

GENTING MALAYSIA BERHAD

INVESTOR PRESENTATION

July 2010



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Agenda

- **Genting Malaysia Business Strategy**
- **Overview of Genting UK Acquisition**
- **Overview of Aqueduct Racetrack bid**
- **Appendices**



GENTING MALAYSIA BUSINESS STRATEGY



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Genting Malaysia Business Strategy

**TO EXPAND INTERNATIONALLY FOCUSING ON LEISURE,
HOSPITALITY AND ENTERTAINMENT**



- Proposed acquisition of Genting Singapore PLC's casino businesses in the United Kingdom for a total cash consideration of £340 million (~RM1,668 million) ("UK Acquisition")
- Submission of bid to develop and operate a Video Lottery Facility (~4,500 video lottery terminals ("VLT")) at Aqueduct Racetrack in New York.

Rationale for the Expansion

- In line with GENM's strategic direction to expand overseas and grow its earnings and revenue base
- Access to highly regulated gaming jurisdictions - Direct entry into the UK and USA leisure, hospitality and entertainment industry
- The expansions have synergistic effects
- Reduce concentration risk in a single geographical location



ENHANCE SHAREHOLDERS' VALUE IN THE LONG TERM

Expansion Plans

**Expansion overseas
and grow earnings
and revenue base**

**Access to regulated
growing markets**

Synergistic Benefits

**Long term
enhancement of
Shareholders Return**

**Reduce
Concentration Risk**



The UK Acquisition – Genting UK

- Opportunity to expand into the UK, EU and The Middle East
- Genting UK's existing infrastructure and leadership position are major advantages
- An opportunistic move in view of the growth potential in UK and the EU

Submission of bid – Aqueduct Racetrack

- Competitive – Strategic location provides a strong competitive edge
- Possibility of new product offering – potential inclusion of table games
- Platform to explore other business opportunities in the US

