

Celebrating 45 Years of Excellence



Genting Berhad (7916-A)
Annual Report 2010

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“In business, I believe in going step by step, slowly but surely. To seek out opportunities with good potential and build on them.”

– The late Tan Sri Lim Goh Tong, Founder of Genting Group

THE GENTING STORY

The multinational corporation known as the Genting Group of companies began from humble beginnings in 1965. A contractor who spoke no English, but only Hokkien, Mandarin, Malay and Cantonese, the late Tan Sri Lim Goh Tong built his business empire with simple principles: humility, discipline and conviction.

The traditional Chinese entrepreneur was ahead of his time in many ways. He adopted environmental measures, built an integrated resort at Genting Highlands and executed his own succession plan in 2003, when he handed over the chairmanship of the Genting Group to his son, Tan Sri Lim Kok Thay.

Tan Sri Lim Kok Thay has since taken the company to greater heights with a successful overseas strategy. The Genting Group has won international awards for its management leadership, financial prudence and sound investment discipline. It is also a corporation that values its employees and gives back to the communities where it operates in.

GENTING BERHAD

Genting Berhad, Malaysia's leading corporation is the holding company of the Genting Group, one of Asia's best-managed conglomerates. The Group comprises four listed entities (namely Genting Berhad and subsidiaries Genting Malaysia Berhad, Genting Plantations Berhad and Genting Singapore PLC), with a combined market capitalisation of about RM132 billion (US\$43 billion). With over 43,000 employees, 4,500 hectares of prime resort land and about 133,000 hectares of plantation land, the Group's principal businesses include leisure & hospitality, power generation, oil palm plantation, property development, biotechnology and oil & gas.

The Genting Group has established premier leisure brands such as “Resorts World”, “Maxims”, “Crockfords” and “Awana”. In addition to Premium Outlets®, Genting companies have tie ups with Universal Studios, Hard Rock Hotel and other renowned international brand partners.

Backed by 45 years of solid financials and strong management leadership, the Genting Group is committed to grow in strength as a responsible global corporation.



GENTING GROUP

We are a leading multinational corporation committed to enhancing shareholder value and maintaining long-term sustainable growth in our core businesses.

OUR MISSION

We will:

1. Be responsive to the changing demands of our customers and excel in providing quality products and services.
2. Be committed to innovation and the adoption of new technology to achieve competitive advantage.
3. Generate a fair return to our shareholders.
4. Pursue personnel policies which recognise and reward performance and contributions of employees and provide proper training, development and opportunities for career advancement.
5. Be a responsible corporate citizen, committed to enhancing corporate governance and transparency.

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CHAIRMAN'S STATEMENT

2010 was one of our most exciting years, as we successfully launched Resorts World Sentosa and embarked on new projects for the Group. We will continue to build our resorts and products, market our brands and refine our operations to make bigger things happen.



Dear Fellow Shareholders,

2010 has been a fantastic year. We started the year with great enthusiasm and high expectations, amidst uncertainty in the global financial environment. We celebrated 45 years of our founding with the opening of the hugely successful Resorts World Sentosa – Singapore's first integrated resort. We also expanded our oil palm land bank in Indonesia, kick-started our resort development in New York, USA and began the development of Johor Premium Outlets in Johor, Malaysia.

The journey we took in Singapore was untrodden – integrating world-class gaming with an international theme park, luxury hotels, differentiated MICE (Meetings, Incentives, Conventions and Exhibitions) facilities, award-winning celebrity chefs and superb entertainment. The outcome was groundbreaking and a game-changing global “first” in tourism and leisure. The decision by Genting Singapore to divest its UK business was the right one by Genting Singapore as it enabled our Singapore team to focus on Resorts World Sentosa. Despite the competition opening in April 2010, the resort more than held its ground. It continues to have the larger market share in the Singapore gaming market, both in the mass and VIP segments.

By mid-2010, Genting Singapore became the company that investors and analysts were seriously and enthusiastically tracking. In its first year of operations, Resorts World Sentosa surpassed its 13 million visitor target, attracting 15 million visitors to its hugely popular resort. Genting Singapore produced a strong set of financial results in its first year, and is now one of the world's three largest gaming companies by market capitalisation. Our Singapore team's hard work paid off as they won Asiamoney's Best Managed Companies (Large-Cap Corporate of the Year in Singapore) award for 2010.

In Malaysia, we have had over four decades of strong track record and experience in operating Resorts World Genting, one of the world's first and leading integrated resorts. I am pleased to inform that Resorts World Genting has performed well, registering 19.9 million visitor arrivals in 2010 or a 2% increase to the previous year. Business volume in Genting UK operations improved but due to weaker Sterling Pound, the Group recorded lower revenue on consolidation.

The strong performance especially from Resorts World Sentosa enabled our Leisure & Hospitality Division to achieve all-time high financial results.

Total revenue and EBITDA* for this Division more than doubled in 2010 to register RM12.4 billion and RM6.0 billion respectively.

2010 was an active year for Genting Malaysia as it took concrete steps towards expanding in the UK and in USA. The acquisition of Genting UK business has enabled Genting Malaysia to have the largest number of casinos in the UK with 46 casinos as at 31 December 2010, with five premier casinos located in London.

Genting Malaysia's subsidiary Genting New York LLC won the bid to become the developer and operator of a video lottery facility at the Aqueduct Racetrack in the City of New York, USA. Resorts World New York, as the facility is known, is targeted to launch in the second half of 2011. It will provide New York with its first integrated gaming and entertainment hub, offering casino slot games, live shows, exciting events and culinary delights.

As Genting's leisure businesses grow internationally, the need arises to centralise the marketing of our intellectual properties in a more efficient and coordinated manner. To achieve this purpose, Resorts World Inc Pte Ltd was formed to enable its investors (comprising Genting Intellectual Property Pte Ltd, Genting International Management Limited, Star Market Holdings Limited, Resorts World Enterprise Limited and KHRV Limited) to jointly promote and tap the resources of the "GENTING" and "RESORTS WORLD" brands and related intellectual property rights internationally.

It was also a good year for Genting Plantations, despite having to manage erratic weather conditions and cyclical biological factors that had a profound influence on crop productivity. I am pleased to report that Genting Plantations registered higher crop in 2010, in stark contrast to a contraction experienced by the overall Malaysian palm oil industry.

A total of 1.20 million metric tonnes of fresh fruit bunches were produced in 2010 compared with 1.16 million metric tonnes in 2009. The average achieved prices for crude palm oil and palm kernel were higher at RM2,738 per metric tonne and RM1,754 per metric tonne respectively, up from RM2,236 and RM1,063 in the previous year.

The rally in the price of crude palm oil, primarily during the second half of 2010 further boosted our plantation's performance. Buoyant demand for palm oil amid tight supply and a liquidity-driven uptrend in global commodity markets lifted crude palm oil prices in late-2010 to levels not seen since the 2008 bull-run.

A new joint venture was formed in 2010 with the Sepanjang Group (our Indonesian partner for existing projects in West Kalimantan) to develop some 17,500 hectares of agricultural land into oil palm plantation in Kecamatan Toba, Kabupaten Sanggau, West Kalimantan, Indonesia. Two earlier joint venture agreements for new plantation development projects in Kabupaten Ketapang, West Kalimantan were mutually terminated due to non-fulfilment of certain conditions precedent. Nonetheless, two other joint venture agreements for proposed oil palm cultivation remain in effect and are pending completion.

Our Biotechnology team, led by ACGT Sdn Bhd is committed to revolutionise agricultural productivity by using advances in science and technology. The team announced the completion of the ganoderma genome project on 2 November 2010. ACGT will continue to focus on research and development activities that are directed towards developing and applying genomics-based solutions to increase productivity and enhance value creation from oil palm, jatropha and other crops in a sustainable manner.

On 27 July 2010, one of our plantation subsidiaries, Genting Green Tech Sdn Bhd entered into a Memorandum of Agreement with the Department of Agriculture, Sabah for a marker-assisted oil palm breeding programme to develop superior planting materials.

The Property division experienced more favourable operating conditions in 2010, compared to previous years that were impacted by the global economic crisis. A revival in market sentiment and attractive home ownership financing schemes supported a turnaround in Malaysia's real estate sector, translating into higher property sales achieved at our development projects in Johor, namely Genting Indahpura and Genting Pura Kencana.

Genting Property achieved a major milestone for retail tourism in Malaysia. The official groundbreaking ceremony for Johor Premium Outlets, our joint venture project with the US-based Simon Property Group was held on 5 August 2010 to mark the commencement of the construction of this upscale outlet shopping centre that will be the first of its kind in Southeast Asia. The centre, strategically located within the Genting Indahpura development in Kulaijaya, is set to open its doors in the second half of 2011. The project has been highlighted by the government as among the key components of the Economic Transformation Programme and is indeed a resounding testament to the promise the Johor Premium Outlets holds to become the iconic landmark that puts Malaysia on the world's retail tourism map.

The strong performance especially from Resorts World Sentosa enabled our Leisure & Hospitality Division to achieve all-time high financial results.

* Earnings before interest, tax, depreciation and amortisation after adjusting for the effects of non-recurring items

CHAIRMAN'S STATEMENT (cont'd)

Genting Energy's power division is expanding its investments in India, riding on the country's strong demand for electricity. In August 2010, the 30%-owned Lanco Kondapalli power plant in India commenced full commercial operations on its phase II expansion of an additional 366MW capacity. The division has, in April 2011, acquired a further 14.65% equity interest in its 720MW Kuala Langat power plant in Malaysia from BG Overseas Holdings Limited.

Meanwhile, our portfolio in China has been reduced to just the Meizhou Wan 724MW coal-fired power plant in Fujian. We closed down three small plants in Jiangsu, China, in response to a government directive to shut down plants of smaller capacity. Adequate compensation was received from the provincial government to shut down these plants.

With these developments, we now have interests in five power plants in Malaysia, India and China, with total net attributable capacity of 1,513MW. Phase III of the Lanco Kondapalli power plant is being built, which will add another 222MW net attributable capacity to the division's portfolio.

In addition, the division has also signed an agreement to build its first project in renewable energy, a wholly-owned 91.8MW wind-farm in Gujarat, India, with expected commercial operations at the end of 2011.

Our Oil & Gas team consolidated its operations by disposing its 100% working interest in the onshore Zhuangxi Buried Hill Oilfield in Shandong Province, China. The team will focus on the exploration activities in Indonesia (namely in Anambas PSC, Northwest Natuna PSC and Kasuri PSC). In Kasuri, the first onshore exploration well 'Asap-1X' was drilled and tested with positive results confirming the well as an important gas discovery. The team will be undertaking follow-up appraisal drilling and a 3D seismic survey in 2011. In Morocco, the studies of the Cap Jubu Oil Discovery continued in 2010. However, this project has since been relinquished when its first exploration phase expired in April 2011.

We will actively monitor the trends and developments of our industries and implement necessary strategies to ensure we remain as a leading global multinational.

I am pleased to report that our business strategies have produced the Group's best financial results to date in 2010.

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Group revenue rose by 71% to record a new high of RM15.2 billion in 2010 (2009: RM8.9 billion), contributed mainly from our integrated resorts and oil palm based businesses. Group profit before tax rose by 74% to post a new high of RM4.4 billion in 2010 (2009: RM2.5 billion). EBITDA rose by 89% to a new high of RM7.1 billion in 2010 (2009: RM3.8 billion).

I am also pleased to inform that our Company, Genting Berhad is one of Malaysia's six largest companies by market capitalisation.

We will continue to make consistent dividend payouts while allocating funds for investment and business growth. The Company paid an interim dividend of 3.3 sen per ordinary share of 10 sen each, less 25% tax, amounting to RM91.6 million on 26 October 2010.

The Board of Directors has recommended a final gross dividend of 4.5 sen per share for the approval of shareholders at the forthcoming 43rd Annual General Meeting. If approved, total gross dividend per ordinary share in 2010 will amount to 7.8 sen (2009: 7.2 sen), an increase of 8.3% over the previous year.

It is the Genting tradition and philosophy to give back to the community where we operate in. Our Group has collectively contributed over RM16 million to various charity and community causes with the aim of improving lives and bringing hope to the less fortunate. A special Sustainability Report in pages 47 to 54 highlights our key corporate responsibility activities in 2010. I am especially proud to note that many employees volunteered and supported these initiatives with great enthusiasm, despite their busy schedule.

I look forward to the respective teams of the Genting Group stepping up their efforts to do even more and ensure that these responsible initiatives are impactful and sustainable in the long term, not only for the community, but also for the environment, marketplace and workplace.

We have helped boost the tourism industry in the countries that we operate, attracting international and local visitors with our unique leisure attractions. In the first year of Resorts World Sentosa's operations, international visitor arrivals to Singapore rose by 20% to reach 11.6 million in 2010, largely due to the rosy economic outlook and the integrated resorts. We added 12,000 new jobs in Singapore and brought in new skill sets and expertise to the tourism and entertainment industry in 2010. Group-wise, we have over 43,000 employees with a diverse pool of talent and skill, located worldwide.

For the upcoming future, our integrated resorts may see greater regional competition, primarily from Macau and Singapore. The natural earthquake disasters that have hit several countries may negatively impact leisure air travel and cause volatility in global commodity prices. Many countries are still recovering from the global financial crisis. While most of these global factors are beyond our control, we are constantly reviewing our operational systems and risk controls to ensure that we are more than ready to manage any crisis. These concerns will not deter us from providing the best leisure and entertainment in the world.

We will focus on developing our global brand network of Resorts World properties. Resorts World Genting and Resorts World Sentosa both have become hugely successful landmark attractions with unique market appeal. Visitors to Resorts World Genting can enjoy the refreshing cool highland surroundings in Malaysia while visitors to Resorts World Sentosa can enjoy Southeast Asia's first and only Universal Studios Singapore® and a myriad of entertainment, shopping and dining options.

The West Zone of Resorts World Sentosa is progressing satisfactorily. The Maritime Experiential Museum & Aquarium will open soon in mid-2011, followed by the Marine Life Park (the world's largest oceanarium) and ESPA, a unique destination spa. The resort's room inventory will increase with the completion of two more hotels, the Equarius Hotel and Spa Villas.

Universal Studios Singapore® continues to expand its attractions, providing visitors with fun and memorable experiences. The Battlestar Galactica® duelling coasters, the world's tallest duelling coasters, officially re-opened on 21 February 2011. Two other major attractions will open in 2011 – Journey to Madagascar: A Crate Adventure® and Transformers. Joël Robuchon, the world's most decorated chef with 26 Michelin stars, has just opened two of his fine dining restaurants in Resorts World Sentosa. When the resort reaches full completion in 2012, I foresee it will bring unprecedented scale and concept to tourism in this region.

Together with affiliated Resorts World Manila and soon-to-launch Resorts World New York, we will work to deliver the best leisure and entertainment experience that is uniquely Resorts World in these countries.

Genting UK faces a challenging operating environment in 2011 as the local economy in the UK continues on a bumpy road to recovery. A programme to reinvigorate the UK casino estate has begun to grow the domestic business. The UK premium player business has benefited from the improved links with our Group's businesses in Malaysia and further growth is anticipated as this relationship develops.

The Malaysian property market outlook remains resilient in 2011 and we will undertake selective project launches where there is strong market demand.

The prevailing favourable palm product prices and the anticipated increase in crop production are expected to underpin an improvement in the Plantation Division's performance.

Higher cost of coal may impact our power plants' businesses while we will continue the oil and gas exploration activities in Indonesia.

I wish to thank all our Board members who have contributed to the continuing success of the Group, with their valuable insights and guidance to the Group.

I express my appreciation and gratitude to Mr Quah Chek Tin who has resigned as an independent non-executive director of the Company on 1 November 2010. Mr Quah has had a distinguished tenure with us and he is held in high esteem. He remains a director in other companies of the Group.

I would like to thank all our stakeholders, especially our shareholders, customers, business associates and the authorities for the support and well wishes, as well as guidance when needed. 2010 was one of our most exciting years, as we successfully launched Resorts World Sentosa and embarked on new projects for the Group.

A special thanks to our dedicated teams around the world for giving their all to deliver these achievements. Nonetheless, we are nowhere near our peak.

This is just the start. We will continue to build our resorts and products, market our brands and refine our operations to make bigger things happen.



TAN SRI LIM KOK THAY

Chairman and Chief Executive

6 May 2011

PENYATA PENGGERUSI

2010 merupakan salah satu tahun pencapaian yang paling memberangsangkan, dengan pelancaran Resorts World Sentosa yang amat berjaya dan permulaan projek-projek baru untuk Kumpulan kami. Kami akan terus membina resort-resort dan produk-produk kami, memasarkan jenama-jenama dan mempertingkatkan operasi-operasi kami untuk mencapai prestasi yang lebih unggul.

Para Pemegang Saham,

2010 merupakan tahun yang hebat. Kami memulakan tahun ini dengan penuh semangat dan harapan tinggi, meskipun dalam keadaan kewangan global yang tidak menentu. Kami telah menyambut ulangtahun penubuhan kami yang ke-45 dengan pembukaan Resorts World Sentosa yang amat berjaya – resort berintegrasi yang pertama di Singapura. Kami juga memperluaskan simpanan tanah kelapa sawit kami di Indonesia, memulakan pembangunan resort kami di New York, AS dan pembangunan Johor Premium Outlets di Johor, Malaysia.

Perjalanan kerja kami di Singapura belum pernah dirintis – iaitu mengintegrasikan perniagaan kasino bertaraf antarabangsa dengan taman tema antarabangsa, hotel-hotel mewah, kemudahan MICE (Mesyuarat, Insentif, Konvensyen dan Pameran) yang berbeza, chef-chef selebriti antarabangsa dan hiburan-hiburan yang mengagumkan. Hasil kerja ini telah membuka lembaran baru dan merupakan usaha “julung” merubah dunia pelancongan dan peranginan. Keputusan Genting Singapura untuk menjual perniagaannya di UK adalah wajar kerana ia membolehkan pasukan mereka berfokus menjayakan Resorts World Sentosa. Walaupun pihak saingan mula berniaga pada April 2010, resort tersebut masih tahan lasak. Ia terus mencapai bahagian pasaran kasino yang lebih besar di Singapura, dalam kedua-dua segmen awam dan VIP.

Menjelang pertengahan 2010, Genting Singapura telah menjadi syarikat yang dijejaki dengan serius dan menarik tumpuan para pelabur dan juru analisis. Dalam tahun pertama operasinya, Resorts World Sentosa telah melampaui sasaran 13 juta para pelawatnya, mencatat seramai 15 juta para pelawat ke resortnya yang amat popular. Genting Singapura telah mencatatkan keputusan kewangan yang kukuh dalam tahun pertamanya, dan kini merupakan salah satu di antara tiga syarikat beroperasi kasino yang terbesar di dunia mengikut permodalan pasaran. Usaha gigih pasukan Singapura kami mencapai hasil apabila mereka memenangi anugerah Syarikat Berpengurusan Yang Terbaik (untuk Korporat Singapura Yang Bermodal Besar) dari Asiamoney, pada tahun 2010.

Di Malaysia, kami memperolehi rekod prestasi yang mantap dan pengalaman yang melebihi empat dekad mengendalikan Resorts World Genting, salah satu resort pertama yang berintegrasi terulung di dunia. Saya dengan sukacitanya melaporkan Resorts World Genting telah mencapai prestasi yang cemerlang, mencatat para pelawat seramai 19.9 juta dalam tahun 2010 atau peningkatan sebanyak 2% berbanding dengan tahun sebelumnya. Jumlah perniagaan operasi Genting UK bertambah baik tetapi disebabkan Pound Sterling yang lemah, Kumpulan kami merekodkan hasil gabungan perolehan yang lebih rendah.

Prestasi kukuh terutamanya daripada Resorts World Sentosa membolehkan Bahagian Peranginan & Keraian kami mencatatkan keputusan kewangan yang paling tinggi pernah dicapai.

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Jumlah hasil perolehan dan EBITDA* bagi Bahagian ini melebihi dua kali ganda dalam tahun 2010, masing-masing mencatatkan RM12.4 bilion dan RM6.0 bilion.

2010 merupakan tahun yang aktif bagi Genting Malaysia kerana ia mengambil langkah kukuh untuk berkembang di

UK dan AS. Pemerolehan perniagaan Genting UK membolehkan Genting Malaysia memiliki bilangan kasino yang terbesar di UK dengan 46 kasino setakat 31 Disember 2010, antaranya lima kasino utama di London.

Anak syarikat Genting Malaysia, Genting New York LLC telah memenangi bida untuk menjadi pemaju dan pengendali kemudahan loteri video di Aqueduct Racetrack di Bandaraya New York, AS. Ia akan dikenali sebagai Resorts World New York dan dijangka akan dilancarkan pada separuh kedua tahun 2011.

Ia adalah pusat integrasi hiburan and mainan kasino yang pertama di New York yang menawarkan pelbagai permainan slot kasino, pertunjukan secara langsung, acara-acara menarik dan hidangan masakan yang enak.

* Pendapatan sebelum kadar faedah, cukai, susut nilai dan pelunasan selepas penyesuaian efek-efek daripada perkara-perkara yang tidak berulang

Dengan perkembangan perniagaan-perniagaan peranginan dan keralan Genting di arena antarabangsa, keperluan timbul untuk memusatkan pemasaran harta intelek kami dalam cara yang lebih berkesan dan berkoordinasi. Untuk mencapai matlamat ini, Resorts World Inc Pte Ltd telah ditubuhkan supaya para pelaburnya (terdiri daripada Genting Intellectual Property Pte Ltd, Genting International Management Limited, Star Market Holdings Limited, Resorts World Enterprise Limited dan KHRV Limited) dapat bergabung sumber memasarkan dan menggunakan jenama "GENTING" dan "RESORTS WORLD" serta hak harta intelek berkenaan di peringkat antarabangsa.

Ia juga merupakan tahun yang baik untuk Genting Plantations, walaupun terpaksa menangani keadaan cuaca yang tidak menentu dan faktor biologi berkitar yang mempunyai pengaruh mendalam ke atas produktiviti hasil tanaman. Saya dengan sukacitanya melaporkan bahawa Genting Plantations telah mencatatkan hasil tanaman yang lebih tinggi pada 2010, jelas berbeza berbanding dengan pengecutan yang dialami oleh industri kelapa sawit Malaysia secara keseluruhan. Jumlah sebanyak 1.20 juta tan metrik tandan buah segar dihasilkan pada 2010 berbanding dengan 1.16 juta tan metrik pada 2009. Purata harga minyak sawit mentah dan inti kelapa sawit yang diperolehi adalah lebih tinggi pada RM2,738 per tan metrik dan RM1,754 per tan metrik masing-masing, meningkat daripada RM2,236 dan RM1,063 pada tahun sebelumnya.

Dengan kenaikan tegap harga minyak sawit mentah, terutamanya pada separuh kedua tahun 2010 telah meningkatkan prestasi perladangan kami. Permintaan kukuh terhadap minyak sawit sewaktu bekalan ketat dan trend meningkat didorong kecairan di pasaran komoditi global telah menaikkan harga minyak sawit mentah pada penghujung 2010 kepada tahap yang tidak pernah dilihat sejak kekukuhan harga dalam tahun 2008.

Satu usahasama yang baru telah dibentuk dengan Kumpulan Sepanjang (rakan kongsi kami di Indonesia bagi projek-projek kini di Kalimantan Barat) pada 2010 untuk membangunkan lebih kurang 17,500 hektar tanah pertanian menjadi ladang kelapa sawit di Kecamatan, Toba, Kabupaten Sanggau, Kalimantan Barat, Indonesia. Dua perjanjian usahasama terlebih awal untuk projek pembangunan ladang di Kabupaten Ketapang, Kalimantan Barat telah ditamatkan bersama disebabkan syarat terdahulu tertentu yang tidak dipenuhi. Walau bagaimanapun, dua perjanjian usahasama yang lain untuk cadangan penanaman kelapa sawit masih berkuat kuasa dan menunggu untuk disempurnakan.

Pasukan Bioteknologi kami, diterajui oleh ACGT Sdn Bhd bertekad untuk merevolusikan produktiviti pertanian dengan menggunakan perkembangan dalam sains dan teknologi. Pasukan ini telah mengumumkan penyelesaian projek genom ganoderma pada 2 November 2010. ACGT akan terus berfokus kepada aktiviti penyelidikan dan pembangunan yang ditujukan terhadap membangunkan dan menggunakan penyelesaian berasaskan genomik untuk mempertingkatkan produktiviti dan nilai hasil daripada kelapa sawit, *jatropha* dan hasil tanaman yang lain dalam cara yang mampan.

Pada 27 Julai 2010, salah satu anak syarikat perladangan kami, Genting Green Tech Sdn Bhd telah menandatangani satu perjanjian dengan Jabatan Pertanian, Sabah bagi program pembiakan kelapa sawit berbantu penanda secara kerjasama yang akan membangunkan bahan tanaman bermutu tinggi.

Bahagian Hartanah mengalami keadaan operasi yang lebih menggalakkan pada 2010, berbanding tahun-tahun sebelumnya yang terjejas oleh krisis ekonomi global. Pemulihan sentimen pasaran dan skim pembiayaan pemilikan rumah yang menarik menyokong pemulihan sektor harta tanah Malaysia, menghasilkan jualan hartanah yang lebih tinggi di projek-projek pembangunan kami di Johor, iaitu Genting Indahpura dan Genting Pura Kencana.

Genting Property mencatat pencapaian yang penting bagi pelancongan membeli-belah di Malaysia. Majlis pecah tanah rasmi untuk Johor Premium Outlets, projek usahasama kami dengan Simon Property Group dari AS telah diadakan pada 5 Ogos 2010 untuk menandakan permulaan pembinaan sebuah pusat membeli-belah saluran kelas atasan yang pertama seumpamanya di Asia Tenggara. Pusat ini, yang terletak secara strategik dalam pembangunan Genting Indahpura di Kulaijaya, dijangka membuka pintunya pada separuh kedua tahun 2011. Projek ini telah ditonjolkan sebagai antara komponen utama Program Transformasi Ekonomi dan merupakan bukti hebat janji Johor Premium Outlets untuk menjadi mercu tanda ikonik yang meletakkan Malaysia di peta pelancongan runcit dunia.

Bahagian kuasa Genting Energy sedang memperluaskan pelaburannya di India, berdasarkan permintaan terhadap kuasa elektrik yang kukuh di negara tersebut. Loji janakuasa Lanco Kondapalli di India, milikan 30%, mula beroperasi secara komersil sepenuhnya fasa keduanya dengan tambahan kapasiti sebanyak 366MW pada Ogos 2010. Pada bulan April 2011, bahagian tersebut telah memperolehi 14.65% pemilikan saham dalam loji janakuasa Kuala Langat 720MW di Malaysia daripada BG Overseas Holdings Limited.

Sementara itu, portfolio kami di China telah dikurangkan kepada loji janakuasa arang Meizhou Wan 724MW di Fujian sahaja. Kami telah menutup tiga loji janakuasa yang kecil di Jiangsu, China, disebabkan arahan kerajaan untuk menutup loji-loji yang berkapasiti kecil. Kami telah menerima pampasan yang memadai daripada kerajaan wilayah untuk menutup loji-loji ini.

Dengan kesemua perkembangan ini, kini kami mempunyai kepentingan dalam lima loji janakuasa di Malaysia, India dan China, dengan kapasiti bersih sebanyak 1,513 MW. Fasa ketiga loji janakuasa Lanco Kondapalli yang sedang dibina, menambahkan lagi 222MW kapasiti bersih ke atas portfolio bahagian ini. Bahagian ini juga telah menandatangani perjanjian untuk membina projek jana kuasa pertama yang boleh diperbaharui iaitu ladang angin 91.8MW yang dimiliki sepenuhnya di Gujarat, India, yang dijangka beroperasi secara komersil menjelang penghujung 2011.

PENYATA PENGURUS (sambungan)

Pasukan Minyak & Gas kami telah menggabungkan operasinya dengan melupuskan 100% kepentingan kerja di daratan Zhuangxi Buried Hill Oilfield di Wilayah Shandong, China. Pasukan kami akan fokus kepada aktiviti-aktiviti penerokaan di Indonesia (iaitu di Anambas PSC, Northwest Natuna PSC dan Kasuri PSC). Di Kasuri, telaga penerokaan daratan yang pertama 'Asap-1X' telah digerudi dan diuji dengan keputusan positif mengesahkan telaga tersebut sebagai perjumpaan gas yang penting. Pasukan ini akan menjalankan penggerudian penilaian seterusnya dan kajian seismic 3D pada 2011. Di Maghribi, kajian Cap Juby Oil Discovery berterusan pada 2010. Walau bagaimanapun, projek ini telah dilepaskan apabila fasa penerokaan pertamanya tamat pada April 2011.

Kami akan memantau secara aktif trend dan perkembangan industri-industri kami dan melaksanakan strategi-strategi yang perlu bagi memastikan kami kekal sebagai peneraju multinasional global.

Saya dengan sukacitanya melaporkan strategi-strategi perniagaan kami telah menghasilkan keputusan kewangan Kumpulan yang terbaik sehingga kini pada 2010.

Hasil Kumpulan telah bertambah sebanyak 71% untuk merakam tahap tertinggi yang baru iaitu RM15.2 billion pada 2010 (2009: RM8.9 billion), disumbangkan terutamanya oleh resort-resort berintegrasi kami dan perniagaan berasaskan kelapa sawit. Keuntungan sebelum cukai Kumpulan meningkat sebanyak 74% untuk mencatat tahap tertinggi yang baru sebanyak RM4.4 billion pada 2010 (2009: RM2.5 billion). EBITDA telah meningkat sebanyak 89% kepada tahap tertinggi yang baru sebanyak RM7.1 billion pada 2010 (2009: RM3.8 billion).

Saya juga sukacita melaporkan bahawa syarikat kami, Genting Berhad merupakan salah satu daripada enam syarikat yang terbesar di Malaysia mengikut permodalan pasaran.

Kami akan terus membuat bayaran dividen yang konsisten sementara memperuntukkan dana bagi laburan dan perkembangan perniagaan. Syarikat kami telah membayar dividen interim sebanyak 3.3 sen sesaham biasa bernilai 10 sen setiap satu, ditolak cukai 25%, berjumlah RM91.6 juta pada 26 Oktober 2010.

Lembaga Pengarah telah mencadangkan dividen kasar akhir sebanyak 4.5 sen sesaham untuk kelulusan para pemegang saham di Mesyuarat Agung Tahunan ke-43 yang akan datang. Jika diluluskan, dividen kasar sesaham biasa pada 2010 akan berjumlah 7.8 sen (2009: 7.2 sen), peningkatan sebanyak 8.3% berbanding dengan tahun sebelumnya.

Adalah tradisi dan falsafah Genting untuk menyumbang kepada masyarakat di mana kami beroperasi. Kumpulan kami secara kolektif telah menyumbang sejumlah lebih RM16 juta kepada

pelbagai badan amal dan sektor komuniti dengan hasrat mempertingkatkan kehidupan dan memberi harapan kepada mereka yang kurang bernasib baik. Laporan Kemampanan khas pada muka surat 47 ke 54 menyerlahkan aktiviti-aktiviti utama tanggungjawab korporat kami pada 2010. Saya terutamanya berasa bangga mengetahui bahawa ramai pekerja kami telah mengambil bahagian secara sukarela dan menyokong inisiatif-inisiatif ini dengan penuh semangat, walaupun sibuk bekerja.

Saya berharap setiap pasukan Kumpulan Genting meningkatkan lagi usaha mereka untuk menyumbang lebih dan memastikan inisiatif-inisiatif yang bertanggungjawab ini mempunyai impak dan dapat dikekalkan dalam jangka masa panjang, bukan sahaja untuk masyarakat, tetapi juga untuk alam sekitar, niaga pasaran dan tempat kerja.

Kami telah membantu merangsang industri pelancongan di negara-negara di mana kami beroperasi, menarik minat para pelawat antarabangsa dan tempatan dengan daya tarikan kemudahan peranginan kami yang unik. Pada tahun pertama operasi Resorts World Sentosa, para pelawat antarabangsa ke di Singapura meningkat sebanyak 20% untuk mencapai 11.6 juta pada 2010, sebahagian besarnya disebabkan ramalan ekonomi yang cerah dan wujudnya resort berintegrasi. Kami

menambahkan 12,000 pekerjaan baru di Singapura dan membawa masuk kemahiran dan kepakaran baru kepada industri pelancongan dan hiburan pada 2010. Kumpulan kami mempunyai lebih daripada 43,000 para pekerja dengan pelbagai bakat dan kemahiran, di serata dunia.

Di masa yang akan datang, resort-resort berintegrasi kami mungkin menghadapi lebih persaingan dari serantau, terutamanya dari Macau dan Singapura.

Bencana semulajadi gempa bumi yang telah melanda beberapa negara mungkin memberi kesan negatif terhadap perjalanan peranginan melalui udara dan menyebabkan turun naik harga komoditi global. Kebanyakan negara sedang pulih daripada krisis kewangan global. Walaupun kebanyakan faktor-faktor global ini adalah di luar kawalan kami, kami sentiasa menyemak sistem-sistem operasi dan kawalan-kawalan risiko kami untuk memastikan kami lebih bersedia menangani sebarang krisis. Faktor-faktor tersebut tidak akan menghalang kami untuk daripada menyediakan hiburan peranginan dan keraian yang terbaik di dunia.

Kami akan memberi fokus untuk membangunkan rangkaian hartanah jenama global Resorts World. Resorts World Genting dan Resorts World Sentosa telah menjadi destinasi peranginan yang berjaya, masing-masing dengan daya tarikan pasaran yang unik. Para pelawat ke Resorts World Genting dapat menikmati persekitaran tanah tinggi yang sejuk di Malaysia manakala para pelawat ke Resorts World Sentosa boleh menikmati Universal Studios Singapore® yang pertama dan satu-satunya di Asia Tenggara serta pelbagai pilihan hiburan, membeli-belah dan menjamu selera.

Zon Barat di Resorts World Sentosa sedang maju dibina dengan baiknya. Maritime Experiential Museum & Aquarium akan dibuka tidak lama lagi pada pertengahan 2011, diikuti dengan Marine Life Park (oceanarium yang terbesar di dunia) dan ESPA, spa destinasi yang unik. Inventori bilik resort tersebut akan bertambah dengan penyempurnaan dua buah hotel lagi, Hotel Equarius dan Spa Villas.

Universal Studios Singapore® masih memperkembangkan daya tariknya, dengan memberi para pelawatnya pengalaman yang gembira dan tidak akan dilupakan. Battlestar Galactica®, roller coaster berkembar tertinggi di dunia, dibuka semula dengan rasminya pada 21 Februari 2011. Dua daya tarikan utama lain akan dibuka pada 2011 – Journey to Madagascar: A Crate Adventure® dan Transformers. Joël Robuchon, chef yang terkenal di dunia dengan 26 bintang Michelin, baru sahaja membuka dua restoran premium beliau di Resorts World Sentosa. Apabila resort tersebut disiapkan sepenuhnya pada 2012, saya menjangka ia akan membawa skala dan konsep pelancongan yang tidak pernah dialami di rantau ini.

Bersama dengan syarikat sekutu Resorts World Manila dan Resorts World New York yang akan dilancarkan tidak lama lagi, kami akan berusaha untuk menyampaikan pengalaman peranginan dan hiburan terbaik Resorts World yang seuniknya di negara-negara ini.

Genting UK masih menghadapi persekitaran operasi yang mencabar pada 2011 kerana ekonomi tempatan di UK masih menempuhi jalan lekak-lekuk ke arah pemulihan. Satu program untuk mengembangkan semula estet kasino UK telah mula mengukuhkan perniagaan domestik. Perniagaan pemain premium di UK telah bermanfaat daripada hubungan yang baik dengan perniagaan-perniagaan Kumpulan di Malaysia dan dijangka bertambah maju dengan perkembangan hubungan ini.

Pasaran hartanah Malaysia dijangka kekal bertahan pada 2011 dan pelancaran projek hartanah akan dilakukan secara terpilih di mana terdapat permintaan pasaran yang kukuh.

Prestasi Bahagian Perladangan dijangka bertambah baik dengan harga produk sawit yang menggalakkan dan pengeluaran hasil tanaman yang dijangka lebih tinggi.

Kos arang batu yang lebih tinggi mungkin memberi kesan negatif terhadap perniagaan janakuasa kami. Kami akan terus menjalani aktiviti-aktiviti penerokaan minyak dan gas di Indonesia.

Saya ingin mengucapkan terima kasih kepada semua ahli Lembaga kami yang telah menyumbang terhadap kejayaan Kumpulan yang berterusan, dengan pandangan dan tunjuk ajar mereka yang bernilai kepada Kumpulan.

Saya merakamkan penghargaan dan terima kasih kepada Encik Quah Chek Tin yang telah meletakkan jawatan sebagai pengarah syarikat bebas bukan eksekutif pada 1 November 2010. Tempoh pegangan jawatan En. Quah adalah cemerlang dan beliau amat disanjung. Beliau masih kekal sebagai pengarah syarikat yang lain dalam Kumpulan kami.

Saya ingin mengucapkan terima kasih kepada kesemua pemegang kepentingan kami, terutamanya para pemegang saham, pelanggan, rakan sekutu niaga dan pihak berkuasa di atas keyakinan dan sokongan mereka, serta tunjuk ajar apabila diperlukan. 2010 merupakan salah satu tahun pencapaian yang paling memberangsangkan, dengan pelancaran Resorts World Sentosa yang amat berjaya dan permulaan projek-projek baru untuk Kumpulan kami.

Dengan ini, saya mengucapkan terima kasih kepada pasukan-pasukan dedikasi kami di serata dunia yang telah bertungkus lumus menghasilkan pencapaian ini. Namun, kami belum lagi sampai ke puncak pencapaian.

Ini hanyalah permulaan. Kami akan terus membina resort-resort dan produk-produk kami, memasarkan jenama-jenama kami dan mempertingkatkan operasi-operasi kami untuk mencapai prestasi yang lebih unggul.



TAN SRI LIM KOK THAY

Pengerusi dan Ketua Eksekutif
6 Mei 2011

2010年是其中一个令人振奋的年份，因我们成功推出新加坡圣淘沙名胜世界，以及启动了集团的新项目。然而，这仅仅是开始而已。我们将持续建立我们的度假胜地及产品，推广我们的市场品牌，及让运作更形完善，以期取得更大的成就。

亲爱的股东，

2010年是精彩的一年。尽管全球金融环境存在着不明确的因素，但我们却以热忱之心及更高的期待展开了这一年的旅程。我们欢庆了45周年，同时也让新加坡首个综合度假村—新加坡圣淘沙名胜世界成功开幕。我们也扩大了印尼的油棕地库，并开始着手位于美国纽约的度假村发展计划，以及柔佛品牌购物城(Johor Premium Outlets)的发展。

我们在新加坡的事业征途，是史无前例的。我们全力打造的全方位度假胜地—新加坡圣淘沙名胜世界，包括一个世界级水准的博彩娱乐场及国际主题公园，并涵盖豪华酒店、各具特色的会展设施、屡获奖项肯定的名厨以及精彩华丽的娱乐。我们所获得的成果也掷地有声，同时也在全球旅游及休闲领域首创先河。将英国的业务从云顶新加坡中抽离，是个正确的决定，因为它使我们的新加坡团队更专注于新加坡圣淘沙名胜世界。尽管2010年4月另一赌场的开幕启动了竞争，然而新加坡圣淘沙名胜世界仍然能够稳住阵脚，并继续在新加坡博彩市场中的普通及贵宾单元中，抢攻了更大的市场份额。

2010年中，云顶新加坡成为投资者和分析师认真及热烈追捧的公司。在首个营运年中，新加坡圣淘沙名胜世界突破1千300万名游客的目标，并吸引了1千500万名游客到访。此外，云顶新加坡首年的业绩也表现强稳，目前并已名列全球三大拥有强大市值的博彩公司之一。新加坡团队的努力终也得到了回报，他们赢得了2010年亚洲货币的最佳管理公司(新加坡大型市值企业)。

在马来西亚，我们拥有超过40年的经营全球其中一座综合度假村—马来西亚云顶世界的丰富经验，以及稳健的成长记录。我在这欣然宣布，马来西亚云顶世界取得良好的表现，于2010年写下1千990万名旅客人数或2%的按年增长。云顶英国的业务也有所改善，但基于英镑走势疲弱，使得集团录得较低的综合收入。

新加坡圣淘沙名胜世界的强劲表现，特别是休闲与酒店组取得史前的新高财务记录。其总营业额及调整后(即调整非经常性项目)的税后折旧及摊销前利润在2010年分别倍增至124亿令吉及60亿令吉。

2010是云顶马来西亚活跃的一年，因其采取了扩展业务至英国及美国的策略。云顶英国的收购活动，使得云顶马来西亚在截至2010年12月31日，成为在该国拥有最多的赌场(即46座)的集团，其中有5座高档赌场座落在伦敦。

云顶马来西亚子公司—云顶纽约有限公司在美国纽约阿达跑马场视频赌场发展计划(即纽约云顶世界)的招标活动中脱颖而出，赢得了发展商及营运商资格。有关计划将放眼2011年下半年如期完成。云顶纽约将为该市提供其首个综合性博彩与娱乐中心，丰富阵容包括琳琅满目的角子机、现场表演、精彩活动与美食等。

鉴于云顶的休闲业务已趋向国际化，因此需要以更有效及协调的方式，推广我们的知识产权。为达致这个目标，我们成立了Resorts World Inc Pte Ltd，以让其投资者(涵盖Genting Intellectual Property Ptd Ltd、Genting International Management Limited、Star Market Holdings Limited、Resorts World Enterprise Limited及KHRV Limited)联合推广及汲取“云顶”及“云顶世界/名胜世界”品牌及其国际知识产权。

虽然必须面对恶劣的天气及周期因素，而导致农作收成受影响，但对于云顶种植来说，这也是成果丰硕的一年。在此，我欣然宣布，我们的种植组在2010年取得更高的农作收成，这与大马整体种植领域所面对的收成缩减情势形成强烈的对比。

在2010年，鲜果串的收成达120万公吨，相比2009年的116万公吨有长足的进步。而原棕油及棕果仁的平均价格也分别企在每公吨2千738令吉及1千754令吉的更高水平，比前期的2千236令吉及1千零63令吉为高。

随着2010年下半年原棕油价格的扬升，更进一步加强我们种植组的表现。棕油市场的强稳需求、紧缩供应及全球原产品流动性的上升趋势，将2010年底棕油价格推升至自2008年以来从未到达的水平。

与Sepanjang集团(我们现有在西加里曼丹其他油棕联营的伙伴)于2010年结成新联营项目，共同开发位于印尼西加里曼丹Kecamatan Toba, Kabupaten Sanggau, 占地1万7千500公顷的农业地，将之发展成油棕种植地。至于之前在西部加里曼丹Kabupaten Ketapang的两项新种植发展计划的联营合约，已因为无法达致某些合约条件而宣告终止。尽管如此，另两项油棕种植联营合约仍有效，并待完成。

我们的生物科技队组，是由ACGT私人有限公司领导，利用先进的科学与科技，致力革新化农业生产。该小组于2010年11月2日，公布完成全球首个灵芝基因组计划。该队伍将持续专注于与基因组直接有关的研发，从而加强油棕、麻疯树及其他农作物的价值链。

于2010年7月27日，我们其中一家子公司Genting Green Tech私人有限公司，与沙巴州农业局签署联合标记辅助油棕培植计划，以研发卓越的种植材料。

相比前一年面对全球经济危机的创痛，产业组在2010年经历更有利的营运环境。市况的转佳及具吸引力的居者有其屋融资计划，为大马实业领域提供稳健的回弹力，并也激励我们位于柔佛州的云顶优美城及云顶旺金城产业计划取得更高的销售表现。

云顶置地在马来西亚的零售旅游下迈向了主要的里程碑。我们与西蒙地产集团联营的柔佛品牌购物城(Johor Premium Outlets)已于2010年8月5日举办了动土礼。这座中心位于古来再也内的云顶优美城发展计划中的策略位置，将成为东南亚首个高档零售中心，并放眼2011年下半年开幕。这项计划已成为政府点名为其其中一项在经济转型执行方案下的其中重要一员，并也承诺致力将柔佛品牌购物城(Johor Premium Outlets)成为协助把大马放置在全球零售旅游路线图的重要地标。

云顶能源组正密切关注其电力及石油与天然气相关发展。电力部正扩充其印度投资，趁势于其强稳的电力需求。在2010年8月，持有30%股权，发电量达366兆瓦的Lanco Kondapalli发电厂(第二期)已全面投入商业运作。有关部门在2011年4月，向BG Overseas Holdings Limited收购向位于大马瓜拉冷岳720兆瓦发电厂的另外14.65%股权。

此外，我们在中国的投资组合也已减低至仅是位于福建湄洲湾发电量达724兆瓦的煤炭发电厂。我们已关闭位于中国江苏的三座小型发电厂，主要是响应关闭小型容量发电厂的号召。关闭这些厂房也获得了省政府相等的赔偿。

在进行这些发展计划后我们现于马来西亚、中国及印度的5座发电厂持有股权，总发电量达1千513兆瓦。Lanco Kondapalli第三阶段正建造着，会为能源组的电力部另贡献222兆瓦。

与此同时，能源组也在印度古吉拉签署了协议，建造其首个再生能源计划，即一个独资的91.8兆瓦的风力发电厂，料将于2011年底投入运作。

我们的石油和天然气团队，也通过脱售山东省桩西古潜山岸上油田的100%股权以巩固运作能力。这个小组将专注于印尼的开采活动(即Anambas Northwest Natuna及Kasuri的生产分享合约上)。在Kasuri, 首个岸上开采油井“Asap-1X”已挖掘, 并获得正面的结果, 显示该油井发现了油气。该小组将会在2011年进行持续性的挖掘评估, 及进行三维地震勘探。而在摩洛哥, Cap Juby的油井发掘研究于2010年内仍在进行中。不过, 一旦其首阶段的开采于2011年届满后, 有关计划也将宣告放弃。

我们将会积极地监督各领域的趋势与发展，并将采取必要的措施以确保我们作为全球领先跨国机构的地位。

我在此欣然报告，我们的商业策略，已推动集团在2010年取得了目前为止最佳的业绩表现。

集团的2010年的营业额扬升71%至152亿令吉的新高(2009:89亿令吉)，主要归功于综合度假村及油棕基础业务。集团2010年的税前盈利扬升74%至44亿令吉的新高(2009年:25亿令吉)。2010年调整后(即调整非经常性项目)的税息折旧及摊销前利润，则劲升89%至71亿令吉的新高(2009年:38亿令吉)。

我也欣然宣布，我们的公司-云顶有限公司是大马六家最大市值的上市公司之一。

我们会在派息率及供作未来投资与业务增长基金之间取得平衡。公司在2010年10月26日，为每股面值10仙的股票，支付3.3仙，需扣税25%的中期股息，总值达9千160万令吉。

董事局建议派送每股4.5仙的终期股息，并寻求股东在来临的第43届常年股东大会中通过。一旦获得批准，即意味著2010年财政年的股息因而达每股7.8仙(2009年:每股7.2仙)，较上财政年高出8.3%。

回馈社会是云顶的传统与哲学。集团已捐献超过1千600万令吉给各慈善团体及社团，旨在能够使不幸群体的生活获得改善，并为他们带来希望。于47至54页中所附上的特别永续报告，也列出我们在2010年所进行的主要企业社会责任活动。我感到荣幸的是，我们有许多员工虽面对繁忙的作业，但他们自动自发与热忱的精神，令人敬佩。

我期待云顶集团的各个团队加紧努力，付诸更多，以确保这些负责任的措施，在长远而言，不只是对社会、整体环境、市场及工作场合，都是具有影响力并持续性的。

我们致力于推广各营运的国家的旅游领域，通过我们的独特休闲景点吸引国际及本地游客。新加坡圣淘沙名胜世界首年的营运中，到访新加坡的国际游客在2010年提高20%至1千160万人，主要是受到乐观的经济前景及综合度假村所推动。我们在2010年，为新加坡创造了1万2000份新就业机会，同时也为旅游及娱乐领域引入新技能与专业知识。在集团方面，我们拥有超过4万3000名员工，多元专业优秀人才，遍布全球。

在不久的将来，我们的综合度假村，将面对区域的竞争，特别是来自澳门及新加坡。地震为多个国家所带来的自然灾害或将影响航空旅游，并导致全球商品价格异常波动。许多国家也仍从全球金融危机中复苏。在许多不在控制范围的全球因素之下，我们也将时时检讨集团的运作系统与风险控制，以确保我们随时都处于可应对危机的状况中。而这些问题都不会成为我们提供全球最佳休闲与娱乐服务的阻力。

我们将专注发展“云顶世界/名胜世界”的全球品牌网络。拥有独特市场特色的马来西亚云顶世界及新加坡圣淘沙名胜世界，已成为显著的诱人景点。马来西亚云顶世界的旅客可以体验大马高原的清爽气候，而新加坡圣淘沙名胜世界旅客则可享受东南亚首个及唯一的一个新加坡环球影城(Universal Studios Singapore®)，以及一个集娱乐、购物及饮食的绝佳据点。

新加坡圣淘沙名胜世界的西区进展顺利。海事博物馆及水族馆即将于2010年中开幕, 接下来是海洋生物园(全球最大的海洋水族馆)及独特的Spa据点—ESPA。一旦Equarius酒店及Spa Villa这两座酒店完工的话, 则使新加坡圣淘沙名胜世界的酒店房间数目提高。

新加坡环球影城持续施展其吸引旅客的魅力，并提供无数的欢乐与美好回忆。全球最高的决战过山车Battlestar Galactica，于2011年2月21日重新开张。其他两个重要的景点将于2011年开幕，即Journey to Madagascar: A Crate Adventure and Transformers。而摘得世界最多26颗米其林星的名厨的Joel Robuchon，也在新加坡圣淘沙名胜世界开设两家高级餐厅。一旦该度假村于2012年全面开张，我可以预见其将为本区域的旅游业带来前所未有的规模与概念。

联合菲律宾的联手，马尼拉云顶世界及即将推介的纽约云顶世界，我们致力于在这些国家打造独特的“云顶世界/名胜世界”品牌，提供最佳的休闲与娱乐体验。

云顶英国在2011年面对严峻的营运环境，因当地经济的复苏之路依然颠簸。一项提振英国赌场产业的方案也已启动，以促进当地业务的成长。英国的贵宾业务，也从集团马来西亚网络的改善下受惠。随著这项联系获得发展，持续性的增长是预料中事。

大马产业市场的前景持续在2011年保持韧力，一旦拥有强稳的市场要求，我们也有进行选择性的计划。

棕油产品价格的普遍走高,以及农作物收成的提高,将持续支撑种植组的表现。更高的煤炭成本则会影响我们的能源业务,而我们将持续在印尼进行勘探活动。

我由衷地感谢所有贡献心力的董事局成员，他们的远见及指导，让集团取得持续性的成功。

我也对于2010年11月1日辞去公司独立非执行董事职位的柯建伯先生表示感激与致敬。柯先生在任期内表现杰出，并赢得高评价。他仍是集团另一家公司的董事。

我也在此对所有权益持有人，特别是我们的股东、客户、商业伙伴及各有关当局，所给予的支持与祝愿，以及在必要时所提供的指引致以无上谢意。2010年是其中一个令人振奋的年份，因为我们成功推出新加坡淘沙名胜世界，以及启动了集团的新项目。

我对全球所有作出贡献并取得这些成就的团队衷心的感谢，但我们仍未到达高峰。

这仅仅是开始而已，我们将持续建立我们的度假胜地及产品，推广我们的市场品牌，及让运作更形完善，以期取得更大的成就。

Pitman

丹斯里林国泰
主席兼总执行长
2011年5月6日

2010

A YEAR OF EXCITEMENT



Woody Woodpecker
© Walter Lantz Productions.
© Universal Studios. All rights reserved.



1

SINGAPORE'S FIRST INTEGRATED RESORT OPENS

Resorts World Sentosa opened its doors progressively, starting with Festive Hotel and Hard Rock Hotel (5 January), Hotel Michael (13 January), Crockfords Tower (20 January) and Resorts World Casino – Singapore's first casino (14 February).

2

LAKE OF DREAMS SETS FESTIVEWALK ALIGHT

This breathtaking light and sound spectacle features flaming dragons, water cannons and laser special effects. Designed by 4-time Emmy award-winner Jeremy Railton, this extravaganza has enthralled visitors nightly at FestiveWalk.

3

RIDE THE MOVIES® AT UNIVERSAL STUDIOS SINGAPORE®

Resorts World Sentosa thrills the region by opening the region's first Universal Studios theme park on 18 March. The park turns in an operational profit in less than 6 months.

4

VOYAGE DE LA VIE PREMIERES

The curtain rises on Singapore's first theatrical circus spectacular on 17 June. The original production featuring local and international stars has won reviews for daredevil acts and stunning sets and costumes. The resident show at Resorts World Sentosa celebrated its 100th performance in October.

RESORTS WORLD SENTOSA OPENS ...

Welcome to Singapore's first integrated resort – offering the best family entertainment in the region. Home to Southeast's first Universal Studios theme park, a casino, 4 unique luxury hotels, Resorts World Convention Centre, superb fine dining restaurants and speciality retail outlets, the resort also offers Voyage de la Vie (its resident theatrical circus extravaganza) and spectacular public attractions such as the Crane Dance and the Lake of Dreams. Watch out for the resort's new attractions coming soon - the Maritime Experiential Museum & Aquarium, the Marine Life Park, a unique destination spa, 2 new hotels and many more. Come and experience a world of fun and excitement at Resorts World Sentosa!



5

OVER 12,000 TEAM MEMBERS

Resorts World Sentosa shapes up to be one of the most important employers in Singapore, hiring not only 12,000 team members, but transferring new knowledge and skills in theme park, gaming and hospitality. Our diverse workforce includes back-to-work mothers, mid-career professionals, retirees and fresh graduates.

6

VALENTINO RETROSPECTIVE

One of the most prestigious museum collections in the fashion world, the Valentino Retrospective: Past/ Present/Future opened in Resorts World Sentosa on 22 December. 100 couture masterpieces from the renowned Italian Maison Valentino were featured in the exhibition, to the delight of all fashion and museum fans.

7

LOVE TAKES FLIGHT WITH CRANE DANCE

The world's largest animatronics show made its debut on 25 December, as Resorts World Sentosa celebrated its first Christmas. The waterfront was transformed with a never-before-seen performance that combined light, colour, sound and pyrotechnics. The nightly show about a pair of courting cranes made headlines from Los Angeles to Taipei.

8

COUNTDOWN TO 2011

The year ended in style at Resorts World Sentosa with not one, but two parties. Universal Studios Singapore® held a special countdown party with fireworks, and over at the Compass Ballroom, 3,000 guests were entertained by international burlesque star Dita Von Teese and Asian songbird Sandy Lam at a private party.

