

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 NINE MONTHS ENDED 30 SEPTEMBER 2016

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. and the Securities and Exchange Commission on 11 November 2016 reporting on its consolidated financial results as at and for the nine months ended 30 September 2016 (“9M 2016”) 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 9M 2016:

“

**TRAVELLERS INTERNATIONAL HOTEL GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2016 AND 2015**
(Amounts in Philippine Pesos)

	2016 (Unaudited)	2015 (Unaudited)
NET REVENUES		
Gaming	P 18,015,862,647	P 17,947,349,497
Non-gaming:		
Hotel, food, beverage and others	1,785,768,781	1,748,237,185
Other operating income	974,757,612	739,884,864
	20,776,389,040	20,435,471,546
Less: Promotional allowance	1,843,684,473	2,486,877,059
	18,932,704,567	17,948,594,487
DIRECT COSTS	7,882,702,451	7,763,927,811
GROSS PROFIT	11,050,002,116	10,184,666,676
GENERAL AND ADMINISTRATIVE EXPENSES	7,423,213,272	6,255,989,992
OPERATING PROFIT	3,626,788,844	3,928,676,684

	2016 (Unaudited)	2015 (Unaudited)
OTHER INCOME (CHARGES)		
Finance costs and other charges	(572,757,370)	(1,143,969,265)
Finance income	64,379,625	94,184,118
Share in net income (loss) of associate and joint venture	(553,506)	-
	(508,931,251)	(1,049,785,147)
PROFIT BEFORE TAX	3,117,857,593	2,878,891,537
TAX EXPENSE	137,731,414	49,147,498
NET PROFIT FOR THE PERIOD	2,980,126,179	2,829,744,039
OTHER COMPREHENSIVE INCOME	5,120,000	(300,000)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	P 2,985,246,179	P 2,829,444,039

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS
(Based on the Financial Statements for the nine months ended September 30, 2016 and 2015)

<i>In Million Pesos</i>	2016	2015	% Change
REVENUES			
Gaming	18,015.9	17,947.3	0.4%
Non-gaming	2,760.5	2,488.1	10.9%
Total	20,776.4	20,435.4	1.7%
NET REVENUES	18,932.7	17,948.6	5.5%
EBITDA	4,853.1	4,906.0	-1.1%
NET PROFIT	2,980.1	2,829.7	5.3%

Total Revenues

Gross revenues increased by 1.7% for the nine months ended September 30, 2016 as compared to the prior year period primarily due to increases in revenue in both the gaming and non-gaming segments. For the three months ended September 30, 2016, gross revenues increased by 12.5% compared to the same period in the prior year due to an increase in gaming revenues.

Gaming Revenues

Gross gaming revenues for the nine months ended September 30, 2016 is at P18,015.9 million from P17,947.3 million in the same period in 2015, primarily driven by volume growth across all segments in spite of lower win rates compared to the same period last year.

Gross gaming revenues for the three months ended September 30, 2016 improved by 14.2% compared to the same period last year driven by its higher volume and high win rate.

Average number of tables and slot machines as of September 30, 2016 are at 312 and 1,889, respectively. Last year, during the same period, the number of tables and slot machines were at 300 and 1,833, respectively, while ETG remained the same count at 210.

Hotel, Food, Beverage & Others

Revenue from Hotel, Food, Beverage and Others improved by 2.1% or to P1,785.8 million for the nine months ended September 30, 2016 from P1,748.2 million for the same period last year as a result of strong occupancy rates and revenue contribution from the Marriott Grand Ballroom.

Revenue from Hotel, Food, Beverage and Others for the three months ended September 30, 2016 is at P544.0 million compared to P579.3 million for the same period last year due to lower average room rate even though occupancy was the same from last year.

Occupancy rate for Marriott Hotel Manila, Maxims Hotel and Remington Hotel averaged 85.0% for both periods. Room count remains the same at 342, 172 and 712, respectively.

Other Operating Income

Other operating income grew by 31.7% or to P974.8 million for the nine months ended September 30, 2016 compared to the prior year period, driven by higher revenue from theatre operations, mall and miscellaneous income.

