GENTING MALAYSIA

THIRD QUARTERLY REPORT

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

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2018

	UNAUDITED INDIVIDUAL QUARTER Third quarter ended 30 September		UNAUDITED CUMULATIVE PERIOD Nine months ended 30 September	
	2018	2017 (Restated*)	**2018**	2017 (Restated*)
	RM'000	RM'000	**RM'000**	RM'000
Revenue	**2,598,943**	2,269,700	**7,420,567**	6,785,900
Cost of sales	**(1,837,811)**	(1,775,957)	**(5,405,557)**	(5,222,721)
Gross profit	**761,132**	493,743	**2,015,010**	1,563,179
Other income	**160,120**	124,481	**432,337**	378,183
Other expenses	**(259,649)**	(317,271)	**(819,957)**	(961,836)
Profit from operations before impairment losses	**661,603**	300,953	**1,627,390**	979,526
Reversal of previously recognised impairment losses	**23,745**	-	**27,126**	-
Impairment losses	**(1,912,422)**	(19,637)	**(1,945,722)**	(56,413)
(Loss)/profit from operations	**(1,227,074)**	281,316	**(291,206)**	923,113
Finance costs	**(39,984)**	(31,093)	**(113,211)**	(80,977)
(Loss)/profit before taxation	**(1,267,058)**	250,223	**(404,417)**	842,136
Taxation	**(245,015)**	(77,567)	**(387,324)**	(200,219)
(Loss)/profit for the financial period	**(1,512,073)**	172,656	**(791,741)**	641,917
(Loss)/profit attributable to:				
Equity holders of the Company	**(1,493,670)**	193,772	**(739,727)**	711,509
Non-controlling interests	**(18,403)**	(21,116)	**(52,014)**	(69,592)
	(1,512,073)	172,656	**(791,741)**	641,917
(Loss)/earnings per share attributable to equity holders of the Company:				
Basic (loss)/earnings per share (sen)	**(26.41)**	3.42	**(13.08)**	12.57
Diluted (loss)/earnings per share (sen)	**(26.41)**	3.42	**(13.08)**	12.55

* 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 NINE MONTHS ENDED 30 SEPTEMBER 2018

	UNAUDITED INDIVIDUAL QUARTER Third quarter ended 30 September		UNAUDITED CUMULATIVE PERIOD Nine months ended 30 September	
	2018	2017	**2018**	2017
		(Restated*)		(Restated*)
	RM'000	RM'000	**RM'000**	RM'000
(Loss)/profit for the financial period	**(1,512,073)**	172,656	**(791,741)**	641,917
Other comprehensive (loss)/income				
Item that will not be reclassified subsequently to profit or loss:				
Changes in the fair value of equity investments at fair value through other comprehensive income	**(19,853)**	-	**(19,853)**	-
	(19,853)	-	**(19,853)**	-
Items that will be reclassified subsequently to profit or loss:				
Cash flow hedges				
- Fair value gain/(loss)	**1,149**	1,132	**(2,474)**	(19)
Foreign currency exchange differences	**281,533**	(37,151)	**86,775**	(383,858)
	282,682	(36,019)	**84,301**	(383,877)
Other comprehensive income/(loss), net of tax	**262,829**	(36,019)	**64,448**	(383,877)
Total comprehensive (loss)/income for the financial period	**(1,249,244)**	136,637	**(727,293)**	258,040
Total comprehensive (loss)/income attributable to:				
Equity holders of the Company	**(1,223,954)**	154,098	**(670,708)**	317,893
Non-controlling interests	**(25,290)**	(17,461)	**(56,585)**	(59,853)
	(1,249,244)	136,637	**(727,293)**	258,040

* 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 SEPTEMBER 2018

	UNAUDITED As at 30.09.2018 RM'000	As at 31.12.2017 (Restated*) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	**14,328,873**	13,835,384
Land held for property development	**184,672**	184,672
Investment properties	**2,203,628**	2,178,833
Intangible assets	**4,598,200**	4,654,464
Financial assets at fair value through other comprehensive income	**126,572**	-
Available-for-sale financial assets	**-**	144,964
Derivative financial instruments	**319**	-
Other non-current assets	**254,712**	1,871,678
Deferred tax assets	**21,079**	39,324
	21,718,055	22,909,319
Current assets		
Inventories	**118,694**	111,508
Trade and other receivables	**539,095**	684,206
Amounts due from other related companies	**4,502**	2,084
Financial assets at fair value through profit or loss	**409,974**	7,443
Available-for-sale financial assets	**-**	120,000
Derivative financial instruments	**853**	-
Restricted cash	**108,615**	71,634
Cash and cash equivalents	**8,161,969**	5,996,559
	9,343,702	6,993,434
Assets classified as held for sale	**100,824**	65,670
	9,444,526	7,059,104
TOTAL ASSETS	**31,162,581**	29,968,423
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	**1,764,424**	1,764,424
Reserves	**16,741,608**	18,491,972
Treasury shares	**(986,092)**	(911,258)
Shares held for employee share scheme	**-**	(21,678)
	17,519,940	19,323,460
Non-controlling interests	**(249,806)**	(193,221)
TOTAL EQUITY	**17,270,134**	19,130,239
Non-current liabilities		
Other long term liabilities	**297,337**	277,924
Long term borrowings	**9,181,586**	6,590,808
Deferred tax liabilities	**767,127**	716,346
	10,246,050	7,585,078
Current liabilities		
Trade and other payables	**2,545,341**	2,665,749
Amount due to holding company	**19,827**	21,615
Amounts due to other related companies	**103,132**	156,960
Short term borrowings	**404,402**	309,461
Derivative financial instruments	**2,794**	-
Taxation	**192,765**	40,139
Dividend payable	**339,397**	-
	3,607,658	3,193,924
Liabilities classified as held for sale	**38,739**	59,182
	3,646,397	3,253,106
TOTAL LIABILITIES	**13,892,447**	10,838,184
TOTAL EQUITY AND LIABILITIES	**31,162,581**	29,968,423
NET ASSETS PER SHARE (RM)	**3.10**	3.41

* 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 NINE MONTHS ENDED 30 SEPTEMBER 2018

	Attributable to equity holders of the Company									
	Share Capital	Fair Value Reserve	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	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
Loss for the financial period	-	-	-	-	-	-	(739,727)	(739,727)	(52,014)	(791,741)
Other comprehensive (loss)/income	-	(19,853)	(2,474)	91,346	-	-	-	69,019	(4,571)	64,448
Total comprehensive (loss)/income for the financial period	-	(19,853)	(2,474)	91,346	-	-	(739,727)	(670,708)	(56,585)	(727,293)
Transactions with owners:										
Buy-back of shares	-	-	-	-	(98,456)	-	-	(98,456)	-	(98,456)
Performance-based employee share scheme	-	-	-	40,253	-	-	-	40,253	-	40,253
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)
Interim single-tier dividend declared for the year ending 31 December 2018	-	-	-	-	-	-	(339,397)	(339,397)	-	(339,397)
Total transactions with owners	-	-	-	(10,300)	(74,834)	21,678	(1,069,356)	(1,132,812)	-	(1,132,812)
At 30 September 2018	1,764,424	(19,853)	(2,474)	1,602,476	(986,092)	-	15,161,459	17,519,940	(249,806)	17,270,134