2010

A YEAR OF EXCITEMENT

(cont'd)



1

GENTING GROUP'S 45TH ANNIVERSARY CELEBRATIONS

Our 45th anniversary celebrations kicked off in January 2010 and represented the ideal platform for us to thank our stakeholders for their support throughout the years. We did so by way of exciting rewards and giveaways, including discounts on hotel rooms, food and beverages, lucky draws, gifts, special performances, shows and concerts, sales at retail outlets, contests and donations to 45 charities. The highlight was a splendid 45th Anniversary Gala Dinner held on 26 November in Resorts World Manila, Philippines.

2

GENTING PLANTATIONS IN INDONESIA

Genting Plantations' expansion to Indonesia bore its first fruits. A maiden harvesting ceremony was held on 8 July at the Mulia estates in Ketapang, West Kalimantan. The construction of its first oil mill in Ketapang began in the third quarter of 2010.



3

JOINT MARKER- ASSISTED OIL PALM BREEDING PROGRAMME

Genting Green Tech Sdn Bhd, a subsidiary of Genting Plantations, inked Memorandum of Agreement with Department of Agriculture, Sabah on 26 July, to develop superior oil palm planting materials.

4

JOHOR PREMIUM OUTLETS

A groundbreaking ceremony was held on 5 August, to begin the construction of the Johor Premium Outlets in Genting Indahpura, Kulaijaya in Johor, Malaysia. Set to open by November 2011, it will be the first upscale outlets centre in Southeast Asia.



5

CASINOS IN UK

Genting Malaysia welcomes a large network of 46 casinos* in the UK to its family, with the acquisition of Genting UK's casino businesses completed in October 2010. With the aim of applying its strong resources, experience and expertise to generate synergies and operational efficiencies, Genting Malaysia is looking ahead with optimism.

**as at 31 December 2010*

6

RESORTS WORLD NEW YORK

A groundbreaking ceremony to begin the development works for Resorts World New York, USA was held on 28 October. The resort will present a premier entertainment hub providing the ultimate gaming and entertainment experience. In addition to video lottery machines, it will provide shows, events and culinary delights within the historic Aqueduct Racetrack. Initial phase is set to open by the second half of 2011.

7

GANODERMA GENOME PROJECT

ACGT announced the completion of ganoderma genome project on 2 November. The genome data will be used to create a ganoderma early detection tool.

8

POWER EXPANSION IN INDIA

Genting Energy's Lanco Kondapalli power plant (Phase II) in India began full commercial operations in August. Phase III of this power plant is being built. Its first renewable energy project, a wind farm in Gujarat is being constructed and set to operate commercially at the end of 2011.



BOARD OF DIRECTORS

TAN SRI LIM KOK THAY
Chairman and Chief Executive
(centre of photo)

**TUN MOHAMMED HANIF
BIN OMAR**
Deputy Chairman
(second from right)

TAN SRI MOHD AMIN BIN OSMAN
Executive Director
(first from left)

AUDIT COMMITTEE

TAN SRI DR. LIN SEE YAN
Chairman/Independent Non-Executive Director

DATO' PADUKA NIK HASHIM BIN NIK YUSOFF
Member/Independent Non-Executive Director

MR CHIN KWAI YOONG
Member/Independent Non-Executive Director

NOMINATION COMMITTEE

TAN SRI DR. LIN SEE YAN
Chairman/Independent Non-Executive Director

DATO' PADUKA NIK HASHIM BIN NIK YUSOFF
Member/Independent Non-Executive Director



**DATO' PADUKA NIK
HASHIM BIN NIK YUSOFF**
Independent Non-Executive
Director
(second from left)

TAN SRI DR. LIN SEE YAN
Independent Non-Executive
Director
(third from left)

**DATO' DR. R.
THILLAINATHAN**
Independent Non-Executive
Director
(third from right)

MR CHIN KWAI YOONG
Independent Non-Executive
Director
(first from right)

REMUNERATION COMMITTEE

DATO' PADUKA NIK HASHIM BIN NIK YUSOFF
Chairman/Independent Non-Executive Director

TAN SRI DR. LIN SEE YAN
Member/Independent Non-Executive Director

TAN SRI LIM KOK THAY
Member/Chairman and Chief Executive

DIRECTORS' PROFILE



TAN SRI LIM KOK THAY
Chairman and Chief Executive

Tan Sri Lim Kok Thay (Malaysian, aged 59), appointed on 17 August 1976, was redesignated as the Chairman and Chief Executive on 1 July 2007. He holds a Bachelor of Science Degree in Civil Engineering from the University of London. He attended the advanced management programme of Harvard Business School, Harvard University in 1979. He is also the Chairman and Chief Executive of Genting Malaysia Berhad, the Chief Executive and a Director of Genting Plantations Berhad, the Executive Chairman of Genting Singapore PLC and Resorts World at Sentosa Pte Ltd and the Chairman of Genting UK Plc.

In addition, he sits on the Boards of other Malaysian and foreign companies. He has served in various positions within the Group since 1976. He also sits on the Boards of trustees of several charitable organisations in Malaysia.

Tan Sri Lim is a Director of Kien Huat Realty Sdn Berhad ("KHR"), a substantial shareholder of the Company and has a deemed interest in KHR by virtue of being a beneficiary of discretionary trust which owns non-voting preference shares in KHR.

Tan Sri Lim is the Chairman and Chief Executive Officer of Genting Hong Kong Limited ("GENHK"), a company listed on The Stock Exchange of Hong Kong Limited. He also has an interest in the securities of GENHK. The GENHK group is principally engaged in the business of cruise and cruise-related operations and leisure, entertainment and hospitality activities.

In the context of the above businesses of GENHK, Tan Sri Lim is therefore considered as having interests in business apart from the Group's business, which may compete indirectly with the Group's business.

For his significant contributions to the leisure and travel industry, he has been named the "Travel Entrepreneur of the Year" by Travel Trade Gazette (TTG) Asia and "The Most Influential Person in Asian Gaming" by Inside Asian Gaming in 2009.

Tun Mohammed Hanif bin Omar (Malaysian, aged 72), appointed on 23 February 1994, is the Deputy Chairman. He was the Inspector-General of The Royal Malaysian Police for 20 years before retiring in January 1994, having joined as an officer in 1959. He holds a Bachelor of Arts Degree from the University of Malaya, Singapore, Bachelor of Law (Honours) degree from Buckingham University and the Certificate of Legal Practice (Honours) from the Legal Qualifying Board.

He is also the Deputy Chairman of Genting Malaysia Berhad and the Chairman of General Corporation Berhad (In Members' Voluntary Winding-up) and sits on the Boards of AMMB Holdings Berhad, AmBank (M) Berhad, Amlslamic Bank Berhad, AMFB Holdings Berhad and AmlInvestment Bank Berhad.

He has received honorary awards from Malaysia, Indonesia, Thailand, Singapore, Brunei and the Philippines for his invaluable contribution towards the region's security. In 1993, he became the only serving public servant to be awarded non-ex-officio Malaysia's highest non-royal award which carries the titleship of 'Tun'.

Tun Mohammed Hanif was a member of the 2004 Royal Commission for the Enhancement of the Operations and Management of The Royal Malaysian Police. He is the President of the Malaysian Institute of Management (MIM) and Malaysian Branch of the Royal Asiatic Society (MBRAS), member of the Malaysian Equine Council and a Council Member of the Malaysian Crime Prevention Foundation. In addition, he is the Chairman of the Yayasan Tun Razak, a trustee of the Malaysian Liver Foundation, Yayasan DayaDiri and The MCKK Foundation.



TUN MOHAMMED HANIF BIN OMAR
Deputy Chairman

Tan Sri Mohd Amin bin Osman (Malaysian, aged 83), appointed on 12 May 1986, was appointed an Executive Director on 1 May 2003 upon the expiry of his consultancy contract with the Company on 30 April 2003. He is also the Chairman of Genting Plantations Berhad.

He had a distinguished career with the Royal Malaysian Police Force for a period of over 36 years where he retired as the Acting Inspector General of Police, Malaysia. In between, he had served as Deputy Commissioner of Police, Sabah; Brigade Commander, Police Field Force, East Malaysia; Chief of City Police, Kuala Lumpur; and Director of the Special Branch, Malaysia.

He has won various awards including the Panglima Setia Mahkota and Sri Indera Mahkota Pahang. He also sits on the Board of Shangri-la Hotels (Malaysia) Berhad.



TAN SRI MOHD AMIN BIN OSMAN
Executive Director

DIRECTORS' PROFILE (cont'd)

Dato' Dr. R. Thillainathan (Malaysian, aged 66), appointed on 15 January 2003, was redesignated as an Independent Non-Executive Director on 30 July 2009. He was the Chief Operating Officer of the Company from 27 November 2002 to 9 September 2006 and retired as an Executive Director on 30 July 2007.

He holds a Class 1 Honours in Bachelor of Arts (Economics) Degree from the University of Malaya, obtained his Masters and PhD in Economics from the London School of Economics and is a Fellow of the Institute of Bankers Malaysia. He has been with the Genting Group since 1989. He also sits on the Boards of Petronas Dagangan Berhad, Bursa Malaysia Berhad and The Bank of Nova Scotia Berhad. Dato' Dr. R. Thillainathan has extensive years of experience in finance and banking. He is the past President of Malaysian Economic Association.

He is currently a director of Asia Capital Reinsurance Malaysia Sdn Bhd and Wawasan Open University Sdn Bhd and a trustee of two companies limited by guarantee namely Child, Information, Learning and Development Centre as well as Yayasan MEA.



DATO' DR. R. THILLAINATHAN
Independent Non-Executive Director

Dato' Paduka Nik Hashim bin Nik Yusoff (Malaysian, aged 73), appointed on 8 June 1979, is an Independent Non-Executive Director. He holds a Bachelor of Arts (Honours) Degree from Melbourne University and also a Masters Degree in Public Administration from Harvard University, USA.

He has been in the banking industry for more than 30 years. He was formerly the Executive Director and Managing Director of MUI Bank Berhad (now known as Hong Leong Bank Berhad). Following the acquisition of MUI Bank Berhad by the Hong Leong Group in 1994, he was appointed as Advisor and continued to be on the Board of Hong Leong Bank Berhad until December 1995. He was a Director of Rashid Hussain Berhad, UBG Berhad, UBG Enterprise Berhad and CMS Trust Management Berhad.

He currently sits on the Board of Malayan United Industries Berhad.



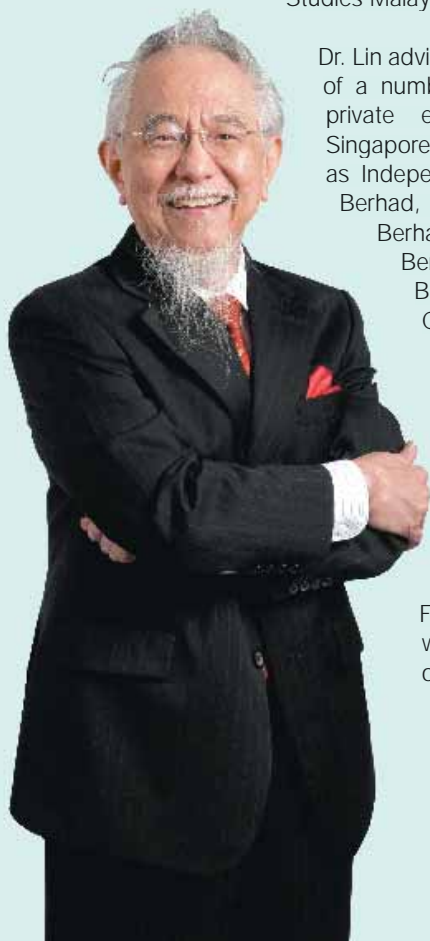
DATO' PADUKA NIK HASHIM BIN NIK YUSOFF
Independent Non-Executive Director

Tan Sri Dr. Lin See Yan (Malaysian, aged 71), appointed on 28 November 2001, is an Independent Non-Executive Director. He is an independent strategic and financial consultant and a British chartered scientist. Dr. Lin received three degrees from Harvard University, including a PhD in economics. He is an Eisenhower Fellow and also Professor of Economics (Adjunct) at Universiti Utara Malaysia and Professor of Business & International Finance (Adjunct) at University Malaysia Sabah.

Prior to 1998, he was Chairman/President and CEO of the Pacific Bank Group and for 14 years previously, Deputy Governor of Bank Negara Malaysia (the Central Bank), having been a central banker for 34 years. After retiring as Chairman of EXCO, Khazanah Nasional in 2000, Dr. Lin continues to serve the public interest, including Member, Prime Minister's Economic Council Working Group as well as a member of key National Committees on Higher Education; and Economic Advisor, Associated Chinese Chambers of Commerce and Industry Malaysia. He is Chairman Emeritus, Harvard Graduate School Alumni Association Council at Harvard University and also President, Harvard Club of Malaysia and Distinguished Fellow, Institute of Strategic and International Studies Malaysia.

Dr. Lin advises and sits on the Boards of a number of publicly listed and private enterprises in Malaysia, Singapore and Indonesia, including as Independent Director of Ancom Berhad, Fraser & Neave Holdings Berhad, Jobstreet Corporation Berhad, Kris Assets Holdings Berhad, Wah Seong Corporation Berhad and Top Glove Corporation Berhad.

Dr. Lin is a trustee of Tun Ismail Ali Foundation (PNB), Malaysian Economic Association Foundation and National Cancer Foundation (MAKNA) as well as Mentor Counsellor of the LIN Foundation.



TAN SRI DR. LIN SEE YAN
Independent Non-Executive Director

Notes:

The details of Directors' attendances at Board Meetings are set out in the Corporate Governance statement on page 55 of this Annual Report.

The details of the Board Committees where certain Directors are also members are set out on pages 16 and 17 of this Annual Report.

Save as disclosed, the above Directors have no family relationship with any Director and/or major shareholder of Genting Berhad, have no conflict of interest with Genting Berhad and have not been convicted for any offences within the past ten years.

Mr Chin Kwai Yoong (Malaysian, aged 62), appointed on 23 August 2007, is an Independent Non-Executive Director. He is a Fellow of the Institute of Chartered Accountants in England and Wales and a member of the Malaysian Institute of Certified Public Accountants and the Malaysian Institute of Accountants.

He started his career with Price Waterhouse (currently known as PricewaterhouseCoopers) as an Audit Senior in 1974 and was promoted to Audit Manager in 1978. He was an Audit Partner in the firm from 1982 until his retirement in 2003. During his tenure as Partner, he was the Executive Director in charge of the Consumer and Industrial Products and Services Group and was the Director-in-charge of the Audit and Business Advisory Services and Management Consulting Services division.

He has extensive experience in the audits of major companies in banking, oil and gas, automobile, heavy equipment, manufacturing, construction and property development industries. He was also involved in the corporate advisory services covering investigations, mergers and acquisitions and share valuations. He was appointed a director of Bank Negara Malaysia with effect from 1 March 2010. He has been a director of Astro All Asia Networks plc since March 2006.

He also sits on the Boards of Deleum Berhad and Syarikat Prasarana Negara Berhad. He was a director of Tractors Malaysia Holdings Berhad until February 2006 and a director of Rangkaian Pengangkutan Integrasi Deras Sdn Bhd until October 2009.



MR CHIN KWAI YOONG
Independent Non-Executive Director

CORPORATE MANAGEMENT



Front Row (left to right)

Tan Sri Lim Kok Thay
Chairman and Chief Executive

Tun Mohammed Hanif bin Omar
Deputy Chairman

Back Row (left to right)

Ms Loh Bee Hong
Secretary

Mr Chong Kin Leong
Executive Vice President - Finance

Tan Sri Mohd Amin bin Osman
Executive Director

Dato' Justin Leong Ming Loong
Head of Strategic Investments and
Corporate Affairs

Mr Tan Kong Han
President and Chief Operating Officer

Mr Ong Tiong Soon
Chief Executive Officer –
Genting Energy Division

Encik Azmi bin Abdullah
Group Treasurer

Ms Goh Lee Sian
Senior Vice President - Legal

CORPORATE INFORMATION

GENTING BERHAD
A public limited liability company
Incorporated and domiciled in Malaysia
Company No. 7916-A

REGISTERED OFFICE
24th Floor, Wisma Genting,
Jalan Sultan Ismail, 50250 Kuala Lumpur
Tel : (03) 2178 2288/2333 2288
Fax : (03) 2161 5304
E-mail : ginfo@genting.com

REGISTRARS
Genting Management and Consultancy
Services Sdn Bhd
24th Floor, Wisma Genting,
Jalan Sultan Ismail, 50250 Kuala Lumpur
Tel : (03) 2178 2266/2333 2266
Fax: (03) 2161 5304

AUDITORS
PricewaterhouseCoopers
(Chartered Accountants)

STOCK EXCHANGE LISTING
Main Market of Bursa Malaysia
Securities Berhad
(Listed on 28 December 1971)

Stock Name : GENTING
Stock Code : 3182

INTERNET HOMEPAGE
www.genting.com

GROUP CORPORATE STRUCTURE



GENTING BERHAD (7916-A)
and its Principal Subsidiaries
and Associates
as at 6 May 2011.



* Listed on Bursa Malaysia Securities Berhad.

** Listed on Singapore Exchange Securities Trading Limited.

[^] Subsidiary of Genting Malaysia Berhad.

[#] Subsidiary of Genting Plantations Berhad.

^{##} Subsidiary of Genting Singapore PLC.

CORPORATE DIARY

25.02.2010

Announcement of the Consolidated Unaudited Results of the Group for the fourth quarter and the Audited Results for the financial year ended 31 December 2009.

05.04.2010

Announcement of the proposed renewal of the authority for the Company to purchase its own shares and proposed exemption under Practice Note 2.9.10 of the Malaysian Code on Take-Overs and Mergers, 1998.

03.05.2010

Announcement of the proposed shareholders' mandate for recurrent related party transaction of a revenue or trading nature.

05.05.2010

Announcement of the following:

- (a) Entitlement Date for the Proposed Final Dividend in respect of the financial year ended 31 December 2009;
- (b) Date of Forty-Second Annual General Meeting; and
- (c) Proposed amendments to the Articles of Association of the Company.

19.05.2010

Notice to Shareholders of the Forty-Second Annual General Meeting.

27.05.2010

Announcement of the Consolidated Unaudited Results of the Group for the first quarter ended 31 March 2010.

10.06.2010

Forty-Second Annual General Meeting.

26.08.2010

Announcement of the following:

- (a) Consolidated Unaudited Results of the Group for the second quarter ended 30 June 2010; and
- (b) Entitlement Date for the Interim Dividend in respect of the half year ended 30 June 2010.

01.11.2010

Announcement of the resignation of Mr Quah Chek Tin as an Independent Non-Executive Director and member of the Audit Committee of the Company.

12.11.2010

Announcement of the agreement to release BP Global Investments Ltd from its obligation to pay deferred consideration.

23.11.2010

Announcement of the cessation of Resorts World Inc Pte Ltd as an indirect wholly-owned subsidiary of the Company and becoming an associated company of the Company.

25.11.2010

Announcement of the Consolidated Unaudited Results of the Group for the third quarter ended 30 September 2010.

10.12.2010

Announcement of the completion of the disposal by Genting Oil & Gas Limited, an indirect 95% owned subsidiary of the Company of its entire issued and paid-up share capital of Genting Oil & Gas (China) Limited comprising 2 ordinary shares of USD1/- each to Parkdale Limited for a total cash consideration of USD29 million.

23.02.2011

Announcement of the Consolidated Unaudited Results of the Group for the fourth quarter and the Audited Results for the financial year ended 31 December 2010.

15.04.2011

Announcement of the proposed renewal of authority for the Company to purchase its own shares and proposed exemption under Paragraph 24 Practice Note 9 of the Malaysian Code on Take-Overs and Mergers, 2010.

29.04.2011

Announcement of the proposed shareholders' mandate for recurrent related party transactions of a revenue or trading nature.

06.05.2011

Announcement of the following:

- (a) Entitlement Date for the Proposed Final Dividend in respect of the financial year ended 31 December 2010; and
- (b) Date of Forty-Third Annual General Meeting.

DIVIDENDS

		Announcement	Entitlement Date	Payment
2009	Final – 4.2 sen less tax per ordinary share of 10 sen each	25 February 2010	30 June 2010	27 July 2010
2010	Interim – 3.3 sen less tax per ordinary share of 10 sen each	26 August 2010	30 September 2010	26 October 2010
2010	Proposed Final – 4.5 sen less tax per ordinary share of 10 sen each	23 February 2011	30 June 2011	27 July 2011*

* Upon approval of shareholders at the Forty-Third Annual General Meeting.

FINANCIAL HIGHLIGHTS

REVENUE

15.2 billion

(8.9 billion in 2009)

EBITDA

7.1 billion

(3.8 billion in 2009)

NET PROFIT

3.4 billion

(1.8 billion in 2009)

MARKET CAPITALISATION

41.5 billion

As at 31 December 2010

TOTAL EQUITY

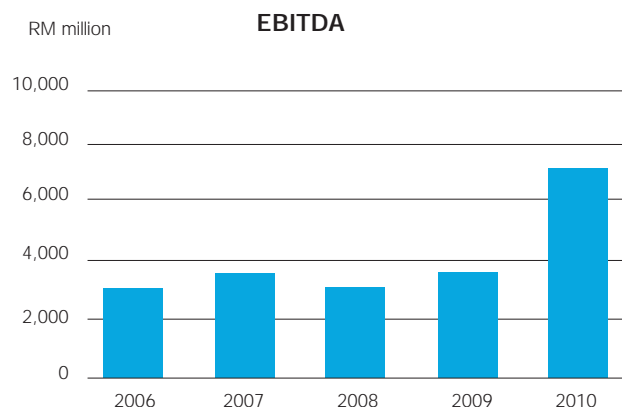
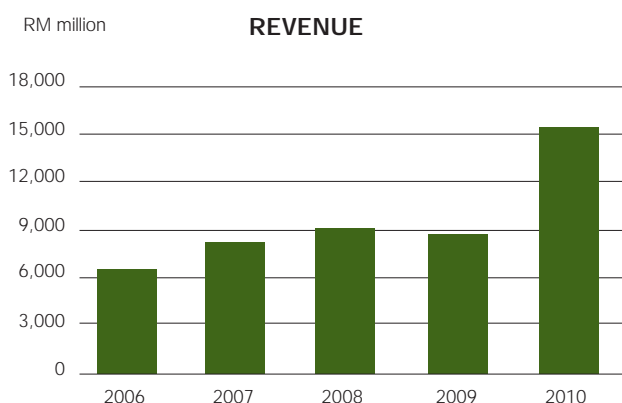
29.4 billion

(25.7 billion in 2009)

TOTAL ASSETS EMPLOYED

49.0 billion

(43.5 billion in 2009)



2010 GENTING BERHAD SHARE PRICE PERFORMANCE RELATIVE TO KLCI

Normalised data (rebased to 100)



TOP 10 KLCI LISTED COMPANIES

By Market Capitalisation (31 Dec 2010)		
		RM billion
1	CIMB Group Holding Berhad	63.18
2	Malayan Banking Berhad	62.24
3	Sime Darby Berhad	52.88
4	Public Bank Berhad	45.99
5	Petronas Chemical Berhad	44.16
6	Genting Berhad*	41.51
7	Axiata Group Berhad	40.11
8	Maxis Berhad	39.75
9	IOI Corp Berhad	38.92
10	MISC Berhad	37.32

Source - Bloomberg

* Ranked No. 2 by market capitalisation in the Trading and Services Sector of the KLCI market

All figures are in Ringgit Malaysia



1 Resorts World Genting – Fun City
Above The Clouds
2 GLITZ at Pavilion
3 Amit at the Arena of Stars

YEAR IN REVIEW

LEISURE & HOSPITALITY

Forty-five years since inception, the Genting Group has grown steadily in strength as it successfully executes the Resorts World premier integrated resorts brand globally. The opening of Resorts World Sentosa, Singapore's first integrated resort in January 2010 turned out to be a game changer for tourism in the region, a trailblazer in the gaming world and a runaway success for the Group.

Genting Malaysia Berhad, which operates **Resorts World Genting**, Malaysia's premier and successful integrated resort, had an active year investing in the UK and in the USA.

RESORTS WORLD GENTING

Fun City Above The Clouds

www.rwgenting.com

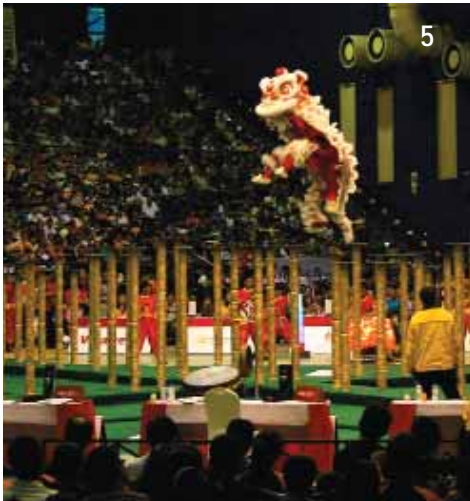
Resorts World Genting at Genting Highlands is one of the world's first and best known integrated resorts and a popular tourist destination in Malaysia. As a testimony of its continuous popularity, Resorts World Genting was voted for the fifth time as the World's Leading Casino Resort and Asia's Leading Casino Resort, from World Travel Awards – attracting 19.9 million local and tourist visitors in 2010 (2009: 19.5 million).

Hotel guests made up 27% of the visitors while 73% of visitors were day-trippers. Singaporeans continued to be the largest international group of visitors, at 6% of total visitors (2009: 6%). Singaporeans were also the largest group of foreign hotel guests at the resort, at 21% (2009: 22%). Other international visitors were mainly from Thailand, Indonesia, China, India, Vietnam, Taiwan, Hong Kong and the Middle East. For comparison, a total of 24.6 million tourists visited Malaysia in 2010 (2009: 23.6 million), based on Tourism Malaysia statistics.



4

4 Francis Yip at the Arena of Stars
5 9th Genting World Lion Dance Championship at the Arena of Stars
6 Maxims Genting
7 Penny Tai Concert at the Arena of Stars



5



6



7

The resort has consistently been successful in presenting world-class shows and performances from around the world. DAZZLE ended its well-received 12-month run in October 2010. As an hour-long spectacle, DAZZLE featured Cuban magician Ernesto Planas, hand shadow master Sonny Fontana, the quick change illusion act Duo Presto and the Statue of Jerome Murat from France. GLITZ, the latest resident show at the Pavilion, began its run in November 2010 and showcases an extravaganza of internationally-acclaimed performers. GLITZ has an "East-meets-West" concept suitable for all age groups, featuring magician, illusionist and escape artiste Charles Bach, Puyang Huachen Acrobatic Show from China and Sand Arts by Daria Pushankina from Ukraine.

As a top entertainment venue in the region, the **Arena of Stars** continued to attract international performers in 2010, including evergreen crooners George Benson, Lobo, Engelbert Humperdinck and the legendary Deep Purple. Fans of all-time favourites were entertained by Amit, Jenny Tseng, Fei Yu Ching, Sammi Cheng, Francis Yip, George Lam, Richie Jen, Wynners, Jeff Chang and Fong Fei Fei. Younger fans went head-over-heels for heartthrobs such as the Wonder Girls, Tiger Huang, Penny Tai, Khalil Fong and Justin Lo. Laughs were provided by the comedy acts of Jan Lamb and Wong Tse-Wah, while musical fans had it good in a local mandarin production of "In Love With" and the international production of "Journey to The West".

Some of the most highly-anticipated competitions, variety and award shows also took centrestage, including the 9th Genting World Lion Dance Championship, Hokkien International Singing Competition (Grand Final), MY Astro Music Award, Anugerah Bintang Popular, MyFM 12th Birthday Bash, Astro Classic Golden Melody Singing Competition, Chinese Love Songs Singing Contest and PWH Music Awards, to name a few.

In 2010, the five hilltop hotels at Resorts World Genting, namely Maxims Genting, Highlands Hotel, Resort Hotel, Theme Park Hotel and First World Hotel, recorded an improved overall average occupancy rate of 93% (2009: 92%). In the quest to provide excellent service, the Genting Malaysia team continued to carry out necessary upgrades at the resort as in previous years. 486 deluxe rooms were renovated at First World Hotel, 177 rooms were refurbished at Resort Hotel and 133 premier rooms were upgraded from deluxe rooms at Highlands Hotel. Maxims Genting added four new suites to its inventory. Marketing campaigns were ramped up and strategies implements throughout 2010 to counter growing regional competition by offering value-for-money packages to cost-savvy customers.

- 1 First World Hotel
- 2 Recycle Christmas Tree
- 3 First World Plaza Competition
- 4 Genting International Convention Centre (GICC)



Genting International Convention Centre ("GICC") (mice.rwgenting.com) spans over 150,000 square feet and is one of the largest convention centres in the country. Built with high-tech features to accommodate all types of events relating to meetings, incentives, conferences and exhibitions (MICE), GICC comprises a Grand Ballroom and 18 meeting rooms supported by an aesthetically-designed and spacious pre-function foyer, a well-equipped business centre and VIP/media reception rooms. In 2010, major functions held at GICC included those by Lubeworld Holdings (NASA), Prudential Assurance, Yun Nam Hair Care, MasterCard Asia Pacific, Network J&J (Amway) and Great Eastern Assurance. GICC also hosted major events and dinners for Genting WorldCard members. In all, about 314,000 covers were served at GICC in 2010.

The eMICE web portal was launched in 2010 to increase online MICE-related sales. The portal has since registered more than 3,000 users from various market segments. A total of over 3,100 functions were held at Resorts World Genting and three Awana hotels & resorts in 2010.

Resorts World Genting has earned a name for itself as a gastronomic hub offering a variety of culinary delights, ranging from fine dining Asian and Continental cuisines to family concepts and other signature outlets. It has over 100 F&B outlets catering to 14 million food covers in 2010. GENM operates 43 of these outlets. With the aim of upholding its culinary responsibilities, the resort is practising an "Honest Food" concept whereby food is presented with the original taste, consistency and right ingredients. A series of food promotions were held to provide refreshing new food experiences for the guests. Regional and international guest chefs were invited including the "King of Grill" Robert Rainford (of the "Licensed to Grill" fame), specialty chefs from Hunan, Hubei, Shanghai, Vietnam, Thailand and all-time great hawker stall chefs from around Malaysia.

In December 2010, the Elite Dining Restaurant presented the legendary Manchu Han Imperial Feast, the renowned grandest and most luxurious Chinese cuisine. The feast was limited to three daily tables over three days and was a sell-out despite the price of RM88,888 per table. The Hainan Express outlet serves all-time F&B favourites in a setting where diners can reminisce about the good old days. With the first outlet proving to be successful, the Hainan Express concept was expanded in 2010 with the opening of two new outlets at Theme Park Hotel and at the Starworld Entertainment area in First World Hotel. The Patio & Bar Lounge at the First World Plaza was officially re-opened in December 2010 after being expanded to create three new entertaining concepts, namely the Patio Lower Deck with a resident band, a new Sports Beer Bar churning international variety of beers served in a sports viewing area with high-definition plasma screens and a plush exclusive Wine and Whisky Bar where connoisseurs can relax and socialise.

Over the past five years, the Genting mooncake has carved out a reputation for itself and is fast becoming a customer favourite. Over 700,000 mooncakes were sold in 2010 (2009: 480,000). The F&B team achieved several awards of culinary distinctions in 2010. The team of "G8 (Genting 8) Chefs" produced a 45th Anniversary Recipe Book of 45 all-time favourites at Resorts World Genting. The Olive Restaurant outshone its rivals once more when it clinched the "People's Choice Award" during the Malaysian International Gourmet Festival. Executive Chef of Maxims Genting, Chef Oliver Lopez, was named the Top Executive Chef at the Hospitality Asia Platinum Awards 2010. Various food promotions were held in 2010 such as "Hot in Hunan", "Songkran Festival", "Venison Bak Kut Teh", "Japanese Food Promotion", "Flavours of India", "Vietnamese Cuisine", "Shanghai Delights" and many more.



5 Restoran Kampung
6 Genting Express Bus Service
7 Genting Theme Park
8 Genting Skyway



Shopping excitement awaits visitors at the **First World Plaza** – a themed plaza with over 200 retail shops offering popular local and international fashion brand labels, in addition to F&B outlets and entertainment attractions, all under one roof. With its beautiful architectural design, **Genting Times Square** hosted various entertainment programmes in 2010 such as the popular Malaysian cultural dance performances, magic shows, famous local and international artiste showcases as well as festive celebration specials. The Arts of Corridor event brought together various Chinese arts and crafts such as stone-engraving, fortune-telling, Chinese calligraphy, paper-cutting, portrait-drawing and other Chinese craftsmanship.

Universal Walk is one of the busiest venues at the resort with its hosting of numerous art and cultural showcases, lifestyle and fashion fairs and thematic promotions. These included the Chinese New Year Cherry Blossom Bazaar, Genting Wonderland Fair, Magical Go Green Christmas Fair, FIFA – Genting World Cup Carnival and Doraemon 40th Anniversary Birthday Bash. Plaza operation hours were extended until 1 a.m. for the Late Night Shopping event, where bargains and rewards were offered in conjunction with the Malaysia Mega Sale Carnival and school holidays.

Genting Theme Park is a perennial favourite of many visitors, offering more than 50 rides and attractions. At 2,000 metres above sea level, the theme park's allure is magnified by the cool and refreshing mountain air. Day-long activities at the park include merrymakers, street buskers, clowns, theme performance and "Meet the Mascots: Tabby & Friends" sessions. The Theme Park sold 4.0 million tickets in 2010 (2009: 3.6 million).

The **Outdoor Theme Park** offers numerous thrill rides including the Corkscrew (a giant double-loop roller coaster that spins up to a height of 30 metres) and the Flying Coaster (Asia's first hang-gliding roller coaster). Annual events held in 2010 included the 4th Genting Giant Mascot Party, Theme Park Annual Passport Annual Party, Magical Parade and the International Diabolo (Chinese Yoyo) Championship.

The **First World Indoor Theme Park** introduced two new 4D Motion Master movie shows in 2010, namely Turtle Vision & Haunted House. From the adventures of a turtle weaving through ocean waters to a cat creeping through a sinister haunted house, 4D Motion Master has synchronised seats which moved with the shows. The 3D cinema experience was also launched at the First World Cineplex.

Resorts World Genting is 51 kilometres or a 45-minute drive from Kuala Lumpur. With safety and convenience as primary considerations, every effort is made to ensure that the roads leading to the highlands resort are well maintained, easily accessible and supported by developed infrastructure.

Genting Malaysia offers a wide variety of transportation to Resorts World Genting. Daily tour bus services for WorldCard members have expanded from eight locations when first introduced in 2009 to an existing 41 locations throughout Peninsular Malaysia. The "Go Genting" express bus fleet provides timely, convenient and economical journeys from five locations within the Klang Valley. The limousine fleet has grown to 56 vehicles over time, bolstered by a replacement plan policy of five years to ensure safety and comfort.

While the resort is directly accessible by road, many visitors choose to enhance their experience by riding on the Genting Skyway and Awana Skyway. These highly-popular cable car rides provide relaxing and breathtaking views of surrounding hills, with glimpses of the natural flora and fauna. In addition to frequent periodic maintenance undertaken to ensure safety, experienced German engineers had upgraded the electrical system of the Skyway in September 2010. The cable car rides sold 2.8 million tickets in 2010 (2009: 3.1 million).

Genting Malaysia's Gulfstream G450 private jet aircraft provides the ultimate in luxurious travel and is provided for the privileged use of distinguished international guests.



AWANA HOTELS & RESORTS
www.awana.com.my



Awana Genting Highlands Golf & Country Resort ("Awana Genting") is nestled in pristine greenery at 1,000 metres above sea level and is situated near to Resorts World Genting. Close to the natural landmarks near Gohtong Jaya, Awana Genting is suitable for families, golfers, conventioners, fresh strawberry and orchid lovers and eco-sports enthusiasts, as it is able to offer natural panoramas and cool fresh air. Awana Genting has 411 well-appointed rooms, sophisticated convention facilities with Halal and HACCP certifications, 17 function rooms, a grand ballroom, outdoor green venues and an award-winning and newly face-lifted 18-hole championship golf course, upgraded gym room and a swimming pool.

In 2010, it was the host venue to the "Harvard Business School Alumni Club of Malaysia" event (held annually since 2006). Its team participated in Tourism Malaysia's "Mega Fam Trip" and "MyCEB" programmes to explore Awana Genting as an internationally preferred MICE venue. During the year, refurbishment works at the Tower rooms of this resort were completed. Awana Genting offers a wide range of value-for-money eco-tourism teambuilding programmes, such as the "Circuit Challenge" that allows visitors to experience the abundant natural greenery and stunning hillside landscapes. In October 2010, Awana Genting hosted "Genting Trailblazer Challenge" and "Genting Cross Country Run", a 14-kilometre eco-trail run. These major events saw the participation of over 1,000 local and international runners.

In 2010, Awana Genting won the Malaysian Nature Society's 70th Anniversary Award for Environmental Leadership in Land Management in Ecosystem Conservation for preserving 96% of its primary forest as a designated BirdLife International's

Important Bird Area. New eco-programmes introduced in 2010 included bird observation activities in the mountain ranges.

Awana Genting achieved a higher occupancy rate of 71% in 2010 (2009: 66%) due to stronger sales generated by the growing Korean golf market and the MICE market.

Awana Kijal Golf, Beach & Spa Resort ("Awana Kijal") is a popular five-star holiday resort and convention destination on the east coast of Terengganu. It offers 341 rooms and suites with panoramic views of the South China Sea, an 18-hole championship golf course and the longest private beachfront of 7.6 kilometres. Its idyllic and the traditional ambience make Awana Kijal a popular destination for those seeking to escape the hectic city life.

Awana Kijal embarked on several improvement projects in 2010, such as road resurfacing at the hotel entrance, refurbishment of the golf driving range, installation of additional security CCTVs and the improvements of guest lifts for its North and South Wings. The fitness centre was upgraded with the latest gym equipment for guests. The F&B team obtained a "Halal Certification" from Majlis Agama Islam dan Adat Resam Negeri Terengganu in 2010.

Playing its part to preserve turtles as a life heritage of Terengganu, Awana Kijal participated in the Turtle Release and Adopt-A-Turtle Programme, carried out by the Fisheries Department of Malaysia. Designed to educate and bring public awareness to the life cycle and habitat of turtles, the programme gives guests the opportunity to observe turtles and release turtle hatchlings during egg-laying seasons. The resort recorded an average room occupancy rate of 58% in 2010 (2009: 61%).



2

1 Awana Genting Highlands Golf & Country Resort

2 & 3 Awana Porto Malai, Langkawi

4 Awana Kijal Golf, Beach & Spa Resort, Terengganu



3



4

Awana Porto Malai, Langkawi ("Awana Langkawi") is located at the south-western tip of mythical Langkawi, an island famed for her legends and duty-free status. The 209-room Mediterranean-inspired design seafront resort is famous with its breezy boardwalk where guests can discover the beauty of the sunset on the horizon of nearby islands. Awana Langkawi caters to wide market segments including tourists from Asia, the Middle East and Europe. Direct flights arrive at Langkawi from Finland and other Scandinavian countries. New holiday packages such as "All Inclusive Package" were introduced through online travel agents to tap into the overseas market especially Europe.

In 2010, Awana Langkawi continued to upgrade its facilities, which included a new private beach at Pulau Ular. The resort remained a choice venue for conventions and hosted the Geopark International Conference and Gala Dinner for Kedah International Red Tee Invitation Langkawi 2010 golf championship. In the absence of the LIMA (Langkawi International Maritime and Aerospace) exhibition in 2010 (a bi-annual event last held in 2009), Awana Langkawi registered a lower occupancy rate of 61% in 2010 (2009: 66%). It is anticipated that occupancy influx will return when the LIMA exhibition returns with its next edition in 2011.

AWANA VACATION RESORTS

www.awanavacation.com



The Awana Timeshare Ownership Scheme is operated by Awana Vacation Resorts Development ("AVRD") and provides accommodation at Awana Genting, Ria Apartments in Genting Highlands and Angsana Apartments at Kijal Beach Resort in Terengganu. Timeshare members have a choice of 3,800 resorts in over 85 countries through AVRD's affiliation with Resorts Condominium International. AVRD has 6,245 timeshare members as at 31 December 2010.

iAVRD online at www.awanavacation.com, was launched on 11 October 2010. Its property management system enables Timeshare members to make reservations for resorts, check balances of entitlement nights and outstanding payment information.



*Genting UK Casino Properties
 (as at 31 December 2010)*



Genting UK

www.gentinguk.com

On 15 October 2010, Genting Malaysia completed the acquisition of casino businesses in the UK ("Genting UK") from Genting Singapore PLC. This acquisition enabled Genting Malaysia to enter the UK casino industry as a market leader with a strong foothold, by investing in a network of casinos, which is fully operational with immediate cashflows.

Genting UK has an established operating track record with over 30 years of experience in the UK gaming industry. With the largest casino network in the UK (operating 46 of the 146 total operating casinos as at 31 December 2010), Genting UK is a leading innovator in the provision of high quality, customer-focused gaming. It operates 5 casinos in London under the brands of Crockfords, The Colony Club, Maxims Casino Club, The Palm Beach and London Mint; and an additional 41 casinos in the UK provinces under the brands of Circus, Maxims and Mint. These casinos offer various slots and table games in addition to restaurants, bars and other entertainments.

Crockfords (www.crockfords.com) is the oldest private gaming club in the world, catering to the elite since 1828. **The Colony Club** (www.thecolonyclub.com) remains the most stylish and contemporary casino in London, perfectly suited to cater to the upper-middle and high-level players. The exclusive and intimate **Maxims Casino Club** (www.maximsclub.com) is a short walk from Kensington Palace and offers attentive gaming for its discerning clientele. **The Palm Beach** (www.thepalmbeach.com) is situated in Berkeley Square in Mayfair and features one of the most vibrant gaming rooms in London. In 2010, it built up a thriving poker business, including hosting a World Poker Tour tournament. At the heart of South Kensington is **London Mint** (www.cromwellmint.com), a busy and vibrant club that exudes a modern feel and atmosphere.



London Brands

Provincial Brands



1 & 2 Crockfords, London, UK
3 The Colony Club, London, UK
4 & 5 Resorts World New York, USA

Genting UK's previous investments to refurbish its London-based casinos continued to show positive results. Throughout 2010, attendance at the London-based casinos was stronger than in 2009, particularly at Palm Beach. Together with additional international business at Crockfords, the level of trade was significantly higher than in 2009. Adverse luck factor however limited the improvement in revenue, and bad debts had an impact on the profits generated by the London-based casinos.

In the Provincial estate, attendances were affected by poor weather conditions in January and December of 2010 and by the football World Cup in mid 2010. The increase in value-added tax from 15% to 17.5% in January 2010 also reduced revenue from slot machines. Total spend per customer however improved and operating costs were further reduced.

The Portsmouth Casino, closed in 2009, was re-opened as an "Electric Circus" casino operating only slot machines and electronic roulette. A new Electric Circus casino was also opened in Reading. In the second half of 2010, a refurbishment programme began with a small refresh at the Edinburgh Maxims casino and a more extensive refurbishment was completed at the Newcastle casino in February 2011.

Genting UK's loyalty card programme was implemented in a further 11 casinos, bringing the total number of casinos in which it has implemented to 20, benefitting regular and loyal casino patrons. The loyalty card programme will be implemented across other casinos in 2011. The UK loyalty card will also be linked to the Genting Group programme worldwide.

Resorts World New York www.rwnyork.com

On 13 September 2010, Genting Malaysia's subsidiary Genting New York LLC was awarded a licence to develop and operate a video lottery facility at the Aqueduct Racetrack in New York, USA. The world-class facility, known as Resorts World New York, will offer up to 4,525 video lottery machines, retail and F&B outlets besides other planned attractions.

Strategically located within New York City, this property is easily accessible through the city's well-developed public transport facilities. Construction of Resorts World New York had commenced following the official groundbreaking ceremony held on 28 October 2010 and is targeted to open its preliminary phase during the second half of 2011.



- 1 Martial Combat
- 2 Joël Robuchon, the world's most decorated celebrity chef
- 3 Soccer fever with live matches and quizzes
- 4 The Red Collection at Valentino Retrospective: Past/Present/Future
- 5 Corporate gala at Compass Ballroom
- 6 Singapore's tallest Christmas tree



GENTING SINGAPORE PLC

www.gentingsingapore.com

For over 20 years, Genting Singapore PLC has been at the forefront of gaming and integrated resort development in Australia, the Americas, Malaysia, the Philippines and the United Kingdom. Today, it is best known for its flagship project Resorts World Sentosa, a S\$6.6 billion development in Singapore that has changed the tourism landscape of Southeast Asia.

Genting Singapore is listed on the Main Board of the Singapore Exchange Securities Trading Limited.

RESORTS WORLD SINGAPORE

A Million Moments. One World.

www.rwsentosa.com

Thirty-four months from groundbreaking in April 2007, Genting Singapore launched Singapore's first integrated resort – Resorts World Sentosa. It turned out to be a game changer for tourism in the region, a trailblazer in the gaming world and a runaway success for the Group.

The opening of the resort began on 20 January with its four hotels (**Festive Hotel**, **Hard Rock Hotel Singapore**, **Hotel Michael** and the boutique **Crockfords Tower**), followed by Resorts World Casino on 14 February, and Universal Studios Singapore® on 18 March. Demand for the rooms quickly accelerated as both Singaporeans and visitors streamed in to be among the first to try out the rooms. The Rooms Division closed the year at 69% average occupancy rate and S\$268 average room rate.

Resorts World Casino opened at the auspicious hour of 12.18pm on 14 February, the first day of the Chinese New Year. Hundreds of thousands of punters and curious visitors have flocked through its gates from the snip of its ribbon, proving right the bold gamble that Singapore had taken to lift the ban on gaming. Over the next 11 months, despite an aggressive competitor, Resorts World Casino maintained the majority market share. Throughout the year, the gaming experience was enhanced for players with a lush outdoor garden within the casino, a Ladies' Club and new gaming salons under the brands Maxims Platinum and Crockfords Premier. The Casino closed the year with the honour of being the most profitable gaming property worldwide, with a strong edge on overseas premium player business, gaining recognition as having one of the best-designed gaming environments for players in both the mass and premium segments.

Universal Studios Singapore® completed Resorts World Sentosa's first-phase main openings on 18 March. Making headlines throughout the world, the theme park established itself as a leading Asian must-visit attraction. Recognising its role in the Singapore community, the park started a concession pass programme, Hollywood After Hours, primarily for local families. Under this programme, the park's Hollywood Boulevard and New York zones remain open on weekend nights after the rides close, and tens of thousands of Singaporeans have since enjoyed the fireworks, shops and restaurants for a nominal entrance fee. Despite its soft opening status in the last year, Universal Studios Singapore® has garnered more than 12,000 annual pass holders, and hosted over two million visitors.



The **Resorts World Convention Centre**, housing Asia's largest column-free ballroom and some 30 function rooms, hosted its first corporate event in March. It has since welcomed more than 415,000 MICE delegates and guests, with more than 1,500 corporate events over the past year. Entertainment in Singapore was taken to new heights with the Resorts World Sentosa's Entertainment team. From all-male revue Chippendales and Korean pop group After School, to American Idol runner-up Adam Lambert and Canto evergreen songbird Francis Yip, the resort showed its breadth and depth in bringing buzz to Singapore. Sports fans were not excluded, with Resorts World Sentosa bringing the first international mixed martial arts tournament to Singapore, and then taking the 2010 FIFA World Cup to fever pitch by screening all 64 matches 'live' on screens mounted across the property.

On 17 July, Singapore's first original circus theatrical, *Voyage de la Vie*, premiered. The 90-minute production staged at the 1,600-seat purpose-built Festive Grand theatre is still winning raving tweets on a daily basis. It crossed the mark as the longest-running production in Singapore in October.

On 9 October, the impending 2011 debut of *Joël Robuchon Restaurant*, *L'Atelier de Joël Robuchon* and *The Pastry Shop and Lounge* were announced. Having been able to invite Joël Robuchon, the world's most decorated chef with 26 Michelin stars to his name to set up at Resorts World Sentosa has been a coup. The resort is also home to three other celebrity chefs: Scott Webster of *Osia*, four Michelin-star chef Kunio Tokuoka,

of *kunio tokuoka* and Susur Lee of *Chinois by Susur Lee*. Both kunio tokuoka and Osia have been on Singapore Tatler's Best Restaurants 2011 list while Osia was named by CNNGo as the "Best New Restaurant in 2010". Resorts World Sentosa continues to build its credentials as a food destination beyond the posh nosh, in local speciality restaurants such as *Seng Kee Bak Kut Teh*, *Singapore Seafood Republic* and *Baits wok fried* favourites.

The pièce de résistance of the year was a highlight for fashion and museum fans: *Valentino Retrospective: Past/Present/Future*. One of the most prestigious museum collections in the fashion world, the retrospective of legendary fashion designer Valentino Garavani opened to the public on 22 December. The curated 100 couture masterpieces – several worn by Hollywood celebrities and royalty – have since delighted more than 100,000 guests who have visited the exhibition.

Christmas Day saw love take flight as Resorts World Sentosa's ***Crane Dance***, the world's largest animatronic attraction, came to life on the waterfront. The nightly public show featuring a pair of 10-storey tall cranes in an animated and musical courtship ritual has been playing to a packed 800-seat amphitheatre, while Singapore's tallest Christmas tree at 11 storeys took centre stage at the Resort's ***Bull Ring***. The year wrapped up with two countdown parties featuring international acts such as Dita Von Teese and Sandy Lam, and fireworks at Universal Studios Singapore®.



- 1 www.worldcard.com.my is featured in Facebook and Twitter
- 2 Promoting the cashless society with a wide range of prepaid/gift cards and loyalty cards
- 3 WRC agents handle calls for room bookings through multiple channels
- 4 eGenting provides IT application related services to companies in the Genting Group

E-COMMERCE AND IT DEVELOPMENT

We continue to capitalise on information technology and e-Commerce innovations to enhance our overall business operations. Various IT developments, application improvements, hardware upgrades and other IT-related modernizations were implemented at the Group's business properties and corporate offices, to deliver new capabilities that support business growth.

The call centre managed by World Reservations Centre ("WRC") in Malaysia acts as a one-stop information and service line where calls are handled by well-trained and multi-skilled personnel.

In March 2010, WRC launched "iHoliday" for Resorts World Genting, an online user-friendly reservation system that allows online customers to purchase multiple products in a single transaction, including hotel rooms, show and concert tickets and theme-park passes. Since its implementation, online sales hit a record RM30 million with over 500,000 room-nights sold for the year. Along with other booking channels, WRC handled bookings for 2.1 million room nights and generated revenue of RM127 million in 2010. The team also executed a number of IT Disaster Recovery Plan tests on its systems, and built Genting New York's pre-opening website for Resorts World New York. The website www.rwnynewyork.com was officially launched in November 2010, providing information and updates about the facility and future work opportunities.

The **WorldCard** loyalty programme has 3.3 million members (2009: 3.2 million) with 110 participating merchants and 1,725 merchant outlets throughout Malaysia, Singapore and Hong Kong. Total WorldCard points earned reached RM948 million. Various joint marketing campaigns were undertaken in 2010 to promote WorldCard, including the ever-popular "888" promotion and the "Astounding Awana Savers" which allow members to redeem room packages with minimal WorldCard points.

In 2010, WorldCard's prepaid solution, the Genting Holiday Card made a record sale of about 37,000 cards. The average prepaid value was RM11.6 million.

Genting Alderney Limited, the online gaming subsidiary of GENS launched its online casino and poker operations in June 2008 and currently promotes the Circus Casino and Genting Casino brand online. Its principal focus is to promote online poker and casino games to land-based customers in the UK. Genting Alderney also provides casino and poker to At The Races, one of Europe's largest horseracing information sites, on a white label basis. External marketing has been limited as the Group continues to establish a sustainable mix of promotions in a very competitive online environment. Circuscasino.com and GentingCasino.com accept players from around the world, subject to compliance with various gaming legislative requirements in particular territories.



PLANTATION

www.gentingplantations.com

2010 was a year of contrasting developments for the oil palm plantation sector. Crude palm oil production in Malaysia fell for the second consecutive year in 2010, the first back-to-back annual decline in at least three and half decades. The national average oil yield contracted for the year, hitting the lowest level since 2002.

The unforeseen drop in crude palm oil production was somewhat offset by the palm oil market's bullish price dynamics. Bolstered by resilient global demand and a surge in capital inflows into the commodity market, crude palm oil prices strengthened markedly, predominantly in the second half of 2010. The average price of Malaysian crude palm oil in 2010 was RM2,701 per metric tonne, an increase of 21% from the previous year. The uptrend in prices, coupled with moderately higher export volumes, lifted the country's total earnings from exports of palm products to RM59.8 billion in 2010 (2009: RM49.7 billion).

Against this backdrop, the Group's plantation operations, spearheaded by Genting Plantations Berhad posted a strong financial performance in 2010. Revenue was 33% higher at RM900.2 million (2009: RM675.4 million) while EBITDA rose to RM441.1 million (2009: RM308.9 million).

Reducing dependence on labour in the long run remains a central part of the Division's drive for continuous enhancement of operational efficiency. During the year, the Division widened the adoption of mechanisation along with innovative crop harvesting and evacuation techniques in the field. These include mechanically-assisted collection, buffalo-assisted collection, mechanically-assisted fertilisation, mechanically-assisted spraying, mechanised harvesting through the use of Cantas motorised cutters, and the utilisation of the Huka Bin evacuation system. To boost productivity and sustainability of the Group's plantation operations, works to upgrade amenities and to improve field accessibility were carried out, while a buffalo breeding project was also initiated.

The Division's achieved selling prices of palm products were considerably higher, with the average achieved price of crude palm oil at RM2,738 per metric tonne in 2010 (2009: RM2,236 per tonne). The average achieved palm kernel price was RM1,754 per metric tonne (2009: RM1,063 per tonne).

The Division's resolve to perform to the highest standards of estate practices was recognised in 2010 with the certification of Genting Tanah Merah Estate by the Malaysian Palm Oil Board for fulfilling the Code of Good Agricultural Practice for Oil Palm Estates and Smallholdings and the Code of Good Nursery Practice for Oil Palm Nurseries. Other estates are in the process of pursuing these certifications. Genting Cheng Estate, Genting Tebong Estate and Genting Tanah Merah Estate received 30MT awards again in 2010.

The Division's emphasis on quality and excellence in its processing operations was further augmented during the year by external independent verification. Genting Ayer Item Oil Mill received the ISO 9001:2008 Quality Management Systems certification from SIRIM, completing its transition from the earlier ISO 9001:2000 accreditation. The mill and Genting Tanjung Oil Mill were among the first two oil mills to be recommended by SIRIM for Environmental, Health and Safety Management System certification under the ISO 14001:2004, OHSAS 18001:2007 and MS1722:2005 standards. By early 2011, all six of the Division's oil mills will have obtained certification for their Environmental, Health and Safety Management Systems. Initial steps have also been taken towards the certification of the oil mills for the Malaysian Palm Oil Board's Code of Good Milling Practices.



