



GENTING MALAYSIA BERHAD
(58019-U)

PRESS RELEASE

For Immediate Release

**GENTING MALAYSIA BERHAD ANNOUNCES RESULTS FOR THE
THIRD QUARTER ENDED 30 SEPTEMBER 2014**

KUALA LUMPUR, 21 November 2014 – Genting Malaysia Berhad (“Genting Malaysia” or the “Group”) today announced its financial results for the third quarter ended 30 September 2014 (“3Q14”).

The Group achieved a total revenue of RM2,234.6 million in 3Q14, a 5% increase compared to the preceding year (“3Q13”). Revenue from the Malaysian leisure and hospitality business declined 9% from 3Q13 to RM1,298.8 million, mainly due to a lower hold percentage in the premium players business despite overall higher volume of business. Although the upgrading and expansion works related to the Genting Integrated Tourism Plan (“GITP”) has affected the number of visitors to Resorts World Genting (“RWG”), its core business continues to remain resilient. The United Kingdom (“UK”) operations registered a 66% growth in revenue to RM674.7 million primarily attributable to a higher hold percentage in its International Markets division and an overall higher volume of business. The International Markets division cater to the premium players business at certain of its London casinos. Revenue from the operations in the United States (“US”), which includes Resorts World Bimini (“Bimini”) in the Bahamas, declined by 10% to RM225.9 million largely due to lower contributions from Bimini.

The Group reported an adjusted earnings before interest, taxation, depreciation and amortisation (“EBITDA”) of RM574.9 million in 3Q14 versus RM594.6 million in 3Q13. The Malaysian operations reported a lower adjusted EBITDA margin of 32% compared to 33% last year as a result of lower revenue and higher costs relating to the premium players business. The decline in the US operations’ adjusted EBITDA was principally due to infrastructure and hotel capacity constraints at Bimini, which contributed a higher loss before interest, tax, depreciation and amortisation (“LBITDA”) by RM11.6 million. Its Resorts World Casino New York City (“RWNYC”) operations also incurred higher payroll costs. Meanwhile, the UK operations achieved an increase of RM105.1 million in adjusted EBITDA to RM145.6 million in 3Q14, attributable to the higher revenue generated.

The Group’s profit before taxation (“PBT”) for 3Q14 increased by 2% to RM374.1 million. This was mainly due to a lower assets write-off and net impairment losses on some of the Group assets in 3Q14. In 3Q13, the Group reported higher assets write-off primarily due to the closure of the outdoor theme park at RWG in September 2013. The Group’s profit after tax (“PAT”) for 3Q14 decreased by 20% mainly due to over provision of prior year’s deferred tax which resulted in a lower tax charge in 3Q13. Excluding the impact of such deferred tax, the Group’s PAT would have decreased by 3%.

The Group achieved a total revenue of RM6,171.5 million for the nine months ended 30 September 2014 (“YTD 3Q14”), representing a 1% decrease compared to the same period last year. The Malaysian operations recorded a lower revenue of RM3,940.8 million mainly due to a lower hold percentage in the premium players business despite an overall higher volume of business. On the other hand, both the UK and US operations reported an increase of RM177.6

million and RM30.7 million in revenue, or 15% and 4% respectively. This was mainly contributed by favourable foreign exchange movement and higher overall volume of business in the UK, as well as the commencement of the Bimini operations.

The Group's adjusted EBITDA for YTD 3Q14 of RM1,641.7 million was 11% lower compared to YTD 3Q13. This was mainly attributable to a lower adjusted EBITDA registered by the Malaysian operations due to higher payroll costs. The higher payroll costs at RWNYC and operational challenges in Bimini had also impacted the performance in the US. These were mitigated by a higher adjusted EBITDA from the UK operations which reported higher revenue and lower bad debt written off.

The Group's PBT for YTD 3Q14 decreased by 13% to RM1,156.1 million, mainly due to the Group's lower adjusted EBITDA contributions, higher depreciation and amortisation charges and higher pre-operating expenses incurred on the applications for licenses in the State of New York. The PAT for YTD 3Q14 decreased by 29% mainly due to lower taxes last year as a result of the recognition of deferred tax asset on tax losses in the US. Excluding the impact of such deferred tax, the Group's PAT would have decreased by 16%.

The global economy continues to expand at a moderate and uneven pace. While there are signs of a weaker outlook in the Eurozone countries, the growth momentum in Asia Pacific and the US remains relatively stable.

Regional gaming operators in Macau and Singapore recently reported a slowdown in gaming revenues. Meanwhile, overall demand for international tourism remains broadly positive in spite of the recent negative sentiments relating to air travel and virus outbreak.

The Group is maintaining a cautious stance on the outlook in the near term, but remains positive on the longer term prospects of the leisure and hospitality industry.