* 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 NINE MONTHS ENDED 30 SEPTEMBER 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*)	-	-	-	-	-	-	711,509	711,509	(69,592)	641,917
Other comprehensive (loss)/income	-	-	(19)	(393,597)	-	-	-	(393,616)	9,739	(383,877)
Total comprehensive (loss)/income for the financial period	-	-	(19)	(393,597)	-	-	711,509	317,893	(59,853)	258,040
Transactions with owners:										
Performance-based employee share scheme	-	-	-	36,780	-	-	-	36,780	-	36,780
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)
Interim single-tier dividend declared for the year ending 31 December 2017	-	-	-	-	-	-	(226,524)	(226,524)	-	(226,524)
Total transactions with owners	-	-	-	12,689	-	24,091	(990,613)	(953,833)	-	(953,833)
At 30 September 2017 (restated*)	1,764,424	-	(758)	1,869,405	(911,258)	(21,678)	16,515,794	19,215,929	(179,506)	19,036,423

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 NINE MONTHS ENDED 30 SEPTEMBER 2018

	UNAUDITED Nine months ended 30 September	
	2018	2017 (Restated*)
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/profit before taxation	**(404,417)**	842,136
Adjustments for:		
Depreciation and amortisation	**712,100**	697,496
Property, plant and equipment written off	**21,646**	3,598
Net loss/(gain) on disposal of property, plant and equipment	**1,134**	(1,349)
Finance costs	**113,211**	80,977
Interest income	**(269,823)**	(221,928)
Investment income	**(6,088)**	(13,173)
Reversal of impairment losses	**(27,126)**	-
Impairment losses	**1,945,722**	56,413
Employee share grant scheme expenses	**40,253**	36,780
Net exchange (gain)/loss – unrealised	**(21,957)**	84,723
Other non-cash items and adjustments	**12,099**	20,980
	2,521,171	744,517
Operating profit before working capital changes	**2,116,754**	1,586,653
Net change in current assets	**(96,528)**	3,062
Net change in current liabilities	**(59,378)**	137,769
	(155,906)	140,831
Cash generated from operations	**1,960,848**	1,727,484
Net tax refund/(paid)	**16,999**	(153,275)
Retirement gratuities paid	**(2,729)**	(2,408)
Onerous lease paid	**(2,934)**	(93,382)
	11,336	(249,065)
Net Cash Flow From Operating Activities	**1,972,184**	1,478,419
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	**(1,245,722)**	(2,169,102)
Proceeds from disposal of property, plant and equipment	**73,924**	2,456
Purchase of investments	**(423,919)**	(62,578)
Proceeds from disposal of investments	**120,000**	250,000
Interest received	**106,310**	75,029
Other investing activities	**8,723**	(39,453)
Net Cash Flow From Investing Activities	**(1,360,684)**	(1,943,648)
CASH FLOWS FROM FINANCING ACTIVITIES		
Buy-back of shares	**(98,456)**	-
Repayment of borrowings and transaction costs	**(343,155)**	(1,677,420)
Proceeds from bank borrowings and issuance of Medium Term Notes	**3,001,287**	4,464,690
Restricted cash	**(475)**	1,207
Dividend paid	**(735,212)**	(764,089)
Finance costs paid	**(282,673)**	(223,511)
Net Cash Flow From Financing Activities	**1,541,316**	1,800,877
NET MOVEMENT IN CASH AND CASH EQUIVALENTS	**2,152,816**	1,335,648
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	**5,996,559**	4,855,700
EFFECT OF CURRENCY TRANSLATION	**12,594**	(111,096)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	**8,161,969**	6,080,252
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Bank balances and deposits	**4,026,509**	2,375,503
Money market instruments	**4,135,460**	3,704,749
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	**8,161,969**	6,080,252

* 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.)

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 nine months ended 30 September 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
Annual Improvements to MFRSs 2014 - 2016 Cycle	

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:

<u>MFRS 9 "Financial Instruments"</u>

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)

<u>MFRS 9 "Financial Instruments"</u> (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

<u>MFRS 15 "Revenue from Contracts with Customers"</u>

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 nine months ended 30 September 2017 is as follows:

	Nine months ended 30 September 2017 RM'000	Effects of adoption of MFRS 15 RM'000	(Restated) Nine months ended 30 September 2017 RM'000
Revenue	6,784,701	1,199	6,785,900
Profit before taxation	840,937	1,199	842,136
Profit for the financial period	640,718	1,199	641,917
Profit attributable to:			
Equity holders of the Company	710,310	1,199	711,509
Non-controlling interests	(69,592)	-	(69,592)
Earnings per share (sen):			
- Basic	12.55	0.02	12.57
- Diluted	12.53	0.02	12.55

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*

The unusual items included in the interim financial report for the nine months ended 30 September 2018 related mainly to the impairment loss of RM1,834.3 million on the Group's investment in the promissory notes ("Notes") issued by the Mashpee Wampanoag Tribe ("Tribe") to finance the Tribe's development of an integrated gaming resort in Taunton, Massachusetts, United States of America ("US"). This impairment loss was due to the uncertainty of recovery of the Notes following the US Federal Government's decision in September 2018 concluding that the Tribe did not satisfy the conditions under the Indian Reorganisation Act that allow the Tribe to have the land in trust for an integrated gaming resort development. However, the Group continues to work closely with the Tribe on options which includes a legislation being introduced in the US Congress which, if passed, will entail the US Federal Government to reaffirm the land in trust for the benefit of the Tribe.

This impairment loss can be reversed when the Notes are assessed to be recoverable.

Other than the above, there were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group for the nine months ended 30 September 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

Purchase of shares pursuant to Section 127 of the Companies Act 2016

During the nine months ended 30 September 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. The repurchased shares are held as treasury shares in accordance with the requirements of Section 127(4) of the Companies Act 2016.

During the nine months ended 30 September 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 Section 127(7)(c) of the Companies Act 2016.

Issuance of Medium Term Notes ("MTN")

On 11 July 2018, GENM Capital Berhad, a wholly-owned subsidiary of Genting Malaysia Berhad ("the Company"), issued RM2.6 billion in nominal value of MTNs comprising RM1.4 billion 5-year MTN at coupon rate of 4.98% per annum, RM0.75 billion 10-year MTN at coupon rate of 5.30% per annum and RM0.45 billion 15-year MTN at coupon rate of 5.58% per annum under its MTN Programme, which is guaranteed by the Company. The coupon is payable semi-annually.

