which any such events may be cured and, instead, we would rely on consultations and negotiations with the Macau Government to give us an opportunity to remedy any such default.

ANTI-MONEY LAUNDERING PROCEDURES, SYSTEMS AND CONTROLS

The conclusion in PricewaterhouseCoopers Ltd.'s ("PwC Ltd.") report on the limited assurance engagement on VML's anti-money laundering internal control system states that, based on PwC Ltd.'s limited assurance engagement, nothing has come to PwC Ltd.'s attention that causes PwC Ltd. to believe that VML's anti-money laundering control procedures do not comply, in all material respects, with anti-money laundering statutes and guidelines for the period from July 1, 2007 to June 30, 2009. See "Summary of the Review of Anti-Money Laundering Procedures, Systems and Controls" in Appendix V to this prospectus for a full copy of this report. See also "Risk Factors—Risks Relating to Our On-going Operations—We may be unable to maintain effective internal controls, which could have a material adverse effect on our business, financial condition, results of operations and cash flows," and "Risk Factors—Risks Relating to Our On-going Operations—We may not be able to prevent the occurrence of money laundering activities at our casinos or gaming areas in spite of our anti-money laundering policies and compliance with applicable anti-money laundering laws." VML is also implementing additional measures and procedures to continue to enhance its anti-money laundering internal control system.

member who is an individual and for whom he acts as proxy as such member could exercise. In addition, a proxy shall be entitled to exercise the same powers on behalf of a member which is a corporation and for which he acts as proxy as such member could exercise.

(o) Accounts and audit

The board shall cause true accounts to be kept of the sums of money received and expended by our Company, and the matters in respect of which such receipt and expenditure take place, and of the property, assets, credits and liabilities of our Company and of all other matters required by the Cayman Companies Law or necessary to give a true and fair view of our Company's affairs and to explain its transactions.

The accounting records shall be kept at the registered office or at such other place or places as the board decides and shall always be open to inspection by any Director. No member (other than a Director) shall have any right to inspect any accounting record or book or document of our Company except as conferred by law or authorized by the board or our Company in general meeting.

A copy of every balance sheet and profit and loss account (including every document required by law to be annexed thereto) which is to be laid before our Company at its general meeting, together with a printed copy of the Directors' report and a copy of the auditors' report, shall not less than twenty-one days before the date of the meeting and at the same time as the notice of annual general meeting be sent to every person entitled to receive notices of general meetings of our Company under the provisions the Articles; however, subject to compliance with all applicable laws, including the Listing Rules, our Company may send to such persons a summary financial statement derived from our Company's annual accounts and the Directors' report instead provided that any such person may by notice in writing served on our Company, demand that our Company sends to him, in addition to a summary financial statement, a complete printed copy of our Company's annual financial statement and the Directors' report thereon.

Auditors shall be appointed and the terms and tenure of such appointment and their duties at all times regulated in accordance with the provisions of the Articles. The remuneration of the auditors shall be fixed by our Company in general meeting or in such manner as the members may determine.

The financial statements of our Company shall be audited by the auditor in accordance with generally accepted auditing standards. The auditor shall make a written report thereon in accordance with generally accepted auditing standards and the report of the auditor shall be submitted to the members in general meeting. The generally accepted auditing standards referred to herein may be those of a country or jurisdiction other than the Cayman Islands. If so, the financial statements and the report of the auditor should disclose this fact and name such country or jurisdiction.

(p) Dividends and other methods of distribution

Subject to the Cayman Companies Law, our Company in general meeting may declare dividends in any currency to be paid to the members but no dividend shall be declared in excess of the amount recommended by the board.

The Articles provide dividends may be declared and paid out of the profits of our Company, realized or unrealized, or from any reserve set aside from profits which the Directors determine is no longer needed. With the sanction of an ordinary resolution dividends may also be declared and paid out of Share premium account or any other fund or account which can be authorized for this purpose in accordance with the Cayman Companies Law.

Except in so far as the rights attaching to, or the terms of issue of, any Share may otherwise provide, (i) all dividends shall be declared and paid according to the amounts paid up on the

Docket 69090 Document 2015-33386

Shares in respect whereof the dividend is paid but no amount paid up on a Share in advance of calls shall for this purpose be treated as paid up on the Share and (ii) all dividends shall be apportioned and paid pro rata according to the amount paid up on the Shares during any portion or portions of the period in respect of which the dividend is paid. The Directors may deduct from any dividend or other monies payable to any member or in respect of any Shares all sums of money (if any) presently payable by him to our Company on account of calls or otherwise.

Whenever the board or our Company in general meeting has resolved that a dividend be paid or declared on the share capital of our Company, the board may further resolve either (a) that such dividend be satisfied wholly or in part in the form of an allotment of Shares credited as fully paid up, provided that the shareholders entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment, or (b) that shareholders entitled to such dividend will be entitled to elect to receive an allotment of Shares credited as fully paid up in lieu of the whole or such part of the dividend as the board may think fit. Our Company may also upon the recommendation of the board by an ordinary resolution resolve in respect of any one particular dividend of our Company that it may be satisfied wholly in the form of an allotment of Shares credited as fully paid up without offering any right to shareholders to elect to receive such dividend in cash in lieu of such allotment.

Any dividend, interest or other sum payable in cash to the holder of Shares may be paid by check or warrant sent through the post addressed to the holder at his registered address, or in the case of joint holders, addressed to the holder whose name stands first in the register of our Company in respect of the Shares at his address as appearing in the register or addressed to such person and at such addresses as the holder or joint holders may in writing direct. Every such check or warrant shall, unless the holder or joint holders otherwise direct, be made payable to the order of the holder or, in the case of joint holders, to the order of the holder whose name stands first on the register in respect of such Shares, and shall be sent at his or their risk and payment of the check or warrant by the bank on which it is drawn shall constitute a good discharge to our Company. Any one of two or more joint holders may give effectual receipts for any dividends or other moneys payable or property distributable in respect of the Shares held by such joint holders.

Whenever the board or our Company in general meeting has resolved that a dividend be paid or declared the board may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind.

All dividends or bonuses unclaimed for one year after having been declared may be invested or otherwise made use of by the board for the benefit of our Company until claimed and our Company shall not be constituted a trustee in respect thereof. All dividends or bonuses unclaimed for six years after having been declared may be forfeited by the board and shall revert to our Company.

No dividend or other monies payable by our Company on or in respect of any Share shall bear interest against our Company.

(q) Inspection of register of members

Pursuant to the Articles the register and any branch register of members shall be open to inspection for at least two hours on every business day by members without charge. Any branch register held in Hong Kong shall during normal business hours (subject to such reasonable restrictions as the directors may impose) be open to inspection by a member without charge and any other person on payment of such fee not exceeding HK$2.50 (or such higher amount as may from time to time be permitted under the Listing Rules) as the directors may determine for each inspection.

(r) Call on Shares and forfeiture of Shares

Subject to the Articles and to the terms of allotment, the board may from time to time make such calls upon the members in respect of any moneys unpaid on the Shares held by them (whether on account of the nominal value of the Shares or by way of premium). A call may be made payable either in one lump sum or by installments. If the sum payable in respect of any call or installment is not paid on or before the day appointed for payment thereof, the person from whom the sum is due shall pay interest upon the sum at the rate of eight per cent. per annum from the day appointed for the payment thereof to the time of actual payment, but the board may waive payment of such interest wholly or in part. The board may, if it thinks fit, receive from any member willing to advance the same, either in money or money's worth, all or any part of the moneys uncalled and unpaid or installments payable upon any Shares held by him, and upon all or any of the moneys so advanced our Company may pay interest at such rate as the board may decide.

If a member fails to pay any call on the day appointed for payment thereof, the board may serve not less than fourteen clear days' notice on him requiring payment of so much of the call as is unpaid, together with any interest which may have accrued and which may still accrue up to the date of actual payment and stating that, in the event of non-payment at or before the time appointed, the Shares in respect of which the call was made will be liable to be forfeited.

If the requirements of any such notice are not complied with, any Share in respect of which notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the board to that effect. Such forfeiture will include all dividends and bonuses declared in respect of the forfeited Shares and not actually paid before the date of forfeiture.

A person whose Shares have been forfeited shall cease to be a member in respect of the forfeited Shares but shall, notwithstanding, remain liable to pay to our Company all moneys which, at the date of forfeiture, were payable by him to our Company in respect of the Shares, but this liability shall cease if and when our Company receives payment in full of the amount unpaid on the Shares forfeited.

(s) Rights of the minorities in relation to fraud or oppression

There are no provisions in the Articles relating to rights of minority shareholders in relation to fraud or oppression. However, certain remedies are available to shareholders of our Company under Cayman law, as summarized in paragraph 3(f) of this Appendix VI.

(t) Procedures on liquidation

A resolution that our Company be wound up by the court or be wound up voluntarily shall be a special resolution, except where our Company is to be wound up voluntarily because it is unable to pay its debts as they fall due. In such case the resolution shall be an ordinary resolution.

Subject to any special rights, privileges or restrictions as to the distribution of available surplus assets on liquidation for the time being attached to any class or classes of Shares (i) if our Company shall be wound up and the assets available for distribution amongst the members of our Company shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed pari passu amongst such members in proportion to the amount paid up on the Shares held by them respectively and (ii) if our Company shall be wound up and the assets available for distribution amongst the members as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up on the Shares held by them respectively.

If our Company shall be wound up (whether the liquidation is voluntary or compelled by the court) the liquidator may, with the authority of an ordinary resolution and any other sanction required by the Cayman Companies Law divide among the members in specie or kind the whole or any part of the assets of our Company whether the assets shall consist of property of one kind or shall consist of properties of different kinds and the liquidator may, for such purpose, set such value as he deems fair upon any one or more class or classes of property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator, with the like authority, shall think fit, but so that no contributory shall be compelled to accept any Shares or other property in respect of which there is a liability.

(u) Untraceable members

Pursuant to the Articles, our Company may sell any of the Shares of a member who is untraceable if (i) all checks or warrants in respect of dividends of the Shares in question (being not less than three in total number) for any sum payable in cash to the holder of such Shares have remained uncashed for a period of 12 years; (ii) upon the expiry of the 12 year period, our Company has not during that time received any indication of the existence of the member; and (iii) our Company has caused an advertisement to be published in accordance with the Listing Rules giving notice of its intention to sell such Shares and a period of three months, or such shorter period as may be permitted by the Stock Exchange, has elapsed since the date of such advertisement and the Stock Exchange has been notified of such intention. The net proceeds of any such sale shall belong to our Company and upon receipt by our Company of such net proceeds, it shall become indebted to the former member of our Company for an amount equal to such net proceeds.

(v) Subscription rights reserve

The Articles provide that to the extent that it is not prohibited by and is in compliance with the Cayman Companies Law, if warrants to subscribe for shares have been issued by our Company and our Company does any act or engages in any transaction which would result in the subscription price of such warrants being reduced below the par value of a share, a subscription rights reserve shall be established and applied in paying up the difference between the subscription price and the par value of a share on any exercise of the warrants.

3. CAYMAN COMPANIES LAW

Our Company is incorporated in the Cayman Islands subject to the Cayman Companies Law and, therefore, operates subject to Cayman Islands law. Set out below is a summary of certain provisions of Cayman Islands company law, although this does not purport to contain all applicable qualifications and exceptions or to be a complete review of all matters of Cayman Islands company law and taxation, which may differ from equivalent provisions in jurisdictions with which interested parties may be more familiar.

(a) Operations

As an exempted company, our Company's operations must be conducted mainly outside the Cayman Islands. Our Company is required to file an annual return each year with the Registrar of Companies of the Cayman Islands and pay a fee which is based on the amount of its authorized share capital.

(b) Share Capital

The Cayman Companies Law provides that where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the value of the premiums on those shares shall be transferred to an account, to be called the "share premium account." At the option of a company, these provisions may not apply to premiums on shares of that company allotted pursuant to any arrangement in consideration of the acquisition or cancellation of shares in any other company and issued at a premium. The Cayman Companies Law provides that the share premium account may be applied by the company subject to the provisions, if any, of its memorandum and articles of association in (a) paying distributions or dividends to members; (b) paying up unissued shares of the company to be issued to members as fully paid bonus shares; (c) the redemption and repurchase of shares (subject to the provisions of section 37 of the Cayman Companies Law); (d) writing-off the preliminary expenses of the company; (e) writing-off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company; and (f) providing for the premium payable on redemption or purchase of any shares or debentures of the company.

No distribution or dividend may be paid to members out of the share premium account unless immediately following the date on which the distribution or dividend is proposed to be paid, the company will be able to pay its debts as they fall due in the ordinary course business.

The Cayman Companies Law provides that, subject to confirmation by the Grand Court of the Cayman Islands (the "Court"), a company limited by shares or a company limited by guarantee and having a share capital may, if so authorized by its articles of association, by special resolution reduce its share capital in any way.

The Memorandum and Articles of Association of our Company conditionally adopted on November 8, 2009 (the "Articles") include certain protections for holders of special classes of shares, requiring their consent to be obtained before their rights may be varied. The consent of the specified proportions of the holders of the issued shares of that class or the sanction of a resolution passed at a separate meeting of the holders of those shares is required.

(c) Financial Assistance to Purchase Shares of a Company or its Holding Company

Subject to all applicable laws, our Company may give financial assistance to Directors and employees of our Company, its subsidiaries, its holding company or any subsidiary of such holding company in order that they may buy Shares in our Company or shares in any subsidiary or holding company. Further, subject to all applicable laws, our Company may give financial assistance to a trustee for the acquisition of Shares in our Company or shares in any such subsidiary or holding company to be held for the benefit of employees of our Company, its subsidiaries, any holding company of our Company or any subsidiary of any such holding company (including salaried Directors).

There is no statutory restriction in the Cayman Islands on the provision of financial assistance by a company to another person for the purchase of, or subscription for, its own or its holding company's shares. Accordingly, a company may provide financial assistance if the Directors of the company consider, in discharging their duties of care and acting in good faith, for a proper purpose and in the interests of the company, that such assistance can properly be given. Such assistance should be on an arm's-length basis.

(d) Purchase of Shares and Warrants by a Company and its Subsidiaries

Subject to the provisions of the Cayman Companies Law, a company limited by shares or a company limited by guarantee and having a share capital may, if so authorized by its articles of association, issue shares which are to be redeemed or are liable to be redeemed at the option of the company or a shareholder. In addition, such a company may, if authorized to do so by its articles of association, purchase its own shares, including any redeemable shares. However, if

the articles of association do not authorize the manner or purchase, a company cannot purchase any of its own shares unless the manner of purchase has first been authorized by an ordinary resolution of the company. At no time may a company redeem or purchase its shares unless they are fully paid. A company may not redeem or purchase any of its shares if, as a result of the redemption or purchase, there would no longer be any member of the company holding shares. A payment out of capital by a company for the redemption or purchase of its own shares is not lawful unless immediately following the date on which the payment is proposed to be made, the company shall be able to pay its debts as they fall due in the ordinary course of business.

A company is not prohibited from purchasing and may purchase its own warrants subject to and in accordance with the terms and conditions of the relevant warrant instrument or certificate. There is no requirement under Cayman Islands law that a company's memorandum or articles of association contain a specific provision enabling such purchases and the Directors of a company may rely upon the general power contained in its memorandum of association to buy and sell and deal in personal property of all kinds.

Under Cayman Islands law, a subsidiary may hold shares in its holding company and, in certain circumstances, may acquire such shares.

(e) Dividends and Distributions

With the exception of section 34 of the Cayman Companies Law, there are no statutory provisions relating to the payment of dividends. Based upon English case law, which is regarded as persuasive in the Cayman Islands, dividends may be paid only out of profits. In addition, section 34 of the Cayman Companies Law permits, subject to a solvency test and the provisions, if any, of the company's memorandum and articles of association, the payment of dividends and distributions out of the share premium account.

(f) Protection of Minorities

The Cayman Islands courts ordinarily would be expected to follow English case law precedents which permit a minority shareholder to commence a representative action against or derivative actions in the name of the company to challenge (a) an act which is ultra vires the company or illegal, (b) an act which constitutes a fraud against the minority and the wrongdoers are themselves in control of the company, and (c) an irregularity in the passing of a resolution which requires a qualified (or special) majority.

In the case of a company (not being a bank) having a share capital divided into shares, the Court may, on the application of members holding not less than one fifth of the shares of the company in issue, appoint an inspector to examine into the affairs of the company and to report thereon in such manner as the Court shall direct.

Any shareholder of a company may petition the Court which may make a winding up order if the Court is of the opinion that it is just and equitable that the company should be wound up. Or, as an alternative to a winding-up order, the Court may make the following orders: (a) an order regulating the conduct of the company's affairs in the future; (b) an order requiring the company to refrain from doing or continuing an act complained of by the petitioner or to do an act which the petitioner has complained it has omitted to do; (c) an order authorizing civil proceedings to be brought in the name of and on behalf of the company by the petitioner on such terms as the Court may direct; or (d) an order providing for the purchase of the shares of any members of the company by other members or by the company itself and, in the case of a purchase by the company itself, a reduction of the company's capital accordingly.

Generally claims against a company by its shareholders must be based on the general laws of contract or tort applicable in the Cayman Islands or their individual rights as shareholders as established by the company's memorandum and articles of association.

(g) Management

The Cayman Companies Law contains no specific restrictions on the power of directors to dispose of assets of a company. However, as a matter of general law, every officer of a company, which includes a director, managing director and secretary, in exercising his powers and discharging his duties must do so honestly and in good faith with a view to the best interests of the company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

(h) Accounting and Auditing Requirements

A company shall cause proper books of account to be kept with respect to (i) all sums of money received and expended by the company and the matters in respect of which the receipt and expenditure takes place; (ii) all sales and purchases of goods by the company; and (iii) the assets and liabilities of the company. Proper books of account shall not be deemed to be kept if there are not kept such books as are necessary to give a true and fair view of the state of the company's affairs and to explain its transactions.

(i) Exchange Control

There are no exchange control regulations or currency restrictions in the Cayman Islands.

(j) Taxation

Pursuant to section 6 of the Tax Concessions Law (1999 Revision) of the Cayman Islands, our Company has obtained an undertaking from the Governor-in-Cabinet:

(i) that no law which is enacted in the Cayman Islands imposing any tax to be levied on profits, income, gains or appreciation shall apply to our Company or its operations; and

(ii) that the aforesaid tax or any tax in the nature of estate duty or inheritance tax shall not be payable on or in respect of the shares, debentures or other obligations of our Company.

The undertaking for our Company is for a period of 20 years from the date of issuance. The Cayman Islands currently levy no taxes on individuals or corporations based upon profits, income, gains or appreciations and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to our Company levied by the Government of the Cayman Islands save certain stamp duties which may be applicable, from time to time, on certain instruments executed in or brought within the jurisdiction of the Cayman Islands. The Cayman Islands are not party to any double tax treaties.

(k) Stamp Duty on Transfers

No stamp duty is payable in the Cayman Islands on transfers of shares of Cayman Islands companies except those which hold interests in land in the Cayman Islands.

(l) Loans to Directors

There is no express provision in the Cayman Companies Law prohibiting the making of loans by a company to any of its directors.

(m) Inspection of Corporate Records

Members of our Company will have no general right under the Cayman Companies Law to inspect or obtain copies of the register of members or corporate records of our Company. They will, however, have such rights as may be set out in our Company's Articles.

An exempted company may, subject to the provisions of its articles of association, maintain its principal register of members and any branch registers at such locations, whether within or without the Cayman Islands, as the directors may, from time to time, think fit. There is no requirement under the Cayman Companies Law for an exempted company to make any returns of members to the Registrar of Companies of the Cayman Islands. The names and addresses of the members are, accordingly, not a matter of public record and are not available for public inspection.

(n) Winding Up

A company may be wound up by either an order of the Court, voluntarily or subject to the supervision of the Court. The Court has authority to order winding up in a number of specified circumstances including where it is, in the opinion of the Court, just and equitable to do so.

A company may be wound up voluntarily (a) when the period (if any) fixed for the duration of the company by its memorandum or articles of association expires; (b) if the event (if any) occurs, on the occurrence of which the memorandum or articles of association provide that the company is to be wound up; (c) if the company resolves by special resolution that it be wound up voluntarily; or (d) if the company resolves by ordinary resolution that it be wound up voluntarily because it is unable to pay its debts as they fall due. In the case of a voluntary winding up, such company shall from the commencement of its winding up, cease to carry on its business except so far as it may be beneficial for its winding up.

For the purpose of conducting the proceedings in winding up a company and assisting the Court therein, there may be appointed one or more than one person to be called an official liquidator or official liquidators of our Company. The Court may appoint to such office such person or persons, either provisionally or otherwise, as it thinks fit, and if more persons than one are appointed to such office, the Court shall declare whether any act hereby required or authorized to be done by the official liquidator is to be done by all or any one or more of such persons. The Court may also determine whether any and what security is to be given by an official liquidator on his appointment; if no official liquidator is appointed, or during any vacancy in such office, all the property of the company shall be in the custody of the Court. A person may qualify as an official liquidator if that person holds the qualifications specified in the Insolvency Practitioners Regulations of the Cayman Islands. The Court may appoint a foreign practitioner to act jointly with a qualified insolvency practitioner.

In the case of a members' voluntary winding up of a company, unless one or more persons have been designated as liquidator or liquidators of the company in the company's memorandum and articles of association, the company in general meeting must appoint one or more liquidators for the purpose of winding up the affairs of the company and distributing its assets.

Upon the appointment of a liquidator, the responsibility for the company's affairs rests entirely in his hands and no future executive action may be carried out without his approval. A liquidator's duties are to collect the assets of the company (including the amount (if any) due from the contributories), settle the list of creditors and, subject to the rights of preferred and secured creditors and to any subordination agreements or rights of set-off or netting of claims, discharge the company's liability to them (pari passu if insufficient assets exist to discharge the liabilities in full) and to settle the list of contributories (shareholders) and divide the surplus assets (if any) amongst them in accordance with the rights attaching to the shares.

As soon as the affairs of the company are fully wound up, the liquidator must make up an account of the winding up, showing how the winding up has been conducted and the property of the company has been disposed of, and thereupon call a general meeting of the company for the purposes of laying before it the account and giving an explanation for it. At least 21 days before the meeting the liquidator must send a notice specifying the time, place and object of the meeting to each contributory in any manner authorized by the company's articles of association and published in the Cayman Islands Gazette.

(o) Reconstructions

There are statutory provisions which facilitate reconstructions and amalgamations approved by a majority in number representing seventy-five per cent in value of shareholders or class of shareholders or creditors, as the case may be, as are present at a meeting called for such purpose and thereafter sanctioned by the Court. While a dissenting shareholder would have the right to express to the Court his view that the transaction for which approval is sought would not provide the shareholders with a fair value for their shares, the Court is unlikely to disapprove the transaction on that ground alone in the absence of evidence of fraud or bad faith on behalf of management.

(p) Mergers and Consolidations

The Cayman Companies Law provides that any two or more Cayman Islands companies limited by shares (other than segregated portfolio companies) may merge or consolidate in accordance with the Cayman Companies Law. The Cayman Companies Law also allows one or more Cayman Islands companies to merge or consolidate with one or more foreign companies (provided that the laws of the foreign jurisdiction permit such merger or consolidation), where the surviving or consolidated company will be a Cayman Islands company.

To effect a merger or consolidation the directors of each constituent company must approve a written plan of merger or consolidation in accordance with the Cayman Companies Law. The Plan must then be authorized by each constituent company by a shareholder resolution by a majority in number representing 75% in value of the shareholders voting together as one class. If the shares to be issued to each shareholder in the consolidated or surviving company are to have the same rights and economic value as the shares held in the constituent company, the plan must be authorized by each constituent company by a special resolution of the shareholders voting together as one class.

Where a parent is merging with one or more of its Cayman Islands subsidiaries, shareholder consent is not required.

(q) Compulsory Acquisition

Where an offer is made by a company for the shares of another company and, within four months of the offer, the holders of not less than ninety per cent of the shares which are the subject of the offer accept, the offeror may at any time within two months after the expiration of the said four months, by notice in the prescribed manner require the dissenting shareholders to transfer their shares on the terms of the offer. A dissenting shareholder may apply to the Court within one month of the notice objecting to the transfer. The burden is on the dissenting shareholder to show that the Court should exercise its discretion, which it will be unlikely to do unless there is evidence of fraud or bad faith or collusion as between the offeror and the holders of the shares who have accepted the offer as a means of unfairly forcing out minority shareholders.

(r) Indemnification

Cayman Islands law does not limit the extent to which a company's articles of association may provide for indemnification of officers and directors, except to the extent any such provision may be held by the court to be contrary to public policy (e.g. for purporting to provide indemnification against the consequences of committing a crime).

4. GENERAL

Walkers, our Company's legal counsel on Cayman Islands law, have sent to our Company a letter of advice summarizing certain aspects of the Cayman Companies Law. This letter, together with a copy of the Cayman Companies Law, is available for inspection as referred to in the paragraph

headed "Documents delivered to the Registrar of Companies and Available for Inspection" in Appendix VIII to this prospectus. Any person wishing to have a detailed summary of the Cayman Companies Law or advice on the differences between it and the laws of any jurisdiction with which he is more familiar is recommended to seek independent legal advice.

A. FURTHER INFORMATION ABOUT OUR GROUP

1. Incorporation of Our Company

We were incorporated in the Cayman Islands under the Cayman Companies Law as an exempted company with limited liability on July 15, 2009. We have established a principal place of business in Hong Kong at Level 39, One Exchange Square, 8 Connaught Place, Central, Hong Kong and were registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company under Part XI of the Companies Ordinance on October 8, 2009. Steven Craig Jacob and Luis Nuno Mesquita de Melo have been appointed the authorized representative of our Company for the acceptance of service of process and notices on behalf of our Company in Hong Kong.

As we are incorporated in the Cayman Islands, our corporate structure and Articles of Association are subject to the relevant laws and regulations of the Cayman Islands. A summary of the relevant laws and regulations of the Cayman Islands and of the Articles of Association is set out in "Summary of the Constitution of Our Company and Cayman Companies Law" in Appendix VI to this prospectus.

2. Changes in the Share Capital of Our Company

As of the date of our incorporation, our initial authorized share capital was US$50,000 divided into 5,000,000 Shares of US$0.01 each.

On July 15, 2009, 1 share with the par value of US$0.01 was issued to Walkers Nominees Limited. This share was transferred to VVDI (II) on July 16, 2009.

On November 8, 2009, our authorized share capital was increased from US$50,000 to US$160,000,000 divided into 16,000,000,000 Shares of US$0.01 each.

Immediately following the completion of the Global Offering, the Capitalization Issue and the mandatory and automatic exchange of the Bonds for Shares, the issued share capital of our Company will be US$80,478,587 divided into 8,047,858,661 Shares, all fully paid or credited as fully paid and 7,952,141,339 Shares will remain unissued (assuming the Offer Price is HK$10.38) and US$79,222,978 divided into 7,922,297,822 Shares, all fully paid or credited as fully paid and 8,077,702,178 Shares will remain unissued (assuming the Offer Price is HK$13.88), respectively.

There is no intention to issue any of the authorized but unissued share capital of our Company and, without the prior approval of the Shareholders in general meeting.

Save for aforesaid and as mentioned in "—Resolutions in Writing of the Sole Shareholder of Our Company Passed on November 8, 2009" below, there has been no alteration in the share capital of our Company since its incorporation.

3. Resolutions in Writing of the Sole Shareholder of Our Company Passed on November 8, 2009

Pursuant to the written resolutions passed by the sole Shareholder of our Company on November 8, 2009, amongst others:

(a) our Company approved and adopted the Articles of Association conditional upon Listing;

(b) the authorized share capital of our Company was increased from US$50,000 to US$160,000,000 by the creation of an additional 15,995,000,000 Shares;

(c) conditional on (1) the Listing Committee granting the listing of, and permission to deal in, the Shares in issue and to be issued as mentioned in this prospectus (including any additional Shares which may be issued pursuant to the exercise of the options which may be granted under the Share Option Scheme), (2) the Offer Price being fixed on the Price Determination Date, (3) the obligations of the Underwriters under the Underwriting Agreements becoming unconditional and not being terminated in accordance with the terms therein or otherwise, in each case on or before such dates as may be specified in the Underwriting Agreements and (4) the Selling Shareholder agreeing to sell the Sale Shares:

  (i) the Global Offering was approved and the Directors were authorized to allot and issue the new Shares under the Global Offering;

(ii) the Over-allotment Option was approved;

(iii) the Share Option Scheme be approved and adopted;

(iv) subject to the share premium account of our Company being credited by an amount of not less than US$62,800,000 as a result of the issue of the Offer Shares pursuant to the Global Offering, the Directors were authorized to allot and issue a total of 6,279,999,999 Shares credited as fully paid at par to VVDI (II) whose name appears on the register of members of our Company at the close of business on the date of this prospectus in proportion to its shareholding by capitalizing the said sum of US$62,800,000 standing to the credit of the share premium account of our Company, of which a portion of such Shares will be allotted and issued to CDC (at VVDI (II)'s direction) pursuant to the CDC Settlement. The Shares allotted and issued pursuant to this resolution shall rank pari passu in all respects with the existing issued Shares;

(v) the allotment and issuance of Shares to the Bondholders upon conversion of the intercompany shareholder's loan from VVDI (II) to our Company;

(vi) a general unconditional mandate was given to the Directors to allot, issue and deal with (including the power to make an offer or agreement, or grant securities which would or might require Shares to be allotted and issued), otherwise than pursuant to a rights issue or pursuant to any scrip dividend schemes or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles or pursuant to the grant of options under the Share Option Scheme or other similar arrangement or pursuant to a specific authority granted by our Shareholders in general meeting, Shares with a total nominal value not exceeding 20.0% of the aggregate nominal value of the share capital of our Company in issue immediately following the completion of the Global Offering, the Capitalization Issue, and the mandatory and automatic exchange of the Bonds for Shares such mandate to remain in effect until the conclusion of the next annual general meeting of our Company, or the expiration of the period within which the next annual general meeting of our Company is required by the Articles or any applicable laws to be held, or until revoked or varied by an ordinary resolution of our Shareholders in general meeting, whichever occurs first;

(vii) a general unconditional mandate (the "Repurchase Mandate") was given to the Directors to exercise all powers of our Company to repurchase on the Stock Exchange or on any other stock exchange on which the securities of our Company may be listed and which is recognized by the SFC and the Stock Exchange for this purpose such number of Shares as will represent up to 10.0% of the aggregate nominal value of the share capital of our Company in issue immediately following completion of the Global Offering, the Capitalization Issue and the mandatory and automatic exchange of the Bonds for Shares such mandate to remain in effect until the conclusion of the next annual general meeting of our Company, or the expiration of the period within which the next annual general meeting of our Company is required by the Articles or any applicable laws to be held, or until revoked or varied by an ordinary resolution of our Shareholders in general meeting, whichever occurs first; and

(viii) the Repurchase Mandate mentioned in paragraph (vii) above be extended by the addition to the aggregate nominal value of the share capital of our Company which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to such general mandate of an amount representing the aggregate nominal value of the share capital of our Company repurchased by our Company pursuant to the mandate to repurchase Shares referred to in paragraph (vii) above.

4. Corporate Reorganization

The companies comprising our Group underwent the Reorganization in preparation for the Listing. Please refer to the section "History and Reorganization" for further details.

5. Changes in the Share Capital of Subsidiaries

Our Company's subsidiaries are referred to in the Accountant's Report, the text of which is set out in Appendix I to this prospectus. Save for the subsidiaries mentioned in Appendix I to this prospectus, our Company has no other subsidiaries.

There has been no alteration in the share capital of any of the subsidiaries of our Company within the two years immediately preceding the date of this prospectus.

6. Repurchases of Our Own Securities

(a) Provisions of the Listing Rules

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their securities on the Stock Exchange subject to certain restrictions, the more important of which are summarized below:

(i) Shareholders' approval

All proposed repurchases of Shares (which must be fully paid up) by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution of the shareholders in general meeting, either by way of general mandate or by specific approval of a particular transaction.

Pursuant to a resolution passed by our then sole Shareholder on November 8, 2009, the Repurchase Mandate was given to the Directors authorizing any repurchase by our Company of Shares on the Stock Exchange or on any other stock exchange on which the securities may be listed and which is recognized by the SFC and the Stock Exchange for this purpose, of not more than 10.0% of the aggregate nominal value of our Company's share capital in issue immediately following the completion of the Global Offering, the Capitalization Issue and the mandatory and automatic exchange of the Bonds for Shares (without taking into account our Shares which may be issued pursuant to the exercise of any options which may be granted under the Share Option Scheme), such mandate to expire at the conclusion of our next annual general meeting, the date by which our next annual general meeting is required by the Cayman Companies Law or by our Articles or any other applicable laws of the Cayman Islands to be held or when revoked or varied by an ordinary resolution of Shareholders in general meeting, whichever first occurs.

(ii) Source of funds

Repurchases must be funded out of funds legally available for the purpose in accordance with our Articles and the applicable laws and regulations of the Cayman Islands. A listed company may not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Any purchase by our Company may be made out of the profits of our Company or out of a fresh issue of Shares made for the purpose of the purchase or, subject to the Cayman Companies Law, out of capital and, in the case of any premium payable on the purchase, out of the profits of our Company or from sums standing to the credit of the share premium account of our Company or, subject to the Cayman Companies Law, out of capital.

(iii) Trading restrictions

The total number of Shares which our Company may repurchase is up to 10.0% of the total number of our Shares in issue immediately following the completion of the Global Offering, the Capitalization Issue and the mandatory and automatic exchange of the Bonds for Shares (without taking into account our Shares which may be issued

pursuant to the exercise of any options which may be granted under the Share Option Scheme). Our Company may not issue or announce a proposed issue of Shares for a period of 30 days immediately following a repurchase of Shares, without the prior approval of the Stock Exchange. In addition, subject to the then prevailing requirements of the Listing Rules from time to time, repurchases of Shares on the Stock Exchange in any calendar month are limited to a maximum of 25.0% of the trading volume of Shares on the Stock Exchange in the immediately preceding calendar month. Our Company is also prohibited from repurchasing Shares on the Stock Exchange if the repurchase would result in the number of listed Shares which are in the hands of the public falling below the relevant prescribed minimum percentage as required by the Stock Exchange. Our Company is required to procure that the broker appointed by our Company to effect a repurchase of Shares discloses to the Stock Exchange such information with respect to the repurchase as the Stock Exchange may require. As required by the prevailing requirements of the Listing Rules, an issuer shall not purchase its shares on the Stock Exchange if the purchase price is higher by 5.0% or more than the average closing market price for the five preceding trading days on which its shares were traded on the Stock Exchange.

(iv) Status of repurchased Shares

All repurchased Shares (whether effected on the Stock Exchange or otherwise) will be automatically delisted and the certificates for those Shares must be cancelled and destroyed. Under Cayman Companies Law, a company's repurchased shares shall be treated as cancelled and the amount of the company's issued share capital shall be reduced by the aggregate value of the repurchased shares accordingly although the authorized share capital of the company will not be reduced.

(v) Suspension of repurchase

Pursuant to the Listing Rules, our Company may not make any repurchase of Shares after a price sensitive development has occurred or has been the subject of a decision until such time as the price sensitive information has been made publicly available. In particular, under the requirements of the Listing Rules in force as of the date hereof, during the period of one month immediately preceding the earlier of:

(i) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of our Company's results for any year, half year, quarterly or any other interim period (whether or not required under the Listing Rules); and

(ii) the deadline for our Company to publish an announcement of our Company's results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),

and in each case ending on the date of the results announcement, our Company may not repurchase Shares on the Stock Exchange unless the circumstances are exceptional.

(vi) Procedural and reporting requirements

As required by the Listing Rules, repurchases of Shares on the Stock Exchange or otherwise must be reported to the Stock Exchange not later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the Stock Exchange business day following any day on which our Company may make a purchase of Shares. The report must state the total number of Shares purchased the previous day, the purchase price per Share or the highest and lowest prices paid for such purchases. In addition, our Company's annual report is required to disclose details regarding repurchases of Shares made during the year, including a monthly analysis of the

number of shares repurchased, the purchase price per Share or the highest and lowest price paid for all such purchases, where relevant, and the aggregate prices paid.

(vii) Connected parties

A company is prohibited from knowingly repurchasing securities on the Stock Exchange from a connected person and a connected person shall not knowingly sell its securities to the company on the Stock Exchange.

(b) Reasons for repurchases

The Directors believe that it is in the best interests of our Company and Shareholders for the Directors to have general authority from the Shareholders to enable the Directors to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made where the Directors believe that such repurchases will benefit our Company and our Shareholders.

(c) Funding of repurchases

In repurchasing securities, our Company may only apply funds legally available for such purpose in accordance with the Articles, the Listing Rules and the applicable laws and regulations of the Cayman Islands.

On the basis of the current financial position as disclosed in this prospectus and taking into account the current working capital position, the Directors consider that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of our Company as compared with the position disclosed in this prospectus. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of our Company which in the opinion of the Directors are from time to time appropriate for our Company.

The exercise in full of the Repurchase Mandate, on the basis of 8,047,858,661 Shares (assuming the Offer Price is HK$10.38) and 7,922,297,822 Shares (assuming the Offer Price is HK$13.88), respectively, in issue immediately following the completion of the Global Offering, the Capitalization Issue and the mandatory and automatic exchange of the Bonds for Shares, could accordingly result in 804,785,866 Shares (assuming the Offer Price is HK$10.38) and 792,229,782 Shares (assuming the Offer Price is HK$13.88), respectively, being repurchased by our Company during the period prior to (1) the conclusion of the next annual general meeting of our Company; (2) the expiration of the period within which the next annual general meeting of our Company is required by Cayman Companies Law or the Articles or any applicable laws of the Cayman Islands to be held; or (3) the revocation or variation of the purchase mandate by an ordinary resolution of our Shareholders in a general meeting, whichever occurs first (the "Relevant Period").

(d) General

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates currently intends to sell any Shares to our Company.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws and regulations of the Cayman Islands.

If, as a result of any repurchase of Shares, a shareholder's proportionate interest in the voting rights of our Company is increased, such increase will be treated as an acquisition for

the purposes of the Hong Kong Code on Takeovers and Mergers (the "Takeovers Code"). Accordingly, a shareholder or a group of shareholders acting in concert could obtain or consolidate control of our Company and become obliged to make a mandatory offer in accordance with rule 26 of the Takeovers Code. Save as aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the Repurchase Mandate.

Any repurchase of Shares that results in the number of Shares held by the public being reduced to less than 15.0% of our Shares then in issue could only be implemented if the Stock Exchange agreed to waive the Listing Rules requirements regarding the public shareholding referred to above. It is believed that a waiver of this provision would not normally be given other than in exceptional circumstances.

No connected person has notified our Company that he has a present intention to sell Shares to our Company, or has undertaken not to do so, if the Repurchase Mandate is exercised.

B. FURTHER INFORMATION ABOUT OUR BUSINESS

1. Summary of Material Contracts

We have entered into the following contracts (not being contracts entered into in the ordinary course of business) within the two years preceding the date of this prospectus that are or may be material:

(i) the dual currency term secured facility agreement (the "Secured Facility Agreement") dated January 17, 2008 entered into between Cotai Ferry (as borrower), Banco Nacional Ultramario S.A. (as lender, agent and on-shore security trustee) (the "Lender"), Cotai Waterjets (HK), Cotaijet 311 Ltd., Cotaijet 312 Ltd., Cotaijet 313 Ltd., Cotaijet 314 Ltd., Cotaijet 315 Ltd., Cotaijet 316 Ltd., Cotaijet 317 Ltd., Cotaijet 318 Ltd., Cotaijet 319 Ltd., and Cotaijet 320 Ltd. (each as an original guarantor) and The Bank of Nova Scotia (as off-shore security trustee) pursuant to which the Lender made available to Cotai Ferry the dual currency term loan facility in an aggregate amount equal to HK$1,209.0 million (the "Commitment") with an option to increase the Commitment by an additional HK$1,209.0 million (the "Accordion Option");

(ii) the supplemental agreement to the Secured Facility Agreement (the "Supplemental Accordion Agreement") dated July 22, 2008 entered into between Cotai Ferry (as borrower), Banco Nacional Ultramario S.A. (as lender, arranger, agent and on-shore security trustee) (the "Lender"), Bank of China Limited, Macau Branch (as additional lender) (the "Additional Lender"), Cotai Waterjets (HK), Cotaijet 311 Ltd., Cotaijet 312 Ltd., Cotaijet 313 Ltd., Cotaijet 314 Ltd., Cotaijet 315 Ltd., Cotaijet 316 Ltd., Cotaijet 317 Ltd., Cotaijet 318 Ltd., Cotaijet 319 Ltd., and Cotaijet 320 Ltd. (each as an original guarantor), Cotaijet Holdings, Cotaijet 350 Ltd., Cotaijet 351 Ltd., Cotaijet 352 Ltd., and Cotaijet 353 Ltd. (each as an additional guarantor) and The Bank of Nova Scotia (as off-shore security trustee) pursuant to which the Additional Lender increased the Commitment by HK$561.6 million as a result of the exercise of the Accordion Option by Cotai Ferry;

(iii) the amendment to the land concession for Parcels 1, 2 and 3 dated October 24, 2008 entered into between the Macau Government and VCL as announced by the Macau Government Gazette dated October 29, 2008 pursuant to which the land areas for Parcels 1 and 2 have been changed to 291,479 square meters and 53,700 square meters, respectively;

(iv) the addendum to the Secured Facility Agreement and the Supplemental Accordion Agreement dated August 20, 2009 entered into between Cotai Ferry (as borrower), Banco Nacional Ultramarino S.A and Bank of China Limited, Macau Branch (as lenders), Banco Nacional Ultramarino S.A (as agent), Cotai WaterJets (HK), Cotaijet 311 Ltd., Cotaijet 312 Ltd., Cotaijet 313 Ltd., Cotaijet 314 Ltd., Cotaijet 315 Ltd., Cotaijet 316 Ltd., Cotaijet 317

Ltd., Cotaijet 318 Ltd., Cotaijet 319 Ltd., and Cotaijet 320 Ltd. (each as an original guarantor), Cotaijet Holdings, Cotaijet 350 Ltd., Cotaijet 351 Ltd., Cotaijet 352 Ltd., and Cotaijet 353 Ltd. (each as an additional guarantor) pursuant to which amendments were made to certain terms of the Security Facility Agreement and the Supplemental Accordion Agreement.

(v) the second amendment to credit agreement dated August 12, 2009 entered into between VML US Finance LLC (as borrower), VML, The Bank of Nova Scotia (as administrative agent for the lenders) and a syndicate of lenders pursuant to which certain provisions of the original credit agreement dated May 25, 2006 entered into between VML US Finance LLC, VML, the Bank of Nova Scotia, Goldman Sachs Credit Partners L.P., Lehman Brothers Inc. and Citigroup Global Markets Inc, Banco Nacional Ultiamarino S.A. and Sumitomo Mitsui Banking Corporation were amended.

(vi) the sale and purchase agreement dated September 2, 2009 entered into between VVDI (I) and VVDIL pursuant to which VVDI (I) agreed to sell and VVDIL agreed to purchase (i) the entire issued share capital of Cotai WaterJets (HK) at a consideration of HK$1.00; and (ii) the entire issued share capital of CotaiJet Holdings at a consideration of HK$1.00;

(vii) the deed of subordination dated September 4, 2009 entered into between Citicorp International Limited in its capacity as trustee of the Bondholders (as senior creditors) (the "Senior Creditors"), LVS, Las Vegas Sands, LLC, Venetian Casino Resort, LLC and Venetian Marketing, Inc. (as subordinated creditors) (the "Subordinated Creditors"), and VVDI (II), VVDIL, VML, VCL, VML US Finance LLC, Venetian Macau Finance Company, the Company, Cotai Ferry, Venetian Orient Limited, Venetian Travel Limited and Venetian Retail Limited (the "Companies") pursuant to which each of the Subordinated Creditors agreed to subordinate the intercompany and shareholders' loans made available by the Subordinated Creditors to the Companies to moneys, liabilities and, obligations due under the Bonds;

(viii) the promissory note dated September 4, 2009 entered into between our Company (as maker) and VVDI(II) (as payee) for the principal amount of US$582.0 million plus the aggregate unpaid amount of capitalized interest; and

(ix) the sale and purchase agreement dated September 28, 2009 entered into between VVDIL and VVDI (I) pursuant to which VVDIL agreed to sell and VVDI (I) agreed to purchase the entire issued share capital of World Sourcing at a consideration of HK$4,838,000;

(x) the sale and purchase agreement dated September 28, 2009 entered into between VVDIL and VVDI (I) pursuant to which VVDIL agreed to sell and VVDI (I) agreed to purchase the entire issued share capital of Venetian Global at a consideration of US$1.00;

(xi) the share transfer form dated November 9, 2009 entered into between VVDI (II) and our Company pursuant to which VVDI (II) agreed to transfer by means of contribution to our Company one share of VVDIL, representing the entire issued share capital of VVDIL for nil consideration;

(xii) the novated and restated subordinated promissory note dated November 9, 2009 entered into between the Company (as maker), Las Vegas Sands, LLC (as payee) and VCL pursuant to which the second amended and restated subordinated promissory note dated March 27, 2006 entered into between VML (as maker) and Las Vegas Sands, LLC (as payee), as assigned by VML to VCL pursuant to the transfer, assignment and assumption agreement dated December 29, 2006, was amended such that the repayment obligation of the principal amount of US$60,804,718.46 (including accrued and unpaid interest through such date) million owed by VCL to Las Vegas Sands, LLC was assigned to and assumed by our Company;

(xiii) the novated and restated promissory note dated November 9, 2009 entered into between the Company (as maker), LVS (as payee) and VCL, pursuant to which the amended and restated promissory note dated May 18, 2006 entered into between VML and Venetian Macau Finance Company (both as makers) and LVS (as payee), as assigned by VML and Venetian Macau Finance Company to VCL pursuant to the transfer, assignment and

assumption agreement dated December 29, 2006, was amended such that the repayment obligation of the principal amount of US$75,505,477.70 (including accrued and unpaid interest through such date) owed by VCL to LVS was assigned to and assumed by our Company;

(xiv) the novated and restated subordinated promissory note dated November 9, 2009 entered into between our Company (as maker), LVS (as payee) and VML US Finance LLC pursuant to which the subordinated promissory note dated June 24, 2009 entered into between VML US Finance LLC (as maker) and LVS (as payee) was amended such that the repayment obligation of the principal amount of US$20,158,484.64 (including accrued and unpaid interest through such date) million owed by VML US Finance LLC to LVS was assigned to and assumed by our Company;

(xv) the novated and restated subordinated promissory note dated November 9, 2009 entered into between our Company (as maker), LVS (as payee) and VML US Finance LLC pursuant to which the subordinated promissory note dated December 28, 2008 entered into between VML US Finance LLC (as maker) and LVS (as payee) was amended such that the repayment obligation of the principal amount of US$20,382,312.16 (including accrued and unpaid interest through such date) million owed by VML US Finance LLC to LVS was assigned to and assumed by our Company;

(xvi) the Non-Competition Deed;

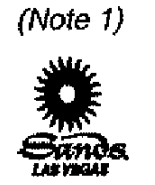
(xvii) the Shared Services Agreement;

(xviii) the Second Trademark Sub-License Agreement; and

(xix) the Hong Kong Underwriting Agreement.

2. Intellectual Property Rights of Our Group

(a) As of the Latest Practicable Date, the following trademarks, which were material in relation to the Group's business, were licensed to our Group:

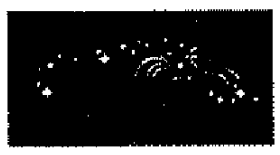
Material Trademark	Registered Owner	Class	Validity Period	Registration No.	Place of Registration
The PAIZA *(Note 1)*	LAS VEGAS SANDS CORP.	41	November 5, 2003 – November 5, 2010	N/11820	Macau
The PAIZA CLUB *(Note 1)*	LAS VEGAS SANDS CORP.	41	November 5, 2003 – November 5, 2010	N/11821	Macau
(Note 1)	LAS VEGAS SANDS CORP.	42	December 7, 2005 – December 7, 2012	N/18227	Macau
(Note 1)	LAS VEGAS SANDS CORP.	35, 41, 42	February 10, 2003 – February 10, 2017	N/10488 (cl 35) N/10489 (cl 41) N/10490 (cl 42)	Macau
(Note 1)	LAS VEGAS SANDS CORP.	35, 41, 42	February 10, 2003 – February 10, 2017	N/10491 (cl 35) N/10492 (cl 41) N/10493 (cl 42)	Macau
(Note 1)	LAS VEGAS SANDS CORP.	35, 41, 42	February 10, 2003 – February 10, 2017	N/10494 (cl 35) N/10495 (cl 41) N/10496 (cl 42)	Macau
U PIN 御匾 *(Note 1)*	LAS VEGAS SANDS CORP.	41	November 5, 2003 – November 5, 2010	N/11822	Macau
U PIN KOI LOK POU 御匾俱樂部 *(Note 1)*	LAS VEGAS SANDS CORP.	41	February 5, 2004 – February 5, 2011	N/11823	Macau
(Note 1)	LAS VEGAS SANDS CORP.	35, 41, 42	January 10, 2003 – January 10, 2017	N/10380 (cl 35) N/10381 (cl 41) N/10408 (cl 42)	Macau
 *(Note 1)*	LAS VEGAS SANDS CORP.	35, 41, 42	January 10, 2003 – January 10, 2017	N/10382 (cl 35) N/10383 (cl 41) N/10384 (cl 42)	Macau
LAS VEGAS SANDS *(Note 1)*	LAS VEGAS SANDS CORP.	35, 41, 42	January 10, 2003 – January 10, 2017	N/10385 (cl 35) N/10386 (cl 41) N/10387 (cl 42)	Macau
LAS VEGAS SANDS INC. *(Note 1)*	LAS VEGAS SANDS CORP.	35, 41, 42	January 10, 2003 – January 10, 2017	N/10388 (cl 35) N/10389 (cl 41) N/10390 (cl 42)	Macau
SANDS CASINO *(Note 1)*	LAS VEGAS SANDS CORP.	35, 41, 42	January 10, 2003 – January 10, 2017	N/10391 (cl 35) N/10393 (cl 41) N/10395 (cl 42)	Macau
SANDS *(Note 1)*	LAS VEGAS SANDS CORP.	35, 41, 42	January 10, 2003 – January 10, 2017	N/10396 (cl 35) N/10397 (cl 41) N/10398 (cl 42)	Macau

Material Trademark	Registered Owner	Class	Validity Period	Registration No.	Place of Registration
[redacted] *(Note 1)*	LAS VEGAS SANDS CORP.	35, 41, 42	February 5, 2004 – February 5, 2011	N/12408 (cl 35) N/12407 (cl 41) N/12406 (cl 42)	Macau
[redacted] *(Note 1)*	LAS VEGAS SANDS CORP.	35, 41, 42	February 5, 2004 – February 5, 2011	N/12411 (cl 35) N/12410 (cl 41) N/12409 (cl 42)	Macau
[redacted] *(Note 1)*	LAS VEGAS SANDS CORP.	35, 41, 42	May 11, 2004 – May 11, 2011	N/13008 (cl 35) N/13010 (cl 41) N/13009 (cl 42)	Macau
[redacted] *(Note 1)*	LAS VEGAS SANDS CORP.	35, 41, 42	May 11, 2004 – May 11, 2011	N/13011 (cl 35) N/13012 (cl 41) N/13013 (cl 42)	Macau
THE VENETIAN *(Note 1)*	LAS VEGAS SANDS CORP.	35, 41, 42	January 10, 2003 – January 10, 2017	N/10399 (cl 35) N/10400 (cl 41) N/10401 (cl 42)	Macau
VENETIAN *(Note 1)*	LAS VEGAS SANDS CORP.	35, 41, 42	January 10, 2003 – January 10, 2017	N/10402 (cl 35) N/10403 (cl 41) N/10404 (cl 42)	Macau
THE VENETIAN RESORT HOTEL CASINO *(Note 1)*	LAS VEGAS SANDS CORP.	35, 41, 42	January 10, 2003 – January 10, 2017	N/10405 (cl 35) N/10406 (cl 41) N/10407 (cl 42)	Macau
THE VENETIAN *(Note 1)*	LAS VEGAS SANDS CORP.	35, 41, 42	January 10, 2003 – January 10, 2017	N/10409 (cl 35) N/10410 (cl 41) N/10411 (cl 42)	Macau
[redacted] *(Note 1)*	LAS VEGAS SANDS CORP.	35, 41, 42	January 10, 2003 – January 10, 2017	N/10412 (cl 35) N/10413 (cl 41) N/10414 (cl 42)	Macau
[redacted] *(Note 1)*	LAS VEGAS SANDS CORP.	35, 41, 42	February 10, 2003 – February 10, 2017	N/10485 (cl 35) N/10486 (cl 41) N/10487 (cl 42)	Macau
[redacted] *(Note 2)*	LAS VEGAS SANDS CORP.	39	May 30, 2007 – May 30, 2014	N/25968	Macau
[redacted] *(Note 2)*	LAS VEGAS SANDS CORP.	39	May 30, 2007 – May 30, 2014	N/25969	Macau
[redacted] *(Note 2)*	LAS VEGAS SANDS CORP.	39	May 30, 2007 – May 30, 2014	N/25972	Macau

Material Trademark	Registered Owner	Class	Validity Period	Registration No.	Place of Registration
路氹金光大道 COTAI STRIP *(Note 3)*	LAS VEGAS SANDS CORP.	3, 14, 16, 18, 32, 33, 34, 35, 36, 37, 39, 41, 42	November 22, 2005 – November 22, 2012	N/16216 (cl 3) N/16217 (cl 14) N/16218 (cl 16) N/16219 (cl 18) N/16220 (cl 32) N/16221 (cl 33) N/16222 (cl 34) N/16223 (cl 35) N/16224 (cl 36) N/16225 (cl 37) N/16226 (cl 39) N/16227 (cl 41) N/16228 (cl 42)	Macau
COTAI STRIP 路氹金光大道	LAS VEGAS SANDS CORP.	3, 6, 9, 14, 18, 20, 21, 25, 28, 32, 33, 34	May 8, 2006 – May 8, 2013	N/16440 (cl 3) N/16441 (cl 6) N/16442 (cl 9) N/16443 (cl 14) N/16444 (cl 18) N/16445 (cl 20) N/16446 (cl 21) N/16447 (cl 25) N/16448 (cl 28) N/16449 (cl 32) N/16450 (cl 33) N/16451 (cl 34) N/16452 (cl 35) N/16453 (cl 39) N/16454 (cl 41) N/16455 (cl 42)	Macau
路凼大道	LAS VEGAS SANDS CORP.	39, 41, 43	December 14, 2008 – December 13, 2018	4634588 (cl 39) 4634589 (cl 41) 4634590 (cl 43)	China
路氹大道	LAS VEGAS SANDS CORP.	39, 41, 43	December 14, 2008 – December 13, 2018	4634315 (cl 39) 4634316 (cl 41) 4634587 (cl 43)	China
 (Note 4)	LAS VEGAS SANDS CORP.	35, 41	May 28, 2004 – May 27, 2014	3330106 (cl 35)	China
			December 21, 2007 – December 20, 2017	3395912 (cl 41)	China
COTAI STRIP	LAS VEGAS SANDS CORP.	3, 6, 9, 14, 18, 20, 21, 25, 28, 32, 33, 34, 35, 44	March 17, 2005 – March 16, 2015	300387856AA	Hong Kong
* 路氹金光大道 * 路凼金光大道	LAS VEGAS SANDS CORP.	36, 39, 41, 43, 44	August 3, 2005 – August 2, 2015	300470114	Hong Kong

Material Trademark	Registered Owner	Class	Validity Period	Registration No.	Place of Registration
COTAI STRIP	LAS VEGAS SANDS CORP.	39, 41, 43, 44	August 16, 2006 – August 15, 2016	01224632	Taiwan
COTAI STRIP	LAS VEGAS SANDS CORP.	35, 36	July 16, 2009 – July 15, 2019	01371323	Taiwan
COTAI STRIP	LAS VEGAS SANDS CORP.	3, 6, 9, 14, 18, 20, 21, 25, 28, 32, 33, 34, 35, 39, 41, 43, 44, 45	June 28, 2008 – June 27, 2018	4546182 (cl 03)	China
			December 21, 2007 – December 20, 2017	4546183 (cl 06)	
			December 21, 2007 – December 20, 2017	4546186 (cl 09)	
			July 21, 2008 – July 20, 2018	4546190 (cl 14)	
			November 28, 2008 – November 27, 2018	4546175 (cl 18)	
			July 14, 2008 – July 13, 2018	4546174 (cl 20)	
			July 28, 2008 – July 27, 2018	4546173 (cl 21)	
			November 28, 2008 – November 27, 2018	4546172 (cl 25)	
			January 28, 2009 – January 27, 2019	4546171 (cl 28)	
			October 28, 2007 – October 27, 2017	4546185 (cl 32)	
			October 28, 2007 – October 27, 2017	4546170 (cl 33)	
			October 28, 2007 – October 27, 2017	4546169 (cl 34)	
			October 7, 2008 – October 6, 2018	4546189 (cl 35)	
			October 7, 2008 – October 6, 2018	4546191 (cl 39)	
			October 7, 2008 – October 6, 2018	4546168 (cl 41)	
			October 7, 2008 – October 6, 2018	4546167 (cl 43)	
			October 7, 2008 – October 6, 2018	4546166 (cl 44)	
			October 7, 2008 – October 6, 2018	4546160 (cl 45)	
SANDS	LAS VEGAS SANDS CORP.	39, 41, 43, 45	April 29, 2008 April 28, 2018	301104380	Hong Kong

Material Trademark	Registered Owner	Class	Validity Period	Registration No.	Place of Registration
Sands	LAS VEGAS SANDS CORP.	39, 41, 43, 45	May 2, 2008 – May 1, 2018	301108025	Hong Kong
	LAS VEGAS SANDS CORP.	35, 39, 41, 43	February 6, 2008 February 5, 2018	301048130	Hong Kong
威尼斯人	LAS VEGAS SANDS CORP.	35, 39, 41, 43	April 29, 2008 – April 28, 2018	301104353	Hong Kong
A	LAS VEGAS SANDS CORP.	36, 39, 41, 43, 44	August 3, 2005 – August 2, 2015	300470141	Hong Kong
B					
A	LAS VEGAS SANDS CORP.	36, 39, 41, 43, 44	August 3, 2005 – August 2, 2015	300470132	Hong Kong
B					
	LAS VEGAS SANDS CORP.	3, 6, 9, 14, 16, 18, 20, 21, 25, 28, 29, 30, 34, 39, 41, 43, 44, 45	January 7, 2008 – January 6, 2018	301026666	Hong Kong
THE VENETIAN	LAS VEGAS SANDS CORP.	3, 6, 9, 14, 16, 18, 20, 21, 25, 28, 29, 30, 34, 35, 44, 45	July 16, 2009 – July 15, 2019	01371211	Taiwan
THE VENETIAN	LAS VEGAS SANDS CORP.	36, 39, 41, 43	February 16, 2009 – February 15, 2019	01351223	Taiwan
	LAS VEGAS SANDS CORP.	36, 39, 41, 43	February 16, 2009 – February 15, 2019	01351220	Taiwan
	LAS VEGAS SANDS CORP.	3, 9, 16, 18, 21, 25, 28	June 1, 2009 – May 31, 2019	01365514	Taiwan
	LAS VEGAS SANDS CORP.	36, 39, 41, 43	February 16, 2009 – February 15, 2019	01351221	Taiwan
	LAS VEGAS SANDS CORP.	3, 6, 9, 14, 16, 18, 20, 21, 25, 28, 29, 30, 34, 35, 44, 45	July 1, 2009 – June 30, 2019	01369258	Taiwan

Material Trademark	Registered Owner	Class	Validity Period	Registration No.	Place of Registration
	LAS VEGAS SANDS CORP.	36, 39, 41, 43	February 16, 2009 – February 15, 2019	01351222	Taiwan
PAIZA	LAS VEGAS SANDS CORP.	3, 16, 21, 25, 34, 41, 43, 45	August 13, 2007 – August 12, 2017	300933282	Hong Kong
	LAS VEGAS SANDS CORP.	3, 16, 21, 25, 34, 41, 43, 45	August 13, 2007 – August 12, 2017	300933273	Hong Kong
GRAND CANAL SHOPS	LAS VEGAS SANDS CORP.	35, 36, 41	August 3, 2005 – August 2, 2015	300470123	Hong Kong
大運河購物中心 大运河购物中心	LAS VEGAS SANDS CORP.	16, 35, 41, 43, 44	April 29, 2008 – April 28, 2018	301104371	Hong Kong
A. B. 	LAS VEGAS SANDS CORP.	9, 12, 16, 18, 20, 21, 35, 39, 41, 43	September 3, 2008 – September 2, 2018	301194543	Hong Kong
大運河	LAS VEGAS SANDS CORP.	12	August 24, 2009 – August 24, 2016	N/35268	Macau
大运河	LAS VEGAS SANDS CORP.	12	August 24, 2009 – August 24, 2016	N/35274	Macau
大運河購物	LAS VEGAS SANDS CORP.	12	August 24, 2009 – August 24, 2016	N/35280	Macau
大运河购物	LAS VEGAS SANDS CORP.	12	August 24, 2009 – August 24, 2016	N/35283	Macau
THE GRAND CANAL SHOPPES	LAS VEGAS SANDS CORP.	12	August 24, 2009 – August 24, 2016	N/35294	Macau

Note 1: This trademark registration is subject to an assignment agreement between Venetian Macao Limited and Las Vegas Sands Corp., executed by the parties and made effective on or about November 6, 2009 and to be recorded with the Intellectual Property Department of Macao Economic Services.

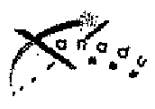
Note 2: This trademark registration is subject to an assignment agreement between Venetian Travel Limited and Las Vegas Sands Corp., executed by the parties and made effective on or about November 6, 2009 and to be recorded with the Intellectual Property Department of Macao Economic Services.

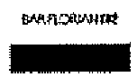
Note 3: This trademark registration is subject to an assignment agreement between Venetian Cotai Limited and Las Vegas Sands Corp., executed by the parties and made effective on or about November 6, 2009 and to be recorded with the Intellectual Property Department of Macao Economic Services.

Note 4: This trademark registration is subject to (i) an assignment agreement between Venetian Hotel Operations, LLC (formerly known as Grand Canal Shops Mall Construction, LLC) and Venetian Casino Resort, LLC; and (ii) a subsequent assignment agreement between Venetian Casino Resort, LLC and Las Vegas Sands Corp., both executed by the parties and made effective on or about October 26, 2009 and to be recorded with the Trademark Office of the State Administration for Industry and Commerce of the PRC.

The Group is also licensed to use marks similar to the ones disclosed above which are registered or under application in countries outside the Restricted Zone, for the purpose of marketing its businesses within the Restricted Zone.

(b) As of the Latest Practicable Date, the following trademarks, which were material in relation to the Group's business, were owned by our Group:

Material Trademark	Registered Owner	Class	Validity Period	Registration No.	Place of Registration
COTAI PLAZA CASINO *(Note 1)*	Venetian Macau Limited	12	July 10, 2008 – July 9, 2018	301157085	Hong Kong
COTAI PLAZA CASINO *(Note 1)*	Venetian Macau Limited	41	January 9, 2008 – January 8, 2018	301028411	Hong Kong
COTAI STRIP TRAVEL	Venetian Travel Limited	39	July 30, 2007 – July 30, 2014	N/25980	Macau
COTAI TRAVEL	Venetian Travel Limited	39	February 2, 2009 – February 2, 2016	N/25978	Macau
	Venetian Macau Limited	41	December 7, 2005 – December 7, 2012	N/18228	Macau
	Venetian Macau Limited	42	May 11, 2004 – May 11, 2011	N/12909	Macau
	Venetian Macau Limited	42	May 11, 2004 – May 11, 2011	N/12910	Macau
	Venetian Macau Limited	42	May 11, 2004 – May 11, 2011	N/12911	Macau
	Venetian Macau Limited	42	May 11, 2004 – May 11, 2011	N/12912	Macau
	Venetian Macau Limited	42	May 11, 2004 – May 11, 2011	N/12913	Macau
	Venetian Macau Limited	42	May 11, 2004 – May 11, 2011	N/12914	Macau
	Venetian Macau Limited	42	May 11, 2004 – May 11, 2011	N/12915	Macau
	Venetian Macau Limited	42	May 11, 2004 – May 11, 2011	N/12916	Macau
	Venetian Macau Limited	42	May 11, 2004 – May 11, 2011	N/13006	Macau
	Venetian Macau Limited	41	May 11, 2004 – May 11, 2011	N/13007	Macau
	Venetian Macau Limited	43	January 9, 2007 – January 9, 2014	N/23365	Macau

Material Trademark	Registered Owner	Class	Validity Period	Registration No.	Place of Registration
BAR FLORIAN / LOK IAN PA (C.C.) / 洛欣吧 	Venetian Cotai Limited	43	March 28, 2008 – March 28, 2015	N31739	Macau
IMPERIAL HOUSE / DIM SUM / TAI WONG TIM SAM (C.C.) / 帝王點心	Venetian Cotai Limited	43	March 28, 2008 – March 28, 2015	N/31740	Macau
CAN TON / HEI UT (C.C.) 喜粵	Venetian Cotai Limited	43	March 28, 2008 – March 28, 2015	N/31741	Macau
BELLINI / LOUNGE / PAK LEI CHAO LONG (C.C.) / 百利酒廊	Venetian Cotai Limited	43	March 28, 2008 – March 28, 2015	N/31742	Macau
RED DRAGON NOODLES / CHEK LONG MIN KUN (C.C.) / 赤龍麵館	Venetian Cotai Limited	43	March 28, 2008 – March 28, 2015	N/31743	Macau
金光飛航 *(Note 2)*	Venetian Cotai Limited	39	April 23, 2008 – April 23, 2015	N/31066	Macau
COTAIJET *(Note 2)*	Venetian Cotai Limited	39	April 23, 2008 – April 23, 2015	N/31067	Macau
路氹金光大道 金光飛航 *(Note 2)*	Venetian Cotai Limited	39	April 23, 2008 – April 23, 2015	N/31065	Macau
THE COTAI STRIP COTAIJET *(Note 2)*	Venetian Cotai Limited	39	April 23, 2008 – April 23, 2015	N/31064	Macau
金光飛航 *(Note 3)*	Venetian Cotai Limited	39	August 2, 2007 – August 1, 2017	300926488	Hong Kong
COTAIJET *(Note 3)*	Venetian Cotai Limited	39	August 2, 2007 – August 1, 2017	300926479	Hong Kong
金光飛航 *(Note 4)*	Venetian Cotai Limited	39, 41	December 1, 2008 – November 30, 2018	01340940	Taiwan
COTAIJET *(Note 4)*	Venetian Cotai Limited	39, 41	October 1, 2008 – September 30, 2018	01332109	Taiwan

Material Trademark	Registered Owner	Class	Validity Period	Registration No.	Place of Registration
	Venetian Macau Limited	35, 39, 41, 43, 45	May 25, 2009 – May 25, 2016	N/40581 (cl.35) N/40582 (39) N/40583 (41) N/40584 (43) N/40585 (45)	Macau

Save as aforesaid, there are no other trademarks or intellectual property rights which are material in relation to our business.

