



FIRST QUARTERLY REPORT

Quarterly report on consolidated results for the three months ended 31 March 2018. The figures have not been audited.

**CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE THREE MONTHS ENDED 31 MARCH 2018**

	UNAUDITED INDIVIDUAL QUARTER		UNAUDITED CUMULATIVE PERIOD	
	First quarter ended 31 March		Three months ended 31 March	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
		(Restated*)		(Restated*)
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Revenue	2,399,498	2,224,218	2,399,498	2,224,218
Cost of sales	(1,783,656)	(1,684,101)	(1,783,656)	(1,684,101)
Gross profit	615,842	540,117	615,842	540,117
Other income	143,760	130,523	143,760	130,523
Other expenses	(327,162)	(306,828)	(327,162)	(306,828)
Profit from operations	432,440	363,812	432,440	363,812
Finance costs	(34,927)	(19,086)	(34,927)	(19,086)
Profit before taxation	397,513	344,726	397,513	344,726
Taxation	(55,447)	(49,440)	(55,447)	(49,440)
Profit for the financial period	342,066	295,286	342,066	295,286
Profit attributable to:				
Equity holders of the Company	358,237	323,915	358,237	323,915
Non-controlling interests	(16,171)	(28,629)	(16,171)	(28,629)
	342,066	295,286	342,066	295,286
Earnings per share attributable to equity holders of the Company:				
Basic earnings per share (sen)	6.33	5.73	6.33	5.73
Diluted earnings per share (sen)	6.33	5.72	6.33	5.72

* see Part I Note (a) for details regarding the restatement as a result of a change in accounting policy.

(The Condensed Consolidated Income Statement should be read in conjunction with the audited Financial Statements for the financial year ended 31 December 2017.)

GENTING MALAYSIA BERHAD
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED 31 MARCH 2018

	UNAUDITED INDIVIDUAL QUARTER		UNAUDITED CUMULATIVE PERIOD	
	First quarter ended 31 March		Three months ended 31 March	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
		(Restated*)		(Restated*)
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Profit for the financial period	342,066	295,286	342,066	295,286
Other comprehensive loss				
Items that will be reclassified subsequently to profit or loss:				
Cash flow hedges				
- Fair value loss	(1,698)	(2,125)	(1,698)	(2,125)
Foreign currency exchange differences	(236,383)	(69,189)	(236,383)	(69,189)
Other comprehensive loss, net of tax	(238,081)	(71,314)	(238,081)	(71,314)
Total comprehensive income for the financial period	103,985	223,972	103,985	223,972
Total comprehensive income/(loss) attributable to:				
Equity holders of the Company	112,413	251,209	112,413	251,209
Non-controlling interests	(8,428)	(27,237)	(8,428)	(27,237)
	103,985	223,972	103,985	223,972

* see Part I Note (a) for details regarding the restatement as a result of a change in accounting policy.

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited Financial Statements for the financial year ended 31 December 2017.)

GENTING MALAYSIA BERHAD
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2018

	UNAUDITED As at 31.03.2018 RM'000	As at 31.12.2017 (Restated*) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	13,904,533	13,835,384
Land held for property development	184,672	184,672
Investment properties	2,127,191	2,178,833
Intangible assets	4,551,149	4,654,464
Financial assets at fair value through other comprehensive income	139,273	-
Available-for-sale financial assets	-	144,964
Other non-current assets	1,814,747	1,871,678
Deferred tax assets	30,984	39,324
	<u>22,752,549</u>	<u>22,909,319</u>
Current assets		
Inventories	115,254	111,508
Trade and other receivables	583,476	684,206
Amounts due from other related companies	5,661	2,084
Financial assets at fair value through profit or loss	107,722	7,443
Available-for-sale financial assets	-	120,000
Restricted cash	91,524	71,634
Cash and cash equivalents	5,339,440	5,996,559
	<u>6,243,077</u>	<u>6,993,434</u>
Assets classified as held for sale	62,051	65,670
	<u>6,305,128</u>	<u>7,059,104</u>
TOTAL ASSETS	<u>29,057,677</u>	<u>29,968,423</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	1,764,424	1,764,424
Reserves	18,118,528	18,491,972
Treasury shares	(976,300)	(911,258)
Shares held for employee share scheme	-	(21,678)
	<u>18,906,652</u>	<u>19,323,460</u>
Non-controlling interests	<u>(201,649)</u>	<u>(193,221)</u>
TOTAL EQUITY	<u>18,705,003</u>	<u>19,130,239</u>
Non-current liabilities		
Other long term liabilities	288,057	277,924
Long term borrowings	6,555,096	6,590,808
Deferred tax liabilities	733,439	716,346
Derivative financial instruments	1,563	-
	<u>7,578,155</u>	<u>7,585,078</u>
Current liabilities		
Trade and other payables	2,269,007	2,665,749
Amount due to holding company	10,236	21,615
Amounts due to other related companies	126,256	156,960
Short term borrowings	285,747	309,461
Derivative financial instruments	135	-
Taxation	18,700	40,139
	<u>2,710,081</u>	<u>3,193,924</u>
Liabilities classified as held for sale	64,438	59,182
	<u>2,774,519</u>	<u>3,253,106</u>
TOTAL LIABILITIES	<u>10,352,674</u>	<u>10,838,184</u>
TOTAL EQUITY AND LIABILITIES	<u>29,057,677</u>	<u>29,968,423</u>
NET ASSETS PER SHARE (RM)	<u>3.34</u>	<u>3.41</u>

