



**SECOND QUARTERLY REPORT**

Quarterly report on consolidated results for the six months ended 30 June 2018. The figures have not been audited.

**CONDENSED CONSOLIDATED INCOME STATEMENT  
FOR THE SIX MONTHS ENDED 30 JUNE 2018**

	<b>UNAUDITED INDIVIDUAL QUARTER</b>		<b>UNAUDITED CUMULATIVE PERIOD</b>	
	<b>Second quarter ended 30 June</b>		<b>Six months ended 30 June</b>	
	<u>2018</u>	<u>2017</u> (Restated*)	<u>2018</u>	<u>2017</u> (Restated*)
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<b>Revenue</b>	<b>2,422,126</b>	2,291,982	<b>4,821,624</b>	4,516,200
Cost of sales	<b>(1,784,090)</b>	(1,762,663)	<b>(3,567,746)</b>	(3,446,764)
<b>Gross profit</b>	<b>638,036</b>	529,319	<b>1,253,878</b>	1,069,436
Other income	<b>128,457</b>	123,179	<b>272,217</b>	253,702
Other expenses	<b>(229,765)</b>	(337,737)	<b>(556,927)</b>	(644,565)
Profit from operations before impairment losses	<b>536,728</b>	314,761	<b>969,168</b>	678,573
Impairment losses	<b>(33,300)</b>	(36,776)	<b>(33,300)</b>	(36,776)
<b>Profit from operations</b>	<b>503,428</b>	277,985	<b>935,868</b>	641,797
Finance costs	<b>(38,300)</b>	(30,798)	<b>(73,227)</b>	(49,884)
<b>Profit before taxation</b>	<b>465,128</b>	247,187	<b>862,641</b>	591,913
Taxation	<b>(86,862)</b>	(73,212)	<b>(142,309)</b>	(122,652)
<b>Profit for the financial period</b>	<b>378,266</b>	173,975	<b>720,332</b>	469,261
<b>Profit attributable to:</b>				
Equity holders of the Company	<b>395,706</b>	193,822	<b>753,943</b>	517,737
Non-controlling interests	<b>(17,440)</b>	(19,847)	<b>(33,611)</b>	(48,476)
	<b>378,266</b>	173,975	<b>720,332</b>	469,261
<b>Earnings per share attributable to equity holders of the Company:</b>				
Basic earnings per share (sen)	<b>6.99</b>	3.42	<b>13.33</b>	9.15
Diluted earnings per share (sen)	<b>6.99</b>	3.42	<b>13.31</b>	9.13

\* 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 SIX MONTHS ENDED 30 JUNE 2018**

	UNAUDITED INDIVIDUAL QUARTER		UNAUDITED CUMULATIVE PERIOD	
	Second quarter ended 30 June		Six months ended 30 June	
	<u>2018</u>	<u>2017</u> (Restated*)	<u>2018</u>	<u>2017</u> (Restated*)
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<b>Profit for the financial period</b>	<b>378,266</b>	173,975	<b>720,332</b>	469,261
<b>Other comprehensive income/(loss)</b>				
Items that will be reclassified subsequently to profit or loss:				
Cash flow hedges				
- Fair value (loss)/gain	(1,925)	974	(3,623)	(1,151)
Foreign currency exchange differences	41,625	(277,518)	(194,758)	(346,707)
<b>Other comprehensive income/(loss), net of tax</b>	<b>39,700</b>	(276,544)	<b>(198,381)</b>	(347,858)
<b>Total comprehensive income/(loss) for the financial period</b>	<b>417,966</b>	(102,569)	<b>521,951</b>	121,403
<b>Total comprehensive income/(loss) attributable to:</b>				
Equity holders of the Company	440,833	(87,414)	553,246	163,795
Non-controlling interests	(22,867)	(15,155)	(31,295)	(42,392)
	<b>417,966</b>	(102,569)	<b>521,951</b>	121,403