Note 1: This trademark registration is subject to an assignment agreement between Las Vegas Sands Corp. and Venetian Macao Limited, executed by the parties and made effective on or about October 24, 2009 and to be recorded with the Hong Kong Trade Marks Registry.

Note 2: This trademark registration is subject to an assignment agreement between Las Vegas Sands Corp. and Venetian Cotai Limited, executed by the parties and made effective on or about October 24, 2009 and to be recorded with the Intellectual Property Department of Macao Economic Services.

Note 3: This trademark registration is subject to an assignment agreement between Las Vegas Sands Corp. and Venetian Cotai Limited, executed by the parties and made effective on or about October 24, 2009 and to be recorded with Hong Kong Trade Marks Registry.

Note 4: This trademark registration is subject to an assignment agreement between Las Vegas Sands Corp. and Venetian Cotai Limited, executed by the parties and made effective on or about October 24, 2009 and to be recorded with the Intellectual Property Office of Taiwan.

C. FURTHER INFORMATION ABOUT OUR DIRECTORS AND SUBSTANTIAL SHAREHOLDERS AND EXPERTS

1. Disclosure of Interests

(a) Interests and short positions of the Directors and the chief executive of our Company in the shares, underlying shares and debentures of our Company and its associated corporations

Immediately following the completion of the Global Offering, the Capitalization Issue and the mandatory and automatic exchange of the Bonds for Shares (without taking into account of any Shares that may be sold pursuant to the exercise of the Over-allotment Option or any Shares that may be issued pursuant to the exercise of options which may be granted under the Share Option Scheme), save as disclosed below, none of the Directors and chief executive of our Company will have any interests or short positions in the Shares, underlying Shares and debentures of our Company or its associated corporations (within the meaning of Part XV of the SFO) which will be required to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or which will be required, under Section 352 of the SFO, to be entered in the register referred to in that section, or which will be required, under the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules ("Model Code"), once the Shares are listed will be as follows:

			Based on an Offer Price of HK$10.38		Based on an Offer Price of HK$13.88	
Name of Director	Company	Nature of interest	Number of securities	Approximate percentage of shareholding interest	Number of securities	Approximate percentage of shareholding interest
Mr. Sheldon Gary Adelson	Company	Interest in a controlled corporation(2)	5,657,814,885(L)(1)	70.3%	5,663,416,548	71.5%

(1) The letter "L" denotes the person's long position in such securities.

Name of Director	Associated Corporation	Nature of interest	Number of securities(1)	Approximate percentage of shareholding interest
Mr. Sheldon Gary Adelson	LVS	Beneficial owner	198,159,756(L)(1)	30.01%
	LVS	Family interest	246,345,002(L)(2)	37.31%
			5,250,000(L)(3)	56.21%
Mr. Jeffrey Howard Schwartz	LVS	Beneficial owner	87,912(L)(4)	0.01%
Mr. Irwin Abe Siegel	LVS	Beneficial owner	24,865(L)(5)	0.004%
Mr. Steven Craig Jacobs	LVS	Beneficial owner	825,000(L)(6)	0.12%
Mr. Stephen John Weaver	LVS	Beneficial owner	375,000(L)(7)	0.06%

(1) This amount includes (a) 100 shares of LVS's common stock, (b) 5,948 unvested shares of restricted stock, (c) 91,832 vested and exercisable options to purchase 91,832 shares of LVS's common stock, (d) 22,758,765 shares of LVS's common stock held by the Sheldon G. Adelson 2005 Family Trust over which Mr. Adelson, as trustee, retains sole dispositive and voting control, (e) 582,280 shares of LVS's common stock owned by the Dr. Miriam and Sheldon G. Adelson Charitable Trust over which Mr. Adelson, as trustee, retains sole voting and dispositive power, (f) 16,802,047 shares of LVS's common stock owned by the Sheldon G. Adelson November 2008 Two Year LVS Annuity Trust over which Mr. Adelson, as trustee, retains sole dispositive control, (g) 48,764,841 shares of LVS's common stock owned by the Sheldon G. Adelson December 2008 Three Year Annuity Trust over which Mr. Adelson, as trustee, retains sole dispositive control, (h) 11,977,704 shares of LVS's common stock owned by the Sheldon G. Adelson February 2009 Two Year LVS Annuity Trust over which Mr. Adelson, as trustee, retains sole dispositive control, (i) 23,955,408 shares of LVS's common stock owned by the Sheldon G. Adelson February 2009 Three Year LVS Annuity Trust over which Mr. Adelson, as trustee, retains sole dispositive control, (j) 30,000,000 shares of LVS's common stock owned by the Sheldon G. Adelson October 2009 Two Year LVS Annuity Trust over which Mr. Adelson, as trustee, retains sole dispositive control,

(k) 30,000,000 shares of LVS's common stock held by the Sheldon G. Adelson October 2009 Three Year Annuity Trust over which Mr. Adelson, as trustee, retains sole dispositive control, (l) 12,566,710 shares of LVS's common stock owned by Adfam Investment Company LLC over which Mr. Adelson, as co-manager, shares voting and dispositive control with his wife, Dr. Adelson and (m) 654,121 unvested options to purchase 654,121 shares of LVS's common stock. Mr. Adelson and his wife together are entitled to control the exercise of one-third or more of the voting power at stockholders' meetings of LVS. LVS's interests in our Company are set out below.

(2) This amount includes (a) 86,363,636 shares of LVS's common stock held by Dr. Miriam Adelson, (b) 13,692,516 shares of LVS's common stock held by the ESBT S Trust over which Dr. Adelson, as trustee, retains sole voting control, (c) 13,692,516 shares of LVS's common stock held by the ESBT Y Trust over which Dr. Adelson, as trustee, retains sole voting control, (d) 13,692,517 shares of LVS's common stock held by the QSST A Trust over which Dr. Adelson, as trustee, retains sole voting control, (e) 13,692,517 shares of LVS's common stock held by the QSST M Trust over which Dr. Adelson, as trustee, retains sole voting control, (f) 5,144,415 shares of LVS's common stock held by the Sheldon G. Adelson 2004 Remainder Trust over which Dr. Adelson, as trustee, retains sole voting control, (g) 12,566,710 shares of LVS's common stock owned by Adfam Investment Company LLC over which Dr. Adelson, as co-manager, shares voting and dispositive control with Mr. Adelson and (h) warrants to purchase 87,500,175 shares of LVS's common stock that are exercisable.

(3) Dr. Adelson holds 5,250,000 shares of preferred stock.

(4) This amount includes (a) 5,268 unvested shares of restricted stock and (b) 82,644 unvested options to purchase 82,644 shares of LVS's common stock.

(5) This amount includes (a) 1,000 shares of LVS's common stock, (b) 8,765 shares of restricted stock, of which 3,497 shares are vested and (c) 15,100 options to purchase 15,100 shares of LVS's common stock, of which 6,080 options are vested and exercisable.

(6) This amount includes (a) 250,000 shares of LVS's common stock and (b) 575,000 unvested options to purchase 575,000 shares of LVS's common stock.

(7) This amount includes (a) 268,750 unvested options to purchase 268,750 shares of LVS's common stock, and (b) 106,250 vested and exercisable options to purchase 106,250 shares of LVS' common stock.

(b) Interests and short positions of the Substantial Shareholders in the shares and underlying shares of our Company

So far as our Directors are aware, immediately following the completion of the Global Offering, the Capitalization Issue and the mandatory and automatic exchange of the Bonds for Shares (without taking into account any Shares that may be sold pursuant to the exercise or the Over-allotment Option may be issued pursuant to the exercise of options granted under the Share Option Scheme), the following persons, not being Directors or a chief executive of our Company) will have or be deemed or taken to have an interest and/or short position in the Shares or the underlying Shares which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO:

		Based on an Offer Price of HK$10.38		Based on an Offer Price of HK$13.88	
Name	Capacity/ Nature of Interest	Number of Shares[1]	Approximate percentage of shareholding interest	Number of Shares	Approximate percentage of shareholding interest
Las Vegas Sands Corp.	Interest in a controlled corporation	5,657,814,885(L)	70.3%	5,663,416,548	71.5%
Las Vegas Sands, LLC	Interest in a controlled corporation	5,657,814,885(L)	70.3%	5,663,416,548	71.5%
Venetian Casino Resort, LLC	Interest in a controlled corporation	5,657,814,885(L)	70.3%	5,663,416,548	71.5%
LVS (Nevada) International Holdings Inc.	Interest in a controlled corporation	5,657,814,885(L)	70.3%	5,663,416,548	71.5%
LVS Dutch Finance CV	Interest in a controlled corporation	5,657,814,885(L)	70.3%	5,663,416,548	71.5%
LVS Dutch Holding BV	Interest in a controlled corporation	5,657,814,885(L)	70.3%	5,663,416,548	71.5%
LVS Dutch Intermediate Holding BV	Interest in a controlled corporation	5,657,814,885(L)	70.3%	5,663,416,548	71.5%
VVDI (I)	Interest in a controlled corporation	5,657,814,885(L)	70.3%	5,663,416,548	71.5%
VVDI (II)	Beneficial owner	5,657,814,885(L)	70.3%	5,663,416,548	71.5%

(1) The Letter "L" denotes the person's long position in such securities.

(c) Interests of the Substantial Shareholders of Any Member of Our Group (Other than Our Company)

Save as set out above, our Directors are not aware of any person (not being a Director or chief executive of our Company) who will, immediately following the completion of the Global Offering, the Capitalization Issue and the mandatory and automatic exchange of the Bonds for Shares be interested, directly or indirectly, in 10.0% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any members of our Group (other than our Company) or any options in respect of such capital.

2. Particulars of Service Contracts

(a) None of the Directors has entered into any service contract with any member of our Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation other than statutory compensation).

(b) Under Mr. Stephen John Weaver's existing employment contract with Venetian Marketing Services Limited, he is entrusted with responsibilities with respect to retail leasing activities in Marina Bay Sands, which is not part of our Group. Such leasing is approximately 80.0% completed, and expected to be completed by the end of September 2010. Mr. Weaver's remuneration in respect of such responsibilities is borne by companies in the LVS Group and our Company does not have any obligation to pay him, nor does our Company receive any reimbursement from any LVS Group companies in respect of such remuneration. Mr. Weaver is not expected to spend significant amounts of time on the completion of these responsibilities. Proposals to lease in Singapore are unlikely to be in direct competition with proposals to lease in Macau, since retail outlets in the two geographical locations address very different consumer demographics and the marketing space, location, estimated traffic, vicinity to unfriendly competition and other retail metrics will unlikely be comparable in any particular case. Accordingly, we consider that there is no potential conflict or competition with respect to the position of our Company for Mr. Weaver to continue discharging and complete such responsibilities owed to Marina Bay Sands. Mr. Weaver's transitional duties in this regard are subject to review by the General Counsel of our Company from time to time, and in the event that our Company considers that there may be a conflict with his duties to our Company in respect of any particular leasing proposal, then Mr. Weaver and LVS have agreed that he will not be involved in the handling of the proposal considered by our Company to create a conflict for him. With regard to Mr. Weaver's duties as a Director of our Company, until such time when his remuneration under such contract is settled by LVS at the end of such contract, currently expected to be the end of September 2010, Mr. Weaver will, if required under our Articles of Association, the Cayman Companies Law or the Listing Rules or other regulatory requirement, recuse in respect of any resolution of our Board where the counterparty is a member of the LVS Group or the transaction is one in which a member of LVS Group is materially interested otherwise than through LVS's shareholding in our Company.

(c) During the years ended December 31, 2006, 2007 and 2008 and the six months ended June 30, 2009, the aggregate of the remuneration received by our Directors (including fees, salaries, contribution to pension schemes, housing allowances, share-based compensation benefits and other allowances and benefits in kind and discretionary bonuses) from us was approximately US$1.6 million, US$4.0 million, US$2.6 million and US$1.3 million, respectively. Details of the Directors' remuneration are also set out in note 7 of the "Accountant's Report" set out in Appendix I to this prospectus.

(d) Under the arrangements currently in force, the aggregate of the remuneration (including fees, salaries, contributions to pension schemes, housing allowances, share-based compensation benefits and other allowances and benefits in kind, excluding discretionary bonuses) payable to our Directors for the year ending December 31, 2009 is estimated to be approximately US$5.2 million.

(e) None of the Directors or any past directors of any members of our Group has been paid any sum of money for the three years ended December 31, 2008 (i) as an inducement to join or upon joining our Company or (ii) for loss of office as a director of any member of our Group or of any other office in connection with the management of the affairs of any member of our Group.

(f) There has been no arrangement under which a Director has waived or agreed to waive any remuneration or benefits in kind for the three years ended December 31, 2008.

(g) None of the Directors has been or is interested in the promotion of, or in the property proposed to be acquired by, our Company, and no sum has been paid or agreed to be paid to any of them in cash or shares or otherwise by any person either to induce him to become, or to qualify him as, a Director, or otherwise for services rendered by him in connection with the promotion or formation of our Company.

3. Competing Interest of the Directors

Please refer to "Relationship with Our Controlling Shareholders."

4. Fees or Commissions Received

Save as disclosed in this prospectus, none of the Directors or any of the persons whose names are listed in "Other Information—Consents of Experts" in this Appendix VII had received any commissions, discounts, agency fee, brokerages or other special terms in connection with the issue or sale of any capital of any member of our Group within the two years immediately preceding the date of this prospectus.

5. Disclaimers

Save as disclosed this prospectus:

(a) none of our Directors or chief executive of our Company has any interest or short positions in the Shares, underlying Shares or debentures of our Company or any associated corporation (within the meaning of Part XV of the SFO) which will have to be notified to us and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered into the register referred to in that section, or which will be required to be notified to us and the Stock Exchange pursuant to the Model Code, in each case once our Shares are listed;

(b) none of our Directors nor any of the parties listed in "Other Information—Consents of Experts" in this Appendix VII has any direct or indirect interest in the promotion of our Company, or in any assets which have within the two years immediately preceding the date of this prospectus, been acquired or disposed of by or leased to any member of our Group, or are proposed to be acquired or disposed of by or leased to any member of our Group;

(c) none of our Directors nor any of the parties listed in "Other Information—Consents of Experts" in this Appendix VII, is materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to the business of our Group taken as a whole;

(d) save for the Underwriting Agreements, none of the parties listed in "Other Information—Consents of Experts" in this Appendix VII:

  (i) is interested legally or beneficially in any of our Shares or any shares of any of our subsidiaries; or

  (ii) has any right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe securities in any member of our Group;

(e) none of our Directors, their respective associates or shareholders of our Company is interested in more than 5.0% of the issued share capital of our Company has any interests in the five largest suppliers of our Group.

D. SHARE OPTION SCHEME

The following is a summary of the principal terms of the Share Option Scheme conditionally adopted by our Shareholders on November 8, 2009.

(a) Purpose

The Share Option Scheme provides a means through which our Group may attract able persons to enter and remain in the employ of our Group and provides a means whereby employees, directors and consultants of our Group can acquire and maintain Share

ownership, thereby strengthening their commitment to the welfare of our Group and promoting an identity of interest between Shareholders and these persons.

(b) Who may join

Participation shall be limited to the following persons (the "Eligible Persons") who have entered into an option agreement with us or who have received written notification from the committee established by our Board to administer the Equity Award Plan adopted by our Board on November 8, 2009 (the "Committee"), or from a person designated by the Committee, that they have been selected to participate in the Share Option Scheme:

(i) any individual regularly employed by us or any of our subsidiaries, provided, however, that no such employee covered by a collective bargaining agreement shall be an Eligible Person unless and to the extent that such eligibility is set forth in such collective bargaining agreement or in an agreement or instrument related thereto;

(ii) director of our Company or any of our subsidiaries; or

(iii) consultant or advisor to our Company or any of our subsidiaries,

such individual as set out in (i) to (iii) above having an annual salary of at least HK$1,162,500 or its equivalent.

(c) Acceptance of an offer of options to subscribe for Shares granted pursuant to the Share Option Scheme

Each option granted under the Share Option Scheme shall be evidenced by an option agreement. Except as specifically provided otherwise in such option agreement, each option granted under the Share Option Scheme shall be subject to the following terms and conditions:

(i) each option or portion thereof that is exercisable shall be exercisable for the full amount or for any part thereof.

(ii) no Shares shall be delivered pursuant to any exercise of an option until we have received full payment of the exercise price (the "Option Price") per Share for each option therefor. Each option shall cease to be exercisable, as to any Share, when the grantee purchases the Share or exercises a related share appreciation right or when the option expires.

(iii) subject to paragraph (i) below, options shall not be transferable by the grantee except by will or the laws of descent and distribution and shall be exercisable during the grantee's lifetime only by him.

(iv) each option shall vest and become exercisable by the grantee in accordance with the vesting schedule established by the Committee and set forth in the option agreement.

(v) an option agreement may, but need not, include a provision whereby a grantee may elect, at any time before the termination of the grantee's employment with us, to exercise the option as to any part or all of the Shares subject to the option prior to the full vesting of the option. Any unvested Shares so purchased may, subject to law, be subject to a share repurchase option in favor of us or to any other restriction the Committee determines to be appropriate.

The exercise of any option shall be subject to our Shareholders in general meeting approving any necessary increase in the authorized share capital of our Company.

Shares shall be deemed to have been used in settlement of options whether they are actually delivered or the Fair Market Value (as defined below) equivalent of such shares is paid in cash, provided however, that Shares delivered (either directly or by means of attestation) in full or partial payment of the Option Price (as defined in paragraph (f) below)

shall be deducted from the number of Shares delivered to the grantee pursuant to such option for purposes of determining the number of Shares acquired pursuant to the Share Option Scheme.

"Fair Market Value" on a given date means (a) if the Shares are listed on a national securities exchange, the closing sale price reported in the daily quotation sheets of the Stock Exchange as having occurred on the primary exchange with which the Shares are listed and traded on such date, or, if there is no such sale on that date, then on the last preceding date on which such a sale was reported, (b) if the Shares are not listed on any national securities exchange but are quoted in an inter-dealer quotation system on a last sale basis, the average between the closing bid price and ask price reported on such date, or, if there is no such sale on that date, then on the last preceding date on which a sale was reported, or (c) if the Shares are not listed on a national securities exchange or quoted in an inter-dealer quotation system on a last sale basis, the amount determined by the Committee to be the fair market value on such date based upon a good faith attempt to value the Share accurately and computed in accordance with applicable regulations of the Inland Revenue Department.

(d) Maximum number of Shares

The maximum number of Shares in respect of which options or other share-based awards may be granted (including Shares in respect of which options, whether exercised or still outstanding, have already been granted) under the Share Option Scheme and under any other plans of our Company must not in aggregate exceed 10.0% of the total number of Shares in issue immediately following the completion of the Global Offering, the Capitalization Issue and the mandatory and automatic exchange of the Bonds for Shares, being 804,785,866 Shares (assuming the Offer Price is HK$10.38) or 792,299,782 Shares (assuming the Offer Price is HK$13.88) (the "Scheme Limit"), excluding for this purpose Shares which would have been issuable pursuant to options which have lapsed in accordance with the terms of the Share Option Scheme (or any other share option schemes of our Company). Subject to the issue of a circular by our Company and the approval of our Shareholders in general meeting and/or such other requirements prescribed under the Listing Rules from time to time, the Board may:

(i) renew this limit at any time to 10.0% of the Shares then in issue (the "New Scheme Limit") as of the date of the approval by our Shareholders in general meeting; and/or

(ii) grant options beyond the Scheme Limit to Eligible Persons specifically identified by the Board. The circular issued by our Company to our Shareholders shall contain a generic description of the specified Eligible Persons who may be granted such options, the number and terms of the options to be granted, the purpose of granting options to the specified Eligible Persons with an explanation as to how the options serve such purpose, the information required under Rule 17.02(2)(d) and the disclaimer required under Rule 17.02(4) of the Listing Rules.

Notwithstanding the foregoing, the Shares which may be issued upon exercise of all outstanding options and other share-based awards granted and yet to be exercised under the Share Option Scheme and any other plans of our Company at any time shall not exceed 30.0% of the Shares in issue from time to time (the "Maximum Limit"). No options shall be granted under any schemes of our Company (including the Share Option Scheme) if this will result in the Maximum Limit being exceeded. In order to prevent substantial enlargement or dilution of a grantee's rights in a manner consistent with the purposes of the Share Option Scheme, the Committee shall make an equitable adjustment or substitution to the number, price or kind of a Share or other consideration subject to such scheme or as otherwise determined by the Committee to be equitable (i) in the event of changes in the outstanding Shares or in the capital structure of our Company by reason of share or extraordinary cash dividends, share splits, reverse share splits, recapitalization, reorganizations, mergers,

consolidations, combinations, exchanges, or other relevant changes in capitalization occurring after the date of grant of any option or (ii) in the event of any change in applicable laws or any change in circumstances which results in or would result in any substantial dilution or enlargement of the rights granted to, or available for, participants, or which otherwise warrant equitable adjustment because it interferes with the intended operation of the Share Option Scheme, provided however, that the manner of any such equitable adjustment shall be determined by the Committee in its sole discretion in compliance with the Listing Rules and their decision shall be final and conclusive and binding on us and the grantees.

(e) Maximum number of options to any one individual

The total number of Shares issued and which may fall to be issued upon exercise of the options granted under the Share Option Scheme and any other share option schemes of our Company (including both exercised, outstanding options and Shares which were the subject of options which have been granted and accepted under the Share Option Scheme or any other scheme of our Company) to each Eligible Person in any 12-month period up to the Date of Grant shall not exceed 1.0% of the Shares in issue as of the date of grant. Any further grant of options in excess of this 1.0% limit shall be subject to:

(i) the issue of a circular by our Company containing the identity of the Eligible Person, the numbers of and terms of the options to be granted (and options previously granted to such participant), the information as required under Rules 17.02(2)(d) and the disclaimer required under 17.02(4) of the Listing Rules; and

(ii) the approval of our Shareholders in general meeting and/or other requirements prescribed under the Listing Rules from time to time with such Eligible Person and his associates (as defined in the Listing Rules) abstaining from voting. The numbers and terms (including the exercise price) of options to be granted to such person must be fixed before our Shareholders' approval unless provided otherwise in the Listing Rules, the date on which the Committee grants or the date of the meeting at which the Committee proposes to grant the options to such Eligible Person shall be taken as the date of grant for the purpose of determining the Option Price of the Shares.

(f) Price of Shares

The exercise price ("Option Price") per Share for each option shall be set by the Committee at the time of grant but shall not be less than the highest of:

(i) the official closing price of the Shares as stated in the daily quotation sheets of the Stock Exchange on the date of grant which must be a business day;

(ii) the average of the official closing price of the Shares as stated in the daily quotation sheets of the Stock Exchange for the 5 business days immediately preceding the date of grant; and

(iii) the nominal value of a Share,

provided that for the purpose of determining the Option Price where the Shares have been listed on the Stock Exchange for less than 5 business days preceding the date of grant, the issue price of the Shares in connection with such listing shall be deemed to be the closing price of the Shares for each business day falling within the period before the listing of the Shares on the Stock Exchange.

The Option Price shall be payable (i) in cash and/or Shares valued at the Fair Market Value at the time the Option is exercised (including by means of attestation of ownership of a sufficient number of Shares in lieu of actual delivery of such shares to us), (ii) in the discretion of the Committee, either (a) in other property having a fair market value on the date of exercise equal to the Option Price or (b) by delivering to the Committee a copy of

irrevocable instructions to a stockbroker to deliver promptly to us an amount of loan proceeds, or proceeds from the sale of the Shares subject to the option, sufficient to pay the Option Price or (iii) by such other method as the Committee may allow.

(g) Granting options to connected persons

Any grant of options to a director, chief executive or substantial shareholder (as defined in the Listing Rules) of our Company or any of their respective associates is required to be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the options in question). If the Committee proposes to grant options to a substantial shareholder or any independent non-executive Director or their respective associates (as defined in the Listing Rules) which will result in the number of Shares issued and to be issued upon exercise of options granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant:

(i) representing in aggregate over 0.1% of the Shares in issue or such other percentage as may be from time to time provided under the Listing Rules; and

(ii) having an aggregate value in excess of HK$5.0 million or such other sum as may be from time to time provided under the Listing Rules, based on the closing price of the Shares as stated in the daily quotation sheets of the Stock Exchange at the date of each grant,

such further grant of options will be subject to the approval of the independent non-executive Directors as referred to in this paragraph, the issue of a circular by our Company and the approval of our Shareholders in general meeting on a poll at which all connected persons of our Company shall abstain from voting in favor, and/or such other requirements prescribed under the Listing Rules from time to time. Any vote taken at the meeting to approve the grant of such options shall be taken as a poll.

The circular to be issued by our Company to our Shareholders pursuant to the above paragraph shall contain the following information:

(i) the details of the number and terms (including the exercise price) of the options to be granted to each selected Eligible Person which must be fixed before our Shareholders' meeting and the date of Board meeting for proposing such further grant shall be taken as the date of grant for the purpose of calculating the exercise price of such options;

(ii) a recommendation from the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the options) to the independent Shareholders as to voting;

(iii) the information required under Rule 17.02(2)(c) and (d) and the disclaimer required under Rule 17.02(4) of the Listing Rules; and

(iv) the information required under Rule 2.17 of the Listing Rules.

(h) Restrictions on the times of grant of Options

A grant of options may not be made after a price sensitive event has occurred or a price sensitive matter has been the subject of a decision until such price sensitive information has been announced pursuant to the requirements of the Listing Rules. In particular, no options may be granted during the period commencing one month immediately preceding the earlier of:

(i) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of our Company's results for any

year, half-year, quarterly or other interim period (whether or not required under the Listing Rules); and

(ii) the deadline for our Company to publish an announcement of the results for any year, or half-year, or quarterly or other interim period (whether or not required under the Listing Rules),

and ending on the date of actual publication of such results announcement, and where an option is granted to a Director or a "relevant employee" (as defined below):

(iii) no options shall be granted during the period of 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and

(iv) during the period of 30 days immediately preceding the publication date of the quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results.

"Relevant employee" as used in this paragraph (h) shall include any employee of the Company or a director or employee of a subsidiary or holding company of the Company who, because of such office or employment, is likely to be in possession of unpublished price sensitive information in relation to the Company or its securities.

(i) Rights are personal to grantee

Each option shall be exercisable only by a grantee during the grantee's lifetime, or, if permissible under applicable law, by the grantee's legal guardian or representative. No option may be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by a grantee other than by will or by the laws of descent and distribution and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance shall be void and unenforceable against our Company or any of our subsidiaries; provided that the designation of a beneficiary shall not constitute an assignment, alienation, pledge, attachment, sale, transfer or encumbrance.

(j) Duration of the Share Option Scheme

No option may be vested more than 10 years after the date of grant (the "Option Period"). Subject to earlier termination by our Company in general meeting or by the Board, the Share Option Scheme shall be valid and effective for a period of 10 years from the Listing Date.

(k) Performance target

A grantee may be required to achieve any performance targets as the Committee may then specify in the grant before any options granted under the Share Option Scheme can be exercised.

(l) Rights on ceasing employment/death

(i) *Death/Disability.* If the grantee's employment with our Company and its subsidiaries terminates on account of the grantee's death or by our Company or any subsidiary due to disability, the unvested portion of the option shall expire on the date of termination and the vested portion of the option shall remain exercisable by the grantee through the earlier of (A) the expiration of the Option Period or (B) one year following the date of termination on account of death or disability.

(ii) *Termination Other than due to Death/Disability or for Cause (as defined below).* If the grantee's employment with our Company and its subsidiaries is terminated for any

reason other than on account of the grantee's death or by our Company or any subsidiary due to disability or for Cause, the unvested portion of the option shall expire on the date of termination and the vested portion of the option shall remain exercisable by the grantee through the earlier of (A) the expiration of the Option Period or (B) ninety (90) days following such termination.

"Cause" shall have the definition in any existing employment, consulting or any other agreement between the grantee and our Company or any of our subsidiaries or, in the absence of such an employment, consulting or other agreement, upon (i) the determination by the Committee that the grantee has ceased to perform his duties to our Company, or any of our subsidiaries (other than as a result of his incapacity due to physical or mental illness or injury), which failure amounts to an intentional and extended neglect of his duties to such party, (ii) the Committee's determination that the grantee has engaged or is about to engage in conduct materially injurious to our Company or any of our subsidiaries, (iii) the grantee having been convicted of, or pleading guilty or no contest to, a felony or any crime involving as a material element fraud or dishonesty, (iv) the failure of the grantee to follow the lawful instructions of the Board or his direct superiors or (v) in the case of a grantee who is a non-employee Director, the grantee ceasing to be a member of the Board in connection with the grantee engaging in any of the activities described in clauses (i) through (iv) above,

(m) Rights on dismissal

If the grantee's employment with the Company and its subsidiaries is terminated by the Company or any Subsidiary for Cause, both the unvested and the vested portions of the Option shall terminate on the date of such termination.

(n) Rights on a general offer or a scheme of arrangement

If a general offer, whether by way of a takeover offer, share repurchase offer or scheme of arrangement or otherwise in like manner is made to all the holders of Shares, or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror, our Company shall use all reasonable endeavors to procure that such offer is extended to all the grantees on the same terms, with appropriate changes, and assuming that they will become, by the vesting and exercise in full of the options granted to them (whether or not they have become exercisable), Shareholders. If such offer (other than a scheme of arrangement) becomes or is declared unconditional or such scheme of arrangement is formally proposed to the Shareholders, a grantee shall, notwithstanding any other terms on which his options were granted, be entitled to exercise his option (to the extent not already exercised) to its full extent or to the extent specified in the grantee's notice to our Company in exercise of his option at any time up to the close of such offer or the record date for entitlements under a scheme of arrangement. Subject to the above, an option (to the extent not already exercised) will lapse automatically on the date on which such offer closes or the record date for entitlements under a scheme of arrangement.

(o) Rights on winding-up

In the event a notice is given by our Company to its members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up our Company, our Company shall on the same date as or soon after it despatches such notice to each of our Shareholders give notice thereof to all grantees and thereupon, each grantee (or in the case of his death, his legal personal representative(s)) shall be entitled to exercise all or any of his options (to the extent not already exercised) at any time not later than two business days prior to the proposed general meeting of our Company referred to above by giving notice in writing to our Company, accompanied by a remittance for the full amount of

the aggregate Option Price for the Shares in respect of which the notice is given, whereupon our Company shall as soon as possible and, in any event, no later than the business day immediately prior to the date of the proposed general meeting, allot the relevant Shares to the grantee credited as fully paid and register the grantee as holder thereof.

(p) Rights on compromise or arrangement between our Company and its members or creditors

If a compromise or arrangement between our Company and its members or creditors is proposed for the purposes of a scheme for the restructuring of our Company or its amalgamation with any other companies pursuant to the laws of the jurisdiction in which our Company was incorporated, our Company shall give notice to all the grantees of the options on the same day as it gives notice of the meeting to its members or creditors summoning the meeting to consider such a scheme or arrangement and any grantee may by notice in writing to our Company accompanied by a remittance for the full amount of the aggregate subscription price for the Shares in respect of which the notice is given (such notice to be received by our Company not later than two business days prior to the proposed meeting), exercise the option to its full extent or to the extent specified in the notice and our Company shall as soon as possible in any event no later than the business day immediately prior to the date of the proposed meeting, allot and issue such number of Shares to the grantee which falls to be issued upon on such exercise of the option credited as fully paid and register the grantee as a holder thereof.

With effect from the date of such meeting, the rights of all grantees to exercise their respective options shall forthwith be suspended. Upon such compromise or arrangement becoming effective, all options shall, to the extent that they have not been exercised, lapse. If for any reason such compromise or arrangement does not become effective and is terminated or lapses, the rights of grantees to exercise their respective options shall with effect from the date of the making of the order by the relevant court be restored in full as if such compromise or arrangement had not been proposed by us.

(q) Ranking of Shares

The Shares to be allotted and issued upon the exercise of an option will not carry voting rights until completion of the registration of the grantee (or any other person nominated by the grantee) as the holder thereof. Subject to the aforesaid, Shares allotted and issued on the exercise of options will rank pari passu and shall have the same voting, dividend, transfer and other rights, including those arising on liquidation as attached to the other fully paid Shares in issue on the date of issue, save that they will not rank for any dividend or other distribution declared or recommended or resolved to be paid or made by reference to a record date falling on or before the date of issue.

(r) Effect of alterations to capital

In order to prevent substantial enlargement or dilution of a grantee's rights in a manner consistent with the purposes of the Share Option Scheme, the Committee shall make an equitable adjustment or substitution to the number, price or kind of a Share or other consideration subject to such scheme or as otherwise determined by the Committee to be equitable (i) in the event of changes in the outstanding Shares or in the capital structure of our Company by reason of share or extraordinary cash dividends, share splits, reverse share splits, recapitalization, reorganizations, mergers, consolidations, combinations, exchanges, or other relevant changes in capitalization occurring after the date of grant of any option or (ii) in the event of any change in applicable laws or any change in circumstances which results in or would result in any substantial dilution or enlargement of the rights granted to, or available for, participants, or which otherwise warrant equitable adjustment because it interferes with the intended operation of the Share Option Scheme,

provided however, that the manner of any such equitable adjustment shall be determined by the Committee in its sole discretion in compliance with the Listing Rules and their decision shall be final and conclusive and binding on us and the grantees.

Notwithstanding the above, in the event of any of the following:

(i) our Company is merged or consolidated with another corporation or entity and, in connection therewith, consideration is received by Shareholders in a form other than shares or other equity interests of the surviving entity;

(ii) all or substantially all of our assets are acquired by another person;

(iii) the reorganization or liquidation of our Company; or

(iv) our Company shall enter into a written agreement to undergo an event described in paragraphs (r)(i), (ii) or (iii) above,

then the Committee may, in its discretion and upon at least 10 days advance notice to the affected persons, cancel any outstanding options and cause the holders thereof to be paid, in cash or Shares, or any combination thereof, the value of such options based upon the price per Share received or to be received by other Shareholders in the event. The terms of this paragraph may be varied by the Committee in any particular award agreement.

(s) Effect of Change in Control

Except to the extent provided in a particular option agreement:

(i) In the event of a Change in Control (as defined below), notwithstanding any provision of the Share Option Scheme or any applicable option agreement to the contrary, the Committee may in its discretion provide that all options shall become immediately exercisable with respect to 100 per cent of the shares subject to such option;

"Change in Control" shall, unless in the case of a particular option where the applicable option agreement states otherwise or contains a different definition of "Change in Control," be deemed to occur upon:

(a) the acquisition by any individual, entity or group of beneficial ownership of 50.0% or more (on a fully diluted basis) of either (1) our then outstanding Shares, taking into account as outstanding for this purpose such Shares issuable upon the exercise of options or warrants, the conversion of convertible stock or debt, and the exercise of any similar right to acquire such Shares (the "Outstanding Company Shares") or (2) the combined voting power of our then outstanding voting securities entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"), provided however, that for purposes of the Share Option Scheme, the following acquisitions shall not constitute a Change in Control: (I) any acquisition by us or any of our subsidiaries, (II) any acquisition by any employee benefit plan sponsored or maintained by us or any of our subsidiaries, (III) any acquisition by Mr. Adelson or any related party or any group of which Mr. Adelson or a related party is a member (a "Designated Holder"), (IV) any acquisition which complies with clauses (1) and (2) of this paragraph, (V) in respect of an option held by a particular grantee, any acquisition by the grantee or any group of persons including the grantee (or any entity controlled by the grantee or any group of persons including the grantee); or (VI) LVS ceases to be a Controlling Shareholder of our Company;

(b) individuals who, on the date hereof, constitute the Board (the "Incumbent Directors") cease for any reason to constitute at least a majority of the Board, provided that any person becoming a director subsequent to the date hereof, whose election or nomination for election was approved by a vote of at least

two-thirds of the Incumbent Directors then on the Board) shall be an Incumbent Director;

(c) the dissolution or liquidation of our Company;

(d) the sale, transfer or other disposition of all or substantially all of the business or assets of our Company, other than any such sale, transfer or other disposition to one or more Designated Holders; or

(e) the consummation of a reorganization, recapitalization, merger, consolidation, statutory share exchange or similar form of corporate transaction involving our Company that requires the approval of the Shareholders, whether for such transaction or the issuance of securities in the transaction (a "Business Combination"), unless immediately following such Business Combination: (a) more than 50% of the total voting power of (x) the entity resulting from such Business Combination (the "Surviving Company"), or (y) if applicable, the ultimate parent entity that directly or indirectly has beneficial ownership of sufficient voting securities eligible to elect a majority of the members of the board of directors (or the analogous governing body) of the Surviving Company (the "Parent Company"), is represented by the Outstanding Company Voting Securities that were outstanding immediately prior to such Business Combination (or, if applicable, is represented by shares into which the Outstanding Company Voting Securities were converted pursuant to such Business Combination), and such voting power among the holders thereof is in substantially the same proportion as the voting power of the Outstanding Company Voting Securities among the holders thereof immediately prior to the Business Combination, and (b) at least a majority of the members of the board of directors (or the analogous governing body) of the Parent Company (or, if there is no Parent Company, the Surviving Company) following the consummation of the Business Combination were Board members at the time of the Board's approval of the execution of the initial agreement providing for such Business Combination.

(ii) in addition, in the event of a Change in Control, the Committee may in its discretion and upon at least 10 days' advance notice to the affected persons, cancel any outstanding options and pay to the holders thereof, in cash or stock, or any combination thereof, the value of such options based upon the price per Share received or to be received by other Shareholders in the event.

(iii) our obligations under the Share Option Scheme shall be binding upon any successor corporation or organization resulting from the merger, consolidation or other reorganization of our Company, or upon any successor corporation or organization succeeding to substantially all of our assets and business. We agree that we will make appropriate provisions for the preservation of grantees' rights under the Share Option Scheme in any agreement or plan which we may enter into or adopt to effect any such merger, consolidation, reorganization or transfer of assets.

(t) Expiry of option

Without prejudice to paragraphs (r) and (s), an option shall lapse automatically and not vest (to the extent not already vested) after the earliest of:

(i) the date of expiry of the option;

(ii) the expiry of any of the periods referred to in paragraphs (l), (m), (n) or (o);

(iii) the date on which the scheme of arrangement of our Company referred to in paragraph (p) becomes effective;

(iv) subject to paragraph (o), the date of commencement of the winding-up of our Company; or

(v) the date on which the Board shall exercise the our Company's right to cancel the option at any time after the grantee commits a breach of paragraph (i) above or the options are cancelled in accordance with paragraph (u) below.

(u) Cancellation of options

The Committee may, to the extent consistent with the terms of the Share Option Scheme, waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate, any option theretofore granted or the associated option agreement, prospectively or retroactively, provided that any such waiver, amendment, alteration, suspension, discontinuance, cancellation or termination that would impair the rights of any grantee or any holder or beneficiary of any option theretofore granted shall not to that extent be effective without the consent of the affected grantee, holder or beneficiary; and provided further that, without Shareholder approval, no amendment or modification may reduce the Option Price of any option.

(v) Amendment and Termination of the Share Option Scheme

The Board may amend, alter, suspend, discontinue, or terminate the Share Option Scheme or any portion thereof at any time, provided that no such amendment, alteration, suspension, discontinuation or termination shall be made without Shareholder approval if such approval is necessary to comply with any tax or regulatory requirement applicable to the Share Option Scheme (including as necessary to comply with any applicable stock exchange listing requirement), and provided further that any such amendment, alteration, suspension, discontinuance or termination that would impair the rights of any grantee or any holder or beneficiary of any option theretofore granted shall not to that extent be effective without the consent of the affected grantee, holder or beneficiary. The termination date of the Share Option Scheme, following which no options may be granted thereunder, is 10 years from the Listing Date, provided that such termination shall not affect options then outstanding, and the terms and conditions of the Share Option Scheme shall continue to apply to such options.

(w) Administration of the Board

The Share Option Scheme shall be subject to the administration of the Committee whose decision as to all matters arising in relation to the Share Option Scheme or its interpretation or effect (save as otherwise provided herein) shall be final and binding on all parties. The majority of the members of the Committee shall constitute a quorum. The acts of a majority of the members present at any meeting at which a quorum is present or acts approved in writing by a majority of the Committee shall be deemed the acts of the Committee.

(x) Disclosure in annual and interim reports

Our Company will disclose details of the Share Option Scheme in its annual and interim reports including the number of options, date of grant, exercise price, exercise period and vesting period during the financial year/period in the annual/ interim reports in accordance with the Listing Rules in force from time to time.

(y) Present status of the Share Option Scheme

As of the Latest Practicable Date, no option had been granted or agreed to be granted under the Share Option Scheme.

Application has been made to the Listing Committee for the listing of, and permission to deal in, the Shares which may be issued pursuant to the exercise of the options to be granted under the Share Option Scheme, being 804,785,866 Shares (assuming the Offer Price is HK$10.38) or 792,299,782 Shares (assuming the Offer Price is HK$13.88) in total.

E. EXEMPTION FROM THE COMPANIES ORDINANCE

Pursuant to Section 342(1) of the Companies Ordinance and paragraph 10 of the Third Schedule to the Companies Ordinance, we are required to disclose in this prospectus certain details relating to the Bondholders, namely, the names and addresses of the Bondholders, the principal amount of the Bonds subscribed by each of them and the number of Shares to be issued to each of them upon the mandatory and automatic exchange of the Bonds for Shares (the "Relevant Information").

We have applied to the SFC for a certificate of exemption under Section 342A(1) of the Companies Ordinance from strict compliance with the disclosure requirement of Section 342(1) of the Companies Ordinance in respect of paragraph 10 of the Third Schedule to the Companies Ordinance on the grounds that strict compliance by us with such disclosure requirement would be irrelevant. Each investor group holding the Bonds and each Bondholder is a third party who is not connected with our Group, our Directors or their associates, the LVS Group or LVS's directors or their associates. The Bondholders do not have any special rights in our Company and the Bonds will be mandatorily and automatically exchanged for Shares on the Listing Date. Following the mandatory and automatic exchange of the Bonds for Shares, the individual shareholding of each investor group holding the Bonds and each Bondholder in our Company will be less than 2.0% as described in "History and Reorganization—Pre-IPO Bonds—Bondholders." Such shareholding interest in our Company would be below the 5.0% disclosure of interest threshold under the SFO, and therefore, each Bondholder would not be required to publicly disclose its name, address and shareholding interest in our Company. Accordingly, it would be irrelevant to disclose the names and addresses of the Bondholders and their respective shareholding interest in our Company in this prospectus. The principal terms and conditions of the Bonds, including a brief description of the Bondholders and the aggregate shareholding interest of the Bondholders in our Company following the mandatory and automatic exchange of the Bonds for Shares, are set out in "History and Reorganization—Pre-IPO Bonds." Having regard to the above, the Directors are of the view that the grant of the exemption will not prejudice the interests of the investing public.

The SFC has granted the certificate of exemption under the Companies Ordinance on the condition that:

(1) a full list of all the Bondholders containing all the details of the Bonds required under paragraph 10 of the Third Schedule to the Companies Ordinance will be made available for public inspection in the form and manner as set out in "Documents Delivered to the Registrar of Companies and Available for Inspection—Documents Available for Inspection" in Appendix VIII to this prospectus;

(2) the following details in respect of the Bonds are disclosed in this prospectus:

  (a) the number of Bondholders and the aggregate number of Shares to be issued upon the mandatory and automatic exchange of the Bonds upon Listing;

  (b) the consideration paid for the Bonds;

  (c) the period during which the Bonds can be exchanged for Shares; and

  (d) the price at which the Bonds will be exchanged for Shares; and

(3) the particulars of the exemption are set out in this prospectus.

F. OTHER INFORMATION

1. Litigation

There have not been any disputes, claims or legal proceedings relating to the Subconcession to which any of the companies in our Group are parties or under which any of the companies in our Group may become liable to make any payment or be responsible for any loss. LVS has confirmed to our Company that, save as disclosed below, there have not been any disputes, claims or legal proceedings relating to the Subconcession to which any of the companies in the LVS Group are parties or under which they may become liable to make any payment or be responsible for any loss.

Our Company is not a party to the dispute or proceedings forming the subject of the CDC Settlement. The settlement arose from an action filed by CDC on January 26, 2006 against LVS, Las Vegas Sands, LLC, Venetian Venture Development, LLC and various unspecified individuals and companies in the District Court of Clark County, Nevada. The plaintiffs asserted breach of an agreement to pay a success fee in an amount equal to 5% of the ownership interest in VML, the entity that owns and operates the Macao gaming Subconcession, as well as other related claims. In April 2006, LVS was dismissed as a party without prejudice based on a stipulation to do so between the parties. The impact of the settlement on our Company is the change in percentage shareholding of LVS in our Company, which has been disclosed on page 79 of this prospectus. LVS has obtained from the counterparties to the confidential settlement agreement their consent with respect to such disclosure on page 79 of this prospectus.

Our Company understands from LVS that on June 30, 2008, the District Court of Clark County in Nevada entered a judgment against LVS in the amount of $58.6 million, including pre-judgment interest, in relation to a quantum meruit claim for the alleged value of consulting and other services provided by the plaintiff and his group in connection with LVS's successful acquisition of a gaming concession in Macau. Our Company is not party to such dispute or proceedings or such judgment. Our Company understands from LVS that LVS believes it has factual, evidentiary and procedural grounds on which to pursue an appeal and that LVS is continuing to take vigorous action to appeal such judgment.

Further, our Company understands from LVS that proceedings were also previously commenced on February 5, 2007, by a party called Asian American Entertainment Corporation, Limited against certain companies in the LVS Group seeking damages and disgorgement of profits in relation to an alleged breach of a contract pursuant to which the plaintiff and LVS were to jointly develop hotels and casinos in Macau under any gaming concession successfully obtained by the joint venture parties. As we understand from LVS, the original action comprised several other claims which were subsequently held to have become time-barred, and at this point in time, the proceedings in respect of the one remaining claim, as described above, are in the preliminary discovery phase, and trial is not likely to occur until late 2010 or early 2011. Our Company is not party to such dispute or such proceedings.

Save and except as disclosed in "Business—Legal Proceedings," as of the Latest Practicable Date, we are not aware of any other litigation or arbitration proceedings of material importance pending or threatened against us or any of our Directors that could have a material adverse effect on our financial condition or results of operations.

2. Joint Sponsors

The Joint Sponsors have made an application on behalf of our Company to the Listing Committee for a listing of, and permission to deal in, all the Shares in issue and to be issued as mentioned in this prospectus (including any Shares which may be issued pursuant to the exercise of any options which may be granted under the Share Option Scheme).

3. Preliminary Expenses

The preliminary expenses of our Company are estimated to be approximately HK$500,000 and are payable by our Company.

4. Promoter

Our Company has no promoter for the purpose of the Listing Rules. Save as disclosed in this prospectus, within the two years immediately preceding the date of this prospectus, no cash, securities or other benefit has been paid, allotted or given nor are any proposed to be paid, allotted or given to any promoters in connection with the Global Offering and the related transactions described in this prospectus.

5. Taxation of Holders of Shares

(a) *Hong Kong*

The sale, purchase and transfer of Shares registered with our Company's Hong Kong branch register of members will be subject to Hong Kong stamp duty and the current rate charged on each of the purchaser and seller is 0.1% of the consideration of, or if higher, the fair value of the Shares being sold or transferred. Profits from dealings in the Shares arising in or derived from Hong Kong may also be subject to Hong Kong profits tax for persons who carry on a business of trading or dealing in securities in Hong Kong. No Hong Kong stamp duty will be levied on the transfer of shares that are registered on a share register outside Hong Kong.

(b) *Consultation with Professional Advisers*

Intending holders of the Shares are recommended to consult their professional advisers if they are in doubt as to the taxation implications of subscribing for, purchasing, holding or disposing of or dealing in the Shares. It is emphasized that none of our Company, the Joint Sponsors the Directors or the other parties involved in the Global Offering can accept responsibility for any tax effect on, or liabilities of, holders of Shares resulting from their subscription for, purchase, holding or disposal of or dealing in Shares or exercise of any rights attaching to them.

6. Qualification of Experts

The following are the qualifications of the experts who have given opinion or advice which are contained in this prospectus:

Name	Qualifications
CB Richard Ellis Limited	Property valuer
CLSA Equity Capital Markets Limited	Licensed under the SFO to carry out Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities
Goldman Sachs (Asia) L.L.C.	Licensed under the SFO to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 5 (advising on futures contracts), Type 6 (advising on corporate finance), Type 7 (providing automated trading services) and Type 9 (asset management) regulated activities
Leonel Alves Law Firm	Macau legal advisor
MWE China Law Offices	PRC legal advisor
PricewaterhouseCoopers	Certified public accountants, Hong Kong
PricewaterhouseCoopers Ltd.	Internal control consultants
Walkers	Cayman Islands attorneys-at-law

7. Consents of Experts

Each of CB Richard Ellis Limited, CLSA, Goldman Sachs, Leonel Alves Law Firm, MWE China Law Offices, PricewaterhouseCoopers, PricewaterhouseCoopers Ltd. and Walkers has given and has not withdrawn its respective written consent to the issue of this prospectus with the inclusion of its report and/or letter and/or valuation certificate and/or opinion and/or the references to its name included in this prospectus the form and context in which it is respectively included.

8. Binding Effect

This prospectus shall have the effect, if an application is made in pursuance of this prospectus, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of Sections 44A and 44B of the Companies Ordinance insofar as applicable.

9. Particulars of Selling Shareholder

The particulars of the Selling Shareholder are as follows:

Name: VVDI (II)

Description: Corporation

Address: Walkers Corporate Services Limited of Walker House, of 87 Mary Street, George Town, Grand Cayman KY1-9005, Cayman Islands

Sole Shareholder: LVS Dutch Intermediate Holding BV

Director: Mr. Michael A. Leven

Number of Sale Shares: 600,000,000 Shares

10. Miscellaneous

(a) Save as disclosed in this prospectus, within the two years immediately preceding the date of this prospectus:

(i) no share or loan capital of our Company or any of our subsidiaries has been issued or agreed to be issued or is proposed to be fully or partly paid either for cash or a consideration other than cash;

(ii) no share or loan capital of our Company or any of our subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;

(iii) no founders or management or deferred shares of our Company or any of our subsidiaries have been issued or agreed to be issued;

(iv) no commissions, discounts, brokerages or other special terms have been granted or agreed to be granted in connection with the issue or sale of any share or loan capital of our Company or any of our subsidiaries; and

(v) no commission has been paid or is payable for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription of any share in our Company or any of our subsidiaries.

(b) Our Directors confirm that:

(i) there has been no material adverse change in the financial or trading position or prospects of our Group since June 30, 2009 (being the date to which the latest audited combined financial statements of our Group were prepared); and

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

The documents attached to the copy of this prospectus delivered to the Registrar of Companies in Hong Kong for registration were:

(a) a copy of each of the WHITE, YELLOW and GREEN Application Forms;

(b) the written consents referred to in "Statutory and General Information—Other Information—Consents of Experts" in Appendix VII to this prospectus;

(c) a statement of particulars of the Selling Shareholder; and

(d) a copy of each of the material contracts referred to in "Statutory and General Information—Further Information About Our Business—Summary of Material Contracts" in Appendix VII to this prospectus.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the offices of Sidley Austin at 39/F, Two International Finance Centre, 8 Finance Street, Central, Hong Kong during normal business hours up to and including the date which is 14 days from the date of this prospectus:

(a) our Memorandum and Articles of Association;

(b) the Accountant's Report on our Group from PricewaterhouseCoopers, the text of which is set out in Appendix I to this prospectus;

(c) the audited financial statements prepared for the companies comprising our Group for the years ended December 31, 2007 and 2008 (or for the period since their respective dates of incorporation where it is shorter);

(d) the report from PricewaterhouseCoopers in respect of the unaudited pro forma financial information, the text of which is set out in Appendix II to this prospectus;

(e) the letters from each of PricewaterhouseCoopers and the Joint Sponsors relating to the profit forecast, the texts of which are set out in Appendix III to this prospectus;

(f) the letter, the summary of values and valuation certificates relating to the property interests of our Group prepared by CB Richard Ellis Limited, the texts of which are set out in Appendix IV to this prospectus;

(g) the letter from Walkers summarizing the constitution of our Company and certain aspects of Cayman Islands company law referred to in "Summary of the Constitution of Our Company and Cayman Companies Law" in Appendix VI to this prospectus;

(h) the Cayman Companies Law;

(i) the material contracts referred to in "Statutory and General Information—Further Information About Our Business—Summary of Material Contracts" in Appendix VII to this prospectus;

(j) the written consents referred to in "Statutory and General Information—Other Information—Consents of Experts" in Appendix VII to this prospectus;

(k) the rules of the Share Option Scheme;

(l) the report from PricewaterhouseCoopers Ltd. on the limited assurance engagement on our Group's anti-money laundering procedures, systems and controls, the text of which is set out in Appendix V to this prospectus;

(m) a statement of particulars of the Selling Shareholder; and

(n) a list setting out certain details of the Bondholders.

(ii) there has not been any interruption in the business of our Group which may have or has had a significant effect on the financial position of our Group in the 12 months preceding the date of this prospectus.

(c) The principal register of members of our Company will be maintained in the Cayman Islands by Walkers Corporate Services Limited and a branch register of members of our Company will be maintained in Hong Kong by Computershare Hong Kong Investor Services Limited. Unless the Directors otherwise agree, all transfer and other documents of title of Shares must be lodged for registration with and registered by our Hong Kong Share Registrar and may not be lodged in the Cayman Islands.

(d) All necessary arrangements have been made to enable our Shares to be admitted into CCASS for clearing and settlement.

(e) No company within our Group is presently listed on any stock exchange or traded on any trading system.

(f) The Directors have been advised that, under the Cayman Companies Law, the use of a Chinese name by our Company for identification purposes only does not contravene the Cayman Companies Law.

(g) The English and Chinese language versions of this prospectus are being published separately, in reliance upon the exemption provided by Section 4 of the Companies Ordinance (Exemption from Companies and prospectuses from Compliance Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

[THIS PAGE INTENTIONALLY LEFT BLANK]

If you are in any doubt about any of the contents of this prospectus, you should obtain independent professional advice.

SANDS CHINA LTD.

金沙中國有限公司*

(incorporated in the Cayman Islands with limited liability)

GLOBAL OFFERING

Number of Offer Shares under the Global Offering	:	1,870,000,000, comprising 1,270,000,000 new Shares to be offered by us and 600,000,000 Sale Shares to be offered by the Selling Shareholder (subject to the Over-allotment Option)
Number of Hong Kong Public Offer Shares	:	187,000,000 new Shares (subject to adjustment)
Number of International Offer Shares	:	1,683,000,000, comprising 1,083,000,000 new Shares to be offered by us and 600,000,000 Sale Shares to be offered by the Selling Shareholder (subject to adjustment and the Over-allotment Option)
Offer Price	:	not more than HK$13.88 per Offer Share payable in full on application in Hong Kong dollars, plus brokerage of 1.0%, SFC transaction levy of 0.004% and Stock Exchange trading fee of 0.005%, subject to refund
Nominal Value	:	US$0.01 per Share
Stock Code	:	1928

Joint Global Coordinators

Goldman Sachs　　citi

Joint Sponsors

Goldman Sachs　　CLSA

Joint Bookrunners and Lead Managers

Goldman Sachs　citi　BARCLAYS CAPITAL　BNP PARIBAS CORPORATE & INVESTMENT BANKING　UBS Investment Bank

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

A copy of this prospectus, having attached thereto the documents specified in "Documents Delivered to the Registrar of Companies and Available for Inspection" in Appendix VIII to this prospectus, has been registered by the Registrar of Companies in Hong Kong as required by Section 342C of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong). The Securities and Futures Commission of Hong Kong and the Registrar of Companies in Hong Kong take no responsibility for the contents of this prospectus or any of the other documents referred to above.

The Offer Price is expected to be fixed by agreement between the Joint Bookrunners (jointly on behalf of the Underwriters), the Selling Shareholder and us on the Price Determination Date. The Price Determination Date is expected to be on or around Saturday, November 21, 2009 and, in any event, not later than Friday, November 27, 2009. The Offer Price will be not more than HK$13.88 per Offer Share and is currently expected to be not less than HK$10.38 per Offer Share, unless otherwise announced.

The Joint Bookrunners (jointly on behalf of the Underwriters) may, with the Selling Shareholder's and our consent, reduce the number of Offer Shares and/or the indicative Offer Price range below that stated in this prospectus at any time prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such a case, notices of the reduction in the number of Offer Shares and/or the indicative Offer Price range will be published in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese) as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the last day for lodging applications under the Hong Kong Public Offering. If applications for Hong Kong Public Offer Shares have been submitted prior to the last day for lodging applications under the Hong Kong Public Offering, then even if the number of Offer Shares and/or the indicative Offer Price range is so reduced, such applications cannot be subsequently withdrawn. Further details are set out in "Structure of the Global Offering" and "How to Apply for Hong Kong Public Offer Shares." If, for any reason, we, the Selling Shareholder and the Joint Bookrunners (jointly on behalf of the Underwriters) are unable to reach an agreement on the Offer Price, the Global Offering (including the Hong Kong Public Offering) will not proceed and will lapse.

Prior to making an investment decision, prospective investors should consider carefully all the information set out in this prospectus, including, in particular, the risk factors set out in "Risk Factors."

The obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement to subscribe or procure subscribers for the Hong Kong Public Offer Shares are subject to termination by Goldman Sachs, Citi and UBS (jointly on behalf of the Hong Kong Underwriters) if certain grounds arise at any time prior to 8:00 a.m. on the Listing Date. Such grounds are set out in "Underwriting—Underwriting Arrangements and Expenses—Hong Kong Public Offering—Grounds for Termination."

The Offer Shares have not been, and will not be, registered under the U.S. Securities Act and may be offered or sold, pledged or transferred only (i) in the United States to QIBs, in reliance on Rule 144A under the U.S. Securities Act and (ii) outside the United States in accordance with Regulation S under the U.S. Securities Act.

November 16, 2009

* For identification purposes only.

EXPECTED TIMETABLE[1]

We will issue an announcement in Hong Kong to be published in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese) if there is any change in the following expected timetable of the Hong Kong Public Offering.

Application lists open[2]	11:45 a.m. on Thursday, November 19, 2009
Latest time to complete electronic applications under **White Form eIPO** service through the designated website **www.eipo.com.hk**[3]	11:30 a.m. on Thursday, November 19, 2009
Latest time to lodge **WHITE** and **YELLOW** Applications Forms and give **electronic application instructions** to HKSCC[4]	12:00 noon on Thursday, November 19, 2009
Latest time to complete payment of **White Form eIPO** applications by effecting internet banking transfer(s) or PPS payment transfer(s)	12:00 noon on Thursday, November 19, 2009
Application lists close[2]	12:00 noon on Thursday, November 19, 2009
Expected Price Determination Date[5]	Saturday, November 21, 2009
(1): Announcement of the Offer Price, the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocation of the Hong Kong Public Offer Shares to be published in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese) on or before	Friday, November 27, 2009
(2): Results of allocations in the Hong Kong Public Offering (with successful applicants' identification document numbers, where appropriate) to be available through a variety of channels as described in "How to Apply for Hong Kong Public Offer Shares—Publication of Results"	Friday, November 27, 2009
(3): A full announcement of the Hong Kong Public Offering containing (1) and (2) above to be published on the website of the Hong Kong Stock Exchange at **www.hkexnews.hk**[6] and the Company's website at **www.sandschinaltd.com**[7] from	Friday, November 27, 2009
Results of allocations in the Hong Kong Public Offering will be available at **www.iporesults.com.hk** with a "search by ID" function	Friday, November 27, 2009
Dispatch of Share certificates in respect of wholly or partially successful applications pursuant to the Hong Kong Public Offering on or before[8]	Friday, November 27, 2009
Dispatch of White Form e-Refund payment instructions and refund cheques in respect of wholly successful (if applicable) or wholly or partially unsuccessful applications pursuant to the Hong Kong Public Offering on or before[9]	Friday, November 27, 2009
Dealings in Shares on the Stock Exchange to commence on	Monday, November 30, 2009

EXPECTED TIMETABLE(1)

(1) All dates and times refer to Hong Kong local dates and times, unless otherwise stated. Details of the structure of the Global Offering, including its conditions, are set out in "Structure of the Global Offering."

(2) If there is a "black" rainstorm warning or a tropical cyclone warning signal number eight or above in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Thursday, November 19, 2009, the application lists will not open and close on that day. Further information is set out in "How to Apply for Hong Kong Public Offer Shares—When May Applications Be Made—Effect of Bad Weather on the Opening of the Application Lists." If the application lists do not open and close on Thursday, November 19, 2009, the dates mentioned in this section may be affected. A press announcement will be made by us in such event.

(3) You will not be permitted to submit your application to the White Form eIPO Service Provider through the designated website, **www.eipo.com.hk**, after 11:30 a.m. on the last day for submitting applications. If you have already submitted your application and obtained a payment reference number from the designated website prior to 11:30 a.m., you will be permitted to continue the application process (by completing payment of application monies) until 12:00 noon on the last day for submitting applications, when the application lists close.

(4) Applicants who apply for Hong Kong Public Offer Shares by giving electronic application instructions to HKSCC should refer to "How to Apply for Hong Kong Public Offer Shares—Applying by Giving Electronic Application Instructions to HKSCC."

(5) We expect to determine the Offer Price by agreement with the Joint Bookrunners (jointly on behalf of the Underwriters) and the Selling Shareholder on the Price Determination Date. The Price Determination Date is expected to be on or around Saturday, November 21, 2009 and, in any event, no later than Friday, November 27, 2009. If, for any reason, the Offer Price is not agreed between the Joint Bookrunners (jointly on behalf of the Underwriters), the Selling Shareholder and us by Friday, November 27, 2009, the Global Offering (including the Hong Kong Public Offering) will not proceed and will lapse.

(6) The announcement will be available for viewing on the "Main Board—Allotment of Results" page on the Hong Kong Stock Exchange's website at **www.hkexnews.hk.**

(7) None of the website or any of the information contained on the website forms part of this prospectus.

(8) Share certificates for the Hong Kong Public Offer Shares are expected to be issued on Friday, November 27, 2009 but will only become valid certificates of title if (i) the Global Offering has become unconditional in all respects, and (ii) neither of the Underwriting Agreements has been terminated in accordance with its terms at any time prior to 8:00 a.m. on the Listing Date, which is expected to be Monday, November 30, 2009. Investors who trade Shares on the basis of publicly available allocation details prior to the receipt of Share certificates or prior to the Share certificates becoming valid certificates of title do so entirely at their own risk. If the Global Offering does not become unconditional or the Underwriting Agreements are terminated in accordance with their terms, we will make an announcement as soon as possible.

(9) e-Refund payment instructions/refund cheques will be issued in respect of wholly or partially unsuccessful applications, and in respect of wholly or partially successful applications if the final Offer Price is less than the price payable on application.

Applicants who apply on **WHITE** Application Forms or through **White Form eIPO** service for 1,000,000 Hong Kong Public Offer Shares or more under the Hong Kong Public Offering and have indicated in their **WHITE** Application Forms that they wish to collect refund cheques and Share certificates (where applicable) in person from our Hong Kong Share Registrar may do so in person from our Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong from 9:00 a.m. to 1:00 p.m. on Friday, November 27, 2009. Applicants being individuals who opt for personal collection must not authorize any other person to make collection on their behalf. Applicants being corporations who opt for personal collection must attend by their authorized representatives bearing letters of authorization from their corporation stamped with the corporation's chop. Both individuals and authorized representatives of corporations must produce, at the time of collection, evidence of identity acceptable to Computershare Hong Kong Investor Services Limited.

Applicants who apply through the **White Form eIPO** service and paid their applications monies through single bank accounts may have refund monies (if any) dispatched to their application payment bank account, in the form of e-Refund payment instructions. Applicants who apply through the **White Form eIPO** service and paid their application monies through multiple bank accounts may have refund monies (if any) dispatched to the address as specified in their application instructions to the White Form eIPO Service Provider, in the form of refund cheques, by ordinary post at their own risk.

