

GENTING INTERNATIONAL PUBLIC LIMITED COMPANY
(Incorporated in the Isle of Man with limited liability No. 24706C)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2006

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2006

	Group		
	Year ended 31 December		
	2006	2005	Change
	S\$'000	S\$'000	%
Revenue	292,906	80,983	>100
Cost of sales	(196,806)	(43,200)	>100
Gross profit	96,100	37,783	>100
Other operating income	54,089	7,395	>100
Fair value (loss)/gain on financial assets at fair value through profit or loss	(26,945)	114,273	(>100)
Administrative expenses	(21,142)	(3,904)	>100
Selling and distribution expenses	(312)	(439)	(29)
Other operating expenses	(16,129)	(35,915)	(55)
	85,661	119,193	(28)
Finance cost	(15,629)	(2,919)	>100
Share of results of jointly controlled entities	(2,061)	(20)	>100
Profit from ordinary activities before taxation	67,971	116,254	(42)
Taxation	(10,036)	(6,077)	65
Profit from ordinary activities after taxation	57,935	110,177	(47)
Attributable to:			
Equity holders of the Company	56,909	110,034	(48)
Minority interest	1,026	143	>100
	57,935	110,177	(47)
Earnings per share attributable to equity holders of the Company			
- basic (Singapore cents)	1.05	2.67	
- diluted (Singapore cents)	1.03	2.66	

DBS Bank Ltd was the Global Co-ordinator, and together with CIMB-GK Securities Pte Ltd, CLSA Singapore Pte Ltd and Merrill Lynch (Singapore) Pte Ltd were the Joint Lead Underwriters and Bookrunners for the Initial Public Offering of Genting International Public Limited Company in December 2005.

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Included in profit from ordinary activities before taxation are the following charges and credits:

	Group		
	Year ended 31 December		
	2006	2005	Change
	S\$'000	S\$'000	%
<u>(Charges)/credits</u>			
Impairment loss on:			
- Receivables	(59)	-	<i>NM</i>
- Available-for-sale financial assets	(137)	(1,414)	(90)
Bad debts written off	(10,141)	(1,051)	>100
Property, plant and equipment:			
- Depreciation	(10,707)	(3,544)	>100
- Written off	(8)	(14)	(43)
- Gain on disposal	27	42	(36)
Amortisation of intangible assets	(28)	(592)	(95)
Share options expense	(1,488)	(6,826)	(78)
Interest expense	(15,629)	(2,919)	>100
Provision for retirement gratuity	(308)	(459)	(33)
Reversal of gain on dilution of interest in subsidiary	(1,262)	-	<i>NM</i>
Fair value (loss)/gain on financial assets at fair value through profit or loss	(26,945)	114,273	(>100)
Gain on dilution of interest in a subsidiary	-	3,744	(100)
Excess of acquirer's interest in the fair value of acquiree's identifiable net assets over cost	2,524	-	<i>NM</i>
Net exchange gains/(losses):			
- repayment of intercompany loan previously recognised in equity	21,081	-	<i>NM</i>
- others	30,060	(9,610)	>100
Dividend income	14,595	8,366	74
Interest income	24,499	7,982	>100

NM: Not meaningful

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1(b)(i) Balance sheets (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

BALANCE SHEETS

AS AT 31 DECEMBER 2006

	Group		Company	
	31/12/2006 S\$'000	31/12/2005 S\$'000	31/12/2006 S\$'000	31/12/2005 S\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	519,685	25,397	173	227
Jointly controlled entities	127	15,529	-	-
Financial assets at fair value through profit or loss	6,209	555,326	-	-
Available-for-sale financial assets	8,462	5,734	-	-
Investment in subsidiaries	-	-	752,436	100,359
Amount due from subsidiaries	-	-	245,911	-
Intangible assets	2,258,865	7,770	-	-
Retirement benefit asset	1,815	-	-	-
Deferred tax assets	93	90	-	-
	2,795,256	609,846	998,520	100,586
Current assets				
Inventories	5,083	384	-	-
Trade and other receivables	104,109	59,086	6,771	532,765
Tax recoverable	1,132	168	157	-
Financial assets at fair value through profit or loss	6,321	12,846	-	-
Restricted cash	41,759	39,413	-	-
Deposits, bank and cash balances	535,849	661,601	419,605	646,115
	694,253	773,498	426,533	1,178,880
Less: Current liabilities				
Trade and other payables	168,111	65,856	310,835	90,107
Short term borrowings	1,117,831	16	-	-
Taxation	-	477	-	171
	1,285,942	66,349	310,835	90,278
Net current (liabilities)/assets	(591,689)	707,149	115,698	1,088,602
	2,203,567	1,316,995	1,114,218	1,189,188
EQUITY AND NON-CURRENT LIABILITIES				
Share capital	908,560	908,560	908,560	908,560
Share premium	357,195	357,195	374,082	374,082
Exchange translation reserve	(40,192)	(21,366)	(90,366)	(2,589)
Other reserves	10,279	6,826	8,314	6,826
Retained earnings /(accumulated losses)	102,233	45,324	(86,467)	(97,791)
Attributable to equity holders	1,338,075	1,296,539	1,114,123	1,189,088
Minority interest	15,359	15,843	-	-
Total equity	1,353,434	1,312,382	1,114,123	1,189,088
Non-current liabilities				
Long term borrowings	319,480	-	-	-
Other long term liability	10,203	-	-	-
Deferred taxation	519,281	3,739	-	-
Provision for retirement gratuities	1,169	874	95	100
	850,133	4,613	95	100
Total equity and non-current liabilities	2,203,567	1,316,995	1,114,218	1,189,188