Other than the above, there were no material issuance, cancellation, repurchase, resale or repayments of debts or equity securities for the nine months ended 30 September 2018.

f) Dividend Paid

Dividend paid during the nine months ended 30 September 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	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
	735.2

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.

g) Segment Information (Cont'd)

Segment analysis for the nine months ended 30 September 2018 is set out below:

	Leisure & Hospitality				Property	Investments & Others	Total
	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	4,910.3	1,354.1	1,041.9	7,306.3	78.6	173.4	7,558.3
Inter segment	(14.3)	-	-	(14.3)	(8.6)	(114.8)	(137.7)
External	4,896.0	1,354.1	1,041.9	7,292.0	70.0	58.6	7,420.6
Adjusted EBITDA	1,715.1	120.3	213.8	2,049.2	28.3	46.8	2,124.3
Main foreign currency	RM	GBP	USD		RM/USD		
Exchange ratio of 1 unit of foreign currency to RM		5.3965	3.9905		3.9905		

During the nine months ended 30 September 2018, revenue from the leisure & hospitality segment of RM7,292.0 million comprised gaming revenue and non-gaming revenue of RM6,305.3 million and RM986.7 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.

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

	RM'Mil
Adjusted EBITDA for reportable segments	2,124.3
Pre-opening expenses	(46.9)
Property, plant and equipment written off	(21.6)
Net loss on disposal of property, plant and equipment	(1.1)
Impairment losses	(1,945.7)
Reversal of previously recognised impairment losses	27.1
Others	15.0
EBITDA	151.1
Depreciation and amortisation	(712.1)
Interest income	269.8
Finance costs	(113.2)
Loss before taxation	(404.4)

g) Segment Information (Cont'd)

	Leisure & Hospitality				Property	Investments & Others	Total
	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	11,514.8	4,505.8	5,314.9	21,335.5	2,538.9	1,288.3	25,162.7
Segment Liabilities	2,029.6	444.8	365.1	2,839.5	49.7	79.2	2,968.4
Main foreign currency	RM	GBP	USD		RM/USD		
Exchange ratio of 1 unit of foreign currency to RM		5.4359	4.1360		4.1360		

	RM'Mil
A reconciliation of segment assets to total assets is as follows:	
Segment assets	25,162.7
Interest bearing instruments	5,845.7
Unallocated corporate assets	53.4
Assets classified as held for sale	100.8
Total assets	31,162.6
A reconciliation of segment liabilities to total liabilities is as follows:	
Segment liabilities	2,968.4
Interest bearing instruments	9,586.0
Unallocated corporate liabilities	1,299.3
Liabilities classified as held for sale	38.7
Total liabilities	13,892.4

h) Property, Plant and Equipment

During the nine months ended 30 September 2018, acquisitions (including capitalised interest) of property, plant and equipment by the Group were RM1,288.3 million.

i) Material Events Subsequent to the end of Financial Period

i. On 7 November 2018, the Company announced that it has been advised by the Ministry of Finance that the casino licence fee will be revised from RM120.0 million to RM150.0 million per annum and the casino duties will be revised up to 35%. The increase in casino duties represents a 10 percentage point increase over existing duty rates. The amendments will take effect from 1 January 2019.

i) Material Events Subsequent to the end of Financial Period (Cont'd)

ii. On 27 November 2018, the Company announced that it had on, 26 November 2018 (United States Pacific Standard Time), filed legal proceedings in the state of California, United States, against Fox Entertainment Group, LLC, Twentieth Century Fox Film Corporation, FoxNext, LLC (collectively referred to as "FOX"), Twenty First Century Fox, Inc. ("21CF") and The Walt Disney Company ("Disney" and together with FOX and 21CF "Defendants") in response to a notice issued by FOX in which it terminated the Memorandum of Agreement ("MOA") and claimed approximately USD46.2 million (or the equivalent of approximately RM193.6 million) in accelerated payments.

The Company denies that FOX had grounds to terminate the MOA, denies any liability resulting therefrom, and has pursued cause of action against FOX for breach of contract, and breach of the implied covenant of good faith and fair dealing, among others. The Company has also pursued cause of action against Disney and 21CF for inducing breach of contract and for interference with contract. The Company intends to fully enforce its rights under the MOA, claim for the cost of its investments and consequential and punitive damages that in total will exceed USD1 billion (or the equivalent of approximately RM4.2 billion) and such other reliefs to be determined by the court.

The litigation is not expected to impact the Company's current business operations. As with any litigation, the validity of the causes of action and the availability and extent of the Company's damages and other requested relief cannot be ascertained at this juncture and will depend on the outcome of the legal proceedings against the Defendants. As such, the Company will make the necessary announcements once there is a material development in relation to the above matter.

Other than the above, there was no material event subsequent to the end of the current financial period ended 30 September 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 nine months ended 30 September 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 September 2018 are as follows:

	RM'Mil
Contracted	1,794.2
Not contracted	4,376.4
	6,170.6
Analysed as follows:	
- Property, plant and equipment	6,138.3
- Investments	32.3
	6,170.6

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 nine months ended 30 September 2018 are as follows:

		Current quarter RM'000	Current financial year-to-date RM'000
i)	Provision of technical know-how and management expertise in the resort's operations by Genting Berhad ("GENT") Group to the Group.	133,023	372,597
ii)	Licensing fee for the use of "Genting", "Resorts World" and "Awana" logo charged by GENT to the Group.	57,593	166,437
iii)	Licensing fee for the use of "Resorts World" and "Genting" intellectual property outside Malaysia charged by GENT Group to the Group.	259	732
iv)	Provision of management and support services by GENT Group to the Group.	2,110	6,404
v)	Rental charges and related services by the Group to GENT Group.	1,661	4,993
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.	17,738	52,383
vii)	Provision of information technology consultancy, development, implementation, support and maintenance services and other management services by the Group to GENT Group.	1,927	6,484
viii)	Provision of management and support services by the Group to GENT Group.	1,049	2,709
ix)	Provision of management and consultancy services on theme park and resort development operations by International Resort Management Services Pte Ltd to the Company.	1,259	4,157
x)	Rental charges for premises by the Group to Warisan Timah Holdings Sdn Bhd.	550	1,696
xi)	Provision of water supply services by an entity connected with shareholder of BB Entertainment Ltd ("BBEL") to the Group.	1,073	2,028
xii)	Rental charges for office space by the Group to Genting Hong Kong Limited ("GENHK") Group.	1,703	5,077
xiii)	Provision of maintenance and construction services by an entity connected with shareholder of BBEL to the Group.	8,222	37,032
xiv)	Licensing fee for the use of gaming software and system charged by RWI Group to the Group.	1,294	3,486
xv)	Provision of information technology consultancy, development, implementation, support and maintenance services and other management services by the Group to GENHK Group.	90	336
xvi)	Rental charges for office space by the Group to RWI Group.	145	436
xvii)	Provision of aviation related services by the Group to GENHK Group.	3,746	5,225
xviii)	Provision of utilities, maintenance, security and construction management services by the Group to Genting Highlands Premium Outlets Sdn Bhd.	618	1,621
xix)	Purchase of holiday packages from GENHK Group.	91	977
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 September 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	7.2	402.8	-	410.0
Financial assets at fair value through other comprehensive income	-	-	126.6	126.6
Derivative financial instruments		1.2	-	1.2
	7.2	404.0	126.6	537.8
Financial liability				
Derivative financial instruments	-	2.8	-	2.8

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.

