



# GENTING BERHAD

(Incorporated in Malaysia under Company No. 7916-A)  
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## FIRST QUARTERLY REPORT

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2000. THE FIGURES HAVE NOT BEEN AUDITED.

### CONSOLIDATED INCOME STATEMENT

		INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
		CURRENT	PRECEDING	CURRENT	PRECEDING
		YEAR	YEAR	YEAR-	YEAR
		QUARTER	CORRES-	TO-DATE	PONDING
		31/03/2000	PONDING	31/03/2000	PERIOD
		RM'000	QUARTER	RM'000	31/03/1999
			31/03/1999		RM'000
			RM'000		
1(a)	TURNOVER	<u>710,142</u>	<u>N/R</u>	<u>710,142</u>	<u>N/R</u>
(b)	INVESTMENT INCOME	<u>646</u>	<u>N/R</u>	<u>646</u>	<u>N/R</u>
(c)	OTHER INCOME INCLUDING INTEREST INCOME	<u>14,495</u>	<u>N/R</u>	<u>14,495</u>	<u>N/R</u>
2(a)	OPERATING PROFIT BEFORE INTEREST ON BORROWINGS, DEPRECIATION AND AMORTISATION, EXCEPTIONAL ITEMS, INCOME TAX, MINORITY INTERESTS AND EXTRAORDINARY ITEMS	<u>311,265</u>	<u>N/R</u>	<u>311,265</u>	<u>N/R</u>
(b)	INTEREST ON BORROWINGS	<u>(4,895)</u>	<u>N/R</u>	<u>(4,895)</u>	<u>N/R</u>
(c)	DEPRECIATION AND AMORTISATION	<u>(52,054)</u>	<u>N/R</u>	<u>(52,054)</u>	<u>N/R</u>
(d)	EXCEPTIONAL ITEMS	<u>-</u>	<u>N/R</u>	<u>-</u>	<u>N/R</u>
(e)	OPERATING PROFIT AFTER INTEREST ON BORROWINGS, DEPRECIATION AND AMORTISATION AND EXCEPTIONAL ITEMS BUT BEFORE INCOME TAX, MINORITY INTERESTS AND EXTRAORDINARY ITEMS	<u>254,316</u>	<u>N/R</u>	<u>254,316</u>	<u>N/R</u>

		INDIVIDUAL QUARTER PRECEDING YEAR		CUMULATIVE PERIOD PRECEDING YEAR	
		CURRENT YEAR QUARTER 31/03/2000 RM'000	CORRES- PONDING QUARTER 31/03/1999 RM'000	CURRENT YEAR- TO-DATE 31/03/2000 RM'000	CORRES- PONDING PERIOD 31/03/1999 RM'000
(f)	SHARE IN THE RESULTS OF ASSOCIATED COMPANIES	<u>27,442</u>	N/R	<u>27,442</u>	N/R
(g)	PROFIT BEFORE TAXATION, MINORITY INTERESTS AND EXTRAORDINARY ITEMS	<b>281,758</b>	N/R	<b>281,758</b>	N/R
(h)	TAXATION	<u>(86,910)</u>	N/R	<u>(86,910)</u>	N/R
(i)	(i) PROFIT AFTER TAXATION BEFORE DEDUCTING MINORITY INTERESTS	<b>194,848</b>	N/R	<b>194,848</b>	N/R
	(ii) MINORITY INTERESTS	<u>(56,865)</u>	N/R	<u>(56,865)</u>	N/R
(j)	PROFIT AFTER TAXATION ATTRIBUTABLE TO MEMBERS OF THE COMPANY	<b>137,983</b>	N/R	<b>137,983</b>	N/R
(k)	(i) EXTRAORDINARY ITEMS	-	N/R	-	N/R
	(ii) MINORITY INTERESTS	-	N/R	-	N/R
	(iii) EXTRAORDINARY ITEMS ATTRIBUTABLE TO MEMBERS OF THE COMPANY	<u>-</u>	N/R	<u>-</u>	N/R
(l)	PROFIT AFTER TAXATION AND EXTRAORDINARY ITEMS ATTRIBUTABLE TO MEMBERS OF THE COMPANY	<u><b>137,983</b></u>	N/R	<u><b>137,983</b></u>	N/R

