GENTING BERHAD

(Incorporated in Malaysia under Company No. 7916-A)
Wisma Genting, 28 Jalan Sultan Ismail, 50250 Kuala Lumpur. P.O. Box 10937
50930 Kuala Lumpur, Malaysia. Tel: 03-21782288, Fax: 03-21785304 Telex: MA 30022
Website: http://www.genting.com.my

THIRD QUARTERLY REPORT

Quarterly report on consolidated results for the third quarter ended 30 September 2004. The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2004

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30/09/2004 RM'000	PRECEDING YEAR CORRES-PONDING QUARTER 30/09/2003 RM'000	CURRENT YEAR-TO-DATE 30/09/2004 RM'000	PRECEDING YEAR CORRES-PONDING PERIOD 30/09/2003 RM'000
Revenue	**1,142,040**	1,084,425	**3,453,001**	3,082,195
Cost of sales	**(632,921)**	(564,174)	**(1,844,107)**	(1,616,901)
Gross profit	**509,119**	520,251	**1,608,894**	1,465,294
Other income	**27,780**	25,459	**86,112**	81,374
Adjustment/(Write-off) of net goodwill arising on acquisition of additional interest in subsidiary companies/controlling stake in an associated company	**-**	3,656	**-**	(89,828)
Other expenses	**(81,803)**	(101,651)	**(232,095)**	(277,417)
Profit from operations	**455,096**	447,715	**1,462,911**	1,179,423
Finance cost	**(24,938)**	(15,227)	**(71,429)**	(52,853)
Share of results of associated companies	**71,580**	81,167	**67,289**	73,267

GENTING BERHAD
CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2004 (cont'd)

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30/09/2004 RM'000	PRECEDING YEAR CORRES-PONDING QUARTER 30/09/2003 RM'000	CURRENT YEAR-TO-DATE 30/09/2004 RM'000	PRECEDING YEAR CORRES-PONDING PERIOD 30/09/2003 RM'000
Profit from ordinary activities before taxation	**501,738**	513,655	**1,458,771**	1,199,837
Taxation	**(122,029)**	(107,656)	**(398,297)**	(334,292)
Profit from ordinary activities after taxation	**379,709**	405,999	**1,060,474**	865,545
Minority shareholders' interests	**(138,369)**	(150,006)	**(371,705)**	(302,327)
Net profit for the period	**241,340**	255,993	**688,769**	563,218
Basic earnings per share (sen)	**34.26**	36.35	**97.79**	79.96
Diluted earnings per share (sen)	**34.15**	36.31	**97.47**	79.92

(The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2003).

GENTING BERHAD
CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2004

	(UNAUDITED) AS AT 30 SEPT 2004 RM'000	(AUDITED) AS AT 31 DEC 2003 RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	**6,483,836**	6,221,984
Land held for development	**515,240**	513,729
Associated companies	**2,267,987**	2,159,072
Other long term assets	**38,904**	32,413
Deferred taxation	**5,557**	3,810
Goodwill	**10,921**	-
CURRENT ASSETS		
Property development	**100,702**	94,741
Inventories	**314,465**	283,879
Trade and other receivables	**567,117**	512,442
Amount due from associated companies	**974**	735
Short term investments	**1,596,040**	1,329,145
Bank balances and deposits	**4,127,859**	3,055,515
	6,707,157	5,276,457
LESS: CURRENT LIABILITIES		
Trade and other payables	**689,238**	816,883
Amount due to associated companies	**606**	-
Short term borrowings	**485,751**	249,311
Taxation	**264,281**	257,977
Dividend payable	**40,570**	-
	1,480,446	1,324,171
NET CURRENT ASSETS	**5,226,711**	3,952,286
	14,549,156	12,883,294
FINANCED BY		
SHARE CAPITAL	**352,187**	352,169
RESERVES	**7,264,596**	6,692,678
SHAREHOLDERS' EQUITY	**7,616,783**	7,044,847
MINORITY INTERESTS	**3,331,408**	3,035,919
NON-CURRENT LIABILITIES		
Long term borrowings	**3,005,571**	2,215,077
Other long term liabilities	**97,059**	95,710
Deferred taxation	**498,335**	491,741
Total non-current liabilities	**3,600,965**	2,802,528
	14,549,156	12,883,294
NET TANGIBLE ASSETS PER SHARE (RM)	**10.80**	10.00

(The Condensed Consolidated Balance Sheet should be read in conjunction with the audited financial statements for the financial year ended 31 December 2003).

GENTING BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2004

		Non-Distributable			Distributable	
	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Reserve on Exchange Differences RM'000	Unappro-priated Profit RM'000	Total RM'000
Balance at 1 January 2003	352,169	97,803	310,649	57,406	5,608,193	6,426,220
Net profit/(loss) not recognised in the income statement	-	-	(2,117)	4,194	2,117	4,194
Net profit for the financial period	-	-	-	-	563,218	563,218
Appropriation:						
- Final dividend paid for financial year ended 31 December 2002 (13.5 sen less 28% income tax)	-	-	-	-	(68,462)	(68,462)
- Interim dividend declared for current period (7.0 sen less 28% income tax)	-	-	-	-	(35,499)	(35,499)
Balance at 30 September 2003	352,169	97,803	308,532	61,600	6,069,567	6,889,671
Balance at 1 January 2004	**352,169**	**97,803**	**308,524**	**66,183**	**6,220,168**	**7,044,847**
Issue of shares [see Note I(f) (iii)]	**18**	**499**	**-**	**-**	**-**	**517**
Net profit/(loss) not recognised in the income statement	**-**	**-**	**(284)**	**(3,247)**	**284**	**(3,247)**
Net profit for the financial period	**-**	**-**	**-**	**-**	**688,769**	**688,769**
Appropriation:						
- Final dividend paid for financial year ended 31 December 2003 (14.5 sen less 28% income tax)	**-**	**-**	**-**	**-**	**(73,533)**	**(73,533)**
- Interim dividend declared for current period (8.0 sen less 28% income tax)	**-**	**-**	**-**	**-**	**(40,570)**	**(40,570)**
Balance at 30 September 2004	**352,187**	**98,302**	**308,240**	**62,936**	**6,795,118**	**7,616,783**

(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 2003).

