



GENTING MALAYSIA BERHAD
(58019-U)

PRESS RELEASE

For Immediate Release

**GENTING MALAYSIA BERHAD ANNOUNCES RESULTS FOR THE
FOURTH QUARTER ENDED 31 DECEMBER 2014**

KUALA LUMPUR, 26 February 2015 – Genting Malaysia Berhad (“Genting Malaysia” or the “Group”) today announced its financial results for the fourth quarter ended 31 December 2014 (“4Q14”).

The Group reported a 3% decline in total revenue to RM2,057.9 million in 4Q14 compared to RM2,120.1 million in the preceding year (“4Q13”). Revenue from the Malaysian leisure and hospitality business declined 2% to RM1,421.6 million primarily due to a lower hold percentage in the premium players business despite an overall higher volume of business. The redevelopment works relating to the Genting Integrated Tourism Plan (“GITP”) is on-going at Resorts World Genting (“RWG”). Whilst the visitation numbers have been affected as a result of the redevelopment works, RWG’s core business continues to remain resilient. Revenue from the Group’s United Kingdom (“UK”) operations decreased by 17% to RM342.1 million mainly due to a lower hold percentage in its International Markets division, which cater to the premium players business at four of its London casinos, albeit an overall higher volume of business. The operations in the United States (“US”), which includes Resorts World Bimini (“Bimini”) in the Bahamas, generated a 12% increase in revenue to RM264.4 million. This was mainly contributed by higher volume of business from the operations at Resorts World Casino New York City (“RWNYC”) as well as Bimini.

The Group achieved an adjusted earnings before interest, taxation, depreciation and amortisation (“EBITDA”) of RM605.9 million in 4Q14 compared to RM584.2 million in 4Q13. In Malaysia, the adjusted EBITDA margin was lower at 35% compared to 38% last year as a result of lower revenue and higher costs relating to the premium players business. The decrease in the leisure and hospitality business in the US was due to higher payroll and related costs at RWNYC, mitigated by lower adjusted loss before interest, tax, depreciation and amortisation (“LBITDA”) at Bimini. The UK operations reported a slightly higher adjusted EBITDA as a result of higher bad debt recovery in the quarter despite registering lower revenue.

The Group’s profit before taxation (“PBT”) decreased by 16% to RM368.4 million in 4Q14, arising from the write-off of RM55.5 million project costs in relation to the unsuccessful application of licenses in New York State as well as higher assets write-off by RM27.3 million relating to the GITP development. The Group’s profit after tax (“PAT”) for 4Q14 decreased by 25% mainly due to over provision of prior year’s deferred tax which resulted in a lower tax charge in 4Q13. Excluding the impact of such deferred tax, the Group’s PAT would have decreased by 9%.

Total revenue for the Group in the financial year ended 31 December 2014 (“FY2014”) eased marginally by 1% to RM8,229.4 million. The Malaysian operations saw a 6% decline in revenue to RM5,362.4 million mainly due to a lower hold percentage in the premium players business despite an overall higher volume of business. In the UK and US, both the operations reported an increase in revenue of 7% to RM1,699.8 million and 6% to RM999.9 million respectively. These were attributable to the favourable foreign exchange movement for the UK operations as well as contributions from the commencement of the Bimini operations.

The Group achieved an adjusted EBITDA of RM2,247.6 million in FY2014, 7% lower than in FY2013, primarily due to lower adjusted EBITDA registered by the Malaysian and US operations. The Malaysian operations were mainly affected by lower revenue and higher payroll costs. Higher payroll and related costs at RWNYC and operational challenges at Bimini had also impacted the results of the US operations. These were mitigated by lower bad debt written off in UK.

The Group's PBT for FY2014 decreased by 14% to RM1,524.5 million, mainly due to the Group's lower adjusted EBITDA contributions, project costs written off in relation to the unsuccessful application of licenses in New York State and higher depreciation and amortisation charges. The PAT for FY2014 decreased by 28% 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 14%.

The Board of Directors recommended a final single-tier dividend of 3.5 sen per ordinary share of 10 sen each. If approved, total dividend for FY2014 would amount to 6.5 sen per ordinary share of 10 sen each, comprising an interim single-tier dividend of 3.0 sen per ordinary share of 10 sen each and the proposed final single-tier dividend mentioned above.

Overall, the global economy is expected to expand at a moderate pace amid diverging growth momentum and uncertainties in a number of major economies. Domestically, the economy is expected to remain relatively stable but more challenging amid heightened uncertainties on the external front and domestic headwinds in 2015.

The region's gaming markets continue to experience a slowdown, as evidenced by the numbers reported by the Singapore and Macau gaming operators. However, the outlook for international tourism is likely to remain largely positive with the expected increase in demand for air travel.