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				**NINE MONTHS ENDED 30 SEPTEMBER**			
		(Restated)				**(Restated)**		
	3Q2018	**3Q2017**	**Var**		**2018**	**2017**	**Var**	
	RM'Mil	**RM'Mil**	**RM'Mil**	**%**	**RM'Mil**	**RM'Mil**	**RM'Mil**	**%**
Revenue								
Leisure & Hospitality								
- Malaysia	**1,704.6**	1,353.3	351.3	26%	**4,896.0**	4,143.0	753.0	18%
- United Kingdom and Egypt	**505.7**	516.3	-10.6	-2%	**1,354.1**	1,394.8	-40.7	-3%
- United States of America and Bahamas	**350.7**	363.2	-12.5	-3%	**1,041.9**	1,129.1	-87.2	-8%
	2,561.0	2,232.8	328.2	15%	**7,292.0**	6,666.9	625.1	9%
Property	**23.0**	23.8	-0.8	-3%	**70.0**	74.1	-4.1	-6%
Investments & others	**14.9**	13.1	1.8	14%	**58.6**	44.9	13.7	31%
	2,598.9	2,269.7	329.2	15%	**7,420.6**	6,785.9	634.7	9%
Adjusted EBITDA								
Leisure & Hospitality								
- Malaysia	**641.2**	336.4	304.8	91%	**1,715.1**	1,208.5	506.6	42%
- United Kingdom and Egypt	**60.2**	53.8	6.4	12%	**120.3**	167.2	-46.9	-28%
- United States of America and Bahamas	**71.4**	59.6	11.8	20%	**213.8**	193.8	20.0	10%
	772.8	449.8	323.0	72%	**2,049.2**	1,569.5	479.7	31%
Property	**0.3**	13.0	-12.7	-98%	**28.3**	42.5	-14.2	-33%
Investments & others	**41.7**	(24.5)	66.2	>100%	**46.8**	(73.0)	119.8	>100%
Adjusted EBITDA	**814.8**	438.3	376.5	86%	**2,124.3**	1,539.0	585.3	38%
Pre-opening expenses	**(14.6)**	(19.5)	4.9	25%	**(46.9)**	(59.1)	12.2	21%
Property, plant and equipment written off	**(2.4)**	(0.8)	-1.6	->100%	**(21.6)**	(3.6)	-18.0	->100%
Net (loss)/gain on disposal of property, plant and equipment	**(1.2)**	0.7	-1.9	->100%	**(1.1)**	1.3	-2.4	->100%
Impairment losses	**(1,912.4)**	(19.6)	-1,892.8	->100%	**(1,945.7)**	(56.4)	-1,889.3	->100%
Reversal of previously recognised impairment losses	**23.7**	-	23.7	NC	**27.1**	-	27.1	NC
Others	**0.2**	0.4	-0.2	-50%	**15.0**	(22.5)	37.5	>100%
(LBITDA)/EBITDA	**(1,091.9)**	399.5	-1,491.4	->100%	**151.1**	1,398.7	-1,247.6	-89%
Depreciation and amortisation	**(233.4)**	(195.9)	-37.5	-19%	**(712.1)**	(697.5)	-14.6	-2%
Interest income	**98.2**	77.7	20.5	26%	**269.8**	221.9	47.9	22%
Finance costs	**(40.0)**	(31.1)	-8.9	-29%	**(113.2)**	(81.0)	-32.2	-40%
(Loss)/profit before taxation	**(1,267.1)**	250.2	-1,517.3	->100%	**(404.4)**	842.1	-1,246.5	->100%

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 3Q2018 RM'Mil	PRECEDING QUARTER 2Q2018 RM'Mil	Var RM'Mil	%
Revenue				
Leisure & Hospitality				
- Malaysia	**1,704.6**	1,591.9	112.7	7%
- United Kingdom and Egypt	**505.7**	436.0	69.7	16%
- United States of America and Bahamas	**350.7**	344.7	6.0	2%
	2,561.0	2,372.6	188.4	8%
Property	**23.0**	23.3	-0.3	-1%
Investments & others	**14.9**	26.2	-11.3	-43%
	2,598.9	2,422.1	176.8	7%
Adjusted EBITDA				
Leisure & Hospitality				
- Malaysia	**641.2**	540.2	101.0	19%
- United Kingdom and Egypt	**60.2**	29.5	30.7	>100%
- United States of America and Bahamas	**71.4**	77.6	-6.2	-8%
	772.8	647.3	125.5	19%
Property	**0.3**	13.4	-13.1	-98%
Investments & others	**41.7**	41.1	0.6	1%
Adjusted EBITDA	**814.8**	701.8	113.0	16%
Pre-opening expenses	**(14.6)**	(15.7)	1.1	7%
Property, plant and equipment written off	**(2.4)**	(3.5)	1.1	31%
Net loss on disposal of property, plant and equipment	**(1.2)**	(0.1)	-1.1	->100%
Impairment losses	**(1,912.4)**	(33.3)	-1,879.1	->100%
Reversal of previously recognised impairment losses	**23.7**	-	23.7	NC
Others	**0.2**	-	0.2	NC
(LBITDA)/EBITDA	**(1,091.9)**	649.2	-1,741.1	->100%
Depreciation and amortisation	**(233.4)**	(238.0)	4.6	2%
Interest income	**98.2**	92.2	6.0	7%
Finance costs	**(40.0)**	(38.3)	-1.7	-4%
(Loss)/profit before taxation	**(1,267.1)**	465.1	-1,732.2	->100%

NC: Not comparable

1) Review of Performance (Cont'd)

a) Quarter ended 30 September 2018 ("3Q 2018") compared with quarter ended 30 September 2017 ("3Q 2017")

The Group's revenue in 3Q 2018 was RM2,598.9 million, an increase of 15% compared with RM2,269.7 million in 3Q 2017.

The higher revenue for this quarter was mainly attributable to:

1. leisure and hospitality business in Malaysia recorded higher revenue by RM351.3 million or 26% mainly attributable to an improved hold percentage in the mid to premium players segments coupled with higher business volume from the mass market. The opening of new attractions under our Genting Integrated Tourism Plan ("GITP") has also contributed to the increase in revenue. This was offset by

2. a decrease in revenue from the leisure and hospitality businesses in United States of America ("US") and Bahamas by RM12.5 million or 3%, mainly contributed by the weaker USD exchange rate to RM. Excluding the impact of foreign exchange translation, revenue from US and Bahamas increased marginally compared to 3Q 2017; and

3. a decrease in revenue from the leisure and hospitality businesses in United Kingdom ("UK") and Egypt by RM10.6 million or 2%, mainly contributed by the weaker GBP exchange rate to RM. Excluding the impact of foreign exchange translation, revenue from UK and Egypt increased by 2%.