Applicants who apply on **YELLOW** Application Forms for 1,000,000 Hong Kong Public Offer Shares or more under the Hong Kong Public Offering and have indicated in their Application Forms that they wish to collect refund cheques in person may collect their refund cheques (if any) but may not elect to collect their Share certificates, which will be deposited into CCASS for credit to their

designated CCASS Participant stock accounts or CCASS Investor Participant stock accounts, as appropriate. The procedures for collection of refund cheques for the applicants who apply on **YELLOW** Application Forms are the same as those for **WHITE** Application Form applicants.

Applicants who apply for Hong Kong Public Offer Shares by giving **electronic application instructions** to HKSCC should refer to "How to Apply for Hong Kong Public Offer Shares—Applying by Giving Electronic Application Instructions to HKSCC" for details.

Uncollected Share certificates and refund cheques (where applicable) will be dispatched by ordinary post (at the applicants' own risk) to the addresses specified in the relevant Application Forms promptly thereafter. Further information is set out in "How to Apply for Hong Kong Public Offer Shares—Dispatch/Collection of Share Certificates/e-Refund Payment Instructions/Refund Cheques."

CONTENTS

You should rely only on the information contained in this prospectus and the Application Forms to make your investment decision. We have not authorized anyone to provide you with information that is different from what is contained in this prospectus. Any information or representation not made in this prospectus must not be relied on by you as having been authorized by us, the Selling Shareholder, the Joint Global Coordinators, the Joint Bookrunners, the Joint Sponsors, any of the Underwriters, any of our or their respective directors, officers or representatives, or any other person or party involved in the Global Offering.

		Page
EXPECTED TIMETABLE		i
SUMMARY		1
DEFINITIONS		21
GLOSSARY OF TECHNICAL TERMS		30
FORWARD-LOOKING STATEMENTS		34
RISK FACTORS		36
WAIVERS FROM COMPLIANCE WITH THE LISTING RULES AND EXEMPTION FROM THE COMPANIES ORDINANCE		64
INFORMATION ABOUT THIS PROSPECTUS AND THE GLOBAL OFFERING		68
PARTIES INVOLVED IN THE GLOBAL OFFERING		71
CORPORATE INFORMATION		74
HISTORY AND REORGANIZATION		75
THE SUBCONCESSION		85
INDUSTRY OVERVIEW		94
BUSINESS		106
INTERNAL CONTROLS AND ANTI-MONEY LAUNDERING		132
REGULATION		143
FINANCIAL INFORMATION		157
RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS		211
CONNECTED TRANSACTIONS		217
DIRECTORS AND SENIOR MANAGEMENT		227
SUBSTANTIAL SHAREHOLDERS		233
SHARE CAPITAL		235
FUTURE PLANS AND USE OF PROCEEDS		237
UNDERWRITING		238
STRUCTURE OF THE GLOBAL OFFERING		244
HOW TO APPLY FOR HONG KONG PUBLIC OFFER SHARES		251
APPENDIX I	— ACCOUNTANT'S REPORT	I-1
APPENDIX II	— UNAUDITED PRO FORMA FINANCIAL INFORMATION	II-1
APPENDIX III	— PROFIT FORECAST	III-1
APPENDIX IV	— PROPERTY VALUATION	IV-1
APPENDIX V	— SUMMARY OF THE REVIEW OF ANTI-MONEY LAUNDERING PROCEDURES, SYSTEMS AND CONTROLS	V-1
APPENDIX VI	— SUMMARY OF THE CONSTITUTION OF OUR COMPANY AND CAYMAN COMPANIES LAW	VI-1
APPENDIX VII	— STATUTORY AND GENERAL INFORMATION	VII-1
APPENDIX VIII	— DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES AND AVAILABLE FOR INSPECTION	VIII-1

SUMMARY

This summary aims to give you an overview of the information contained in this prospectus. As this is a summary, it does not contain all the information that may be important to you. You should read this prospectus in its entirety before you decide to invest in the Shares. There are risks associated with any investment. Some of the particular risks in investing in the Shares are set out in "Risk Factors." You should read that section carefully before you decide to invest in the Shares.

OVERVIEW

We are the leading developer, owner and operator of integrated resorts and casinos in Macau as measured by EBITDA for the year ended December 31, 2008 and the six months ended June 30, 2009.(1) We are the largest operator of integrated resorts in Macau, which contain not only gaming areas but also meeting space, convention and exhibition halls, retail and dining areas and entertainment venues. We believe that our integrated resorts are unique to Macau and differentiate us from our competitors. VML, our subsidiary, holds one of six concessions or subconcessions permitted by the Macau Government to operate casinos or gaming areas in Macau. Macau is the largest gaming market in the world as measured by casino gaming revenue and is the only location in China offering legalized casino gaming.

We own The Venetian Macao, the Sands Macao and the Plaza Macao. We also own one of the largest convention and exhibition halls in Asia, Macau's largest entertainment venue, The CotaiArena™, and one of three major high-speed ferry companies operating between Hong Kong and Macau. Our luxury and mid-market retail malls feature over 380 shops with well-known retail brands such as Calvin Klein, Cartier, Chanel, Esprit, Gucci, Hermès, Louis Vuitton, Nike and Prada, as well as the Malo Clinic and Spa, one of Asia's largest medical and beauty spas. As of June 30, 2009, our properties featured a combined 3,554 suites and hotel rooms, 1,098 table games, 3,631 slot machines, over 60 different restaurants and food outlets, as well as other integrated resort amenities.

Our business strategy is to develop Cotai and to leverage our integrated resort business model to create Asia's premier gaming, leisure and convention destination. Our ultimate plans for Cotai include five interconnected integrated resorts, which leverage a wide range of branded hotel and resort offerings to attract different segments of the market. When completed, we expect our Cotai Strip development to contain over 20,000 hotel rooms, over 1.6 million square feet of MICE space, over 2.0 million square feet of retail malls, six theaters and other amenities. We believe our business strategy and development plan will allow us to achieve more consistent demand, longer average lengths of stay in our hotels and higher margins than more gaming-centric facilities.

Our properties are designed to cater to a broad range of customers, including the following:

- Leisure customers who visit resort destinations for quality accommodations, retail, dining, entertainment, spas and sightseeing, and who may opt to game as part of that experience;
- MICE organizers who seek an environment which attracts more buyers and exhibitors to trade shows and exhibitions because of the quality and ambiance of the venue, business-friendly accommodations, dining and other resort facilities;
- MICE participants who attend trade shows, exhibitions and conventions in venues that offer them quality business-friendly accommodations, entertainment, dining and retail facilities;
- Mass market players, who represent the highest profit margin gaming segment, and are characterized by non-rolling chip and slot machine play; and
- VIP and premium players, who enjoy our private Paiza Club gaming rooms, luxury accommodations and amenities, and are characterized by rolling chip play.

---

(1) Based on publicly available information, including company financial reports.

In May 2004, we opened the Sands Macao to target the mass market segment. The Sands Macao was the first Las Vegas-style casino in Macau, and currently contains a mix of gaming areas for mass market, VIP and premium players, and entertainment and dining facilities. In August 2007, we opened Macau's largest integrated resort, The Venetian Macao, and in August 2008, we opened the Plaza Macao, a boutique luxury integrated resort featuring a Four Seasons Hotel and the Plaza Casino. In July 2009, we opened our ultra-exclusive Paiza mansions at the Plaza Macao. These mansions are individually designed and made available by invitation only.

Our next phase of expansion is the integrated resort on Parcels 5 and 6 in Cotai, for which we have received a final draft land concession contract from the Macau Government. At just under 13.3 million square feet, upon completion, the integrated resort on Parcels 5 and 6 will be a significant expansion of our footprint in Cotai. We expect to complete construction of Parcels 5 and 6 in three phases. Phases I and II of the integrated resort are expected to feature approximately 6,000 hotel rooms and approximately 1.2 million square feet consisting of retail, entertainment and dining facilities, MICE space and a multi-purpose theater. The integrated resort will also feature approximately 300,000 square feet of gaming space, which, subject to Macau Government approval, will be sufficient to accommodate up to 670 tables and 2,200 slot machines. Phase I is expected to consist of two hotel towers with over 3,700 Sheraton, Shangri-La and Traders branded hotel rooms, as well as completion of the structural works for an adjacent 2,300-room Sheraton hotel tower. These hotel brands have over 47 sales, marketing and reservation offices worldwide, which we expect to be able to leverage to drive mid week MICE and leisure traveler business. Phase I will also consist of gaming space, a multi-purpose theater and partial opening of the retail and MICE facilities. The total cost to complete Phase I, excluding interest expense, is expected to be approximately US$2.0 billion. Phase II consists of the internal fit-out of the second Sheraton-branded hotel tower, as well as the completion and fit-out of the remaining retail facilities. The total cost to complete Phase II, excluding interest expense, is expected to be approximately US$190.0 million. Phase III, which is to commence at a future date as demand and market conditions warrant, is expected to include a luxury St. Regis-branded hotel and mixed use tower. The total cost to complete Phase III, excluding interest expense, is expected to be approximately US$443.0 million. We began construction of Parcels 5 and 6 in 2006 and suspended construction in November 2008 due to the global economic downturn. We plan to restart construction once we have sufficient funds necessary to complete Phases I and II. We intend to fully fund the development and construction costs related to Phases I and II with at least US$500.0 million of the proceeds from the Global Offering, together with project financing of up to US$1.75 billion that we are currently seeking to obtain from a group of lenders and, to the extent necessary, cash flow from existing and future operations. As of the Latest Practicable Date, we have received aggregate commitments for project financing in the amount of US$1.45 billion from commercial banks and other financial institutions, including from affiliates of all the Joint Bookrunners, towards the targeted US$1.75 billion of total project financing that we are seeking. Once we recommence construction, we estimate that it will take approximately 18 months to complete construction of Phase I and another six months thereafter to complete the internal fit-out of the adjacent Sheraton hotel tower in Phase II. The remaining retail facilities of Phase II are expected to be completed within 24 months after the adjacent Sheraton hotel tower is completed. As of June 30, 2009, we had capitalized construction costs of approximately US$1.7 billion (HK$13.2 billion) on the development of Parcels 5 and 6 and, if supplemental financing is secured, we expect to spend an additional US$2.2 billion to complete Phases I and II.

Once construction of Parcels 5 and 6 is completed, economic conditions improve, future demand warrants and additional financing is obtained, we will develop Parcel 3, for which we have obtained a land concession from the Macau Government, followed by Parcels 7 and 8, for which we have not yet obtained a land concession. Parcel 3 is presently planned to include over 4,000 branded hotel rooms and will be connected to the Plaza Macao and the convention and exhibition hall at The Venetian Macao. We expect Parcels 7 and 8 to contain an integrated resort that will be similar in size and scope to the integrated resort located on Parcels 5 and 6.

SUMMARY

Our total net revenues for the year ended December 31, 2008 were US$3,053.3 million with an adjusted EBITDAR of US$686.0 million, a 55.3% and 33.4% increase, respectively, over the same period in 2007. For the six months ended June 30, 2009, our total net revenues were US$1,500.6 million (HK$11,629.5 million) with an adjusted EBITDAR of US$337.7 million (HK$2,616.8 million). For the six months ended June 30, 2008, our total net revenues were US$1,490.6 million with an adjusted EBITDAR of US$349.2 million. The following table sets forth summary financial information for our operations for the periods indicated:

	For the year ended December 31,			For the six months ended June 30,		
	2006	2007	2008	2008	2009	2009
	US$	US$	US$	US$	US$	HK$
	(in millions, except percentages)					
Net revenues						
Casino	1,265.2	1,846.2	2,669.7	1,325.4	1,317.1	10,207.7
Rooms	0.1	49.3	140.0	67.5	55.5	429.9
Food and beverage	12.9	28.1	54.3	24.5	25.4	197.2
Mall	—	24.8	123.0	48.4	64.1	496.9
Convention, ferry, retail and other	2.9	17.9	66.4	24.8	38.4	297.7
Total net revenues	1,281.1	1,966.2	3,053.3	1,490.6	1,500.6	11,629.5
Profit for the year/period	375.8	196.1	175.7	114.0	58.0	449.3
Adjusted EBITDAR(1) (unaudited)	457.7	514.3	686.0	349.2	337.7	2,616.8
Adjusted EBITDAR Margin	35.7%	26.2%	22.5%	23.4%	22.5%	22.5%

(1) Adjusted EBITDAR is used by management as the primary measure of operating performance of our Group's properties and to compare the operating performance of our Group's properties with that of its competitors. However, adjusted EBITDAR should not be considered in isolation; construed as an alternative to profit or operating profit; as an indicator of our IFRS operating performance, other combined operations or cash flow data; or as an alternative to cash flow as a measure of liquidity. Adjusted EBITDAR presented in this prospectus may not be comparable to other similarly titled measures of other companies. In addition, our adjusted EBITDAR presented in this prospectus may differ from adjusted EBITDAR presented by LVS for its Macau segment in its filings with the U.S. Securities and Exchange Commission. For a quantitative reconciliation of adjusted EBITDAR to its most directly comparable IFRS measurement, operating profit for the years ended December 31, 2006, 2007 and 2008, for the six months ended June 30, 2008 and 2009 and for the three months ended September 30, 2008 and 2009, see "Financial Information—Summary of Results of Operations—Adjusted EBITDAR."

As part of our business strategy, we intend to focus on the high-margin mass market gaming segment while continuing to provide luxury amenities and high service levels to our VIP and premium players, which have historically accounted for a substantial portion of our gross gaming revenue. For the six months ended June 30, 2009, we derived approximately 12.2% of our total net revenues from non-gaming operations and 45.8% of our gross gaming revenue, or 81.9% of gross gaming profit, from mass market players. In line with our strategy, this percentage represents a material improvement in mass market play over the year ended December 31, 2008. For the year ended December 31, 2008, we derived approximately 12.6% of our total net revenues from non-gaming operations and 43.1% of our gross gaming revenue, or 72.4% of gross gaming profit, from mass market players. According to the DICJ, for the six months ended June 30, 2009, our three existing Macau properties enjoyed an approximately 24.6% share of Macau gaming revenue.

For information on our financial results as of and for the three months ended September 30, 2009, see "—Summary Combined Financial Information" and "Financial Information—Recent Developments."

SUMMARY

KEY STRENGTHS

We believe that we have a number of key strengths that differentiate our business from that of our competitors, including the following:

- Diversified, high quality integrated resort offerings with substantial non-gaming amenities;
- Substantial cash flow from existing operations and a significant development pipeline;
- Established brands with broad regional and international market awareness and appeal;
- Experienced management team with proven track record; and
- Significant benefits from our on-going relationship with LVS.

BUSINESS STRATEGIES

Building on our key strengths, we seek to enhance our position as the leading developer and operator of integrated resorts and casinos in Macau by continuing to implement the following business strategies:

- Develop and diversify our integrated resort offerings in Cotai to include a full complement of products and services to cater to different market segments;
- Leverage our scale of operations to create and maintain an absolute cost advantage;
- Focus on the high-margin mass market gaming segment while continuing to provide luxury amenities and high service levels to our VIP and premium players; and
- Monetize our non-core assets to reduce net investment through the sale of retail malls and the sale or co-op of luxury apart-hotels.

RISK FACTORS

There are risks and uncertainties relating to our business, the gaming industry in Macau, operating in Macau and mainland China in general, and the Global Offering. A summary of these risks is set forth in "Risk Factors." These risks can be classified as follows:

Risks Relating to Our On-going Operations

- Our existing debt has substantial near term maturities and we may not be able to refinance such debt.
- Recent disruptions in the financial markets could adversely affect our ability to refinance existing obligations or raise additional financing. Should general economic and capital market conditions not improve, should we be unable to obtain sufficient funding such that completion of our suspended projects is not feasible, or should management decide to abandon certain projects, all or a portion of our investment to date on our suspended projects could be lost.
- Certain events relating to our Controlling Shareholders may trigger an event of default under our Macau Credit Facility.
- Our current substantial debt or the incurrence of additional debt to finance our planned development projects could impair our financial condition, results of operations and cash flows.
- The terms of our credit agreements may restrict our current and future operations, particularly our ability to finance additional growth or take actions that may otherwise be in our best interests.
- Our business is particularly sensitive to reductions in discretionary consumer spending resulting from downturns in the economy or other factors.

- Our business is sensitive to the willingness or ability of our customers to travel. Acts of terrorism, regional political events, or outbreaks of epidemics or fears concerning such outbreaks could cause severe disruptions in travel and reduce the number of visitors to our facilities.
- We are dependent upon a single market for all of our current cash flows.
- The Macau Government can terminate VML's Subconcession under certain circumstances without compensation to VML, which would have a material adverse effect on our business, financial condition, results of operations and cash flows.
- We will stop generating any revenues from our Macau gaming operations if we cannot secure an extension of VML's Subconcession in 2022 or if the Macau Government exercises its redemption right.
- As a result of LVS's majority ownership in us, certain Nevada, Singapore and Pennsylvania gaming laws apply to our planned and on-going gaming activities and associations in Macau. If our operations, activities or associations do not comply with Nevada, Singapore and Pennsylvania gaming laws or laws of other jurisdictions in which LVS operates or may operate in the future, LVS may be compelled to curtail or sever its relationship with us, which would have a material adverse effect on us.
- LVS, our Controlling Shareholder, is subject to certain U.S. federal and state laws, which may impose on us greater administrative burdens and costs than we would otherwise have.
- Our insurance coverage may not be adequate to cover all possible losses that our properties could suffer. In addition, our insurance costs may increase and we may not be able to obtain the same insurance coverage in the future.
- We may not be able to monetize some of our non-core real estate assets.
- The expiration of our exemptions from complementary tax and property tax could have a material adverse effect on our business, financial condition, results of operations and cash flows.
- We may have financial and other obligations to foreign workers managed by our construction contractors under government labor quotas.
- Theoretical win rates for our casino operations depend on a variety of factors, some beyond our control.
- We face the risk of fraud or cheating.
- We may not be able to prevent the occurrence of money laundering activities at our casinos or gaming areas in spite of our anti-money laundering policies and compliance with applicable anti-money laundering laws.
- We depend on the continued services of key management personnel and we may not be able to attract and retain professional staff necessary for our existing and future properties in Macau.
- Our primary source of cash is and will be dividends from our subsidiaries, which are subject to limitations on their ability to pay dividends.
- We are controlled by LVS, our Controlling Shareholder, whose interest in our business may be different from yours.
- LVS operates and may develop additional integrated resorts or casinos outside of mainland China, Macau, Hong Kong and Taiwan that may compete with our properties. LVS may also compete with us when the undertakings in the Non-Competition Deed are terminated.
- Our Group may lose its right to use certain critical trademarks if the Second Trademark Sub-License Agreement is terminated.

- As a stand-alone public company, we may not have full access to the resources of LVS and may experience increased costs resulting from our separation from LVS.
- We may be unable to maintain effective internal controls, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.
- An outbreak of highly infectious diseases, or fears concerning such an outbreak, could adversely affect the number of visitors to our facilities and disrupt our operations, resulting in a material adverse effect on our business, financial condition, results of operations and cash flows.
- The food and beverage businesses in our properties could be disrupted if we or our retailers fail to obtain, or experience material delays in obtaining, the necessary licenses.
- From time to time, we may be involved in legal and other proceedings arising out of our operations.
- Our operations are subject to hazards which could cause personal injury, loss of life or damage to property.

Risks Relating to Gaming Promoters

- We may be exposed to credit risk as a result of extending credit to certain of our premium players and our Gaming Promoters.
- We are dependent upon Gaming Promoters for a significant portion of our gaming revenues in Macau.
- If we are unable to ensure high standards of probity and integrity of our Gaming Promoters with whom we are associated, our reputation may suffer or we may be subject to sanctions, including the loss of VML's Subconcession.

Risks Relating to Our Cotai Strip Development

- We are constructing the portions of our Cotai Strip development on Parcels 5, 6, 7 and 8 for which we have not yet been granted land concessions. If we do not obtain these land concessions, we could forfeit all or a substantial part of our investment in these parcels to date, and would not be able to build or operate the planned facilities on these parcels.
- We are required to build and open our developments on Parcel 3 of our Cotai Strip development by April 17, 2013. Unless we meet this deadline or obtain an extension, we may lose our right to the land concession or any properties developed under the land concession for Parcel 3.
- Our strategy of building a critical mass of integrated resorts at our Cotai Strip development to make Macau a world-class destination may fail.
- We face significant risks associated with our on-going and planned development projects, which could prevent or delay the opening of such projects or otherwise adversely affect the operations of these planned facilities.
- We may experience difficulty or delay in restarting our suspended Cotai Strip projects on Parcels 5 and 6.
- Our revised development plan may give certain of our hotel management companies for our Cotai Strip projects the right to terminate their agreements with us.
- We operate a passenger ferry service between Macau (Taipa Temporary Ferry Terminal) and Hong Kong under an agreement with the Macau Government. The loss of our ferry agreement or our ferry operator could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Risks Relating to the Gaming Industry in Macau

- Conducting business in Macau has certain political, economic and regulatory risks which may affect us.
- Gaming is a highly regulated industry in Macau and adverse changes or developments in gaming laws or regulations could be difficult to comply with or significantly increase our costs.
- Policies and measures adopted from time to time by the PRC government could materially and adversely affect our operations.
- We face intense competition in the gaming industry in Macau, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.
- The Macau Government could grant additional rights to conduct gaming in the future, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.
- Exchange rates could change and increase our foreign currency risk.
- Macau's transportation infrastructure may not be adequate to support the development of Macau's gaming industry.
- Macau is susceptible to typhoons that may disrupt operations and damage our properties.

Risks Relating to the Global Offering

- An active trading market for our Shares may not develop, which could have a material and adverse effect on our Share price and on your ability to sell your Shares.
- The market price and trading volume for our Shares may be volatile.
- Future offerings or sales of our Shares may negatively impact our Share price and result in dilution.
- As the Offer Price is higher than the unaudited pro forma adjusted net tangible asset value per Share, you will experience immediate dilution in the book value of the Shares you purchased in the Global Offering.
- The Stock Exchange could cancel our listing if we fail to comply with applicable gaming or other laws.
- A Shareholder that is determined to be an unsuitable person by a gaming regulator with authority over our Company or our Controlling Shareholders is subject to prohibitions on receiving dividends and voting our Shares and may have its Shares redeemed by us.
- You may face difficulties in protecting your interests because we are incorporated under Cayman Islands law and these laws may provide different protections to minority shareholders than the laws of Hong Kong.
- You may have difficulty enforcing judgments obtained against us.
- Certain statistics, industry data and other information relating to the Macau, Las Vegas and Atlantic City economy and gaming industry contained in this prospectus are derived from official government sources and may not be reliable.
- You should read the entire prospectus carefully and we strongly caution you not to place any reliance or any information contained in press articles or other media regarding us and the Global Offering, including, in particular, any financial projections, projections, valuations or other forward-looking information.

PRE-IPO BONDS

On September 4, 2009, VVDI (II), our immediate Controlling Shareholder, issued the Bonds in the aggregate principal amount of US$600.0 million to the Bondholders. VVDI (II) used the net proceeds of the issue of the Bonds to lend our Company US$582.0 million by way of an intercompany shareholder's loan. Concurrent with the completion of the Global Offering, our obligations under the intercompany shareholder's loan will be satisfied by our Company through the issuance of Shares

directly to the Bondholders in connection with the mandatory and automatic exchange of the Bonds for Shares. The Bonds will be mandatorily and automatically exchanged for Shares upon the Listing at an exchange price equal to 90.0% of the Offer Price. Immediately upon the completion of the Global Offering, we will not have any shareholders' loans or intercompany payables owed to the LVS Group, save for certain intercompany trade payables to related companies. For further details, please see "Relationship with Our Controlling Shareholders—Independence from the LVS Group."

Each of the Bondholders and the investor groups holding the Bonds is a third party who is not connected with our Group, our Directors or their associates, the LVS Group, LVS's directors or their associates. Upon the mandatory and automatic exchange of the Bonds for Shares, each of the nine investor groups holding the Bonds will own less than approximately 2.0% of our issued and outstanding share capital following the completion of the Global Offering, the Capitalization Issue and the mandatory and automatic exchange of the Bonds for Shares (without taking into account any Shares which may be subscribed by each Bondholder in the International Offering).

Project Financing Commitments for Parcels 5 and 6

As of the Latest Practicable Date, our wholly owned indirect subsidiary, VOL, has received commitments from a group of commercial banks and financial institutions, including from affiliates of all the Joint Bookrunners, to provide project financing of an aggregate principal amount of US$1.45 billion or equivalent to VOL to be used primarily to finance a portion of the total project costs expected to be incurred in relation to the recommencement of the development and construction of Phases I and II of the integrated resort on Parcels 5 and 6. VOL is actively seeking to obtain commitments from other commercial banks and financial institutions to provide additional project financing in the aggregate principal amount of up to US$300.0 million or equivalent, which, if obtained, would result in VOL having total commitments for project financing of US$1.75 billion. VOL is in advanced discussions with certain commercial banks and financial institutions to provide such additional project financing, and will continue to solicit commitments for additional project financing until it has received its targeted aggregate commitments of at least US$1.75 billion.

The final extension of the proposed project facilities is subject to certain conditions being satisfied prior to funding. See "Financial Information—Recent Developments—Project Financing Commitments for Parcels 5 and 6."

In connection with the final extension of the proposed project facilities to VOL, we will give an unconditional, unsecured payment and performance guarantee with customary terms and conditions to the lenders under the proposed project facilities. In addition, subject to certain extensions, we have undertaken to ensure the completion of Phases I and II of Parcels 5 and 6 on or before December 31, 2012. The guarantee and undertakings require us to, among other things, obtain all material occupational licenses required to commence substantial operations and to fund all funding and interest shortfalls, including cost overruns, in relation to the construction of Phases I and II of Parcels 5 and 6.

NET CURRENT LIABILITIES AND CAPITAL COMMITMENTS

As of December 31, 2006, 2007 and 2008, our net current liabilities were US$13.4 million, US$171.6 million and US$1,185.8 million, respectively. As of June 30, 2009, our net current liabilities were US$1,282.0 million (HK$9,935.2 million), of which US$1,233.8 million (HK$9,562.2 million) were payables to related companies that will be repaid by or extinguished upon completion of the Global Offering. As of December 31, 2006, 2007 and 2008 and as of June 30, 2009, our total borrowings amounted to US$1,387.5 million, US$2,941.5 million, US$3,643.2 million and US$3,542.5 million (HK$27.5 billion), respectively. In addition, as of December 31, 2006, 2007 and 2008 and as of June 30, 2009, we had total capital commitments of US$4,277.0 million, US$10,163.5 million,

US$7,719.0 million and US$2,187.3 million (HK$16,951.6 million), respectively. See "Risk Factors—Risks Relating to Our On-going Operations" and "Financial Information—Factors Affecting Our Results of Operations."

We have incurred, and will continue to incur, significant capital expenditures associated with the development of new integrated resorts as part of our strategy of building critical mass at our Cotai Strip development. As of June 30, 2009, we had capitalized construction costs of approximately US$1.7 billion (HK$13.2 billion) on the development of Parcels 5 and 6 and, if supplemental financing is secured, we expect to spend an additional US$2.2 billion to complete Phases I and II of Parcels 5 and 6. We intend to fund our capital expenditure plans through a combination of debt and equity financings and internal resources, including a portion of the proceeds of the Global Offering. See "Risk Factors—Risks Relating to Our On-going Operations," "Risk Factors—Risks Relating to Our Cotai Strip Development" and "Financial Information—Factors Affecting Our Results of Operations."

KEY TERMS AND CONDITIONS RELATING TO VML'S SUBCONCESSION

Committed investment:	MOP4.4 billion[1] (US$0.6 billion)
Expiry Term:	June 26, 2022
Special gaming tax:	35.0% of gross gaming revenue[2]; plus
Annual gaming premium[3]:	MOP30.0 million (US$3.8 million) per annum fixed premium; MOP300,000 (US$37,500) per annum per VIP gaming table[4]; MOP150,000 (US$18,750) per annum per mass market gaming table; and MOP1,000 (US$125) per annum per electric or mechanical gaming machine including slot machines.
Special levies:	
Contribution to a public foundation in Macau for promotion, development and study of culture, society, economy, education, science and charity events:	1.6% of gross gaming revenue[2][5]
Contribution to the MSAR for urban development, tourism promotion and social security of the Macau Government:	2.4% of gross gaming revenue[2][5]
Total:	4.0% of gross gaming revenue[2][5]

(1) On May 11, 2006, we received a letter from the DICJ confirming completion of our committed investment.
(2) Gross gaming revenue is defined as all revenue derived from casino or gaming areas.
(3) There is currently no limit on the number of VIP gaming tables, mass market gaming tables and electric or mechanical gaming machines that VML can set up.
(4) VML's VIP gaming tables include tables for VIP, premium and Paiza cash players.
(5) The contribution percentages are subject to change upon re-negotiation between the Concessionaires or the Subconcessionaires, as the case may be, and the Macau Government in 2010.

The Subconcession Contract also contains various general covenants and obligations. Specifically, VML shall, among other obligations:

- submit periodic, detailed financial and operating reports to the Macau Government and furnish any other information that the Macau Government may request;

- arrange for its casinos or gaming areas to remain open for operations on a daily basis;
- ensure the proper management and operation of casino games;
- hire staff with appropriate qualifications;
- undertake and operate casino games in a fair and honest manner and free from the influence of criminal activities;
- safeguard and ensure the Macau Government's tax revenue from operation of casino games; and
- maintain required insurance coverage.

VML's Subconcession may be terminated by agreement between VML and Galaxy, but Galaxy is not entitled to unilaterally terminate VML's Subconcession unilaterally. The Macau Government, after consultation with Galaxy, has the right to unilaterally terminate VML's Subconcession Contract for non-compliance with fundamental obligations under the Subconcession Contract and applicable Macau laws such as:

- operation of casino games without permission or operation of business beyond the scope of VML's Subconcession;
- suspension of operations of our gaming business without reasonable grounds for more than seven consecutive days or more than 14 non-consecutive days within one calendar year;
- unauthorized transfer of all or part of VML's gaming operations in Macau in violation of the relevant laws and administrative regulations governing the operation of casino games;
- failure to pay taxes, premiums, levies or other amounts payable to the Macau Government;
- refusal or failure to resume operations or failure to continue operations due to on-going serious disruption or insufficiency of its organization or operations following the temporary assumption of operations by the Macau Government;
- repeated objections to the implementation of supervision and inspection power or repeated failure to comply with decisions of the Macau Government, in particular, DICJ Instructions;
- systematic non-compliance with fundamental obligations stipulated in the applicable laws under the concession regime;
- refusal or failure to provide or replenish the bank guarantee or surety in the Subconcession Contract within the prescribed period;
- bankruptcy or insolvency of VML;
- non-compliance with Macau laws, regulations and/or DICJ Instructions for the purpose of anti-money laundering and counter-terrorism financing;
- fraudulent activity by VML to the detriment of the public interest;
- serious violation of the applicable rules for the operation of casino games or harm to fairness of the casino games;
- grant to a third party the managing powers over gaming activities; and
- non-compliance with the obligation regarding transfer of shares.

These events could ultimately lead to the termination of VML's Subconcession without compensation to VML or even result in potential liability to VML. Upon such termination, all of VML's casinos, slot machine operations and related gaming equipment as well as all property rights to the casino premises in Macau would be automatically transferred to the Macau Government without compensation to VML, and we would cease to generate any revenue from VML's gaming operations. In many of these instances, the Subconcession Contract does not provide a specific cure period within

construction of ferries. The supplemental facility is collateralized by all ferries and guaranteed by VML. Net book values of these ferries were US$32.5 million, US$164.0 million and US$200.2 million as of December 31, 2007 and 2008 and June 30, 2009, respectively.

Borrowings under the facility bear interest at the HIBOR plus 2.0% if borrowings are made in HK$ (set at 2.3% and 2.1% as of December 31, 2008 and June 30, 2009, respectively) or the London Interbank Offered Rate ("LIBOR") plus 2.0% if borrowings are made in US$. The weighted average interest rates for the facility were 4.7% and 2.2% for the year ended December 31, 2008 and the six months June 30, 2009, respectively. The undrawn facility as of December 31, 2008 and June 30, 2009, were US$9.9 million and nil, respectively.

The facility requires CFCL to comply with certain financial covenants, including a leverage ratio of total bank debt to EBITDA and an interest coverage ratio of EBITDA to net finance charges. Measurement of these ratios starts in the second quarter of 2010. Apart from the events of default that are customary for such financing, it is also a default of the facility if there is a material adverse change with respect to the Group's ferry business. The Group's loss of the right to provide ferry services would result in an event of default only if the Group fails to secure new rights to provide ferry services after six months of the loss of the right (known as a "discussion period"), during which the Group can seek a new arrangement that would allow it to resume the provision of ferry services.

The secured credit facility agreement for ferry financing was subsequently amended on August 20, 2009 (see Note 35(b)).

(c) In March 2008, in order to finance the purchase of vehicles, VML entered into a MOP200.9 million (approximately US$25.2 million at exchange rates in effect on June 30, 2009) credit facility, which is available for borrowing until December 31, 2010. The proceeds from the credit facility were used to reimburse VML for cash spent on purchase of vehicles. The facility matures on December 31, 2011, and is subject to interest payments, which commenced in June 2008, with the principal due in four equal quarterly installments in 2011. Borrowings under the facility bear interest at 3-month HIBOR plus 2.25% (set at 3.2% and 2.6% per annum at December 31, 2008 and June 30, 2009, respectively), and the facility is collateralized by the vehicles purchased with this loan. The weighted average interest rate for the facility were 4.5% and 3.2% per annum for the year ended December 31, 2008, and for the six months ended June 30, 2009, respectively. Net book values of these vehicles were MOP66.8 million (approximately US$8.4 million at exchange rates in effect on December 31, 2008) and MOP58.9 million (approximately US$7.4 million at exchange rates in effect on June 30, 2009) as of December 31, 2008 and June 30, 2009, respectively.

28 Finance lease liabilities

The Group is a lessee under finance leases for equipment.

Lease liabilities are effectively secured, as the rights of the leased asset revert to the lessor in the event of default.

The future minimum lease payments (including interest), and the present value of the minimum lease payments under finance lease are as follows:

	As of December 31,			As of June 30,
	2006	2007	2008	2009
	US$'000	US$'000	US$'000	US$'000
Minimum lease payments:				
Later than 1 year and no later than 2 years	347	25	257	245
Later than 2 years and no later than 5 years	8	24	269	251
Later than 5 years	16	44	306	185
	371	93	832	681
Future finance charges on finance lease obligations	(9)	(12)	(140)	(103)
Present value of finance lease liabilities	362	81	692	578
Present value of minimum lease payments:				
Later than 1 year and no later than 2 years	340	20	191	189
Later than 2 years and no later than 5 years	7	21	221	216
Later than 5 years	15	40	280	173
	362	81	692	578

29 Trade and other payables

		As of December 31,			As of June 30,
		2006	2007	2008	2009
	Note	US$'000	US$'000	US$'000	US$'000
Trade payables	(a)	11,085	20,248	21,434	27,714
Construction payables and accruals		233,374	363,282	303,059	285,990
Deposits		19,257	54,035	60,714	66,041
Payables to related companies—non-trade	33(e)	135,610	108,146	1,240,753	1,233,828
Other tax payables		65,220	129,145	119,420	113,196
Notes interest payable to related companies	33(g)	1,255	1,303	1,115	787
Interest payables		596	1,631	937	777
Other payables and accruals		78,110	241,343	247,273	262,481
		544,507	919,133	1,994,705	1,990,814
Less: non-current portion relating to deposits		(282)	(6,831)	(12,663)	(12,872)
Current portion		544,225	912,302	1,982,042	1,977,942

The Group's trade and other payables are denominated in the following currencies:

	As of December 31,			As of June 30,
	2006	2007	2008	2009
	US$'000	US$'000	US$'000	US$'000
US$	136,053	143,598	1,263,698	1,252,276
MOP	352,644	562,587	516,032	526,141
HK$	55,621	210,571	210,694	210,273
Other currencies	189	2,377	4,281	2,124
	544,507	919,133	1,994,705	1,990,814

(a) Trade payables

	As of December 31,			As of June 30,
	2006	2007	2008	2009
	US$'000	US$'000	US$'000	US$'000
0 – 30 days	5,615	10,673	6,081	7,643
31 – 60 days	3,772	3,705	6,726	8,486
61 – 90 days	664	2,431	2,037	4,205
Over 90 days	1,034	3,439	6,590	7,380
	11,085	20,248	21,434	27,714

30 Note to combined statements of cash flows

Cash generated from operations is as follows:

	Year ended December 31,			Six months ended June 30,	
	2006	2007	2008	2008	2009
	US$'000	US$'000	US$'000	US$'000 (Unaudited)	US$'000
Profit before income tax	375,836	196,084	175,905	114,127	58,144
Adjustments for:					
Interest income	(27,783)	(29,226)	(4,801)	(2,454)	(281)
Interest and other finance costs	27,170	72,283	115,601	56,656	45,291
Depreciation and amortization	35,163	104,047	268,220	123,388	158,444
Amortization of leasehold interests in land	651	9,533	11,647	5,755	6,006
Amortization of deferred financing costs	2,183	3,302	6,394	3,093	4,707
Write-off deferred financing costs	—	—	—	—	777
Amortization of deferred rent	—	1,907	11,902	4,622	8,802
Amortization of other assets	67	1,537	7,147	757	4,853
Loss on disposal of property and equipment	1,940	562	1,622	1,184	4,894
Provision for doubtful accounts	448	1,238	15,022	917	18,739
Share-based compensation expense	—	—	15,163	7,310	3,457
Fair value losses/(gains) on financial assets through profit or loss	492	592	44	(54)	—
Net foreign exchange losses/(gains)	704	3,187	(27,648)	(1,951)	193
Changes in working capital:					
Leasehold interests in land, net	(2,828)	(235,161)	(49,596)	(17,655)	(16,085)
Inventories	(440)	(6,766)	(2,414)	(1,793)	796
Trade and other receivables and prepayments, net	(11,813)	(85,290)	(242,074)	(98,279)	19,991
Other assets	148	(33,911)	(32,790)	(6,224)	(2,298)
Trade and other payables	76,111	265,650	(13,117)	14,589	(33,782)
Cash generated from operations	478,049	269,568	256,227	203,988	282,648

31 Commitments and contingencies

(a) Capital commitments

Property and equipment commitments not provided for are as follows:

	As of December 31,			As of June 30,
	2006	2007	2008	2009
	US$'000	US$'000	US$'000	US$'000
Contracted but not provided for	783,888	1,755,512	1,422,130	289,036
Authorized but not contracted for	3,493,099	8,407,987	6,296,869	1,898,230
	4,276,987	10,163,499	7,718,999	2,187,266

(b) Operating lease commitments

(i) The Group as the lessee

The Group had future aggregate minimum lease payments under non-cancellable operating leases for interests in land and buildings as follows:

	As of December 31,			As of June 30,
	2006	2007	2008	2009
	US$'000	US$'000	US$'000	US$'000
No later than one year	6,963	64,775	52,166	37,183
Later than one year and no later than five years	8,750	62,216	38,288	35,049
Later than five years	2,757	60,385	57,357	54,309
	18,470	187,376	147,811	126,541

(ii) The Group as the lessor/grantor of the right of use

The future aggregate minimum lease/base fee rent receivables under non-cancelable agreements for land and buildings are as follows:

	As of December 31,			As of June 30,
	2006	2007	2008	2009
	US$'000	US$'000	US$'000	US$'000
No later than one year	156	92,147	135,708	119,654
Later than one year and no later than five years	363	279,768	331,458	264,712
Later than five years	—	81,948	135,057	157,104
	519	453,863	602,223	541,470

(c) Litigation

The Group has contingent liabilities with respect to legal claims arising in the ordinary course of business in addition to the matter noted below. Management has made certain estimates for potential litigation costs based upon consultation with legal counsel and believes that no significant loss will be incurred beyond the amounts provided for as of June 30, 2009. Actual results could differ from these estimates; however, in the opinion of management, it is not anticipated that any material liabilities will arise from the contingent liabilities.

On January 2, 2008, a Hong Kong ferry operator namely Norte Oeste Expresso Ltd. ("Northwest Express") filed an action against the Chief Executive of the Macau Government and CFCL, as an interested party, challenging the Macau Government's agreement with CFCL for the operation of ferry service between Hong Kong and Cotai. The basis of the legal challenge is that under Macau

law, any concessions related to the provision of a public service must be awarded through a public tender process. On February 19, 2009, the Court of Second Instance in Macau held that it was unlawful for the Macau Government to enter into the ferry agreement with CFCL without engaging in a public tender process, and that the ferry agreement with CFCL was void. The Group relied on the advice of counsel in obtaining the ferry agreement and believes that it has complied with all applicable laws, procedures and Macau practice. The Group believes that all contracts to operate ferries to and from Macau were entered into in the same fashion as the ferry agreement with CFCL. Accordingly, CFCL and the Macau Government have appealed the decision to the Court of Final Appeal in Macau. The Group will cooperate with the Macau Government during the appeal period to resolve this matter. CFCL expects to continue to operate its ferry service until a decision on the appeal is rendered or the matter is otherwise resolved. If the decision is upheld by the Court of Final Appeal, the CFCL ferry agreement may be void, absent other action by the Macau Government. Based on the advice of the Macau legal advisor, the Group believes that, although uncertain, the outcome of the decision of the Court of Final Appeal is more likely to be unfavorable than favorable. If CFCL is unable to continue to operate its ferry service, the Group will need to develop alternative means of transporting visitors to its Cotai Strip properties. Under the terms of the ferry financing facility (see Note 27(b)), an event of default would occur if, upon losing the right to operate ferry services, the Group is unable to secure renewed rights to provide ferry services within six months of the loss of such right. Accordingly, if the Group is unable to do so, a significant loss of visitors to its Cotai Strip properties may result, which could have a material adverse effect on the Group's financial condition, results of operations or cash flows. This may also result in a potential impairment charge on the approximately US$244.2 million in capitalized costs related to the Group's ferry operations as of June 30, 2009.

(d) Cotai Strip development projects

Given current conditions in the capital markets and the global economy and their impact on the Group's ongoing operations, the Group announced in November 2008 its revised development plan to suspend its development projects. Should general economic conditions fail to improve, if the Group is unable to obtain sufficient funding such that completion of the suspended projects is not probable, all or a portion of the Group's investment to date on the suspended projects could be lost and would result in an impairment charge.

The Group has obtained a final draft of the land concession contract for Parcels 5 and 6 from the Macau Government and upon successfully obtaining the land concession for Parcels 5 and 6, will subsequently negotiate the land concession for Parcels 7 and 8. Based on historical experience with the Macau Government with respect to the Group's land concessions for Sands Macao and Parcels 1, 2 and 3, management believes that the land concessions for Parcels 5, 6, 7 and 8 will be granted. However, if the Group does not obtain these land concessions, the Group could forfeit all or a substantial part of its US$1.8 billion capitalized construction costs as of June 30, 2009, incurred for the developments on Parcels 5, 6, 7 and 8.

The Group had commenced pre-construction on Parcel 3, and has capitalized costs of approximately US$35.6 million as of June 30, 2009. Under the revised terms of the land concession approved by the Macau Government on August 20, 2009 that covers Parcel 3, the Group is required to complete development of Parcel 3 by April 17, 2013. Management believes that if the Group is unable to complete the development of Parcel 3 by the deadline, it will be able to obtain an extension from the Macau Government. However, no assurances can be given that an extension will be granted. If the Group is not able to meet the April 2013 deadline and that deadline is not extended, the Macau Government has the right to unilaterally terminate the land concession and the Group could lose its investment in, and right to operate, any properties developed under the land concession for Parcel 3 without compensation to the Group.

(e) Construction labor

The Group has utilized imported construction labor quota granted to it by the Macau Department of Labor for purposes of constructing the Cotai Strip properties. The Group is primarily liable for all employer costs associated with persons employed under this grant. Such employees are managed and supervised by various construction companies contracted by the Group to build the Cotai Strip properties. The construction companies are contractually obligated to pay all employer costs and to indemnify the Group for any costs it may incur as a result of the persons employed. In addition, the Group has the right of offsetting such costs against any amounts due to the construction companies. However, the Group may still have the contingency for the payments to the construction labor if the construction companies fail to pay the salaries and the amounts owed by the Group to the construction companies are not sufficient to offset the amounts due to the construction labor. As of June 30, 2009, the Group continued to employ workers under this arrangement with various construction companies.

32 Particulars of principal subsidiaries

Upon completion of the Reorganization and as of the date of this report, the Group has direct or indirect interests in the following principal subsidiaries:

Name	Place and date of incorporation/ establishment	Principal activities	Particulars of issued share/ registered capital	Effective interests held	Note
Directly held:					
Venetian Venture Development Intermediate Limited ("VVDIL")	Cayman Islands, June 21, 2002	Investment holding	US$1	100%	(a)
LVS IP Holdings, LLC	United States of America, September 29, 2009	Holder of trademark licenses	US$100	100%	(a)
Indirectly held:					
VML US Finance LLC	United States of America, January 3, 2006	Financing	Nil	100%	(a)
Cotai Strip Lot 2 Apart Hotel (Macau) Limited	Macau, October 27, 2008	Hotel apartments	MOP4,100,000 MOP3,121,000 (preference shares)	100% 100%	(b)
Venetian Cotai Hotel Management Limited	Macau, March 12, 2008	Human resources administration	MOP500,000	100%	(b)
Venetian Orient Limited	Macau, February 2, 2006	Hotels and restaurants	MOP100,000	100%	(b)
Venetian Travel Limited	Macau, October 16, 2006	Travel and tourism agency services	MOP1,800,000	100%	(b)
Cotai Retail Concepts Limited	Macau, May 10, 2007	Retail distribution of merchandise	MOP100,000	100%	(b)
Venetian Retail Limited	Macau, June 15, 2007	Mall management	MOP1,500,000	100%	(b)
Cotai Ferry Company Limited	Macau, July 19, 2007	High speed ferry transportation services	MOP1,000,000	100%	(b)
Cotai Human Resources Management Limited	Macau, July 21, 2007	Human resources administration	MOP1,000,000	100%	(b)
Cotai WaterJets (HK) Limited	Hong Kong, July 11, 2007	Holding investments	HK$1	100%	(c)
CotaiJet Holdings (II) Limited	Hong Kong, November 23, 2007	Holding investments	HK$1	100%	(c)
Venetian Macao Finance Company	Cayman Islands, July 23, 2003	Financing (dormant since May 2005)	US$1	100%	(a)

Name	Place and date of incorporation/ establishment	Principal activities	Particulars of issued share/ registered capital	Effective interests held	Note
V-HK Services Limited	Hong Kong, September 6, 2004	Marketing and customer development services for VML	HK$1	100%	(c)
Venetian Cotai Limited	Macau, November 11, 2004	Hotels, restaurants, shopping mall, and conference and convention	MOP200,000,000	100%	(b)
Venetian Macau Limited	Macau, June 21, 2002	Gaming and other related activities	MOP200,000,000	100%	(b), (e)
Zhuhai Cotai Logistics Hotel Services Co., Ltd.	The People's Republic of China, September 27, 2007	Procurement, marketing and administrative services	US$4,500,000	100%	(d)
CotaiJet 311 Limited	Cayman Islands, August 14, 2007	Ferry leasing	US$1	100%	(a)
CotaiJet 312 Limited	Cayman Islands, August 14, 2007	Ferry leasing	US$1	100%	(a)
CotaiJet 313 Limited	Cayman Islands, August 14, 2007	Ferry leasing	US$1	100%	(a)
CotaiJet 314 Limited	Cayman Islands, September 12, 2007	Ferry leasing	US$1	100%	(a)
CotaiJet 315 Limited	Cayman Islands, September 12, 2007	Ferry leasing	US$1	100%	(a)
CotaiJet 316 Limited	Cayman Islands, October 8, 2007	Ferry leasing	US$1	100%	(a)
CotaiJet 317 Limited	Cayman Islands, October 8, 2007	Ferry leasing	US$1	100%	(a)
CotaiJet 318 Limited	Cayman Islands, October 8, 2007	Ferry leasing	US$1	100%	(a)
CotaiJet 319 Limited	Cayman Islands, October 8, 2007	Ferry leasing	US$1	100%	(a)
CotaiJet 320 Limited	Cayman Islands, October 8, 2007	Ferry leasing	US$1	100%	(a)
CotaiJet 350 Limited	Cayman Islands, January 21, 2008	Ferry leasing	US$1	100%	(a)
CotaiJet 351 Limited	Cayman Islands, January 21, 2008	Ferry leasing	US$1	100%	(a)
CotaiJet 352 Limited	Cayman Islands, January 21, 2008	Ferry leasing	US$1	100%	(a)
CotaiJet 353 Limited	Cayman Islands, January 21, 2008	Ferry leasing	US$1	100%	(a)

Notes:
(a) No audited financial statements were prepared for these companies as they are not required to issue audited financial statements under the local statutory requirements.
(b) Audited by Lowe Bingham & Matthews—PricewaterhouseCoopers for each of the years ended December 31, 2006, 2007 and 2008.
(c) Audited by PricewaterhouseCoopers for each of the years ended December 31, 2006, 2007 and 2008.
(d) Audited by PricewaterhouseCoopers Zhong Tian CPAs Limited Company for each of the years ended December 31, 2006, 2007 and 2008.
(e) 10% of the company's issued share capital is held through an usufruct agreement whereby VVDIL has the sole and exclusive benefit. Accordingly, the profits and losses and assets and liabilities of the company have been consolidated as to 100% thereof into the Financial Information.

33 Related party transactions

For the purposes of this Financial Information, parties are considered to be related to the Group if the party has the ability, directly or indirectly, to exercise significant influence over the Group in making financial and operating decisions, or vice versa. Related parties may be individuals (being members of key management personnel, significant shareholders and/or their close family members) or other entities, and include entities which are under the significant influence of related parties of the Group where those parties are individuals.

Immediately after the Reorganization, the Group's immediate holding company is VVDI (II), a company incorporated in the Cayman Islands. LVS is the Group's ultimate holding company. Related companies represent the group companies of the LVS group.

Save as disclosed elsewhere in the Financial Information, the Group has the following transactions during the Relevant Periods:

(a) Continuing transactions

(i) Management fees

	Year ended December 31,			Six months ended June 30,	
	2006	2007	2008	2008	2009
	US$'000	US$'000	US$'000	US$'000 (Unaudited)	US$'000
Ultimate Parent Company	—	—	6,448	—	1,361
Fellow subsidiaries	6,131	16,242	22,952	12,208	9,261
	6,131	16,242	29,400	12,208	10,622

Management services are provided by LVS and six other fellow subsidiaries for providing services including but not limited to human resources support, accounting services, sourcing of goods and services, sourcing of tenants for the malls and other various types of marketing and promotion activities for the Group. Management fees are charged on a cost-plus basis, allowing a margin of 5% to 10%.

Management fees disclosed below can be reconciled to the management fees as disclosed in Note 6(a), Note 6(b) and Note 8(a)(i) as follows:

	Note	Year ended December 31, 2006 US$'000	2007 US$'000	2008 US$'000	Six months ended June 30, 2008 US$'000 (Unaudited)	2009 US$'000
Total management fees disclosed in "Related Party Transactions"		6,131	16,242	29,400	12,208	10,622
Less: amounts included as "Deferred leasing fees"		—	(2,359)	(574)	(425)	—
amounts capitalized as "Construction-in-progress"		(1,274)	(1,816)	(2,600)	(1,250)	—
Net amounts expensed in combined income statements		4,857	12,067	26,226	10,533	10,622
Represented by management fees presented within:						
Segment information—Corporate expense	6(a)	—	—	7,227	—	2,576
Segment information—Pre-opening expense	6(b)	—	8,178	7,207	4,252	—
Other operating and administrative departments		4,857	3,889	11,792	6,281	8,046
		4,857	12,067	26,226	10,533	10,622
Reconciled to management fees presented within "Other expense" as below:						
Net management fees charged by related parties and expensed through income statements		4,857	12,067	26,226	10,533	10,622
Management fees charged by third parties		—	2,834	3,267	1,531	2,459
Total management fees expensed	8(a)(i)	4,857	14,901	29,493	12,064	13,081

(ii) Interest income

	Year ended December 31, 2006 US$'000	2007 US$'000	2008 US$'000	Six months ended June 30, 2008 US$'000 (Unaudited)	2009 US$'000
Ultimate Parent Company	289	—	—	—	—
Fellow subsidiaries	384	4,591	46	23	11
	673	4,591	46	23	11

(iii) Interest expense

	Year ended December 31, 2006 US$'000	2007 US$'000	2008 US$'000	Six months ended June 30, 2008 US$'000 (Unaudited)	2009 US$'000
Ultimate Parent Company	7,262	2,664	2,702	1,338	1,579
Intermediate holding companies	847	3,685	3,059	1,594	676
	8,109	6,349	5,761	2,932	2,255

(iv) Expenses billed to/paid by other LVS group companies

During the year ended December 31, 2008 and the six months ended June 30, 2008 and 2009, the Group charged an LVS Group company for certain expenses paid on its behalf at cost of US$1.6 million, US$0.1 million (unaudited) and US$1.2 million, respectively.

Other LVS group companies incurred certain expenses on behalf of the Group. These expenses were reimbursed by the Group at cost.

(b) Non-continuing transactions

(i) Legal services

The Group's previous Managing Director provided legal services to the Group on a regular basis. During the years ended in December 31, 2006, 2007 and 2008, and the six months ended June 30, 2008 and 2009, the Group paid approximately US$1.1 million, US$1.5 million, US$1.0 million, US$0.7 million (unaudited) and nil for related services, respectively.

(c) Notes receivable from related companies—non-trade

	Notes	As of December 31, 2006	As of December 31, 2007	As of December 31, 2008	As of June 30, 2009
		US$'000	US$'000	US$'000	US$'000
Fellow subsidiaries	(i),(ii)	—	141,000	800	800
Less: non-current portion	(ii)	—	(500)	(500)	—
Current portion		—	140,500	300	800

(i) The promissory note of US$140.5 million issued by Venetian Marketing Services Limited ("VMSL"), which was originally due on April 30, 2012, was fully paid in January 2008. The note is unsecured and bears interest at a rate or rates per annum equal to the rates applicable to the Macau Credit Facility (Note 27(a)).

(ii) Two promissory notes issued by Venetian International Marketing Services (HK) Limited ("VIMSL") include US$0.3 million and US$0.5 million, both of which will be due on February 1, 2010. Both notes are unsecured and bear interest at a rate or rates per annum equal to the rates applicable to the Macau Credit Facility (Note 27(a)).

Upon the completion of the initial public offering of the Company's shares on the Hong Kong Stock Exchange Limited (the "Global Offering"), the notes receivable, notes interest receivables and receivables from related companies as set out in note (d) and note (e) below will be fully settled.

(d) Notes interest receivable from related companies—non-trade

	As of December 31, 2006	As of December 31, 2007	As of December 31, 2008	As of June 30, 2009
	US$'000	US$'000	US$'000	US$'000
Fellow subsidiaries	—	4,591	57	67
	—	4,591	57	67

(e) Year-end balances arising from operating expenses paid by/on behalf of and advance to/ from the Group:

	As of December 31,			As of June 30,
	2006	2007	2008	2009
	US$'000	US$'000	US$'000	US$'000
Receivables from related companies:				
Fellow subsidiaries	619	7,742	30,151	3,073
Payables to related companies:				
Ultimate Parent Company	114,179	40,453	366,220	397,260
Intermediate holding companies	17,943	28,842	871,157	820,194
Fellow subsidiaries	3,488	38,851	3,376	16,374
	135,610	108,146	1,240,753	1,233,828

The receivables and payables are unsecured, interest-free and have no fixed terms of repayment.

Upon the completion of the Global Offering, the Group will fully settle the payables to related companies as well as the notes payable and notes interest payable to related companies as set out in note (f) and (g) below.

(f) Notes payable to related companies

	As of December 31,			As of June 30,
	2006	2007	2008	2009
	US$'000	US$'000	US$'000	US$'000
Ultimate Parent Company	72,842	73,562	94,309	114,804
Intermediate holding company	51,790	55,625	58,881	60,005
	124,632	129,187	153,190	174,809

The promissory note issued by the Group to LVS, the Ultimate Parent Company, which is due on December 18, 2013, as of December 31, 2006, 2007 and 2008 and as of June 30, 2009, amounts to US$72.8 million, US$73.6 million, US$74.3 million and US$74.7 million, respectively, and is unsecured and bears interest at 3.59% per annum.

The promissory note issued to LVS, LLC, an intermediate holding company incorporated in the United States of America, which is due on December 31, 2013, as of December 31, 2006, 2007 and 2008 and as of June 30, 2009, amounts to US$51.8 million, US$55.6 million, US$58.9 million and US$60.0 million, respectively, and is unsecured and bears interest calculated on a daily basis at 3-month LIBOR plus 1.75% per annum, adjusted quarterly.

Interests on the two notes are payable quarterly in arrears. The Group has the option not to pay all or part of interest accrued on the scheduled payment dates. If the Group elects to do so, the unpaid interest is added to the outstanding principal amount of the notes.

The balance due to LVS includes another note issued by the Group which has no fixed terms of repayment. The amount of the note as of December 31, 2006, 2007, 2008 and as of June 30, 2009 is nil, nil, US$20.0 million and US$40.1 million respectively. It is unsecured and bears interest calculated on a daily basis at 3-month LIBOR plus 1.75% per annum, adjusted quarterly.

(g) Notes interest payable to related parties

	As of December 31,			As of June 30,
	2006	2007	2008	2009
	US$'000	US$'000	US$'000	US$'000
Ultimate Parent Company	312	315	322	443
Intermediate holding companies	943	988	793	344
	1,255	1,303	1,115	787

(h) Key management personnel remuneration

No transaction has been entered with the directors of the Company (being the key management personnel) during the Relevant Periods other than the emoluments paid to them (being the key management personnel remuneration) as disclosed in Note 7.

(i) Share-based compensation

The Group participates in the share-based compensation plans of the Ultimate Parent Company (Notes 7 and 34).

34 Share-based compensation

The Company participates in the equity settled share-based compensation plans of LVS and is a party to a nonqualified share option plan, the 2004 Plan, which is described below. The plan provides for the granting of share options pursuant to the applicable provisions of the Internal Revenue Code and regulations in the United States of America.

LVS adopted the 2004 Plan, to which the Company is a party, for grants of option to purchase its common shares. The purpose of the 2004 Plan is to give LVS and its subsidiaries (collectively the "LVS Group") a competitive edge in attracting, retaining, and motivating employees, directors and consultants and to provide the LVS Group with a share plan providing incentives directly related to increases in its shareholder value. Any of the LVS Group's employees, directors or officers and many of its consultants are eligible for awards under the 2004 Plan. The 2004 Plan provides for an aggregate of 26,344,000 shares of LVS's common shares to be available for awards. The 2004 Plan has a term of ten years and no further awards may be granted after the expiration of the term. LVS's compensation committee may grant awards of nonqualified share options, incentive (qualified) share options, share appreciation rights, restricted share awards, restricted share units, share bonus awards, performance compensation awards or any combination of the foregoing. As of June 30, 2009, there were 10,081,776 shares available for grant under the 2004 Plan.

Stock option awards are granted with an exercise price equal to the fair market value (as defined in the 2004 Plan) of LVS's stock on the date of grant. The outstanding stock options generally vest over four years and have ten-year contractual terms. Compensation cost for all stock option grants is net of estimated forfeitures and is recognized on a straight-line basis over the awards' respective requisite service periods. LVS estimates the fair value of stock options using the Black-Scholes option-pricing model. Expected volatilities are based on a combination of LVS's historical volatility and the historical volatilities from a selection of companies from LVS's peer group due to LVS's lack of historical information. The Group estimated the expected option life based on life of options, exercise prices, current price of the underlying shares and other factors. The risk-free interest rate for periods equal to the expected term of the share options is based on the U.S Treasury yield curve in effect at the time of grant. LVS has no legal or constructive obligation to repurchase or settle the options in cash.

Prior to 2008, LVS charged the Group the share-based compensation expenses equivalent to the fair value of the share options granted by LVS to the directors and employees of the Group. The share-based compensation expenses were charged to consolidated income statement and credited to payables to related companies.

Starting from 2008, LVS ceased to charge the Group the share-based compensation. For the purpose of financial reporting of the Group, share-based compensation expense arising from the granting of share options by LVS to the directors and employees of the Group, to the extent of services rendered to the Group, is deemed to have been allocated to the Group as its expense with the corresponding increase in the share option reserve under equity in the relevant companies comprising the Group.

Movements in the number of share options outstanding and their related weighted average exercise prices attributable to the employees of the Group as grantees of the share option scheme operated by LVS are as follows:

	Year ended December 31,						Six months ended June 30, 2009	
	2006		2007		2008			
	Weighted average exercise price[i]	Number of options ('000)[ii]	Weighted average exercise price[i]	Number of options ('000)[ii]	Weighted average exercise price[i]	Number of options ('000)[ii]	Weighted average exercise price[i]	Number of options ('000)[ii]
	US$		US$		US$		US$	
Outstanding at January 1	29.93	1,119	43.72	1,492	59.41	1,862	63.36	2,872
Granted	54.34	842	81.71	747	67.72	1,479	7.68	179
Transfer-in[iii]	—	—	39.27	11	60.63	41	56.14	109
Exercised	30.22	(75)	38.64	(195)	34.82	(69)	—	—
Transfer-out[iii]	30.07	(158)	56.83	(52)	65.24	(122)	50.50	(254)
Forfeited	29.58	(235)	39.67	(141)	65.54	(291)	68.63	(654)
Expired	29.00	(1)	—	—	66.38	(28)	62.59	(248)
Outstanding at December 31/ June 30	43.72	1,492	59.41	1,862	63.36	2,872	58.00	2,004
Exercisable at December 31/ June 30	29.55	78	36.26	197	52.26	514	58.59	601

(i) Exercise price is expressed in US dollars.
(ii) Number of options represent the number of ordinary shares in LVS into which the options are exercisable.
(iii) Transfer-in and transfer-out represent movement of options owned by grantees who transferred from other subsidiaries of LVS to the Group, or vice versa.

The above share options outstanding as of the dates indicated have the following remaining contractual lives and exercise prices:

	As of December 31,						As of June 30, 2009	
	2006		2007		2008			
Exercise price[(i)]	Number of options outstanding ('000)[(ii)]	Weighted average remaining contractual life	Number of options outstanding ('000)[(ii)]	Weighted average remaining contractual life	Number of options outstanding ('000)[(ii)]	Weighted average remaining contractual life	Number of options outstanding ('000)[(ii)]	Weighted average remaining contractual life
5.03	—		—		130,000	9.92	40,000	9.43
5.93	—		—		—		5,100	9.54
7.73	—		—		—		174,000	9.97
29.00	563,508	7.96	376,828	6.96	272,487	5.95	173,925	5.46
30.54	21,750	8.80	15,000	7.80	13,500	6.80	2,500	6.30
33.55	—		—		5,000	9.53	5,000	9.04
37.18	60,000	8.53	60,000	7.53	60,000	6.52	60,000	6.03
39.30	—		—		5,000	9.52	5,000	9.02
42.59	455,700	9.03	362,550	8.03	318,100	7.03	228,342	6.53
44.03	—		—		55,000	9.58	105,000	9.08
45.65	15,000	8.91	—		—		—	
47.53	86,000	9.12	72,000	8.12	48,250	7.12	31,250	6.62
50.93	—		—		5,000	9.63	5,000	9.13
62.20	120,000	9.32	105,000	8.32	105,000	7.32	—	
64.11	—		—		7,500	9.43	7,500	8.93
68.05	20,000	9.43	20,000	8.43	—		—	
69.60	—		—		664,500	9.31	407,000	8.81
72.76	—		—		5,000	9.38	—	
76.70	—		541,400	9.38	381,375	8.38	255,750	7.88
78.02	—		30,000	9.41	30,000	8.41	30,000	7.92
82.35	100,400	9.86	64,450	8.86	46,050	7.86	31,050	7.36
82.83	—		—		526,000	9.23	384,125	8.73
83.84	—		17,500	9.16	17,500	8.16	—	
87.91	—		30,000	9.16	2,500	8.16	—	
91.44	—		—		7,500	9.12	—	
93.76	—		20,000	9.59	20,000	8.59	20,000	8.09
94.84	50,000	9.95	50,000	8.95	50,000	7.95	—	
97.79	—		5,000	9.65	5,000	8.65	5,000	8.16
99.57	—		50,000	9.10	50,000	8.10	—	
99.92	—		5,000	9.64	5,000	8.64	—	
118.15	—		37,000	9.87	37,000	8.87	28,000	8.37
	1,492,358	8.72	1,861,728	8.41	2,872,262	8.36	2,003,542	8.09

(i) Exercise price is expressed in US dollars.
(ii) Number of options represent the number of ordinary shares in LVS into which the options are exercisable.

Options exercised during the years ended December 31, 2006, 2007 and 2008 resulted in 74,918, 194,745 and 68,912 shares, respectively, of the Ultimate Parent Company being issued at weighted average prices of US$30.22, US$38.64, US$34.82, respectively. The related weighted average share prices at the time of exercise were US$70.47, US$101.08, US$83.72 per share during the years ended December 31, 2006, 2007 and 2008, respectively. During the six months ended June 30, 2009, no options were exercised.

The significant inputs into the Black-Scholes option-pricing model in determining the fair value of the share options granted by LVS during the years/period presented are as follows:

	Year ended December 31,			Six months ended June 30, 2009
	2006	2007	2008	
Risk-free annual interest rate	4.55%	4.51%	2.97%	2.65%
Dividend yield	—	—	—	—
Expected life (years)	6.0	6.0	6.4	6.3
Expected volatility(i)	31.21%	30.66%	36.56%	77.35%
Weighted average share price (US$)	54.34	81.71	67.72	7.68
Weighted average exercise price (US$)	54.34	81.71	67.72	7.68
Weighted average fair value of each share option granted by LVS (US$)	21.57	32.06	27.78	5.18

(i) Expected volatility is calculated based on a combination of LVS's historical volatility and the historical volatilities from a selection of LVS's peer group over the period that has the same length as the expected life of each grant.