Other operating income for the three months ended September 30, 2016 increased by 18.3% or to P315.2 million compared to the same period last year due to an increase in revenues from mall and miscellaneous income.

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

For the nine months ended September 30, 2016, net revenues improved by 5.5% to P18,932.7 million compared to the P17,948.6 million recorded during the same period last year, as a result of an increase in total revenue and the reduction of promotional allowance particularly on the revenue sharing contracts with junket operators. Promotional allowance for the nine months ended September 30, 2016 decreased by 25.9% from P2,486.9 million from the same period last year to P1,843.7 million. This resulted in a decline in terms of percentage of gross gaming revenues from 13.9% to 10.2% as of September 30, 2016 and 2015, respectively.

Net revenues for the three months ended September 30, 2016 increased by 18.3% to P6,474.0 million compared to the P5,472.9 million posted for same period last year. Promotional allowance for the three months ended September 30, 2016 reached P594.4 million compared to P810.9 million for the same period last year which correlates to the decline in terms of percentage of gross gaming revenues from 14.9% in 2015 to 9.6% in 2016.

Direct Costs

Direct costs were at P7,882.7 million for the nine months ended September 30, 2016 compared to P7,763.9 million for the same period last year due to higher casino operating expenses.

For the three months ended September 30, 2016, direct costs increased by 8.0% to P2,731.1 million compared to P2,528.0 million for the same period last year due to higher gaming license fees which is directly correlated with the increase in gross gaming revenues.

Gross Profit

Gross Profit for the nine months and three months ended September 30, 2016 increased by P865.3 million and P798.0 million, respectively, compared to the prior year periods.

General and Administrative Expenses

General and Administrative Expenses increased by 18.7% and 21.1% for the nine months and three months ended September 30, 2016, respectively, compared to the same period last year due to increase in expenses in general marketing and depreciation. This was mainly due to change in arrangement with junket operators from revenue sharing last year to the traditional rolling based commission. Depreciation increased due to capitalization of Marriott Grand Ballroom in December 2015.

Operating Profit/ EBITDA

Operating profit were at P3,626.8 million for the nine months ended September 30, 2016 compared to P3,928.7 million in the prior year period. EBITDA reached P4,853.1 million for the nine months ended September 30, 2016 compared to P4,906.0 million in the same period last year.

For the three months ended September 30, 2016, operating profit improved by 37.9% as a result of higher net revenues. EBITDA increased by P486.3 million reaching P1,864.3 million for the three months ended September 30, 2016 compared to P1,378.0 million in the prior year period.

Other Income (Charges)

Finance Cost And Other Charges

Finance Cost and Other Charges for the nine months and three months ended September 30, 2016 declined by 49.9% and 36.4% to P572.8 million and P378.8 million, respectively, due to the capitalized interest from the Company's borrowings relative to its ongoing developments as well as lesser impact on foreign exchange losses.

Finance Income

Finance income for the nine months and three months ended September 30, 2016 reached P64.4 million and P19.2 million, respectively, compared to P94.2 million and P11.9 million for the prior year periods.

Profit Before Tax

Profit before tax increased by 8.3% and 132.5% to P3,117.9 million and P1,094.4 million for the nine months and three months ended September 30, 2016, respectively, compared to the same period in 2015.

Tax Expense

Tax expense increased to P137.7 million for the nine months ended September 30, 2016 from P49.1 million in the same period last year. This was primarily due to payment made to tax authority in the second quarter of 2016.

For the three months ended September 30, 2016, tax expense decreased by P93.1 million compared to the same period last year. This was due to reclassification of certain tax payments from tax expense to taxes and licenses as part of general and administrative expenses.

Net Profit for the Period

The Company posted a 5.3% increase in net profit for the nine months ended September 30, 2016 at P2,980.1 million compared to P2,829.7 million for the same period in 2015. Net profit for the three months ended September 30, 2016 increased by P716.7 million, or 153.8%, to P1,182.7 million compared to the prior year period.

”

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, 11 November 2016

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.