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# **SANDS CHINA LTD.**

## **金沙中國有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1928)**

### **INSIDE INFORMATION**

## **UNAUDITED IFRS RESULTS FOR THE FISCAL FIRST QUARTER ENDED MARCH 31, 2016**

This announcement is issued pursuant to Part XIVA of the Securities and Futures Ordinance and Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The Board is pleased to announce the unaudited consolidated results of the Company and its subsidiaries prepared in accordance with International Financial Reporting Standards (“**IFRS**”) for the fiscal first quarter ended March 31, 2016.

This announcement is issued by Sands China Ltd. (“**we**” or our “**Company**”) pursuant to Part XIVA of the Securities and Futures Ordinance and Rule 13.09(2)(a) of the Listing Rules. Capitalized terms used but not defined herein shall have the meanings ascribed to them in our 2015 Annual Report.

The Board is pleased to announce the unaudited consolidated results of the Company and its subsidiaries prepared in accordance with IFRS for the fiscal first quarter ended March 31, 2016.

### **Sands China Ltd. Consolidated Financial Results**

On an IFRS basis, total net revenues for Sands China Ltd. decreased 7.8% to US\$1,622.1 million (HK\$12,583.1 million) for the first quarter of 2016, compared to US\$1,759.6 million (HK\$13,645.2 million) for the first quarter of 2015. Adjusted EBITDA for Sands China Ltd. decreased 2.5% to US\$518.0 million (HK\$4,018.3 million) for the first quarter of 2016, compared to US\$531.5 million (HK\$4,121.6 million) for the first quarter of 2015. Profit for Sands China Ltd. decreased 9.3% to US\$312.7 million (HK\$2,425.7 million) for the first quarter of 2016, compared to US\$344.6 million (HK\$2,672.3 million) for the first quarter of 2015.

On January 22, 2016, the Board declared an interim dividend of HK\$0.99 (equivalent to US\$0.128) per share. This interim dividend, amounting in aggregate to HK\$7.99 billion (equivalent to US\$1.03 billion), was paid on February 26, 2016. On March 11, 2016, the Board proposed the payment of a final dividend of HK\$1.00 (equivalent to US\$0.129) per share, which is subject to approval by Shareholders in the forthcoming annual general meeting. Based on the ordinary shares and share-based awards in issue as at March 31, 2016, the total amount of the final dividend to be distributed is estimated to be approximately HK\$8.07 billion (equivalent to US\$1.04 billion).

Note: The translation of US\$ amounts into HK\$ amounts or vice versa has been made at the rate of US\$1.00 to HK\$7.7573 (three months ended March 31, 2015: US\$1.00 to HK\$7.7547) for the purposes of illustration only.

**Sands China Ltd. and Subsidiaries (collectively the “Group”)  
Consolidated Income Statement**

	<b>Three months ended March 31,</b>	
	<b>2016</b>	<b>2015</b>
	<i>US\$'000, except per share data (Unaudited)</i>	
<b>Net revenues</b>	<b>1,622,060</b>	1,759,573
Gaming tax	<b>(637,489)</b>	(689,620)
Employee benefit expenses	<b>(278,064)</b>	(287,476)
Depreciation and amortization	<b>(139,604)</b>	(135,693)
Gaming promoter/agency commissions	<b>(35,289)</b>	(40,548)
Inventories consumed	<b>(19,403)</b>	(23,045)
Other expenses and losses	<b>(168,869)</b>	(234,008)
<b>Operating profit</b>	<b>343,342</b>	349,183
Interest income	<b>902</b>	5,436
Interest expense, net of amounts capitalized	<b>(15,920)</b>	(15,235)
<b>Profit before income tax</b>	<b>328,324</b>	339,384
Income tax (expense)/benefit	<b>(15,673)</b>	5,187
<b>Profit for the period attributable to equity holders of the Company</b>	<b>312,651</b>	344,571
<b>Earnings per share for profit attributable to equity holders of the Company</b>		
— Basic	<b>US3.87 cents</b>	US4.27 cents
— Diluted	<b>US3.87 cents</b>	US4.27 cents

**Sands China Ltd. and Subsidiaries**  
**Supplemental Data — Net Revenues**

	<b>Three months ended March 31,</b>	
	<b>2016</b>	<b>2015</b>
	<i>US\$'000</i>	
	<i>(Unaudited)</i>	
Casino	<b>1,378,717</b>	1,495,711
Mall		
— Income from right of use	<b>82,101</b>	75,023
— Management fee and other	<b>13,228</b>	12,340
Rooms	<b>62,600</b>	83,187
Food and beverage	<b>36,483</b>	40,104
Convention, ferry, retail and other	<b>48,931</b>	53,208
	<b>1,622,060</b>	1,759,573

Net revenues by property are as follows:

	<b>Three months ended March 31,</b>	
	<b>2016</b>	<b>2015</b>
	<i>US\$'000</i>	
	<i>(Unaudited)</i>	
The Venetian Macao	<b>747,006</b>	784,585
Sands Cotai Central	<b>524,936</b>	566,332
The Plaza Macao	<b>147,843</b>	160,756
Sands Macao	<b>172,715</b>	222,469
Ferry and other operations	<b>35,805</b>	32,901
The Parisian Macao	—	—
Inter-segment revenues	<b>(6,245)</b>	(7,470)
	<b>1,622,060</b>	1,759,573