Movements in the number of restricted shares outstanding and the respective weighted average grant date fair value attributable to the employees of the Group as grantees of the restricted shares granted by LVS are as follows:

	Year ended December 31,						Six months ended June 30, 2009	
	2006		2007		2008			
	Weighted average grant date fair value(i)	Number of restricted shares ('000)(ii)	Weighted average grant date fair value(i)	Number of restricted shares ('000)(ii)	Weighted average grant date fair value(i)	Number of restricted shares ('000)(ii)	Weighted average grant date fair value(i)	Number of restricted shares ('000)(ii)
	US$		US$		US$		US$	
Outstanding at January 1	37.09	1	63.37	1	78.62	1		—
Granted	63.37	1	78.62	1		—	7.30	14
Vested	37.09	(1)	63.37	(1)		—		—
Cancelled/forfeited		—		—	78.62	(1)		—
Outstanding at December 31/ June 30	63.37	1	78.62	1		—	7.30	14

(i) Grant date fair value represents the fair value of the ordinary shares of LVS.
(ii) Number of restricted shares outstanding represents the number of ordinary shares of LVS given to the employees upon vesting.

35 Subsequent events

a. Macau Credit Facility

On August 12, 2009, the Macau Credit Facility (see Note 27(a)) was amended to:

(i) change the maximum consolidated total debt to Consolidated Adjusted EBITDA ratio (as defined in the Macau Credit Facility) (the "consolidated leverage ratio") to the levels described below;

(ii) amend the definition of "change of control" to permit the global offering of the Company's shares ("Global Offering"), provided that upon consummation of the Global Offering, the loans under the Macau Credit Facility will be permanently repaid on a pro-rata basis by US$500.0 million (repayments of outstanding revolving loans will also serve to permanently reduce the corresponding commitments by such repayment amount);

(iii) amend the definition of "Consolidated Adjusted EBITDA" to allow for the add-back of certain annualized cost savings that have already been realized, but not fully reflected in Consolidated Adjusted EBITDA of the prior twelve months;

(iv) provide for the ability to issue up to US$1,000.0 million of first lien secured bonds that are secured pari passu with the Macau Credit Facility, so long as the net proceeds are used to repay the term loan tranches under the Macau Credit Facility on a pro rata basis with any excess net proceeds used to repay the revolving loans;

(v) provide for the ability to issue up to US$500.0 million of second lien or unsecured bonds, the net proceeds of which can be used for the development of Parcels 5 and 6, provided, that (1) the pro forma consolidated leverage ratio is not greater than 3.00 to 1.00, and (2) the maturity date of, and the date any installment of principal is due on, such bonds is after the latest maturity date of any loan under the Macau Credit Facility; and

(vi) provide for the ability to add a new revolver tranche to the Macau Credit Facility, which would be effective as of or after the existing revolver maturity date of May 2011 for up to one year thereafter, subject to certain conditions and the willingness of lenders to provide such financing.

Borrowings under the Macau Credit Facility bear interest, at the Borrower's option, at either an adjusted Eurodollar rate (or, in the case of the Macau Local Term Facility, adjusted HIBOR) plus a credit spread or at a base rate, plus a credit spread. As a result of the amendment on August 12, 2009, the applicable credit spread for the Macau Revolving Facility and the terms loans was increased to 5.5% until the repayment of US$500.0 million principal amount of the loans under the Macau Credit Facility to the lenders from the proceeds of the completed Global Offering, and 4.5% thereafter. These credit spreads will be adjusted depending on a consolidated leverage ratio.

Following the amendment as of August 12, 2009, the Macau Credit Facility includes the following financial covenants:

(i) a Consolidated Adjusted EBITDA to consolidated interest expense ratio for any relevant quarter period, each being three months ending on March 31, June 30, September 30 and December 31 in each year (the "fiscal quarter"), of not less than 4.00:1.00; and

(ii) a consolidated leverage ratio of not more than:

- 4.50:1.00 for the fiscal quarters ending September 30, 2009 and December 31, 2009;
- 4.00:1.00 for the fiscal quarters ending March 31, 2010 and June 30, 2010;
- 3.50:1.00 for the fiscal quarters ending September 30, 2010 and December 31, 2010; and
- 3.00:1.00 for any fiscal quarter ending after December 31, 2010.

b. Ferry Financing

On August 20, 2009, the secured credit facility agreement for ferry financing as stated in Note 27(b) was amended, among others, to remove the requirement to comply with financial covenants and to increase the interest rate to HIBOR plus 2.5% if the loans are made in Hong Kong dollars or LIBOR 2.5% if the loans are made in United States dollars.

c. On September 4, 2009, VVDI (II), the Group's immediate holding company issued exchangeable bonds (the "Bonds") due 2014 in the aggregate principal amount of US$600 million to the bondholders, all of whom are independent third parties to the Group. The Bonds will be mandatorily and automatically exchanged for shares of the Company at an exchange price equal to 90% of the offer price of the shares of the Company on the listing date of the Company's shares. The net proceeds of the Bonds of approximately US$582 million were on-lent to the

Group by way of an intercompany shareholder's loan for repaying the Group's amounts due to the Ultimate Parent Company and the other fellow subsidiaries. The intercompany shareholder's loan bears interest at the same rate as that of the Bonds which is 9% per annum from (and including) September 4, 2009 to (but excluding) September 4, 2010; 12% per annum from (and including) September 4, 2010 to (but excluding) September 4, 2011; and 15% per annum from (and including) September 4, 2011 to (but excluding) September 4, 2014. Upon completion of the Global Offering, the Group's repayment obligations under the intercompany shareholder's loan will be satisfied through the issuance of shares to the bondholders directly.

d. Pursuant to a board resolution dated November 8, 2009, subject to the share premium account of the Company being credited as a result of the Global Offering, the Company will capitalize an amount of US$62,800,000 standing to the credit of its share premium account in paying up in full at par 6,279,999,999 shares, which will be allotted and issued to the shareholders of the Company as at the date of the Prospectus in accordance with their respective shareholdings. The shares allotted and issued pursuant to this resolution shall rank pari passu in all respects with the existing issued shares.

III. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company or any of the companies now comprising the Group with respect to any period subsequent to June 30, 2009. Same as disclosed in this report, no dividend or distribution has been declared, made or paid by the Company or any of the companies now comprising the Group in respect of any period subsequent to June 30, 2009.

Yours faithfully

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong

The information set forth in this appendix does not form part of the Accountant's Report from PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, the reporting accountant of our Company, as set forth in Appendix I to this prospectus, and is included herein for information only. The unaudited pro forma financial information should be read in conjunction with "Financial Information" and the "Accountant's Report" set forth in Appendix I to this prospectus.

A. UNAUDITED PRO FORMA ADJUSTED NET TANGIBLE ASSETS

The following is an illustrative unaudited pro forma statement of adjusted net tangible assets of our Group prepared on the basis of the notes set out below for the purpose of illustrating the effect of the Global Offering on the net tangible assets of our Group attributable to the equity holders of our Company as of June 30, 2009 as if the Global Offering had taken place on June 30, 2009.

This unaudited pro forma statement of adjusted net tangible assets has been prepared for illustrative purposes only and because of its hypothetical nature, it may not give a true picture of the combined net tangible assets of our Group as of June 30, 2009 or at any future dates following the completion of the Global Offering.

	Unadjusted audited combined net tangible assets of our Group attributable to equity holders of our Company as of June 30, 2009[1]	Estimated net proceeds from the Global Offering to our Company[2]	Unaudited pro forma adjusted net tangible assets of our Group attributable to the equity holders of our Company	Unaudited pro forma adjusted net tangible assets per Share[3]	
		(US$ in millions)		US$	HK$
Based on an Offer Price of HK$10.38 per Share	1,267.8	1,635.5	2,903.3	0.38	2.98
Based on an Offer Price of HK$13.88 per Share	1,267.8	2,191.8	3,459.6	0.46	3.55

(1) The unadjusted audited combined net tangible assets attributable to the equity holders of our Company as of June 30, 2009 is extracted from the "Accountant's Report" set out in Appendix I to this prospectus, which is based on the audited combined net assets of our Group attributable to the equity holders of our Company of US$1,311,542,000 with an adjustment for the intangible assets of US$43,746,000.

(2) The estimated net proceeds to our Company from the Global Offering are based on the indicative Offer Price range of HK$10.38 per Share and HK$13.88 per Share after deduction of the underwriting fees and other related expenses payable by our Company. We may pay the Underwriters an additional incentive fee up to 0.75% of the Offer Price multiplied by the total number of Offer Shares. If we decide to pay such additional incentive fee, the net proceeds from the Global Offering and the pro forma adjusted net tangible assets of our Group attributable to the equity holders of our Company will decrease.

(3) The unaudited pro forma net tangible assets per Share is arrived at after the adjustments referred to in Note 2 above and on the basis that 7,555,000,000 Shares were in issue assuming that the Capitalization Issue and the Global Offering had been completed on June 30, 2009.

Upon the Listing of the Shares, the Bonds issued by VVDI (II) will be mandatorily and automatically exchanged for Shares at an exchange price equal to 90.0% of the Offer Price. The number of Shares in issue would be 8,047,858,661 (assuming the Offer Price is HK$10.38) and 7,922,297,822 (assuming the Offer Price is HK$13.88), respectively. The unaudited pro forma net tangible assets per Share, taking into account the settlement of the intercompany shareholder's loan and the issue of new Shares to the Bondholders upon the mandatory and automatic exchange of the Bonds for Shares, would be US$0.43 (HK$3.36) (assuming the Offer Price is HK$10.38) and US$0.51 (HK$3.95) (assuming the Offer Price is HK$13.88), respectively.

(4) As of September 30, 2009, our Group's property interests were valued by CB Richard Ellis Limited, an independent property valuer, and the relevant property valuation report is set out in Appendix IV to this prospectus. The net revaluation surplus, representing the excess of market value of the property interests over their corresponding book value shown in investment properties, leasehold interests in land and property and equipment, is approximately US$4.3 billion. Such revaluation surplus has not been included in our Group's unaudited combined financial information as of September 30, 2009 and will not be included in our Group's financial statements for the year ending December 31, 2009. The above adjustment does not take into account the above revaluation surplus. Had the property interests been stated at such valuation as of September 30, 2009, an additional depreciation and land lease expense totaling US$50.3 million would be charged against the combined income statement for the year ending December 31, 2009.

(5) No adjustment has been made to reflect any trading result or other transaction of our Group entered into subsequent to June 30, 2009.

B. UNAUDITED PRO FORMA FORECAST EARNINGS PER SHARE

The following unaudited pro forma forecast basic earnings per Share and unaudited pro forma fully diluted forecast earnings per Share have been prepared on the basis of the notes set out below for the purpose of illustrating the effect of the Global Offering as if it had been taken place on January 1, 2009. This unaudited pro forma forecast earnings per Share has been prepared for illustrative purposes only and because of its hypothetical nature, it may not give a true picture of financial results of our Group for the year ending December 31, 2009 or any future period.

	Based on an Offer Price of HK$10.38	Based on an Offer Price of HK$13.88
Forecast consolidated profit attributable to equity holders of our Company for the year ending December 31, 2009[1]	Not less than US$192.4 million	Not less than US$192.4 million
Unaudited pro forma forecast earnings per Share[2]	Not less than US$0.03 (HK$0.20)	Not less than US$0.03 (HK$0.20)

(1) Our forecast consolidated profit attributable to equity holders of our Company for the year ending December 31, 2009 is extracted from "Financial Information—Profit Forecast for the Year Ending December 31, 2009." The bases and assumptions on which the above profit forecast has been prepared are summarized in Appendix III to this prospectus. Our Directors have prepared the forecast consolidated profit attributable to equity holders of our Company for the year ending December 31, 2009 based on the audited combined results of our Group for the six months ended June 30, 2009, the unaudited combined results based on the management accounts of our Group for the three months ended September 30, 2009 and a forecast of the consolidated results of our Group for the remaining three months ending December 31, 2009. The forecast has been prepared on a basis consistent in all material respects with the accounting policies presently adopted by our Group as set out in Note 2 of Section II of the Accountant's Report, the text of which is set out in Appendix I to this prospectus.

(2) The unaudited pro forma forecast earnings per Share is calculated by dividing the forecast consolidated profit attributable to the equity holders of our Company for the year ending December 31, 2009 by 7,550,000,000 Shares which had been in issue on January 1, 2009.

Upon the Listing of the Shares, the Bonds issued by VVDI (II) will be mandatorily and automatically exchanged for Shares at an exchange price equal to 90.0% of the Offer Price. The number of Shares in issue would be 8,047,858,661 (assuming the Offer Price is HK$10.38) and 7,922,297,822 (assuming the Offer Price is HK$13.88), respectively. The unaudited pro forma forecast earnings per Share, taking into account the settlement of the intercompany shareholder's loan and the issue of new Shares to the Bondholders upon the mandatory and automatic exchange of the Bonds for Shares, would be US$0.02 (HK$0.19) (assuming the Offer Price is HK$10.38) and US$0.02 (HK$0.19) (assuming the Offer Price is HK$13.88), respectively. Such calculation has not taken into account any adjustment on the forecast consolidated profit attributable to equity holders of our Company for the year ending December 31, 2009 arising from the settlement of the intercompany shareholder's loan and the issue of new Shares to the Bondholders upon the mandatory and automatic exchange of the Bonds for Shares had these occurred on January 1, 2009.

C. REPORT FROM THE REPORTING ACCOUNTANT ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is the text of a report received from PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this prospectus.

PRICEWATERHOUSECOOPERS

羅兵咸永道會計師事務所

PricewaterhouseCoopers
22/F Prince's Building
Central, Hong Kong

ACCOUNTANT'S REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION TO THE DIRECTORS OF SANDS CHINA LTD.

We report on the unaudited pro forma financial information of Sands China Ltd. (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") set out on pages II-1 to II-2 under the headings of "Unaudited Pro Forma Adjusted Net Tangible Assets" and "Unaudited Pro Forma Forecast Earnings Per Share" (the "Unaudited Pro Forma Financial Information") in Appendix II of the Company's prospectus dated November 16, 2009 (the "Prospectus"), in connection with the proposed initial public offering of the shares of the Company. The Unaudited Pro Forma Financial Information has been prepared by the directors of the Company, for illustrative purposes only, to provide information about how the proposed initial public offering might have affected the relevant financial information of the Group. The basis of preparation of the Unaudited Pro Forma Financial Information is set out on pages II-1 to II-2 of the Prospectus.

Respective Responsibilities of Directors of the Company and the Reporting Accountant

It is the responsibility solely of the directors of the Company to prepare the Unaudited Pro Forma Financial Information in accordance with rule 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

It is our responsibility to form an opinion, as required by rule 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

Basis of Opinion

We conducted our engagement in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 300 "Accountants' Reports on Pro Forma Financial Information in Investment Circulars" issued by the HKICPA. Our work, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted audited combined net assets of the Group as of June 30, 2009 with the accountant's report as set out in Appendix I of the Prospectus, comparing the unaudited forecast profit attributable to equity holders of the Company for the year ending December 31, 2009 with the profit forecast as set out in "Financial Information—Profit Forecast for the Year Ending December 31, 2009", considering the evidence supporting the adjustments and discussing the Unaudited Pro Forma Financial Information with the directors of the Company.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company on the basis stated, that such basis is consistent with the accounting policies of the Group and that the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to rule 4.29(1) of the Listing Rules.

Our work has not been carried out in accordance with auditing standards or other standards and practices generally accepted in the United States of America or auditing standards of the Public Company Accounting Oversight Board (United States) and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

The Unaudited Pro Forma Financial Information is for illustrative purposes only, based on the judgments and assumptions of the directors of the Company, and, because of its hypothetical nature, does not provide any assurance or indication that any event will take place in the future and may not be indicative of:

- the adjusted net tangible assets of the Group as of June 30, 2009 or any future date, or
- the earnings per share of the Group for the year ending December 31, 2009 or any future periods.

Opinion

In our opinion:

a) the Unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company on the basis stated;

b) such basis is consistent with the accounting policies of the Group; and

c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to rule 4.29(1) of the Listing Rules.

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong, November 16, 2009

The forecast consolidated profit attributable to the equity holders of our Company for the year ending December 31, 2009 is set out in "Financial Information—Profit Forecast for the Year Ending December 31, 2009."

(A) BASES AND ASSUMPTIONS

Our Directors have prepared the forecast of the consolidated profit attributable to the equity holders of our Company for the year ending December 31, 2009 based on the audited combined results of our Group for the six months ended June 30, 2009, the unaudited combined results based on management accounts of our Group for the three months ended September 30, 2009 and a forecast of the consolidated results of our Group for the remaining three months ending December 31, 2009.

The profit forecast has been prepared on the basis of accounting policies consistent in all material respects with those currently adopted by our Company as summarized in the Accountant's Report, the text of which is set forth in Appendix I to this prospectus.

Our Directors have adopted the following principal assumptions in the preparation of the profit forecast:

- there will be no material changes in the existing government policies, political, legal, fiscal, market or economic conditions in the PRC, Hong Kong, Macau or any other countries or territories in which our Group currently operates or which are otherwise material to our business;
- there will be no changes in legislation, regulations or rules in the PRC, Hong Kong, Macau or any other countries or territories in which our Group operates or with which our Group has arrangements or agreements, which may materially adversely affect our Group's business or operations;
- our Group's operations will not be materially and adversely affected by any of the risk factors set out in "Risk Factors";
- there will be no material changes in foreign exchange rates and inflation rates;
- there will be no material changes in the bases or applicable rates of taxation, surcharges or other government levies in the countries or territories in which our Group operates except as otherwise disclosed in this prospectus; and
- there will be no wars, military incidents, acts of terrorism, pandemic diseases, natural disasters, or force majeure events, unforeseeable factors or reasons that are beyond our control, which would have a material impact on our Group's business and operating activities.

(B) LETTERS

The following is the text of the letters received by our Directors from our Company's reporting accountant, PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, and from the Joint Sponsors, in connection with the profit forecast for the purpose of incorporation in this prospectus.

(1) LETTER FROM PRICEWATERHOUSECOOPERS

PRICEWATERHOUSECOOPERS

羅兵咸永道會計師事務所

PricewaterhouseCoopers
22/F Prince's Building
Central, Hong Kong

November 16, 2009

The Directors
Sands China Ltd.

Goldman Sachs (Asia) L.L.C.
CLSA Equity Capital Markets Limited

Dear Sirs

We have reviewed the calculations of and accounting policies adopted in arriving at the forecast of the consolidated profit attributable to equity holders of Sands China Ltd. (the "Company") for the year ending December 31, 2009 (the "Profit Forecast") as set out in the section headed "Financial information—Profit Forecast For the Year Ending December 31, 2009" in the prospectus of the Company dated November 16, 2009 (the "Prospectus").

We conducted our work in accordance with the Auditing Guideline 3.341 on "Accountants' report on profit forecasts" issued by the Hong Kong Institute of Certified Public Accountants.

The Profit Forecast, for which the Directors of the Company are solely responsible, has been prepared by them based on the audited combined results of the Company and its subsidiaries (hereinafter collectively referred to as "the Group") for the six months ended June 30, 2009, the unaudited combined results based on management accounts for the three months ended September 30, 2009 and a forecast of the consolidated results of the Group for the remaining three months ending December 31, 2009 on the basis that the current Group structure had been in existence throughout the whole financial year ending December 31, 2009.

In our opinion, the Profit Forecast, so far as the calculations and accounting policies are concerned, has been properly compiled in accordance with the bases and assumptions made by the Directors of the Company as set out on page III-1 of the Prospectus, and is presented on a basis consistent in all material respects with the accounting policies presently adopted by the Group as set out in note 2 of section II of our accountant's report dated November 16, 2009, the text of which is set out in Appendix I of the Prospectus.

Yours faithfully

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong

(2) LETTER FROM THE JOINT SPONSORS

Goldman Sachs

CLSA ASIA-PACIFIC MARKETS

November 16, 2009

The Board of Directors
Sands China Ltd.

Dear Sirs

We refer to the forecast of the consolidated net profit attributable to equity holders of Sands China Ltd. (the "Company") for the year ending December 31, 2009 (the "Profit Forecast") as set out in the prospectus issued by the Company dated November 16, 2009 (the "Prospectus").

We understand the Profit Forecast, for which the directors of the Company are solely responsible, has been prepared by them based on the audited combined results of the Company and its subsidiaries (together, the "Group) for the six months ended June 30, 2009, the unaudited combined results based on the management accounts of the Group for the three months ended September 30, 2009 and a forecast of the consolidated results of the Group for the remaining three months ending December 31, 2009.

We have discussed with you the bases and assumptions made by the directors of the Company as set out in Appendix III to the Prospectus upon which the Profit Forecast has been made. We have also considered the letter dated November 16, 2009 addressed to you and us from PricewaterhouseCoopers regarding the accounting policies and calculations upon which the Profit Forecast has been based.

On the basis of the information comprising the Profit Forecast and on the bases of the accounting policies and calculations adopted by you and reviewed by PricewaterhouseCoopers, we are of the opinion that the Profit Forecast, for which you as the directors of the Company are solely responsible, has been made after due and careful enquiry.

Yours faithfully
For and on behalf of
Goldman Sachs (Asia) L.L.C.

Alex Schrantz
Managing Director

Yours faithfully
For and on behalf of
CLSA Equity Capital Markets Limited

Richard Taylor
Head of Investment Banking

The following is the text of a letter with the summary of values and valuation certificate received from CB Richard Ellis Limited, prepared for the purpose of incorporation in the prospectus, in connection with their valuation as at September 30, 2009 of all the property interests of our Group.

CBRE
CB RICHARD ELLIS
世邦魏理仕

34/F Central Plaza
18 Harbour Road
Wanchai, Hong Kong
T 852 2820 2800
F 852 2810 0830

香港灣仔港灣道十八號中環廣場三十四樓
電話 852 2820 2800 傳真 852 2810 0830

www.cbre.com.hk
地產代理（公司）牌照號碼 Estate Agent's Licence No: C-004065

November 16, 2009

The Board of Directors,
Sands China Ltd.,
Estrada da Baía de Nossa Senhora da Esperanca
The Venetian Macao Resort Hotel
Executive Offices, L2
Taipa, Macau

Dear Sirs,

In accordance with the instructions from Sands China Ltd. (the "Company") for us to value the Property Interests held by the Company and its subsidiaries (hereinafter together known as the "Group") in Macau, Hong Kong and the People's Republic of China ("the PRC"), we confirm that we have carried out an inspection, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the capital values of such Property Interests as at September 30, 2009 (the "date of valuation").

Our valuation is our opinion of Market Value which is defined to mean "the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."

Unless otherwise stated, our valuation is prepared in accordance with "The International Valuation Standards, Eighth Edition (2007)" published by the International Valuation Standards Council and the RICS Standards 6th Edition; both of which are consistent with and contain all material details of the basis of valuation set out in the "Hong Kong Guidance Notes on the Valuation of Property Assets" published by The Royal Institution of Chartered Surveyors (Hong Kong Branch) and The Hong Kong Institute of Surveyors.

Apart from the existing hotel management agreement associated with Property No. 2 and the individual leases and occupational arrangements associated with the retail shops located within Properties 1 and 2, our valuation has been made on the assumption that the owner sells the properties on the open market in the absence of a deferred term contract, leaseback, joint venture or any similar arrangement, which would serve to affect the values of the Property Interests.

Comparison is based on prices realized on actual transactions, asking price of comparable properties or offerings. Comparable properties with similar operations, sizes, character and locations are analyzed, and carefully weighted against all respective advantages and disadvantages of each property in order to arrive at a fair comparison of value.

For the Property Interests in Group I, which are held by the Group for operation and/or investment, we have valued each of these Property Interests by comparison approach and by making reference to comparable sales transactions or asking prices as available in the market.

For the Property Interests in Group II, which are held by the Group under development, our valuation has been made on the basis that the property will be developed and completed in accordance with the Group's latest development schemes provided to us. We have assumed that approvals for these development schemes have been obtained. In arriving at our opinion of value, we have adopted the comparison approach by making reference to comparable sales evidence, asking prices or offerings as available in the relevant market and have also taken into consideration the development costs already spent and to be spent which have been provided by the Group, to reflect the quality of the completed development.

For the Property Interests in Group III, which are held or controlled by the Group for future development, we have also valued each of these Property Interests by the comparison approach assuming sale of each of these Property Interests in its existing state with the benefit of vacant possession and by making reference to comparable sales transactions or asking prices as available in the relevant market.

The Property Interests in Group IV, which are leased by/under license by the Group in the PRC, Macau and Hong Kong, are considered to have no commercial value due mainly to the prohibition against assignment or sub-letting or otherwise due to the lack of substantial profit rent and/or short term nature of the Property Interests.

We have been given the legal opinion provided by the Group's Macau legal advisor, Leonel Alves' Law Firm, regarding Group I to Group IV properties in Macau and the Group's Hong Kong legal advisor, Sidley Austin, regarding the leased property in Hong Kong. We have also conducted title searches with respect to Group I to Group IV properties in Macau and Hong Kong. In the course of our valuation for the Property Interests in the PRC, we have relied on the legal opinion provided by the Group's PRC legal advisor, MWE China Law Offices. We have been provided with extracts from title documents relating to such Property Interests. We have not, however, examined the original documents to verify ownership or existence of any amendment which does not appear on the copies handed to us. All documents have been used for reference only.

We have relied to a considerable extent on information given by the Group, in particular, but not limited to, development schemes, development schedules, planning approvals, building covenants, statutory notices, easements, tenancies, floor areas and business concessions. No on-site measurements have been taken. Dimensions, measurements and areas included in the valuation certificates are only approximations. We have taken every reasonable care both during inspecting the information provided to us and in making relevant enquiries. We have no reason to doubt the truth and accuracy of the information provided to us by the Company, which is material to the valuation. We were also advised by the Group that no material facts have been omitted from the information provided to us. Furthermore, our valuation is on the basis that land concessions, gaming taxation and concessions in Macau will remain in its current form. With respect to land titles in Macau, land concessions generally have 25-year terms, with automatic extensions of 10-year periods indefinitely at the holder's option thereafter.

Furthermore, we have assumed that the Group will continue to operate the properties in a manner and with best endeavor, to achieve its forecast and ensure that no activities or actions are undertaken that would prejudice or cause the land concessions, gaming concessions or licenses to be detrimentally modified or terminated.

We have assumed that the properties will continue to be operated in compliance with the legal requirements relating to all land concessions, gaming concessions and licenses and that there are no factors, internal to the Group or otherwise, which would affect the continued operation or control of the properties or detrimentally affect values. We have assumed that the properties are freely transferable in the open market and discretionary authorization in the land concession for any transfer will not be unduly withheld.

Property Interests as instructed for the purpose of the valuation include all real estate, plant and equipment and furniture, fixtures and fittings, and licenses necessary to continue to operate the properties in their current form. We have assumed that all the Property Interests as detailed within Groups I, II and III are owned by the Group.

The land concession for Parcels 1, 2 and 3 requires the Group to complete the proposed development of Parcel 3 by April 17, 2013. Unless this deadline is met or an extension is obtained, the Group may lose its right to continue with the land concession or any properties developed under the land concession for Parcel 3.

We have inspected the properties to such extent as is necessary for the purpose of this valuation. In the course of our inspection, we did not notice any serious defects. However, we have not carried out any structural survey nor any tests were made on the building services. Therefore, we are not able to report whether the properties are free of rot, infestation or any other structural defects.

We have not carried out investigations on the site to determine the suitability of the ground conditions and the services etc. for any future development. This report does not make any allowance for contamination or pollution of the land, if any, which may have occurred as a result of past usage. We have not undertaken archaeological, ecological or environmental surveys. Our valuation is on the basis that these aspects are satisfactory and that no extraordinary expenses or delays will be incurred during the construction period, due to these, or to archaeological or ecological matters.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the Property Interests nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the Property Interests are free from encumbrances, restrictions and outgoings of an onerous nature which could affect their values.

Unless otherwise stated, all monetary amounts are stated in (United States) Dollars ("US$"). Where necessary, we have converted Patacas ("MOP") and Hong Kong Dollars ("HK$") into US$ at the exchange rates of US$1=MOP8.00 and HK$7.75 being the respective rates prevailing at the date of valuation.

We enclose herewith a summary of valuation and our valuation certificate.

Yours faithfully,
For and on behalf of
CB Richard Ellis Limited

Alex PW Leung MRICS	**Robert McIntosh FRICS FAPI**	**Danny Mohr AAPI MRICS**
Director	Executive Director	Executive Director
Valuation & Advisory Services	CBRE Hotels	Pan Asia Valuation & Advisory Services

Note:
Mr. Alex Leung is a member of Royal Institution of Chartered Surveyors. He has about 15 years' valuation experience in the Greater China region.

Mr. Robert McIntosh is a BSc, a Fellow of Royal Institution of Chartered Surveyors, a Fellow of Australian Property Institute and is a qualified valuer with over 30 years' experience in the valuation of properties across Asia as well as in the UK, Australia, New Zealand and the Pacific. He has extensive experience in the valuation of trade related properties in the hotel and leisure market such as hotels, pubs and casinos.

Mr. Danny Mohr is a member of Royal Institution of Chartered Surveyors, a member of the Australian Property Institute. He has over 25 years' valuation experience in Asia and Australia. He has extensive experience in the valuation of trade related and investment properties.

SUMMARY OF VALUES

	Property Interests		Capital Value attributable to the Group as at September 30, 2009 (US$)
Group I—Property Interests held by the Group for operation and/or investment			
1.	The Venetian Macao Resort Hotel in Coloane, Estrada do Istmo, Lote I, The Cotai Strip, Taipa, Macau	Known within the Group as Parcel 1	5,757,500,000
2.	The Plaza Macao (excluding the apart-hotel tower) in Coloane, Estrada Do Istmo, Lote II, The Cotai Strip, Taipa, Macau	Known within the Group as part of Parcel 2	940,000,000
3.	Sands Macao (Casino Hotel) in Macao, Nos. 2037-2413 Avenida Dr. Sut Yat Sen, Macau		2,400,000,000
		Group I Sub-total	9,097,500,000
Group II—Property Interests held or controlled by the Group under development			
4.	Apart-Hotel Tower of the Plaza Macao in Coloane, Estrada Do Istmo, Lote II, The Cotai Strip, Taipa, Macau	Known within the Group as part of Parcel 2	769,000,000
5.	Parcels 5 & 6, The Cotai Strip, Taipa, Macau		No commercial value (see note)
Group III—Property Interests held or controlled by the Group for future development			
6.	A parcel in Coloane, Estrada Do Istmo, Lote III, The Cotai Strip, Taipa, Macau	Known within the Group as Parcel 3	85,000,000
7.	Parcels 7 & 8, The Cotai Strip, Taipa, Macau		No commercial value
Group IV—Property Interests leased by / under license by the Group			
8.	Shop Unit Nos. 305D & 305E, 3rd Floor, Shun Tak Centre, Nos. 168-200 Connaught Road Central, Hong Kong		No commercial value
9.	Units A to G, 5th Floor, Edifício Comercial Zhu Kuan Mansion, No. 105 Avenida Xian Xing Hai, Macau		No commercial value
10.	Lot 25, Novos Aterros do Porto Exterior (Nape), Macau		No commercial value
11.	Balcão No. 5 Macao International Airport, Edifício do Terminal de Passageiros do Aeroporto International de Macau, Taipa (M5), Macau		No commercial value

	Property Interests	Capital Value attributable to the Group as at September 30, 2009 (US$)
12.	Units A3 & B3, Nos. 88 to 88D Largo de Pac On; Nos. 603 & 635 Estrada de Pac On; Nos. 43, 53 & 65 da Rua do Progesso; Nos. 98, 116 to 130 da Rua da Riqueza, Taipa, Macau	No commercial value
13.	Units 9E, 11E and 11F, Parking Lot Nos. 1, 2, 3 and 8 on 3rd Floor, The Manhattan, No. 75 Avenida Dr. Sun Yat Sen, Taipa, Macau	No commercial value
14.	Unit G5, Ground Floor, Avenida Wai Long, CAM Building, Taipa, Macau	No commercial value
15.	Levels 1-7, 10 and 11, Jet Logistics Centre, Area No. 9-1, Cross-Border Industrial Zone, Zhuhai, Guangdong Province, the People's Republic of China.	No commercial Value
	Grand Total:	9,951,500,000

Note: Had the Group obtained proper title for Property No. 5 and the land premium had been fully paid for such Property, the capital value of the property, as at September 30, 2009, is estimated to be US$1,800,000,000. Please refer to pages IV-14 & 15 for details.

The adjusted Grand Total with the inclusion of Property No. 5, if the title was held, is US$11,751,500,000.

VALUATION CERTIFICATE

Group I—Property Interests held by the Group for operation and/or investment

	Property	Description and tenure	Details of occupancy	Capital Value attributable to the Group as at September 30, 2009
				(US$)
1.	The Venetian Macao Resort Hotel In Coloane, Estrada do Istmo, Lote I, The Cotai Strip, Taipa, Macau Known within the Group as Parcel 1	The Venetian Macao comprises an integrated resort incorporating hotel, casino, retail, restaurants uses in addition to an 1,800-seat capacity theatre and 15,000-seat capacity arena. The development also includes meeting & convention centre areas. The property has a total gross floor area of approximately 976,693 sq. m. including the resort hotel accommodating approximately 2,905 suites, retail and gaming space, a casino consisting of an area of approximately 2,600 sq. m. and a MICE facility of approximately 112,960 sq. m. The registered site area of 291,479 sq. m. The development was completed in 2007. The development is held for a land use term expiring on April 17, 2032 and renewable thereafter. The Government rent is US$1,862,583 per annum. The casino having a gross floor area of approximately 2,600 sq. m. together with the gaming facilities will be reverted to the government by June 26, 2022, in case the gaming Subconcession is not renewed.	The property is operated by the Group as a mixed hotel, retail and casino complex. In addition, the theatre features 'Zaia' by Cirque du Soleil and the arena hosts world-class concerts and other entertainment events. Some 74% of the retail spaces are currently leased to various tenants generally for terms of 3 to 5 years for a monthly base rent of approximately US$8.03 million exclusive of management fee with the latest expiring date in June 2023.	5,757,500,000 (100% interests attributable to the Group: 5,757,500,000)

Notes:

i. The registered concessionaire of the property is Venetian Cotai Limited, except for the 2,600 sq. m. casino which is owned by Venetian Macau Limited.

ii. We have been provided with a legal opinion on the property prepared by the Group's Macau legal advisor, which contains, inter alia, the following information:

- Venetian Cotai Limited is the sole legitimate holder of the land concession by lease granted by the Macau Government of Parcel 1 as well as the owner of the properties developed on Parcel 1, held under one strata-title unit comprising a 5 star hotel named "The Venetian Macao Resort Hotel", a shopping mall, a convention and exhibition centre and parking, except the casino which has a separate strata-title and is owned by Venetian Macau Limited.
- Venetian Cotai Limited mortgaged the rights arising from the land concession to The Bank of Nova Scotia.
- Venetian Cotai Limited has also restricted its enjoyment of the property by granting rights to use the retail area of the shopping mall to retailers, the ability to grant such rights being not restricted under the mortgage.
- Venetian Cotai Limited cannot freely transfer the property constructed on Parcel 1 granted by a concession by lease, nor can transfer Parcel 1, because such transfer is subject to the Macau Government's discretionary authorization, pursuant to Clause 13 of the land concession leasing Parcels 1, 2 and 3.
- The casino with a gross floor area of 2,600 sq. m. is an independent unit which was transferred to Venetian Macau Limited pursuant to Clause 6 of the land concessions leasing Parcels 1, 2 and 3 and shall revert to the Macau Government, together with the gaming facilities, pursuant to the gaming regulatory framework, upon expiry or termination of the Subconcession Contract.
- There are not any notices or orders adversely affecting Parcel 1 and the property erected thereon given or served by any competent authority which have not been complied with.

iii. As advised by the Group, Venetian Cotai Limited has duly paid all the matured installments of the premium arising from the land concession that granted Parcels 1, 2 and 3 with an outstanding land premium of US$41,734,538 to be paid for Parcels 1, 2 and 3 as at September 30, 2009.

iv. In our valuation, we have assumed the property to be free from any restrictions such as that stated in Note ii. above and it can be freely transferable in the open market.

VALUATION CERTIFICATE

Group I—Property Interests held by the Group for operation and/or investment

	Property	Description and tenure	Details of occupancy	Capital Value attributable to the Group as at September 30, 2009
				(US$)
2.	The Plaza Macao (excluding the apart-hotel tower) In Coloane, Estrada Do Istmo, Lote II, The Cotai Strip, Taipa, Macau Known within the Group as part of Parcel 2	The subject property, together with the apart-hotel tower which is valued under Property No. 4, comprises a mixed-use development, namely the Plaza Macao incorporating a gaming facility, a hotel, an apart-hotel tower and retail spaces. The property has a total gross floor area of approximately 279,882 sq. m. including the apart-hotel tower. The registered site area for the whole development is 53,700 sq. m. The property was completed in 2008. The property is held for a land use term expiring on April 17, 2032 and renewable thereafter. The Government rent is US$551,471 per annum for the whole Parcel 2.	The hotel is operated under the Four Seasons brand name on a 20-year management contract with Four Seasons Hotel & Resorts Asia Pacific Pte Ltd. Some 87% of the retail spaces are currently leased to various tenants generally for terms of 3 to 5 years for a monthly base rental of approximately US$2.37 million exclusive of management fee with the latest expiring date in July 2018. The gaming facility is operated by the Group.	940,000,000 (100% interests attributable to the Group: 940,000,000)

Notes:

i. The registered concessionaire of the property is Venetian Cotai Limited.

ii. We have been provided with a legal opinion on the property prepared by the Group's Macau legal advisor, which contains, inter alia, the following information:

- Venetian Cotai Limited is the sole legitimate holder of the land concession by lease granted by the Macau Government of Parcel 2 as well as the owner of the properties developed on Parcel 2, held under four different strata-title units: (i) a 5 star hotel named "Four Seasons Hotel", (ii) an apart-hotel tower, (iii) a shopping mall and (iv) parking.
- Venetian Cotai Limited mortgaged the rights arising from the land concession to The Bank of Nova Scotia.
- Venetian Cotai Limited has also restricted its enjoyment of the property by granting rights to use the retail area of the shopping mall to retailers and executing a hotel management agreement with Four Seasons to manage the hotel, the ability to grant such rights and execute such agreements being not restricted under the mortgage.

- The hotel management agreement with Four Seasons is legal, valid, binding and enforceable in Macau.
- Venetian Cotai Limited cannot freely transfer the property constructed on Parcel 2, granted by a concession by lease, because such transfer is subject to the Macau Government's discretionary authorization, pursuant to Clause 13 of the land concession leasing Parcels 1, 2 and 3. The first transfer of Parcel 2 can be executed without prior approval from the Macau Government provided that such Parcel is not fully developed at the time of the transfer, pursuant to Clause 13(2) of the land concession contract. Any transfer of Parcel 2 thereafter, or transfer of the properties erected on such Parcel after its development is complete, requires prior approval from the Macau Government.
- There are not any notices or orders adversely affecting Parcel 2 and the property erected thereon given or served by any competent authority which have not been complied with.

iii. As advised by the Group, Venetian Cotai Limited has duly paid all the matured installments of the premium arising from the land concession that granted Parcels 1, 2 and 3 with an outstanding land premium of US$41,734,538 to be paid for Parcels 1, 2 and 3 as at September 30, 2009.

iv. In our valuation, we have assumed the property to be free from any restrictions such as that stated in Note ii. above and it can be freely transferable in the open market.

VALUATION CERTIFICATE

Group I—Property Interests held by the Group for operation and/or investment

	Property	Description and tenure	Details of occupancy	Capital Value attributable to the Group as at September 30, 2009 (US$)
3.	Sands Macao (Casino Hotel) In Macao, Nos. 2037-2413, Avenida Dr. Sut Yat Sen, Macau	The Sands Macao comprises a mixed-use development incorporating a gaming facility, a hotel, restaurants, a 650-seat theatre as well as meeting and convention centre areas. The property has a total gross floor area of approximately 136,170 sq. m. including the hotel accommodating approximately 289 suites, gaming area consisting of approximately 21,275 sq. m. The registered site area is 26,082 sq. m. The property was completed in various stages, with the first phase in 2004. Additions to the gaming facility and suites were completed between 2004 and 2006. The hotel tower block was completed in 2007. The property is held for a land use term expiring on December 9, 2028 and renewable thereafter. The Government rent is US$243,346 per annum.	The property is operated by the Group except for two F&B units which are currently leased to McDonalds & KFC.	2,400,000,000 (100% interests attributable to the Group: 2,400,000,000)

Notes:

i. The registered concessionaire of the property is Venetian Macau Limited.

ii. We have been provided with a legal opinion on the property prepared by the Group's Macau legal advisor, which contains, inter alia, the following information:

- Venetian Macau Limited is the sole legitimate holder of the land concession by lease granted by the Macau Government of the Sands Macao land as well as the owner of the properties developed on the Sands Macao land.
- Venetian Macau Limited has duly paid the premium arising from the concession that granted the Sands Macao land.
- Venetian Macau Limited mortgaged the rights arising from the land concession to The Bank of Nova Scotia.

- Venetian Macau Limited has also restricted its enjoyment of the property by granting rights to use the retail area of the shopping mall to retailers, the ability to grant such rights being not restricted under the mortgage.
- Venetian Macau Limited cannot freely transfer the property constructed on the Sands Macao land granted by a concession by lease, nor can transfer the Sands Macao land, because such transfer is subject to the Macau Government's discretionary authorization, pursuant to Clause 12 of the land concession leasing the Sands Macao land.
- There are not any notices or orders adversely affecting the Sands Macao land and the property erected thereon given or served by any competent authority which have not been complied with.

iii. In our valuation, we have assumed the property to be free from any restrictions such as that stated in Note ii. above and it can be freely transferable in the open market.

VALUATION CERTIFICATE

Group II—Property Interests held by the Group under development

	Property	Description and tenure	Details of occupancy	Capital Value attributable to the Group as at September 30, 2009
				(US$)
4.	Apart-Hotel Tower of the Plaza Macao In Coloane, Estrada Do Istmo Lote II, The Cotai Strip, Taipa, Macau	The subject property, together with Property No. 2, form a mixed-use development, namely the Plaza Macao. The registered site area for the whole development is 53,700 sq. m.	The property is currently at the final stage of construction with completion expected in 4th quarter 2009. Completion of FF&E is expected in 2nd quarter 2010.	769,000,000 (100% interests attributable to the Group: 769,000,000)
	Known within the Group as part of Parcel 2	The subject property is a 34-level tower block that sits above the retail podium. It features 286 apartments of 2, 3 and 4-bedroom configurations including several duplex designs. As advised by the Group, the floor area of the apartments when completed range from approximately 186 to 455 sq. m. (or 2,000 to 4,900 sq. ft.) and the total gross floor area is approximately 101,028 sq. m. As advised by the Group, construction costs incurred as at June 30, 2009 was US$307,000,000 and the estimated development costs to completion of the proposed development was approximately US$147,000,000 (excluding marketing, finance and other indirect costs). The property is held for a land use term expiring on April 17, 2032 and renewable thereafter. The Government rent is US$551,471 per annum for the whole Parcel 2.		

Notes:

i. The registered concessionaire of the property is Venetian Cotai Limited.

ii. We have been provided with a legal opinion on the property prepared by the Group's Macau legal advisor, which contains, inter alia, the following information:

- Venetian Cotai Limited is the sole legitimate holder of the land concession by lease granted by the Macau Government of Parcel 2 as well as the owner of the properties developed on Parcel 2, held under four different strata-title units: (i) a 5 star hotel named "Four Seasons Hotel", (ii) an apart-hotel tower, (iii) a shopping mall and (iv) parking.
- Venetian Cotai Limited mortgaged the rights arising from the land concession to The Bank of Nova Scotia.
- Venetian Cotai Limited cannot freely transfer the property constructed on Parcel 2 granted by a concession by lease because such transfer is subject to the Macau Government's discretionary authorization, pursuant to Clause 13 of the land concession leasing Parcels 1, 2 and 3. The first transfer of Parcel 2 can be executed without prior approval from the Macau Government provided that such Parcel is not fully developed at the time of the transfer, pursuant to Clause 13(2) of the land concession contract. Any transfer of Parcel 2 thereafter, or transfer of the properties erected on such Parcel after its development is complete, requires prior approval from the Macau Government.
- There are not any notices or orders adversely affecting Parcel 2 and the property erected thereon given or served by any competent authority which have not been complied with.

iii. As advised by the Group, Venetian Cotai Limited has duly paid all the matured installments of the premium arising from the land concession that granted Parcels 1, 2 and 3 with an outstanding land premium of US$41,734,538 to be paid for Parcels 1, 2 and 3 as at September 30, 2009.

iv. The gross realizable capital value after completion is estimated to be US$1,023,000,000.

v. The capital value under Note iii. above assumes the property to be free from any restrictions such as that stated in Note ii. above and it can be freely transferable in the open market.

VALUATION CERTIFICATE

Group II—Property Interests held or controlled by the Group under development

	Property	Description and tenure	Details of occupancy	Capital Value attributable to the Group as at September 30, 2009
5.	Parcels 5 & 6 The Cotai Strip, Taipa, Macau	A mixed hotel, retail and gaming development in the form of three hotel towers erected on a common podium is partially completed on the subject sites. As advised by the Group, the total gross floor area for the overall development scheme when completed is approximately 1,118,044 sq. m. The site areas are not available as at September 30, 2009 (see Note i. below). The development will be completed in phases. Phases I and II upon completion will have four high class hotels providing a total of about 6,000 rooms, a shopping mall, gaming facility as well as ancillary facilities like theatres, car parking spaces, etc. As advised by the Group, construction costs incurred as at June 30, 2009 was US$1,700,000,000 and the estimated development costs to completion for Phases I and II of the proposed development including any development conditions, such as pathways and any other facilities or services for public use was approximately US$2,212,000,000 (excluding marketing, finance and other indirect costs, but including costs to prepare the parcels for delay). The property will be held for a land lease term typical for land concessions in Macau upon completion of the development.	The development of the property has been extensively constructed. However, construction was suspended since late 2008. Construction to date comprises of the majority of the structural elements of the podium and three hotel towers.	No commercial value (see notes)

Notes:

i. We have been provided with a legal opinion on the property prepared by the Group's Macau legal advisor, which contains, inter alia, the following information:

- On November 11, 2009, the Group received a final draft of the land concession contract, which provides that development of Parcels 5 and 6, with a total site area of 150,134 sq.m., must be completed within 48 months of the

publication of the land concession in the M.S.A.R. Office Gazette. Once the Group formally accepts the final draft and pays the initial land premium payment of MOP700,000,000 for the land concession, the Macau Government will publish the land concession in the Macau Official Gazette following the standard MSAR land grant process and the land concession will become legal, valid and binding.

- Since the Group also started the development of Parcels 1 and 2 before the land concession was granted by the Macau Government, the same procedure is expected to be adopted in relation to Parcels 5 and 6.
- The Group is not paying any Government rent though it entered the sites and has started construction on Parcels 5 and 6.

ii. The capital value for Phases I and II of the development after completion is estimated to be US$5,900,000,000.

iii. Had the Group obtained proper title and the land premium had been fully paid, the capital value for Phases I and II of the development, as at September 30, 2009, is estimated to be US$1,800,000,000.

iv. The capital values under Notes ii. and iii. assume the property to be free from any restrictions such as that stated in Note i. above and it can be freely transferable in the open market.

VALUATION CERTIFICATE

Group III—Property Interests held or controlled by the Group for future development

	Property	Description and tenure	Details of occupancy	Capital Value attributable to the Group as at September 30, 2009
				(US$)
6.	A parcel in Coloane, Estrada Do Istmo, Lote III, The Cotai Strip, Taipa, Macau Known within the Group as Parcel 3	The site is conceptually earmarked for a hotel with gaming area, entertainment, recreation, commerce and restaurants and an apartment-hotel with a total gross floor area of approximately 398,549 sq. m. when completed. However, as advised by the Group development scheme has not been finalized at this stage. The registered site area is 60,479 sq. m. The property is held for a land use term expiring on April 17, 2032 and renewable thereafter. The government rent is US$226,796 per annum for the pre-construction period. Under the terms of the land concession, the Group is required to build and open the development by April 17, 2013.	The property is currently vacant.	85,000,000

Notes:

i. The registered concessionaire of the property is Venetian Cotai Limited.

ii. We have been provided with a legal opinion on the property prepared by the Group's Macau legal advisor, which contains, inter alia, the following information:

- Venetian Cotai Limited is the sole legitimate holder of the land concession by lease granted by the Macau Government of Parcel 3.
- The land concession for Parcels 1, 2 and 3 requires the Group to complete the proposed development of Parcel 3 by April 17, 2013. Unless this deadline is met or an extension is obtained, the Macau Government is entitled to forfeit Parcel 3.
- The first transfer of Parcel 3 can be executed without prior approval from the Macau Government provided that such Parcel is not fully developed at the time of the transfer, pursuant to Clause 13(2) of the land concession contract. Any transfer of Parcel 3 thereafter, or transfer of the property erected on such Parcel after its development is complete, requires prior approval from the Macau Government.
- In the event of any intended transfer relating to Parcel 3, which is still undeveloped, the Macau Government will have the opportunity to revise the terms of the land concession, including those related to the land premium, thus being able to charge additional land premium.
- There are not any notices or orders adversely affecting Parcel 3 and the property erected thereon given or served by any competent authority which have not been complied with.

iii. As advised by the Group, Venetian Cotai Limited has duly paid all the matured installments of the premium arising from the land concession that granted Parcels 1, 2 and 3 with an outstanding land premium of US$41,734,538 to be paid for Parcels 1, 2 and 3 as at September 30, 2009.

iv. In our valuation, we have assumed the property to be free from any restrictions such as that stated in Note ii. above and it can be freely transferable in the open market.

VALUATION CERTIFICATE

Group III—Property Interests held or controlled by the Group for future development

	Property	Description and tenure	Details of occupancy	Capital Value attributable to the Group as at September 30, 2009
7.	Parcels 7 & 8 The Cotai Strip, Taipa, Macau	The sites are conceptually ear marked for a multi-complex hotel with luxury and mid-scale hotel rooms and suites, a shopping mall, entertainment and gaming development as well as luxury apart-hotels. However, the development scheme has not been finalized at this stage. The sites are not available as at September 30, 2009 (see note below). The property will be held for a land lease term typical of land concessions in Macau upon completion of the development.	The property is currently vacant.	No commercial value

Note:
We have been provided with a legal opinion on the property prepared by the Group's Macau legal advisor, which contains, inter alia, the following information:

- The Group currently does not have legal title to Parcels 7 and 8. The Group will obtain from the Macau Government valid legal title to the sites provided that the Group reaches an agreement with the Macau Government and successfully completes and concludes the land concession formalities, including the payment of land premium calculated for the land concession.

VALUATION CERTIFICATE

Group IV—Property Interests leased by / under license by the Group

	Property	Description and tenure	Details of occupancy	Capital Value attributable to the Group as at September 30, 2009
8.	Shop Unit Nos. 305D & 305E, 3rd Floor, Shun Tak Centre, Nos. 168-200 Connaught Road Central, Hong Kong 137 / 33,888th equal and undivided shares of and in Inland Lot No. 8517	The property comprises two shop units in an office/ commercial/ pier terminal development comprising two 30-storey office towers over a 12-level commercial/ parking podium. The development was completed in 1985. The gross floor area of the property is about 65.0 sq. m. (700 sq. ft.). The property is held by the Group under a 3-year lease from October 2, 2008 to October 1, 2011 at a monthly rental of HK$192,500 exclusive of rates, service charges and other outgoings.	The property is occupied by the Group as ticket office.	No commercial value

Notes:

i. The registered owner of the property is Shun Tak Centre Limited.

ii. The property lies within an area zoned as "Commercial" under Central District Outline Zoning Plan.

iii. We were advised that the registered owner is an independent third party from the Group.

iv. We have been provided with a legal opinion on the property prepared by the Group's Hong Kong legal advisor, which contains, inter alia, the following information:

- The lease agreement is legal, valid, binding upon the tenant and the landlord, and is enforceable in accordance with its terms.

VALUATION CERTIFICATE

Group IV—Property Interests leased by / under license by the Group

	Property	Description and tenure	Details of occupancy	Capital Value attributable to the Group as at September 30, 2009
9.	Units A to G, 5th Floor, Edifício Comercial Zhu Kuan Mansion, No. 105 Avenida Xian Xing Hai, Macau	The property comprises office units in a 22-storey tower completed in 1997. The gross floor area of the property is about 1,032.8 sq. m. (11,117 sq. ft.). The property is held by the Group under a 3-year lease from December 1, 2007 to November 30, 2010 at a monthly rental of HK$105,611.50 exclusive of management fees, air conditioning and other utility charges. There is an option term of 2 years.	The property is occupied by the Group as an office.	No commercial value

Notes:

i. The registered owner of the property is Companhia de Fomento Predial Capitalsino Limitada.

ii. We were advised that the registered owner is an independent third party from the Group.

iii. We have been provided with a legal opinion on the property prepared by the Group's Macau legal advisor, which contains, inter alia, the following information:

- The lease agreement is legal, valid, binding upon the tenant and the landlord, and is enforceable in accordance with its terms.

VALUATION CERTIFICATE

Group IV—Property interests leased by / under license by the Group

	Property	Description and tenure	Details of occupancy	Capital Value attributable to the Group as at September 30, 2009
10.	Lot 25 Novos Aterros do Porto Exterior (Nape), Macau	The property comprises an open space within an area of about 7,200 sq. m. (77,500 sq. ft.). The property is held by the Group under a monthly lease from July 1, 2003 at a monthly rental of MOP40,000.	The property is occupied by the Group for vehicle parking.	No commercial value

Notes:

i. The registered concessionaire of the property is Sociedade "Macau-Obras de Aterro Limitada".

ii. We were advised that the registered concessionaire is an independent third party from the Group.

iii. We have been provided with a legal opinion on the property prepared by the Group's Macau legal advisor, which contains, inter alia, the following information:

- The lease agreement is legal, valid, binding upon the tenant and the landlord, and is enforceable in accordance with its terms.

VALUATION CERTIFICATE

Group IV—Property Interests leased by / under license by the Group

	Property	Description and tenure	Details of occupancy	Capital Value attributable to the Group as at September 30, 2009
11.	Balcão No. 5 Macao International Airport, Edifício do Terminal de Passageiros do Aeroporto International de Macau, Taipa (M5), Macau	The property comprises a service counter at the terminal of the Macau International Airport completed in 1995. The gross floor area of the property is about 4.0 sq. m. (43 sq. ft.). The property is held by the Group under a one year license commencing from March 16, 2007 at a monthly license fee of MOP7,000 inclusive of utility charges and cleaning fees. The license is subject to 90 days' notice to terminate the license.	The property is occupied by the Group for marketing and promotion purposes.	No commercial value

Notes:

i. The registered concessionaire of the property is CAM - Sociedade do Aeroporto Internacional de Macau, S.A.R.L..

ii. We were advised that the registered concessionaire is an independent third party from the Group.

iii. We have been provided with a legal opinion on the property prepared by the Group's Macau legal advisor, which contains, inter alia, the following information:

- The license agreement is legal, valid, binding upon the licensee and the licensor, and is enforceable in accordance with its terms.

VALUATION CERTIFICATE

Group IV—Property Interests leased by / under license by the Group

	Property	Description and tenure	Details of occupancy	Capital Value attributable to the Group as at September 30, 2009
12.	Units A3 & B3, Nos. 88 to 88D Largo de Pac On; Nos. 603 & 635 Estrada de Pac On; Nos. 43, 53 & 65 da Rua do Progesso; Nos. 98, 116 to 130 da Rua da Riqueza, Taipa, Macau	The property comprises two industrial units within a 5-level industrial building completed in 1991. The gross floor area of the property is about 6,038.6 sq. m. (65,000 sq. ft.). The property is held by the Group under a 2-year lease from August 1, 2008 to July 31, 2010 at a monthly rental of HK$390,000 for the first year and HK$520,000 for the second year inclusive of management fee and cargo lift maintenance fee and others. There is an option term of 2 years.	The property is occupied by the Group as warehouse.	No commercial value

Notes:

i. The registered concessionaire of the property is Empresa de Fomento Industrial e Comercial Lightex, Limitada.

ii. We were advised that the registered concessionaire is an independent third party from the Group.

iii. We have been provided with a legal opinion on the property prepared by the Group's Macau legal advisor, which contains, inter alia, the following information:

- The lease agreement is legal, valid, binding upon the tenant and the landlord, and is enforceable in accordance with its terms.

VALUATION CERTIFICATE

Group IV—Property Interests leased by / under license by the Group

	Property	Description and tenure	Details of occupancy	Capital Value attributable to the Group as at September 30, 2009
13.	Units 9E, 11E and 11F, Parking Lot Nos. 1, 2, 3 and 8 on 3rd Floor, The Manhattan, No. 75 Avenida Dr. Sun Yat Sen, Taipa, Macau	The properties comprise three residential units and four car parking lots within a 37-storey residential development completed in 2008. The total net area of the properties is about 323.4 sq. m. (3,481 sq. ft.). The properties are held by the Group under three separate 24-month leases all from July 26, 2009 at a total monthly rental of HK$48,000 exclusive of management charges and others. There are options to renew after the current terms.	The properties are occupied by the Group as aviation accommodation.	No commercial value

Notes:

i. The registered owners of the properties are:

- Unit 9E and Parking Lot No. 8 - Peter Edvard Raftell and Hanna Kristina Raftell.
- Unit 11E and Parking Lot No. 2, 3 - Cheung Ka Ming.
- Unit 11F and Parking Lot No. 1 - Cheng Hei Ming.

ii. We were advised that each of the registered owner is an independent third party from the Group.

iii. We have been provided with a legal opinion on the property prepared by the Group's Macau legal advisor, which contains, inter alia, the following information:

- The lease agreement is legal, valid, binding upon the tenant and the landlord, and is enforceable in accordance with its terms.

VALUATION CERTIFICATE

Group IV—Property interests leased by / under license by the Group

	Property	Description and tenure	Details of occupancy	Capital Value attributable to the Group as at September 30, 2009
14.	Unit G5, Ground Floor, Avenida Wai Long, CAM Building, Taipa, Macau	The property comprises an office unit in an office building. The gross floor area of the property is about 76.6 sq. m. (824 sq. ft.). The property is held by the Group under a 3-year lease from August 1, 2007 to July 31, 2010 at a monthly rental of HK$12,372.70 exclusive of management charges, air conditioning, other utility charges, outgoings, any rates and taxes and other charges, automatically renewable for 1 year period thereafter.	The property is occupied by the Group as aviation office.	No commercial value

Notes:

i. The registered concessionaire of the property is CAM-Sociedade do Aeroporto Internacional de Macau, S.A.R.L..

ii. We were advised that the registered concessionaire is an independent third party from the Group.

iii. We have been provided with a legal opinion on the property prepared by the Group's Macau legal advisor, which contains, inter alia, the following information:

- The lease agreement is legal, valid, binding upon the tenant and the landlord, and is enforceable in accordance with its terms.

VALUATION CERTIFICATE

Group IV—Property Interests leased by / under license by the Group

	Property	Description and tenure	Details of occupancy	Capital Value attributable to the Group as at September 30, 2009
15.	Levels 1-7,10 and 11, Jet Logistics Centre, Area No. 9-1, Cross-Border Industrial Zone, Zhuhai, Guangdong Province, the People's Republic of China	The property is an 11-storey industrial building completed in December 2006. The gross floor area of the property is about 12,854 sq. m. The property is held by the Group under a lease transfer agreement and the supplemental agreement from November 1, 2007 to July 31, 2022 at a monthly rental of RMB505,014.65 exclusive of management fees. The rental is subject to review every three years.	The property is occupied by the Group as warehouse and ancillary office.	No commercial value

Notes:

i. The landlord of the property is 捷通(珠海)珠澳跨境工業區國際倉儲有限公司.

ii. We were advised that the registered owner is an independent third party from the Group.

iii. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, inter alia, the following information:

- The lease transfer agreement and the supplemental agreement are in compliance with the applicable laws and regulations in the People's Republic of China.
- The lease transfer agreement and the supplemental agreement are legal, valid, binding upon the tenant and the landlord, and are enforceable in accordance with their respective terms.

The following is the text of a report received from our Company's internal control consultants, PricewaterhouseCoopers Ltd., for the purpose of incorporation in this prospectus.

PRICEWATERHOUSECOOPERS

羅兵咸永道有限公司

PricewaterhouseCoopers Ltd.
33/F, Cheung Kong Center
2 Queen's Road Central,
Hong Kong

INDEPENDENT ASSURANCE REPORT

To: The Directors of Sands China Ltd.

We have been engaged to perform a limited assurance engagement for the period from July 1, 2007 to June 30, 2009 on Venetian Macau Limited's ("VML"), being the holder of the subconcession and a subsidiary of Sands China Ltd. (the "Company"), anti-money laundering ("AML") control procedures compliance with the following AML statutes and guidelines (collectively known as "AML statutes and guidelines"):

a. Instruction No. 2/2006 ("DICJ Instruction No. 2/2006") issued pursuant to the power conferred by article 4.3 of Administrative Regulation 34/2003, and based on the terms of article 2.2 of Administrative Regulation 7/2006 by the Director of Gaming Inspection and Coordination Bureau ("DICJ") under the Secretariat for Economy and Finance of the Macau Special Administrative Region of the People's Republic of China ("Macau") on November 13, 2006;

b. Paragraph 1 and 3 of Article 34 of the Gaming Law (Law no. 16/2001);

c. Paragraph 6 of Article 30 of the Gaming Promoters Regulation (Administrative Regulation no. 6/2002); and

d. Anti-Money Laundering and Combating The Financing of Terrorism Guideline on Large Cash Transactions issued by the Monetary Authority of Macau ("AMCM").

Directors' Responsibility

The directors of VML are responsible for designing, implementing and maintaining internal controls relevant to the compliance with the above AML statutes and guidelines. Accordingly, VML has set out its internal controls system, policy and control procedures in an Internal Control Systems manual which was submitted to the DICJ and was authorized for adoption on August 23, 2007 as the basis for VML to meet the requirements of the DICJ's Instruction No. 2/2006. Under the DICJ Instruction No. 2/2006, VML is required to approve the internal rules and procedures of combating money laundering and financing of terrorism, taking into consideration the applicable Macau legal dispositions, namely, the Laws No. 2/2006, Law No. 3/2006 and the Administrative Regulation No. 7/2006.

PricewaterhouseCoopers Ltd.'s Responsibility

It is our responsibility to express a conclusion on whether any matters have come to our attention that causes us to believe that VML's AML control procedures do not comply, in all material respects, with the above AML statutes and guidelines based on the results of our work performed. We report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our work in accordance with the Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" issued by the Hong Kong Institute of Certified Public Accountants. This Standard requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited assurance whether any matters have come to our attention that causes us to believe that the VML's AML control procedures do not comply in all material respects with AML statutes and guidelines.

In a limited assurance engagement the evidence-gathering procedures are more limited than for a reasonable assurance engagement, and therefore less assurance is obtained than in a reasonable assurance engagement. The procedures selected depend on our judgment, including the assessment of VML's risks of material non compliance with the AML statutes and guidelines. A summary of work performed to assess VML's control procedures against AML statues and guidelines is listed below:

1. Assessed control procedures on identification of money laundering risk and indicators of suspicious activity;
2. Assessed VML's AML controls, communication, organization awareness and training to staff;
3. Assessed control procedures on identifying, recording and reporting large sum transactions with a value equal to or more than MOP 500,000 or equivalent;
4. Assessed control procedures on identifying, recording and reporting suspicious transactions which indicate any activity of money laundering or funding terrorism;
5. Assessed record retention and information confidentiality control procedures;
6. Assessed the control procedures on reporting the practice of criminal activities, including money laundering, by the gaming promoters;
7. Assessed whether an annual audit of VML's financial statements has been performed by an independent and reputable external auditor approved by the DICJ and the Finance Services Bureau of Macau;
8. Assessed whether the previous year end financial statements and relevant statistics were reported to the DICJ not less than 30 days before the Annual General Meeting; and
9. Assessed the control procedures on monitoring large cash transactions in the exchange counters.

Inherent Limitation

We draw attention to the fact that the procedures performed, and the report, include certain inherent limitations that can influence the reliability of the information. Accordingly errors or irregularities may occur and not be detected. Such procedures cannot guarantee protection against fraudulent collusion. It should be noted that we cannot guarantee that any regulatory authority would not reach an alternative conclusion (based upon its own interpretation of the legislation, regulations, and prevailing industry practices), nor can our findings be considered legal advice. Furthermore, our conclusion is based on historical information and the projection of any information contained in our conclusion to any future period is subject to the risk that changes in procedures or circumstances may alter their validity.

Conclusion

Based on our limited assurance engagement, nothing has come to our attention that causes us to believe that VML's AML control procedures do not comply, in all material respects, with AML statutes and guidelines for the period from July 1, 2007 to June 30, 2009.

Other Matters

Without qualifying our conclusion above, we wish to draw to your attention that VML is undertaking certain initiatives to continuously monitor and improve its AML control procedures. This will further improve VML's compliance with certain specific AML statutes and guidelines. Such initiatives include feasibility studies into system changes to enhance the reporting of aggregated large sum transactions as well as implementing a more comprehensive monitoring of patron information provided by gaming promoters.