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1(b)(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 31 December 2006		As at 31 December 2005	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
4,707*	1,113,124	-	-

Amount repayable after one year

As at 31 December 2006		As at 31 December 2005	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
1,815*	317,665	-	-

* These borrowings are effectively secured against leased assets, which will revert to the lessor in the event of default.

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2006

	Notes	Year ended 31 December	
		2006 S\$'000	2005 S\$'000
Net cash inflow/(outflow) from operating activities	A	336,720	(73,299)
Investing activities			
Acquisition of business operations, net of cash	B	-	(32,672)
Acquisition of subsidiary, net of cash	C	(1,486,972)	-
Acquisition of licence		(8,531)	-
Advances to jointly controlled entities		(19,622)	-
Property, plant & equipment:			
- proceeds from disposal		117	85
- purchases		(28,394)	(2,466)
Purchase of shares from minority shareholders		(24,116)	-
Available-for-sale financial assets :			
- shareholders' loan		(2,872)	-
Dividend income received		13,135	7,527
Net cash outflow from investing activities		(1,557,255)	(27,526)
Financing activities			
Proceeds from issuance of shares		35,291	810,986
Proceeds from bank borrowings		1,088,601	204,661
Subscription of shares by minority shareholders		9,063	-
Dividend paid by a subsidiary to its minority shareholders		(1,462)	-
Interest paid		(4,482)	(2,919)
Repayment of bank borrowings		(16,808)	(332,490)
Repayment of finance lease		-	(619)
Net cash inflow from financing activities		1,110,203	679,619
(Decrease)/increase in cash and cash equivalents		(110,332)	578,794
Analysis of cash and cash equivalents			
At beginning of financial year		661,601	77,061
Exchange differences on opening balances		(24,718)	4,035
Net (outflow)/inflow		(110,332)	578,794
Effects of exchange rate changes		8,585	1,711
At end of financial year		535,136	661,601
Represented by:			
Deposits, cash and bank balances		535,849	661,601
Bank overdraft		(713)	-
		535,136	661,601

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	Year ended 31 December	
	2006 S\$'000	2005 S\$'000
A Cash flows from operating activities		
Net profit for the financial year	57,935	110,177
Adjustments for:		
Share options expense	1,488	6,826
Amortisation of intangible assets	28	592
Impairment loss on :		
- available-for-sale financial assets	137	1,414
- receivables	59	-
Bad debts written off	10,141	1,051
Share of results of jointly controlled entities	2,061	20
Property, plant and equipment:		
- depreciation	10,707	3,544
- written off	8	14
- gain on disposal	(27)	(42)
Gain on dilution of interest in a subsidiary	-	(3,744)
Reversal of gain on dilution of interest in subsidiary	1,262	-
Fair value loss/(gain) on financial assets at fair value through profit or loss	26,945	(114,273)
Excess of acquirer's interest in the fair value of acquiree's identifiable net assets over cost	(2,524)	-
Provision for retirement gratuity	308	459
Taxation	10,036	6,077
Dividend income	(14,595)	(8,366)
Interest income	(24,499)	(7,982)
Interest expense	15,629	2,919
	<u>37,164</u>	<u>(111,491)</u>
	95,099	(1,314)
Changes in working capital:		
Increase in inventories	(366)	(135)
Decrease/(increase) in financial assets at fair value through profit or loss	262,406	(83,222)
Increase in trade and other receivables	(15,596)	(12,456)
(Decrease)/increase in trade and other payables	(18,927)	17,087
	<u>227,517</u>	<u>(78,726)</u>
	322,616	(80,040)
Cash generated from/(used in) operating activities		
Interest received	24,499	7,982
Retirement gratuity paid	-	(152)
Taxation paid	(10,478)	(1,233)
Taxation refund	83	144
	<u>13,604</u>	<u>6,741</u>
Net cash inflow/(outflow) from operating activities	336,720	(73,299)

