2014	1H2013	1H14 vs
	RM'Mil	RM'Mil	2Q13	RM'Mil	RM'Mil	1H13
Revenue						
Leisure & Hospitality						
- Malaysia	1,280.9	1,461.7	-12%	2,642.0	2,805.6	-6%
- United Kingdom	301.5	509.6	-41%	683.0	773.1	-12%
- United States of America and Bahamas	253.0	228.4	11%	509.6	454.6	12%
	1,835.4	2,199.7	-17%	3,834.6	4,033.3	-5%
Property	15.4	15.8	-3%	31.1	34.4	-10%
Investments & others	60.0	9.0	>100%	71.2	18.8	>100%
	1,910.8	2,224.5	-14%	3,936.9	4,086.5	-4%
Adjusted EBITDA						
Leisure & Hospitality						
- Malaysia	446.8	548.2	-18%	948.9	949.6	-
- United Kingdom	(65.9)	73.1	->100%	10.3	97.2	-89%
- United States of America and Bahamas	28.3	85.1	-67%	43.0	165.9	-74%
	409.2	706.4	-42%	1,002.2	1,212.7	-17%
Property	1.0	8.7	-89%	5.1	22.1	-77%
Others	50.3	9.5	>100%	58.2	13.8	>100%
	460.5	724.6	-36%	1,065.5	1,248.6	-15%
Pre-operating expenses	(3.2)	(25.3)	87%	(5.6)	(30.6)	82%
EBITDA	457.3	699.3	-35%	1,059.9	1,218.0	-13%
Depreciation and amortisation	(152.5)	(133.3)	-14%	(301.8)	(269.3)	-12%
Interest income	24.8	15.1	64%	45.1	34.7	30%
Finance costs	(10.8)	(11.1)	3%	(21.2)	(20.6)	-3%
Profit before taxation	318.8	570.0	-44%	782.0	962.8	-19%
Taxation	(75.9)	(112.9)	33%	(189.4)	(88.0)	->100%
Profit for the financial period	242.9	457.1	-47%	592.6	874.8	-32%
Basic and diluted EPS (sen)	4.49	8.12	-45%	10.80	15.51	-30%

About Genting Malaysia

Genting Malaysia is one of the leading leisure and hospitality corporations in the world. Listed on Bursa Malaysia with approximately RM24 billion in market capitalisation, Genting Malaysia owns and operates major properties including Resorts World Genting, Resorts World Casino New York City, Resorts World Bimini and casinos in the United Kingdom.

Resorts World Genting is a premier leisure and entertainment resort in Malaysia. It is equipped with over 9,000 rooms spread across 6 hotels, theme parks and entertainment attractions, over 200 dining and retail outlets, international shows and business convention facilities.

In Malaysia, Genting Malaysia also owns and operates Resorts World Kijal in Terengganu and Resorts World Langkawi in Langkawi.

In the United Kingdom, Genting Malaysia is one of the largest casino operators in the UK and a leading innovator in the provision of high quality customer-focused gaming. It operates 6 casinos in London and 35 casinos in the UK provinces. The Group is presently developing a leisure and entertainment complex at the National Exhibition Centre in Birmingham, to be known as Resorts World Birmingham.

In the United States of America, Genting Malaysia operates Resorts World Casino New York City, a video gaming machine facility at the Aqueduct Racetrack in New York City. As the first such facility located in the city, the resort presents a premier entertainment hub providing the ultimate gaming and entertainment experience, with approximately 5,000 gaming machines, shows, events and culinary delights.

In the Bahamas, the Group operates Resorts World Bimini, which contains a casino, villas, other accommodations, restaurants and bars, resort amenities and the largest marina in the Bahamas. The Group also operates the Bimini SuperFast, a 32,000-ton cruise ship that sails between Miami and Bimini.

Genting Malaysia is a member of the Genting Group, one of Asia's leading and best-managed multinationals. The Genting Group is the collective name for Genting Berhad, its subsidiaries and associates, which have significant interests in leisure & hospitality, power generation, palm plantation, property development, biotechnology and oil & gas related activities.

For more information, visit <http://www.gentingmalaysia.com>

For information on the major properties of Genting Malaysia

Resorts World Genting, visit www.rwgenting.com

Genting Casinos UK Limited, visit www.gentingcasinos.co.uk

Resorts World Casino New York City, visit www.rwnewyork.com

Resorts World Birmingham, visit www.resortsworldbirmingham.co.uk

Resorts World Miami, visit www.rwmiami.com

Resorts World Bimini, visit www.rwbimini.com

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