* see Part I Note (a) for details regarding the restatement as a result of a change in accounting policy.

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited Financial Statements for the financial year ended 31 December 2017.)

GENTING MALAYSIA BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED 31 MARCH 2018

	Attributable to equity holders of the Company								
	Share Capital	Cash Flow Hedges Reserve	Other Reserves	Treasury Shares	Shares held for Employee Share Scheme	Retained Earnings	Total	Non-controlling Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance at 31 December 2017 as originally presented	1,764,424	-	1,521,430	(911,258)	(21,678)	16,982,093	19,335,011	(193,221)	19,141,790
Change in accounting policy*	-	-	-	-	-	(11,551)	(11,551)	-	(11,551)
Restated total equity at 1 January 2018	1,764,424	-	1,521,430	(911,258)	(21,678)	16,970,542	19,323,460	(193,221)	19,130,239
Profit/(Loss) for the financial period	-	-	-	-	-	358,237	358,237	(16,171)	342,066
Other comprehensive (loss)/income	-	(1,698)	(244,126)	-	-	-	(245,824)	7,743	(238,081)
Total comprehensive (loss)/income for the financial period	-	(1,698)	(244,126)	-	-	358,237	112,413	(8,428)	103,985
Transactions with owners:									
Buy-back of shares	-	-	-	(88,664)	-	-	(88,664)	-	(88,664)
Performance-based employee share scheme	-	-	11,724	-	-	-	11,724	-	11,724
Employee share scheme shares vested to employees	-	-	(45,300)	23,622	21,678	-	-	-	-
Transfer of employee share scheme shares purchase price difference on shares vested	-	-	(5,253)	-	-	5,253	-	-	-
Appropriation:									
Special single-tier dividend declared for the year ended 31 December 2017	-	-	-	-	-	(452,281)	(452,281)	-	(452,281)
Total transactions with owners	-	-	(38,829)	(65,042)	21,678	(447,028)	(529,221)	-	(529,221)
At 31 March 2018	1,764,424	(1,698)	1,238,475	(976,300)	-	16,881,751	18,906,652	(201,649)	18,705,003

* see Part I Note (a) for details regarding the restatement as a result of a change in accounting policy.

(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 2017.)

GENTING MALAYSIA BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONT'D)
FOR THE THREE MONTHS ENDED 31 MARCH 2018

	Attributable to equity holders of the Company									
	Share Capital RM'000	Share Premium RM'000	Cash Flow Hedges Reserve RM'000	Other Reserves RM'000	Treasury Shares RM'000	Shares held for Employee Share Scheme RM'000	Retained Earnings RM'000	Total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
At 1 January 2017	593,804	1,170,620	(739)	2,250,313	(911,258)	(45,769)	16,808,047	19,865,018	(119,653)	19,745,365
Change in accounting policy*	-	-	-	-	-	-	(13,149)	(13,149)	-	(13,149)
Restated total equity at the beginning of the financial year	593,804	1,170,620	(739)	2,250,313	(911,258)	(45,769)	16,794,898	19,851,869	(119,653)	19,732,216
Transfer of share premium (see Note below)	1,170,620	(1,170,620)	-	-	-	-	-	-	-	-
Profit/(loss) for the financial period (restated*)	-	-	-	-	-	-	323,915	323,915	(28,629)	295,286
Other comprehensive (loss)/income	-	-	(2,125)	(70,581)	-	-	-	(72,706)	1,392	(71,314)
Total comprehensive (loss)/income for the financial period	-	-	(2,125)	(70,581)	-	-	323,915	251,209	(27,237)	223,972
Transactions with owners:										
Performance-based employee share scheme	-	-	-	11,280	-	-	-	11,280	-	11,280
Employee share scheme shares vested to employees	-	-	-	(24,091)	-	24,091	-	-	-	-
Appropriation:										
Special single-tier dividend declared for the year ended 31 December 2016	-	-	-	-	-	-	(412,976)	(412,976)	-	(412,976)
Total transactions with owners	-	-	-	(12,811)	-	24,091	(412,976)	(401,696)	-	(401,696)
At 31 March 2017 (restated*)	1,764,424	-	(2,864)	2,166,921	(911,258)	(21,678)	16,705,837	19,701,382	(146,890)	19,554,492