OVERVIEW OF GENTING UK ACQUISITION



Rationale for the Genting UK Acquisition

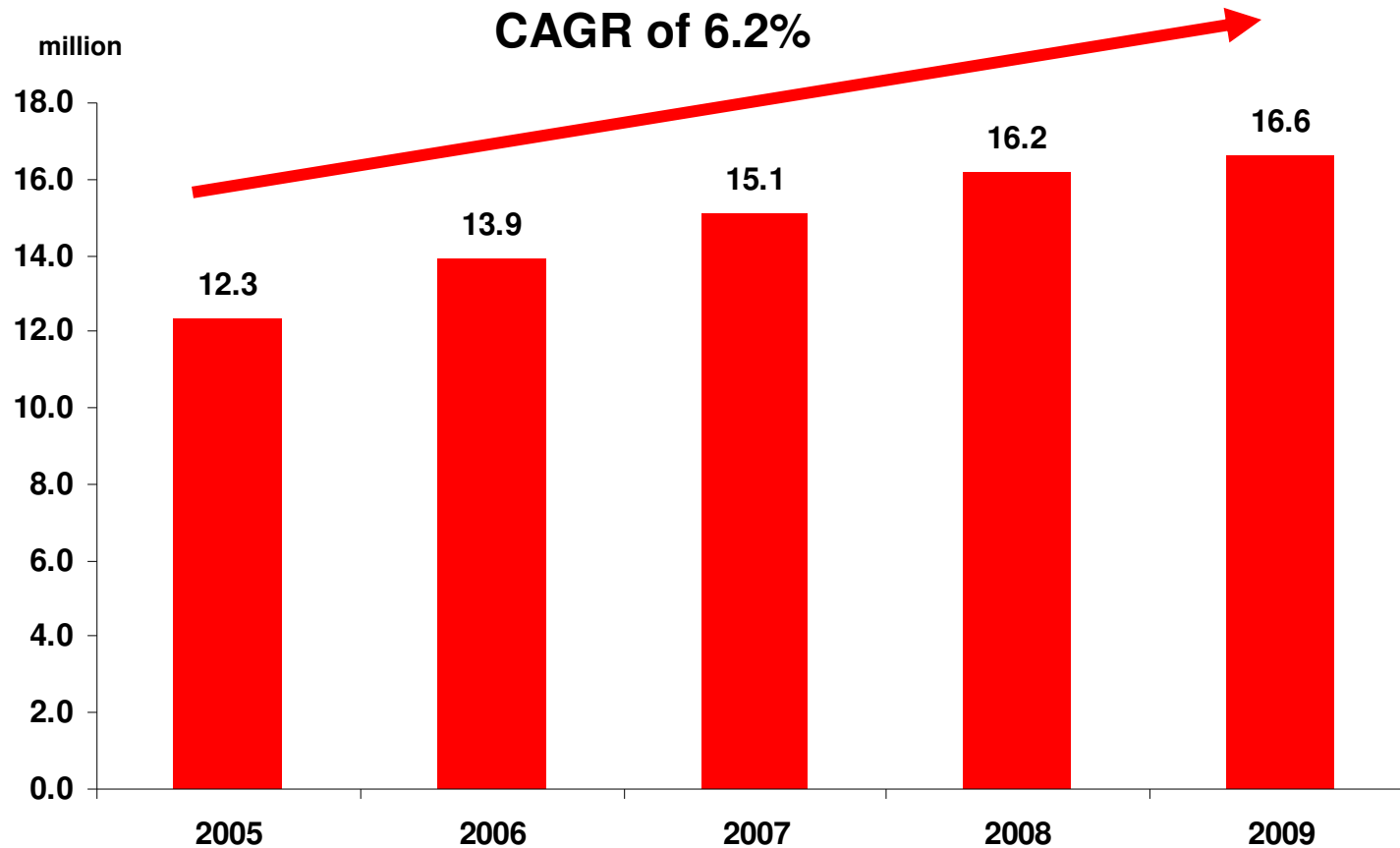
For Genting Malaysia Berhad

- Grow its earnings and revenue base
- Genting UK's existing leadership position and GENM's expertise to grow market share
- Genting UK's established infrastructure enables rapid roll out of marketing strategies and new leisure concepts
- Benefit from efficient operating cost structure post rationalisation
- Benefit from future growth prospects of UK gaming industry (new licensing opportunities arising from the Gaming Act, 2005)

For Genting UK

- Leverage on GENM's extensive management expertise (pooling of resources)
- Capitalise on GENM's large Asian clientele base
- Leverage on GENM's marketing capabilities and implementation of membership and database management to grow business
- GENM has the financial resources to support and fuel Genting UK's future growth

UK Total Casino Attendance



Source: Gambling Commission 2008/2009



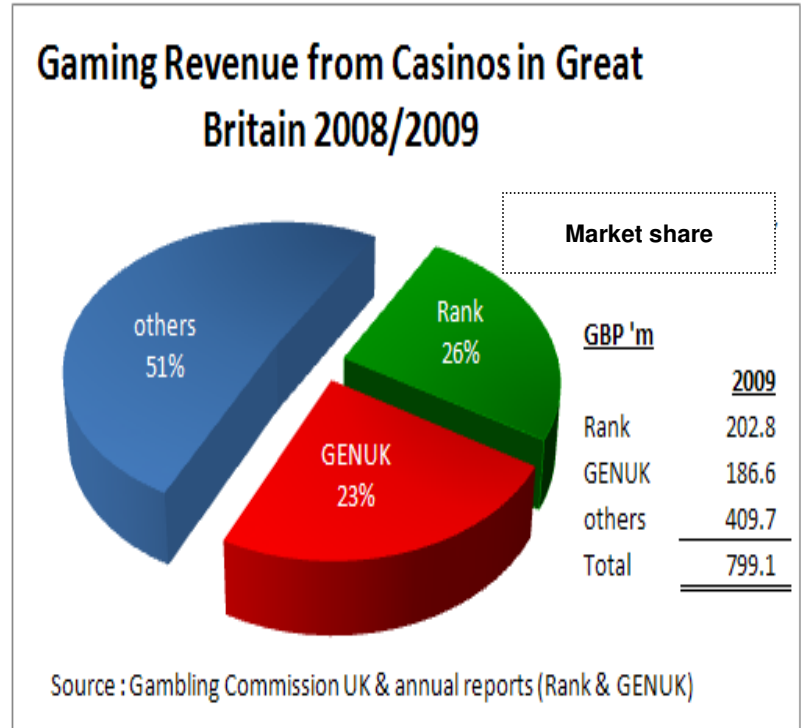
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UK Gaming Landscape

UK Casino Operator	2010* Operating	Market Share by number of operating casino
Genting Stanley	44	31.2%
Grosvenor Casinos (Rank)	35	24.8%
Gala Casinos	27	19.2%
London Clubs	9	6.4%
A&S Leisure	6	4.3%
Aspers/ Aspinalls	4	2.8%
Club 36	3	2.1%
Clockfair	2	1.4%
Guoco	1	0.7%
Others	10	7.1%
Total	141	100%