GENTING BERHAD
CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2004

	CURRENT YEAR-TO-DATE RM'000	PRECEDING YEAR CORRES-PONDING PERIOD RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit from ordinary activities before taxation	**1,458,771**	1,199,837
Adjustments for:		
Depreciation of property, plant and equipment ("PPE")	**270,649**	247,314
Finance cost	**71,429**	52,853
Share of results of associated companies	**(67,289)**	(73,267)
Interest income	**(58,278)**	(52,720)
Gain on disposal of PPE, real property assets and property development	**(5,731)**	(76,945)
Write-off of net goodwill arising on acquisition of additional interest in subsidiary companies/controlling stake in an associated company	**-**	89,828
Other non-cash items	**(3,755)**	(9,250)
	207,025	177,813
Operating profit before changes in working capital	**1,665,796**	1,377,650
Net change in current assets	**(66,327)**	26,200
Net change in current liabilities	**25,671**	(63,198)
	(40,656)	(36,998)
Cash generated from operations	**1,625,140**	1,340,652
Taxation paid	**(408,061)**	(354,467)
Retirement gratuities paid	**(142,336)**	(819)
Other net operating receipts	**5,647**	17,339
	(544,750)	(337,947)
NET CASH INFLOW FROM OPERATING ACTIVITIES	**1,080,390**	1,002,705
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of PPE	**(441,966)**	(265,541)
Increase in investments and other long term assets	**(138,998)**	(2,244)
Acquisition of subsidiary companies*	**(103,822)**	-
Investment in associated company	**(55,902)**	(38,202)
Purchase of additional shares from minority shareholders	**(15,054)**	(146,579)
Interest received	**58,124**	46,545
Acquisition of a subsidiary company/controlling stake in an associated company	**-**	231,783
Acquisition of an associated company	**-**	(11,743)
Proceeds from disposal of investments	**6,257**	30,706
Other net receipts from investing activities	**18,682**	24,436
NET CASH USED IN INVESTING ACTIVITIES	**(672,679)**	(130,839)

GENTING BERHAD
CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2004 (Cont'd)

	CURRENT YEAR-TO-DATE RM'000	PRECEDING YEAR CORRES-PONDING PERIOD RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	**(230,039)**	(558,699)
Finance cost paid	**(45,235)**	(52,789)
Dividend paid	**(73,533)**	(68,462)
Dividend paid to minority shareholders	**(71,853)**	(37,188)
Net proceeds from issue of Fixed Rate Notes	**1,093,667**	-
Proceeds from bank borrowings	**136,950**	320,804
Other net receipts from financing activities	**1,153**	32
NET CASH INFLOW FROM/(USED IN) FINANCING ACTIVITIES	**811,110**	(396,302)
NET INCREASE IN CASH AND CASH EQUIVALENTS	**1,218,821**	475,564
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	**4,136,984**	2,766,755
EFFECT OF CURRENCY TRANSLATION	**(6,349)**	(1,605)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	**5,349,456**	3,240,714
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Bank balances and deposits	**4,127,859**	2,279,625
Money market instruments (included in Short term investments)	**1,221,597**	961,089
	5,349,456	3,240,714
Bank overdrafts (included in Short term borrowings)	-	-
	5,349,456	3,240,714

***ANALYSIS OF THE ACQUISITION OF SUBSIDIARY COMPANIES**

	CURRENT YEAR-TO-DATE RM'000
Net assets acquired and net cash outflow on acquisition of subsidiary companies are analysed as follows:	
Property, plant and equipment	**104,321**
Inventories	**60**
Trade and other receivables	**5,444**
Bank balances and deposits	**3,130**
Trade and other payables	**(1,165)**
Taxation	**(715)**
Long term loan	**(2,559)**
Minority interests	**(216)**
Total purchase consideration	**108,300**
Bank balances and deposits of subsidiary companies acquired	**(3,130)**
Balance of purchase consideration not paid	**(1,348)**
Net cash outflow on acquisition of subsidiary companies	**103,822**

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2003).

GENTING BERHAD

NOTES TO THE INTERIM FINANCIAL REPORT – 3RD QUARTER ENDED 30 SEPTEMBER 2004

(I) Compliance with MASB 26: Interim Financial Reporting

(a) Accounting Policies and Methods of Computation

The interim financial report is unaudited and has been prepared in accordance with MASB 26, "Interim Financial Reporting" and paragraph 9.22 of the Bursa Malaysia Securities Berhad ("Bursa Malaysia") Listing Requirements.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2003. The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual audited financial statements for the financial year ended 31 December 2003 except for a change in the Group's accounting policy on goodwill. It had been the Group's policy to write-off goodwill arising on consolidation to the income statement when the acquisition occurs.

With effect from 1 January 2004, goodwill is recognised as an intangible asset and disclosed on the consolidated balance sheet at cost less any impairment losses. The carrying value of goodwill will be subject to annual impairment review and whenever events or changes in circumstances indicate that it may not be recoverable. An impairment charge will be recognised in the income statement when the results of such impairment review indicate that the carrying value of goodwill is impaired.

It is management's view that the change in accounting policy will result in a more appropriate presentation of goodwill in the Group's financial statements and that this is in line with international best practice.