Restriction on Use and Distribution

Our report is intended solely for the use of the Company in connection with the submission to The Stock Exchange of Hong Kong Limited and for inclusion in the prospectus of the Company in connection with its proposed listing. This report may not be suitable for other purposes. This report is not intended to be, and should not be distributed to or used for any other purpose.

Duncan Fitzgerald
Director
For and on behalf of PricewaterhouseCoopers Ltd.
Hong Kong, November 16, 2009

Set out below is a summary of certain provisions of the Memorandum and Articles of Association of our Company and of certain aspects of Cayman Companies Law.

Our Company was incorporated in the Cayman Islands as an exempted company with limited liability on July 15, 2009 under the Cayman Companies Law. The Memorandum of Association (the "Memorandum") and the Articles of Association (the "Articles") comprise its constitution.

1. MEMORANDUM OF ASSOCIATION

(a) The Memorandum states, inter alia, that the liability of members of our Company is limited to the amount, if any, for the time being unpaid on the Shares respectively held by them and that the objects for which our Company is established are unrestricted (including acting as an investment company), and that our Company shall have and be capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit, as provided in section 27(2) of the Cayman Companies Law and in view of the fact that our Company is an exempted company that our Company will not trade in the Cayman Islands with any person, firm or corporation except in furtherance of the business of our Company carried on outside the Cayman Islands.

(b) Our Company may by special resolution alter its Memorandum with respect to any objects, powers or other matters specified therein.

2. ARTICLES OF ASSOCIATION

The Articles were adopted pursuant to a shareholder's resolution passed on November 8, 2009, conditional upon and with effect from the Listing Date. The following is a summary of certain provisions of the Articles:

(a) Directors

(i) Composition of the board

Unless otherwise determined by our Company in general meeting, the number of directors shall not be less than three. There is no maximum number of directors.

(ii) Power to allot and issue Shares and warrants

Subject to the Articles, any direction that may be given by our Company in general meeting and, where applicable, the Listing Rules and without prejudice to any special rights or restrictions for the time being attached to any Shares or any class of Shares, all Shares for the time being unissued shall be under the control of the Directors who may designate, re-designate, offer, issue, allot and dispose of the same to such persons, in such manner, on such terms and having such rights and being subject to such restrictions as they may from time to time determine but so that no Shares shall be issued at a discount; and grant options with respect to such Shares and issue warrants, convertible securities or securities of similar nature conferring the right upon the holders thereof to subscribe for any class of Shares or securities in the capital of our Company on such terms as they may from time to time determine, and, for such purposes, the Directors may reserve an appropriate number of Shares for the time being unissued.

Neither our Company nor the board shall be obliged, when making or granting any allotment of, offer of, option over or disposal of Shares, to make, or make available, any such allotment, offer, option or Shares to members or others with registered addresses in any particular territory or territories being a territory or territories where, in the absence of a registration statement or other special formalities, this would or might, in the opinion of the board, be unlawful or impracticable. Members affected as a result of the foregoing sentence shall not be, or be deemed to be, a separate class of members for any purpose whatsoever.

(iii) Power to dispose of the assets of our Company or any subsidiary

There are no specific provisions in the Articles relating to the disposal of the assets of our Company or any of its subsidiaries. The Directors may, however, exercise all powers and do all acts and things which may be exercised or done or approved by our Company and which are not required by the Articles or the Cayman Companies Law to be exercised or done by our Company in general meeting.

(iv) Compensation or payments for loss of office

Pursuant to the Articles, payments to any Director or past Director of any payment by way of compensation for loss of office, or as consideration for or in connection with his retirement from office (not being a payment to which the Director is contractually entitled) must be approved by our Company in general meeting.

(v) Loans and provision of security for loans to Directors

There are provisions in the Articles restricting the making of loans or provision of security to Directors.

(vi) Disclosure of interests in contracts with our Company or any of its subsidiaries.

A Director may hold any other office or place of profit with our Company (except that of the auditor of our Company) in conjunction with his office of Director for such period and, subject to the Articles, upon such terms as the board may determine, and may be paid such extra remuneration therefor (whether by way of salary, commission, participation in profits or otherwise) in addition to any remuneration provided for by or pursuant to any other Articles. A Director may be or become a director or other officer of, or otherwise interested in, any company promoted by our Company or any other company in which our Company may be interested, and shall not be liable to account to our Company or the members for any remuneration, profits or other benefits received by him as a director, officer or member of, or from his interest in, such other company. Subject as otherwise provided by the Articles, the board may also cause the voting power conferred by the shares in any other company held or owned by our Company to be exercised in such manner in all respects as it thinks fit, including the exercise thereof in favor of any resolution appointing the Directors or any of them to be directors or officers of such other company, or voting or providing for the payment of remuneration to the directors or officers of such other company.

Subject to the Cayman Companies Law and the Articles, no Director or proposed or intended Director shall be disqualified by his office from contracting with our Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatsoever, nor shall any such contract or any other contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to our Company or the members for any remuneration, profit or other benefits realized by any such contract or arrangement by reason of such Director holding that office or the fiduciary relationship thereby established. A Director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with our Company shall declare the nature of his interest at the meeting of the board at which the question of entering into the contract or arrangement is first taken into consideration, if he knows his interest then exists, or in any other case, at the first meeting of the board after he knows that he is or has become so interested.

A Director shall not vote (nor be counted in the quorum) on any resolution of the board approving any contract or arrangement or other proposal in which he or any of his associates is materially interested, but this prohibition shall not apply to any of the following matters, namely:

(aa) any contract or arrangement for giving to such Director or his associate(s) any security or indemnity in respect of money lent by him or any of his associates or obligations incurred or undertaken by him or any of his associates at the request of or for the benefit of our Company or any of its subsidiaries;

(bb) any contract or arrangement for the giving of any security or indemnity to a third party in respect of a debt or obligation of our Company or any of its subsidiaries for which the Director or his associate(s) has himself/themselves assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security;

(cc) any contract or arrangement concerning an offer of Shares or debentures or other securities of or by our Company or any other company which our Company may promote or be interested in for subscription or purchase, where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;

(dd) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of Shares or debentures or other securities of our Company by virtue only of his/their interest in Shares or debentures or other securities of our Company;

(ee) any contract or arrangement concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or a shareholder or in which the Director and any of his associates are not in aggregate beneficially interested in five percent. or more of the issued Shares or of the voting rights of any class of Shares of such company (or of any third company through which his interest or that of any of his associates is derived); or

(ff) any proposal or arrangement concerning the adoption, modification or operation of a Share option scheme, a pension fund or retirement, death, or disability benefits scheme or other arrangement which relates both to Directors, his associates and employees of our Company or of any of its subsidiaries and does not provide in respect of any Director, or his associate(s), as such any privilege or advantage not accorded generally to the class of persons to which such scheme or fund relates.

(vii) Remuneration

The ordinary remuneration of the Directors shall from time to time be determined by our Company in general meeting, such sum (unless otherwise directed by the resolution by which it is voted) to be divided amongst the Directors in such proportions and in such manner as the board may agree or, failing agreement, equally, except that any Director holding office for only a portion of the period in respect of which the remuneration is payable shall only rank in such division in proportion to the time during such period for which he held office. The Directors shall also be entitled to be prepaid or repaid all traveling, hotel and incidental expenses reasonably expected to be incurred or incurred by them in attending any board meetings, committee meetings or general meetings or separate meetings of any class of Shares or of debentures of our Company or otherwise in connection with the discharge of their duties as Directors.

Any Director who, by request, goes or resides abroad for any purpose of our Company or who performs services which in the opinion of the board go beyond the ordinary duties of a Director may be paid such extra remuneration (whether by way of salary, commission, participation in profits or otherwise) as the board may determine and such extra

remuneration shall be in addition to or in substitution for any ordinary remuneration as a Director. An executive Director appointed to be a managing director, joint managing director, deputy managing director or other executive officer shall receive such remuneration (whether by way of salary, commission or participation in profits or otherwise or by all or any of those modes) and such other benefits (including pension and/or gratuity and/or other benefits on retirement) and allowances as the board may from time to time decide. Such remuneration may be either in addition to or in lieu of his remuneration as a Director.

(viii) Retirement, appointment and removal

At each annual general meeting, one-third of the Directors for the time being (or if their number is not a multiple of three, then the number nearest to but not less than one third) will retire from office by rotation provided that every Director shall be subject to retirement at least once every three years. The Directors to retire in every year will be those who have been longest in office since their last re-election or appointment but as between persons who became or were last re-elected Directors on the same day those to retire will (unless they otherwise agree among themselves) be determined by lot. There are no provisions relating to retirement of Directors upon reaching any age limit.

The Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the board or as an addition to the existing board. Any Director appointed to fill a casual vacancy shall hold office until the first general meeting of members after his appointment and be subject to re-election at such meeting and any Director appointed as an addition to the existing board shall hold office only until the next following annual general meeting of our Company and shall then be eligible for re-election. Neither a Director nor an alternate Director is required to hold any Shares in our Company by way of qualification.

A Director may be removed by an ordinary resolution of our Company before the expiration of his period of office (but without prejudice to any claim which such Director may have for damages for any breach of any contract between him and our Company) and may by ordinary resolution appoint another in his place.

The office of Director shall also be vacated if:

(aa) the Director resigns his office by notice in writing to our Company at its registered office or its head office;

(bb) an order is made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs and the Directors resolve that his office be vacated;

(cc) the Director, without leave, is absent from meetings of Directors (unless an alternate Director appointed by him attends in his place) for a continuous period of 12 months, and the Directors resolve that his office be vacated;

(dd) the Director becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally;

(ee) the Director ceases to be or is prohibited from being a director by law or by virtue of any provisions in the Article; or

(ff) the Director is removed from office by notice in writing served upon him signed by not less than three-fourths in number (or, if that is not a round number, the nearest lower round number) of the Directors (including himself) then in office.

The Directors may from time to time appoint any person, whether or not a Director to hold such office in our Company as the Directors may think necessary for the administration of our Company, including but not limited to, the office of president, one or more vice-presidents, treasurer, assistant treasurer, manager or controller, and for such term and at

such remuneration (whether by way of salary or commission or participation in profits or partly in one way and partly in another), and with such powers and duties as the Directors may think fit. Any person so appointed by the Directors may be removed by the Directors. The Directors may also appoint one or more of their number to the office of managing director upon like terms, but any such appointment shall ipso facto determine if any managing director ceases from any cause to be a Director, or if our Company by resolution resolves that his tenure of office be terminated.

The Directors may delegate to any such committee, local board, manager or agent any of the powers, authorities and discretions for the time being vested in the Directors and may authorize the members of any such local board, or any of them to fill any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made on such terms and subject to such conditions as the Directors may think fit and the Directors may at any time remove any person so appointed and may annul or vary any such delegation.

(ix) Borrowing powers

The board may exercise all the powers of our Company to borrow money and to mortgage or charge all or part of its undertaking, property and uncalled capital or any part thereof, and subject to the Cayman Companies Law, to issue debentures, debenture stock, and other securities whenever money is borrowed or as security for any debt, liability or obligation of our Company or of any third party.

Note: These provisions, in common with the Articles in general, can be varied with the sanction of a special resolution of our Company.

(x) Proceedings of the Board

The board may meet together with (either within or outside the Cayman Islands) for the dispatch of business, adjourn and otherwise regulate their meetings and proceedings as they think fit. Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote.

(xi) Register of Directors and Officers

The Cayman Companies Law and the Articles provide that our Company is required to maintain at its registered office a register of Directors and officers which is not available for inspection by the public. A copy of such register must be filed with the Registrar of Companies in the Cayman Islands and any change must be notified to the Registrar within thirty days of any change in such Directors or officers.

(b) Alterations to constitutional documents / Change of Name

The Articles may be altered or amended by our Company in general meeting by special resolution. The Cayman Companies Law provides that a special resolution shall be required to alter the provisions of the Memorandum, to amend the Articles or to change the name of our Company.

(c) Alteration of capital

Our Company may from time to time by ordinary resolution in accordance with the relevant provisions of the Cayman Companies Law:

(i) increase its capital by such sum, to be divided into Shares of such classes and amount, as the resolution shall prescribe;

(ii) consolidate and divide all or any of its capital into Shares of larger amount than its existing Shares;

(iii) convert all or any of its paid up Shares into stock and reconvert that stock into paid up Shares of any denomination;

(iv) subdivide its Shares, or any of them into Shares of a smaller amount provided that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced Share shall be the same as it was in case of the Share from which the reduced Share is derived; or

(v) cancel any Shares which, at the date of passing of the resolution, have not been taken, or agreed to be taken, by any person, and diminish the amount of its capital by the amount of the Shares so cancelled.

Our Company may by special resolutions reduce its Share capital and any capital redemption reserve in any manner authorized by law.

(d) Variation of rights of existing Shares or classes of Shares

Whenever the capital of our Company is divided into different classes the rights attached to any such class may, subject to any rights or restrictions for the time being attached to any class, only be materially adversely varied or abrogated with the consent in writing of the holders of not less than three-fourths of the issued Shares of the relevant class, or with the sanction of a resolution passed at a separate meeting of the holders of the Shares of such class by a majority of not less than three-fourths of the votes cast at such a meeting. To every such separate meeting all the provisions of the Articles relating to general meetings of our Company or to the proceedings thereat shall *mutatis mutandis*, apply except that the necessary quorum shall be two persons at least holding or representing by proxy one-third in nominal or par value amount of the issued Shares of the relevant class (but so that if at any adjourned meeting of such holders a quorum as above defined is not present, those shareholders who are present shall form a quorum) and that, subject to any rights or restrictions for the time being attached to the Shares of that class, every shareholder of the class Share on a poll have one vote for each share of the class held by him.

The rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, subject to any rights or restrictions for the time being attached to the Shares of that class, be deemed to be materially adversely varied or abrogated by, inter alia, the creation, allotment or issue of further Shares ranking pari passu with or subsequent to them or the redemption or purchase of any Shares of any class by our Company.

(e) Transfer of Shares

Transfers of Shares may be effected by an instrument of transfer in the usual common form or in such other form as the Directors may approve, which is consistent with the standard form of transfer as prescribed by the Stock Exchange and approved by the Directors. All instruments of transfer must be left at the registered office of our Company or at such other place as the Directors may appoint. The instrument of transfer shall be executed by or on behalf of the transferor and the transferee provided that the board may dispense with the execution of the instrument of transfer by the transferee in any case in which it thinks fit, in its discretion, to do so and the transferor shall be deemed to remain the holder of the Share until the name of the transferee is entered in the register of members in respect thereof. The board may also resolve either generally or in any particular case, upon request by either the transferor or the transferee, to accept mechanically executed transfers.

The board may, in its absolute discretion, and without assigning any reason, refuse to register a transfer of any Share which is not fully paid up, and it may also refuse to register any transfer of any Share to more than four joint holders or any transfer of any Share on which our Company has a lien.

The board may decline to recognize any instrument of transfer unless a fee of such maximum sum as the Stock Exchange may determine to be payable or such lesser sum as the Directors may from time to time require is paid to our Company in respect thereof, the instrument of transfer, if applicable, is properly stamped, is in respect of only one class of Shares and is lodged at the relevant registration office or registered office or such other place at which the principal register is kept accompanied by the relevant share certificate(s) and such other evidence as the board may reasonably require to show the right of the transferor to make the transfer (and if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do).

The registration of transfers may, on 14 days' notice being given by advertisement published on the Stock Exchange's website, or, subject to and in accordance with the Listing Rules, by electronic communication in the manner in which notices may be served by our Company by electronic means as provided in the Articles or by advertisement published in any newspapers, be suspended and the register of Shares closed at such times for such periods as the Directors may from time to time determine, provided always that such registration shall not be suspended or the register of Shares closed for more than 30 days in any calendar year.

(f) Unsuitable Persons and Compulsory Redemption

In the event that our Company or a Subsidiary receives a written notice ("**Gaming Authority Notice**") from a Gaming Authority to whose jurisdiction our Company or the Subsidiary is subject, or our Company receives from the Controlling Shareholder (as defined in the Listing Rules) of our Company a copy of a Gaming Authority Notice from a Gaming Authority to whose jurisdiction such Controlling Shareholder is subject, setting out the name of a Person who is considered to be an Unsuitable Person, then forthwith upon our Company serving a copy of such Gaming Authority Notice on the relevant parties, and until the Shares Owned or Controlled by such Person or its Affiliate are Owned or Controlled by a Person who is not an Unsuitable Person, the Unsuitable Person or any Affiliate of an Unsuitable Person shall: (i) sell all of the Shares, or allow the redemption or repurchase of the Shares by our Company, within such period of time as may be specified by a Gaming Authority; (ii) not be entitled to receive any dividend (save for any dividend declared prior to any receipt of a Gaming Authority Notice but not yet paid), interest or other distribution of any kind with regard to the Shares, (iii) not be entitled to receive any remuneration in any form from our Company or a Subsidiary for services rendered or otherwise, or (iv) not be entitled to exercise, directly or indirectly or through any proxy, trustee, or nominee, any voting or other right conferred by such shares. In this sub-paragraph (f), "relevant parties" means the Person considered by the Gaming Authority to be Unsuitable to be a Shareholder, any intermediaries or representatives of such Person, any entities through which such Person holds an interest in Shares or other third parties to whom disclosure of the aforementioned notice of the Gaming Authority is necessary or expedient.

Subject to applicable laws and regulations, including but not limited to the Listing Rules and The Code on Share Repurchases issued by the SFC, Shares Owned or Controlled by an Unsuitable Person or an Affiliate of an Unsuitable Person shall be subject to compulsory redemption by our Company, out of funds legally available therefor, by a resolution of the Board of Directors, to the extent required by the Gaming Authority making the determination of Unsuitability or to the extent deemed necessary or advisable by the Board of Directors having regard to relevant Gaming Laws. If a Gaming Authority requires our Company, or if the Board of Directors deems it necessary or advisable, to redeem the Shares of a Shareholder under this Article, our Company shall give a Redemption Notice to such Shareholder and shall redeem on the Redemption Date the number of shares specified in the Redemption Notice for the Redemption Price set forth in the Redemption Notice. Upon such compulsory redemption under this sub-paragraph (f) being exercised by our Company against a Shareholder, such Shareholder will be entitled to receive the Redemption Price in respect of his shares so redeemed, and from the day on which such compulsory redemption is effected, shall have no other Shareholder's rights except the right to

receive the Redemption Price and the right to receive any dividends declared prior to any receipt of any Gaming Authority Notice under the Articles but not yet paid provided, however, that upon service of a copy of the Gaming Authority Notice on any relevant party, such Shareholder's rights will be limited as set out in items (i) to (iv) of the preceding paragraph.

The Articles provide that if any Shares are held in street name, by a nominee, an agent or in trust, the record holder of the Shares may be required by our Company to disclose to it the identity of the beneficial owner of the Shares. Our Company may thereafter be required to disclose the identity of the beneficial owner to a Gaming Authority. The Articles also require each record holder of the Shares to render maximum assistance to our Company in determining the identity of the beneficial owner. A failure of a record holder to disclose the identity of the beneficial owner of shares of our Company may constitute grounds for a Gaming Authority to find the record holder unsuitable.

Any Unsuitable Person and any Affiliate of an Unsuitable Person shall indemnify and hold harmless our Company and its Subsidiaries for any and all losses, costs, and expenses, including legal fees, incurred by our Company and its Subsidiaries as a result of, or arising out of, such Unsuitable Person's or Affiliate's continuing Ownership or Control of shares, the neglect, refusal or other failure to comply with this sub-paragraph (f), or failure to promptly divest itself of any shares when required by the Gaming Laws or this sub-paragraph (f).

"Affiliate" means a Person who, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with, a specified Person. For the purpose of this paragraph, "**control**," "**controlled by**" and "**under common control with**" means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through ownership of voting shares, by agreement's contract's agency, or otherwise;

"Affiliated Companies" means those partnerships, corporations, limited liability companies, trusts or other entities that are affiliates of our Company, including, without limitation, subsidiaries, holding companies and intermediary companies (as those and similar terms are defined in the Gaming Laws of the applicable Gaming Jurisdictions) that are registered or licensed under applicable Gaming Laws;

"Gaming Activities" mean the conduct of gaming and gambling activities, or the use of gaming devices, equipment and supplies in the operation of a casino or other enterprise;

"Gaming Authority" means any international, foreign, federal, state, local and other regulatory and licensing body or agency with authority over gaming including, but not limited to, the conduct of Gaming Activities,

"Gaming Jurisdiction" means all jurisdictions, domestic and foreign, and their political subdivisions, in which Gaming Activities are lawfully conducted;

"Gaming Laws" means all laws, statutes, ordinances and regulations pursuant to which any Gaming Authority possesses regulatory and licensing authority over Gaming Activities within any Gaming Jurisdiction, and all orders, decrees, rules and regulations promulgated by such Gaming Authority thereunder;

"Gaming Licenses" means all licenses, permits, approvals, authorizations, registrations, findings of suitability, franchises, concessions and entitlements issued by a Gaming Authority necessary for or relating to the conduct of Gaming Activities;

"Own" "Ownership" or "Control" mean ownership of record, beneficial ownership or the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person or the disposition of shares, by agreement, contract, agency or other manner;

"Person" means an individual, partnership, corporation, limited liability company, trust or any other entity;

"Redemption Date" means the date specified in the Redemption Notice as the date on which the shares Owned or Controlled by an Unsuitable Person or an Affiliate of an Unsuitable Person are to be redeemed by our Company;

"Redemption Notice" means that notice of redemption given by our Company to an Unsuitable Person or an Affiliate of an Unsuitable Person pursuant to this sub-paragraph (f). Each Redemption Notice shall set forth (i) the Redemption Date, (ii) the number and type of shares to be redeemed, (iii) the Redemption Price and the manner of payment therefor, (iv) the place where any certificates, if any, for such shares shall be surrendered for payment, and (v) any other requirements of surrender of the certificates;

"Redemption Price" means the price to be paid by our Company for the Shares to be redeemed pursuant to the Article summarized above which shall be that price (if any) required to be paid by the Gaming Authority making the finding of Unsuitability, or if such Gaming Authority does not require a certain price to be paid, that amount determined by the Board of Directors to be the fair value of the shares to be redeemed; *provided, however*, that the price per Share represented by the Redemption Price shall in no event be in excess of the closing sales price per share on the Stock Exchange on the trading date immediately before the Redemption Notice is deemed given by our Company to the Unsuitable Person or an Affiliate of an Unsuitable Person. The Redemption Price shall be paid in cash, by promissory note, or both, as required by the applicable Gaming Authority and, if not so required, as the Board of Directors otherwise determines;

"Unsuitable Person" means a Person who (i) is determined by a Gaming Authority to be Unsuitable to Own or Control any Shares, whether directly or indirectly, or (ii) causes our Company or any Affiliated Company to lose or to be threatened with the loss of any Gaming License, or (iii) in the sole discretion of the Board of Directors of our Company, is deemed likely to jeopardize our Company's or any Affiliated Company's application for, receipt of approval for, right to the use of, or entitlement to, any Gaming License, and **"Unsuitability"** shall be construed accordingly;

(g) Power for our Company to purchase its own Shares

Our Company is empowered by the Cayman Companies Law and the Articles to purchase its own Shares subject to certain restrictions and the Board may only exercise this power on behalf of our Company subject to any applicable requirements of the Listing Rules.

(h) Power for any subsidiary of our Company to own Shares in our Company

There are no provisions in the Articles relating to ownership of Shares in our Company by a subsidiary.

(i) Requirements for annual general meetings

An annual general meeting of our Company must be held in each year, other than the year of adoption of the Articles (within a period of not more than 15 months after the holding of the last preceding annual general meeting or a period of 18 months from the date of adoption of the Articles) at such time and place as may be determined by the board.

(j) Notices of meetings and business to be conducted thereat

An annual general meeting shall be called by notice of not less than 21 clear days and not less than 20 clear business days and any extraordinary general meeting at which it is proposed to

pass a special resolution shall be called by notice of at least 21 clear days and not less than 10 clear business days. All other extraordinary general meetings shall be called by notice of at least 14 clear days and not less than 10 clear business days. The notice shall specify the time, place, and agenda of the meeting, particulars of the resolutions to be considered at the meeting and in the case of special business (as defined in the Articles) the general nature of that business. Notice of every general meeting shall be given to all members of our Company (except that in the case of joint holders the notice shall be sufficient if given to the joint holder first named in the share register), our Company's auditors, each Director and alternate Director, the Stock Exchange, and such other person(s) to whom such notice is required to be given in accordance with the Listing Rules.

Notwithstanding that a meeting of our Company is called by shorter notice than that mentioned above, if permitted by the Listing Rules, it shall be deemed to have been duly called if it is so agreed:

(i) in the case of a meeting called as an annual general meeting, by all members of our Company entitled to attend and vote thereat or their proxies; and

(ii) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent. in nominal value of the issued Shares giving that right.

All business carried out at a general meeting shall be deemed special with the exception of

(a) declaration and sanctioning a dividend;

(b) the consideration of the accounts, balance sheets, and any report of the Directors or of our Company's auditors;

(c) the election of Directors whether by rotation or otherwise in the place of those retiring;

(d) the appointment of our Company's auditors and other officers;

(e) the fixing of the remuneration of our company's auditors, and the voting of remuneration or extra remuneration to the Directors;

(f) the granting of any mandate or authority to the Directors to offer, allot, grant options over or otherwise dispose of the unissued Shares in the capital of our Company representing not more than 20 per cent. in nominal value of its then existing issued share capital; and

(g) the granting of any mandate or authority to the Directors to repurchase securities of our Company.

No special business shall be transacted at any general meeting without the consent of all members of our Company entitled to receive notice of that meeting unless notice of such special business has been given in the notice convening that meeting.

(k) Quorum for meetings and separate class meetings

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, but the absence of a quorum shall not preclude the appointment of a chairman.

Save as otherwise provided by the Articles the quorum for a general meeting shall be two members present in person (or, in the case of a member being a corporation, by its duly authorized representative) or by proxy and entitled to vote. In respect of a separate class meeting (other than an adjourned meeting) convened to sanction the modification of class rights the necessary quorum shall be two persons holding or representing by proxy not less than one-third in nominal value of the issued Shares of that class.

A corporation being a member shall be deemed for the purpose of the Articles to be present in person if represented by its duly authorized representative being the person appointed by

resolution of the directors or other governing body of such corporation to act as its representative at the relevant general meeting of our Company or at any relevant general meeting of any class of members of our Company.

(l) Special / Ordinary resolution-majorities required

Pursuant to the Articles, a special resolution of our Company must be passed by a majority of not less than three-fourths of such members as, being entitled so to do, vote in person or, in the case of such members being corporations, by their duly authorized representatives or, where proxies are allowed, by proxy at a general meeting of which notice, specifying the intention to propose the resolution as a special resolution, has been duly given, or in writing by all members of our Company entitled to vote at a general meeting of our Company.

A copy of any special resolution must be forwarded to the Registrar of Companies in the Cayman Islands within fifteen days of being passed.

An ordinary resolution is defined in the Articles to mean a resolution passed by a simple majority of such members as, being entitled to do so, vote in person or, in the case of such members being corporations, by their duly authorized representatives or, where proxies are allowed, by proxy at a general meeting held in accordance with the Articles, or in writing by all members of our Company entitled to vote at a general meeting of our Company.

(m) Voting rights

Subject to any special rights or restrictions as to voting for the time being attached to any Shares by or in accordance with the Articles, at any general meeting on a poll every member present in person or by proxy or, in the case of a member being a corporation, by its duly authorized representative shall have one vote for every fully paid Share of which he is the holder but so that no amount paid up or credited as paid up on a Share in advance of calls or installments is treated for the foregoing purposes as paid up on the Share. A member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

At any general meeting a resolution put to the vote of the members is to be decided by way of a poll.

If a recognized clearing house (or its nominee(s)) is a member of our Company, it may authorize such person or persons as it thinks fit to act as its representative(s) or proxy(ies) at any meeting of our Company or at any meeting of any class of members of our Company provided that, if more than one person is so authorized, the authorization or proxy form shall specify the number and class of Shares in respect of which each such person is so authorized. A person authorized pursuant to this provision shall be entitled to exercise the same powers on behalf of the recognized clearing house as that clearing house or its nominee could exercise if it were an individual member of our Company.

Where our Company has any knowledge that any shareholder is, under the Listing Rules, required to abstain from voting on any particular resolution of our Company or restricted to voting only for or only against any particular resolution of our Company, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.

(n) Proxies

Any member of our Company entitled to attend and vote at a meeting of our Company is entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more Shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of our Company or at a class meeting. A proxy need not be a member of our Company and shall be entitled to exercise the same powers on behalf of a

LAW OFFICES
GLASER, WEIL, FINK, JACOBS, HOWARD & SHAPIRO, LLP
3763 HOWARD HUGHES PARKWAY, SUITE 300
LAS VEGAS, NEVADA 89169
(702) 650-7900
FAX (702) 650-7950

B. In the Alternative, Jacobs' Complaint Must be Dismissed For Failure to Join VML

1. Legal Standard For Dismissal For Failure to Join an Indispensable Party

NRCP 19 sets forth the general requirements for determining whether a party is "indispensable," or merely "necessary," as described in 19(a). A "necessary" party is one who is subject to service of process, and in that person's absence, the court cannot accord complete relief among the existing parties. *Id.* An "indispensable" party is an otherwise necessary party who, for jurisdictional reasons, cannot be joined. *Id.* at (b). Once a party has been deemed "indispensable," the court must determine, in equity and good conscience, whether the action should proceed among the existing parties or be dismissed. *See Potts v. Vokits*, 101 Nev. 90 (1985). Rule 19(b) sets forth the following factors for a court to consider prior to dismissal for failure to join an "indispensable" party: (1) the extent to which a judgment rendered in the party's absence might prejudice that party or the existing parties; (2) the extent to which any prejudice could be lessened or avoided by: (a) protective provisions in the judgment; (b) shaping the relief; or (c) other measures; (3) whether a judgment rendered in the party's absence would be adequate; and (4) whether the plaintiff would have an adequate remedy if the action were dismissed for nonjoinder.

A trial court has broad latitude to consider these factors, and both federal and state courts routinely have stated that analysis under these factors is not one of mechanical application of any particular test, but must be read with a pragmatic view in light of the various policy considerations that underlie the rule. *See Occidental Petroleum Corp. v. Buttes Gas & Oil Co.*, 331 F.Supp. 92 (CD Cal. 1971). In this case, Jacobs has chosen to name only LVS and SCL in this lawsuit, even though it relates solely to his employment and alleged wrongful termination thereof. As stated above, Jacobs was directly employed by VML, executed an employment with VML and was paid by VML. Any requested relief related to compensation or determination of benefits necessarily involve VML. However, Jacobs has failed to name VML as a party. VML is an indispensable party, and this Court cannot provide adequate relief without its participation. Because it is unavailable in this suit, meaning not subject to jurisdiction here, this case should be dismissed and brought in an alternative forum, namely, Macau.

LAW OFFICES
GLASER, WEIL, FINK, JACOBS, HOWARD & SHAPIRO, LLP
3763 HOWARD HUGHES PARKWAY, SUITE 300
LAS VEGAS, NEVADA 89169
(702) 650-7900
FAX (702) 650-7950

2. As Jacobs' employer and party to his employment contract, VML is Indispensable and this Court must dismiss the present suit in its absence

Jacobs asserts a purported breach of contract claim against SCL. Applying the Rule 19(b) factors to cases involving contractual disputes, courts have held that *all contracting parties will generally be necessary and indispensable,* pursuant to factors (1) and (3) in the analysis. *See Rojas v. Loewen Group, Int'l.*, 178 FRD 356 (DC PR. 1998)(emphasis added). In a case in which plaintiff investors sued a defendant corporation and various individuals with fraud and breach of contract, the court dismissed the federal action after defendants moved to dismiss for failure to join the actual contracting party. *See Enza, Inc. v. We the People, Inc.*, 838 F.Supp. 975 (ED Pa. 1993). In *Enza,* the court found that the contracting party would have destroyed diversity and was further deemed indispensable since all allegations of contract performance occurred on its behalf and all of the evidence presented lead to the conclusion it was the only other party to the contract that was allegedly breached. *See Enza, Inc.*, 838 F.Supp. at 979; *see also In re Jamuna Real Estate, LLC*, 392 BR 149 (E.D. Pa. 2008)(where plaintiff sought reformation of agreement with non-party, joinder of non-party was required and dismissal warranted if joinder was not possible, because complete relief could not be afforded in its absence, and without adjudication of non-party's rights there was a risk to the existing parties of multiple litigation).

Similarly, when dealing with cases involving disputes between an employee and its employer, courts have held that the employer will be an indispensable party where the existing defendants were able to demonstrate that plaintiff will be unable to seek complete relief among the current parties. *See NLRM v. Doug Neal Mgmt. Co.*, 620 F.2d 1133 (6th Cir. 1980); *see also Prestenback v. Employers' Ins. Co.*, 47 FRD 163 (1969 E.D. La.)(in action for negligence, where plaintiff failed to join employer or any of his supervisors although he alleged that damages were at least partly attributed to employer's negligence, employer was deemed indispensable where court could not grant complete relief among those already parties to the lawsuit.). Again, courts cite factors (1) and (3) in the Rule 19(b) analysis as weighing in favor of dismissal in these instances.

As stated above, VML was the other party to Letter of Appointment, his employment agreement . Additionally, Jacobs was paid by VML throughout his tenure. *See* Salt Aff'd at ¶ 11;

see also a true and correct copy of one of Jacobs' pay stubs, attached to the Salt Aff'd as **Exhibit D.** VML's status as a party to Jacobs' employment contract makes VML *per se* indispensable in this matter. This is particularly so in view of Jacobs' purported claims, which relate solely to his employment and the alleged wrongful termination of that employment. Without VML's participation, this Court cannot properly determine the scope of the contract(s) at issue in this case, or whether any contract was breached. This Court therefore will be unable to render complete relief without VML. However, VML is a Macau entity, and has taken no actions related to this case that would subject it to the jurisdiction of this Court. VML therefore is both necessary and indispensable, and this case ought not proceed in its absence.

3. Equity and good conscience favor dismissal of this case

The absence of an indispensable co-party does not automatically require dismissal of a lawsuit but merely triggers the court's analysis of "whether in equity and good conscience," the action should proceed without the indispensable party. *See Potts*, 101 Nev. at 95 (1985). Again, NRCP 19(b) sets forth the four factors for a court to consider prior to dismissal for failure to join an "indispensable" party: (1) the extent to which a judgment rendered in the party's absence might prejudice that party or the existing parties; (2) the extent to which any prejudice could be lessened or avoided by: (a) protective provisions in the judgment; (b) shaping the relief; or (c) other measures; (3) whether a judgment rendered in the party's absence would be adequate; and (4) whether the plaintiff would have an adequate remedy if the action were dismissed for nonjoinder.

As stated above, VML was Jacobs' employer and Jacobs could contend that VML would be obligated to satisfy all or part of any award issued by the Court. Because VML is a party to the Letter of Appointment, this Court would be unable to draft a judgment that would not impact VML's rights as Jacobs' former employer, and VML would be significantly prejudiced by a judgment rendered in its absence. For example, for this Court to find that Jacobs' employment agreement was breached in some way, it must make certain findings regarding VML's obligations under and compliance with the Letter of Appointment. Conversely, because VML is not subject to this Court's jurisdiction, VML could challenge Jacobs' efforts to enforce any judgment against VML in Macau.

LAW OFFICES
GLASER, WEIL, FINK, JACOBS, HOWARD & SHAPIRO, LLP
3763 HOWARD HUGHES PARKWAY, SUITE 300
LAS VEGAS, NEVADA 89169
(702) 650-7900
FAX (702) 650-7950

This could result in significant prejudice to Jacobs as well, because this Court would be unable to craft full and fair relief in the event that Jacobs prevails on all his claims.

Additionally, a suit in Macau is much more practicable. As discussed above, the vast majority of the relevant witnesses and documents are currently in Macau. The events supporting Jacobs' claims took place primarily in Macau, where Jacobs was employed by VML as President and CEO of SCL.

Therefore, forcing this case to move forward in VML's absence, as an indispensable party, violates the policies of equity and good conscience set forth in NRCP 19(b). In order to avoid dismissal, Jacobs must demonstrate how he can receive complete relief from the existing parties, including how SCL and LVS could be liable for a breach of Jacobs' employment contract when VML and Jacobs were the only contracting parties. Looking only at the allegations in the Complaint, Jacobs has failed to proffer any satisfactory explanation as to why VML was not named in this lawsuit. VML's unavailability in Nevada is not a suitable excuse for not naming it. This case therefore should be dismissed in its entirety.

IV. CONCLUSION

For the foregoing reasons, SCL respectfully requests that the Court grant its motion to dismiss this action as against SCL due to a lack of personal jurisdiction over SCL or, in the alternative, dismiss this action in its entirety due to Plaintiff's failure to join VML, which is an indispensable party.

DATED this 22 day of December, 2010.

GLASER, WEIL, FINK, JACOBS
HOWARD & SHAPIRO, LLP

By: _____

Mark G. Krum, ESQ.
Nevada Bar No. 10913
Andrew D. Sedlock, ESQ.
Nevada Bar No. 9183
3763 Howard Hughes Parkway, Suite 300
Las Vegas, Nevada 89169

Attorneys for Defendant Sands China Ltd.

LAW OFFICES
GLASER, WEIL, FINK, JACOBS, HOWARD & SHAPIRO, LLP
3763 HOWARD HUGHES PARKWAY, SUITE 300
LAS VEGAS, NEVADA 89169
(702) 650-7900
FAX (702) 650-7950

AFFD
Mark G. Krum, State Bar No. 10913
Andrew D. Sedlock, State Bar No. 9183
GLASER, WEIL, FINK, JACOBS,
HOWARD & SHAPIRO, LLP
3763 Howard Hughes Parkway, Suite 300
Las Vegas, Nevada 89169
Telephone: (702) 650-7900
Facsimile: (702) 650-7950
email: mkrum@glawerweil.com
asedlock@glaserweil.com

Attorneys for Defendant
Sands China Ltd.

Glaser Weil Fink Jacobs Howard & Shapiro LLP
3763 Howard Hughes Pkwy.
Suite 300
Las Vegas, NV 89169
702.650-7900 TEL
702.650-7950 FAX

DISTRICT COURT

CLARK COUNTY, NEVADA

STEVEN C. JACOBS, Plaintiff, v. LAS VEGAS SANDS CORP., a Nevada corporation; SANDS CHINA LTD., a Cayman Islands corporation; DOES I through X; and ROE CORPORATIONS I through X, Defendants.	Case No.: A-10-627691-C Dept. No.: XXV **AFFIDAVIT OF ANNE SALT IN SUPPORT OF DEFENDANT SANDS CHINA LTD.'S MOTION TO DISMISS FOR LACK OF PERSONAL JURISDICTION, OR IN THE ALTERNATIVE, PLAINTIFF'S FAILURE TO JOIN A NECESSARY PARTY**

)
)ss:
)

Anne Maree Salt, being first duly sworn, deposes and states:

1. I am the Acting General Counsel and Joint Company Secretary of Sands China Ltd. ("SCL"). I have personal knowledge of the matters stated herein except those stated upon information and belief and I am competent to testify thereto.

2. I make this Affidavit in support of SCL's Motion to Dismiss for Lack of Personal Jurisdiction, or in the alternative, for Failure to Join an Indispensable Party.

3. SCL was incorporated in the Cayman Islands on July 15, 2009, at which time it was an indirect wholly owned subsidiary of Las Vegas Sands Corp. ("LVS").

4. Today, SCL is a publicly traded company, listed on the Stock Exchange of Hong Kong Limited ("HKEx") (HKEx Stock Code # 1928). The initial public offering of SCL stock (the "Global Offering") occurred in November 2009. A true and correct copy of the Global Offering Document is attached hereto as Exhibit "A." Immediately following the Global Offering, LVS owned approximately seventy percent (70%) of SCL's outstanding shares.

5. As a HKEx-listed company, SCL's Board of Directors (the "Board") is required to (and does) include three independent directors. See Exhibit "A." At the time of the Global Offering, these three individuals had no prior relationships with LVS. *Id.* At the time of the Global Offering, the remaining five Board positions consisted of two executive directors, who also served as SCL's Chief Executive Officer and Chief Development Officer, and of three non-executive directors who also sat on the board of LVS, namely, Sheldon Adelson, Jeffrey Schwartz, and Irwin Siegel. *Id.* SCL's Board, and its Board committees, conduct separate meetings and keep separate minutes. *Id.* SCL also has established its own organizational structure and financial controls, with independent bank accounts, tax registration and auditing systems. *Id.*

6. SCL has full control over its assets to operate its businesses independently of LVS. *Id.* Additionally, SCL utilizes an independent financial auditing system and has its own independent bank accounts and tax registration, and operates a separate treasury department. *Id.*

7. Venetian Macau Limited ("VML") is a Macau entity that holds a gaming subconcession issued by the Macau government, and also owns and operates the Sands Macao and operates the gaming areas in The Venetian Macao-Resort-Hotel® and the Plaza Macao. *Id.* As a subconcessionaire, VML is subject to numerous requirements imposed by the Macau government. *Id.* Specifically, VML must, among other obligations, ensure the proper management and operation of its casinos and the casino games therein, and employ the individuals who oversee those procedures. *Id.*

Glaser Weil Fink Jacobs Howard & Shapiro LLP
3763 Howard Hughes Pkwy.
Suite 300
Las Vegas, NV 89169
702.650-7900 TEL
702.650-7950 FAX

8. SCL and LVS are parties to a reciprocal Non-Competition Deed (the "Deed"). Among other things, the Deed prohibits SCL from conducting business or directing its efforts in Nevada. Attached hereto as Exhibit "B" is a true and correct copy of the Deed.

9. Consistent with the Deed, SCL has not registered to do business in Nevada or attempted to do business or direct any business activities towards Nevada or its residents.

10. Steven Jacobs and VML are parties to a June 16, 2009 Letter of Appointment, which was executed by Jacobs and the Managing Director of VML. A true and accurate copy of the June 16, 2009 Letter of Appointment is attached hereto as Exhibit "C."

11. Jacobs was paid by VML by direct deposit. A true and accurate copy of one of Jacobs' deposit pay stubs is attached hereto as Exhibit "D."

12. On or about May 10, 2010, the Remuneration Committee of the SCL Board determined to grant Jacobs an option to purchase 2.5 million shares of SCL stock (the "Stock Option Grant"), as reflected by SCL Remuneration Committee minutes, a true and accurate copy of which are attached hereto as Exhibit "E."

13. A letter dated July 7, 2010, executed in Macau by SCL's Executive Vice President and Chief Financial Officer, sets forth the terms of the Stock Option Grant. A true and accurate copy of the Stock Option Grant is attached hereto as Exhibit "F." The Stock Option Grant stated that 50% of the options would vest on January 1, 2011, with the remaining 50% to vest on January 1, 2012.

14. The Stock Option Grant and SCL's Equity Award Plan (the "Plan") each conditioned Jacobs' ability to exercise the SCL options on his continued employment with SCL or its subsidiaries, and terminated any such rights if Jacobs were likewise terminated before the options vested. A true and correct copy of the Plan is attached hereto as Exhibit "G." Specifically, the Stock Option Grant stated that if Jacobs employment was terminated "for any reason other than on account of [Jacobs'] death or by [SCL] or any subsidiary due to disability or for cause, the unvested portion of the Option shall expire on the date of termination…" Additionally, both the Plan and the Stock Option Grant specify that the option grant would not create a contract of employment between Jacobs and SCL, and the Stock Option Grant specifies that it did not otherwise grant Jacobs any

Glaser Weil Fink Jacobs Howard & Shapiro LLP
3763 Howard Hughes Pkwy.
Suite 300
Las Vegas, NV 89169
702.650-7900 TEL
702.650-7950 FAX

additional rights to compensation or damages in the event his employment is terminated. Lastly, consistent with the fact that the shares in SCL subject to the option were listed on the HKEx, the Stock Option Grant and the Plan each state that each shall be governed and construed in accordance with Hong Kong law.

15. Jacobs was terminated for cause by VML effective July 23, 2010.

Anne Maree Salt

CARTÓRIO DO NOTÁRIO PRIVADO
DIAMANTINO DE OLIVEIRA FERREIRA

Reconheço a assinatura supra de **ANNE MAREE SALT,** por confronto com a assinatura aposta no Passaporte nº E4026324, emitido em 24 de Março de 2010, pelo Governo da Austrália, cuja pública-forma me foi exibida.

Conta nº 90 $7,00

Macau, 21 de Dezembro de 2010
O Notário,

Glaser Weil Fink Jacobs Howard & Shapiro LLP
3763 Howard Hughes Pkwy.
Suite 300
Las Vegas, NV 89169
702.650-7900 TEL
702.650-7950 FAX

CERTIFICATE OF MAILING

I hereby certify that I am an employee of GLASER, WEIL, FINK, JACOBS, HOWARD & SHAPIRO, LLP, and on the 22 day of December, 2010, I deposited a true and correct copy of the foregoing **MOTION TO DISMISS FOR LACK OF PERSONAL JURISDICTION, OR IN THE ALTERNATIVE, PLAINTIFF'S FAILURE TO JOIN AN INDISPENSABLE PARTY** via U.S. Mail at Las Vegas, Nevada, in a sealed envelope upon which first class postage was prepaid and addressed to the following:

Donald J. Campbell, Esq. J. Colby Williams, Esq. CAMPBELL & WILLIAMS 700 South Seventh Street Las Vegas, NV 89101 *Attorneys for Plaintiff*	J. Stephen Peek, Esq. Justin C. Jones, Esq. HOLLAND & HART LLP 3800 Howard Hughes Parkway 10th Floor Las Vegas, NV 89169 *Attorney for Defendant Las Vegas Sands Corp.*

An Employee of GLASER, WEIL, FINK, JACOBS, HOWARD & SHAPIRO, LLP

LAW OFFICES
GLASER, WEIL, FINK, JACOBS, HOWARD & SHAPIRO, LLP
3763 HOWARD HUGHES PARKWAY, SUITE 300
LAS VEGAS, NEVADA 89169
(702) 650-7900
FAX (702) 650-7950

EXHIBIT "A"

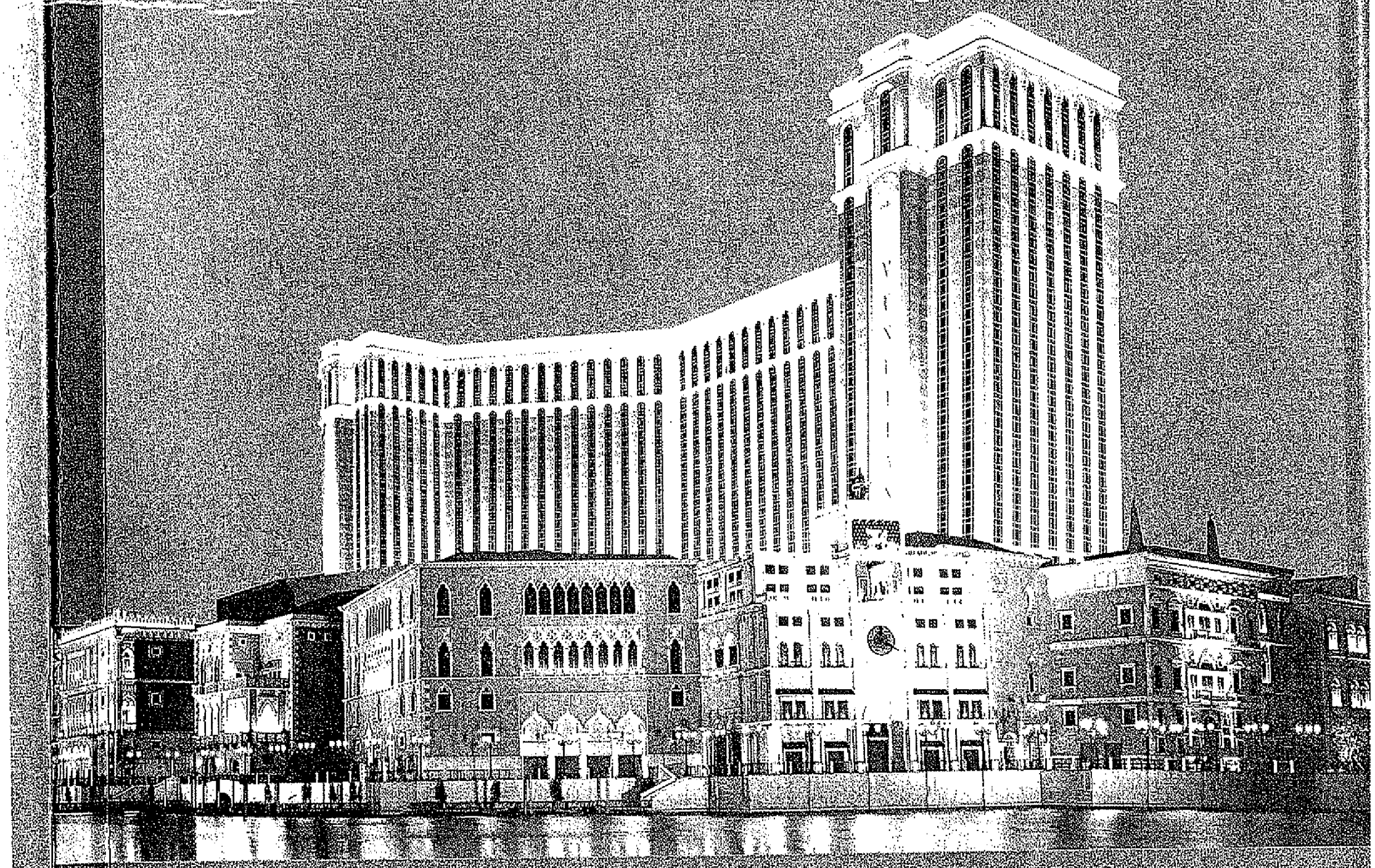
EXHIBIT "A"

Sands China Ltd.
金沙中國有限公司

(incorporated in the Cayman Islands with limited liability)

Stock Code: 1928

Global Offering



Joint Global Coordinators

Goldman Sachs

citi

Joint Sponsors

Goldman Sachs

CLSA ASIA-PACIFIC MARKETS

Joint Bookrunners and Lead Managers

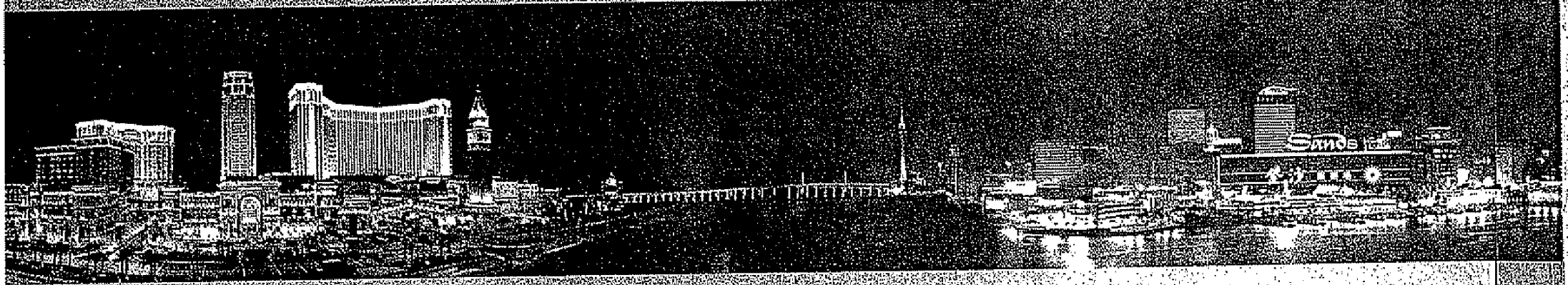
Goldman Sachs

citi

BNP PARIBAS CORPORATE & INVESTMENT BANKING

UBS Investment Bank

for identification purposes only



The following is the text of a report received from the Company's reporting accountant, PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this prospectus.

PRICEWATERHOUSECOOPERS

羅兵咸永道會計師事務所

PricewaterhouseCoopers
22/F Prince's Building
Central, Hong Kong

November 16, 2009

The Directors
Sands China Ltd.

Goldman Sachs (Asia) L.L.C.
CLSA Equity Capital Markets Limited

Dear Sirs

We set out below our report on the financial information (the "Financial Information") of Sands China Ltd. (the "Company") and the companies now comprising the group (hereinafter collectively referred to as the "Group") set out in Sections I to III below, for inclusion in the prospectus of the Company dated November 16, 2009 (the "Prospectus") in connection with the initial listing of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The Financial Information comprises the combined balance sheets as of December 31, 2006, 2007 and 2008 and as of June 30, 2009, the combined income statements, the combined statements of comprehensive income, the combined statements of changes in equity and the combined statements of cash flows for each of the years ended December 31, 2006, 2007 and 2008 and the six months ended June 30, 2008 and 2009 (the "Relevant Periods"), and a summary of significant accounting policies and other explanatory notes.

The Company was incorporated in the Cayman Islands on July 15, 2009, as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. Pursuant to a group reorganization as described in Note 1 of Section II headed "Group reorganization and basis of presentation" (the "Reorganization") below, the Company became the holding company of the companies now comprising the Group.

As of the date of this report, the Company has direct and indirect interests in the companies now comprising the Group as set out in Note 32 of Section II below. All of these companies are private companies.

No audited financial statements have been prepared by the Company as it is newly incorporated and has not been involved in any significant business transactions since its date of incorporation other than the Reorganization.

All companies now comprising the Group have adopted December 31 as their financial year end date. The statutory audited financial statements during the Relevant Periods of the companies now comprising the Group for which there is a statutory audit requirement have been prepared in accordance with relevant accounting principles applicable to their respective place of incorporation. Particulars of and the names of the statutory auditors of these companies are set out in Note 32 of Section II below.

For the purpose of this report, the directors of the Company have prepared combined financial statements of the Company and the companies now comprising the Group for the Relevant Periods (the "Underlying Financial Statements") in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board. We have audited the Underlying Financial Statements for each of the years ended December 31, 2006, 2007 and 2008 and the six

months ended June 30, 2009, in accordance with International Standards on Auditing issued by the International Auditing and Assurance Standards Board (the "IAASB").

The Financial Information has been prepared based on the Underlying Financial Statements, with no adjustment made thereon, and on the basis set out in Note 1 of Section II below.

Directors' responsibility

The directors of the Company are responsible for the preparation and the true and fair presentation of the Underlying Financial Statements in accordance with IFRS.

For the financial information for each of the years ended December 31, 2006, 2007 and 2008 and the six months ended June 30, 2009, the directors of the Company are responsible for the preparation and the true and fair presentation of the financial information in accordance with IFRS. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of the financial information that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

For the financial information for the six months ended June 30, 2008, the directors of the Company are responsible for the preparation and the presentation of the financial information in accordance with the basis of presentation set out in Note 1 of Section II below and the accounting policies set out in Note 2 of Section II below which are in conformity with IFRS.

Reporting accountant's responsibility

For the financial information for each of the years ended December 31, 2006, 2007 and 2008 and the six months ended June 30, 2009, our responsibility is to express an opinion on the financial information based on our examination and to report our opinion to you. We examined the Underlying Financial Statements used in preparing the financial information, and carried out such additional procedures as we considered necessary in accordance with the Auditing Guideline 3.340 "Prospectuses and the Reporting Accountant" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

For the financial information for the six months ended June 30, 2008, our responsibility is to express a conclusion on the financial information based on our review and to report our conclusion to you. We conducted our review in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the IAASB. A review of the financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Opinion and review conclusion

In our opinion, the financial information for each of the years ended December 31, 2006, 2007 and 2008 and the six months ended June 30, 2009, for the purpose of this report, and presented on the basis set out in Note 1 of Section II below, gives a true and fair view of the combined state of affairs of the Group as of December 31, 2006, 2007 and 2008 and June 30, 2009, and of the Group's combined results and cash flows for the respective years and period then ended.

Based on our review, which does not constitute an audit, nothing has come to our attention that causes us to believe that the financial information for the six months ended June 30, 2008, for the purpose of this report, and presented on the basis set out in Note 1 of Section II below, is not prepared, in all material respects, in accordance with the accounting policies set out in Note 2 of Section II below which are in conformity with IFRS.

I. FINANCIAL INFORMATION

The following is the Financial Information of the Group as of December 31, 2006, 2007 and 2008, and as of June 30, 2009, and for each of the years ended December 31, 2006, 2007 and 2008, and each of the six months ended June 30, 2008 and 2009, prepared on the basis set out in Note 1 of Section II.

(a) Combined Income Statements

		Year ended December 31,			Six months ended June 30,	
		2006	2007	2008	2008	2009
	Note	US$'000	US$'000	US$'000	US$'000 (Unaudited)	US$'000
Net revenues	5	1,281,093	1,966,212	3,053,319	1,490,591	1,500,587
Gaming tax		(562,766)	(884,870)	(1,300,477)	(641,943)	(633,417)
Inventories consumed		(13,023)	(24,003)	(42,241)	(18,033)	(20,408)
Employee benefit expenses	7	(175,567)	(349,247)	(517,910)	(264,559)	(232,856)
Depreciation and amortization		(35,163)	(104,047)	(268,220)	(123,388)	(158,444)
Gaming promoter/agency commissions		(37,763)	(102,810)	(162,051)	(77,735)	(86,827)
Other expenses	8	(78,487)	(257,340)	(468,446)	(193,076)	(258,560)
Operating profit		378,324	243,895	293,974	171,857	110,075
Interest income	5	27,783	29,226	4,801	2,454	281
Interest expense, net of amounts capitalized	9	(30,271)	(77,037)	(122,870)	(60,184)	(52,212)
Profit before income tax		375,836	196,084	175,905	114,127	58,144
Income tax (expenses)/credits	10	(2)	54	(169)	(142)	(167)
Profit for the year/period attributable to equity holders of the Company		375,834	196,138	175,736	113,985	57,977
Earnings per share for profit attributable to equity holders of the Company						
—Basic and diluted	11	N/A	N/A	N/A	N/A	N/A

(b) Combined Statements of Comprehensive Income

	Year ended December 31,			Six months ended June 30,	
	2006	2007	2008	2008	2009
	US$'000	US$'000	US$'000	US$'000 (Unaudited)	US$'000
Profit for the year/period attributable to equity holders of the Company	375,834	196,138	175,736	113,985	57,977
Other comprehensive (loss)/income, net of tax:					
Currency translation differences	(1,247)	(3,261)	8,410	311	182
Total comprehensive income for the year/period attributable to equity holders of the Company	374,587	192,877	184,146	114,296	58,159

(c) Combined Balance Sheets

	Note	As of December 31, 2006 US$'000	2007 US$'000	2008 US$'000	As of June 30, 2009 US$'000
ASSETS					
Non-current assets					
Investment properties, net	13	—	292,726	338,014	621,741
Leasehold interests in land, net	14	8,645	234,579	274,443	284,546
Property and equipment, net	15	2,008,676	3,568,731	5,235,823	5,007,964
Intangible assets, net	17	3,478	5,531	46,222	43,746
Deferred income tax assets	18	—	83	159	152
Financial assets at fair value through profit or loss	19	508	25	—	—
Other assets, net	20	2,354	34,714	60,770	58,216
Trade and other receivables and prepayments, net	23	—	25,132	91,457	61,671
Restricted cash	22	232,072	—	—	—
Total non-current assets		2,255,733	4,161,521	6,046,888	6,078,036
Current assets					
Inventories	24	1,663	8,410	10,915	10,119
Trade and other receivables and prepayments, net	23	17,668	239,975	287,947	244,341
Restricted cash	22	233,374	59,202	124,112	172,110
Cash and cash equivalents	21	278,509	439,395	417,769	340,620
Total current assets		531,214	746,982	840,743	767,190
Total assets		2,786,947	4,908,503	6,887,631	6,845,226
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Combined capital	25	—	—	—	—
Capital reserve	26	80,049	80,049	80,049	80,049
Statutory reserve	26	6,222	6,222	6,222	6,315
Share-based compensation reserve		—	—	17,538	21,387
Currency translation reserve		483	(2,778)	5,632	5,814
Retained earnings		768,219	964,357	1,140,093	1,197,977
Total equity		854,973	1,047,850	1,249,534	1,311,542
LIABILITIES					
Non-current liabilities					
Trade and other payables	29	282	6,831	12,663	12,872
Borrowings	27	1,387,125	2,935,219	3,598,862	3,471,661
Total non-current liabilities		1,387,407	2,942,050	3,611,525	3,484,533
Current liabilities					
Trade and other payables	29	544,225	912,302	1,982,042	1,977,942
Current income tax liabilities		2	31	232	392
Borrowings	27	340	6,270	44,298	70,817
Total current liabilities		544,567	918,603	2,026,572	2,049,151
Total liabilities		1,931,974	3,860,653	5,638,097	5,533,684
Total equity and liabilities		2,786,947	4,908,503	6,887,631	6,845,226
Net current liabilities		(13,353)	(171,621)	(1,185,829)	(1,281,961)
Total assets less current liabilities		2,242,380	3,989,900	4,861,059	4,796,075

(d) Combined Statements of Cash Flows

	Note	Year ended December 31, 2006 US$'000	2007 US$'000	2008 US$'000	Six months ended June 30, 2008 US$'000 (Unaudited)	2009 US$'000
Cash flows from operating activities						
Cash generated from operations	30	478,049	269,568	256,227	203,988	282,648
Income tax paid		—	—	(44)	(30)	—
Net cash generated from operating activities		478,049	269,568	256,183	203,958	282,648
Cash flows from investing activities						
(Increase)/decrease in restricted cash		(465,820)	406,006	(64,480)	(19,291)	(48,003)
Purchases of property and equipment and investment properties		(1,155,527)	(1,712,140)	(1,973,658)	(1,012,494)	(210,896)
Purchases of intangible assets		(1,831)	(24,061)	(24,195)	(8,722)	(915)
Proceeds from disposal of property and equipment		87	26	31	26	1,609
Notes receivable/amounts due from related companies		(50,000)	(174,225)	(5,514)	(2,894)	—
Settlement of notes receivable/ amounts due from related companies		50,000	25,000	140,500	140,500	13,440
Interest received		27,783	24,635	9,335	7,012	270
Net cash used in investing activities		(1,595,308)	(1,454,759)	(1,917,981)	(895,863)	(244,495)
Cash flows from financing activities						
Payments for financial assets at fair value through profit or loss		(1,000)	(109)	(20)	—	—
Proceeds from borrowings		1,300,000	1,551,000	672,296	367,724	9,885
Proceeds from notes payable to related companies		140,000	—	20,000	—	20,000
Proceeds from advances from related companies		104,464	55,586	1,143,792	478,792	42,252
Repayments of borrowings		(50,000)	—	—	—	(137,569)
Repayments of notes payable to related companies		(139,163)	—	—	—	—
Repayments of advances from related companies		—	(69,856)	—	—	—
Repayments of finance lease liabilities		(847)	(351)	(77)	(8)	(84)
Payments for deferred financing costs		(41,185)	(8,987)	(5,994)	(3,986)	(667)
Interest paid		(74,772)	(181,030)	(192,617)	(94,633)	(48,797)
Net cash generated from/(used in) financing activities		1,237,497	1,346,253	1,637,380	747,889	(114,980)
Net increase/(decrease) in cash and cash equivalents		120,238	161,062	(24,418)	55,984	(76,827)
Cash and cash equivalents at beginning of the year/period		158,536	278,509	439,395	439,395	417,769
Effect of exchange rate of the year/period		(265)	(176)	2,792	1,175	(322)
Cash and cash equivalents at end of the year/period	21	278,509	439,395	417,769	496,554	340,620

(e) Combined Statements of Changes in Equity

	Combined capital	Capital reserve	Statutory reserve	Share-based compensation reserve	Currency translation reserve	Retained earnings	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Balance at January 1, 2006	—	80,049	6,222	—	1,730	392,385	480,386
Total comprehensive income	—	—	—	—	(1,247)	375,834	374,587
Share-based compensation granted by the Ultimate Parent Company	—	—	—	5,475	—	—	5,475
Recharge through payables to the Ultimate Parent Company	—	—	—	(5,475)	—	—	(5,475)
Balance at December 31, 2006	—	80,049	6,222	—	483	768,219	854,973
Total comprehensive income	—	—	—	—	(3,261)	196,138	192,877
Share-based compensation granted by the Ultimate Parent Company	—	—	—	11,209	—	—	11,209
Recharge through payables to the Ultimate Parent Company	—	—	—	(11,209)	—	—	(11,209)
Balance at December 31, 2007	—	80,049	6,222	—	(2,778)	964,357	1,047,850
Total comprehensive income	—	—	—	—	8,410	175,736	184,146
Share-based compensation granted by the Ultimate Parent Company	—	—	—	17,538	—	—	17,538
Balance at December 31, 2008	—	80,049	6,222	17,538	5,632	1,140,093	1,249,534
Total comprehensive income	—	—	—	—	182	57,977	58,159
Share-based compensation granted by the Ultimate Parent Company	—	—	—	3,849	—	—	3,849
Transfer to statutory reserve	—	—	93	—	—	(93)	—
Balance at June 30, 2009	—	80,049	6,315	21,387	5,814	1,197,977	1,311,542
For the six months ended June 30, 2008 (Unaudited)							
Balance at January 1, 2008	—	80,049	6,222	—	(2,778)	964,357	1,047,850
Total comprehensive income	—	—	—	—	311	113,985	114,296
Share-based compensation granted by the Ultimate Parent Company	—	—	—	8,511	—	—	8,511
Balance at June 30, 2008	—	80,049	6,222	8,511	(2,467)	1,078,342	1,170,657

II NOTES TO THE FINANCIAL INFORMATION

1 Group reorganization and basis of presentation

(a) Principal activities

Sands China Ltd. (the "Company") and the companies now comprising the Group are principally engaged in the installation, operation and management of games of fortune and chance in casinos, hotel resort operations and other ancillary services (the "Gaming and Other Related Operations") in the Macau Special Administrative Region of the People's Republic of China ("Macau").