The Group's adjusted EBITDA in 3Q 2018 was at RM814.8 million compared with RM438.3 million in 3Q 2017, an increase of 86%. The higher adjusted EBITDA was mainly attributable to:

1. an increase in adjusted EBITDA from the leisure and hospitality business in Malaysia by RM304.8 million or 91%, mainly contributed by higher revenue and lower costs relating to premium players business;

2. an increase in adjusted EBITDA from the leisure and hospitality businesses in US and Bahamas by RM11.8 million or 20%, mainly contributed by lower operating loss from Bimini operations as a result of improved operational efficiencies; and

3. an adjusted EBITDA of RM41.7 million was recorded in 3Q 2018 from the "investments and others" segment as compared to an adjusted loss before interest, tax, depreciation and amortisation ("LBITDA") of RM24.5 million in 3Q 2017, mainly contributed by unrealised foreign exchange translation gain on the Group's USD denominated assets due to the strengthening of USD against RM during current quarter.

The Group's loss before taxation was RM1,267.1 million in 3Q 2018 compared to profit before taxation of RM250.2 million in 3Q 2017 mainly due to:

1. higher impairment losses on certain assets relating to Malaysia operations by RM58.5 million and impairment loss of RM1,834.3 million on the Group's investment in the Notes issued by the Tribe as mentioned in Part 1(c) above; and

2. higher depreciation and amortisation by RM37.5 million, mainly due to the impact of the revised estimated useful lives of certain assets that has resulted in the lower depreciation expense recorded in 3Q 2017; mitigated by

3. higher adjusted EBITDA as mentioned above; and

4. reversal of previously recognised impairment losses of RM23.7 million was recorded in 3Q 2018 in respect of the casino concession agreement in Cairo, Egypt.

b) Financial period for the nine months ended 30 September 2018 (“YTD Sept 2018”) compared with nine months ended 30 September 2017 (“YTD Sept 2017”)

The Group’s revenue in YTD Sept 2018 grew by 9% to RM7,420.6 million. The increase was mainly attributable to:

1. higher revenue from the leisure and hospitality business in Malaysia by RM753.0 million or 18%, 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 RM87.2 million or 8%, mainly due to the weaker USD exchange rate to RM. Excluding this impact, revenue increased by 1%; and

3. lower revenue from the leisure and hospitality businesses in the UK and Egypt by RM40.7 million or 3%, mainly due to the weaker GBP exchange rate to RM. Excluding this impact, revenue remained unchanged compared to YTD Sept 2017.

The Group’s adjusted EBITDA in YTD Sept 2018 increased by 38% to RM2,124.3 million. The higher adjusted EBITDA was mainly attributable to:

1. an increase in adjusted EBITDA from the leisure and hospitality business in Malaysia by RM506.6 million mainly due to higher revenue offset by higher operating costs incurred for the new facilities under GITP;

2. an adjusted EBITDA of RM46.8 million was recorded in YTD Sept 2018 from the “investments and others” segment compared to an adjusted LBITDA of RM73.0 million in YTD Sept 2017, mainly due to unrealised foreign exchange translation gain on the Group’s USD denominated assets; and

3. an increase in adjusted EBITDA from the leisure and hospitality businesses in US and Bahamas by RM20.0 million, mainly due to lower operating loss from Bimini operations as a result of improved operational efficiencies, offset by lower revenue from Resorts World Casino New York City (“RWNYC”) operations; offset by

4. a decrease in adjusted EBITDA from the leisure and hospitality businesses in UK and Egypt by RM46.9 million, mainly due to lower revenue and higher debts written off.

The Group’s loss before taxation was RM404.4 million in YTD Sept 2018 compared to profit before taxation of RM842.1 million in YTD Sept 2017 mainly due to:

1. higher impairment losses by RM55.0 million relating to certain assets of Malaysia operations and impairment loss of RM1,834.3 million on the Group’s investment in the Notes issued by the Tribe as mentioned in Part 1(c) above; mitigated by

2. higher adjusted EBITDA as mentioned above;

3. reversal of previously recognised impairment losses of RM27.1 million was recorded in YTD Sept 2018 mainly in respect of the casino concession agreement in Cairo, Egypt; and

4. project bid costs written off totaling RM25.4 million in YTD Sept 2017.

2) *Material Changes in Loss before Taxation for the Current Quarter ("3Q 2018") compared with Profit before Taxation for the Immediate Preceding Quarter ("2Q 2018")*

Loss before taxation for 3Q 2018 was RM1,267.1 million compared to profit before taxation for 2Q 2018 of RM465.1 million mainly due to:

1. higher impairment losses of certain assets relating to Malaysia operations by RM44.8 million and impairment loss of RM1,834.3 million on the Group's investment in the Notes issued by the Tribe as mentioned in Part 1(c) above; mitigated by

2. higher adjusted EBITDA from leisure and hospitality business in Malaysia by RM101.0 million mainly due to overall higher business volume and higher hold percentage for the mid to premium segment of the business;

3. higher adjusted EBITDA from the leisure and hospitality business in the UK and Egypt by RM30.7 million contributed by higher volume of business and higher hold percentage from its premium gaming segment; and

4. reversal of previously recognised impairment loss of RM23.7 million was recorded in 3Q 2018 in respect of the casino concession agreement in Cairo, Egypt.

3) *Prospects*

The expansion of the global economy is expected to continue at an uneven pace across advanced economies and emerging markets. Challenges to global growth are increasingly prevalent amid uncertainties surrounding geopolitical developments in certain major economies. In Malaysia, economic growth is expected to continue at a slower pace in view of the moderating global growth momentum.

In light of the uncertainties surrounding the macroeconomic environment, the regional gaming market may face increasing challenges especially in the premium players business.

The Group is cautious on the opportunities and growth potential of the leisure and hospitality industry amidst the uncertain consumer spending environment.

In Malaysia, the announcement of a revision in casino duties and casino license fee in the Malaysian Budget 2019 will impact the Group's earnings next year. The Group is reviewing its marketing strategies and will streamline its operations and cost structure to mitigate the impact of the tax increases. In the meantime, the Group remains focused on the progressive roll out of the new Skytropolis Funland indoor theme park this year. Meanwhile, the Group has commenced legal proceedings in relation to the development of the Twentieth Century Fox World theme park. The litigation is not expected to impact the Group's current business operations.

