

THIRD QUARTERLY REPORT

Quarterly report on consolidated results for the nine months ended 30 September 2014. The figures have not been audited.

**CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014**

	UNAUDITED INDIVIDUAL QUARTER Third quarter ended 30 September		UNAUDITED CUMULATIVE PERIOD Nine months ended 30 September	
	<u>2014</u> <u>RM'000</u>	<u>2013</u> <u>RM'000</u>	<u>2014</u> <u>RM'000</u>	<u>2013</u> <u>RM'000</u>
Revenue	2,234,548	2,120,956	6,171,465	6,207,414
Cost of sales	(1,583,005)	(1,434,521)	(4,315,422)	(4,096,111)
Gross profit	651,543	686,435	1,856,043	2,111,303
Other income	49,879	70,861	149,106	160,108
Other expenses	(301,770)	(327,383)	(802,342)	(858,020)
Profit from operations before impairment losses	399,652	429,913	1,202,807	1,413,391
Reversal of previously recognised impairment losses	22,555	11,132	22,555	11,132
Impairment losses	(37,334)	(39,968)	(37,334)	(40,003)
Profit from operations	384,873	401,077	1,188,028	1,384,520
Finance costs	(10,757)	(22,684)	(31,948)	(43,331)
Share of results in joint venture	-	(12,746)	-	(12,746)
Profit before taxation	374,116	365,647	1,156,080	1,328,443
Taxation	(120,203)	(48,218)	(309,621)	(136,264)
Profit for the financial period	253,913	317,429	846,459	1,192,179
Profit attributable to:				
Equity holders of the Company	266,116	322,617	878,838	1,202,480
Non-controlling interests	(12,203)	(5,188)	(32,379)	(10,301)
	253,913	317,429	846,459	1,192,179
Earnings per share attributable to equity holders of the Company:				
Basic and diluted earnings per share (sen)	4.69	5.69	15.50	21.20

(The Condensed Consolidated Income Statement should be read in conjunction with the audited Financial Statements for the financial year ended 31 December 2013.)

GENTING MALAYSIA BERHAD
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014

	UNAUDITED INDIVIDUAL QUARTER		UNAUDITED CUMULATIVE PERIOD	
	Third quarter ended 30 September		Nine months ended 30 September	
	<u>2014</u> <u>RM'000</u>	<u>2013</u> <u>RM'000</u>	<u>2014</u> <u>RM'000</u>	<u>2013</u> <u>RM'000</u>
Profit for the financial period	253,913	317,429	846,459	1,192,179
Other comprehensive (loss)/income				
Items that will be reclassified subsequently to profit or loss:				
Available-for-sale financial assets				
- Fair value (loss)/gain	(53,402)	(140,412)	(221,013)	321,409
- Reclassification to profit or loss upon disposal	-	-	-	(3,813)
Cash flow hedges				
- Fair value loss	(2,135)	-	(1,713)	-
Foreign currency exchange differences	(90,847)	(20,117)	(152,480)	264,621
Other comprehensive (loss)/income, net of tax	(146,384)	(160,529)	(375,206)	582,217
Total comprehensive income for the financial period	107,529	156,900	471,253	1,774,396
Total comprehensive income/(loss) attributable to:				
Equity holders of the Company	119,854	162,088	503,884	1,784,697
Non-controlling interests	(12,325)	(5,188)	(32,631)	(10,301)
	107,529	156,900	471,253	1,774,396

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited Financial Statements for the financial year ended 31 December 2013.)

GENTING MALAYSIA BERHAD
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2014

