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 are what 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. 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 complete, we expect our Cotai Strip development to contain over 20,000 hotel rooms, approximately 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.

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

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

Plaza, 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. 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 are in the final stages of obtaining a draft land concession 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 the 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 apart-hotel 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 of Phases I and II with a portion of the proceeds from [●], together with supplemental financing that we are currently seeking to obtain from a group of lenders. We do not intend to restart construction until such supplemental financing is committed or arranged, and currently 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 obtained, 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, 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 the land concession. Parcel 3 is presently planned to include an additional 3,900 branded hotel rooms and will be connected to the Plaza 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.

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 document may not be comparable to other similarly titled measures of other companies. In addition, our adjusted EBITDAR presented in this document 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 month period 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."

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 segments of the market;
- 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 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 and operating in Macau and China in general. 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.

- 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 business 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.

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 proceeds of the Bond offering to lend our Company $582.0 million by way of an intercompany shareholder's loan. Concurrent with the completion of [●], 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 exchange of the Bonds for Shares. The Bonds will be mandatorily and automatically exchanged for Shares upon [●] at an exchange price equal to 90.0% of [●]. Immediately upon the completion of [●], we will not have any intercompany debt owed to 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 or 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 [●] and the mandatory and automatic exchange of the Bonds for Shares (assuming [●] is not exercised and without taking into account any Shares which may be subscribed by each Bondholder in [●]).

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 [●]. 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 obtained, 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. 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 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 us and Galaxy, however, Galaxy is not entitled to 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 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 our Company'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 our Company'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 document 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.

SUMMARY COMBINED FINANCIAL INFORMATION

The following is a summary of our combined financial information as of and for the years ended December 31, 2006, 2007 and 2008 and our combined financial information as of June 30, 2009 and for the six months ended June 30, 2008 and 2009, extracted from the "Accountant's Report" set out in Appendix I to this document. The summary combined financial information as of September 30, 2009 and for the three months ended September 30, 2008 and 2009 (except for adjusted EBITDAR data) reflects all adjustments that our management believes are necessary for the fair presentation of such information under IFRS. Results for interim periods are not indicative of results for the full year.

The results were prepared on the basis of presentation as set out in the Accountant's Report. The summary combined financial information should be read in conjunction with the combined financial statements set out in the Accountant's Report, including the related notes.

Combined Income Statements

	For the year ended December 31,			For the six months ended June 30,			For the three months ended September 30,	
	2006	2007	2008	2008	2009	2009	2008	2009
	US$ (audited)	US$ (audited)	US$ (audited)	US$ (unaudited)	US$ (audited)	HK$	US$ (unaudited)	US$ (unaudited)
					(in millions)			
Net revenues								
Casino	1,265.2	1,846.2	2,669.7	1,325.4	1,317.1	10,207.7	692.1	751.0
Rooms	0.1	49.3	140.0	67.5	55.5	429.9	34.2	31.3
Food and beverage	12.9	28.1	54.3	24.5	25.4	197.2	13.4	13.8
Mall	—	24.8	123.0	48.4	64.1	496.9	36.9	28.5
Convention, ferry, retail and other	2.9	17.9	66.4	24.8	38.4	297.7	20.1	21.5
Total net revenues	**1,281.1**	**1,966.2**	**3,053.3**	**1,490.6**	**1,500.6**	**11,629.5**	**796.7**	**846.0**
Operating expenses								
Casino	742.2	1,238.0	1,875.4	903.1	916.2	7,100.3	491.1	493.7
Rooms	0.2	13.1	32.2	16.2	14.0	108.2	7.6	5.9
Food and beverage	11.5	25.6	47.0	21.6	22.7	175.6	11.4	10.2
Mall	—	8.3	31.5	13.7	16.8	129.9	9.8	6.7
Convention, ferry, retail and other	3.0	24.8	109.4	46.2	59.7	462.5	36.7	31.6
Provision for doubtful accounts	0.4	1.2	15.0	0.9	18.7	145.2	4.7	13.8
General and administrative expense	68.7	146.6	269.0	146.8	115.9	898.0	66.3	56.9
Corporate expense	0.4	2.7	14.7	4.3	4.7	36.4	7.7	1.7
Land lease expense	0.8	9.8	11.9	5.9	6.1	47.5	2.9	3.1
Pre-opening expense	34.7	141.9	112.3	38.1	52.4	406.1	29.8	12.3
Development expense	2.7	—	—	—	—	—	—	—
Depreciation and amortization	35.2	104.0	268.2	123.4	158.4	1,227.9	69.7	80.1
Loss/(gain) on disposal of property and equipment	1.9	0.6	1.6	1.2	4.9	37.9	0.0	(0.3)
Fair value losses/(gains) on financial assets at fair value through profit or loss	0.5	0.6	0.0	(0.1)	—	—	0.0	0.5
Net foreign exchange losses/(gains)	0.7	5.2	(29.2)	(2.6)	0.1	1.0	(18.4)	(0.4)
Operating expenses	**902.8**	**1,722.3**	**2,759.3**	**1,318.7**	**1,390.5**	**10,776.5**	**719.6**	**715.8**
Operating profit	**378.3**	**243.9**	**294.0**	**171.9**	**110.1**	**853.1**	**77.1**	**130.2**
Interest income	27.8	29.2	4.8	2.5	0.3	2.2	1.4	0.2
Interest expense, net of amounts capitalized	(30.3)	(77.0)	(122.9)	(60.2)	(52.2)	(404.6)	(18.6)	(43.5)
Loss on modification of debt	—	—	—	—	—	—	—	(0.2)
Profit before income tax	**375.8**	**196.1**	**175.9**	**114.1**	**58.1**	**450.6**	**60.0**	**86.7**
Income tax (expenses)/ credits	(0.0)	0.0	(0.2)	(0.1)	(0.2)	(1.3)	0.0	(0.1)
Profit for the year/period	**375.8**	**196.1**	**175.7**	**114.0**	**58.0**	**449.3**	**60.0**	**86.7**
Adjusted EBITDAR[(1)] (unaudited)	**457.7**	**514.3**	**686.0**	**349.2**	**337.7**	**2,616.8**	**171.8**	**228.2**