The change in accounting policy is applied prospectively with effect from the current financial year as the resulting adjustment that relates to prior periods is not reasonably determinable. The comparative figures are therefore not restated. This change in the accounting policy does not have a material impact on the results for the current quarter and current financial period ended 30 September 2004.

In addition, the Group has complied with new approved accounting standards that are effective and applicable in the current financial year.

MASB 32, "Property Development Activities" became operative for financial periods commencing 1 January 2004. Consequently, in compliance with the Standard, "Real property assets" has been renamed as "Land held for development". Further, the comparatives in respect of property development and trade and other receivables have been restated whereby the excess of revenue recognised in the income statement over billings to purchasers is now presented as accrued billings within current assets. Previously, accrued billings was set off against property development. However, if the billings to purchasers exceed revenue recognised in the income statement, this will be presented as progress billings within current liabilities.

The change in accounting policy has been applied retrospectively as required by the Standard. Whilst there is no impact on the income statement, the effects of the reclassification on the balance sheet are summarised as follows:

Balances as at 31 December 2003:	**As previously reported RM'000**	**Prior period adjustments RM'000**	**As restated RM'000**
Current assets:			
Property development	99,321	(4,580)	94,741
Trade & other receivables	507,862	4,580	512,442

As the Group was already in compliance with the recognition and measurement principles set forth by the Standard, the above reclassifications do not have any impact on the Net Tangible Assets per share of the Group.

(b) **Disclosure of Audit Report Qualification and Status of Matters Raised**

The audit report of the Group's annual financial statements for the financial year ended 31 December 2003 did not contain any qualification.

(c) **Seasonal or Cyclical Factors**

On an overall basis, the business operations of the Group's Leisure & Hospitality Division and Plantations Division are subject to seasonal fluctuations whilst the Paper Division is subject to cyclical fluctuations. The results of the Leisure & Hospitality Division are affected by major festive seasons and holidays. The production of fresh fruit bunches ("FFB") is seasonal in nature and normally peaks in the second half of the year. More detailed commentary is set out in Notes 1 and 2 in Part II of this interim financial report.

(d) **Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow**

The unusual items included in the interim financial statements for the current financial period ended 30 September 2004 are as follows:

i) The completion of the acquisition of the entire issued and fully paid-up capital of Trushidup Plantations Sdn Bhd, Wawasan Land Progress Sdn Bhd, Dianti Plantations Sdn Bhd, Cengkeh Emas Sdn Bhd and Kituva Plantations Sdn Bhd on 28 May 2004 ("the Completion Date") by Asiatic Development Berhad ("ADB"), a 54.8% owned subsidiary of the Company for a total cash consideration of RM108.3 million is computed as follows:

	RM' Million
Original purchase consideration pursuant to the various Sale and Purchase Agreements	101.79
Adjustments upon completion of the due diligence exercise	(0.84)
Revised purchase consideration	100.95
Adjustments to audited net assets as at 28 May 2004	7.35
Adjusted purchase consideration	108.30
Less: Outstanding purchase consideration to be paid	(1.35)
	106.95
Less: Bank balances and deposits of subsidiary companies acquired	(3.13)
Cash outflow on acquisition	103.82

As reported in the last quarter, the original purchase consideration which was arrived at after taking into account, amongst others, the unaudited Net Tangible Assets of the acquired companies as at 30 November 2003, was subject to an audit by the independent auditors. The said audit was completed on 28 September 2004 and the outstanding purchase consideration was paid on 20 October 2004.

ii) Along with the completion of the acquisition of the above companies, ADB Group has also completed on the same day, the interdependent acquisitions of the following assets for a total cash consideration of RM103.2 million:

- Approximately 1,749 acres of plantation land together with a palm oil mill and other plantation assets located in the District of Kinabatangan, Sabah for a total cash consideration of RM50.3 million from Syarikat Trushidup Sdn Bhd ("STSB").

- Other plantation assets for a total cash consideration of RM1.0 million from Trushidup Resources Sdn Bhd.

- Approximately 5,110 acres of plantation land located in the District of Kinabatangan, Sabah for a total cash consideration of RM51.9 million from STSB.

The above cash consideration of RM103.2 million has been paid and included as part of cash outflow on purchase of property, plant and equipment in the condensed consolidated cash flow statement for the current financial period ended 30 September 2004.

(e) Material Changes in Estimates

There have been no significant changes made in estimates of amounts reported in prior interim periods of the current financial period ended 30 September 2004 or changes in estimates of amounts reported in prior financial years.

(f) Changes in Debt and Equity Securities

i) On 13 September 2004, the Company announced that Prime Holdings (Labuan) Limited ("PHLL"), a wholly-owned subsidiary of the Company, intends to issue USD250 million Guaranteed Notes of up to 10 years in accordance with Regulation S under the US Securities Act ("Proposed Notes Issue") to investors outside Malaysia.

Further to the above announcement, on 17 September 2004, the Company announced that the book-building process in relation to the Proposed Notes Issue had been completed and that the Notes, which amounted to USD300 million, had been fully placed to investors.

The Notes which were issued at 99.39% are due in 2014 and are guaranteed by the Company. They bear interest at 5.375% per annum from 22 September 2004, payable in arrears on 22 March and 22 September each year commencing on 22 March 2005.

