GENTING
HONG KONG

Genting Hong Kong Limited

(Continued into Bermuda with limited liability)
Stock code: 678

Interim Report 2011

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(Continued into Bermuda with limited liability)

Interim Report for the six months ended 30 June 2011

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Forward-looking statements

This interim report contains forward-looking statements that involve risks and uncertainties. These forward-looking statements are not historical facts, but rather are based on the current beliefs, assumptions, expectations, estimates and projections of the Company about the industry and markets in which the Company and its subsidiaries (the "Group") will operate in the future. These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond the control of the Group, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. Factors that could cause actual results to differ materially from those reflected in the forward-looking statements include general economic, political and business conditions, changes in cruise industry competition, weather, force majeure events and/or other factors. Reliance should not be placed on these forward-looking statements, which merely reflect the view of the Company as of the date of this report only. The Company is under no obligation to revise or update publicly these forward-looking statements or any part thereof to reflect events or circumstances resulting from any new information, future events or otherwise on which any such statement was based.

Corporate Information

Board of Directors

Tan Sri Lim Kok Thay
Chairman and Chief Executive Officer
(Mr. William Ng Ko Seng as Alternate Director)

Mr. Alan Howard Smith
Deputy Chairman and
Independent Non-executive Director

Mr. Tan Boon Seng
Independent Non-executive Director

Mr. Lim Lay Leng
Independent Non-executive Director

Mr. Heah Sieu Lay
Independent Non-executive Director

Mr. Au Fook Yew
Non-executive Director

President
Mr. David Chua Ming Huat

Secretary
Ms. Louisa Tam Suet Lin

Assistant Secretary
Appleby Services (Bermuda) Ltd.

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The Board of Directors (the "Directors") of Genting Hong Kong Limited (the "Company") presents the unaudited condensed consolidated interim financial information of the Company and its subsidiaries (collectively referred to as the "Group") for the six months ended 30 June 2011, as follows:

Condensed Consolidated Statement of Comprehensive Income

	Note	Six months ended 30 June 2011 US$'000 unaudited	2010 US$'000 unaudited
Turnover	3	227,046	184,736
Operating expenses			
Operating expenses excluding depreciation and amortisation		(130,151)	(105,127)
Depreciation and amortisation	6	(35,991)	(31,863)
		(166,142)	(136,990)
Selling, general and administrative expenses			
Selling, general and administrative expenses excluding depreciation and amortisation		(35,393)	(29,101)
Depreciation and amortisation	6	(2,008)	(2,034)
		(37,401)	(31,135)
		(203,543)	(168,125)
		23,503	16,611
Share of profit / (loss) of jointly controlled entities		40,845	(17,492)
Share of (loss) / profit of associates		(191)	10,236
Other income, net	4	13,764	14,356
Finance income		1,487	1,401
Finance costs	5	(15,791)	(13,369)
		40,114	(4,868)
Profit before taxation	6	63,617	11,743
Taxation	7	(1,867)	(426)
Profit for the period		61,750	11,317
Other comprehensive income / (loss):			
Foreign currency translation differences		8,664	2,030
Fair value gain / (loss) on derivative financial instruments		3,823	(2,197)
Fair value loss on available-for-sale investment		(909)	—
Realised (loss) / gain of derivative financial instruments transferred to profit or loss		(2,942)	2,059
Share of other comprehensive income / (loss) of a jointly controlled entity		9,465	(6,206)
Release of reserves upon disposal of subsidiaries		—	8,452
Other comprehensive income for the period		18,101	4,138
Total comprehensive income for the period		79,851	15,455

Condensed Consolidated Statement of Comprehensive Income *(Continued)*

	Note	Six months ended 30 June 2011 *US$'000* *unaudited*	2010 *US$'000* *unaudited*
Profit attributable to:			
Equity holders of the Company		62,436	11,978
Non-controlling interest		(686)	(661)
		61,750	11,317
Total comprehensive income attributable to:			
Equity holders of the Company		80,537	16,116
Non-controlling interest		(686)	(661)
		79,851	15,455
Earnings per share attributable to equity holders of the Company	8		
– Basic (US cents)		0.83	0.16
– Diluted (US cents)		0.81	0.16

Condensed Consolidated Statement of Financial Position

	Note	As at 30 June 2011 US$'000 unaudited	As at 31 December 2010 US$'000 audited
ASSETS			
NON-CURRENT ASSETS			
Deferred tax assets		350	365
Property, plant and equipment		1,208,129	1,219,063
Land use right	9	1,210	44,397
Investment property		—	15,598
Interest in jointly controlled entities	10	1,173,413	1,114,875
Interest in associates	11	8,128	209
Available-for-sale investment		5,401	6,310
Other assets		9,528	8,010
		2,406,159	2,408,827
CURRENT ASSETS			
Consumable inventories		7,635	6,525
Trade receivables	12	21,346	18,511
Prepaid expenses and other receivables	13	55,703	83,395
Derivative financial instruments	17	1,895	1,238
Amounts due from related companies	19	913	3,391
Restricted cash		1,901	—
Cash and cash equivalents		521,786	159,434
		611,179	272,494
Non-current assets held for sale	14	57,040	8,799
		668,219	281,293
TOTAL ASSETS		3,074,378	2,690,120

Condensed Consolidated Statement of Financial Position *(Continued)*

	Note	As at 30 June 2011 US$'000 unaudited	As at 31 December 2010 US$'000 audited
EQUITY			
Capital and reserves attributable to the Company's equity holders			
Share capital	15	777,199	777,133
Reserves:			
Share premium		1,510,771	1,510,652
Additional paid-in capital		98,386	97,653
Convertible bonds – equity component		5,929	5,929
Foreign currency translation adjustments		1,906	(6,758)
Fair value reserve		2,006	2,915
Cash flow hedge reserve		16,113	6,067
Accumulated losses		(352,470)	(414,906)
		2,059,840	1,978,685
Non-controlling interest		43,793	44,479
TOTAL EQUITY		2,103,633	2,023,164
LIABILITIES			
NON-CURRENT LIABILITIES			
Loans and borrowings	16	739,225	221,764
Deferred tax liabilities		35	75
		739,260	221,839
CURRENT LIABILITIES			
Trade creditors	18	30,211	38,891
Current income tax liabilities		3,360	2,593
Provisions, accruals and other liabilities		111,296	102,013
Current portion of loans and borrowings	16	71,838	289,561
Derivative financial instruments	17	902	1,484
Amounts due to related companies	19	635	739
Advance ticket sales		13,243	9,836
		231,485	445,117
TOTAL LIABILITIES		970,745	666,956
TOTAL EQUITY AND LIABILITIES		3,074,378	2,690,120
NET CURRENT ASSETS / (LIABILITIES)		436,734	(163,824)
TOTAL ASSETS LESS CURRENT LIABILITIES		2,842,893	2,245,003

Condensed Consolidated Statement of Cash Flows

	Note	Six months ended 30 June 2011 US$'000 unaudited	2010 US$'000 unaudited
OPERATING ACTIVITIES			
Cash generated from operations		50,885	40,019
Interest paid		(11,315)	(11,453)
Interest received		1,487	1,401
Income tax paid		(1,137)	(1,075)
Net cash inflow from operating activities		39,920	28,892
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(20,455)	(9,692)
Proceeds from sale of property, plant and equipment		2,913	28
Acquisition of equity investment in a jointly controlled entity		(203)	—
Additional equity investment in an associate		(8,107)	(30,000)
Acquisition of available-for-sale investment		—	(1,980)
Loans to third parties		(11,000)	—
Advance deposit from proposed sale of Macau property		3,598	—
Receipts from redemption of preferred shares in an associate		39,044	—
Settlement of promissory notes	(a)	18,635	—
Net cash inflow arising from disposal of subsidiaries	(a)	—	24,102
Net cash inflow / (outflow) from investing activities		24,425	(17,542)
FINANCING ACTIVITIES			
Proceeds from loans and borrowings		570,835	152,542
Repayments of loans and borrowings		(263,340)	(131,914)
Payment of loan arrangement fees		(6,000)	(3,010)
Proceeds from issuance of ordinary shares pursuant to the Post-listing Employee Share Option Scheme		185	—
Restricted cash, net		(1,901)	—
Net cash inflow from financing activities		299,779	17,618
Effect of exchange rate changes on cash and cash equivalents		(1,772)	(190)
Net increase in cash and cash equivalents		362,352	28,778
Cash and cash equivalents at 1 January		159,434	137,574
Cash and cash equivalents at 30 June		521,786	166,352

Note to Condensed Consolidated Statement of Cash Flows

(a) Net cash inflow arising on disposal of subsidiaries

In June 2010, the Group disposed of the entire issued share capital of Port Klang Cruise Centre Sdn Bhd ("PKCC") and Glamourous Trendy Sdn Bhd ("GT") for approximately US$55.6 million and realised a gain on disposal of the subsidiaries of approximately US$17.6 million.

The details of net assets disposed of and cash flows arising from the disposal of PKCC and GT are as follows:

	As at date of disposal *US$'000*
Property, plant and equipment	29,020
Land use right	1,075
Prepaid expenses and other receivables	111
Accruals and other payables	(5)
Deferred tax liabilities	(611)
Net assets disposed of	29,590
Release of reserves upon disposal of subsidiaries	8,452
Gain on disposal of subsidiaries	17,602
Sales proceeds	55,644
Sales proceeds will be / have been received as follows:	
Advance deposits received in 2009	4,996
Cash received in 2010	24,102
Deferred consideration to be received in the form of promissory notes (i)	26,546
	55,644

Note:

(i) US$18.6 million promissory notes have been settled during the period ended 30 June 2011.