	INDIVIDUAL QUARTER PRECEDING YEAR		CUMULATIVE PERIOD PRECEDING YEAR	
	CURRENT YEAR QUARTER 31/03/2000 RM'000	CORRES- PONDING QUARTER 31/03/1999 RM'000	CURRENT YEAR- TO-DATE 31/03/2000 RM'000	CORRES- PONDING PERIOD 31/03/1999 RM'000
3(a) EARNINGS PER SHARE BASED ON 2(j) ABOVE AFTER DEDUCTING ANY PROVISION FOR PREFERENCE DIVIDENDS, IF ANY :				
(i) BASIC [BASED ON 704,338,954 SHARES] (SEN)	19.6	N/R	19.6	N/R
(ii) FULLY DILUTED [BASED ON 704,338,954 SHARES] (SEN)	19.6	N/R	19.6	N/R
4(a) DIVIDEND PER SHARE (SEN)	-	N/R	-	N/R
(b) DIVIDEND DESCRIPTION	-	N/R	-	N/R

**NOTE :**  
**N/R – NOT REQUIRED**

## GENTING BERHAD

### CONSOLIDATED BALANCE SHEET

	UNAUDITED AS AT END OF CURRENT PERIOD 31/03/2000 RM'000	AUDITED AS AT PRECEDING FINANCIAL YEAR END 31/12/1999 RM'000
1. <b>FIXED ASSETS</b>	<b>3,701,957</b>	3,701,075
2. <b>REAL PROPERTY ASSETS</b>	<b>651,423</b>	653,652
3. <b>ASSOCIATED COMPANIES</b>	<b>1,464,395</b>	1,449,266
4. <b>INVESTMENTS</b>	<b>671,590</b>	167,057
5. <b>EXPLORATION COST</b>	<b>450,073</b>	437,638
6. <b>CURRENT ASSETS</b>		
Property development	234,539	229,758
Stocks	100,502	109,586
Trade debtors	143,829	149,030
Amount due from associated company	434,202	-
Other debtors, deposits and prepayments	129,558	149,338
Short-term investments	665,389	981,905
Bank balances and deposits	1,411,496	1,410,600
	<u>3,119,515</u>	<u>3,030,217</u>
7. <b>LESS CURRENT LIABILITIES</b>		
Trade creditors	90,079	102,775
Other creditors and accrued expenses	280,241	337,950
Short-term borrowings	503,143	840
Provision for taxation	282,341	279,900
Proposed dividend	63,390	63,390
	<u>1,219,194</u>	<u>784,855</u>
8. <b>NET CURRENT ASSETS</b>	<u>1,900,321</u>	2,245,362
	<u>8,839,759</u>	<u>8,654,050</u>
9. <b>SHAREHOLDERS' FUNDS</b>		
<b>SHARE CAPITAL</b>	<b>352,169</b>	352,169
<b>RESERVES</b>		
Share Premium	97,803	97,803
Revaluation Reserves	404,181	404,182
Unappropriated Profit	4,954,267	4,816,284
Other Reserves	112,905	118,467
	<u>5,921,325</u>	<u>5,788,905</u>
10. <b>MINORITY INTERESTS</b>	<b>2,627,684</b>	2,574,950
11. <b>LONG-TERM LIABILITIES</b>	<b>108,245</b>	106,753
12. <b>DEFERRED TAXATION</b>	<b>15,072</b>	15,976
13. <b>PROVISION FOR RETIREMENT GRATUITIES</b>	<b>167,433</b>	167,466
	<u>8,839,759</u>	<u>8,654,050</u>
14. <b>NET TANGIBLE ASSETS PER SHARE (RM)</b>	<b>8.41</b>	8.22