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B Acquisition of business operations, net of cash

Details of carrying values of net assets acquired on acquisition of business operations are as follows:

	Year ended 31 December 2005 S\$'000
Property, plant and equipment	23,918
Intangible assets	2,999
Inventories	249
Cash and bank balances	156
Trade and other payables	(18)
Total net assets acquired	<u>27,304</u>
Goodwill arising on acquisition	<u>5,524</u>
Purchase consideration	32,828
Less: Cash and cash equivalents acquired	<u>(156)</u>
Total net cash outflow from acquisition	<u>32,672</u>

C Acquisition of subsidiary, net of cash

The fair values of the identifiable assets and liabilities as of 6 October 2006 which are provisional and may be subject to changes upon completion of the purchase price allocation exercise are as follows:

	Year ended 31 December 2006 S\$'000
Property, plant and equipment	466,331
Jointly controlled entity	17,946
Intangible assets	1,363,763
Retirement benefit asset	1,782
Inventories	4,470
Trade and other receivables	54,466
Cash and bank balances	52,126
Trade and other payables	(102,356)
Borrowings	(333,623)
Taxation	(5,797)
Deferred taxation	(500,270)
Minority interest	(6,583)
Total net assets acquired	<u>1,012,255</u>
Goodwill arising on acquisition	<u>808,931</u>
Net assets acquired	1,821,186
Less: Cash and cash equivalents acquired	<u>(52,126)</u>
Total net assets acquired, net of cash and cash equivalents	1,769,060
Less: Carrying amount of the Group's equity interest in Stanley Leisure prior to the Group acquiring control of Stanley Leisure	<u>(282,088)</u>
Net cash outflow from acquisition	<u>1,486,972</u>

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1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Statements of Changes in Equity

<u>Group</u>	Attributable to equity holders of the Company							Minority Interest	Total
	Share Capital	Share premium	Share options reserve	Equity portion of cash flow hedge in jointly controlled entity	Exchange translation reserve	(Accumulated losses)/Retained earnings	Subtotal		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
As at 1 January 2005	263,561	-	-	-	(22,331)	(64,710)	176,520	11	176,531
Issuance of shares	644,999	372,138	-	-	-	-	1,017,137	-	1,017,137
Cost of issuance of shares	-	(14,943)	-	-	-	-	(14,943)	-	(14,943)
Dilution of interest in a subsidiary	-	-	-	-	-	-	-	15,689	15,689
Share options expense	-	-	6,826	-	-	-	6,826	-	6,826
Exchange differences recognised directly in equity	-	-	-	-	965	-	965	-	965
Net profit	-	-	-	-	-	110,034	110,034	143	110,177
Total recognised income and expense	-	-	-	-	965	110,034	110,999	143	111,142
As at 31 December 2005	908,560	357,195	6,826	-	(21,366)	45,324	1,296,539	15,843	1,312,382
As at 1 January 2006	908,560	357,195	6,826	-	(21,366)	45,324	1,296,539	15,843	1,312,382
Acquisition of additional interest in a subsidiary	-	-	-	-	-	-	-	(15,833)	(15,833)
Acquisition of subsidiary	-	-	-	-	-	-	-	6,583	6,583
Dividend paid by subsidiary	-	-	-	-	-	-	-	(1,462)	(1,462)
Share options expense	-	-	1,488	-	-	-	1,488	-	1,488
Subscription of shares in subsidiary	-	-	-	-	-	-	-	9,063	9,063
Realisation of foreign currency gain on repayment of intercompany loan previously recognised in equity	-	-	-	-	(21,081)	-	(21,081)	-	(21,081)
Equity share of cash flow hedge	-	-	-	1,965	-	-	1,965	-	1,965
Exchange differences	-	-	-	-	2,255	-	2,255	139	2,394
Net income recognised directly in equity	-	-	-	1,965	2,255	-	4,220	139	4,359
Net profit	-	-	-	-	-	56,909	56,909	1,026	57,935
Total recognised income and expense	-	-	-	1,965	2,255	56,909	61,129	1,165	62,294
As at 31 December 2006	908,560	357,195	8,314	1,965	(40,192)	102,233	1,338,075	15,359	1,353,434

