



## **RESORTS WORLD BHD**

(58019-U)

### **PRESS RELEASE**

#### **Results for the fourth quarter and audited results for the year ended 31<sup>st</sup> December 1999**

The Group recorded a pre-tax profit of RM129.0 million for the fourth quarter ended 31<sup>st</sup> December 1999. The decline over the preceding quarter's pre-tax profit of RM146.3 million was mainly attributable to higher expenses during the fourth quarter.

For the full year of 1999, profit before exceptional item was RM561.9 million as compared to RM686.5 million in 1998. The decline of 18% was mainly the result of lower revenues. The Group registered an audited pre-tax profit of RM648.2 million for the full year of 1999 compared to RM371.8 million in 1998.

During the year, turnover of the Group declined by 13% to RM2,178.5 million as compared to RM2,515.0 million in 1998. The lower turnover and profit was mainly attributable to cautious consumer spending particularly in the first half of the year despite improving economic conditions.

With signs of an economic recovery in Asia, overseas casinos, operating under tax regimes which accord them significant advantages, have been aggressively marketing to Asian patrons. The Group has not been able to compete effectively in these Asian markets due to the uncompetitive casino tax structure under which it currently operates and anticipates that such difficulties will continue to adversely affect its business.

The Group's profit after taxation attributable to members of the Company was RM645.9 million, and basic earnings per ordinary share ("EPS") was 59.2 sen. These figures are not directly comparable to those of 1998 (profit after taxation attributable to members of the Company of RM148.9 million and EPS of 13.6 sen) for reasons which include the following :

- (a) The Group wrote off goodwill amounting to RM358.8 million in 1998, in respect of the acquisition of investment in an associated company.
- (b) There was no contribution from the associated company in the first half of 1998 as it was only acquired at the end of June 1998.
- (c) No provision for tax has been made as 1999 was an income tax waiver year, pursuant to Section 8, Part III of the Income Tax (Amendment) Act, 1999.

## **Y2K**

Directors are pleased to announce that, after having taken remedial action on all hardware, software and communication systems to provide for year 2000 readiness, the Group had a smooth rollover to the Year 2000 and has not encountered any material adverse effects in its operations to-date.

## **DIVIDEND**

The Directors are pleased to declare a final dividend of 10.0 sen less 28% tax per ordinary share of 50 sen each for approval by shareholders. This together with the interim dividend of 8.0 sen less 28% tax paid, would bring the total dividend for the year ended 31<sup>st</sup> December 1999 to 18.0 sen less 28% tax (1998: 17.0 sen less 28% tax).

*(Please note that the financial results can be viewed at the following website:  
<http://www.genting.com.my/en/corporate/press/index.htm>)*

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