In the UK, the Group endeavours to continue delivering sustainable performance by strengthening its position in the non-premium gaming business. To this end, the Group is committed to improving overall business efficiency and growing its market share in this segment. Additionally, the Group is focused on enhancing the operating performance at Resorts World Birmingham as well as growing business volumes at the property. The Group will also continue growing its interactive business by improving its product mix and targeted marketing to reinforce its position in this business segment.

In the US, RWNYC remains the market leader in terms of gaming revenue in the Northeast US region despite growing regional competition. The Group will continue intensifying its direct marketing efforts to increase visitation and frequency of play at the property. Meanwhile, the USD400 million expansion at RWNYC is well underway and is expected to open in phases from the end of 2019. In Miami, the Group will continue leveraging on the newly renovated Hilton Miami Downtown Hotel to generate higher spend at the property. In the Bahamas, the Group will focus on improving the infrastructure to grow visitation and revenues at Resorts World Bimini.

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 and nine months ended 30 September 2018 are as follows:

	Current quarter ended 30 September 2018 RM'000	**Nine months ended 30 September 2018 RM'000**
Current taxation		
Malaysian income tax charge	202,225	271,094
Foreign income tax charge	17,500	43,832
	219,725	314,926
Deferred tax charge	22,598	69,417
	242,323	384,343
Prior period taxation		
Income tax over provided	2,692	2,981
	245,015	387,324

The effective tax rate of the Group for the current quarter ended 30 September 2018 is higher than the statutory tax rate mainly due to additional tax expense of RM166.2 million for the nine months ended 30 September 2018 recorded in the current quarter as a result of a change in the basis of tax incentive utilisation coupled with non-deductible expenses.

The effective tax rate of the Group for the nine months ended 30 September 2018 is higher than the statutory tax rate mainly due to non-deductible expenses mitigated by income not subject to tax and tax incentives.

6) Status of Corporate Proposals Announced

There was no corporate proposals announced but not completed as at 23 November 2018.

7) Group Borrowings

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

	As at 30.09.2018				**As at 31.12.2017**
	Secured/ Unsecured	**Foreign Currency 'Mil**		**RM Equivalent 'Mil**	**RM Equivalent 'Mil**
Short term borrowings	Secured	USD	7.6	31.6	-
	Secured	GBP	14.7	80.0	80.3
	Unsecured	USD	35.3	146.0	-
	Unsecured	GBP	27.0	146.8	229.2
				404.4	309.5
Long term borrowings	Secured	USD	273.4	1,130.9	1,136.9
	Secured	GBP	84.3	458.2	458.8
	Unsecured	RM	N/A	7,592.5	4,995.1
				9,181.6	6,590.8
Total borrowings	Secured	USD		1,162.5	1,136.9
	Secured	GBP		538.2	539.1
	Unsecured	USD		146.0	-
	Unsecured	GBP		146.8	229.2
	Unsecured	RM		7,592.5	4,995.1
				9,586.0	6,900.3

8) Outstanding derivatives

As at 30 September 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 Assets/(Liabilities) RM'000
Interest Rate Swaps		
GBP		
- Less than 1 year	81,539	(2,794)
- More than 1 year	462,055	319
		(2,475)
Foreign Currency Exchange Forward		
USD		
- Less than 1 year	19,845	853
Foreign Currency Exchange Option		
USD		
- Less than 1 year	19,845	-
		853

Other than the above, there is no significant change for the financial derivatives in respect of the following since the last financial year ended 31 December 2017:

(a) the credit risk, market risk and liquidity risk associated with these financial derivatives;

(b) the cash requirements of the financial derivatives; and

(c) the policy in place for mitigating or controlling the risks associated with these financial derivatives.

9) Fair Value Changes of Financial Liabilities

As at 30 September 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 23 November 2018.

11) Dividend Proposed or Declared

(a) No dividend has been proposed or declared for the current quarter ended 30 September 2018.

(b) An interim single-tier dividend of 6.00 sen per ordinary share in respect of the financial year ending 31 December 2018 was paid on 10 October 2018.

12) Loss before Taxation

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

	Current quarter ended 30 September 2018 RM'000	Nine months ended 30 September 2018 RM'000
Charges:		
Depreciation and amortisation	233,404	712,100
Impairment losses	1,912,422	1,945,722
Net loss on disposal of property, plant and equipment	1,185	1,134
Property, plant and equipment written off	2,495	21,646
Finance costs:		
- Interest on borrowings	109,361	259,107
- Other finance costs	4,533	13,204
- Less: capitalised costs	(47,185)	(117,334)
- Less: interest income earned	(26,725)	(41,766)
Finance costs charged to income statements	39,984	113,211
Credits:		
Reversal of previously recognised impairment losses	23,745	27,126
Net foreign currency exchange gain	39,465	24,194
Interest income	98,252	269,823
Investment income	3,053	6,088

13) Loss per share

(a) The loss used as the numerator in calculating basic and diluted loss per share for the current quarter and nine months ended 30 September 2018 are as follows:

	Current quarter ended 30 September 2018 RM'000	Current financial year-to-date ended 30 September 2018 RM'000
Loss for the financial period attributable to equity holders of the Company (used as numerator for the computation of basic and diluted loss per share)	(1,493,670)	(739,727)

13) Loss per share (Cont'd)

(b) The weighted average number of ordinary shares used as the denominator in calculating basic and diluted loss per share for the current quarter and nine months ended 30 September 2018 are as follows:

	Current quarter ended 30 September 2018 Number of Shares ('000)	**Current financial year-to-date ended 30 September 2018 Number of Shares ('000)**
Weighted average number of ordinary shares in issue (*) (used as denominator for the computation of basic loss per share)	5,656,617	5,656,844
Adjustment for dilutive effect of Employee Share Scheme (**)	-	-
Adjusted weighted average number of ordinary shares in issue (used as denominator for the computation of diluted loss per share)	5,656,617	5,656,844

(*) The weighted average number of ordinary shares in issue during the current quarter and nine months ended 30 September 2018 excludes the weighted average treasury shares held by the Company.

(**)The calculation of diluted loss per share for the current quarter and nine months ended 30 September 2018 did not take into account the Employee Share Scheme of the Company as it had an anti-dilutive effect on the basic loss per share. Therefore, the diluted loss per share is the same as basic loss per share.

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 30 November 2018.

GENTING MALAYSIA

GENTING MALAYSIA BERHAD
(58019-U)

PRESS RELEASE **For Immediate Release**

GENTING MALAYSIA BERHAD ANNOUNCES RESULTS FOR THE THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2018

KUALA LUMPUR, 30 November 2018 – Genting Malaysia Berhad (Group) today announced its financial results for the third quarter (3Q18) and nine months ended 30 September 2018 (9M18).

In 3Q18, the Group recorded a 15% growth in total revenue to RM2,598.9 million. The adjusted earnings before interest, taxation, depreciation and amortisation (EBITDA) increased significantly by 86% to RM814.8 million. However, the Group registered loss before tax (LBT) and net loss of RM1,267.1 million and RM1,512.1 million respectively.