Note

With the Companies Act 2016 ("the Act") that came into effect on 31 January 2017, the credit standing in the share premium account of RM1,170.6 million has been transferred to share capital account. Pursuant to subsection 618(3) of the Act, the Group may exercise its right to use the amount standing to the credit of its share premium within 24 months after the commencement of the Act. The Board of Directors will make a decision thereon before 31 January 2019. The balance of RM1,764.4 million in share capital represents 5,938.0 million ordinary shares.

* see Part I Note (a) for details regarding the restatement as a result of a change in accounting policy.

(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 2017.)

GENTING MALAYSIA BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED 31 MARCH 2018

UNAUDITED
Three months ended
31 March

CASH FLOWS FROM OPERATING ACTIVITIES

	2018	2017 (Restated*)
	RM'000	RM'000
Profit before taxation	397,513	344,726
Adjustments for:		
Depreciation and amortisation	240,649	248,326
Property, plant and equipment written off	15,729	887
Net gain on disposal of property, plant and equipment	(190)	(225)
Finance costs	34,927	19,086
Interest income	(79,397)	(70,748)
Investment income	(1,535)	(5,154)
Employee share grant scheme expenses	11,724	11,280
Net exchange loss – unrealised	46,820	16,327
Other non-cash items and adjustments	1,483	2,847
	270,210	222,626
Operating profit before working capital changes	667,723	567,352
Net change in current assets	(7,240)	(1,966)
Net change in current liabilities	(331,207)	(131,448)
	(338,447)	(133,414)
Cash generated from operations	329,276	433,938
Net tax refund	58,231	514
Retirement gratuities paid	(867)	(929)
Onerous lease paid	(1,260)	(90,596)
	56,104	(91,011)
Net Cash Flow From Operating Activities	385,380	342,927

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property, plant and equipment	(416,854)	(884,903)
Proceeds from disposal of property, plant and equipment	62,074	559
Purchase of investments	(100,000)	(13,417)
Proceeds from disposal of investments	120,000	80,000
Interest received	23,298	11,799
Other investing activities	5,965	2,892
Net Cash Flow From Investing Activities	(305,517)	(803,070)

CASH FLOWS FROM FINANCING ACTIVITIES

Buy-back of shares	(88,664)	-
Repayment of borrowings and transaction costs	(26,934)	(80,210)
Proceeds from bank borrowings and issuance of medium term notes	-	2,866,910
Restricted cash	(22)	834
Dividend paid	(452,281)	(412,976)
Finance costs paid	(133,165)	(77,302)
Net Cash Flow From Financing Activities	(701,066)	2,297,256

NET MOVEMENT IN CASH AND CASH EQUIVALENTS

NET MOVEMENT IN CASH AND CASH EQUIVALENTS	(621,203)	1,837,113
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	5,996,559	4,855,700
EFFECT OF CURRENCY TRANSLATION	(35,916)	(20,078)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	5,339,440	6,672,735

ANALYSIS OF CASH AND CASH EQUIVALENTS

Bank balances and deposits	2,494,428	2,018,849
Money market instruments	2,845,012	4,653,886
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	5,339,440	6,672,735

* see Part I Note (a) for details regarding the restatement as a result of a change in accounting policy.

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited Financial Statements for the financial year ended 31 December 2017.)

