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WORLD TOURISM CONFERENCE
- Tourism Success Stories and Shooting Stars-

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SESSION 4: SUCCESSFUL PARTNERSHIP - STRATEGIES FOR COLLABORATION

KEYNOTE PRESENTATION ON
“HOW TOURISM ENTREPRENEURS FROM DEVELOPING COUNTRIES CAN SUCCEED
GLOBALLY”

by

MR. LEE CHOONG YAN
PRESIDENT AND CHIEF OPERATING OFFICER
RESORTS WORLD BERHAD
GENTING BERHAD GROUP

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Good morning ladies & gentlemen,

May I present to you the Genting site in 1964

May I present to you Genting-City of Entertainment in 2007

Ladies and Gentlemen,

The best way to address my topic today is to tell you the story of Tan Sri Lim Goh Tong, founder of Genting Highlands and how he as a local tourism entrepreneur has succeeded globally. What is now one of the most popular tourist destinations in Asia and Malaysia is the realization of one man's dream. A man of vision who see further and beyond.

In 1964, when Tan Sri Lim Goh Tong was working on a hydroelectric power project in Cameron Highlands, amidst the cool mountain air, he had a vision. He envisaged Malaysia would develop and prosper in the near future and why not develop a cool mountain resort at the doorstep of KL, within the reach of all Malaysians. Without wasting any time he started working on transforming his vision into reality.

Studying the maps of the vicinity of Kuala Lumpur, he located the ideal site, which was the Ulu Kali Mountain, just 58 Kilometers from KL. In order to have first hand experience of the terrain and surroundings, Tan Sri Lim spearheaded an advance party guided by some aborigines; he set off on the arduous journey. They struggled through dense jungles, climbed over many mountains and crossed numerous rivers before successfully reaching the Ulu Kali Mountain top. During the expedition that lasted nine days, he gathered a wealth of data about the site which proved to be very useful in drawing up the plan for developing the resort later.

Setting up a private company called Genting Highlands Berhad in 1965, Tan Sri Lim successfully obtained approval for the alienation of almost 5,000 hectares of land from the Pahang and Selangor state governments respectively.

In August 1965, he and his team began the mammoth task of building an access road from Genting Sempah to the Peak of Ulu Kali Mountain. He devoted all his time, capital and resources including the reserves of his family company, to ensure smooth and prompt construction of his dream resort.

He and his construction team worked in two shifts round the clock, 7 days a week. While the first team carry out the survey in front, the other do the tree-felling, bulldozing and building the road behind. In order to save time and money, they built make-shift

quarters in the jungle, camped along the way and even stayed in caves. They even have tales to tell about their encounters with tigers in the jungle.

After working day and night for 3 years, the first access road was completed in 1969. Tan Sri was so relieved, because his whole vision for Genting Highlands depended on the successful completion of the access road.

The project received well-deserved boost on 31st March 1969, on the occasion of the laying of foundation stone for the company's pioneer hotel, by the late Tunku Abdul Rahman. Impressed that a private company, without the assistance of the Government could develop a mountain resort for the enjoyment of all Malaysians, a gaming license was suggested to help accelerate the development of this remote area, transforming the initial idea of a 38-room hotel to a 200 room hotel.

In 1971, the Highlands Hotel, now renamed as Theme Park Hotel was successfully completed. To cope with the rapidly growing tourists, more hotels were built which included the 700 rooms Genting Hotel, a landmark structure recognized by all Malaysians.

Following a corporate restructure exercise, the resort and leisure related activities were transferred to Resorts World Bhd. This was the beginning of the next development phase to transform the hill resort into a City of Entertainment. A meticulously planned development programme was implemented to enhance and expand the resort facilities, which included the development of Awana Chain of Hotels namely Awana Genting, Awana Kijal, Terengganu and Awana Porto Malai, Langkawi.

Despite the recession in 1997, Resorts World decided to forge ahead with the ambitious billion-ringgit mega project, the First World Hotel and Plaza. Of course many skeptics questioned why we need to expand our development during an economic downturn. And our answer was simple....during such times, labour costs and skilled resources were relatively cheaper and easier to get. And by embarking on new construction and development activities, we were also providing job opportunities and stimulating the construction industry during crucial economic times. The First World Hotel now is the largest hotel in the world with 6,200 rooms. First World Plaza marks a new era for the Genting Theme Park as it features newer and more exciting attractions for families to have fun at the peak.

