



GENTING

MALAYSIA

GENTING MALAYSIA BERHAD
(58019-U)

PRESS RELEASE

For Immediate Release

**GENTING MALAYSIA BERHAD ANNOUNCES RESULTS FOR THE
FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2015**

- **Group achieved growth in revenue and net profit despite a challenging operating environment**
- **Higher revenues from UK and US underpin strong Group revenue growth of 11% in 4Q15**
- **4% revenue growth in both 4Q15 and FY15 for the Malaysian leisure and hospitality business**
- **18% and 9% increases in 4Q15 and FY15 Group net profit**
- **9% increase in total FY15 dividend, if approved**

KUALA LUMPUR, 23 February 2016 – Genting Malaysia Berhad (“Group”) today reported its financial results for the fourth quarter (“4Q15”) and financial year ended 31 December 2015 (“FY15”).

The Group achieved an 11% increase in total revenue to RM2,291.9 million in 4Q15 compared to 4Q14. Adjusted earnings before interest, taxation, depreciation and amortisation (“EBITDA”) and profit before taxation (“PBT”) declined by 14% to RM521.3 million and 3% to RM357.9 million respectively. Net profit increased by 18% to RM346.1 million in 4Q15.

In FY15, the Group’s total revenue improved by 2% to RM8,395.9 million. Adjusted EBITDA increased by 3% to RM2,309.6 million and PBT increased marginally to RM1,530.0 million. Net profit increased by 9% to RM1,243.0 million in FY15.

4Q15 Results

The Group saw higher revenue from the Malaysian leisure and hospitality business despite a challenging operating environment. This was mainly contributed by overall higher volume of business even though there was a lower hold percentage in the premium players business. However, the impact of Goods and Services Tax (“GST”) and higher payroll costs resulted in a lower adjusted EBITDA margin.

Both Resorts World Bimini (“Bimini”) and Resorts World Casino New York City (“RWNYC”) recorded higher volumes of business. This, together with the favourable foreign exchange movement of USD against Ringgit Malaysia, led to higher revenue and adjusted EBITDA for the operations in the United States of America and the Bahamas (“US”). There were also lower payroll costs for the RWNYC operation.

Higher revenue was reported from the operations in the United Kingdom (“UK”), mainly contributed by higher volume of business from the Home Markets division, which caters to the non-premium players business, and favourable foreign exchange movement. However, the adjusted EBITDA was lower due to lower bad debt recovery in the quarter.

During the period, the Group recorded a lower PBT. While there were lower assets written off, the Group recorded foreign exchange losses on the Group's USD denominated assets, as well as higher depreciation and amortisation charges. Higher pre-opening expenses were also incurred for the start up of Resorts World Birmingham ("RWB") and the Genting Integrated Tourism Plan ("GITP") development. Additionally, there was an impairment loss for the Bimini operations, but this was partially offset by a one-off gain relating to an acquisition of a business there.

FY15 Results

In FY15, the Group achieved higher revenues and adjusted EBITDA from the Malaysian leisure and hospitality business, contributed by overall higher volumes of business. Despite incurring higher costs relating to the premium players business, higher payroll costs and GST, the Malaysian operations was able to maintain a consistent adjusted EBITDA margin of 35%.

The Group's US operations also saw higher revenues and adjusted EBITDA, contributed by overall higher volumes of business and favourable foreign exchange movement. There were also lower payroll costs for the RWNYC operation.

In the UK, the overall revenue was affected by both lower hold percentage and lower volume of business from its International Markets division, which caters to the premium players business, despite achieving a higher volume of business from its Home Markets division. There were also higher bad debts written off for the period which, coupled with the lower revenue, gave rise to an adjusted loss before interest, taxation, depreciation and amortisation.

While the Group's adjusted EBITDA was 3% higher in FY15, the PBT increased marginally. The Group incurred deferred expenses written off in relation to the Bimini operations, higher depreciation and amortisation charges as well as higher pre-opening expenses for the start-up of RWB and the GITP development. This was partly cushioned by foreign exchange gains on its USD denominated assets, a one-off gain relating to an acquisition of a business in Bimini, lower assets written off and gain arising from a waiver of debt.