The Notes are listed on the Luxembourg Stock Exchange and the Labuan International Financial Exchange.

ii) There was a repayment of redeemable fixed rate unsecured bonds of 80.0 million by an indirect subsidiary company during the current financial period ended 30 September 2004.

iii) There was an issuance by the Company of 36,000 new ordinary shares of 50 sen each, for cash, arising from the exercise of options granted under the Genting Executive Share Option Scheme at an exercise price of RM14.34 per ordinary share during the current financial period ended 30 September 2004.

iv) There was an issuance of 692,000 new ordinary shares of 50 sen each, for cash, by ADB arising from the exercise of options granted under the Asiatic Executive Share Option Scheme at an exercise price of 92 sen per ordinary share during the current financial period ended 30 September 2004.

(g) **Dividends Paid**

Dividends paid during the current financial period is as follows:-.

	RM'000
Final dividend paid on 30 July 2004 for the year ended 31 December 2003 - 14.5 sen less 28% tax per ordinary share of 50 sen each	73,533

(h) **Segment Information**

Segment analysis for the current financial period ended 30 September 2004 is set out below:

	Leisure & Hospitality RM'000	Plantations RM'000	Properties RM'000	Paper RM'000	Oil & Gas RM'000	Power RM'000	Others RM'000	Eliminations RM'000	Total RM'000
Operating Revenue									
External	2,111,011	323,664	49,950	358,844	42,700	546,967	19,865	-	3,453,001
Inter segment	1,398	-	11,552	1,446	-	7,578	57,470	(79,444)	-
	2,112,409	323,664	61,502	360,290	42,700	554,545	77,335	(79,444)	3,453,001
Results									
Segment profit	958,397	144,942	13,003	44,882	19,761	213,166	10,486	(4)	1,404,633
Interest income									58,278
Finance cost									(71,429)
Share of results of associated companies	52,801	3,103	221	-	-	11,164	-	-	67,289
Profit from ordinary activities before taxation									1,458,771
Taxation									(398,297)
Profit from ordinary activities after taxation									1,060,474
Minority shareholders' interests									(371,705)
Net profit for the period									688,769

(i) **Valuation of Property, Plant and Equipment**

Property, plant and equipment, which are stated at revalued amounts, have been brought forward without amendment from the previous annual financial statements.

(j) **Material Events Subsequent to the End of Financial Period**

Other than the corporate proposals as reported in Note 8 of part II of this interim financial report, there were no other material events subsequent to the end of the current financial period ended 30 September 2004 that have not been reflected in this interim financial report.

(k) **Changes in the Composition of the Group**

i) On 19 January 2004, the Company announced that Calidone Limited ("CL"), a wholly owned subsidiary of Genting International PLC ("GIPLC"), which in turn is an indirect 64.3% owned subsidiary of the Company, had entered into a Shareholders' Agreement with Star Cruises (C) Limited ("SCCL"), a wholly owned subsidiary of Star Cruises Limited ("SCL"), which in turn is a 20.7% owned indirect associate of the Company, for the subscription of 499,998 and 500,000 ordinary shares of USD1 each in WorldCard International Limited ("WCIL") by CL and SCCL respectively for cash at par.

Under the Shareholders' Agreement, CL will subscribe for 499,998 new ordinary shares of USD1 each in WCIL in addition to the 2 new ordinary shares of USD1 each it currently owns in WCIL. With the subscriptions at par value, WCIL has ceased to be an indirect subsidiary of GIPLC and is rendered an indirect 50% associate of the GIPLC Group and the balance 50% equity being owned by the SCL Group.

The GIPLC and SCL Groups will jointly use the "WorldCard" trade name and technology platform to build an international customers' data base which shares common values and benefits. The completion of the Shareholders' Agreement does not have any material effect on the Net Tangible Assets per share and Earnings per share respectively of the Group.

ii) On 12 August 2004, the Company through its indirect wholly-owned subsidiary, Genting Power (India) Limited, acquired a 36.3% equity stake in Aban Power Company Limited for a total consideration of approximately USD10.3 million (approximately RM39.1 million), which will own, operate and maintain a 120 MW combined cycle power plant in Tamil Nadu, India.

Other than the above and the transactions disclosed in Note (d) (i) above, there were no other material changes in the composition of the Group for the current financial period ended 30 September 2004.

(l) **Changes in Contingent Liabilities or Contingent Assets**

As at 31 December 2003, unsecured bank guarantees of RM2.4 million were given by an indirect subsidiary company in relation to a property development project that was previously undertaken by the subsidiary until the disposal of the development property in the year 2002. The subsidiary company has discharged itself from the guarantees during the current financial period ended 30 September 2004.

There were no other significant changes in contingent liabilities or contingent assets since the last financial year ended 31 December 2003, other than the above and the disclosure made in Note 11 of Part II of this interim financial report.

(m) **Capital Commitments**

Authorised capital commitments not provided for in the interim financial statements as at 30 September 2004 are as follows:

	RM'000
Contracted	375,105
Not contracted	215,859
	590,964
Analysed as follows:	
- Property, plant and equipment	531,821
- Investments	59,143
	590,964

GENTING BERHAD

ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA – 3RD QUARTER ENDED 30 SEPTEMBER 2004

(II) Compliance with Appendix 9B of Bursa Malaysia Listing Requirements

1. **Review of Performance**

The comparison of the quarterly results are tabulated below:

	Current Quarter			Preceding Quarter		Financial Year-to-date		
	2004 RM'million	2003 RM'million	% +/-	2Q 2004 RM'million	% +/-	2004 RM'million	2003 RM'million	% +/-
Revenue								
Leisure & Hospitality	**653.2**	667.4	-2	742.7	-12	**2,111.0**	1,929.7	+9
Plantations	**141.8**	97.1	+46	100.6	+41	**323.7**	269.3	+20
Properties	**16.4**	11.6	+41	17.3	-5	**49.9**	30.1	+66
Paper	**125.1**	107.6	+16	119.7	+5	**358.8**	325.1	+10
Power	**189.1**	181.4	+4	189.1	-	**547.0**	357.9	+53
Oil & Gas	**11.7**	13.2	-11	13.9	-16	**42.7**	40.1	+6
Proceeds from disposal of quoted short-term securities	**-**	-	-	0.8	-100	**1.7**	30.7	-94
Others	**4.7**	6.1	-23	3.7	+27	**18.2**	16.6	+10
	1,142.0	1,084.4	+5	1,187.8	-4	**3,453.0**	2,999.5	+15
Proceeds from disposal of land	**-**	-	-	-	-	**-**	82.7	-100
	1,142.0	1,084.4	+5	1,187.8	-4	**3,453.0**	3,082.2	+12
Profit before tax and unusual items								
Leisure & Hospitality	**269.9**	289.9	-7	350.4	-23	**958.4**	797.7	+20
Plantations	**65.5**	41.7	+57	41.6	+57	**144.9**	119.0	+22
Properties	**4.8**	3.4	+41	3.7	+30	**13.0**	10.8	+20
Paper	**14.4**	10.7	+35	16.8	-14	**44.9**	36.1	+24
Power	**72.9**	70.4	+4	67.5	+8	**213.2**	137.9	+55
Oil & Gas	**3.8**	9.1	-58	6.6	-42	**19.8**	24.0	-18
Others	**1.2**	0.8	+50	7.6	-84	**10.4**	21.8	-52
	432.5	426.0	+2	494.2	-12	**1,404.6**	1,147.3	+22
Interest income	**22.5**	17.9	+26	18.6	+21	**58.3**	52.7	+11
Finance cost	**(24.9)**	(15.2)	+64	(23.2)	+7	**(71.4)**	(52.8)	+35
Gain of disposal of land	-	-	-	-	-	**-**	69.1	-100
Adjustment/ (Write-off) of net goodwill arising on acquisition of additional interest in subsidiary companies/ controlling stake in an associated company	**-**	3.7	-100	-	-	**-**	(89.8)	-100
Share of results of associated companies	**71.6**	81.2	-12	(4.1)	>100	**67.3**	73.3	-8
Profit before tax	**501.7**	513.6	-2	485.5	+3	**1,458.8**	1,199.8	+22

Quarter ended 30 September 2004 compared to Quarter ended 30 September 2003

The Group registered a revenue of RM1,142.0 million in the current quarter compared to RM1,084.4 million in the previous year's corresponding quarter, which is an increase of 5%.

Increased revenue from the Plantations Division is mainly due to higher fresh fruit bunches ("FFB") production and selling prices of palm products whilst that from the Properties Division is due to higher progress billings from property sales.

The revenue from the Paper Division increased due to higher average selling prices of paper and the higher volume of sales.

The decrease in revenue from the Leisure & Hospitality Division is mainly attributable to the lower luck factor.

Decreased revenue from the Oil & Gas Division is due to lower production in the current quarter despite the higher average oil price achieved.

The Group profit before tax for the current quarter is RM501.7 million, a decrease of 2% compared to the previous year's corresponding quarter's profit before tax of RM513.6 million.

The higher profit from the Plantations Division is due to the higher selling prices of palm products and contribution from newly acquired plantations.

Higher profit from the Properties, Paper and Power Divisions is in line with the higher revenue generated by these Divisions.

The decrease in the profit from the Leisure & Hospitality Division is due to the lower revenue generated.

Lower profit from the Oil & Gas Division is due to the lower revenue and higher costs incurred.

The share of results of associated companies in the current quarter included a share of profit of RM67.9 million from Star Cruises Ltd ("SCL") compared to a share of profit of RM77.1 million in the previous year's corresponding quarter.

Current financial period to 30 September 2004 compared to previous financial year-to-date to 30 September 2003

The Group registered a revenue of RM3,453.0 million for the current financial year-to-date compared to RM3,082.2 million for the previous year's corresponding period, which is an increase of 12%. Increased revenue was recorded from all the Divisions with the exception of lower proceeds from disposal of quoted short-term securities in this current financial period.

Increased revenue from the Leisure & Hospitality Division is mainly attributable to its better underlying performance arising from higher visitor arrivals.

The increase in revenue from the Plantations Division is due mainly to higher selling prices achieved for palm products whilst increased revenue from the Properties Division is due to higher progress billings.

The higher revenue from the Paper Division is due to higher average selling prices of paper.

The revenue of the Power Division for the current financial period is not comparable to that of the previous year's corresponding period as the latter included the revenue of Genting Sanyen Power Sdn Bhd ("GSP") only after 31 March 2003, when the acquisition by the Group of the additional controlling stake of 20% in GSP was completed. In addition, revenue from the Genting Sanyen Power (Labuan) Limited ("GSPL") group of companies was included only from June 2003 when the acquisition of Genting Power (Swiss) GmbH by GSPL was completed.

Increased revenue from the Oil & Gas Division is mainly due to higher average oil prices.

The Group profit before tax for the current financial period is RM1,458.8 million, an increase of 22% compared to previous year's corresponding period's profit before tax of RM1,199.8 million.

The profit from the Leisure & Hospitality Division for the current financial period is higher as the performance of the previous year's corresponding period was adversely affected by the Severe Acute Respiratory Syndrome outbreak in the region and the higher donations made of RM22.5 million.

Higher profit from the Plantations Division is due to higher selling prices of palm products and contribution from newly acquired plantations.

The profit of the Power Division for the current financial period is not comparable to that of the previous year's corresponding period due to the aforementioned factor.

The higher profit from Properties and Paper Divisions is due to increased revenue.

The lower profit from the Oil & Gas Division is mainly attributable to higher costs incurred in the current financial period.