Just in the last 10 years, we have spent over 4 billion ringgit to develop Genting into Asia's leading integrated leisure and entertainment resort.

Ladies and gentlemen,

Throughout the years, we have kept firm with our vision: to be the leading leisure, hospitality and entertainment corporation in the world. After 42 years, Our crown jewel Genting Highlands Resort has since grown from a single hill top hotel with 200 rooms to a world-class integrated leisure and entertainment resort offering more than 10,000 rooms ranging from 3, 4, 5 star and super luxurious 6 star accommodation, over 90 dining outlets, 80 retail outlets, convention and international standard show facilities and many fun rides at the indoor and outdoor theme parks. We catered to over 18 million visitors in 2006 alone.

We take pride in being one of the major contributors of tourism sector in the country and that we are playing a significant role as a net earner of revenue and foreign exchange for the Malaysian economy.

Ladies and gentlemen.

As you are aware, Genting Group is by no means limited to the leisure and tourism business. The company, infact began to diversify as early as the late 70s. With leisure and tourism as its core business, the company also ventured into the plantation, property development, paper manufacturing, power generation, oil and gas exploration

Ladies & gentlemen, all these development and expansion may sound exciting and easy, but what is the real secret behind the company's success? For a start, I would say, it is to have courage in your convictions.... faith in your decisions, that is what allows an organization to move forward. When Tan Sri Lim Goh Tong wanted to embark on developing wilderness into a resort, it was a joke to many. I remember Tan Sri Lim telling me, that some of his friends even said that he was mad... he is just a foolish old man who tries to move a mountain shovel by shovel. Some even ridiculed him by saying his idea of turning Genting into a tourist resort is as bizarre as a tale in the Arabian Nights, he looked at it differently, he said, **"if no one is interested in it, it is good because there will be no competition"**. He told them, **"Laugh at me as you please, but nothing will deter me from going up that mountain"**. Tan Sri Lim strongly believed in the power of conviction, when he makes a decision and believes strongly that it is the right one, he will go ahead with it, no matter what. He also believes in doing things step by step, slowly but surely. He says in business one has to be what the Chinese say **dan da xin xi.... Be bold but cautious**. For him, once a decision is made with sound reasoning, the rest is hard work, determination and perseverance to see it through. **There are no shortcuts to success. Nothing worth your while comes easy.**

For Tan Sri Lim people are the most valuable asset of a company. It is no surprise why people work for Genting for many years. We still have people who started work with us since the foundation stone was layed.

Over the years all these good values of Tan Sri Lim has been successfully instilled into the Genting Management team and corporate culture. We always strive to emulate our founder Tan Sri Lim Goh Tong, who is a man of foresight, courage and acumen who draws great satisfaction in accomplishing tasks that others consider impossible. He confronts challenges and obstacles positively and derives from them, the essence of motivation.

Being a determined entrepreneur and a man of vision, Tan Sri Lim aspired to explore further. He knew, with the strong foundation and wealth of experience accumulated over the years, Genting was well equipped to venture abroad. He encouraged and supported his second son Tan Sri Lim Kok Thay, who is our current Chairman to expand the business overseas. With the strong support and backing from his father Tan Sri Lim Kok Thay (fondly known as Tan Sri KT Lim) swiftly spread his wings.

Since then, he has been instrumental in globalizing Genting Group and has been the key driver behind the development of the Group's resort and gaming-related projects worldwide, such as the Burswood International Resort & Casino, the Adelaide Casino

in Australia, Lucayan Beach Resort & Casino in the Bahamas and the Subic Bay Resort & Casino in the Philippines. In Australia, he had set up the Adelaide Casino and the Burswood Island Resort in Perth. In their first year of operations, these projects chalked up some RM100 million in profits.

However, his intuitive decision to dispose of the hotel and casinos in Australia to a Japanese company after only 18 months in operation proved to be the correct decision. The money was reinvested in other overseas ventures, including the Foxwoods Casino Venture with the Native American tribe, which has become the largest resort casino in the world. Due to our early success, we later extended financial assistance to another US-based Native American tribe to build their casino in the location of Niagara Falls.