1 Loose oil palm fruits
2 Aerial view of Mulia 1 & 2 Estates, West Kalimantan, Indonesia
3 Product demonstration of the use of Cantas motorised cutter, which improves harvesters' productivity

Genting Indah Oil Mill, the Division's newest and most advanced mill, achieved one of the highest oil extraction rates in Malaysia in its first full year of operations in 2010. The accomplishment was all the more striking because the mill was purpose-built to be an eco-friendly mill, proving that sustainability and economic performance can be complementary.

The Division is also making progress in establishing potential Clean Development Mechanism projects. Discussions are on going for a collaboration with a US-based corporation to initiate the development of biogas recovery and cogeneration capabilities at selected oil mills.

In July 2010, some 5 years after the Division first announced its joint venture with the Sepanjang Group, crop harvesting commenced at the Mulia estates in Kabupaten Ketapang, West Kalimantan. To commemorate the watershed occasion, a maiden harvesting ceremony ("Panen Perdana") was held on 8 July 2010, attended by local dignitaries and customary heads. Area under harvesting reached 1,018 hectares as at 31 December 2010.

Meanwhile, plantation development activities continued in earnest. In Kabupaten Ketapang, West Kalimantan, new plantings at the Division's two joint venture projects – PT Sepanjang Intisurya Mulia ("SIS Mulia") and PT Sawit Mitra Abadi – covered a combined 1,816 hectares during the year, boosting total

planted area in the regency to 11,947 hectares by the end of 2010.

At the Division's joint venture in Kabupaten Kapuas, Central Kalimantan, another 9,928 hectares were cultivated during the year, raising total planted area in the district to 17,466 hectares as at the end of 2010.

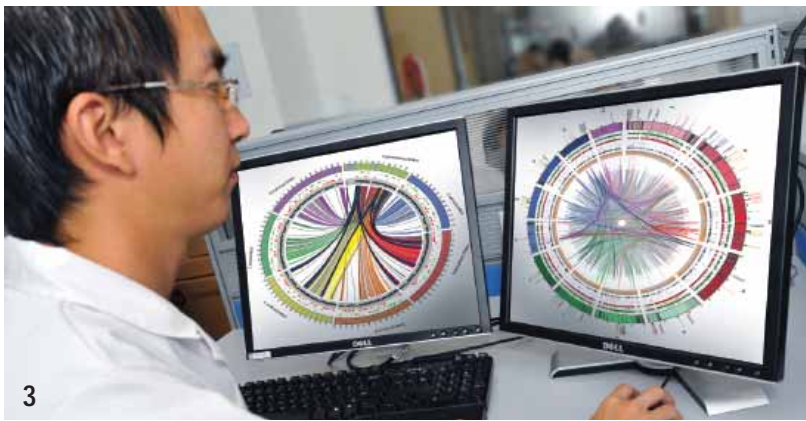
All in all, the Division's aggregate planted land area in Indonesia amounted to 29,413 hectares as at 31 December 2010, a 66% increase from the end of 2009.

Land clearing works for SIS Mulia's new oil mill in Kabupaten Ketapang started in August 2010. The mill, the Division's first in Indonesia, will have an initial capacity of 45/60 metric tonnes per hour. Scheduled for completion in 2012, the mill will be a timely addition in view of the expected rapid growth in crop production in the years ahead as sizeable oil palm areas reach maturity.

Building on the creditable progress achieved so far, the Division has taken further strides forward in widening its footprint in Indonesia. A new joint venture with the Sepanjang Group was established in December 2010 for the development of an area of approximately 17,500 hectares in Kabupaten Sanggau, West Kalimantan. Operational activities are set to get underway later in 2011.

PLANTATION STATISTICS

Oil Palm (Hectares)	2010			2009		
	Malaysia	Indonesia	Total	Malaysia	Indonesia	Total
Mature	55,976	1,018	57,693	55,608	-	55,608
Immature	3,686	28,395	31,382	4,399	17,669	22,068
Total Planted Area	59,662	29,413	89,075	60,007	17,669	77,676
Unplanted Agricultural Land / Clearing In Progress	1,227	55,572	56,799	1,085	49,859	50,944
Labour Lines, Buildings, Infrastructure, etc	4,426	150	4,576	4,379	107	4,486
Property Development	377	-	377	367	-	367
Total Area	65,692	85,135	150,827	65,838	67,635	133,472
FFB Production (T)			1,198,045			1,158,454
Yield Per Mature Hectare (T)			21.2			21.0
Average Selling Prices						
Crude Palm Oil (RM/T)			2,738			2,236
Palm Kernel (RM/T)			1,754			1,063



3



4



5



6

3 Genomic research relies heavily on the power of computers to process, analyse and store data

4 High-calibre genome research team

5 High-yielding oil palm at Sepang

6 ACGT's Next-Generation Sequencing Laboratory is capable of producing at least 500 gigabases of high quality sequence per run

BIOTECHNOLOGY

www.acgt.asia

ACGT Sdn Bhd ("ACGT") is committed to becoming a world-class centre of excellence in genomic science. Its research and development ("R&D") activities are directed towards developing and applying genomics-based solutions to increase productivity and enhance value creation from oil palm, jatropha and other crops in a sustainable manner. ACGT is a BioNexus status company, a designation awarded in 2006 by Malaysian Biotechnology Corporation Sdn Bhd, an agency under the purview of Malaysia's Ministry of Science, Technology and Innovation mandated to nurture and accelerate growth in Malaysia's biotechnology industry.

ACGT announced the purchase of next-generation DNA sequencing systems on 15 September 2010. With the new additions, ACGT Laboratories is capable of producing at least 500 gigabases of high quality sequence data per run, equivalent to one oil palm genome, with 30 times coverage per day, or approximately five human genomes, with 30 times coverage in less than 10 days.

On 2 November 2010, ACGT announced the successful completion of the ganoderma genome. Ganoderma is a white rot fungus and its pathogenic strains cause one of the most threatening diseases in oil palm, basal stem rot. Together with its strategic partner, Synthetic Genomics Inc., ACGT sequenced the genome using second generation sequencing technology to achieve 14 times coverage of the ganoderma genome. The genome data empowers ACGT scientists to better understand ganoderma, paving the way for the development of early detection and prevention solutions.

In July 2010, ACGT renewed its Memorandum of Understanding with the Malaysian Palm Oil Board to collaborate on oil palm research.

Genting Green Tech Sdn Bhd is a research & development centre set up to produce superior oil palm planting materials. Its research involves applying marker-assisted selection ("MAS") techniques for oil palm breeding, and screening and selection of superior parental oil palms for future seed production. It was awarded BioNexus status in 2009.

MAS is a biotechnology tool that enables scientists to improve crops without resorting to alien genes or creating genetically modified organisms, using genetic markers to identify the presence of a specific gene or combination of genes that have desirable traits, such as high yield and disease resistance.

The centre aims to combine conventional oil palm breeding with today's knowledge of oil palm genomics to produce high-yielding palms with desirable traits within a much shorter time frame. This is significant for oil palm breeding as one conventional breeding cycle can take up to 12 years.

Genting Green Tech signed a Memorandum of Agreement with the Department of Agriculture Sabah on 27 July 2010 for the development of superior oil palm planting materials. The collaboration combines the Department of Agriculture Sabah's oil palm breeding experience that spans 50 years with Genting Green Tech's MAS platform technology.

The centre has a research station with a bunch analysis laboratory in Tangkak, Johor to carry out yield recording and bunch analysis of oil palm breeding trials. Oil palm seed gardens are being established in collaboration with the Malaysian Palm Oil Board.

- 1 Permaipura Golf & Country Club, Kedah
- 2 Johor Premium Outlets – groundbreaking ceremony
- 3 Shop offices at Kulajaya, Genting Indahpura
- 4 Lakeview Residency, Genting Indahpura



PROPERTY

www.gentingplantations.com

The Malaysian property market, hurt by the global recession at the close of the previous decade, bounced back impressively in 2010 with robust growth in property transactions, fuelled by investor sentiment galvanised by regional economic rebound. Accommodative mortgage rates and low-downpayment financing schemes offered by developers also buoyed buyer interest in residential properties, especially the more affordably-priced homes.

The Group's Property Division registered improved financial results in 2010. Revenue and EBITDA rose to RM106.4 million (2009: RM96.6 million) and RM27.4 million (2009: RM27.3 million) respectively.

Genting Indahpura, the Division's flagship development in Kulajaya, Johor, was the top revenue contributor, generating RM49.7 million in sales, with RM39.4 million recorded from sales of residential properties and the balance from sales of commercial and industrial inventories.

Genting Pura Kencana in Sri Gading, Batu Pahat, Johor, was the second largest revenue contributor, achieving sales of RM33.6 million in 2010. Over 95% of sales were from residential properties under construction.

The Division's maiden project, Genting Cheng Perdana in Melaka, recorded modest sales of RM2.1 million as the number of properties available for sale were limited with the project coming to an end.

At the Genting Permaipura project in Kedah, efforts were ongoing in 2010 to clear the inventories of single- and double-storey terrace houses and bungalow lots. Elsewhere, the Permaipura Golf and Country Club performed satisfactorily despite a generally subdued mood among the golfing fraternity in Kedah.

In a major milestone for retail tourism in Malaysia, a groundbreaking ceremony for Johor Premium Outlets, the first upscale outlet centre of its kind in Southeast Asia, was held on 5 August 2010, officiated by the Chief Minister of Johor Dato' Haji Abdul Ghani bin Othman. A joint venture with Simon Property Group, Johor Premium Outlets is sited within Genting Indahpura, at the intersection of the North-South Expressway and the Second Link Expressway. The centre, which will have a gross leasable area of 175,000 square feet, is targeted to open in November 2011.

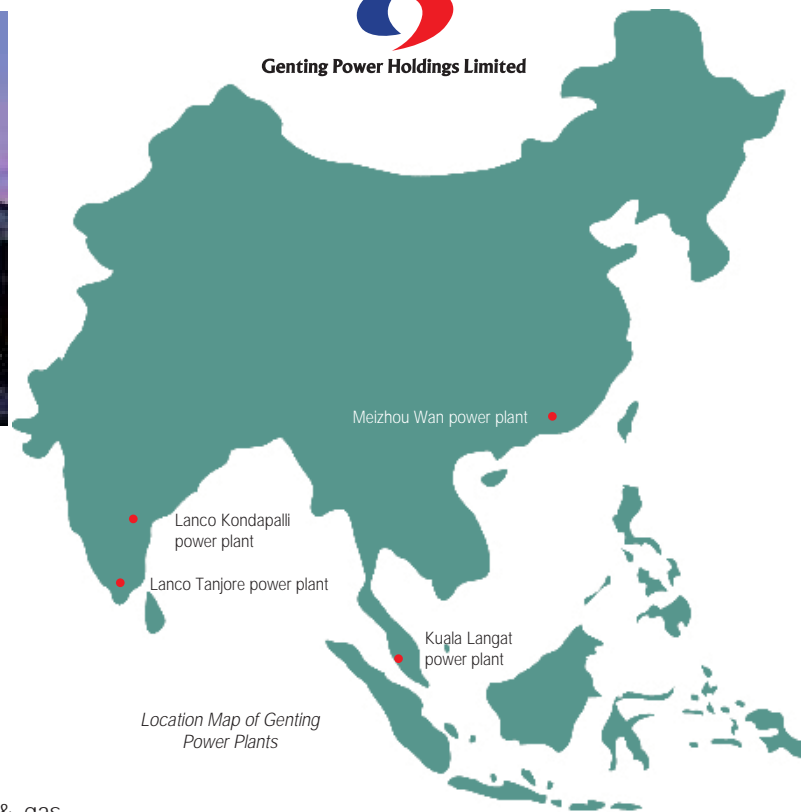
Leveraging on the reputation of the Premium Outlets® portfolio worldwide, the centre is set to be the preferred retail destination for the region's discerning value-conscious shoppers. In the Economic Transformation Programme roadmap unveiled in 2010, Johor Premium Outlets was featured as a catalytic project for the nation's tourism sector.



5 Meizhou Wan Power Plant, China
6 Lanco Tanjore Power Plant, India
7 Kuala Langat Power Plant, Malaysia



Genting Power Holdings Limited



Location Map of Genting Power Plants

ENERGY

www.gentingenergy.com

Genting Energy Division comprises the power and oil & gas business activities of the Genting Group.

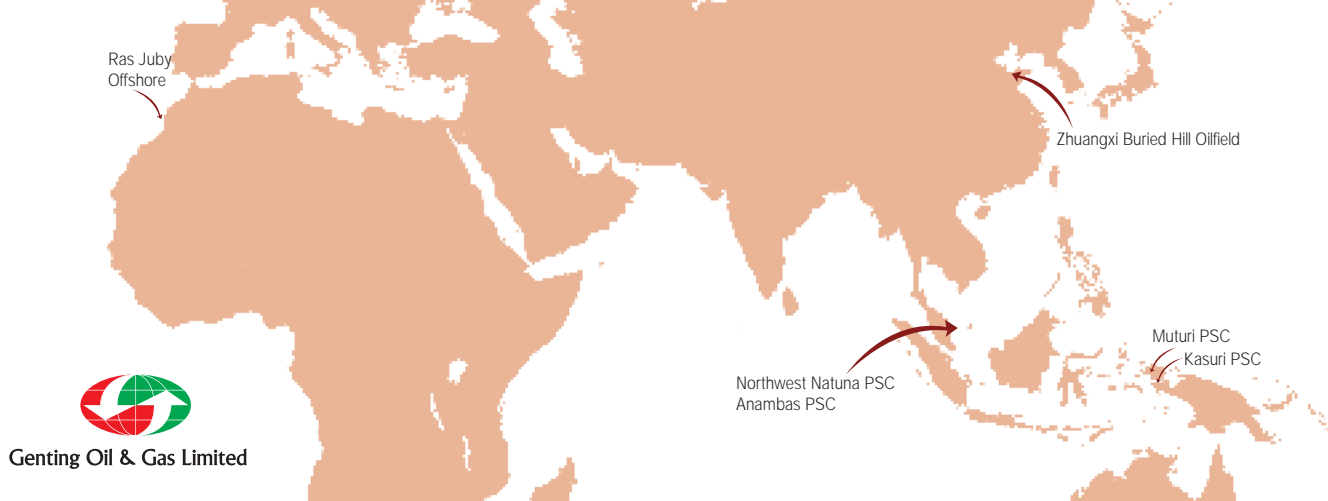
POWER

Genting Power Holdings Limited ("Genting Power") spearheads the Group's power businesses. In 2010, revenue dropped to RM1,576.2 million (2009: RM1,871.0 million) and EBITDA reduced to RM546.4 million (2009: RM628.0 million). This was mainly due to the worse than expected operating conditions in China caused by an increase in fuel cost and a delay to tariff adjustment in the 724MW Meizhou Wan coal-fired power plant.

Genting Power has net attributable generating capacity of 1,513MW from interests in five power plants in Malaysia, China and India, including a 30% share of the newly commissioned 366MW Lanco Kondapalli power plant in Andhra Pradesh ("LKPPPL") Phase II, India, which achieved full commercial operation in August 2010.

Genting Power owns and operates two power plants in two countries, namely the 73.3%-owned 720MW Kuala Langat power plant in Malaysia and the 100%-owned 724MW Meizhou Wan power plant in Fujian Province, China. During the year, Genting Power closed down its three small plants in Jiangsu, China following a proposal from the government to compensate small plant owners in consideration for shutting down.

In India, Genting Power has significant interests in three power plants, namely the 30%-owned 368MW LKPPL Phase I and the 366MW LKPPL Phase II in Andhra Pradesh as well as the 36.26%-owned 113MW Lanco Tanjore power plant in Tamil Nadu. Genting Power operates and maintains Phase I and II of the LKPPL power plants. LKPPL is currently undergoing a further expansion programme (Phase III) to add another two generating blocks of 370MW at its site, representing another 222MW net attributable capacity to the division's portfolio.



1 Preparing for seismic survey in Kasuri Block, onshore West Papua, Indonesia
2 Kasuri well "Asap-1X"



OIL & GAS

Genting Oil & Gas Limited ("GOGL"), a 95%-owned subsidiary spearheads the Group's oil and gas related businesses that undertake the exploration for and production of oil and gas. At year end, GOGL had operations and offices in Indonesia and Morocco, with Genting Oil & Gas Sdn Bhd providing management and technical services to GOGL.

In 2010, the revenue was RM114.0 million (2009: RM143.4 million), while EBITDA was RM23.0 million. This was attributed to the lower EBITDA contribution from Genting Oil & Gas (China) Limited and the higher costs arising from an increased level of activities in the Kasuri Production Sharing Contract.

During 2010, one-off proceeds amounting to US\$136.5 million was received from BP Global Investments Ltd ("BPGIL") in respect of an agreement signed on 1 October 2010 to release BPGIL from its obligation to make any and all future 'Deferred Consideration' payments in relation to the sale in 2001 of Cairns Limited.

In **China**, Genting Oil & Gas (China) Limited ("GOGC") operated the 100%-working interest in the onshore Zhuangxi Buried Hill ("ZBH") Oilfield in Shandong Province. During the year, field development activities and oil production continued at ZBH. However, the Group had on 10 December 2010 completed the disposal of the entire issued and paid-up share capital of GOGC.

In **Indonesia**, GOGL operates three 100%-working-interest Production Sharing Contracts (PSCs). Two PSCs are located offshore West Natuna, namely Anambas PSC operated by Sanyen Oil & Gas Pte Ltd ("SOGPL") and Northwest Natuna PSC operated by Genting Oil Natuna Pte Ltd ("GONPL"). One PSC is located onshore West Papua, namely Kasuri PSC which is operated by Genting Oil Kasuri Pte Ltd ("GOKPL").

Exploration studies continued throughout the year on Anambas PSC, and a four-year extension (until 28 June 2014) to the exploration phase was granted to SOGPL by the Indonesian supervising body BPMIGAS. In Northwest Natuna, the Plan of Development for the Ande Ande Lumut Oilfield was submitted to BPMIGAS. GONPL received a one-year extension to Northwest Natuna PSC from BPMIGAS to extend the exploration period until 11.

In Kasuri, GOKPL's major onshore gas exploration programme continued. During the year, a 1,650km line-length onshore 2D seismic survey covering much of the onshore contract area was largely completed. The first onshore exploration well 'Asap-1X' was drilled and tests in January 2011 produced a combined flow rate of 100 million cubic feet of gas per day, confirming Asap-1X as an important gas discovery. Follow-up appraisal drilling and a 3D seismic survey are planned for 2011.

In **Morocco**, GOGL via Genting Oil Morocco Limited continued to operate its 75% working interest in the Ras Juby Petroleum Agreement with Moroccan state company ONHYM. Studies of the Cap Juby Oil Discovery continued in 2010. However, the project has since been relinquished upon expiration of the first exploration phase in April 2011.

LOOKING FORWARD

RESORTS WORLD SENTOSA
www.rwsentosa.com



We continue to seek growth opportunities through strategic investments that fit the Group's core competencies, while remaining focused on the second phase development of Resorts World Sentosa. Construction of the West Zone is progressing steadily, with the Maritime Experiential Museum & Aquarium expected to open in mid-2011, followed by the Marine Life Park, ESPA and two more hotels. These new offerings will complement and enhance existing attractions at the resort, and maintain our edge to attract new and repeat visitors.



1 Two new hotels will add more keys to the Resort's room inventory. The eco-luxurious Equarius Hotel and the exclusive and secluded Spa Villas will create a new standard of luxury in accommodation. **2** With 20 million gallons of water and a vast population of fishes, the Marine Life Park will be the world's largest oceanarium, dedicated to marine research, conservation and education.

3 The Maritime Experiential Museum & Aquarium pays tribute to Asia's rich maritime history. Here, visitors embark on an interactive voyage and relive one of the most glorious periods in history. **4** Capping off the attractions at the West Zone is a destination spa, by renowned wellness brand ESPA. It offers a holistic spa experience, pampering treatments and therapies in a tranquil environment.



LOOKING FORWARD

RESORTS WORLD NEW YORK
www.rwnewyork.com



Resorts World New York is at the forefront of our international expansion as we seek to widen our horizons in the leisure, hospitality and entertainment industry. Resorts World New York is our maiden venture in the USA.



On 13 September 2010, Genting Malaysia's wholly-owned subsidiary Genting New York LLC was awarded a licence to be the developer and operator of a video lottery facility at the Aqueduct Racetrack in New York, USA.

As the first casino in the city of New York, the world-class facility will be known as Resorts World New York. It will contain up to 4,525 video lottery machines, which are electronic slot machines linked to a central server.

Resorts World New York will present a premier entertainment hub providing the ultimate gaming and entertainment experience. In addition to video lottery machines, it will provide shows, events and culinary delights within the historic Aqueduct Racetrack. Resorts World New York will have a range of dining

options such as fine-dining restaurants, food courts, food outlets, lounges and entertainment bars.

Resorts World New York has a strategic location within New York City and is easily accessible through the city's well-developed public transportation system.

Construction of Resorts World New York has been going strong since the official ground-breaking ceremony held on 28 October 2010. The ceremony was graced by the presence of Genting Malaysia's Chairman and Chief Executive Tan Sri Lim Kok Thay, the Governor of New York, elected officials and representatives of New York's gaming and racing operations.

Resorts World New York is targeted to open its preliminary phase during the second half of 2011.



1 Artist's impression
2,3,4 Construction progress (March - April 2011)

LOOKING FORWARD

JOHOR PREMIUM OUTLETS

JOHOR
PREMIUM
OUTLETS

Johor Premium Outlets is a 50:50 joint venture between our Group's Property Division and Simon Property Group Inc., the largest real estate company in the U.S. Simon Property Group's Premium Outlets® portfolio consists of 69 Premium Outlet Centers®, with 57 in the US, one in Puerto Rico, eight in Japan, two in Korea and one in Mexico.



Johor Premium Outlets will be the first Premium Outlet Center® in Southeast Asia and the first Entry Point Project for Tourism under the National Key Economic Activity. The project will span 45 acres in Genting Indahpura, Kulajaya at the intersection of the North-South Expressway and the Second Link Expressway. The centre will house approximately 90 international designer and name brand merchants, offering a wide selection of high quality designer fashions, sportswear, children's wear, shoes, fashion accessories, jewellery and more at everyday savings of

25% to 65%. Phase One of the upscale outlet shopping centre will comprise 175,000 square feet of gross leasable area. The grand opening is scheduled for November 2011. Johor Premium Outlets is set to be an exciting shopping destination for brand-conscious shoppers who reside in the region and for international visitors. The centre will make a convenient stopping point between Resorts World Sentosa and Resorts World Genting.



AWARDS AND ACCOLADES

RESORTS WORLD GENTING/GENTING MALAYSIA

World Travel Awards 2010

:: World's Leading Casino Resort, Asia's Leading Casino Resort and Asia's Leading Family Resort ::

Reader's Digest Trusted Brands Award 2010

:: Gold Award for Family Tourist Attraction ::

Hospitality Asia Platinum Awards

:: Best F&B Personality Award and Best Executive Chef Award ::

Malaysian International Gourmet Festival 2010 Awards

:: The Olive – Most Creative Food Presentation (Winner – The People's Choice)
– Best Marketed Restaurant (Award of Excellence)
– Most Innovative Cuisine (Award of Excellence – The People's Choice)
– Best All Round Cuisine (Award of Excellence) ::

Putra Brand Awards 2010

:: Bronze Winner in Transportation, Travel and Tourism ::

Malaysian Nature Society 70th Anniversary

:: Award for Environmental Leadership 2010 – Land Management: Preservation of Natural Habitats ::

RESORTS WORLD SENTOSA/GENTING SINGAPORE

Asiamoney Best Managed Companies 2010

:: Large-Cap Corporate of the Year in Singapore - Genting Singapore ::

Share/Guide Association Malaysia 2010 ICT Award

:: Green IT Excellence Award - eGenting ::

Asian Attraction Awards 2010

:: "Resort" and "Large" category ::

IDC-Enterprise Innovation Award 2010 / National Infocomm Award

:: Most Innovative Use of Infocomm Technology in the Private Sector ::

New York Festivals 2010 International Television & Film Awards

:: Silver Medal for Special Effects and CGI for the RWS Marketing Video ::

Singapore Workforce Development Agency

:: WSQ Most Supportive Employer (Attractions) Award ::

Food and Hotel Asia Culinary Challenge 2010

:: Battle of the Lion (National Team Champion) ::

Expogast Culinary World Cup 2010 (Luxembourg)

:: World Champion ::

CNNGo Best Eats Awards 2010

:: Best New Restaurant (Osia) ::

BCA Green Mark for Building Award

:: GoldPlus Award for Festive Hotel and Hard Rock Hotel Singapore ::

SGAM ICT Award 2010

:: Green IT Excellence Award ::



Asiamoney Best Managed Companies 2010 - Large Cap Corporate of the Year - Genting Singapore



Resorts World Genting receives the World's Leading Casino Resort 2010 Award



SUSTAINABILITY REPORT



Being a responsible corporation has always been the Genting Group philosophy that guides our global teams and management in doing what we do, beyond the business.

Contributing to the sustainable development of the economy, the environment, the community, the marketplace and our employees in countries where we operate, has always been an integral part of the Genting Group's best practices.

Care for the Environment

Environment care is one of Genting Group's key sustainability interests. We strive to achieve a sustainable balance between development and conservation. In all of Genting Group's project developments and operations, careful planning and design are undertaken to minimise and protect the impact on the ecosystem. Various eco-friendly initiatives have been implemented by our teams to address environment issues and challenges.

For example, Resorts World Genting, Malaysia which is located on a hill-top is developed with minimal impact on the lush green surroundings, in order to preserve the rich flora and fauna of the environment.

The resort developments for over four decades until today are confined to only 4% of its land bank. The rest of the land bank remains as pristine tropical rainforest. Disturbances to the soil are minimised and overhanging structures and bridges have been constructed to reduce any environmental impact. Exposed surfaces and slopes are planted with turf or hydro seeding to minimize soil erosion. The resort's developments are confined to two areas, a 33-hectare flat hilltop area that houses close to 10,000 hotel rooms and numerous entertainment facilities and Awana Genting which is confined to a 105-hectare area at mid-hill. This preserves a major portion of the forest for future generations. Awana Genting is designed with eco-friendly leisure facilities such as bird-watching, nature walks, abseiling, camping, hiking and bike trailing to enable guests to appreciate nature, the rich flora and fauna and the scenic surroundings of Genting Highlands.

In line with the Energy Efficiency Management objective and its Go Green initiatives, the Resorts World Genting team undertook an energy audit to identify potential areas for energy-saving and conservation measures to adhere to the Green Building Index and best practices. Energy conservation measures implemented included switching from T8 lights to the more eco-friendly T5

In all of Genting Group's project developments and operations, careful planning and design are undertaken to minimise and protect the impact on the ecosystem.

lights, mainly in the car park and office areas. In 2010, Resorts World Genting reduced its power usage by an estimated 193 kilowatts after installing about 12,000 longer-life T5 lights around the resort. All existing non-efficient metal halide and sodium floodlights were replaced with energy saving compact fluorescent lights, reducing electricity consumption by another 16 kilowatts.

Electricity consumption at Maxims Genting and Highlands Hotel was lower after a variable speed drive was installed on their water pump motors. The engineering team's project "Optimisation of Steam Plant for Genting & First World Hotel Boilers" produced a reduction of CO2 emission by 5,454 metric tonnes per year and a 24% savings on diesel cost (equivalent to RM4.1 million annual savings). This project won the Malaysia Productivity Corporation National Convention Award.

Paperless electronic vouchers were introduced by eGenting in 2010, which resulted in the savings of about 7 million paper vouchers worth RM1 million at

Resorts World Genting. This eco-friendly initiative won our IT team the "Green IT Excellence Award" at the Share/Guide Association Malaysia 2010 ICT Award.

Wisma Genting, the Genting Group's corporate head office in Malaysia, has been fitted with eco-friendly features such as Double Glazed Glass Exterior Wall Cladding Façade to reduce heat penetration and lower air-conditioning consumption, Electronic Ballast lighting that saves 15% in electricity costs, a waterless urinal system in male washrooms that saves up to 99% of water consumption, and a Building Automation System that controls temperature and monitors air-conditioning system.

Resorts World Sentosa which sits on a 49-hectare land has incorporated green practices such as solar technology and tree conservation since the planning stage of its development. Phase 1 construction of the resort saw the relocation of over 200 trees. This transplantation exercise in 2007, deemed as one of the biggest in Singapore undertaken by a developer, had involved 15 species including the ficus, rain and khaya trees. The team also set aside 2.9 hectares of forest on its landbank. Corals found at the development site were relocated to a new site in 2007 and today, we are pleased to report that the relocated corals are thriving in their new home.

1 Genting Energy – Tree Planting

2 Genting Malaysia – "Love Our Nature" programme

3 Genting Malaysia – We CARE Team



Our team in Singapore regularly engage with various environmental bodies to discuss ways to minimise the environmental impact. A Marine Life Fund was launched for the resort's Marine Life Park in May 2008 to sponsor research, education and conservation efforts related to marine life. This fund has disbursed funds to WildAid, a US-based non-profit organisation, for the protection of the Galapagos Marine Reserve in Ecuador and a shark's fin awareness campaign in China. In November 2010, our eco-friendly Resorts World Sentosa won the 2010 Solar Pioneer Award by the Singapore Economic Development Board and Energy Market Authority, a testimony of our good conservation efforts.

In 2010, our commitment to reduce carbon emission received an independent verification when Genting UK achieved the Carbon Trust Standard, which recognises organisations for real carbon reduction. Genting UK deployed Building Energy Management System at 10 casinos, installed new energy-efficient air-conditioning and air-handling systems (running on more environmental refrigerant gases) in 7 casinos, and switched to a new hand-dryer model that uses 80% less energy at over 80% of its casinos in the UK.

The Genting Group participates in Earth Hour every year since 2008, switching off lights at key business properties in Malaysia, Singapore and the UK at the specific Earth Hour time as a reminder to conserve energy. In 2010, our team at Resorts World Genting measured and found that by switching off their non-essential lights just for 1 hour on 27 March 2010, they saved RM1,781 worth of electricity, which translated to 5,447 kWh equivalent. The amount saved may be minimal but the awareness created amongst employees and resort guests to conserve energy was immeasurably good.

Genting Plantations has been an active member of the Roundtable on Sustainable Palm Oil (RSPO) since its inception in 2004. Its representation on Executive Board and working groups of RSPO is a testament of our plantation team's underlying commitment to produce palm oil in an environmentally friendly and socially responsible manner. Genting Plantations has a dedicated Sustainability Department that spearheads ongoing activities to foster sustainable agriculture, as guided by the Principles and Criteria of the RSPO. The team has initiated an RSPO-compliant documentation system, formal engagement and consultations with internal and external stakeholders, and environmental conservation efforts at the estates.

Genting Plantations practises organic soil improvement methods to help reduce the use of chemical products and minimise the risk of soil erosion. The big hole planting method, which has proven to be effective in conserving soil moisture besides reducing topsoil erosion, is widely adopted. Leguminous cover crops are planted as means of weed control and soil enhancement, while waste material like empty fruit bunches and palm oil effluents are recycled and used as organic fertiliser. Palm oil wastes are also used as biomass to generate power for the mills and surrounding amenities, thus contributing to improved energy efficiency. For new plantation projects, our team avoid developing in high conservation value forest areas, preferring to utilise previously cleared or degraded land. In constructing new mills, comprehensive environmental and socio-economic impact assessments are completed prior to project commencement, followed by regular environmental monitoring and compliance audits throughout the various stages of development.

Genting Plantations was the first plantation company to participate in the World Wide Fund for Nature (WWF) Malaysia's "Partners for Wetlands" programme in 1999 and continues to be actively involved. This programme is part of the broader 'Kinabatangan - Corridor of Life' project to conserve and rehabilitate the lower basin of the Kinabatangan River, one of the world's largest remaining and most biologically diverse forested floodplains. Genting Plantations has dedicated an area of 86.5 hectares of riparian reserves along the Tenegang Besar river, one of Kinabatangan's main tributaries for rehabilitation and reforestation activities.

Our plantation team will continue to support the restoration of the area, which is an important habitat for indigenous flora and fauna and animal species including the orang utan, proboscis monkey and hornbill. 175 hectares of land at the Tenegang Group of Estates in Sabah have been set aside to be preserved in their natural state as wildlife sanctuaries, named Baha and Bahagia sanctuaries. Our plantation team has supported the rehabilitation of the Malayan Sun Bear, the world's smallest bear, which is under increasing threat of habitat loss and donated to the setting up of the Bornean Sun Bear Conservation Centre in Sepilok, Sabah.

Genting Plantations has collaborated with DuPont Malaysia Sdn Bhd since 2008 to recycle empty or used High Density Polyethylene containers into end-products such as nursery planting trays and baskets for loose fruit collection. Close to 25,000 containers are recycled each year from our oil palm estates in West Malaysia.

1 Genting Plantations - "Partners for Wetlands" programme with WWF
2 Genting Plantations - Aerial view of Baha Sanctuary

3 Genting Malaysia - Earth Hour at Resorts World Genting
4 Genting Singapore - Solar cells are used at Universal Studios Singapore®



Creating Sustainable Oil Crops

At Genting Plantations, we aim to be a leader in meeting the world's growing food and fuel needs sustainably. In pursuit of this goal, ACGT Sdn Bhd was formed to apply the field of genomics towards sustainable agriculture for oil crops like oil palm and jatropha.

With arable land getting scarcer by the day, the industry can no longer rely merely on expansion of acreages to raise production. The only way forward is to increase yields significantly.

Through ACGT's genomics-based marker-assisted selection technology, a new generation of superior planting materials will be possible and the long breeding cycle of the oil palm can be halved from 12 years to just 6 years. These breakthroughs will unlock the inherent potential of the oil palm and bring exponential growth in crop productivity.

Applying genomics-based solutions for a better future

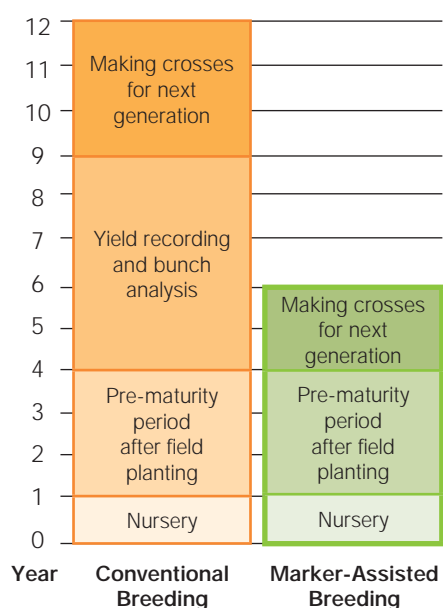
Furthermore, ACGT is also studying the Ganoderma, a white rot fungus which causes basal stem rot, one of the most threatening diseases in oil palm. ACGT is studying the Ganoderma genome to develop early detection, treatment and prevention solutions for oil palm plantations. With a Ganoderma detection tool, plantations are able to diagnose the presence of Ganoderma and the severity of the infection at an early stage.

ACGT's vigorous genomic studies of the oil palm tree, its environment and diseases will lead to better plant health and improve the yield of palm oil, a leading source of dietary nourishment and renewable energy.

1 From Lab to Field – ACGT's genomics research will enable a new generation of superior planting materials for plantations without genetic modifications.



OIL PALM CONVENTIONAL BREEDING VS MARKER-ASSISTED BREEDING



2 EARLY DETECTION OF OIL PALM DISEASE IS KEY – Ganoderma causes one of the most threatening diseases in oil palm, the basal stem rot. Whole genome sequencing is carried out to identify pathogenic/nonpathogenic isolates. Subsequently, these are used to screen the soil for the pathogenic strains.



Care for the Community

We seek to build mutually beneficial relationships with the communities where we operate and with society at large through active engagement. We emphasise on community development to ensure various sectors of the community benefit directly from our progress and expansion.

This emphasis is manifested in our philanthropic contributions, support to non-governmental organisations and employee volunteerism. We see the creation of job opportunities as an effective way to uplift the socio-economic standards of the local communities. Our Group adhere to a policy of hiring manpower, where possible, from within the vicinity of its operations.

In **philanthropy**, the Genting Group contributes regularly to various charities and foundations to support the underprivileged and less fortunate, reaching out to different sectors of the community, irrespective of race, creed and religion.

A total of over RM16 million was contributed in 2010 to various charities and community causes in the countries where we operate. Our Group contributed RM1 million towards the setting up of the 1MCA Medical Foundation in December 2010 to assist the needy Malaysians to obtain medical care in private hospitals, in view of the rising cost of medical treatment.

In conjunction with our 45th anniversary celebrations, Genting Malaysia donated RM450,000 to 45 charitable organisations in Malaysia, ranging from orphanages and welfare homes for the elderly to training centres for the disabled. The beneficiaries



A total of over RM16 million was contributed in 2010 to various charities and community causes in the countries where we operate.

included the National Autism Society of Malaysia, Malaysian Association for the Blind, Beautiful Gate Foundation for the Disabled, HOSPIS Malaysia, Little Sisters of the Poor, Shelter Home for Children, Spastic Children's Association of Selangor & Federal Territory and Malaysian Federation of the Deaf and many more.

Genting Malaysia also supported the Tunku Azizah Fertility Foundation, Yayasan Jantung Negara, National Council of Senior Citizens Organizations Malaysia, PEMADAM Kebangsaan, Tabung Rayuan Hari Pahlawan, St. John Ambulans Malaysia and the National Kidney Foundation.

To assist the poor, RM50,000 was provided to the MyKasih Love My Neighbourhood Programme, where 50 selected poor families were given bi-monthly allowance for a year to purchase essential food items. Donations were also made towards Pertubuhan Amal Gabungan Permata Istimewa Malaysia to help poor and disabled students to buy schoolbooks and uniforms.

Volunteering With Care

We encourage the spirit of volunteerism among our employees. In addition to the "We Care" teams in Resorts World Genting and the Awana resorts, and the "aRWSome Volunteers Corp" in Resorts World Sentosa, many individual employees have actively volunteered despite their hectic schedule to support our community efforts.



- 1 RM1 million donated to 1MCA Medical Foundation
- 2 RM450,000 donated in conjunction with the Group's 45th anniversary celebrations
- 3 Beneficiaries from MINDS at aRWSome Kids' Date 2010
- 4 ChildAid Charity Concert at Resorts World Sentosa



The “We CARE” teams totalling close to 1,000 members have provided free tuition to orphans, repaired buildings of various charity homes, donated food supplies and visited welfare homes during festivities to bring cheer to the sick and underprivileged. The teams also brought joy and financial relief to hundreds of the less fortunate during the festivities with “ang paws”, hampers and goodies given to the needy. These efforts included organising a ‘Berbuka Puasa’ session with 15 poor families during the fasting month and bringing cheer to sick children at the Paediatric Ward of University Malaya Medical Centre with a magic show and gifts during Christmas. Awana Kijal “We CARE” team sponsored food and drinks for Fire & Rescue personnel during a peat fire incident in Kerteh, Terengganu.



We encourage
the spirit of
volunteerism among
our employees.

At the Group head office, over 280 employees volunteered at the Wisma Genting Charity Bazaar on 11 June 2010. Held for the first time on a large scale with 55 stalls, employees washed cars and manned stalls offering home-made food, drinks, games, jumble sale items and many more. Despite a spell of heavy rain, the fund-raising event was a huge success, raising RM128,000 and exceeding the original target of RM45,000 (set in conjunction with our 45th Anniversary celebrations). The funds benefited four local charities, namely HOPE World Wide KL, United Voice, Selangor Cheshire Home and Harvest Centre.

The finance team at Genting Energy volunteered and organised the “Great Charity Bake-a-thon”, baking delicious cookies and cakes for six Saturdays to raise RM52,279 to support Kirtarsh Handicapped & Disabled Children’s Home, Pusat Jagaan Siddharthan and Rumah Jaireh in Malaysia.

Resorts World Sentosa contributed over S\$2.7 million to help children and the community, including research in childhood cancer. The aRWSome Kids’ Date, which started in 2008 as a movie date to raise funds for children, has since reached out to over 1,000 underprivileged kids, youths and social workers. In March 2010, 580 children from 10 welfare organisations were treated to a memorable fun day at Universal Studios Singapore®.

Resorts World Sentosa together with employee volunteers hosted and co-produced ChildAid 2010 for the second consecutive year. The charity concert held in Resorts World Sentosa’s Compass Ballroom showcased 144 performers and was sold out to 3,700 guests over two nights in December 2010. It raised a record S\$1.28 million for The Straits Times School Pocket Money Fund and The Business Times Budding Artists Fund.

In **education**, we support various schools, higher learning institutions and universities. The two Tan Sri (Dr.) Lim Goh Tong Endowment Funds, established in 2009 for Universiti Putra Malaysia and University of Malaya’s Business and Accountancy Faculty respectively, have collectively funded scholarships for high-achieving students, educational seminars, international student exchange programmes, overseas educational trips and student club activities.

Our Group has donated and supported many local schools in Malaysia, including SK Desa Jasmin in Nilai, SJKC Lurah Bilut, SMK Khai Mun in Bentong, Sekolah Rendah Sathya Sai in Puchong, and Kota Kinabalu High School to improve the schools’ infrastructure and facilities, as well as to buy teaching aids.

We helped to sponsor the 2nd Conference of the Asia-Pacific RIM LSP & Professional Communication Association and the 8th GLOBELICS International Conference by University Malaya, the Perdana Leadership Foundation CEO Forum, the Federal Bureau of Investigation National Academy Associate Malaysia Conference and the Malaysian Institute of Management.

In **sports**, Genting Malaysia is one of the main sponsors and the official partner of the King of Mountain jersey for Le Tour de Langkawi where RM1 million was contributed in cash and kind. Our Group supported the Football Association of Malaysia, Selangor Tennis Association for its Junior Development Programme 2010, Football Association of Pahang, the Pahang Women’s Hockey Association for the Queen’s Cup Hockey Challenge, and the Perdana de’ Everest Mission 2010/2011.



- 1 Wisma Genting Charity Bazaar 2010
- 2 Resorts World Genting – Funky Christmas for Charity
- 3 Genting Energy – Great Charity Bake-a-thon
- 4 Genting Plantations – donating to school children



In addition, we participated in the Bursa Malaysia Kuala Lumpur Rat Race 2010 and Race-A-Maze organised by RAM Holdings Berhad that brought together Malaysia's leading corporations to raise funds for charity.

We promote the **local culture and arts**, providing a platform for local talents and youths to showcase their creativity. Genting Malaysia donated RM100,000 to the Cultural Fund under the Ministry of Information, Communication and Culture to develop the careers of Malaysian artistes who have participated and succeeded in the World Championship of Performing Arts.

We have supported the theatrical performance of *Nostalgia Sri Mersing* at Istana Budaya in conjunction with Istana Budaya's 10th Anniversary celebration and hosted *Orkestra Simfoni Remaja* and a children's musical theatre – *Siti Di Alam Fantasi* there. Our Singapore team played a part in the country's cultural vibrancy with a float that won the "Best Float Design and Presentation" title at the annual Chingay parade.

Care for the Workplace

GENTING adopts a corporate philosophy that values the employees and emphasises on human resource development. Our teams invest in annual training conferences, team-building events and other employee development activities to reinforce these corporate values.

Embedded with traditional values of hard work, perseverance and integrity, we have a growing global workforce of dedicated and motivated professional employees. Our global workforce totalled 43,077 as at 31 December 2010.

We promote a safe and engaging workplace to keep a good balance between life and work. Communication channels like internal monthly newsletter, intranet, internal notice boards, e-Kiosks and regular meetings are provided to employees and management.

Our oil palm mills are certified with the EHS Management System by SIRIM, reinforcing the Group's commitment to safety.



We have proactive recreational clubs in all our business properties, aimed to build camaraderie and bring employees together through various sports and social activities.



Our resort properties are accredited with high safety and management standards. For example: Genting Malaysia is the country's first leisure and hospitality company to embark on the National Institute of Occupational Safety and Health-GENTING Safety Passport Programme designed to provide appropriate training and assessment on safety and health knowledge for employees on the job. Its drive towards achieving the "Zero Accident" tolerance target gained recognition when Genting Malaysia was accredited with the Occupational Health and Safety management System 18001:2007 and Environment Management System (ISO 14001:2004) in March 2008.

Safety and health audits are periodically performed by external specialists to ensure environmental and legislative compliance. Monthly talks are held to educate employees on safety and health issues.

A new Hotline was introduced for employees to report of any near misses, health and safety issues or any related violations. In an effort to provide a healthier working environment, Genting Malaysia team is working closely with the Ministry of Health to ensure compliance with the Control of Tobacco Products Regulations at the workplace.

We have proactive recreational clubs in all our business properties, aimed to build camaraderie and bring employees together through various sports and social activities. These activities such as soccer, futsal, basketball and badminton tournaments, salsa dance

and yoga classes, family day, trip outings and many more, allow employees of all levels to interact and bond through common interests, outside the work environment.

Group activities organised for employees based at Wisma Genting included the Kelab Sukan Eksekutif Kumpulan Genting's visit to Resorts World Sentosa including the Universal Studios Singapore®, Genting Plantation's outing to Pulau Perhentian and the Genting Annual Dinner & Dance 2010. The Annual Dinner aptly themed "Colours & Hats" included a talent show competition performed solely by employees, demonstrating how entertaining and talented we can be.

1 Genting Energy – Family Day

2 Genting Group – Participating at KL Rat Race 2010

3 Genting Malaysia – A key sponsor of Le Tour de Langkawi

4 Genting Group Executive Sports Club (KSEKG) – Badminton Tournament 2010



A total of 1,834 Wisma Genting-based employees were recognised with Long Service Awards for 5, 10, 15, 20, 25, 30 and 35 years of service.

Genting Malaysia provides training for each of its employees annually to enhance core competencies and service delivery skills. Teambuilding sessions and total quality management courses were provided throughout the year to create and develop high performance teams.

Events such as Employee of the Month awards and Employees Appreciation Nights are held to recognise the outstanding achievers and long-standing employees. The 3-day annual Genting Employees Carnival held in December saw a turnout of over 18,000 employees and immediate family members. Places of worship are allocated and contributions are made to support internal religious organisations, irrespective of religions.

The 22nd Genting Malaysia Senior Managers' Conference themed "Stepping Up to Stepping Out" and the 29th Genting Plantations Management Conference themed "Achieving Higher Productivity" which included the directors and senior managers of the Genting Group, were held in Manila, Philippines during the year. The Genting UK Senior Management Conference 2010 was held at Crockfords in London, UK.

Resorts World Sentosa signed a landmark agreement with Singapore's five polytechnics on an internship programme and launched its first scholarship for students to groom new generations of hospitality and tourism talent. Our team in Singapore also works closely with government agencies and schools such as the Institute of Technical Education West, as well as the less privileged job seekers from NTUC Women's Development Secretariat and Singapore Corporation of Rehabilitative Enterprises on job placement.

Marketplace

We abide by the principles of honesty, integrity and a commitment to excellence with the aim of enhancing shareholder value and achieving sustainable business growth. We are committed to promote responsible practices among our business partners, show care for our customers and uphold good corporate governance to meet the expectation of our investors.

For example, our Group's oil mills adhere to the Malaysian Palm Oil Board's guidelines and practice fairness in grading and pricing fruits received from smallholders.



We are committed to promote responsible practices among our business partners, show care for our customers and uphold good corporate governance to meet the expectation of our investors.

Acknowledging the importance of timely and equal dissemination of material information to stakeholders, investors and the public at large, we take steps to provide such information and promote good investor relations. Our Annual General Meeting is a principal forum for dialogue with all shareholders to address any issues on operational and corporate matters. Annual reports are sent to all shareholders. Upon the announcement of quarterly results and major corporate developments, briefings are held for analysts and fund managers through conference calls or presentations. These are avenues for us to provide more detailed explanations and for questions raised.

Our corporate website at www.genting.com provides information on our business activities with annual reports, press releases, quarterly results, announcements and investor presentations made available. We participate in local and international investor forums, as well as events and roadshows. The Visitors' Galleria at Resorts World Genting is open to the

general public and provides a first-hand look at the history, operations and facilities of Resorts World Genting and the Genting Group.

We undertake **Responsible Gaming** practices including the provision of signage and leaflets at our casino premises as well as links on our websites with guidance on playing casino games responsibly. A hotline is made available to callers and training is provided for staff interacting with casino customers to deal with problem gaming.

During the year, Genting UK was awarded a Gold GREaTest Award for its commitment to offer responsible gambling and support for The GREaT Foundation which raises funds in relation to problem gambling. Genting UK was also awarded the GamCare Certificate of Social Responsibility for the high standards of social responsibility practised throughout its casinos.

We interact responsibly with various stakeholders as we seek to play a meaningful role in advancing the broader development goals in the jurisdictions which we operate. For example, the Genting Plantations team participated actively in the National Key Economic Areas dialogues for Palm Oil Lab and the recommendations provided were subsequently incorporated in the palm oil initiatives unveiled by the government under its Economic Transformation Programme to transform Malaysia into a high income nation by 2020.

1 Genting Annual Dinner & Dance 2010

2 Genting Malaysia Senior Managers' Conference 2010 at Resorts World Manila

3 Genting Berhad - Annual General Meeting 2010

A detailed Sustainability Report can be accessed on our website at www.genting.com

CORPORATE GOVERNANCE

It is the policy of the Company to manage the affairs of the Group in accordance with the appropriate standards for good corporate governance. Set out below is a statement on how the Company has applied the principles and complied with the best practices as set out in the Malaysian Code on Corporate Governance ("the Code").

A. DIRECTORS

(i) The Board

The Board has overall responsibility for the proper conduct of the Company's business. The Board meets on a quarterly basis and additionally as required. The Board has a formal schedule of matters specifically reserved for its decision, including overall strategic direction, annual operating plan, capital expenditure plan, acquisitions and disposals, major capital projects and the monitoring of the Group's operating and financial performance.

Formal Board Committees established by the Board in accordance with the Code namely the Audit Committee, Nomination Committee and Remuneration Committee assist the Board in the discharge of its duties.

During the year under review, seven meetings of the Board were held and all Directors have complied with the requirement in respect of board meeting attendance as provided in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The details of Directors' attendances are set out below:

Name of Directors	Number of Meetings Attended
Tan Sri Lim Kok Thay	7 out of 7
Tun Mohammed Hanif bin Omar	7 out of 7
Tan Sri Mohd Amin bin Osman	6 out of 7
Dato' Dr. R. Thillainathan	7 out of 7
Dato' Paduka Nik Hashim bin Nik Yusoff	7 out of 7
Tan Sri Dr. Lin See Yan	7 out of 7
Mr Chin Kwai Yoong	7 out of 7
Mr Quah Chek Tin (Resigned on 1 November 2010)	6 out of 6

(ii) Board Balance

The Board has seven members, comprising three executive Directors and four independent non-executive Directors. The Directors have wide ranging experience and all have occupied or are currently occupying senior positions in the public and/or private sectors. The independent non-executive Directors provide a strong independent element on the Board with Tan Sri Dr. Lin See Yan as the senior independent non-executive Director to whom concerns may be conveyed. Three out of four of the independent non-executive Directors participate in the Audit Committee. Two of the four independent non-executive Directors also participate in the Remuneration and Nomination Committees as members of these Committees.

The Board is mindful of the dual role of Chairman and Chief Executive held by Tan Sri Lim Kok Thay but is of the view that there are sufficient experienced and independent-minded Directors on the Board to provide the assurance that there is sufficient check and balance. Also, the dual role has to a certain extent been balanced by the presence of Tun Mohammed Hanif bin Omar as Deputy Chairman.

A brief profile of each of the Directors is presented on pages 18 to 21 of this Annual Report.

(iii) Supply of Information

Notice of meetings, setting out the agenda and accompanied by the relevant Board papers are given to the Directors in sufficient time to enable the Directors to peruse, obtain additional information and/or seek further clarification on the matters to be deliberated.

As a Group practice, any Director who wishes to seek independent professional advice in the furtherance of his duties may do so at the Group's expense. Directors have access to all information and records of the Company and also the advice and services of the Company Secretary.

(iv) Appointments to the Board

The Nomination Committee comprising entirely of independent non-executive Directors is responsible for identifying and recommending to the Board suitable candidates for appointment to the Board and Board Committees.

On appointment, Directors are provided with information about the Group and are encouraged to visit the sites of the Group's operating units and meet with key senior executives.

The process of assessing the Directors is an on-going responsibility of the entire Board. The Board has put in place a formal evaluation process to assess the effectiveness of the Board as a whole, the Board Committees and the contribution and performance of each individual Director, including the independent non-executive Directors and chief executive on an annual basis.

In respect of the assessment for the financial year ended 31 December 2010, the Board was satisfied that the Board and Board Committees have discharged their duties and responsibilities effectively. The Board was also satisfied that the Board composition in terms of size, the balance between executive, non-executive and independent Directors and mix of skills was adequate.

All the Directors have attended the Mandatory Accreditation Programme and are also encouraged to attend courses whether in-house or external to help them in the discharge of their duties.