In 9M18, the Group's total revenue grew by 9% to RM7,420.6 million while adjusted EBITDA improved by 38% to RM2,124.3 million. However, the Group recorded LBT and net loss of RM404.4 million and RM791.7 million respectively.

The Group's LBT and net loss in 3Q18 and 9M18 was mainly attributable to impairment loss on the Group's investment in the promissory notes issued by the Mashpee Wampanoag Tribe (Tribe).

3Q18 Results

The Malaysian leisure and hospitality business recorded higher revenue by 26% to RM1,704.6 million while adjusted EBITDA improved by 91% to RM641.2 million. The increase was mainly driven by higher volume of business in the mass market segment following the opening of new facilities and attractions under the Genting Integrated Tourism Plan (GITP) which have been well received. RWG also reported a higher hold percentage in the mid to premium segment of the business. Additionally, the improvement in adjusted EBITDA was contributed by lower costs incurred in relation to the premium players business.

The introduction of new dining, retail and entertainment offerings at the mid-hill and hilltop continue to record growth in visitations at RWG, welcoming over 6.4 million visitors this quarter. The Group added the High Line Roof Top Market to its vast F&B portfolio, providing guests an outdoor dining experience amid the crisp highland air. Meanwhile, RWG's hotels continue to outperform the industry with an average occupancy rate of 98%.

The Group's operations in the United Kingdom (UK) and Egypt recorded a slight decline in revenue by 2% to RM505.7 million, primarily due to the unfavourable foreign exchange translation of GBP against RM. Excluding the impact of the foreign exchange translation, revenue from the UK and Egypt operations increased by 2%, mainly attributable to higher contributions from Crockfords Cairo and its UK interactive business. Adjusted EBITDA improved by 12% to RM60.2 million during the period.

In the United States of America (US) and Bahamas, the Group registered lower revenue by 3% to RM350.7 million mainly attributable to foreign exchange translation losses from the weakening of USD against RM. Excluding the impact of the foreign exchange translation, the Group recorded marginally higher revenues compared to the same period last year. The increase in adjusted EBITDA by 20% to RM71.4 million was largely contributed by improved operational efficiencies at Resorts World Bimini which resulted in lower operating losses at the resort.

The Group's overall adjusted EBITDA was aided by higher foreign exchange translation gains on its USD denominated assets in 3Q18 of RM37.4 million as compared to a foreign exchange translation loss of RM25.9 million recorded in the same period last year.

9M18 Results

In 9M18, the leisure and hospitality business in Malaysia registered growth in revenue and adjusted EBITDA by 18% and 42% to RM4,896.0 million and RM1,715.1 million respectively. The improved performance was primarily attributable to higher hold percentage in the mid to premium segment, coupled with an increase in business volumes from the mass market segment following the introduction of new attractions under the GITP. However, the increase in adjusted EBITDA was offset by higher operating costs incurred for the new facilities during the period.

In the UK and Egypt, the Group reported a decline in revenue and adjusted EBITDA by 3% and 28% to RM1,354.1 million and RM120.3 million respectively. This was mainly due to the unfavourable foreign exchange translation of GBP against RM. Excluding the impact of the foreign exchange translation, revenue from the Group's operations in the UK and Egypt remains unchanged from the same period last year amid subdued consumer sentiment. Adjusted EBITDA was also impacted by higher debts written off during the period.

In the US and Bahamas, the Group recorded an 8% decline in revenue to RM1,041.9 million largely attributable to foreign exchange translation losses from the weakening of USD against RM. Excluding this impact, revenue from the Group's operations in the US and Bahamas increased by 1%. Adjusted EBITDA was 10% higher at RM213.8 million, mainly driven by lower operating costs at Resorts World Bimini as a result of continued improvements in operational efficiencies at the resort.

The Group has recorded an impairment loss of RM1,834.3 million in relation to the Group's total investment (including accrued interest) in the promissory notes issued by the Tribe. The impairment loss was due to the uncertainty of recovery of the Group's investment following the US Federal Government's decision concluding that the Tribe did not satisfy the conditions under the Indian Reorganisation Act that allow the Tribe to have the land in trust for an integrated gaming resort development. However, the Group continues to work closely with the Tribe on options which include a legislation being introduced in the US Congress which, if passed, will entail the US Federal Government to reaffirm the land in trust for the benefit of the Tribe. The impairment loss can be reversed when the promissory notes are assessed to be recoverable.

The Group's overall adjusted EBITDA was aided by higher foreign exchange translation gains on its USD denominated assets of RM25.3 million recorded in 9M18, compared to the foreign exchange translation losses of RM79.1 million reported in the same period last year.

Outlook

The expansion of the global economy is expected to continue at an uneven pace across advanced economies and emerging markets. Challenges to global growth are increasingly prevalent amid uncertainties surrounding geopolitical developments in certain major economies. In Malaysia, economic growth is expected to continue at a slower pace in view of the moderating global growth momentum.

In light of the uncertainties surrounding the macroeconomic environment, the regional gaming market may face increasing challenges especially in the premium players business.

The Group is cautious on the opportunities and growth potential of the leisure and hospitality industry amidst the uncertain consumer spending environment.

In Malaysia, the announcement of a revision in casino duties and casino license fee in the Malaysian Budget 2019 will impact the Group's earnings next year. The Group is reviewing its marketing strategies and will streamline its operations and cost structure to mitigate the impact of the tax increases. In the meantime, the Group remains focused on the progressive roll out of the new Skytropolis Funland indoor theme park this year. Meanwhile, the Group has commenced legal proceedings in relation to the development of the Twentieth Century Fox World theme park. The litigation is not expected to impact the Group's current business operations.

In the UK, the Group endeavours to continue delivering sustainable performance by strengthening its position in the non-premium gaming business. To this end, the Group is committed to improving overall business efficiency and growing its market share in this segment. Additionally, the Group is focused on enhancing the operating performance at Resorts World Birmingham as well as growing business volumes at the property. The Group will also continue growing its interactive business by improving its product mix and targeted marketing to reinforce its position in this business segment.

In the US, RWNYC remains the market leader in terms of gaming revenue in the Northeast US region despite growing regional competition. The Group will continue intensifying its direct marketing efforts to increase visitation and frequency of play at the property. Meanwhile, the USD400 million expansion at RWNYC is well underway and is expected to open in phases from the end of 2019. In Miami, the Group will continue leveraging on the newly renovated Hilton Miami Downtown Hotel to generate higher spend at the property. In the Bahamas, the Group will focus on improving the infrastructure to grow visitation and revenues at Resorts World Bimini.

A summary table of the results is attached below.