Source: Gambling Commission 2008/2009

*As at February 2010

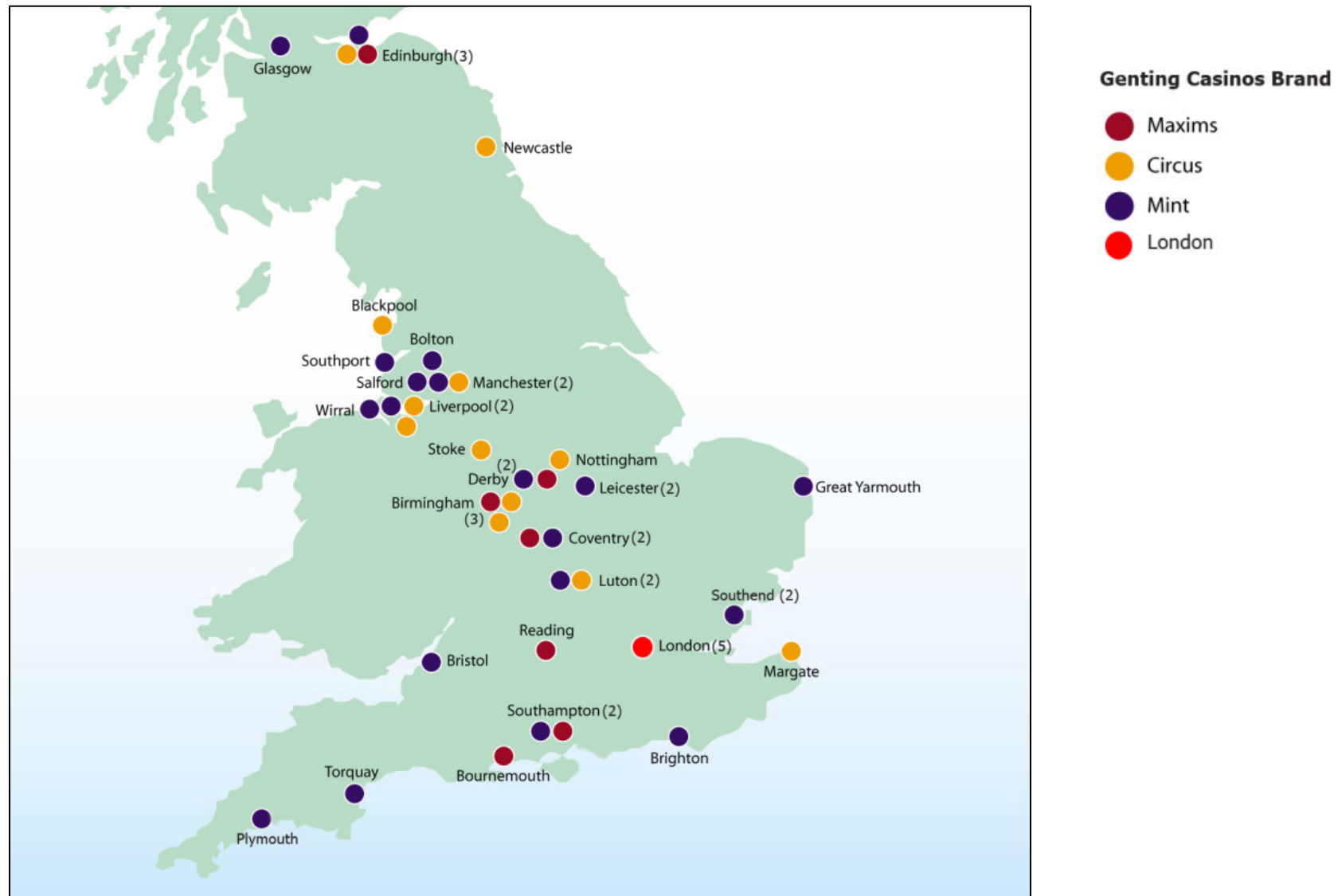


Genting UK

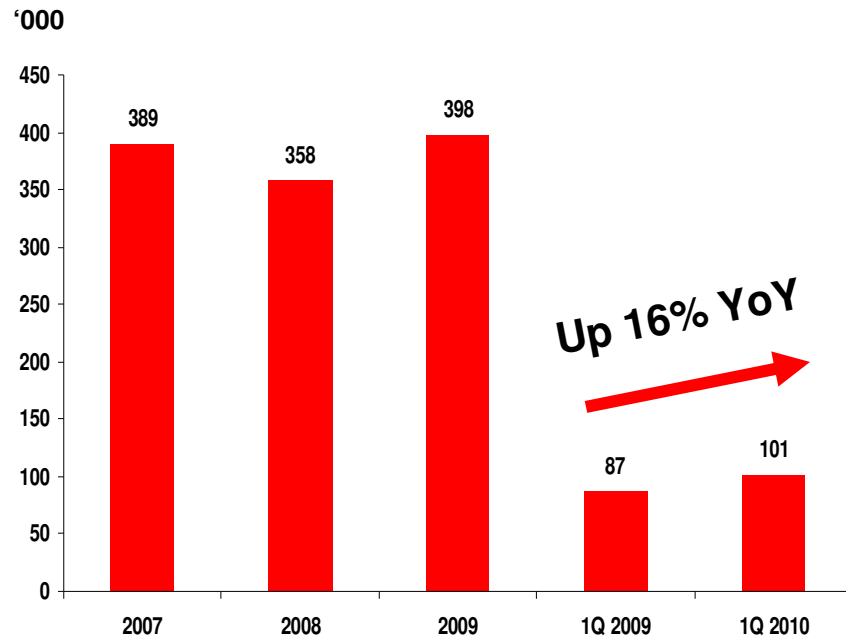
- Largest casino operator in the UK
 - Total of 44 casino out of 144 casinos operating in the UK
- Experienced casino operator with over 30 years of operating track record
- Extensive network of casinos offering full range of slots and table games
- Established brand names - Crockfords, The Colony Club & Maxims Casino Club
- A platform for GENM to tap into future growth potential of leisure, hospitality and entertainment industry in the UK, European Union and The Middle East