## GENTING BERHAD

### NOTES TO THE QUARTERLY REPORT

1. THE ACCOUNTING POLICIES AND METHODS OF COMPUTATION ADOPTED FOR THE QUARTERLY FINANCIAL STATEMENTS ARE CONSISTENT WITH THOSE ADOPTED FOR THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1999.
2. THERE ARE NO EXCEPTIONAL ITEMS FOR THE CURRENT YEAR-TO-DATE.
3. THERE ARE NO EXTRAORDINARY ITEMS FOR THE CURRENT YEAR-TO-DATE.
4. TAXATION CHARGES FOR THE CURRENT YEAR-TO-DATE INCLUDE THE FOLLOWING:
  - (a) DEFERRED TAX CHARGE OF RM2,431,000.
  - (b) AN UNDERPROVISION RELATING TO PRIOR YEARS AMOUNTING TO RM386,000.
5. THE RESULTS FOR THE CURRENT YEAR-TO-DATE DO NOT INCLUDE ANY PRE-ACQUISITION PROFITS.
6. THE RESULTS FOR THE CURRENT YEAR-TO-DATE DO NOT INCLUDE ANY PROFIT OR LOSS ON SALE OF INVESTMENTS AND PROPERTIES WHICH ARE NOT IN THE ORDINARY COURSE OF BUSINESS.
7. (a) THE DEALINGS IN QUOTED SECURITIES FOR THE CURRENT YEAR-TO-DATE ARE AS FOLLOWS:

	TOTAL RM'000
TOTAL PURCHASES	141,844
TOTAL DISPOSALS	34,582
TOTAL PROFIT ON DISPOSAL	287

- (b) THE DETAILS OF THE INVESTMENTS IN QUOTED SHARES AS AT 31 MARCH 2000 ARE AS SET OUT BELOW:

	TOTAL RM'000
TOTAL INVESTMENTS AT COST	2,375,759
TOTAL INVESTMENTS AT BOOK VALUE	1,915,925
TOTAL INVESTMENTS AT MARKET VALUE AS AT 31 MARCH 2000	6,807,995

8. THERE HAVE BEEN NO MATERIAL CHANGES IN THE COMPOSITION OF THE COMPANY AND OF THE GROUP FOR THE CURRENT YEAR-TO-DATE.
9. THE COMPANY HAS ON 12 APRIL 2000, THROUGH COMMERCE INTERNATIONAL MERCHANT BANKERS BERHAD, ANNOUNCED THE FOLLOWING CORPORATE PROPOSALS :

- (i) PROPOSED ACQUISITION OF A PARCEL OF LEASEHOLD LAND AND DISPOSAL OF TWO PARCELS OF FREEHOLD LAND IN GENTING HIGHLANDS (“PROPOSED LAND TRANSACTIONS”) BY SUBSIDIARIES OF RESORTS WORLD BHD (“RWB”), A 55.2% OWNED SUBSIDIARY OF THE COMPANY ;
- (ii) PROPOSED PURCHASE OF OWN SHARES (“PROPOSED SHARE BUY-BACK”) REPRESENTING UP TO TEN PERCENT (10%) OF THE ISSUED AND PAID-UP SHARE CAPITAL OF THE COMPANY THROUGH THE KUALA LUMPUR STOCK EXCHANGE (“KLSE”) ;
- (iii) PROPOSED AMENDMENT (“PROPOSED AMENDMENT”) TO THE ARTICLES OF ASSOCIATION OF THE COMPANY, PURSUANT TO (ii) ABOVE AND IN LINE WITH THE AMENDED PROVISION OF SECTION 67A OF THE COMPANIES ACT, 1965.