CORPORATE GOVERNANCE (cont'd)

The following are the courses and training programmes attended by the Directors in 2010:

COURSES	NAMES OF DIRECTORS						
	Tan Sri Lim Kok Thay	Tun Mohammed Hanif bin Omar	Tan Sri Mohd Amin bin Osman	Dato' Dr. R. Thillainathan	Dato' Paduka Nik Hashim bin Nik Yusoff	Tan Sri Dr. Lin See Yan	Mr Chin Kwai Yoong
Understanding the Regulatory Environment by SGX & Singapore Institute of Directors, Singapore						√	
Managing Risks in Mortgage Financing by Bank Negara Malaysia and Cagamas Berhad		√					
ADB Regional Forum on the Impact of Global Economic & Financial Crisis				√			
Risk Management in Islamic Finance by Bank Negara Malaysia		√					
Research Symposium "Harvard and China" by Harvard Centre Shanghai, Shanghai						√	
Harvard Asia & Oceania Club Leaders by Harvard Alumni Association, Shanghai						√	
Bursa Malaysia's Evening Talk on Corporate Governance by Mercer's Fermin Diez			√				
MEA/FEA Forum on the New Economic Model				√			
29th Management Conference (Plantation Division) of Genting Plantations Berhad - Achieving Higher Productivity - The Four Disciplines of Execution by Mr CF Wong of Leadership Resources (M) Sdn Bhd	√		√				
Risk Management of Derivatives by Professor Robert M. Conroy of Darden Graduate School of Business, University of Virginia		√					
Building Audit Committees for Tomorrow organised by FIDE - Bank Negara Malaysia		√					
Achieving Breakthrough Services by Charles River Centre, Kuala Lumpur						√	
Global Exchanges Trend and Development				√			
Directors' Continuing Education Programme by Guinness Anchor Bhd and Fraser & Neave Holdings Bhd						√	
Word of Mouth Marketing by Charles River Centre, Kuala Lumpur						√	
Independent Directors - Actual Verses Perceived Independence by Securities Commission/Bursa Malaysia			√				
Improving Business Acumen and Decision Making by Charles River Centre, Kuala Lumpur						√	
2nd World Urban Transport Leaders Summit (WUTLS) - Transforming Urban Transport for Liveable and Sustainable Cities by Land Transport Authority (LTA) Academy							√
National Tax Conference 2010 jointly organised by the Malaysia Tax Academy Inland Revenue Board of Malaysia and Standard Chartered Tax Institute of Malaysia						√	
KPMG's Audit Committee Roundtable Discussion - Going Forward : Risk & Reform - Implications for Audit Committee Oversight by Mr David Lim, Chairman of ACI Malaysia/KPMG							√
Directors Continuing Education Programme 2010 by Fraser & Neave Holdings Bhd, Kuala Lumpur						√	
Media Outlook 2010 by Mr Phil-Stokes, PricewaterhouseCoopers, UK							√
World Capital Markets Symposium - Leadership, Change and Governance by Securities Commission				√			
24th SAS Law Lecture on Bias and Conflicts of Interest : Challenges for Today's Decision-Makers by RH The Lord Rodges of Earlsferry				√			
The General Manager as Strategist and Implementer, Harvard Business School				√			
Bursa Offsite Meet at Chiangmai				√			
Financial Industry Conference by Bank Negara Malaysia		√		√			
Changes in the Financial Reporting Framework (FRS) by PricewaterhouseCoopers					√		
ACMF-GOE meeting on development of ASEAN Capital Markets by Monetary Authority of Singapore				√			
22nd Senior Managers' Conference of Genting Malaysia Berhad - Stepping Up to Stepping Out by Mr Simon Treselyan of Starfire	√	√		√		√	√
ASEAN Finance Ministers Investor Seminar				√			
Strategic Review of Opportunity in Insurance Industry				√			
Annual In-House Tax Seminar - The 2011 Budget by Deloitte KassimChan			√				

CORPORATE GOVERNANCE (cont'd)

(v) Re-election

The Articles of Association of the Company provides that at least one-third of the Directors are subject to retirement by rotation at each Annual General Meeting and that all Directors shall retire once in every three years. A retiring Director is eligible for re-election. The Articles of Association also provides that a Director who is appointed by the Board in the course of the year shall be subject to re-election at the next Annual General Meeting to be held following his appointment.

Directors over seventy years of age are required to submit themselves for re-appointment annually in accordance with Section 129(6) of the Companies Act, 1965.

B. DIRECTORS' REMUNERATION

The Remuneration Committee comprising two independent non-executive Directors and one executive Director is responsible for making recommendations to the Board on the remuneration packages of executive Directors and members of Board Committees. In making recommendations to the Board, information provided by independent consultants and appropriate survey data are taken into consideration. The Board as a whole, determines the level of fees of non-executive Directors and executive Directors. Directors' fees are approved at the Annual General Meeting by the shareholders. Directors do not participate in decisions regarding their own remuneration packages.

The Remuneration Committee is also responsible for the administration of the Executive Share Option Scheme for Eligible Executives of Genting Berhad and its subsidiaries.

The Remuneration Committee met twice during the financial year.

Details of the Directors' remuneration are set out in the Audited Financial Statements on page 100 of this Annual Report. In the interest of security, additional information has not been provided other than the details stipulated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

C. SHAREHOLDERS

The Group acknowledges the importance of timely and equal dissemination of material information to the shareholders, investors and public at large. The Company's Annual General Meeting remains the principal forum for dialogue with shareholders. Shareholders are encouraged to participate in the proceedings and ask questions about the resolutions being proposed and the operations of the Group.

The Group maintains a corporate website at www.genting.com which provides information relating to annual reports, press releases, quarterly results, announcements and investor presentations.

The Group also participates in investor forums held locally and abroad and also organises briefings and meetings with analysts and fund managers to give them a better understanding of the businesses of the Group.

D. ACCOUNTABILITY AND AUDIT

(i) Financial Reporting

The Board aims to ensure that the quarterly reports, annual financial statements as well as the annual review of operations in the annual report are presented in a manner which provides a balanced and comprehensive assessment of the Company's performance and prospect.

The Directors are also required by the Companies Act, 1965 to prepare financial statements for each financial year which have been made out in accordance with the Malaysian Accounting Standards Board Approved Accounting Standards in Malaysia for Entities Other Than Private Entities and which give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year and of the results and cash flows of the Group and of the Company for the financial year.

A statement by the Board of its responsibilities for preparing the financial statements is set out on page 136 of this Annual Report.

(ii) Internal Control

The Board is responsible for the Group's system of internal control and risk management and for reviewing its adequacy and integrity. While acknowledging their responsibility for the system of internal control, the Directors are aware that such a system is designed to manage rather than eliminate risks and therefore cannot provide an absolute assurance against material misstatement or loss.

To assist the Board in maintaining a sound system of internal control for the purposes of safeguarding shareholders' investment and the Group's assets, the Group has in place, an adequately resourced internal audit department. The activities of this department which reports regularly to the Audit Committee provide the Board with much of the assurance it requires regarding the adequacy and integrity of the system of internal control. As proper risk management is a significant component of a sound system of internal control, the Group has also put in place a risk management process to help the Board in identifying, evaluating and managing risks. The implementation and maintenance of the risk management process is carried out by the respective Risk and Business Continuity Management Committees of the Group.

(iii) Relationship with Auditors

The Company through the Audit Committee, has an appropriate and transparent relationship with the external auditors. In the course of audit of the Group's financial statements, the external auditors have highlighted to the Audit Committee and the Board, matters that require the Board's attention. Audit Committee meetings are attended by the external auditors for purposes of presenting their audit plan and report and for presenting their comments on the audited financial statements.

E. OTHER INFORMATION

(i) Material Contracts

Material Contracts of the Company and its subsidiaries involving Directors and major shareholders either subsisting at the end of the financial year or entered into since the end of the previous financial year are disclosed in Note 46 to the financial statements under "Significant Related Party Transactions and Balances" on pages 123 to 124 of this Annual Report.

(ii) Share Buy-Back

The details of the Company's Share Buy-Back exercises for the financial year ended 31 December 2010 are as follows :

Schedule of Share Buy-Back for the financial year ended 31 December 2010:

Month	No. of Shares Purchased & Retained As Treasury Shares	Purchase Price Per Share		Average Price Per Share*	Total Consideration RM
		Lowest RM	Highest RM		
March 2010	10,000	6.29	6.29	6.34	63,359
September 2010	10,000	9.42	9.42	9.49	94,888
	<u>20,000</u>				<u>158,247</u>

* Inclusive of transaction charges

During the financial year, all the shares purchased by the Company were retained as treasury shares. As at 31 December 2010, the number of treasury shares was 8,772,900.

The Statement on Corporate Governance is made in accordance with the resolution of the Board of Directors.

AUDIT COMMITTEE REPORT

AUDIT COMMITTEE

The Audit Committee ("Committee") was established on 26 July 1994 to serve as a Committee of the Board.

MEMBERSHIP

The present members of the Committee comprise:

Tan Sri Dr. Lin See Yan	Chairman/Independent Non-Executive Director
Dato' Paduka Nik Hashim bin Nik Yusoff	Member/Independent Non-Executive Director
Mr Chin Kwai Yoong	Member/Independent Non-Executive Director

ATTENDANCE AT MEETINGS DURING THE FINANCIAL YEAR 2010

The Committee held a total of nine (9) meetings. Details of attendance of the Committee members are as follows:

Name of Member	Number of Meetings Attended*
Tan Sri Dr. Lin See Yan	9 out of 9
Dato' Paduka Nik Hashim bin Nik Yusoff	9 out of 9
Mr Chin Kwai Yoong	9 out of 9
Mr Quah Chek Tin (Resigned on 1 November 2010)	8 out of 8

* The total number of meetings is inclusive of the special meetings held between members of the Committee who are non-executive Directors of the Company and representatives of the external auditors, PricewaterhouseCoopers without the presence of any Executive Director.

SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR 2010

The Committee carried out its duties in accordance with its Terms of Reference.

The main activities carried out by the Committee were as follows:

- reviewed the internal audit plan for the Company and the Group and authorised resources to address risk areas that have been identified;
- reviewed the internal audit reports for the Company and the Group;
- reviewed the external audit plan for the Company and the Group with the external auditors;
- reviewed the external audit reports for the Company and the Group with the external auditors;

- reviewed the quarterly reports of the Company and of the Group, focusing particularly on:
 - changes in or implementation of major accounting policy changes;
 - significant and unusual events; and
 - compliance with accounting standards and other legal requirements;
- reviewed related party transactions of the Company and of the Group;
- reviewed the proposed audit fees for the external auditors in respect of their audit of the financial statements of the Company and the Group;
- considered the re-appointment of the external auditors;
- reviewed the financial statements of the Company and the Group for the financial year ended 31 December 2009; and
- reviewed the reports submitted by the Risk and Business Continuity Management Committee of the Company.

INTERNAL AUDIT FUNCTION AND RISK MANAGEMENT PROCESS

The Group has an adequately resourced internal audit department to assist the Board in maintaining a sound system of internal control. The internal audit department reports to the Committee and is independent of the activities it audits. The primary role of the department is to undertake regular and systematic review of the systems of internal control so as to provide sufficient assurance that the Group has sound systems of internal control and that established policies and procedures are adhered to and continue to be effective and satisfactory.

During the financial year ended 31 December 2010, the Internal Audit Department carried out its duties covering operation audit, information system audit and compliance audit.

On a quarterly basis, audit reports and the status of the internal audit plan are submitted for review and approval by the Committee. Included in the reports are recommended corrective measures on risks identified, if any, for implementation by Management.

The total costs incurred by the Internal Audit Department for the internal audit function of the Company and of the Group for the financial year ended 31 December 2010 amounted to RM0.4 million and RM6.4 million respectively.

As proper risk management is a significant component of a sound system of internal control, the Group has also put in place a risk management process to help the Board in identifying, evaluating and managing risks. The implementation and maintenance of the risk management process is carried out by the respective Risk and Business Continuity Management Committees of the Group.

AUDIT COMMITTEE REPORT (cont'd)

TERMS OF REFERENCE

The Committee is governed by the following terms of reference :

1. Composition

(i) The Committee shall be appointed by the Board from amongst the Directors excluding Alternate Directors; shall consist of not less than three members, all of whom are non-executive Directors with a majority of them being independent Directors; and at least one member of the audit committee:

(a) must be a member of the Malaysian Institute of Accountants; or

(b) if he is not a member of the Malaysian Institute of Accountants, he must have at least 3 years' working experience and:

(aa) he must have passed the examinations specified in Part I of the First Schedule of the Accountants Act 1967; or

(bb) he must be a member of one of the associations of accountants specified in Part II of the First Schedule of the Accountants Act 1967; or

(c) fulfils such other requirements as prescribed or approved by Bursa Malaysia Securities Berhad ("Bursa Securities").

The Chairman shall be an independent Director elected by the members of the Committee.

(ii) In the event of any vacancy in the Committee resulting in the non-compliance of paragraph (i) above, the Board must fill the vacancy within 3 months.

(iii) The term of office and performance of the Committee and each of its members shall be reviewed by the Board at least once every 3 years to determine whether the Committee and its members have carried out their duties in accordance with their terms of reference.

2. Authority

The Committee is granted the authority to investigate any activity of the Company and its subsidiaries within its terms of reference, and all employees are directed to co-operate as requested by members of the Committee. The Committee is empowered to obtain independent professional or other advice and retain persons having special competence as necessary to assist the Committee in fulfilling its responsibility.

3. Responsibility

The Committee is to serve as a focal point for communication between non-Committee Directors, the external auditors, internal auditors and the Management on matters in connection with financial accounting, reporting and controls.

The Committee is to assist the Board in fulfilling its fiduciary responsibilities as to accounting policies and reporting practices of the Company and all subsidiaries and the sufficiency of auditing relative thereto. It is to be the Board's principal agent in assuring the independence of the Company's external auditors, the integrity of the Management and the adequacy of disclosures to shareholders.

If the Committee is of the view that a matter reported to the Board has not been satisfactorily resolved resulting in a breach of the Bursa Securities' Main Market Listing Requirements, the Committee shall promptly report such matter to Bursa Securities.

4. Functions

The functions of the Committee are to:

- i) review with the external auditors, their audit plan;
- ii) review with the external auditors, their evaluation of the system of internal accounting controls;
- iii) review with the external auditors, their audit report and management letter (if any);
- iv) review the assistance given by the Company's officers to the external auditors;
- v) review the adequacy of the scope, functions, competency and resources of the internal audit functions and that it has the necessary authority to carry out its work;
- vi) review the internal audit programme, processes, the results of the internal audit programme, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit functions;
- vii) review the quarterly results and year end financial statements, prior to the approval by the Board, focusing particularly on:
 - (a) changes in or implementation of major accounting policy changes;
 - (b) significant and unusual events; and
 - (c) compliance with accounting standards and other legal requirements;
- viii) review any related party transaction and conflict of interest situation that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of Management integrity; and
- ix) consider the nomination, appointment and re-appointment of external auditors; their audit fees; and any questions on resignation, suitability and dismissal.

AUDIT COMMITTEE REPORT (cont'd)

TERMS OF REFERENCE (cont'd)

5. Meetings

- i) The Committee is to meet at least four times a year and as many times as the Committee deems necessary.
- ii) In order to form a quorum for any meeting of the Committee, the majority of members present must be independent.
- iii) The meetings and proceedings of the Committee are governed by the provisions of the Articles of Association of the Company regulating the meetings and proceedings of the Board so far as the same are applicable.
- iv) The head of finance and the head of internal audit shall normally attend meetings of the Committee. The presence of a representative of the external auditors will be requested if required.
- v) Upon request by the external auditors, the Chairman of the Committee shall convene a meeting of the Committee to consider any matters the external auditors believe should be brought to the attention of the Directors or Shareholders of the Company.
- vi) At least twice a year, the Committee shall meet with the external auditors without the presence of any executive Director.
- vii) Whenever deemed necessary, meetings can be convened with the external auditors, internal auditors or both, excluding the attendance of other directors and employees.

6. Secretary and Minutes

The Secretary of the Committee shall be the Company Secretary. Minutes of each meeting are to be prepared and sent to the Committee members, and the Company's Directors who are not members of the Committee.

This Audit Committee Report is made in accordance with the resolution of the Board of Directors.

STATEMENT ON INTERNAL CONTROL

The Board's Responsibilities

In relation to internal control, pursuant to the requirements under the Malaysian Code of Corporate Governance for companies listed on the Bursa Malaysia Securities Berhad ("Bursa Securities"), the Board of Directors ("the Board") acknowledges their responsibility under the Bursa Securities Main Market Listing Requirements to: -

- Identify principal risks and ensure implementation of appropriate control measures to manage the risks.
- Review the adequacy and integrity of the internal control system and management information systems and systems for compliance with applicable laws, regulations, rules, directives and guidelines.

It should be noted that an internal control system is designed to manage risks rather than eliminate them, and can provide only reasonable but not absolute assurance against any material misstatement or loss.

The Board confirms that there is an ongoing risk management process established to identify, evaluate, and manage significant risks to effectively mitigate the risks that may impede the achievement of Genting Group of companies' ("the Group") business and corporate objectives. The Board reviews the process on a regular basis to ensure proper management of risks and measures are taken to mitigate any weaknesses in the control environment.

The Risk Management Process

The Group employs the Control Self-Assessment ("CSA") to formalise the risk management process at the business/operating unit level. With the CSA, departments/business areas of the Group are required to identify and evaluate controls within key functions/activities of their business processes. The risks to the Group's strategic objectives are assessed at the Group and company level.

The Risk and Business Continuity Management Committees ("RBCMCs") established at Genting Berhad and its principal subsidiaries are responsible for ensuring the effectiveness of the risk management process and implementation of risk management policies in their respective companies. The RBCMC of Genting Berhad comprises senior management of the Group and is chaired by the President and Chief Operating Officer of Genting Berhad, whereas the RBCMCs of the principal subsidiaries comprise their respective senior management headed by their respective Chief Financial Officers.

The key aspects of the risk management process are:-

- Business/Operations Heads undertake to update their risk profiles on a six monthly basis from the previous update and issue a letter of assurance to confirm that they have reviewed the risk profiles, risk reports and related business processes and are also monitoring the implementation of action plans.
- The risk profiles, control procedures and status of the action plans are reviewed on a regular basis by the Head - Risk Management with the Business/Operations Heads.
- Management of the respective companies is provided with reports to enable them to review, discuss and monitor the risk profiles and implementation of action plans.
- On a quarterly basis the RBCMC of the respective companies meet to review status of risk reviews, the significant risks identified and the progress of the implementation of action plans. Consequently a risk management report summarizing the significant risks and/or status of action plans of the respective companies are presented quarterly to the respective Audit Committees for review, deliberation and recommendation for endorsement by the respective Boards of Directors.

The Internal Control Processes

The other key aspects of the internal control process are:-

- The Board and the Audit Committee meet every quarter to discuss matters raised by Management, Internal Audit and the external auditors on business and operational matters including potential risks and control issues.
- The Board has delegated the responsibilities to various committees established by the Board and Management of Genting Berhad and principal subsidiary companies to implement and monitor the Board's policies on controls.
- Delegation of authority including authorization limits at various levels of Management and those requiring the Board's approval are documented and designed to ensure accountability and responsibility.
- Internal procedures and policies are documented in manuals, which are reviewed and revised periodically to meet changing business and operational requirements and statutory reporting needs.
- Performance and cash flow reports are provided to Management and the Group Executive Committee to facilitate review and monitoring of financial performance and cash flow position.
- Business/operating units present their annual budget, which includes the financial and operating targets, capital expenditure proposals and performance indicators for review by the Group Executive Committee and the Board.
- A half yearly review of the annual budget is undertaken by Management to identify and where appropriate, to address significant variances from the budget.

Some weaknesses in internal control were identified for the year under review but these are not deemed significant and hence have not been disclosed in this statement, as these weaknesses have not materially impacted the business or operations of the Group. Nevertheless, measures have been or are being taken to address these weaknesses.

Business continuity management is regarded an integral part of the Group's risk management process. In this regard to minimize potential disruptions to business and operations either due to failure of critical IT systems and/or operational processes, some of the subsidiaries and key operating units have implemented business continuity plans while others are in the process of implementing them.

The Board in issuing this statement has taken into consideration the representations made by the Group's principal subsidiary and associated companies in respect of their state of internal control.

The Internal Audit Function

The Internal Audit Division ("Internal Audit") is responsible for undertaking regular and systematic review of the internal controls to provide the Audit Committee and the Board with sufficient assurance that the systems of internal control are effective in addressing the risks identified. Internal Audit functions independently of the activities they audit.

On a quarterly basis, Internal Audit submits audit reports and plan status for review and approval by the Audit Committee. Included in the reports are recommended corrective measures on risks identified, if any, for implementation by Management.

This Statement on Internal Control is made in accordance with the resolution of the Board.

DIRECTORS' REPORT AND STATEMENT PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT, 1965

The Directors of **GENTING BERHAD** have pleasure in submitting their report together with their statement pursuant to Section 169(15) of the Companies Act, 1965 therein and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2010.

PRINCIPAL ACTIVITIES

The Company is principally an investment holding and management company.

The principal activities of the subsidiaries include leisure and hospitality, gaming and entertainment businesses, development and operation of integrated resort, plantation, the generation and supply of electric power, property development and management, tours and travel related services, genomics research and development, investments and oil and gas exploration and development activities.

The principal activities of the associates include the generation and supply of electric power, resort, property investment, property development, provision of financial services and licensing of trade marks.

Details of the principal activities of the subsidiaries, jointly controlled entities, and associates are set out in Note 48 to the financial statements.

Apart from the above, there have been no other significant changes in the nature of the activities of the Group and of the Company during the financial year, other than the cessation of oil and gas production activity, upon disposal of a subsidiary company on 10 December 2010.

FINANCIAL RESULTS

	Group RM Million	Company RM Million
Profit before taxation	4,394.3	686.6
Taxation	(983.6)	(193.0)
Profit for the financial year	<u>3,410.7</u>	<u>493.6</u>

TREASURY SHARES

The shareholders of the Company had granted a mandate to the Company to repurchase its own shares at the Annual General Meeting of the Company held on 10 June 2010.

During the financial year, the Company repurchased 20,000 ordinary shares of 10 sen each of its issued share capital from the open market at an average price of RM7.91 per share. The share buy back transactions were financed by internally generated funds. As at 31 December 2010, the total number of shares purchased was 8,772,900 and held as treasury shares in accordance with the provisions of Section 67A of the Companies Act, 1965.

DIVIDENDS

Dividends paid by the Company since the end of the previous financial year were:

- (i) a final dividend of 4.2 sen less 25% tax per ordinary share of 10 sen each amounting to RM116,445,736.20, in respect of the financial year ended 31 December 2009 was paid on 27 July 2010; and
- (ii) an interim dividend of 3.3 sen less 25% tax per ordinary share of 10 sen each amounting to RM91,570,498.51, in respect of the financial year ended 31 December 2010 was paid on 26 October 2010.

The Directors recommend payment of a final dividend of 4.5 sen less 25% tax per ordinary share of 10 sen each in respect of the financial year ended 31 December 2010 to be paid to shareholders registered in the Register of Members on a date to be determined later by the Directors. Based on the issued shares (less treasury shares) of the Company as at the date of this report, the final dividend would amount to RM125.0 million.

RESERVES AND PROVISIONS

There were no other material transfers to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

ISSUE OF SHARES, DEBENTURES AND SHARE OPTIONS

During the financial year, 8,709,000 new ordinary shares of 10 sen each fully paid at the subscription price of RM2.868 per share and 5,000 new ordinary shares of 10 sen each fully paid at the subscription price of RM2.616 per share were issued by virtue of the exercise of options to take up unissued ordinary shares of the Company by executive employees pursuant to The Executive Share Option Scheme for Eligible Executives of Genting Berhad and its subsidiaries ("Scheme").

All the above mentioned ordinary shares rank pari passu with the then existing ordinary shares of the Company. These options were granted prior to the current financial year.

There were no issues of debentures during the financial year.

DIRECTORS' REPORT AND STATEMENT PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT, 1965 (cont'd)

ISSUE OF SHARES, DEBENTURES AND SHARE OPTIONS (cont'd)

The following Options to take up unissued ordinary shares in the Company, which have been granted to executive employees of the Group as specified in the Scheme, were outstanding as at 31 December 2010:

Option Number	Option Expiry Date	Subscription Price Per Share RM	No. of Unissued Shares
1/2002	11 August 2012	2.868	5,878,000*
2/2002	11 August 2012	2.616	45,000
			<hr/> 5,923,000 <hr/>

* excluding 5,000 unissued shares which have lapsed due to resignation of a grantee.

- (a) The expiry date of the Options on 11 August 2012 shall apply unless the Options have ceased by reason of non compliance by the grantee with the terms and conditions under which the Options were granted pursuant to the Scheme.
- (b) (i) The Options granted can only be exercised by the Grantee in the third year from the Date of Offer and the number of new Shares comprised in the Options which a Grantee can subscribe for from the third year onwards shall at all times be subject to the following maximum:

Percentage of new Shares comprised in the Options exercisable each year from the Date of Offer

Year 1	Year 2	Year 3	Year 4	Year 5
-	-	12.5% rounded up to the next 1,000 shares	12.5% rounded up to the next 1,000 shares	12.5% rounded up to the next 1,000 shares
Year 6	Year 7	Year 8	Year 9	Year 10
12.5% rounded up to the next 1,000 shares	12.5% rounded up to the next 1,000 shares	12.5% rounded up to the next 1,000 shares	12.5% rounded up to the next 1,000 shares	12.5% or balance of all options allotted

- (ii) Any new Shares comprised in an Option which is exercisable in a particular year but has not been exercised in that year, can be exercised in subsequent years within the Option Period, subject to the Scheme remaining in force.
- (iii) In the event that an Eligible Executive becomes a Grantee after the first year of the Scheme, the Grantee shall always observe the two-year incubation period and the Options granted can only be exercised in the third year from the Date of Offer subject to the maximum percentage of new Shares comprised in the Options exercisable as stipulated above.
- (c) The persons to whom the Options have been issued have no right to participate by virtue of the Options in any share issue of any other company.

DIRECTORATE

The Directors who served since the date of the last report are:

Tan Sri Lim Kok Thay*
Tun Mohammed Hanif bin Omar
Tan Sri Mohd Amin bin Osman
Dato' Dr. R. Thillainathan
Mr Quah Chek Tin (Resigned on 1 November 2010)
Dato' Paduka Nik Hashim bin Nik Yusoff*
Tan Sri Dr. Lin See Yan*
Mr Chin Kwai Yoong

*Also members of the Remuneration Committee

DIRECTORS' REPORT AND STATEMENT PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT, 1965 (cont'd)

DIRECTORATE (cont'd)

According to the Register of Directors' Shareholdings, the following persons who were Directors of the Company at the end of the financial year have interests in shares of the Company, Genting Malaysia Berhad, a company which is 49.34% owned by the Company as at 31 December 2010, Genting Plantations Berhad and Genting Singapore PLC, both of which are subsidiaries of the Company as set out below:

Interest in the Company

Shareholdings in which the Directors have direct interests

	1.1.2010	Acquired/(Disposed)	31.12.2010
	(Number of ordinary shares of 10 sen each)		
Tan Sri Lim Kok Thay	10,369,000	1,875,000/(2,369,000)	9,875,000
Tun Mohammed Hanif bin Omar	101,000	(100,000)	1,000
Tan Sri Mohd Amin bin Osman	1,204,600	945,000/(185,000)	1,964,600
Dato' Dr. R. Thillainathan	-	320,000	320,000

Interest of Spouse/Child of the Directors

	1.1.2010	Acquired/(Disposed)	31.12.2010
	(Number of ordinary shares of 10 sen each)		
Tan Sri Mohd Amin bin Osman	60,000	-	60,000
Dato' Dr. R. Thillainathan	295,000	(102,000)	193,000

Share Option in the names of Directors

	1.1.2010	Offered/(Exercised)	31.12.2010
	(Number of unissued ordinary shares of 10 sen each)		
Tan Sri Lim Kok Thay	2,500,000	(1,875,000)	625,000
Tun Mohammed Hanif bin Omar	1,555,000	-	1,555,000
Tan Sri Mohd Amin bin Osman	1,240,000	(945,000)	295,000
Dato' Dr. R. Thillainathan	610,000	(320,000)	290,000

Interest in Genting Malaysia Berhad

Shareholdings in which the Directors have direct interests

	1.1.2010	Acquired/(Disposed)	31.12.2010
	(Number of ordinary shares of 10 sen each)		
Tan Sri Lim Kok Thay	1,660,000	1,410,000/(1,460,000)	1,610,000
Tun Mohammed Hanif bin Omar	5,000	-	5,000
Tan Sri Mohd Amin bin Osman	540,000	-	540,000
Tan Sri Dr. Lin See Yan	450,000	-	450,000

Interest of Spouse/Child of the Directors

	1.1.2010	Acquired/(Disposed)	31.12.2010
	(Number of ordinary shares of 10 sen each)		
Tan Sri Mohd Amin bin Osman	180,000	(80,000)	100,000
Dato' Dr. R. Thillainathan	-	6,000	6,000

Share Option in the names of Directors

	1.1.2010	Offered/(Exercised)	31.12.2010
	(Number of unissued ordinary shares of 10 sen each)		
Tan Sri Lim Kok Thay	2,340,000	(1,410,000)	930,000
Tun Mohammed Hanif bin Omar	2,185,000	-	2,185,000

Interest in Genting Plantations Berhad

Shareholdings in which the Directors have direct interests

	1.1.2010	Acquired/(Disposed)	31.12.2010
	(Number of ordinary shares of 50 sen each)		
Tan Sri Lim Kok Thay	369,000	-	369,000
Tan Sri Mohd Amin bin Osman	989,000	-	989,000

Interest of Spouse/Child of the Directors

	1.1.2010	Acquired/(Disposed)	31.12.2010
	(Number of ordinary shares of 50 sen each)		
Tan Sri Mohd Amin bin Osman	80,000	-	80,000
Dato' Dr. R. Thillainathan	10,000	-	10,000

DIRECTORS' REPORT AND STATEMENT PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT, 1965 (cont'd)

DIRECTORATE (cont'd)

Interest in Genting Singapore PLC ("GENS")

Shareholdings in which the Directors have direct interests

	1.1.2010	Acquired/(Disposed) (Number of ordinary shares)	31.12.2010
Tan Sri Lim Kok Thay	237,600	3,721,000	3,958,600
Tan Sri Mohd Amin bin Osman	575,000	149,000	724,000
Dato' Dr. R. Thillainathan	669,000	(200,000)	469,000
Tan Sri Dr. Lin See Yan	50,000	595,000/(145,000)	500,000

Interest of Spouse/Child of the Directors

	1.1.2010	Acquired/(Disposed) (Number of ordinary shares)	31.12.2010
Tan Sri Mohd Amin bin Osman	8,400	(4,000)	4,400

Share Option in the names of Directors

	1.1.2010	Offered/(Exercised) (Number of unissued ordinary shares)	31.12.2010
Tan Sri Lim Kok Thay	5,941,463	(2,971,000)	2,970,463
Tun Mohammed Hanif bin Omar	1,188,292	-	1,188,292
Tan Sri Mohd Amin bin Osman	742,042	(149,000)	593,042
Dato' Dr. R. Thillainathan	1,113,438	-	1,113,438
Dato' Paduka Nik Hashim bin Nik Yusoff	1,039,192	-	1,039,192
Tan Sri Dr. Lin See Yan	1,188,292	(595,000)	593,292

Performance Shares in the name of a Director

	1.1.2010	Awarded (Number of unissued ordinary shares)	(Vested)	31.12.2010
Tan Sri Lim Kok Thay	1,500,000#	750,000#	(750,000)	1,500,000#

Legend:

Represents the right of the participant to receive ordinary shares, upon the participant satisfying the criteria set out in the Performance Share Scheme of GENS and upon satisfying such conditions as may be imposed.

Apart from the above disclosures:

- the Directors of the Company do not have any other interests in shares in the Company and in shares in other related corporations of the Company either at the beginning or end of the financial year; and
- neither during nor at the end of the financial year, was the Company a party to any arrangement whose object is to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the Directors and the provision for Directors' retirement gratuities shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he is a member or with a company in which he has a substantial financial interest except for any benefit which may be deemed to have arisen by virtue of the following transactions:

- A company in which Tan Sri Lim Kok Thay is a director and a substantial shareholder has appointed Genting Plantations (WM) Sdn Bhd, a wholly-owned subsidiary of Genting Plantations Berhad, which in turn is a 54.58% owned subsidiary of the Company to provide plantation advisory services.
- A corporation which is owned by the family of Tan Sri Lim Kok Thay has been appointed by Resorts World at Sentosa Pte Ltd, an indirect wholly-owned subsidiary of Genting Singapore PLC, an indirect 51.69% owned subsidiary of the Company to provide professional design consultancy and master-planning services for the Resorts World Sentosa integrated resort in Singapore.
- Tan Sri Mohd Amin bin Osman has been retained by Genting Malaysia Berhad, a company which is 49.37% owned by the Company to provide advisory services.
- Transactions made by the Company or its related corporations with certain corporations referred to in Note 46 in which the nature of relationships of Tan Sri Lim Kok Thay are disclosed therein.

Mr Chin Kwai Yoong is due to retire by rotation at the forthcoming Annual General Meeting ("AGM") in accordance with Article 99 of the Articles of Association of the Company and he, being eligible, has offered himself for re-election.

Tun Mohammed Hanif bin Omar, Tan Sri Mohd Amin bin Osman, Dato' Paduka Nik Hashim bin Nik Yusoff and Tan Sri Dr. Lin See Yan will retire pursuant to Section 129 of the Companies Act, 1965 at the forthcoming AGM and that separate resolutions will be proposed for their re-appointment as Directors at the AGM under the provision of Section 129(6) of the said Act to hold office until the next AGM of the Company.

DIRECTORS' REPORT AND STATEMENT PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT, 1965 (cont'd)

OTHER STATUTORY INFORMATION

Before the income statements, statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the Directors took reasonable steps:

- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowances for doubtful debts, and satisfied themselves that all known bad debts had been written off and adequate allowance had been made for doubtful debts; and
- (ii) to ensure that any current assets which were unlikely to realise in the ordinary course of business their values as shown in the accounting records, were written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

- (i) which would render the amount written off for bad debts or the amount of the allowance for doubtful debts in the Group and in the Company inadequate to any substantial extent;
- (ii) which would render the values attributed to the current assets in the financial statements of the Group or of the Company misleading;
- (iii) which have arisen which render adherence to the existing methods of valuation of assets or liabilities in the financial statements of the Group and of the Company misleading or inappropriate; and
- (iv) not otherwise dealt with in this report or in the financial statements of the Group and of the Company, that would render any amount stated in the respective financial statements misleading.

At the date of this report there does not exist:

- (i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or
- (ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

No contingent or other liability of the Group or of the Company has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group or of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors:

- (i) the results of the operations of the Group and of the Company for the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature except for those disclosed in the financial statements; and
- (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

STATEMENT BY DIRECTORS PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT, 1965

In the opinion of the Directors, the financial statements set out on pages 67 to 135 are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 2010 and of the results and the cash flows of the Group and of the Company for the financial year ended on that date in accordance with the Malaysian Accounting Standards Board Approved Accounting Standards in Malaysia for Entities Other Than Private Entities and comply with the provisions of the Companies Act, 1965.

AUDITORS

The auditors, PricewaterhouseCoopers, have expressed their willingness to continue in office.

On behalf of the Board,

TAN SRI LIM KOK THAY
Chairman and Chief Executive

TUN MOHAMMED HANIF BIN OMAR
Deputy Chairman

Kuala Lumpur
23 February 2011

INCOME STATEMENTS

for the Financial Year Ended 31 December 2010

Amounts in RM million unless otherwise stated

	Note(s)	Group		Company	
		2010	2009	2010	2009
Revenue	5 & 6	15,194.7	8,893.6	842.0	819.2
Cost of sales	7	(8,537.7)	(5,341.1)	(74.1)	(69.1)
Gross profit		6,657.0	3,552.5	767.9	750.1
Other income					
- net gain on dilution of shareholding arising from bond conversions		436.3	33.0	-	213.3
- net gain arising from Deferred Consideration		413.6	-	-	-
- net fair value gain on derivative financial instruments		64.0	-	-	-
- others		414.7	244.5	60.9	57.2
Selling and distribution costs		(219.7)	(115.1)	-	-
Administration expenses		(790.5)	(605.3)	(18.3)	(16.7)
Net (impairment loss)/reversal of impairment loss	8	(1,554.4)	(157.0)	24.6	(10.8)
Other expenses					
- loss on discontinuance of cash flow hedge accounting using interest rate swaps		(145.4)	-	-	-
- net fair value loss on financial assets at fair value through profit or loss		(3.5)	-	-	-
- others		(211.6)	(183.2)	(13.9)	(10.8)
Finance cost	9	(723.9)	(261.4)	(134.6)	(73.7)
Share of results in jointly controlled entities		(8.8)	(22.1)	-	-
Share of results in associates		66.5	42.5	-	-
Profit before taxation	5, 9, 10 & 11	4,394.3	2,528.4	686.6	908.6
Taxation	12	(983.6)	(745.6)	(193.0)	(184.4)
Profit for the financial year		3,410.7	1,782.8	493.6	724.2
Profit attributable to:					
Equity holders of the Company		2,203.0	1,044.3	493.6	724.2
Minority interests		1,207.7	738.5	-	-
		3,410.7	1,782.8	493.6	724.2
Earnings per share for profit attributable to the equity holders of the Company:					
- basic (sen)	13	59.57	28.26		
- diluted (sen)	13	59.46	28.13		

STATEMENTS OF COMPREHENSIVE INCOME

for the Financial Year Ended 31 December 2010

Amounts in RM million unless otherwise stated

		Group		Company	
	Note	2010	2009	2010	2009
Profit for the financial year		3,410.7	1,782.8	493.6	724.2
Other comprehensive income/(loss):					
Asset revaluation surplus		23.7	-	-	-
Actuarial gain/(loss) on retirement benefit liability		2.0	(9.5)	-	-
Cash flow hedges					
- Fair value loss		(141.6)	-	-	-
- Reclassification to profit or loss		319.7	-	-	-
		178.1	-	-	-
Available-for-sale financial assets					
- Fair value gain		1,167.4	887.9	-	-
- Reclassification to profit or loss upon disposal		(19.5)	-	-	-
		1,147.9	887.9	-	-
Share of other comprehensive income of jointly controlled entities		7.5	-	-	-
Share of other comprehensive income of associates		6.0	-	-	-
Net foreign currency exchange differences		(903.6)	341.5	-	-
Other comprehensive income for the financial year, net of tax	12	461.6	1,219.9	-	-
Total comprehensive income for the financial year		3,872.3	3,002.7	493.6	724.2
Total comprehensive income attributable to:					
Equity holders of the company		1,999.9	1,645.0	493.6	724.2
Minority interests		1,872.4	1,357.7	-	-
		3,872.3	3,002.7	493.6	724.2

STATEMENTS OF FINANCIAL POSITION

as at 31 December 2010

Amounts in RM million unless otherwise stated

		Group			Company	
	Note	31 Dec 2010	31 Dec 2009 (Restated)	1 Jan 2009 (Restated)	31 Dec 2010	31 Dec 2009
ASSETS						
Non-Current Assets						
Property, plant and equipment	15	19,932.5	18,190.7	12,427.2	6.1	4.4
Land held for property development	16	571.2	582.4	579.9	-	-
Investment properties	17	43.3	71.8	73.2	-	-
Plantation development	18	843.6	650.4	518.3	-	-
Leasehold land use rights	19	133.9	115.0	68.1	-	-
Intangible assets	20	3,779.2	3,914.1	3,523.1	-	-
Exploration costs	21	577.2	420.6	420.0	-	-
Subsidiaries	22	-	-	-	8,506.4	8,278.3
Amounts due from subsidiaries	22	-	-	-	926.7	967.2
Jointly controlled entities	23	62.3	52.1	71.2	-	-
Associates	24	765.9	672.8	622.1	-	-
Financial assets at fair value through profit or loss	25	2.0	-	-	-	-
Available-for-sale financial assets	26	2,591.4	1,270.1	415.0	-	-
Derivative financial instruments	41	1.2	-	-	-	-
Other non-current assets	30	267.1	-	-	-	-
Other long term investments	27	-	681.0	435.2	-	-
Long term receivables	30	-	239.5	102.4	-	-
Deferred tax assets	28	177.0	94.0	61.7	11.1	9.2
		29,747.8	26,954.5	19,317.4	9,450.3	9,259.1
Current Assets						
Property development costs	16	14.2	45.0	54.0	-	-
Inventories	29	520.6	387.1	376.1	-	-
Trade and other receivables	30	2,184.7	977.0	951.8	0.8	0.7
Current tax assets		95.7	119.7	138.1	19.2	19.2
Amounts due from subsidiaries	22	-	-	-	408.0	411.3
Amounts due from jointly controlled entities and associates	23	7.7	13.5	11.3	-	-
Financial assets at fair value through profit or loss	25	94.8	-	-	-	-
Available-for-sale financial assets	26	842.0	-	-	50.0	-
Restricted cash	32	881.5	297.5	135.4	-	-
Short term investments	31	-	314.1	163.3	-	-
Cash and cash equivalents	32	14,548.5	14,392.6	9,303.3	630.6	574.9
		19,189.7	16,546.5	11,133.3	1,108.6	1,006.1
Assets classified as held for sale		76.6	-	-	-	-
		19,266.3	16,546.5	11,133.3	1,108.6	1,006.1
Total Assets		49,014.1	43,501.0	30,450.7	10,558.9	10,265.2
EQUITY AND LIABILITIES						
Equity Attributable To Equity Holders of the Company						
Share capital	33	371.4	370.5	370.4	371.4	370.5
Treasury shares	34	(43.2)	(43.0)	(42.3)	(43.2)	(43.0)
Reserves	35	15,169.3	13,559.6	12,113.9	7,689.1	7,379.4
		15,497.5	13,887.1	12,442.0	8,017.3	7,706.9
Minority interests		13,949.0	11,825.3	8,971.4	-	-
Total Equity		29,446.5	25,712.4	21,413.4	8,017.3	7,706.9
Non-Current Liabilities						
Long term borrowings	36	11,849.4	12,659.5	5,414.3	-	-
Amounts due to subsidiaries	22	-	-	-	2,389.7	2,438.3
Deferred tax liabilities	28	1,482.0	1,307.9	1,226.6	-	-
Derivative financial instruments	41	1.6	-	-	-	-
Provisions	38	211.8	123.6	103.1	73.9	54.1
Other non-current liabilities	39	115.0	261.5	87.7	-	-
		13,659.8	14,352.5	6,831.7	2,463.6	2,492.4
Current Liabilities						
Trade and other payables	40	4,098.8	2,381.9	1,512.2	24.0	19.8
Amounts due to subsidiaries	22	-	-	-	21.5	16.3
Amount due to a jointly controlled entity	23	4.5	2.3	-	-	-
Short term borrowings	36	1,581.7	852.5	442.3	-	-
Derivative financial instruments	41	4.2	-	-	-	-
Taxation		218.6	199.4	251.1	32.5	29.8
		5,907.8	3,436.1	2,205.6	78.0	65.9
Total Liabilities		19,567.6	17,788.6	9,037.3	2,541.6	2,558.3
Total Equity and Liabilities		49,014.1	43,501.0	30,450.7	10,558.9	10,265.2
NET ASSETS PER SHARE		RM4.18	RM3.76	RM3.37		

STATEMENTS OF CHANGES IN EQUITY

for the Financial Year Ended 31 December 2010

Amounts in RM million unless otherwise stated

Attributable to equity holders of the Company												
<div> <div>Non-Distributable</div> <div>Cash</div> <div>Flow</div> <div>Reserve on</div> <div>Exchange</div> <div>Differences</div> </div>												
Group	Note	Share Capital	Share Premium	Revaluation Reserve	Fair Value Reserve	Hedge Reserve	Retained Earnings	Treasury Shares	Total	Minority Interests	Total Equity	
At 1 January 2010												
As previously reported		370.5	1,155.0	302.7	432.0	-	(223.1)	11,893.0	(43.0)	13,887.1	11,825.3	25,712.4
Effects of adopting FRS 139 (Note 2(b))		-	-	-	0.2	(116.1)	0.1	(90.6)	-	(206.4)	(179.7)	(386.1)
As restated balance		370.5	1,155.0	302.7	432.2	(116.1)	(223.0)	11,802.4	(43.0)	13,680.7	11,645.6	25,326.3
Profit for the financial year		-	-	-	-	-	2,203.0	-	2,203.0	1,207.7	3,410.7	
Other comprehensive income/(loss)		-	-	13.0	647.7	99.8	(964.6)	1.0	(203.1)	664.7	461.6	
Total comprehensive income/(loss) for the year		-	-	13.0	647.7	99.8	(964.6)	2,204.0	-	1,999.9	1,872.4	3,872.3
Transfer due to realisation of revaluation reserve		-	-	(0.6)	-	-	0.6	-	-	-	-	-
Transactions with owners:												
Effects arising from changes in composition of the Group		-	-	-	-	-	-	-	-	795.4	795.4	
Effects of share-based payment		-	-	-	-	-	-	-	-	34.9	34.9	
Effects of issue of shares by subsidiaries		-	-	-	-	-	0.1	-	0.1	37.2	37.3	
Total changes in ownership interests in subsidiaries that do not result in loss of control		-	-	-	-	-	0.1	-	0.1	867.5	867.6	
Issue of shares		0.9	24.1	-	-	-	-	-	25.0	-	25.0	
Buy-back of shares		-	-	-	-	-	-	(0.2)	(0.2)	(103.5)	(103.7)	
Dividend paid to minority shareholders		-	-	-	-	-	-	-	-	(333.0)	(333.0)	
Appropriation: Final dividend paid for financial year ended 31 December 2009 (4.2 sen less 25% income tax)	14	-	-	-	-	-	(116.4)	-	(116.4)	-	(116.4)	
Interim dividend paid for financial year ended 31 December 2010 (3.3 sen less 25% income tax)	14	-	-	-	-	-	(91.6)	-	(91.6)	-	(91.6)	
Total contributions by and distributions to owners		0.9	24.1	-	-	-	(208.0)	(0.2)	(183.2)	(436.5)	(619.7)	
Total transaction with owners		0.9	24.1	-	-	-	(207.9)	(0.2)	(183.1)	431.0	247.9	
Balance as at 31 December 2010		371.4	1,179.1	315.1	1,079.9	(16.3)	(1,187.6)	13,799.1	(43.2)	15,497.5	13,949.0	29,446.5

STATEMENTS OF CHANGES IN EQUITY (cont'd)

for the Financial Year Ended 31 December 2010

Amounts in RM million unless otherwise stated

Group	Note	Attributable to equity holders of the Company									
		Share Capital	Share Premium	Revaluation Reserve	Fair Value Reserve	Non-Distributable Reserve on Exchange Differences	Retained Earnings	Treasury Shares	Total	Minority Interests	Total Equity
At 1 January 2009		370.4	1,152.1	303.4	-	(397.0)	11,055.4	(42.3)	12,442.0	8,971.4	21,413.4
Profit for the financial year		-	-	-	-	-	1,044.3	-	1,044.3	738.5	1,782.8
Other comprehensive income/(loss)		-	-	-	432.0	173.9	(5.2)	-	600.7	619.2	1,219.9
Total comprehensive income for the year		-	-	-	432.0	173.9	1,039.1	-	1,645.0	1,357.7	3,002.7
Transactions with owners:											
Effects arising from changes in composition of the Group		-	-	-	-	-	-	-	-	143.1	143.1
Effects of share-based payment		-	-	-	-	-	-	-	-	28.8	28.8
Effects of issue of shares by subsidiaries		-	-	-	-	-	(9.6)	-	(9.6)	1,697.5	1,687.9
Total changes in ownership interests in subsidiaries that do not result in loss of control		-	-	-	-	-	(9.6)	-	(9.6)	1,869.4	1,859.8
Issue of shares		0.1	2.9	-	-	-	-	-	3.0	-	3.0
Buy-back of shares		-	-	-	-	-	-	(0.7)	(0.7)	(63.6)	(64.3)
Dividend paid to minority shareholders		-	-	-	-	-	-	-	-	(310.4)	(310.4)
Others		-	-	(0.7)	-	-	2.1	-	1.4	0.8	2.2
Appropriation:											
Final dividend paid for financial year ended 31 December 2008 (4.0 sen less 25% income tax)		-	-	-	-	-	(110.9)	-	(110.9)	-	(110.9)
Interim dividend paid for financial year ended 31 December 2009 (3.0 sen less 25% income tax)	14	-	-	-	-	-	(83.1)	-	(83.1)	-	(83.1)
Total contributions by and distributions to owners		0.1	2.9	(0.7)	-	-	(191.9)	(0.7)	(190.3)	(373.2)	(563.5)
Total transaction with owners		0.1	2.9	(0.7)	-	-	(201.5)	(0.7)	(199.9)	1,496.2	1,296.3
Balance at 31 December 2009		370.5	1,155.0	302.7	432.0	(223.1)	11,893.0	(43.0)	13,887.1	11,825.3	25,712.4

STATEMENTS OF CHANGES IN EQUITY (cont'd)

for the Financial Year Ended 31 December 2010

Amounts in RM million unless otherwise stated

Company	Note	Distributable				Total
		Share Capital	Share Premium	Retained Earnings	Treasury Shares	
At 1 January 2010		370.5	1,155.0	6,224.4	(43.0)	7,706.9
Profit for the financial year		-	-	493.6	-	493.6
Transactions with owners:						
Issue of shares (see Note 33)		0.9	24.1	-	-	25.0
Buy-back of shares		-	-	-	(0.2)	(0.2)
Appropriation:						
Final dividend paid for financial year ended 31 December 2009 (4.2 sen less 25% income tax)	14	-	-	(116.4)	-	(116.4)
Interim dividend paid for financial year ended 31 December 2010 (3.3 sen less 25% income tax)	14	-	-	(91.6)	-	(91.6)
Total transactions with owners		0.9	24.1	(208.0)	(0.2)	(183.2)
Balance at 31 December 2010		371.4	1,179.1	6,510.0	(43.2)	8,017.3
At 1 January 2009		370.4	1,152.1	5,694.2	(42.3)	7,174.4
Profit for the financial year		-	-	724.2	-	724.2
Transactions with owners:						
Issue of shares (see Note 33)		0.1	2.9	-	-	3.0
Buy-back of shares		-	-	-	(0.7)	(0.7)
Appropriation:						
Final dividend paid for financial year ended 31 December 2008 (4.0 sen less 25% income tax)		-	-	(110.9)	-	(110.9)
Interim dividend paid for financial year ended 31 December 2009 (3.0 sen less 25% income tax)	14	-	-	(83.1)	-	(83.1)
Total transactions with owners		0.1	2.9	(194.0)	(0.7)	(191.7)
Balance at 31 December 2009		370.5	1,155.0	6,224.4	(43.0)	7,706.9

STATEMENTS OF CASH FLOWS

for the Financial Year Ended 31 December 2010

Amounts in RM million unless otherwise stated

	Group		Company	
	2010	2009	2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before taxation	4,394.3	2,528.4	686.6	908.6
Adjustments for:				
Net impairment loss/(reversal of impairment loss)	1,554.4	157.0	(24.6)	10.8
Depreciation and amortisation	1,191.7	699.6	1.3	1.2
Finance cost	723.9	261.4	134.6	73.7
Impairment loss on receivables	242.2	10.0	-	-
Loss on discontinuance of cash flow hedge accounting using interest rate swaps	145.4	-	-	-
Net bad debts written off/(recovered)	62.3	(7.7)	-	-
Property, plant and equipment ("PPE") written off	59.6	2.2	-	-
PPE written down	54.7	-	-	-
Provision for share-based payment	34.7	23.3	-	-
Net provision for retirement gratuities	33.1	26.8	9.6	7.5
Share of results in jointly controlled entities	8.8	22.1	-	-
Fair value adjustment of long term receivables net of interest accretion	5.8	-	-	-
Net fair value loss on financial assets at fair value through profit or loss	3.5	-	-	-
Net loss on disposal of PPE and plantation development	0.2	0.1	-	-
Additional compensation arising from acquisition of freehold land	(0.7)	(2.6)	-	-
Dividend income	(5.2)	(0.5)	(257.5)	(244.1)
Net gain on disposal of available-for-sale financial assets	(19.5)	-	-	-
Net gain on disposal of subsidiaries	(26.6)	-	-	-
Net gain on disposal of short term investments	-	(37.3)	-	-
Investment income	(46.9)	(24.5)	(1.0)	-
Net fair value gain on derivative financial instruments	(64.0)	-	-	-
Share of results in associates	(66.5)	(42.5)	-	-
Net unrealised exchange (gain)/loss	(79.3)	(11.8)	(1.7)	0.8
Interest income	(158.5)	(124.9)	(55.4)	(54.9)
Net gain from Deferred Consideration	(413.6)	-	-	-
Net (gain)/loss on disposal/dilution of shareholdings arising from				
- Bond conversion	(436.3)	(33.0)	-	-
- Others	(5.3)	1.7	-	(213.3)
Net gain on disposal of land held for property development	-	(2.9)	-	-
Net write-back of diminution in value of investments	-	(22.7)	-	-
Waiver of amounts due by subsidiaries	-	-	-	1.0
(Reversal of)/provision for contingent losses	-	-	10.2	(2.3)
Other non-cash items	18.6	3.7	-	-
	2,816.5	897.5	(184.5)	(419.6)
Operating profit before changes in working capital	7,210.8	3,425.9	502.1	489.0
Working capital changes:				
Property development costs	40.6	11.1	-	-
Inventories	(148.7)	(10.6)	-	-
Receivables	(1,566.7)	(276.7)	-	-
Payables	1,509.9	223.0	4.2	3.2
Amounts due from jointly controlled entities	-	(1.9)	-	-
Amounts due to jointly controlled entities	2.2	2.2	-	-
Amounts due from subsidiaries	-	-	(11.7)	8.7
	(162.7)	(52.9)	(7.5)	11.9
Cash generated from operations	7,048.1	3,373.0	494.6	500.9
Taxation paid	(805.2)	(863.3)	(127.8)	(130.3)
Payment of retirement gratuities and other provision	(3.5)	(7.8)	-	(0.1)
Advance membership fees	(2.9)	0.6	-	-
Taxation refund	45.2	49.3	-	-
	(766.4)	(821.2)	(127.8)	(130.4)
NET CASH FLOW FROM OPERATING ACTIVITIES	6,281.7	2,551.8	366.8	370.5

STATEMENTS OF CASH FLOWS (cont'd)

for the Financial Year Ended 31 December 2010

Amounts in RM million unless otherwise stated

	Group		Company	
	2010	2009	2010	2009
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of PPE	(3,584.6)	(5,205.1)	(3.2)	(0.6)
Purchase of intangible assets	(1,293.1)	(48.8)	-	-
Purchase of investments	(642.7)	(949.6)	(253.6)	(1,776.3)
Exploration cost incurred	(229.9)	(79.8)	-	-
Purchase of plantation development	(162.0)	(92.8)	-	-
Purchase of additional shares from minority shareholders	(62.1)	-	-	-
Investment in associates	(41.5)	(10.0)	-	-
Investment in jointly controlled entities	(23.3)	-	-	-
Purchase of leasehold land use rights	(7.1)	(23.5)	-	-
Costs incurred on land held for property development	(4.9)	(7.3)	-	-
Acquisition of subsidiaries *	(5.6)	(6.8)	-	-
Proceeds from disposal of PPE and plantation development	2.2	6.5	0.1	-
Return of foreign subsidiary's shareholders' loan	4.0	-	-	-
Dividends received	5.2	0.4	193.2	185.8
Dividends received from associates	4.1	2.6	-	-
Investment income received	37.8	17.8	0.9	-
Proceeds from disposal of subsidiaries	86.3	-	-	-
Interest received	155.8	123.0	13.1	8.7
Proceeds from disposal of investments	268.4	573.5	-	228.6
Proceeds from Deferred Consideration	429.3	-	-	-
Proceeds from disposal of land held for property development	-	7.5	-	-
Net repayment of advances by subsidiaries	-	-	-	43.0
Net advances to subsidiaries	-	-	(37.7)	-
NET CASH USED IN INVESTING ACTIVITIES	(5,063.7)	(5,692.4)	(87.2)	(1,310.8)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	(1,902.4)	(2,131.4)	-	-
Restricted cash (deposit pledged as security for short term bank borrowings)	(636.6)	-	-	-
Finance cost paid	(603.5)	(412.3)	(76.5)	(10.2)
Dividends paid to minority shareholders	(333.0)	(310.4)	-	-
Dividends paid	(208.0)	(194.0)	(208.0)	(194.0)
Settlement of interest rate swaps	(168.9)	-	-	-
Buy-back of shares	(128.2)	(80.7)	(0.2)	(0.7)
Net proceeds from issue of shares	25.0	3.0	25.0	3.0
Proceeds from issue of Medium Term Notes	149.4	1,450.0	-	-
Proceeds from issue of shares to minority shareholders	31.1	1,689.6	-	-
Proceeds from bank borrowings	3,092.7	8,183.6	-	-
Borrowings from subsidiaries	-	-	38.5	1,407.6
Others	(52.7)	-	-	-
NET CASH FLOWS (USED IN)/FROM FINANCING ACTIVITIES	(735.1)	8,197.4	(221.2)	1,205.7
NET INCREASE IN CASH AND CASH EQUIVALENTS	482.9	5,056.8	58.4	265.4
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	14,392.6	9,303.3	574.9	310.3
EFFECT OF CURRENCY TRANSLATION	(327.0)	32.5	(2.7)	(0.8)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	14,548.5	14,392.6	630.6	574.9
ANALYSIS OF CASH AND CASH EQUIVALENTS				
Bank balances and deposits (see Note 32)	12,772.7	11,475.6	290.9	126.8
Money market instruments (see Note 32)	1,775.8	2,917.0	339.7	448.1
	14,548.5	14,392.6	630.6	574.9

STATEMENTS OF CASH FLOWS (cont'd)

for the Financial Year Ended 31 December 2010

* ANALYSIS OF THE ACQUISITION OF SUBSIDIARIES

Fair value of net assets acquired and net cash outflow on acquisition of subsidiaries by Genting Plantations Berhad ("GENP") Group, which is 54.6% owned by the Company, are analysed as follows:-

	Acquisition of		
	SGSI-Asiatic Limited ("SAL") (a)	PT Surya Agro Palma ("PTSAP") (b)	TOTAL
Plantation development	-	(0.4)	(0.4)
Leasehold land use rights	-	(31.3)	(31.3)
Intangible assets	(51.7)	-	(51.7)
Other receivables	-	(0.1)	(0.1)
Cash and bank balances	(0.3)	(0.3)	(0.6)
Other payables	0.1	0.1	0.2
Minority interests	-	11.6	11.6
Net assets acquired at date of acquisition	(51.9)	(20.4)	(72.3)
Less:			
Carrying amount of GENP Group's equity interest in SAL as jointly controlled entity prior to the Group acquiring control of SAL	1.8	-	1.8
Asset revaluation surplus arising from the recognition of the fair value of net assets on GENP Group's existing 50% equity interest in SAL	23.7	-	23.7
Total purchase consideration settled by way of issuance of shares in ACGT Sdn Bhd ("ACGT")	25.6	-	25.6
Other direct costs payable related to the acquisition	-	15.0	15.0
Cost of acquisition paid**	(0.8)	(5.4)	(6.2)
Less: Cash and bank balances acquired	0.3	0.3	0.6
Net cash outflow on acquisition of subsidiaries	(0.5)	(5.1)	(5.6)
Purchase consideration settled in cash for subscription of shares	-	(0.2)	(0.2)
Other direct costs related to acquisition settled in cash	(0.8)	(5.2)	(6.0)
**Cost of acquisition paid	(0.8)	(5.4)	(6.2)

- (a) This acquisition relates to a Subscription and Shareholders' Agreement ("SSA") between GENP, ACGT Sdn Bhd ("ACGT"), a 92% owned subsidiary of GENP, Synthetic Genomics, Inc ("SGI") and Green Resources LLC ("GRL") as announced by GENP on 11 June 2010.