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	Attributable to equity holders of the Company					Total
	Share Capital	Non-distributable				
S\$'000		Share premium S\$'000	Share options reserve S\$'000	Exchange translation reserve S\$'000	Accumulated losses S\$'000	S\$'000
Company						
As at 1 January 2005	241,342	-	-	(5,741)	(85,864)	149,737
Issuance of shares	667,218	389,025	-	-	-	1,056,243
Cost of issuance of shares	-	(14,943)	-	-	-	(14,943)
Share options expense	-	-	6,826	-	-	6,826
Exchange differences recognised directly in equity	-	-	-	3,152	-	3,152
Net loss	-	-	-	-	(11,927)	(11,927)
Total recognised income and expense	-	-	-	3,152	(11,927)	(8,775)
As at 31 December 2005	908,560	374,082	6,826	(2,589)	(97,791)	1,189,088
As at 1 January 2006	908,560	374,082	6,826	(2,589)	(97,791)	1,189,088
Share options expense	-	-	1,488	-	-	1,488
Exchange differences recognised directly in equity	-	-	-	(87,777)	-	(87,777)
Net profit	-	-	-	-	11,324	11,324
Total recognised income and expense	-	-	-	(87,777)	11,324	(76,453)
As at 31 December 2006	908,560	374,082	8,314	(90,366)	(86,467)	1,114,123

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Changes in share capital

There were no changes in share capital during the financial year ended 31 December 2006.

Share Options

On 8 September 2005, the Board of Directors adopted an Employee Share Option Scheme ("the scheme") where 63,206,000 option shares were granted to selected executive employees and certain directors of the Group, its ultimate holding company and certain of its subsidiaries. The scheme is one-off and there will be no further issue of any options under this scheme. The options granted can only be exercised by the grantees with effect from the third year of the offer date and the number of new shares comprised in the options which a grantee can subscribe for from the third year onwards shall be subject to a maximum of 12.5%, rounded up to the next 1,000 shares

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of the allowable allotment for each grantee. The scheme is for a duration of ten years and the options expire on 7 September 2015.

The exercise price for each option share is US\$0.1876, fixed at a price equal to the average of the middle market quotations of the shares of the Company on the Central Limit Order Book International ("CLOB International") (on which the Company's shares were quoted and traded at that time), for forty market days immediately preceding the offer date.

As at 31 December 2006, options to take up unissued ordinary shares of US\$0.10 each in the Company under the scheme are as follows:

Date of grant of options	Exercise price per share (US\$)	Number of option shares granted	Number of option shares cancelled	Number of option shares outstanding as at 31 December 2006
8 September 2005	0.1876	63,206,000	2,830,000	60,376,000

Convertible bonds

The Company had on 12 January 2007 issued S\$425.0 million Convertible Bonds due 2012, which are convertible into 673,747,622 fully paid-up new ordinary shares of US\$0.10 each of the Company at a conversion price of S\$0.6308 per share, and are convertible from 7 February 2007 to 31 December 2011. The new ordinary shares, upon issue, shall rank pari passu with the existing ordinary shares of the Company. The aforesaid Convertible Bonds have been listed and quoted on the Singapore Exchange Securities Trading Limited with effect from 15 January 2007. As at 22 February 2007, S\$200,900,000 of Convertible Bonds have been converted into 318,484,433 new ordinary shares of US\$0.10 each of the Company.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have been audited in accordance with International Standards on Auditing.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Please refer to Attachment I for the "Independent Auditor's Report" by PricewaterhouseCoopers.

4. Whether the same accounting policies and methods of computation as in the group's most recently audited annual financial statements have been applied.

The accounting policies and methods of computation adopted for the current accounting period are consistent with those adopted for the annual audited financial statements for the financial year ended 31 December 2005.

The Group applies a policy of treating transactions with minority interests as transactions with parties external to the Group. Disposals to minority interests result in gains and losses for the Group that are recorded in the income statement. Purchases from minority interests result in goodwill, being the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary.

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The consolidated financial statements are prepared in the functional currency of the Company of United States Dollars ("US\$"), and presented in Singapore Dollars ("S\$").

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

There were no changes in accounting policies and methods of computation as compared to those adopted in the most recently audited financial statements, that has a material impact on the financial statements.

- 6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

(in Singapore cents)	12 month period ended 31 December	
	2006	2005
Basic – based on weighted average no. of shares in issue	1.05	2.67
On a fully diluted basis	1.03	2.66

The basic and diluted profit per ordinary share for 2006 have been calculated based on the Group's profit attributable to shareholders of approximately S\$56,909,000 divided by the weighted average number of ordinary shares of 5,441,255,427 in issue during the financial year and the fully diluted number of ordinary shares of 5,501,631,427 respectively.

The basic and diluted earnings per ordinary share for 2005 have been calculated based on the Group's profit attributable to shareholders of approximately S\$110,034,000 divided by the weighted average number of ordinary shares of 4,116,032,116 in issue during the financial year and the fully diluted number of ordinary shares of 4,135,946,335 respectively.