AS AT 18 MAY 2000, BEING THE LATEST PRACTICABLE DATE, THE STATUS OF THE ABOVE PROPOSALS ARE AS FOLLOWS :

- (a) THE PROPOSED LAND TRANSACTIONS ARE PROPERTY TRANSACTIONS INVOLVING DIRECTORS UNDER SECTION 132E OF THE COMPANIES ACT, 1965 AND ARE CONDITIONAL UPON APPROVAL OF THE SHAREHOLDERS OF THE COMPANY AND RWB AT THEIR RESPECTIVE EGMs TO BE CONVENED.
  - (b) THE PROPOSED SHARE BUY-BACK IS CONDITIONAL UPON THE APPROVAL OF THE SHAREHOLDERS OF THE COMPANY AT AN EGM TO BE CONVENED AND THE ARTICLES OF ASSOCIATION OF THE COMPANY TO BE AMENDED ACCORDINGLY TO FACILITATE THE PROPOSED SHARE BUY-BACK.
  - (c) THE PROPOSED AMENDMENT IS CONDITIONAL UPON APPROVAL BEING OBTAINED FROM THE SHAREHOLDERS OF THE COMPANY AT AN EGM TO BE CONVENED.
10. THE BUSINESS OPERATIONS OF THE GROUP’S LEISURE AND HOSPITALITY DIVISION, PLANTATION DIVISION AND PAPER DIVISION ARE SUBJECT TO SEASONAL FLUCTUATIONS. THE RESULTS OF THE LEISURE AND HOSPITALITY DIVISION ARE AFFECTED BY MAJOR FESTIVE SEASONS AND HOLIDAYS. THE PRODUCTION OF FRESH FRUIT BUNCHES (‘FFB’) IS SEASONAL IN NATURE WITH CROP PEAKING IN THE SECOND HALF OF THE YEAR.
11. THERE HAVE BEEN NO ISSUANCE AND REPAYMENT OF DEBT AND EQUITY SECURITIES, SHARES BUY-BACK, SHARES CANCELLATION, SHARES HELD AS TREASURY SHARES AND RESALE OF TREASURY SHARES FOR THE CURRENT YEAR-TO-DATE.
12. THE DETAILS OF THE GROUP BORROWINGS AS AT 31 MARCH 2000 ARE AS SET OUT BELOW:

	31/03/2000		
	SECURED/ UNSECURED	FOREIGN CURRENCY '000	RM EQUIVALENT '000
SHORT-TERM BORROWINGS	SECURED	RMB 406	186
	UNSECURED	USD 132,360 AUD 25	502,899 58
LONG-TERM BORROWINGS	SECURED	-	82,000
	UNSECURED	-	19,672

THE TOTAL AMOUNT OF LONG-TERM BORROWINGS OF RM101,672,000 IS SHOWN AS PART OF LONG-TERM LIABILITIES ON THE BALANCE SHEET. THE BALANCE OF RM6,573,000 FOR THE CURRENT YEAR-TO-DATE REFERS TO DEFERRED MEMBERSHIP FEES.

13. DETAILS OF CONTINGENT LIABILITIES OF THE GROUP AS AT 18 MAY 2000, BEING THE LATEST PRACTICABLE DATE, ARE AS FOLLOWS:

RM'000

SECURED

- (i) GUARANTEES GIVEN BY A SUBSIDIARY COMPANY TO THIRD PARTIES IN RELATION TO CERTAIN PROPERTY DEVELOPMENT ACTIVITY IN SYDNEY, AUSTRALIA. 4,188

UNSECURED

- (ii) PERFORMANCE GUARANTEE GRANTED BY A SUBSIDIARY COMPANY TO THE TRUSTEE OF A GOLF & COUNTRY CLUB, OWNED AND OPERATED BY ITS INDIRECT WHOLLY-OWNED SUBSIDIARY COMPANY. 18,400
- (iii) COUNTER INDEMNITY GIVEN BY A SUBSIDIARY COMPANY TO A LOCAL LICENSED BANK FOR A BANK GUARANTEE ISSUED ON BEHALF OF ITS WHOLLY-OWNED SUBSIDIARY COMPANY. 5,000