Condensed Consolidated Statement of Changes in Equity

	Attributable to equity holders of the Company										
	Share capital *US$'000*	Share premium *US$'000*	Additional paid-in capital *US$'000*	Convertible bonds - equity component *US$'000*	Foreign currency translation adjustments *US$'000*	Cash flow hedge reserve *US$'000*	Fair value reserve *US$'000*	Accumulated losses *US$'000*	Total *US$'000*	Non-controlling interest *US$'000*	Total equity *US$'000*
Six months ended 30 June 2011											
unaudited											
At 1 January 2011	777,133	1,510,652	97,653	5,929	(6,758)	6,067	2,915	(414,906)	1,978,685	44,479	2,023,164
Comprehensive income:											
Profit / (loss) for the period	—	—	—	—	—	—	—	62,436	62,436	(686)	61,750
Other comprehensive income / (loss) for the period:											
Foreign currency translation differences	—	—	—	—	8,664	—	—	—	8,664	—	8,664
Fair value gain on derivative financial instruments	—	—	—	—	—	3,823	—	—	3,823	—	3,823
Realised loss of derivative financial instruments transferred to profit or loss	—	—	—	—	—	(2,942)	—	—	(2,942)	—	(2,942)
Share of other comprehensive income of a jointly controlled entity	—	—	300	—	—	9,165	—	—	9,465	—	9,465
Fair value loss on available-for-sale investment	—	—	—	—	—	—	(909)	—	(909)	—	(909)
Total comprehensive income	—	—	300	—	8,664	10,046	(909)	62,436	80,537	(686)	79,851
Transaction with owners:											
Issue of ordinary shares pursuant to the Post-listing Employee Share Option Scheme	66	119	—	—	—	—	—	—	185	—	185
Amortisation of share option expense	—	—	433	—	—	—	—	—	433	—	433
At 30 June 2011	777,199	1,510,771	98,386	5,929	1,906	16,113	2,006	(352,470)	2,059,840	43,793	2,103,633

Condensed Consolidated Statement of Changes in Equity *(Continued)*

	Attributable to equity holders of the Company									
	Share capital *US$'000*	Share premium *US$'000*	Additional paid-in capital *US$'000*	Convertible bonds - equity component *US$'000*	Foreign currency translation adjustments *US$'000*	Cash flow hedge reserve *US$'000*	Accumulated losses *US$'000*	Total *US$'000*	Non-controlling interest *US$'000*	Total equity *US$'000*
Six months ended 30 June 2010										
unaudited										
At 31 December 2009										
– as previously stated	742,625	1,495,033	95,924	8,893	(35,541)	3,561	(486,613)	1,823,882	42,939	1,866,821
– adoption of HKAS 17 (Revised) retrospectively	—	—	—	—	—	—	3,848	3,848	1,283	5,131
At 1 January 2010, as restated	742,625	1,495,033	95,924	8,893	(35,541)	3,561	(482,765)	1,827,730	44,222	1,871,952
Comprehensive income:										
Profit / (loss) for the period	—	—	—	—	—	—	11,978	11,978	(661)	11,317
Other comprehensive income / (loss) for the period:										
Foreign currency translation differences	—	—	—	—	2,030	—	—	2,030	—	2,030
Fair value loss on derivative financial instruments	—	—	—	—	—	(2,197)	—	(2,197)	—	(2,197)
Realised gain of derivative financial instruments transferred to profit or loss	—	—	—	—	—	2,059	—	2,059	—	2,059
Share of other comprehensive income / (loss) of a jointly controlled entity	—	—	716	—	—	(6,922)	—	(6,206)	—	(6,206)
Release of reserves upon disposal of subsidiaries	—	—	—	—	8,452	—	—	8,452	—	8,452
Total comprehensive income	—	—	716	—	10,482	(7,060)	11,978	16,116	(661)	15,455
Transaction with owners:										
Amortisation of share option expense	—	—	(9)	—	—	—	—	(9)	—	(9)
At 30 June 2010	742,625	1,495,033	96,631	8,893	(25,059)	(3,499)	(470,787)	1,843,837	43,561	1,887,398

Notes to the Unaudited Condensed Consolidated Interim Financial Information

1. GENERAL INFORMATION

Genting Hong Kong Limited (the "Company") is an exempted company continued into Bermuda with limited liability and the shares of the Company are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and traded on the GlobalQuote of the Singapore Exchange Securities Trading Limited. The registered office of the Company is situated at Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda.

The principal activity of the Company is investment holding. The Company's subsidiaries are principally engaged in the business of cruise and cruise related operations and leisure, entertainment and hospitality activities.

These unaudited condensed consolidated interim financial information has been approved for issue by the Board of Directors on 27 August 2011.

2. PRINCIPAL ACCOUNTING POLICIES AND BASIS OF PREPARATION

The unaudited condensed consolidated interim financial information of the Group have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants and Appendix 16 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

The preparation of the unaudited condensed consolidated interim financial information in conformity with Hong Kong Financial Reporting Standards ("HKFRS") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the end of the reporting period and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The unaudited condensed consolidated interim financial information are prepared under the historical cost convention, as modified by the revaluations of certain financial assets and financial liabilities (including derivative instruments) which are carried at fair value.

The Group's operations are seasonal and results for interim periods are not necessarily indicative of the results for the entire financial year. This interim report should be read where relevant, in conjunction with the annual report of the Group for the year ended 31 December 2010 which have been prepared in accordance with HKFRS information.

The accounting policies and methods of computation used in the preparation of these unaudited condensed consolidated interim financial information are consistent with those used in the annual report for the year ended 31 December 2010, except that the Group has adopted the following new / revised HKFRS standards and interpretations:

(i) HKAS 24 (Revised), 'Related party disclosures' (effective from 1 January 2011). This revised standard clarifies and simplifies the definition of a related party and removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities. The amendments do not have a material impact on the Group's financial information.

(ii) Amendments to HKAS 32, 'Classification of right issues' (effective from 1 January 2011). This amendment addresses the accounting for right 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 regardless of the currency in which the exercise price is denominated. Previously, these issues had to be accounted for as derivative liabilities. The amendment applies retrospectively in accordance with HKAS 8, 'Accounting policies, changes in accounting estimates and errors'. The amendments do not have a material impact on the Group's financial information.

2. PRINCIPAL ACCOUNTING POLICIES AND BASIS OF PREPARATION *(Continued)*

(iii) Amendments to HK(IFRIC) – Int 14, 'Prepayments of a minimum funding requirement' (effective from 1 January 2011). The amendments correct an unintended consequence of HK(IFRIC) – Int 14, HKAS 19, 'The limit on a defined benefit asset, minimum funding requirements and their interaction'. Without the amendments, entities are not permitted to recognise as an asset some voluntary prepayments for minimum funding contributions. This was not intended when HK(IFRIC) – Int 14 was issued, and the amendments correct this. The amendments should be applied retrospectively to the earliest comparative period presented. The amendments do not have a material impact on the Group's financial information.

(iv) Amendment to HKAS 34, 'Interim financial reporting' (effective from 1 January 2011). This amendment provide guidance to illustrate how to apply disclosure principles in HKAS 34 and add disclosure requirements around:

- the circumstances likely to affect fair values of financial instruments and their classification;
- transfers of financial instruments between different levels of the fair value hierarchy;
- changes in classification of financial assets; and
- changes in contingent liabilities and assets.

The amendments do not have a material impact on the Group's financial information.

Apart from the impact mentioned above and certain presentational changes, the adoption of these new / revised HKFRS standards and interpretations has no significant impact on the Group's financial information. Where necessary, comparative information has been reclassified and expanded from previously reported consolidated interim financial information to take into account any presentational change made in the annual financial statements or in these unaudited condensed consolidated interim financial information.

3. TURNOVER AND SEGMENT INFORMATION

The Group is principally engaged in the operation of passenger cruise ships. Senior management reviews the performance and makes operating decisions and resources allocation based on the Group's internal reports. The Group's business is considered from a cruise operation and a non-cruise operation perspective. Accordingly, two reportable segments namely, cruise and cruise related activities and charter hire and others are identified.

Cruise and cruise related revenues comprise sales of passenger tickets which include air transportation to and from the cruise ship, and revenues from onboard services and other related services, including gaming, food and beverage. Other operations of the Group comprise charter hire and others, none of which are of a significant size to be reported separately.

3. TURNOVER AND SEGMENT INFORMATION *(Continued)*

The segment information of the Group is as follows:

unaudited Six months ended 30 June 2011	Cruise and cruise related activities *US$'000*	Charter hire and others *US$'000*	Total *US$'000*
Passenger ticket revenue	54,527	—	54,527
Onboard and other revenues	19,156	—	19,156
Gaming revenue	139,937	—	139,937
Charter hire and others	—	13,426	13,426
Total turnover	213,620	13,426	227,046
Segment results	37,586	(14,083)	23,503
Share of profit of jointly controlled entities			40,845
Share of loss of associates			(191)
Other income, net			13,764
Finance income			1,487
Finance costs			(15,791)
Profit before taxation			63,617
Taxation			(1,867)
Profit for the period			61,750

unaudited As at 30 June 2011	Cruise and cruise related activities *US$'000*	Charter hire and others *US$'000*	Total *US$'000*
Segment assets	1,937,172	1,080,166	3,017,338
Unallocated assets			57,040
Total assets			3,074,378
Segment liabilities	139,712	16,610	156,322
Loans and borrowings (including current portion)	759,475	51,588	811,063
	899,187	68,198	967,385
Tax liabilities			3,360
Total liabilities			970,745
Capital expenditure	20,027	428	20,455
Depreciation and amortisation	24,223	13,776	37,999

3. TURNOVER AND SEGMENT INFORMATION *(Continued)*

unaudited Six months ended 30 June 2010	Cruise and cruise related activities *US$'000*	Charter hire and others *US$'000*	Total *US$'000*
Passenger ticket revenue	50,482	—	50,482
Onboard and other revenues	14,368	—	14,368
Gaming revenue	105,818	—	105,818
Charter hire and others	—	14,068	14,068
Total turnover	170,668	14,068	184,736
Segment results	12,891	3,720	16,611
Share of loss of jointly controlled entities			(17,492)
Share of profit of associates			10,236
Other income, net			14,356
Finance income			1,401
Finance costs			(13,369)
Profit before taxation			11,743
Taxation			(426)
Profit for the period			11,317

audited As at 31 December 2010	Cruise and cruise related activities *US$'000*	Charter hire and others *US$'000*	Total *US$'000*
Segment assets	1,536,864	1,144,457	2,681,321
Unallocated assets			8,799
Total assets			2,690,120
Segment liabilities	134,265	18,773	153,038
Loans and borrowings (including current portion)	451,090	60,235	511,325
	585,355	79,008	664,363
Tax liabilities			2,593
Total liabilities			666,956
Capital expenditure	22,763	1,784	24,547
Depreciation and amortisation	49,424	15,906	65,330

No geographical information is shown as the turnover and operating profit of the Group are substantially derived from activities in Asia-Pacific region.

4. OTHER INCOME, NET

	Six months ended 30 June 2011 *US$'000 unaudited*	2010 *US$'000 unaudited*
Damages claim from a litigation (note (a))	13,300	—
Loss on deemed disposal of a jointly controlled entity (note (b))	(726)	—
Gain on disposal of subsidiaries (note (c))	—	17,602
Loss on derivative financial instruments	(73)	(2,666)
Gain / (Loss) on foreign exchange	1,369	(461)
Other expenses, net	(106)	(119)
	13,764	14,356

Notes:

(a) In June 2011, the Group agreed to an out-of-court settlement of US$13.3 million in relation to the non-completion by Louis Plc. of the sale and purchase contract for m.v. Norwegian Dream.

(b) In June 2011, the Group diluted its existing equity interest of Star Cruises Hong Kong Management Services Philippines, Inc. from 64% to 32% and recorded a loss on deemed disposal of the jointly controlled entity of approximately US$0.7 million.

