

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Genting Hong Kong Limited

(Continued into Bermuda with limited liability)

(Stock Code: 678)

ANNOUNCEMENT OF CONSOLIDATED FINANCIAL RESULTS OF TRAVELLERS INTERNATIONAL HOTEL GROUP, INC. AND SUBSIDIARIES FOR THE THREE MONTHS ENDED 31 MARCH 2017

This announcement is made by Genting Hong Kong Limited (“Genting HK”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

Genting HK has been informed by Travellers International Hotel Group, Inc. (“Travellers” or the “Company”) that it has submitted a report to The Philippine Stock Exchange, Inc. on 12 May 2017 reporting on its consolidated financial results as at and for the three months ended 31 March 2017 (“3M 2017”) which are prepared in accordance with the Philippine Financial Reporting Standards. Set out below is the financial information extracted from the consolidated results of Travellers for 3M 2017:

“

TRAVELLERS INTERNATIONAL HOTEL GROUP, INC. AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE THREE MONTHS ENDED MARCH 31, 2017 AND 2016 (Amounts in Philippine Pesos) (Unaudited)

	2017	2016
NET REVENUES		
Gaming	P 5,261,625,129	P 5,573,009,279
Non-gaming:		
Hotel, food, beverage and others	811,823,775	666,670,599
Other operating income	258,274,128	315,062,709
	6,331,723,032	6,554,742,587
Less: Promotional allowance	513,057,628	627,170,524
	5,818,665,404	5,927,572,063
DIRECT COSTS	2,527,102,089	2,517,974,952
GROSS PROFIT	3,291,563,315	3,409,597,111
GENERAL AND ADMINISTRATIVE EXPENSES	2,337,100,009	2,417,384,929
OPERATING PROFIT	954,463,306	992,212,182

	<u>2017</u>	<u>2016</u>
OTHER INCOME (CHARGES)		
Finance costs and other charges	(283,441,221)	(136,284,392)
Finance income	17,456,914	307,379,548
Share in net loss of associate and joint venture	(24,080)	(451,751)
	<u>(266,008,387)</u>	<u>170,643,405</u>
PROFIT BEFORE TAX	688,454,919	1,162,855,587
TAX EXPENSE	3,386,282	3,603,515
NET PROFIT FOR THE QUARTER	685,068,637	1,159,252,072
OTHER COMPREHENSIVE INCOME		
Net unrealized fair value gains on available-for-sale financial assets	300,000	1,800,000
TOTAL COMPREHENSIVE INCOME FOR THE QUARTER	P 685,368,637	P 1,161,052,072

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS

(Based on the Financial Statements for the three months ended March 31, 2017 and 2016)

<i>In Million Pesos</i>	For the three months	
	<u>2017</u>	<u>2016</u>
REVENUES		
Gaming	P 5,261.6	P 5,573.0
Non-gaming	1,070.1	981.7
Total	<u>6,331.7</u>	<u>6,554.7</u>
NET REVENUE	5,818.7	5,927.6
EBITDA	1,420.3	1,400.8
NET PROFIT	<u>685.1</u>	<u>1,159.3</u>

Total Revenues

The Company's Total Revenues amounted to P6,331.7 million for the three months ended March 31, 2017 compared to P6,554.7 million for the same period in 2016. First quarter of 2017 recorded a 5.6% decrease in gaming revenues with a corresponding 9.0% increase in non-gaming revenues as compared to first quarter of 2016.

Gaming Revenues

The Company's Gross Gaming Revenues for the first quarter of 2017 amounted to P5,261.6 million compared to P5,573.0 million in the same period in 2016. The decrease was due to a lower VIP win rate which offset the increase in revenues from the non-VIP segment.

As of March 31, 2017, average number of casino tables and slot machines were 311 and 1,771 respectively. Average daily property visitation increased to 29,131 from 27,102.

Hotel, Food, Beverage & Others

Revenues from Hotel, Food, Beverage and Others increased by 21.8% to P811.8 million for the three months ended March 31, 2017 from P666.7 million for the same period in 2016. The increase was largely due to the increase in revenue contribution from the Marriott Grand Ballroom and the newly opened Marriott West Wing, an extension of Marriott Hotel Manila.