GENTING MALAYSIA BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT – FIRST QUARTER ENDED 31 MARCH 2018

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 three months ended 31 March 2018 have been reviewed by the Company’s auditor 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 2017. 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 2017 except for the adoption of standards and amendments to standards and interpretations that are mandatory for the Group for the financial year beginning 1 January 2018:

MFRS 9	Financial Instruments
MFRS 15	Revenue from Contracts with Customers
Amendments to MFRS 140	Classification on Change in Use - Investment Properties
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration

The adoption of these new MFRSs, amendments and IC interpretations did not have any material impact on the interim financial report of the Group except for the following:

MFRS 9 “Financial Instruments”

MFRS 9 replaces MFRS 139 and amends the previous requirements in three main areas: (a) classification and measurement of financial assets; (b) impairment of financial assets, mainly by introducing a forward looking expected loss impairment model; and (c) hedge accounting including removing some of the restrictions on applying hedge accounting in MFRS 139. The impact of MFRS 9 adoption are described below:

1) Classification and measurement

Under MFRS 9, financial assets are classified according to their cash flow characteristics and the business model which they are managed. The Group has categorised its financial assets as financial assets measured at amortised cost, fair value through profit or loss (“FVTPL”) and fair value through other comprehensive income (“FVOCI”).

The Group has made an irrevocable election to classify RM145.0 million of the Group’s equity investments previously classified as available-for-sale as financial assets at FVOCI. Fair value changes on equity investments at FVOCI are presented in other comprehensive income (“OCI”) and are not subsequently transferred to profit or loss. Upon sale of equity investments at FVOCI, the cumulative gain or loss in OCI is reclassified to retained earnings. Income funds that do not meet the criteria for classification either as FVOCI or at amortised cost have been classified as FVTPL.

The other financial assets held by the Group include:

- equity investments currently measured at fair value through profit or loss will continue to be measured on the same basis under MFRS 9; and
- debt instruments currently classified as loans and receivables and measured at amortised cost meet the conditions to be classified at amortised cost under MFRS 9.

There is no impact on the Group’s accounting for financial liabilities as the new requirements only affect financial liabilities that are designated at fair value through profit or loss and the Group does not have such liabilities.

a) **Accounting Policies and Methods of Computation (Cont'd)**

MFRS 9 "Financial Instruments" (Cont'd)

In accordance with the transitional provisions in MFRS 9, comparative figures have not been restated. The effects of adoption of MFRS 9 to the Group's consolidated statement of financial position are as follows:

	As at 31 Dec 2017 RM'000	Effects of adoption of MFRS 9 RM'000	As at 1 Jan 2018 RM'000
Non-current assets			
Available-for-sale financial assets	144,964	(144,964)	-
Financial assets at fair value through other comprehensive income	-	144,964	144,964
Current assets			
Available-for-sale financial assets	120,000	(120,000)	-
Financial assets at fair value through profit or loss	7,443	120,000	127,443

MFRS 15 "Revenue from Contracts with Customers"

With the adoption of MFRS 15, revenue is recognised by reference to each distinct performance obligation in the contracts with customer. Transaction price is allocated to each performance obligation on the basis of the relative standalone selling prices of each distinct good or service promised in the contract. Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time.

The Group has adopted MFRS 15 from 1 January 2018 which resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. In accordance with the transition provisions in MFRS 15, the Group has adopted the new rules retrospectively and has restated comparatives for the financial year ended 31 December 2017.

The Group's adjustment on the adoption of MFRS 15 is in relation to the effect of changes to the timing of revenue recognition for the timeshare membership fees.

(i) The impact on the Group's consolidated statement of financial position is as follows:

	As at 31 Dec 2016 RM'000	Effects of adoption of MFRS 15 RM'000	(Restated) As at 1 Jan 2017 RM'000
Retained earnings	16,808,047	(13,149)	16,794,898
Other long term liabilities	220,337	11,958	232,295
Trade and other payables	2,738,495	1,191	2,739,686
(Restated)			
	As at 31 Dec 2017 RM'000	Effects of adoption of MFRS 15 RM'000	As at 1 Jan 2018 RM'000
Retained earnings	16,982,093	(11,551)	16,970,542
Other long term liabilities	267,524	10,400	277,924
Trade and other payables	2,664,598	1,151	2,665,749

a) Accounting Policies and Methods of Computation (Cont'd)

MFRS 15 "Revenue from Contracts with Customers" (Cont'd)

- (ii) The impact on the Group's consolidated income statement for the three months ended 31 March 2017 is as follows:

	Three months ended 31 Mar 2017 RM'000	Effects of adoption of MFRS 15 RM'000	(Restated) Three months ended 31 Mar 2017 RM'000
Revenue	2,223,818	400	2,224,218
Profit before taxation	344,326	400	344,726
Profit for the financial period	294,886	400	295,286
Profit attributable to:			
Equity holders of the Company	323,515	400	323,915
Non-controlling interests	(28,629)	-	(28,629)
Earnings per share (sen):			
- Basic	5.72	0.01	5.73
- Diluted	5.71	0.01	5.72

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 three months ended 31 March 2018.