- 7. Net asset value ("NAV") for the issuer and group per ordinary share based on the issued share capital of the issuer at the end of the (a) current period reported on; and (b) immediately preceding financial year.**

(in Singapore cents)	31 December 2006	31 December 2005
Group	24.59	23.83
Company	20.48	21.85

Net asset value per ordinary share as at 31 December 2006 and 31 December 2005 are calculated based on the number of issued shares of the Company at those dates of 5,441,255,427 shares respectively.

- 8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors;

Group revenue increased by S\$211.9 million for the year, compared to revenue in 2005 of S\$81.0 million. This is mainly due to the increase in revenue of S\$187.6 million from the Group's

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UK casino operations, comprising revenue from Stanley Leisure plc ("Stanley Leisure"), which effectively became a subsidiary from 6 October 2006, and Maxims Casino Club. The Group also earned higher interest income by S\$16.5 million and higher dividend income by S\$6.2 million as compared to the previous year.

The Group registered a lower profit before taxation for the year of S\$68.0 million as compared to a profit of S\$116.3 million in 2005. This is mainly due to the fair value loss of S\$26.9 million on investments designated as financial assets at fair value through profit or loss recognised in 2006 compared to a fair value gain of S\$114.3 million in 2005 as well as a higher interest expense of S\$15.6 million compared to S\$2.9 million in 2005. The Group, however, recorded a gain on foreign exchange of S\$51.1 million as compared to a foreign exchange loss of S\$9.6 million in the previous year. The Group also incurred project expenses amounting to S\$6.8 million, mainly in respect of professional and consultancy services, for the Group's projects.

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

The Group completed its acquisition of the remaining 50% equity interest in Coastbright Limited, the company that owns and operates the Maxims Casino Club, on 7 March 2006. The acquisition cost of S\$24.1 million (£8.5 million) was paid in cash. The acquisition increased intangible assets by S\$8.0 million.

During the first quarter ended 31 March 2006, the Group has, through its indirect wholly-owned subsidiary, Medo Investment Pte Ltd, made advances totaling S\$19.6 million, to 808 Holdings Pte Ltd. 808 Holdings Pte Ltd is a joint venture company set up by Medo Investment Pte Ltd with CapitalLand (UK) Pte Ltd and HPL Properties (West) Pte Ltd for the purpose of acquiring a property in Kensington, London at a purchase price of S\$314.1 million (£109.4 million).

Through a prospectus dated 2 December 2005, the Company made an invitation to investors in respect of an initial public offering of ordinary shares to the public and investors in Singapore. As part of this exercise, an over-allotment option granted was exercised on 28 December 2005 whereby DBS Bank, the Stabilizing Manager, exercised its option for 103,416,000 ordinary shares with par value of US\$0.10 each at the offering price of S\$0.35 each. The proceeds from this amounting to S\$35.3 million, was received during the first quarter of 2006.

On 20 October 2006, Palomino Limited, a wholly-owned subsidiary, entered into an agreement to sell 66,367,240 ordinary shares in London Clubs International plc ("LCI"), representing 29.6% of the issued and paid-up capital of LCI at a price of 135 pence in cash per LCI share to Dagger Holdings Limited, a wholly-owned subsidiary of Harrah's Entertainment Inc. Dagger Holdings Limited originally made an offer for all the shares in LCI at an offer price of 125 pence per share and following the disposal of the Group's investment in LCI, Dagger Holdings Limited has increased its offer to all shareholders to 135 pence per share. The revised offer represents a premium of 8% over the original offer by Dagger Holdings Limited. Proceeds from the disposal received in cash amounted to S\$264.3 million (£89.6 million).

As at 31 December 2006, the Group completed its acquisition of the entire equity interest of Stanley Leisure for a total consideration of approximately S\$1.8 billion (£613.2 million). The purchase was partly financed by a term loan drawdown of S\$1.1 billion (£367.0 million). The total intangible assets arising from the Group's acquisition of Stanley Leisure amounted to S\$2.2 billion (£731.5 million) as at 31 December 2006. The intangible assets mainly comprise acquired casino licences and goodwill on acquisition. The amount of intangible assets is currently determined based on provisional fair values assigned to the identifiable assets and liabilities as at the acquisition date. Any adjustments to these provisional values upon the finalisation of a detailed fair value exercise will be recognised to intangible assets within 12 months of the acquisition date.

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The said term loan is a bridging facility due to be settled and/or refinanced by borrowings with longer maturity periods within the next 12 months. The term loan is accordingly classified as a short term current liability on the balance sheet. This has resulted in a net current liability position for the Group as at 31 December 2006. The Group expects that this position is temporary and will be remedied upon refinancing and/or settlement of the existing borrowing in the coming year.