\* 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 30 JUNE 2018**

	UNAUDITED As at 30.06.2018 RM'000	As at 31.12.2017 (Restated*) RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	14,067,852	13,835,384
Land held for property development	184,672	184,672
Investment properties	2,139,475	2,178,833
Intangible assets	4,504,166	4,654,464
Financial assets at fair value through other comprehensive income	142,240	-
Available-for-sale financial assets	-	144,964
Other non-current assets	1,965,163	1,871,678
Deferred tax assets	32,323	39,324
	<u>23,035,891</u>	<u>22,909,319</u>
<b>Current assets</b>		
Inventories	117,954	111,508
Trade and other receivables	606,778	684,206
Amounts due from other related companies	4,922	2,084
Financial assets at fair value through profit or loss	108,963	7,443
Available-for-sale financial assets	-	120,000
Derivative financial instruments	2,143	-
Restricted cash	83,906	71,634
Cash and cash equivalents	5,315,099	5,996,559
	<u>6,239,765</u>	<u>6,993,434</u>
Assets classified as held for sale	59,629	65,670
	<u>6,299,394</u>	<u>7,059,104</u>
<b>TOTAL ASSETS</b>	<u>29,335,285</u>	<u>29,968,423</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	1,764,424	1,764,424
Reserves	18,290,616	18,491,972
Treasury shares	(986,092)	(911,258)
Shares held for employee share scheme	-	(21,678)
	<u>19,068,948</u>	<u>19,323,460</u>
<b>Non-controlling interests</b>	<u>(224,516)</u>	<u>(193,221)</u>
<b>TOTAL EQUITY</b>	<u>18,844,432</u>	<u>19,130,239</u>
<b>Non-current liabilities</b>		
Other long term liabilities	299,351	277,924
Long term borrowings	6,547,541	6,590,808
Deferred tax liabilities	747,691	716,346
Derivative financial instruments	897	-
	<u>7,595,480</u>	<u>7,585,078</u>
<b>Current liabilities</b>		
Trade and other payables	2,404,464	2,665,749
Amount due to holding company	26,033	21,615
Amounts due to other related companies	109,639	156,960
Short term borrowings	284,530	309,461
Derivative financial instruments	2,726	-
Taxation	31,148	40,139
	<u>2,858,540</u>	<u>3,193,924</u>
Liabilities classified as held for sale	36,833	59,182
	<u>2,895,373</u>	<u>3,253,106</u>
<b>TOTAL LIABILITIES</b>	<u>10,490,853</u>	<u>10,838,184</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>29,335,285</u>	<u>29,968,423</u>
<b>NET ASSETS PER SHARE (RM)</b>	<u>3.37</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 SIX MONTHS ENDED 30 JUNE 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	-	-	-	-	-	753,943	753,943	(33,611)	720,332
Other comprehensive (loss)/income	-	(3,623)	(197,074)	-	-	-	(200,697)	2,316	(198,381)
Total comprehensive (loss)/income for the financial period	-	(3,623)	(197,074)	-	-	753,943	553,246	(31,295)	521,951
Transactions with owners:									
Buy-back of shares	-	-	-	(98,456)	-	-	(98,456)	-	(98,456)
Performance-based employee share scheme	-	-	25,910	-	-	-	25,910	-	25,910
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)
Final single-tier dividend declared for the year ended 31 December 2017	-	-	-	-	-	(282,931)	(282,931)	-	(282,931)
Total transactions with owners	-	-	(24,643)	(74,834)	21,678	(729,959)	(807,758)	-	(807,758)
At 30 June 2018	1,764,424	(3,623)	1,299,713	(986,092)	-	16,994,526	19,068,948	(224,516)	18,844,432

\* 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 SIX MONTHS ENDED 30 JUNE 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*)	-	-	-	-	-	-	517,737	517,737	(48,476)	469,261
Other comprehensive (loss)/income	-	-	(1,151)	(352,791)	-	-	-	(353,942)	6,084	(347,858)
Total comprehensive (loss)/income for the financial period	-	-	(1,151)	(352,791)	-	-	517,737	163,795	(42,392)	121,403
Transactions with owners:										
Performance-based employee share scheme	-	-	-	24,050	-	-	-	24,050	-	24,050
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)
Final single-tier dividend declared for the year ended 31 December 2016	-	-	-	-	-	-	(351,113)	(351,113)	-	(351,113)
Total transactions with owners	-	-	-	(41)	-	24,091	(764,089)	(740,039)	-	(740,039)
At 30 June 2017 (restated*)	1,764,424	-	(1,890)	1,897,481	(911,258)	(21,678)	16,548,546	19,275,625	(162,045)	19,113,580