(c) In June 2010, the Group disposed of the entire issued share capital of Port Klang Cruise Centre Sdn Bhd and Glamourous Trendy Sdn Bhd for approximately US$55.6 million and realised a gain on disposal of the subsidiaries of approximately US$17.6 million.

5. FINANCE COSTS

	Six months ended 30 June 2011 *US$'000 unaudited*	2010 *US$'000 unaudited*
Amortisation of bank loans arrangement fees and commitment fee	1,923	961
Interest on:		
- bank loans and others	7,522	5,781
- convertible bonds	4,491	6,627
Amortised loan arrangement fees written off	1,855	—
Total finance costs	15,791	13,369

6. PROFIT BEFORE TAXATION

Profit before taxation is stated after charging the following:

	Six months ended 30 June 2011 *US$'000 unaudited*	2010 *US$'000 unaudited*
Total depreciation and amortisation analysed into:	37,999	33,897
- relating to operating function	35,991	31,863
- relating to selling, general and administrative function	2,008	2,034
Fuel costs	25,252	19,343
Advertising expenses	4,001	3,066

7. TAXATION

	Six months ended 30 June 2011 *US$'000 unaudited*	2010 *US$'000 unaudited*
Overseas taxation		
- Current taxation	1,026	569
- Deferred taxation	38	—
	1,064	569
Under / (Over) provision in respect of prior years		
- Current taxation	889	7
- Deferred taxation	(86)	(150)
	1,867	426

The Company, which is domiciled in Bermuda, and the majority of its subsidiaries, are not subject to income tax as their income is mainly derived in international waters or outside taxing jurisdictions. However, the Group has incurred a tax charge, as illustrated in the table above, based on the income which is subject to local tax in certain jurisdictions where it operates. The appropriate local tax rate has been applied, in such circumstances, to determine the applicable tax charge.

8. EARNINGS PER SHARE

Earnings per share is computed as follows:

	Six months ended 30 June 2011 *US$'000 unaudited*	2010 *US$'000 unaudited*
BASIC		
Earnings attributable to equity holders of the Company	62,436	11,978
Weighted average outstanding ordinary shares, in thousands	7,540,582	7,426,246
Basic earnings per share in US cents	0.83	0.16
DILUTED		
Earnings attributable to equity holders of the Company	62,436	11,978
Interest expense on convertible bonds	4,491	—
Earnings used to determine diluted earnings per shares	66,927	11,978
Weighted average outstanding ordinary shares, in thousands	7,540,582	7,426,246
Effect of dilutive ordinary shares, in thousands:	710,406	—
- options	24,565	—
- convertible bonds	685,841	—
Weighted average outstanding ordinary shares after assuming dilution, in thousands	8,250,988	7,426,246
Diluted earnings per share in US cents	0.81	0.16

9. LAND USE RIGHT

	As at 30 June 2011 US$'000 unaudited	As at 31 December 2010 US$'000 audited
Carrying amount at the beginning of period / year	44,397	41,456
Amortisation of prepaid operating lease for the period / year	(1,072)	(1,910)
Classified to property, plant and equipment	(270)	—
Classified as non-current assets held for sale	(41,878)	—
Reversal of previously recognised impairment loss	—	5,057
Disposal during the period / year	—	(613)
Translation differences	33	407
Carrying amount at the end of period / year	1,210	44,397

10. INTEREST IN JOINTLY CONTROLLED ENTITIES

The Group's interest in jointly controlled entities is as follows:

	As at 30 June 2011 US$'000 unaudited	As at 31 December 2010 US$'000 audited
At 1 January	1,114,875	776,702
Unlisted investment in a jointly controlled entity	203	—
Share of profit of jointly controlled entities	41,132	36,742
Loss on deemed disposal of a jointly controlled entity	(726)	—
Share of reserves of a jointly controlled entity	9,465	2,265
Redemption of preferred shares	—	(39,044)
Dividend paid	—	(10,000)
Transfer from interest in associates	—	330,749
Translation differences	8,478	17,399
Others	(14)	62
At 30 June 2011 / 31 December 2010	1,173,413	1,114,875

11. INTEREST IN ASSOCIATES

The Group's interest in associates is as follows:

	As at 30 June 2011 US$'000 unaudited	As at 31 December 2010 US$'000 audited
At 1 January	209	271,849
Acquisition of an associate during the period / year	—	577
Additional investments during the period / year	8,107	50,000
Share of (loss) / profit of associates	(188)	9,868
Transfer to interest in jointly controlled entities	—	(330,749)
Translation differences	—	(1,336)
At 30 June 2011 / 31 December 2010	8,128	209

12. TRADE RECEIVABLES

	As at 30 June 2011 US$'000 *unaudited*	As at 31 December 2010 US$'000 *audited*
Trade receivables	21,369	18,548
Less: Provisions	(23)	(37)
	21,346	18,511

The ageing analysis of the trade receivables is as follows:

	As at 30 June 2011 US$'000 *unaudited*	As at 31 December 2010 US$'000 *audited*
Current to 30 days	15,619	14,810
31 days to 60 days	2,414	688
61 days to 120 days	1,025	1,695
121 days to 180 days	1,656	915
181 days to 360 days	417	121
Over 360 days	238	319
	21,369	18,548

Credit terms generally range from payment in advance to 45 days credit (31 December 2010: payment in advance to 45 days).

13. PREPAID EXPENSES AND OTHER RECEIVABLES

	As at 30 June 2011 US$'000 *unaudited*	As at 31 December 2010 US$'000 *audited*
Other debtors, deposits and prepayments	21,485	21,783
Loans and interest receivables from third parties	11,058	—
Receivable from an out-of-court settlement agreement	3,800	—
Promissory notes and interest receivables	7,963	19,351
Receivables from redemption of preferred shares in a jointly controlled entity	—	39,044
Amounts due from jointly controlled entities and associates	11,397	3,217
	55,703	83,395

14. NON-CURRENT ASSETS HELD FOR SALE

The carrying amounts of certain leasehold land and building of the Group of US$57.0 million have been classified under non-current assets held for sale as at 30 June 2011 as these assets will be recovered through a sale transaction. As at 31 December 2010, the carrying amounts of certain vessels of the Group of US$8.8 million had been classified under non-current assets held for sale as these assets were expected to be recovered through sale transactions. Partial of the assets were subsequently classified back to property, plant and equipment in April 2011 as the sale did not take place.

15. SHARE CAPITAL

	Authorised share capital			
	Preference shares of US$0.10 each		Ordinary shares of US$0.10 each	
	No. of shares	*US$'000*	*No. of shares*	*US$'000*
unaudited				
At 1 January 2011 and 30 June 2011	10,000	1	19,999,990,000	1,999,999
audited				
At 1 January 2010	10,000	1	14,999,990,000	1,499,999
Addition during the year	—	—	5,000,000,000	500,000
At 31 December 2010	10,000	1	19,999,990,000	1,999,999

	Issued and fully paid ordinary shares of US$0.10 each	
	No. of shares	*US$'000*
unaudited		
At 1 January 2011	7,771,326,406	777,133
Issue of ordinary shares pursuant to the Post-listing Employee Share Option Scheme	664,466	66
At 30 June 2011	7,771,990,872	777,199
audited		
At 1 January 2010	7,426,245,846	742,625
Issue of ordinary shares pursuant to the Pre-listing and Post-listing Employee Share Option Schemes	2,160,207	216
Issue of ordinary shares upon conversion of convertible bonds	342,920,353	34,292
At 31 December 2010	7,771,326,406	777,133

16. LOANS AND BORROWINGS

Loans and borrowings consist of the following:

	As at 30 June 2011 US$'000 unaudited	As at 31 December 2010 US$'000 audited
Secured:		
US$600 million secured term loan and revolving credit facility	455,485	129,039
US$750 million secured term loan and revolving credit facility	—	225,937
HK$340 million secured term loan	32,918	35,101
HK$195 million secured loan facility	16,769	25,134
RMB12.5 million entrustment loan (i)	1,901	—
Unsecured:		
Convertible bonds	96,856	96,114
3.95% CNY1,380,000,000 bonds	207,134	—
	811,063	511,325
Less: Current portion	(71,838)	(289,561)
Long-term portion	739,225	221,764

Movement in loans and borrowings is analysed as follow:-

	US$'000
Six months ended 30 June 2011	
Balance as at 1 January 2011	511,325
Proceeds from loans and borrowings	570,835
Repayments of loans and borrowings	(263,340)
Loan arrangement fees incurred for the period	(11,800)
Amortisation of loan arrangement fees	1,446
Loan arrangement fees written off	1,855
Convertible bonds interest expense for the period	4,491
Payment of convertible bonds interest for the period	(3,749)
Balance as at 30 June 2011	811,063

	US$'000
Six months ended 30 June 2010	
Balance as at 1 January 2010	578,714
Proceeds from loans and borrowings	152,542
Repayments of loans and borrowings	(131,914)
Convertible bonds interest expense for the period	6,627
Payment of convertible bonds interest for the period	(5,625)
Balance as at 30 June 2010	600,344

Note:

(i) The RMB12.5 million entrustment loan is equivalent to the amount of restricted cash.

17. DERIVATIVE FINANCIAL INSTRUMENTS

(i) The Group has several interest rate swaps with an aggregate notional amount of US$35.0 million (as at 30 June 2011, the outstanding notional amount was approximately US$8.3 million) to convert certain long-term borrowings from a floating rate obligation to a fixed rate obligation. The notional amount will be reduced six-monthly in varying amounts over periods ranging from 9 to 10 years from the dates of the interest rate swap agreements. As at 30 June 2011, the estimated fair market value of the interest rate swaps was approximately US$0.2 million (31 December 2010: US$0.5 million), which was unfavourable to the Group. This amount has been recorded within the current portion of the derivative financial instruments in the condensed consolidated statement of financial position.

These interest rate swaps have been designated as cash flow hedges. The changes in the fair value of these interest rate swaps are included as a separate component of reserves and are recognised in the condensed consolidated statement of comprehensive income as the underlying hedged items are recognised.

(ii) The Group has a Singapore dollars forward contract and the notional amount of the contract was approximately US$69.0 million (as at 30 June 2011, the outstanding notional amount was approximately US$3.0 million). The notional amount will be reduced six-monthly over a period of 11 years from the dates of the contract. As at 30 June 2011, the estimated fair market value of the forward contract was approximately US$0.6 million (31 December 2010: US$1.0 million), which was unfavourable to the Group. The changes in the fair value of the forward contract were recognised as other expense in the condensed consolidated statement of comprehensive income. This amount has been recorded within the current portion of the derivative financial instruments in the condensed consolidated statement of financial position.