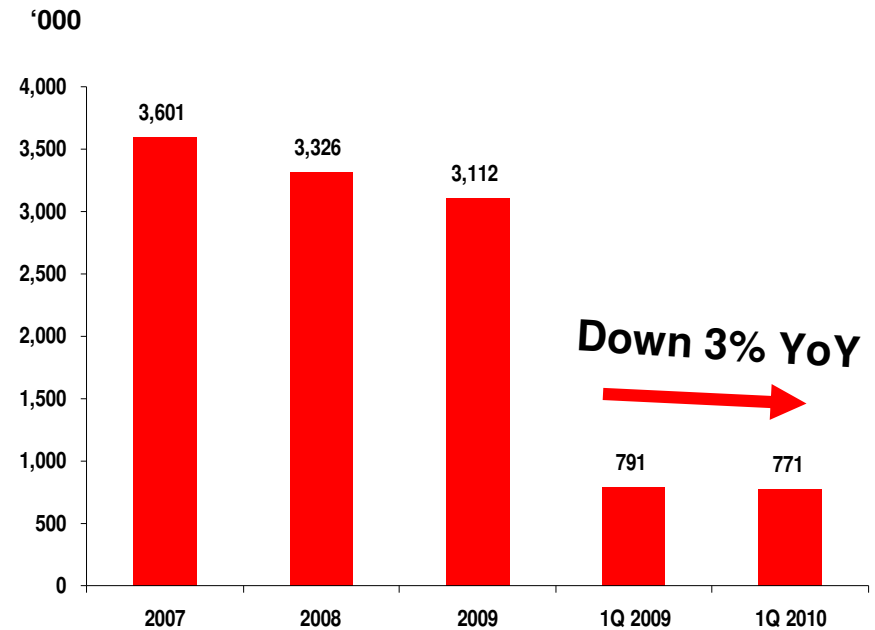
Location Of Genting UK Casinos



Genting UK Casino Attendance



London Casinos



Provincial Casinos

Key Financials of Genting UK

GBP ('000)	FY2007	FY2008	FY2009	Pro forma for 3 Months ended Mar 2010
Revenue	229,305	226,981	194,097	52,172
EBITDA	34,083	16,359	30,153	8,304
EBITDA Margin (%)	14.9	7.2	15.5	15.9 ⁽¹⁾
Operating Profit / (loss) *	20,692	(12,482)	14,922	1,326
Net Assets	60,981	38,519	56,196 ⁽²⁾	288,883 ⁽³⁾
Total Borrowings	248,540	165,198	126,811	99,158
Gearing	4.08	4.29	2.26	0.34

* EBITDA less depreciation and foreign exchange differences

Improved financial position from FY2009 to 3 months ended 31 March 2010 :

Note (1)

- EBITDA margin improved by 0.4% point to 15.9%

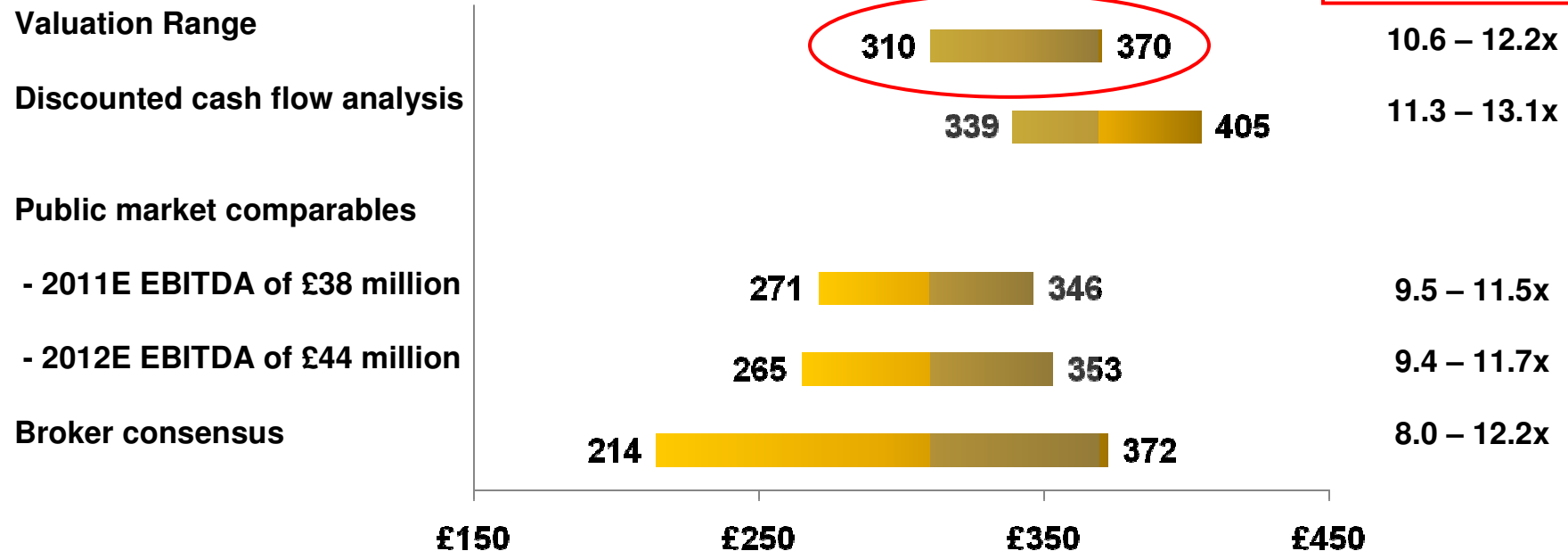
Note (2) and (3)