**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 SIX MONTHS ENDED 30 JUNE 2018**

**UNAUDITED**  
**Six months ended**  
**30 June**

	2018	2017
	RM'000	(Restated*) RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	862,641	591,913
Adjustments for:		
Depreciation and amortisation	478,696	501,567
Property, plant and equipment written off	19,151	2,791
Net gain on disposal of property, plant and equipment	(51)	(598)
Finance costs	73,227	49,884
Interest income	(171,571)	(144,204)
Investment income	(3,035)	(9,284)
Impairment losses	33,300	36,776
Employee share grant scheme expenses	25,910	24,050
Net exchange loss – unrealised	17,895	57,549
Other non-cash items and adjustments	4,155	(631)
	<b>477,677</b>	<b>517,900</b>
<b>Operating profit before working capital changes</b>	<b>1,340,318</b>	<b>1,109,813</b>
Net change in current assets	(103,748)	(1,014)
Net change in current liabilities	(217,522)	(54,478)
	<b>(321,270)</b>	<b>(55,492)</b>
<b>Cash generated from operations</b>	<b>1,019,048</b>	<b>1,054,321</b>
Net tax refund/(paid)	38,403	(77,249)
Retirement gratuities paid	(1,895)	(1,700)
Onerous lease paid	(2,196)	(92,042)
	<b>34,312</b>	<b>(170,991)</b>
<b>Net Cash Flow From Operating Activities</b>	<b>1,053,360</b>	<b>883,330</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(797,099)	(1,458,125)
Proceeds from disposal of property, plant and equipment	65,733	1,475
Purchase of investments	(123,919)	(32,653)
Proceeds from disposal of investments	120,000	210,000
Interest received	50,520	44,325
Other investing activities	2,003	5,634
<b>Net Cash Flow From Investing Activities</b>	<b>(682,762)</b>	<b>(1,229,344)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Buy-back of shares	(98,456)	-
Repayment of borrowings and transaction costs	(80,526)	(1,569,600)
Proceeds from bank borrowings and issuance of medium term notes	39,685	4,464,690
Restricted cash	(475)	1,184
Dividend paid	(735,212)	(764,089)
Finance costs paid	(150,890)	(89,321)
<b>Net Cash Flow From Financing Activities</b>	<b>(1,025,874)</b>	<b>2,042,864</b>
<b>NET MOVEMENT IN CASH AND CASH EQUIVALENTS</b>	<b>(655,276)</b>	<b>1,696,850</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD</b>	<b>5,996,559</b>	<b>4,855,700</b>
<b>EFFECT OF CURRENCY TRANSLATION</b>	<b>(26,184)</b>	<b>(84,006)</b>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<b>5,315,099</b>	<b>6,468,544</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>		
Bank balances and deposits	2,352,893	2,435,572
Money market instruments	2,962,206	4,032,972
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<b>5,315,099</b>	<b>6,468,544</b>

\* 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 – SECOND QUARTER ENDED 30 JUNE 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 six months ended 30 June 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
<b>Non-current assets</b>			
Available-for-sale financial assets	144,964	(144,964)	-
Financial assets at fair value through other comprehensive income	-	144,964	144,964
<b>Current assets</b>			
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
	As at 31 Dec 2017 RM'000	Effects of adoption of MFRS 15 RM'000	(Restated) 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 six months ended 30 June 2017 is as follows:

	<b>Six months ended 30 Jun 2017 RM'000</b>	<b>Effects of adoption of MFRS 15 RM'000</b>	<b>(Restated) Six months ended 30 Jun 2017 RM'000</b>
Revenue	4,515,401	799	4,516,200
Profit before taxation	591,114	799	591,913
Profit for the financial period	468,462	799	469,261
Profit attributable to:			
Equity holders of the Company	516,938	799	517,737
Non-controlling interests	(48,476)	-	(48,476)
Earnings per share (sen):			
- Basic	9.13	0.02	9.15
- Diluted	9.12	0.01	9.13

**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 six months ended 30 June 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 six months ended 30 June 2018, the Company had acquired 18.6 million ordinary shares from the open market for a cash consideration of RM98.5 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 5 June 2018 and amendments to Bursa Malaysia Securities Berhad Main Market Listing Requirements arising from the implementation of the Companies Act 2016.

During the six months ended 30 June 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 six months ended 30 June 2018.

**f) Dividend Paid**

Dividend paid during the six months ended 30 June 2018 is as follows:

	<b>RM'Mil</b>
Special single-tier dividend for the year ended 31 December 2017 paid on 30 March 2018 8.0 sen per ordinary share	452.3
Final single-tier dividend for the year ended 31 December 2017 paid on 28 June 2018 5.0 sen per ordinary share	282.9
	<u>735.2</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 six months ended 30 June 2018 is set out below:

	<u>Leisure &amp; Hospitality</u>				<u>Property</u>	<u>Investments &amp; 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
<b>Revenue</b>							
Total revenue	3,196.2	848.4	691.1	4,735.7	53.9	118.6	4,908.2
Inter segment	(4.8)	-	-	(4.8)	(6.9)	(74.9)	(86.6)
External	3,191.4	848.4	691.1	4,730.9	47.0	43.7	4,821.6
<b>Adjusted EBITDA</b>	1,073.9	60.1	142.4	1,276.4	28.0	5.1	1,309.5
Main foreign currency	RM	GBP	USD		RM/USD		
Exchange ratio of 1 unit of foreign currency to RM		5.4259	3.9384		3.9384		

During the six months ended 30 June 2018, revenue from the leisure & hospitality segment of RM4,730.9 million comprised gaming revenue and non-gaming revenue of RM4,079.8 million and RM651.1 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:

	<b>RM'Mil</b>
Adjusted EBITDA for reportable segments	1,309.5
Pre-opening expenses	(32.3)
Property, plant and equipment written off	(19.2)
Impairment losses	(33.3)
Net gain on disposal of property, plant and equipment	0.1
Others	18.1
<b>EBITDA</b>	<u>1,242.9</u>
Depreciation and amortisation	(478.7)
Interest income	171.6
Finance costs	(73.2)
<b>Profit before taxation</b>	<u><u>862.6</u></u>