The Group owns and operates the Sands Macao, the first Las Vegas-style casino in Macau, pursuant to a 20-year gaming subconcession.

The Group also owns and operates The Venetian Macao Resort Hotel ("The Venetian Macao"), which anchors the Cotai Strip, the Group's master-planned development of integrated resort properties in Macau.

In August 2008, the Group opened the Four Seasons Hotel, the Plaza Casino, the Shoppes at Four Seasons (together with the Paiza mansions opened in July 2009 and the apart-hotel tower, referred to as the "Plaza Macao"). The Plaza Macao is located adjacent to The Venetian Macao.

The Group's other ancillary services include ferry operations and other related operations.

(b) Organization and reorganization

The Company was incorporated in the Cayman Islands on July 15, 2009 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands as part of the reorganization of Las Vegas Sands Corp. ("LVS" or the "Ultimate Parent Company") (the "Reorganization"). The Company is an investment holding company. The principal activities of the companies now comprising the Group are set out in Note 32. The Ultimate Parent Company is incorporated in Nevada, the United States of America, and currently listed on the New York Stock Exchange. The address of the Company's registered office is 87 Mary Street, George Town, Grand Cayman KYI-9005, Cayman Islands.

Prior to the Reorganization, the Gaming and Other Related Operations were carried out by various companies now comprising the Group and were owned or controlled by the Ultimate Parent Company.

For the preparation of the initial listing of the shares of the Company on the Stock Exchange, the Reorganization was carried out to transfer the ownership in these companies to the Company. The steps of the Reorganization are summarized below:

- On September 2, 2009, Venetian Venture Development Intermediate I ("VVDI (I)"), the then intermediate holding company of Venetian Venture Development Intermediate Limited ("VVDIL"), entered into sale and purchase agreements with VVDIL to sell its interests in Cotai WaterJets (HK) Limited and CotaiJet Holdings (II) Limited to VVDIL at HK$1.00 each;
- On September 28, 2009, VVDIL entered into sale and purchase agreements with VVDI (I) to sell its interests in World Sourcing Services Limited and Venetian Global Holdings Limited to VVDI (I) at HK$4,838,000 and US$1.00, respectively;
- On September 29, 2009, LVS IP Holdings, LLC was organized under the laws of Nevada as a wholly owned subsidiary of the Company;
- On November 10, 2009, Venetian Venture Development Intermediate II ("VVDI (II)"), the immediate holding company, entered into a share transfer form pursuant to which VVDI (II) agreed to transfer by means of contribution to the Company the entire interest in VVDIL (including loans and advances previously extended by VVDI (II) to VVDIL that are still outstanding, all its rights as creditor under all such loans and advances) for nil consideration.

Upon the completion of the above reorganization steps, the Company became the holding company of the companies now comprising the Group and holds all the Gaming and other Related Operations in Macau.

(c) Basis of presentation

The Ultimate Parent Company owned and controlled the companies now comprising the Group before the Reorganization and continues to control these companies after the Reorganization. For the purpose of this report, the Reorganization is considered as a business combination under common control in a manner similar to pooling of interests and the principles of merger accounting under Hong Kong Accounting Guideline 5 "Merger Accounting for Common Control Combination" issued by the HKICPA. The Financial Information includes the combined financial position, results and cash flows of the companies now comprising the Group as if the existing group structure had been in existence throughout the Relevant Periods or since the respective dates of incorporation/establishment or acquisition, whichever is the shorter period.

All significant intra-group transactions and balances have been eliminated on combination.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of the Financial Information are set out below. These policies have been consistently applied during the Relevant Periods.

(a) Basis of preparation

The Financial Information has been prepared in accordance with IFRS under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss. The preparation of the Financial Information in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the Financial Information, are disclosed in Note 4.

As of June 30, 2009, the Group's current liabilities exceeded its current assets by US$1,282.0 million. The credit agreement entered by VML US Finance LLC ("VMLF"), a subsidiary within the Group (the "Borrower"), and Venetian Macau Limited ("VML"), Venetian Cotai Limited ("VCL") and certain other subsidiaries within the Group (collectively, the "Guarantors") dated May 25, 2006 (the "Macau Credit Facility"), requires VML and its restricted companies (collectively, the "Restricted Group") to comply with certain financial covenants at the end of each quarter, including maintaining a maximum leverage ratio of the consolidated total debt outstanding, as defined in the Macau Credit Facility as discussed in Note 27(a). On August 12, 2009, an amendment was made to the Macau Credit Facility which, among other things, increased the maximum leverage ratios for the quarters beginning after June 30, 2009 (see Note 35). The Ultimate Parent Company has also confirmed its intention not to demand repayment of the balances owed by the Group to other LVS group entities for the twelve months after June 30, 2009, or until the initial listing of the Company's shares on the Stock Exchange, whichever is earlier, so as to enable the Group to meet its obligations as and when they fall due, save for the amount that the Group may repay to the extent as appropriate using the proceeds from the bond offering of VVDI (II) (see Note 35(c)). As a result of the aforementioned, management believes that the Group will be able to meet its obligations and maintain compliance with the financial covenants for the twelve months after June 30, 2009.

Based on the above, the Financial Information has been prepared on a going concern basis, which assumes, among other things, the realization of assets and satisfaction of liabilities as and when they fall due.

(b) Changes in accounting policies

During the Relevant Periods, there have been a number of new/revised standards, amendments to standards and interpretations that have come into effect, for which the Group has adopted such at their respective effective dates. The adoption of these new standards, amendments to standards and interpretations has no material impact to the Group except for the adoption of the amendment to IAS 40 "Investment properties" ("IAS 40 (Amendment)"), which changed the Group's accounting policy in relation to the classification of the Group's properties that are under construction or development. Pursuant to the amendment, properties that are under construction or development for long-term rental yields, which were previously accounted for under IAS 16 "Property, plant and equipment", should be classified as investment properties. As a result of the adoption of IAS 40 (Amendment) for the six months ended June 30, 2009, the Group's properties under construction of US$227.9 million has been reclassified from "Property and equipment, net" to "Investment properties, net" on January 1, 2009. IAS 40 (Amendment) has been applied prospectively.

At the date of authorization of the Financial Information, the following new/revised standards, amendments to standards and interpretations to existing standards have been issued but are not effective for the six months ended June 30, 2009:

		Effective for annual periods beginning on or after
IFRSs (Amendments)	Improvements to IFRSs 2009	January 1, 2010
IAS 1 (Amendment)	Presentation of Financial Statements	January 1, 2010
IAS 7 (Amendment)	Statement of Cash Flows	January 1, 2010
IAS 17 (Amendment)	Leases	January 1, 2010
IAS 27 (Revised)	Consolidated and Separate Financial Statements	July 1, 2009
IAS 36 (Amendment)	Impairment of Assets	January 1, 2010
IAS 38 (Amendment)	Intangible Assets	July 1, 2009
IAS 39 (Amendment)	Financial Instruments: Recognition and Measurement	January 1, 2010
IFRS 1 (Amendment)	First-time Adoption of International Financial Reporting Standards	July 1, 2009
IFRS 2 (Amendment)	Share-based Payments	July 1, 2009
IFRS 3 (Revised)	Business Combinations	July 1, 2009
IFRS 5 (Amendment)	Non-current Assets Held for Sale and Discontinued Operations	January 1, 2010
IFRS 8 (Amendment)	Operating Segments	January 1, 2010
IFRIC 9 (Amendment)	Reassessment of Embedded Derivatives	July 1, 2009
IFRIC 16 (Amendment)	Hedges of a Net Investment in a Foreign Operation	July 1, 2009
IFRIC 17	Distribution of Non-cash Assets to Owners	July 1, 2009
IFRIC 18	Transfer of Assets from Customers	July 1, 2009

The Group has not early adopted any of the above standards, interpretations and amendments to the existing standards. Management is in the process of making an assessment of their impact and is not yet in a position to state what impact they would have on the Group's results of operations and financial positions.

(c) Consolidation and combination

(i) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries of the Group, except for those acquisitions that qualify as business combinations under common control, which are accounted for using merger accounting.

Intra-group transactions, balances and unrealized gains and losses on transactions between group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary in the combined financial statements to ensure consistency with the policies adopted by the Group.

(ii) Business combinations under common control

The Financial Information incorporates the financial statement items of the combining entities or businesses in which the common control combination occurs as if they had been combined from the date when the combining entities or businesses first came under the control of the controlling party.

The net assets of the combining entities or businesses are combined using the existing book values from the controlling party's perspective. No amount is recognized with respect to goodwill or any excess of an acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over its cost at the time of common control combination, to the extent of the contribution of the controlling party's interest. All differences between the cost of acquisition (fair value of consideration paid) and the amounts at which the assets and liabilities are recorded have been recognized directly in equity as part of the capital reserve.

The combined income statements include the results of each of the combining entities or businesses from the earliest date presented or since the date when combining entities or businesses first came under common control, where this is a shorter period, regardless of the date of the common control combination.

The comparative amounts in the Financial Information are presented as if the entities or businesses had been combined at the earliest date presented or when they first came under common control, whichever is the later.

Intra-group transactions, balances and unrealized gains on transactions between the combining entities or businesses are eliminated. Unrealized losses are also eliminated but considered as an impairment indicator of the asset transferred. Accounting policies of combining entities or businesses have been changed where necessary to ensure consistency with the policies adopted by the Group.

(d) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as a group of senior management that makes strategic decisions.

(e) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's companies are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The Company's functional currency is Macau Patacas ("MOP"). The Financial Information is presented in United States dollars ("US$"), which is the presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at balance sheet date exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the combined income statements.

(iii) Group companies

The results of operations and financial position of all the Group companies (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognized as a separate component of equity (currency translation differences).

On consolidation, exchange differences arising from the translation of the net investment in foreign entities, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is sold, such exchange differences are recognized in the combined income statements as part of the gain or loss on sale.

(f) Investment properties

Investment properties, principally comprising buildings and building improvements, are held for long-term rental yields or capital appreciation or both and are not occupied by the Group companies. Prior to January 1, 2009, investment properties under construction or development were classified as construction-in-progress and included in property and equipment. Completed properties were transferred to investment properties at their carrying costs and subsequently be carried at cost less accumulated depreciation and accumulated impairment losses. Investment properties are depreciated on a straight-line basis, at rates sufficient to write off their costs over their estimated useful lives of 15 to 40 years. The residual values and useful lives of investment properties are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are included in the combined income statements when the changes arise.

Upon the adoption of IAS 40 (Amendment) on January 1, 2009, investment properties that are currently being constructed or developed are classified as investment properties and stated at cost less accumulated impairment losses.

(g) Leasehold interest in land

Leasehold interests in land represent payments made for the use of land over an extended period of time. The total lease payments will be amortized on a straight-line basis over the term of the lease agreement.

(h) Property and equipment

Property and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Property and equipment are depreciated on a straight-line basis, at rates sufficient to write off their costs over their estimated useful lives. Leasehold improvements are amortized over the shorter of their estimated useful lives or the minimum lease term. Other assets are depreciated as follows:

Land improvements, buildings and building improvements	15 – 40 years
Ferries	20 years
Furniture, fittings and equipment	3 – 6 years
Vehicles	5 years

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

Construction-in-progress represents property and equipment under construction and is stated at cost. This includes the direct costs of purchase, construction and capitalized borrowing costs. Construction-in-progress is not depreciated until such time as the relevant assets are completed and ready for its intended use and when they are transferred to the relevant asset category.

The assets' residual values and useful lives are reviewed, and adjusted if applicable, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within "Other expenses" in the combined income statements.

(i) Leased assets

Assets acquired pursuant to finance leases and hire purchase contracts that transfer to the Group substantially all the rewards and risks of ownership are accounted for as if purchased.

(j) Intangible assets

(i) Trademarks

Acquired trademarks have a finite useful life and are carried at cost less accumulated amortization and accumulated impairment losses. Trademarks are amortized over their estimated useful lives of 7 years.

(ii) Computer software

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over their estimated useful lives of 4 years.

(iii) Show production costs

Show production costs include costs of creation, design and initial production of the show. The costs are amortized over the shorter of the contractual run of the show (including any guaranteed renewals), or the estimated useful life of the show, which is assessed at each reporting period.

(k) Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortization, are tested at least annually for impairment and are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (i.e. cash generating units or "CGU"). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

(l) Financial assets

Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss and loans and receivables. The classification depends on the purpose for which the financial assets were acquired which management determines at initial recognition.

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

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and for which management has no intention of trading. They are included in current assets, except for assets with maturities greater than twelve months after the balance sheet date, which are classified as non-current.

Recognition and measurement

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

Gains or losses arising from changes in the fair value of the "Financial assets at fair value through profit or loss" category are presented in the combined income statements within "Other expenses" in the period in which they arise.

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

Impairment of financial assets

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. Impairment testing of trade and other receivables is described in Note 2(o).

(m) Cash and cash equivalents

Cash and cash equivalents includes cash in hand and short-term deposits with original maturities of three months or less.

(n) Inventories

Inventories consist primarily of food, beverage, retail products and tobacco and are stated at the lower of cost and net realizable value. Cost is determined using the first-in, first-out method. Net realizable value is the estimated selling price in the ordinary course of business, less applicable selling expenses.

(o) Trade and other receivables

Trade and other receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the assets is reduced through the use of an allowance account, and the amount of the loss is recognized in the combined income statements within "Other expenses". When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against "Other expenses" in the combined income statements.

(p) Trade payables

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

(q) Borrowings and financing costs

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the combined income statements over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs.

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

A qualifying asset is an asset that takes a substantial period of time to get ready for its intended use (Note 2(h)). Financing costs incurred for the construction of any qualifying asset, less any investment income on the temporary investment of related borrowings, are capitalized during the period that is required to complete and prepare the asset for its intended use. Other financing costs, net of interest income, are expensed.

(r) Provisions

Provisions are recognized when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow of resources will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow of resources with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

(s) Taxation and deferred taxation

The income tax expenses comprise current and deferred tax.

Current income tax is calculated on the basis of the tax laws enacted or substantially enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognized, using the liability method, for temporary differences arising between the tax bases of assets and liabilities and their carrying values in the Financial Information. Deferred income tax is not accounted for if it arises from initial recognition of an asset or a liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted at the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax is provided for temporary differences arising from investments in subsidiaries, except when the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

(t) Share capital

Ordinary shares are classified as equity.

(u) Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognized because it is not probable that an outflow of economic resources will be required or the amount of the obligation cannot be measured reliably.

A contingent liability is not recognized but is disclosed in the Financial Information unless the probability of outflow of resources embodying economic benefits is remote. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognized as a provision.

(v) Employee benefits

(i) Pension obligations

The Group operates a provident fund scheme, which is funded through payments to an insurance company. The provident fund scheme is a defined contribution plan that is available to all permanent employees after a three-month probation period. The Group contributes 5% of each employee's base salary to the fund and the employee is eligible to receive 30% of these contributions after working for three consecutive years, gradually increasing to 100% after working for ten years. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due.

(ii) Share-based compensation

The Group participates in the equity settled share-based compensation plans of LVS and is a party to its nonqualified share option plan, Las Vegas Sands Corp. 2004 Equity Award Plan (the "2004 Plan"). The plan provides for the granting of share options pursuant to the applicable provisions of the Internal Revenue Code and regulations in the United States of America.

The fair value of the employee services received in exchange for the grant of the options is recognized as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted, excluding the impact of any non-market service and performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period). Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The total amount expensed is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At each balance sheet date, the Group revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognizes the impact of the revision of original estimates, if any, in the combined income statements with a corresponding adjustment to payables to the Ultimate Parent Company through December 31, 2007 and to equity beginning January 1, 2008 (see Note 34).

(iii) Social security fund

Full-time employees of the Group are covered by a government-mandated defined contribution plan pursuant to which a fixed amount of retirement benefit would be determined and paid by the Macau Government. Contributions are generally made by both employees and employers by paying a fixed amount on a monthly basis to the Social Security Fund Contribution managed by the Macau Government. The Group funds the entire contribution and has no further commitments beyond its monthly contributions.

(iv) Annual leave and other paid leave

Through December 31, 2008, employee entitlements to annual leave and sick leave are recognized when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees during the year. Employee entitlement to maternity leave is not recognized until the time of leave.

Beginning January 1, 2009, employee entitlement to sick leave is not recognized until the time of leave, whereas employee entitlements to annual leave and maternity leave remain the same.

(v) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date. The Group recognizes termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary retrenchment. Benefits falling due more than twelve months after the balance sheet date are discounted to present value.

(w) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities.

The Group recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(i) Casino revenue

Casino revenue is the aggregate of gaming wins and losses. Commissions rebated directly or indirectly through gaming promoters to customers, cash discounts and other cash incentives to customers related to gaming play are recorded as a reduction of gross casino revenue. Gaming promoters are entities that bring in high rollers to casinos and loan them rolling chips.

(ii) Hotel revenue

Hotel revenue is recognized at the time of occupancy.

(iii) Food and beverage revenue

Food and beverage revenue is recognized at the time of service.

(iv) Lease/right of use income

Lease/right of use income from the grant of right of use (net of any incentives given to tenants/retailers) is recognized on a straight-line basis over the terms of the lease/right of use.

(v) Convention revenue

Convention revenue is recognized when the event is held or the related services are rendered.

(vi) Retail sales

Sales of goods are recognized on the transfer of risks and rewards of ownership, which generally coincides with the time when the products are delivered to customers and title has passed.

The Group has a goods return policy. Sales are recorded net of return and discounts.

(vii) Mall management fees

Mall management fees are recognized when services are rendered.

(viii) Entertainment revenue

Entertainment revenue derived from theater shows, concerts and sporting events is recognized at the time of performance.

(ix) Ferry ticket sales

Ferry ticket sales are recognized when the services are rendered.

(x) Commission revenue

Commission revenues from the selling of tickets and travel packages and providing destination marketing services are recognized when services are rendered.

(xi) Interest income

Interest income is recognized on a time-proportion basis using the effective interest method.

(x) Leases/right of use

(i) As the lessor/grantor for operating leases/right of use

When assets are leased/granted out under an agreement for the right of use, the asset is included in the combined balance sheets based on the nature of the asset. Lease rental/ income from right of use (net of any incentives given to tenants or to retailers) is recognized over the terms of the lease/right of use on a straight-line basis.

(ii) As the lessee for operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the combined income statements on a straight-line basis over the period of the lease.

(iii) As the lessee for finance leases

The Group leases certain equipment. Leases of equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's commencement at the lower of the fair value of the leased assets and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other payables. The interest element of the finance cost is charged to the combined income statements over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The equipment acquired under a finance lease is depreciated over the shorter of the useful life of the asset and the lease term.

3 Financial risk management

(a) Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's overall risk management program, mainly carried out by a central treasury department, focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

(i) Market risk

Market risk is the risk of loss arising from adverse changes in market rates and prices, such as interest rates and foreign currency exchange rates.

Cash flow and fair value interest rate risk

The Group's primary exposure to market risk is interest rate risk associated with its long-term borrowings, which are all issued at variable rates. The Group attempts to manage the interest rate risk associated with its variable-rate borrowings by use of interest rate cap agreements.

During the years ended December 31, 2006, 2007 and 2008, and the six months ended June 30, 2009, the Group's borrowings at variable rate were mainly denominated in "US$", Hong Kong dollars ("HK$") and MOP.

As of December 31, 2006, 2007 and 2008 and as of June 30, 2009, if interest rates on US$-denominated borrowings had been 50 basis-point higher/lower with all other variables held constant, post-tax profit for the year/period would have been US$6.6 million, US$14.4 million, US$16.7 million and US$8.1 million lower/higher, respectively. As of December 31, 2006, 2007 and 2008 and as of June 30, 2009, if interest rates on HK$-denominated borrowings had been 50 basis-point higher/lower with all other variables held constant, post-tax profit for the year/period would have been nil, nil, US$1.1 million and US$0.6 million lower/higher, respectively. As of December 31, 2006, 2007 and 2008 and as of June 30, 2009, if interest rates on MOP-denominated borrowings had been 50 basis-point higher/lower with all other variables held constant, post-tax profit would have been approximately US$0.5 million, US$0.5 million, US$0.5 million and US$0.3 million, lower/higher respectively.

The Group does not hold or issue financial instruments for trading purposes and does not enter into derivative transactions that would be considered speculative positions. The Group's derivative financial instruments consist exclusively of interest rate cap agreements, which do not qualify for hedge accounting.

To manage exposure to counterparty credit risk in interest rate cap agreements, the Group enters into agreements with highly rated institutions that can be expected to fully perform under the terms of such agreements. Frequently, these institutions are also members of the bank group providing the Group's credit facilities, which management believes further minimizes the risk of non-performance.

Foreign exchange risk

The Group's foreign currency transactions are mainly denominated in US$. The majority of assets and liabilities are denominated in US$ and MOP, and there are no significant assets and liabilities denominated in other currencies. The Group is subject to foreign exchange rate risk arising from future commercial transactions and recognized assets and liabilities that are denominated in a currency other than MOP, which is the functional currency of the

major operating companies within the Group. The Group currently does not have a foreign currency hedging policy.

For companies with MOP as their functional currency, as of December 31, 2006, 2007 and 2008, and as of June 30, 2009, if the US$ had weakened/strengthened by 1% against the MOP with all other variables held constant, pre-tax profit for the year/period would have been higher/lower by approximately US$9.5 million, US$27.9 million, US$44.1 million and US$42.6 million respectively, mainly as a result of the translation of US$-denominated cash and cash equivalents, deposits and borrowings.

(ii) Credit risk

Financial instruments, which potentially subject the Group to concentrations of credit risk, consist principally of cash and cash equivalents, restricted cash and trade and other receivables.

The Group maintains cash and cash equivalents, and restricted cash with various credit worthy financial institutions in Macau, Hong Kong, Singapore and the United States of America. Management monitors this credit risk on an on-going basis and does not believe that the Group has any other significant exposure to any individual or institution as of December 31, 2006, 2007 and 2008, and as of June 30, 2009.

Trade receivables are principally comprised of casino, hotel and mall receivables. The Group extends credit to approved customers, tenants and gaming promoters following background checks and investigations of creditworthiness. Business or economic conditions, the legal enforceability of gaming debts, or other significant events in foreign countries could affect the collectibility of receivables from customers and gaming promoters residing in these countries.

The Group maintains an allowance for doubtful casino, hotel and mall accounts and regularly evaluates the balances. The Group specifically analyzes the collectibility of each account with a balance over a specified dollar amount, based upon the age of the account, the customer's financial condition, collection history and any other known information, and the Group makes an allowance for trade receivables specifically identified as doubtful. The Group also monitors regional and global economic conditions and forecasts in its evaluation of the adequacy of the recorded reserves. Table games play is primarily cash play, as credit play represented approximately 5.1%, 10.7%, 23.7% and 29.4% for the years ended December 31, 2006, 2007, 2008 and the six months ended June 30, 2009, respectively, of total table games play. The Group believes that the concentration of its credit risk in casino receivables is mitigated substantially by its credit evaluation process, credit policies, credit control and collection procedures, and also believes that no significant credit risk is inherent in the Group's trade receivables not provided for as of December 31, 2006, 2007 and 2008, and as of June 30, 2009 (see Note 23 for further details).

(iii) Liquidity risk

Liquidity risk is the financial risk arising from the difficulty of selling assets, being unable to pay off liabilities upon maturity, funding growth assets or meeting contractual commitments.

The Macau Credit Facility requires the Restricted Group to comply with certain financial covenants at the end of each quarter, including maintaining a maximum leverage ratio of the consolidated total debt outstanding, as defined in the Macau Credit Facility. Subsequent to June 30, 2009, an amendment was made to the Macau Credit Facility, which, among other things, increased the maximum leverage ratios for the quarters beginning after June 30, 2009. The maximum leverage ratios were increased to 4.5:1.0 for the quarters ending September 30 and December 31, 2009, 4.0:1.0 for the quarters ending March 31 and June 30, 2010 and 3.5:1.0 for the quarters ending September 30 and December 31, 2010. If the Restricted Group is unable to maintain compliance with these financial

covenants, the Restricted Group would be in default under the Macau Credit Facility, which would trigger a cross-default under the ferry financings (see Note 27). Any defaults or cross defaults under these agreements would allow the lenders, in each case, to exercise their rights to accelerate the due dates of the indebtedness outstanding. There can be no assurance that the Group would be able to pay or refinance any amounts that may become accelerated under such agreements and other obligations when they fall due, which could force the Group to restructure or alter its operations or debt obligation. In order to comply with the maximum leverage ratio covenants, the Group will utilize cash on hand and cash flows from operations and other measures, including cost-cutting initiatives.

The Group's financial liabilities, based on the contractual undiscounted cash flows, as of December 31, 2006, 2007 and 2008, and as of June 30, 2009, are as follows:

	Within the first year	In the second year	In the third to fifth year	Over the fifth year	Total
	US$'000	US$'000	US$'000	US$'000	US$'000
At December 31, 2006					
Bank borrowings	105,850	118,390	443,047	1,296,310	1,963,597
Notes payable to related companies	6,575	6,911	22,812	141,454	177,752
Finance lease liabilities	347	8	16	—	371
Trade and other payables	544,225	—	282	—	544,507
At December 31, 2007					
Bank borrowings	210,621	253,813	2,471,838	917,725	3,853,997
Notes payable to related companies	6,806	7,112	23,534	137,404	174,856
Finance lease liabilities	25	24	44	—	93
Trade and other payables	912,302	732	6,099	—	919,133
At December 31, 2008					
Bank borrowings	141,125	200,856	3,447,470	127,449	3,916,900
Notes payable to related companies	6,374	6,588	174,093	—	187,055
Finance lease liabilities	257	269	306	—	832
Trade and other payables	1,982,042	—	12,409	254	1,994,705
At June 30, 2009					
Bank borrowings	162,872	793,175	2,651,675	111,120	3,718,842
Notes payable to related companies	5,068	5,151	187,972	—	198,191
Finance lease liabilities	245	251	185	—	681
Trade and other payables	1,977,942	—	12,872	—	1,990,814

(b) Capital risk management

The Group's primary objective when managing capital is to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk.

The capital structure of the Group consists of debt, which includes borrowings (including current and non-current borrowings as shown in the combined balance sheets), cash and cash equivalents, and equity attributable to shareholders, comprising issued share capital and reserves as disclosed in Notes 25 and 26.

The Group actively and regularly reviews and manages its capital structure to maintain the net debt-to-capital ratio (gearing ratio) at an appropriate level based on its assessment of the current risk and circumstances. This ratio is calculated as the total of borrowings, as shown in the combined balance sheets, divided by total equity.

(c) Fair value estimation

The carrying amounts of cash and cash equivalents, restricted cash, financial assets at fair value through profit or loss, trade and other receivables, borrowings and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

4 Critical accounting estimates and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(a) Impairment of assets

The Group follows the guidance of IAS 36 "Impairment of Assets" to determine when assets are impaired, which requires significant judgment. In making this judgment, the Group evaluates, among other factors, the duration and extent to which the recoverable amount of assets is less than their carrying balance, including factors such as the industry performance and changes in operational and financing cash flows. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows (a CGU). The recoverable amount of the CGU has been determined based on value-in-use calculations. These calculations require the use of estimates, including operating results, income and expenses of the business, future economic conditions on growth rates and future returns.

Changes in the key assumptions on which the recoverable amount of the assets is based could significantly affect the Group's financial condition and results of operations.

(b) Share-based compensation

The Group's employees participate in equity award plans of LVS. Management of the Group uses the Black-Scholes option-pricing model to determine the total fair value of the options granted, which is based on fair value and various attributes of the underlying shares of LVS. Significant estimates and assumptions are required to be made in determining the parameters for applying the Black-Scholes option-pricing model, including estimates and assumptions regarding the risk-free rate of return, expected dividend yield and volatility of the underlying shares and the expected life of the options. The total fair value of restricted shares ("RSs") granted is measured on the grant date based on the fair value of the underlying shares of LVS. In addition, the Group is required to estimate the expected percentage of grantees that will remain in employment with the Group at the end of the vesting period. The Group only recognizes an expense for those options or RSs expected to vest over the vesting period during which the grantees become unconditionally entitled to the options or RSs. These estimates and assumptions could have a material effect on the determination of the fair value of the share options and RSs and the amount of such equity awards expected to vest, which may in turn significantly impact the determination of the share-based compensation expense.

The fair value of the options and RSs at the time of grant is to be expensed over the vesting period of the options and RSs based on an accelerated graded attribution approach. Under the accelerated graded attribution approach, each vesting installment of a graded vesting award is treated as a separate share option or RSs grant, which means that each vesting installment will

be separately measured and attributed to expense, resulting in accelerated recognition of share-based compensation expense.

(c) Construction project suspension

The Group had commenced construction or pre-construction on Parcels 3, 5, 6, 7 and 8 of Cotai Strip and had capitalized the costs in the combined balance sheets, but has suspended these projects given the current conditions in the financial markets and the global economy. These disruptions in the financial markets could adversely affect the Group's ability to raise additional financing required to complete those projects. Should general economic conditions fail to improve, if the Group is unable to obtain sufficient funding such that completion of the suspended projects is not probable, or should management decide to abandon certain projects, all or a portion of the Group's investment to date on the suspended projects could be lost and would result in an impairment charge. This could adversely affect the financial condition, results of operations or cash flows from these planned facilities.

In addition, under the revised terms of the land concession that covers Parcel 3 approved by the Macau Government on August 20, 2009, the Group is required to complete development of Parcel 3 by April 17, 2013. Management believes that if the Group is unable to complete the development of Parcel 3 by the deadline, it will be able to obtain an extension from the Macau Government. However, no assurances can be given that an extension will be granted. If the Group is not able to meet the April 2013 deadline and that deadline is not extended, the Macau Government has the right to unilaterally terminate the land concession or any properties developed under the land concession for Parcel 3 without compensation to the Group.

(d) Allowance for doubtful trade receivables

The allowance for doubtful trade receivables represents the Group's best estimate of the amount of probable credit losses in the Group's existing trade receivable balance. The Group determines the allowance based on specific customer information, historical write-off experience and current industry and economic data. Account balances are charged off against the allowance when the Group believes it is probable the receivables will not be recovered. Management believes that there are no concentrations of credit risk for which an allowance has not been established. Although management believes that the allowance is adequate, it is possible that the estimated amount of cash collections with respect to trade receivables could change.

(e) Litigation provisions

The Group is subject to various claims and legal actions. The accruals for these claims and legal actions are estimated in accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets". Based on consultation with legal counsel, management estimated that no significant loss would be incurred beyond the amounts provided.

(f) Useful lives of investment properties and property and equipment

The Group depreciates investment properties and property and equipment on a straight-line basis over their estimated useful lives. The estimated useful lives are based on the nature of the assets, as well as current operating strategy and legal considerations, such as contractual life. Future events, such as property expansions, property developments, new competition or new regulations, could result in a change in the manner in which the Group uses certain assets and could have impact on the estimated useful lives of such assets.

5 Net revenues and interest income

	Year ended December 31,			Six months ended June 30,	
	2006	2007	2008	2008	2009
	US$'000	US$'000	US$'000	US$'000 (Unaudited)	US$'000
Net revenues					
Casino	1,265,168	1,846,167	2,669,661	1,325,395	1,317,124
Rooms	133	49,292	139,953	67,454	55,477
Food and beverage	12,928	28,076	54,317	24,450	25,446
Mall					
—Income from right of use	—	18,974	95,804	37,271	50,961
—Management fees and others	—	5,840	27,234	11,178	13,161
Convention, ferry, retail and other	2,864	17,863	66,350	24,843	38,418
Total net revenues	1,281,093	1,966,212	3,053,319	1,490,591	1,500,587
Interest income					
Notes receivable from related companies	673	4,591	46	23	11
Bank deposits	27,110	24,635	4,755	2,431	270
	27,783	29,226	4,801	2,454	281
Total net revenues and interest income	1,308,876	1,995,438	3,058,120	1,493,045	1,500,868

6 Segment information

Management has determined the operating segments based on the reports reviewed by a group of senior management to make strategic decisions. The Group considers the business from a property and service perspective.

The Group's principal operating and developmental activities occur in Macau, which is the sole geographic area that the Group domiciles. The Group reviews the results of operations for each of its key operating segments, which are also the reportable segments: Sands Macao, The Venetian Macao, the Plaza Macao, Ferry and other operations and Other developments (on Parcels 3, 5, 6, 7 and 8 of the Cotai Strip).

Sands Macao, The Venetian Macao, the Plaza Macao and Other developments derive their revenue primarily from casino, hotel, food and beverage, mall, convention, retail and others sources. Ferry and other operations mainly derive their revenue from the sale of ferry tickets for transportation between Hong Kong and Macau.

The Group's segment information for the years ended December 31, 2006, 2007 and 2008, and the six months ended June 30, 2008 and 2009, and as of December 31, 2006, 2007 and 2008, and June 30, 2009 are as follows:

	Year ended December 31,			Six months ended June 30,	
	2006	2007	2008	2008	2009
	US$'000	US$'000	US$'000	US$'000 (Unaudited)	US$'000
Net revenues:					
Sands Macao	1,281,093	1,314,499	1,032,121	536,510	458,612
The Venetian Macao	—	651,610	1,941,636	948,977	930,912
Plaza Macao	—	—	62,536	—	95,691
Ferry and other operations	—	103	17,026	5,104	15,372
Other developments	—	—	—	—	—
	1,281,093	1,966,212	3,053,319	1,490,591	1,500,587
Adjusted EBITDAR (Unaudited) (Note):					
Sands Macao	457,702	374,075	214,434	119,603	111,352
The Venetian Macao	—	144,698	497,166	249,678	230,882
Plaza Macao	—	—	7,329	—	9,820
Ferry and other operations	3	(4,431)	(32,885)	(20,094)	(14,401)
Other developments	—	—	—	—	—
	457,705	514,342	686,044	349,187	337,653
Depreciation and amortization:					
Sands Macao	(34,359)	(43,569)	(51,127)	(26,429)	(24,632)
The Venetian Macao	(721)	(60,029)	(192,322)	(93,907)	(103,009)
Plaza Macao	—	(1)	(16,402)	(28)	(24,641)
Ferry and other operations	(82)	(446)	(8,339)	(3,022)	(6,020)
Other developments	(1)	(2)	(30)	(2)	(142)
	(35,163)	(104,047)	(268,220)	(123,388)	(158,444)
Interest expense net of amounts capitalized:					
Sands Macao	937	997	1,191	462	604
The Venetian Macao	28,814	75,138	83,020	55,756	23,957
Plaza Macao	—	—	22,198	—	6,319
Ferry and other operations	—	—	7,067	3,795	2,748
Other developments	520	902	9,394	171	18,584
	30,271	77,037	122,870	60,184	52,212
Income tax (expenses)/credits:					
Sands Macao	—	—	—	—	—
The Venetian Macao	—	—	—	—	—
Plaza Macao	—	—	—	—	—
Ferry and other operations	(2)	54	(169)	(142)	(167)
Other developments	—	—	—	—	—
	(2)	54	(169)	(142)	(167)

Note: Adjusted EBITDAR is profit before interest, income taxes, depreciation and amortization (net of amortization of show production costs), pre-opening expense, development expense, net foreign exchange losses or gains, loss or gain on disposal of property and equipment, corporate expense, land lease expense, share-based compensation and fair value losses or gains on financial assets at fair value through profit or loss. Adjusted EBITDAR is used by management as the primary measure of operating performance of the Group's properties and to compare the operating performance of the Group's properties with that of its competitors. However, adjusted EBITDAR should not be considered in isolation; construed as an alternative to profit or operating profit; as an indicator of the Group's IFRS operating performance, other combined operations or cash flow data; or as an alternative to cash flow as a measure of liquidity. As a result, adjusted EBITDAR as presented by the Group may not be directly comparable to other similarly titled measures presented by other companies. In addition, adjusted EBITDAR presented herein may differ from that adjusted EBITDAR presented by LVS for its Macau segment in its filings with the U.S. Securities and Exchange Commission.

	Note	Year ended December 31, 2006 US$'000	2007 US$'000	2008 US$'000	Six months ended June 30, 2008 US$'000 (Unaudited)	2009 US$'000
Adjusted EBITDAR (unaudited)		457,705	514,342	686,044	349,187	337,653
Share-based compensation granted to employees by the Ultimate Parent Company		(4,096)	(9,641)	(15,163)	(7,310)	(3,457)
Corporate expense	(a)	(352)	(2,674)	(14,747)	(4,291)	(4,692)
Land lease expense		(809)	(9,766)	(11,885)	(5,874)	(6,125)
Pre-opening expense	(b)	(33,183)	(137,975)	(111,435)	(37,893)	(51,956)
Development expense	(c)	(2,652)	—	—	—	—
Depreciation and amortization		(35,163)	(104,047)	(268,220)	(123,388)	(158,444)
Amortization of show production costs		—	—	1,867	—	2,115
Net foreign exchange (losses)/gains		(694)	(5,190)	29,179	2,556	(125)
Loss on disposal of property and equipment		(1,940)	(562)	(1,622)	(1,184)	(4,894)
Fair value (losses)/gains on financial assets at fair value through profit or loss		(492)	(592)	(44)	54	—
Operating profit		378,324	243,895	293,974	171,857	110,075
Interest income		27,783	29,226	4,801	2,454	281
Interest expense, net of amounts capitalized		(30,271)	(77,037)	(122,870)	(60,184)	(52,212)
Profit before income tax		375,836	196,084	175,905	114,127	58,144
Income tax (expenses)/credits		(2)	54	(169)	(142)	(167)
Profit for the year/period attributable to equity holders of the Company		375,834	196,138	175,736	113,985	57,977

(a) Corporate expense

	Note	Year ended December 31, 2006 US$'000	2007 US$'000	2008 US$'000	Six months ended June 30, 2008 US$'000 (Unaudited)	2009 US$'000
Employee benefit expenses		171	171	4,154	2,014	1,656
Professional fees		—	2,078	2,361	1,596	226
Management fees	33(a)(i)	—	—	7,227	—	2,576
Other expenses		181	425	1,005	681	234
		352	2,674	14,747	4,291	4,692

(b) Pre-opening expense

	Note	Year ended December 31, 2006 US$'000	2007 US$'000	2008 US$'000	Six months ended June 30, 2008 US$'000 (Unaudited)	2009 US$'000
Employee benefit expenses		19,065	55,796	37,801	17,169	7,539
Advertising costs		2,537	32,661	6,593	1,817	—
Utilities and fuel costs		28	16,373	2,308	1,383	7
Professional fees		2,786	15,574	6,192	3,196	829
Management fees	33(a)(i)	—	8,178	7,207	4,252	—
Suspension costs	8(a)(i)(1)	—	—	33,581	—	41,848
Other expenses		8,767	9,393	17,753	10,076	1,733
		33,183	137,975	111,435	37,893	51,956

Amounts above exclude share-based compensation granted to employees by the Ultimate Parent Company.

(c) Development expense

	Year ended December 31, 2006 US$'000	2007 US$'000	2008 US$'000	Six months ended June 30, 2008 US$'000 (Unaudited)	2009 US$'000
Employee benefit expenses	1,098	—	—	—	—
Professional fees	876	—	—	—	—
Operating lease payments	145	—	—	—	—
Other expenses	533	—	—	—	—
	2,652	—	—	—	—

	As of December 31, 2006 US$'000	2007 US$'000	2008 US$'000	As of June 30, 2009 US$'000
Total assets				
Sands Macao	537,988	550,479	592,998	532,130
The Venetian Macao	2,031,497	3,117,094	3,182,554	3,088,753
Plaza Macao	70,246	391,507	973,892	1,060,267
Ferry and other operations	4,318	205,322	277,106	264,303
Other developments	142,898	644,101	1,861,081	1,899,773
	2,786,947	4,908,503	6,887,631	6,845,226

	As of December 31, 2006 US$'000	2007 US$'000	2008 US$'000	As of June 30, 2009 US$'000
Total non-current assets				
Held locally	2,255,069	4,128,742	5,817,154	5,838,959
Held in foreign countries	156	32,671	229,575	238,925
Deferred income tax assets	—	83	159	152
Financial assets at fair value through profit or loss	508	25	—	—
	2,255,733	4,161,521	6,046,888	6,078,036

7 Employee benefit expenses (including directors' emoluments)

	Year ended December 31,			Six months ended June 30,	
	2006	2007	2008	2008	2009
	US$'000	US$'000	US$'000	US$'000 (Unaudited)	US$'000
Wages, salaries, bonus and termination costs	151,861	297,930	448,829	228,206	209,476
Staff meals	10,134	21,757	29,963	15,619	11,672
Share-based compensation granted to employees by the Ultimate Parent Company	4,096	9,641	15,163	7,310	3,457
Pension costs—defined contribution plan	4,299	6,562	17,494	7,065	1,758
Other employee benefit expenses	5,177	13,357	6,461	6,359	6,493
	175,567	349,247	517,910	264,559	232,856

Total amounts of share-based compensation and the amounts capitalized are as below:

	Year ended December 31,			Six months ended June 30,	
	2006	2007	2008	2008	2009
	US$'000	US$'000	US$'000	US$'000 (Unaudited)	US$'000
Share-based compensation	5,475	11,209	17,538	8,511	3,849
Less: amounts capitalized	(1,379)	(1,568)	(2,375)	(1,201)	(392)
Share-based compensation charged to the combined income statements	4,096	9,641	15,163	7,310	3,457

Other than the share-based compensation of US$0.4 million capitalized for the construction of the apart-hotel tower of the Plaza Macao during the six months ended June 30, 2009, capitalization of share-based compensation ceases upon suspension of the respective Cotai Strip development projects (see also Note 31(d)).

(a) Pension—defined contribution plan

Contributions totaling US$0.9 million, US$3.5 million, US$3.4 million and US$0.3 million remained payable to the provident fund as of December 31, 2006, 2007 and 2008, and as of June 30, 2009, respectively.

(b) Directors' emoluments

The remuneration of the Company's directors for the year ended December 31, 2006 is as follows:

Year ended December 31, 2006	Fees	Salaries, bonuses, allowance and benefits in kind	Contribution to defined contribution benefit plans	Subtotal	Share-based compensation benefits	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Executive Directors						
Steven Craig Jacobs	—	—	—	—	—	—
Stephen John Weaver	—	1,005	—	1,005	606	1,611
Non-executive Directors						
Sheldon Gary Adelson	—	—	—	—	—	—
Jeffrey Howard Schwartz	—	—	—	—	—	—
Irwin Abe Siegel	—	—	—	—	—	—
Independent Non-executive Directors						
Iain Ferguson Bruce	—	—	—	—	—	—
Yun Chiang	—	—	—	—	—	—
David Muir Turnbull	—	—	—	—	—	—
	—	1,005	—	1,005	606	1,611

The remuneration of the Company's directors for the year ended December 31, 2007 is as follows:

Year ended December 31, 2007	Fees	Salaries, bonuses, allowance and benefits in kind	Contribution to defined contribution benefit plans	Subtotal	Share-based compensation benefits	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Executive Directors						
Steven Craig Jacobs	—	—	—	—	—	—
Stephen John Weaver	—	1,932	—	1,932	2,077	4,009
Non-executive Directors						
Sheldon Gary Adelson	—	—	—	—	—	—
Jeffrey Howard Schwartz	—	—	—	—	—	—
Irwin Abe Siegel	—	—	—	—	—	—
Independent Non-executive Directors						
Iain Ferguson Bruce	—	—	—	—	—	—
Yun Chiang	—	—	—	—	—	—
David Muir Turnbull	—	—	—	—	—	—
	—	1,932	—	1,932	2,077	4,009

The remuneration of the Company's directors for the year ended December 31, 2008 is as follows:

Year ended December 31, 2008	Fees	Salaries, bonuses, allowance and benefits in kind	Contribution to defined contribution benefit plans	Subtotal	Share-based compensation benefits	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Executive Directors						
Steven Craig Jacobs	—	—	—	—	—	—
Stephen John Weaver	—	1,387	—	1,387	1,247	2,634
Non-executive Directors						
Sheldon Gary Adelson	—	—	—	—	—	—
Jeffrey Howard Schwartz	—	—	—	—	—	—
Irwin Abe Siegel	—	—	—	—	—	—
Independent Non-executive Directors						
Iain Ferguson Bruce	—	—	—	—	—	—
Yun Chiang	—	—	—	—	—	—
David Muir Turnbull	—	—	—	—	—	—
	—	1,387	—	1,387	1,247	2,634

The remuneration of the Company's directors for the six months ended June 30, 2008 is as follows (unaudited):

Six months ended June 30, 2008 (unaudited)	Fees	Salaries, bonuses, allowance and benefits in kind	Contribution to defined contribution benefit plans	Subtotal	Share-based compensation benefits	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Executive Directors						
Steven Craig Jacobs	—	—	—	—	—	—
Stephen John Weaver	—	736	—	736	689	1,425
Non-executive Directors						
Sheldon Gary Adelson	—	—	—	—	—	—
Jeffrey Howard Schwartz	—	—	—	—	—	—
Irwin Abe Siegel	—	—	—	—	—	—
Independent Non-executive Directors						
Iain Ferguson Bruce	—	—	—	—	—	—
Yun Chiang	—	—	—	—	—	—
David Muir Turnbull	—	—	—	—	—	—
	—	736	—	736	689	1,425

The remuneration of the Company's directors for the six months ended June 30, 2009 is as follows:

Six months ended June 30, 2009	Fees	Salaries, bonuses, allowance and benefits in kind	Contribution to defined contribution benefit plans	Subtotal	Share-based compensation benefits	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Executive Directors						
Steven Craig Jacobs.....	—	218	—	218	8	226
Stephen John Weaver	—	671	—	671	424	1,095
Non-executive Directors						
Sheldon Gary Adelson	—	—	—	—	—	—
Jeffrey Howard Schwartz	—	—	—	—	—	—
Irwin Abe Siegel	—	—	—	—	—	—
Independent Non-executive Directors						
Iain Ferguson Bruce	—	—	—	—	—	—
Yun Chiang	—	—	—	—	—	—
David Muir Turnbull	—	—	—	—	—	—
	—	889	—	889	432	1,321

In addition to the directors' emoluments disclosed above, Sheldon Gary Adelson, received emoluments (inclusive of share-based compensation) from the Ultimate Parent Company, amounting to US$5.8 million, US$3.4 million, US$1.6 million, US$0.8 million (unaudited) and US$0.8 million for the years ended December 31, 2006, 2007 and 2008, and for the six months ended June 30, 2008 and 2009, respectively, part of which is in respect of his services to the Group. No apportionment has been made as the directors consider that it is impracticable to apportion this amount between his services to the Group and his services to the Ultimate Parent Company.

Jeffrey Howard Schwartz and Irwin Abe Siegel received emoluments (inclusive of share-based compensation) from the Ultimate Parent Company, amounting to US$0.2 million, US$0.2 million, US$0.3 million, US$0.1 million (unaudited), US$0.2 million for the years ended December 31, 2006, 2007 and 2008, and for the six months ended June 30, 2008 and 2009 respectively. They were independent non-executive directors of LVS during the Relevant Periods.

Steven Craig Jacobs and Stephen John Weaver were appointed as executive directors of the Company on August 18, 2009.

Sheldon Gary Adelson, Jeffrey Howard Schwartz and Irwin Abe Siegel were appointed as non-executive directors of the Company on August 18, 2009, October 14, 2009 and October 14, 2009 respectively.

Iain Ferguson Bruce, Yun Chiang and David Muir Turnbull were appointed as independent non-executive directors of the Company on October 14, 2009.

None of the directors received or will receive any fees in respect of their services to the Company during the Relevant Periods.

No emoluments were paid to any directors as an inducement to join or upon joining the Group or as compensation for loss of office during the Relevant Periods.

(c) Five highest paid individuals

For the years ended December 31, 2007 and 2008 and the six months ended June 30, 2008 and 2009, the five individuals whose emoluments were the highest in the Group include one director whose emoluments are reflected in the analysis presented above. For the year ended December 31, 2006, none of the five highest paid individuals was a director of the Company. The emoluments payable to the remaining five, four, four, four and four individuals during the Relevant Periods respectively are as follows:

	Year ended December 31,			Six months ended June 30,	
	2006	2007	2008	2008	2009
	US$'000	US$'000	US$'000	US$'000 (Unaudited)	US$'000
Basic salaries and allowance	1,823	2,330	3,194	1,411	959
Bonus	936	1,505	272	272	71
Share-based compensation	3,435	4,674	4,245	2,092	1,203
	6,194	8,509	7,711	3,775	2,233

The emoluments of the above mentioned individuals, who are non-directors of the Company, with the highest emoluments fall within the following bands:

	Year ended December 31,			Six months ended June 30,	
	2006 Number of individuals	2007 Number of individuals	2008 Number of individuals	2008 Number of individuals (Unaudited)	2009 Number of individuals
HK$2,000,001 (approximately US$258,000) – HK$2,500,000 (approximately US$323,000)	—	—	—	—	1
HK$3,500,001 (approximately US$452,000) – HK$4,000,000 (approximately US$516,000)	—	—	—	—	1
HK$4,000,001 (approximately US$516,000) – HK$4,500,000 (approximately US$581,000)	—	—	—	1	—
HK$4,500,001 (approximately US$581,000) – HK$5,000,000 (approximately US$645,000)	—	—	—	—	1
HK$5,500,001 (approximately US$710,000) – HK$6,000,000 (approximately US$774,000)	—	—	—	—	1
HK$6,000,001 (approximately US$774,000) – HK$6,500,000 (approximately US$839,000)	1	—	—	—	—
HK$6,500,001 (approximately US$839,000) – HK$7,000,000 (approximately US$903,000)	1	—	—	1	—
HK$7,000,001 (approximately US$903,000) – HK$7,500,000 (approximately US$968,000)	—	—	—	1	—
HK$7,500,001 (approximately US$968,000) – HK$8,000,000 (approximately US$1,032,000)	1	—	—	—	—
HK$8,500,001 (approximately US$1,097,000) – HK$9,000,000 (approximately US$1,161,000)	1	—	1	1	—
HK$10,000,001 (approximately US$1,290,000) – HK$10,500,000 (approximately US$1,355,000)	—	1	—	—	—
HK$12,500,001 (approximately US$1,613,000) – HK$13,000,000 (approximately US$1,677,000)	—	1	—	—	—
HK$13,000,001 (approximately US$1,677,000) – HK$13,500,000 (approximately US$1,742,000)	—	1	—	—	—
HK$13,500,001 (approximately US$1,742,000) – HK$14,000,000 (approximately US$1,806,000)	1	—	1	—	—
HK$15,000,001 (approximately US$1,935,000) – HK$15,500,000 (approximately US$2,000,000)	—	—	1	—	—
HK$17,500,001 (approximately US$2,258,000) – HK$18,000,000 (approximately US$2,323,000)	—	—	1	—	—
HK$23,000,001 (approximately US$2,968,000) – HK$23,500,000 (approximately US$3,032,000)	—	1	—	—	—
	5	4	4	4	4

No emoluments were paid to any of the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office during the Relevant Periods.

8 Other expenses

(a) An analysis of the operating expenses is as follows:

	Note	Year ended December 31, 2006 US$'000	2007 US$'000	2008 US$'000	Six months ended June 30, 2008 US$'000 (Unaudited)	2009 US$'000
Gaming tax		562,766	884,870	1,300,477	641,943	633,417
Inventories consumed		13,023	24,003	42,241	18,033	20,408
Employee benefit expenses		175,567	349,247	517,910	264,559	232,856
Depreciation and amortization		35,163	104,047	268,220	123,388	158,444
Gaming promoter/agency commissions		37,763	102,810	162,051	77,735	86,827
Other expenses	(i)	78,487	257,340	468,446	193,076	258,560
Operating expenses		902,769	1,722,317	2,759,345	1,318,734	1,390,512

(i) Analysis of other expenses is as follows:

	Note	Year ended December 31, 2006 US$'000	2007 US$'000	2008 US$'000	Six months ended June 30, 2008 US$'000 (Unaudited)	2009 US$'000
Advertising costs		7,417	32,002	48,457	13,313	18,999
Utilities and fuel costs		10,809	35,922	82,717	35,288	35,646
Professional fees		5,643	20,351	15,495	6,826	3,150
Guest compliments		5,142	14,083	16,342	6,821	7,776
Gaming supplies		5,451	9,984	14,406	7,240	7,019
Land lease expense		809	9,766	11,885	5,874	6,125
Management fees	33(a)(i)	4,857	14,901	29,493	12,064	13,081
Suspension costs	(1)	—	—	33,581	—	41,848
Auditor's remuneration		732	1,216	1,667	834	834
Provision for doubtful accounts		448	1,238	15,022	917	18,739
Repairs and maintenance		2,470	4,773	17,251	7,009	7,284
Contract entertainment		1,471	14,428	25,480	6,258	11,637
Operating supplies		4,481	18,446	29,052	14,866	11,519
Operating lease payments		2,841	10,189	21,385	12,044	9,113
Recruitment expenses		1,136	7,787	12,540	5,799	1,866
Tourism and other taxes		499	3,093	8,650	3,200	4,259
Contract labor		1,949	9,015	35,831	12,838	17,431
Insurance		1,441	2,126	8,011	4,695	3,338
Net foreign exchange losses/(gains)		694	5,190	(29,179)	(2,556)	125
Loss on disposal of property and equipment		1,940	562	1,622	1,184	4,894
Fair value losses/(gains) on financial assets at fair value through profit or loss		492	592	44	(54)	—
Other operating expenses		17,765	41,676	68,694	38,616	33,877
		78,487	257,340	468,446	193,076	258,560

(1) Suspension costs mainly comprised of labor severance and payroll costs, site management and organization costs, demobilization costs and storage charges incurred during the suspension period.

(b) The operating expenses can also be analyzed as follows:

	Year ended December 31,			Six months ended June 30,	
	2006	2007	2008	2008	2009
	US$'000	US$'000	US$'000	US$'000 (Unaudited)	US$'000
Casino	742,197	1,238,027	1,875,432	903,087	916,164
Rooms	230	13,081	32,236	16,182	13,958
Food and beverage	11,454	25,589	47,040	21,642	22,655
Mall	—	8,262	31,508	13,667	16,765
Convention, ferry, retail and other	3,009	24,824	109,423	46,184	59,675
Provision for doubtful accounts	448	1,238	15,022	917	18,739
General and administrative expense	68,654	146,608	269,026	146,821	115,872
Corporate expense	352	2,674	14,747	4,291	4,692
Land lease expense	809	9,766	11,885	5,874	6,125
Pre-opening expense	34,675	141,857	112,319	38,107	52,404
Development expense	2,652	—	—	—	—
Depreciation and amortization	35,163	104,047	268,220	123,388	158,444
Net foreign exchange losses/(gains)	694	5,190	(29,179)	(2,556)	125
Loss on disposal of property and equipment	1,940	562	1,622	1,184	4,894
Fair value losses/(gains) on financial assets at fair value through profit or loss	492	592	44	(54)	—
Operating expenses	902,769	1,722,317	2,759,345	1,318,734	1,390,512

9 Interest expense, net of amounts capitalized

	Year ended December 31,			Six months ended June 30,	
	2006	2007	2008	2008	2009
	US$'000	US$'000	US$'000	US$'000 (Unaudited)	US$'000
Interest expense relating to land lease payments	—	4,725	3,369	1,829	1,198
Notes payable to related companies	8,109	6,349	5,761	2,932	2,255
Bank borrowings	64,153	168,696	185,247	90,511	46,276
Finance lease liabilities	86	42	35	3	34
Amortization of deferred financing costs	3,655	7,738	8,580	4,367	4,707
Standby fee and bank guarantee charges	8,358	8,425	2,175	1,410	2,379
	84,361	195,975	205,167	101,052	56,849
Less: interest capitalized	(54,090)	(118,938)	(82,297)	(40,868)	(4,637)
Interest expense, net of amounts capitalized	30,271	77,037	122,870	60,184	52,212

Capitalization of interest ceased upon suspension of the respective Cotai Strip development projects (see also Note 31(d)).

10 Income tax expenses/(credits)

	Year ended December 31,			Six months ended June 30,	
	2006	2007	2008	2008	2009
	US$'000	US$'000	US$'000	US$'000 (Unaudited)	US$'000
Current income tax					
Macau complementary tax	—	—	233	136	160
Hong Kong profits tax	2	17	12	25	1
Under-provision in prior year	—	12	—	—	—
Deferred income tax	—	(83)	(76)	(19)	6
Income tax expenses/(credits)	2	(54)	169	142	167

(a) Macau complementary tax

Macau complementary tax was levied at progressive rates ranging from 3% to 9% on the taxable income not exceeding MOP300,000 (equivalent to US$37,580) and at a fixed rate of 12% on the taxable income in excess of MOP300,000 (equivalent to US$37,580) for the year ended December 31, 2006. Since January 1, 2007, Macau complementary tax is levied at progressive rates ranging from 3% to 9% on the taxable income above MOP32,000 (equivalent to US$4,009) but below MOP300,000 (equivalent to US$37,580), and thereafter at a fixed rate of 12%. Also for the same years, a special complementary tax incentive is provided to effect that tax free income threshold is increased from MOP32,000 to MOP200,000 (equivalent to US$4,009 to US$25,053) with the next MOP100,000 (equivalent to US$12,527) of profit being taxed at a fixed rate of 9% and thereafter at a fixed rate of 12%.

Pursuant to the Despatch No. 250/2004 issued by the Chief Executive of the Macau Government on September 30, 2004, VML was exempted from Macau complementary tax on its gaming activities for five years effective from the 2004 year of assessment. On May 21, 2008, VML was granted, pursuant to the Despatch No. 167/2008 issued by the Chief Executive of the Macau Government, an extension of the tax exemption regarding Macau complementary tax on its gaming activities for an additional five years, which is set to expire in 2013. Regarding the other subsidiaries, during the Relevant Periods, Macau complementary tax is calculated progressively at a maximum of 12% of the estimated assessable profit for that period.

(b) Hong Kong profits tax

The Group also carries on business in Hong Kong that is subject to the Hong Kong profits tax rate at 17.5% for the years ended December 31, 2006 and 2007, and at 16.5% for the year ended December 31, 2008, and the six months ended June 30, 2008 and 2009.

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the domestic tax rates applicable to profits of the combined entities in the respective jurisdictions as follows:

		Year ended December 31,			Six months ended June 30,	
		2006	2007	2008	2008	2009
	Note	US$'000	US$'000	US$'000	US$'000 (Unaudited)	US$'000
Profit before income tax		375,836	196,084	175,905	114,127	58,144
Tax calculated at domestic rates applicable to profits of the combined entities in the respective jurisdictions		44,524	23,348	17,277	12,724	6,234
Tax effects of:						
Income not subject to tax	(i)	(168,250)	(266,808)	(405,008)	(198,194)	(206,553)
Expenses not deductible for tax purposes	(i),(ii)	113,177	213,869	329,947	150,270	150,022
Amortization of pre-operating expenses previously not recognized		4,693	7,728	664	1,409	3,889
Tax losses for which no deferred income tax assets were recognized		5,854	21,789	57,854	34,015	46,592
Others		4	20	(565)	(82)	(17)
Tax expenses/(credits)		2	(54)	169	142	167

(i) During the Relevant Periods, VML was exempted from Macau complementary tax on its gaming activities (see also Note 10(a)). Besides, lease/right of use income recorded in VML and VCL were subject to property tax (note (ii)), and should, therefore, be excluded from Macau complementary tax calculations. Accordingly, casino revenues and lease/right of use income and their corresponding expenses incurred were presented as "Income not subject to tax" and "Expenses not deductible for tax purposes" respectively in the calculations above.

(ii) Lease/right of use income recorded in VML and VCL were exempted from property tax for the first four and six years for the newly constructed buildings in Macau and Cotai Strip respectively pursuant to Article 9(1)(a) of Lei no. 19/78/M.

11 Earnings per share

Earnings per share information is not presented as its inclusion is not considered meaningful due to the Reorganization and the presentation of the results for the years ended December 31, 2006, 2007 and 2008, and for the six months ended June 30, 2008 and 2009, on the combined basis as disclosed in Note 1.

12 Dividend

No dividend has been paid or declared by the Company since its incorporation.

13 Investment properties, net

	As of December 31,			As of June 30,
	2006	2007	2008	2009
	US$'000	US$'000	US$'000	US$'000
At the beginning of the year/period	—	—	292,726	338,014
Transfer from property and equipment upon adoption of IAS 40 (Amendment)	—	—	—	227,942
Additions	—	—	5,556	66,134
Transfer from property and equipment	—	296,642	56,322	—
Depreciation	—	(3,918)	(17,606)	(10,369)
Exchange difference	—	2	1,016	20
At the end of the year/period	—	292,726	338,014	621,741

	As of December 31,			As of June 30,
	2006	2007	2008	2009
	US$'000	US$'000	US$'000	US$'000
Cost	—	296,644	359,658	653,759
Accumulated depreciation	—	(3,918)	(21,644)	(32,018)
	—	292,726	338,014	621,741

The Group's investment properties are revalued by an independent professional qualified valuer on an annual basis. Valuations were based on current prices in an active market for all properties as follows:

	As of December 31,			As of June 30,
	2006	2007	2008	2009
	US$'000	US$'000	US$'000	US$'000
Fair value of the investment properties	—	1,890,000	1,995,000	2,256,000

The following amounts have been recognized in the combined income statements:

	Year ended December 31,			Six months ended June 30,	
	2006	2007	2008	2008	2009
	US$'000	US$'000	US$'000	US$'000 (Unaudited)	US$'000
Mall income	—	24,814	123,038	48,449	64,122
Direct operating expenses arising from investment properties that generate rental income	—	3,524	28,052	8,567	18,174
Direct operating expenses that did not generate rental income	—	4,287	8,851	7,540	6,611

14 Leasehold interests in land, net

	As of December 31,			As of June 30,
	2006	2007	2008	2009
	US$'000	US$'000	US$'000	US$'000
At the beginning of the year/period	6,484	8,645	234,579	274,443
Additions	2,828	235,161	49,596	16,085
Amortization	(651)	(9,533)	(11,647)	(6,006)
Exchange difference	(16)	306	1,915	24
At the end of the year/period	8,645	234,579	274,443	284,546

The Group received a land concession from the Macau Government to build on Parcels 1, 2 and 3 of the Cotai Strip, including the sites on which The Venetian Macao (Parcel 1) and the Plaza Macao (Parcel 2) are located. The Group does not own these land sites; however, the land concession, which has an initial term of 25 years and is renewable at the Group's option, in accordance with Macau law, grants the Group exclusive use of the land. As specified in the land concession, the Group is required to pay premiums for each parcel, which are either payable in a single lump sum upon acceptance of the land concession by the Macau Government or in seven semi-annual installments bearing interest at 5.0% per annum (provided that the outstanding balance is due upon the completion of the corresponding integrated resort), as well as annual rent for the term of the land concession, which may be revised every five years by the Macau Government.

The Group's rights arising from the land concession of Sands Macao and Parcels 1 and 2 are collateralized by a first-priority security for the Group's indebtedness under the Macau Credit Facility (see Note 27 (a)). In addition, the Group's rights over parcels of land are charged as security to a financial institution for issuing a bank guarantee to the Macau Government to guarantee the payments of the land lease premium.

During the year ended December 31, 2006, the Group made payments of US$2.8 million towards the land premium for Sands Macao.

During the year ended December 31, 2007, the Group made payments of US$163.8 million for the full payment of the land premium for Parcel 1 and partial payments of US$27.9 million and US$29.8 million towards the land premiums for Parcels 2 and 3, respectively. The Group received a credit in the amount of US$24.1 million towards the aggregate land premium related to reclamation work and other works done on the land, and the installation costs of an electrical substation. The Group also made payments on other land concessions during the year ended December 31, 2007.

During the year ended December 31, 2008, the Group made payments of US$12.0 million and US$13.5 million for partial payments of the land premium for Parcels 2 and 3, respectively. The Group also made a payment of US$17.8 million as consideration for the Plaza Macao land concession amendment, which allowed the Group to subdivide the parcel into four separate units under Macau's horizontal property regime, consisting of retail, hotel/casino, the apart-hotel tower of the Plaza Macao and parking areas. The Group also made payments on other land concessions during the year ended December 31, 2008.

During the six months ended June 30, 2009, the Group made payments of US$6.2 million and US$7.0 million for partial payments of the land premium for Parcels 2 and 3, respectively.