The Group remains cautious on the near term outlook of the leisure and hospitality industry, but continues to be positive in the longer term.

In Malaysia, the Group continues to focus on the development of its GTP at RWG. Approximately one third of the 1,300 rooms under the First World Hotel Tower 2A development were opened at the end of 2014, with the remaining rooms to be available by mid 2015. The Group expects the next phases of GTP to open in 2016. Despite the on-going construction works and temporary closure of certain parts of First World Plaza, the Group will remain focused on its core business by improving its yield management systems, marketing capabilities, operational efficiencies and delivery of services. In addition, this year, the GENM Group will introduce special anniversary promotional events and activities to celebrate the 50th year of the founding of the Genting Group.

In the UK, the Group is pleased with the growth momentum in its domestic and international markets achieved in 2014. This year, the Group's focus is on innovative strategies in growing its business, gaining market share in the domestic segment and on the successful opening of Resorts World Birmingham ("RWB"). RWB will be the first integrated resort in the United Kingdom and is on track to open in the second half of 2015.

In the US, RWNYC continues to be the market leader in terms of gaming revenue in New York State. The Group remains focused on introducing more innovative measures to encourage higher levels of visitations and enlarge its customer database. In the Bahamas, the Group expects visitations to Bimini to increase further this year following the opening of its deep water jetty in 3Q14, along with the targeted opening of its new luxury hotel by mid 2015.

A summary table of the results is attached below.

GENTING MALAYSIA BERHAD SUMMARY OF RESULTS	INDIVIDUAL QUARTER		Var %	Financial Year Ended 31 December		Var %
	4Q2014 RM'Mil	4Q2013 RM'Mil	4Q14 vs 4Q13	2014 RM'Mil	2013 RM'Mil	FY14 vs FY13
Revenue						
Leisure & Hospitality						
- Malaysia	1,421.6	1,444.3	-2%	5,362.4	5,683.8	-6%
- United Kingdom	342.1	411.3	-17%	1,699.8	1,591.4	7%
- United States of America and Bahamas	264.4	237.0	12%	999.9	941.8	6%
	<u>2,028.1</u>	<u>2,092.6</u>	-3%	<u>8,062.1</u>	<u>8,217.0</u>	-2%
Property	17.1	16.9	1%	64.7	65.8	-2%
Investments & others	12.7	10.6	20%	102.6	44.7	>100%
	<u>2,057.9</u>	<u>2,120.1</u>	-3%	<u>8,229.4</u>	<u>8,327.5</u>	-1%
Adjusted EBITDA						
Leisure & Hospitality						
- Malaysia	497.1	544.8	-9%	1,859.8	1,972.2	-6%
- United Kingdom	96.3	92.5	4%	252.3	230.5	9%
- United States of America and Bahamas	(25.2)	(21.2)	-19%	24.6	185.8	-87%
	<u>568.2</u>	<u>616.1</u>	-8%	<u>2,136.7</u>	<u>2,388.5</u>	-11%
Property	11.3	(23.9)	>100%	15.8	3.0	>100%
Others	26.4	(8.0)	>100%	95.1	36.7	>100%
Adjusted EBITDA	<u>605.9</u>	<u>584.2</u>	4%	<u>2,247.6</u>	<u>2,428.2</u>	-7%
Pre-operating expenses	(11.8)	(2.3)	->100%	(18.8)	(35.1)	46%
Project costs written off	(55.5)	-	NC	(98.2)	-	NC
Property, plant and equipment written off	(30.4)	(3.1)	->100%	(37.6)	(48.7)	23%
Reversal of previously recognised impairment losses	-	-	-	22.5	11.1	>100%
Impairment losses	-	-	-	(37.3)	(40.0)	7%
Depreciation and amortisation	(157.7)	(149.2)	-6%	(607.8)	(552.4)	-10%
Interest income	20.8	17.3	20%	88.9	68.3	30%
Finance costs	(2.9)	(8.8)	67%	(34.8)	(52.1)	33%
Share of results in joint venture	-	-	-	-	(12.8)	NC
Profit before taxation	<u>368.4</u>	<u>438.1</u>	-16%	<u>1,524.5</u>	<u>1,766.5</u>	-14%
Taxation	<u>(74.6)</u>	<u>(46.2)</u>	-62%	<u>(384.2)</u>	<u>(182.4)</u>	->100%
Profit for the financial period	<u>293.8</u>	<u>391.9</u>	-25%	<u>1,140.3</u>	<u>1,584.1</u>	-28%
Basic and diluted EPS (sen)	<u>5.46</u>	<u>7.06</u>	-23%	<u>20.96</u>	<u>28.26</u>	-26%

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 currently 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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