	<u>Leisure &amp; Hospitality</u>				<u>Property</u>	<u>Investments &amp; 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
<b>Segment Assets</b>	11,161.7	4,342.9	5,114.7	20,619.3	2,461.7	967.6	24,048.6
<b>Segment Liabilities</b>	1,952.5	377.7	360.2	2,690.4	33.4	119.5	2,843.3
Main foreign currency	RM	GBP	USD		RM/USD		
Exchange ratio of 1 unit of foreign currency to RM		5.3199	4.0165		4.0165		

	<b>RM'Mil</b>
A reconciliation of segment assets to total assets is as follows:	
Segment assets	24,048.6
Interest bearing instruments	5,125.7
Unallocated corporate assets	101.4
Assets classified as held for sale	59.6
<b>Total assets</b>	<u><u>29,335.3</u></u>

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

Segment liabilities	2,843.3
Interest bearing instruments	6,832.0
Unallocated corporate liabilities	778.8
Liabilities classified as held for sale	36.8
<b>Total liabilities</b>	<u><u>10,490.9</u></u>

**h) Property, Plant and Equipment**

During the six months ended 30 June 2018, acquisitions (including capitalised interest) of property, plant and equipment by the Group were RM786.4 million.

**i) Material Event Subsequent to the end of Financial Period**

On 11 July 2018, the Company announced that its wholly-owned subsidiary, GENM Capital Berhad, issued RM2.6 billion Medium Term Notes ("MTN") under the MTN Programme. The proceeds from the issuance of the 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 30 June 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 six months ended 30 June 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 30 June 2018 are as follows:

	<b>RM'Mil</b>
Contracted	1,854.8
Not contracted	5,510.2
	<hr/> 7,365.0 <hr/>
Analysed as follows:	
- Property, plant and equipment	7,333.6
- Investments	31.4
	<hr/> 7,365.0 <hr/>

**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 six months ended 30 June 2018 are as follows:

	<b>Current quarter RM'000</b>	<b>Current financial year-to- date RM'000</b>
i) Provision of technical know-how and management expertise in the resort's operations by Genting Berhad ("GENT") Group to the Group.	121,592	239,574
ii) Licensing fee for the use of "Genting", "Resorts World" and "Awana" logo charged by GENT to the Group.	54,017	108,844
iii) Licensing fee for the use of "Resorts World" and "Genting" intellectual property outside Malaysia charged by GENT Group to the Group.	232	473
iv) Provision of management and support services by GENT Group to the Group.	2,100	4,294
v) Rental charges and related services by the Group to GENT Group.	1,666	3,332
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.	17,636	34,645

**m) Significant Related Party Transactions (Cont'd)**

	Current quarter RM'000	Current financial year-to- date RM'000
vii) Provision of information technology consultancy, development, implementation, support and maintenance services and other management services by the Group to GENT Group.	2,537	4,557
viii) Provision of management and support services by the Group to GENT Group.	962	1,660
ix) Provision of management and consultancy services on theme park and resort development operations by International Resort Management Services Pte Ltd to the Company.	1,246	2,898
x) Rental charges for premises by the Group to Warisan Timah Holdings Sdn Bhd.	577	1,146
xi) Provision of water supply services by an entity connected with shareholder of BB Entertainment Ltd ("BBEL") to the Group.	706	955
xii) Rental charges for office space by the Group to Genting Hong Kong Limited ("GENHK") Group.	1,688	3,374
xiii) Provision of maintenance and construction services by an entity connected with shareholder of BBEL to the Group.	25,766	28,810
xiv) Licensing fee for the use of gaming software and system charged by RWI Group to the Group.	1,167	2,192
xv) Provision of information technology consultancy, development, implementation, support and maintenance services and other management services by the Group to GENHK Group.	109	246
xvi) Rental charges for office space by the Group to RWI Group.	146	291
xvii) Provision of aviation related services by the Group to GENHK Group.	1,101	1,479
xviii) Provision of utilities, maintenance and security services by the Group to Genting Highlands Premium Outlets Sdn Bhd.	475	1,003
xix) Purchase of holiday packages from GENHK Group.	350	886
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 30 June 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
<b>Financial assets</b>				
Financial assets at fair value through profit or loss	7.4	101.6	-	109.0
Financial assets at fair value through other comprehensive income	-	-	142.2	142.2
Derivative financial instruments	-	2.1	-	2.1
	7.4	103.7	142.2	253.3
<b>Financial liability</b>				
Derivative financial instruments	-	3.6	-	3.6

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**  
**30 JUNE 2018**

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

**1) Review of Performance**

Financial review for the current quarter and financial year to date compared with the corresponding periods last year

The results of the Group are tabulated below:

	INDIVIDUAL QUARTER (Restated)				SIX MONTHS ENDED 30 JUNE (Restated)			
	2Q2018 RM'Mil	2Q2017 RM'Mil	Var RM'Mil	%	2018 RM'Mil	2017 RM'Mil	Var RM'Mil	%
<b>Revenue</b>								
Leisure & Hospitality								
- Malaysia	1,591.9	1,445.4	146.5	10%	3,191.4	2,789.7	401.7	14%
- United Kingdom and Egypt	436.0	411.2	24.8	6%	848.4	878.5	-30.1	-3%
- United States of America and Bahamas	344.7	384.9	-40.2	-10%	691.1	765.9	-74.8	-10%
	<b>2,372.6</b>	<b>2,241.5</b>	<b>131.1</b>	<b>6%</b>	<b>4,730.9</b>	<b>4,434.1</b>	<b>296.8</b>	<b>7%</b>
Property	23.3	30.6	-7.3	-24%	47.0	50.3	-3.3	-7%
Investments & others	26.2	19.9	6.3	32%	43.7	31.8	11.9	37%
	<b>2,422.1</b>	<b>2,292.0</b>	<b>130.1</b>	<b>6%</b>	<b>4,821.6</b>	<b>4,516.2</b>	<b>305.4</b>	<b>7%</b>
<b>Adjusted EBITDA</b>								
Leisure & Hospitality								
- Malaysia	540.2	434.7	105.5	24%	1,073.9	872.1	201.8	23%
- United Kingdom and Egypt	29.5	35.7	-6.2	-17%	60.1	113.4	-53.3	-47%
- United States of America and Bahamas	77.6	92.8	-15.2	-16%	142.4	134.2	8.2	6%
	<b>647.3</b>	<b>563.2</b>	<b>84.1</b>	<b>15%</b>	<b>1,276.4</b>	<b>1,119.7</b>	<b>156.7</b>	<b>14%</b>
Property	13.4	20.2	-6.8	-34%	28.0	29.5	-1.5	-5%
Investments & others	41.1	(47.9)	89.0	>100%	5.1	(48.5)	53.6	>100%
	<b>701.8</b>	<b>535.5</b>	<b>166.3</b>	<b>31%</b>	<b>1,309.5</b>	<b>1,100.7</b>	<b>208.8</b>	<b>19%</b>
Pre-opening expenses	(15.7)	(22.5)	6.8	30%	(32.3)	(39.6)	7.3	18%
Property, plant and equipment written off	(3.5)	(1.9)	-1.6	-84%	(19.2)	(2.8)	-16.4	>100%
Net (loss)/gain on disposal of property, plant and equipment	(0.1)	0.4	-0.5	>100%	0.1	0.6	-0.5	-83%
Impairment losses	(33.3)	(36.8)	3.5	10%	(33.3)	(36.8)	3.5	10%
Others	-	(16.9)	16.9	NC	18.1	(22.9)	41.0	>100%
<b>EBITDA</b>	<b>649.2</b>	<b>457.8</b>	<b>191.4</b>	<b>42%</b>	<b>1,242.9</b>	<b>999.2</b>	<b>243.7</b>	<b>24%</b>
Depreciation and amortisation	(238.0)	(253.3)	15.3	6%	(478.7)	(501.6)	22.9	5%
Interest income	92.2	73.5	18.7	25%	171.6	144.2	27.4	19%
Finance costs	(38.3)	(30.8)	-7.5	-24%	(73.2)	(49.9)	-23.3	-47%
<b>Profit before taxation</b>	<b>465.1</b>	<b>247.2</b>	<b>217.9</b>	<b>88%</b>	<b>862.6</b>	<b>591.9</b>	<b>270.7</b>	<b>46%</b>

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

Financial review for the current quarter compared with the immediate preceding quarter

The results of the Group are tabulated below:

	INDIVIDUAL QUARTER 2Q2018 RM'Mil	PRECEDING QUARTER 1Q2018 RM'Mil	Var	
			RM'Mil	%
<b>Revenue</b>				
Leisure & Hospitality				
- Malaysia	1,591.9	1,599.5	-7.6	-<1%
- United Kingdom and Egypt	436.0	412.4	23.6	6%
- United States of America and Bahamas	344.7	346.4	-1.7	-<1%
	<b>2,372.6</b>	2,358.3	14.3	1%
Property	23.3	23.7	-0.4	-2%
Investments & others	26.2	17.5	8.7	50%
	<b>2,422.1</b>	<b>2,399.5</b>	22.6	1%
<b>Adjusted EBITDA</b>				
Leisure & Hospitality				
- Malaysia	540.2	533.7	6.5	1%
- United Kingdom and Egypt	29.5	30.6	-1.1	-4%
- United States of America and Bahamas	77.6	64.8	12.8	20%
	<b>647.3</b>	629.1	18.2	3%
Property	13.4	14.6	-1.2	-8%
Investments & others	41.1	(36.0)	77.1	>100%
	<b>701.8</b>	607.7	94.1	15%
Pre-opening expenses	(15.7)	(16.6)	0.9	5%
Property, plant and equipment written off	(3.5)	(15.7)	12.2	78%
Net (loss)/gain on disposal of property, plant and equipment	(0.1)	0.2	-0.3	->100%
Impairment losses	(33.3)	-	-33.3	NC
Others	-	18.1	-18.1	NC
<b>EBITDA</b>	<b>649.2</b>	593.7	55.5	9%
Depreciation and amortisation	(238.0)	(240.7)	2.7	1%
Interest income	92.2	79.4	12.8	16%
Finance costs	(38.3)	(34.9)	-3.4	-10%
<b>Profit before taxation</b>	<b>465.1</b>	<b>397.5</b>	67.6	17%