	UNAUDITED As at 30.09.2014 RM'000	As at 31.12.2013 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	6,813,358	6,088,342
Land held for property development	184,672	184,672
Investment properties	1,812,213	1,829,070
Intangible assets	4,272,619	4,386,503
Available-for-sale financial assets	1,249,536	1,506,457
Derivative financial instruments	-	1,545
Long term receivables	270,091	263,302
Deferred tax assets	159,304	174,564
	<u>14,761,793</u>	<u>14,434,455</u>
Current assets		
Inventories	94,949	87,614
Trade and other receivables	754,467	485,109
Amounts due from other related companies	29,836	27,341
Amounts due from joint ventures	-	2,022
Financial asset at fair value through profit or loss	5,510	3,757
Available-for-sale financial assets	1,080,558	1,091,642
Restricted cash	16,816	-
Cash and cash equivalents	3,198,265	3,720,034
	<u>5,180,401</u>	<u>5,417,519</u>
Assets classified as held for sale	19,242	-
	<u>5,199,643</u>	<u>5,417,519</u>
TOTAL ASSETS	<u>19,961,436</u>	<u>19,851,974</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	593,804	593,804
Reserves	15,874,925	15,762,336
Treasury shares	(900,307)	(898,185)
	<u>15,568,422</u>	<u>15,457,955</u>
Non-controlling interests	<u>(12,985)</u>	<u>19,646</u>
TOTAL EQUITY	<u>15,555,437</u>	<u>15,477,601</u>
Non-current liabilities		
Other long term liabilities	182,843	188,250
Long term borrowings	1,376,058	1,482,608
Deferred tax liabilities	621,806	663,217
Derivative financial instruments	188	-
	<u>2,180,895</u>	<u>2,334,075</u>
Current liabilities		
Trade and other payables	1,669,573	1,616,121
Amount due to holding company	13,070	16,932
Amounts due to other related companies	87,492	111,440
Amount due to a joint venture	27,769	26,612
Short term borrowings	193,011	197,312
Taxation	64,061	71,881
Dividend payable	170,128	-
	<u>2,225,104</u>	<u>2,040,298</u>
TOTAL LIABILITIES	<u>4,405,999</u>	<u>4,374,373</u>
TOTAL EQUITY AND LIABILITIES	<u>19,961,436</u>	<u>19,851,974</u>
NET ASSETS PER SHARE (RM)	<u>2.75</u>	<u>2.73</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 2013.)

GENTING MALAYSIA BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014

	Attributable to equity holders of the Company									Non-controlling Interests	Total Equity
	Share Capital	Share Premium	Available-for-sale Financial Assets Reserve	Cash Flow Hedges Reserve	Other Reserves	Treasury Shares	Retained Earnings	Total	Total		
At 1 January 2014	593,804	1,170,620	1,667,076	1,545	247,747	(898,185)	12,675,348	15,457,955	19,646	15,477,601	
Total comprehensive (loss)/income for the period	-	-	(221,013)	(1,713)	(152,228)	-	878,838	503,884	(32,631)	471,253	
Transactions with owners:											
Buy-back of shares	-	-	-	-	-	(2,122)	-	(2,122)	-	(2,122)	
Appropriation:											
Final single-tier dividend declared for the year ended 31 December 2013	-	-	-	-	-	-	(221,167)	(221,167)	-	(221,167)	
Interim single-tier dividend declared for the year ending 31 December 2014	-	-	-	-	-	-	(170,128)	(170,128)	-	(170,128)	
Total transactions with owners	-	-	-	-	-	(2,122)	(391,295)	(393,417)	-	(393,417)	
At 30 September 2014	593,804	1,170,620	1,446,063	(168)	95,519	(900,307)	13,162,891	15,568,422	(12,985)	15,555,437	
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	-	-	317,596	-	264,621	-	1,202,480	1,784,697	(10,301)	1,774,396	
Transactions with owners:											
Effects arising from changes in composition of the Group	-	-	-	-	-	-	-	-	37,848	37,848	
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)	
Interim dividend declared for the year ending 31 December 2013	-	-	-	-	-	-	(182,920)	(182,920)	-	(182,920)	
Total transactions with owners	-	-	-	-	-	(1,977)	(395,618)	(397,595)	37,848	(359,747)	
At 30 September 2013	593,804	1,170,620	1,552,796	-	(151,426)	(896,038)	12,273,958	14,543,714	27,547	14,571,261	

(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 2013.)