Pursuant to the SSA, GRL has subscribed for 15,043,478 new ordinary shares of RM 1.00 each in ACGT, representing 8% of the enlarged issued and paid up share capital of ACGT, in exchange for GRL's 50% shareholding in SAL comprising 25,000 ordinary shares of USD2 each in SAL to ACGT for a consideration of RM25.6 million. SAL was jointly and equally held by Degan Limited, a wholly owned subsidiary of ACGT, and GRL prior to the completion of the aforesaid subscription.

GENP Group has completed the purchase price allocation exercise on the above acquisition and has accounted for the fair value adjustments accordingly.

- (b) This relates to the completion of acquisition of the 70% equity interest in PT Surya Agro Palma ("PTSAP") as announced by GENP on 5 February 2010. Sanggau Holdings Pte Ltd ("SAH"), an indirect wholly owned subsidiary of GENP, had on 5 February 2010 entered into a joint venture agreement ("JVA") with Palma Citra Investama Pte Ltd and PT Sawit Mandira to develop approximately 17,500 hectares of agricultural land (based on Izin Lokasi or Location Permit) into oil palm plantation in Kecamatan Toba, Kabupaten Sanggau, Provinsi Kalimantan Barat, Republic of Indonesia. PTSAP, the Joint Venture Company, had on 20 December 2010 received the acknowledgement of the Minister of Law and Human Rights effective from 17 December 2010 for the subscription by SAH of 700 ordinary shares of Rp1,000,000 each in PTSAP representing 70% of PTSAP's enlarged issued and paid-up share capital for a cash consideration of Rp700,000,000. Accordingly, the subscription of shares was completed on 17 December 2010 resulting in PTSAP becoming an indirect subsidiary of GENP. No goodwill arose from this acquisition.

The revenue and net loss of the above acquired subsidiaries included in the consolidated income statement of the GENP Group for the period from the dates of acquisition to 31 December 2010 amounted to Nil and RM42,000 respectively. Had the acquisitions taken effect on 1 January 2010, the revenue and net loss of the above acquired subsidiaries included in the consolidated income statement of the GENP Group would be Nil and RM200,000 respectively. These amounts have been calculated using the Group's accounting policies.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2010

Amounts in RM million unless otherwise stated

1. CORPORATE INFORMATION

Genting Berhad ("the Company") is a public limited liability company incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office of the Company is 24th Floor, Wisma Genting, Jalan Sultan Ismail, 50250 Kuala Lumpur.

The Company is principally an investment holding and management company.

The principal activities of the subsidiaries include leisure and hospitality, gaming and entertainment businesses, development and operation of integrated resort, plantation, the generation and supply of electric power, property development and management, tours and travel related services, genomics research and development, investments and oil and gas exploration and development activities.

The principal activities of the associates include the generation and supply of electric power, resort, property investment, property development, provision of financial services and licensing of trade marks.

Details of the principal activities of the subsidiaries, jointly controlled entities and associates are set out in Note 48 to the financial statements.

There have been no significant changes in the nature of the activities of the Group and of the Company during the financial year, other than the cessation of oil and gas production activity, upon disposal of a subsidiary company on 10 December 2010.

2. BASIS OF PREPARATION

The financial statements of the Group and the Company have been prepared in accordance with and comply with Financial Reporting Standards ("FRS"), the Malaysian Accounting Standards Board ("MASB") Approved Accounting Standards in Malaysia for Entities Other Than Private Entities and the provisions of the Companies Act, 1965. The financial statements have been prepared on a historical cost basis, except as disclosed in the significant accounting policies below.

The preparation of financial statements in conformity with FRS and the provisions of the Companies Act, 1965 requires the Directors to make judgements, estimations and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported financial year. It also requires Directors to exercise their judgements in the process of applying the Company's accounting policies. Although these judgements and estimations are based on Directors' best knowledge of current events and actions, actual results could differ from those judgements and estimations.

(a) Judgements and estimations

In the process of applying the Group's accounting policies, management makes judgements and estimations that can significantly affect the amount recognised in the financial statements. These judgements and estimations include:

(i) Income taxes

The Group is subject to income taxes in numerous jurisdictions in which the Group operates. Significant

judgement is required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for tax based on estimates of assessment of the tax liability due. The Group also recognised certain tax recoverables for which the Group believes that there is reasonable basis for recognition. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions and tax recoverable balance in the period in which such determination is made.

(ii) Exploration costs

Exploration cost is accounted for in accordance with the full cost method. Under this method, all costs relating to the exploration activities are capitalised when incurred.

Exploration cost is written off to the income statement when:

- it is determined that further exploration activities will not yield commercial quantities of reserves, no further exploration drilling is planned and there is no existing production in the block or field; or
- the petroleum contract has expired or is surrendered.

In making decisions about whether to continue to capitalise exploration drilling costs, it is necessary to make judgements about the satisfaction of the above conditions after technical, commercial and management reviews. The Group is committed to continue exploring and developing these interests.

The Group decided not to proceed with further exploration work on one of the Group's oil and gas projects during the current financial year and consequently, capitalised costs of RM33.1 million were charged out to the income statement and recognised as impairment loss.

(iii) Impairment of intangible assets and property, plant and equipment

The Group tests intangible assets for impairment annually in accordance with its accounting policy. The calculations require the use of estimates as set out in Note 20.

The Group recognised impairment loss on property, plant and equipment as set out in Note 15.

(iv) Impairment of Available-for-sale financial asset

During the current financial year, the Group reviewed its investment in Walker Digital Gaming, LLC ("WDG") for potential impairment, in view of WDG's shift in its business and operational strategies to penetrate the competitive gaming equipment market. This shift in strategy resulted in a re-assessment of the Group's current carrying value of its investment in WDG. Consequently, an impairment loss of RM108.0 million, being the excess of the carrying value over the recoverable amount, has been charged to the profit or loss during the financial year ended 31 December 2010.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

2. BASIS OF PREPARATION (cont'd)

(iv) Impairment of Available-for-sale financial asset (cont'd)

The recoverable amount was determined based on value in use ("VIU") calculation. The key assumptions used for the VIU calculation include:

No. of financial years projected	10 years
Growth rate	1%
Discount rate	15%

The discount rate used is assumed to reflect specific risks relating to the relevant industries. If the discount rate used is 1% lower with all other variables being held constant, the impairment for the Group will be lower by RM9.2 million. If the discount rate used is 1% higher with all other variables being held constant, the impairment loss for the Group will be higher by RM7.3 million.

(b) Standards, amendments to published standards and interpretations that are effective

The new accounting standards, amendments and improvements to published standards and interpretations that are effective for the Group and Company's financial year beginning on or after 1 January 2010 are as follows:

- FRS 4 "Insurance Contract"
- FRS 7 "Financial Instruments: Disclosures" and the related Amendments
- FRS 8 "Operating Segments"
- FRS 101 (revised) "Presentation of Financial Statements"
- FRS 123 "Borrowing Costs"
- FRS 139 "Financial Instruments: Recognition and Measurement" and the related Amendments
- Amendment to FRS 1 "First-time Adoption of Financial Reporting Standards" and FRS 127 "Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate"
- Amendment to FRS 2 "Share-based Payment: Vesting Conditions and Cancellations"
- Amendments to FRS 132 "Financial Instruments: Presentation" and FRS 101 (revised) "Presentation of Financial Statements" - Puttable financial instruments and obligations arising on liquidation
- IC Interpretation 9 "Reassessment of Embedded Derivatives" and the related Amendments
- IC Interpretation 10 "Interim Financial Reporting and Impairment"
- IC Interpretation 11 "FRS 2 Group and Treasury Share Transactions"
- IC Interpretation 13 "Customer Loyalty Programmes"
- IC Interpretation 14 "FRS 119 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction"
- Improvements to FRSs (2009)

The adoption of these new FRSs, amendments and interpretations do not have any effect on the financial performance or financial position of the Group and Company except for those discussed below:

Revised FRS 101 "Presentation of Financial Statements"

The revised standard prohibits the presentation of items of income and expenses (that is, 'non-owner changes in equity') in the statement of changes in equity, requiring 'non-owner changes in equity' to be presented separately from owner changes in equity in a statement of comprehensive income which can be presented as a single statement or two statements (comprising the income statement and statement of comprehensive income). The Group has elected to present the statement of comprehensive income in two statements. As a result, the Group has presented all owner changes in equity in the consolidated statement of changes in equity whilst all non-owner changes in equity have been presented in the consolidated statement of comprehensive income. Certain comparative figures have been reclassified to conform with the current year's presentation. There is no impact on the earnings per share since these changes affect only the presentation of items of income and expenses.

FRS 7 "Financial Instruments: Disclosures"

Prior to 1 January 2010, information about financial instruments was disclosed in accordance with the requirements of FRS 132 "Financial Instruments: Disclosure and Presentation". FRS 7 introduces new disclosures to improve the information about financial instruments. It requires the disclosure of qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk, including sensitivity analysis to market risk.

The Group and the Company have applied FRS 7 prospectively in accordance with the transitional provisions. Hence, the new disclosures have not been applied to the comparatives. The new disclosures are included throughout the Group's and the Company's financial statements for the year ended 31 December 2010. As the change in accounting policy only results in additional disclosures, there is no impact on earnings per share.

FRS 8 "Operating Segments"

Prior to the adoption of FRS 8, the Group's segment reporting was based on a primary reporting format of business segments. With the adoption of FRS 8, the segments are reported in a manner that is more consistent with the internal reporting provided to the chief operating decision maker. Certain comparative figures have been reclassified to conform with the current year's presentation. As the change in accounting policy only impacts the presentation aspects, there is no impact on earnings per share.

Amendment to FRS 117 "Leases"

Prior to the adoption of the Amendment to FRS 117, leasehold lands were treated as operating leases. The considerations paid were classified and presented as leasehold land use rights in the statement of financial position. With the adoption of the Amendment to FRS 117, the classification of a leasehold land as a finance lease or an operating lease is based on the extent to which risks and rewards incidental to ownership lie. Accordingly, the Group has reclassified certain leasehold lands to property, plant and equipment and investment properties. This change in classification has no effect on the results of the Group. The reclassification has been accounted for retrospectively in accordance with the transitional provision and certain comparative balances have been restated.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

2. BASIS OF PREPARATION (cont'd)

(b) Standards, amendments to published standards and interpretations that are effective (cont'd)

Amendment to FRS 116 "Property, Plant and Equipment" and Amendment to FRS 140 "Investment Property"

Prior to the adoption of the Amendment to FRS 116 and Amendment to FRS 140, properties that were being constructed or developed for future use as investment properties were treated as construction-in-progress and classified as property, plant and equipment. With the adoption of the Amendment to FRS 116 and the Amendment to FRS 140, such properties are treated as investment property in accordance with FRS 140. The comparatives have been restated to conform with current year's presentation.

The effects of the reclassification to the comparatives following the adoption of the Amendments to FRS 117, FRS 116 and FRS 140 as mentioned above are as follows:

	As previously reported	Effects of Amendments to FRS 116 and FRS 140	Effects of Amendment to FRS 117	As restated
As at 31 December 2009				
Leasehold land use rights	1,902.4	-	(1,787.4)	115.0
Investment properties	25.1	2.5	44.2	71.8
Property, plant and equipment	16,450.0	(2.5)	1,743.2	18,190.7
As at 1 January 2009				
Leasehold land use rights	1,850.9	-	(1,782.8)	68.1
Investment properties	26.0	2.5	44.7	73.2
Property, plant and equipment	10,691.6	(2.5)	1,738.1	12,427.2

IC Interpretation 13 "Customer Loyalty Programmes"

Award points accumulated by customers are treated as a separately identifiable component of the sales transactions in which they are awarded. Part of the revenue received or receivable is allocated to these points based on their fair value taking into account an estimated utilisation rate. The revenue attributed to the awarded points is deferred as a liability at the date of the initial sales transactions and only recognised when the points are redeemed.

Prior to the adoption of IC Interpretation 13, the revenue attributed to the awarded points is deferred as a liability at the date of the initial sales transactions based on cost per point. With the adoption of IC Interpretation 13, the fair value of the consideration received from the initial sales transactions is allocated between the award points and other components of the sale such that the award points are recognised at their fair value. Compared with the cost method applied as at 31 December 2009, the adoption of IC Interpretation 13 had no material impact on the prior year's financial statements of the Group and therefore, the impact is reflected in the current financial year ended 31 December 2010.

FRS 139 : Financial Instruments : Recognition and Measurement

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables and available-for-sale. The classification depends on the nature of the asset and the purpose for which the asset was acquired. Management determines the classification of its financial assets at initial recognition. Set out below are the major changes in classification of financial assets of the Group:

(i) Available-for-sale financial assets

Non-current investments, previously measured at cost and subject to impairment, are now classified as available-for-sale financial assets. These are initially measured at fair value

plus transaction costs and subsequently, at fair value. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date.

Changes in the fair values of available-for-sale debt securities denominated in foreign currencies are analysed into currency translation differences on the amortised cost of the securities and other changes; the currency translation differences are recognised in profit or loss and the other changes are recognised in other comprehensive income. If there is any objective evidence of impairment, the cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss previously recognised in profit or loss, is removed from equity and recognised in profit or loss. If, in a subsequent period, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through profit or loss.

Changes in fair values of available-for-sale equity securities are recognised in other comprehensive income, together with the related currency translation differences. A significant or prolonged decline in the fair value of the security below its cost is considered as an indicator that the asset is impaired. If any such evidence exists, the cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss previously recognised in profit or loss, is removed from equity and recognised in profit or loss. Impairment losses recognised in profit or loss on equity instruments classified as available-for-sale are reversed through other comprehensive income and not through profit or loss.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in other comprehensive income are included in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

2. BASIS OF PREPARATION (cont'd)

(b) Standards, amendments to published standards and interpretations that are effective (cont'd)

(ii) Loans and receivables

Non-current receivables, previously measured at invoiced amount and subject to impairment, are now classified as loans and receivables and measured at fair value plus transaction costs initially and subsequently, at amortised cost using the effective interest method.

When loans and receivables are impaired, the carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. Impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the asset's original effective interest rate.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

(iii) Fair value through profit or loss

This category has two sub-categories: financial assets held for trading and those designated at fair value through profit or loss on initial recognition. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management.

Derivatives are also categorised as held for trading unless they are designated as hedges.

Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the reporting date.

(iv) Derivative financial instruments

Prior to 1 January 2010, derivative financial instruments were not recognised in the financial statements. With the adoption of FRS 139, derivative financial instruments are initially recognised at fair value on the date the derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Group designates certain derivatives as either:

- (a) hedges of the fair value of recognised liabilities (fair value hedge);
- (b) hedges of a particular risk associated with a recognised liability or a highly probable forecast transaction (cash flow hedge); or
- (c) hedges of a net investment in a foreign operation (net investment hedge).

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the profit or loss within fair value gains/(losses) on derivative financial instruments.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the profit or loss within fair value gains/(losses) on derivative financial instruments.

The fair value changes on the effective portion of interest rate swaps designated as cash flow hedges and accounted for under hedge accounting are recognised in the hedging reserve and transferred to 'Finance Cost' in the profit or loss when the interest expense on the borrowings is recognised in the profit or loss. The fair value changes on the ineffective portion of the interest rate swaps accounted for under hedge accounting are recognised immediately in the profit or loss. The fair value changes for interest rate swaps not accounted for under hedge accounting methods are recognised directly in the profit or loss.

The carrying amount of the derivative designated as a hedge is presented as a non-current asset or liability if the remaining expected life of the hedged item is more than 12 months, and as a current asset or liability if the remaining expected life of the hedged item is less than 12 months.

The fair value of the derivative financial instrument component embedded in the convertible bonds is determined at issuance of the convertible bonds with the residual amount being allocated to the value of the liability component of the bond. The derivative financial instrument component is remeasured at each accounting date. Resulting gains or losses arising from subsequent fair value remeasurements of derivative financial instruments are taken to the profit or loss. The fair values of derivative financial instruments are determined by using valuation techniques with assumptions mainly based upon market conditions at each reporting date.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

2. BASIS OF PREPARATION (cont'd)

(b) Standards, amendments to published standards and interpretations that are effective (cont'd)

In accordance with the transitional provisions for first time adoption of FRS 139, the above changes in accounting policy have been accounted for prospectively and the comparatives are not restated. The effects arising from the adoption of FRS 139, other than those disclosed in the statements of changes in equity, is set out below:

	As previously reported	Effects of adopting FRS 139	After effects of adopting FRS 139
Group			
Balances as at 1 January 2010			
<u>Non-current assets</u>			
Plantation development	650.4	(0.8)	649.6
Jointly controlled entities	52.1	(10.9)	41.2
Financial assets at fair value through profit or loss	-	4.3	4.3
Available-for-sale financial assets	1,270.1	715.8	1,985.9
Other non-current assets	-	228.4	228.4
Other long term investments	681.0	(681.0)	-
Long term receivables	239.5	(239.5)	-
<u>Current assets</u>			
Trade and other receivables	977.0	(5.5)	971.5
Financial assets at fair value through profit or loss	-	28.5	28.5
Available-for-sale financial assets	-	287.7	287.7
Short term investments	314.1	(314.1)	-
<u>Non-current liabilities</u>			
Long term borrowings	12,659.5	(86.0)	12,573.5
Derivative financial instruments	-	68.3	68.3
Other non-current liabilities	261.5	(0.9)	260.6
Deferred tax liabilities	1,307.9	3.2	1,311.1
<u>Current Liabilities</u>			
Trade and other payables	2,381.9	(1.3)	2,380.6
Derivative financial instruments	-	415.7	415.7
<u>Equity</u>			
Retained earnings	11,893.0	(90.6)	11,802.4
Fair value reserve	432.0	0.2	432.2
Cash flow hedge reserve	-	(116.1)	(116.1)
Reserve on exchange differences	(223.1)	0.1	(223.0)
Minority interests	11,825.3	(179.7)	11,645.6

The following are effects arising from the above changes in accounting policies for the financial year ended 31 December 2010:

	Increase/ (Decrease) FRS 139
Group	
Net fair value gain on derivative financial instruments	64.0
Net fair value loss on financial assets at fair value through profit or loss	(3.5)
Other comprehensive income/(loss)	
- Cash flow hedges	(141.6)
- Available-for-sale financial assets	308.0
- Share of other comprehensive income of jointly controlled entities	7.5
- Share of other comprehensive income of associates	6.0
Basic earnings per share (sen)	0.80

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

2. BASIS OF PREPARATION (cont'd)

(c) Standards, amendments to published standards and interpretation to existing standards that are applicable to the Group but not yet effective

The following new and revised standards, interpretations and amendments to standards have been published and are mandatory for the Group's accounting periods beginning on or after 1 January 2011 or later periods, but the Group has not early adopted them:

- The revised FRS 3 "Business combinations" (effective prospectively from 1 July 2010) continues to apply the acquisition method to business combinations, with some significant changes. For example, all payments to purchase a business are to be recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently re-measured through profit or loss. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs should be expensed. The Group will apply FRS 3 (revised) prospectively to all business combinations from 1 January 2011.
- The revised FRS 124 "Related party disclosures" (effective from 1 January 2012) removes the exemption to disclose transactions between government-related entities and the government, and all other government-related entities. The following new disclosures are now required for government related entities:
 - The name of the government and the nature of their relationship;
 - The nature and amount of each individually significant transactions; and
 - The extent of any collectively significant transactions, qualitatively or quantitatively.

It is not expected to have a material impact on the earnings per share since these changes only result the additional disclosures.

- The revised FRS 127 "Consolidated and separate financial statements" (applies prospectively to transactions with non-controlling interests from 1 July 2010) requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. When this standard is effective, all earnings and losses of the subsidiary are attributed to the parent and the non-controlling interest, even if the attribution of losses to the non-controlling interest results in a debit balance in the shareholders' equity. Profit or loss attribution to non-controlling interests for prior years is not restated. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is re-measured to fair value, and a gain or loss is recognised in profit or loss. It is not expected to have a material impact on the Group's financial statements.

- Amendment to FRS 2 "Share-based payment: Group cash-settled share-based payment transactions" (effective from 1 January 2011) clarifies that an entity that receives goods or services in a share-based payment arrangement must account for those goods or services no matter which entity in the group settles the transaction, and no matter whether the transaction is settled in shares or cash. The amendments also incorporate guidance previously included in IC Interpretation 8 "Scope of FRS 2" and IC Interpretation 11 "FRS 2 – group and treasury share transactions", which shall be withdrawn upon application of this amendment. It is not expected to have a material impact on the Group's financial statements.
- Amendments to FRS 7 "Financial instruments: Disclosures" and FRS 1 "First-time adoption of financial reporting standards" (effective from 1 January 2011) requires enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy. The Group and Company will apply Amendments to FRS 7 from 1 January 2011. It is not expected to have a material impact on earnings per share since these changes only result in the additional disclosures.
- Amendment to FRS 132 "Financial instruments: Presentation" on classification of rights issues (effective from 1 March 2010) addresses accounting for rights issues that are denominated in a currency other than the functional currency of the issuer. Provided certain conditions are met, such rights issues are now classified as equity instruments instead of as derivative liabilities, regardless of the currency in which the exercise price is denominated. The Group and Company will apply Amendments to FRS 132 "Classification of Rights Issues" prospectively from 1 January 2011.
- IC Interpretation 4 "Determining whether an arrangement contains a lease" (effective from 1 January 2011) requires the Group to identify any arrangement that does not take the legal form of a lease, but conveys a right to use an asset in return for a payment or series of payments. This interpretation provides guidance for determining whether such arrangements are, or contain, leases. The assessment is based on the substance of the arrangement and requires assessment of whether the fulfillment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset. If the arrangement contains a lease, the requirements of FRS 117 "Leases" should be applied to the lease element of the arrangement. The Group is currently assessing the impact of this interpretation on the financial statements.
- IC Interpretation 12 "Service concession arrangements" (effective from 1 July 2010) applies to contractual arrangements whereby a private sector operator participates in the development, financing, operation and maintenance of infrastructure for public sector services. Depending on the contractual terms, this interpretation requires the operator to recognise a financial asset if it has an unconditional contractual right to receive cash or an intangible asset if it receives a right (license) to charge users of the public service. Some contractual terms may give rise to both a financial asset and an intangible asset. The Group has applied the transitional provision which exempts entities from disclosing the possible impact arising from the initial application of this interpretation on the financial statements of the Group.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

2. BASIS OF PREPARATION (cont'd)

(c) Standards, amendments to published standards and interpretation to existing standards that are applicable to the Group but not yet effective (cont'd)

- IC Interpretation 15 "Agreements for construction of real estates" (effective from 1 January 2012) supersedes FRS 201 "Property development activities" and clarifies that property development activities are sale of goods, instead of construction contracts. The Group will re-examine and, where applicable, retrospectively restate the revenue recognition for agreements that are in progress as at 1 January 2012 upon adoption of IC Interpretation 15.
- IC Interpretation 16 "Hedges of a net investment in a foreign operation" (effective from 1 July 2010) clarifies the accounting treatment in respect of net investment hedging. This includes the fact that net investment hedging relates to differences in functional currency, not presentation currency, and hedging instruments may be held by any entity in the group. The requirements of FRS 121 "The effects of changes in foreign exchange rates" do apply to the hedged item. It is not expected to have a material impact on the Group's and Company's financial statements.
- IC Interpretation 17 "Distribution of non-cash assets to owners" (effective from 1 July 2010) provides guidance on accounting for arrangements whereby an entity distributes non-cash assets to shareholders either as a distribution of reserves or as dividends. FRS 5 has also been amended to require that assets are classified as held for distribution only when they are available for distribution in their present condition and the distribution is highly probable. It is not expected to have a material impact on the Group's and Company's financial statements.
- IC Interpretation 18 "Transfers of assets from customers" (effective prospectively for assets received on or after 1 January 2011) provides guidance where an entity receives from a customer an item of property, plant and equipment (or cash to acquire such an asset) that the entity must then use to connect the customer to a network or to provide the customer with services. Where the transferred item meets the definition of an asset, the asset is recognised as an item of property, plant and equipment at its fair value. Revenue is recognised for each separate service performed in accordance with the recognition criteria of FRS 118 "Revenue". The Group and Company will apply this IC Interpretation prospectively from 1 January 2011.
- IC Interpretation 19 "Extinguishing financial liabilities with equity instruments" (effective from 1 July 2011) provides clarification when an entity renegotiates the terms of a financial liability with its creditor and the creditor agrees to accept the entity's shares or other equity instruments to settle the financial liability fully or partially. A gain or loss, being the difference between the carrying value of the financial liability and the fair value of the equity instruments issued, shall be recognised in profit or loss. Entities are no longer permitted to reclassify the carrying value of the existing financial liability into equity with no gain or loss recognised in profit or loss. It is not expected to have a material impact on the Group's or Company's financial statements.

- Amendments to IC Interpretation 14 "FRS 119 - The limit on a defined benefit assets, minimum funding requirements and their interaction" (effective from 1 July 2011) permits an entity to recognise the prepayments of contributions as an asset, rather than an expense in circumstances when the entity is subject to a minimum funding requirement and makes an early payment of contributions to meet those requirements. It is not expected to have a material impact on Group's or Company's financial statements.

Improvements to FRSs:

- FRS 2 (effective from 1 July 2010) clarifies that contributions of a business on formation of a joint venture and common control transactions are outside the scope of FRS 2.
- FRS 3 (effective from 1 January 2011)
 - Clarifies that the choice of measuring non-controlling interests at fair value or at the proportionate share of the acquiree's net assets applies only to instruments that represent present ownership interests and entitle their holders to a proportionate share of the net assets in the event of liquidation. All other components of non-controlling interest are measured at fair value unless another measurement basis is required by FRS.
 - Clarifies that the amendments to FRS 7, FRS 132 and FRS 139 that eliminate the exemption for contingent consideration, do not apply to contingent consideration that arose from business combinations whose acquisition dates precede the application of FRS 3 (2010). Those contingent consideration arrangements are to be accounted for in accordance with the guidance in FRS 3 (2005).
- FRS 5 "Non-current assets held for sale and discontinued operations" (effective from 1 July 2010) clarifies that all of a subsidiary's assets and liabilities are classified as held for sale if a partial disposal sale plan results in loss of control. Relevant disclosure should be made for this subsidiary if the definition of a discontinued operation is met.
- FRS 101 "Presentation of financial statements" (effective from 1 January 2011) clarifies that an entity shall present an analysis of other comprehensive income for each component of equity, either in the statement of changes in equity or in the notes to the financial statements.
- FRS 138 "Intangible Assets" (effective from 1 July 2010) clarifies that a group of complementary intangible assets acquired in a business combination may be recognised as a single asset if each asset has similar useful lives.
- IC Interpretation 9 (effective from 1 July 2010) clarifies that this interpretation does not apply to embedded derivatives in contracts acquired in a business combination, businesses under common control or the formation of a joint venture.

The above mentioned Improvements to FRSs are not expected to have any material impact on the Group's and Company's financial statements.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of Consolidation

Investments in subsidiaries are eliminated on consolidation while investments in jointly controlled entities and associates are accounted for by the equity method of accounting.

(a) Subsidiaries

The consolidated financial statements include the audited financial statements of the Company and all its subsidiaries made up to the end of the financial year. Subsidiaries are those companies in which the Group has power to exercise control over the financial and operating policies so as to obtain benefits from their activities.

Subsidiaries are consolidated from the date on which effective control is transferred to the Group and are no longer consolidated from the date that control ceases. Subsidiaries are consolidated using the purchase method of accounting whereby the results of subsidiaries acquired or disposed of during the financial year are included from the date of acquisition up to the date when control ceases. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the Group's share of the fair value of the identifiable net assets of the subsidiary acquired at the date of acquisition is reflected as goodwill. See accounting policy note on treatment of goodwill.

Negative goodwill, which represents the excess of the fair value of the Group's share of the net assets acquired over the cost of acquisition and is recognised directly in the profit or loss.

All material intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless cost cannot be recovered. Where necessary, accounting policies for subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

The gain or loss on disposal of a subsidiary is the difference between net disposal proceeds or market value and the Group's share of its net assets together with any balance of goodwill on acquisition and exchange differences which were not previously recognised in the profit or loss.

Minority interests is measured at the minorities' share of the fair value of the identifiable assets and liabilities of the acquiree as at the date of acquisition and the minorities' share of movements in the acquiree's net assets since that date.

(b) Jointly Controlled Entities

Jointly controlled entities are corporations, partnerships or other entities over which there is contractually agreed sharing of control by the Group with one or more parties.

The Group's interests in jointly controlled entities are accounted for in the consolidated financial statements by the equity method of accounting. Equity accounting involves recognising the Group's share of the post acquisition results of jointly controlled entities in the profit or loss and its share of post acquisition movements within reserves in reserves. The cumulative post

acquisition movements are adjusted against the cost of the investment and include goodwill on acquisition less impairment losses, where applicable. See accounting policy note on impairment of non-financial assets.

The Group recognises the portion of gains or losses on the sale of assets by the Group to the joint venture that is attributable to the other parties in the ventures. The Group does not recognise its share of profits or losses from the joint venture until it resells the assets to an independent party. However, if a loss on the transaction provides evidence of a reduction in the net realisable value of current assets or an impairment loss, the loss is recognised immediately.

Where necessary, in applying the equity method, adjustments have been made to the financial statements of jointly controlled entities to ensure consistency of accounting policies with those of the Group.

(c) Associates

Associates are companies in which the Group exercises significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the associates but not control over those policies.

Investments in associates are accounted for by the equity method of accounting and are initially recognised at cost. Equity accounting involves recognising in the income statement the Group's share of the associates' results for the financial year. Equity accounting is discontinued when the carrying amount of the investment in an associate (including any other unsecured receivables) reaches zero, unless the Group has incurred obligation or made payment on behalf of the associate.

The Group's investments in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the assets transferred.

Where necessary, in applying the equity method, adjustments have been made to the financial statements of associates to ensure consistency of accounting policies with those of the Group.

Property, Plant and Equipment

Property, plant and equipment are tangible items that:

- (i) are held for use in the production or supply of goods or services, or for administrative purposes; and
- (ii) are expected to be used during more than one period.

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses except for certain properties which were revalued before 1998. In accordance with the transitional provision allowed by MASB upon first adoption of IAS 16, Property, Plant and Equipment, the valuation of these assets have not been updated, and they continue to be stated at their existing carrying amounts less accumulated depreciation, amortisation and impairment losses.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Property, Plant and Equipment (cont'd)

Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit or loss during the financial period that they are incurred.

Freehold land is stated at cost and is not depreciated. Leasehold land and property, plant and equipment which are under construction are not depreciated. Depreciation on assets under construction commences when the assets are ready for their intended use.

The depreciable amount of an item of property, plant and equipment is determined as the difference between the cost less its residual value. The residual value is the estimated amount that the Group expects to obtain from disposal of the asset, after deducting the estimated cost of disposal, if the asset was already of the age and in the condition expected at the end of its useful life.

The Group depreciates other assets based on their consumption pattern and is applied separately to each significant component.

	Years
Buildings and improvements	2 – 50
Plant, equipment and vehicles	2 – 20
Leasehold lands	2 – 880

The assets' residual values and useful lives are reviewed annually and revised if appropriate.

Where an indication of impairments exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount. See accounting policy note on impairment of non-financial assets.

Gains and losses on disposals are determined by comparing proceeds with the carrying amounts and are included in the profit or loss. On disposal of revalued assets, amounts in the revaluation reserve relating to those assets are transferred to retained earnings.

Investment Properties

Investment properties consist of investments in land and buildings that are held for long-term rental yield and/or for capital appreciation and are not occupied by the Group.

Investment in freehold land is stated at cost. Other investment properties are stated at cost less accumulated depreciation and impairment losses. Depreciation for other investment properties is calculated using the straight-line method to allocate their cost over their estimated economic lives as follows:

	Years
Buildings and improvements	2 – 50

Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount. See accounting policy note on impairment of non-financial assets.

Gains and losses on disposal are determined by comparing net disposal proceeds with carrying amount and are included in the profit or loss.

Investment properties under construction before 1 January 2010 were classified as property, plant and equipment and measured at cost. Following the amendment made to FRS 140, such properties are treated as investment property and accounted as such retrospectively.

Leasehold Land Use Rights

Leasehold land that normally has a finite economic life and title which is not expected to pass to the lessee by the end of the lease term is treated as an operating lease. The payment made on entering into or acquiring a leasehold land is accounted as leasehold land use rights (referred to as prepaid lease payments in FRS 117, Leases) that are amortised over the lease term in accordance with the pattern of benefits provided.

The Group has adopted the amendment made to FRS 117, Lease in 2010 in relation to the classification of lease of land. Leasehold land which in substance is a finance lease has been reclassified as property, plant and equipment and accounted as such retrospectively.

Plantation Development

Plantation development comprises cost of planting and development on oil palms and other plantation crops.

Cost of new planting and development of plantation crops are capitalised from the stage of land clearing up to the stage of maturity. The cost of new planting capitalised is not amortised. However, where the cost of new planting is incurred on leasehold land which has unexpired period shorter than the crop's economic life, the cost is amortised over the remaining period of the lease on a straight line basis.

Replanting expenditure is charged to the profit or loss in the financial year in which the expenditure is incurred.

Property Development Activities

(a) Land Held for Property Development

Land held for property development consist of land on which no significant development work has been undertaken or where development activities are not expected to be completed within the normal operating cycle. Such land is classified as non-current asset and is stated at cost less accumulated impairment losses, if any.

Cost comprises cost of land and all related cost incurred on activities necessary to prepare the land for its intended use. Where the Group had previously recorded the land at revalued amount, it continues to retain this amount as its surrogate cost as allowed by FRS201₂₀₀₄ Property Development Activities. Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount. See accounting policy note on impairment of non-financial assets.

Land held for property development is transferred to property development costs and included under current assets when development activities have commenced and where the development activities can be completed within the normal operating cycle.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Property Development Activities (cont'd)

(b) Property Development Costs

Property development costs comprise costs associated with the acquisition of land and all costs directly attributable to development activities or costs that can be allocated on a reasonable basis to these activities.

When the outcome of the development activity can be estimated reliably, property development revenue and expenses are recognised by using the percentage of completion method in respect of sales where agreements have been finalised. Under this method, profits are recognised as the property development activity progresses. The stage of completion is determined based on proportion of property development costs incurred for work performed up to the reporting date over the estimated total property development cost to completion.

When the outcome of a development activity cannot be reliably estimated, property development revenue is recognised only to the extent of property development costs incurred that is probable of recovery, and property development costs on the development units sold are recognised as an expense when incurred. Foreseeable losses, if any, arising when it is probable that total property development costs (including expected defect liability expenditure) will exceed total property development revenue, are recognised immediately in the profit or loss.

Property development costs not recognised as an expense is recognised as an asset and is stated at the lower of cost and net realisable value. Upon completion of development, the unsold completed development properties are transferred to inventories.

Where revenue recognised in the profit or loss exceeds billings to purchasers, the balance is shown as accrued billings under trade and other receivables (within current assets). Where billings to purchasers exceed revenue recognised in the profit or loss, the balance is shown as progress billings under trade and other payables (within current liabilities).

Financial Assets

(a) Classification

The Group classifies its financial assets in the following categories; at fair value through profit or loss, loans and receivables and available-for-sale. The classification depends on the nature of the asset and purpose for which the asset was acquired. Management determines the classification of its financial assets at initial recognition.

(i) Financial assets at fair value through profit or loss

There are two subcategories; financial assets held for trading and those designated as at fair value through profit or loss on initial recognition. A financial asset is classified as held for trading if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the reporting date.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except those maturing more than 12 months after the reporting date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the statement of financial position (see accounting policy note on receivables).

(iii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the assets within 12 months of the reporting date.

(b) Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date-the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within 'other (losses)/gains – net' in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the profit or loss as part of other income when the Group's right to receive payments is established.

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences on monetary securities are recognised in profit or loss and translation differences on non-monetary securities are recognised in other comprehensive income. Changes in the fair value of monetary and non-monetary securities classified as available-for-sale are recognised in other comprehensive income.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the profit or loss as 'gains and losses from investment securities'.

Interest on available-for-sale securities calculated using the effective interest method is recognised in the profit or loss. Dividends on available-for-sale equity instruments are recognised in the profit or loss when the Group's right to receive payments is established.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial Assets (cont'd)

(b) Recognition and measurement (cont'd)

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models, making maximum use of market inputs and relying as little as possible on entity-specific inputs.

(c) Impairment of financial assets

The Group assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is taken as evidence that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss - is removed from equity and recognised in the profit or loss. Impairment losses recognised in the profit or loss on equity instruments are not reversed through profit or loss.

Intangible Assets

(a) Goodwill

Goodwill represents the excess of the cost of acquisition over the Group's share of the fair value of the identifiable net assets of the subsidiaries at the date of acquisition. Goodwill is stated at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Goodwill is allocated to cash-generating units for the purpose of annual impairment testing. The allocation is made to those cash generating units or groups of cash generating units that are expected to benefit from the business combination in which the goodwill arose.

(b) Licences

Casino licences – indefinite life

The Group capitalises purchased casino licences. The amount capitalised is the difference between the price paid for a casino including the associated licence and the fair value of a similar property without a casino licence. Casino licences have indefinite useful lives as based on all relevant factors there is no foreseeable limit to the period over which the licences are expected to generate cash inflows. Each licence is reviewed annually for impairment and as such is stated at cost less any accumulated impairment losses.

Purchased licence – definite life

The Group capitalises purchased licence. The licence, which has definite useful life, is initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment losses. The cost is amortised using the straight line method over its estimated useful life. The amortisation period and amortisation method are reviewed at each reporting date.

The effects of any revision are recognised in profit or loss when changes arise. Where an indication of impairment exists, the carrying amount of licences is assessed and written down immediately to its recoverable amount.

Casino and theme park licences - Singapore

Casino and theme park licences are initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment losses. Such cost is amortised using the straight line method over 3 to 30 years (2009: 30 years), which is the shorter of its estimated useful life and periods of contractual right. The amortisation period and amortisation method are reviewed at each reporting date. The effects of any revision are recognised in the profit or loss when changes arise. Amortisation is recognised in profit or loss unless the amount can be capitalised as part of construction-in-progress. Where an indication of impairment exists, the carrying amount of licence is assessed and written down immediately to its recoverable amount.

(c) Royalty

Royalty expenditure is stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the straight line method over the estimated useful lives, not exceeding a period of 20 years.

(d) Trademark

Trademark is stated at cost less any accumulated impairment losses. Trademark has an indefinite useful life as it is maintained through continuous marketing and upgrading. See accounting policy on impairment of non-financial assets.

(e) Rights

Acquired licenses of independent power plant are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the straight line method over the licensing agreement periods.

(f) Research and Development Expenditure

Research expenditure is recognised as an expense when incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when the following criteria are fulfilled:

- (i) It is technically feasible to complete the intangible asset so that it will be available for use or sale;
- (ii) Management intends to complete the intangible asset and use or sell it;
- (iii) There is an ability to use or sell the intangible asset;
- (iv) It can be demonstrated that the intangible asset will generate probable future economic benefits;
- (v) Adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available; and
- (vi) The expenditure attributable to the intangible asset during its development can be reliably measured.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Intangible Assets (cont'd)

(f) Research and Development Expenditure (cont'd)

Collaborations and alliances are maintained with third parties for provision of research and development expertise and capacity in genomics for the achievement of performance milestones. Milestones payments are capitalised to the extent that the capitalisation criteria in FRS 138 - Intangible Assets are met. Judgement is involved in determining whether amount paid meets the performance milestones so as to enable the amount to be capitalised as intangible assets.

Other development expenditures that do not meet these criteria are recognised as an expense when incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use or sale, on a straight-line basis over the estimated useful lives, not exceeding 20 years.

(g) Intellectual Property Rights

Acquired intellectual property ("IP") rights are stated at cost less accumulated amortisation and accumulated impairment losses. The IP rights are amortised from the point at which the asset is ready for use or sales, on a straight line basis over its useful life, not exceeding 20 years.

Intangible assets which have indefinite useful lives are tested for impairment annually in accordance with FRS 136. See accounting policy note on impairment of non-financial assets for intangible assets that have definite useful lives.

Exploration Cost

Exploration cost is accounted for in accordance with the full cost method. Under this method, all costs relating to the exploration activities are capitalised when incurred. Exploration cost is written off to the income statement when:

- it is determined that further exploration activities will not yield commercial quantities of reserves, no further exploration drilling is planned and there is no existing production in the block or field; or
- the petroleum contract has expired or is surrendered.

Exploration cost is stated net of impairment loss.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost includes, where relevant, appropriate proportions of overheads and is determined on a weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less costs of completion and selling expenses. The cost of unsold properties comprises cost associated with the acquisition of land, direct costs and an appropriate proportion of allocated costs attributable to property development activities.

Non-Current Assets Held for Sale

Non-current assets are classified as assets held for sale and stated at the lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sale transaction rather than a continuing use.

Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment loss. An impairment of receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cashflows, discounted at the effective interest rate. The amount of the impairment loss is recognised in the profit or loss. An impairment loss is reversed only to the extent of previously recognised impairment loss for the same asset. The reversal is recognised in the profit or loss.

Cash and Cash Equivalents

Cash and cash equivalents include cash and bank balances (net of bank overdrafts), money market instruments, deposits and other short term, highly liquid investments that are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank overdrafts are included within short term borrowings in current liabilities in the statement of financial position. Fixed deposits pledged with banks as securities for banking facilities granted to the Company or subsidiary are not cash and cash equivalents.

Payables

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Finance Leases

Leases of property, plant and equipment where the Group assumes substantially all the benefits and risks of ownership are classified as finance leases. The Group adopts the following accounting policy in respect of accounting by a lessee.

Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a periodic constant rate of interest on the balance outstanding. The corresponding rental obligations, net of finance charges, are included in borrowings. The interest element of the finance charge incurred on qualifying assets are capitalised until the assets are ready for their intended use after which such expense is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Property, plant and equipment acquired under finance lease is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Share Capital

Ordinary shares are classified as equity when there is no contractual obligation to deliver cash or other financial assets to another entity or to exchange financial assets or liabilities with another entity that are potentially unfavourable to the issuer.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Share Capital (cont'd)

Incremental costs directly attributable to the issue of new shares, options or for the acquisition of a business are shown in equity as a deduction, net of tax, from the proceeds.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

Treasury Shares

A purchase by the Company or its subsidiaries of its own equity shares is accounted for under the treasury stock method. Under this method, the shares repurchased and held as treasury shares is measured and carried at the cost of repurchase (including any directly attributable incremental external costs, net of tax) on initial recognition and subsequently. On presentation in the statement of financial position, the carrying amount of the treasury shares is offset against equity. Where treasury shares are distributed as share dividends, the cost of the treasury shares is applied in the reduction of the share premium account or the distributable reserves, or both. Where treasury shares are reissued by re-sale in the open market, the difference between the sales consideration and the carrying amount of the treasury shares is shown as the movement in equity. As treasury shares, the rights attached as to voting, dividends and participation in other distribution are suspended.

Borrowings

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

(a) Borrowings

Borrowings are recognised initially based on proceeds received. Subsequently, borrowings are stated at amortised cost using the effective interest method; any difference between the amount recorded as borrowings and the associated redemption value is recognised in the income statement over the period of the borrowings.

Costs incurred on borrowings to finance qualifying assets are capitalised until the assets are ready for their intended use after which such expenses are charged to the income statement. All other borrowing costs are charged to the income statement.

(b) Convertible bonds

On issuance of convertible bonds, the proceeds are allocated between the derivative financial instrument component arising from the conversion option, and the liability component of the bond. The derivative financial instrument component is recognised at its fair value. The liability component is recognised as the difference between total proceeds and the fair value of the derivative financial instrument component.

The derivative financial instrument component is subsequently carried at its fair value with fair value changes recognised in the profit or loss. The liability component is carried at amortised cost until the liability is extinguished on conversion or redemption.

When a conversion option is exercised, the carrying amounts of the liability component and the derivative financial instrument component are derecognised with a corresponding recognition of share capital.

Impairment of Non-Financial Assets

The carrying amounts of assets, with the exception of inventories, assets arising from construction contracts, deferred tax assets and financial assets (excluding investments in subsidiaries, jointly controlled entities and associates), are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If such indication exists, an impairment review is performed to assess whether the carrying amount of the asset is fully recoverable.

Irrespective of whether there is any indication of impairment, the Group also:

- (a) tests intangible assets with indefinite useful life for impairment annually by comparing its carrying amount with its recoverable amount.
- (b) tests goodwill acquired in a business combination for impairment annually.

Impairment loss is recognised when the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use, which is measured by reference to discounted future cash flows. Recoverable amounts are estimated for individual assets, or if it is not possible, for the cash generating unit.

An impairment loss is charged to the income statement, unless the asset is carried at revalued amount, in which case the impairment loss is used to reduce the revaluation surplus.

Assets other than goodwill that have suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

An impairment loss is reversed only to the extent of previously recognised impairment losses for the same asset unless the asset is carrying at revalued amount, in which case the reversal is treated as an increase to revaluation reserve. An impairment loss recognised for goodwill will not be reversed in a subsequent period.

Contingent Liabilities and Contingent Assets

The Group does not recognise a contingent liability but discloses its existence in the financial statements, except in a business combination. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. When a change in the probability of an outflow of economic resources occurs, so that the outflow is probable, it will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by uncertain future events beyond the control of the Group. The Group does not recognise contingent assets but discloses their existence where inflows of economic benefits are probable, but not virtually certain. When inflow of economic resources is virtually certain, the asset is recognised.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Contingent Liabilities and Contingent Assets (cont'd)

In the acquisition of subsidiaries by the Group under a business combination, the contingent liabilities assumed are measured initially at their fair value at the acquisition date, irrespective of the extent of any minority interest.

The Group recognises separately the contingent liabilities of the acquirees as part of allocating the cost of a business combination where the fair values can be measured reliably. Where the fair values cannot be measured reliably, the resulting effect will be reflected in the goodwill arising from the acquisitions.

Subsequent to the initial recognition, the Group measures the contingent liabilities that are recognised separately at the date of acquisition at the higher of the amount that would be recognised in accordance with the provisions of FRS 137 and the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with FRS 118.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate can be made of the amount of the obligation.

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits received under it.

Income Taxes

(a) Current Taxation

Current taxation is determined according to the tax laws of each jurisdiction in which the Group operates and includes all taxes based upon the taxable income and is measured using the tax rates which are applicable at the reporting date.

(b) Deferred Taxation

Deferred tax liabilities and/or assets are recognised, using liability method, on temporary differences between the carrying amounts of assets and liabilities in the financial statements and their related tax bases. However, deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deferred tax assets can be utilised. Deferred tax liability in respect of asset revaluations is also recognised. Deferred tax liabilities and assets are measured at the tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax is recognised on temporary differences arising on investments in subsidiaries, jointly controlled entities and associates except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Discontinued Operations

A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations that has been disposed of or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative income statement is restated as if the operation had been discontinued from the start of the comparative period.

Employee Benefits

(a) Short-Term Employee Benefits

Short-term employee benefits include wages, salaries, bonus, social security contributions and paid annual leave. These benefits are accrued when incurred and are measured on an undiscounted basis.

(b) Post-Employment Benefits

Defined contribution plans

Post-employment benefits include defined contribution plans under which the Group pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. These benefits are accrued when incurred.

(c) Long-Term Employee Benefits

Long-term employee benefits include retirement gratuities payable under a retirement gratuity scheme which was established in 1991 by the Board of Directors for Executives and Executive Directors of the Company and certain subsidiaries. The level of retirement gratuities payable is determined by the Board of Directors in relation to the past services rendered and it does not take into account the employee's service to be rendered in later years up to retirement. The gratuity, which is calculated based either on length of service and basic salary as at the reporting date or on the basis of emoluments earned in the immediate past three years, is a vested benefit when the employee reaches retirement age.

The present value of the retirement gratuities is determined by discounting the amount payable by reference to market yields at the reporting date on high quality corporate bonds which have terms to maturity approximating the terms of the related liability. Employee turnover is also factored in arriving at the level of the retirement gratuities payable. The differences arising from the application of such discounting as well as any past service costs and the effects of any curtailments or settlements, if any, are recognised immediately in the profit or loss.

Such retirement gratuities payable are classified as current liabilities where it is probable that a payment will be made within the next twelve months and also provided that the amount has been approved for payment by the Board of Directors.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Employee Benefits (cont'd)

(d) Share-based compensation

The Company together with its listed subsidiaries, each operate an equity-settled, share-based compensation plan, where share options are issued by the respective companies to their respective eligible executives and directors.

The fair value of employee services rendered in exchange for the grant of the share options is recognised as an expense over the vesting period. The total amount to be expensed in the income statement over the vesting period is determined by reference to the fair value of each share option granted at the grant date and the number of share options vested by vesting date, with a corresponding increase in equity. At each reporting date, the respective companies will revise its estimates of the number of share options that are expected to become exercisable. The option reserves in respect of options which have lapsed are transferred to retained earnings.

The proceeds received net of any directly attributable transaction costs are credited to share capital and share premium when the options are exercised.

Revenue Recognition

Sales are recognised upon delivery of products or performance of services, net of sales tax and discounts, and after eliminating sales within the Group.

Sales relating to property development projects are recognised progressively as the project activity progresses and are in respect of sales where agreements have been finalised. The recognition of sales is based on the percentage of completion method and is consistent with the method adopted for profit recognition.

Sales of short term investments are accounted net of the cost of the respective investments when the contracts are executed.

Casino revenue represents net house takings. The casino licence in Malaysia is renewable every three months.

Dividend income is recognised when the right to receive payment is established.

Dividends

Dividends on ordinary shares are accounted for in shareholders' equity as an appropriation of retained earnings and accrued as a liability in the financial year in which the obligation to pay is established.

Interest income

Interest income is recognised using the effective interest method.

Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Changes in the fair value of monetary securities denominated in foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss and other changes in carrying amount are recognised in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as available-for-sale are included in the available-for-sale reserve in equity.

(c) Group companies

On consolidation the results and financial position of all the Group's entities which have a functional currency different from that of the Group's presentation currency are translated into the Group's presentation currency as follows:

- (i) assets and liabilities are translated at the closing rate at the reporting date;
- (ii) income and expenses for each profit or loss are translated at average exchange rates (unless this average is not a reasonable approximation of cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is partially disposed of or sold, such exchange differences that were recorded in equity are recognised in the profit or loss as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

Derivative financial instruments and hedging activities

Derivative financial instruments are initially recognised at fair value on the date the derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Derivative financial instruments and hedging activities (cont'd)

The Group designates certain derivatives as either:

- (i) hedges of the fair value of recognised liabilities (fair value hedge);
- (ii) hedges of a particular risk associated with a recognised liability or a highly probable forecast transaction (cash flow hedge); or
- (iii) hedges of a net investment in a foreign operation (net investment hedge).

(a) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the profit or loss within fair value gains / (losses) on derivative financial instruments.

When a hedging instrument expires or is sold, or when the cash flow hedge is discontinued or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the profit or loss within fair value gains / (losses) on derivative financial instruments.