NC: Not comparable

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

### a) Quarter ended 30 June 2018 ("2Q 2018") compared with quarter ended 30 June 2017 ("2Q 2017")

The Group's revenue in 2Q 2018 was RM2,422.1 million, an increase of 6% compared with RM2,292.0 million in 2Q 2017.

The higher revenue for this quarter was mainly attributable to:

1. leisure and hospitality business in Malaysia recorded higher revenue by RM146.5 million or 10% mainly attributable to an improved hold percentage in the mid to premium players segments. The opening of new attractions under our Genting Integrated Tourism Plan ("GITP") has also contributed to the increase in revenue; and
2. an increase in revenue from the leisure and hospitality businesses in United Kingdom ("UK") and Egypt by RM24.8 million or 6%, primary attributable to higher contribution from Crockfords Cairo and interactive business. This was offset by
3. a decrease in revenue from the leisure and hospitality businesses in United States of America ("US") and Bahamas by RM40.2 million or 10%, mainly contributed by unfavourable foreign exchange movement of USD against RM. Excluding the impact of foreign exchange movement, revenue from US and Bahamas decreased by 2%.

The Group's adjusted EBITDA in 2Q 2018 was at RM701.8 million compared with RM535.5 million in 2Q 2017, an increase of 31%. The higher adjusted EBITDA was mainly attributable to:

1. an increase in adjusted EBITDA from the leisure and hospitality business in Malaysia by RM105.5 million or 24%, mainly contributed by higher revenue, lower costs relating to premium players business offset by higher operating costs incurred for the new facilities under GITP; and
2. an adjusted EBITDA of RM41.1 million was recorded in 2Q 2018 from the "investments and others" segment as compared to an adjusted loss before interest, tax, depreciation and amortisation ("LBITDA") of RM47.9 million in 2Q 2017, mainly contributed by foreign exchange translation gain on the Group's USD denominated assets due to the strengthening of USD against RM during current quarter. This was offset by
3. a decrease in adjusted EBITDA from the leisure and hospitality businesses in US and Bahamas by RM15.2 million or 16%, mainly contributed by lower revenue from Resorts World Casino New York City ("RWNYC") operations. Excluding the impact of foreign exchange movement, adjusted EBITDA from US and Bahamas decreased by 8%; and
4. a decrease in adjusted EBITDA from the leisure and hospitality businesses in UK and Egypt by RM6.2 million or 17%, mainly due to higher debt written off mitigated by higher revenue.

The Group's profit before taxation was RM465.1 million in 2Q 2018, an increase of 88% compared with RM247.2 million in 2Q 2017. The higher profit before taxation was mainly due to:

1. higher adjusted EBITDA as mentioned above; and
2. project bid costs written off totaling RM16.9 million in 2Q 2017.



**b) Financial period for the six months ended 30 June 2018 (“1H 2018”) compared with six months ended 30 June 2017 (“1H 2017”)**

The Group’s revenue in 1H 2018 grew by 7% to RM4,821.6 million. The increase was mainly attributable to:

1. higher revenue from the leisure and hospitality business in Malaysia by RM401.7 million or 14%, mainly due to higher business volume from the mass market coupled with higher hold percentage from the mid to premium segments of the business. The opening of new attractions under GITP has also contributed significantly to the increase in revenue; offset by
2. lower revenue from the leisure and hospitality businesses in the US and Bahamas by RM74.8 million or 10%, mainly due to the strengthening of RM against USD. Excluding this impact, revenue would have increased by 1%, and
3. lower revenue from the leisure and hospitality businesses in the UK and Egypt by RM30.1 million or 3%, mainly contributed by lower volume of business from its premium gaming segment mitigated by higher revenue from Crockfords Cairo and interactive business.