GENTING MALAYSIA BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014

UNAUDITED
Nine months ended
30 September

CASH FLOWS FROM OPERATING ACTIVITIES

	2014 RM'000	2013 RM'000
Profit before taxation	1,156,080	1,328,443
Adjustments for:		
Depreciation and amortisation	450,068	403,217
Property, plant and equipment written off	7,238	45,541
Loss on disposal of property, plant and equipment	1,050	1,652
Reversal of previously recognised impairment losses	(22,555)	(11,132)
Impairment losses	37,334	40,003
Gain on disposal on available-for-sale financial assets	-	(3,813)
Finance costs	31,948	43,331
Interest income	(68,131)	(51,027)
Investment income	(66,204)	(12,861)
Share of results in joint venture	-	12,746
Other non-cash items and adjustments	16,779	11,046
	387,527	478,703
Operating profit before working capital changes	1,543,607	1,807,146
Net change in current assets	(229,567)	(93,288)
Net change in current liabilities	(5,606)	87,813
	(235,173)	(5,475)
Cash generated from operations	1,308,434	1,801,671
Net tax paid	(344,152)	(335,123)
Retirement gratuities paid	(3,903)	(5,836)
Other net operating payments	(10,545)	(11,423)
	(358,600)	(352,382)
Net Cash Flow From Operating Activities	949,834	1,449,289
CASH FLOWS FROM INVESTING ACTIVITIES		
Property, plant and equipment	(1,190,940)	(999,054)
Purchase of investment properties	-	(244,629)
Purchase of intangible asset	(4,824)	(4,104)
Purchase of investments	(41,601)	(189,603)
Other investing activities	117,654	104,999
Net Cash Flow From Investing Activities	(1,119,711)	(1,332,391)
CASH FLOWS FROM FINANCING ACTIVITIES		
Buy-back of shares	(2,122)	(1,977)
Dividend paid	(221,167)	(212,698)
Proceeds from borrowings	-	1,250,998
Repayment of borrowings and transaction costs	(92,024)	(790,276)
Restricted cash	8,894	-
Finance costs paid	(25,247)	(20,155)
Others	11,462	32,610
Net Cash Flow From Financing Activities	(320,204)	258,502
NET MOVEMENT IN CASH AND CASH EQUIVALENTS	(490,081)	375,400
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	3,720,034	3,223,939
EFFECT OF CURRENCY TRANSLATION	(31,688)	20,686
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	3,198,265	3,620,025
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Bank balances and deposits	2,636,233	2,661,366
Money market instruments	562,032	958,659
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	3,198,265	3,620,025

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited Financial Statements for the financial year ended 31 December 2013.)

GENTING MALAYSIA BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT – THIRD QUARTER ENDED 30 SEPTEMBER 2014

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 2014 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 2013. 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 2013 except for the adoption of amendments to published standards that are applicable to the Group for the financial period beginning 1 January 2014:

- Amendments to MFRS 10, Investment Entities
MFRS 12 and MFRS 127
- Amendments to MFRS 132 Offsetting Financial Assets and Financial Liabilities
- Amendments to MFRS 136 Recoverable Amount Disclosures for Non-Financial Assets

The adoption of these amendments to published standards does not have a material impact on the interim financial information of the Group.

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 nine months ended 30 September 2014.

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 nine months ended 30 September 2014, 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 RM2,122,000. 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 nine months ended 30 September 2014.

f) Dividend Paid

Dividend paid during the nine months ended 30 September 2014 is as follows:

Final single-tier dividend for the year ended 31 December 2013 paid on 22 July 2014	RM’000
3.9 sen per ordinary share of RM0.10 each	<u>221,167</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 impairment losses, pre-operating expenses and assets written off.

Segment analysis for the nine months ended 30 September 2014 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 and Bahamas</u> <u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Revenue						
Total revenue	3,945,007	1,357,645	735,480	57,208	198,162	6,293,502
Inter segment	(4,158)	-	-	(9,578)	(108,301)	(122,037)
External	<u>3,940,849</u>	<u>1,357,645</u>	<u>735,480</u>	<u>47,630</u>	<u>89,861</u>	<u>6,171,465</u>
Adjusted EBITDA	<u>1,362,702</u>	<u>156,002</u>	<u>49,829</u>	<u>4,487</u>	<u>68,642</u>	<u>1,641,662</u>
Total Assets	<u>4,277,605</u>	<u>3,942,798</u>	<u>3,862,052</u>	<u>2,632,413</u>	<u>5,246,568</u>	<u>19,961,436</u>

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

Adjusted EBITDA for reportable segments	1,641,662
Pre-operating expenses	(49,680)
Property, plant and equipment written off	(7,238)
Reversal of previously recognised impairment losses	22,555
Impairment losses	(37,334)
EBITDA	<u>1,569,965</u>
Depreciation and amortisation	(450,068)
Interest income	68,131
Finance costs	(31,948)
Profit before taxation	<u>1,156,080</u>

h) Property, Plant and Equipment

During the nine months ended 30 September 2014, acquisitions of property, plant and equipment by the Group were RM1,202.4 million.

i) Material Event Subsequent to the end of Financial Period

There were no material events subsequent to the end of current financial period ended 30 September 2014 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 2014.

k) Changes in Contingent Liabilities or Contingent Assets

As disclosed in the audited financial statements for the financial year ended 31 December 2013, a legal claim of RM41.3 million was made against a subsidiary of the Group. The Group was of the view that the obligation to pay was not probable based on legal advice received, and this claim was disclosed as a contingent liability in accordance with MFRS 137 "Provisions, Contingent Liabilities and Contingent Assets".