- Capitalisation of £380m inter-co loans by GENS;
- New capital injection by GENS of £45m offset by redemption of preference shares issued to GENS of £9m; and
- Offset by net impairment loss of £184m (impairment loss of £226m less deferred tax liabilities of £42m)

Valuation Range

Equity value of Genting UK (£ million)

Implied multiples
FV/2011E EBITDA



EBITDA estimates for 2011/2012 based on management projections
FV = Net debt + equity value

Source: JPMorgan report

Purchase Price Multiples

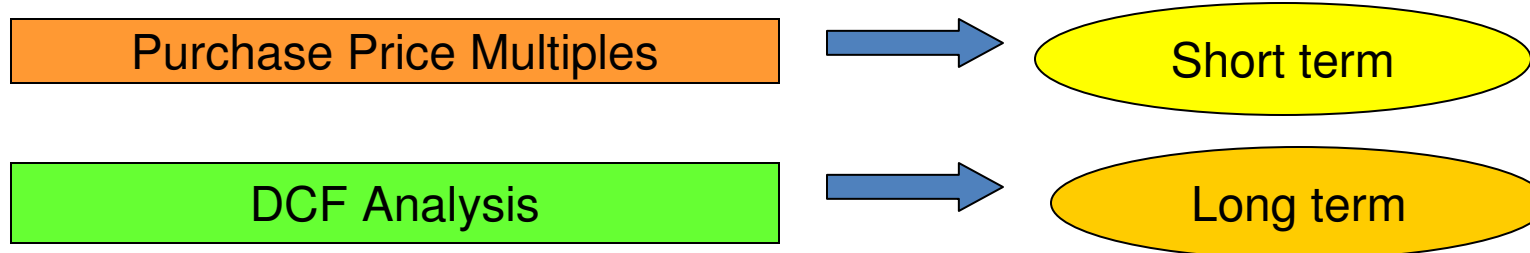
- Based on the purchase consideration of £340 million and net debt of £86 million, the valuation multiples for the UK Acquisition are:

EV/ 2011E EBITDA	11.2 times
EV/ 2012E EBITDA	9.7 times
Price / Book	1.2 times

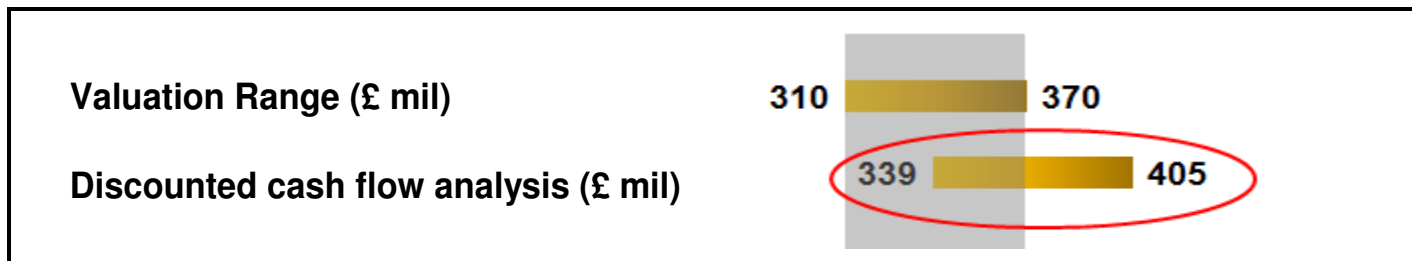
Assumptions

- Enterprise Value ("EV") of £426 million is computed as the sum of the Equity Value of £340 million and net debt of £86 million
- 2011E EBITDA of £38 million
- 2012E EBITDA of £44 million
- Book Value of Genting UK is £289 million

DCF Analysis - long term value



- DCF analysis captures long term value
- Purchase Consideration of £340 mil – **low end** of £339 - 405 mil range



GENM's strategy to grow Genting UK business

1. New capex to refurbish and reposition some casinos with more leisure-centric concept
2. Roll-out of membership marketing programs
3. Leverage on Asian clientele database to visit London-based casinos

Above DCF analysis not incorporating membership marketing and Asian clientele.

Key Financial Matrix

Use of cash by GENM	Rate of return (%)
1) <u>Acquisition of Genting UK</u> Return on investment *	In excess of 9.0% <i>compared to</i>
2) <u>Share buyback at RM2.70</u> After-tax yield (inverse of PE ratio) ^	8% <i>compared to</i>
3) <u>Deposits & money market instruments</u> Average interest rate per annum	2%

* Internal rate of return based on GENS management's projections.