Against this backdrop, the Board of Directors recommended a final single-tier dividend of 4.3 sen per ordinary share of 10 sen each. If approved, total dividend for FY15 would amount to 7.1 sen per ordinary share of 10 sen each. This represents a 9% increase as compared to last year.

Outlook

The global economy is expected to continue growing at a more moderate pace, amid modest economic recovery in the major advanced economies and slowed growth in the emerging markets. The economic environment for Malaysia is expected to continue to be affected by the uncertainties surrounding both the global and domestic fronts.

The operating environment for the regional gaming market remains challenging, as shown in the reported numbers of Macau and Singapore operators and as a result of continuing uncertainties in Asia affecting the premium players business. However, the outlook for international tourism is expected to remain largely positive across all regions. Domestically, the tourism-related measures announced under the recalibrated 2016 Budget are expected to have a positive impact on the local tourism sector.

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 the GTP at Resorts World Genting (“RWG”). The significant expansion and addition of new facilities at RWG will further enhance and elevate the quality of guest experience and product offerings at the resort. Meanwhile, the construction and development works for GTP are progressing well. As the Group prepares for the rollout of the various GTP attractions and facilities in stages from the second half of 2016, the Group remains focused on enhancing service at RWG as well as optimizing its yield management systems, operational efficiencies and database marketing efforts to grow business volume and visitation.

In the UK, the Home Markets division delivered very positive results in 2015 and achieved growth in market share. 2016 will see continuous focus on strengthening the Group’s position in the domestic business segment and improving business efficiency. The Group will also focus on stabilising operations and growing business volumes at RWB, its latest property which was opened in October 2015. The International Markets division was affected by the events encountered in Asia. The Group has revised its marketing efforts and will be implementing additional strategies to reinforce this segment.

In the US, RWNYC continues to perform commendably and has maintained its position as the leading gaming operator in Northeast US despite intense regional competition. The Group will continue to put in place measures to encourage higher levels of visitation and frequency of play. The gaming and amenities expansion at RWNYC, which is expected to strengthen the property’s offering and create an appealing environment to its domestic players, will be completed by 1Q16.

In the Bahamas, the Group continues to see increased business volume and visitation levels to Bimini since the partial opening of the Hilton hotel in April 2015. More emphasis will be given to improving service delivery this year to elevate the overall guest experience and drive higher visitation to the resort. In advance of the full, grand opening of the 300-room Hilton hotel in mid-2016, the Group has embarked on a comprehensive transportation improvement initiative to provide its guests with faster, more direct access to the island. This includes ceasing operation of the Bimini SuperFast and replacing it with a more efficient ferry services from Miami to Bimini and reintroducing daily, non-stop commercial air service to the island.

A summary table of the results is attached below.