In October 2014, the court ruled in favour of the Group and the Group has no obligation to pay. The claimant has since requested permission to appeal, however the Group maintains the view that the obligation to pay remains not probable based on legal advice received. As such this claim continued to be disclosed as a contingent liability as at 30 September 2014.

Other than the above, there were no material changes in the contingent liabilities or contingent assets since the financial year ended 31 December 2013.

l) Capital Commitments

Authorised capital commitments not provided for in the financial statements as at 30 September 2014 are as follows:

	RM'000
Contracted	2,520,326
Not contracted	3,491,871
	<u>6,012,197</u>
Analysed as follows:	
- Property, plant and equipment	5,634,175
- Investments	378,022
	<u>6,012,197</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 2014 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.	98,337	310,974
ii) Licensing fee for the use of "Genting", "Resorts World" and "Awana" logo charged by GENT to the Group.	48,536	143,080
iii) Licensing fee for the use of "Resorts World" and "Genting" intellectual property outside Malaysia charged by GENT Group to the Group.	361	881
iv) Provision of GENT Group Management and Support Services by GENT Group to the Group.	1,584	4,674
v) Rental charges for premises by the Company to Oriregal Creations Sdn Bhd.	381	1,143
vi) Rental charges and related services by the Group to GENT Group.	983	2,947
vii) Rental charges and related services by the Group to Genting Plantations Berhad ("GENP") Group.	625	1,873
viii) Licensing fee for the use of "Resorts World" and "Genting" intellectual property in the United States of America and the Bahamas charged by Resorts World Inc Pte Ltd ("RWI") Group to the Group.	13,476	40,334
ix) Provision of information technology consultancy, development, implementation, support and maintenance service and other management services by the Group to GENT Group.	1,335	3,823

m) Significant Related Party Transactions (Cont'd)

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 2014 are as follows (Cont'd):

	Current quarter RM'000	Current financial year-to-date RM'000
x) Provision of information technology consultancy, development, implementation, support and maintenance service and other management services by the Group to GENP Group.	929	2,722
xi) Provision of information technology consultancy, development, implementation, support and maintenance service and other management services by the Group to Genting Hong Kong Limited ("GENHK") Group.	240	808
xii) Provision of management and support services by the Group to SE Mass II, LLC.	1,109	3,503
xiii) Provision of management and support services by the Group to GENT Group.	473	1,325
xiv) Acquisition of aircraft by the Group from GENHK Group.	-	57,538
xv) Rental charges by Genting Development Sdn Bhd to the Group.	296	858
xvi) Provision of professional and marketing services by the Group to RWI Group.	8,326	17,970
xvii) Provision of management and consultancy services on theme park and resort development and operations by International Resort Management Services Pte Ltd to the Company.	17,140	17,140
xviii) Purchase of an art sculpture by the Company from Tan Sri Lim Kok Thay.	7,115	7,115

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 assets or liabilities that are not based on observable market data (that is, unobservable inputs).

As at 30 September 2014, 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 asset at fair value through profit or loss	5,510	-	-	5,510
Available-for-sale financial assets	1,772,759	555,615	1,720	2,330,094
	<u>1,778,269</u>	<u>555,615</u>	<u>1,720</u>	<u>2,335,604</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 2013.