The Group had on 10 October 2006 submitted a S\$5.2 billion bid for the Integrated Resort site at Sentosa Island in Singapore, where the Group together with Star Cruises Limited, have an exclusive partnership with Universal Parks and Resorts to develop a “must see, must visit” world class family resort, with four gated leisure, entertainment and edutainment attractions and six exceptional and uniquely designed hotels for all visitors. On 8 December 2006, the Singapore Government awarded the contract to build the Integrated Resort to the consortium. The Integrated Resort which will be called *Resorts World at Sentosa*, is expected to be launched by early 2010. In December 2006, S\$30.3 million was paid as a deposit to acquire the land on which the Integrated Resort will be built.

Other than this and as disclosed in the other notes, there have been no material factors that affected the cash flow, working capital, assets or liabilities of the Group.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast or prospect statement has been disclosed to shareholders.

10. A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Barring any unforeseen circumstances, the underlying businesses of the Group are expected to remain satisfactory for the next reporting period and the next twelve months.

United Kingdom

The Group announced a takeover offer on 10 September 2006 and since then has successfully acquired all the shares in Stanley Leisure, a company incorporated in the United Kingdom (“UK”). Stanley Leisure is the largest casino operator in the UK. It has 45 casinos – 5 in London and 41 in the rest of UK – including the prestigious and world-renowned Crockfords. Stanley Leisure has also betting interests in Italy, Belgium, Germany, Croatia and Romania through joint ventures. Maxims Casino Club and Stanley Leisure provides the Group a strong presence and a proven track record of casino operations in the UK and Europe. The Group expects to leverage on this presence and reach to further enhance its market position in Europe.

The Group’s casino operations accept bets on a number of games and there is a risk that it could lose rather than win on a particular bet. Although historically, the casino operations have maintained a satisfactory winning margin, there is no assurance that this will continue to be maintained for any specific quarter or reporting period.

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Singapore

Development costs to be incurred for the construction and development of *Resorts World at Sentosa* are expected to be capitalised and classified as construction-in-progress under non-current assets.

Reflecting the commitment of the shareholders, one third of the total investment cost of S\$5.2 billion for the development and construction of *Resorts World at Sentosa* will be through equity with the remaining to be funded through project finance term loans and other forms of borrowings.

Macau

On 16 January 2007, Genting Star Limited ("Genting Star"), a wholly-owned subsidiary of the Company, acquired from Star Cruise Asia Holding Ltd. ("SC Asia"), a wholly-owned subsidiary of Star Cruises Limited ("SCL"), 25 ordinary shares of US\$1.00 each representing 25% of the issued share capital of New Orisol Investments Limited ("New Orisol") for a purchase consideration of US\$25.

Following the press statement by the Casino Regulatory Division of the Ministry of Home Affairs of Singapore on 9 February 2007 that it is seeking clarification from SCL and the Company on SCL's share placement and other deals in Macau, SCL and the Company are providing clarifications to the matters sought by the Casino Regulatory Division of the Ministry of Home Affairs.

Convertible bonds

On 11 December 2006, the Company and DBS Bank Ltd., The Hongkong and Shanghai Banking Corporation Limited and Merrill Lynch (Singapore) Pte. Ltd. (collectively the "Joint Lead Managers"), and CIMB-GK Securities Pte. Ltd. entered into a subscription agreement (the "Subscription Agreement") relating to the offer and issue of S\$425.0 million Convertible Bonds (the "Convertible Bonds"). Under the terms of the Subscription Agreement, the Company has agreed to issue, and the Joint Lead Managers have agreed to subscribe and pay for, or procure subscription and payment for S\$425.0 million in aggregate principal amount of unconditional, unsubordinated and unsecured Convertible Bonds due 2012. The Convertible Bonds are convertible into fully paid-up new ordinary shares of US\$0.10 in the capital of the Company ("New Shares"). The Convertible Bonds were listed and quoted on the Singapore Exchange Securities Trading Limited with effect from 15 January 2007. The net proceeds from the issue of the Convertible Bonds will be used for the purpose of developing *Resorts World at Sentosa*.

Delisting from Luxembourg Stock Exchange

The Company had on 10 January 2007 submitted an application to the Luxembourg Stock Exchange ("LuxSE") for de-listing of its shares on the EURO MTF market of the LuxSE. The Company is currently awaiting a response from LuxSE.

11. Dividend

No dividend has been declared or recommended during the year ended 31 December 2006.

No dividend was declared/paid during the corresponding period of the immediately preceding financial year.