The fair value changes on the effective portion of interest rate swaps designated as cash flow hedges and accounted for under hedge accounting are recognised in the hedging reserve and transferred to 'Finance Cost' in the profit or loss when the interest expense on the borrowings is recognised in the profit or loss. The fair value changes on the ineffective portion of the interest rate swaps accounted for under hedge accounting are recognised immediately in the profit or loss. The fair value changes for interest rate swaps not accounted for under hedge accounting methods are recognised directly in the profit or loss.

The carrying amount of the derivative designated as a hedge is presented as a non-current asset or liability if the remaining expected life of the hedged item is more than 12 months, and as a current asset or liability if the remaining expected life of the hedged item is less than 12 months.

(b) Embedded derivatives in convertible bond

The fair value of the derivative financial instrument component embedded in the convertible bonds is determined at issuance of the convertible bonds with the residual amount being allocated to the value of the liability component of the bond. The derivative financial instrument component is remeasured at each reporting date. Resulting gains or losses arising from subsequent fair value remeasurements of derivative financial instruments are taken to the profit or loss. The fair values of derivative financial instruments are determined by using valuation techniques with assumptions mainly based upon market conditions at each reporting date.

Segmental Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chairman and Chief Executive and the President and Chief Operating Officer of the Company.

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(a) Financial risk factors

The Group's overall financial risk management objective is to optimise the value creation for shareholders. The Group seeks to minimise the potential adverse impacts arising from fluctuations in foreign currency exchange and interest rates and the unpredictability of the financial markets.

The Group operates within clearly defined guidelines that are approved by the Board of Directors and do not trade in financial instruments as a business activity. Financial risk management is carried out through risk reviews conducted at all significant operating units. This process is further enhanced by effective internal controls, a comprehensive insurance programme and adherence to the financial risk management policies.

The main areas of financial risks faced by the Group are as follows:

(i) Foreign currency exchange risk

The Group is exposed to foreign currency exchange risk when the subsidiaries enter into transactions that are not denominated in their functional currencies. The Group attempts to significantly limit its exposure for committed transactions by entering into forward foreign currency exchange contracts within the constraints of market and government regulations.

The Group's principal foreign currency exposure relates mainly to the Singapore Dollar ("SGD"), Pound Sterling ("GBP"), United States Dollar ("USD"), Renminbi ("RMB") and Hong Kong Dollar ("HKD") in the current financial year.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(i) Foreign currency exchange risk (cont'd)

The Group's exposure to foreign currencies in respect of its financial assets and financial liabilities is as follows:

	SGD	GBP	USD	RMB	HKD	Others	Total
At 31 December 2010							
Financial assets							
Financial assets at fair value through profit or loss	-	13.4	-	-	8.6	2.3	24.3
Available-for-sale financial assets	-	-	266.5	-	406.8	-	673.3
Trade and other receivables	-	9.1	74.9	0.1	20.4	26.4	130.9
Amounts due from jointly controlled entities	-	66.5	-	-	-	-	66.5
Cash and cash equivalents	38.6	21.3	531.0	1.9	367.9	5.2	965.9
	38.6	110.3	872.4	2.0	803.7	33.9	1,860.9
Financial liabilities							
Trade and other payable	(0.1)	(0.4)	(98.1)	(0.2)	(20.9)	(22.8)	(142.5)
Borrowings	-	-	(1,171.1)	-	-	-	(1,171.1)
Net currency exposure	38.5	109.9	(396.8)	1.8	782.8	11.1	547.3

The following table demonstrates the sensitivity of the Group's profit after tax and equity to 10% strengthening of each respectively in the SGD, GBP, USD, RMB and HKD against the RM, with all other variables in particular interest rates held constant.

2010 Group	Increase/(Decrease)	
	Profit after tax	Equity
RM against SGD	3.9	-
RM against GBP	11.0	-
RM against USD	(66.3)	26.7
RM against RMB	0.2	-
RM against HKD	37.6	40.7

A 10% weakening of the above currencies against the RM would have the equal but opposite effect to the amount shown above, on the basis that all other variables remain constant.

At the Company level, the Company is not exposed to any material foreign exchange risk.

(ii) Interest rate risk

Interest rate risks arise mainly from the Group's borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. The Group manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting the borrowings from floating rates to fixed rates. Under the interest rate swaps, the Group agrees with financial institutions to exchange, at specified intervals, the difference between the fixed contract rates and floating-rate interest amounts calculated by reference to the agreed notional principal amounts. The Group also enters into Interest Rate Capped Libor-In-Arrears Swap ("IRCLIA") contract to limit its exposure to fluctuation in interest rate movements if the interest rate moves beyond the capped rate.

The Group's outstanding borrowings as at year end at variable rates on which hedges have not been entered into are denominated mainly in SGD, RMB and GBP. At the reporting date, if annual interest rates had been 1% higher/lower respectively, with all other variables in particular foreign exchange rates and including tax rate being held constant, the profit after tax will be lower/higher by RM107.4 million as a result of increase/decrease in interest expense on these borrowings.

(iii) Credit risk

Exposure to credit risk arises mainly from sales made on deferred credit terms, cash and cash equivalents, deposits

with financial institutions, money market instruments and debt securities. Risks arising therefrom are minimised through effective monitoring of receivables and suspension of sales to customers which accounts exceed the stipulated credit terms. Credit limits are set and credit history is reviewed to minimise potential losses.

The Group avoids, where possible, any significant exposure to a single customer. However, in the ordinary course of business, certain subsidiaries in the Group's Power Segment have trade receivables that are solely from their off-takers, the provincial or national electricity utility companies. As such, the counter party risk is considered to be minimal.

In managing credit risk exposure from trade receivables, Genting Singapore PLC ("GENS") Group, which is an indirect 51.7% owned by the Company, has established Credit Committee and processes to evaluate the creditworthiness of its counterparties. The counterparty's payment profile and credit exposure are continuously monitored by the Credit Committee, together with the operational policies and guidelines. Credit exposure to an individual counterparty is restricted by the credit limits set by the Credit Committee based on the ongoing credit evaluation.

The top 10 trade debtors of GENS Group as at 31 December 2010 represented 22% of its trade receivables. There was no concentration of credit risk in 2009.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(iii) Credit risk (cont'd)

The GENS Group also establishes an allowance account for impairment that represents its estimate of losses in respect of trade and other receivables. The main component of this allowance is estimated losses that relate to the specific counterparties. Subsequently, when the GENS Group is satisfied that no recovery of such losses is possible, the trade and other receivable is considered irrecoverable and the amount charged to the allowance account is then written off against the carrying amount of the impaired trade and other receivable.

The Group's cash and cash equivalents and short term deposits are placed with creditworthy financial institutions which have been approved by the Group Executive Committee. The risks arising therefrom are minimised by the setting of exposure limits for each financial institution and the tenure of the placements which are normally less than one year. The approved exposure limit for each of the financial institution is subjected to regular reviews. To minimise the Group's counterparty risk, the Group enters into derivative transactions only with creditworthy financial institutions.

The Group is exposed to credit risk from non-related counterparties where the Group holds debt securities issued by those entities. The Group only holds debt securities with issuers which are of investment grade.

The Group also seeks to invest cash assets safely and profitably and buys insurance to protect itself against insurable risks. In this regard, counterparties are assessed for credit risk and limits are set to minimise any potential losses. The Group's cash and cash equivalents and short-term deposits are placed with creditworthy financial institutions and the risks arising therefrom are minimised in view of the financial strength of these financial institutions.

At the Company level, credit risk arises from amounts due from subsidiaries, cash and cash equivalents, income fund, deposits with banks and financial institutions. The Company's exposure to bad debts is not significant since the subsidiaries do not have historical default risk. The Company also manages its credit risk by performing regular reviews of the ageing profile of amounts due from subsidiaries. The credit risk on income fund is limited because the fund is ultimately deposited with creditworthy financial institutions.

Financial assets that are neither past due nor impaired

Information regarding trade and other receivables that are neither past due nor impaired is disclosed in Note 30. Deposits with banks and other financial institutions, investment securities and derivatives that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding trade receivables that are past due or impaired is disclosed in Note 30.

Apart from those disclosed above, none of the other financial assets is either past due or impaired.

(iv) Price risk

The Group is exposed to equity securities price risk from its investment in quoted securities classified as financial assets at fair value through profit or loss and available-for-sale financial assets, and volatility in market prices of palm products and coal. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio and diversification of the portfolio is done in accordance with the limits set by the Group. The Group manages the risk of the price of palm products and coal through established guidelines and policies.

If the prices of equity securities listed in the respective countries change by 1% respectively with all other variables including tax rate being held constant, the Group's profit after tax and equity for the current financial year will be as follows:

	Increase/Decrease	
	Profit	Equity
	after tax	
Group		
Listed in Hong Kong		
- increase/decrease 1%	0.1	6.3
Listed in the United Kingdom		
- increase/decrease 1%	0.2	2.7
Listed in Singapore		
- increase/decrease 1%	-	16.4

Profit after tax would increase/decrease as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity would increase/decrease as a result of gains/losses on equity securities classified as available-for-sale.

If the price of the palm products and coal change by 5% respectively with all other variables including tax rate being held constant, the Group's profit after tax and equity for the current financial year will be as follows:

	Increase/Decrease	
	Profit	Equity
	after tax	
Group		
Effect of change in		
palm products prices		
- increase/decrease 5%	28.4	-
Effect of change in coal prices		
- increase/decrease 5%	48.5	-

(v) Liquidity risk

The Group practices prudent liquidity risk management to minimise the mismatch of financial assets and liabilities. The Group's cash flow is reviewed regularly to ensure that the Group is able to settle its commitments when they fall due.

The Group manages its liquidity risk with the view to maintaining a healthy level of cash and cash equivalents appropriate to the operating environment and expected cash flows of the Group. Liquidity requirements are maintained within its undrawn committed borrowing facilities at all times and are sufficient and available to the Group to meet its obligations.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(v) Liquidity risk (cont'd)

Generally, surplus cash held by the operating entities over and above the balance required for working capital management are managed by the Group Treasury. The Group Treasury invests surplus cash in interest bearing accounts, money market deposits and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the above-mentioned cash flows of the Group.

The table below analyses the financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Group				
As at 31 December 2010				
Other non-current liabilities	-	61.1	-	-
Derivative financial instruments	4.4	0.4	1.0	-
Trade and other payables	4,090.6	-	-	-
Borrowings	1,977.2	1,469.5	9,521.9	2,266.5
Amount due to a jointly controlled entity	4.5	-	-	-

Company				
As at 31 December 2010				
Trade and other payables	24.0	-	-	-
Amounts due to subsidiaries				
- current	21.5	-	-	-
Amounts due to subsidiaries				
- non-current	-	-	943.5	1,446.2

(b) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to provide returns for shareholders and benefits for other stakeholders.

In order to optimise the capital structure, or the capital allocation amongst the Group's various businesses, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, buy back issued shares, take on new debt or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital utilisation on the basis of the gearing ratio. This ratio

is calculated as total debt divided by total capital. Total debt is calculated as total borrowings (including 'short term and long term borrowings' as shown in the statements of financial position). Total capital is calculated as the sum of total equity and total debt.

The gearing ratio as at 31 December 2010 is as follows:

Group	2010
Total debt	13,431.1
Total equity	29,446.5
Total capital	42,877.6
Gearing ratio	31%

5. SEGMENT ANALYSIS

Management has determined the operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions.

The chief operating decision-maker considers the business from both a geographic and industry perspective and has the following reportable operating segments:

Leisure & Hospitality	- This segment includes the hotel, gaming and entertainment businesses, tours & travel related services and other support services. The contribution from non-gaming operations is not significant.
Power	- This segment is involved in the generation and supply of electric power.
Plantation	- This segment is involved mainly in oil palm plantations, palm oil milling and related activities.
Oil & Gas	- This segment is involved in oil & gas exploration, development, production and sale of crude oil.
Property	- This segment is involved in property development activities.

All other immaterial business segments including investments in equities are aggregated and disclosed under "Investments & Others" as they are not of a sufficient size to be reported separately.

The performance of the operating segments is based on a measure of adjusted earnings before interest, tax, depreciation and amortisation ("EBITDA"). This measurement basis also excludes the effects of non-recurring items from the operating segments, such as fair value gains and losses, impairment losses, pre-opening and development expenses as well as assets written off, gain or loss on disposal of assets and share-based compensation.

Segment assets consist primarily of property, plant and equipment, intangible assets, inventories, trade and other receivables, available-for-sale financial assets, financial assets at fair value through profit or loss, and cash and cash equivalents. Segment assets exclude interest bearing instruments, jointly controlled entities, associates, deferred tax assets and tax recoverable as these assets are managed on a group basis.

Segment liabilities comprise operating liabilities. Segment liabilities exclude interest-bearing instruments, tax payables and deferred tax liabilities as these liabilities are managed on a group basis.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

5. SEGMENT ANALYSIS (cont'd)

The segment analysis of the Group is set out below:

	Leisure & Hospitality				Power	Plantation	Oil & Gas	Property	Investments & Others	Total
	Malaysia	Singapore	United Kingdom & Others	Total						
2010										
Revenue										
Total revenue	6,070.1	6,384.2	982.6	13,436.9	1,576.2	900.2	124.0	112.8	162.4	16,312.5
Inter segment	(1,009.5)	-	-	(1,009.5)	-	-	(10.0)	(6.4)	(91.9)	(1,117.8)
External	5,060.6	6,384.2	982.6	12,427.4	1,576.2	900.2	114.0	106.4	70.5	15,194.7
Results										
Adjusted EBITDA	2,482.0	3,352.0	146.4	5,980.4	546.4	441.1	23.0	27.4	92.6	7,110.9
Net gain on dilution of shareholding arising from bond conversions	-	-	-	-	-	-	-	-	436.3	436.3
Net gain arising from Deferred Consideration	-	-	-	-	-	-	413.6	-	-	413.6
Net fair value gain/(loss) on derivative financial instruments	-	-	68.3	68.3	(4.3)	-	-	-	-	64.0
Net fair value loss on financial assets at fair value through profit or loss	-	-	-	-	-	-	-	-	(3.5)	(3.5)
Loss on discontinuance of cash flow hedge accounting using interest rate swaps	-	(145.4)	-	(145.4)	-	-	-	-	-	(145.4)
Net impairment loss	(2.9)	-	(1,149.3)	(1,152.2)	(222.8)	-	(71.4)	-	(108.0)	(1,554.4)
Others (include pre-opening and development expenses, assets written off, gain or loss on disposal of assets and share-based compensation)	-	(213.0)	(24.0)	(237.0)	-	-	-	-	9.2	(227.8)
EBITDA	2,479.1	2,993.6	(958.6)	4,514.1	319.3	441.1	365.2	27.4	426.6	6,093.7
Depreciation and amortisation	(252.7)	(555.5)	(51.2)	(859.4)	(241.3)	(28.1)	(45.2)	(5.8)	(11.9)	(1,191.7)
Interest income										158.5
Finance cost										(723.9)
Share of results in jointly controlled entities	-	5.1	(13.4)	(8.3)	-	-	-	(0.2)	(0.3)	(8.8)
Share of results in associates	3.3	-	(0.3)	3.0	62.3	5.3	-	(0.1)	(4.0)	66.5
Profit before taxation										4,394.3
Taxation										(983.6)
Profit for the financial year										3,410.7
2009										
Revenue										
Total revenue	6,011.2	-	1,092.7	7,103.9	1,871.0	675.4	153.4	112.0	163.8	10,079.5
Inter segment	(1,087.0)	-	-	(1,087.0)	-	-	(10.0)	(15.4)	(73.5)	(1,185.9)
External	4,924.2	-	1,092.7	6,016.9	1,871.0	675.4	143.4	96.6	90.3	8,893.6
Results										
Adjusted EBITDA	2,494.5	0.1	163.2	2,657.8	628.0	308.9	47.6	27.3	101.8	3,771.4
Impairment loss	(2.3)	-	-	(2.3)	-	-	(75.7)	-	(79.0)	(157.0)
Net gain on dilution of shareholding arising from bond conversions	-	-	-	-	-	-	-	-	33.0	33.0
Others (include pre-opening expenses, assets written off, gain or loss on disposal of assets and share-based compensation)	-	(303.1)	-	(303.1)	-	-	-	-	(0.1)	(303.2)
EBITDA	2,492.2	(303.0)	163.2	2,352.4	628.0	308.9	(28.1)	27.3	55.7	3,344.2
Depreciation and amortisation	(269.7)	(11.8)	(77.0)	(358.5)	(264.9)	(23.8)	(43.0)	(6.1)	(3.4)	(699.7)
Interest income										124.9
Finance cost										(261.4)
Share of results in jointly controlled entities	-	(0.2)	(21.5)	(21.7)	-	-	-	-	(0.4)	(22.1)
Share of results in associates	0.2	-	-	0.2	39.2	5.5	-	-	(2.4)	42.5
Profit before taxation										2,528.4
Taxation										(745.6)
Profit for the financial year										1,782.8

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

5. SEGMENT ANALYSIS (cont'd)

	Leisure & Hospitality				Power	Plantation	Oil & Gas	Property	Investments & Others	Total
	Malaysia	Singapore	United Kingdom & Others	Total						
2010										
Assets										
Segment assets	3,926.7	17,396.3	4,647.3	25,970.3	2,870.8	1,871.3	745.1	1,096.2	3,525.4	36,079.1
Interest bearing instruments										11,834.1
Jointly controlled entities	-	46.9	2.0	48.9	-	-	-	12.2	1.2	62.3
Associates	347.3	-	1.5	348.8	336.4	15.2	-	2.5	63.0	765.9
Unallocated corporate assets										272.7
Total assets										49,014.1
Liabilities										
Segment liabilities	850.2	2,571.3	438.6	3,860.1	201.1	148.1	65.6	89.4	45.8	4,410.1
Interest bearing instruments										13,456.9
Unallocated corporate liabilities										1,700.6
Total liabilities										19,567.6
Other Disclosure										
Capital expenditure *	184.7	3,295.8	157.8	3,638.3	92.1	307.9	107.3	0.5	37.0	4,183.1
Other significant non-cash charges	61.8	194.6	33.6	290.0	45.7	0.7	0.1	(0.3)	1.1	337.3
2009										
Assets										
Segment assets	4,179.0	12,433.8	4,429.3	21,042.1	3,349.1	1,783.3	746.5	1,085.8	1,949.1	29,955.9
Interest bearing instruments										12,606.5
Jointly controlled entities	-	-	48.7	48.7	-	-	-	-	3.4	52.1
Associates	344.9	-	-	344.9	291.1	12.9	-	2.6	21.3	672.8
Unallocated corporate assets										213.7
Total assets										43,501.0
Liabilities										
Segment liabilities	778.7	1,110.1	407.3	2,296.1	201.5	167.6	118.8	34.8	(33.6)	2,785.2
Interest bearing instruments										13,473.3
Unallocated corporate assets										1,530.1
Total liabilities										17,788.6
Other Disclosure										
Capital expenditure *	120.5	5,947.8	29.2	6,097.5	48.0	237.7	66.0	1.4	6.5	6,457.1
Other significant non-cash charges	26.9	-	(7.4)	19.5	6.9	0.7	0.1	-	5.1	32.3

* Includes capital expenditure in respect of property, plant and equipment, investment properties, plantation development and leasehold land use rights.

Geographical information

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	Revenue		Non-current assets		Capital expenditure	
	2010	2009	2010	2009	2010	2009
Malaysia	6,993.6	6,661.9	6,443.5	6,560.1	287.3	191.5
Singapore	6,384.7	1.0	12,997.8	10,474.0	3,295.9	5,947.9
Asia Pacific (excluding Malaysia & Singapore)	793.5	1,085.1	2,653.5	2,756.7	442.2	290.5
United Kingdom/Europe *	983.3	1,085.4	2,540.5	4,151.2	110.4	27.2
Other countries	39.6	60.2	1,245.6	3.0	47.3	-
	15,194.7	8,893.6	25,880.9	23,945.0	4,183.1	6,457.1

* More than 90% is derived from United Kingdom.

Non-current assets information presented above consists of non-current assets other than investment in jointly controlled entities, associates, financial instruments and deferred tax assets as presented in the consolidated statements of financial position.

There are no revenues derived from transactions with a single external customer that amounted to 10% or more of the Group's revenue during the current financial year.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

6. REVENUE

	Group		Company	
	2010	2009	2010	2009
Rendering of services:				
Leisure & hospitality	12,427.4	6,016.9	-	-
Rental and property management income	19.3	17.7	-	-
Fees from management and licensing services	-	-	571.2	562.8
Other services	25.6	27.7	13.3	12.3
Sale of goods:				
Plantation produce	900.2	675.4	-	-
Development properties	87.1	78.9	-	-
Crude oil	114.0	143.4	-	-
Electricity	1,511.0	1,752.0	-	-
Coal	33.4	91.9	-	-
Others	31.8	27.1	-	-
Net gain on sale of investments	-	36.8	-	-
Investment income	44.9	25.8	257.5	244.1
	15,194.7	8,893.6	842.0	819.2

7. COST OF SALES

	Group		Company	
	2010	2009	2010	2009
Cost of inventories recognised as an expense	1,947.5	2,032.5	-	-
Cost of services and other operating costs	6,590.2	3,308.6	74.1	69.1
	8,537.7	5,341.1	74.1	69.1

Included in other operating costs are gaming related expenses amounting to RM2,199.0 million (2009: RM1,320.8 million) for the Group and Nil (2009: Nil) for the Company.

8. NET (IMPAIRMENT LOSS)/REVERSAL OF IMPAIRMENT LOSS

During the current financial year, the net impairment loss of the Group comprises RM1,149.3 million on GENS Group's intangible assets, RM222.8 million on the Group's power plant, RM108.0 million on Genting Malaysia Berhad ("GENM") Group's investment in available-for-sale financial assets, whereby GENM is 49.3% owned by the Company, RM33.1 million on the Group's exploration costs and RM41.2 million on other assets.

In the previous financial year ended 31 December 2009, the impairment losses of the Group comprise RM79.0 million on GENM Group's investment in available-for-sale financial asset and other long term investment, RM75.7 million on the Group's exploration costs and RM2.3 million on other assets.

During the current financial year, the net reversal of impairment loss of RM24.6 million from the Company was in relation to its investment in wholly owned subsidiaries (2009: impairment loss of RM10.8 million).

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

9. PROFIT BEFORE TAXATION

Profit before taxation has been determined after inclusion of the following charges and credits. The expenses by nature of the Group are also disclosed in the charges below:

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Charges:				
Depreciation of property, plant and equipment	1,150,244	691,212	1,313	1,156
Depreciation of investment properties	1,297	1,533	-	-
Amortisation of plantation development	7	7	-	-
Amortisation of leasehold land use rights	1,573	2,579	-	-
Amortisation of intangible assets	38,566	4,336	-	-
Directors' remuneration excluding estimated money value of benefits-in-kind (see Note 11)	108,763	91,440	47,457	43,258
Impairment of property, plant and equipment and leasehold land use rights included in:				
- Other expenses	278,594	2,310	-	-
Impairment of intangible assets included in:				
- Other expenses	1,157,038	-	-	-
Impairment of investments included in:				
- Other expenses	108,000	79,006	-	-
Net impairment of exploration costs included in:				
- Other expenses	10,788	75,660	-	-
Impairment of investment in subsidiaries included in:				
- Other expenses	-	-	-	10,758
Net loss on disposal of property, plant and equipment	180	294	-	-
Property, plant and equipment written off	59,614	2,254	3	2
Net fair value loss on financial asset at fair value through profit or loss	3,467	-	-	-
Impairment loss on receivables	242,162	10,603	-	-
Net bad debts written off	62,337	-	-	-
Replanting expenditure	8,200	7,246	-	-
Hire of equipment	27,536	19,231	-	-
Rental of land and buildings	83,370	68,197	-	-
Finance cost	723,899	261,410	-	-
Net exchange losses - realised	7,804	-	1	-
Net exchange losses - unrealised	-	-	-	895
Auditors' remuneration				
- Payable to auditors	1,648	2,007	80	45
- Payable to member firms of an organisation which are separate and independent legal entities from the auditors	5,330	3,002	-	-
Expenditure paid to subsidiaries:				
- Finance cost	-	-	134,550	73,671
- Rental of land and buildings	-	-	2,195	2,196
- Rental of equipment	-	-	2,192	2,424
- Service fees	-	-	1,435	1,050
Employee benefits expense (see Note 10)	2,547,508	1,500,519	74,145	69,185
Waiver of net amount due from wholly owned subsidiaries	-	-	-	1,048
Repair and maintenance	205,512	149,157	628	576
Utilities	74,447	80,325	208	208
Legal and professional fees	48,505	61,151	5,397	10,507
Transportation costs	69,285	59,183	-	-

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

9. PROFIT BEFORE TAXATION (cont'd)

	Group		Company	
	2010	2009	2010	2009
	RM'000	RM'000	RM'000	RM'000
Credits:				
Interest income	158,483	124,919	13,128	8,677
Net gain on disposal of property, plant and equipment and plantation development	-	246	4	3
Net gain on disposal of available-for-sale financial assets	19,491	-	-	-
Net gain on disposal of short term investments	-	37,341	-	-
Net write back of allowances for diminution in value of investments	-	22,696	-	-
Net bad debts recovered	-	7,617	-	-
Rental income from land and buildings	79,938	66,209	-	-
Net surplus arising from compensation in respect of land acquired by the Government	704	2,589	-	-
Net gain on disposal of land held for property development	-	2,919	-	-
Net exchange gains - realised	-	12,555	-	1
Net exchange gains - unrealised	79,334	11,822	1,697	-
Dividends (gross) from:				
- Quoted foreign corporations	5,230	459	-	-
Income from subsidiaries:				
- Gain on disposal of long term investment	-	-	-	213,341
- Management and licensing fees	-	-	571,039	562,682
- Reversal of impairment loss	-	-	24,617	-
- Gross dividends	-	-	257,531	244,057
- Interest income	-	-	42,260	46,220
- Shared services fees	-	-	13,282	12,322
- Royalty	-	-	177	171
Other information:				
Non statutory audit fees				
- payable to auditors	1,345	1,012	431	95
- payable to member firms of an organisation which are separate and independent legal entities from the auditors	3,921	3,921	128	336

10. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2010	2009	2010	2009
	RM'000	RM'000	RM'000	RM'000
Wages, salaries and bonuses	2,061,369	1,201,754	55,278	52,896
Defined contribution plan	168,554	89,216	7,152	6,915
Other short-term employee benefits	251,259	159,516	2,123	1,862
Share-based payments	33,494	23,263	-	-
Provision for retirement gratuities	32,832	26,770	9,592	7,512
	2,547,508	1,500,519	74,145	69,185

Employee benefits expense, as shown above, includes the remuneration of Executive Directors.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

11. DIRECTORS' REMUNERATION

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
<u>Non-Executive Directors:</u>				
Fees	889	836	591	561
Ex-gratia	-	80	-	80
<u>Executive Directors:</u>				
Fees	793	759	342	316
Salaries & bonuses	81,205	68,467	33,880	32,038
Defined contribution plan	9,530	8,999	4,698	4,443
Other short-term employee benefits	489	556	35	61
Provision for retirement gratuities	15,857	11,743	7,911	5,759
	107,874	90,524	46,866	42,617
Directors' remuneration excluding estimated money value of benefits-in-kind (see Note 9)	108,763	91,440	47,457	43,258
Estimated money value of benefits-in-kind (not charged to the income statements) in respect of Executive Directors	2,721	670	310	47
	111,484	92,110	47,767	43,305

Remuneration of Directors of the Company, in respect of services rendered to the Company and its subsidiaries is in the following bands:

Amounts in RM'000	2010 Number	2009 Number
<u>Non-Executive Directors:</u>		
50 - 100	1	1
100 - 150	2	2
200 - 250	1	1
250 - 300	-	1
300 - 350	1	-
<u>Executive Directors:</u>		
1,450 - 1,500	-	1
1,600 - 1,650	1	-
2,100 - 2,150	-	1
2,250 - 2,300	1	-
87,600 - 87,650	-	1
106,650 - 106,700	1	-

Executive directors of the Company have been granted options under the Employees Share Option Scheme ("Scheme") on the same terms and conditions as those offered to other employees. Details of the Scheme are set out in Note 33. The unissued shares under the Scheme in respect of Directors are as follows:

Grant Date	Subscription price per share RM	Number of shares				
		At 1 January '000	Offered and Accepted '000	Exercised '000	Lapsed '000	At 31 December '000
Financial year ended 31.12.2010						
2 September 2002	2.868	7,145	-	(3,140)	-	4,005
Financial year ended 31.12.2009						
2 September 2002	2.868	7,145	-	-	-	7,145

	2010 '000	2009 '000
Number of share options vested at reporting date	2,365	3,775

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

12. TAXATION

	Group		Company	
	2010	2009	2010	2009
Current taxation charge:				
Malaysian taxation	799.4	757.5	195.0	186.1
Foreign taxation	37.4	38.3	-	-
	836.8	795.8	195.0	186.1
Deferred tax charge/(credit)	159.7	(8.1)	(1.9)	(1.8)
	996.5	787.7	193.1	184.3
Prior years' taxation:				
Income tax (over)/under provided	(25.7)	(15.1)	(0.1)	0.1
Deferred tax under/(over) provided	12.8	(27.0)	-	-
	983.6	745.6	193.0	184.4

The reconciliation between the average effective tax rate and the Malaysian tax rate is as follows:

	Group		Company	
	2010	2009	2010	2009
	%	%	%	%
Malaysian tax rate	25.0	25.0	25.0	25.0
Tax effects of:				
- expenses not deductible for tax purposes	8.5	6.0	9.1	2.8
- over provision in prior years	(0.3)	(1.7)	-	-
- different tax regime	(7.5)	0.9	-	-
- tax incentive	(0.6)	(0.6)	-	-
- income not subject to tax	(2.1)	-	(6.0)	(7.5)
- others	(0.6)	(0.1)	-	-
Average effective tax rate	22.4	29.5	28.1	20.3

Subject to the agreement by the Inland Revenue Board, the Group has investment tax allowance of approximately RM1,231.3 million (2009: RM1,304.4 million) which is available to offset against future taxable profits of the respective companies of the Group.

Taxation is calculated at the Malaysian statutory tax rate of 25% (2009: 25%) on the estimated chargeable profit for the year of assessment 2010.

The income tax effect of each of the other comprehensive income/(loss) items is RM0.2 million (2009: Nil) in the current financial year.

13. EARNINGS PER SHARE

The basic and diluted earnings per share of the Group are computed as follows:

(a) Basic earnings per share:

Basic earnings per share of the Group are calculated by dividing the profit for the financial year by the weighted average number of ordinary shares in issue during the financial year.

	2010	2009
Profit for the financial year attributable to equity holders of the Company (RM'million)	2,203.0	1,044.3
Weighted average number of ordinary shares in issue ('000)	3,698,287	3,695,444
Basic earnings per share (sen)	59.57	28.26

(b) Diluted earnings per share:

For the diluted earnings per share calculation, the Group's profit for the financial year is reduced by the lower consolidated earnings from subsidiaries arising from the potential dilution of the Group's shareholdings in those subsidiaries that have issued potential ordinary shares that are dilutive. The weighted average number of ordinary shares in issue of the Company is also adjusted to assume conversion of all dilutive potential ordinary shares issued by the Company.

	2010	2009
Earnings adjusted as follows:		
Profit for the financial year attributable to equity holders of the Company (RM'million)	2,203.0	1,044.3
Net impact on earnings on potential exercise of Employees Share Options awarded to executives of the Company's subsidiaries (RM'million)	(3.0)	(3.0)
Adjusted earnings for the financial year (RM'million)	2,200.0	1,041.3
Weighted average number of ordinary shares adjusted as follows:		
Weighted average number of ordinary shares in issue ('000)	3,698,287	3,695,444
Adjustment for share options granted to executives of the Company ('000)	1,975	6,860
Adjusted weighted average number of ordinary shares in issue ('000)	3,700,262	3,702,304
Diluted earnings per share (sen)	59.46	28.13

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

14. DIVIDENDS

	2010		2009	
	Gross dividend per share Sen	Amount of dividend, net of tax RM million	Gross dividend per share Sen	Amount of dividend, net of tax RM million
Interim dividend paid	3.3	91.6	3.0	83.1
Proposed final dividend	4.5	125.0	4.2	116.4
	7.8	216.6	7.2	199.5

At the forthcoming Annual General Meeting, a final dividend in respect of the financial year ended 31 December 2010 of 4.5 sen less 25% tax (2009: 4.2 sen less 25% tax) per ordinary share of 10 sen each amounting to RM125.0 million (2009: RM116.4 million) will be proposed for shareholders' approval. These financial statements do not reflect this final dividend which will be accrued as a liability upon approval by shareholders.

15. PROPERTY, PLANT AND EQUIPMENT

2010 Group	Freehold land	Freehold buildings and improvements	Leasehold land	Leasehold buildings and improvements	Plant, equipment and vehicles	Construction in progress	Total
Net book value:							
At 1 January 2010							
- As previously reported	462.1	3,108.6	-	742.3	3,506.2	8,630.8	16,450.0
- Effects of adoption of							
- Amendment to FRS 117	-	-	1,787.4	-	-	-	1,787.4
- Amendment to FRS 140	-	-	(44.2)	-	-	(2.5)	(46.7)
As restated	462.1	3,108.6	1,743.2	742.3	3,506.2	8,628.3	18,190.7
Additions	41.6	14.2	0.1	2.5	311.1	3,597.6	3,967.1
Disposals	-	-	-	-	(1.6)	-	(1.6)
Written off	-	(0.6)	-	(3.3)	(3.0)	(52.7)	(59.6)
Depreciation charged for the year	(4.7)	(81.4)	(21.4)	(150.4)	(892.3)	-	(1,150.2)
Assets of companies disposed	-	-	-	-	(162.0)	-	(162.0)
Reclassification/transfers	(0.8)	24.4	(6.2)	4,460.3	4,863.0	(9,367.0)	(26.3)
Impairment losses	-	-	(0.7)	(2.2)	(275.7)	-	(278.6)
Currency fluctuations	(3.1)	(59.8)	(37.6)	(50.2)	(117.7)	(223.3)	(491.7)
Others	-	(4.1)	(0.3)	(16.6)	(18.0)	(16.3)	(55.3)
At 31 December 2010	495.1	3,001.3	1,677.1	4,982.4	7,210.0	2,566.6	19,932.5
At 31 December 2010:							
Cost or valuation	532.9	3,999.4	1,810.0	5,406.9	11,644.0	2,567.1	25,960.3
Accumulated depreciation	(37.8)	(996.5)	(129.9)	(408.5)	(4,114.6)	-	(5,687.3)
Accumulated impairment losses	-	(1.6)	(3.0)	(16.0)	(319.4)	(0.5)	(340.5)
Net book value	495.1	3,001.3	1,677.1	4,982.4	7,210.0	2,566.6	19,932.5
Comprising							
Cost	272.2	3,803.9	1,767.3	5,406.9	11,632.6	2,567.1	25,450.0
At valuation:							
- 1981	48.3	-	-	-	-	-	48.3
- 1982	8.8	76.7	-	-	2.9	-	88.4
- 1983	105.1	2.3	-	-	-	-	107.4
- 1986	-	-	-	-	8.5	-	8.5
- 1989	83.3	115.8	-	-	-	-	199.1
- 1991	-	0.7	34.0	-	-	-	34.7
- 1995	-	-	8.7	-	-	-	8.7
- 1996	15.2	-	-	-	-	-	15.2
	532.9	3,999.4	1,810.0	5,406.9	11,644.0	2,567.1	25,960.3

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

15. PROPERTY, PLANT AND EQUIPMENT (cont'd)

2009

(Restated)

Group	Freehold land	Freehold buildings and improvements	Leasehold land	Leasehold buildings and improvements	Plant, equipment and vehicles	Construction in progress	Total
Net book value:							
At 1 January 2009							
- As previously reported	434.5	3,073.6	-	758.7	3,617.1	2,807.7	10,691.6
- Effects of adoption of							
- Amendment to FRS 117	-	-	1,782.8	-	-	-	1,782.8
- Amendment to FRS 140	-	-	(44.7)	-	-	(2.5)	(47.2)
As restated	434.5	3,073.6	1,738.1	758.7	3,617.1	2,805.2	12,427.2
Additions	16.9	8.3	0.2	27.3	323.1	5,926.9	6,302.7
Disposals	(0.2)	-	-	-	(3.6)	-	(3.8)
Written off	-	(0.2)	-	(0.2)	(1.9)	-	(2.3)
Depreciation charged for the year	(3.0)	(84.2)	(4.1)	(38.5)	(561.4)	-	(691.2)
Impairment loss	-	-	(2.3)	-	-	-	(2.3)
Assets of companies acquired	-	-	-	-	0.2	-	0.2
Reclassification/transfers	11.9	52.4	(18.9)	(16.5)	123.3	(160.7)	(8.5)
Currency fluctuations	2.0	56.0	30.2	15.0	14.6	56.9	174.7
Others	-	2.7	-	(3.5)	(5.2)	-	(6.0)
At 31 December 2009	462.1	3,108.6	1,743.2	742.3	3,506.2	8,628.3	18,190.7
At 31 December 2009:							
Cost or valuation	487.0	4,022.6	1,849.2	945.8	7,074.6	8,628.8	23,008.0
Accumulated depreciation	(24.9)	(912.4)	(103.7)	(189.8)	(3,453.1)	-	(4,683.9)
Accumulated impairment losses	-	(1.6)	(2.3)	(13.7)	(115.3)	(0.5)	(133.4)
Net book value	462.1	3,108.6	1,743.2	742.3	3,506.2	8,628.3	18,190.7
Comprising							
Cost	226.3	3,827.1	1,806.5	945.8	7,063.2	8,628.8	22,497.7
At valuation:							
- 1981	48.3	-	-	-	-	-	48.3
- 1982	8.8	76.7	-	-	2.9	-	88.4
- 1983	105.1	2.3	-	-	-	-	107.4
- 1986	-	-	-	-	8.5	-	8.5
- 1989	83.3	115.8	-	-	-	-	199.1
- 1991	-	0.7	34.0	-	-	-	34.7
- 1995	-	-	8.7	-	-	-	8.7
- 1996	15.2	-	-	-	-	-	15.2
	487.0	4,022.6	1,849.2	945.8	7,074.6	8,628.8	23,008.0

Fixed assets have been revalued by the Directors based upon valuations carried out by independent firms of professional valuers using the fair market value basis except for assets revalued in 1991, which were based on the values determined by a regulatory authority in connection with a restructuring exercise. The net book value of the revalued assets of the Group would have amounted to RM236.2 million (2009: RM237.9 million) had such assets been stated in the financial statements at cost.

On 22 December 2005, a legal charge was created on the freehold land and buildings of a subsidiary of GENM with a carrying value of approximately RM49.9 million (2009: RM30.8 million) for all monies due or that become due to a mortgagee. The facility for which the legal charge had been created was not utilised as at 31 December 2010.

Property, plant and equipment and leasehold land use rights that have been pledged as collateral as at 31 December 2010 amounted to RM1.5 billion (2009: RM1.7 billion) equivalent and RM4.5 million (2009: RM5.2 million) equivalent respectively, for certain borrowings in the Group's power plant business.

The impairment loss in respect of property, plant and equipment in Meizhou Wan Power Plant is set out in Note 20(b).

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

15. PROPERTY, PLANT AND EQUIPMENT (cont'd)

2010 Company

Net book value:

	Freehold buildings and improvements	Plant, equipment and vehicles	Construction in progress	Total
At 1 January 2010	0.9	3.4	0.1	4.4
Additions	-	3.2	-	3.2
Disposals	-	(0.1)	-	(0.1)
Written off	-	-	-	-
Depreciation	(0.1)	(1.2)	-	(1.3)
Reclassifications / transfers	-	-	(0.1)	(0.1)
At 31 December 2010	0.8	5.3	-	6.1

At 31 December 2010:

Cost	8.8	17.2	-	26.0
Accumulated depreciation	(8.0)	(11.9)	-	(19.9)
Net book value	0.8	5.3	-	6.1

2009 Company

Net Book Value:

At 1 January 2009	1.0	3.9	0.1	5.0
Additions	-	0.6	-	0.6
Depreciation	(0.1)	(1.1)	-	(1.2)
At 31 December 2009	0.9	3.4	0.1	4.4

At 31 December 2009:

Cost	8.8	14.5	0.1	23.4
Accumulated depreciation	(7.9)	(11.1)	-	(19.0)
Net book value	0.9	3.4	0.1	4.4

16. PROPERTY DEVELOPMENT ACTIVITIES

	Group	
	2010	2009
(a) Land held for property development:		
Freehold land	364.9	368.3
Development cost	206.3	214.1
	571.2	582.4
At 1 January		
- freehold land	368.3	373.7
- development costs	214.1	206.2
Costs incurred during the financial year		
- development costs	2.0	9.3
Costs transferred to property development costs (see Note 16(b))		
- freehold land	(2.9)	(0.8)
- development costs	(9.8)	(1.4)
Transferred to land held for sale		
- freehold land	(0.5)	-
Disposal of freehold land	-	(4.6)
At 31 December	571.2	582.4

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

16. PROPERTY DEVELOPMENT ACTIVITIES (cont'd)

	Group		
	2010	2009	
(b) Property development costs:			
Freehold land	3.1	2.3	
Development costs	20.0	101.3	
Accumulated costs charged to income statement	(8.9)	(58.6)	
	<u>14.2</u>	<u>45.0</u>	
At 1 January			
- freehold land	2.3	4.5	
- development costs	101.3	103.5	
- accumulated costs charged to income statement	(58.6)	(54.0)	54.0
Costs incurred during the financial year			
- transfer from land held for property development (see Note 16(a))	12.7	2.2	
- development costs	26.4	60.8	63.0
Costs charged to income statement	(35.5)	(52.8)	
Costs transferred to inventories			
- freehold land	(2.1)	(3.0)	
- development costs	(117.5)	(64.4)	
- accumulated costs charged to income statement	85.2	48.2	(19.2)
At 31 December	<u>14.2</u>	<u>45.0</u>	

17. INVESTMENT PROPERTIES

	Group	
	2010	2009 (Restated)
Net Book Value:		
At 1 January		
- As previously reported	25.1	26.0
- Effects of adoption of Amendments to FRS 116, FRS 117 and FRS 140	46.7	47.2
As restated	71.8	73.2
Disposals	(7.5)	-
Depreciation charged for the year	(1.3)	(1.5)
Reclassification to assets classified as held for sale	(19.7)	-
Reclassifications	-	0.1
At 31 December	<u>43.3</u>	<u>71.8</u>
At 31 December:		
Cost	61.4	92.6
Accumulated depreciation	(18.1)	(20.8)
Net book value	<u>43.3</u>	<u>71.8</u>
Fair value at end of the financial year	<u>75.7</u>	<u>118.4</u>

The aggregate rental income and direct operating expenses arising from investment properties that generated rental income which was recognised during the financial year amounted to RM4.7 million and RM1.3 million respectively (2009: RM4.7 million and RM1.3 million).

The fair value of the properties was estimated based on the last transacted price of other units in the same properties or sales of comparable properties in the vicinity.

18. PLANTATION DEVELOPMENT

	Group	
	2010	2009
Net Book Value:		
At 1 January		
- As previously reported	650.4	518.3
- Effects of adoption of FRS 139	(0.8)	-
As restated	649.6	518.3
Additions	190.5	120.9
Disposals	-	(0.1)
Assets of companies acquired	0.3	-
Reclassifications/transfers	14.8	(0.5)
Currency fluctuations	(11.6)	11.8
At 31 December	<u>843.6</u>	<u>650.4</u>

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

19. LEASEHOLD LAND USE RIGHTS

	Group 2010	2009 (Restated)
Net Book Value:		
At 1 January		
- As previously reported	1,902.4	1,850.9
- Effects of adoption of Amendment of FRS 117	(1,787.4)	(1,782.8)
As restated	115.0	68.1
Additions	7.1	28.3
Assets of companies acquired	31.3	17.2
Amortisation	(1.6)	(2.6)
Reclassifications/transfers	(12.5)	0.5
Currency fluctuations	(5.4)	3.5
At 31 December	133.9	115.0
At 31 December:		
Cost	142.2	126.6
Accumulated amortisation	(8.3)	(11.6)
Net book value	133.9	115.0
Analysed by:		
- unexpired period more than 50 years	-	-
- unexpired period less than 50 years	133.9	115.0
	133.9	115.0

Leasehold land use rights with an aggregate carrying value of RM71.1 million (2009: RM24.9 million) are pledged as securities for borrowings.

20. INTANGIBLE ASSETS

Group	Goodwill	Casino licences	Licence	Rights	Trademark	Intellectual property rights and development costs	Other intangibles	Total
Net Book Value:								
At 1 January 2010	956.7	2,641.7	-	60.0	77.3	117.2	61.2	3,914.1
Exchange differences	(43.5)	(281.0)	19.6	(3.6)	(8.9)	-	(1.8)	(319.2)
Additions	58.5	-	1,178.6	-	-	51.7	0.7	1,289.5
Amortisation charge	-	(28.4)	-	(3.5)	-	(1.6)	(5.1)	(38.6)
Reclassification	(14.0)	90.6	-	-	-	-	13.8	90.4
Impairment charge	(390.4)	(758.9)	-	(7.7)	-	-	-	(1,157.0)
At 31 December 2010	567.3	1,664.0	1,198.2	45.2	68.4	167.3	68.8	3,779.2
At 31 December 2010:								
Cost	1,816.0	2,432.3	1,198.2	95.7	68.4	168.9	115.6	5,895.1
Accumulated amortisation	-	(28.6)	-	(39.7)	-	(1.6)	(13.4)	(83.3)
Accumulated impairment losses	(1,248.7)	(739.7)	-	(10.8)	-	-	(33.4)	(2,032.6)
Net book value	567.3	1,664.0	1,198.2	45.2	68.4	167.3	68.8	3,779.2
Net Book Value:								
At 1 January 2009	891.2	2,370.0	-	64.4	69.7	81.1	46.7	3,523.1
Exchange differences	50.5	271.2	-	(0.4)	7.6	-	1.0	329.9
Additions	15.0	0.5	-	-	-	36.1	15.2	66.8
Amortisation charge	-	-	-	(4.0)	-	-	(0.3)	(4.3)
Reclassification	-	-	-	-	-	-	(1.4)	(1.4)
At 31 December 2009	956.7	2,641.7	-	60.0	77.3	117.2	61.2	3,914.1
At 31 December 2009:								
Cost	1,896.3	2,641.7	-	106.0	77.3	117.2	106.3	4,944.8
Accumulated amortisation	-	-	-	(39.0)	-	-	(8.1)	(47.1)
Accumulated impairment losses	(939.6)	-	-	(7.0)	-	-	(37.0)	(983.6)
Net book value	956.7	2,641.7	-	60.0	77.3	117.2	61.2	3,914.1

The intellectual property development costs comprise expenditure incurred on intellectual property development relating to the use of genomics-based techniques and other methods or tools thereof to increase the yields and profit streams principally from oil palm and other crops where it can be reasonably anticipated that the costs will be recovered through commercialisation, sale and marketing of all the resulting products from the aforesaid development.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

20. INTANGIBLE ASSETS (cont'd)

As at 31 December 2010, the expenditure incurred on these intellectual property development represents mainly payments made in respect of the oil palm and jatropha genome sequencing data received by GENP Group to-date. The remaining amortisation period of the intellectual property development costs as at 31 December 2010 is 14.75 years. The intellectual property rights are related to GENP Group's acquisition of the remaining 50% equity interest in SAL pursuant to the ACGT Restructuring exercise as disclosed in Note (a) to the statements of cash flows.

The remaining amortisation periods for rights at reporting date range from 1 to 15 years (2009: 1 to 16 years).

- (a) Impairment tests for goodwill and other intangible assets with indefinite useful lives.

Goodwill and other intangible assets with indefinite useful lives are allocated to the Group's cash-generating units ("CGU") identified according to geographical area and business segments.

A segment-level summary of the Group's net book value of goodwill and other intangible assets with indefinite useful lives allocation is as follows:

Group	2010	2009
Goodwill:		
United Kingdom ("UK")		
- London	13.9	196.9
- Provincial	-	244.9
Singapore	197.9	203.1
Other intangible assets:		
UK		
- London	680.8	1,117.7
- Provincial	987.9	1,599.5
- Isle of Man	2.4	2.6

Goodwill and other intangible assets with indefinite useful lives - UK

Goodwill and other intangible assets with indefinite useful lives that have been allocated to the UK Group were tested for impairment using the value-in-use method.

The recoverable amount of CGUs in UK was determined based on value-in-use calculations. Cash flow projections used in these calculations were based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period were extrapolated using the estimated growth rates stated below. The growth rate did not exceed the long-term average growth rate for the leisure and hospitality industry in which the CGUs operate.

Key assumptions used for value-in-use calculations include:

	Leisure and hospitality 2010		Leisure and hospitality 2009	
	London	Provincial	London	Provincial
Growth rate	0.00%	0.00%	3.00%	3.00%
Weighted average cost of capital ("WACC")	8.46%	9.70%	7.61%	7.27%
Cost of debt	2.20%	2.20%	2.20%	2.20%

The above assumptions were used in the review of both the London and Provincial CGUs within the leisure and hospitality business segment in the UK. The growth rates used were consistent with the forecasts included in industry reports. The WACC used is pre-tax and is assumed to reflect specific risks relating to the relevant segments.

The review indicated that the UK Group suffered an impairment loss of RM1,149.3 million (2009: Nil) on goodwill and licences arising on the acquisition of UK casino operations in 2006. The impairment charge was mainly due to the unfavourable economic climate in the UK which is expected to adversely impact the UK casino operations.

Goodwill - Singapore

The goodwill attributed to the Singapore CGU mainly arises from the acquisition of 25% equity interest in Resorts World at Sentosa Pte Ltd ("RWSPL") which has developed an integrated resort in Singapore. The impairment test for goodwill relating to the Singapore CGU was assessed using the value-in-use method. Cash flow projections used in this calculation were based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period were extrapolated using the estimated growth rate stated below. The growth rate did not exceed the long-term average growth rate for the leisure & hospitality industry in which the CGU operates.

Key assumptions used in the value-in-use calculation for 2010 include a growth rate, WACC and cost of debt of 3.00%, 9.93% and 2.35% (2009: 3.00%, 7.72% and 2.34%) respectively.

Based on the impairment test, no impairment is required for goodwill attributed to the Singapore CGU.

There will be no impact to the Group results after tax if the cost of debt used to compute WACC is 1% higher or lower with all other variables including tax rate being held constant.

Other intangible assets also include a theme park licence.

- (b) Impairment loss – Meizhou Wan Power Plant

The Group performed an impairment assessment on the Group's power generation plant located in Meizhou Wan in the Fujian Province in China.

In the current financial year, an amount of RM222.8 million (2009: Nil) was recognised as impairment loss, mainly due to impairment charge of RM215.1 million in respect of property, plant and equipment and RM7.7 million in respect of intangible assets, arising from deterioration in cash flow projections caused primarily by escalating coal price and lower-than-expected generation hours. This impairment loss is included within "Other Expenses" in the consolidated income statement.

For the purpose of this impairment assessment, Fujian Pacific Electric Company Ltd ("FPEC"), the Group's power generation plant located in Meizhou Wan in the Fujian Province in China, has been identified as the cash-generating unit ("CGU"). The recoverable amount of the CGU is determined based on value-in-use, which is measured by reference to discounted future cash flows. These calculations use cash flow projections based on financial budget approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated with 0% growth rate till the expiry of the Power Purchase Agreement ("PPA") in June 2025. The discount rate used in the current year's estimate is 8.23% (2009: 8.56%).

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

20. INTANGIBLE ASSETS (cont'd)

(b) Impairment loss – Meizhou Wan Power Plant (cont'd)

If the tariff rate used in the computation of value-in-use is 1% lower than management's estimate, with all other variables including tax rate being held constant, the result after tax for the Group will be lower by RM59.0 million as a result of higher impairment loss (2009: no impairment loss). However, if the tariff rate used is 1% higher, the results after tax for the Group will be higher by RM58.5 million as a result of lower impairment loss (2009: higher by RM97.0 million from reversal of impairment loss in prior years).

If the pre-tax discount rate applied to the discounted net cash flow is 1% higher than management's estimate, with all other variables including tax rate being held constant, the results after tax for the Group will be lower by RM78.0 million as a result of higher impairment loss (2009: no impairment loss). However, if the pre-tax discount rate is 1% lower, the results after tax for the Group will be higher by RM85.7 million as a result of lower impairment loss (2009: higher by RM97.0 million from reversal of impairment loss in prior years).

(c) Amortisation charged out/capitalised are analysed as follows:

	Group	
	2010	2009
Charged to income statement (within cost of sales)	38.6	4.3
Capitalised in property, plant and equipment	0.3	1.4
	38.9	5.7

21. EXPLORATION COSTS

	Group	
	2010	2009
Net Book Value:		
At 1 January	420.6	420.0
Exchange differences	(40.2)	(3.5)
Additions	229.9	79.8
Impairment loss	(33.1)	(75.7)
At 31 December	577.2	420.6
At 31 December:		
Net book value	577.2	420.6

Exploration costs comprise drilling, seismic and technical study expenditure. These costs remain capitalised as the Group is committed to continue exploring and developing these interests.

Impairment losses recognised during the financial years ended 31 December 2010 and 31 December 2009 were in respect of two of the Group's oil and gas projects.

22. SUBSIDIARIES

	Group	
	2010	2009
Investment in subsidiaries:		
Quoted shares in Malaysia - at cost	802.3	740.1
Unquoted shares - at cost	7,704.1	7,538.2
	8,506.4	8,278.3
Market value of quoted shares	13,173.7	10,368.4
Amounts due from subsidiaries are unsecured and comprise:		
Current:		
Interest free	408.0	411.3
Non-current:		
Interest bearing	925.8	966.3
Interest free	0.9	0.9
	926.7	967.2
	1,334.7	1,378.5
Amounts due to subsidiaries are unsecured and comprise:		
Current:		
Interest free	21.5	16.3
Non-current:		
Interest bearing	2,389.7	2,438.3
	2,411.2	2,454.6

The subsidiaries are listed in Note 48.

The carrying amounts of the amounts due from/to subsidiaries approximate their fair values.

- (a) The interest free portion of the amount due from/to subsidiaries has no fixed repayment terms. There were no amounts due from the Company's wholly owned subsidiaries which needed to be waived during the financial year ended 31 December 2010 (2009: RM1.0 million was waived).

The interest bearing portion of the amounts due from subsidiaries bears interest at rates of 5.9% (2009: 5.9% to 6.8%) per annum.