The share of results of associated companies for the current financial period included a share of profit of RM54.4 million from SCL compared to a share of profit of RM37.3 million in the previous year's corresponding period. The share of results of associated companies for the previous year's corresponding period had included the share of profit of GSP for the first quarter of 2003 for the reason as aforementioned.

In addition, the previous year's corresponding period's profit before tax was affected by the write-off of net goodwill arising on acquisition of additional interest in subsidiary companies/controlling stake in an associated company amounting to RM89.8 million.

2. **Material Changes in Profit Before Taxation for the Current Quarter as compared with the immediate Preceding Quarter**

The Group registered a profit before tax of RM501.7 million in the current quarter which is marginally higher than the RM485.5 million registered in the preceding quarter.

The Leisure & Hospitality Division's profit is lower in the current quarter due mainly to lower luck factor.

The significant improvement in the Plantations Division's profit is due to a 57% increase in FFB production as compared to the preceding quarter. The higher FFB production resulted from a full quarter's contribution from the newly acquired plantations as compared to only one month's contribution in the preceding quarter.

The Power Division's profit is higher in the current quarter as the preceding quarter's profit had been affected by the write-off of expenses incurred to evaluate and bid for potential power projects overseas.

Profit from the Paper Division is lower in the current quarter due to the lower average selling prices of paper.

The lower profit from the Oil & Gas Division is due to the lower production in the current quarter as well as the higher costs incurred.

3. **Prospects**

In view of the expected global economic outlook and the government's policy in promoting Malaysia as an international tourist destination, the Group's performance, barring unforeseen circumstances, is expected to be satisfactory for the remaining period of the year.

4. **Variance of Actual Profit from Forecast Profit**

The Group did not issue any profit forecast or profit guarantee for the year.

5. **Taxation**

The breakdown of tax charges for the current quarter and current financial period ended September 2004 are as set out below:

	Current Quarter RM'000	**Current financial year-to-date RM'000**
Current taxation		
Malaysian income tax charge	111,059	382,055
Foreign income tax charge	1,457	8,279
	112,516	390,334
Deferred tax charge	8,633	5,279
Share of tax of associated companies	672	3,461
	121,821	399,074
Prior period taxation		
Income tax under/(over) provided	264	(371)
Deferred tax over provided	(56)	(406)
	122,029	398,297

The effective tax rate of the Group for the current quarter and current financial period ended 30 September 2004 is lower than the statutory tax rate mainly due to share of profits in an associated company which are mainly derived from income not subjected to income tax and utilisation of tax incentives.

6. **Profit on Sale of Unquoted Investments and/or Properties**

The results for the current quarter and current financial period ended 30 September 2004 do not include any profit or loss on sale of unquoted investments and properties which are not in the ordinary course of business of the Group.

7. Quoted Securities other than Securities in Existing Subsidiary and Associated Companies

(a) The dealings in quoted securities for the current quarter and current financial period ended 30 September 2004 are as follows:

	Current quarter RM'000	Current financial year-to-date RM'000
Total purchases at cost	-	127,781
Total disposal proceeds	-	3,205
Total gain on disposal	-	1,375

(b) The details of the investments in quoted shares, excluding subsidiary companies and associated companies, as at 30 September 2004 are as set out below:

	RM'000
Total investments at cost	376,610
Total investments at book value	374,442
Total investments at market value	513,030

8. Status of Corporate Proposals Announced

(a) On 22 May 2002, the Company announced that Mastika Lagenda Sdn Bhd, an indirect 97.7% owned subsidiary of the Company, had entered into a Share Sale Agreement ("SSA") with Tenaga Nasional Bhd ("TNB") on 21 May 2002 for the acquisition of TNB's 40% stake in Sepang Power Sdn Bhd ("SPSB") for a total cash consideration of RM65.7 million ("Proposed Share Acquisition"). In the SSA, both parties have agreed that subject to the approval of all relevant authorities, SPSB's power plant will be commissioned no earlier than Year 2007.

An initial payment of 10% of the purchase consideration amounting to RM6.57 million has been paid and the balance of 90% will be paid on the Completion Date which is within 14 days after all Conditions Precedent are satisfied.

As at 23 November 2004, the completion of the Proposed Share Acquisition is still outstanding pending the execution of the shareholder's agreement.

(b) On 23 September 2004, the Company's indirect 64.3% owned subsidiary, Genting International P.L.C ("GIPLC"), announced that Coastbright Limited, an indirect wholly owned subsidiary of GIPLC, has entered into a conditional sale and purchase agreement with Gala Group Limited for the acquisition of the Maxims Casino business of Lydiashourne Limited, a wholly-owned indirect subsidiary of Gala Group, for a total consideration of STG10.5 million. The purchase consideration was arrived at on a willing buyer willing seller basis.

Maxims Casino which is situated at Palace Gate, Kensington, London, operates as an exclusive members club and is one of only a small number of top-end casinos in London's West End.

The transaction is expected to complete early next year after the gaming licence has been transferred to Coastbright Limited. Gala Group will continue to operate the casino until that time.

(c) On 23 November 2004, GIPLC announced a proposed renounceable rights issue ("Rights Issue") of 2,365,745,405 new shares ("Rights Shares") at an issue price of USD0.13 for each Rights Share, on the basis of five Rights Shares for every three existing shares of par value USD0.10 each, held in the capital of GIPLC as at a books closure date to be determined. The Rights Issue is proposed to be offered to Shareholders whose registered addresses with GIPLC or The Central Depository Pte Ltd, as the case may be, are in Singapore, Malaysia, Luxembourg and the Isle of Man. The Issue Price of USD0.13 for each Rights Share represents a discount of approximately 43% from the last transacted price of USD0.23 per share on the Central Limit Order Book Trading System of the Singapore Stock Exchange on 22 November 2004, being the last trading date prior to the announcement.