In Malaysia, the Group's efforts to transform RWG under the GTP are progressing well. The Arena of Stars, which was closed earlier this year for upgrading and maintenance works, has recently re-opened. The 1,300 rooms under the Tower 2 annex development is on track to open by mid 2015. Despite all the current on-going works at RWG, the Group expects its core business to remain resilient and remains committed to developing plans and activities to stimulate visitations to RWG, as well as optimising operational efficiencies and intensify its yield management strategies.

In the UK, the Group delivered encouraging results in 3Q14, through improved performance in the Home Markets division which primarily cater to the domestic players, and a sharp turnaround in results from the International Markets division. The Group remains cautious over the volatility implicit in the International Markets division. As for the Home Markets division, it has maintained its improving trend as a whole, and the Group will seek to continue to grow this market segment. The development of Resorts World Birmingham is on schedule, with an anticipated opening in mid 2015.

In the US, RWNYC continues to grow its business and maintain a majority market share of the statewide gaming revenue in the State of New York. The Group remains focused on enhancing its marketing initiatives to further grow visitations and customer database. At Bimini, the accessibility to the resort is now improved with the recent opening of the deep water jetty. With the expected opening of the new luxury hotel by the end of the year, the Group is confident that it will continue to grow visitations to Bimini.

A summary table of the results is attached below.

GENTING MALAYSIA BERHAD SUMMARY OF RESULTS	INDIVIDUAL QUARTER		Var % 3Q14 vs 3Q13	NINE MONTHS ENDED 30 SEPTEMBER		Var % YTD 3Q14 vs YTD 3Q13
	3Q2014 RM'Mil	3Q2013 RM'Mil		YTD 3Q14 RM'Mil	YTD 3Q13 RM'Mil	
Revenue						
Leisure & Hospitality						
- Malaysia	1,298.8	1,433.9	-9%	3,940.8	4,239.5	-7%
- United Kingdom	674.7	407.0	66%	1,357.7	1,180.1	15%
- United States of America and Bahamas	225.9	250.2	-10%	735.5	704.8	4%
	<u>2,199.4</u>	<u>2,091.1</u>	5%	<u>6,034.0</u>	<u>6,124.4</u>	-1%
Property	16.5	14.5	14%	47.6	48.9	-3%
Investments & others	18.7	15.3	22%	89.9	34.1	>100%
	<u>2,234.6</u>	<u>2,120.9</u>	5%	<u>6,171.5</u>	<u>6,207.4</u>	-1%
Adjusted EBITDA						
Leisure & Hospitality						
- Malaysia	412.6	477.3	-14%	1,362.7	1,427.4	-5%
- United Kingdom	145.6	40.5	>100%	156.0	138.0	13%
- United States of America and Bahamas	6.8	41.1	-83%	49.8	207.0	-76%
	<u>565.0</u>	<u>558.9</u>	1%	<u>1,568.5</u>	<u>1,772.4</u>	-12%
Property	(0.6)	4.8	->100%	4.5	26.9	-83%
Others	10.5	30.9	-66%	68.7	44.7	54%
	<u>574.9</u>	<u>594.6</u>	-3%	<u>1,641.7</u>	<u>1,844.0</u>	-11%
Pre-operating expenses	(44.1)	(2.2)	->100%	(49.7)	(32.8)	-52%
Property, plant and equipment written off	(5.9)	(44.8)	87%	(7.2)	(45.6)	84%
Reversal of previously recognised impairment losses	22.5	11.1	>100%	22.5	11.1	>100%
Impairment losses	(37.3)	(40.0)	7%	(37.3)	(40.0)	7%
EBITDA	<u>510.1</u>	<u>518.7</u>	-2%	<u>1,570.0</u>	<u>1,736.7</u>	-10%
Depreciation and amortisation	(148.3)	(133.9)	-11%	(450.1)	(403.2)	-12%
Interest income	23.0	16.3	41%	68.1	51.0	34%
Finance costs	(10.7)	(22.7)	53%	(31.9)	(43.3)	26%
Share of results in joint venture	-	(12.8)	NC	-	(12.8)	NC
Profit before taxation	<u>374.1</u>	<u>365.6</u>	2%	<u>1,156.1</u>	<u>1,328.4</u>	-13%
Taxation	<u>(120.2)</u>	<u>(48.2)</u>	->100%	<u>(309.6)</u>	<u>(136.3)</u>	->100%
Profit for the financial period	<u>253.9</u>	<u>317.4</u>	-20%	<u>846.5</u>	<u>1,192.1</u>	-29%
Basic and diluted EPS (sen)	<u>4.69</u>	<u>5.69</u>	-18%	<u>15.50</u>	<u>21.20</u>	-27%

NC : Not comparable

About Genting Malaysia

Genting Malaysia is one of the leading leisure and hospitality corporations in the world. Listed on Bursa Malaysia with approximately RM23 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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