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 three months ended 31 March 2018, the Company had acquired 16.6 million ordinary shares from the open market for a cash consideration of RM88.7 million. The share buy-back was made pursuant to the approval obtained from the Company's shareholders at the Company's Annual General Meeting held on 31 May 2017 and amendments to Bursa Malaysia Securities Berhad Main Market Listing Requirements arising from the implementation of the Companies Act 2016.

During the three months ended 31 March 2018, 6.8 million treasury shares amounting to RM23.6 million have been transferred to the Eligible Employees under the Employee Share Grant Scheme pursuant to the Companies Act 2016.

Other than the above, there were no material issuance, cancellation, repurchase, resale or repayments of debts or equity securities for the three months ended 31 March 2018.

f) Dividend Paid

Dividend paid during the three months ended 31 March 2018 is as follows:

	RM'Mil
Special single-tier dividend for the year ended 31 December 2017 paid on 30 March 2018	
8.0 sen per ordinary share	<u>452.3</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/(losses) before interest, tax, depreciation and amortisation ("EBITDA/(LBITDA)"). This measurement basis excludes the effects of gain or loss on disposal of assets, assets written off, impairment loss or reversal of previously recognised impairment loss, pre-opening expenses and other non-recurring items.

The Group is organised into the following main business segments:

Leisure & Hospitality - this segment comprises integrated resort activities which include gaming, hotels, food and beverages ("F&B"), theme parks, retail, entertainment attractions, tours and travel related services and other supporting services.

Properties - this segment is involved in property developments, property investment and management.

All other immaterial business segments including investment in equities, training services, reinsurance services, utilities services and information technology related services are aggregated and disclosed under "Investments & Others" as they are not of sufficient size to be reported separately.

Segment analysis for the three months ended 31 March 2018 is set out below:

	<u>Leisure & Hospitality</u>				<u>Property</u>	<u>Investments & Others</u>	<u>Total</u>
	Malaysia RM'Mil	United Kingdom and Egypt RM'Mil	United States of America and Bahamas RM'Mil	Total RM'Mil	RM'Mil	RM'Mil	RM'Mil
Revenue							
Total revenue	1,601.3	412.4	346.4	2,360.1	32.3	46.5	2,438.9
Inter segment	(1.8)	-	-	(1.8)	(3.4)	(34.2)	(39.4)
External	1,599.5	412.4	346.4	2,358.3	28.9	12.3	2,399.5
Adjusted EBITDA	533.7	30.6	64.8	629.1	19.9	(41.3)	607.7
Main foreign currency	RM	GBP	USD		RM/USD		
Exchange ratio of 1 unit of foreign currency to RM		5.4693	3.9290		3.9290		

During the three months ended 31 March 2018, revenue from the leisure & hospitality segment of RM2,358.3 million comprised gaming revenue and non-gaming revenue of RM2,035.7 million and RM322.6 million respectively. Non-gaming revenue included hotel room revenue which is recognised based on room occupancy, F&B revenue which is recognised when the services are rendered to the customers and rental income which is recognised on a straight-line basis over the lease term.

g) Segment Information (Cont'd)

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

	RM'Mil
Adjusted EBITDA for reportable segments	607.7
Pre-opening expenses	(16.6)
Property, plant and equipment written off	(15.7)
Net gain on disposal of property, plant and equipment	0.2
Others	18.1
EBITDA	<u>593.7</u>
Depreciation and amortisation	(240.7)
Interest income	79.4
Finance costs	(34.9)
Profit before taxation	<u><u>397.5</u></u>

	<u>Leisure & Hospitality</u>				<u>Property</u>	<u>Investments & Others</u>	<u>Total</u>
	Malaysia RM'Mil	United Kingdom and Egypt RM'Mil	United States of America and Bahamas RM'Mil	Total RM'Mil	RM'Mil	RM'Mil	RM'Mil
Segment Assets	11,032.9	4,575.2	4,871.2	20,479.3	2,445.3	969.9	23,894.5
Segment Liabilities	1,954.3	366.5	315.0	2,635.8	28.2	31.4	2,695.4
Main foreign currency	RM	GBP	USD		RM/USD		
Exchange ratio of 1 unit of foreign currency to RM		5.5258	3.9175		3.9175		