(iii) The Group entered into fuel swap agreements with an aggregate notional amount of US$27.2 million, to pay fixed price for fuel. As at 30 June 2011, the outstanding notional amount was approximately US$20.4 million, maturing through June 2012 and the estimated fair market value of the fuel swap was approximately US$1.9 million (31 December 2010: US$1.2 million), which was favourable to the Group. This amount has been recorded within the current portion of the derivative financial instruments in the condensed consolidated statement of financial position. These fuel swaps have been designated and qualified as cash flow hedges. The changes in the fair value of these fuel swaps are included as a separate component of reserves and are recognised in the statement of comprehensive income as the underlying hedged items are recognised.

The fair values of these instruments have been estimated using public market prices or quotes from reputable financial institutions. The Group had no significant concentrations of credit risk as at 30 June 2011.

18. TRADE CREDITORS

The ageing analysis of trade creditors is as follows:

	As at	
	30 June 2011	31 December 2010
	US$'000	*US$'000*
	unaudited	*audited*
Current to 60 days	23,180	34,150
61 days to 120 days	2,524	2,290
121 days to 180 days	1,824	2,071
Over 180 days	2,683	380
	30,211	38,891

Credit terms granted to the Group generally vary from no credit to 45 days credit (31 December 2010: no credit to 45 days).

19. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES

Golden Hope Limited ("Golden Hope"), a company incorporated in the Isle of Man acting as trustee of the Golden Hope Unit Trust, a private unit trust which is held directly and indirectly by IFG International Trust Company Limited as trustee of a discretionary trust, the beneficiaries of which are Tan Sri Lim Kok Thay and certain members of his family, is a substantial shareholder of the Company.

Tan Sri Lim Kok Thay is the Chairman and Chief Executive Officer of the Company.

Genting Berhad ("GENT"), a company in which Tan Sri Lim Kok Thay has a deemed interest and which is listed on Bursa Malaysia Securities Berhad ("Bursa Malaysia"), controls Genting Malaysia Berhad ("GENM"), a company also listed on Bursa Malaysia which in turn indirectly controls Resorts World Limited, which is a substantial shareholder of the Company. GENT indirectly controls Genting Singapore PLC ("GENS"), a company listed on the Main Board of the Singapore Exchange Securities Trading Limited. Genting Management and Consultancy Services Sdn Bhd ("GMC") is a company incorporated in Malaysia and a wholly-owned subsidiary of GENT.

WorldCard International Limited ("WCIL") is a company in which a subsidiary of each of the Company and GENS has a 50% interest. The Group's share of loss from WCIL amounted to US$45,000 for the six months ended 30 June 2011 (30 June 2010: share of profit of US$181,000). As at 30 June 2011, the Group's accumulative share of losses in WCIL has exceeded its interest in WCIL by US$115,000 (31 December 2010: US$70,000) and this has been recorded in accruals and other liabilities as the Group has constructive obligations towards WCIL.

Clever Create Limited ("CCL") is a company in which Mr. Kwan Yany Yan Chi ("Mr. Kwan") and his wife have an interest. Mr. Kwan is a director and an indirect substantial shareholder of Treasure Island Entertainment Complex Limited ("TIECL") and Macau Land Investment Corporation ("MLIC"), which are 75%-owned subsidiaries of the Company.

Starmax Management Limited ("Starmax") is a company incorporated in the British Virgin Islands and owned as to 50% by Mr. Kwan.

Rich Hope Limited ("Rich Hope") is a company in which Tan Sri Lim Kok Thay and his wife have attributable interests as to 75% and 25% respectively. Tan Sri Lim Kok Thay is also a director of Star Cruises (HK) Limited ("SCHK"), an indirect wholly-owned subsidiary of the Company.

Ambadell Pty Limited ("Ambadell") is ultimately wholly-owned by Golden Hope as trustee of the Golden Hope Unit Trust. Star Cruises (Australia) Pty Ltd ("SCA") is a company incorporated in Australia and an indirect wholly-owned subsidiary of the Company.

Resorts World at Sentosa Pte. Ltd. ("RWS") is a company incorporated in Singapore and an indirect wholly-owned subsidiary of GENS. Crystal Aim Limited ("CAL") is a company incorporated in the British Virgin Islands and an indirect wholly-owned subsidiary of the Company.

Genting International Management Limited ("GIML"), a wholly-owned subsidiary of GENS, is the registered owner of the "Crockfords and device" trademark (the "Crockfords" Trademark).

Genting Intellectual Property Pte Ltd ("GIP") is a company incorporated in Singapore and a wholly-owned subsidiary of GENT. Star Market Holdings Limited ("SMHL") is a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of the Company.

Resorts World Inc Pte. Ltd. ("RWI") is a company incorporated in Singapore in which a subsidiary of each of the Company, GENT, GENM and GENS and a company wholly-owned by Golden Hope as trustee of the Golden Hope Unit Trust has a 20% interest.

NCL Corporation Ltd. ("NCLC") is a jointly controlled entity of the Company.

International Resort Management Services Pte. Ltd. ("IRMS") is a company incorporated in Singapore and owned as to 80% by Tan Sri Lim Kok Thay and 20% by his wife.

Each of Travellers International Hotel Group, Inc. ("Travellers"), Genting Management Services, Inc. ("GMS") and Genting-Star Tourism Academy Inc. ("GSTA") is a jointly controlled entity of the Company.

Select Gain Limited ("Select Gain") is a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of the Company. GENT, through its wholly-owned subsidiary, Vista Knowledge Pte. Ltd. ("Vista Knowledge"), held approximately 19.40% shareholding interest in Union Bank of Colombo PLC ("Union Bank") as of 30 December 2010; and is a substantial shareholder of Union Bank. As at 30 June 2011, Vista Knowledge held approximately 18.52% shareholding interest in Union Bank.

19. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES *(Continued)*

Significant related party transactions entered into or subsisting between the Group and the above companies during the six months ended 30 June 2011 and 2010 are set out below:

(a) On 20 December 2010, the Company entered into new services agreements for a period of three years commencing from 1 January 2011 with GMC, GENM and GENS separately in relation to the provision of certain services to the Group. For the six months ended 30 June 2011, (i) the amount charged to the Group in respect of secretarial, share registration, investor and other related services rendered by GMC was approximately US$12,000 (30 June 2010: US$59,000), (ii) the amount charged to the Group in respect of air ticket purchasing, leasing of office space, travel and other related services rendered by the GENM group was approximately US$427,000 (30 June 2010: US$228,000), and (iii) the amount charged to the Group in respect of information technology and implementation, support and maintenance services, and other services in relation to information technology support and central reservation services rendered by the GENS group was approximately US$316,000 (30 June 2010: US$372,000).

(b) On 31 March 2011, the Company entered into new services agreements for a period of three years commencing from 1 January 2011 with GENM and GENS separately in relation to the provision of certain services by the Group. For the six months ended 30 June 2011, (i) the amount charged by the Group in respect of travel related services and administrative services rendered to the GENS group was approximately US$33,000 (30 June 2010: US$1,000) and (ii) no amount was charged by the Group as the Group did not render any of these services to the GENM group during the period (30 June 2010: Nil).

(c) WCIL, together with its subsidiaries, operate and administer the WorldCard programme on an international basis (save for Malaysia). The Group participated as a merchant in the WorldCard programme (save for Malaysia) and was subsequently allowed to participate in the WorldCard programme in Malaysia through certain inter-operator arrangements. In May 2007, the WorldCard programme was extended to cover sale of travel and tour packages which are sold to WorldCard holders at onshore outlets of the Group in various territories, including the cruise packages to board for the cruise ships of the Company or of its affiliates.

The Group also implemented joint promotion and marketing programmes for the purpose of promoting the respective businesses of the Group and the GENM group.

During the six months ended 30 June 2011 and 2010, the following transactions took place:

	Six months ended 30 June	
	2011	2010
	US$'000	*US$'000*
	unaudited	*unaudited*
Amounts charged from the GENT group to the Group	761	361
Amounts charged to the GENT group by the Group	617	300

(d) On 29 May 2009, TIECL entered into a tenancy agreement with CCL in respect of the lease of an office area in Macau. During the six months ended 30 June 2011, the amount charged by CCL to the Group in respect of the rental amounted to US$69,000 (30 June 2010: US$70,000).

(e) On 1 January 2010, SCHK entered into a tenancy agreement with Rich Hope in respect of the lease of an apartment in Hong Kong. During the six months ended 30 June 2011, the amount charged by Rich Hope to SCHK in respect of the rental amounted to US$104,000 (30 June 2010: in respect of the rental and various deposits: US$162,000).

(f) SCA entered into a tenancy agreement with Ambadell in respect of the lease of an office area in Australia. During the six months ended 30 June 2011, the amount charged by Ambadell to the Group in respect of the rental amounted to US$30,000 (30 June 2010: US$26,000).

(g) On 21 January 2010, CAL entered into a services agreement with RWS pursuant to which RWS engages CAL as a provider of certain services in respect of the integrated resort, Resorts World Sentosa which is located at Sentosa, Singapore and owned and operated by RWS, including but not limited to handling of English speaking inbound and outbound operation administration calls and provision of any reservations and booking services of tour packages, hotel rooms and any tickets for local and overseas customers of RWS, and handling of all amendment and cancellation related activities of any reservations and booking services. Amount charged to RWS in respect of these services rendered by CAL was approximately US$507,000 for the six months ended 30 June 2011 (30 June 2010: US$351,000).

Amounts outstanding at the end of each fiscal period in respect of the above transactions were included in the condensed consolidated statement of financial position within amounts due to related companies. The related party transactions described above were carried out on terms, conditions and prices comparable to transactions with independent parties.

19. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES *(Continued)*

(h) On 9 April 2009, Star Cruises (BVI) Limited ("SCBVI"), an indirect wholly-owned subsidiary of the Company, entered into an agreement with GIML to obtain the right to use and authorisation to grant to any companies within the Group and to any authorised third party (the "Authorised Company") subject to prior consent of GIML the right to use, the "Crockfords" Trademark in Macau, the Philippines and such other locations as may be mutually agreed in writing by SCBVI and GIML (the "Territories") for a consideration of GBP1.00. In addition, the Group and/or the Authorised Company shall expend an amount equivalent to GBP50,000 per annum in each of the Territories to promote and market the "Crockfords" Trademark in the Territories.

(i) On 1 March 2010, the Company and SMHL entered into a Cross Licensing Agreement with GENT, GIP, GENS and GIML in respect of the grant of license for the "GENTING" trade marks and intellectual property rights (the "Genting IP") to GIP in consideration of the payment to each of GIML and SMHL of a sum of US$10 each, and the grant of license for the Resorts World Trade Mark and the Resorts World Know How (the "Resorts World IP") to GIML and SMHL in consideration of the payment to GIP from GIML and SMHL of a sum of US$10 each. On 23 November 2010, GIML and SMHL entered into a Genting IP License Agreement with RWI in respect of the grant of license for the Genting IP to RWI in consideration of the payment to each of GIML and SMHL of a sum of SGD10 each.