GENTING MALAYSIA BERHAD SUMMARY OF RESULTS	INDIVIDUAL QUARTER		Var %	FINANCIAL YEAR ENDED 31 DECEMBER		Var %
	4Q2015 RM'Mil	4Q2014 RM'Mil	4Q15 vs 4Q14	2015 RM'Mil	2014 RM'Mil	FY15 vs FY14
Revenue						
Leisure & Hospitality						
- Malaysia	1,480.8	1,421.6	4%	5,576.6	5,362.4	4%
- United Kingdom	430.4	342.1	26%	1,350.2	1,699.8	-21%
- United States of America and Bahamas	350.9	264.4	33%	1,288.2	999.9	29%
	<u>2,262.1</u>	<u>2,028.1</u>	12%	<u>8,215.0</u>	<u>8,062.1</u>	2%
Property	18.9	17.1	11%	73.9	64.7	14%
Investments & others	10.9	12.7	-14%	107.0	102.6	4%
	<u>2,291.9</u>	<u>2,057.9</u>	11%	<u>8,395.9</u>	<u>8,229.4</u>	2%
Adjusted EBITDA						
Leisure & Hospitality						
- Malaysia	503.9	497.1	1%	1,930.8	1,859.8	4%
- United Kingdom	24.3	96.3	-75%	(124.2)	252.3	->100%
- United States of America and Bahamas	23.2	(25.2)	>100%	112.3	24.6	>100%
	<u>551.4</u>	<u>568.2</u>	-3%	<u>1,918.9</u>	<u>2,136.7</u>	-10%
Property	3.3	11.3	-71%	20.5	15.8	30%
Investments & others	(33.4)	26.4	->100%	370.2	95.1	>100%
	<u>521.3</u>	<u>605.9</u>	-14%	<u>2,309.6</u>	<u>2,247.6</u>	3%
Pre-opening expenses	(25.7)	(11.8)	->100%	(85.6)	(18.8)	->100%
Project costs written off	-	(55.5)	NC	-	(98.2)	NC
Property, plant and equipment written off	(3.7)	(30.4)	88%	(10.0)	(37.6)	73%
Reversal of previously recognised impairment losses	-	-	-	24.3	22.5	8%
Impairment losses	(27.3)	-	NC	(27.3)	(37.3)	27%
Others	52.4	-	NC	(56.0)	-	NC
	<u>517.0</u>	<u>508.2</u>	2%	<u>2,155.0</u>	<u>2,078.2</u>	4%
Depreciation and amortisation	(186.4)	(157.7)	-18%	(684.1)	(607.8)	-13%
Interest income	40.1	20.8	93%	95.0	88.9	7%
Finance costs	(12.8)	(2.9)	->100%	(35.9)	(34.8)	-3%
	<u>357.9</u>	<u>368.4</u>	-3%	<u>1,530.0</u>	<u>1,524.5</u>	-
Taxation	<u>(11.8)</u>	<u>(74.6)</u>	84%	<u>(287.0)</u>	<u>(384.2)</u>	25%
Profit for the financial period	<u>346.1</u>	<u>293.8</u>	18%	<u>1,243.0</u>	<u>1,140.3</u>	9%
Basic earnings per share (sen)	<u>5.99</u>	<u>5.46</u>	10%	<u>22.21</u>	<u>20.96</u>	6%
Diluted earnings per share (sen)	<u>5.98</u>	<u>5.46</u>	10%	<u>22.17</u>	<u>20.96</u>	6%

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 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, Resorts World Birmingham and other 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, dining and retail outlets, international shows and business convention facilities. The Group has embarked on a 10-year master plan to reinvigorate and transform Resorts World Genting under the Genting Integrated Tourism Plan. This includes the development of the world's first Twentieth Century Fox World theme park. Its first offering - the new 1,300-room First World Hotel Tower 3 - was fully opened in June 2015. First World Hotel is now the "World's Largest Hotel", as recognised by Guinness World Records. The other attractions and facilities under the Genting Integrated Tourism Plan are expected to be opened in stages from the second half of 2016.

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 and a leading innovator in the provision of high quality customer-focused gaming. It operates 6 casinos in London and 36 casinos in the UK provinces. The Group's latest property, Resorts World Birmingham, was opened in October 2015.

In the United States of America, Genting Malaysia operates Resorts World Casino New York City, the first and only video gaming machine facility in New York City, at the site of Aqueduct Racetrack. As a premier entertainment hub, Resorts World Casino New York City offers the ultimate gaming and entertainment experience, with electronic gaming machines, shows, events and culinary delights.

In the Bahamas, the Group operates Resorts World Bimini, which features a casino, villas, other accommodations, restaurants and bars, resort amenities and the largest marina in the Bahamas.

Genting Malaysia is a member of the Genting Group, one of Asia's leading and best-managed multinationals. The Genting Group is led by Tan Sri Lim Kok Thay, a visionary entrepreneur who has established Resorts World branded properties in Malaysia, Singapore, the Philippines, the United States, the Bahamas, the United Kingdom and soon in South Korea, as well as spearheading global investments in oil palm plantations, power generation, oil & gas, property development, cruise, biotechnology and other industries.

For more information, visit <http://www.gentingmalaysia.com> or contact ir.genm@genting.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 Bimini, visit www.rwbimini.com

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