	RM'Mil
A reconciliation of segment assets to total assets is as follows:	
Segment assets	23,894.5
Interest bearing instruments	4,971.7
Unallocated corporate assets	129.5
Assets classified as held for sale	62.0
Total assets	<u><u>29,057.7</u></u>

A reconciliation of segment liabilities to total liabilities is as follows:

Segment liabilities	2,695.4
Interest bearing instruments	6,840.8
Unallocated corporate liabilities	752.1
Liabilities classified as held for sale	64.4
Total liabilities	<u><u>10,352.7</u></u>

h) Property, Plant and Equipment

During the three months ended 31 March 2018, acquisitions (including capitalised interest) of property, plant and equipment by the Group were RM359.0 million.

i) Material Event Subsequent to the end of Financial Period

On 27 April 2018, GENM announced that its wholly-owned subsidiary, GENM Capital Berhad, made a lodgement with the Securities Commission Malaysia for the establishment of a Medium Term Note (“MTN”) Programme of RM3.0 billion in nominal value. The proceeds from MTN shall be utilised for operating expenses, capital expenditure, investment, refinancing, working capital requirements and/or general funding requirements of GENM Group including to finance the development and/or re-development of the properties and/or resorts of GENM Group, including those located in Genting Highlands, Pahang, Malaysia.

Other than the above, there was no material event subsequent to the end of the current financial period ended 31 March 2018 that has 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 three months ended 31 March 2018.

k) Changes in Contingent Liabilities or Contingent Assets

There were no material changes in the contingent liabilities or contingent assets since the financial year ended 31 December 2017.

l) Capital Commitments

Authorised capital commitments not provided for in the financial statements as at 31 March 2018 are as follows:

	RM'Mil
Contracted	1,908.9
Not contracted	5,754.5
	<u>7,663.4</u>
Analysed as follows:	
- Property, plant and equipment	7,565.5
- Investments	97.9
	<u>7,663.4</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 three months ended 31 March 2018 are as follows:

	Current quarter RM'000
i) Provision of technical know-how and management expertise in the resort's operations by Genting Berhad (“GENT”) Group to the Group.	<u>117,982</u>
ii) Licensing fee for the use of “Genting”, “Resorts World” and “Awana” logo charged by GENT to the Group.	<u>54,827</u>
iii) Licensing fee for the use of “Resorts World” and “Genting” intellectual property outside Malaysia charged by GENT Group to the Group.	<u>241</u>
iv) Provision of management and support services by GENT Group to the Group.	<u>2,194</u>
v) Rental charges and related services by the Group to GENT Group.	<u>1,666</u>
vi) 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.	<u>17,009</u>
vii) Provision of information technology consultancy, development, implementation, support and maintenance services and other management services by the Group to GENT Group.	<u>2,020</u>

m) Significant Related Party Transactions (Cont'd)

	Current quarter RM'000
viii) Provision of management and support services by the Group to GENT Group.	698
ix) Provision of management and consultancy services on theme park and resort development operations by International Resort Management Services Pte Ltd to the Company.	1,652
x) Rental charges for premises by the Group to Warisan Timah Holdings Sdn Bhd.	569
xi) Provision of water supply services by an entity connected with shareholder of BB Entertainment Ltd ("BBEL") to the Group.	249
xii) Rental charges for office space by the Group to Genting Hong Kong Limited ("GENHK") Group.	1,686
xiii) Provision of maintenance and construction services by an entity connected with shareholder of BBEL to the Group.	3,044
xiv) Licensing fee for the use of gaming software and system charged by RWI Group to the Group.	1,025
xv) Provision of information technology consultancy, development, implementation, support and maintenance services and other management services by the Group to GENHK Group.	137
xvi) Rental charges for office space by the Group to RWI Group.	145
xvii) Provision of aviation related services by the Group to GENHK Group.	378
xviii) Provision of utilities, maintenance and security services by the Group to Genting Highlands Premium Outlets Sdn Bhd.	528
xix) Purchase of holiday packages from GENHK Group.	536
xx) Recovery of project related expenses from GENT.	14,962

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 31 March 2018, the Group's financial instruments measured and recognised at fair value on a recurring basis are as follows:

	Level 1 RM'Mil	Level 2 RM'Mil	Level 3 RM'Mil	Total RM'Mil
Financial assets				
Financial assets at fair value through profit or loss	6.9	100.8	-	107.7
Financial assets at fair value through other comprehensive income	-	-	139.3	139.3
	<u>6.9</u>	<u>100.8</u>	<u>139.3</u>	<u>247.0</u>
Financial liability				
Derivative financial instruments	-	1.7	-	1.7

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared with the last financial year ended 31 December 2017.