Included in the interest bearing amount due to subsidiaries are loans obtained by the Company from the following subsidiaries:

- USD300.0 million (RM943.5 million) (2009: USD300.0 million (RM1,030.7 million)) loan from Prime Holdings (Labuan) Limited ("PHLL"), a wholly owned subsidiary of the Company. The loan bears an effective interest rate of 5.9% (2009: 5.9%) per annum. Repayment terms for this loan are similar to the terms on the fixed rate notes facility obtained by PHLL.
- RM1.45 billion loan from GB Services Berhad, a wholly owned subsidiary of the Company on 12 November 2009. The loan bears an effective interest rate of 5.3% per annum (see Note 36(g)). The entire principal amount of the loan shall be repaid by 8 November 2019 (the "Maturity Date") provided always that the entire principal amount or any portion thereof, and any accrued and unpaid interest thereon shall be immediately due and payable upon the earlier to occur of (i) the Maturity Date; or (ii) request(s) from GB Services Berhad for early prepayment of the loan or any portions thereof; or (iii) the acceleration of the loan.

The above loans have been used to finance the Group's investments overseas.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

22. SUBSIDIARIES (cont'd)

- (b) As at 31 December 2010, the Company's percentage shareholding in GENM has increased to 49.3% compared to 48.7% as at 31 December 2009 mainly due to the effects of GENM's purchase of its own shares and additional acquisition of shares by the Company during the current financial year.

GENM's financial results continue to be consolidated with those of the Company as its subsidiary notwithstanding the Company's shareholding of less than 50% in GENM as the Company has control over GENM by virtue of its ability to manage the financial and operating policies of GENM pursuant to a 30 year Resort Management Agreement ("RMA") entered into in 1989 between the Company's wholly owned subsidiary, Genting Hotel & Resorts Management Sdn Bhd ("GHRM") and GENM. The RMA which cannot be unilaterally terminated by either party, (except in limited circumstances, generally relating to default by a party continuing after a cure period or insolvency related events affecting a party) is renewable under the original terms and conditions at the end of the original term for 3 consecutive terms of 20 years each. Under the RMA, GHRM is appointed as the operator and manager of the gaming, hotel and resort-related operations of GENM and which includes the supply of senior management and other personnel deemed necessary or appropriate by GHRM for the operation of GENM. A fee based on the gross revenue and the net operating income before fixed charges and taxation of GENM is payable by GENM to GHRM for services under the RMA.

In addition, the Company is the single largest shareholder of GENM and GENM also continues to regard the Company as its holding company by virtue of the Company being able to manage the financial and operating policies of GENM.

- (c) During the current financial year, the Company subscribed to 37,352 convertible, Non-Cumulative Irredeemable Preference Shares of USD1 each issued by its wholly owned subsidiary, Genting Overseas Holdings Limited ("GOHL"), which amounted to RM123.4 million.
- (d) On 23 November 2010, Resorts World Inc Pte Ltd ("RWI") ceased to be a subsidiary of the Company and has been accounted for as an associated company of the Company (see Note 44(g)).

23. JOINTLY CONTROLLED ENTITIES

	Group	
	2010	2009
Unquoted - at cost:		
Shares in foreign corporations	102.5	85.1
Shares in a Malaysian company	1.0	1.0
Group's share of post acquisition reserves	(41.2)	(34.0)
	62.3	52.1
Amounts due from jointly controlled entities	74.2	88.8
Amount due to a jointly controlled entity	4.5	2.3
Less: Balance included in long term receivables (see Note 30)	(66.5)	(75.3)
Balance included in current assets	(7.7)	(13.5)
Balance included in current liabilities	(4.5)	(2.3)
	-	-
	62.3	52.1

The Group's aggregate share of the income, expenses, assets and liabilities of the jointly controlled entities are as follows:

	2010	2009
Income	81.3	20.9
Expenses	(90.1)	(43.0)
Net loss	(8.8)	(22.1)
Non-current assets	386.0	424.7
Current assets	65.9	42.2
Current liabilities	(313.2)	(97.8)
Non-current liabilities	(76.4)	(318.8)
Net assets	62.3	50.3

The jointly controlled entities are listed in Note 48.

There are no contingent liabilities relating to the Group's interest in jointly controlled entities at the financial year end (2009: Nil).

24. ASSOCIATES

	Group	
	2010	2009
Quoted - at cost:		
Shares in Malaysian company	299.7	299.7
Negative goodwill arising from acquisition	13.8	13.8
Group's share of post acquisition reserves	33.7	31.4
	347.2	344.9
Unquoted - at cost:		
Shares in foreign corporations	168.2	135.3
Shares in Malaysian companies	2.1	2.1
Group's share of post acquisition reserves	248.4	190.5
	418.7	327.9
	765.9	672.8
Market value of quoted shares	246.2	180.7

The Group's aggregate share of revenue, profit, assets and liabilities of associates are as follows:

	Group	
	2010	2009
Revenue	462.6	354.3
Net profit	66.5	42.5
Total assets	2,386.0	1,147.7
Total liabilities	(1,034.5)	(507.8)

The Group's shareholding in Union Bank of Colombo Limited, via a wholly owned subsidiary, is 19.4% as at 31 December 2010. The Group has recognised this investment as an associate and accounted for it by the equity method of accounting as the Group has significant influence over this investment.

The associates are listed in Note 48.

There are no contingent liabilities relating to the Group's interest in associates at the financial year end (2009: Nil).

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

25. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The carrying amounts of the financial assets at fair value through profit and loss are classified as follows:

	Group 2010
Non-current	
Designated at fair value on initial recognition	
- Equity investments (quoted foreign corporations)	2.0
Current	
Held for trading	
- Equity investments (quoted foreign corporations)	26.0
- Debt securities (unquoted foreign corporations)	68.8
	94.8
	96.8

The fair values of quoted equity investments are determined by reference to the bid prices on the relevant stock exchanges. The fair value of the unquoted debt securities are determined based on the price traded over the counter market.

26. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	Group		Company	
	2010	2009	2010	2009
Non-current				
At 1 January				
- As previously reported	1,270.1	415.0	-	-
- Effects of adoption of FRS 139	715.8	-	-	-
As restated	1,985.9	415.0	-	-
Foreign exchange differences	(169.5)	(2.4)	-	-
Additions	138.0	-	-	-
Accretion of discounts	7.4	-	-	-
Fair value changes - recognised in other comprehensive income	928.4	887.9	-	-
Transferred to available-for-sale -current	(1.4)	-	-	-
Repayment of shareholder loan	(3.4)	-	-	-
Impairment loss - recognised in income statement	(108.0)	(30.4)	-	-
Disposals	(186.0)	-	-	-
At 31 December	2,591.4	1,270.1	-	-
Current				
At 1 January				
- As previously reported	-	-	-	-
- Effects of adoption of FRS 139	287.7	-	-	-
As restated	287.7	-	-	-
Foreign exchange differences	(36.1)	-	-	-
Additions	350.0	-	50.0	-
Transferred from available-for-sale - non-current	1.4	-	-	-
Fair value changes - recognised in other comprehensive income	239.0	-	-	-
As 31 December	842.0	-	50.0	-
	3,433.4	1,270.1	50.0	-

Available-for-sale financial assets include the following:

	Group		Company	
	2010	2009	2010	2009
Equity investments in foreign corporations				
- Quoted	2,541.1	1,270.1	-	-
- Unquoted	259.3	-	-	-
Equity investments in Malaysian corporations				
- Unquoted	1.7	-	-	-
Debt securities in foreign corporations				
- Unquoted	281.3	-	-	-
Income funds in Malaysian corporation				
- Unquoted	350.0	-	50.0	-
	3,433.4	1,270.1	50.0	-

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

26. AVAILABLE-FOR-SALE FINANCIAL ASSETS (cont'd)

Available-for-sale financial assets are denominated in the following currencies:

	Group		Company	
	2010	2009	2010	2009
Denominated in:				
- HKD	630.9	258.5	-	-
- USD	2,155.7	1,011.6	-	-
- GBP	266.4	-	-	-
- RMB	1.4	-	-	-
- SGD	16.0	-	-	-
- RM	351.7	-	50.0	-
- Others	11.3	-	-	-
At 31 December	3,433.4	1,270.1	50.0	-

The fair values of the quoted equity investments are determined based on the quoted market bid prices available on the relevant stock exchanges. The fair values of the unquoted debt securities are determined based on the price traded over the counter. The income funds are redeemable at the holder's discretion and the fair values are based on the fair values of the underlying net assets.

The fair value of certain unquoted equity investment is determined based on valuation techniques supported by observable market data.

Other unquoted equity investments are measured at cost less impairment losses at each reporting date because the fair values cannot be obtained directly from quoted market price or indirectly using valuation techniques supported by observable market data.

Refer to Note 2(a)(iv) under judgements and estimations on impairment of available-for-sale financial asset.

The interest rates for unquoted debt securities range from 4.25% to 11.13% per annum.

27. OTHER LONG TERM INVESTMENTS

	Group 2009
Quoted shares in foreign corporations, at cost	16.7
Less: Amounts written down to-date	-
	16.7
Unquoted shares in Malaysian companies, at cost	4.2
Less: Amounts written down to-date	(1.0)
	3.2
Other unquoted investments outside Malaysia, at cost	318.5
Less: Amounts written down to-date	(50.3)
	268.2
Unquoted debt securities in foreign corporations, at cost	392.1
Add: Accretion of discount	0.8
	392.9
	681.0

With the adoption of FRS 139 effective from 1 January 2010, other long term investments of RM1.3 million, RM678.2 million and RM1.5 million have been reclassified as financial assets at fair value through profit or loss (see Note 25), available-for-sale financial assets (see Note 26) and other non-current assets respectively.

28. DEFERRED TAXATION

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax relates to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the statement of financial position:

	Group		Company	
	2010	2009	2010	2009
Deferred tax assets				
- subject to income tax (see (i) below)	177.0	94.0	11.1	9.2
Deferred tax liabilities				
- subject to income tax (see (ii) below)	(1,482.0)	(1,307.9)	-	-
Net deferred tax (liability)/asset	(1,305.0)	(1,213.9)	11.1	9.2
At 1 January				
- As previously reported	(1,213.9)	(1,164.9)	9.2	7.4
- Effects of adoption of FRS 139	(3.2)	-	-	-
	(1,217.1)	(1,164.9)	9.2	7.4
(Charged)/credited to income statement (see Note 12)				
- property, plant and equipment	(411.7)	11.1	(0.5)	-
- provisions	11.7	(6.5)	2.4	1.8
- impairment loss on intangible asset	204.0	-	-	-
- others	23.5	30.5	-	-
	(172.5)	35.1	1.9	1.8
Disposal of subsidiary company	(6.0)	-	-	-
Exchange differences	91.4	(87.6)	-	-
Others	(0.8)	3.5	-	-
At 31 December	(1,305.0)	(1,213.9)	11.1	9.2

Subject to income tax:

i) Deferred tax assets (before offsetting)				
- property, plant and equipment	145.8	94.6	-	-
- land held for property development	5.1	4.4	-	-
- provisions	56.8	43.9	12.0	9.5
- tax losses	52.4	35.8	-	-
- others	25.6	21.4	-	-
	285.7	200.1	12.0	9.5
- offsetting	(108.7)	(106.1)	(0.9)	(0.3)
Deferred tax assets (after offsetting)	177.0	94.0	11.1	9.2
ii) Deferred tax liabilities (before offsetting)				
- property, plant and equipment	(930.7)	(450.9)	(0.9)	(0.3)
- land held for property development	(40.1)	(40.1)	-	-
- intangible assets	(775.1)	(883.2)	-	-
- others	155.2	(39.8)	-	-
	(1,590.7)	(1,414.0)	(0.9)	(0.3)
- offsetting	108.7	106.1	0.9	0.3
Deferred tax liabilities (after offsetting)	(1,482.0)	(1,307.9)	-	-

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

28. DEFERRED TAXATION (cont'd)

The amount of unutilised tax losses and deductible temporary differences on property, plant and equipment (no expiry date) for which no deferred tax asset is recognised in the statement of financial position are as follows:

	Group		Company	
	2010	2009	2010	2009
Unutilised tax losses	252.2	68.6	-	-
Property, plant and equipment	94.7	85.6	-	-
Provision	2.1	5.1	-	-
	349.0	159.3	-	-

In respect of the Group's unutilised Investment Tax Allowance ("ITA") (see Note 12) with regards to FRS 112 "Income Taxes", the Group will continue to recognise in the Income Statement, the tax impact arising from the ITA as and when it is utilised.

29. INVENTORIES

	Group			
	2010	2009		
Stores and spares	313.1	209.3		
Completed properties	149.3	138.2		
Food, beverages and other hotel supplies	52.7	31.0		
Produce stocks and finished goods	5.5	8.6		
	520.6	387.1		

30. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2010	2009	2010	2009
Current:				
Trade receivables	1,714.8	451.2	-	-
Other receivables	201.2	223.7	0.4	0.3
Less: Impairment loss on receivables	(214.3)	(11.7)	(0.2)	(0.2)
	1,701.7	663.2	0.2	0.1
Accrued billings in respect of property development	3.0	15.2	-	-
Deposits	235.1	78.0	0.6	0.6
Prepayments	244.9	220.6	-	-
	2,184.7	977.0	0.8	0.7

Non-current:

Trade receivables	103.2	109.6	-	-
Other receivables	134.7	54.6	-	-
Less: Impairment loss on receivables	(38.9)	-	-	-
	199.0	164.2	-	-
Amount due from jointly controlled entities (see Note 23)	66.5	75.3	-	-
Amount due from associated company	1.6	-	-	-
	267.1	239.5	-	-
	2,451.8	1,216.5	0.8	0.7

Credit terms offered by the Group in respect of trade receivables range from 1 day to 60 days (2009: 1 day to 60 days) from date of invoice.

The carrying amounts of the Group's and the Company's trade and other receivables approximate their fair value.

As of 31 December 2010, trade and other receivables of RM530.6 million were past due but not impaired. The ageing analysis of these trade receivables is as follows:

	Group 2010	Company 2010
Receivables past due:		
Past due 0 to 3 months	367.3	-
Past due 3 to 6 months	143.2	-
Past due over 6 months	20.1	-
	530.6	-

No impairment has been made on these amounts as the Group is closely monitoring these receivables and is confident of their eventual recovery.

The currency profile of trade and other receivables (excluding prepayments) as at the financial year end is as follows:

	Group		Company	
	2010	2009	2010	2009
SGD	1,360.8	131.0	-	-
RM	384.5	408.9	0.8	0.7
USD	167.4	86.5	-	-
GBP	107.6	105.3	-	-
RMB	128.7	223.0	-	-
HKD	13.2	0.3	-	-
Other foreign currencies	44.7	40.9	-	-
	2,206.9	995.9	0.8	0.7

The Group's trade receivables that are individually determined to be impaired at the reporting date relate to receivables that are in significant financial difficulties and have defaulted on payments. The amount of the provision was RM253.2 million as of 31 December 2010. These receivables are not secured by any collateral.

Movements on the provision for impairment loss on receivables are as follows:

	Group 2010	Company 2010
At 1 January	11.7	0.2
Charge for the year	242.2	-
Reversal of impairment loss	(1.9)	-
Exchange differences	1.2	-
At 31 December	253.2	0.2

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

31. SHORT TERM INVESTMENTS

	Group 2009
Quoted - at cost:	
Shares in foreign corporations	355.8
Less: Allowance for diminution in value of investments	(41.7)
	<u>314.1</u>
Market value of quoted shares:	
- Foreign corporations	<u>316.2</u>

With the adoption of FRS 139 effective from 1 January 2010, short term investments of RM26.4 million and RM287.7 million have been reclassified as financial assets at fair value through profit or loss (see Note 25) and available-for-sale financial assets respectively (see Note 26).

32. CASH AND CASH EQUIVALENTS

	Group		Company	
	2010	2009	2010	2009
Deposits with licensed banks	10,514.9	9,349.9	290.3	126.2
Cash and bank balances	3,139.3	2,423.2	0.6	0.6
	<u>13,654.2</u>	<u>11,773.1</u>	<u>290.9</u>	<u>126.8</u>
Less: Restricted cash	(881.5)	(297.5)	-	-
Bank balances and deposits	<u>12,772.7</u>	<u>11,475.6</u>	<u>290.9</u>	<u>126.8</u>
Add: Money market instruments	1,775.8	2,917.0	339.7	448.1
Cash and cash equivalents	<u>14,548.5</u>	<u>14,392.6</u>	<u>630.6</u>	<u>574.9</u>

The currency profile and weighted average interest rates of the bank balances, deposits and money market instruments as at the financial year end are as follows:

	Group				Company			
	Currency Profile		Interest rates		Currency Profile		Interest rates	
	2010	2009	2010	2009	2010	2009	2010	2009
			%	%			%	%
RM	3,933.7	5,724.4	2.73	1.99	601.0	542.6	2.76	1.99
USD	1,652.4	1,642.8	0.14	0.16	29.6	32.3	0.20	0.20
SGD	8,531.7	6,654.6	0.22	0.17	-	-	-	-
RMB	220.6	213.5	2.50	2.22	-	-	-	-
GBP	140.7	120.6	0.33	0.45	-	-	-	-
HKD	35.0	14.9	-	-	-	-	-	-
Other foreign currencies	34.4	21.8	-	-	-	-	-	-
	<u>14,548.5</u>	<u>14,392.6</u>			<u>630.6</u>	<u>574.9</u>		

The deposits of the Group and Company as at 31 December 2010 have maturity periods ranging from overnight to 183 days (2009: overnight to 92 days). Cash and bank balances of the Group and Company are held at call.

Investment in money market instruments comprises negotiable certificates of deposit and bankers' acceptances. The money market instruments of the Group and Company as at 31 December 2010, have maturity periods ranging between overnight and one month (2009: overnight and one month).

Included in deposits with licensed banks for the Group is an amount of RM17.8 million (2009: RM10.0 million) deposited by an indirect subsidiary involved in property development activities into various Housing Development Accounts in accordance with Section 7(A) of the Housing Developers (Control and Licensing) Act, 1966. This amount is available for use by the said subsidiary for the payment of property development expenditure.

Restricted cash relates to the deposits pledged with licensed banks to secure certain bank facilities, mainly denominated in RMB, USD and GBP. These deposits have weighted average interest rates ranging from 0.02% to 2.76% (2009: 0.1% to 2.45%) per annum.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

33. SHARE CAPITAL

	2010	2009
Authorised:		
8,000.0 million ordinary shares of 10 sen each	800.0	800.0
Issued and fully paid:		
Ordinary shares of 10 sen each		
At beginning of the financial year		
- 3,704.8 million (2009: 3,703.8 million)	370.5	370.4
Issue of shares:		
- pursuant to the Scheme: 8.8 million (2009: 1.0 million)	0.9	0.1
At end of the financial year		
- 3,713.6 million (2009: 3,704.8 million)	371.4	370.5

Executive Share Option Scheme

During the financial year, 8,709,000 new ordinary shares of 10 sen each fully paid at the subscription price of RM2.868 per share and 5,000 new ordinary shares of 10 sen each fully paid at the subscription price of RM2.616 per share were issued by virtue of the exercise of options to take up unissued ordinary shares of the Company by executive employees pursuant to The Executive Share Option Scheme for Eligible Executives of Genting Berhad and its subsidiaries ("Scheme").

The Scheme had become effective on 12 August 2002 for a duration of 10 years terminating on 11 August 2012. These ordinary shares rank pari passu with the then existing ordinary shares of the Company.

At an Extraordinary General Meeting ("EGM") of the Company held on 21 February 2002, the shareholders of the Company had approved the Scheme.

At another EGM held on 25 June 2002, the Bye-Laws of the Scheme was further amended such that the total number of new shares to be offered under the Scheme shall not exceed 2.5% of the issued and paid-up share capital of the Company at any time of the offer but the shareholders of the Company may at any time during the tenure of the Scheme, by ordinary resolution increase the total number of new shares to those offered under the Scheme up to 5% of the issued and paid up share capital of the Company at the time of the offer.

The main features of the Scheme are as follows:

- (i) The Scheme shall be in force from the Date of Commencement and continue for a period of ten years from the Date of Commencement.
- (ii) Eligible Executives are employees of the Group (including Executive Directors) or persons under an employment contract of the Group for a period of at least twelve full months of continuous service before the Date of Offer. The eligibility for participation in the Scheme shall be at the discretion of the Remuneration, Compensation and Benefits ("RCB") Committee which was established by the Board of Directors. Following the dissolution of the RCB Committee with effect from 29 June 2009, the administration of the Scheme has been delegated by the Board of Directors to the Remuneration Committee ("RC") of the Company.
- (iii) In the event of cessation of employment of a Grantee with the Group prior to the full exercise of the options, such options shall cease without any claim against the Company provided always that subject to the written approval of the RC in its discretion where the Grantee ceases his employment with the Group by reason of:
 - his retirement at or after attaining retirement age;
 - ill-health or accident, injury or disability;
 - redundancy; and/or
 - other reasons or circumstances which are acceptable to the RC.

The Grantee may exercise his unexercised options within the Option Period subject to such conditions that may be imposed by the RC.

- (iv) The total number of new shares to be offered under the Scheme shall not exceed 2.5% of the issued and paid-up share capital of the Company at any time of the offer but the shareholders of the Company may at any time during the tenure of the Scheme, by ordinary resolution increase the total number of new shares to be offered under the Scheme up to 5% of the issued and paid-up share capital of the Company at the time of the offer.
- (v) Not more than 50% of the shares available under the Scheme would be allocated, in aggregate, to the Executive Directors and Senior Management. In addition, not more than 10% of the shares available under the Scheme would be allocated to any individual Eligible Executive who, either singly or collectively through persons connected, holds 20% or more in the issued and paid-up share capital of the Company.
- (vi) The price at which the Grantee is entitled to subscribe upon exercise of his rights under the options shall be based on the weighted average market price of the shares as shown in the Daily Official List of the Bursa Malaysia Securities Berhad for the five (5) Market Days immediately preceding the Date of Offer. Notwithstanding this, the Option Price per share shall in no event be less than the nominal value of the shares.
- (vii) No options shall be granted for less than 1,000 shares and not more than 7,500,000 shares to any Eligible Executive.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

33. SHARE CAPITAL (cont'd)

Executive Share Option Scheme (cont'd)

(viii) The options granted can only be exercised by the Grantee in the third year from the Date of Offer and the number of new shares comprised in the option which a Grantee can subscribe for from the third year onwards shall at all times be subject to the following maximum percentage of new shares comprised in the options:

Year 1	Year 2	Year 3	Year 4	Year 5
-	-	12.5% rounded up to the next 1,000 shares	12.5% rounded up to the next 1,000 shares	12.5% rounded up to the next 1,000 shares
Year 6	Year 7	Year 8	Year 9	Year 10
12.5% rounded up to the next 1,000 shares	12.5% rounded up to the next 1,000 shares	12.5% rounded up to the next 1,000 shares	12.5% rounded up to the next 1,000 shares	12.5% or balance of all options allotted

(ix) All new ordinary shares issued upon exercise of the options granted under the Scheme will rank pari passu in all respects with the existing ordinary shares of the Company other than their entitlements to dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the date of allotment of the new shares and will be subject to all provisions of the Articles of Association of the Company relating to transfer, transmission and otherwise.

(x) The options shall not have any right to vote at general meeting of the Company and the Grantees shall not be entitled to any dividends, right or other entitlements in respect of their unexercised options.

Set out below are details of options over the ordinary shares of the Company granted under the Scheme:

Date granted	Exercisable period	Subscription price RM	At start of financial year '000	Offered and Accepted '000	Exercised '000	Lapsed '000	At end of financial year '000
Financial year ended 31.12.2010:							
Scheme							
2.9.2002	2.9.2004 to 11.8.2012	2.868	14,592	-	(8,709)	(5)	5,878
29.11.2002	29.11.2004 to 11.8.2012	2.616	50	-	(5)	-	45
			14,642	-	(8,714)	(5)	5,923

Financial year ended 31.12.2009:

Scheme							
2.9.2002	2.9.2004 to 11.8.2012	2.868	15,619	-	(1,027)	-	14,592
29.11.2002	29.11.2004 to 11.8.2012	2.616	50	-	-	-	50
			15,669	-	(1,027)	-	14,642

2010
'000

2009
'000

Number of share options vested at reporting date

3,673 7,757

Details relating to options exercised during the current financial year are as follows:

Exercise date	Fair value of shares at share issue date (RM/share)	Subscription price (RM/share)	Number of shares issued	
			2010	2009
January - March	6.26 - 7.65 / 3.17 - 3.92	2.868	424,000	5,000
April - June	6.40 - 7.47 / 3.76 - 6.00	2.868	181,000	214,000
July - September	7.14 - 10.51 / 5.49 - 7.31	2.868	3,134,000	452,000
July - September	7.14 - 10.51 / 5.49 - 7.31	2.616	5,000	-
October - December	9.95 - 11.15 / 6.93 - 7.78	2.868	4,970,000	356,000
			8,714,000	1,027,000
			2010 RM'000	2009 RM'000
Ordinary share capital - at par			871.4	102.7
Share premium			24,119.1	2,842.7
Proceeds received on exercise of share options			24,990.5	2,945.4

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

34. TREASURY SHARES

At the Annual General Meeting of the Company held on 10 June 2010, the shareholders of the Company approved the renewal of the authority for the Company to purchase its own shares of up to 10% of the issued and paid-up share capital of the Company.

During the current financial year, the Company had repurchased a total of 20,000 (2009: 160,000) ordinary shares of RM0.10 each of its issued share capital from the open market at an average price of RM7.91 (2009: RM4.62). The total consideration paid for the repurchase, including transaction costs, was RM0.15 million (2009: RM0.74 million) and was financed by internally generated funds. The repurchased shares are held as treasury shares in accordance with the requirements of Section 67A (as amended) of the Companies Act, 1965. There is no cancellation, resale or reissuance of treasury shares during the financial year. As treasury shares, the rights attached as to voting, dividends and participation in other distribution are suspended.

As at 31 December 2010, of the total 3,713,561,770 (2009: 3,704,847,770) issued and fully paid ordinary shares, 8,772,900 (2009: 8,752,900) are held as treasury shares by the Company. As at 31 December 2010, the number of outstanding ordinary shares in issue after the offset is therefore 3,704,788,870 (2009: 3,696,094,870) ordinary shares of RM0.10 each.

Details relating to the repurchase during the current financial year are as follows:

	Total shares repurchased in units '000	Total consideration paid RM'million	Highest price RM	Lowest price RM	Average price* RM
At 1 January 2010	8,752.9	43.04	7.20	3.40	4.92
Shares repurchased during the financial year					
- March	10.0	0.06	6.29	6.29	6.34
- September	10.0	0.09	9.42	9.42	9.49
At 31 December 2010	8,772.9	43.19			4.92

* Average price includes stamp duty, brokerage and clearing fees.

The directors of the Company are committed to enhance the value of the Company to its shareholders and believe that the repurchase plan is being applied in the best interests of the Company and its shareholders.

35. RESERVES

	Group		Company	
	2010	2009	2010	2009
Share premium	1,179.1	1,155.0	1,179.1	1,155.0
Revaluation reserves	315.1	302.7	-	-
Fair value reserve	1,079.9	432.0	-	-
Cash flow hedge reserve	(16.3)	-	-	-
Exchange differences	(1,187.6)	(223.1)	-	-
Retained earnings	13,799.1	11,893.0	6,510.0	6,224.4
	15,169.3	13,559.6	7,689.1	7,379.4

Under the single-tier tax system which came into effect from the year of assessment 2008, companies are not required to have tax credits under Section 108 of the Income Tax Act 1967 for dividend payment purposes. The single tier dividend is not taxable in the hands of shareholders.

Companies with Section 108 credits as at 31 December 2008 may continue to pay franked dividends until the Section 108 credits are exhausted or 31 December 2013 whichever is earlier unless they opt to disregard the Section 108 credits to pay single-tier dividends under the special transitional provisions of the Finance Act 2007. As at 31 December 2010, subject to agreement with the tax authorities, the Company has sufficient Section 108 tax credits to pay RM3,576.9 million (2009: RM3,784.9 million) of the retained earnings of the Company as franked dividends.

In addition, the Company has tax exempt income as at 31 December 2010, available to frank as tax exempt dividends arising from the Promotions of Investment Act, 1986 and the Income Tax (Amendment) Act 1999, relating to tax on income earned in 1999 being waived, amounting to approximately RM525.7 million (2009: RM525.2 million). The estimated tax credit and tax exempt income are subject to agreement by the Inland Revenue Board.

36. BORROWINGS

	Group	
	2010	2009
Current		
Secured:		
Term loans	1,375.3	100.1
Loan notes	8.4	-
Bankers acceptances	127.6	152.8
Finance lease liabilities	6.0	2.2
Working capital loans	-	66.9
Unsecured:		
Term loans	64.4	530.5
	1,581.7	852.5
Non-current		
Secured:		
Term loans	8,745.6	8,446.3
Loan notes	-	16.7
Finance lease liabilities	27.5	1.3
Working capital loans	204.0	-
Unsecured:		
Medium term notes	1,599.5	1,450.0
Convertible bonds (see Note 37)	-	1,137.6
Fixed rate notes	926.5	1,007.8
Term loans	346.3	448.9
Working capital loans	-	150.9
	11,849.4	12,659.5
	13,431.1	13,512.0

The borrowings bear an effective annual interest rate of 0.4% to 5.9% (2009: 1.6% to 14.3%) per annum.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

36. BORROWINGS (cont'd)

The carrying amounts of the borrowings are denominated in the following currencies:

	Group	
	2010	2009
SGD	8,491.0	8,858.2
USD	1,965.8	1,387.5
RM	1,599.5	1,450.0
RMB	1,107.2	1,293.9
GBP	267.6	522.2
Other foreign currencies	-	0.2
	13,431.1	13,512.0

(a) The maturity profile and exposure of borrowings of the Group is as follows:

	Floating interest rate	Fixed interest rate	Total
As at 31 December 2010:			
Less than one year	1,448.5	133.2	1,581.7
More than one year and less than two years	1,091.0	7.0	1,098.0
More than two years and less than five years	7,603.3	947.1	8,550.4
More than five years	601.5	1,599.5	2,201.0
	10,744.3	2,686.8	13,431.1
As at 31 December 2009:			
Less than one year	698.0	154.5	852.5
More than one year and less than two years	731.8	0.4	732.2
More than two years and less than five years	3,079.3	2,145.8	5,225.1
More than five years	5,252.2	1,450.0	6,702.2
	9,761.3	3,750.7	13,512.0

(b) The exposure of the borrowings of the Group to interest rate changes and the periods in which the borrowings reprice are as follows:

	Repricing periods					
	Total	1 to 3 months	More than 3 months & less than 1 year	More than 1 year & less than 2 years	More than 2 years & less than 5 years	More than 5 years
As at 31 December 2010:						
Total borrowings	13,431.1	9,008.3	1,863.8	0.3	926.8	1,631.9
Movements in repricing periods due to interest rate swaps	0.4	0.4	-	-	-	-
	13,431.5	9,008.7	1,863.8	0.3	926.8	1,631.9
As at 31 December 2009:						
Total borrowings	13,512.0	8,464.2	1,451.6	0.4	2,145.8	1,450.0
Movements in repricing periods due to interest rate swaps	-	(5,524.5)	-	733.1	1,642.2	3,149.2
	13,512.0	2,939.7	1,451.6	733.5	3,788.0	4,599.2

(c) Finance lease liabilities

The minimum lease payments of the finance lease liabilities at the reporting date are as follows:

	Group	
	2010	2009
Not more than one year	14.9	2.4
More than one year and not more than five years	37.0	1.4
More than five years	-	-
	51.9	3.8
Future finance charges	(18.4)	(0.3)
Present value	33.5	3.5

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

36. BORROWINGS (cont'd)

(c) Finance lease liabilities (cont'd)

Finance lease liabilities are effectively secured as the rights to the leased assets revert to the lessor in the event of default. The finance lease liabilities have an effective interest rate of 1.9% to 16.5% (2009: 5.1% to 14.6%) per annum.

(d) Fair values of the borrowings as at the financial year ended 31 December 2010 are as follows:

	Group	
	2010	2009
Current	1,581.7	852.5
Non-current	<u>11,993.8</u>	<u>13,069.6</u>

(e) Fixed Rate Notes

On 22 September 2004 ("Issue Date"), the Company through its wholly owned subsidiary, Prime Holdings (Labuan) Limited, issued USD300.0 million Guaranteed Notes ("Notes") of up to 10 years. The Notes which are guaranteed by the Company, were offered outside the United States in accordance with Regulation S. The Notes were only offered for subscription or sale outside Malaysia (except the Federal Territory of Labuan) to non-residents of Malaysia. The purpose of the issue is to fund the Group's future overseas investments.

The main features of the Notes are as follows:

- (i) the Notes bear coupon interest from Issue Date at 5.375% per annum payable in arrears on 22 March and 22 September each year commencing on 22 March 2005; and
- (ii) unless previously purchased and cancelled, the Notes will be redeemed on 22 September 2014 at their principal amount.

The Fixed Rate Notes are recognised in the statement of financial position as follows:

	2010		2009	
	USD Equivalent (Mil)	RM (Mil)	USD Equivalent (Mil)	RM (Mil)
Face value including hedge loss	289.6	910.8	289.6	995.1
Discount	(1.8)	(5.7)	(1.8)	(6.3)
Amortisation of hedge loss and discount	6.8	21.4	5.5	19.0
	<u>294.6</u>	<u>926.5</u>	<u>293.3</u>	<u>1,007.8</u>

(f) SGD625.0 million Bridging Loan Facility

On 9 September 2009, Genting Capital Limited ("GCL"), a wholly owned subsidiary of the Company, entered into a Bridging Loan Facility agreement with a syndicate of banks to provide a bridging loan facility of up to SGD625.0 million ("Bridging Loan Facility"). The purpose of this Bridging Loan Facility is to on-lend to GOHL to part finance GOHL's subscription in GENS's 2009 Rights Issue. This Bridging Loan Facility is guaranteed by the Company and was fully drawdown in October 2009.

The Bridging Loan Facility bears interest rates which vary according to Swap Offer Rate.

During the current financial year, GCL fully repaid the entire Bridging Loan Facility.

- (g) On 9 November 2009, the Company through its wholly owned subsidiary, GB Services Berhad ("GBS"), had successfully issued RM1.45 billion nominal amount of the 10-year Medium Term Notes ("MTNs") pursuant to establishing a RM1.6 billion nominal value MTNs programme. The issue was priced at 5.30% per annum, payable semi-annually and guaranteed by the Company. On 10 May 2010, GBS subsequently issued the remaining RM0.15 billion nominal amount of the MTNs. The purpose of the issuance of MTNs is to on-lend to the Company and/or its subsidiaries for capital expenditure, investment, refinancing, working capital requirements and/or other general corporate purposes of the Group. The entire nominal amount of the MTNs shall be repaid by 8 November 2019 (the "Maturity Date") provided that the entire principal amount or any portion thereof, and accrued and unpaid interest thereon shall be immediately due and payable upon earlier to occur of (i) the Maturity Date; (ii) request(s) from GBS for early repayment; or (iii) acceleration of the loan. In the event of default, the Trustee of the MTNs may at its sole discretion, and shall if so directed by the MTNs holders by the Extraordinary Resolution declare by notice in writing to GBS that an event of default has occurred and notwithstanding the Maturity Date, the nominal value of all outstanding MTNs and unpaid interest thereon shall be become immediately due and payable.

37. CONVERTIBLE BONDS

The convertible bonds recognised in the statements of financial position are analysed as follows:

	Group 2010
Face value of convertible bonds issued, net of transaction costs	2,049.6
Derivative financial instruments	(861.0)
Liability component as at initial recognition	1,188.6
Cumulative interest expense	206.6
Bonds converted	<u>(1,395.2)</u>
Liabilities component of convertible bonds at 31 December	<u>-</u>

- (a) GENS had on 12 January 2007 issued SGD425.0 million convertible bonds due 2012 ("First Convertible Bonds") which were initially convertible into approximately 673.7 million fully paid-up new ordinary shares of USD0.10 each of GENS at a conversion price of SGD0.6308 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 GENS. The First Convertible Bonds were listed and quoted on the Singapore Exchange Securities Trading Limited ("SGX-ST") with effect from 15 January 2007.

As a result of GENS's rights issue on the basis of 3 rights shares for every 5 existing ordinary shares held by the GENS shareholders as at 17 August 2007 ("2007 Rights Issue"), adjustments have been made to the conversion price, from SGD0.6308 per share to SGD0.55 per share with effect from 17 September 2007.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

37. CONVERTIBLE BONDS (cont'd)

With effect from 20 October 2009 the conversion price of the First Convertible Bonds was further adjusted to SGD0.53 pursuant to GENS's rights issue on the basis of one right share for every 5 existing ordinary shares ("2009 Rights Issue") held by the GENS shareholders as at 23 September 2009.

During the previous financial year ended 31 December 2009, a total of SGD57.6 million of the First Convertible Bonds were converted into 108.1 million new GENS shares. The conversion gave rise to a net gain on dilution of RM28.0 million.

The First Convertible Bonds were fully converted into ordinary shares as at 31 December 2009.

- (b) GENS had on 26 April 2007 issued SGD450.0 million convertible bonds due 2012 ("Second Convertible Bonds") which were initially convertible into approximately 363.4 million fully paid-up new ordinary shares of USD0.10 each of GENS at a conversion price of SGD1.2383 per share, and are convertible from 22 May 2007 to 16 April 2012. The new ordinary shares, upon issue, shall rank pari passu with the existing ordinary shares of GENS. The Second Convertible Bonds were listed and quoted on the SGX-ST with effect from 27 April 2007.

As a result of GENS's 2007 Rights Issue as disclosed above, adjustments have been made to the conversion price, from SGD1.2383 per share to SGD1.08 per share with effect from 17 September 2007.

With effect from 26 April 2009, in accordance with the terms and conditions of the Second Convertible Bonds, the conversion price was again adjusted from SGD1.08 per share to SGD0.99 per share, as the arithmetic average of the closing price of the GENS shares for 20 consecutive trading days immediately prior to 45 days before 26 April 2009 was less than the existing conversion price.

As a result of GENS's 2009 Rights Issue, the conversion price of the Second Convertible Bonds was subsequently adjusted from SGD0.99 per share to SGD0.95 per share with effect from 20 October 2009.

During the current financial year, a total of SGD445.7 million (2009: SGD4.3 million) of the remaining outstanding Second Convertible Bonds were converted into 469.2 million (2009: 4.5 million) new GENS shares. The conversion gave rise to a net gain on dilution of RM436.3 million (2009: RM5.0 million).

38. PROVISIONS

	Group		Company	
	2010	2009	2010	2009
Provision for Retirement Gratuities (see (a) below)	155.7	126.2	47.8	38.2
Provision for Contingent Losses (see (b) below)	-	-	26.1	15.9
Other provision	64.3	4.0	-	-
	220.0	130.2	73.9	54.1
Less: Provision for retirement gratuities shown as current liabilities (see (a) below)	(8.2)	(6.6)	-	-
	211.8	123.6	73.9	54.1
(a) Provision for Retirement Gratuities				
Beginning of the financial year	126.2	107.2	38.2	30.8
Charge for the financial year	34.1	27.4	10.1	7.5
Write-back of provision	(1.0)	(0.6)	(0.5)	-
Disposal of subsidiaries	(0.1)	-	-	-
Payments during the financial year	(3.5)	(7.8)	-	(0.1)
End of the financial year	155.7	126.2	47.8	38.2
Analysed as follows:				
Current (see Note 40)	8.2	6.6	-	-
Non-current	147.5	119.6	47.8	38.2
	155.7	126.2	47.8	38.2

The fair value of provision for retirement gratuities closely approximate its book value.

(b) Provision for Contingent Losses

	Company	
	2010	2009
Beginning of the financial year	15.9	18.2
Provision/(reversal) for the financial year	10.2	(2.3)
End of the financial year	26.1	15.9

As at the end of the current financial year, the Company has established a provision for contingent losses of RM26.1 million (2009: RM15.9 million). The contingent losses arise from guarantees issued to financial institutions on borrowings extended to a wholly owned subsidiary for the purpose of raising finance for the Group's investments.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

39. OTHER LIABILITIES

	Group	
	2010	2009
Deferred membership fees	29.1	32.0
Accruals and other payables	85.9	229.5
	115.0	261.5

The advance membership fees relate to fees received on sale of timeshare units by an indirect subsidiary offering a timeshare ownership scheme. These fees are recognised as income over the next twenty four years from commencement of membership.

40. TRADE AND OTHER PAYABLES

	Group		Company	
	2010	2009	2010	2009
Trade payables	470.5	347.4	-	-
Accruals	1,589.8	996.7	24.0	19.8
Retirement gratuities (see Note 38(a))	8.2	6.6	-	-
Interest payable	38.8	34.0	-	-
Deposits	39.3	24.9	-	-
Other payables	1,952.2	972.3	-	-
	4,098.8	2,381.9	24.0	19.8

The currency profile of trade and other payables as at the financial year end is as follows:

	Group		Company	
	2010	2009	2010	2009
RM	1,175.1	1,028.6	24.0	19.8
USD	133.7	226.9	-	-
GBP	165.9	173.7	-	-
SGD	2,453.5	805.7	-	-
RMB	115.9	100.9	-	-
HKD	18.8	0.4	-	-
Other foreign currencies	35.9	45.7	-	-
	4,098.8	2,381.9	24.0	19.8

Included in other payables and accruals of the Group are progress billings payable and accruals for capital expenditure relating to construction of a hotel and upgrading of resorts infrastructure amounting to RM1,197.7 million (2009: RM791.8 million).

Credit terms available to the Group range from 7 days to 90 days (2009: 7 days to 120 days) from date of invoice.

The carrying amounts of the Group's trade and other payables approximate their fair values.

41. DERIVATIVE FINANCIAL INSTRUMENTS

	Group	
As at 31 December 2010	Assets	Liabilities
Non-current:		
Interest Rate Capped Libor-In-Arrears Swap – cash flow hedge	1.2	(1.6)
Current:		
Forward foreign currency exchange contracts – not designated as hedges	-	(4.2)
Total derivative financial instruments	1.2	(5.8)

The Group's derivative financial instruments relate to the following:

(a) Interest rate Swaps ("IRS")

The Group has entered into IRS to hedge the Group's exposure to interest rate risk on its borrowings in Singapore. These contracts entitle the Group to receive interest at floating rates on notional principal amounts and oblige the Group to pay interest at fixed rates on the same notional principal amounts, thus allowing the Group to raise borrowings at floating rates and swap them into fixed rates.

These IRS contracts are accounted using the hedge accounting method. The changes of fair value of these IRS are recognised in the hedging reserve in equity and will be continuously released to the income statement until the repayment of the bank borrowings or maturity of IRS whichever is earlier.

During the current financial year, all these IRS contracts have been fully settled. As a result, the Group recognised a loss on discontinuance of cash flow hedge accounting using interest rate swaps of RM145.4 million in the income statement.

(b) Interest Rate Capped Libor-In-Arrears Swap ("IRCLIA")

The Group has entered into two IRCLIA contracts to limit its exposure to fluctuation in interest rate movements if the interest rate moved beyond the cap at USD London Inter-Bank Offer Rate ("LIBOR") 2.35% per annum. The notional principal amount for each interest period will be USD15 million over 4 years beginning April 2011 and USD25 million over 4 years beginning November 2011 respectively.

The total notional principal amount of the outstanding IRCLIA contracts at 31 December 2010 was approximately RM125.8 million. As at 31 December 2010, the estimated fair value of these IRCLIA contracts was approximately RM0.4 million, which was unfavourable to the Group.

These IRCLIA contracts are accounted using the hedge accounting method. The changes of fair value of these IRCLIA are included as hedging reserves in equity and are recognised in income statement as the underlying hedged items are recognised.

(c) Forward Foreign Currency Exchange

The Group entered into forward foreign currency exchange contracts to manage the exposure to foreign exchange risk when subsidiaries enter into transactions that are denominated in their functional currencies.

The total notional principal amount of the outstanding forward foreign currency exchange contracts at 31 December 2010 was approximately RM130.8 million. As at 31 December 2010, the estimated fair value of these forward foreign currency exchange contracts was RM4.3 million, which was unfavourable to the Group.

These forward foreign currency exchange contracts are not designated as cash flow or fair value hedges and are entered into for periods consistent with currency transaction exposure and fair value exposure. Such derivatives do not qualify for hedge accounting. The changes in the fair value of those forward foreign currency exchange contracts are recognised as other income or other expense in the income statement.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

41. DERIVATIVE FINANCIAL INSTRUMENTS (cont'd)

The fair values of the above instruments have been estimated using the published market prices or quoted from reputable financial institutions. The Group had no significant concentrations of credit risk as at 31 December 2010.

(d) Put and Call Option

GENM had on 26 November 2008 announced that Resorts World Limited ("RWL"), an indirect wholly owned subsidiary of GENM, had entered into, amongst others, a call option agreement ("Option Agreement") with KH Digital Limited ("KHD") where KHD had granted a call option for a cash consideration of USD1 ("KHD Call Option") for RWL to acquire, within a period of eighteen months from the date of the Option Agreement, the entire issued and paid-up share capital of Karridale Limited ("Karridale") at an exercise price of USD27.0 million. On 26 May 2010, GENM announced that the Call Option has lapsed and RWL did not exercise its option to acquire the entire issued and paid-up share capital of Karridale.

42. CONTINGENCIES

On Going Litigation (unsecured) – GENP

GENP and Genting Tanjung Bahagia Sdn Bhd ("GTBSB"), a wholly owned subsidiary of GENP, had vide previous announcements informed GENP'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 GENP and GTBSB were named as the Second and Third Defendants respectively ("the Suit"). The High Court had on 20 June 2008 upheld the Defendants' preliminary objection with costs awarded to the Defendants. 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 GTBSB from Hap Seng Consolidated Berhad.

The Defendants had raised a preliminary objection that the High Court has no original jurisdiction to hear the Suit and that this Suit will lead to multiplicity of action as the Plaintiffs had already made application to the Assistant Collector of Land Revenue for similar claims.

The Plaintiffs have filed a Notice of Appeal to the Court of Appeal on 7 July 2008 against the decision of the High Court made on 20 June 2008 which was heard on 9 December 2010. However, the Court of Appeal has yet to fix a date to deliver the decision of the appeal.

GENP's solicitors maintained their opinion that the Plaintiffs' action is misconceived and unsustainable.

There have been no changes to the status of the aforesaid litigation as at the date of this report.

43. CAPITAL COMMITMENTS

	Group	
	2010	2009
Authorised capital expenditure not provided for in the financial statements:		
- contracted	1,952.9	2,770.9
- not contracted	4,324.5	4,687.3
	6,277.4	7,458.2

Group
2010 2009

Analysed as follows:

(i) Group:		
- Development expenditure *	3,604.2	5,287.8
- Property, plant and equipment	2,011.3	953.1
- Plantation development	390.1	563.3
- Drilling and exploration costs	82.5	550.3
- Investments	78.3	59.8
- Leasehold land use rights	37.1	24.1
- Investment properties	6.0	-
- Intellectual property development	5.0	19.8
	6,214.5	7,458.2
(ii) Share of capital commitments in jointly controlled entities		
- Investment properties	62.7	-
- Property, plant and equipments	0.2	-
	62.9	-
	6,277.4	7,458.2

* This relates mainly to the integrated resort project of GENS, Resorts World Sentosa, and the development and operation of a video lottery facility at the Aqueduct Racetrack in the City of New York, United States of America by GENM.

44. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

(a) 2010 was a major milestone year in the corporate history of the Group, beginning with Resorts World Sentosa ("RWS") meeting its aggressive timeline to open the integrated resort in the first quarter of 2010 and then with most of its operations commencing in the same quarter. RWS's phased opening began on 20 January 2010 with its four hotels - Festive Hotel, Hard Rock Hotel Singapore, Hotel Michael and Crockfords Tower. On 6 February 2010, RWS was issued a casino licence by the Casino Regulatory Authority of Singapore. The casino commenced business on 14 February 2010, the first day of Chinese New Year. This was followed a month later with the opening of Universal Studios Singapore on 18 March 2010.

(b) On 29 March 2010, GENP announced that Azzon Limited ("Azzon"), a wholly owned subsidiary of GENP and Chelsea Malaysia, LLC ("Chelsea"), a division of Simon Property Group, Inc had on the same day, entered into a First Amendment to the Joint Venture Agreement dated 29 September 2009 between Chelsea and Azzon for the Proposed Establishment of Premium Outlets in Malaysia ("JVA") to extend the completion period of the JVA from 6 months to 9 months. All other terms and conditions stated in the JVA remained unchanged.

On 22 June 2010, GENP further announced that an Amended and Restated Joint Venture Agreement dated 21 June 2010 ("Amended JVA") has been entered into by Azzon, Chelsea, Simon Genting Limited (formerly known as Chelsea Genting Limited), Genting Simon Sdn Bhd (formerly known as Genting Chelsea Sdn Bhd) and Genting Land Sdn Bhd, a wholly owned subsidiary of GENP.

On 8 July 2010, GENP announced that the Amended JVA had become unconditional. Accordingly, Simon Genting Limited which is equally owned by Azzon and Chelsea and its wholly owned subsidiary, Genting Simon Sdn Bhd are now jointly controlled entities of GENP.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

44. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (cont'd)

- (c) On 26 November 2008, GENM announced that Resorts World Limited ("RWL") had entered into, amongst others, a call option agreement ("Option Agreement") with KH Digital Limited ("KHD") where KHD had granted a call option for a cash consideration of USD1 ("Call Option") for RWL to acquire, within a period of eighteen months from the date of the Option Agreement, the entire issued and paid-up share capital of Karridale Limited ("Karridale") at an exercise price of USD27.0 million. Karridale holds, via its wholly owned subsidiary Faargy Limited, a 10% economic stake in Walker Digital Lottery LLC.

On 26 May 2010, GENM announced that the Call Option has lapsed and RWL did not exercise its option to acquire the entire issued and paid-up share capital of Karridale.

- (d) On 5 June 2009, GENP announced that the Sepanjang Group, an established palm oil producer based in the Republic of Indonesia, undertook an internal re-organisation of its corporate structure and operations. The re-organisation within the Sepanjang Group necessitated the restructuring of the remaining four joint venture ("JV") agreements in respect of the Proposed JV for oil palm cultivation in Kabupaten Ketapang, Provinsi Kalimantan Barat, Republic of Indonesia.

Accordingly, both GENP and the Sepanjang Group have mutually agreed that the remaining four JV agreements dated 8 June 2005, which all lapsed on 8 June 2009 would not be extended. In their place, new agreements were entered into on 5 June 2009 to enable the proposed joint venture with the Sepanjang Group for oil palm cultivation to proceed.

On 20 December 2010, GENP further announced that two out of the four JV agreements dated 5 June 2009 have been mutually terminated by the relevant parties on 20 December 2010 due to non-fulfilment of certain conditions precedent. The above-mentioned two JV agreements are as follows:

- (i) Joint venture agreement dated 5 June 2009 entered into between GP Equities Pte Ltd, an indirect wholly owned subsidiary of GENP, Borneo Palma Mulia Pte Ltd ("BPalma") and PT Mulia Agro Investama ("PTMulia"); and
- (ii) Joint venture agreement dated 5 June 2009 entered into between Sri Kenyalang Pte Ltd, an indirect wholly owned subsidiary of GENP, BPalma and PT Sawit Mandira ("PTMandira").

Save as set out above, the following two JV agreements are still in effect and ongoing;

- (i) Joint venture agreement dated 5 June 2009 entered into between Sandai Maju Pte Ltd, an indirect wholly owned subsidiary of GENP, BPalma and PTMulia; and
- (ii) Joint venture agreement dated 5 June 2009 entered into between Ketapang Holdings Pte Ltd, an indirect wholly owned subsidiary of GENP, BPalma and PTMandira.

The remaining two JV agreements are still conditional as at 31 December 2010. There have been no material changes to the status of these two JV agreements as at the date of this report.

- (e) On 29 June 2010, Genting New York LLC ("Genting NY"), an indirect wholly owned subsidiary of GENM, submitted a formal bid to the New York State Division of Lottery ("New York Lottery") to allow Genting NY to participate in the bidding process to develop and operate a Video Lottery Facility at the Aqueduct Racetrack in the city of New York, United States of America ("Project").

On 3 August 2010, New York Lottery had recommended to the New York Governor for Genting NY to be awarded the New York video lottery licence for the Project.

On 17 August 2010, the New York State Office of the Governor issued a press release announcing the approval by the Governor, Senate Conference Leader and Assembly Speaker of the New York Lottery's recommendation, subject to review and approval by the Office of the Attorney General and Office of the State Comptroller.

Subsequently on 13 September 2010, the office of the State Comptroller announced its approval for Genting NY to be selected as the developer and operator of the Video Lottery Facility. That represented the final approval required.

On 24 September 2010, Genting NY made payment of USD380 million (approximately RM1,175.5 million) as the upfront licensing fee to the State of New York. The license is for a duration of 30 years.

- (f) On 1 July 2010, GENM announced that Genting Worldwide (UK) Limited (formerly known as Festa Limited), a wholly owned subsidiary of Genting Worldwide Limited, which in turn is a wholly owned subsidiary of GENM, had entered into a conditional sale and purchase agreement with GENS to acquire from GENS its casino operations in the United Kingdom ("UK casinos") for a total cash consideration of GBP340 million ("Proposed Acquisition") which may be adjusted in accordance with the adjustment mechanism. The consideration was arrived at after arm's length negotiations and on a willing-buyer and willing-seller basis.

Likewise, GENS made a similar announcement on 1 July 2010 in relation to its proposed divestment of its UK casinos to GENM ("Proposed Divestment").

At the Extraordinary General Meetings of GENS and GENM held on 18 August 2010 and 24 August 2010 respectively, the respective shareholders of GENS and GENM approved the Proposed Divestment and Proposed Acquisition.

The Proposed Divestment and Proposed Acquisition were completed on 15 October 2010.

- (g) On 23 November 2010, the Company announced that its wholly owned subsidiary, Genting Intellectual Property Pte Ltd ("GIP") and Resorts World Inc Pte Ltd ("RWI"), a wholly owned subsidiary of GIP, had on that day, entered into a share subscription agreement ("SSA") with Genting International Management Limited ("GIML"), Star Market Holdings Limited ("SMHL"), Resorts World Enterprise Limited ("RWEL") and KHRV Limited ("KHRV") (collectively, the "Investors") pursuant to which:

- (i) each Investor will subscribe for 750,000 shares in RWI representing 20% of the enlarged equity in RWI for a consideration of SGD750,000; and

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

44. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (cont'd)

- (ii) GIP will subscribe for 749,999 shares in RWI, which together with the 1 share then owned by GIP in RWI, represents a 20% interest in the enlarged equity in RWI for a consideration of SGD749,999.

subject to the terms and conditions of the SSA.

The SSA was completed on 23 November 2010. Since then, RWI ceased to be a subsidiary of the Company and has been accounted for as an associated company of the Company.