^ Based on GENM's 2010E PE ratio of 12.8 times and EPS of 21 sen (Source: Bloomberg)

Genting UK Growth Opportunities

- Has applied for a new large casino license in Newham, East London
- In the midst of applying for a second license in Birmingham, West Midlands, partnering The National Exhibition Centre (“NEC”) Group for a proposed development of a leisure and entertainment complex at NEC, Birmingham
- Selected as the new operator of the casino at The Nile Ritz Carlton Hotel in Cairo, Egypt (expected opening in 2012)
- Expected to further grow the Middle East clientele



OVERVIEW OF AQUEDUCT RACETRACK BID



Aqueduct Racetrack

- The New York State Division of Lottery (“NYSL”) issued a Request for Proposal (“RFP”) for the development and operation of a video lottery facility (“VLF”) at Aqueduct Racetrack
- Aqueduct Racetrack (Racino) occupies 210 acres in South Ozone Park in the Borough of Queens, the City of New York
- NYSL will announce the winning bid on 3 August 2010
- The winning bidder will be awarded with a video lottery license of 30 years, with an option to extend for another 10 years
- The VLF will house 4,500 video lottery terminals (“VLTs”) in addition to retail outlets, food & beverage outlets and other planned constructions
- Genting New York, if successful in its bid, will only develop and operate the Video Lottery Facility at the Aqueduct Racetrack. The racetrack operations will continue to be operated by the NYRA
- A similar operation to Aqueduct is the Empire City Casino at Yonkers Raceway

Web links For Reference

Details on the RFP is set out in Aqueduct Racetrack’s website:

http://www.nylottery.org/ny/nyStore/cgi-bin/ProdSubEV_Cat_1574549_NavRoot_307.htm

Empire City Casino at Yonkers Raceway:

<http://www.yonkersraceway.com>



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Terminology

Racinos

Racinos are horse or greyhound race tracks which have casinos. In some cases, the casino games are limited to slot machines or VLTs only. However, many locations are beginning to include table games such as blackjack, poker, and roulette.

VLTs

VLT is a gaming machine that allows gamblers to bet on the outcome of a video game. A VLT is similar to a slot machine except that it is connected to a centralized computer system that determines the outcome of each wager using a random number generator. Although the outcome of each wager is random, VLT operators are able to program in advance the total amount and number of payouts that its central computer system will allow at its connected VLTs.

Source: Wikipedia

Strategic Location of Aqueduct Racetrack

Strategically located, with two subway stops on the New York Subway



Aqueduct Racetrack VLT Facility



Aerial Perspective

- | | |
|---|---|
| 1: Grand Entrance with covered entry way, three-storey atrium and water show | 5: 200-seat high-end Chinese restaurant |
| 2: 93,000 sq ft casino on 1 st floor; 42,500 sq ft casino on 2 nd floor | 6: Sports bar restaurant and lounge, 280-person seating capacity |
| 3: Two-storey festive casual dining promenade, up to 450 seats | 7: Enclosed skyway pedestrian bridge connecting casino to MTA-train |
| 4: 200-seat high-end signature restaurant | 8: State-of-the-art 2,200-car parking facility |
| | 9: Racetrack owned and operated by NYRA |