GENTING MALAYSIA BERHAD
ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES – FINANCIAL PERIOD ENDED
31 MARCH 2018

Part II: Compliance with Appendix 9B of Bursa Securities Listing Requirements

1) Review of Performance

Financial review for the current quarter compared with the corresponding period and immediate preceding quarter

The results of the Group are tabulated below:

	INDIVIDUAL QUARTER (Restated)				PRECEDING QUARTER (Restated)			
	1Q2018 RM'Mil	1Q2017 RM'Mil	Var RM'Mil	%	4Q2017 RM'Mil	Var 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%	
	2,358.3	2,192.6	165.7	8%	2,498.5	-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%	
	2,399.5	2,224.2	175.3	8%	2,544.4	-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%	
	629.1	556.5	72.6	13%	699.5	-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%	
	607.7	565.2	42.5	8%	670.0	-62.3	-9%	
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%	
	593.7	541.4	52.3	10%	671.6	-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%	
	397.5	344.7	52.8	15%	477.7	-80.2	-17%	
Profit before taxation								

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

a) **Quarter ended 31 March 2018 (“1Q 2018”) compared with quarter ended 31 March 2017 (“1Q 2017”)**

The Group's revenue in 1Q 2018 was RM2,399.5 million, an increase of 8% compared with RM2,224.2 million in 1Q 2017.

The higher revenue for this quarter was mainly attributable to:

1. an increase in revenue from the leisure and hospitality business in Malaysia by RM255.2 million, mainly contributed by overall higher business volume from mass to premium segments of the business. The opening of new attractions under our Genting Integrated Tourism Plan (“GITP”) has contributed significantly to the increase in revenue; offset by
2. a decrease in revenue from the casino businesses in United Kingdom (“UK”) and Egypt by RM54.9 million or 12%, mainly contributed by lower volume of business and lower hold percentage from its premium gaming segment in the UK mitigated by higher casino revenue from Cairo, Egypt; and
3. a decrease in revenue from the leisure and hospitality business in United States of America (“US”) and Bahamas by RM34.6 million or 9%, contributed by the strengthening of RM against USD during 1Q 2018. Excluding the impact of foreign exchange movement, revenue from US and Bahamas increased by 3%.

The Group's adjusted EBITDA in 1Q 2018 was at RM607.7 million compared with RM565.2 million in 1Q 2017, an increase of 8%. The higher adjusted EBITDA was mainly attributable to:

1. an increase in adjusted EBITDA from the leisure and hospitality business in Malaysia by RM96.3 million, mainly contributed by higher revenue, offset by higher costs incurred for the new facilities under GITP; and
2. an increase in adjusted EBITDA from the leisure and hospitality business in US and Bahamas by RM23.4 million, mainly contributed by lower operating loss from Bimini operations as a result of continued costs rationalisation initiatives. This was offset by
3. a decrease in adjusted EBITDA from the casino businesses in UK and Egypt by RM47.1 million, mainly due to lower revenue mitigated by higher debt recovery; and
4. an adjusted loss before interest, tax, depreciation and amortisation (“LBITDA”) of RM41.3 million was recorded in 1Q 2018 from the “investments and others” segment mainly due to foreign exchange translation losses on the Group's USD denominated assets due to the strengthening of RM against USD.

The Group's profit before taxation was RM397.5 million in 1Q 2018, increased by 15% as compared with RM344.7 million in 1Q 2017. The increase in profit before taxation was mainly due to higher adjusted EBITDA as mentioned above.

2) **Material Changes in Profit before Taxation for the Current Quarter (“1Q 2018”) compared with the Immediate Preceding Quarter (“4Q 2017”)**

Profit before taxation for 1Q 2018 was RM397.5 million compared to 4Q 2017 of RM477.7 million. The lower profit before taxation by RM80.2 million or 17% was mainly due to:

1. lower adjusted EBITDA from the leisure and hospitality business in Malaysia by RM63.9 million due to lower hold percentage from the mid to premium segments of the business, amidst an increase in the volume of business;
2. lower adjusted EBITDA from the casino businesses in UK and Egypt by RM33.2 million, mainly due to lower revenue mitigated by higher debt recovery; and
3. lower net gain on disposal of property, plant and equipment by RM28.9 million arising mainly from disposal of a property in the UK in 4Q 2017; mitigated by
4. higher adjusted EBITDA from the leisure and hospitality business in US and Bahamas by RM26.7 million mainly due to higher revenue from Resorts World Casino New York City (“RWNYC”) operations.