14. AS AT 18 MAY 2000, BEING THE LATEST PRACTICABLE DATE, THE GROUP HAS THE FOLLOWING OUTSTANDING FOREIGN CURRENCY CONTRACTS TO HEDGE ITS COMMITTED PURCHASES IN FOREIGN CURRENCIES:

CURRENCY	CONTRACT AMOUNTS '000	RM EQUIVALENT '000	EXPIRY DATES
SWISS FRANCS	9,794	23,118	25/5/2000 TO 30/11/2000
FRENCH FRANCS	46,720	26,143	19/5/2000 TO 30/11/2000
JAPANESE YEN	985,137	35,224	25/5/2000 TO 30/6/2000
DEUTSCHE MARKS	4,541	8,116	25/5/2000 TO 9/6/2000
US DOLLARS	243	924	19/5/2000

AS FOREIGN CURRENCY CONTRACTS ARE ENTERED INTO TO HEDGE THE GROUP'S PURCHASES IN FOREIGN CURRENCIES, THE CONTRACTED RATES WILL BE USED TO TRANSLATE THE UNDERLYING FOREIGN CURRENCY TRANSACTIONS INTO RINGGIT MALAYSIA.

THE ABOVE CONTRACTS ARE ENTERED INTO WITH LICENSED BANKS.

15. THERE ARE NO PENDING MATERIAL LITIGATIONS AS AT 18 MAY 2000, BEING THE LATEST PRACTICABLE DATE.

16. SEGMENT ANALYSIS - CURRENT YEAR-TO-DATE

	<b>TURNOVER</b> 31/03/2000 RM'000	<b>PROFIT/(LOSS)</b> <b>BEFORE TAX</b> 31/03/2000 RM'000	<b>ASSETS</b> <b>EMPLOYED</b> 31/03/2000 RM'000
<b>BY ACTIVITY</b>			
LEISURE & HOSPITALITY	536,593	228,148	2,482,914
PLANTATIONS	37,923	9,069	472,111
PROPERTIES	22,748	6,390	1,225,657
PAPER	98,297	14,679	774,946
OIL & GAS	-	(5,788)	461,090
	<u>695,561</u>	<u>252,498</u>	<u>5,416,718</u>
INVESTMENT IN ASSOCIATED COMPANIES	271,094	27,442	1,464,396
<b>NON-SEGMENT ITEMS</b>			
- INTEREST-BEARING INVESTMENTS	-	9,602	2,075,553
- EQUITY INVESTMENTS & OTHERS	14,581	(7,784)	1,102,286
	<u>981,236</u>	<u>281,758</u>	<u>10,058,953</u>
ADJUSTMENT RELATING TO SHARE OF OPERATING REVENUE OF ASSOCIATED COMPANIES	(271,094)	-	-
	<u>710,142</u>	<u>281,758</u>	<u>10,058,953</u>

17. THE GROUP REGISTERED A PRE-TAX PROFIT OF RM281.8 MILLION FOR THE CURRENT QUARTER, A DECREASE OF RM88.0 MILLION OR 24% COMPARED TO THE PRECEDING QUARTER. THE DECLINE IS MAINLY DUE TO THE EXCEPTIONAL GAIN OF RM86.2 MILLION INCLUDED IN THE PRECEDING QUARTER'S RESULTS RELATING TO SURPLUS ARISING FROM FREEHOLD LAND AND PLANTATIONS ACQUIRED BY THE GOVERNMENT OF RM54.9 MILLION AND GAINS ARISING ON DILUTION OF INTEREST IN SUBSIDIARIES OF RM31.3 MILLION. THERE WERE NO EXCEPTIONAL ITEMS IN THE CURRENT QUARTER.