Ladies & gentlemen,

Tan Sri KT Lim visionary foresight, commitment to excellence, entrepreneurial skills and hard work resulted in the birth of Star Cruises. Capitalizing on its leisure-related expertise and experience, Genting Group expanded from land-based resorts to cruising the high seas – providing a truly comprehensive leisure and entertainment offering.

At a time when no one was bullish about the prospects of the global cruise industry, our debut as a cruise operator in Asia raised many eyebrows. However, both Tan Sri Lim Goh Tong and Tan Sri KT Lim saw that again, we would be the pioneers and there was no competition in Asia. Given the rising prosperity and spending power of the people here, Asians would take to cruising readily as a form of recreation and tourism if an operator could provide good, affordable services. Moreover, with many beautiful islands and waters comparable to those in the Caribbean and the Mediterranean, the richly diversified Asia is able to offer exotic destinations with multicultural experiences.

Star Cruises Limited was incorporated in September 2003. At a press briefing in December the same year, many local and foreign journalists questioned Tan Sri Lim Goh Tong's wisdom in bringing in mega cruise ships when there was no industry in Asia and the idea of a cruise holiday was rather alien to an average Asian. One foreign journalist went as far as prophesying the demise of our cruise venture in eight months' time. His reasoning was simple: How is Star Cruises going to find 1,700 passengers, the equivalent of five 747 plane-loads, each time it sets sail?

Tan Sri Lim calmly said "When I decided to develop Genting about 38 years ago, there were also people who said I was mad and doomed to failure. But I went on to build it up steadily into an internationally renowned holiday resort. As for the cruise industry, isn't Miami a success story? If the Westerners can do it, so can we Asians," this statement drew a huge applause from the floor.

In November 2000, Star Cruises was listed on the Stock Exchange of Hong Kong. At the peak, the market capitalization of Star Cruises hit US\$2.9 billion, even larger than that of Genting Berhad. As part of our expansion, Star Cruises acquired Norwegian Cruise Line in a takeover exercise that was completed in 2000.

Ladies & gentlemen,

Today Star Cruises has grown to become the third largest cruise line in the world and the leading cruise operator in Asia-Pacific. The various brands under Star Cruises, Norwegian Cruise Line, NCL America, Orient Lines and Cruise Ferries together operates 21 cruise ships with over 32,000 lower berths and calls at close to 200

destinations globally in the Asia Pacific, North and South America, Hawaii, the Caribbean, Alaska, Europe, Bermuda and Antarctica.

Part of our global expansion plan was to start an investment arm to exclusively handle all our overseas investments. Hence, Genting International was incorporated in 1984 to invest in leisure and gaming-related businesses outside of Malaysia. Genting International currently owns and operates 46 casinos in the UK under the Stanley Leisure brand names. This includes four of the most prestigious casinos in London – Crockfords, The Colony Club, The Palm Beach and Maxims.

Another exciting boost for our international venture is the recent success in our bid to build an integrated resort in Singapore. The integrated Resort, located on Sentosa is named Resorts World at Sentosa and is expected to commence operation by early 2010.

Ladies and gentlemen,

Today Genting is far more than just one winning concept and one celebrated destination. It is one of Asia's leading and best managed multinational corporations with strong management, financial prudence and sound investment discipline. Genting will continue to be a leading leisure and entertainment corporation in the world.

Ladies and gentlemen, before I end my presentation I would like to share with you Tan Sri Lim Goh Tong's 15 principles of success : -

1. Always be humble, polite and respectful to others
2. Be punctual, or better still arrive 10 minutes earlier.
3. Never cancel an appointment
4. Live a simple life with discipline. Get up early and go to bed late
5. Always carry a piece of paper to record anything which comes to mind
6. Write down your ideas as soon as you get them, even if you are in sleep
7. Act quickly, response promptly
8. Believe in the power of conviction. If you believe in something, go for it, against all odds.
9. In business, go step by step, slowly but surely
10. Avoid stepping on others toes and never make enemies
11. Never resort to trickery or deceit. There are no shortcuts to success
12. Work hard and be passionate about what you are doing
13. Be bold but cautious
14. Have trust in your people
15. Have faith in God and seek his blessing always

Ladies & Gentlemen,

Through my personal experience with Tan Sri Lim Goh Tong, I believe the underline principle of his success can be encapsulated in one phrase that he often uses.... And that is: -

To be successful, you must apply yourself fully.... and that application must be complemented by true passion.

Ladies, & gentlemen, thank you for your attention.