The Rights Issue will strengthen the share capital base of GIPLC. The net proceeds from the Rights Issue, after deducting estimated issue expenses, would amount to approximately USD305 million. The net proceeds of the Rights Issue will be utilised for investments and/or acquisitions (including the repayment of any borrowings taken to make such investments or acquisitions) in relation to its principal business in the leisure, hospitality and gaming sectors, as and when opportunities arise, and for general working capital requirements.

The Rights Issue is conditional upon, *inter alia*, the following :

i) the in-principle approval of the Luxembourg Stock Exchange;

ii) shareholders' approval for an increase in the authorised share capital of GIPLC, for which a circular will be dispatched in due course to seek shareholders' approval for such increase at an Extraordinary General Meeting of GIPLC to be convened;

iii) any other authorisation as may be required or appropriate for or in connection with the Rights Issue from all relevant authorities (I) having been obtained, (II) remaining in full force and effect, there being no notice of any intention to revoke or not to renew any such authorisations, and (III) all actions or obligations required under any such authorisations to be taken or complied with prior to the completion of the Rights Issue; and

iv) all necessary or appropriate filings with any relevant authority having been made and all appropriate waiting periods (including any extensions thereof) under any applicable legislation or regulation of any jurisdiction having expired, lapsed or been terminated, in each case for or in connection with the Rights Issue.

(d) On 23 November 2004, GIPLC announced that GIPLC and its subsidiaries have :

i) agreed to form a 50:50 Joint Venture for the development of regional casinos in the United Kingdom ("UK") with Stanley Leisure PLC ("Stanley Leisure"), the UK's largest casino operator. The Joint Venture will be called Stanley Genting Casinos Limited ("SGCL").

Prior to the subscription by GIPLC in the Joint Venture vehicle, Stanley Leisure will transfer its subsidiary, Stanley Casinos (Leeds) Limited, which has the benefit of an option to acquire certain land adjacent to Elland Road, Leeds, to SGCL for cash. GIPLC has agreed to subscribe for shares in SGCL for STG5.4 million in cash. In the event that consent is not given to build a regional casino on this land, it will be sold back to Stanley Leisure at cost;

ii) conditionally agreed to sell a 50% interest in Maxims Casino in London, which is currently being acquired by GIPLC's indirect wholly owned subsidiary, Coastbright Limited (as disclosed in Note 8(b) above), to Stanley Leisure. The sale consideration for Maxims Casino will be between STG5.85 million and STG6.85 million, to be determined following due diligence by Stanley Leisure, and to be satisfied by the issue of up to 1,522,222 new ordinary shares of Stanley Leisure at 450p per share; and

iii) acquired 8,000,000 shares of Stanley Leisure from Lord Leonard Steinberg for 450p per share. With the 3,620,086 shares held by Genting Overseas Holdings Ltd, a wholly-owned subsidiary of the Company, prior to this purchase by GIPLC, the Group now holds 11,620,086 ordinary shares, representing 9.1% in Stanley Leisure's issued share capital.

Other than the above, there were no other corporate proposals announced but not completed as at 23 November 2004.

9. **Group Borrowings and Debt Securities**

The details of the Group's borrowings and debt securities as at 30 September 2004 are as set out below:

	Secured/ Unsecured	**Foreign Currency ’000**	**RM Equivalent ’000**
Short term borrowings	Unsecured	USD 98,766 -	375,311 110,440
Long term borrowings	Unsecured	USD 788,232 -	2,995,281 10,290

10. **Off Balance Sheet Financial Instruments**

As at 23 November 2004, the Group had the following off balance sheet financial instruments:

(a) Foreign Currency Contracts

Currency	**Contract Amounts ’000**	**Transaction Dates**	**Expiry Dates**
US Dollars	19,338	01/10/2004 to 05/11/2004	24/11/2004 to 25/07/2005
Swiss Francs	3,868	25/10/2004 to 17/11/2004	10/12/2004 to 10/05/2005
Euro	1,168	30/06/2004 to 29/10/2004	31/12/2004
Singapore Dollars	143	29/10/2004	30/11/2004

As the above foreign currency contracts are entered into to cover the Group's commitments 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 licenced banks.

(b) USD Interest Rate Swap (“IRS”) and Hedging Transactions

i) On 25 April 2001, the Group had drawndown a loan amounting to USD200 million which was subjected to a floating interest rate based on LIBOR. On 25 April 2003, USD40 million was repaid. The balance outstanding on this loan amounts to USD160 million.

The outstanding IRS agreements entered into by the Group in respect of the loan are as follows:

Transaction Date	Effective Date of Commencement	Maturity Dates	Outstanding Contract Amounts USD’000
13 August 2001	25 October 2001	25/04/2005 to 25/04/2006	24,000
16 August 2001	25 October 2001	25/04/2005 to 25/04/2006	24,000
22 August 2001	25 October 2001	25/04/2005 to 25/04/2006	16,000
30 August 2001	25 October 2001	25/04/2005 to 25/04/2006	16,000
08 May 2002	25 July 2002	25/04/2005	10,000
08 May 2002	25 July 2002	25/04/2006	10,000
24 July 2003	25 October 2003	24/04/2005	30,000
24 July 2003	25 October 2003	25/04/2006	30,000
Total			160,000

The above swaps effectively fix the interest rate payable on that tranche of the loan from the respective effective dates of commencement of contracts and up to their respective maturity dates as set out above.

ii) On 27 November 2002, the Group had drawndown a loan amounting to USD53 million which was subjected to a floating interest rate based on LIBOR.