18. THE BUSINESS FROM THE GROUP'S LEISURE AND HOSPITALITY DIVISION HAS IMPROVED SLIGHTLY DUE MAINLY TO HIGHER AVERAGE SPENDING. HOWEVER, THE CASINO OPERATIONS CONTINUE TO BE AFFECTED BY STIFF COMPETITION FROM OVERSEAS CASINOS. THE PLANTATION DIVISION'S PERFORMANCE HAS BEEN AFFECTED BY WEAKER CRUDE PALM OIL PRICES ACHIEVED DURING THE CURRENT QUARTER. HOWEVER, THIS DECLINE WAS MITIGATED BY AN INCREASE IN FRESH FRUIT BUNCHES PRODUCTION AS A RESULT OF ADDITIONAL HARVESTING AREAS AND HIGHER YIELDS. THE PERFORMANCE OF THE PROPERTY DIVISION DECLINED DURING THE CURRENT QUARTER AS THERE WERE NO MAJOR LAUNCHES. EFFORTS ARE BEING STEPPED UP IN SELLING THE EXISTING INVENTORIES. WHILST DEMAND FOR RESIDENTIAL UNITS WAS ENCOURAGING, SALES OF COMMERCIAL AND INDUSTRIAL UNITS REMAIN SLOW.

THERE HAS NOT ARISEN IN THE INTERVAL BETWEEN 31 MARCH 2000 AND 18 MAY 2000, BEING THE LATEST PRACTICABLE DATE, ANY ITEM, TRANSACTION OR EVENT OF A MATERIAL AND UNUSUAL NATURE LIKELY, IN THE OPINION OF THE DIRECTORS, TO AFFECT SUBSTANTIALLY THE RESULTS OF THE OPERATIONS OF THE COMPANY AND OF THE GROUP.

19. BARRING UNFORESEEN CIRCUMSTANCES, THE DIRECTORS ARE OF THE OPINION THAT THE GROUP'S PERFORMANCE IS EXPECTED TO BE SATISFACTORY FOR THE CURRENT YEAR.

20. THERE ARE NO EXPLANATORY COMMENTS ON VARIANCES OF ACTUAL PROFIT FROM FORECAST PROFIT AND SHORTFALL IN PROFIT GUARANTEE SINCE IT IS NOT APPLICABLE.

21. NO DIVIDEND HAS BEEN DECLARED OR RECOMMENDED FOR THE CURRENT QUARTER ENDED 31 MARCH 2000.
22. AS AT 31 MARCH 2000, THE COMPANY HAS 3,447,000 UNISSUED ORDINARY SHARES OUTSTANDING UNDER THE GENTING EMPLOYEES' SHARE OPTION SCHEME ("GESOS"). IN ACCORDANCE WITH THE PROVISIONS LAID DOWN BY MALAYSIAN ACCOUNTING STANDARDS BOARD NO. 13 ON EARNINGS PER SHARE, SHARE OPTIONS ARE DILUTIVE WHEN THEY ARE ISSUED FOR NO CONSIDERATION OR WHERE A PORTION OF THE OUTSTANDING SHARE OPTIONS ARE DEEMED DILUTIVE IN SITUATIONS WHERE THE EXERCISE PRICE OF THE OPTIONS IS BELOW ITS FAIR VALUE.

SINCE THE EXERCISE PRICE OF THE GESOS IS ABOVE THE FAIR VALUE OF THE COMPANY'S SHARES FOR THE CURRENT QUARTER, THE OPTION IS DEEMED NON DILUTIVE.

23. ON 12 APRIL 2000, THE COMPANY AND RESORTS WORLD BHD ("RWB"), A 55.2% SUBSIDIARY OF THE COMPANY, ANNOUNCED THAT GENTING OVERSEAS HOLDINGS LIMITED ("GOHL"), A WHOLLY-OWNED SUBSIDIARY OF THE COMPANY, AND RESORTS WORLD LIMITED ("RWL"), AN INDIRECT WHOLLY-OWNED SUBSIDIARY OF RWB, HAVE ADVANCED US\$62 MILLION AND US\$52 MILLION RESPECTIVELY AS ADVANCE SUBSCRIPTION MONIES FOR CONVERTIBLE SECURITIES IN STAR CRUISES PLC ("STAR CRUISES"), A 26.8% ASSOCIATED COMPANY OF RWB.