GENTING MALAYSIA BERHAD
ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES – FINANCIAL PERIOD ENDED
30 SEPTEMBER 2014

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		NINE MONTHS ENDED 30 SEPTEMBER		Var %
	3Q2014 RM'Mil	3Q2013 RM'Mil		2Q2014 RM'Mil	Var %	2014 RM'Mil	2013 RM'Mil	
Revenue								
Leisure & Hospitality								
- Malaysia	1,298.8	1,433.9	-9%	1,280.9	1%	3,940.8	4,239.5	-7%
- United Kingdom	674.7	407.0	66%	301.5	>100%	1,357.7	1,180.1	15%
- United States of America and Bahamas	225.9	250.2	-10%	253.0	-11%	735.5	704.8	4%
	2,199.4	2,091.1	5%	1,835.4	20%	6,034.0	6,124.4	-1%
Property	16.5	14.5	14%	15.4	7%	47.6	48.9	-3%
Investments & others	18.7	15.3	22%	60.0	-69%	89.9	34.1	>100%
	2,234.6	2,120.9	5%	1,910.8	17%	6,171.5	6,207.4	-1%
Adjusted EBITDA								
Leisure & Hospitality								
- Malaysia	412.6	477.3	-14%	447.5	-8%	1,362.7	1,427.4	-5%
- United Kingdom	145.6	40.5	>100%	(65.9)	>100%	156.0	138.0	13%
- United States of America and Bahamas	6.8	41.1	-83%	28.3	-76%	49.8	207.0	-76%
	565.0	558.9	1%	409.9	38%	1,568.5	1,772.4	-12%
Property	(0.6)	4.8	->100%	1.0	->100%	4.5	26.9	-83%
Others	10.5	30.9	-66%	50.3	-79%	68.7	44.7	54%
	574.9	594.6	-3%	461.2	25%	1,641.7	1,844.0	-11%
Pre-operating expenses	(44.1)	(2.2)	->100%	(3.2)	->100%	(49.7)	(32.8)	-52%
Property, plant and equipment written off	(5.9)	(44.8)	87%	(0.7)	->100%	(7.2)	(45.6)	84%
Reversal of previously recognised impairment losses	22.5	11.1	>100%	-	NC	22.5	11.1	>100%
Impairment losses	(37.3)	(40.0)	7%	-	NC	(37.3)	(40.0)	7%
EBITDA	510.1	518.7	-2%	457.3	12%	1,570.0	1,736.7	-10%
Depreciation and amortisation	(148.3)	(133.9)	-11%	(152.5)	3%	(450.1)	(403.2)	-12%
Interest income	23.0	16.3	41%	24.8	-7%	68.1	51.0	34%
Finance costs	(10.7)	(22.7)	53%	(10.8)	1%	(31.9)	(43.3)	26%
Share of results in joint venture	-	(12.8)	NC	-	-	-	(12.8)	NC
Profit before taxation	374.1	365.6	2%	318.8	17%	1,156.1	1,328.4	-13%

NC: Not comparable

1) Review of Performance (Cont'd)

a) Quarter ended 30 September 2014 ("3Q 2014") compared with quarter ended 30 September 2013 ("3Q 2013")

The Group's revenue in 3Q 2014 was RM2,234.6 million, which was an increase of 5% compared with RM2,120.9 million in 3Q 2013.

The higher revenue was mainly attributable to:

1. higher revenue from the casino business in United Kingdom ("UK") by RM267.7 million, mainly contributed by higher hold percentage of its International Markets and overall higher volume of business; offset by
2. lower revenue from the leisure and hospitality business in Malaysia by RM135.1 million, mainly due to lower hold percentage in the premium players business mitigated by overall higher volume of business; and
3. lower revenue from the leisure and hospitality business in United States of America ("US") and Bahamas by RM24.3 million mainly due to lower revenue contribution from Resorts World Bimini in Bahamas ("Bimini operations").

The Group's adjusted EBITDA in 3Q 2014 was RM574.9 million compared with RM594.6 million in 3Q 2013. The lower adjusted EBITDA was mainly attributable to:

1. leisure and hospitality business in Malaysia which reported a lower adjusted EBITDA of RM412.6 million compared with RM477.3 million in 3Q 2013. The adjusted EBITDA margin was 32% as compared to 33% in 3Q 2013 mainly due to lower revenue and higher costs relating to premium players business; and
2. lower adjusted EBITDA by RM34.3 million from the leisure and hospitality business in the US and Bahamas mainly due to operational challenges of the Bimini operations which contributed a higher loss before interest, tax, depreciation and amortisation by RM11.6 million. Resorts World Casino New York City ("RWNYC") also recorded a lower adjusted EBITDA primarily due to higher payroll costs; mitigated by
3. casino business in the UK which registered a higher adjusted EBITDA by RM105.1 million mainly due to higher revenue offset by higher bad debt written off in 3Q 2014.