(j) On 8 June 2010, Select Gain and Union Bank entered into a Subscription Agreement pursuant to which Union Bank agreed to issue and Select Gain agreed to subscribe, on a conditional basis, for 18,000,000 new ordinary voting shares in Union Bank (the "Union Bank Shares") for a total consideration amount of LKR225 million (equivalent to approximately US$2.0 million). Pursuant to the prospectus dated 14 December 2010 issued by Union Bank, Select Gain made further applications for the subscription for new Union Bank Shares: (i) on 23 December 2010, Select Gain applied for a total of 591,619 new Union Bank Shares through acceptance of the provisional allotment of shares and 2,000,000 additional Union Bank Shares, both at a price of LKR25 per Union Bank Share under the Category A Share Issue; and (ii) on 27 December 2010, Select Gain applied for a total of 10,266,666 new Union Bank Shares at a price of LKR30 per Union Bank Share under the Category B Share Issue. On 30 December 2010, Select Gain was informed by Union Bank that a total of 5,369,409 new Union Bank Shares were allotted to Select Gain for an aggregated price of LKR157,194,900 (equivalent to approximately US$1.4 million), comprising (a) 777,474 new Union Bank Shares at a price of LKR25 per Union Bank Share under the Category A Share Issue; and (b) 4,591,935 new Union Bank Shares at a price of LKR30 per Union Bank Share under the Category B Share Issue. As a result, Select Gain held 23,369,409 Union Bank Shares, representing approximately 7.01% of the enlarged issued share capital of Union Bank as at 30 December 2010. As at 30 June 2011, Select Gain held approximately 6.69% shareholding interest in Union Bank.

(k) NCLC entered into a charter agreement with the Group for a ship owned by the Group. Charter hire revenue received for this ship was US$10.9 million for the six months ended 30 June 2011 (30 June 2010: US$12.3 million). The charter agreement dated 27 August 2010 with respect to m.v. Norwegian Sky provides a subsidiary of NCLC with an option to purchase the ship during the charter period.

(l) Famous City Holdings Limited ("Famous City") and Star Cruise Pte Ltd ("SCPL"), both are wholly-owned subsidiaries of the Company entered into Contracts of Lease with Travellers in respect of the lease of office area in the Philippines. During the six months ended 30 June 2011, the amount charged by Travellers to the Group in respect of the rental amounted to US$0.2 million (30 June 2010: US$0.1 million).

(m) On 1 October 2010, Famous City entered into Service Agreements with GSTA and GMS in respect of provision of back-office support services. During the six months ended 30 June 2011, service revenue received from GSTA and GMS was US$166,000 (30 June 2010: Nil).

(n) On 23 November 2010, SMHL entered into a Subscription Agreement with other four investors, being companies wholly-owned by GENT, GENM, GENS and Golden Hope (as trustee of the Golden Hope Unit Trust), in relation to the subscription of 20% of the enlarged issued share capital of RWI for SGD750,000 each. On 10 June 2011, SMHL and the other four investors further subscribed for additional shares in proportion to their respective 20% shareholdings in RWI for SGD10 million each, for engaging through RWI's subsidiaries in the business of licensing of trademarks and intellectual property rights and the provision of membership loyalty network services, promoting and marketing services as well as management and technical support services.

(o) On 16 June 2011, MLIC accepted the offer from Starmax to dispose of the entire issued capital of Fancy Star Holdings Limited, a wholly-owned subsidiary of MLIC which indirectly holds Tower 6 of Nova City in Macau, for HK$560 million. On 29 July 2011, MLIC entered into a sale and purchase agreement with Starmax in respect of the said disposal and the Group has so far received HK$112 million as deposit. Completion of this transaction is expected to take place in 4Q 2011.

19. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES *(Continued)*

(p) On 30 November 2010, Genting Philippines Holdings Limited (“GPHL”), a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of the Company, has entered into a subscription and shareholders’ agreement with IRMS, whereby each of GPHL and IRMS agreed to subscribe 50% interest for SGD250,000 in Starlet Investments Pte. Ltd., a company incorporated in Singapore, for engaging in the business of development, operation and management of casinos in various jurisdictions. The transaction which was completed in June 2011, resulted in the Group recording a loss on deemed disposal of US$0.7 million during the six months ended 30 June 2011.

(q) On 7 January 2011, NCL (Bahamas) Ltd. (“NCLB”), a wholly-owned subsidiary of NCLC, has entered into a general services agreement with CAL for the provision of contact centre services by CAL. During the six months ended 30 June 2011, the amount charged by CAL to NCLB in respect of the services amounted to US$116,000 (30 June 2010: Nil).

(r) Famous City and Travellers has entered into a service agreement for the provision of training, marketing and promotion services by Famous City to Travellers with effect from 1 January 2011. During the six months ended 30 June 2011, the amount charged by Famous City to Travellers in respect of the services amounted to US$87,000 (30 June 2010: Nil).

20. CAPITAL COMMITMENTS AND CONTINGENCIES

(i) Capital expenditure

Capital expenditure contracted but not provided for at the statement of financial position date are as follows:

	As at	
	30 June 2011	31 December 2010
	US$'000	*US$'000*
	unaudited	*audited*
Contracted but not provided for		
- Property under development	6,293	5,666

(ii) Material litigation and contingencies

There were no material updates to the information disclosed in the Group’s annual report for the year ended 31 December 2010.

21. SIGNIFICANT SUBSEQUENT EVENTS

(i) On 29 July 2011, the Group entered into a sale and purchase agreement to dispose of the entire issued capital of Fancy Star Holdings Limited, a subsidiary of the Group which indirectly holds Tower 6 of Nova City in Macau, for HK$560 million. The Group has so far received HK$112 million as deposit. Completion of this transaction is expected to take place in 4Q 2011.

(ii) US$10 million has been received from Adams Properties, Inc. in relation to the preferred stock redemption exercise in August 2011.

Interim Dividend

The Directors do not recommend the declaration of interim dividend in respect of the six months ended 30 June 2011.

Management's Discussion and Analysis

The following discussion is based on, and should be read in conjunction with, the unaudited condensed consolidated interim financial information and the notes thereto included elsewhere in this interim report and the annual report of the Group for the year ended 31 December 2010.

Terminology

Net revenue represents total revenues less commissions, transportation and other expenses, and onboard and other expenses.

Net yield represents net revenue per capacity day. The Group utilises net yield to manage its business on a day-to-day basis and believes that it is the most relevant measure of the pricing performance and is commonly used in the cruise industry to measure pricing performance.

Ship operating expenses represent operating expenses excluding commissions, transportation and other expenses and onboard and other expenses. NCLC and its subsidiaries ("NCLC Group"), reporting under US GAAP, accounts for dry-docking costs under the direct expense method and these costs are classified as ship operating expenses. Under HKFRS, the dry-docking costs are included as a separate component of the ship costs to be amortised to the subsequent dry-docking generally every 2 to 3 years in the depreciation and amortisation.

EBITDA represents earnings before interest and other income (expense) including taxes, and depreciation and amortisation. The Group uses EBITDA to measure operating performance of the business.

Capacity days represent double occupancy per cabin multiplied by the number of cruise days for the period.

Passenger cruise days represent the number of passengers carried for the period, multiplied by the number of days in their respective cruises.

Occupancy percentage, in accordance with cruise industry practice, represents the ratio of passenger cruise days to capacity days. A percentage in excess of 100% indicates that three or more passengers occupied some cabins.

Six months ended 30 June 2011 ("1H 2011") compared with six months ended 30 June 2010 ("1H 2010")

The Group

Turnover

The Group's total revenue for 1H 2011 was US$227.0 million, an increase of 22.9% from US$184.7 million in 1H 2010. The increase in total revenue was mainly due to the 32.2% increase in gaming revenue in 1H 2011 and 10.8% increase in capacity days as a result of the full operations of m.v. SuperStar Libra in 1H 2011, whilst it was laid up in the first quarter of 2010. Occupancy percentage increased by 2% from 82% to 84% in 1H 2011 which contributed towards a 13.6% increase in ticket and onboard revenue for the period.

The ongoing fleet rationalization which included the refurbishment and relocation of m.v. Star Pisces from Malaysia to Hong Kong as well as the relocation of m.v. SuperStar Libra and m.v. SuperStar Aquarius to Malaysia and Taiwan regions respectively contributed towards the improvement in gaming revenue.

Cost and expenses

Total costs and expenses before finance costs and other items for 1H 2011 amounted to US$203.5 million compared with US$168.1 million in 1H 2010, an increase of US$35.4 million.

Operating expenses excluding depreciation and amortisation increased US$25.1 million (23.9%) to US$130.2 million in 1H 2011 from US$105.1 million in 1H 2010, primarily due to a 26.8% increase in ship operating expenses, mainly resulting from the increase in capacity days, payroll, port charges and higher fuel expenditure. In 1H 2011, Star Asia's average fuel price rose approximately 21.5% from US$480 per metric ton in 1H 2010 to US$583 per metric ton in 1H 2011. Excluding fuel expenses, total operating expenses increased by 22.3%, representing a 10.4% increase on a per capacity day basis compared with 1H 2010.

Selling, general and administrative expenses excluding depreciation and amortisation increased by US$6.3 million (21.6%) to US$35.4 million in 1H 2011 from US$29.1 million in 1H 2010 mainly due to higher salary related costs, and advertising and promotion expenses in 1H 2011.

Depreciation and amortisation expenses increased by US$4.1 million (12.1%) primarily due to the depreciation of m.v. Norwegian Dream which has been reclassified to property, plant and equipment from non-current assets held-for-sale since December 2010.

EBITDA

The Group's EBITDA for 1H 2011 was US$61.5 million, an increase of 21.8% from US$50.5 million for 1H 2010.

Finance costs

Finance costs increased by US$2.4 million to US$15.8 million for the 1H 2011 compared to US$13.4 million for the 1H 2010, primarily due to the write-off of amortised loan arrangement fees upon the refinancing of loans in 1H 2011.

Other income, net

Net other income was US$13.8 million for 1H 2011 compared with US$14.4 million for 1H 2010. During 1H 2011, net other income mainly comprised the agreed settlement of US$13.3 million in relation to the non-completion by Louis Plc. of the sale and purchase contract for m.v. Norwegian Dream.

During 1H 2010, the net other income comprised a realised gain of approximately US$17.6 million on the disposal of interest in Port Klang Cruise Centre Sdn Bhd and Glamourous Trendy Sdn Bhd for approximately US$55.6 million.

Profit before taxation

Profit before taxation for 1H 2011 was US$63.6 million compared to profit before taxation of US$11.7 million for 1H 2010.

Profit attributable to equity holders

Net profit attributable to equity holders of the Company was US$62.4 million for 1H 2011 compared with net profit attributable to equity holders of US$12.0 million for 1H 2010.