3) Prospects

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 Resorts World Genting ("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.

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 ended 31 March 2018 are as follows:

	Current quarter ended 31 March 2018 RM'000
Current taxation	
Malaysian income tax charge	32,686
Foreign income tax charge	3,903
	<hr/> 36,589
Deferred tax charge	20,040
	<hr/> 56,629
Prior period taxation	
Income tax over provided	(1,182)
	<hr/> <hr/> 55,447

The effective tax rate of the Group for the current quarter ended 31 March 2018 is lower than the statutory tax rate mainly due to income not subject to tax and tax incentives, offset by non-deductible expenses.

6) Status of Corporate Proposals Announced

There was no corporate proposals announced but not completed as at 17 May 2018.

7) Group Borrowings

The details of the Group's borrowings as at 31 March 2018 are as set out below:

	As at 31.03.2018			As at 31.12.2017	
	Secured/ Unsecured	Foreign Currency 'Mil		RM Equivalent 'Mil	RM Equivalent 'Mil
Short term borrowings	Secured	GBP	14.7	81.3	80.3
	Unsecured	GBP	37.0	204.4	229.2
				285.7	309.5
Long term borrowings	Secured	USD	279.5	1,094.8	1,136.9
	Secured	GBP	84.2	465.0	458.8
	Unsecured	RM	N/A	4,995.3	4,995.1
				6,555.1	6,590.8
Total borrowings	Secured	USD	279.5	1,094.8	1,136.9
	Secured	GBP	98.9	546.3	539.1
	Unsecured	GBP	37.0	204.4	229.2
	Unsecured	RM	N/A	4,995.3	4,995.1
				6,840.8	6,900.3

8) Outstanding derivatives

As at 31 March 2018, the values and maturity analysis of the outstanding derivatives of the Group are as follows:

Types of Derivative	Contract/Notional Value RM'000	Fair Value Liabilities RM'000
<u>Interest Rate Swaps</u>		
GBP		
- More than 1 year	552,583	1,563
<u>Foreign Currency Exchange Forward</u>		
USD		
- Less than 1 year	11,753	10
<u>Foreign Currency Exchange Option</u>		
USD		
- Less than 1 year	11,753	125

In February 2018, the Group entered into an interest rate swap contract to fix its GBP interest rate with the notional principal amount of GBP100.0 million to hedge against the exposure of its interest rate risk on borrowings.

In March 2018, the Group entered into foreign currency exchange forward contracts and foreign currency exchange option contracts with the notional amount of USD3.0 million respectively, to hedge against the exposure of its foreign exchange risk.

9) Fair Value Changes of Financial Liabilities

As at 31 March 2018, 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 17 May 2018.

11) Dividend Proposed or Declared

No dividend has been proposed or declared for the current quarter ended 31 March 2018.

12) Profit before Taxation

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

	Current quarter ended 31 March 2018 RM'000
<u>Charges:</u>	
Depreciation and amortisation	240,649
Net foreign currency exchange losses	45,355
Property, plant and equipment written off	15,729
Finance costs:	
- Interest on borrowings	73,763
- Other finance costs	3,612
- Less: capitalised costs	(33,487)
- Less: interest income earned	(8,961)
Finance costs charged to income statements	34,927
<u>Credits:</u>	
Net gain on disposal of property, plant and equipment	190
Interest income	79,397
Investment income	1,535

13) Earnings per share ("EPS")

- (a) The earnings used as the numerator in calculating basic and diluted EPS for the current quarter ended 31 March 2018 are as follows:

	Current quarter ended 31 March 2018 RM'000
Profit for the financial period attributable to equity holders of the Company (used as numerator for the computation of basic and diluted EPS)	<u>358,237</u>

- (b) The weighted average number of ordinary shares used as the denominator in calculating basic and diluted EPS for the current quarter ended 31 March 2018 are as follows:

	Current quarter ended 31 March 2018 Number of Shares ('000)
Weighted average number of ordinary shares in issue (*) (used as denominator for the computation of basic EPS)	5,655,377
Adjustment for dilutive effect of Employee Share Scheme	<u>5,442</u>
Adjusted weighted average number of ordinary shares in issue (used as denominator for the computation of diluted EPS)	<u><u>5,660,819</u></u>

(*) The weighted average number of ordinary shares in issue during the current quarter ended 31 March 2018 excludes the weighted average treasury shares held by the Company.

14) 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 2017 was not qualified.

15) 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 24 May 2018.