



# 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 2001. The figures have not been audited.

### CONSOLIDATED INCOME STATEMENT

		INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
		CURRENT	PRECEDING	CURRENT	PRECEDING
		YEAR	YEAR	YEAR-	YEAR
		CORRES-	CORRES-	TO-DATE	CORRES-
		PONDING	PONDING	PERIOD	PONDING
		QUARTER	QUARTER	PERIOD	PERIOD
		31/03/2001	31/03/2000	31/03/2001	31/03/2000
		RM'000	RM'000	RM'000	RM'000
1(a)	Turnover	<b>809,023</b>	710,142	<b>809,023</b>	710,142
(b)	Investment income	-	646	-	646
(c)	Other income including interest income	<b>11,040</b>	14,495	<b>11,040</b>	14,495
2(a)	Operating profit before interest on borrowings, depreciation and amortisation, exceptional items, income tax, minority interests and extraordinary items	<b>210,833</b>	311,265	<b>210,833</b>	311,265
(b)	Interest on borrowings	<b>(14,816)</b>	(4,895)	<b>(14,816)</b>	(4,895)
(c)	Depreciation and amortisation	<b>(59,191)</b>	(52,054)	<b>(59,191)</b>	(52,054)
(d)	Exceptional items	-	-	-	-
(e)	Operating profit after interest on borrowings, depreciation and amortisation and exceptional items but before income tax, minority interests and extraordinary items	<b>136,826</b>	254,316	<b>136,826</b>	254,316

		INDIVIDUAL QUARTER PRECEDING YEAR		CUMULATIVE PERIOD PRECEDING YEAR	
		CURRENT YEAR QUARTER 31/03/2001 RM'000	CORRES- PONDING QUARTER 31/03/2000 RM'000	CURRENT YEAR- TO-DATE 31/03/2001 RM'000	CORRES- PONDING PERIOD 31/03/2000 RM'000
(f)	Share in the results of associated companies	<u>23,442</u>	<u>27,442</u>	<u>23,442</u>	<u>27,442</u>
(g)	Profit before taxation, minority interests and extraordinary items	<b>160,268</b>	281,758	<b>160,268</b>	281,758
(h)	Taxation	<u>(86,298)</u>	<u>(86,910)</u>	<u>(86,298)</u>	<u>(86,910)</u>
(i)	(i) Profit after taxation before deducting minority interests	<b>73,970</b>	194,848	<b>73,970</b>	194,848
	(ii) Minority interests	<u>(5,031)</u>	<u>(56,865)</u>	<u>(5,031)</u>	<u>(56,865)</u>
(j)	Profit after taxation attributable to Members of the Company	<b>68,939</b>	137,983	<b>68,939</b>	137,983
(k)	(i) Extraordinary items	-	-	-	-
	(ii) Minority interests	-	-	-	-
	(iii) Extraordinary items attributable to Members of the Company	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(l)	Profit after taxation and extraordinary items attributable to Members of the Company	<u><b>68,939</b></u>	<u>137,983</u>	<u><b>68,939</b></u>	<u>137,983</u>

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR-TO-DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/03/2001	31/03/2000	31/03/2001	31/03/2000
	RM'000	RM'000	RM'000	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)	9.8	19.6	9.8	19.6
(ii) Fully diluted [based on 704,338,954 shares] (sen)	9.8	19.6	9.8	19.6
4(a) Dividend per share (sen)	-	-	-	-
(b) Dividend description	-	-	-	-