The operating data of the Group is as follows:

	Six months ended 30 June	
	2011	2010
Passenger Cruise Days	778,166	691,178
Capacity Days	930,915	840,479
Occupancy as a percentage of total capacity days	84%	82%

Liquidity and financial resources

As at 30 June 2011, cash and cash equivalents amounted to US$521.8 million, an increase of US$362.4 million compared with the amount of US$159.4 million as at 31 December 2010. The increase in cash and cash equivalents was primarily due to net cash inflow from operating activities and financing activities, including proceeds received of US$356.0 million from the partial drawdown of the Group's US$600 million secured term loan and revolving credit facility and issuance of RMB1.38 billion bonds in June 2011. The net cash inflow was partially offset by net cash outflow from investing activities, including additional equity investment in Resorts World Inc Pte. Ltd., repayment of long term borrowings and capital expenditures of US$8.1 million, US$263.3 million and US$20.5 million respectively incurred during the period.

Majority of the Group's cash and cash equivalents are held in U.S. dollars, Singapore dollars, Renminbi and Hong Kong dollars. The Group's liquidity as at 30 June 2011 was US$645.6 million (31 December 2010: US$341.4 million), comprising cash and cash equivalents and undrawn credit facilities.

Total loans and borrowings as at 30 June 2011 was US$811.1 million (31 December 2010: US$511.3 million), denominated in U.S. dollars, Renminbi and Hong Kong dollars. Approximately 36% (31 December 2010: 17%) of the Group's loans and borrowings was under fixed rate and 64% (31 December 2010: 83%) was under floating rate, after taking into consideration the effect of interest rate swaps and loan origination costs. Loans and borrowings of US$71.8 million (31 December 2010: US$289.6 million) are repayable within 1 year. The outstanding borrowings of the Group are secured by legal charges over assets including fixed and floating charges of US$1.2 billion (31 December 2010: US$1.2 billion).

The gearing ratio of the Group as at 30 June 2011 was 0.14 times, a decrease from 0.17 times as at 31 December 2010. The gearing ratio is calculated as net debt divided by total equity. Net debt of approximately US$0.29 billion (31 December 2010: US$0.35 billion) is calculated as total borrowings (including current and non-current borrowings) less cash and cash equivalents. The total equity of the Group is approximately US$2.10 billion (31 December 2010: US$2.02 billion).

The Group adopts a prudent treasury policy with all financing and treasury activities managed and controlled at its corporate head office. The Group manages its exposure primarily through foreign currency forward contracts, fuel swap agreements and interest rate swaps. It is also the Group's policy that hedging will not be performed in excess of actual requirement. The Group also applies a fuel surcharge to mitigate the fluctuation in fuel prices.

Prospects

Following the Star Cruises' ship swap exercise in early 2011, m.v. SuperStar Aquarius has been servicing the Taiwan route during the summer months. Beginning November this year, m.v. SuperStar Aquarius will be deployed in Sanya for the first time, with 4D/3N and 3D/2N cruises around the region, visiting cities such as Danang, Huế and Halong Bay.

Resorts World Manila at Newport City continues to extend its leisure, hospitality and entertainment offerings into its second year of operations. Remington Hotel, the resort's third hotel offering catered towards the budget conscious traveller, is expected to open its 712 rooms during the second half of 2011. In November 2010, Travellers and its subsidiaries ("Travellers Group") purchased 13,777 square meters of land adjacent to the existing Marriott Hotel for the purposes of constructing a convention centre, which is expected to be completed in approximately 18 months. A fourth hotel of five-star calibre is also expected to be completed within the same time frame.

NCLC Group continues to look forward to the two new Project Breakaway ships, scheduled for delivery in the spring of 2013 and 2014. The two new vessels will join the five existing ships, Norwegian Epic, Norwegian Gem, Norwegian Jade, Norwegian Pearl and Norwegian Jewel, in offering "The Haven", an exclusive suites complex which offers passengers an additional level of privacy and luxury, complete with a private courtyard and pool area, restaurant, bar and concierge lounge.

NCLC Group

The commentary below is prepared based on NCLC Group's US GAAP financial statements.

Total revenue increased 19.0% in 2011 compared to 2010. Net revenue increased 20.2% in 2011, primarily due to an increase in capacity days of 16.4% and an increase in net yield of 3.3%. The increase in capacity days was due to the addition of Norwegian Epic to the fleet in late June 2010. The increase in net yield was due to an increase in passenger ticket pricing and onboard revenue which was primarily due to an increase in net revenue from NCLC Group's gaming operations, spa services and specialty restaurants.

Total ship operating expense increased 18.1% in 2011 compared to 2010 primarily related to an increase in capacity days as described above and higher ship operating expenses. The increase in ship operating expenses was primarily due to an increase in fuel expense as a result of an 11.8% increase in average fuel price to US$557 per metric ton in 2011 from US$498 in 2010. Total other operating expense increased 11.4% compared to 2010 due to an increase in depreciation expense related to Norwegian Epic which entered service in late June 2010. Net cruise cost increased 16.2% in 2011 primarily due to an increase in capacity days. On a capacity day basis, net cruise cost was unchanged due to increases in fuel expense and dry-dock expense substantially offset by lower general and administrative expenses. Excluding fuel expense, net cruise cost per capacity day decreased 1.9%.

Finance cost, net of capitalised interest, increased to US$94.6 million in 2011 from US$72.9 million in 2010 primarily due to an increase in average outstanding borrowings related to the financing of Norwegian Epic. Other income (expense) was US$2.1 million in 2011 compared to US$(34.4) million in 2010. The income in 2011 was primarily due to gains on fuel derivatives partially offset by losses on foreign exchange. The expense in 2010 was primarily due to losses on foreign exchange contracts associated with the financing of Norwegian Epic.

Travellers Group

In 1H 2011, Travellers Group reported US$280.6 million in total revenues and US$88.2 million in EBITDA, compared with US$148.7 million total revenues and US$42.6 million EBITDA in 1H 2010.

Total operating expenses amounted to US$77.7 million in 1H 2011, compared with US$40.5 million in 1H 2010, which is mainly due to the increase of new hires to support the expansion in operations, as well as marketing and advertising efforts to promote the integrated resort.

Finance costs increased from US$4.5 million in 1H 2010 to US$16.0 million in 1H 2011, mainly due to additional bank borrowings and issuance of a US$300.0 million 7-year bond in October 2010 to finance capital and project expenditures and for general corporate purposes.

Net income increased from US$27.4 million in 1H 2010 to US$54.0 million in 1H 2011.

Interests of Directors

As at 30 June 2011, the interests and short positions of the Directors and the Chief Executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Hong Kong (the "SFO")) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") and in accordance with information received by the Company were as follows:

(A) Interests in the shares of the Company

	Nature of interests/capacity in which such interests were held					
Name of Director	**Beneficial owner**	**Interests of spouse**	**Interests of controlled corporation**	**Founder/ Beneficiary of discretionary trusts**	**Total**	**Percentage of issued ordinary shares**
	Number of ordinary shares *(Notes)*					
Tan Sri Lim Kok Thay	362,703,613	36,298,108 *(1)*	2,035,982,196 *(2)*	4,974,882,524 *(3)*	5,920,513,153 *(4)*	76.178
Mr. William Ng Ko Seng (Alternate Director to Tan Sri Lim Kok Thay)	851,270	—	—	—	851,270	0.011

Notes:

As at 30 June 2011:

(1) Tan Sri Lim Kok Thay had a family interest in the same block of 36,298,108 ordinary shares directly held by Goldsfine Investments Ltd. ("Goldsfine") in which his wife, Puan Sri Wong Hon Yee had a corporate interest.

(2) Tan Sri Lim Kok Thay was also deemed to have a corporate interest in 2,035,982,196 ordinary shares (comprising (i) the same block of 36,298,108 ordinary shares directly held by Goldsfine in which each of Tan Sri Lim Kok Thay and Puan Sri Wong Hon Yee held 50% of its issued share capital; (ii) the same block of 546,628,908 ordinary shares directly held by Joondalup Limited in which Tan Sri Lim Kok Thay held 100% of its issued share capital; and (iii) the same block of 1,432,959,180 ordinary shares directly held by Resorts World Limited ("RWL") and the same block of 20,096,000 ordinary shares directly held by Genting Overseas Holdings Limited ("GOHL")), by virtue of his interests in a chain of corporations holding RWL and GOHL (details of the percentage interests in such corporations were set out in the section headed "Interests of Substantial Shareholders" below).

(3) Tan Sri Lim Kok Thay as founder and a beneficiary of two discretionary trusts (trustees of which are Parkview Management Sdn Bhd and IFG International Trust Company Limited respectively), had a deemed interest in 4,974,882,524 ordinary shares.

(4) There was no duplication in arriving at the total interest.

(5) All the above interests represented long positions in the shares and excluded those in the underlying shares held through share options, convertible bonds or other equity derivatives. Interests of the respective Directors set out in this subsection (A) need to be aggregated with their interests in the underlying shares held through share options, convertible bonds or other equity derivatives of the Company set out in subsection (B) below in order to give the total interests of the respective Directors in the Company pursuant to the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Interests of Directors *(Continued)*

(B) Interests in the underlying shares of the Company held through share options, convertible bonds or other equity derivatives

Share options were granted to the Directors under the share option scheme adopted by the Company on 23 August 2000 (as effected on 30 November 2000 and amended on 22 May 2002) (the "Post-listing Employee Share Option Scheme").

As at 30 June 2011, the Directors had personal interests in the following underlying shares of the Company held through share options granted under the Post-listing Employee Share Option Scheme:

Name of Director	Number of underlying ordinary shares	Percentage of issued ordinary shares	Capacity in which such interests were held
Tan Sri Lim Kok Thay	10,796,439	0.139	Beneficial owner
Mr. William Ng Ko Seng (Alternate Director to Tan Sri Lim Kok Thay)	2,084,069	0.027	Beneficial owner

Further details of share options granted to the Directors under the Post-listing Employee Share Option Scheme are set out in the section headed "Share Options" below.

