



# Genting International

## GENTING INTERNATIONAL P.L.C.

(Incorporated in the Isle of Man No. 24706C)

---

### ANNOUNCEMENT

---

#### INTERESTED PERSONS TRANSACTIONS CHANGE OF BASIS OF MEASUREMENT UNDER RULES 905 AND 906 OF THE LISTING MANUAL FROM NET TANGIBLE ASSET TO NET ASSET VALUE

##### A. Introduction

1. The board of Genting International P.L.C. ("GIPLC") is pleased to announce that the Singapore Exchange Limited ("SGX-ST") has granted its approval in a letter dated 5 April 2007 allowing GIPLC to use the net asset value ("NAV") as an alternate basis for valuing IPT transactions for purposes of Chapter 9. The approval is subject to:
  - (a) an immediate announcement of the proposed change; and
  - (b) the company capping the basis of the measurement to either the NAV or the net tangible asset ("NTA") for the financial year ended 31 December ("FY") 2005 of S\$1,288,700,000, whichever is lower.

##### B. Background

2. Under Rule 905 of the Listing Manual, an issuer must make an immediate announcement of any interested person transaction ("IPT") of a value equal to, or more than 3% of the group's latest audited net tangible asset ("NTA"), provided that such transaction is in the value of S\$100,000 or more.
3. Under Rule 906 of the Listing Manual, an issuer must obtain shareholders' approval for any interested person transaction of a value equal to, or more than 5% of the group's latest NTA, provided that such transaction is in the value of S\$100,000 or more;

(The thresholds described in paragraphs 2 and 3 above are collectively referred to as the "Thresholds").

4. The comparative NTA and NAV of GIPLC for FY2004, FY2005 and FY2006 are illustrated below:-

#### GIPLC

FY	NTA (S\$ ' million)	NAV (S\$' million)
2004	175.8	176.5
2005	1,288.7	1,296.5
2006	(920.8)	1,338.1

5. The substantial increase in the intangible assets of GIPLC in FY2006 is mainly due to the acquisition of the entire equity interest of Stanley Leisure plc (the largest casino operator in the United Kingdom), which resulted in an increase in intangible assets of GIPLC by approximately S\$2.2 billion. (hereinafter collectively referred to as the "**Acquisition**").
6. When the NTA becomes a negative figure, it becomes meaningless to measure the value of the IPT against the values set out in Rule 905 and 906 as all transactions will be caught regardless of its value.
7. The use of NTA of GIPLC for FY2006 (as is provided for under Rules 905 and 906 of the Listing Manual) will result in a failure to recognise the very substantial increase in the intangible assets of GIPLC arising from the Acquisition, which has proven to be a real valuable asset of GIPLC, in terms of the revenue generated from the Acquisition, and also in terms of the enhancement in the market position and reputation of GIPLC within the casino operations in the United Kingdom.

**C. Alternate basis**

8. GIPLC wrote to SGX-ST on the 13 March 2007 requesting for a change in the basis of evaluating the IPTs by using the NAV for GIPLC's financial year ended 31 December ("**FY**") 2006 which is a more suitable indicator of the real financial value of GIPLC, as compared to the use of NTA of GIPLC for FY2006 subject to the NAV being capped to the FY2005 NTA value of S\$1,288,700,000 so that the lower of either the NAV or the FY2005 NTA be used as the alternate basis for valuing IPT transactions for purposes of Chapter 9.
9. SGX-ST has stated in its approval of 5 April 2007 that it reserves the right to review and amend its decision, and to impose any other requirements it deems necessary, should circumstances warrant it.

**For and on behalf of the Board of  
GENTING INTERNATIONAL P.L.C.**

***Mr. Justin Tan Wah Joo  
Managing Director***

**5 April 2007**