PART II - INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
12. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.
(a) Business segments

	Group		
	Leisure and Hospitality S\$'000	Investments S\$'000	Total S\$'000
2006			
Revenue			
- Revenue from sales and marketing services	18,875	-	18,875
- Revenue from information technology related services	19,186	-	19,186
- Casino revenue	188,315	-	188,315
- International betting	27,436	-	27,436
- Dividend income	-	14,595	14,595
- Interest income	-	24,499	24,499
	253,812	39,094	292,906
Results			
Segment results	38,452	53,073	91,525
Realisation of foreign exchange gain on repayment of intercompany loan previously recognised in equity	-	21,081	21,081
Fair value losses on financial assets at fair value through profit or loss	-	(26,945)	(26,945)
Profit from operations	38,452	47,209	85,661
Share of results of jointly controlled entities	(174)	(1,887)	(2,061)
Finance costs			(15,629)
Profit from ordinary activities before taxation			67,971
Taxation			(10,036)
Net profit for the financial year			57,935

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	Group		
	Leisure and Hospitality S\$'000	Investments S\$'000	Total S\$'000
2006			
Other information			
Assets			
Segment assets	2,908,345	577,997	3,486,342
Jointly controlled entities	115	12	127
Tax recoverable			1,132
Deferred tax assets			93
Retirement benefit assets			1,815
Consolidated total assets			<u>3,489,509</u>
Liabilities			
Segment liabilities	168,487	10,996	179,483
Borrowings			1,437,311
Deferred tax liabilities			519,281
Consolidated total liabilities			<u>2,136,075</u>
Other disclosures			
Depreciation of property, plant and equipment	10,707	-	10,707
Amortisation of intangible assets	28	-	28
Impairment loss			
- available-for-sale financial assets	-	137	137
- receivables	59	-	59
Capital expenditure	2,701,702	5	2,701,707

	Group		
	Leisure and Hospitality S\$'000	Investments S\$'000	Total S\$'000
2005			
Revenue			
- Revenue from sales and marketing services	17,656	-	17,656
- Revenue from information technology related services	18,529	-	18,529
- Casino revenue	28,450	-	28,450
- Dividend income	-	8,366	8,366
- Interest income	-	7,982	7,982
	<u>64,635</u>	<u>16,348</u>	<u>80,983</u>

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2005	Group		
	Leisure and Hospitality S\$'000	Investments S\$'000	Total S\$'000
Results			
Segment results	15,365	(10,445)	4,920
Fair value gains on financial assets at fair value through profit or loss	-	114,273	114,273
Profit from operations	15,365	103,828	119,193
Share of results of jointly controlled entities	(20)	-	(20)
Finance costs			(2,919)
Profit from ordinary activities before taxation			116,254
Taxation			(6,077)
Net profit for the financial year			<u>110,177</u>
Other information			
Assets			
Segment assets	93,679	1,273,878	1,367,557
Jointly controlled entities	15,529	-	15,529
Tax recoverable			168
Deferred tax assets			90
Consolidated total assets			<u>1,383,344</u>
Liabilities			
Segment liabilities	65,522	1,208	66,730
Borrowings			16
Income tax liabilities			477
Deferred tax liabilities			3,739
Consolidated total liabilities			<u>70,962</u>
Other disclosures			
Depreciation of property, plant and equipment	3,544	-	3,544
Amortisation of intangible assets	592	-	592
Impairment loss on available-for-sale financial assets	-	1,414	1,414
Capital expenditure	34,902	5	34,907

Segment assets consist primarily of property, plant and equipment, intangible assets, inventories, trade and other receivables, financial assets at fair value through profit and loss, and cash and cash equivalents.

Segment liabilities comprise operating liabilities.

(b) Secondary reporting format
Geographical segments

Geographically, the main business segments of the Group are concentrated in Asia Pacific and Europe. Included in the Europe region is the Group's investment in shares of quoted corporations as well as its casino operations and international betting business.

Revenue is based on the location in which the customer is located. Sales between the segments are eliminated. Segment assets and capital expenditure are based on where the assets are located.

Capital expenditure represents additions to property, plant and equipment and intangible assets, including additions resulting from acquisitions through business combinations.

Revenue

	Group	
	2006	2005
	S\$'000	S\$'000
Asia Pacific (excluding Malaysia)*	41,236	24,479
Malaysia	20,659	19,688
Europe (principally in the UK)	231,011	36,816
	292,906	80,983

Total Assets

	Group	
	2006	2005
	S\$'000	S\$'000
Asia Pacific (excluding Malaysia)*	523,274	671,580
Malaysia	68,063	57,064
Europe (principally in the UK)	2,892,168	647,616
Others	6,004	7,084
	3,489,509	1,383,344

Capital Expenditure

	Group	
	2006	2005
	S\$'000	S\$'000
Asia Pacific (excluding Malaysia)*	8,689	652
Malaysia	1,236	1,496
Europe (principally in the UK)	2,691,782	32,759
	2,701,707	34,907

* Principally from China, Hong Kong, Singapore, Indonesia, India and Thailand.