These interests in share options represented long positions in the underlying shares in respect of physically settled derivatives of the Company. Interests of the respective Directors set out in this subsection (B) need to be aggregated with their interests in the shares of the Company set out in subsection (A) above in order to give the total interests of the respective Directors in the Company pursuant to the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

(C) Interests in the shares of associated corporations of the Company

		Nature of interests/ capacity in which such interests were held				
Name of associated corporation	**Name of Director**	**Interest of spouse**	**Interests of controlled corporation**	**Founder/ Beneficiary of discretionary trusts**	**Total**	**Percentage of issued ordinary shares**
			Number of ordinary shares *(Notes)*			
WorldCard International Limited ("WCIL") *(1)*	Tan Sri Lim Kok Thay	—	500,000 *(2)*	1,000,000 *(3)*	1,000,000 *(19 and 20)*	100
Resorts World Inc Pte. Ltd. ("RWI") *(4)*	Tan Sri Lim Kok Thay	—	32,250,000 *(5)*	53,750,000 *(6)*	53,750,000 *(19 and 20)*	100
Starlet Investments Pte. Ltd. ("Starlet") *(7)*	Tan Sri Lim Kok Thay	250,000 *(8)*	250,000 *(9)*	250,000 *(10)*	500,000 *(19 and 20)*	100
SC Alliance VIP World Philippines, Inc. ("SC Alliance") *(11)*	Tan Sri Lim Kok Thay	2,000 *(12)*	2,000 *(13)*	2,000 *(14)*	2,000 *(19 and 20)*	40
Star Cruises Hong Kong Management Services Philippines, Inc. ("SCHKMS") *(15)*	Tan Sri Lim Kok Thay	5,000 *(16)*	5,000 *(17)*	5,000 *(18)*	5,000 *(19 and 20)*	100

Interests of Directors *(Continued)*

(C) Interests in the shares of associated corporations of the Company *(Continued)*

Notes:

As at 30 June 2011:

(1) WCIL was a company in which a subsidiary of each of the Company and Genting Singapore PLC ("GENS") had a 50% interest.

(2) Tan Sri Lim Kok Thay was deemed to have a corporate interest in 500,000 ordinary shares of WCIL directly held by Calidone Limited ("Calidone"), a wholly-owned subsidiary of GENS which was in turn a 51.86% owned subsidiary of Genting Berhad ("GENT") through its wholly-owned subsidiary, namely GOHL, by virtue of his interests in a chain of corporations holding Calidone (details of the percentage interests in such corporations were set out in this note and the section headed "Interests of Substantial Shareholders" below).

(3) As founder and a beneficiary of two discretionary trusts, Tan Sri Lim Kok Thay had a deemed interest in 1,000,000 ordinary shares of WCIL.

(4) RWI was a company in which a subsidiary of each of the Company, GENT, Genting Malaysia Berhad ("GENM") and GENS and a company wholly-owned by Golden Hope Limited as trustee of the Golden Hope Unit Trust had a 20% interest.

(5) Tan Sri Lim Kok Thay was deemed to have a corporate interest in 32,250,000 ordinary shares of RWI comprising (i) 10,750,000 ordinary shares directly held by Resorts World Enterprise Limited ("RWEL"), a wholly-owned subsidiary of GENM through its two layers of wholly-owned subsidiaries, namely Sierra Springs Sdn Bhd and Resorts World Limited (GENM was in turn a 49.38% owned subsidiary of GENT); (ii) 10,750,000 ordinary shares directly held by Genting International Management Limited ("GIML"), a wholly-owned subsidiary of GENS; and (iii) 10,750,000 ordinary shares directly held by Genting Intellectual Property Pte Ltd ("GIP"), a wholly-owned subsidiary of GENT, by virtue of his interests in a chain of corporations holding such corporations.

(6) As founder and a beneficiary of two discretionary trusts, Tan Sri Lim Kok Thay had a deemed interest in 53,750,000 ordinary shares of RWI.

(7) Starlet was a company in which each of a subsidiary of the Company and International Resort Management Services Pte. Ltd. ("IRMS") had a 50% interest. IRMS was owned as to 80% by Tan Sri Lim Kok Thay and 20% by his spouse, Puan Sri Wong Hon Yee.

(8) As the spouse of Puan Sri Wong Hon Yee, Tan Sri Lim Kok Thay had a family interest in 250,000 ordinary shares of Starlet directly held by IRMS in which Puan Sri Wong Hon Yee had a 20% interest.

(9) Tan Sri Lim Kok Thay was deemed to have a corporate interest in 250,000 ordinary shares of Starlet directly held by IRMS.

(10) As founder and a beneficiary of a discretionary trust, Tan Sri Lim Kok Thay had a deemed interest in 250,000 ordinary shares of Starlet.

(11) SC Alliance was owned as to 40% by Starlet.

(12) As the spouse of Puan Sri Wong Hon Yee, Tan Sri Lim Kok Thay had a family interest in 2,000 ordinary shares of SC Alliance directly held by Starlet in which IRMS had a 50% interest, IRMS was in turn owned as to 20% by Puan Sri Wong Hon Yee.

(13) Tan Sri Lim Kok Thay was deemed to have a corporate interest in 2,000 ordinary shares of SC Alliance directly held by Starlet in which IRMS had a 50% interest, by virtue of his interests in a chain of corporations holding Starlet.

(14) As founder and a beneficiary of a discretionary trust, Tan Sri Lim Kok Thay had a deemed interest in 2,000 ordinary shares of SC Alliance.

(15) SCHKMS was owned as to (i) 60% by SC Alliance which was in turn owned as to 40% by Starlet; and (ii) 40% by Starlet.

(16) As the spouse of Puan Sri Wong Hon Yee, Tan Sri Lim Kok Thay had a family interest in 5,000 ordinary shares of SCHKMS directly and indirectly held by Starlet in which IRMS had a 50% interest, IRMS was in turn owned as to 20% by Puan Sri Wong Hon Yee.

(17) Tan Sri Lim Kok Thay was deemed to have a corporate interest in 5,000 ordinary shares of SCHKMS comprising (i) 3,000 ordinary shares directly held by SC Alliance; and (ii) 2,000 ordinary shares directly held by Starlet, by virtue of his interests in a chain of corporations holding SC Alliance and Starlet.

(18) As founder and a beneficiary of a discretionary trust, Tan Sri Lim Kok Thay had a deemed interest in 5,000 ordinary shares of SCHKMS.

(19) There was no duplication in arriving at the total interest.

(20) These interests represented long positions in the shares of the relevant associated corporations of the Company.

Interests of Directors *(Continued)*

Save as disclosed above and in the sections headed "Share Options" and "Interests of Substantial Shareholders" below:

(a) as at 30 June 2011, none of the Directors or the Chief Executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code; and

(b) at no time during the period was the Company and its subsidiaries a party to any arrangement to enable the Directors of the Company to acquire benefits by means of the acquisition of shares, underlying shares or debentures in the Company or any other body corporate.

Share Options

Details of the Company's Post-listing Employee Share Option Scheme are set out in the published annual report of the Company for the year ended 31 December 2010. The Post-listing Employee Share Option Scheme has expired on 29 November 2010 whereupon no further options can be granted under the scheme but the outstanding options remain exercisable subject to the terms and conditions of the respective grants and the provisions of the scheme. Details of the movement in the share options granted to the Directors of the Company and the employees of the Group under the Post-listing Employee Share Option Scheme during the period and outstanding as at 30 June 2011 were as follows:

Post-listing Employee Share Option Scheme

	Number of options outstanding at 01/01/2011	Number of shares acquired upon exercise of options during the period	Number of options lapsed during the period	Number of options cancelled during the period	Number of options outstanding at 30/06/2011	Date granted	Exercise price per share	Exercisable period
Tan Sri Lim Kok Thay (Director)	3,163,699	—	—	—	3,163,699	19/08/2002	HK$2.8142	20/08/2004 – 19/08/2012
	632,740	—	—	—	632,740	23/08/2004	HK$1.6202	24/08/2006 – 23/08/2014
	7,000,000	—	—	—	7,000,000	27/05/2008	HK$1.7800	28/05/2009 – 27/05/2018
	10,796,439	**—**	**—**	**—**	**10,796,439**			
Mr. William Ng Ko Seng (Alternate Director to Tan Sri Lim Kok Thay)	584,069	—	—	—	584,069	19/08/2002	HK$2.8142	20/08/2004 – 19/08/2012
	1,500,000	—	—	—	1,500,000	27/05/2008	HK$1.7800	28/05/2009 – 27/05/2018
	2,084,069	**—**	**—**	**—**	**2,084,069**			
All other employees	53,163,234	(261,046) *(Note 1)*	—	—	52,902,188	19/08/2002	HK$2.8142	20/08/2004 – 19/08/2012
	542,757	—	—	—	542,757	08/09/2003	HK$2.8142	09/09/2005 – 08/09/2013
	9,383,196	(38,420) *(Note 2)*	—	—	9,344,776	23/08/2004	HK$1.6202	24/08/2006 – 23/08/2014
	23,210,000	(365,000) *(Note 3)*	—	—	22,845,000	27/05/2008	HK$1.7800	28/05/2009 – 27/05/2018
	14,843,000	—	(2,082,000)	—	12,761,000	16/11/2010	HK$3.7800	16/11/2011 – 15/11/2020
	101,142,187	**(664,466)**	**(2,082,000)**	**—**	**98,395,721**			
Grand Total	**114,022,695**	**(664,466)**	**(2,082,000)**	**—**	**111,276,229**			

Notes:

(1) At the dates before the options were exercised, the weighted average market closing value per share quoted on the Stock Exchange was HK$3.4141.

(2) At the dates before the options were exercised, the weighted average market closing value per share quoted on the Stock Exchange was HK$3.3586.

(3) At the dates before the options were exercised, the weighted average market closing value per share quoted on the Stock Exchange was HK$2.9788.

Share Options *(Continued)*

Other than (i) the share options granted on 23 August 2004 under the Post-listing Employee Share Option Scheme which become exercisable in part or in full for a period of eight years commencing from two years after the date of offer; (ii) the share options granted on 27 May 2008 under the Post-listing Employee Share Option Scheme vest in five tranches over a period of ten years from the date of offer and become exercisable annually in equal tranches of 20% of the amount granted commencing in each of the 5 years from 2009 to 2013; and (iii) the share options granted on 16 November 2010 under the Post-listing Employee Share Option Scheme vest in five tranches over a period of ten years from the date of offer and become exercisable annually in equal tranches of 20% of the amount granted commencing in each of the 5 years from 2011 to 2015, the outstanding share options under the Post-listing Employee Share Option Scheme vest in seven tranches over a period of ten years from their respective dates of offer and become exercisable as to 30% and 20% of the amount granted commencing from two years and three years respectively after the dates of offer, with the remaining options exercisable annually in equal tranches of 10% commencing in each of the following years. All the share options under the Post-listing Employee Share Option Scheme are subject to further terms and conditions set out in the relevant offer letters and provisions of the Post-listing Employee Share Option Scheme.