(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 document may not be comparable to other similarly titled measures of other companies. In addition, our adjusted EBITDAR presented in this document 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."

The following table sets forth the reconciliation of adjusted EBITDAR to profit. 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 (gains), loss on disposal of property and equipment, corporate expense, land lease expense, share-based compensation and fair value losses (gains) on financial assets at fair value through profit or loss. With respect to adjusted EBITDAR for each of our properties, we make allocations of the shared support expenses based on revenue attributable to each property. 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 document may not be comparable to other similarly titled measures of other companies. In addition, our adjusted EBITDAR presented in this document may differ from adjusted EBITDAR presented by LVS for its Macau segment in its filings with the U.S. Securities and Exchange Commission.

	For the year ended December 31,			For the six months ended June 30,		For the three months ended September 30,	For the three months ended September 30,
	2006	2007	2008	2008	2009	2008	2009
				(US$ in millions)			
Adjusted EBITDAR (unaudited)	**457.7**	**514.3**	**686.0**	**349.2**	**337.7**	**171.8**	**228.2**
Share-based compensation granted to employees by LVS	(4.1)	(9.6)	(15.2)	(7.3)	(3.5)	(4.0)	(2.0)
Corporate expense	(0.4)	(2.7)	(14.7)	(4.3)	(4.7)	(7.7)	(1.7)
Land lease expense	(0.8)	(9.8)	(11.9)	(5.9)	(6.1)	(2.9)	(3.1)
Pre-opening expense(1)	(33.2)	(138.0)	(111.4)	(37.9)	(52.0)	(29.4)	(12.3)
Development expense	(2.7)	—	—	—	—	—	—
Depreciation and amortization	(35.2)	(104.0)	(268.2)	(123.4)	(158.4)	(69.7)	(80.1)
Amortization of show production costs	—	—	1.9	—	2.1	0.8	1.1
Net foreign exchange (losses)/gains	(0.7)	(5.2)	29.2	2.6	(0.1)	18.4	0.4
(Loss)/gain on disposal of property and equipment	(1.9)	(0.6)	(1.6)	(1.2)	(4.9)	(0.0)	0.3
Fair value (losses)/gains on financial assets at fair value through profit or loss	(0.5)	(0.6)	(0.0)	0.1	—	(0.0)	(0.5)
Operating profit	**378.3**	**243.9**	**294.0**	**171.9**	**110.1**	**77.1**	**130.2**
Interest income	27.8	29.2	4.8	2.5	0.3	1.4	0.2
Interest expense, net of amounts capitalized	(30.3)	(77.0)	(122.9)	(60.2)	(52.2)	(18.6)	(43.5)
Loss on modification of debt	—	—	—	—	—	—	(0.2)
Profit before income tax	**375.8**	**196.1**	**175.9**	**114.1**	**58.1**	**60.0**	**86.7**
Income tax (expenses)/credits	(0.0)	0.0	(0.2)	(0.1)	(0.2)	0.0	(0.1)
Profit for the year/period	**375.8**	**196.1**	**175.7**	**114.0**	**58.0**	**60.0**	**86.7**

(1) Pre-opening expense excludes share-based compensation expense of US$1.5 million, US$3.8 million, US$0.9 million, US$0.2 million and US$0.4 million for the years ended December 31, 2006, 2007 and 2008 and for the six months ended June 30, 2008 and 2009, respectively. Pre-opening expense for the three months ended September 30, 2009 excluded share-based compensation expense of US$0.1 million.