The aforesaid transaction was to enable all the Investors to come together to jointly promote the "GENTING" and "RESORTS WORLD" brand and related intellectual property rights (collectively, "Group IP") internationally and to pool their respective expertise to enhance and unlock the value of the Group IP. This would allow for centralization and coordination of efforts in growing the Group IP via a single team at RWI, and thereby reducing inter-group competition for licensing arrangements, and facilitating the exploitation of the Group IP in a more efficient and coordinated manner.

45. SIGNIFICANT SUBSEQUENT EVENT

On 1 February 2011, GENS Group has obtained syndicated secured credit facilities of SGD4.1925 billion for the purpose of refinancing the facilities obtained in 2008 in connection with the construction, development and operation of the Integrated Resort at Sentosa Island. The new facilities comprise SGD3.5 billion in term loan facilities, SGD0.5 billion in revolving credit facilities and a SGD192.5 million banker's guarantee facility. The facilities were fully underwritten by 5 reputable mandated lead arrangers and bookrunners. GENS is the sponsor for the new facilities.

46. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES

In the normal course of business, the Company and the Group undertakes on agreed terms and prices, transactions with its related companies and other related parties.

In addition to related party disclosures mentioned elsewhere in the financial statements, set out below are other significant related party transactions and balances. The related party transactions listed below were carried out on terms and conditions negotiated and agreed between the parties.

	Group		Company	
	2010	2009	2010	2009
(a) Transactions with subsidiaries				
(i) Licensing fees from the subsidiaries to the Company for the use of name and accompanying logo of "Genting" and "Awana" owned by the Company.	-	-	174.9	171.5
(ii) Management fees from Genting Hotel & Resorts Management Sdn Bhd ("GHRM"), a wholly owned subsidiary of the Company, to the Company for the provision of the necessary resort management services to enable GHRM to perform its various obligations under the Resort Management Agreement with GENM.	-	-	396.2	391.2
(iii) Interest income earned by the Company from its subsidiaries on the interest bearing portion of the amount due from subsidiaries.	-	-	42.3	46.2
(iv) Finance cost charged by subsidiaries to the Company on the interest bearing portion of the amount due to subsidiaries.	-	-	134.6	73.7
(v) Provision of information technology consultancy, development, implementation, support and maintenance service, other management services and rental of information technology equipment by subsidiaries to the Company.	-	-	3.6	3.4
(vi) Gain from disposal by the Company of the total issued and paid-up share capital of its wholly owned subsidiaries, Oakwood Sdn Bhd ("Oakwood") and Genting Highlands Tours and Promotion Sdn Bhd, to GENM.	-	-	-	213.3
(vii) Rental charges for office space and related services by Oakwood to the Company.	-	-	2.2	2.2
(viii) Provision of management and/or support services by the Company to its subsidiaries and associates.	-	-	13.3	12.3
(b) Transactions with associates and jointly controlled entities				
(i) Provision of management services to AsianIndo Holding Pte Ltd, a 60% owned subsidiary of GENP by GaiaAgri Services Limited, an associate of GENP.	1.9	2.0	-	-
(ii) Provision of goods and services by DCP (Sentosa) Pte Ltd, a jointly controlled entity of GENS to GENS Group.	50.7	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

46. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (cont'd)

	Group		Company	
	2010	2009	2010	2009
(c) Transactions with other related parties				
(i) Rental of premises and provision of connected services by GENM to Oriregal Creations Sdn Bhd ("Oriregal"). Puan Sri Lim (Nee Lee) Kim Hua, mother of Tan Sri Lim Kok Thay ("TSLKT"), is a director and substantial shareholder of Oriregal.	1.4	1.3	-	-
(ii) Professional design consultancy and master-planning services rendered to RWSPL, by International Resort Management Services Pte Ltd, a company in which TSLKT has substantial financial interest in relation to the Resorts World Sentosa integrated resort in Singapore.	3.0	8.1	-	-
(iii) Rental of premises and provision of connected services by Oakwood to Genting HK and its subsidiaries, where TSLKT is the Chairman, Chief Executive Officer, shareholder and share option holder of Genting HK.	0.7	1.2	-	-
(iv) Air ticketing and transportation services rendered by Resorts World Tours Sdn Bhd, a wholly owned subsidiary of GENM to Genting HK and its subsidiaries.	1.0	1.7	-	-
(v) Rental of apartment by Rich Hope Limited, a company owned by TSLKT and his spouse to GENS.	-	0.7	-	-
(vi) Provision of management services by GENS Group to Ambadell Pty Ltd, a subsidiary of Golden Hope Limited ("GHL"). TSLKT is a director of GHL, which acts as trustee of Golden Hope Unit Trust, a private unit trust the voting units of which are ultimately owned by a discretionary trust in which TSLKT is a beneficiary.	0.3	0.2	-	-
(vii) Provision of genomics research services by SGSI-Asiatic Limited to ACGT Sdn Bhd ("ACGT"), a wholly owned subsidiary of GENP in the previous financial year, where TSLKT is a director and shareholder of GENP as well as a director, shareholder and option holder of the Company. SGSI-Asiatic Limited was then a jointly controlled entity of GENP in which TSLKT was a beneficiary of a trust which had 12.5% equity interest in Synthetic Genomics Inc. ("SGI"), which in turn has 50% interest in SGSI-Asiatic Limited.	-	46.1	-	-
(viii) Subscription by Green Resources, LLC ("GRL"), a wholly owned subsidiary of SGI of 15,043,478 new ordinary shares of RM1.00 each in ACGT, representing 8% of the enlarged issued and paid-up share capital of ACGT, in exchange for GRL's 50% shareholding in SGSI-Asiatic Limited.	25.6	-	-	-
(ix) Subscription by GENP Group of 1,000,000 Series C Convertible Preferred Stock in SGI.	32.8	-	-	-
(x) Subscription by Dragasac Limited, a wholly owned subsidiary of the Company of 555,556 Class A common stock and 500,000 Series C Convertible Preferred Stock in SGI.	32.5	-	-	-
(xi) Air ticketing services and purchase of holiday package rendered by Genting HK Group to GENS and GENM Group and a wholly owned subsidiary of the Company.	4.1	-	-	-
(xii) Provision of information technology, implementation, support and maintenance services by GENS Group to Genting HK Group.	1.9	-	-	-
(d) Directors and key management personnel				
The remuneration of Directors and other key management personnel is as follows:				
Fees, salaries, ex-gratia and bonuses	86.0	72.8	38.0	35.7
Defined contribution plan	9.9	9.3	5.0	4.8
Other short term employee benefits	0.5	0.6	-	0.1
Provision for retirement gratuities	17.6	12.6	9.7	6.5
Estimated money value of benefits-in-kind (not charged to the income statements)	2.9	0.7	0.5	0.1
(e) The significant outstanding balances with other related parties as at reporting date were as follows:				
(i) Amount receivable from related parties:				
- Other related parties	20.3	18.1	-	-
(ii) Amount payable to related parties:				
- Other related parties	65.9	54.3	-	-
- Jointly controlled entity	4.5	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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47. COMPARATIVE FIGURES

Certain comparative figures in the financial statements of the Group and Company have been reclassified to conform with the presentation in the current financial year. These relate mainly to the following:

	Group			Company		
	As previously reported	Re- classification	As reclassified	As previously reported	Re- classification	As reclassified
As at 31 December 2009						
Short term investments	3,231.1	(2,917.0)	314.1	448.1	(448.1)	-
Bank balances and deposits	11,475.6	(11,475.6)	-	126.8	(126.8)	-
Cash and cash equivalents	-	14,392.6	14,392.6	-	574.9	574.9
As at 1 January 2009						
Short term investments	2,529.4	(2,366.1)	163.3			
Bank balances and deposits	6,937.2	(6,937.2)	-			
Cash and cash equivalents	-	9,303.3	9,303.3			

FRS 101 requires a Statement of Financial Position as at beginning of the earliest comparative period in a complete set of financial statements when the entity applies an accounting policy retrospectively or makes a retrospective restatement or when the entity reclassifies items in the financial statements. Consequently, the Group has presented the Statements of Financial Position as at 1 January 2009, 31 December 2009 and 31 December 2010.

48. SUBSIDIARIES, JOINTLY CONTROLLED ENTITIES AND ASSOCIATES

	Effective Percentage of Ownership		Country of Incorporation	Principal Activities
	2010	2009		
Direct Subsidiaries				
GB Services Berhad	100.0	100.0	Malaysia	Issuance of private debt securities
Genting Capital Limited	100.0	100.0	Labuan, Malaysia	Offshore financing
+ Genting Energy Limited	100.0	100.0	Isle of Man	Investment holding
+ Genting Equities (Hong Kong) Limited	100.0	100.0	Hong Kong, SAR	Investments
^ Genting Genomics Limited	100.0	100.0	Isle of Man	Investment holding
Genting Hotel & Resorts Management Sdn Bhd	100.0	100.0	Malaysia	Provision of resort management services
+ Genting Intellectual Property Pte Ltd	100.0	100.0	Singapore	Investments
Genting Intellectual Property Sdn Bhd (formerly known as Aurasun Resources Sdn Bhd)	100.0	-	Malaysia	Licensing of intellectual property and provision of related services
Genting (Labuan) Limited	100.0	100.0	Labuan, Malaysia	Rent-A-Captive Offshore insurance business
Genting Malaysia Berhad (see Note 22)	49.3	48.7	Malaysia	Resort, hotel and gaming operations
Genting Management and Consultancy Services Sdn Bhd	100.0	100.0	Malaysia	Management services
+ Genting Management (Singapore) Pte Ltd	100.0	100.0	Singapore	Investments
Genting Oil & Gas Sdn Bhd	100.0	100.0	Malaysia	Provision of advisory, technical and administrative services to oil and gas companies
+ Genting Overseas Holdings Limited	100.0	100.0	Isle of Man	Investment holding
Genting Plantations Berhad	54.6	54.6	Malaysia	Plantation, investment holding and management services
Genting Risk Solutions Sdn Bhd	100.0	100.0	Malaysia	Provision of risk and insurance management consultancy
+ Logan Rock Limited	100.0	100.0	Isle of Man	Investments
Maxitage Sdn Bhd	100.0	100.0	Malaysia	Investments
Phoenix Spectrum Sdn Bhd	100.0	100.0	Malaysia	Investments
Prime Holdings (Labuan) Limited	100.0	100.0	Labuan, Malaysia	Offshore financing
+ Vista Knowledge Pte Ltd	100.0	100.0	Singapore	Investments
Genting Permata Sdn Bhd	100.0	100.0	Malaysia	Dormant
Genting Sanyen Newsprint Sdn Bhd	100.0	100.0	Malaysia	Dormant
+ Resorts World Bhd (Hong Kong) Limited	100.0	100.0	Hong Kong, SAR	Dormant
+ Resorts World (Singapore) Pte Ltd	100.0	100.0	Singapore	Dormant
+ Genting Bhd (Hong Kong) Limited	100.0	100.0	Hong Kong, SAR	Pre-operating

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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48. SUBSIDIARIES, JOINTLY CONTROLLED ENTITIES AND ASSOCIATES (cont'd)

	Effective Percentage of Ownership		Country of Incorporation	Principal Activities
	2010	2009		
Direct Subsidiaries (cont'd)				
Genting Digital Sdn Bhd	100.0	100.0	Malaysia	Pre-operating
+ Genting Games Pte Ltd	100.0	100.0	Singapore	Pre-operating
+ Genting Gaming Solutions Pte Ltd	100.0	100.0	Singapore	Pre-operating
Genting Group Sdn Bhd	100.0	100.0	Malaysia	Pre-operating
+ Genting Innovation Pte Ltd	100.0	100.0	Singapore	Pre-operating
^ Genting Intellectual Ventures Limited	100.0	100.0	Isle of Man	Pre-operating
+ Genting (Singapore) Pte Ltd	100.0	100.0	Singapore	Pre-operating
Genting Strategic Holdings Sdn Bhd	100.0	100.0	Malaysia	Pre-operating
+ Genting Strategic Investments (Singapore) Pte Ltd	100.0	100.0	Singapore	Pre-operating
Genting Strategic Sdn Bhd	100.0	100.0	Malaysia	Pre-operating
+ Genting Strategic (Singapore) Pte Ltd	100.0	100.0	Singapore	Pre-operating
Lacustrine Limited	100.0	100.0	Isle of Man	Pre-operating
Newquest Limited	100.0	-	Isle of Man	Pre-operating
Peak Avenue Limited	100.0	-	Isle of Man	Pre-operating
Prime Offshore (Labuan) Limited	100.0	100.0	Labuan, Malaysia	Pre-operating
+ Resorts World Limited	100.0	100.0	Hong Kong, SAR	Pre-operating
Sri Highlands Express Sdn Bhd	100.0	100.0	Malaysia	Pre-operating
GB Credit & Leasing Sdn Bhd (In Members' Voluntary Liquidation)	69.5	69.5	Malaysia	Pending liquidation
Prime Venture (Labuan) Limited	-	100.0	Labuan, Malaysia	Liquidated
Indirect Subsidiaries				
ACGT Sdn Bhd	50.2	54.6	Malaysia	Genomics research and development
+ Adriana Limited	51.7	53.9	Isle of Man	Sales coordinator
Aliran Tunas Sdn Bhd	49.3	48.7	Malaysia	Provision of water services at Genting Highlands
+ Ascend International Holdings Limited	51.7	53.9	Hong Kong, SAR	Provision of IT related services, marketing and investment holding
Ascend Solutions Sdn Bhd	51.7	53.9	Malaysia	Provision of IT services and consultancy
+ Asian Palm Oil Pte Ltd	42.0	32.8	Singapore	Investment holding
+ AsianIndo Holdings Pte Ltd	42.0	32.8	Singapore	Investment holding
+ AsianIndo Palm Oil Pte Ltd	42.0	32.8	Singapore	Investment holding
Asiaticom Sdn Bhd	54.6	54.6	Malaysia	Plantation
Awana Hotels & Resorts Management Sdn Bhd	100.0	100.0	Malaysia	Provision of hotels and resorts management services
Awana Vacation Resorts Development Berhad	49.3	48.7	Malaysia	Proprietary timeshare ownership scheme
^ Azzon Limited	54.6	54.6	Isle of Man	Investment holding
^ Bromet Limited	49.3	48.7	Isle of Man	Investment holding
^ Calidone Limited	51.7	53.9	Isle of Man	Investment holding
^ Coastal Gusu Heat & Power Ltd	100.0	100.0	Cayman Islands	Investment holding
^ Coastal Nanjing Power Ltd	100.0	100.0	Cayman Islands	Investment holding
^ Coastal Suzhou Power Ltd	100.0	100.0	Cayman Islands	Investment holding
^ Coastal Wuxi Power Ltd	100.0	100.0	Cayman Islands	Investment holding
+ Coastbright Limited	49.3	53.9	United Kingdom	Casino owner and operator
^ Degan Limited	50.2	54.6	Isle of Man	Investment holding
Delquest Sdn Bhd	49.3	48.7	Malaysia	Investments
^ Digital Tree LLC	49.3	48.7	United States of America	Collection of royalties
^ Digital Tree (USA) Inc	49.3	48.7	United States of America	Investment holding
^ Dragasac Limited	100.0	100.0	Isle of Man	Investments
Eastern Wonder Sdn Bhd	49.3	48.7	Malaysia	Support services
^ Edith Grove Limited	100.0	100.0	Isle of Man	Investment holding

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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48. SUBSIDIARIES, JOINTLY CONTROLLED ENTITIES AND ASSOCIATES (cont'd)

	Effective Percentage of Ownership		Country of Incorporation	Principal Activities
	2010	2009		
Indirect Subsidiaries (cont'd)				
E-Genting Holdings Sdn Bhd	51.7	53.9	Malaysia	Investment, management services, IT consultancy
E-Genting Sdn Bhd	51.7	53.9	Malaysia	IT/Data centre and consultancy
First World Hotels & Resorts Sdn Bhd	49.3	48.7	Malaysia	Hotel business
^ Fujian Electric (Hong Kong) LDC	100.0	100.0	Cayman Islands	Investment holding
+ Fujian Pacific Electric Company Limited	100.0	100.0	China	Generation and supply of electric power
+ Gecoun Limited	100.0	100.0	Isle of Man	Investment holding
Genasa Sdn Bhd	49.3	48.7	Malaysia	Sale and letting of apartment units
Genmas Sdn Bhd	49.3	48.7	Malaysia	Sale and letting of land and property
Gensa Sdn Bhd	49.3	48.7	Malaysia	Sale and letting of land and property
Genting Administrative Services Sdn Bhd	49.3	48.7	Malaysia	Investment holding
+ Genting Alderney Limited	51.7	53.9	Alderney Channel Islands	Online gaming operator
Genting Awanpura Sdn Bhd	54.6	54.6	Malaysia	Provision of project management service
+ Genting Bio-Fuels Asia Pte Ltd	100.0	100.0	Singapore	Investment holding
+ Genting Bio-Oil Sdn Bhd	97.7	97.7	Malaysia	Manufacturing and trading of bio-oil
^ Genting Bioscience Limited	54.6	-	Isle of Man	Investment holding
Genting Biotech Sdn Bhd	54.6	-	Malaysia	Investment holding
+ Genting Casinos UK Limited	49.3	53.9	United Kingdom	Casino operator
Genting Centre of Excellence Sdn Bhd	49.3	48.7	Malaysia	Provision of training services
^ Genting East Coast USA Inc	49.3	-	United States of America	Investment holding
^ Genting East Coast USA Limited (formerly known as Gillion Limited)	49.3	-	Isle of Man	Investment holding
Genting Energy Sdn Bhd	97.7	97.7	Malaysia	Investment holding
Genting Entertainment Sdn Bhd	49.3	48.7	Malaysia	Show agent
Genting Golf Course Bhd	49.3	48.7	Malaysia	Condotel and hotel business, golf resort and property development
Genting Green Tech Sdn Bhd	54.6	54.6	Malaysia	Research and development and production of superior oil palm planting materials
Genting Highlands Berhad	49.3	48.7	Malaysia	Land and property development
Genting Highlands Tours and Promotion Sdn Bhd	49.3	48.7	Malaysia	Letting of land and premises
^ Genting Ibico Holdings Limited (formerly known as Ibico Holdings Limited)	49.3	-	Isle of Man	Investment holding
Genting Indahpura Development Sdn Bhd	54.6	54.6	Malaysia	Property development
+ Genting India Travel Services Private Limited	51.7	53.9	India	Tour promotion
+ Genting Industrial Holdings Limited	97.7	97.7	Isle of Man	Investment holding
Genting Information Knowledge Enterprise Sdn Bhd	51.7	53.9	Malaysia	Research and development of software and consultancy services
+ Genting Integrated Resorts Operations Management Pte Ltd	51.7	53.9	Singapore	International resort management
+ Genting International Enterprises (Singapore) Pte Ltd	49.3	53.9	Singapore	Investment holding
+ Genting International Gaming & Resort Technologies Pte Ltd	51.7	53.9	Singapore	Research and development of software and IT consultancy services
+ Genting International Industries (Singapore) Pte Ltd	97.7	97.7	Singapore	Investment holding
+ Genting International Investment Properties (UK) Limited	49.3	53.9	United Kingdom	Property investment and development
+ Genting International Investment (UK) Limited	49.3	53.9	United Kingdom	Investment holding
# Genting International Japan Co. Ltd	51.7	53.9	Japan	Tour promotion
+ Genting International Limited	51.7	53.9	Isle of Man	Investment holding
+ Genting International Management Limited	51.7	53.9	Isle of Man	Investment holding and sales coordinator

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

48. SUBSIDIARIES, JOINTLY CONTROLLED ENTITIES AND ASSOCIATES (cont'd)

	Effective Percentage of Ownership		Country of Incorporation	Principal Activities
	2010	2009		
Indirect Subsidiaries (cont'd)				
+ Genting International Management Services Pte Ltd	51.7	53.9	Singapore	Investment holding
^ Genting International Paper Limited	100.0	100.0	Isle of Man	Investment holding
^ Genting International Properties Limited	51.7	53.9	Isle of Man	Investment holding
^ Genting International Resorts Management Limited	51.7	53.9	Isle of Man	Investment holding
Genting International Sdn Bhd	51.7	53.9	Malaysia	Provision of services
+ Genting International Services Singapore Pte Ltd	51.7	53.9	Singapore	Provision of services
+ Genting International (Singapore) Pte Ltd	51.7	53.9	Singapore	Tour promotion
+ Genting International (Thailand) Limited	47.0	49.0	Thailand	Tour promotion
+ Genting International (UK) Limited	49.3	53.9	United Kingdom	Investment holding
Genting Irama Sdn Bhd	49.3	48.7	Malaysia	Investment holding
+ Genting Lanco Power (India) Pvt Ltd	74.0	74.0	India	Provision of operation and maintenance services for power plant
Genting Land Sdn Bhd	54.6	54.6	Malaysia	Property investment
^ Genting Las Vegas LLC (formerly known as Resorts World Digital, LLC)	49.3	48.7	United States of America	Investment holding
Genting Leisure Sdn Bhd	49.3	48.7	Malaysia	Investment holding
^ Genting Nevada Inc	49.3	-	United States of America	Investment holding
+ Genting New York LLC (formerly known as New Quest, LLC)	49.3	48.7	United States of America	Developer of the Video Lottery Facility
+ Genting (NSW) Pty Ltd	51.7	53.9	Australia	Investment and management services
+ Genting Oil & Gas Limited	95.0	95.0	Singapore	Oil & gas exploration
+ Genting Oil Kasuri Pte Ltd	95.0	95.0	Singapore	Oil & gas exploration
Genting Oil Mill Sdn Bhd	54.6	54.6	Malaysia	Fresh fruit bunches processing
+ Genting Oil Morocco Limited	95.0	95.0	Isle of Man	Oil & gas exploration
+ Genting Oil Natuna Pte Ltd	95.0	95.0	Singapore	Oil & gas exploration
+ Genting Overseas Investments Limited	100.0	100.0	Isle of Man	Investments
^ Genting Overseas Management Limited	100.0	100.0	Isle of Man	Investment holding
Genting Permaipura Golf Course Berhad	54.6	54.6	Malaysia	Golf course operation
Genting Plantations (WM) Sdn Bhd	54.6	54.6	Malaysia	Plantation
^ Genting Power China Limited	100.0	100.0	Bermuda	Investment holding
+ Genting Power Holdings Limited	100.0	100.0	Isle of Man	Investment holding
+ Genting Power (India) Limited	100.0	100.0	Mauritius	Investment holding
+ Genting Power (M) Limited	100.0	100.0	Isle of Man	Investment holding
Genting Property Sdn Bhd	54.6	54.6	Malaysia	Property development
Genting Sanyen (Malaysia) Sdn Bhd	97.7	97.7	Malaysia	Property management services and investment holding
Genting Sanyen Power (Labuan) Limited	100.0	100.0	Labuan, Malaysia	Investment holding
Genting Sanyen Power Sdn Bhd	58.6	58.6	Malaysia	Generation and supply of electric power
Genting SDC Sdn Bhd	54.6	54.6	Malaysia	Plantation
+ Genting Singapore Aviation	51.7	-	Cayman Islands	Own and operate aircrafts
+ Genting Singapore PLC	51.7	53.9	Isle of Man	Investment holding
Genting Skyway Sdn Bhd	49.3	48.7	Malaysia	Provision of cable car services
Genting Tanjung Bahagia Sdn Bhd	54.6	54.6	Malaysia	Plantation
+ Genting UK Plc	49.3	53.9	United Kingdom	Investment holding
^ Genting (USA) Limited (formerly known as Resorts World Concepts Limited)	49.3	48.7	Isle of Man	Investment holding
Genting Utilities & Services Sdn Bhd	49.3	48.7	Malaysia	Provision of electricity supply services at Genting Highlands and investment holding

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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48. SUBSIDIARIES, JOINTLY CONTROLLED ENTITIES AND ASSOCIATES (cont'd)

	Effective Percentage of Ownership		Country of Incorporation	Principal Activities
	2010	2009		
Indirect Subsidiaries (cont'd)				
^ Genting West Coast USA Limited (formerly known as Qutink Limited)	49.3	-	Isle of Man	Investment holding
Genting World Sdn Bhd	49.3	48.7	Malaysia	Leisure and entertainment business
Genting WorldCard Services Sdn Bhd	51.7	53.9	Malaysia	Management of loyalty programme services
Genting Worldwide (Labuan) Limited	49.3	-	Labuan, Malaysia	Offshore financing
^ Genting Worldwide Limited (formerly known as High Valley Limited)	49.3	-	Isle of Man	Investment holding
^ Genting Worldwide (UK) Limited (formerly known as Feste Limited)	49.3	-	Isle of Man	Investment holding
Gentinggi Sdn Bhd	49.3	48.7	Malaysia	Investment holding
+ Geremi Limited	51.7	53.9	Isle of Man	Investment holding
GHR Risk Management (Labuan) Limited	49.3	48.7	Labuan, Malaysia	Offshore captive insurance
+ Golden Site Limited	49.3	-	Hong Kong	International sales and marketing services
+ Golden Site Pte Ltd	49.3	-	Singapore	International sales and marketing services
GProperty Construction Sdn Bhd	54.6	54.6	Malaysia	Provision of project management services
+ GP (Raigad) Pte Ltd (formerly known as Bio Tech Intensive Pte Ltd)	100.0	100.0	Singapore	Investment holding
+ GP Wind (Jangi) Private Limited	100.0	-	India	Power generation
+ Green Synergy Holdings Pte Ltd (formerly known as Integrated Bio Greenergy Pte Ltd)	100.0	100.0	Singapore	Investment holding
GSHK Capital Limited (formerly known as Genting Singapore (HK) Limited)	51.7	53.9	Hong Kong, SAR	Investment, marketing and promotion
+ Hari Hareshwar Power Company Private Limited	51.0	-	India	Power generation
+ Kara Palm Oil Pte Ltd	42.0	32.8	Singapore	Investment holding
+ Ketapang Agri Holdings Pte Ltd	54.6	54.6	Singapore	Investment holding
Kijal Facilities Services Sdn Bhd	49.3	48.7	Malaysia	Letting of its apartments units
Kijal Resort Sdn Bhd	49.3	48.7	Malaysia	Property development and property management
^ Lafleur Limited	49.3	48.7	Isle of Man	Investment holding
Landworthy Sdn Bhd	45.9	45.9	Malaysia	Plantation
Leisure & Cafe Concept Sdn Bhd	49.3	48.7	Malaysia	Karaoke business
+ Lestari Listrik Pte Ltd	100.0	100.0	Singapore	Investment holdings
Lingkaran Cergas Sdn Bhd	49.3	48.7	Malaysia	Provision of services at Genting Highlands
Mastika Lagenda Sdn Bhd	97.7	97.7	Malaysia	Investment holding
Mastika Utilities & Services Sdn Bhd	97.7	97.7	Malaysia	Provision and sale of utilities consisting of treatment and supply of water
Mediglove Sdn Bhd	54.6	54.6	Malaysia	Investment holding
+ Medo Investment Pte Ltd	51.7	53.9	Singapore	Investment holding
+ Medo Limited	51.7	53.9	Isle of Man	Investment holding
^ Meizhou Wan Power Production Holding Company, Ltd	100.0	100.0	Cayman Islands	Investment holding
^*Nanjing Coastal Xingang Cogeneration Power Plant	80.0	80.0	China	Generation and supply of electric power
Nature Base Sdn Bhd	49.3	48.7	Malaysia	Provision of services at Genting Highlands
^ Nedby Limited	49.3	53.9	Isle of Man	Investment holding
Netyield Sdn Bhd	49.3	48.7	Malaysia	Provision of services to Genting Highlands
Oakwood Sdn Bhd	49.3	48.7	Malaysia	Property investment and management
Orbit Crescent Sdn Bhd	54.6	54.6	Malaysia	Investment holding
^ Orient Wonder International Limited	49.3	48.7	Bermuda	Ownership and operation of aircraft
^ Oxalis Limited	100.0	100.0	Isle of Man	Coal trading
+ Palomino Limited	51.7	53.9	Isle of Man	Investments
^ Palomino Star Limited	49.3	53.9	Isle of Man	Investment holding
+ Palomino Sun Limited	51.7	53.9	Isle of Man	Investment holding

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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48. SUBSIDIARIES, JOINTLY CONTROLLED ENTITIES AND ASSOCIATES (cont'd)

	Effective Percentage of Ownership		Country of Incorporation	Principal Activities
	2010	2009		
Indirect Subsidiaries (cont'd)				
# Palomino Sun (UK) Limited	51.7	53.9	United Kingdom	Investment holding
^ Palomino World Limited	49.3	53.9	Isle of Man	Investment holding
Papago Sdn Bhd	49.3	48.7	Malaysia	Resort and hotel business
Possible Wealth Sdn Bhd	49.3	-	Malaysia	Investment holding
+ PT Dwie Warna Karya	39.9	31.1	Indonesia	Plantation
+ PT Genting Plantations Nusantara	54.6	54.6	Indonesia	Provision of management services
+ PT Kapuas Maju Jaya	39.9	31.1	Indonesia	Plantation
+ PT Sawit Mitra Abadi	38.2	38.2	Indonesia	Plantation
+ PT Sepanjang Intisurya Mulia	38.2	38.2	Indonesia	Plantation
+ PT Surya Agro Palma	38.2	-	Indonesia	Plantation
+ PT Susantri Permai	39.9	31.1	Indonesia	Plantation
Resorts Facilities Services Sdn Bhd	49.3	48.7	Malaysia	Property upkeep services
Resorts Tavern Sdn Bhd	49.3	48.7	Malaysia	Land and property development
+ Resorts World at Sentosa Pte Ltd	51.7	53.9	Singapore	Developer and operator of an integrated resort
^ Resorts World Capital Limited	49.3	-	Isle of Man	Investment holding
^ Resorts World Enterprise Limited	49.3	-	Isle of Man	Investment holding
+ Resorts World Limited	49.3	48.7	Isle of Man	Investment holding and investment trading
Resorts World Properties Sdn Bhd	49.3	48.7	Malaysia	Investment holding
Resorts World Tours Sdn Bhd	49.3	48.7	Malaysia	Provision of tour and travel related services
^ Roundhay Limited	95.0	95.0	Isle of Man	Investment holding
+ RWD Holding Pte Ltd	49.3	-	Singapore	Investment holding
^ RWD US Holding Inc	49.3	-	United States of America	Investment holding
^ RWD US LLC	49.3	-	United States of America	Software development
^ R.W. Investments Limited	49.3	48.7	Isle of Man	Investment holding
+ Sanggau Holdings Pte Ltd	54.6	54.6	Singapore	Investment holding
+ Sanyen Oil & Gas Pte Ltd	95.0	95.0	Singapore	Oil & gas exploration
Sawit Sukau Usahasama Sdn Bhd	30.5	30.5	Malaysia	Plantation
+ Sedby Limited	51.7	53.9	Isle of Man	Investment holding
Seraya Mayang Sdn Bhd	49.3	48.7	Malaysia	Investment holding
Setiacahaya Sdn Bhd	77.3	77.3	Malaysia	Property investment
Setiamas Sdn Bhd	54.6	54.6	Malaysia	Plantation and property development
Setiaseri Sdn Bhd	49.3	48.7	Malaysia	Letting of its apartment units
^ SGSI-Asiatic Limited	50.2	27.3	British Virgin Islands	Genomics research and development
Sierra Springs Sdn Bhd	49.3	48.7	Malaysia	Investment holding
+ Sri Nangatayap Pte Ltd	54.6	54.6	Singapore	Investment holding
# Stanley Casinos Holdings Limited	49.3	53.9	United Kingdom	Investment holding
# Stanley Overseas Holdings Limited	49.3	53.9	United Kingdom	Investment holding
# Star Eagle Holdings Limited	51.7	53.9	British Virgin Islands	Investment holding
+ Suzhou Ascend Technology Co. Limited	51.7	53.9	China	Provision of IT related services
^*Suzhou Coastal Cogeneration Power Company Ltd	60.0	60.0	China	Generation and supply of electric power
+ Swallow Creek Limited	95.0	95.0	Isle of Man	Investment holding
# Tameview Properties Limited	49.3	53.9	United Kingdom	Property company
Technimode Enterprises Sdn Bhd	54.6	54.6	Malaysia	Property investment
^ Torrens Limited	97.7	97.7	Isle of Man	Investment holding
Trushidup Plantations Sdn Bhd	54.6	54.6	Malaysia	Investment holding
^ Two Digital Tress LLC	49.3	48.7	United States of America	Investment holding

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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48. SUBSIDIARIES, JOINTLY CONTROLLED ENTITIES AND ASSOCIATES (cont'd)

	Effective Percentage of Ownership		Country of Incorporation	Principal Activities
	2010	2009		
Indirect Subsidiaries (cont'd)				
^ VendWorld, LLC	49.3	48.7	United States of America	Investment holding
Vestplus Sdn Bhd	49.3	48.7	Malaysia	Sale and letting of apartment units
Wawasan Land Progress Sdn Bhd	54.6	54.6	Malaysia	Plantation
+ WEB Energy Ltd	100.0	100.0	Mauritius	Investment holding
Widuri Pelangi Sdn Bhd	49.3	48.7	Malaysia	Golf resort and hotel business
+ WorldCard Overseas Holdings Limited	51.7	53.9	Isle of Man	Service provider of loyalty programmes
WorldCard Services Sdn Bhd	51.7	53.9	Malaysia	Management of loyalty programme services
^*Wuxi Huada Gas Turbine Electric Power Company	60.0	60.0	China	Generation and sale of electric power
# Advanced Technologies Limited	49.3	53.9	Dominica	Dormant
Amalgamated Rubber (Penang) Sdn Bhd	54.6	54.6	Malaysia	Dormant
# Annabel's Casino Limited	49.3	53.9	United Kingdom	Dormant
AR Property Development Sdn Bhd	54.6	54.6	Malaysia	Dormant
# Baychain Limited	49.3	53.9	United Kingdom	Dormant
# C C Derby Limited	49.3	53.9	United Kingdom	Dormant
# Capital Casinos Group Limited	49.3	53.9	United Kingdom	Dormant
# Capital Clubs Limited	49.3	53.9	United Kingdom	Dormant
# Capital Corporation (Holdings) Limited	49.3	53.9	United Kingdom	Dormant
# Capital Corporation Limited	49.3	53.9	United Kingdom	Dormant
# Cascades Casinos Limited	49.3	53.9	United Kingdom	Dormant
# Cascades Clubs Limited	49.3	53.9	United Kingdom	Dormant
# Castle Casino Limited	49.3	53.9	United Kingdom	Dormant
Cengkeh Emas Sdn Bhd	54.6	54.6	Malaysia	Dormant
# Churchstirling Limited	49.3	53.9	United Kingdom	Dormant
# Cotedale Limited	49.3	53.9	United Kingdom	Dormant
# Crockfords Club Limited	49.3	53.9	United Kingdom	Dormant
# Crockfords Investments Limited	49.3	53.9	Guernsey	Dormant
# Cromwell Sporting Enterprises Limited	49.3	53.9	United Kingdom	Dormant
Dasar Pinggir (M) Sdn Bhd	97.7	97.7	Malaysia	Dormant
# Dealduo Limited	49.3	53.9	United Kingdom	Dormant
Dianti Plantations Sdn Bhd	54.6	54.6	Malaysia	Dormant
# Drawlink Limited	49.3	53.9	United Kingdom	Dormant
Equarius Resort Sdn Bhd	51.7	53.9	Malaysia	Dormant
+ Freeany Enterprises Limited	49.3	53.9	United Kingdom	Dormant
# Gameover Limited	49.3	53.9	United Kingdom	Dormant
Genas Sdn Bhd	49.3	48.7	Malaysia	Dormant
Genawan Sdn Bhd	49.3	48.7	Malaysia	Dormant
Gentas Sdn Bhd	49.3	48.7	Malaysia	Dormant
Gentasa Sdn Bhd	49.3	48.7	Malaysia	Dormant
# Genting Casinos Egypt Ltd (formerly known as Spielers Casino (Southend) Limited)	49.3	53.9	United Kingdom	Dormant
Genting Newsprint Sdn Bhd	100.0	100.0	Malaysia	Dormant
+ Genting Oil Salawati Pte Ltd	95.0	95.0	Singapore	Dormant
+ Genting Property Limited	100.0	100.0	Isle of Man	Dormant
+ Genting Solihull Limited	49.3	53.9	United Kingdom	Dormant
Genting Studio Sdn Bhd	49.3	48.7	Malaysia	Dormant
Genting Theme Park Sdn Bhd	49.3	48.7	Malaysia	Dormant
# Genting1 Limited	49.3	53.9	United Kingdom	Dormant
Gentinggi Quarry Sdn Bhd	49.3	48.7	Malaysia	Dormant
Glugor Development Sdn Bhd	54.6	54.6	Malaysia	Dormant

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

48. SUBSIDIARIES, JOINTLY CONTROLLED ENTITIES AND ASSOCIATES (cont'd)

	Effective Percentage of Ownership		Country of Incorporation	Principal Activities
	2010	2009		
Indirect Subsidiaries (cont'd)				
^ GP Overseas Limited	54.6	54.6	Isle of Man	Dormant
GP (Sarawak) Palm Oil Mill Management Sdn Bhd	54.6	54.6	Malaysia	Dormant
# Harbour House Casino Limited	49.3	53.9	United Kingdom	Dormant
# Hazelman Limited	49.3	53.9	United Kingdom	Dormant
Hitechwood Sdn Bhd	49.3	29.2	Malaysia	Dormant
Ikhlas Tiasa Sdn Bhd	49.3	48.7	Malaysia	Dormant
# Incomeactual Limited	49.3	53.9	United Kingdom	Dormant
Infomart Sdn Bhd	100.0	100.0	Malaysia	Dormant
# International Sporting Club (London) Limited	49.3	53.9	United Kingdom	Dormant
^ Jamberoo Limited	95.0	95.0	Isle of Man	Dormant
Jomara Sdn Bhd	49.3	29.2	Malaysia	Dormant
Kenyalang Borneo Sdn Bhd	54.6	54.6	Malaysia	Dormant
Kinavest Sdn Bhd	54.6	54.6	Malaysia	Dormant
Kituva Plantations Sdn Bhd	54.6	54.6	Malaysia	Dormant
Laila Limited	95.0	95.0	Isle of Man	Dormant
# Langway Limited	49.3	53.9	United Kingdom	Dormant
Merriwa Sdn Bhd	49.3	48.7	Malaysia	Dormant
# Metro Leisure Group Limited	49.3	53.9	United Kingdom	Dormant
# MLG Investments Limited	49.3	53.9	United Kingdom	Dormant
Neutrino Space Sdn Bhd	49.3	29.2	Malaysia	Dormant
^ Orient Star International Limited	49.3	48.7	Bermuda	Dormant
# Palm Beach Club Limited	49.3	53.9	United Kingdom	Dormant
# Palomino World (UK) Limited	49.3	53.9	United Kingdom	Dormant
# Pellanfayre Limited	49.3	53.9	United Kingdom	Dormant
Phoenix Track Sdn Bhd	49.3	48.7	Malaysia	Dormant
Plantation Latex (Malaya) Sdn Bhd	54.6	54.6	Malaysia	Dormant
Possible Affluent Sdn Bhd	49.3	29.2	Malaysia	Dormant
Rapallo Sdn Bhd	49.3	29.2	Malaysia	Dormant
+ Resorts World Marketing Pte Ltd	51.7	53.9	Singapore	Dormant
Resorts World Spa Sdn Bhd	49.3	48.7	Malaysia	Dormant
+ Resorts World Ventures Limited	49.3	48.7	Isle of Man	Dormant
Sahabat Alam Sdn Bhd	97.7	97.7	Malaysia	Dormant
Setiabahagia Sdn Bhd	49.3	48.7	Malaysia	Dormant
^ Sorona Limited	100.0	100.0	Isle of Man	Dormant
Space Fair Sdn Bhd	49.3	29.2	Malaysia	Dormant
# Sportcrest Limited	49.3	53.9	United Kingdom	Dormant
# St Aubin Properties Limited	49.3	53.9	United Kingdom	Dormant
Stake Excellent Sdn Bhd	49.3	48.7	Malaysia	Dormant
# Stanley Genting Casinos (Leeds) Limited	50.5	53.9	United Kingdom	Dormant
+ Stanley Genting Casinos Limited	50.5	53.9	United Kingdom	Dormant
# Stanley Interactive Limited	49.3	53.9	United Kingdom	Dormant
# Stanley Leisure Group (Malta) Limited	49.3	53.9	Malta	Dormant
# Stanley Leisure (Ireland)	49.3	53.9	Ireland	Dormant
# Stanley Online Limited	49.3	53.9	United Kingdom	Dormant
# Stanley Snooker Clubs Limited	49.3	53.9	United Kingdom	Dormant
# Star City Casino Limited	49.3	53.9	United Kingdom	Dormant
Sweet Bonus Sdn Bhd	49.3	29.2	Malaysia	Dormant
# The Colony Club Limited	49.3	53.9	United Kingdom	Dormant
# The Kings Casino (Yarmouth) Limited	49.3	53.9	United Kingdom	Dormant

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

48. SUBSIDIARIES, JOINTLY CONTROLLED ENTITIES AND ASSOCIATES (cont'd)

	Effective Percentage of Ownership		Country of Incorporation	Principal Activities
	2010	2009		
Indirect Subsidiaries (cont'd)				
# The Midland Wheel Club Limited	49.3	53.9	United Kingdom	Dormant
# Tower Casino Group Limited	49.3	53.9	United Kingdom	Dormant
# Tower Clubs Management Limited	49.3	53.9	United Kingdom	Dormant
# Triangle Casino (Bristol) Limited	49.3	53.9	United Kingdom	Dormant
Tullamarine Sdn Bhd	49.3	29.2	Malaysia	Dormant
# TV-AM Enterprises Limited	49.3	53.9	United Kingdom	Dormant
# TV-AM Limited	49.3	53.9	United Kingdom	Dormant
# TV-AM (News) Limited	49.3	53.9	United Kingdom	Dormant
Twinkle Glow Sdn Bhd	49.3	29.2	Malaysia	Dormant
Twinmatics Sdn Bhd	49.3	48.7	Malaysia	Dormant
+ Vestplus (Hong Kong) Limited	49.3	48.7	Hong Kong, SAR	Dormant
Vintage Action Sdn Bhd	49.3	29.2	Malaysia	Dormant
# Westcliff Casino Limited	49.3	53.9	United Kingdom	Dormant
# Westcliff (CG) Limited	49.3	53.9	United Kingdom	Dormant
# William Crockford Limited	49.3	53.9	United Kingdom	Dormant
# Worthchance Limited	49.3	53.9	United Kingdom	Dormant
Yarrowin Sdn Bhd	49.3	29.2	Malaysia	Dormant
^ @Latte (USA) LLC	49.3	48.7	United States of America	Dormant
+ ACGT Singapore Pte Ltd	54.6	-	Singapore	Pre-operating
Awana Hotels & Resorts Sdn Bhd	100.0	100.0	Malaysia	Pre-operating
Awana Vacation Resorts Management Sdn Bhd	100.0	100.0	Malaysia	Pre-operating
Cosmo-Jupiter Berhad	54.6	54.6	Malaysia	Pre-operating
+ Full East Enterprise Limited	54.6	54.6	Hong Kong, SAR	Pre-operating
Genting Biofuels Sdn Bhd	97.7	97.7	Malaysia	Pre-operating
Genting Commodities Trading Sdn Bhd	54.6	54.6	Malaysia	Pre-operating
# Genting International Corp	51.7	53.9	United States of America	Pre-operating
# Genting Investments Corp	100.0	100.0	United States of America	Pre-operating
^ Genting Petroleum Ventures Limited	95.0	95.0	Isle of Man	Pre-operating
^ Genting Power Indonesia Limited	100.0	100.0	Isle of Man	Pre-operating
^ Genting Power International Limited	100.0	100.0	Isle of Man	Pre-operating
^ Genting Power Philippines Limited	100.0	100.0	Isle of Man	Pre-operating
Genting Sanyen Incineration Sdn Bhd	97.7	97.7	Malaysia	Pre-operating
^ Genting Sanyen Indonesia Limited	95.0	95.0	Isle of Man	Pre-operating
# Genting Singapore Aviation II	51.7	-	Cayman Islands	Pre-operating
# Genting Star Limited	51.7	53.9	British Virgin Islands	Pre-operating
# Genting Star (Macau) Limited	51.7	53.9	Macau	Pre-operating
Genting Vegetable Oils Refinery Sdn Bhd	54.6	54.6	Malaysia	Pre-operating
+ GGT Singapore Pte Ltd	54.6	-	Singapore	Pre-operating
^ GP China Limited	100.0	100.0	Isle of Man	Pre-operating
^ GP Equities Pte Ltd	54.6	54.6	Singapore	Pre-operating
+ Green Synergy Limited	100.0	97.7	Hong Kong, SAR	Pre-operating
^ Highlands Exploration Limited	95.0	95.0	Isle of Man	Pre-operating
^ Highlands Power Development Limited	100.0	100.0	Isle of Man	Pre-operating
^ Ketapang Holdings Pte Ltd	54.6	54.6	Singapore	Pre-operating
Larisan Prima Sdn Bhd	54.6	54.6	Malaysia	Pre-operating
Mastika Water Management Sdn Bhd	97.7	97.7	Malaysia	Pre-operating
# Maxims Casinos Limited	51.7	53.9	United Kingdom	Pre-operating

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

48. SUBSIDIARIES, JOINTLY CONTROLLED ENTITIES AND ASSOCIATES (cont'd)

	Effective Percentage of Ownership		Country of Incorporation	Principal Activities
	2010	2009		
Indirect Subsidiaries (cont'd)				
+ Maxims Clubs Pte Ltd	51.7	53.9	Singapore	Pre-operating
Maxims Clubs Sdn Bhd	51.7	53.9	Malaysia	Pre-operating
+ Oriental Explorer Pte Ltd	95.0	95.0	Singapore	Pre-operating
Resorts World at Sentosa Sdn Bhd	51.7	53.9	Malaysia	Pre-operating
+ Resorts World Properties Pte. Ltd.	51.7	-	Singapore	Pre-operating
^ Sandai Maju Pte Ltd	54.6	54.6	Singapore	Pre-operating
^ Sri Kenyalang Pte Ltd	54.6	54.6	Singapore	Pre-operating
^ Tamanaco Limited	100.0	100.0	Isle of Man	Pre-operating
^ Tetha Limited	95.0	95.0	Isle of Man	Pre-operating
# Genting Risk Management (Labuan) Limited (In Member's Voluntary Liquidation)	100.0	100.0	Labuan, Malaysia	Pending liquidation
+ Genting Sanyen Paper Pte Ltd (In Member's Voluntary Liquidation)	97.7	97.7	Singapore	Pending liquidation
* Myanmar Genting Sanyen Limited (In Member's Voluntary Liquidation)	100.0	100.0	Myanmar	Pending liquidation
Bandar Pelabuhan Sdn Bhd	-	29.2	Malaysia	Liquidated
+ Genting Power (Swiss) GmbH	-	100.0	Switzerland	Liquidated
Resorts International (Labuan) Limited	-	48.7	Labuan, Malaysia	Liquidated
Resorts World (Labuan) Limited	-	48.7	Labuan, Malaysia	Liquidated
RWB (Labuan) Limited	-	48.7	Labuan, Malaysia	Liquidated
+ Stanley Leisure Quest Trustees Limited	-	53.9	United Kingdom	Dissolved
+ Genting Oil & Gas (China) Limited	-	95.0	Isle of Man	Disposed off
Laserwood Sdn Bhd	-	29.2	Malaysia	Disposed off
Waxwood Sdn Bhd	-	29.2	Malaysia	Disposed off
Jointly Controlled Entities				
+ Apollo Genting London Limited (formerly known as Sevco (5036) Limited)	24.7	-	United Kingdom	Leisure, entertainment, sport and property
+ DCP (Sentosa) Pte Ltd	41.4	43.1	Singapore	Developer and operator of district cooling plant
+ Gemstones Investments Pte Ltd	17.2	18.0	Singapore	Investment holding
Genting INTI Education Sdn Bhd	17.3	17.0	Malaysia	Managing a college for education, tourism, leisure and hospitality
Genting Simon Sdn Bhd (formerly known as Genting Chelsea Sdn Bhd)	27.3	54.6	Malaysia	Property investment
+ Kensington Hotel Pte Ltd	17.2	18.0	Singapore	Investment holding
+ Kensington Residential Pte Ltd	17.2	18.0	Singapore	Investment holding
* KHS Management Limited	17.2	18.0	United Kingdom	Property management services
+ Mark Burnett Productions Asia Pte Ltd	25.8	26.9	Singapore	Development, production and distribution of television programmes
^ Simon Genting Limited (formerly known as Chelsea Genting Limited)	27.3	54.6	Isle of Man	Investment holding
+ WCI Management Limited	25.8	26.9	Isle of Man	Investment holding
+ WorldCard (Hong Kong) Limited	25.8	26.9	Hong Kong, SAR	Management of loyalty programme services
+ WorldCard International Limited	25.8	26.9	Isle of Man	Investment holding
+ WorldCard (Singapore) Pte Ltd	25.8	26.9	Singapore	Management of loyalty programme services
* 808 Holdings Pte Ltd	17.2	18.0	Singapore	Investment holding
* 818 Pte Ltd	17.2	18.0	Singapore	Investment holding
* 828 Pte Ltd	17.2	18.0	Singapore	Investment holding
* 838 Pte Ltd	17.2	18.0	Singapore	Investment holding
+ WCI Intellectual Limited	25.8	26.9	Isle of Man	Dormant
Associates				
+ Aban Power Company Limited	36.3	36.3	India	Generation and supply of electric power
* DNA Electronics Limited	45.6	38.5	United Kingdom	Research & development on natural sciences & engineering

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2010

48. SUBSIDIARIES, JOINTLY CONTROLLED ENTITIES AND ASSOCIATES (cont'd)

	Effective Percentage of Ownership		Country of Incorporation	Principal Activities
	2010	2009		
Associates (cont'd)				
+ GaiaAgri Services Ltd	16.4	16.4	Mauritius	Provision of management services
* Genting VinaCapital Investments Pte Ltd (formerly known as Hoi An South Development Pte Ltd)	9.9	-	Singapore	Investment holding
+ Lanco Kondapalli Power Limited	30.0	30.0	India	Generation and supply of electric power
* Landmarks Berhad	30.3	30.3	Malaysia	Resort, property investment and property development
+ Resorts World Inc Pte Ltd	40.2	100.0	Singapore	Investment holding
# RW Services Inc	40.2	-	United States of America	Provision of management and technical services and consulting services
# RW Services Pte Ltd	40.2	-	Singapore	Provision of management and technical services and consulting services
Serian Palm Oil Mill Sdn Bhd	21.8	21.9	Malaysia	Fresh fruit bunches processing
* Sri Gading Land Sdn Bhd	26.8	26.8	Malaysia	Property development
* Union Bank of Colombo Limited	19.4	-	Sri Lanka	Provision of financial services
Asiatic Ceramics Sdn Bhd (In Liquidation)	26.8	26.8	Malaysia	In Liquidation (Receiver appointed)

* The financial statements of these companies are audited by firms other than the auditors of the Company.

+ The financial statements of these companies are audited by member firms of PricewaterhouseCoopers International Limited which are separate and independent legal entities from PricewaterhouseCoopers, Malaysia.

^ These entities are subjected to limited review carried out by PricewaterhouseCoopers, Malaysia, although they are not subjected to statutory audit.

These entities are either exempted or have no statutory audit requirement.

49. APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 23 February 2011.

50. REALISED AND UNREALISED PROFITS/LOSSES

The breakdown of the retained profits of the Group and Company as at 31 December 2010, into realised and unrealised profits, pursuant to a directive issued by Bursa Securities on 25 March 2010 and 20 December 2010 is as follows:

	Group 2010	Company 2010
Total retained profits/(accumulated losses):		
- Realised	20,634.6	6,501.7
- Unrealised	(1,170.1)	8.3
	19,464.5	6,510.0
Total share of retained profits/(accumulated losses) from associated companies:		
- Realised	352.7	-
- Unrealised	(32.8)	-
Total share of accumulated losses from jointly controlled entities:		
- Realised	(45.9)	-
	19,738.5	6,510.0
Less: Consolidation adjustments	(5,939.4)	-
Total retained profits	13,799.1	6,510.0

The determination of realised and unrealised profits is compiled based on Guidance of Special Matter No. 1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements*, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits above is solely for the purposes of complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

STATEMENT ON DIRECTORS' RESPONSIBILITY PURSUANT TO PARAGRAPH 15.26(a) OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

As required under the Companies Act, 1965 ("Act"), the Directors of Genting Berhad have made a statement expressing an opinion on the financial statements. The Board is of the opinion that the financial statements have been drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 2010 and of the results and the cash flows of the Group and of the Company for the financial year ended on that date in accordance with the MASB Approved Accounting Standards in Malaysia for Entities Other Than Private Entities.

In the process of preparing these financial statements, the Directors have reviewed the accounting policies and practices to ensure that they were consistently applied throughout the financial year. In cases where judgement and estimates were made, they were based on reasonableness and prudence.

Additionally, the Directors have relied on the internal control systems to ensure that the information generated for the preparation of the financial statements from the underlying accounting records is accurate and reliable.

This statement is made in accordance with a resolution of the Board dated 23 February 2011.

STATUTORY DECLARATION PURSUANT TO SECTION 169(16) OF THE COMPANIES ACT, 1965

I, **CHONG KIN LEONG**, the Officer primarily responsible for the financial management of **GENTING BERHAD**, do solemnly and sincerely declare that the financial statements set out on pages 67 to 135 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed)
CHONG KIN LEONG at KUALA LUMPUR on)
23 February 2011

CHONG KIN LEONG

Before me,

TAN SEOK KETT
Commissioner for Oaths
Kuala Lumpur



INDEPENDENT AUDITORS' REPORT

To The Members Of Genting Berhad

(Incorporated in Malaysia)

(Company No.7916-A)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Genting Berhad on pages 67 to 135 which comprise the statements of financial position as at 31 December 2010 of the Group and of the Company, and the statements of income, comprehensive income, changes in equity and cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on Notes 1 to 49.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation of the financial statements that give a true and fair view in accordance with MASB Approved Accounting Standards in Malaysia for Entities Other than Private Entities and the Companies Act, 1965, and for such internal control as the directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. 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 our judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view 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 the directors, 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 opinion.

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with MASB Approved Accounting Standards in Malaysia for Entities Other than Private Entities and the Companies Act, 1965 so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2010 and of their financial performance and cash flows for the year then ended.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

- (a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.
- (b) We have considered the financial statements and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which are indicated in Note 48 to the financial statements.
- (c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- (d) The audit reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

OTHER REPORTING RESPONSIBILITIES

The supplementary information set out in Note 50 on page 135 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS

(No. AF: 1146)

Chartered Accountants

Kuala Lumpur
23 February 2011

LOH LAY CHOON

(No. 2497/03/12(J))

Chartered Accountant

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