Interests of Substantial Shareholders

As at 30 June 2011, the following persons (other than the Directors or the Chief Executive of the Company) had interests or short positions in the shares and underlying shares of the Company, being 5% or more of the Company's issued share capital, as recorded in the register required to be kept under section 336 of the SFO and in accordance with information received by the Company:

(A) Interests in the shares of the Company

	Nature of interests/capacity in which such interests were held						
Name of shareholder *(Notes)*	**Beneficial owner**	**Interests of spouse**	**Interests of controlled corporation**	**Trustee**	**Beneficiary of trust**	**Total**	**Percentage of issued ordinary shares**
			Number of ordinary shares *(Notes)*				
Parkview Management Sdn Bhd (as trustee of a discretionary trust) *(1)*	—	—	1,453,055,180 *(10)*	1,453,055,180 *(12)*	—	1,453,055,180 *(19)*	18.70
Kien Huat Realty Sdn. Berhad *(2)*	—	—	1,453,055,180 *(10)*	—	—	1,453,055,180	18.70
Genting Berhad *(3)*	—	—	1,453,055,180 *(10)*	—	—	1,453,055,180	18.70
Genting Malaysia Berhad *(4)*	—	—	1,432,959,180 *(11)*	—	—	1,432,959,180	18.44
Sierra Springs Sdn Bhd *(5)*	—	—	1,432,959,180 *(11)*	—	—	1,432,959,180	18.44
Resorts World Limited *(5)*	1,432,959,180	—	—	—	—	1,432,959,180	18.44
IFG International Trust Company Limited (as trustee of a discretionary trust) *(6)*	—	—	3,521,827,344 *(13)*	3,521,827,344 *(14)*	3,521,827,344 *(16)*	3,521,827,344 *(19)*	45.31
Cove Investments Limited *(7)*	—	—	—	—	3,521,827,344 *(17)*	3,521,827,344	45.31
Golden Hope Limited (as trustee of Golden Hope Unit Trust) *(8)*	—	—	—	3,521,827,344 *(15)*	—	3,521,827,344	45.31
Joondalup Limited *(9)*	546,628,908	—	—	—	—	546,628,908	7.03
Puan Sri Wong Hon Yee	—	5,920,513,153 *(18(a))*	36,298,108 *(18(b))*	—	—	5,920,513,153 *(19)*	76.18

Interests of Substantial Shareholders *(Continued)*

(A) Interests in the shares of the Company *(Continued)*

Notes:

As at 30 June 2011:

(1) Parkview Management Sdn Bhd ("Parkview") was a trustee of a discretionary trust (the "Discretionary Trust 1"), the beneficiaries of which were Tan Sri Lim Kok Thay ("Tan Sri KT Lim") and certain members of his family. Tan Sri KT Lim controlled an aggregate of 33.33% of the equity interest in Parkview directly and indirectly.

(2) Kien Huat Realty Sdn. Berhad ("KHR") was a private company of which the Discretionary Trust 1, through Aranda Tin Mines Sdn Bhd, Infomark (Malaysia) Sdn Bhd, Inforex Sdn Bhd, Dataline Sdn Bhd and Info-Text Sdn Bhd (all of which were 100% held by Parkview as trustee of the Discretionary Trust 1), controlled an aggregate of 100% of its equity interest.

(3) Genting Berhad ("GENT") was a company listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Malaysia") of which KHR controlled 39.51% of its equity interest carrying voting power.

(4) Genting Malaysia Berhad ("GENM") was a company listed on the Main Market of Bursa Malaysia of which GENT controlled 49.38% of its equity interest.

(5) Resorts World Limited ("RWL") was a subsidiary of Sierra Springs Sdn Bhd ("Sierra Springs") and both of them were wholly-owned subsidiaries of GENM.

(6) IFG International Trust Company Limited ("IFG") was the trustee of a discretionary trust (the "Discretionary Trust 2"), the beneficiaries of which were Tan Sri KT Lim and certain members of his family. IFG as trustee of the Discretionary Trust 2 held 99.99% of the units in Golden Hope Unit Trust ("GHUT"), a private unit trust directly and 0.01% of the units in GHUT indirectly through Cove (as defined below).

(7) Cove Investments Limited ("Cove") was wholly-owned by IFG as trustee of the Discretionary Trust 2.

(8) Golden Hope Limited ("Golden Hope") was the trustee of GHUT.

(9) Joondalup Limited was wholly-owned by Tan Sri KT Lim.

(10) Each of Parkview as trustee of the Discretionary Trust 1, KHR and GENT had a corporate interest in 1,453,055,180 ordinary shares (comprising the same block of 1,432,959,180 ordinary shares held directly by RWL and the same block of 20,096,000 ordinary shares held directly by Genting Overseas Holdings Limited ("GOHL"), a wholly-owned subsidiary of GENT).

(11) Each of GENM and Sierra Springs had a corporate interest in the same block of 1,432,959,180 ordinary shares held directly by RWL.

(12) The interest in 1,453,055,180 ordinary shares was held by Parkview in its capacity as trustee of the Discretionary Trust 1 and it comprised the same block of 1,432,959,180 ordinary shares held directly by RWL and the same block of 20,096,000 ordinary shares held directly by GOHL.

(13) IFG as trustee of the Discretionary Trust 2 had a corporate interest in the same block of 3,521,827,344 ordinary shares held directly by Golden Hope as trustee of GHUT.

(14) IFG in its capacity as trustee of the Discretionary Trust 2 had a deemed interest in the same block of 3,521,827,344 ordinary shares held directly by Golden Hope as trustee of GHUT.

(15) The interest in 3,521,827,344 ordinary shares was held directly by Golden Hope in its capacity as trustee of GHUT.

(16) IFG as trustee of the Discretionary Trust 2 was deemed to have interest in the same block of 3,521,827,344 ordinary shares held directly by Golden Hope as trustee of GHUT in its capacity as beneficiary of GHUT.

(17) Cove which held 0.01% of the units in GHUT was deemed to have interest in the same block of 3,521,827,344 ordinary shares held directly by Golden Hope as trustee of GHUT in its capacity as beneficiary of GHUT.

(18) (a) Puan Sri Wong Hon Yee ("Puan Sri Wong") as the spouse of Tan Sri KT Lim, had a family interest in the same block of 5,920,513,153 ordinary shares in which Tan Sri KT Lim had a deemed interest. These interests did not include the deemed interests of Puan Sri Wong in the underlying shares of the Company through share options held personally by Tan Sri KT Lim and need to be aggregated with such interests set out in subsection (B) below to give the total interests of Puan Sri Wong pursuant to the SFO.

(b) Puan Sri Wong also had a corporate interest in 36,298,108 ordinary shares held directly by Goldsfine by holding 50% of its equity interest.

(19) There was no duplication in arriving at the total interest.

(20) All the above interests represented long positions in the shares of the Company and excluded those in the underlying shares held through share options, convertible bonds or other equity derivatives.

Interests of Substantial Shareholders *(Continued)*

(B) Interests in the underlying shares of the Company held through share options, convertible bonds or other equity derivatives

Name of shareholder	Number of underlying ordinary shares	Percentage of issued ordinary shares	Nature of interests
Puan Sri Wong Hon Yee	10,796,439 *(Note)*	0.139	Interests of spouse

Note:

As at 30 June 2011, Puan Sri Wong as the spouse of Tan Sri KT Lim, was deemed to have a family interest in 10,796,439 underlying ordinary shares of the Company by virtue of the share options granted to Tan Sri KT Lim under the Post-listing Employee Share Option Scheme. These interests represented long positions in the underlying shares in respect of physically settled derivatives of the Company and need to be aggregated with her interests set out in subsection (A) above to give her total interests pursuant to the SFO.

Save as disclosed above and in the sections headed "Interests of Directors" and "Share Options" above, as at 30 June 2011, there were no other persons who had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO.

Disclosure of Information on Directors pursuant to Rule 13.51B(1) of the Listing Rules

Pursuant to Rule 13.51B(1) of the Listing Rules, the Company discloses the following changes in information on Directors of the Company:

(a) Mr. Alan Howard Smith, the Deputy Chairman and an Independent Non-executive Director of the Company: Mr. Smith has resigned as a director of United International Securities Limited, which is listed on the Singapore Exchange Securities Trading Limited; and Castle Asia Alternative PCC Limited (formerly known as KGR Absolute Return PCC Limited), which is listed on the London Stock Exchange.

(b) Mr. Lim Lay Leng, an Independent Non-executive Director of the Company: Mr. Lim has been appointed as an Independent Non-executive Director of Lee Hing Development Limited, which is listed on the Stock Exchange.

General Disclosure pursuant to the Listing Rules

Pursuant to Rules 13.18 and 13.21 of the Listing Rules, the Company discloses the following information.

Facility Agreement of the Group

The Group is a party to a facility agreement for an aggregate principal amount of US$600 million (the "US$600 million Facility Agreement"), with a term of 7 years from the Closing Date (as defined in the US$600 million Facility Agreement). As at 30 June 2011, the outstanding loan balance was approximately US$475 million.

Pursuant to the US$600 million Facility Agreement, the Lim Family (as defined therein, including the late Tan Sri Lim Goh Tong (the father of Tan Sri Lim Kok Thay, the Chairman and Chief Executive Officer of the Company), his family members, the personal estate of any of the above persons and any trust created for the benefit of one or more of the above persons and their respective estates) is required to hold (directly or indirectly) together or individually, the largest percentage of the issued share capital of, and equity interest in, the Company. The holding of the Lim Family shall include any interest which the Lim Family, together or individually, is deemed to hold in accordance with Part XV of the Securities and Futures Ordinance, Hong Kong (Disclosure of Interests) and in addition, any interest in the Company held by GENT, GENM and their respective Affiliates (as defined in the US$600 million Facility Agreement).

Purchase, Sale or Redemption of Shares

Neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company's shares during the six months ended 30 June 2011, save for the issuance of 664,466 new ordinary shares of US$0.10 each at an aggregate price of approximately HK$1,446,584 pursuant to the exercise of options granted under the Post-listing Employee Share Option Scheme.

Compliance with the Model Code for Securities Transactions by Directors of Listed Issuers

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules in force during the six months ended 30 June 2011 as its code of conduct regarding securities transactions by its Directors. All Directors have confirmed, following specific enquiry by the Company, that during the period from 1 January 2011 to 30 June 2011 (both dates inclusive), they have complied with the required standard set out in the Model Code as contained in Appendix 10 of the Listing Rules in force during the said period.

Corporate Governance

In the opinion of the Directors, during the six months ended 30 June 2011, the Company has complied with the code provisions set out in the Code on Corporate Governance Practices (the "CG Code") contained in Appendix 14 of the Listing Rules in force during the said period, save for the deviation from Code Provision A.2.1 which states that the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual. Considered reasons for the deviation from Code Provision A.2.1 were set out in the Corporate Governance Report of the Company's annual report for the year ended 31 December 2010 issued in April 2011.

Review by Audit Committee

This interim report has been reviewed by the Audit Committee established in compliance with Rule 3.21 of the Listing Rules and the relevant provisions of the CG Code. The Audit Committee comprises the five Non-executive Directors of the Company (including four Independent Non-executive Directors, namely Mr. Heah Sieu Lay, Mr. Alan Howard Smith, Mr. Tan Boon Seng and Mr. Lim Lay Leng, and one Non-executive Director, namely Mr. Au Fook Yew).

On behalf of the Board

Tan Sri Lim Kok Thay
Chairman and Chief Executive Officer

Hong Kong, 27 August 2011

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