



GENTING MALAYSIA BERHAD
(58019-U)

PRESS RELEASE

For Immediate Release

**GENTING MALAYSIA BERHAD ANNOUNCES RESULTS FOR THE
FIRST QUARTER ENDED 31 MARCH 2016**

- **6% growth in Group revenues for the first quarter of 2016**
- **Group operational performance remains encouraging amid challenging operating environment**
- **Net profit impacted by unrealised foreign exchange losses**
- **GITP pre-opening activities ramping up for phased opening later this year**

KUALA LUMPUR, 24 May 2016 – Genting Malaysia Berhad (“Group”) today reported its financial results for the first quarter ended 31 March 2016 (“1Q16”).

The Group’s total revenue grew by 6% to RM2,214.3 million in 1Q16 compared to the same quarter last year. However, as a result of significant unrealised foreign exchange losses, adjusted earnings before interest, taxation, depreciation and amortisation (“EBITDA”) and profit before taxation dropped by 27% to RM444.3 million and 45% to RM262.1 million respectively. Net profit for the quarter was RM144.1 million.

Whilst the operational performance of the Group grew this quarter, the strengthening of RM against the USD resulted in significant foreign exchange losses on the Group’s USD denominated assets. This, along with higher depreciation and amortisation charges, led to the drop in the Group’s net profit.

Despite achieving an overall higher volume of business, the Malaysian leisure and hospitality business reported lower revenue. This was primarily attributable to lower hold percentage in the premium players business and the impact of Goods and Services Tax. Adjusted EBITDA margin remained consistent at 35%, resulting from significant operational cost rationalisation.

In 1Q16, revenue for the Group’s US and Bahamas operations increased mainly due to higher business volume from Resorts World Casino New York City (“RWNYC”). The increase in revenue was also aided by favourable foreign exchange translation. The adjusted EBITDA, however, was lower as compared to 1Q15 due to a reduction in revenue from the Resorts World Bimini operations (“Bimini”) and costs incurred in relation to the cessation of the Bimini SuperFast ferry operations.

The Group’s UK operations achieved higher revenue and adjusted EBITDA for the quarter, mainly contributed by the premium players business. Although this segment had a lower business volume, the Group was able to achieve a higher hold percentage as compared to last year. The Group also benefited from favourable foreign exchange translation and higher debt recovery.

Outlook

The global economic environment is expected to be challenging in 2016. Growth continues to slow in the emerging markets while recovery in the advanced economies remains modest. In Malaysia, the economy is expected to grow at a slower pace, underpinned by domestic demand.

The outlook for international tourism continues to be positive. Meanwhile, the regional gaming market is expected to face continuing uncertainties surrounding the Asian premium players business.

The Group maintains a cautious stance 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 place emphasis on enhancing operational capabilities and efficiencies whilst remaining steadfast on improving the quality of customer service at Resorts World Genting ("RWG"). In anticipation of the progressive opening of the various Genting Integrated Tourism Plan ("GITP") attractions and facilities from the second half of 2016, the Group will be ramping up its preparation works and pre-opening activities in the coming months and expects to incur a corresponding increase in pre-opening expenses. When completed, this significant redevelopment and expansion plan at RWG is expected to bring upon a total new experience for our discerning guests, elevating RWG's position as the destination of choice in the region.

In the UK, the Home Markets division, which caters primarily to the domestic players, has continued to deliver strong results. The Group will continue its efforts to strengthen its position in the domestic business segment and further improve business efficiency. With respect to the premium players business, the Group remains cautious of its volatility and continues to introduce additional strategies to reposition this part of the business. The Group will also focus on stabilising the operations at Resorts World Birmingham and grow the business. Additionally, plans are currently underway for both the Group's land-based casinos and the recently acquired online gaming operation to be streamlined as an integrated online, mobile and retail gaming business under the focus of a single management to provide a seamless multi-channel experience for its customers.

In the US, RWNYC continues to be the largest video gaming machine facility in terms of gross gaming revenue in Northeast US amid growing regional competition, and has successfully achieved sustained business growth. The Group also recently completed its gaming expansion and amenities improvement plan at the property and now has approximately 5,500 gaming machines in operation. This is expected to further cement RWNYC's leadership position in the Northeast US gaming market.

In the Bahamas, the Group remains committed to improving service delivery and growing business volumes at Bimini. Upon the full opening of the Hilton hotel in June 2016, along with new and more efficient modes of transportation to the resort, the Group expects to attract higher levels of both visitation and gaming activities at the resort.

A summary table of the results is attached below.

GENTING MALAYSIA BERHAD SUMMARY OF RESULTS	INDIVIDUAL QUARTER		Var %	PRECEDING QUARTER	Var %
	1Q2016 RM'Mil	1Q2015 RM'Mil	1Q16 vs 1Q15	4Q2015 RM'Mil	1Q16 vs 4Q15
Revenue					
Leisure & Hospitality					
- Malaysia	1,305.1	1,392.5	-6%	1,480.8	-12%
- United Kingdom	528.9	355.7	49%	430.4	23%
- United States of America and Bahamas	350.4	313.8	12%	350.9	-
	<u>2,184.4</u>	<u>2,062.0</u>	6%	<u>2,262.1</u>	-3%
Property	17.8	19.0	-6%	18.9	-6%
Investments & others	12.1	12.1	-	10.9	11%
	<u>2,214.3</u>	<u>2,093.1</u>	6%	<u>2,291.9</u>	-3%
Adjusted EBITDA					
Leisure & Hospitality					
- Malaysia	451.5	484.6	-7%	504.8	-11%
- United Kingdom	98.7	38.3	>100%	24.3	>100%
- United States of America and Bahamas	23.2	47.1	-51%	23.2	-
	<u>573.4</u>	<u>570.0</u>	1%	<u>552.3</u>	4%
Property	1.6	6.3	-75%	3.3	-52%
Investments & others	(130.7)	32.0	->100%	(33.4)	->100%
Adjusted EBITDA	<u>444.3</u>	<u>608.3</u>	-27%	<u>522.2</u>	-15%
Pre-opening expenses	(10.7)	(14.5)	26%	(25.7)	58%
Property, plant and equipment written off	(1.7)	(1.9)	11%	(3.7)	54%
Loss on disposal of property, plant and equipment	(6.1)	(0.3)	->100%	(0.9)	->100%
Impairment losses	(0.2)	-	NC	(27.3)	99%
Others	-	28.7	NC	52.4	NC
EBITDA	<u>425.6</u>	<u>620.3</u>	-31%	<u>517.0</u>	-18%
Depreciation and amortisation	(188.1)	(158.7)	-19%	(186.4)	-1%
Interest income	38.9	21.4	82%	40.1	-3%
Finance costs	(14.3)	(7.8)	-83%	(12.8)	-12%
Profit before taxation	<u>262.1</u>	<u>475.2</u>	-45%	<u>357.9</u>	-27%
Taxation	<u>(118.0)</u>	<u>(117.0)</u>	-1%	<u>(11.8)</u>	->100%
Profit for the financial period	<u>144.1</u>	<u>358.2</u>	-60%	<u>346.1</u>	-58%
Basic earnings per share (sen)	<u>2.86</u>	<u>6.39</u>	-55%	<u>5.99</u>	-52%
Diluted earnings per share (sen)	<u>2.85</u>	<u>6.39</u>	-55%	<u>5.98</u>	-52%

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 RM25 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 10,000 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 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. 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 with 43 operating casinos. It operates 6 casinos in London and 37 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 yacht and marina complex 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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