The Group’s adjusted EBITDA in 1H 2018 increased by 19% to RM1,309.5 million. The higher adjusted EBITDA was mainly attributable to:

1. an increase in adjusted EBITDA from the leisure and hospitality business in Malaysia by RM201.8 million mainly due to higher revenue offset by higher operating costs incurred for the new facilities under GITP;
2. an adjusted EBITDA of RM5.1 million was recorded in 1H 2018 from the “investments and others” segment compared to an adjusted LBITDA of RM48.5 million in 1H 2017, mainly due to lower foreign exchange translation loss on the Group’s USD denominated assets;
3. an increase in adjusted EBITDA from the leisure and hospitality businesses in US and Bahamas by RM8.2 million or 6%, mainly due to lower operating loss from Bimini operations as a result of improved operational efficiencies. Excluding the impact of foreign exchange movement, adjusted EBITDA from US and Bahamas increased by 18%; offset by
4. a decrease in adjusted EBITDA from the leisure and hospitality businesses in UK and Egypt by RM53.3 million, mainly due to lower revenue and debt recovery.

The Group’s profit before taxation increased by 46% to RM862.6 million in 1H 2018. The higher profit before taxation was mainly due to:

1. higher adjusted EBITDA as mentioned above; and
2. project bid costs written off totaling RM22.9 million in 1H 2017.

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

Profit before taxation for 2Q 2018 was RM465.1 million compared to 1Q 2018 of RM397.5 million. The higher profit before taxation by RM67.6 million or 17% was mainly due to:

1. an adjusted EBITDA of RM41.1 million was recorded in 2Q 2018 from the “investments and others” segment compared to adjusted LBITDA of RM36.0 million in 1Q 2018. This is due to foreign exchange translation gain on the Group’s USD denominated assets due to strengthening of USD against RM during 2Q 2018; and
2. higher adjusted EBITDA from leisure and hospitality business by RM18.2 million mainly from Malaysia and US operations due to lower operating costs; offset by
3. impairment of certain assets relating to Malaysia operations of RM33.3 million.

### **3) Prospects**

The global economy remains stable albeit at an uneven pace across advanced economies and developing markets. However, the increasing uncertainties surrounding geopolitical developments in certain major economies may pose near term threat to global growth. In Malaysia, domestic demand is expected to continue to be the key driver of growth for the economy.

The confidence surrounding international tourism continues to be strong. In line with this, the regional gaming market is anticipated to remain buoyant, supported by the expansion of new properties in the region. The outlook for regional and domestic tourism is expected to remain positive in 2018.

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

In Malaysia, the Group remains focused on the development of the GTP at Resorts World Genting. Pre-opening activities continue to ramp up as the Group prepares for the roll out of the Skytropolis indoor theme park and the highly anticipated 20th Century Fox World Theme Park. The Group will continue to focus on expanding into regional markets by enhancing its digital marketing efforts to improve customer reach and attract foreign visitations to the resort. Additionally, the Group is steadfast in growing business volumes and improving yield contribution at the resort by further leveraging on the new GTP assets. To this end, the Group remains committed to intensifying database marketing efforts and upholding our high standards of service delivery.

In the UK, the Group remains resolute in delivering sustainable performance by managing business volatility in the premium players segment. Amid the challenging operating environment, the Group will focus on strengthening its position in the non-premium players segment by improving overall business efficiency and growing market share. The Group will also continue to place emphasis on stabilising operations at Resorts World Birmingham and growing volume of business at the property.

In the US, RWNYC maintained its position as market leader by gaming revenue in the Northeast US region. Nevertheless, the Group will continue enhancing and intensifying direct marketing efforts to drive visitation and frequency of play at the property to ensure that RWNYC continues to deliver a steady performance despite increasing competition. Meanwhile, the development of the USD400 million expansion at RWNYC is well underway. The project, which is anticipated to open in phases starting from the end of 2019, will transform RWNYC into a premium integrated resort destination with a multitude of gaming and non-gaming amenities. In Miami, the Group will continue leveraging on the upgraded Hilton Miami Downtown to attract visitation and higher spend at the property. In the Bahamas, the Group is committed to improving overall operational efficiencies and growing business volumes at the resort by focusing marketing efforts on the leisure market.

### **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 30 June 2018 are as follows:

	<b>Current quarter ended 30 June 2018 RM'000</b>	<b>Six months ended 30 June 2018 RM'000</b>
Current taxation		
Malaysian income tax charge	36,183	68,869
Foreign income tax charge	22,429	26,332
	<u>58,612</u>	<u>95,201</u>
Deferred tax charge	26,779	46,819
	<u>85,391</u>	<u>142,020</u>
Prior period taxation		
Income tax over provided	1,471	289
	<u>86,862</u>	<u>142,309</u>

The effective tax rates of the Group for the current quarter and six months ended 30 June 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 22 August 2018.