Hotel occupancy rates for the first quarter of 2017 remains strong with all three hotels, Maxims Manila Hotel, Marriott Hotel Manila and Remington Hotel, registering an average occupancy rate of 86.0%. Total room count is now 1,454 with the addition of 228 rooms from the Marriott West Wing. Remington Hotel and Maxims Manila Hotel room count remains the same at 712 and 172 rooms, respectively.

Other Operating Income

Other Operating Income for three months ended March 31, 2017 amounted to P258.3 million compared to P315.1 million recorded for the same period in 2016. Other Operating Income primarily consists of income from the Newport Performing Arts Theater, cinema, parking, laundry, spa, and rental income from the mall and commercial office space, and others.

Net Revenues

The Company's Net Revenues for the first quarter of 2017 amounted to P5,818.7 million compared to P5,927.6 million for the same period in 2016. The 3.4% decrease in Total Revenues for the first quarter of 2017 was offset by the 18.2% decrease in Promotional Allowance.

Promotional Allowance for the three months ended March 31, 2017 decreased to P513.1 million compared to P627.2 million for the same period in 2016. Promotional Allowance as a percentage of gaming revenues is at 9.8% for the first quarter of 2017 compared to 11.3% for the same period of 2016.

Direct Costs

Direct Costs for the first quarter of 2017 slightly increased to P2,527.1 million compared to P2,518.0 million for the same period in 2016.

Gross Profit

The Company's Gross Profit for the first quarter of 2017 amounted to P3,291.6 million.

General and Administrative Expenses

General and Administrative Expenses decreased by 3.3% to P2,337.1 million for the three months ended March 31, 2017 from P2,417.4 million recorded during the same period in 2016. The decrease was primarily due to lower general marketing expenses.

Operating Profit / EBITDA

The Company's Operating Profit for the first three months of 2017 amounted to P954.5 million compared to P992.2 million for the same period of 2016.

EBITDA for the first quarter of 2017 increased to P1,420.3 million compared to P1,400.8 million reported in the same period of 2016.

Other Income (Charges)**Finance Costs**

Finance Costs increased by P147.1 million for the three months ended March 31, 2017. The increase was due to higher interest expense and the depreciation of the Philippine Peso against the US Dollar.

Finance Income

Finance Income amounted to P17.5 million for the first quarter of 2017.

Profit Before Tax

The Company's Profit Before Tax amounted to P688.5 million for the three months ended March 31, 2017 compared to P1,162.9 million for the same period in 2016. The decrease was due to increased foreign exchange losses recognized for the first quarter of 2017.

Tax Expense

Tax Expense amounted to P3.4 million for the three months ended March 31, 2017.

Profit for the Period

The Company's Net Profit amounted to P685.1 million for the first three months of 2017 compared to P1,159.3 million for the same period in 2016.

”

Shareholders of Genting HK should note that the above consolidated financial results pertain only to Travellers and not to Genting HK itself.

Travellers is a limited liability company incorporated in the Republic of the Philippines and following its initial listing of common shares on the Main Board of The Philippine Stock Exchange, Inc. on 5 November 2013 and the exercise of the Over-allotment Option, Genting HK's effective interest in the common shares of Travellers has been diluted from 50 per cent to 44.9 per cent. After listing, Travellers becomes an associate of Genting HK. Genting HK's effective interest in the Preferred B shares of Travellers remains unchanged at 50 per cent following the listing.

By Order of the Board

TAN SRI LIM KOK THAY

Chairman and Chief Executive Officer

Hong Kong, 12 May 2017

As at the date of this announcement, the Board of Directors of Genting HK comprises two Executive Directors, namely Tan Sri Lim Kok Thay and Mr. Lim Keong Hui and three Independent Non-executive Directors, namely Mr. Alan Howard Smith, Mr. Lam Wai Hon, Ambrose and Mr. Justin Tan Wah Joo.