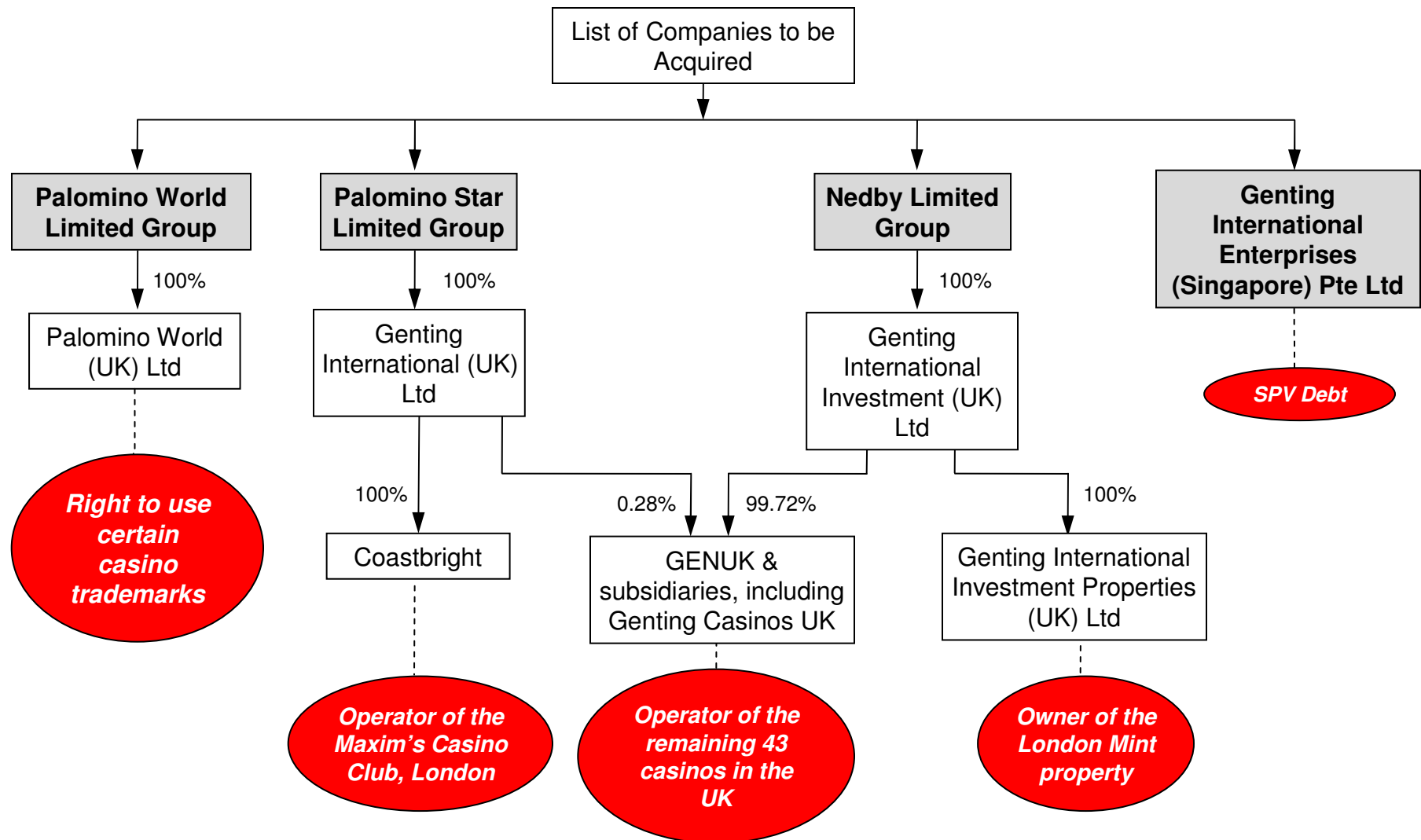
APPENDICES



APPENDIX 1: DETAILS OF GENTING UK ACQUISITION



List of Companies to be Acquired



The Purchase Consideration

- Purchase consideration amounts to **£340 million**, to be satisfied via cash from internally-generated funds
- The purchase consideration was arrived at on a willing buyer-willing seller basis after taking into consideration, amongst others, the following:
 - Valuation of the equity value of Genting UK of between £310 million and £370 million, as conducted by JPMorgan Securities (Malaysia) Sdn Bhd* (“JPMorgan”)
 - Genting UK’s unaudited pro forma net assets as at 31 March 2010 of £289 million
 - Genting UK’s unaudited pro forma net debt of £86 million
 - Evaluation of the UK Acquisition by the Independent Adviser, RHB Investment Bank Berhad including the fairness and reasonableness of the purchase consideration

Note: JPM was appointed to provide valuation to non-interested directors of GENM

The Sale and Purchase Agreement

Salient Terms

- Purchase consideration will be settled in Singapore Dollars (S\$) at the prevailing average exchange rate for three months prior to date of completion.
- Conditions precedent include:-
 - Approvals from GENM and GENS's non-interested shareholders in an EGM
 - Approvals from Bank Negara Malaysia and British's Gambling Commission;
 - Receipt of necessary consents / approvals from lenders, authorities & third parties;
 - Satisfactory due diligence
- Unaudited pro forma net debt of £86 million

The UK Acquisition is expected to be completed in the second half of 2010.

Effects of the UK Acquisition

Issued and Paid-Up Capital

- No effect

Net Assets per share and gearing

- No material effect on net assets per share of GENM
- Upon completion of the UK Acquisition, GENM Group will have gearing of 0.05 times

Earnings

- No material effect on 2010 GENM's results
- Expected to contribute positively in the long run

Substantial shareholders shareholdings

- No effect

APPENDIX 2: GENTING UK OVERVIEW



Genting UK Overview

- Largest casino operator in UK in terms of number of casinos since December 2006
- Known under the brand Genting Casinos
- Has a total of 44 casino clubs across UK
 - Operates 39 casino clubs within the provinces under 3 key brands
 - Circus Casino
 - Maxims Casino
 - Mint Casino
 - Operates 5 casino clubs in London
 - Maxims Casino Club
 - Crockfords
 - Colony Club
 - Palm Beach
 - Mint
- Offers a wide range of slots and table games



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Genting UK Overview

LONDON CASINOS

- **Maxims Casino Club**

- Most prestigious club within the Royal Borough of Kensington and Chelsea
- A short walk from Kensington Palace and its gardens
- Has a high stakes poker game



- **Crockfords Clubs**

- Oldest private gaming club in the world
- Caters to the elite
- Offers gaming and fine dining
- 24-hour gaming since 2008



- **The Colony Club**

- Most stylish and contemporary casino in London
- Adjacent to Metropolitan Hotel and opposite Hilton Park Lane
- Began 24-hour opening initiative in 2008
- Opened for all-day trading in 2009 during busy summer months