The Group's profit before taxation of RM374.1 million in 3Q 2014 was higher by 2% compared with RM365.6 million in 3Q 2013. The higher profit before taxation was mainly due to:

1. lower assets written off by RM38.9 million mainly due to the closure of the outdoor theme park at Resorts World Genting ("RWG") in September 2013; and
2. higher reversal of previously recognised impairment losses on certain of the Group's assets by RM11.4 million; offset by
3. lower adjusted EBITDA as mentioned above; and
4. higher pre-operating expenses by RM41.9 million mainly due to expenses incurred on the application of the licenses in New York State.

b) Financial period for the nine months ended 30 September 2014 ("YTD Sept 2014") compared with nine months ended 30 September 2013 ("YTD Sept 2013")

The Group's revenue in YTD Sept 2014 was RM6,171.5 million, a decrease of 1% compared with RM6,207.4 million in YTD Sept 2013.

The lower revenue was mainly attributable to:

1. lower revenue from the leisure and hospitality business in Malaysia by RM298.7 million, mainly due to lower hold percentage in the premium players business mitigated by overall higher volume of business; mitigated by
2. higher revenue from the leisure and hospitality business in the UK by RM177.6 million, mainly contributed by overall higher volume of business and the favourable foreign exchange movement of GBP against RM; and
3. higher revenue from the leisure and hospitality business in the US and Bahamas by RM30.7 million, mainly contributed by the commencement of Bimini operations in June 2013.

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

b) **Financial period for the nine months ended 30 September 2014 (“YTD Sept 2014”) compared with nine months ended 30 September 2013 (“YTD Sept 2013”) (Cont'd)**

The Group's adjusted EBITDA in YTD Sept 2014 was RM1,641.7 million compared with RM1,844.0 million in YTD Sept 2013. The lower adjusted EBITDA was mainly attributable to:

1. lower adjusted EBITDA by RM157.2 million from the leisure and hospitality business in US and Bahamas mainly due to operational challenges of the Bimini operations which contributed a higher loss before interest, tax, depreciation and amortisation by RM116.1 million. RWNYC also recorded a lower adjusted EBITDA mainly due to higher payroll costs; and
2. the leisure and hospitality business in Malaysia which reported a lower adjusted EBITDA of RM1,362.7 million compared with RM1,427.4 million in YTD Sept 2013. The adjusted EBITDA margin was 35% as compared to 34% in YTD Sept 2013 mainly due to contributions in support of the Group's social responsibility efforts made in 1Q 2013 offset by lower revenue and higher payroll costs; mitigated by
3. higher adjusted EBITDA by RM18.0 million from the casino business in the UK mainly due to higher revenue and lower bad debt written off.

The Group's profit before taxation for YTD Sept 2014 was lower by RM172.3 million or 13% compared with YTD Sept 2013. The lower profit before taxation was mainly due to:

1. lower adjusted EBITDA as mentioned above;
2. higher depreciation and amortisation charges by RM46.9 million mainly from the Group's operations in UK, US and Bahamas; and
3. higher pre-operating expenses by RM16.9 million mainly due to expenses incurred on the application of the licenses in New York State in YTD Sept 2014 offset by expenses incurred for the start up of Bimini operations in YTD Sept 2013; mitigated by
4. lower assets written off by RM38.4 million mainly due to the closure of the outdoor theme park at RWG in September 2013; and
5. higher reversal of previously recognised impairment losses on certain of the Group's assets by RM11.4 million.

2) **Material Changes in Profit before Taxation for the Current Quarter (“3Q 2014”) compared with the Immediate Preceding Quarter (“2Q 2014”)**

Profit before taxation for 3Q 2014 of RM374.1 million was higher by 17% compared to 2Q 2014 of RM318.8 million. The higher profit before taxation was mainly due to:

1. casino business in the UK which registered an adjusted EBITDA of RM145.6 million compared with an adjusted loss before interest, tax, depreciation and amortisation of RM65.9 million in 2Q 2014. The 2Q 2014 results of UK had been affected by lower revenue and bad debt written off in that quarter. However, the higher revenue in 3Q 2014 was mitigated by the higher bad debt written off in the current quarter; offset by
2. lower adjusted EBITDA by RM34.9 million from the leisure and hospitality business in Malaysia mainly due to higher costs relating to premium players business and higher payroll costs mitigated by higher revenue;
3. lower adjusted EBITDA by RM21.5 million from the leisure and hospitality business in the US and Bahamas mainly due to lower revenue and operational challenges of the Bimini operations which contributed a higher loss before interest, tax, depreciation and amortisation by RM8.8 million; and
4. higher pre-operating expenses by RM40.9 million mainly due to expenses incurred on the application of the licenses in New York State in 3Q 2014.