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13. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

The increase in revenue in the Leisure & Hospitality segment and in Europe is largely due to revenue contribution from the newly acquired Stanley Leisure. Please refer to Note 8 above for further details of the acquisition.

The increase in revenue in the Investment segment is mainly due to higher interest and dividend income. The higher revenue was, however, offset by fair value losses amounting to S\$26.9 million, resulting in the lower profit from operations as compared to 2005 which benefited from fair value gains amounting to S\$114.3 million. The fair value losses/gains as well as dividend income were mainly from the Group's investments in UK.

Higher revenue and profit in the Asia Pacific segment is mainly attributable to higher interest income as well as exchange gains. Interest income from Asia Pacific region (excluding Malaysia) increased from S\$6.8 million in 2005 to S\$22.4 million for the current year.

14. A breakdown of revenue and operating profit is as follows:-

	Financial Year 2006 S\$'000	Financial Year 2005 S\$'000	% change
Group			
(a) Revenue reported for first half year	60,697	32,279	88
(b) Operating (loss)/profit after tax before deducting minority interests reported for first half year	(68,994)	29,487	(>100)
(c) Revenue reported for second half year	232,209	48,704	>100
(d) Operating profit after tax before deducting minority interests reported for second half year	126,929	80,690	57

15. A breakdown of total annual dividend (in dollar value) for the issuer's latest full year and its previous full year is as follows:-

(a) Ordinary	Not applicable
(b) Preference	Not applicable
(c) Total	Not applicable

16. Interested persons transactions for the 12 months period ended 31 December 2006

Name of interested persons	Aggregate value of all interested person transactions (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) S\$'000	Aggregate value of all interested person transactions conducted under shareholders' mandate (excluding transactions less than S\$100,000) pursuant to Rule 920) S\$'000
Provision of the following to Resorts World Group*:		
- sales and marketing services	17,814	-
- information technology, implementation, support and maintenance services	-	15,254
- consultancy services on concept and design, maintenance of entertainment lounges	1,339	-
- licensing fee	111	-
Provision by Star Cruises Group^ of the following:		
- administration support and business liaison services	-	(23)
- rental of office	-	(92)
Provision of information technology, implementation, support and maintenance services to:		
- Genting Berhad^^	-	1,107
- Oakwood Sdn Bhd*	-	16
- Genting Management Consultancy and Services Sdn Bhd*	-	1
- Genting Oil & Gas Sdn Bhd*	-	2
- Genting Sanyen (Malaysia) Sdn Bhd*	-	12
- Asiatic Development Berhad*	-	732
Rental of office from Oakwood Sdn Bhd*	-	(719)
Rental of apartment from Rich Hope Limited**	-	(332)
Rental of office from Ambadell Pty Ltd***	-	(17)
Provision of management services to Ambadell Pty Ltd***	-	110
Provision of management services by Genting Berhad^^	-	(860)

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Name of interested persons	Aggregate value of all interested person transactions (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) S\$'000	Aggregate value of all interested person transactions conducted under shareholders' mandate (excluding transactions less than S\$100,000) pursuant to Rule 920) S\$'000
Consultancy services provided by International Resort Management Services Pte Ltd**	(1,590)	-
Provision of legal services by Stamford Law Corporation^^	(126)	-

- * Fellow subsidiary companies
- ** Company owned by a director of the company
- *** Subsidiary of a substantial shareholder
- ^ Indirect associate of a fellow subsidiary company
- ^^ Ultimate holding company
- ^^^ Company with common directorship

BY ORDER OF THE BOARD

Declan Thomas Kenny

Company Secretary

23 February 2007

The Independent Auditor's Report below is included in the full financial statements of the Company for the financial year ended 31 December 2006.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
GENTING INTERNATIONAL PUBLIC LIMITED COMPANY**

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

We have audited the accompanying financial statements of Genting International Public Limited Company (the "Company") and its subsidiaries (the "Group") set out on pages [] to [], which comprise the balance sheets of the Company and Group as at 31 December 2006, and the statement of changes in equity of the Company, the consolidated income statement, consolidated statement of changes in equity and consolidated cash flow statement of the Group for the year then ended, and a summary of significant accounting policies and other explanatory notes.

The Company's directors are responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the provisions of the Isle of Man Companies Act, 1931 to 2004 and International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit.

In our opinion, the accompanying balance sheet and statement of changes in equity of the Company and the consolidated financial statements of the Group give a true and fair view of the financial position of the Company and of the Group as of 31 December 2006, the changes in equity of the Company and of the Group for the year then ended, and the results and cash flows of the Group for the year then ended in accordance with the provisions of the Isle of Man Companies Act, 1931 to 2004 and International Financial Reporting Standards.

PRICEWATERHOUSECOOPERS

Certified Public Accountants

Singapore

23 February 2007