AS AT 31 MARCH 2000, THE ADVANCE SUBSCRIPTION MONIES HAVE BEEN CLASSIFIED AS AMOUNT DUE FROM ASSOCIATED COMPANY. THE TERMS OF THE CONVERTIBLE SECURITIES ARE STILL BEING NEGOTIATED BETWEEN STAR CRUISES AND GOHL AND RWL WITH THE ADVICE OF THEIR RESPECTIVE FINANCIAL ADVISORS.

FURTHER TO THE ABOVE ANNOUNCEMENT, RWB ANNOUNCED ON 19 MAY 2000 THAT RWL WILL SUBSCRIBE FOR CASH UP TO US\$480 MILLION ("PROPOSED CASH SUBSCRIPTION") IN NEW EQUITY SHARES AND/OR NEW SECURITIES CONVERTIBLE INTO EQUITY SHARES (COLLECTIVELY REFERRED TO AS THE "NEW SECURITIES") OF STAR CRUISES. THIS SUBSCRIPTION WOULD BE SUBJECT TO THE FOLLOWING CONDITIONS :

- (i) THE ISSUE OF THE NEW SECURITIES BY STAR CRUISES IS IN CONJUNCTION WITH A PLACEMENT OR OFFERING WHICH IS ALSO AVAILABLE TO OTHER INSTITUTIONAL AND/OR PRIVATE INVESTORS ;
- (ii) THE SUBSCRIPTION PRICE OF THE NEW SECURITIES TO BE PAID BY RWL SHALL BE AT THE SAME PRICE AS THOSE SUBSCRIBED BY THE OTHER INSTITUTIONAL AND/OR PRIVATE INVESTORS ;
- (iii) THE TOTAL NUMBER OF THE NEW SECURITIES SUBSCRIBED BY RWL SHALL NOT EXCEED 60% OF THE TOTAL NUMBER OF THE NEW SECURITIES TO BE ISSUED BY STAR CRUISES ;
- (iv) THE TOTAL SUBSCRIPTION PRICE OF THE NEW SECURITIES SUBSCRIBED BY RWL SHALL NOT EXCEED US\$480 MILLION ; AND
- (v) THE APPROVAL BY THE SHAREHOLDERS OF RWB SHALL BE VALID ONLY FOR A PERIOD OF ONE YEAR FROM THE DATE OF THE EGM CONVENED FOR THIS PURPOSE UNLESS EARLIER REVOKED OR VARIED BY ORDINARY RESOLUTION OF THE SHAREHOLDERS OF RWB IN A GENERAL MEETING.

THE SUBSCRIPTION PRICE OF THE NEW SECURITIES TO BE PAID BY RWL SHALL BE DETERMINED BY STAR CRUISES WITH THE ADVICE OF ITS FINANCIAL ADVISORS.

THE PROPOSED CASH SUBSCRIPTION IS INCLUSIVE OF THE US\$52 MILLION WHICH RWL HAD PREVIOUSLY ADVANCED TO STAR CRUISES FOR CONVERTIBLE SECURITIES IN STAR CRUISES. IN ADDITION, THE US\$62 MILLION WHICH GOHL HAD SIMILARLY ADVANCED TO STAR CRUISES FOR THE SAME PURPOSE IS TO BE ASSIGNED TO RWL AT COST AT AN APPROPRIATE TIME AS THIS IS ALSO DEEMED TO BE PART OF THE PROPOSED CASH SUBSCRIPTION.

BY ORDER OF THE BOARD

**TAN SRI LIM GOH TONG**  
**CHAIRMAN AND CHIEF EXECUTIVE**  
**25 May 2000**