Combined Balance Sheets

	As of December 31,			As of June 30,		As of September 30,
	2006	2007	2008	2009	2009	2009
	US$ (audited)	US$ (audited)	US$ (audited)	US$ (audited)	HK$	US$ (unaudited)
			(in millions)			
ASSETS						
Current assets						
Inventories	1.7	8.4	10.9	10.1	78.4	9.9
Trade and other receivables and prepayments, net	17.7	240.0	287.9	244.3	1,893.6	268.6
Restricted cash	233.4	59.2	124.1	172.1	1,333.9	196.7
Cash and cash equivalents	278.5	439.4	417.8	340.6	2,639.8	394.7
Total current assets	**531.2**	**747.0**	**840.7**	**767.2**	**5,945.7**	**869.9**
Non-current assets						
Investment properties, net	—	292.7	338.0	621.7	4,818.5	663.2
Leasehold interests in land, net	8.6	234.6	274.4	284.5	2,205.2	281.5
Property and equipment, net	2,008.7	3,568.7	5,235.8	5,008.0	38,811.7	4,991.8
Intangible assets, net	3.5	5.5	46.2	43.7	339.0	41.6
Deferred income tax assets, net	—	0.1	0.2	0.2	1.2	0.1
Financial assets at fair value through profit or loss	0.5	0.0	—	—	—	2.2
Other assets	2.4	34.7	60.8	58.2	451.2	54.1
Trade and other receivables and prepayments, net	—	25.1	91.5	61.7	478.0	21.2
Restricted cash	232.1	—	—	—	—	—
Total non-current assets	**2,255.7**	**4,161.5**	**6,046.9**	**6,078.0**	**47,104.8**	**6,055.8**
Total assets	**2,786.9**	**4,908.5**	**6,887.6**	**6,845.2**	**53,050.5**	**6,925.6**
LIABILITIES						
Current liabilities						
Trade and other payables	544.2	912.3	1,982.0	1,977.9	15,329.1	1,414.0
Current income tax liabilities	0.0	0.0	0.2	0.4	3.0	0.3
Borrowings	0.3	6.3	44.3	70.8	548.8	87.9
Total current liabilities	**544.6**	**918.6**	**2,026.6**	**2,049.2**	**15,880.9**	**1,502.1**
Non-current liabilities						
Trade and other payables	0.3	6.8	12.7	12.9	99.8	13.0
Borrowings	1,387.1	2,935.2	3,598.9	3,471.7	26,905.4	4,009.6
Total non-current liabilities	**1,387.4**	**2,942.1**	**3,611.5**	**3,484.5**	**27,005.1**	**4,022.6**
Total liabilities	**1,932.0**	**3,860.7**	**5,638.1**	**5,533.7**	**42,886.1**	**5,524.7**
EQUITY						
Capital and reserves attributable to equity holders of our Company						
Combined capital	—	—	—	—	—	—
Capital reserve	80.0	80.0	80.0	80.0	620.4	80.7
Statutory reserve	6.2	6.2	6.2	6.3	48.9	6.3
Share-based compensation reserve	—	—	17.5	21.4	165.7	23.5
Currency translation reserve	0.5	(2.8)	5.6	5.8	45.1	5.8
Retained earnings	768.2	964.4	1,140.1	1,198.0	9,284.3	1,284.6
Total equity	**855.0**	**1,047.9**	**1,249.5**	**1,311.5**	**10,164.5**	**1,400.9**
Total equity and liabilities	**2,786.9**	**4,908.5**	**6,887.6**	**6,845.2**	**53,050.5**	**6,925.6**
Net current liabilities	**(13.4)**	**(171.6)**	**(1,185.8)**	**(1,282.0)**	**(9,935.2)**	**(632.3)**
Total assets less current liabilities	**2,242.4**	**3,989.9**	**4,861.1**	**4,796.1**	**37,169.6**	**5,423.5**

SUMMARY OPERATING DATA

The following table sets forth our key operating results for the periods indicated:

	For the year ended December 31,			For the six months ended June 30,		For the three months ended September 30,
	2006	2007	2008	2008	2009	2009
	(US$ in millions, except percentages and hotel statistics)					
The Venetian Macao(1)						
Gaming statistics:						
Non-rolling chip table games drop	—	1,115.8	3,530.1	1,731.6	1,623.3	834.9
Non-rolling chip table games win percentage	—	17.3%	19.9%	19.9%	23.2%	23.0%
Rolling chip volume	—	17,071.5	36,893.8	18,599.8	18,590.1	9,062.2
Rolling chip win percentage	—	2.6%	3.0%	3.0%	2.7%	2.8%
Slot handle	—	490.1	1,941.9	819.9	1,093.8	609.7
Slot hold percentage	—	7.9%	8.0%	8.3%	7.5%	7.5%
Hotel statistics:						
Average daily rate	—	221	226	228	209	198
Occupancy rate	—	85.7%	85.3%	79.4%	76.7%	88.1%
Revenue per available room	—	190	193	181	160	175
Sands Macao(2)						
Gaming statistics:						
Non-rolling chip table games drop	4,178.7	3,525.6	2,626.9	1,381.3	1,208.4	626.4
Non-rolling chip table games win percentage	18.6%	18.7%	18.9%	19.8%	19.1%	19.0%
Rolling chip volume	17,115.0	26,325.3	25,182.2	11,789.8	9,845.3	5,479.1
Rolling chip win percentage	3.2%	3.0%	2.6%	2.7%	2.7%	3.4%
Slot handle	1,048.8	1,181.1	1,039.4	514.0	577.2	327.5
Slot hold percentage	7.7%	6.9%	7.8%	8.2%	6.7%	6.6%
Plaza(3)						
Plaza Casino gaming statistics:						
Non-rolling chip table games drop	—	—	99.8	—	167.5	82.9
Non-rolling chip table games win percentage	—	—	21.1%	—	25.2%	22.3%
Rolling chip volume	—	—	630.1	—	1,125.2	2,183.7
Rolling chip win percentage	—	—	4.5%	—	3.2%	2.3%
Slot handle	—	—	38.2	—	100.0	60.6
Slot hold percentage	—	—	5.6%	—	5.7%	5.4%
Four Seasons Hotel statistics:						
Average daily rate	—	—	344	—	293	294
Occupancy rate	—	—	32.0%	—	41.5%	56.2%
Revenue per available room	—	—	110	—	122	165

(1) The Venetian Macao commenced operations in August 2007.

(2) The suites at the Sands Macao are primarily provided to gaming patrons on a complimentary basis and therefore related statistics have not been included.

(3) The Plaza commenced operations in August 2008.

PROFIT FORECAST

On the bases and assumptions set out in "Profit Forecast" in Appendix III to this document and, in the absence of unforeseen circumstances, certain profit forecast data of our Group for the year ending December 31, 2009 is set forth below:

	Based on [●]	Based on [●]
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

(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 document. 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 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 document.

ADJUSTED EBITDAR FORECAST

The forecast adjusted EBITDAR of our Company has been derived from and on the same bases and assumptions as the "Profit Forecast" in Appendix III to this document. In the absence of unforeseen circumstances, forecast adjusted EBITDAR for the year ending December 31, 2009 will not be less than US$[802.9] million.

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 or construed as an alternative to profit or operating profit, or as an indicator of our IFRS operating performance, other combined operations or cash flow data prepared in accordance with IFRS, or as an alternative to cash flow as a measure of liquidity. In addition, adjusted EBITDAR presented in this document may not be comparable to other similarly titled measures of other companies. In addition, our adjusted EBITDAR presented in this document 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."

DIVIDEND POLICY

We do not expect to pay cash dividends on our Shares in the foreseeable future. We intend to retain earnings to finance our operations and the expansion of our business, including the development of additional integrated resorts in Cotai. Our Board of Directors will determine whether to pay dividends in the future based on conditions then existing, including our earnings, financial condition and capital requirements, as well as economic and other conditions our Board may deem relevant. Our ability to declare and pay dividends on our Shares is also subject to the requirements of Cayman Islands law. Moreover, we are a holding company which is dependent upon the operations of our subsidiaries for cash and the terms of our subsidiaries' debt and other agreements restrict the ability of our subsidiaries to make dividends or other distributions to us. Specifically, pursuant to the Macau Credit Facility, there are restrictions on VML's ability to distribute dividends, and dividend distributions by VML are the principal means by which we would have the necessary funds to pay dividends on our Shares for the foreseeable future. Therefore, unless and until we pay cash dividends on our Shares, any gains from your investment in our Shares must come from an increase in the market price of such Shares. There are no restrictions under the Macau Credit Facility, Ferry Financing Facility or the Motor Vehicle Facility on our Company's ability to pay dividends.

Upon completion of [●] and the mandatory and automatic exchange of the Bonds for Shares, there will be no restrictions in any of our loan agreements or other debt instruments that would limit or restrict our ability to pay dividends on our Shares, should we elect to pay cash dividends in the future.