



GENTING

MALAYSIA

GENTING MALAYSIA BERHAD
(58019-U)

PRESS RELEASE

For Immediate Release

**GENTING MALAYSIA BERHAD ANNOUNCES RESULTS FOR THE
FIRST QUARTER ENDED 31 MARCH 2018**

- **Malaysian operations recorded 19% increase in revenue in 1Q18**
- **Visitations to Resorts World Genting (RWG) grew by 26%, driven by new GITP attractions**

KUALA LUMPUR, 24 May 2018 – Genting Malaysia Berhad (Group) today announced its financial results for the first quarter ended 31 March 2018 (1Q18).

The Group's total revenue grew by 8% to RM2,399.5 million in 1Q18. The adjusted earnings before interest, taxation, depreciation and amortisation (EBITDA) improved by 8% to RM607.7 million. During the quarter, both profit before tax ("PBT") and net profit improved by 15% and 16% to RM397.5 million and RM342.1 million respectively.

The Malaysian leisure and hospitality business achieved higher revenue and adjusted EBITDA by 19% and 22% to RM1,599.5 million and RM533.7 million respectively in 1Q18, primarily contributed by overall higher business volumes. The improved performance was mainly attributable to the opening of new facilities and attractions under the Genting Integrated Tourism Plan (GITP), which have been well received.

RWG welcomed 6.5 million visitors during the quarter, a commendable 26% growth from 1Q17 despite ongoing development works at the resort. Meanwhile, RWG's hotels maintained strong occupancy rates at 96% in 1Q18. The Group is now focused on the roll out of the Skytropolis indoor theme park and the highly anticipated Twentieth Century Fox World Theme Park which will boost visitations further to the resort. With the introduction of these new and exciting entertainment offerings, RWG aims to provide guests with a wholesome world-class experience at the resort and reinforce its position as the destination of choice in the region.

The Group's operations in the United Kingdom (UK) and Egypt overall recorded lower revenue and adjusted EBITDA of RM412.4 million and RM30.6 million respectively, mainly due to overall lower volume of business and hold percentage from its premium gaming segment. The decrease in adjusted EBITDA was mitigated by higher revenue contribution from Crockfords Cairo in Egypt and higher debt recoveries during the period.

In the United States of America (US) and Bahamas, the Group's operations reported lower revenues of RM346.4 million largely attributable to the strengthening of RM against USD during 1Q18. Excluding the impact of the foreign exchange movement, revenue from the US and Bahamas operations increased by 3%. Meanwhile, the Group's adjusted EBITDA improved by 57% to RM64.8 million mainly contributed by lower operating losses from the Bimini operations as a result of cost rationalisation efforts at the resort.

Outlook

Building on the positive momentum from 2017, global economic growth is forecasted to continue in 2018. This expansion will be primarily driven by growth in consumption and investments in certain advanced and emerging markets and further lifted by fiscal and monetary policy decisions in some major economies. Meanwhile, the Malaysian economy is expected to remain favourable in 2018, underpinned by the sustained performance in both the domestic and external sectors.

The optimism surrounding international tourism is expected to persist in line with the positive global economic momentum. The outlook for the regional gaming market continues to be positive, with operators in Macau and Singapore having recently reported continued growth in performances.

The Group remains optimistic on the opportunities and growth potential of the leisure and hospitality industry.

In Malaysia, the ongoing development of the GTP at RWG remains the primary focus of the Group as the Group prepares to roll out the new Skytropolis indoor theme park and the highly anticipated Twentieth Century Fox World Theme Park. Meanwhile, the Group remains committed to intensifying database marketing efforts to optimise yield management and improve operational efficiencies and service delivery at the resort. Additionally, the Group will place emphasis on strategic marketing efforts and leverage on the introduction of new world-class facilities and attractions at RWG to expand into regional markets.

In the UK, the Group endeavours to continue delivering sustainable performance by managing business volatility in the premium players segment. In view of the challenging domestic operating environment, the Group will place more emphasis on its strategies of strengthening its position in the non-premium gaming segment and improving overall business efficiency. Additionally, the Group will continue its efforts on stabilising operations and growing business volumes at Resorts World Birmingham.

In the US, RWNYC continues to lead in terms of gaming revenue in the Northeast US region, despite growing regional competition. Nevertheless, the Group will continue intensifying its direct marketing initiatives to drive visitation and volume of business at the property. At the same time, the Group remains focused on the development of the USD400 million expansion at RWNYC. In Miami, the Group will leverage on the newly renovated Hilton Miami Downtown hotel to boost visitation and increase occupancy at the property. In the Bahamas, the Group remains steadfast in growing revenues at the resort by intensifying marketing efforts in the leisure market to drive visitation and volume of business.

A summary table of the results is attached below.

