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General Announcement

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Submitting Merchant Bank (if applicable) : **CIMB INVESTMENT BANK BERHAD (FORMERLY KNOWN AS COMMERCE INTERNATIONAL MERCHANT BANKERS BERHAD)**

Submitting Secretarial Firm Name (if applicable) :

* Company name : **GENTING BERHAD**

* Stock name : **GENTING**

* Stock code : **3182**

* Contact person : **CHAN WAN HONG**

* Designation : **MANAGER**

* Type : **Announcement** **Reply to query**

* Subject :
GENTING BERHAD ("GENTING")

- PROPOSED SHARE SPLIT; AND

- PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION

* **Contents :-**

1. INTRODUCTION

On behalf of Genting's Board of Directors ("**Board**"), CIMB Investment Bank Berhad (*formerly known as Commerce International Merchant Bankers Berhad*) ("**CIMB**") wishes to announce that Genting proposes to implement the following:

- (i) a share split involving the subdivision of each of the existing ordinary shares of RM0.50 each in Genting ("**Genting Shares**") into 5 ordinary shares of RM0.10 each in Genting ("**Split Shares**") ("**Proposed Share Split**"); and
- (ii) amendment to certain provisions of Genting's Memorandum and Articles of Association to facilitate the Proposed Share Split ("**Proposed M&A Amendments**")

(collectively, the "**Proposals**").

2. DETAILS OF THE PROPOSED SHARE SPLIT

2.1 Genting proposes to implement a share split involving the subdivision of each of the Genting Shares, held by Genting's shareholders whose names appear in Genting's Register of Members at the close of business on a date to be determined later by the Board, into 5 Split Shares.

2.2 As at 31 December 2006, the issued and paid-up share capital of Genting is RM369.4 million comprising 738.8 million Genting Shares. Upon completion of the Proposed Share Split, the issued and paid-up share capital of Genting would be RM369.4 million comprising 3,694.0 million Split Shares.

2.3 The Split Shares shall, upon allotment and issue, rank equal in all respects with each other.

3. RATIONALE FOR THE PROPOSED SHARE SPLIT

While the Proposed Share Split will not have any direct impact on Genting's market capitalisation, it will reduce the market price of Genting Shares immediately to one-fifth of the market price before the Proposed Share Split, hence allowing investors to trade each Genting Share at a lower price. The Proposed Share Split will enable Genting's shareholders to have a larger number of ordinary shares in Genting while maintaining their percentage of equity interest in Genting.

4. EFFECTS OF THE PROPOSED SHARE SPLIT

The proforma effects of the Proposed Share Split on Genting's issued and paid-up share capital, shares to be issued under the Executive Share Option Scheme for eligible executives of Genting and its subsidiaries ("ESOS"), net assets per share and earnings per share are set out in **Table 1**.

5. CONDITIONALITY

The Proposed Share Split and Proposed M&A Amendments are inter-conditional.

6. APPROVALS REQUIRED

The Proposals are subject to and conditional upon approvals being obtained from the following:

- (i) the Securities Commission ("SC"), for the Proposed Share Split;
- (ii) Bursa Malaysia Securities Berhad ("**Bursa Securities**"), for the following:
 - (a) the Proposed Share Split; and
 - (b) the listing of and quotation for the new Split Shares to be issued under the Proposed Share Split on the Main Board of Bursa Securities; and
- (iii) shareholders of Genting, for the Proposals at an extraordinary general meeting to be convened.

Genting expects to submit the applications to the SC and Bursa Securities in relation to the Proposed Share Split within a month from the date of this announcement.

7. ADVISER

Genting has appointed CIMB as the Adviser for the Proposals.

This announcement is dated 15 January 2007.

Tables Section - This section is to be used to create and insert tables. Please make the appropriate reference to the table(s) in the Contents of the Announcement:



Table 1 - Genting.pc

Table 1 – Proforma effects of the Proposed Share Split

(a) Issued and paid-up share capital

The effects of the Proposed Share Split on Genting's issued and paid-up share capital are as follows:

	Par value RM	No. of ordinary shares million
Issued and paid-up share capital as at 31 December 2006	0.50	738.8
Issued and paid-up share capital after the Proposed Share Split	0.10	3,694.0

(b) Shares to be issued under Genting's ESOS

The proforma effects of the Proposed Share Split on the shares to be issued by Genting assuming full exercise of the existing share options under Genting's ESOS are as follows:

	Par value RM	No. of ordinary shares million
To be issued assuming full exercise of outstanding share options as at 31 December 2006	0.50	5.1
To be issued assuming full exercise of outstanding share options as at 31 December 2006 after the Proposed Share Split	0.10	25.7

(c) Net assets per share

The proforma effects of the Proposed Share Split on Genting's net assets per share based on the audited consolidated accounts of Genting as at 31 December 2005 are as follows:

	Audited as at 31.12.2005 RM million	After the Proposed Share Split RM million
Share capital	352.7	352.7
Share premium	111.7	111.7
Reserves	369.9	369.9
Unappropriated profit	8,167.7	8,167.6 ²
Net assets	<u>9,002.0</u>	<u>9,001.9</u>
No. of ordinary shares in issue (million)	705.4 ¹	3,527.0
Net assets per ordinary share (RM)	12.76	2.55

Notes:

¹ The changes in the number of ordinary shares in issue from 31 December 2005 to 31 December 2006 can be summarised as follows:

	No. of Genting Shares million
As at 31 December 2005	705.4
Private placement in December 2006	33.0
Exercise of share options under Genting's ESOS during 2006	<u>0.4</u>
As at 31 December 2006	<u><u>738.8</u></u>

² *After estimated incidental expenses for the Proposals.*

(d) Earnings per share

The Proposed Share Split will not have any material effect on Genting's consolidated earnings. Nevertheless, Genting's future consolidated earnings per share will correspondingly be reduced due to the increase in the number of ordinary shares in Genting arising from the subdivision of shares after the implementation of the Proposed Share Split.