15 Property and equipment, net

The movements of property and equipment for the years ended December 31, 2006, 2007 and 2008, and the six months ended June 30, 2009, are as follows:

	Land improvements	Buildings	Building improvements	Leasehold improvements	Vehicles	Ferries	Furniture, fittings & equipment	Construction-in-progress	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
At January 1, 2006									
Cost	10,425	151,266	45,009	2,714	341	—	64,175	471,984	745,914
Accumulated depreciation	(820)	(9,974)	(3,509)	(926)	(91)	—	(22,227)	—	(37,547)
At January 1, 2006	9,605	141,292	41,500	1,788	250	—	41,948	471,984	708,367
Year ended December 31, 2006									
Opening net book amount	9,605	141,292	41,500	1,788	250	—	41,948	471,984	708,367
Additions	—	8,374	707	40	291	—	31,151	1,297,726	1,338,289
Adjustment to project costs	(19)	—	—	—	—	—	—	—	(19)
Disposals	—	(976)	(561)	—	(64)	—	(426)	—	(2,027)
Transfers	—	47,215	29,498	—	—	—	18,763	(95,476)	—
Depreciation	(503)	(7,008)	(3,899)	(769)	(87)	—	(22,069)	—	(34,335)
Exchange difference	(21)	(291)	(109)	(4)	—	—	(89)	(1,085)	(1,599)
Closing net book amount	9,062	188,606	67,136	1,055	390	—	69,278	1,673,149	2,008,676
At December 31, 2006									
Cost	10,382	205,483	74,450	2,748	487	—	113,081	1,673,149	2,079,780
Accumulated depreciation	(1,320)	(16,877)	(7,314)	(1,693)	(97)	—	(43,803)	—	(71,104)
At December 31, 2006	9,062	188,606	67,136	1,055	390	—	69,278	1,673,149	2,008,676
Year ended December 31, 2007									
Opening net book amount	9,062	188,606	67,136	1,055	390	—	69,278	1,673,149	2,008,676
Additions	—	171	4,622	4,641	13,412	32,586	234,657	1,677,295	1,967,384
Adjustment to project costs	—	(4,332)	—	—	—	—	—	—	(4,332)
Disposals	(7)	—	(159)	(10)	—	—	(412)	—	(588)
Transfers	82,034	971,499	775,737	—	—	—	113,201	(2,239,113)	(296,642)
Depreciation	(2,297)	(16,026)	(22,096)	(2,005)	(671)	(136)	(55,661)	—	(98,892)
Exchange difference	54	(2,588)	(1,373)	(17)	(42)	—	11,946	(14,855)	(6,875)
Closing net book amount	88,846	1,137,330	823,867	3,664	13,089	32,450	373,009	1,096,476	3,568,731
At December 31, 2007									
Cost	92,456	1,170,166	853,200	7,308	13,854	32,586	468,312	1,096,476	3,734,358
Accumulated depreciation	(3,610)	(32,836)	(29,333)	(3,644)	(765)	(136)	(95,303)	—	(165,627)
At December 31, 2007	88,846	1,137,330	823,867	3,664	13,089	32,450	373,009	1,096,476	3,568,731

	Land improvements	Buildings	Building improvements	Leasehold improvements	Vehicles	Ferries	Furniture, fittings & equipment	Construction-in-progress	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Year ended December 31, 2008									
Opening net book amount	88,846	1,137,330	823,867	3,664	13,089	32,450	373,009	1,096,476	3,568,731
Additions	—	—	—	16,006	4,541	137,515	86,828	1,695,732	1,940,622
Adjustment to project costs	—	—	(2,963)	—	—	—	—	—	(2,963)
Disposals	—	(88)	(64)	(7)	(27)	—	(1,467)	—	(1,653)
Transfers	40,169	239,990	358,138	(6,565)	—	—	47,593	(735,647)	(56,322)
Depreciation	(6,786)	(35,942)	(65,679)	(8,932)	(2,418)	(5,966)	(121,302)	—	(247,025)
Exchange difference	869	9,814	8,921	117	89	—	(9,142)	23,765	34,433
Closing net book amount	123,098	1,351,104	1,122,220	4,283	15,274	163,999	375,519	2,080,326	5,235,823
At December 31, 2008									
Cost	133,554	1,420,292	1,217,753	11,599	18,469	170,101	583,993	2,080,326	5,636,087
Accumulated depreciation	(10,456)	(69,188)	(95,533)	(7,316)	(3,195)	(6,102)	(208,474)	—	(400,264)
At December 31, 2008	123,098	1,351,104	1,122,220	4,283	15,274	163,999	375,519	2,080,326	5,235,823
Period ended June 30, 2009									
Opening net book amount	123,098	1,351,104	1,122,220	4,283	15,274	163,999	375,519	2,080,326	5,235,823
Transfer to investment properties upon adoption of IAS 40 (Amendment)	—	—	—	—	—	—	—	(227,942)	(227,942)
Additions	—	—	—	187	4,567	40,789	8,024	98,579	152,146
Adjustment to project costs	—	(882)	—	—	—	—	—	—	(882)
Disposals	—	(23)	(1,985)	(60)	—	—	(2,313)	(2,121)	(6,502)
Transfers	2,248	18,061	(36,067)	94	—	—	48,036	(32,372)	—
Depreciation	(4,518)	(20,228)	(38,434)	(953)	(1,306)	(4,599)	(74,935)	—	(144,973)
Exchange difference	7	85	53	5	—	—	(354)	498	294
Closing net book amount	120,835	1,348,117	1,045,787	3,556	18,535	200,189	353,977	1,916,968	5,007,964
At June 30, 2009									
Cost	135,812	1,437,540	1,179,493	6,256	23,037	210,890	641,397	1,916,968	5,551,393
Accumulated depreciation	(14,977)	(89,423)	(133,706)	(2,700)	(4,502)	(10,701)	(287,420)	—	(543,429)
At June 30, 2009	120,835	1,348,117	1,045,787	3,556	18,535	200,189	353,977	1,916,968	5,007,964

Interest expense amounting US$54.1 million, US$118.9 million, US$82.3 million, US$40.9 million (unaudited) and US$4.6 million (Note 9) and other direct costs of US$13.6 million, US$25.4 million, US$34.1 million, US$18.7 million (unaudited) and US$10.1 million have been capitalized for the years ended December 31, 2006, 2007 and 2008, and for the six months ended June 30, 2008 and 2009, respectively.

Equipment includes the following amounts where the Group is the lessee under finance leases:

	As of December 31,			As of June 30,
	2006	2007	2008	2009
	US$'000	US$'000	US$'000	US$'000
Cost	2,076	98	666	611
Accumulated depreciation	(1,606)	(18)	(75)	(113)
Net book amount	470	80	591	498

16 Financial instruments by category

	Note	Financial assets at fair value through profit or loss	Loans and receivables	Total
		US$'000	US$'000	US$'000
Assets as per combined balance sheets				
At December 31, 2006				
Financial assets at fair value through profit or loss	19	508	—	508
Trade and other receivables, net	23	—	12,942	12,942
Restricted cash	22	—	465,446	465,446
Cash and cash equivalents	21	—	278,509	278,509
Deposits	20	—	993	993
Total		508	757,890	758,398
At December 31, 2007				
Financial assets at fair value through profit or loss	19	25	—	25
Trade and other receivables, net	23	—	218,510	218,510
Restricted cash	22	—	59,202	59,202
Cash and cash equivalents	21	—	439,395	439,395
Deposits	20	—	2,186	2,186
Total		25	719,293	719,318
At December 31, 2008				
Trade and other receivables, net	23	—	253,387	253,387
Restricted cash	22	—	124,112	124,112
Cash and cash equivalents	21	—	417,769	417,769
Deposits	20	—	1,768	1,768
Total		—	797,036	797,036
At June 30, 2009				
Trade and other receivables, net	23	—	214,840	214,840
Restricted cash	22	—	172,110	172,110
Cash and cash equivalents	21	—	340,620	340,620
Deposits	20	—	1,170	1,170
Total		—	728,740	728,740

	Note	Financial liabilities at amortized cost US$'000	Total US$'000
Liabilities as per combined balance sheets			
At December 31, 2006			
Trade and other payables	29	479,287	479,287
Borrowings	27	1,387,465	1,387,465
Total		1,866,752	1,866,752
At December 31, 2007			
Trade and other payables	29	789,988	789,988
Borrowings	27	2,941,489	2,941,489
Total		3,731,477	3,731,477
At December 31, 2008			
Trade and other payables	29	1,875,285	1,875,285
Borrowings	27	3,643,160	3,643,160
Total		5,518,445	5,518,445
At June 30, 2009			
Trade and other payables	29	1,877,618	1,877,618
Borrowings	27	3,542,478	3,542,478
Total		5,420,096	5,420,096

17 Intangible assets, net

	Trademarks	Computer software	Show production costs	Total
	US$'000	US$'000	US$'000	US$'000
At January 1, 2006				
Cost	84	3,855	—	3,939
Accumulated amortization	(20)	(1,175)	—	(1,195)
At January 1, 2006	64	2,680	—	2,744
Year ended December 31, 2006				
Balance at January 1, 2006	64	2,680	—	2,744
Additions	—	1,831	—	1,831
Amortization	(12)	(1,082)	—	(1,094)
Exchange difference	—	(3)	—	(3)
Balance at December 31, 2006	52	3,426	—	3,478
At December 31, 2006				
Cost	84	5,679	—	5,763
Accumulated amortization	(32)	(2,253)	—	(2,285)
At December 31, 2006	52	3,426	—	3,478
Year ended December 31, 2007				
Balance at January 1, 2007	52	3,426	—	3,478
Additions	21	3,631	—	3,652
Amortization	(14)	(1,760)	—	(1,774)
Exchange difference	—	175	—	175
Balance at December 31, 2007	59	5,472	—	5,531
At December 31, 2007				
Cost	105	9,475	—	9,580
Accumulated amortization	(46)	(4,003)	—	(4,049)
At December 31, 2007	59	5,472	—	5,531
Year ended December 31, 2008				
Balance at January 1, 2008	59	5,472	—	5,531
Additions	—	4,284	40,320	44,604
Amortization	(15)	(2,334)	(1,867)	(4,216)
Exchange difference	—	48	255	303
Balance at December 31, 2008	44	7,470	38,708	46,222
At December 31, 2008				
Cost	105	13,849	40,584	54,538
Accumulated amortization	(61)	(6,379)	(1,876)	(8,316)
At December 31, 2008	44	7,470	38,708	46,222
Period ended June 30, 2009				
Balance at January 1, 2009	44	7,470	38,708	46,222
Additions	—	1,353	—	1,353
Adjustment to project costs	—	—	(439)	(439)
Amortization	(7)	(1,267)	(2,115)	(3,389)
Exchange difference	—	(3)	2	(1)
Balance at June 30, 2009	37	7,553	36,156	43,746
At June 30, 2009				
Cost	105	15,201	40,147	55,454
Accumulated amortization	(68)	(7,648)	(3,991)	(11,708)
At June 30, 2009	37	7,553	36,156	43,746

18 Deferred tax assets and liabilities

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off and when the deferred income taxes relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis. The following amounts, determined after appropriate offsetting, are shown in the combined balance sheets:

	As of December 31,			As of June 30,
	2006	2007	2008	2009
	US$'000	US$'000	US$'000	US$'000
Deferred tax assets	—	124	324	317
Deferred tax liabilities	—	(41)	(165)	(165)
Net deferred tax assets	—	83	159	152

The movements of the deferred tax assets/(liabilities) are as follows:

	Decelerated depreciation allowance	Tax losses	Accelerated tax depreciation	Total
	US$'000	US$'000	US$'000	US$'000
At January 1, 2006	—	—	—	—
Credit for 2006	—	—	—	—
At December 31, 2006	—	—	—	—
Credit/(charge) for 2007	21	103	(41)	83
At December 31, 2007	21	103	(41)	83
Credit/(charge) for 2008	—	200	(124)	76
At December 31, 2008	21	303	(165)	159
Credit/(charge) for the period	6	(13)	—	(7)
At June 30, 2009	27	290	(165)	152

Deferred tax assets are recognized for tax losses carry forwards to the extent that realization of the related tax benefit through future taxable profits is probable. The unrecognized deferred income tax assets in respect of losses that can be carried forward against future taxable income and pre-opening expenses are as follows:

	As of December 31,			As of June 30,
	2006	2007	2008	2009
	US$'000	US$'000	US$'000	US$'000
Arising from unused tax losses	17,167	34,750	83,769	89,360
Arising from pre-opening expenses	4,697	12,422	15,856	16,323
	21,864	47,172	99,625	105,683

At December 31, 2006, 2007 and 2008, and at June 30, 2009, subject to the agreement by tax authorities, out of the total unrecognized tax losses of approximately US$17.2 million, US$34.8 million, US$83.8 million and US$89.4 million, respectively, an amount of approximately nil, US$1.0 million, US$3.7 million and US$3.9 million, respectively, can be carried forward indefinitely. The remaining amounts of approximately US$17.2 million, US$33.8 million, US$80.1 million and US$85.5 million respectively will expire in two to five years.

19 Financial assets at fair value through profit or loss

The Group's financial assets at fair value through profit or loss are derivative financial instruments, which consist of one to four interest rate cap agreements (collectively, the "Cap Agreements") that the Group uses to manage the interest rate risk associated with the Group's variable-rate borrowings (see Note 27). The aggregate notional principal amounts of the outstanding Cap Agreements were US$1.0 billion as of December 31, 2006, and US$1.7 billion as of December 31, 2007 and 2008, and as of June 30, 2009. The Cap Agreements do not qualify for hedge accounting and are stated at fair value based on quoted market values from the financial institutions holding the agreements.

Changes in fair values of financial assets at fair value through profit or loss are recorded in "Other expenses" in the combined income statements (Note 8).

20 Other assets, net

	As of December 31,			As of June 30,
	2006	2007	2008	2009
	US$'000	US$'000	US$'000	US$'000
Deferred leasing fees	—	14,719	27,950	26,381
Less: amortization of deferred leasing fees	—	(1,159)	(6,023)	(8,806)
Tenant improvement allowance	—	9,479	24,930	25,095
Less: amortization of tenant improvement allowance	—	(378)	(2,671)	(4,247)
Other deferred incentive allowance	—	—	3,940	8,965
Less: amortization of other deferred incentive allowance	—	—	(31)	(527)
Deposits	993	2,186	1,768	1,170
Others	1,361	9,867	10,907	10,185
	2,354	34,714	60,770	58,216

The maximum exposure to credit risk at the reporting date for deposits and others is their carrying values. No impairment charges related to these assets were recorded during the years ended December 31, 2006, 2007 and 2008. Impairment charges related to these assets of US$1.0 million were recorded during the six months ended June 30, 2009.

The Group's deposits are denominated in the following currencies:

	As of December 31,			As of June 30,
	2006	2007	2008	2009
	US$'000	US$'000	US$'000	US$'000
HK$	381	922	985	618
US$	130	129	—	—
MOP	482	1,135	440	220
Renminbi ("RMB")	—	—	343	332
	993	2,186	1,768	1,170

21 Cash and cash equivalents

	As of December 31,			As of June 30,
	2006	2007	2008	2009
	US$'000	US$'000	US$'000	US$'000
Cash at bank and on hand	278,509	439,395	364,566	340,620
Short-term bank deposits	—	—	53,203	—
	278,509	439,395	417,769	340,620

The Group's cash and cash equivalents are denominated in the following currencies:

	As of December 31,			As of June 30,
	2006	2007	2008	2009
	US$'000	US$'000	US$'000	US$'000
HK$	176,462	386,560	244,048	204,665
US$	99,777	30,680	143,041	110,522
MOP	1,593	11,023	16,493	14,056
Singapore Dollar ("SGD")	677	2,689	9,534	8,207
Japanese Yen ("JPY")	—	8,307	4,403	2,348
RMB	—	136	250	822
	278,509	439,395	417,769	340,620

The effective interest rates on short-term bank deposits ranged from 0.08% to 0.33%, per annum, for the year ended December 31, 2008. These deposits have an average maturity of 10 to 37 days.

The carrying values of cash equivalents approximate their fair values at each balance sheet date.

The maximum credit exposure of cash and cash equivalents as of December 31, 2006, 2007 and 2008, and June 30, 2009, amounted to US$222.4 million, US$309.5 million, US$345.5 million and US$284.2 million, respectively.

22 Restricted cash

As required by the Group's Macau Credit Facility (Note 27(a)), certain proceeds drawn under this facility needs to be deposited into restricted bank accounts that are pledged to a disbursement agent for the Macau Credit Facility lenders. This restricted cash will be used for Sands Macao, The Venetian Macao and other Cotai Strip project costs under the disbursement terms specified in the Macau Credit Facility. The disbursement account is subject to a security interest in favor of the lenders under the Macau Credit Facility.

	As of December 31,			As of June 30,
	2006	2007	2008	2009
	US$'000	US$'000	US$'000	US$'000
Restricted cash	465,446	59,202	124,112	172,110
Less: non-current portion	(232,072)	—	—	—
Current portion	233,374	59,202	124,112	172,110

The Group's restricted cash is denominated in the following currencies:

	As of December 31,			As of June 30,
	2006	2007	2008	2009
	US$'000	US$'000	US$'000	US$'000
US$	431,235	586	103,449	143,597
MOP	34,211	58,616	20,663	1,647
HK$				26,866
	465,446	59,202	124,112	172,110

The maximum exposure to credit risk is the carrying amounts of restricted cash at each balance sheet date.

23 Trade and other receivables and prepayments, net

	Note	As of December 31, 2006	2007	2008	As of June 30, 2009
		US$'000	US$'000	US$'000	US$'000
Trade receivables		6,748	46,351	216,388	228,134
Less: provision for doubtful trade receivables		(704)	(1,936)	(17,000)	(32,652)
Trade receivables, net	(a)	6,044	44,415	199,388	195,482
Notes receivable from related companies		—	141,000	800	800
Prepayments		4,726	32,924	84,321	53,047
Other receivables		6,279	20,762	22,991	15,418
Notes interest receivable from related companies		—	4,591	57	67
Receivables from related companies—non-trade		619	7,742	30,151	3,073
Deferred rent		—	15,578	55,580	63,907
Less: amortization of deferred rent		—	(1,905)	(13,884)	(22,690)
Less: provision for doubtful deferred rent		—	—	—	(3,092)
		17,668	265,107	379,404	306,012
Less: non-current portion					
Notes receivable from related companies		—	(500)	(500)	—
Prepayments		—	(20,409)	(62,848)	(36,328)
Deferred rent		—	(4,223)	(28,109)	(25,343)
		—	(25,132)	(91,457)	(61,671)
Current portion		17,668	239,975	287,947	244,341

The Group's trade and other receivables are denominated in the following currencies:

	As of December 31, 2006	2007	2008	As of June 30, 2009
	US$'000	US$'000	US$'000	US$'000
HK$	5,903	25,931	197,489	191,685
MOP	6,420	39,264	24,608	19,081
US$	619	153,046	30,790	3,721
RMB	—	269	500	353
	12,942	218,510	253,387	214,840

(a) Trade receivables, net

The aging analysis of trade receivables, net of provision for doubtful accounts is as follows:

	As of December 31, 2006	2007	2008	As of June 30, 2009
	US$'000	US$'000	US$'000	US$'000
0 – 30 days	5,538	30,405	148,061	137,142
31 – 60 days	506	6,898	12,671	7,137
61 – 90 days	—	2,470	8,790	9,643
Over 90 days	—	4,642	29,866	41,560
	6,044	44,415	199,388	195,482

The carrying values of trade receivables approximate their fair values at each balance sheet date. The maximum exposure to credit risk is the fair values of trade receivables at each balance sheet date.

Included in trade receivables are casino receivables of US$6.6 million, US$24.9 million, US$185.3 million and US$195.6 million as of December 31, 2006, 2007 and 2008 and as of June 30, 2009, respectively. There is a concentration of credit risk related to gross casino receivables as 88.4%, 64.9%, 33.9% and 36.7% of the casino receivables as of December 31, 2006, 2007 and 2008, and as of June 30, 2009, respectively, were receivables from the top five customers. Other than casino receivables, there is no other concentration of credit risk with respect to trade receivables as the Group has a large number of customers. The Group has policies to mitigate concentration of credit risk (see Note 3(a)(ii)) and believes its provision are adequate.

As of December 31, 2006, 2007 and 2008, and as of June 30, 2009, casino receivables of approximately US$0.6 million, US$18.6 million, US$47.3 million and US$98.0 million, respectively, were past due but not impaired. These relate to a number of independent customers that have a good track record with the Group. Extension of the credit period, with terms and conditions subject to special approvals, have been granted to these customers. The aging analysis of casino receivables that were past due but not impaired based on the original terms is as follows:

	As of December 31,			As of June 30,
	2006	2007	2008	2009
	US$'000	US$'000	US$'000	US$'000
Past due 1 – 30 days	625	13,173	9,145	54,867
Past due 31 – 60 days	—	1,233	7,004	1,773
Past due 61 – 90 days	—	329	13,355	8,311
Past due over 90 days	—	3,832	17,818	33,009
	625	18,567	47,322	97,960

Trade receivables other than casino receivables mainly comprised of hotel and mall receivables. As of December 31, 2006, 2007 and 2008 and as of June 30, 2009, these receivables of approximately US$5,000, US$10.7 million, US$24.2 million and US$16.3 million, respectively, were past due but not impaired. These relate to a number of independent customers that have a good track record with the Group. The aging analysis of these trade receivables is as follows:

	As of December 31,			As of June 30,
	2006	2007	2008	2009
	US$'000	US$'000	US$'000	US$'000
Past due 1 – 30 days	5	5,540	9,137	6,334
Past due 31 – 60 days	—	3,427	5,044	4,650
Past due 61 – 90 days	—	1,200	4,409	3,870
Past due over 90 days	—	550	5,610	1,442
	5	10,717	24,200	16,296

As of December 31, 2006, 2007 and 2008, and as of June 30, 2009, trade receivables of US$0.7 million, US$1.9 million, US$20.3 million and US$64.7 million were impaired and provided for. The amount of the provision was US$0.7 million, US$1.9 million, US$17.0 million and US$32.7 million as of December 31, 2006, 2007 and 2008, and as of June 30, 2009, respectively. The receivables mainly relate to casino customers and mall retailers, which are in unexpected difficult economic situations. It was assessed that a portion of the receivables is expected to be recovered and thus not impaired. The aging of these receivables provided for is as follows:

	As of December 31,			As of June 30,
	2006	2007	2008	2009
	US$'000	US$'000	US$'000	US$'000
Past due 1 – 30 days	528	—	1,090	33
Past due 31 – 60 days	—	—	526	13
Past due 61 – 90 days	—	—	1,196	160
Past due over 90 days	176	1,936	17,498	64,447
	704	1,936	20,310	64,653

Movement of provision for doubtful trade receivables is as follows:

	As of December 31,			As of June 30,
	2006	2007	2008	2009
	US$'000	US$'000	US$'000	US$'000
At the beginning of the year/period	258	704	1,936	17,000
Provision made for the year/period	2,937	1,792	16,989	20,147
Amounts written-back	(2,489)	(554)	(1,967)	(4,500)
Exchange difference	(2)	(6)	42	5
At the ending of the year/period	704	1,936	17,000	32,652

(b) Other receivables and deferred rent

The carrying values of other receivables approximate their fair values at each balance sheet date, which also represent the Group's maximum exposure to credit risk as of December 31, 2006, 2007 and 2008 and June 30, 2009. The Group holds security deposits, bank guarantees and letters of credit for certain other receivables and deferred rent. No impairment charges related to these assets were recorded for the years ended December 31, 2006, 2007 and 2008. Impairment charges of US$3.1 million related to deferred rent were recorded for six months ended June 30, 2009 and included in "Other expenses" in the combined income statements. Amounts are charged to the provision account and generally written off when the recoverability is remote.

24 Inventories

	As of December 31,			As of June 30,
	2006	2007	2008	2009
	US$'000	US$'000	US$'000	US$'000
Food and beverage	1,116	5,074	5,261	4,703
Retail products	76	989	2,228	1,786
Tobacco	199	408	474	430
Ferry parts	—	—	243	867
General operating supplies	272	1,939	2,709	2,333
	1,663	8,410	10,915	10,119

As of December 31, 2006, 2007 and 2008, and as of June 30, 2009, all inventories were carried at cost.

25 Combined capital

Balance represents the combined share capital of VVDIL, Cotai WaterJets (HK) Limited and CotaiJet Holdings (II) Limited.

26 Reserves

(a) Statutory reserve

The statutory reserve represents amounts set aside from the income statement and is not distributable to shareholders/quotaholders of the Group companies incorporated.

The Macau Commercial Code #432 requires that companies that are limited by shares should set aside a minimum of 10% of the company's profit after taxation to the statutory reserve until the balance of the reserve reaches a level equivalent to 25% of the company's capital.

For companies limited by quotas, the Macau Commercial Code #377 requires that a company should set aside a minimum of 25% of the company's profit after taxation to the statutory reserve until the balance of the reserve reaches a level equivalent to 50% of the company's capital.

(b) Capital reserve

Capital reserve represents the combined share premium of VVDIL, Cotai WaterJets (HK) Limited and CotaiJet Holdings (II) Limited.

27 Borrowings

The Group's borrowings are summarized as follows:

	Note(s)	As of December 31, 2006 US$'000	As of December 31, 2007 US$'000	As of December 31, 2008 US$'000	As of June 30, 2009 US$'000
Non-current portion					
Bank loans, secured	(a),(b),(c)	1,300,000	2,844,750	3,481,400	3,327,218
Notes payable to related companies		124,632	129,187	153,191	174,809
Finance lease liabilities, secured	28	22	61	501	389
		1,424,654	2,973,998	3,635,092	3,502,416
Less: deferred financing costs		(37,529)	(38,779)	(36,230)	(30,755)
		1,387,125	2,935,219	3,598,862	3,471,661
Current portion					
Bank loans, secured		—	6,250	44,107	70,628
Finance lease liabilities, secured	28	340	20	191	189
		340	6,270	44,298	70,817
Total borrowings		1,387,465	2,941,489	3,643,160	3,542,478

The maturities of bank loans and notes payable to related companies are as follows:

	As of December 31, 2006 US$'000	As of December 31, 2007 US$'000	As of December 31, 2008 US$'000	As of June 30, 2009 US$'000
Bank loans				
Repayable within 1 year	—	6,250	44,107	70,628
Repayable between 1 and 2 years	12,250	50,000	103,839	703,247
Repayable between 2 and 5 years	129,750	1,928,500	3,274,707	2,529,897
Repayable after 5 years	1,158,000	866,250	102,854	94,074
Total bank loans	1,300,000	2,851,000	3,525,507	3,397,846
Notes payable to related companies				
Repayable between 2 and 5 years	—	—	153,191	174,809
Repayable after 5 years	124,632	129,187	—	—
Total notes payable	124,632	129,187	153,191	174,809
Total bank loans and notes payable	1,424,632	2,980,187	3,678,698	3,572,655

The estimated fair values of the Group's borrowings as of December 31, 2006, 2007, 2008 and June 30, 2009 were approximately US$1.4 billion, US$3.0 billion, US$2.3 billion and US$3.1 billion, respectively.

The Group's borrowings are denominated in the following currencies:

	As of December 31,			As of June 30,
	2006	2007	2008	2009
	US$'000	US$'000	US$'000	US$'000
US$	1,287,341	2,841,408	3,312,260	3,208,104
HK$	124	38	219,123	228,956
MOP	100,000	100,043	111,674	105,331
RMB	—	—	103	87
	1,387,465	2,941,489	3,643,160	3,542,478

(a) On May 25, 2006, VMLF (the "Borrower"), entered into the Macau Credit Facility to finance the construction projects of the Group. The Macau Credit Facility originally consisted of a US$1.2 billion funded term B loan (the "Macau Term B Facility"), a US$700.0 million delayed draw term B loan (the "Macau Term B Delayed Draw Facility"), a US$100.0 million funded local currency term loan (the "Macau Local Term Facility") and a US$500.0 million revolving credit facility (the "Macau Revolving Facility"). In March 2007, the Macau Credit Facility was amended to expand the use of proceeds and remove certain restrictive covenants. In April 2007, the lenders of the Macau Credit Facility approved a reduction of the interest rate margin for all classes of loans by 50 basis points and the Borrower exercised its rights under the Macau Credit Facility to access the US$800.0 million of incremental facilities under the accordion feature set forth therein, which increased the funded Macau Term B Facility by US$600.0 million, the Macau Revolving Facility by US$200.0 million, and the total Macau Credit Facility to US$3.3 billion. As of June 30, 2009, the Macau Credit Facility had been fully funded except for US$6.6 million committed to be funded by Lehman Brothers Commercial Paper Inc.

The indebtedness under the Macau Credit Facility is guaranteed by VML, VCL and certain other subsidiaries (collectively, the "Guarantors"). The obligations under the Macau Credit Facility and the guarantees of the Guarantors are collateralized by a first-priority security interest in substantially all of the Borrower's and the Guarantors' assets, other than (1) capital stock of the Borrower and the Guarantors, (2) assets that secure permitted furniture, fittings and equipment financings, (3) VML's subconcession agreement and (4) certain other assets.

The Macau Revolving Facility and the Macau Local Term Facility mature on May 25, 2011. The Macau Term B Delayed Draw Facility and the Macau Term B Facility mature on May 25, 2012 and 2013, respectively. The Macau Term B Delayed Draw Facility and the Macau Term B Facility are subject to nominal amortization for the first five and six years, respectively, which commenced in June 2009, with the remainder of the loans payable in four equal quarterly installments in the last year immediately preceding their maturity dates. The Macau Local Term Facility is subject to quarterly amortization in an amount of approximately US$6.3 million per quarter, which has its first repayment made in June 2009, with the remainder of the loan payable in four equal installments in the last year immediately preceding the maturity date.

Borrowings under the Macau Credit Facility bear interest, at the Borrower's option, at either an adjusted Eurodollar rate (or, in the case of the Macau Local Term Facility, adjusted Hong Kong Inter-bank Offered Rate ("HIBOR")) or at an alternative base rate, plus a spread of 2.25% per annum or 1.25% per annum, respectively (set at 7.0%, 5.7%, 2.5%, 2.4% per annum for the Macau Local Term Facility and 8.1%, 7.1%, 2.7% and 2.6% per annum for the remainder of the Macau Credit Facility at December 31, 2006, 2007 and 2008, and at June 30, 2009, respectively), and are subject to a downward adjustment of 0.25% per annum from the beginning of the first principal payment if certain maximum leverage ratios are satisfied. The Borrower also pays a standby commitment fee of 0.5% per annum on the

undrawn amounts under the Macau Revolving Facility. For the years ended December 31, 2006, 2007 and 2008 and the six months ended June 30, 2009, the weighted average interest rates for the Macau Local Term Facility were 6.9%, 6.8%, 5.1% and 2.5% per annum, respectively, and the weighted average interest rates for the remainder of the Macau Credit Facility were 8.1%, 7.8%, 5.8% and 2.7% per annum, respectively.

To meet the requirements of the Macau Credit Facility, the Group entered into four separate interest rate cap agreements in September 2006, May 2007, October 2007 and September 2008 (collectively, the "Cap Agreements"—Note 19) with notional amounts of US$1.0 billion, US$325.0 million, US$165.0 million and US$160.0 million, respectively, all of which will expire on September 21, 2009. The provisions of the Cap Agreements entitle the Group to receive from the counterparties the amounts, if any, by which the selected market interest rates exceed the strike rate of 6.75% as stated in such agreements. There was no net effect on interest expense as a result of the Cap Agreements for the years ended December 31, 2006, 2007 and 2008, and for the six months ended June 30, 2008 and 2009. On September 24, 2009, the Group entered into a new interest rate cap agreement with a notional amount of US$1,585.0 million. This new interest rate cap agreement was effective on September 21, 2009 and will expire on September 21, 2012. The provisions of this interest rate cap agreement entitle the Group to receive from the counterparty the amounts, if any, by which the selected market interest rates exceed the strike rate of 9.5% as stated in such agreement.

The Macau Credit Facility contains affirmative and negative covenants customary for such financings, including, but not limited to, limitations on incurring additional liens, incurring additional indebtedness, making certain investments, paying dividends and making other restricted payments, and acquiring and selling assets. The Macau Credit Facility also requires the Borrower and the Guarantors to comply with financial covenants, including, but not limited to, generating a minimum Consolidated Adjusted EBITDA (as defined under the Macau Credit Facility, in which EBITDA refers to earnings before interest, taxes, depreciation and amortization) for a period of time and, thereafter, ratios of Consolidated Adjusted EBITDA to interest expense and total indebtedness to Consolidated Adjusted EBITDA, as well as maximum annual capital expenditures. The Macau Credit Facility also contains events of default customary for such financings and also sets forth several events relating to the Ultimate Parent Company and Mr. Sheldon Adelson's ownership in the Ultimate Parent Company, which would constitute an event of default. These events, if not cured or waived, could trigger a cross default in the ferry financing facility (see (b) below) and result in the acceleration of those and other outstanding debt obligation and the enforcement of security and guarantees given in respect of such obligations.

The Macau Credit Facility was subsequently amended on August 12, 2009 (see Note 35(a)).

(b) In January 2008, in order to finance the purchase of ten ferries, which were respectively owned by ten ferry owning companies that are subsidiaries within the Group, Cotai Ferry Company Limited ("CFCL"), a subsidiary within the Group, entered into a HK$1.2 billion (approximately US$156.0 million at exchange rates in effect on June 30, 2009) secured credit facility, which is available for borrowing for up to 18 months after closing. The proceeds from the secured credit facility were used to finance the construction of ferries. The facility is collateralized by the ferries and is guaranteed by VML. The facility matures in January 2018 and is subject to 34 quarterly payments commencing at the end of the 18-month availability period.

In July 2008, CFCL exercised the accordion option on the secured credit facility agreement that financed the ferry companies' original ten ferries and executed a supplement to the secured credit facility agreement. The supplement increased the secured credit facility by an additional HK$561.6 million (approximately US$72.5 million at exchange rates in effect on June 30, 2009) of which CFCL has drawn HK$485.0 million and HK$561.6 million as of December 31, 2008 and June 30, 2009, respectively (approximately US$62.6 million and US$72.5 million at exchange rates in effect on December 31, 2008 and June 30, 2009, respectively). The proceeds from this supplemental facility are being used to finance the

IN THE SUPREME COURT OF THE STATE OF NEVADA

Electronically Filed
Nov 03 2015 08:49 a.m.
Tracie K. Lindeman
Clerk of Supreme Court

VENETIAN MACAU LTD., a Macau corporation,

Petitioner,

vs.

CLARK COUNTY DISTRICT COURT, THE HONORABLE MARK R. DENTON, DISTRICT JUDGE, DEPT. 13,

Respondents,

and

STEVEN C. JACOBS,

Real Party in Interest.

Case Number:

District Court Case Number A627691-B

APPENDIX TO PETITION FOR WRIT OF PROHIBITION OR MANDAMUS RE ORDER STRIKING VENETIAN MACAU LTD'S PEREMPTORY CHALLENGE

Volume I of V
(PA1 – 250)

CARBAJAL & MCNUTT
Daniel R. McNutt, Bar No. 7815
Matthew C. Wolf, Bar No. 10801
625 South Eighth Street
Las Vegas, NV 89101

Attorneys for Petitioner

CERTIFICATE OF SERVICE

Pursuant to Nev. R. App. P. 25, I certify that I am an employee of CARBAJAL & MCNUTT; that, in accordance therewith, I caused a copy of the **APPENDIX TO PETITION FOR WRIT OF PROHIBITION OR MANDAMUS RE ORDER STRIKING VENETIAN MACAU LTD'S PEREMPTORY CHALLENGE** to be hand delivered, in a sealed envelope, on the date and to the addressee(s) shown below:

Judge Mark R. Denton
Eighth Judicial District Court of
Clark County, Nevada
Regional Justice Center
200 Lewis Avenue
Las Vegas, Nevada 89155

Respondent

James J. Pisanelli
Todd L. Bice
Debra Spinelli
Pisanelli Bice
PISANELLI BICE PLLC
400 South 7th Street
Las Vegas, NV 89101

Attorneys for Steven C. Jacobs, Real Party in Interest

DATED this 2nd day of November, 2015.

By: /s/Lisa Heller

PETITION FOR WRIT OF PROHIBITION OR MANDAMUS RE ORDER STRIKING VENETIAN MACAU LTD'S PEREMPTORY CHALLENGE

CHRONOLOGICAL INDEX

Date	Description	Vol. #	Page Nos.
12/22/2010	Defendant Las Vegas Sands Corp.'s Motion to Dismiss	I	PA1 – 45
12/22/2010	Defendant Sands China Ltd.'s Motion to Dismiss	I, II, and III	PA46 – 570
02/09/2011	Plaintiff's Opposition to Las Vegas Sands Corp.'s Motion to Dismiss	III	PA571 – 723
03/15/2011	Transcript: Hearing on Defendants' Motions to Dismiss	III	PA724 – 33
05/27/2015	Order Setting Civil Jury Trial	III	PA734 – 40
06/02/2015	Plaintiff Steven C. Jacobs' Motion for Leave to File a Fourth Amended Complaint on OST	III and IV	PA741 – 68
06/12/2015	Amended Order Setting Civil Jury Trial	IV	PA769 – 76
06/18/2015	Court Minutes Plaintiff's Motion for Leave to File Fourth Amended Complaint	IV	PA777 – 78
06/18/2015	Transcript: Hearing on Plaintiff's Motion to Amend Complaint	IV	PA779 – 90
06/22/2015	Fourth Amended Complaint	IV	PA791 – 811
07/09/2015	Notice of NRCP 30(b)(6) Videotaped Deposition of Las Vegas Sands Corp.	IV	PA812 – 23
07/17/2015	Second Amended Order Setting Civil Jury Trial	IV	PA824 – 32
09/15/2015	Plaintiff's Renewed Motion for Leave to File a Fifth Amended Complaint on OST	IV	PA833 – 61
09/17/2015	Defendants' Opposition to Plaintiff's Motion for Leave to File a Fifth Amended Complaint on OST	IV	PA862 – 916

Date	Description	Vol. #	Page Nos.
09/18/2015	Transcript: Hearing on Plaintiff's Renewed Motion to File Fifth Amended Complaint	IV	PA917 – 27
09/18/2015	Court Minutes Plaintiff's Renewed Motion for Leave to File Fifth Amended Complaint on OST	IV	PA928 – 29
09/18/2015	Fifth Amended Complaint	IV	PA930 – 950
09/22/2015	Notice of Entry of Order Granting Sands China Ltd.'s Motion to Confirm that No Response to Plaintiff's Fourth Amended Complaint is Due Until NSC Acts on the Jurisdictional Writ	IV	PA950A-50D
10/16/2015	Peremptory Challenge of Judge	IV	PA951 – 53
10/16/2015	Notice of Department Reassignment	IV	PA954 – 955
10/19/2015	Plaintiff's Emergency Motion to Strike Unlawful Peremptory Challenge of Judge on OST	IV and V	PA956 - 1073
10/19/2015	Venetian Macau Ltd.'s Motion to Quash Service of Summons	V	PA1074 – 86
10/21/2015	Venetian Macau Ltd.'s Motion to Dismiss the First, Second, and Third Causes of Action in Plaintiff's Fifth Amended Complaint	V	PA1087 – 1126
10/23/2015	Venetian Macau Ltd.'s Lawful Opposition to Plaintiff's Ex Parte Motion to Strike its Rule 48.1 Peremptory Challenge	V	PA1127 – 34
10/23/2015	Plaintiff's Reply in Support of Motion to Strike Unlawful Peremptory Challenge of Judge	V	PA1135 - 39
10/26/2015	Transcript: Hearing Plaintiff's Emergency Motion to Strike Unlawful Peremptory Challenge of Judge on OST	V	PA1140 - 56

Date	Description	Vol. #	Page Nos.
10/27/2015	Order Striking Peremptory Challenge of Judge	V	PA1157 - 58

PETITION FOR WRIT OF PROHIBITION OR MANDAMUS RE ORDER STRIKING VENETIAN MACAU LTD'S PEREMPTORY CHALLENGE

ALPHABETICAL INDEX

Date	Description	Vol. #	Page Nos.
06/12/2015	Amended Order Setting Civil Jury Trial	IV	PA769 – 76
06/18/2015	Court Minutes Plaintiff's Motion for Leave to File Fourth Amended Complaint	IV	PA777 – 78
09/18/2015	Court Minutes Plaintiff's Renewed Motion for Leave to File Fifth Amended Complaint on OST	IV	PA928 – 29
12/22/2010	Defendant Las Vegas Sands Corp.'s Motion to Dismiss	I	PA1 – 45
12/22/2010	Defendant Sands China Ltd.'s Motion to Dismiss	I, II, and III	PA46 – 570
09/17/2015	Defendants' Opposition to Plaintiff's Motion for Leave to File a Fifth Amended Complaint on OST	IV	PA862 – 916
09/18/2015	Fifth Amended Complaint	IV	PA930 – 950
06/22/2015	Fourth Amended Complaint	IV	PA791 – 811
10/16/2015	Notice of Department Reassignment	IV	PA954 – 955

Date	Description	Vol. #	Page Nos.
09/22/2015	Notice of Entry of Order Granting Sands China Ltd.'s Motion to Confirm that No Response to Plaintiff's Fourth Amended Complaint is Due Until NSC Acts on the Jurisdictional Writ	IV	PA950A-50D
07/09/2015	Notice of NRCP 30(b)(6) Videotaped Deposition of Las Vegas Sands Corp.	IV	PA812 – 23
05/27/2015	Order Setting Civil Jury Trial	III	PA734 – 40
10/27/2015	Order Striking Peremptory Challenge of Judge	V	PA1157 - 58
10/16/2015	Peremptory Challenge of Judge	IV	PA951 – 53
06/02/2015	Plaintiff Steven C. Jacobs' Motion for Leave to File a Fourth Amended Complaint on OST	III and IV	PA741 – 68
10/19/2015	Plaintiff's Emergency Motion to Strike Unlawful Peremptory Challenge of Judge on OST	IV and V	PA956 - 1073
02/09/2011	Plaintiff's Opposition to Las Vegas Sands Corp.'s Motion to Dismiss	III	PA571 – 723
09/15/2015	Plaintiff's Renewed Motion for Leave to File a Fifth Amended Complaint on OST	IV	PA833 – 61
10/23/2015	Plaintiff's Reply in Support of Motion to Strike Unlawful Peremptory Challenge of Judge	V	PA1135 - 39
07/17/2015	Second Amended Order Setting Civil Jury Trial	IV	PA824 – 32
03/15/2011	Transcript: Hearing on Defendants' Motions to Dismiss	III	PA724 – 33
06/18/2015	Transcript: Hearing on Plaintiff's Motion to Amend Complaint	IV	PA779 – 90
09/18/2015	Transcript: Hearing on Plaintiff's Renewed Motion to File Fifth Amended Complaint	IV	PA917 – 27

Date	Description	Vol. #	Page Nos.
10/26/2015	Transcript: Hearing Plaintiff's Emergency Motion to Strike Unlawful Peremptory Challenge of Judge on OST	V	PA1140 - 56
10/23/2015	Venetian Macau Ltd.'s Lawful Opposition to Plaintiff's Ex Parte Motion to Strike its Rule 48.1 Peremptory Challenge	V	PA1127 – 34
10/21/2015	Venetian Macau Ltd.'s Motion to Dismiss the First, Second, and Third Causes of Action in Plaintiff's Fifth Amended Complaint	V	PA1087 – 1126
10/19/2015	Venetian Macau Ltd.'s Motion to Quash Service of Summons	V	PA1074 – 86

MSDM
J. Stephen Peek, Esq.
Nevada Bar No. 1759
Justin C. Jones, Esq.
Nevada Bar No. 8519
HOLLAND & HART LLP
3800 Howard Hughes Parkway, 10th Floor
Las Vegas, Nevada 89169
(702) 669-4600
(702) 669-4650 – fax
speek@hollandhart.com
jcjones@hollandhart.com

Attorneys for Defendant Las Vegas Sands Corp.

Electronically Filed
12/22/2010 03:41:32 PM

CLERK OF THE COURT

DISTRICT COURT

CLARK COUNTY, NEVADA

STEVEN C. JACOBS, Plaintiff, v. LAS VEGAS SANDS CORP., a Nevada corporation; SANDS CHINA LTD., a Cayman Islands corporation; DOES I-X; and ROE CORPORATIONS I-X, Defendants.	CASE NO.: A627691-C DEPT NO.: XXV Date: Time: **LAS VEGAS SANDS CORP.'S MOTION TO DISMISS PURSUANT TO NRCP 12(B)(6) AND 19 FOR FAILURE TO JOIN AN INDISPENSIBLE PARTY**

Defendant Las Vegas Sands Corp. ("LVSC"), by and through its undersigned counsel, the law firm of Holland & Hart LLP, hereby moves this Court to dismiss this case for failure to join an indispensable party pursuant to NRCP 12(b)(6) and 19. This Motion based on the following Memorandum of Points and Authorities and any oral argument the Court may allow.

DATED December 22, 2010.

J. Stephen Peek, Esq.
Justin C. Jones, Esq.
Brian G. Anderson, Esq.
Holland & Hart LLP
3800 Howard Hughes Parkway, 10th Floor
Las Vegas, Nevada 89169

Attorneys for Defendant Las Vegas Sands Corp.

Holland & Hart LLP
3800 Howard Hughes Parkway, Tenth Floor
Las Vegas, Nevada 89169
Phone: (702) 669-4600 ♦ Fax: (702) 669-4650

NOTICE OF MOTION

TO: ALL INTERESTED PARTIES; and

TO: COUNSEL OF RECORD

PLEASE TAKE NOTICE that Defendant LAS VEGAS SANDS CORP. will bring the above and foregoing **LAS VEGAS SANDS CORP.'S MOTION TO DISMISS PURSUANT TO NRCP 12(B)(6) AND 19 FOR FAILURE TO JOIN AN INDISPENSIBLE PARTY** for hearing on the 1 day of Feb., 2011, at 9:00 a.m./~~p.m.~~, in Department ~~XXV~~ XI of the above entitled Court.

DATED December 22, 2010.

J. Stephen Peek, Esq.
Justin C. Jones, Esq.
Brian G. Anderson, Esq.
Holland & Hart LLP
3800 Howard Hughes Parkway, 10th Floor
Las Vegas, Nevada 89169

Attorneys for Defendant Las Vegas Sands Corp.

Holland & Hart LLP
3800 Howard Hughes Parkway, Tenth Floor
Las Vegas, Nevada 89169
Phone: (702) 669-4600 • Fax: (702) 669-4650

MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF MOTION TO DISMISS PURSUANT TO NRCP 12(B)(6) AND 19

I.

INTRODUCTION

This is an action brought by an alleged "resident" of Georgia, also alleging to be a "citizen" of Florida, who was terminated by his Macau, China[1] employer, in Macau. Plaintiff, a disgruntled former executive, was terminated by his employer, Venetian Macau Limited ("VML"). Plaintiff signed two separate employment agreements with Sands China Ltd.'s ("Sands China") subsidiary, VML, received his paychecks and bonuses through VML, and his benefits package was structured through his employment with VML. Now, after being terminated by VML, Plaintiff brings an action for wrongful termination not against his employer, VML, but against Las Vegas Sands Corp. ("LVSC"), a company with which he has no employment contract. Plaintiff bases his claim against LVSC upon a "Term Sheet" which, at

[1] Macau is a Special Administrative Region of the People's Republic of China.

best, evidences a relationship not with LVSC, but rather with VML. Plaintiff's suit against LVSC rather than VML is a strategic and calculated effort to mislead this Court in a desperate attempt to litigate in the United States against a U.S. entity, namely LVSC. Plaintiff should instead proceed 1) against the proper party which employed him, VML, and 2) in the proper forum in Macau, the place where Plaintiff lived,[2] worked, accepted significant compensation, executed relevant documents with Macau as the selected forum to resolve disputes, and engaged in the improper acts culminating in his termination.

Based upon the written employment agreements between Plaintiff and VML, there is no question that VML is both a necessary and indispensible party to this action. This action cannot in equity and good conscience proceed without the joinder of VML as an indispensible party. Accordingly, pursuant to the relevant considerations under Rule 19 of the Nevada Rules of Civil Procedure, the Court should dismiss this case based on Plaintiff's failure to join VML, an indispensable party to this action.

II.

STATEMENT OF FACTS

In or about May 2009, Plaintiff was asked to perform certain work for Venetian Macau Limited ("VML"). In connection with this work, Plaintiff executed an Agreement for Services with VML. *See* Affidavit of Cheong, Kuok Kuan Paolo, attached hereto as **Exhibit "A"** and paragraph 18 of Plaintiff's Complaint. A true and correct copy of the Agreement for Services is attached hereto as **Exhibit "B"**. Pursuant to the terms of the Agreement for Services, Plaintiff contracted to perform work for the benefit of VML on "senior management issues" relating to VML's "business of developing, designing, constructing, equipping, staffing, owning and operating legalized casino(s) in Macau SAR." *Id.* The Agreement for Services permitted VML to terminate the Agreement "without cause, upon the giving of one (1) week advance notice to the Consultant. . . ." *Id.* The Agreement for Services states that "[t]he parties agree to the exclusive jurisdiction of the courts of Macau (SAR) for any legal proceedings related to this

[2] Jacobs maintained a second residence in Hong Kong, another Special Administrative Region of the People's Republic of China, which is located within an hour of Macau.

Holland & Hart LLP
3800 Howard Hughes Parkway, Tenth Floor
Las Vegas, Nevada 89169
Phone: (702) 669-4600 ♦ Fax: (702) 669-4650

Agreement" and, further, that the "Agreement shall be governed by and interpreted in accordance with the laws of Macau (SAR)." *Id.* LVSC is not a party to the Agreement for Services. *Id.*

On or about June 16, 2009, VML offered Plaintiff employment in the position of President – Macau. A true and correct copy of the Letter of Appointment for Executive dated June 16, 2009 ("Appointment Agreement") is attached hereto and incorporated herewith as **Exhibit "C"**. Plaintiff accepted VML's employment offer and executed the Appointment Agreement pursuant to the terms thereof. *See id.* at 3. The term of the Appointment Agreement was "two years provided however, that both parties may terminate this Agreement at any time, without cause, upon the giving not less than three (3) days advance notice to the other party." *Id.* at ¶ 17. Pursuant to the Appointment Agreement, VML was to pay Plaintiff a base salary paid monthly and equivalent to $1,300,000.00 USD per annum, with salary to be reviewed annually, as well as company benefits. *Id.* Similar to the Agreement for Services, the Appointment Agreement states, "this agreement is governed by and interpreted in accordance with Macau SAR law, and the courts of Macau SAR shall have exclusive jurisdiction over any legal proceedings related to this agreement." *Id.* at ¶ 14. LVSC is not a party to the Appointment Agreement. *Id.*

Upon executing the Appointment Agreement, Plaintiff became employed by VML in the position of President – Macau. In accordance with the terms of the Appointment Agreement, VML paid Plaintiff his monthly salary until his employment was terminated. *See* Exhibit A. True and correct copies of certain of Plaintiff's direct deposit records are attached hereto as **Exhibit "D"**. VML also provided Plaintiff with medical, dental, retirement and other company benefits in accordance with the Appointment Agreement. *See* Cheong Affidavit, Ex. A.

Subsequent to the execution of the Appointment Agreement, a term sheet was drafted regarding Plaintiff's appointment as "President and CEO Macau, listed company (ListCo)."[3] A term sheet was drafted that reflected the parties' discussions. A true and correct copy of the

[3] See paragraphs 21 and 25 of Plaintiff's Complaint. Interestingly, Plaintiff conveniently leaves off the portion of the term sheet that recites "listed company".

Holland & Hart LLP
3800 Howard Hughes Parkway, Tenth Floor
Las Vegas, Nevada 89169
Phone: (702) 669-4600 ♦ Fax: (702) 669-4650

Offer Terms and Conditions ("Term Sheet") is attached hereto as **Exhibit "E"**. The Term Sheet specifies a salary of $1,300,000.00 USD per annum, the very same salary identified in the Appointment Agreement. *Id.; see also* Appointment Agreement, Exhibit B. LVSC is not a party to the Term Sheet. *Id.*

At no time was Plaintiff paid a salary by LVSC pursuant to the Term Sheet. *See* Affidavit of Darlene Dushan, attached hereto as **Exhibit "F"**. At no time did Plaintiff received company health, retirement, or other benefits from LVSC. *Id.*

Effective July 23, 2010, Plaintiff's employment with VML was terminated. The termination was further memorialized by an August 5, 2010 letter from VML which stated that "**VENETIAN MACAU LIMITED**, in the capacity of employer . . . does hereby **terminate with cause** . . . the employment contract dated June 16, 2009 between Venetian Macau Limited and you." A true and correct copy of the August 5, 2010 Notification of Termination is attached hereto as **Exhibit "G."**

III.

LEGAL ANALYSIS

A. Legal Standard

Nevada Rule of Civil Procedure 12(b)(6) permits a party to move to dismiss for "failure to join a party under NRCP 19." A motion to dismiss pursuant to NRCP 12(b)(6) "demands a fact specific and practical inquiry," and as a result, its determination, unlike ordinary motions to dismiss, is not limited to the pleadings. *Makah Indian Tribe v. Verity*, 910 F.2d 555, 558 (9th Cir. 1990).[4] In addressing a motion to dismiss pursuant to NRCP 12(b)(6), a court must determine if the party in question is one that should be joined under NRCP 19(a)(1), and if so, whether the joinder is feasible under NRCP 19(a)(2). As further detailed herein, the allegations contained in Plaintiff's Complaint, the law with respect to NRCP 19, and the evidence in support of this Motion dictate that this action must be dismissed, as VML, Plaintiff's employer during

[4] Federal Rule of Civil Procedure 19(a) is virtually identical to NRCP 19(a). *See Blaine Equip. Co. v. State*, 122 Nev. 860, 865 (2006); Fed. R. Civ. P. 19(a). As a result, Nevada courts "have previously recognized that federal decisions involving the Federal Rules of Civil Procedure provide persuasive authority when this court examines its rules." *Blaine*, 122 Nev. at 865.

Holland & Hart LLP
3800 Howard Hughes Parkway, Tenth Floor
Las Vegas, Nevada 89169
Phone: (702) 669-4600 ♦ Fax: (702) 669-4650

the relevant time period, is a necessary and indispensable party.

B. As Plaintiff's Employer, VML Is Both a Necessary and Indispensible Party.

Nevada law "require[s] that all persons materially interested in the subject matter of the suit be made parties so that there is a complete decree to bind them all. If the interest of absent parties may be affected or bound by the decree, they must be brought before the court or it will not proceed to decree." *See Gladys Baker Olsen Family Trust v. Eighth Judicial Dist. Court*, 110 Nev. 548, 874 P.2d 778 (1994) (citing *Robinson v. Kind*, 23 Nev. 330, 47 P. 977 (1897)). Rule 19(a) provides that a party should be joined where:

> (1) in the person's absence complete relief cannot be accorded among those already parties, or
>
> (2) the person claims an interest relating to the subject of the action and is so situated that the disposition of the action in the person's absence may (i) as a practical matter impair or impede the person's ability to protect that interest or (ii) leave any of the persons already parties subject to a substantial risk of incurring double, multiple, or otherwise inconsistent obligations by reason of the claimed interest.

NRCP 19(a). A primary objective of this rule is "to have a final and complete determination of the controversy, not to determine issues piecemeal. . . ." *University of Nev. v. Tarkanian*, 95 Nev. 389, 594 P.2d 1159 (1979), *rev'd on other grounds*, 488 U.S. 179 (1988).

The rule also "protects the interest of the courts themselves in the efficacy and integrity of their own proceedings, as well as the interests of the parties." *Id.* Thus, "[i]f there are other persons, not parties, whose rights must be ascertained and settled before the rights of the parties to the suit can be determined, the statute is peremptory; the court must cause such persons to be brought in . . ." *Id.* Finally, a joint tortfeasor will be considered a necessary party when the absent party "emerges as an active participant" in the allegations made in the complaint that are "critical to the disposition of the important issues in the litigation." *Laker Airways, Inc. v. British Airways, PLC*, 182 F.3d 843, 848 (11th Cir. 1999).

Here, there is no question that adjudication of Plaintiff's claims requires joinder of VML, Jacobs' actual employer. VML, as Plaintiff's employer, is a party materially interested in the subject matter of the suit and it may be affected or bound by the decree. *Gladys Baker Olsen Family Trust, supra.* It is as well a party "whose rights must be ascertained and settled before

Holland & Hart LLP
3800 Howard Hughes Parkway, Tenth Floor
Las Vegas, Nevada 89169
Phone: (702) 669-4600 ♦ Fax: (702) 669-4650

the rights of the parties to the suit can be determined." *Tarkanian, supra.* The principles outlined in *University of Nev. v. Tarkanian*, 95 Nev. 389, 594 P.2d 1159 (1979), are instructive in this regard. In *Tarkanian*, the plaintiff, a basketball coach, sued the University of Nevada Las Vegas ("UNLV") seeking an injunction restraining enforcement by UNLV of NCAA-imposed sanctions against him. *See Tarkanian*, 95 Nev. at 394. The court held that the NCAA was a necessary party under Rule 19(a) because "either the university would be affected, or the NCAA's ability to protect its interest would be impaired, and in either case further litigation of the controversy would be likely." *Id.* at 396. Additionally, the court concluded that Mr. Tarkanian's "fundamental claim in this case is that he was denied his constitutional right to due process of the law" and, because the controversy "involves the NCAA directly," the suit could not be "completely and justly determined in its absence." *Id.* at 397.

Like the NCAA in *Tarkanian*, the missing party in this controversy, VML, must be joined to effectuate a complete and just resolution of this dispute. It is clear from both the allegations stated in the Complaint, and the evidence presented herein, that VML is an integral participant in the alleged events that give rise to Plaintiff's suit. VML was the employer of Jacobs and, based on facts known to it, VML terminated Plaintiff for cause. In addition, venue and jurisdiction in Macau were agreed to by Plaintiff in the Agreement for Services and Appointment Agreement. Indeed, Plaintiff's Complaint is based entirely upon allegations that relate to his written employment relationship with VML. As described above, Plaintiff entered into two separate employment agreements with VML – the Agreement for Services and Appointment Agreement. *See* Ex's. A, B, C. Following execution of the Appointment Agreement, Plaintiff received his salary from VML in accordance with the terms of the Appointment Agreement. *See* Ex's. A, D. Likewise, Plaintiff received his health benefits through his employer, VML. *See* Ex. A. By contrast, Plaintiff never had any employment contract with LVSC, was never paid any salary by LVSC, and never received any benefits through LVSC. *See* Ex. F. In light of the employment relationship with VML, and lack of any such relationship with LVSC, VML is a necessary and indispensible party to this action.

///

Holland & Hart LLP
3800 Howard Hughes Parkway, Tenth Floor
Las Vegas, Nevada 89169
Phone: (702) 669-4600 ♦ Fax: (702) 669-4650

C. *Equity and Good Conscience Demand that this Action Be Dismissed Because VML Is an Indispensable Party and Has Not Been Joined in this Action.*

The Court must dismiss this action because VML is a necessary and indispensible party and Plaintiff has nonetheless failed to name it as a defendant in this matter. "If a necessary party is found to be unavailable, the court must decide whether in equity and good conscience the action should proceed. If the Court determines that the action in equity and good conscience cannot proceed without the necessary party, that party is 'indispensable' and the case must be dismissed." *Potts v. Vokits*, 101 Nev. 90, 92 (1985). Rule 19(b) lists four factors to assist a court in determining whether the case should proceed or be dismissed. An examination of the factors in Rule 19(b) support dismissal. These factors are: (1) the extent to which a judgment rendered in the person's absence might be prejudicial to the absent person or to existing parties; (2) the extent to which, by protective provisions in judgment, by shaping the relief, or other measures, the prejudice can be lessened or avoided; (3) whether a judgment rendered in the person's absence is adequate; and (4) whether the plaintiff will have an adequate remedy if the action is dismissed for nonjoinder. These factors "are not to be applied in any mechanical way" but determined in a "practical and pragmatic but equitable manner." *Francis Oil & Gas, Inc. v. Exxon, Corp.*, 661 F.2d 873, 878 (10th Cir. 1981).

Applying these factors here leads to the conclusion that dismissal is certainly warranted. With regards to the first factor, LVSC will surely be prejudiced by any judgment in this action in the absence of VML, the necessary and proper party to defend its termination of Plaintiff's employment. After all, the thrust of Plaintiff's Complaint is for wrongful termination, and it was VML, *not* LVSC, that terminated Plaintiff. It would be a substantial injustice to LVSC to be stuck with a potentially large judgment against it when it is another entity – VML – that, if joined, would be the proper party to defend its actions in terminating Plaintiff. Furthermore, there is the potential that if VML is not joined in this proceeding, it would be the target of future, duplicative litigation. The second factor likewise compels dismissal. No prospective provisions in the judgment would lessen or avoid the prejudice to a party that cannot defends its actions in terminating Plaintiff. Similarly, no adequate judgment can be rendered against LVSC without

Holland & Hart LLP
3800 Howard Hughes Parkway, Tenth Floor
Las Vegas, Nevada 89169
Phone: (702) 669-4600 ♦ Fax: (702) 669-4650

the opportunity for Plaintiff's employer, VML, to defend its actions in terminating Plaintiff. As for the fourth factor, Plaintiff certainly has another adequate remedy if the action is dismissed. Specifically, Plaintiff may file an action in Macau, where he worked, lived, accepted significant compensation and, most importantly, was first informed of his termination. In fact, both the Agreement for Services and the Appointment Agreement contain forum selection clauses that expressly require that all disputes be brought in the courts in Macau. *See* Ex's. B, C. Given the fact that the parties expressly agreed to litigate their disputes in Macau, it would be highly prejudicial to LVSC to ignore the parties' express agreements and allow this action to proceed in the Nevada courts. Based upon the relevant factors, LVSC is entitled to dismissal of this action with prejudice for failure to join VML as an indispensible party.

IV.

CONCLUSION

For the foregoing reasons, Defendant Las Vegas Sands Corp. respectfully requests that the Court grant its Motion to Dismiss for Failure to Join an Indispensible Party.

DATED December 22, 2010.

J. Stephen Peek, Esq.
Justin C. Jones, Esq.
Brian G. Anderson, Esq.
Holland & Hart LLP
3800 Howard Hughes Parkway, 10th Floor
Las Vegas, Nevada 89169

Attorneys for Defendant Las Vegas Sands Corp.

Holland & Hart LLP
3800 Howard Hughes Parkway, Tenth Floor
Las Vegas, Nevada 89169
Phone: (702) 669-4600 ♦ Fax: (702) 669-4650

CERTIFICATE OF SERVICE

Pursuant to Nev. R. Civ. P. 5(b), I that on December 22, 2010, I served a true and correct copy of the foregoing **LAS VEGAS SANDS CORP.'S MOTION TO DISMISS PURSUANT TO NRCP 12(B)(6) AND 19 FOR FAILURE TO JOIN AN INDISPENSIBLE PARTY** via e-mail and by depositing same in the United States mail, first class postage fully prepaid to the persons and addresses listed below:

Donald J. Campbell, Esq.
J. Colby Williams, Esq.
Campbell & Williams
700 S. 7th Street
Las Vegas, Nevada 89101
382-5222
382-0540 – fax
djc@campbellandwilliams.com
jcw@campbellandwilliams.com

Attorneys for Plaintiff

Mark G. Krum, Esq.
Andrew D. Sedlock, Esq.
Glaser, Weil, et., al.
3763 Howard Hughes Parkway, Suite 300
Las Vegas, Nevada 89169
650-7900
650-7950 – fax
mkrum@glawerweil.com
asedlock@glaserweil.com

Attorneys for Defendant Sands China Ltd.

An Employee of Holland & Hart LLP

Holland & Hart LLP
3800 Howard Hughes Parkway, Tenth Floor
Las Vegas, Nevada 89169
Phone: (702) 669-4600 ♦ Fax: (702) 669-4650

Dineen Bergsing

From: Dineen Bergsing

Sent: Wednesday, December 22, 2010 4:00 PM

To: Donald Campbell; 'jcw@campbellandwilliams.com'; 'mkrum@glaserweil.com'; 'asedlock@glaserweil.com'

Subject: LV Sands/Jacobs - LV Sands' Motion to Dismiss Pursuant to NRCP 12(B)(6) and 19 for Failure to Join an Indispensible Party

Attachments: Las Vegas Ikon - 12-22-10 - 8RC97NS.pdf

Please see attached LV Sands' Motion to Dismiss Pursuant to NRCP 12(B)(6) and 19 for Failure to Join an Indispensible Party. A copy to follow by mail.

Thank you.

Dineen M. Bergsing
Legal Assistant to J. Stephen Peek,
Justin C. Jones and David J. Freeman
Holland & Hart LLP
3800 Howard Hughes Parkway, 10th Floor
Las Vegas, Nevada 89169
(702) 669-4600 - Main
(702) 222-2521 - Direct
(702) 669-4650 - Fax
dbergsing@hollandhart.com

HOLLAND&HART

CONFIDENTIALITY NOTICE: This message is confidential and may be privileged. If you believe that this email has been sent to you in error, please reply to the sender that you received the message in error; then please delete this e-mail. Thank you.

EXHIBIT A

AFFIDAVIT OF CHEONG, Kuok Kuan Paulo

I, CHEONG, Kuok Kuan Paulo, having been duly sworn, deposes and states as follows:

1. I am over the age of eighteen and have personal knowledge of the matters stated herein except those stated upon information and belief and I am competent to testify thereto.

2. I am Associate Director for Human Resources for Venetian Macau Limited ("VML").

3. In or about May 2009, Plaintiff Steven Jacobs ("Plaintiff") was asked to perform certain consulting work for VML.

4. In connection with his consulting work, Plaintiff executed an Agreement for Services with VML. A true and correct copy of the Agreement for Services is attached to Las Vegas Sands Corp.'s Motion to Dismiss Pursuant To NRCP 12(B)(6) and 19 for Failure to Join an Indispensible Party (the "Motion") as Exhibit B.

5. Pursuant to the terms of the Agreement for Services, Plaintiff contracted to perform work for the benefit of VML on "senior management issues" relating to VML's "business of developing, designing, constructing, equipping, staffing, owning and operating legalized casino(s) in Macau SAR." *Id.*

6. The Agreement for Services permitted VML to terminate the Agreement "without cause, upon the giving of one (1) week advance notice to the Consultant. . . ." *Id.*

7. The Agreement for Services states that "[t]he parties agree to the exclusive jurisdiction of the courts of Macau (SAR) for any legal proceedings related to this Agreement" and, further, that the "Agreement shall be governed by and interpreted in accordance with the laws of Macau (SAR)." *Id.*

8. LVS is not a party to the Agreement for Services. *Id.*

9. On or about June 16, 2009, VML offered Plaintiff employment in the position of President – Macau. A true and correct copy of the Letter of Appointment for Executive dated June 16, 2009 ("Appointment Agreement") is attached to the Motion as Exhibit C.

10. Plaintiff accepted VML's employment offer and executed the Appointment

Holland & Hart LLP
3800 Howard Hughes Parkway, Tenth Floor
Las Vegas, Nevada 89169
Phone: (702) 669-4600 ♦ Fax: (702) 669-4650

Agreement pursuant to the terms thereof. *See* Ex. C at p. 3.