**GENTING BERHAD**  
**CONSOLIDATED BALANCE SHEET**

	<b>UNAUDITED</b>	<b>AUDITED</b>	
	<b>AS AT</b>	<b>AS AT</b>	
	<b>END OF</b>	<b>PRECEDING</b>	
	<b>CURRENT</b>	<b>FINANCIAL</b>	
	<b>PERIOD</b>	<b>YEAR END</b>	
	<b>31/03/2001</b>	<b>31/12/2000</b>	
	<b>RM'000</b>	<b>RM'000</b>	
<b>ASSETS</b>			
1.	<b>PROPERTY, PLANT AND EQUIPMENT</b>	4,218,016	4,194,854
2.	<b>REAL PROPERTY ASSETS</b>	620,015	631,225
3.	<b>ASSOCIATED COMPANIES</b>	1,991,730	1,927,242
4.	<b>OTHER LONG TERM INVESTMENTS</b>	113,569	113,966
5.	<b>EXPLORATION COST</b>	420,063	439,178
6.	<b>LONG TERM RECEIVABLES</b>	13,552	10,081
7.	<b>CURRENT ASSETS</b>		
	Property development	121,129	117,340
	Inventories	222,809	227,843
	Trade receivables	126,946	126,871
	Other receivables, deposits and prepayments	92,181	114,557
	Amount due from associated companies	3,182	4,061
	Short term investments	403,633	546,824
	Bank balances and deposits	872,479	846,711
		<b>1,842,359</b>	<b>1,984,207</b>
8.	<b>LESS CURRENT LIABILITIES</b>		
	Trade payables	100,107	106,749
	Other payables and accrued expenses	327,673	430,487
	Short term borrowings	382,922	385,585
	Taxation	236,134	268,953
	Proposed dividend	63,390	63,390
		<b>1,110,226</b>	<b>1,255,164</b>
9.	<b>NET CURRENT ASSETS</b>	<b>732,133</b>	<b>729,043</b>
		<b>8,109,078</b>	<b>8,045,589</b>
<b>FINANCED BY</b>			
10.	<b>SHAREHOLDERS' EQUITY</b>		
	<b>SHARE CAPITAL</b>		
	<b>RESERVES</b>	352,169	352,169
	Share premium	97,803	97,803
	Revaluation reserve	384,453	384,548
	Unappropriated profit	4,564,508	4,495,517
	Exchange differences	46,080	54,053
		<b>5,445,013</b>	<b>5,384,090</b>
11.	<b>MINORITY INTERESTS</b>	<b>2,046,078</b>	<b>2,046,590</b>
12.	<b>LONG TERM LIABILITIES</b>		
	Long term loans	406,588	406,588
	Deferred taxation	15,816	15,238
	Provision for retirement gratuities	180,429	179,833
	Other liabilities	15,154	13,250
	<b>TOTAL LONG TERM LIABILITIES</b>	<b>617,987</b>	<b>614,909</b>
		<b>8,109,078</b>	<b>8,045,589</b>
13.	<b>NET TANGIBLE ASSETS PER SHARE (RM)</b>	<b>7.73</b>	<b>7.64</b>

## 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 2000.
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 credit of RM2,239,000 (2000: Deferred tax charge of RM2,431,000).
  - (b) An underprovision relating to prior years amounting to RM21,000 (2000: 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	-
Total disposals	87,322
Total profit/(loss) on disposals	(5,199)

- (b) The details of the investments in quoted shares as at 31 March 2001 are as set out below:

	Total RM'000
Total investments at cost	3,305,846
Total investments at book value	1,747,100
Total investments at market value	2,781,924

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 20 April 2001, through Commerce International Merchant Bankers Berhad announced the following proposals:
- i) Proposed amendments to the Articles of Association of the Company (“the Proposed Amendments”) to incorporate and to reflect the new listing requirements as required by The Kuala Lumpur Stock Exchange (“KLSE”) as well as other relevant regulatory and statutory requirements; and
  - ii) Proposed fresh mandate from shareholders to purchase up to a maximum of ten percent (10%) of the issued and paid-up share capital of the Company (“the Proposed Share Buy-Back”) through the KLSE.

As at 22 May 2001, the Proposed Amendments and the Proposed Share Buy-Back are subject to the approval of the shareholders of the Company at an Extraordinary General Meeting 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 were 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’s borrowings as at 31 March 2001 are as set out below:

	Secured/ Unsecured	Foreign Currency '000	RM Equivalent '000
Short-term borrowings	Secured	-	-
	Unsecured	USD 100,760 AUD 18	382,888 34
Long-term borrowings	Secured	-	82,000
	Unsecured	SGD 100,000 USD 26,000 -	220,400 98,800 5,388

On 20 March 2001, RWB (Labuan) Limited, a wholly owned subsidiary of Resorts World Bhd (“RWB”), which in turn is a 55.2% owned subsidiary of the Company, entered into a loan agreement with financial institutions to secure an aggregate loan amounting to USD200 million. The loan is guaranteed by RWB and is subject to a floating interest rate based on LIBOR. The loan is to enable the RWB Group to refinance its additional equity investments in Star Cruises Limited, an associated company, made on 29 November 2000. The loan was drawn down on 25 April 2001.

13. Details of contingent liabilities of the Group as at 22 May 2001 are as follows:

	<u>RM'000</u>
<u>Secured</u>	
(a) Guarantees given by a subsidiary company to third parties in relation to certain property development activity in Sydney, Australia.	3,383
<u>Unsecured</u>	
(b) 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 22 May 2001, the Group has the following financial instruments with off balance sheet risks :

(a) Foreign Currency Contracts

Currency	Contract Amounts '000	Transaction Dates	Expiry Dates
Swiss Francs	3,403	24/04/2001 to 15/05/2001	25/05/2001 to 14/12/2001
French Francs	30,892	24/04/2001 to 17/05/2001	30/05/2001 to 14/12/2001
US Dollars	95,157	29/01/2001 to 15/05/2001	22/05/2001 to 17/12/2001
Japanese Yen	171,662	24/04/2001 to 15/05/2001	30/05/2001 to 15/10/2001
Singapore Dollar	2,960	24/04/2001 to 15/05/2001	30/05/2001 to 14/12/2001
Swedish Kroner	616	24/04/2001	16/07/2001

As foreign currency contracts are entered into to hedge the Group's committed 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.

(b) Singapore Dollar ("SGD")/US Dollar ("USD") Cross-Currency Swap ("CCS")

The Group issued Euro Medium Term Notes ("Notes") of SGD100 million at fixed interest rate on 26 May 2000. These Notes are due to mature on 26 May 2003.