Subsequently, the Group entered into IRS agreements as follows:

Transaction Date	Effective Date of Commencement	Maturity Dates	Outstanding Contract Amounts USD’000
11 June 2003	27 May 2003	29/11/2004 to 27/11/2007	25,468
16 January 2004	28 May 2004	29/11/2004 to 27/11/2007	27,532
Total			53,000

The above IRS effectively swap the interest rate payable from floating rate to floating rate in arrears subjected to a cap on the LIBOR of 5% per annum from the respective effective dates of commencement of contracts and up to their respective maturity dates.

iii) On 29 May 2003, 24 November 2003 and 11 December 2003, the Group had drawndown loans amounting to a total of USD73.93 million which were subjected to floating interest rates based on LIBOR. Of these loans, USD2.76 million was repaid on 28 November 2003 and a further USD2.76 million was repaid on 28 May 2004.

Subsequently, the Group entered into IRS agreements as follows:

Transaction Date	Effective Date of Commencement	Maturity Dates	Outstanding Contract Amounts USD'000
28 November 2003	28 November 2003	29/11/2004 to 29/05/2008	22,064
12 April 2004	24 May 2004	25/11/2005 to 24/11/2008	18,000
12 April 2004	11 June 2004	12/12/2005 to 11/12/2008	5,175
13 April 2004	24 May 2004	25/11/2005 to 24/11/2008	18,000
07 May 2004	11 June 2004	12/12/2005 to 11/12/2008	5,175
Total			68,414

The above swaps effectively fix the interest rate payable on that tranche of the loan from the respective effective dates of commencement of contracts and up to their respective maturity dates as set out above.

iv) On 15, 16 and 19 July 2004, the Group entered into transactions to fix the underlying interest rate to hedge the Group's interest rate exposure on the USD300 million 10-year bond issue as mentioned in Note f (i) in Part I of this interim financial report. The interest rate was fixed based on the 10-year USD treasury note for amounts of USD100 million each, totalling USD300 million. The contracts matured and were settled on 14 September 2004. The differential amount paid by the Group will be amortised over the duration of the bond issue. Effectively, the underlying USD treasury rate for the bond issue is fixed based on the contracted rate.

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 their financial strength.

The Group uses derivative financial instruments including interest rate swap and currency swap agreements in order to limit the Group's exposure in relation to its underlying debt instruments resulting from adverse fluctuations in interest rates or foreign currency exchange rates and to diversify sources of funding. The related interest differentials under the swap agreements are recognised over the terms of the agreements in interest expense.

11. **Changes in Material Litigation**

Asiatic Development Berhad ("ADB"), a 54.8% owned subsidiary of the Company and Asiatic Tanjung Bahagia Sdn Bhd ("ATBSB") (formerly known as Tanjung Bahagia Sdn Bhd), a wholly-owned subsidiary of ADB, had vide previous announcements informed ADB's shareholders on the status of the legal suit filed in the High Court of Sabah and Sarawak at Kota Kinabalu Suit No. K22-245 of 2002 wherein ADB and ATBSB were named as the Second and Third Defendants respectively (the "Suit"). The Suit was instituted by certain natives ("the Plaintiffs") claiming Native Customary Rights over the agricultural land or part thereof held under title number CL095330724 measuring approximately 8,830 hectares situated at Sungai Tongod, District of Kinabatangan, Sandakan, Sabah which was acquired by ATBSB from Hap Seng Consolidated Berhad ("HSCB") ("the Tongod Land"). Subsequently, the Plaintiffs had also applied for an interlocutory injunction to restrain ADB and ATBSB from entering, trespassing, clearing, using or occupying the Tongod Land or part thereof ("the Injunction").

The decision in respect of the preliminary objection raised by ADB, ATBSB and HSCB which was scheduled to have been delivered on 15 October 2004, has been adjourned to 14 December 2004.

ADB's solicitors maintain their opinion that the Plaintiffs' action is misconceived and unsustainable.

Other than the above, there are no other changes in material litigation since the last financial year ended 31 December 2003 and up to 23 November 2004.

12. **Dividend Proposed or Declared**

(a) No dividend has been proposed or declared for the current quarter ended 30 September 2004.

(b) The total dividend declared for the current financial period was an interim dividend of 8.0 sen per ordinary share of 50 sen each, less 28% tax and which was paid on 29 October 2004.

13. **Earnings Per Share ("EPS")**

(a) The earnings used as the numerator in calculating basic and diluted earnings per share for the current quarter and current financial period ended 30 September 2004 is as follows:

	Current quarter RM'000	**Current financial year-to-date RM'000**
Net profit for the period (used as numerator for the computation of Basic EPS)	241,340	688,769
Dilution of earnings on potential exercise of Employee Share Options ("ESOS") awarded to executives of Asiatic Development Berhad, a 54.8% owned subsidiary of the Company	(587)	(1,404)
Dilution of earnings on potential exercise of ESOS awarded to executives of Resorts World Bhd, a 56.8% owned subsidiary of the Company	(24)	(65)
Net profit for the period (used as numerator for the computation of Diluted EPS)	240,729	687,300

(b) The weighted average number of ordinary shares used as the denominator in calculating basic and diluted earnings per share for the current quarter and current financial period ended 30 September 2004 is as follows:

	Current quarter No. of shares	**Current financial year-to-date No. of shares**
Weighted average number of ordinary shares in issue (used as denominator for the computation of Basic EPS)	704,339	704,339
Adjustment for share options granted under the ESOS to executives of Genting Berhad	529	787
Weighted average number of ordinary shares in issue (used as denominator for the computation of Diluted EPS)	704,868	705,126

TAN SRI LIM KOK THAY
Chairman, President and Chief Executive
GENTING BERHAD
30 November 2004