3) Prospects

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 Genting Integrated Tourism Plan 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.

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 2014 are as follows:

	Current quarter ended 30 September 2014 RM'000	Nine months ended 30 September 2014 RM'000
Current taxation		
Malaysian income tax charge	90,979	296,991
Foreign income tax charge	28,776	24,240
	<hr/> 119,755	<hr/> 321,231
Deferred tax credit	(11,044)	(22,931)
	<hr/> 108,711	<hr/> 298,300
Prior period taxation		
Income tax under provided	11,492	11,321
	<hr/> 120,203	<hr/> 309,621

The effective tax rates of the Group for the current quarter and nine months ended 30 September 2014 are higher than the statutory tax rate mainly due to non-deductible expenses; mitigated by income not subject to tax and tax incentive.

6) **Status of Corporate Proposals Announced**

There were no other corporate proposals announced but not completed as at 14 November 2014.

7) **Group Borrowings**

The details of the Group's borrowings as at 30 September 2014 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	USD59,680	193,011
Long term borrowings	Secured	USD181,021	585,421
	Unsecured	GBP149,244	790,637

8) **Outstanding derivatives**

As at 30 September 2014, the values and maturity analysis of the outstanding derivatives of the Group are as follows:

<u>Types of Derivative</u>	<u>Contract/Notional Value</u> <u>RM'000</u>	<u>Fair Value Liabilities</u> <u>RM'000</u>
Interest Rate Swaps		
GBP		
- More than 3 years	349,643	188

Other than the above, there is no significant change for the financial derivatives in respect of the following since the last financial year ended 31 December 2013:

- the credit risk, market risk and liquidity risk associated with these financial derivatives;
- the cash requirements of the financial derivatives; and
- the policy in place for mitigating or controlling the risks associated with these financial derivatives.

9) **Fair Value Changes of Financial Liabilities**

As at 30 September 2014, 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 14 November 2014.

11) **Dividend Proposed or Declared**

- No dividend has been proposed or declared for the current quarter ended 30 September 2014.
- An interim single-tier dividend of 3.0 sen per ordinary share of 10 sen each for the current financial year ending 31 December 2014 was paid on 21 October 2014.

12) Profit before Taxation

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

	Current quarter ended 30 September 2014 <u>RM'000</u>	Nine months ended 30 September 2014 <u>RM'000</u>
<u>Charges:</u>		
Depreciation and amortisation	148,233	450,068
Property, plant and equipment written off	5,897	7,238
Net loss on disposal of property, plant and equipment	908	1,050
Impairment losses	37,334	37,334
Net impairment loss on receivables	52	5,533
Finance costs	10,757	31,948
Net foreign currency exchange losses	886	4,332
<u>Credits:</u>		
Interest income	23,031	68,131
Investment income	6,432	66,204
Reversal of previously recognised impairment losses	22,555	22,555

13) Earnings per share ("EPS")

- (a) The earnings used as the numerator in calculating basic and diluted EPS for the current quarter and nine months ended 30 September 2014 are as follows:

	Current quarter ended 30 September 2014 <u>RM'000</u>	Current financial year-to-date ended 30 September 2014 <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)	266,116	878,838

- (b) The weighted average number of ordinary shares used as the denominator in calculating basic and diluted EPS for the current quarter and nine months ended 30 September 2014 are as follows:

	Current quarter ended 30 September 2014 <u>Number of Shares ('000)</u>	Current financial year-to-date ended 30 September 2014 <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)	5,670,937	5,671,217

(*) The weighted average number of ordinary shares of RM0.10 each in issue during the current quarter and nine months ended 30 September 2014 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 2014, 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	12,962,404	12,498,461
- Unrealised	(470,078)	(491,413)
	<u>12,492,326</u>	<u>12,007,048</u>
Total share of accumulated losses from joint ventures:		
- Realised	(23,202)	(23,202)
	<u>12,469,124</u>	<u>11,983,846</u>
Add: Consolidation adjustments	693,767	691,502
Total Group retained profits as per consolidated accounts	<u><u>13,162,891</u></u>	<u><u>12,675,348</u></u>

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 2013 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 21 November 2014.