11. The term of the Appointment Agreement was "two years provided however, that both parties may terminate this Agreement at any time, without cause, upon the giving not less than three (3) days advance notice to the other party." *Id.* at ¶ 17.

12. Pursuant to the Appointment Agreement, VML was to pay Plaintiff a base salary paid monthly and equivalent to $1,300,000.00 USD per annum, with salary to be reviewed annually, as well as company benefits. *Id.*

13. Similar to the Agreement for Services, the Appointment Agreement states, "this agreement is governed by and interpreted in accordance with Macau SAR law, and the courts of Macau SAR shall have exclusive jurisdiction over any legal proceedings related to this agreement." *Id.* at ¶ 14.

14. LVS is not a party to the Appointment Agreement. *Id.*

15. Upon executing the Appointment Agreement, Plaintiff was employed by VML in the position of President – Macau.

16. In accordance with the terms of the Appointment Agreement, VML paid Plaintiff his monthly salary until his employment was terminated. True and correct copies of certain of Plaintiff's direct deposit records are attached to the Motion as Exhibit D.

17. VML also provided Plaintiff with medical, dental, retirement and other company benefits in accordance with the Appointment Agreement.

18. Subsequent to the execution of the Appointment Agreement, a term sheet was drafted regarding Plaintiff's appointment as "President and CEO Macau, listed company (ListCo)." A true and correct copy of the Offer Terms and Conditions ("Term Sheet") is attached to the Motion as Exhibit E.

19. The Term Sheet specifies a salary of $1,300,000.00 USD per annum, the very same salary identified in the Appointment Agreement. *Id.; see also* Appointment Agreement, Exhibit B.

20. LVS is not a party to the Term Sheet. *Id.*

Holland & Hart LLP
3800 Howard Hughes Parkway, Tenth Floor
Las Vegas, Nevada 89169
Phone: (702) 669-4600 ♦ Fax: (702) 669-4650

21. Effective July 23, 2010, Plaintiffs' employment was terminated. The termination was further memorialized by an August 5, 2010 letter from VML which stated that "**VENETIAN MACAU LIMITED**, in the capacity of employer...does hereby **terminate with cause**...the employment contract dated June 16, 2009 between Venetian Macau Limited and you." A true and correct copy of the August 5, 2010 Notification of Termination is attached to the Motion as Exhibit G.

DATED this 21 of December, 2010.

CHEONG, Kuok Kuan Paulo

CARTÓRIO DO NOTÁRIO PRIVADO
DIAMANTINO DE OLIVEIRA FERREIRA

Reconheço a assinatura supra de **CHEONG, KUOK KUAN PAULO**, por confronto com a assinatura aposta no Bilhete de Identidade de Residente Permanente de Macau nº 5137570(7), emitido em 15/10/2003, pela Direcção dos Serviços de Identificação.

Conta nº 91 $7,00

Macau, 21 de Dezembro de 2010

O Notário,

Holland & Hart LLP
3800 Howard Hughes Parkway, Tenth Floor
Las Vegas, Nevada 89169
Phone: (702) 669-4600 ♦ Fax: (702) 669-4650

EXHIBIT B

AGREEMENT FOR SERVICES
("Agreement")

- by and between -

Venetian Macau Limited
("the Company")

- and -

Jacobs, Steve
("Consultant")

PA17

AGREEMENT FOR SERVICES

THIS AGREEMENT FOR SERVICES ("Agreement") by and between **Venetian Macau Limited** ("the Company") and **Jacobs, Steve** (the "Consultant").

WITNESSETH:

WHEREAS, the Company is a corporation duly organized and existing under the laws of Macau (SAR), and maintains its registered address at Estrada da Baía de N. Senhora da Esperança, s/n, Executive Office, The Cotai Strip™, Taipa, Macau SAR, P.R. China, and the Company is engaged in the business of developing, designing, constructing, equipping, staffing, owning and operating legalized casino(s) in Macau SAR;

WHEREAS, the Consultant represents and warrants to the Company that has the requisite knowledge, ability and experience to assist the Company on senior management issues.

NOW, THEREFORE, for and in consideration of the foregoing recitals and the mutual promises, representations, understandings, undertaking and agreements hereinafter set forth, the Company and the Consultant hereby covenant and agree as follows:

1. **CONSULTANT SCOPE OF WORK**. During the Term of this Agreement, the Company retains the Consultant to perform, and the Consultant agrees to perform on behalf of the Company, certain consulting and services for the Company's, liaise with all aspects related to senior management issues and other assignments that can be appointed by President and Chief Operating Officer of the parent company, subject to change at the Company's discretion.

2. **COMPENSATION TO CONSULTANT**. For and in complete consideration of the Consultant's full and faithful observance of all of the Consultant's duties under this Agreement, the Company shall pay to the Consultant, and the Consultant shall accept from the Company the professional fee of MOP 28,614.25 per day. The Company will withhold the relevant tax according to the Macau Tax Laws. The Company shall reimbursement of all out of pocket expenses incurred by the consultant and approved by the company.

3. **TERM.** This Agreement shall commence on May 1st, 2009 and shall continue in full force and effect until the Consultant's Services are completed; provided however, the Company may terminate this Agreement at any time, without cause, upon the giving of one (1) week advance notice to the Consultant, by letter or telephone or e-mail. The Consultant will not be allowed to work more than 45 working days in Macau during the period of 6 months.

The Company may opt to hire the Consultant as an employee after termination of the present agreement.

4. **INDEPENDENT CONSULTANT**. The Company and the Consultant hereby covenant and agree that the Consultant shall furnish the Consultant's Services pursuant to this Agreement solely as an independent Consultant and not as an employee or agent of the Company; it is specifically agreed that the Consultant and the Company shall not be deemed to have a relationship other than as an independent Consultant. The Consultant shall have no power or authority to bind the Company to any contract or agreement. All purchase orders and supply contracts shall be executed directly between the Company and the third party vendor.

5. **BUSINESS CONDUCT.** The Consultant acknowledges that the Company's policy is to conduct its business pursuant to high ethical standards. The Consultant agrees that during the performance of the Consultant's Services it shall at all times comply with high standards of professional and ethical business conduct.

6. **CONFIDENTIALITY AND OWNERSHIP OF WORKS.** The Consultant agrees that neither it nor any of its employees, either during or after this Agreement, shall disclose or communicate to any third party any information about the Company's policies, prices, systems, methods of operation, contractual agreements or other proprietary matters concerning the Company's business or affairs, except to the extent necessary in the ordinary course of performing the Consultant's Services. Upon termination of this Agreement for any reason, all papers and documents in the Consultant's possession or under its control belonging to the Company, must be returned to the Company.

7. **ASSIGNMENT.** Neither this Agreement nor any rights or obligations hereunder may be assigned, delegated, or otherwise transferred by the Consultant in whole or in part without the prior written consent of the Company, which consent may be unreasonably withheld, nor shall this Agreement inure to the benefit of any trustee in bankruptcy, receiver, or other successor of the Consultant whether by operation of law or otherwise without such consent. Any attempts so to assign, delegate, or transfer this Agreement or any rights or obligations hereunder without such consent shall be null and void and of no force and effect.

8. **WAIVER.** The Company's failure to enforce or delay in enforcement of any provision hereof or any right hereunder shall not be construed as a waiver of such provision or right. The Company's exercise of any right hereunder shall not preclude or prejudice the exercise thereafter of the same or any other right.

9. **SEVERABILITY.** If any term, provision, covenant, or condition of this Agreement, or any application thereof, should be held by a court of competent jurisdiction to be invalid, void, or unenforceable, all provisions, covenants and conditions of this Agreement, and all applications thereof, not held invalid, void, or unenforceable, shall continue in full force and effect and shall in no way be affected, impaired, or invalidated thereby.

10. **GOVERNING LAW & MISCELLANEOUS PROVISIONS.**

(a) This Agreement is the complete, entire, and exclusive statement of the contract terms between the parties.

(b) This Agreement supersedes any prior understandings, agreements or undertakings between the parties.

(c) This Agreement shall be governed by and interpreted in accordance with the laws of Macau (SAR).

(d) The parties agree to the exclusive jurisdiction of the courts of Macau (SAR) for any legal proceedings related to this Agreement.

(e) The parties agree that the controlling language of this Agreement shall be English. Each party fully understands this Agreement as written in the controlling language of English. If required by the courts of Macau (SAR), the parties agree that the Company may at its option obtain either a Portuguese or Chinese translation of this Agreement.

(f) Each party warrants that it has full power and authority to execute and deliver this Agreement.

(g) No modification of or addition or amendment to this Agreement shall be binding unless agreed to in writing and signed by both the parties.

(h) The Consultant agrees to comply with all laws of Macau.

IN WITNESS WHEREOF, the Company and the Consultant have caused this Agreement to be executed and delivered as of the date and year first above written.

VENETIAN MACAU LIMITED

DATED: _____, 2009 **By:** _____

CONSULTANT

DATED: _____, 2009 **By:** _____

EXHIBIT C

THE VENETIAN
Macau Limited
威尼斯人澳門股份有限公司

June 16, 2009

PRIVATE & CONFIDENTIAL

Mr. Jacobs, Steve
979 Crest Valley Dr.
Atlanta GA,
30027
USA

Dear Mr. Jacobs,

LETTER OF APPOINTMENT FOR EXECUTIVE

On behalf of Venetian Macau Limited ("the Company"), I am pleased to offer you the following position based upon the terms and conditions outlined in this letter and referenced employment materials.

1.	Job Title:	President – Macau
2.	Department:	Executive Office
3.	Job Grade:	A
4.	Reports to:	President and Chief Operating Officer, subject to change at the Company's discretion.
5.	Effective Date:	Upon issuance of Macau Work Permit
6.	Original Date of Hire:	Upon issuance of Macau Work Permit
7.	Point of Hire:	USA
8.	Working Location:	Macau SAR (in any of the properties owned by the company or any of its affiliates)
9.	Employee's Marital Status:	Married with one dependent
10.	Major Compensation Elements:	
	(a) Base Salary:	You will be paid a salary of Eight hundred Seventy thousand Three hundred and Fifty Patacas (MOP870,350.00), PER MONTH (the equivalent to one million three hundred

Employee's signature: _____

Venetian Macau Limited
威尼斯人澳門股份有限公司
Estrada da Baía de Nossa Senhora da Esperança, the Venetian Macao Resort Hotel, Executive Office – L2, Taipa, Macau
澳門氹仔望德聖母灣大馬路威尼斯人度假村酒店行政辦公室二樓 Tel: +853 2882 8868 Fax: +853 2882 8889 website: www.venetianmacau.com

THE VENETIAN
Macau Limited
威尼斯人澳門股份有限公司

thousand USD per annum). Salary will be reviewed annually in accordance with the Company's compensation policies. The Company shall reimburse you of all out of pocket expenses incurred by you and approved by the President and Chief Operating Officer.

11. Work Schedule Exemption: You are not subject to work scheduling.

12. Employment Location: Macau SAR, subject to change at the Company's discretion.

13. Gross Salary: Salary tax, as assessed by the government of Macau SAR as well as any other tax liabilities as assessed by any government will be your own responsibility.

14. Governing Law: You acknowledge that this agreement is governed by and interpreted in accordance with Macau SAR law, and the courts of Macau SAR shall have exclusive jurisdiction over any legal proceedings related to this agreement.

15. Policies and Procedures: You agree to comply with all the Company's Policies and Procedures, which may be changed from time to time at the discretion of the Company.

16. Benefits Program: You will be eligible to participate in the benefit programs of the Company on the terms and conditions as offered to your grade level. Details of the benefit programs are described in the Team Member Handbook and similar materials which will be provided to you. You agree that except for those specific benefits that are required under Macau SAR law, all other benefit programs may be changed or cancelled from time to time at the discretion of the Company.

17. Term: This agreement shall remain valid for a period of two year provided however, that both parties may terminate this Agreement at any time, without cause, upon the giving not less than three (3) days advance notice to the other party.

Note:

(a) As a condition of employment, you must obtain a satisfactory security clearance, criminal record, by the relevant authorities.
(b) Background checks will be conducted on all team members. The employment shall be subject to successful completion of such background checks.
(c) If you do not hold a Macau Resident Card, this appointment is subject to your obtaining a valid work permit to work in Macau SAR. The Company will assist you in this process by providing you information and guidance; however, it is your responsibility to complete all requested

Employee's signature:

Venetian Macau Limited
威尼斯人澳門股份有限公司
Estrada da Baía de Nossa Senhora da Esperança, the Venetian Macao Resort Hotel, Executive Office – L2, Taipa, Macau
澳門路氹金光大道路澳門威尼斯人度假村酒店行政辦公室二樓 Tel: +853 2882 8888 Fax: +853 2882 8889 website: www.venetianmacao.com

PA22

THE VENETIAN®
Macau Limited
威尼斯人澳門股份有限公司

paperwork as required by the authorities.

The Company looks forward to your acceptance of this offer and the contribution which you can make toward establishing a winning team.

Please indicate your acceptance of these employment terms and conditions by signing below and return the signed copies to Human Resources Department to the attention of Antonio Ramirez no later than July 15, 2009.

Yours Sincerely,
For and on behalf of
Venetian Macau Limited

Venetian Macau Limited

Date: _____

Accepted by:

Jacobs, Steve

Date: _____

«Signatory_Initials»/dk

PA23

EXHIBIT D

205 500 5050 5050A 31020 31/07/2009

STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

205 500 5050 5050A

STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

Department 部門	Employee # 員工編號	Period Ending 結算日	Voucher No. 支票編號
205 500 5050 5050A	31020	31/07/2009	408069

Employee Name 員工姓名	Employee Position Title 員工職位
STEVEN CRAIG JACOBS	

Earnings	Hours	Current	Year-To-Date	Deductions	Current	Year-To-Date
REGULAR PAY		870,350.01	870,350.01	PROFESSIONAL TAX	58,427.00	174,984.00
PAYROLL ADJUST		4,770.00-	4,770.00-			
Gross Wages		865,580.01	865,580.01			
Gross Pay		865,580.01	865,580.01	Total Deductions	58,427.00	174,984.00
Net Pay		807,153.01	807,153.01			

PTO Taken .00 hrs.. Overtime Pay 超時支付 Salary 薪金

SALARY PAY FOR THE PERIOD 01-JUL-2009 THROUGH 31-JUL-2009
OT PAY FOR THE PERIOD 15-JUN-2009 THROUGH 19-JUL-2009;PTO CUT-OFF AS AT 19-JUL

205 500 5050 5050A 31020 31/08/2009

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

205 500 5050 5050A

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

Department# 部門編號	Employee # 職員編號	Period Ending 結束日期	Voucher No 收據編號
205 500 5050 5050A	31020	31/08/2009	413781

Employee Name 職員姓名	Employee Position Title 職員職位
STEVEN CRAIG JACOBS	PRESIDENT - MACAU

Earnings 收入	Hours 時數	Current 現時	Year-To-Date 累積結算	Deductions 扣除	Current 現時	Year-To-Date 累積結算
REGULAR PAY		870,350.01	1,740,700.02	PROFESSIONAL TAX	57,487.00	232,471.00
PAYROLL ADJUST			4,770.00-			
Gross Wages 總工資		870,350.01	1,735,930.02			
Gross Pay 總支付		870,350.01	1,735,930.02	合計扣除 Total Deductions	57,487.00	232,471.00
Net Pay 淨支付		812,863.01	1,620,016.02			

PTO Balance 45.01 hrs. PTO Taken .00 hrs. Overtime Pay 超時支付 Salary 薪金
One period behind.

SALARY PAY FOR THE PERIOD 01-AUG-2009 THROUGH 31-AUG-2009
OT PAY FOR THE PERIOD 20-JUL-2009 THROUGH 16-AUG-2009;PTO CUT-OFF AS AT 16-AUG

205 500 5050 5050A 31020 30/09/2009

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

205 500 5050 5050A

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

Department # 部門編號	Employee # 僱員編號	Period Ending 結算日	Voucher No. 收據編號
205 500 5050 5050A	31020	30/09/2009	419574

Employee Name 僱員姓名	Employee Position/Title 僱員職位
STEVEN CRAIG JACOBS	PRESIDENT - MACAU

Earnings 收入	Hours 時數	Current 結餘	Year To Date 累積結餘	Deductions 扣除	Current 結餘	Year To Date 累積結餘
REGULAR PAY		870,350.01	2,611,050.03	PROFESSIONAL TAX	57,407.00	289,958.00
PAYROLL ADJUST			4,770.00-			
Gross Wages 總工資		870,350.01	2,606,280.03			
Gross Pay 總支付		870,350.01	2,606,280.03	Total Deductions 扣除總額	57,407.00	289,958.00
Net Pay 淨支付		812,863.01	2,432,879.03			

PTO Balance 60.01 hrs. PTO Taken .00 hrs. Overtime Pay 超時支付 Salary 薪金
One period behind.

SALARY PAY FOR THE PERIOD 01-SEP-2009 THROUGH 30-SEP-2009
OT PAY FOR THE PERIOD 17-AUG-2009 THROUGH 13-SEP-2009;PTO CUT-OFF AS AT 13-SEP

205 500 5050 5050A 31020 31/10/2009

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

205 500 5050 5050A

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

Department 部門編號	Employee 僱員編號	Period Ending 結束期	Voucher No 收據編號
205 500 5050 5050A	31020	31/10/2009	425169

Employee Name 僱員姓名	Employee Position Title 僱員職位
STEVEN CRAIG JACOBS	PRESIDENT - MACAU

Earnings 收入	Hours 小時	Current 結餘	Year-To-Date 累積結餘	Deductions 扣減	Current 結餘	Year-To-Date 累積結餘
REGULAR PAY		870,350.01	3,481,400.04	PROFESSIONAL TAX	57,487.00	347,445.00
PAYROLL ADJUST			4,770.00-			
Gross Wages 總工資		870,350.01	3,476,630.04			
Gross Pay 總收入		870,350.01	3,476,630.04	Total Deductions 扣減總額	57,487.00	347,445.00
Net Pay 淨收入		812,863.01	3,245,742.04			

PTO Balance 75.01 hrs. PTO Taken .00 hrs. Overtime Pay 超時支付 Salary 薪金
One period behind.

SALARY PAY FOR THE PERIOD 01-OCT-2009 THROUGH 31-OCT-2009
OT PAY FOR THE PERIOD 14-SEP-2009 THROUGH 18-OCT-2009;PTO CUT-OFF AS AT 18-OCT

205 500 5050 5050A 31020 30/11/2009

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

205 500 5050 5050A

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

Department 部門編號	Employee # 僱員編號	Period Ending 期末日期	Voucher No. 憑單編號
205 500 5050 5050A	31020	30/11/2009	14357

Employee Name 僱員姓名	Employee Position Title 職位
STEVEN CRAIG JACOBS	PRESIDENT - MACAU

Earnings 收入	Hours 小時	Current 現時	Year To Date 本財政年度	Deductions 扣除	Current 現時	Year To Date 本財政年度
REGULAR PAY		870,350.01	4,351,750.05	PROFESSIONAL TAX	83,300.00	430,745.00
PAYROLL ADJUST			4,770.00-			
HOUSING		382,418.40	382,418.40			
OVERPAY-SETTLEMT		382,418.40-	382,418.40-			
總工資 Gross Wages		870,350.01	4,346,980.05			
收入 Gross Pay		870,350.01	4,346,980.05	扣除總額 Total Deductions	83,300.00	430,745.00
淨收入 Net Pay		787,050.01	4,032,792.05			

PTO Balance 90.01 hrs. PTO Taken .00 hrs. Overtime Pay 超時支付 Salary 薪金
One period behind.

SALARY PAY FOR THE PERIOD 01-NOV-2009 THROUGH 30-NOV-2009
OT PAY FOR THE PERIOD 19-OCT-2009 THROUGH 15-NOV-2009;PTO CUT-OFF AS AT 15-NOV

205 500 5050 5050A 31020 31/12/2009

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

205 500 5050 5050A

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

Department 部門編號	Employee # 雇員編號	Period Ending 結束日期	Voucher No. 憑單編號
205 500 5050 5050A	31020	31/12/2009	14557

Employee Name 雇員姓名	Employee Position Title 雇員職位
STEVEN CRAIG JACOBS	PRESIDENT - MACAU

Earnings 收入	Hours 小時	Current 目前	Year-To-Date 年度至今	Deductions 扣除	Current 目前	Year-To-Date 年度至今
REGULAR PAY		870,350.00	5,222,100.05	PROFESSIONAL TAX	56,415.00	487,160.00
PAYROLL ADJUST			4,770.00-			
HOUSING		96,408.00	478,826.40			
OVERPAY-SETTLEMT		96,408.00-	478,826.40-			
總工資 Gross Wages		870,350.00	5,217,330.05			
總支付 Total Gross Pay		870,350.00	5,217,330.05	合計扣款 Total Deductions	56,415.00	487,160.00
淨支付 Net Pay		813,935.00	4,846,727.05			

PTO Balance 105.01 hrs. PTO Taken .00 hrs. Overtime Pay 超時支付 Salary 薪金
One period behind.

SALARY PAY FOR THE PERIOD 01-DEC-2009 THROUGH 31-DEC-2009
OT PAY FOR THE PERIOD 16-NOV-2009 THROUGH 13-DEC-2009;PTO CUT-OFF AS AT 13-DEC

205 500 5050 5050A 31020 31/01/2010

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

205 500 5050 5050A

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

Department # 部門編號	Employee # 僱員編號	Period Ending 結算期日	Voucher No. 收據編號
205 500 5050 5050A	31020	31/01/2010	14826

Employee Name 僱員姓名	Employee Position Title 僱員職位
STEVEN CRAIG JACOBS	PRESIDENT - MACAU

Earnings 收入	Hours 小時	Current 結餘	Year To Date 累積結餘	Deductions 扣除	Current 結餘	Year To Date 累積結餘
REGULAR PAY		870,350.01	870,350.01	PROFESSIONAL TAX	78,732.00	78,732.00
TRAVEL		218,336.90	218,336.90			
HOUSING		96,408.00	96,408.00			
OVERPAY-SETTLEMT		96,408.00-	96,408.00-			
總收入 Gross Wages		1,088,686.91	1,088,686.91			
總支付 Gross Pay		1,088,686.91	1,088,686.91	扣除總額 Total Deductions	78,732.00	78,732.00
淨支付 Net Pay		1,009,954.91	1,009,954.91			

PTO Balance 120.01 hrs. PTO Taken .00 hrs. Overtime Pay 超時支付 Salary 薪金
One period behind.

SALARY PAY FOR THE PERIOD 01-JAN-2010 THROUGH 31-JAN-2010
OT PAY FOR THE PERIOD 14-DEC-2009 THROUGH 17-JAN-2010;PTO CUT-OFF AS AT 17-JAN

205 500 5050 5050A 31020 26/02/2010

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

205 500 5050 5050A

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

Department # 部門編號	Employee # 員工編號	Pay Ending 結束日期	Voucher No. 支票編號
205 500 5050 5050A	31020	26/02/2010	14976

Employee Name 員工名字	Employee Position Title 員工職位
STEVEN CRAIG JACOBS	PRESIDENT - MACAU

收入 Earnings	小時 Hours	結餘 Current	累積結餘 Year To Date	扣款 Deductions	結餘 Current	累積結餘 Year To Date
REGULAR PAY		870,350.00	1,740,700.01	PROFESSIONAL TAX	65,873.00	144,605.00
TRAVEL		27,836.30	246,173.20			
HOUSING		96,400.00	192,816.00			
OVERPAY-SETTLEMT		96,400.00-	192,816.00-			
總工資 Gross Wages		898,186.30	1,986,873.21			
總支付 Gross Pay		898,186.30	1,986,873.21	總扣款 Total Deductions	65,873.00	144,605.00
淨額支付 Net Pay		832,313.30	1,842,268.21			

PTO Balance 123.01 hrs. PTO Taken 12.00 hrs. Overtime Pay 超時支付 Salary 薪金
One period behind.

SALARY PAY FOR THE PERIOD 01-FEB-2010 THROUGH 28-FEB-2010
OT PAY FOR THE PERIOD 18-JAN-2010 THROUGH 14-FEB-2010; PTO CUT-OFF AS AT 14-FEB

205 500 5050 5050A 31020 31/03/2010

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

205 500 5050 5050A

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

Department # 部門編號	Employee # 僱員編號	Period Ending 結算日期	Voucher No 支票編號
205 500 5050 5050A	31020	31/03/2010	15248

Employee Name 僱員姓名	Employee Position Title 僱員職位
STEVEN CRAIG JACOBS	PRESIDENT - MACAU

Earnings 薪俸	Hours 小時	Current 結餘	Year To Date 累積結餘	Deductions 減免	Current 結餘	Year To Date 累積結餘
REGULAR PAY		870,150.01	2,611,050.02	PROFESSIONAL TAX	65,873.00	210,478.00
PAYROLL ADJUST		.01-	.01-			
TRAVEL		27,036.30	274,009.50			
HOUSING		96,408.00	289,224.00			
OVERPAY-SETTLEMT		96,408.00-	289,224.00-			
總收入 Gross Wages		898,186.30	2,885,059.51			
總支付 Gross Pay		898,186.30	2,885,059.51	扣減總額 Total Deductions	65,873.00	210,478.00
淨額支付 Net Pay		832,313.30	2,674,581.51			

PTO Balance 138.01 hrs. PTO Taken .00 hrs. Overtime Pay 超時支付 Salary 薪金
One period behind.

SALARY PAY FOR THE PERIOD 01-MAR-2010 THROUGH 31-MAR-2010
OT PAY FOR THE PERIOD 15-FEB-2010 THROUGH 14-MAR-2010; PTO CUT OFF AS AT 14-MAR

205 500 5050 5050A 31020 30/04/2010

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

205 500 5050 5050A

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

Department # 部門編號	Employee # 員工編號	Period Ending 期末日	Voucher No 支票編號
205 500 5050 5050A	31020	30/04/2010	15511

Employee Name 員工姓名	Employee Position Title 員工職位
STEVEN CRAIG JACOBS	PRESIDENT - MACAU

Earnings 薪金	Hours 小時	Current 結餘	Year To Date 本年累積	Deductions 扣款	Current 結餘	Year To Date 本年累積
REGULAR PAY			2,611,050.02	PROFESSIONAL TAX	233,733.00	444,211.00
PAYROLL ADJUST			.01-			
BONUS		3,481,401.00	3,481,401.00			
TRAVEL			274,009.50			
HOUSING			289,224.00			
OVERPAY-SETTLEMT			289,224.00-			
總工資 Gross Wages		3,481,401.00	6,366,460.51			
總支付 Gross Pay		3,481,401.00	6,366,460.51	合計減免 Total Deductions	233,733.00	444,211.00
淨支付 Net Pay		3,247,668.00	5,922,249.51			

PTO Balance 153.01 hrs. PTO Taken .00 hrs. Overtime Pay 超時支付 Salary 薪金
One period behind.

205 500 5050 5050A 31020 30/04/2010

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

205 500 5050 5050A

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

Department 部門編號	Employee # 僱員編號	Period Ending 結算日期	Voucher No 收據編號
205 500 5050 5050A	31020	30/04/2010	15664

Employee Name 僱員姓名	Employee Position Title 僱員職位
STEVEN CRAIG JACOBS	PRESIDENT - MACAU

Earnings 收入	Hours 小時	Current 本期	Year To Date 本年累計	Deductions 扣除	Current 本期	Year To Date 本年累計
REGULAR PAY		870,350.01	3,481,400.03	PROFESSIONAL TAX	67,135.00	511,346.00
PAYROLL ADJUST		.01-	.02-			
BONUS			3,481,401.00			
TRAVEL		27,836.30	301,845.80			
HOUSING		96,408.00	385,632.00			
OVERPAY-SETTLEMT		96,408.00-	385,632.00-			
總工資 Gross Wages		898,186.30	7,264,646.81			
總支付 Gross Pay		898,186.30	7,264,646.81	合計扣除 Total Deductions	67,135.00	511,346.00
淨收付 Net Pay		831,051.30	6,753,300.81			

PTO Balance 109.01 hrs. PTO Taken 44.00 hrs. Overtime Pay 超時支付 Salary 薪金
One period behind.

SALARY PAY FOR THE PERIOD 01-APR-2010 THROUGH 30-APR-2010
OT PAY FOR THE PERIOD 15-MAR-2010 THROUGH 18-APR-2010; PTO CUT-OFF AS AT 18-APR

205 500 5050 5050A 31020 31/05/2010

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

205 500 5050 5050A

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

Department # 部門編號	Employee # 僱員編號	Period Ending 結算日期	Voucher No 收據編號
205 500 5050 5050A	31020	31/05/2010	15859

Employee Name 僱員姓名	Employee Position Title 僱員職位
STEVEN CRAIG JACOBS	PRESIDENT - MACAU

Earnings	Hours	Current	Year To Date	Deductions	Current	Year To Date
REGULAR PAY		870,350.01	4,351,750.04	PROFESSIONAL TAX	65,873.00	577,219.00
PAYROLL ADJUST		.01-	.03-			
BONUS			3,481,401.00			
TRAVEL		27,836.30	329,682.10			
HOUSING		96,408.00	482,040.00			
OVERPAY-SETTLEMT		96,408.00-	482,040.00-			
總工資 Gross Wages		898,186.30	8,162,833.11			
總收付 Gross Pay		898,186.30	8,162,833.11	總扣除額 Total Deductions	65,873.00	577,219.00
淨支付 Net Pay		832,313.30	7,585,614.11			

PTO Balance 124.01 hrs. PTO Taken .00 hrs. Overtime Pay 超時支付 Salary 薪金
One period behind.

SALARY PAY FOR THE PERIOD 01-MAY-2010 THROUGH 31-MAY-2010
OT PAY FOR THE PERIOD 19-APR-2010 THROUGH 16-MAY-2010;PTO CUT-OFF AS AT 16-MAY

205 500 5050 5050A 31020 30/06/2010

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

205 500 5050 5050A

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

Department 部門編號	Employee # 僱員編號	Period Ending 結算日期	Voucher No 收據編號
205 500 5050 5050A	31020	30/06/2010	16083

Employee Name 僱員姓名	Employee Position Title 僱員職位
STEVEN CRAIG JACOBS	PRESIDENT - MACAU

Earnings 收入	Hours 小時	Current 結餘	Year-To-Date 年度結餘	Deductions 扣除	Current 結餘	Year-To-Date 年度結餘
REGULAR PAY		870,350.01	5,222,100.05	PROFESSIONAL TAX	65,873.00	643,092.00
PAYROLL ADJUST		.01-	.04-			
BONUS			3,481,401.00			
TRAVEL		27,836.30	357,518.40			
HOUSING		96,408.00	578,448.00			
OVERPAY-SETTLEMT		96,408.00-	578,448.00-			
總計薪資 Gross Wages		898,186.30	9,061,019.41			
總收入 Gross Pay		898,186.30	9,061,019.41	合計減免 Total Deductions	65,873.00	643,092.00
淨支付 Net Pay		832,313.30	8,417,927.41			

PTO Balance 139.01 hrs. PTO Taken .00 hrs. Overtime Pay 超時支付 Salary 薪金
One period behind.

SALARY PAY FOR THE PERIOD 01-JUN-2010 THROUGH 30-JUN-2010
OT PAY FOR THE PERIOD 17-MAY-2010 THROUGH 13-JUN-2010; PTO CUT-OFF AS AT 13-JUN

205 500 5050 5050A 31020 31/08/2010

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

205 500 5050 5050A

PRESIDENT - MACAU
STEVEN CRAIG JACOBS
979 CREST VALLEY DR ATLANTA
GA 30027
USA,

Department # 部門編號	Employee # 僱員編號	Period Ending 結束期間	Voucher No. 收據編號
205 500 5050 5050A	31020	31/08/2010	16470

Employee Name 僱員姓名	Employee Position Title 僱員職位
STEVEN CRAIG JACOBS	PRESIDENT - MACAU

Earnings 薪酬	Hours 小時	Current 結餘	Year To Date 累積結餘	Deductions 扣除	Current 結餘	Year To Date 累積結餘
REGULAR PAY		680,139.26	5,902,239.31	PROFESSIONAL TAX	68,712.00	711,804.00
PTO BALANCE	77.73	354,813.59	354,813.59			
PAYROLL ADJUST		.03	.01-			
BONUS			3,481,401.00			
TRAVEL		21,341.16	378,859.56			
HOUSING		73,912.80	652,360.80			
OVERPAY-SETTLEMT		599,099.34-	1,177,547.34-			
總工資 Gross Wages		531,107.50	9,592,126.91			
總支付 Gross Pay		531,107.50	9,592,126.91	總扣除 Total Deductions	68,712.00	711,804.00
淨支付 Net Pay		462,395.50	8,880,322.91			

PTO Balance -11.72 hrs. PTO Taken 88.00 hrs. Overtime Pay 超時支付 Salary 薪金
One period behind.

EXHIBIT E

Steve Jacobs
Offer Terms and Conditions

1. Position: President and CEO Macau, listed company (ListCo)
   a. Reporting into President and COO LVS or CEO/Chairman LVS
   b. All staff to be direct reports, including EVP/President, Asia Development
2. Term: 3 years
3. Base Salary and Annual Bonus
   a. 1.3 M base (USD)
   b. 50% bonus
      i. 25% Achieving annual EBITDAR Performance as submitted and approved by the BOD for Macau
      ii. 25% Individual Objectives to be mutually agreed on an annual basis
4. Equity
   a. 500,000 options in LVS to be granted date of hire at FMV. Should there be an IPO of Macau, LVS options to be converted at IPO into sufficient numbers of ListCo options such that the aggregate FMV of ListCo at the IPO list price is equal to the aggregate FMV of the LVS stock being converted. Conversion to be tax free.
   b. Vesting
      i. 250,000 shares vest Jan 1, 2010
      ii. 125,000 shares vest Jan 1, 2011
      iii. 125,000 shares vest Jan 1, 2012
5. Expat package
   a. 10,000 one time fee to cover moving expense from Atlanta to HK
   b. Housing Allowance: 12,000 per month, company pays deposits (if required)
   c. Repatriation: Business airfare for employee and dependants, one 20 foot container, company to pay termination fees (if any)
   d. Employee agrees to apply for Full Time Resident Status.
6. Expense reimbursement/ Business Travel
   a. Full reimbursement of expenses necessary to conduct business and in keeping with company and IRS policy
   b. Business travel: Business class or above subject to prevailing company policy
7. Employee Benefit Plan: Participation in any established plan(s) for senior executives
8. Vacation and Holidays: 4 weeks per annum, with right to carry over should business demands prevent use
9. Change of Control: Provision to accelerate vest and terminate not for cause should Sheldon or Miri not be in control of company
10. Termination:
    a. For Cause – Standard Language
    b. Not For Cause – 1 Year severance, accelerated vest. Right to exercise for 1 year post termination.

8/3/09

EXHIBIT F

AFFIDAVIT OF DARLENE DUSHAN

STATE OF NEVADA)
)ss:
COUNTY OF CLARK)

I, Darlene Dushan, having been duly sworn, deposes and states as follows:

1. I am over the age of eighteen and competent to testify as to the facts set forth herein if called to testify under oath.

2. I am the Director of Payroll for Las Vegas Sands Corp.

3. At no time was Steven C. Jacobs paid a salary by Las Vegas Sands Corp.

4. At no time did Las Vegas Sands Corp. provide company health, retirement, or other benefits to Steven C. Jacobs.

DATED this 21st of December, 2010.

Darlene Dushan
DARLENE DUSHAN

Subscribed and Sworn to me this
21st day of December, 2010.

Gail Petronzio
NOTARY PUBLIC

GAIL PETRONZIO
Notary Public State of Nevada
No. 10-2615-1
My appt. exp. July 9, 2014

Holland & Hart LLP
3800 Howard Hughes Parkway, Tenth Floor
Las Vegas, Nevada 89169
Phone: (702) 669-4600 ♦ Fax: (702) 669-4650

EXHIBIT G

THE VENETIAN
Macau Limited
威尼斯人澳門股份有限公司

August 5, 2010

Steven Craig Jacobs

979 Crest Valley Dr.

Atlanta GA

30027

USA

Re: Notification of termination with cause of the employment contract

Dear Mr. Jacobs,

VENETIAN MACAU LIMITED, in the capacity of employer, with registered address in Macau, at Estrada da Baia de Nossa Senhora da Esperança, The Venetian Macao Resort Hotel, Executive Offices – L2, Taipa, (hereinafter "VML") does hereby **terminate with cause**, pursuant article 69th of Law nr. 7/2008 (Law of the Employment Relationships), the employment contract dated June 16, 2009 between Venetian Macau Limited and you.

The facts supporting the termination with cause, which resulted in the impossibility to continue the labor relationship, are that you repeatedly acted in a manner which exceeded your authority and failed to keep the Board of VML or of Sands China Ltd. ("SCL" or the "Company") informed on important business decisions and other actions that you took on behalf of the Company and its subsidiaries, including those which exceeded your authority. Examples are:

1) Negotiating arrangements for Sites 5 & 6 without prior approval.

2) Failing to obtain proper authorisation prior to signing the Playboy agreement.

3) Finalizing Four Seasons contracts with Jack Lam without obtaining prior approval.

[redacted]

THE VENETIAN
Macau Limited
威尼斯人澳門股份有限公司

4) Travelling to Toronto on three occasions to meet with Four Seasons without first obtaining *prior authorization to negotiate a deal.*

5) Negotiating a transaction with Harrah's for Sites 3 and/or Sites 7 & 8 without obtaining prior approval.

6) Entering into negotiations with Cirque du Soleil without obtaining prior approval and not advising the board of SCL and/or VML, until midway through the negotiations.

7) Commissioning a brand study for Sites 5 & 6 to change the names of the properties without informing the Board of SCL and/or VML.

8) Hiring Ogilvy without approval from the Board of SCL and/or VML.

9) Preparing to make an offer to a potential chief operating officer of SCL without first obtaining the approval of the Board of SCL.

10) Failing to discuss and agree the SCL Board meeting agendas with the Chairman of SCL despite being required to do so by the SCL Corporate Governance Guidelines.

11) Disagreeing in public with the Chairman's position on the growth prospects for Sands China.

12) Exercising LVSC options and selling LVSC stock without first informing the Chairman and/or the Board of SCL.

Sincerely,

On behalf of Venetian Macau Limited,

Antonio Ferreira

Managing Director

Venetian Macau Limited
威尼斯人澳門股份有限公司
Estrada da Baía de N. Senhora da Esperança, s/n, The Venetian Macao Resort Hotel, Executive Office – L2, Taipa, Macao SAR, P.R. China
澳門路氹城區路氹城區澳門威尼斯人度假村酒店行政辦公室二樓 Tel: +853 2882 8888 Fax: +853 2882 8869 website: www.venetianmacao.com

Electronically Filed
12/22/2010 04:53:16 PM

CLERK OF THE COURT

MDSM
Mark G. Krum, State Bar No. 10913
Andrew D. Sedlock, State Bar No. 9183
GLASER, WEIL, FINK, JACOBS,
HOWARD & SHAPIRO, LLP
3763 Howard Hughes Parkway, Suite 300
Las Vegas, Nevada 89169
Telephone: (702) 650-7900
Facsimile: (702) 650-7950
email: mkrum@glaserweil.com
asedlock@glaserweil.com

Attorneys for Defendant
Sands China Ltd.

LAW OFFICES
GLASER, WEIL, FINK, JACOBS, HOWARD & SHAPIRO, LLP
3763 HOWARD HUGHES PARKWAY, SUITE 300
LAS VEGAS, NEVADA 89169
(702) 650-7900
FAX (702) 650-7950

DISTRICT COURT

CLARK COUNTY, NEVADA

STEVEN C. JACOBS, Plaintiff, v. LAS VEGAS SANDS CORP., a Nevada corporation; SANDS CHINA LTD., a Cayman Island corporation; DOES I through X; and ROE CORPORATIONS I through X, Defendants.	Case No.: A-10-627691-C Dept. No.: XXV **DEFENDANT SANDS CHINA LTD.'S MOTION TO DISMISS FOR LACK OF PERSONAL JURISDICTION, OR IN THE ALTERNATIVE, PLAINTIFF'S FAILURE TO JOIN AN INDISPENSABLE PARTY** DATE OF HEARING: TIME OF HEARING:

Defendant Sands China Ltd., ("SCL"), by and through its undersigned counsel of record, the law firm of GLASER, WEIL, FINK, JACOBS, HOWARD & SHAPIRO, hereby brings this Motion to Dismiss for Lack of Personal Jurisdiction, or in the Alternative, Plaintiff's Failure to Join an Indispensable Party (the "Motion").

///

///

///

///

This Motion is made pursuant to Nevada Rules of Civil Procedure 12(b)(5)-(6) and 19(b), and is based on the papers and pleadings on file with this Court, the Memorandum of Points and Authorities attached hereto, the Affidavit of Anne Salt, and any and all oral arguments this Court may entertain on the matter.

DATED this 22 day of December, 2010.

GLASER, WEIL, FINK, JACOBS & SHAPIRO, LLP

By: _____
Mark G. Krum, ESQ.
Nevada Bar No. 10913
Andrew D. Sedlock, ESQ.
Nevada Bar No. 9183
3763 Howard Hughes Parkway, Suite 300
Las Vegas, Nevada 89169

Attorneys for Defendant Sands China Ltd.

NOTICE OF MOTION

TO: ALL INTERESTED PARTIES AND THEIR COUNSEL OF RECORD

YOU, and each of you, will please take notice that the undersigned will bring the above and foregoing **MOTION TO DISMISS FOR LACK OF PERSONAL JURISDICTION, OR IN THE ALTERNATIVE, PLAINTIFF'S FAILURE TO JOIN AN INDISPENSABLE PARTY** on for hearing before the above-entitled Court on the 1 day of Feb., 2011, at 9:00 a.m. of said day in Department ~~XX~~ XI of said Court.

DATED this 22 day of December, 2010.

GLASER, WEIL, FINK, JACOBS
HOWARD & SHAPIRO, LLP

By: _____
Mark G. Krum, ESQ.
Nevada Bar No. 10913
Andrew D. Sedlock, ESQ.
Nevada Bar No. 9183
3763 Howard Hughes Parkway, Suite 300
Las Vegas, Nevada 89169

Attorneys for Defendant Sands China Ltd.

LAW OFFICES
GLASER, WEIL, FINK, JACOBS, HOWARD & SHAPIRO, LLP
3763 HOWARD HUGHES PARKWAY, SUITE 300
LAS VEGAS, NEVADA 89169
(702) 650-7900
FAX (702) 650-7950

MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

According to the complaint filed by plaintiff Steven C. Jacobs ("Jacobs" or "Plaintiff"), this action arises from the termination of his employment as President and Chief Executive Officer of defendant Sands China Ltd. ("SCL"), a Cayman Islands company which has a registered office in Hong Kong, maintains its principal place of business in Macau, China and which is neither registered to conduct nor conducts business in Nevada. As to SCL, Plaintiff claims only that his termination did not affect his alleged rights pursuant to an option to purchase SCL stock, that had not vested at the time of his termination. He makes this claim notwithstanding the fact that the document providing for that stock option expressly states that the unvested portion of the stock option "shall expire on the date of termination" of employment. Also by the terms of that document, any disputes regarding the stock option are to be resolved in accordance with the laws of Hong Kong.

Thus, Plaintiff, who neither is nor was a Nevada resident, seeks to litigate against SCL, a party not subject to jurisdiction in Nevada, alleged rights arising from a document that requires that any such claims be resolved by Hong Kong law.

To properly exercise jurisdiction over SCL, due process considerations based on SCL's contacts (if any) with Nevada must be satisfied. SCL's contacts must be systematic and continuous, or directly related to Plaintiff's claims and damages. In this case, Plaintiff cannot establish personal jurisdiction over SCL with either test. Plaintiff may attempt to imply jurisdiction based on the status of defendant Las Vegas Sands Corp. ("LVS"), a Nevada corporation which is SCL's majority shareholder. Such an argument would be unavailing. This Court has recognized that a parent company's domicile does not, without a showing of a "unity of interest," confer jurisdiction on its foreign subsidiaries. SCL is an independent public company, the stock of which is traded on the Stock Exchange of Hong Kong Limited (" HKEx"), and Jacobs cannot make any plausible arguments to the contrary. Simply put, SCL is not subject to this Court's personal jurisdiction, and this action as against SCL therefore should be dismissed.

LAW OFFICES
GLASER, WEIL, FINK, JACOBS, HOWARD & SHAPIRO, LLP
3763 HOWARD HUGHES PARKWAY, SUITE 300
LAS VEGAS, NEVADA 89169
(702) 650-7900
FAX (702) 650-7950

In the alternative, Plaintiff's Complaint must be dismissed in its entirety because he has failed to join an indispensable party to this action, Venetian Macau Limited ("VML"). Plaintiff is suing primarily based on an allegation that he was improperly terminated. VML employed Plaintiff pursuant to an employment contract, and therefore is a necessary party. Given the nature of Plaintiff's claims, this case cannot properly proceed without VML, and VML would be prejudiced if this case were allowed to proceed in VML's absence. Because VML is a Macau entity with no ties to Nevada, it is outside the reach of this Court's jurisdiction and therefore an indispensable party. Equity requires that this case be dismissed and pursued, if at all, in a forum that properly can exercise personal jurisdiction over VML.

II. FACTUAL AND PROCEDURAL SUMMARY

A. SCL Corporate History and Structure

SCL was incorporated in the Cayman Islands on July 15, 2009, at which time it was an indirect wholly owned subsidiary of LVS. *See* Affidavit of Anne Salt (the "Salt Aff'd") at ¶ 3. Today, SCL is a publically traded company, the stock of which is listed on the HKEx, (HKEx Stock Code # 1928). *Id.* at ¶ 4.

The initial public offering of SCL stock (the "Global Offering") was completed in November 2009, at which time SCL became a publicly traded company. *See* a true and accurate copy of the Global Offering Document, attached to the Salt Aff'd as **Exhibit A**. Immediately following the Global Offering, LVS indirectly owned approximately seventy percent (70%) of SCL's outstanding shares. *Id.*, *see also* Ex. A at pp.48, 211.

SCL is party to a reciprocal Non-Competition Deed (the "Deed") with LVS. *Id.* at pp. 213-216; *see also*, a true and correct copy of the Deed, attached to the Salt Aff'd as **Exhibit B.** Among other things, the Deed effectively limits SCL's business activities to specific territories and prohibits SCL from conducting business or directing its efforts to Nevada. *Id.* Consistent with the Deed, SCL has not registered to do business in Nevada and has not attempted to do business or direct any business activities towards Nevada or its residents. *See* Salt Aff'd at ¶ 9.

As a HKEx listed company, SCL's Board of Directors (the "Board") is required to (and does) include three independent non-executive directors. *See* Salt Aff'd at ¶ 5; *see also* Ex. A at p. 212.

LAW OFFICES
GLASER, WEIL, FINK, JACOBS, HOWARD & SHAPIRO, LLP
3763 HOWARD HUGHES PARKWAY, SUITE 300
LAS VEGAS, NEVADA 89169
(702) 650-7900
FAX (702) 650-7950

At the time of the Global Offering, these individuals had no prior relationships with LVS. *Id.* At the time of the Global Offering, the remaining Board positions consisted of two executive directors, who also served as SCL's Chief Executive Officer and its Chief Development Officer, and three non-executive directors. *Id.* Those three non-executive director positions were held by Sheldon Adelson, Jeffrey Schwartz, and Irwin Siegel, each of whom also sit on LVS' board of directors. *Id.* SCL's Board, and its Board committees, conduct separate meetings and keep separate minutes. *Id.* SCL also has its own financial controls, independent bank accounts, tax registration and auditing systems. *Id.*

SCL's three independent non-executive directors have extensive corporate governance and financial experience, which enables them to review and implement measures to manage any conflict of interest between LVS and SCL. *Id.* at 212-213. Additionally, SCL's three independent non-executive directors must approve any Board resolution relating to transactions between LVS and SCL. *Id.*

SCL has full control over its assets to operate its businesses independently of LVS. *Id.* Any transactions with LVS are negotiated at arms' length and governed by agreements entered into in the ordinary course of business. *Id.* These ordinary course transactions have included the reciprocal provision of consulting services in relation to the global procurement of raw materials, furniture, fixtures and operating supplies, reciprocal transportation and related logistics services and administrative services, such as regulatory services. *Id.* Moreover, SCL is entitled to contract with third parties to provide any services it may obtain through or from LVS. *Id.* Lastly, as stated, SCL maintains financial independence from LVS, with an independent financial auditing system, dedicated financial accounting personnel, independent bank accounts and tax registration, and a separate treasury department. *Id.*

VML is a Macau incorporated entity that holds a gaming subconcession for the operation of casino games in Macau[1]. *See* Ex. A at pp. 85-93. VML owns and operates the Sands Macao and

[1] SCL, through a wholly owned intermediary, owns approximately ninety percent (90%) of the issued share capital of VML, and approximately ten percent (10%) is owned by VML's managing director pursuant to Macau law. *See* Exhibit A at p. 79.

LAW OFFICES
GLASER, WEIL, FINK, JACOBS, HOWARD & SHAPIRO, LLP
3763 HOWARD HUGHES PARKWAY, SUITE 300
LAS VEGAS, NEVADA 89169
(702) 650-7900
FAX (702) 650-7950

operates the gaming areas in the Venetian Macao-Resort-Hotel and the Plaza Macao[2]. *Id.* at 75. As a subconcessionaire, VML is subject to numerous requirements imposed by the Macau government. *Id.* at 85-93. Specifically, VML must, among other obligations, ensure the proper management and operation of its casinos, and employ the individuals who oversee those procedures. *Id.* As discussed below, Plaintiff was employed by VML.

B. Plaintiff's Employment History

Jacobs and VML are parties to a June 16, 2009 Letter of Appointment for Executive, which was signed by Jacobs and by VML's Managing Director. *See* true and accurate copy of June 16, 2009 Letter of Appointment, attached to the Salt Aff'd as **Exhibit C**. The Letter of Appointment outlined the terms and conditions of Jacobs' employment. *Id.* The Letter of Appointment states that Jacobs would be performing his employment duties in Macau, and that the agreement itself would be governed by Macau law with exclusive jurisdiction over any disputes residing with the Macau courts. *Id.*

After nearly one year of employment, and approximately six months after SCL's Global Offering, the Remuneration Committee of SCL's Board of Directors determined to grant Jacobs an option to purchase 2.5 million shares of SCL stock (the "Stock Option Grant"). *See* a true and accurate copy of the May 10, 2010 SCL Remuneration Committee Minutes, attached to the Salt Aff'd as **Exhibit E**; *see also* a true and accurate copy of SCL's Equity Award Plan (the "Plan"), attached to the Salt Aff'd as **Exhibit G**. A letter dated July 7, 2010 executed in Macau by SCL's Executive Vice President and Chief Financial Officer sets forth the terms of the Stock Option Grant (the "Stock Option Grant Letter"). *See* a true and accurate copy of the Stock Option Grant Letter, attached to Salt Aff'd as **Exhibit F.** The Stock Option Grant Letter states that fifty percent (50%) of the option would vest on January 1, 2011, with the remaining fifty percent (50%) to vest on January 1, 2012. *Id.*

The Stock Option Grant Letter, as well as the Plan, conditioned Jacobs' ability to exercise the SCL option on his continued employment with SCL or its subsidiaries, and automatically terminated

---

[2] Venetian Cotai Limited ("VCL"), also a Macau entity, owns and operates the hotel portions of the Venetian Macao-Resort-Hotel and the Plaza Macao. *Id.*

LAW OFFICES
GLASER, WEIL, FINK, JACOBS, HOWARD & SHAPIRO, LLP
3763 HOWARD HUGHES PARKWAY, SUITE 300
LAS VEGAS, NEVADA 89169
(702) 650-7900
FAX (702) 650-7950

any such rights if Jacobs' employment was terminated before any portion of the option vested. *See* Exs. F & G; *see also* Salt Aff'd at ¶ 14. Specifically, the Stock Option Grant Letter states that if Jacobs' employment was terminated "for any reason other than on account of [Jacobs'] death or by [SCL] or any subsidiary due to disability or for cause, the unvested portion of the Option shall expire on the date of termination..." *Id.*

Additionally, both the Plan and Stock Option Grant Letter specify that the grant of options would not create a contract of employment, and that the Stock Option Grant Letter otherwise did not grant Jacobs any additional rights to compensation or damages in the event his employment was terminated. *Id.* Lastly, consistent with the fact that the shares in SCL subject to the option were listed on the HKEx, the Stock Option Grant Letter and the Plan each state that each shall be governed and construed in accordance with Hong Kong law. *Id.*

VML terminated Jacobs' employment effective July 23, 2010. *See* Salt Aff'd at ¶15. Jacobs responded by filing the present action, which claims that he was wrongfully terminated and, as to SCL, that he remained entitled to exercise the SCL stock option that had been issued previously (notwithstanding the fact that the Stock Option Grant Letter and the Plan both provide that any right to exercise an unvested option is automatically extinguished if employment is terminated).

III. LEGAL ARGUMENT

A. The Court Lacks Personal Jurisdiction Over SCL and Must Dismiss Jacobs' Suit

1. The Motion to Dismiss Standard

The Court must take a two step approach when analyzing whether SCL, as a foreign defendant, is subject to this Court's personal jurisdiction. *See Trump v. District* Court, 109 Nev. 687, 698 (1993). This Court first must determine whether SCL's actions satisfy the requirements of Nevada's long-arm statute, and next must determine whether SCL's contacts with Nevada are such that the exercise of personal jurisdiction would not offend due process considerations. *Id.* Nevada's long-arm statute, NRS 14.065, states that a Nevada court may exercise jurisdiction over a party to a civil action on any basis that satisfies the due process requirements of the Nevada Constitution or the U.S. Constitution. Satisfaction of the due process requirements associated with personal jurisdiction occurs when the non-resident defendant has "certain minimum contacts with the forum

LAW OFFICES
GLASER, WEIL, FINK, JACOBS, HOWARD & SHAPIRO, LLP
3763 HOWARD HUGHES PARKWAY, SUITE 300
LAS VEGAS, NEVADA 89169
(702) 650-7900
FAX (702) 650-7950

such that the maintenance of the suit does not offend traditional notions of fair play and substantial justice." *See Helicopteros Nacionales de Columbia, S.A. v. Hall*, 466 U.S. 408, 414 (1984). Personal jurisdiction over SCL in this case may be either "general" or "specific," and further must found to be subjectively reasonable. *See Doe v. Unocal Corp.*, 248 F.3d 915, 922 (9th Cir. 2001).

General personal jurisdiction over a foreign defendant occurs where a defendant is held to answer in a forum for causes of action unrelated to the defendant's forum activities, because the defendant's activities in the forum are so substantial and continuous that the defendant may be deemed present in the forum and hence subject to suit. *See Trump*, 109 Nev. at 699. General jurisdiction will only lie where the level of contact between the defendant and the forum state is high. *Id.* at 701 (declining to find general jurisdiction over a defendant who did business with a Nevada resident, but owned no Nevada property, never entered the state, exhibited no persistent course of conduct with Nevada, and derived no revenues from goods or services provided in Nevada); *see also Helicopteros*, 466 U.S. at 416 (no general jurisdiction over foreign corporation even though it sent officers to forum state for negotiation, accepted checks drawn on a local bank, and sent personnel to the forum state to be trained).

Absent general jurisdiction, specific personal jurisdiction over a foreign defendant may be established only where the cause of action arises from the defendant's contacts with Nevada. *Id.* The state may exercise specific personal jurisdiction only where a defendant purposefully avails itself of the privilege of doing business in Nevada or of enjoying the protection of Nevada's laws, and the cause of action arises from that purposeful contact. *Id.*

If a defendant challenges personal jurisdiction, the plaintiff bears the burden to show that the court's exercise of jurisdiction is proper. *See Firouzabadi v. First Judicial Dist. Ct.*, 110 Nev. 1348, 1352 (1994).

Here, Jacobs bears the burden of establishing that this Court has personal jurisdiction over SCL, a Cayman Islands company with a registered office in Hong Kong and its principal place of business in Macau, China. Jacobs' sole allegation in the Complaint against SCL is that it failed to honor his alleged but nonexistent "right" to exercise an unvested option to purchase SCL shares of

LAW OFFICES
GLASER, WEIL, FINK, JACOBS, HOWARD & SHAPIRO, LLP
3763 HOWARD HUGHES PARKWAY, SUITE 300
LAS VEGAS, NEVADA 89169
(702) 650-7900
FAX (702) 650-7950

stock after he was terminated. Jacobs does not identify any other actions by SCL, whether directed at Nevada or otherwise, that comprise the substance of his claims.

As observed above, the Stock Option Grant Letter provides that in the event that a dispute arises over the terms contained therein, it must be resolved in accordance with Hong Kong law.[3] Therefore, Jacobs' sole argument for personal jurisdiction over SCL presumably is that LVS owns 70% of the issued and outstanding stock of SCL. However, as explained below, that theory is legally and factually deficient.

2. Plaintiff Cannot Establish Specific Jurisdiction Over SCL

To determine whether this Court has specific jurisdiction over SCL, it must engage in the following three-part test to determine whether jurisdiction over SCL comports with due process: (1) has SCL done some act to purposefully avail itself of the privilege of conducting activities in Nevada; (2) does the claim arise out of SCL's forum-related activities; and (3) is the exercise of jurisdiction reasonable? *See Haisten v. Grass Valley Medical Reimbursement Fund, Ltd.*, 784 F.2d 1392, 1396 (9th Cir. 1986).

These factors look not to the relationship between LVS and SCL, but rather to the actual actions of SCL and the effect of those actions in Nevada.

Therefore, in this case, Jacobs must demonstrate that SCL's actions alleged in the Complaint were purposefully directed at Nevada, that those actions give rise to his claims and, if both these criteria are met, that the exercise of jurisdiction is reasonable. Jacobs does not satisfy any of these criteria. On the contrary, as to SCL, the only action Jacobs alleges is SCL's alleged refusal to allow him to exercise an option to purchase SCL stock after he was terminated. That one alleged (in)action has nothing to do with Nevada and, to the point, does not satisfy either of the first two of the criteria for the exercise of personal jurisdiction.

Jacobs alleges that the SCL options were issued in May 2010 while he worked in Macau. The Stock Option Grant Letter, which is to be interpreted in accordance with Hong Kong law, was for SCL stock, which is traded exclusively on the HKEx.

---

[3] As also observed above, the Letter of Appointment between Jacobs and VML provides that it is governed by Macau law with exclusive jurisdiction residing in the Macau courts.

LAW OFFICES
GLASER, WEIL, FINK, JACOBS, HOWARD & SHAPIRO, LLP
3763 HOWARD HUGHES PARKWAY, SUITE 300
LAS VEGAS, NEVADA 89169
(702) 650-7900
FAX (702) 650-7950

Finally, Jacobs cannot reasonably allege any facts indicating that SCL's actions had any impact on him personally in Nevada. He does not (and cannot truthfully) allege that he was or is a Nevada resident, much less that he was damaged in any way when domiciled here.

However, even if he were somehow able to present such evidence, the Court must still determine whether exercising jurisdiction over SCL is "reasonable." To determine whether the exercise of personal jurisdiction is "reasonable," the Court must examine seven factors: (1) the extent of SCL's purposeful contacts; (2) the burden on SCL of having to defend an action in Nevada; (3) the extent to which jurisdiction conflicts with SCL's domiciliary country; (4) Nevada's interest in adjudicating the dispute; (5) which forum is the most efficient for resolving the dispute; (6) Jacobs' interest in choosing Nevada as a forum; and (7) the existence of alternative forums to adjudicate Jacobs' claims. *See FDIC v. British-American Ins. Co.*, 828 F.2d 1439, 1442 (9th Cir. 1987). Again, assuming Jacobs could make some argument that SCL should be subject to specific jurisdiction based on its conduct directed at Nevada, most if not all of these factors weigh in favor of SCL's dismissal.

In reference to the first two factors, SCL has not had any purposeful contacts relating to Plaintiff in Nevada and, as an entity with its principal place of business in Macau has been and will continue to be unduly burdened by defending this action in Nevada. Therefore, the first two factors weigh heavily in SCL's favor. The third and fourth factors are similarly weighted, because this Court's continued exercise of jurisdiction would significantly conflict with the sovereign Macau government's interest in protecting its largest business sector. Conversely, SCL's lack of connection with Nevada significantly minimizes if not eliminates any interest Nevada might have in resolving any dispute Jacobs has with SCL regarding an option to purchase SCL stock. The last three factors relate to the application of the previous four, and in reference to Jacobs' choice of forum, that interest would be tenuous at best. He neither is, nor ever has been, a Nevada resident. Because nearly all of the actions alleged in the Complaint occurred in Macau, and therefore a vast majority of the relevant documents and witnesses are found there, litigation in Macau would be significantly more efficient. Lastly, Macau not only has an available judicial system, it also has a strong interest in overseeing the conduct of those entities that do business there.

LAW OFFICES
GLASER, WEIL, FINK, JACOBS, HOWARD & SHAPIRO, LLP
3763 HOWARD HUGHES PARKWAY, SUITE 300
LAS VEGAS, NEVADA 89169
(702) 650-7900
FAX (702) 650-7950

Simply put, there are no factors in this analysis that support the "reasonable" exercise of personal jurisdiction over SCL.

3. This Court Cannot Exercise General Jurisdiction Over SCL Due To LVS' Contacts With Nevada

At the outset, courts have routinely held that a parent corporation's ties to the forum state do not, standing alone, establish personal jurisdiction over a subsidiary. *See Fields v. Sedgwick Associated Risks, Ltd.*, 796 F.2d 299, 301-02 (9th Cir. 1986). In reference to the establishment of general jurisdiction, a parent corporation or controlling shareholder may be directly involved in the activities of its subsidiaries without conferring, or alternatively being subjected to, jurisdictional liability as long as the involvement is consistent with the entity's investment status. *See Doe*, 248 F.3d at 926 ("Appropriate parental involvement includes: monitoring of the subsidiary's performance, supervision of the subsidiary's finance and capital budget decisions, and articulation of general policies and procedures."); s*ee also Newman v. Comprehensive Care Corp.*, 794 F.Supp. 1513, 1519 (D. Or. 1992) ("[t]he activities of the parent corporation are irrelevant absent some indication that the formal separation between parent and subsidiary is not scrupulously maintained.").

Therefore, Jacobs would only be able to establish a basis for general jurisdiction over SCL, due to LVS' presence in Nevada, if he could make out a prima facie case that: (1) there was such a unity of interest that separate corporate personalities do not exist, and (2) that failure to disregard those separate entities would result in fraud and injustice. *Id.* In determining whether a unity of interest exists, courts have looked to such factors as co-mingling of funds, treatment of corporate assets as the stockholders own, failure to observe corporate formalities like maintaining board minutes or records, sole ownership of all stock and assets, employment of the same employees, and failure to maintain arm's length relationships among related entities. *See North Arlington Medical Building, Inc. v. Sanchez Construction Co.*, 86 Nev. 515, 522 (1970).

In relation to the present matter, the *AT&T v. Lambert*, 94 F.3d 586 (9th Cir. 1996) case provides relevant instruction of the application of this analysis. In *AT&T*, the plaintiff attempted to establish personal jurisdiction over a Belgian parent company due to its involvement with a U.S. subsidiary. In that case, plaintiff presented evidence that the parent (1) received reports regarding

LAW OFFICES
GLASER, WEIL, FINK, JACOBS, HOWARD & SHAPIRO, LLP
3763 HOWARD HUGHES PARKWAY, SUITE 300
LAS VEGAS, NEVADA 89169
(702) 650-7900
FAX (702) 650-7950

the performance of the subsidiary's facilities; (2) held a majority of the seats on the subsidiary's board; (3) sent representatives to attend the subsidiary's board meetings; (4) included the subsidiary's earnings on tax returns; (5) made monetary investments in the subsidiary; (6) approved proposals to terminate the employment contracts of the subsidiary's original owners; and (7) appointed one of its own board members to serve as the subsidiary's chairman. *Id.* at 590. With this evidence, the plaintiff attempted to argue that the parent's "domination and control over [the subsidiary], constituted contacts by which [the parent] purposefully availed itself of the United States' benefits and protection." *Id.* The court disagreed, saying that the "domination" reflected nothing more than a normal parent/subsidiary relationship, and that plaintiff had failed to establish an alter ego relationship required to convey general jurisdiction. *Id.*

Here, Jacobs has not made any alter ego allegations in his complaint, or made other allegations that LVS has abused the corporate form. SCL has its own bank accounts and tax registration. *See* Ex. A at pp. 212-213. SCL likewise has full control of its own assets to operate its businesses independently of LVS. *Id.* SCL observes all corporate formalities, including the maintenance of a Board of Directors, conducting Board and Board committee meetings and keeping minutes of those meetings. *Id.* Approximately thirty percent (30 %) of SCL's outstanding shares are owned by third party investors. *Id.* SCL (through VML) employs persons not employed by LVS to conduct its businesses. *Id.* Any ordinary course transactions between SCL and LVS are negotiated at arm's length. *Id.* SCL's three independent non-executive directors have extensive corporate governance and financial experience, which enables them to review and implement measures to manage any conflict of interest between LVS and SCL. *Id.* Additionally, these directors must approve any SCL Board of Director's resolution relating to any transaction between SCL and LVS. *Id.*

In sum, the relationship between LVS and SCL is insufficient to confer general jurisdiction over SCL in this case.

/ / /

/ / /

LAW OFFICES
GLASER, WEIL, FINK, JACOBS, HOWARD & SHAPIRO, LLP
3763 HOWARD HUGHES PARKWAY, SUITE 300
LAS VEGAS, NEVADA 89169
(702) 650-7900
FAX (702) 650-7950