## 7) Group Borrowings

The details of the Group's borrowings as at 30 June 2018 are as set out below:

	<b>As at 30.06.2018</b>				<b>As at 31.12.2017</b>
	<b>Secured/ Unsecured</b>	<b>Foreign Currency 'Mil</b>		<b>RM Equivalent 'Mil</b>	<b>RM Equivalent 'Mil</b>
Short term borrowings	Secured	USD	5.4	21.8	-
	Secured	GBP	14.7	78.3	80.3
	Unsecured	USD	10.2	40.8	-
	Unsecured	GBP	27.0	143.6	229.2
				<u>284.5</u>	<u>309.5</u>
Long term borrowings	Secured	USD	274.8	1,103.8	1,136.9
	Secured	GBP	84.2	448.1	458.8
	Unsecured	RM	N/A	4,995.6	4,995.1
				<u>6,547.5</u>	<u>6,590.8</u>
Total borrowings	Secured	USD	280.2	1,125.6	1,136.9
	Secured	GBP	98.9	526.4	539.1
	Unsecured	USD	10.2	40.8	-
	Unsecured	GBP	27.0	143.6	229.2
	Unsecured	RM	N/A	4,995.6	4,995.1
				<u>6,832.0</u>	<u>6,900.3</u>

## 8) **Outstanding derivatives**

As at 30 June 2018, the values and maturity analysis of the outstanding derivatives of the Group are as follows:

<b>Types of Derivative</b>	<b>Contract/Notional Value RM'000</b>	<b>Fair Value Assets/(Liabilities) RM'000</b>
<u>Interest Rate Swaps</u>		
GBP		
- Less than 1 year	79,798	(2,726)
- More than 1 year	452,187	(897)
		(3,623)
<u>Foreign Currency Exchange Forward</u>		
USD		
- Less than 1 year	106,858	2,368
<u>Foreign Currency Exchange Option</u>		
USD		
- Less than 1 year	106,858	(225)
		2,143

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.

During the current quarter ended 30 June 2018, the Group entered into foreign currency exchange forward contracts and foreign currency exchange option contracts with the notional amount of USD27.0 million respectively, to hedge against the exposure of its foreign exchange risk.

## 9) **Fair Value Changes of Financial Liabilities**

As at 30 June 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 22 August 2018.

## 11) **Dividend Proposed or Declared**

- (a) (i) An interim single-tier dividend of 6.00 sen per ordinary share in respect of the financial year ending 31 December 2018 has been declared by the Directors.
- (ii) The interim single-tier dividend declared and paid for the previous year's corresponding period was 4.00 sen per ordinary share.
- (iii) The interim single-tier dividend shall be payable on 10 October 2018.
- (iv) Entitlement to the interim single-tier dividend:
- A Depositor shall qualify for entitlement to the interim single-tier dividend only in respect of:
- (I) Shares transferred into the Depositor's Securities Account before 4.00 p.m. on 19 September 2018 in respect of ordinary transfers; and
- (II) Shares bought on Bursa Securities on a cum entitlement basis according to the Main Market Listing Requirements of Bursa Securities.
- (b) The total single-tier dividend payable for the financial year ending 31 December 2018 is 6.00 sen per ordinary share.

## 12) Profit before Taxation

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

	Current quarter ended 30 June 2018 RM'000	Six months ended 30 June 2018 RM'000
<b>Charges:</b>		
Depreciation and amortisation	238,047	478,696
Impairment losses	33,300	33,300
Net loss on disposal of property, plant and equipment	139	-
Net foreign currency exchange losses	-	15,271
Property, plant and equipment written off	3,422	19,151
Finance costs:		
- Interest on borrowings	75,983	149,746
- Other finance costs	5,059	8,671
- Less: capitalised costs	(36,662)	(70,149)
- Less: interest income earned	(6,080)	(15,041)
Finance costs charged to income statements	38,300	73,227
<b>Credits:</b>		
Net gain on disposal of property, plant and equipment	-	51
Net foreign currency exchange gain	30,084	-
Interest income	92,174	171,571
Investment income	1,500	3,035

## 13) Earnings per share ("EPS")

- (a) The earnings used as the numerator in calculating basic and diluted EPS for the current quarter and six months ended 30 June 2018 are as follows:

	Current quarter ended 30 June 2018 RM'000	Current financial year-to-date ended 30 June 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)	395,706	753,943

- (b) The weighted average number of ordinary shares used as the denominator in calculating basic and diluted EPS for the current quarter and six months ended 30 June 2018 are as follows:

	Current quarter ended 30 June 2018 Number of Shares ('000)	Current financial year-to-date ended 30 June 2018 Number of Shares ('000)
Weighted average number of ordinary shares in issue (*) (used as denominator for the computation of basic EPS)	5,658,524	5,656,959
Adjustment for dilutive effect of Employee Share Scheme	5,440	5,440
Adjusted weighted average number of ordinary shares in issue (used as denominator for the computation of diluted EPS)	5,663,964	5,662,399

(\*) The weighted average number of ordinary shares in issue during the current quarter and six months ended 30 June 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 29 August 2018.