GENTING MALAYSIA BERHAD	**INDIVIDUAL QUARTER**		**Variance**		**NINE MONTHS ENDED 30 SEPTEMBER**		**Variance**	
SUMMARY OF RESULTS	**3Q2018**	**(Restated) 3Q2017**	**3Q18 vs 3Q17**		**2018**	**(Restated) 2017**	**9M18 vs 9M17**	
	RM'Mil	**RM'Mil**	**RM'Mil**	**%**	**RM'Mil**	**RM'Mil**	**RM'Mil**	**%**
Revenue								
Leisure & Hospitality								
- Malaysia	**1,704.6**	1,353.3	351.3	26%	**4,896.0**	4,143.0	753.0	18%
- United Kingdom and Egypt	**505.7**	516.3	-10.6	-2%	**1,354.1**	1,394.8	-40.7	-3%
- United States of America and Bahamas	**350.7**	363.2	-12.5	-3%	**1,041.9**	1,129.1	-87.2	-8%
	2,561.0	2,232.8	328.2	15%	**7,292.0**	6,666.9	625.1	9%
Property	**23.0**	23.8	-0.8	-3%	**70.0**	74.1	-4.1	-6%
Investments & others	**14.9**	13.1	1.8	14%	**58.6**	44.9	13.7	31%
	2,598.9	2,269.7	329.2	15%	**7,420.6**	6,785.9	634.7	9%
Adjusted EBITDA								
Leisure & Hospitality								
- Malaysia	**641.2**	336.4	304.8	91%	**1,715.1**	1,208.5	506.6	42%
- United Kingdom and Egypt	**60.2**	53.8	6.4	12%	**120.3**	167.2	-46.9	-28%
- United States of America and Bahamas	**71.4**	59.6	11.8	20%	**213.8**	193.8	20.0	10%
	772.8	449.8	323.0	72%	**2,049.2**	1,569.5	479.7	31%
Property	**0.3**	13.0	-12.7	-98%	**28.3**	42.5	-14.2	-33%
Investments & others	**41.7**	(24.5)	66.2	>100%	**46.8**	(73.0)	119.8	>100%
Adjusted EBITDA	**814.8**	438.3	376.5	86%	**2,124.3**	1,539.0	585.3	38%
Pre-opening expenses	**(14.6)**	(19.5)	4.9	25%	**(46.9)**	(59.1)	12.2	21%
Property, plant and equipment written off	**(2.4)**	(0.8)	-1.6	->100%	**(21.6)**	(3.6)	-18.0	->100%
Net (loss)/gain on disposal of property, plant and equipment	**(1.2)**	0.7	-1.9	->100%	**(1.1)**	1.3	-2.4	->100%
Impairment losses	**(1,912.4)**	(19.6)	-1,892.8	->100%	**(1,945.7)**	(56.4)	-1,889.3	->100%
Reversal of previously recognised impairment losses	**23.7**	-	23.7	NC	**27.1**	-	27.1	NC
Others	**0.2**	0.4	-0.2	-50%	**15.0**	(22.5)	37.5	>100%
(LBITDA)/EBITDA	**(1,091.9)**	399.5	-1,491.4	->100%	**151.1**	1,398.7	-1,247.6	-89%
Depreciation and amortisation	**(233.4)**	(195.9)	-37.5	-19%	**(712.1)**	(697.5)	-14.6	-2%
Interest income	**98.2**	77.7	20.5	26%	**269.8**	221.9	47.9	22%
Finance costs	**(40.0)**	(31.1)	-8.9	-29%	**(113.2)**	(81.0)	-32.2	-40%
(Loss)/profit before taxation	**(1,267.1)**	250.2	-1,517.3	->100%	**(404.4)**	842.1	-1,246.5	->100%
Taxation	**(245.0)**	(77.6)	-167.4	->100%	**(387.3)**	(200.2)	-187.1	-93%
(Loss)/profit for the financial period	**(1,512.1)**	172.6	-1,684.7	->100%	**(791.7)**	641.9	-1,433.6	->100%
Basic (loss)/earnings per share (sen)	**(26.41)**	3.42	-29.8	->100%	**(13.08)**	12.57	-25.7	->100%
Diluted (loss)/earnings per share (sen)	**(26.41)**	3.42	-29.8	->100%	**(13.08)**	12.55	-25.6	->100%

NC : Not comparable

About Genting Malaysia

Genting Malaysia is one of the leading leisure and hospitality corporations in the world. Listed on Bursa Malaysia with approximately RM16 billion in market capitalisation, Genting Malaysia owns and operates major resort properties including Resorts World Genting (RWG), Resorts World Casino New York City (RWNYC), Resorts World Bimini, Resorts World Birmingham and over 40 casinos, including Crockfords Cairo in Egypt.

Resorts World Genting is a premier leisure and entertainment resort in Malaysia. It is equipped with about 10,500 rooms spread across 7 hotels, theme parks and entertainment attractions, dining and retail outlets, international shows and business convention facilities. The Group has embarked on a 10-year master plan to reinvigorate and transform RWG under the Genting Integrated Tourism Plan (GITP). Genting Malaysia has introduced various new facilities and attractions under the GITP which enables guests to enjoy a truly wholesome and world class experience at the resort. This includes the First World Hotel Tower 3, the new Awana SkyWay cable car system, the newly refurbished Theme Park Hotel, the new Crockfords Hotel as well as new attractions in the SkyAvenue entertainment complex. The opening of the Genting Highlands Premium Outlet (a property of Genting Simon Sdn Bhd, a joint venture between Genting Plantations Berhad and Simon Property Group) at the mid-hill also complements the new and existing offerings at RWG. Other attractions and facilities under the GITP which are yet to be opened include the new Skytropolis Funland indoor theme park.

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

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

In the United States of America, Genting Malaysia operates RWNYC, the first and only video gaming machine facility in New York City, at the site of Aqueduct Racetrack. As a premier entertainment hub, Resorts World Casino New York City offers the ultimate gaming and entertainment experience, with electronic gaming machines, shows, events and culinary delights. The Group also owns a 30-acre prime freehold waterfront site in Miami, which includes the newly renovated 527-room Hilton Miami Downtown.

In the Bahamas, the Group operates Resorts World Bimini, which features a casino, villas, other accommodations, restaurants and bars, resort amenities and the largest yacht and marina complex in the Bahamas.

Genting Malaysia is a member of the Genting Group, one of Asia's leading and best-managed multinationals. The Genting Group is led by Tan Sri Lim Kok Thay, a visionary entrepreneur who has established Resorts World branded properties in Malaysia, Singapore, the Philippines, the United States, the Bahamas and the United Kingdom, as well as spearheading global investments in oil palm plantations, power generation, oil & gas, property development, cruise, biotechnology and other industries.

For more information, visit http://www.gentingmalaysia.com or contact ir.genm@genting.com.

For information on the major properties of Genting Malaysia
Resorts World Genting, visit www.rwgenting.com
Genting Casinos UK Limited, visit www.gentingcasinos.co.uk
Resorts World Casino New York City, visit www.rwnewyork.com
Resorts World Birmingham, visit www.resortsworldbirmingham.co.uk
Resorts World Bimini, visit www.rwbimini.com

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