The Group then entered into two CCS agreements, first on the issue date of the Notes and the second on 3 August 2000. The effect of the two CCS agreements is to convert the SGD Notes into a fixed rate USD liability.

The swaps terminate on the maturity of the loan, i.e. 26 May 2003.

(c) USD Interest Rate Swap ("IRS")

The Group also issued Notes for USD26 million on 16 June 2000. These Notes are due to mature on 16 June 2003.

The Group entered into an IRS agreement on 8 August 2000 and the effect of this transaction is to effectively fix the interest rate payable on that tranche of the loan.

These instruments are executed with creditworthy financial institutions and the Directors are of the view that the possibility of non-performance by these financial institutions is remote on the basis of its financial strength.

Derivative financial instruments, which include interest rate swap agreements and interest rate and currency swap agreements, are used in the Group's risk management of foreign currency and interest rate risk exposures of its financial liabilities.

The Group uses interest rate swap agreements and interest rate and currency swap agreements in order to lower funding costs, to diversify sources of funding and to limit the Group's exposure in relation to underlying debt instruments resulting from adverse fluctuations in interest rates or foreign currency exchange rates.

Hedge accounting principles are applied for the accounting of the underlying exposures and their respective hedge derivative instruments. The related interest differentials paid or received under the swap agreements are recognised over the terms of the agreements in interest expense. The underlying foreign currency liabilities, which have been effectively hedged by currency swap agreements, and designated as a hedge, are translated in the respective hedged currencies, at their prevailing rates as at the reporting date.

15. There are no pending material litigations as at 22 May 2001.

16. Segment analysis for the current year to date is set out below:

	Turnover		Profit/(Loss) Before Tax		Assets Employed	
	31/03/2001 RM'000	31/03/2000 RM'000	31/03/2001 RM'000	31/03/2000 RM'000	31/03/2001 RM'000	31/03/2000 RM'000
<b>By activity</b>						
Leisure & Hospitality	<b>565,523</b>	536,593	<b>241,506</b>	228,148	<b>2,885,358</b>	2,482,914
Plantations	<b>34,477</b>	37,923	<b>4,273</b>	9,069	<b>481,007</b>	472,111
Properties	<b>9,476</b>	22,748	<b>362</b>	6,390	<b>1,141,357</b>	1,225,657
Paper	<b>100,632</b>	98,297	<b>5,382</b>	14,679	<b>931,624</b>	774,946
Oil & Gas	<b>11,300</b>	-	<b>(19,726)</b>	(5,788)	<b>444,726</b>	461,090
	<b>721,408</b>	695,561	<b>231,797</b>	252,498	<b>5,884,072</b>	5,416,718
Investment in associated companies	<b>531,793</b>	271,094	<b>23,442</b>	27,442	<b>1,994,912</b>	1,464,396
Non-segment items						
- interest-bearing investments	-	-	<b>(3,776)</b>	9,602	<b>1,136,014</b>	2,075,553
- equity investments & others	<b>87,615</b>	14,581	<b>(91,195)</b>	(7,784)	<b>204,306</b>	1,102,286
	<b>1,340,816</b>	981,236	<b>160,268</b>	281,758	<b>9,219,304</b>	10,058,953
Adjustment relating to share of operating revenue of associated companies	<b>(531,793)</b>	(271,094)	-	-	-	-
	<b>809,023</b>	710,142	<b>160,268</b>	281,758	<b>9,219,304</b>	10,058,953

17. The Group registered a profit before tax of RM160.3 million for the current quarter as compared to a loss before tax of RM958.8 million in the preceding quarter. The preceding quarter's results had been adversely affected by the write-off of goodwill on acquisition of additional interest in Star Cruises Ltd ("SCL"), an associated company of the Group, loss on disposal of NCL Holding ASA shares by the Group and a share of loss of SCL.

18. The Group registered a profit before tax of RM160.3 million for the current year to date compared to a profit before tax of RM281.8 million for the previous year corresponding period. The decrease is mainly attributable to higher financing costs, charges relating to investments and the write-off of costs incurred in the Oil & Gas Division totalling RM117.0 million. The current year to date results also included a share of loss of Star Cruises Ltd, an associated company of the Group, of RM3.8 million as compared to a share of profit of RM1.9 million in the previous year corresponding period.

The performance of the Group has also been affected by the Plantations Division, which performance was adversely affected by the sluggish palm oil market.

The underlying performance of the Leisure and Hospitality Division for the current year to date has improved compared to the previous year corresponding period due mainly to increased visitor arrivals.

There has not arisen in the interval between 31 March 2001 and 22 May 2001, 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 remaining period of the 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 2001.

22. As at 31 March 2001, the Company has 3,412,000 unissued ordinary shares outstanding under the Genting Employees' Share Option Scheme ("GESOS"). In accordance with the provisions laid down by MASB 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 and the current year to date, the option is deemed non dilutive.

By order of the board

**TAN SRI LIM GOH TONG**  
**Chairman and Chief Executive**  
**29 May 2001**