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Genting UK Overview

LONDON CASINOS

- **The Palm Beach**

- One of the most vibrant gaming rooms in London
- Situated in Berkeley Square in Mayfair
- Opened for all-day trading in 2009 during busy summer months



- **London Mint**

- Busy and vibrant club in the heart of South Kensington
- Refurbished in December 2008
- Exudes a modern feel and atmosphere



Genting UK Overview

PROVINCIAL CASINOS

- **Circus Casino**

- A mass market proposition designed for players looking for a livelier atmosphere
- Offers an energetic and busy leisure destination for fun day or night out
- Located in 11 sites: Birmingham City Centre, Birmingham Star City, Blackpool, Edinburgh, Liverpool, Luton, Manchester, Margate, Newcastle, Nottingham and Stoke



- **Maxims Casino**

- Aimed at aspirational end of market
- Offers high-class gaming experience and cuisine
- Located in 8 sites: Birmingham, Bournemouth, Coventry, Derby, Edinburgh, Reading, Southampton and Southend



- **Mint Casino**

- Targeted more towards the 'true gamers'
- Located in 18 sites: Bolton, Brighton, Bristol, Coventry, Derby, Glasgow, Great Yarmouth, Leicester, Leith, Liverpool, Luton, Manchester, Salford, Southampton, Southport, Southend, Torquay and Wirral



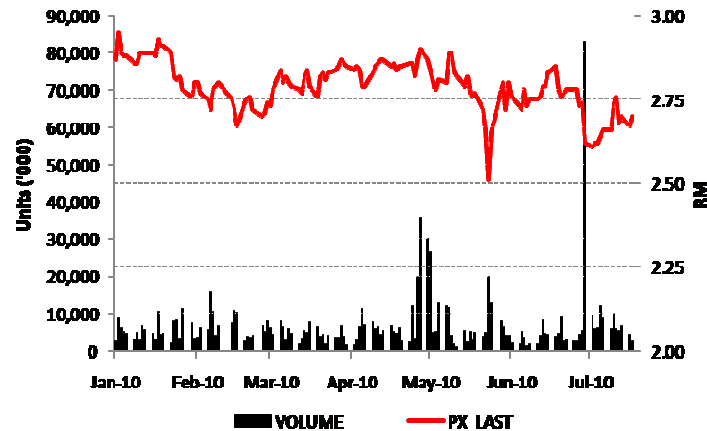
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APPENDIX 3: SNAPSHOT OF GENTING MALAYSIA BERHAD



Snapshot of GENM

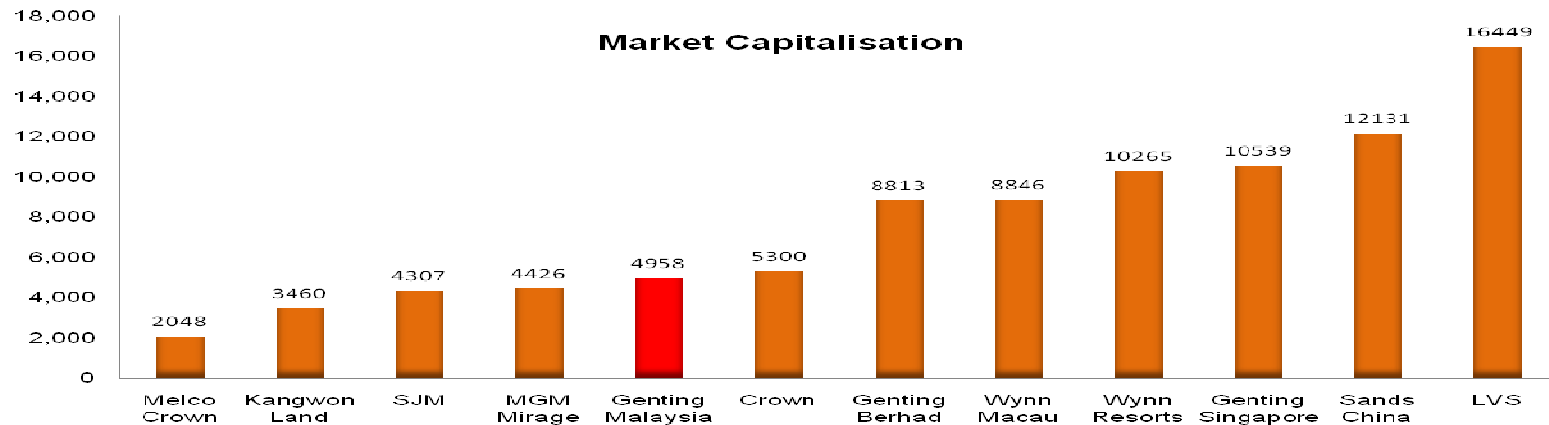
Share Price and Volume Traded



Average Volume Traded Daily

Past 1 month	8,762,257
Past 3 months	6,325,583
Past 6 months	5,766,185

Currently the 8th largest gaming company



Source: Bloomberg as at 21 July 2010



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