GENTING MALAYSIA BERHAD SUMMARY OF RESULTS	INDIVIDUAL QUARTER		Variance		PRECEDING QUARTER		Variance	
	1Q2018	Restated 1Q2017	1Q18 vs 1Q17		Restated 4Q2017	1Q18 vs 4Q17		
	RM'Mil	RM'Mil	RM'Mil	%	RM'Mil	RM'Mil	%	
Revenue								
Leisure & Hospitality								
- Malaysia	1,599.5	1,344.3	255.2	19%	1,693.8	-94.3	-6%	
- United Kingdom and Egypt	412.4	467.3	-54.9	-12%	498.6	-86.2	-17%	
- United States of America and Bahamas	346.4	381.0	-34.6	-9%	306.1	40.3	13%	
	<u>2,358.3</u>	<u>2,192.6</u>	165.7	8%	<u>2,498.5</u>	-140.2	-6%	
Property	28.9	19.7	9.2	47%	30.5	-1.6	-5%	
Investments & others	12.3	11.9	0.4	3%	15.4	-3.1	-20%	
	<u>2,399.5</u>	<u>2,224.2</u>	175.3	8%	<u>2,544.4</u>	-144.9	-6%	
Adjusted EBITDA								
Leisure & Hospitality								
- Malaysia	533.7	437.4	96.3	22%	597.6	-63.9	-11%	
- United Kingdom and Egypt	30.6	77.7	-47.1	-61%	63.8	-33.2	-52%	
- United States of America and Bahamas	64.8	41.4	23.4	57%	38.1	26.7	70%	
	<u>629.1</u>	<u>556.5</u>	72.6	13%	<u>699.5</u>	-70.4	-10%	
Property	19.9	9.3	10.6	>100%	11.9	8.0	67%	
Investments & others	(41.3)	(0.6)	-40.7	->100%	(41.4)	0.1	<1%	
	<u>607.7</u>	<u>565.2</u>	42.5	8%	<u>670.0</u>	-62.3	-9%	
Adjusted EBITDA								
Pre-opening expenses	(16.6)	(17.1)	0.5	3%	(21.4)	4.8	22%	
Property, plant and equipment written off	(15.7)	(0.9)	-14.8	->100%	(5.0)	-10.7	->100%	
Net gain on disposal of property, plant and equipment	0.2	0.2	-	-	29.1	-28.9	-99%	
Others	18.1	(6.0)	24.1	>100%	(1.1)	19.2	>100%	
	<u>593.7</u>	<u>541.4</u>	52.3	10%	<u>671.6</u>	-77.9	-12%	
EBITDA								
Depreciation and amortisation	(240.7)	(248.3)	7.6	3%	(242.4)	1.7	1%	
Interest income	79.4	70.7	8.7	12%	82.4	-3.0	-4%	
Finance costs	(34.9)	(19.1)	-15.8	-83%	(33.9)	-1.0	-3%	
	<u>397.5</u>	<u>344.7</u>	52.8	15%	<u>477.7</u>	-80.2	-17%	
Profit before taxation								
Taxation	(55.4)	(49.4)	-6.0	-12%	(47.0)	-8.4	-18%	
	<u>342.1</u>	<u>295.3</u>	46.8	16%	<u>430.7</u>	-88.6	-21%	
Profit for the financial period								
Basic earnings per share (sen)	6.33	5.73	0.6	10%	7.94	-1.6	-20%	
Diluted earnings per share (sen)	6.33	5.72	0.6	11%	7.91	-1.6	-20%	

About Genting Malaysia

Genting Malaysia is one of the leading leisure and hospitality corporations in the world. Listed on Bursa Malaysia with approximately RM29 billion in market capitalisation, Genting Malaysia owns and operates major resort properties including Resorts World Genting (RWG), Resorts World Casino New York City (RWNYC), Resorts World Bimini, Resorts World Birmingham and over 40 casinos, including Crockfords Cairo in Egypt.

Resorts World Genting is a premier leisure and entertainment resort in Malaysia. It is equipped with over 10,500 rooms spread across 7 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 RWG under the Genting Integrated Tourism Plan (GITP). Genting Malaysia has introduced various new facilities and attractions under the GITP which enables guests to enjoy a truly wholesome and world class experience at the resort. This includes the First World Hotel Tower 3, the new Awana SkyWay cable car system, the newly refurbished Theme Park Hotel, the new Crockfords Hotel as well as new attractions in the SkyAvenue entertainment complex. The opening of the Genting Highlands Premium Outlet (a property of Genting Simon Sdn Bhd, a joint venture between Genting Plantations Berhad and Simon Property Group) at the midhill also complements the new and existing offerings at RWG. Other attractions and facilities under the GITP which are yet to be opened include the world's first Twentieth Century Fox World Theme Park and the new Skytropolis indoor theme park.

In Malaysia, Genting Malaysia also owns and operates Resorts World Kijal in Terengganu and Resorts World Langkawi on Langkawi island.

In the United Kingdom, Genting Malaysia is one of the largest casino operators with 42 operating casinos. It operates 6 casinos in London and 36 casinos outside of London. The Group also operates an online operation to provide customers a seamless multi-channel experience. Genting Malaysia also operates Resorts World Birmingham, the first integrated leisure complex in the UK, offering gaming and entertainment facilities, retail and dining outlets and a 178-room four-star hotel. In the Middle East, Crockfords Cairo, an exclusive casino situated inside The Nile Ritz-Carlton Hotel in Cairo, is the Group's first venture into the region.

In the United States of America, Genting Malaysia operates RWNYC, 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. The Group also owns a 30-acre prime freehold waterfront site in Miami, which includes the newly renovated 527-room Hilton Miami Downtown.

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 and the United Kingdom, 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

~ END OF RELEASE ~