**Sands China Ltd. and Subsidiaries**  
**Supplemental Data — Adjusted EBITDA**

	<b>Three months ended March 31,</b>	
	<b>2016</b>	<b>2015</b>
	<i>US\$'000</i>	
	<i>(Unaudited)</i>	
<b>Adjusted EBITDA<sup>(1)</sup></b>		
The Venetian Macao	<b>268,415</b>	270,760
Sands Cotai Central	<b>163,155</b>	155,736
The Plaza Macao	<b>48,192</b>	44,495
Sands Macao	<b>30,767</b>	57,179
Ferry and other operations	<b>7,446</b>	3,344
The Parisian Macao	<b>—</b>	—
<b>Total adjusted EBITDA</b>	<b>517,975</b>	531,514
Share-based compensation, net of amount capitalized	<b>(5,042)</b>	(3,795)
Corporate expense <sup>(2)</sup>	<b>(22,965)</b>	(20,075)
Pre-opening expense <sup>(2)</sup>	<b>(7,773)</b>	(9,161)
Depreciation and amortization	<b>(139,604)</b>	(135,693)
Net foreign exchange gains	<b>1,224</b>	1,291
Loss on disposal of property and equipment, investment properties and intangible assets	<b>(473)</b>	(14,898)
<b>Operating profit</b>	<b>343,342</b>	349,183
Interest income	<b>902</b>	5,436
Interest expense, net of amounts capitalized	<b>(15,920)</b>	(15,235)
<b>Profit before income tax</b>	<b>328,324</b>	339,384
Income tax (expense)/benefit	<b>(15,673)</b>	5,187
<b>Profit for the period attributable to equity holders of the Company</b>	<b>312,651</b>	344,571

(1) Adjusted EBITDA is profit attributable to equity holders of the Company before share-based compensation, corporate expense, pre-opening expense, depreciation and amortization, net foreign exchange gains/(losses), gain/(loss) on disposal of property and equipment, investment properties and intangible assets, interest and income tax benefit/(expense). Adjusted EBITDA 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 EBITDA 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. Adjusted EBITDA as presented by the Group may not be directly comparable to other similarly titled measures presented by other companies.

(2) Amounts exclude share-based compensation granted to employees by LVS and the Company.

## The Venetian Macao First Quarter Operating Results

Despite the softer gaming market in Macao, The Venetian Macao continued to enjoy market-leading visitation and financial performance. The property generated adjusted EBITDA of US\$268.4 million in the first quarter with an EBITDA margin of 35.9%. Non-Rolling Chip drop was US\$1.77 billion for the quarter, with a Non-Rolling Chip win percentage of 25.1%. Rolling Chip volume during the quarter decreased 3.4% to US\$8.23 billion. Rolling Chip win percentage was 3.21% in the quarter, above the 2.83% experienced in the prior-year quarter. Slot handle was US\$1.07 billion.

The following table summarizes the key operating results for The Venetian Macao for the first quarter of 2016 compared to the first quarter of 2015:

The Venetian Macao Operations (In US\$ millions)	Three months ended March 31,			
	2016	2015	\$ Change	Change
<b>Revenues:</b>				
Casino	\$ 649.2	\$ 669.8	\$ (20.6)	(3.1)%
Mall	48.9	44.4	4.5	10.1%
Rooms	24.3	35.8	(11.5)	(32.1)%
Food and Beverage	11.9	14.5	(2.6)	(17.9)%
Convention, Retail and Other	12.8	20.1	(7.3)	(36.3)%
Net Revenues	\$ 747.0	\$ 784.6	\$ (37.6)	(4.8)%
Adjusted EBITDA	\$ 268.4	\$ 270.8	\$ (2.4)	(0.9)%
EBITDA Margin %	35.9%	34.5%		1.4 pts
Operating Profit	\$ 226.8	\$ 221.3	\$ 5.5	2.5%
<b>Gaming Statistics</b> (In US\$ millions)				
Rolling Chip Volume	\$ 8,226.0	\$ 8,518.0	\$ (292.0)	(3.4)%
Rolling Chip Win % <sup>(1)</sup>	3.21%	2.83%		0.38 pts
Non-Rolling Chip Drop	\$ 1,770.1	\$ 1,868.0	\$ (97.9)	(5.2)%
Non-Rolling Chip Win %	25.1%	25.0%		0.1 pts
Slot Handle	\$ 1,070.0	\$ 1,062.5	\$ 7.5	0.7%
Slot Hold %	4.4%	4.9%		(0.5) pts
<b>Hotel Statistics</b>				
Occupancy %	77.7%	85.8%		(8.1) pts
Average Daily Rate (ADR)	\$ 226	\$ 270	\$ (44)	(16.3)%
Revenue per Available Room (RevPAR)	\$ 176	\$ 232	\$ (56)	(24.1)%

(1) This compares to our expected Rolling Chip win percentage of 2.7% to 3.0% (calculated before discounts and commissions).

## Sands Cotai Central First Quarter Operating Results

Net revenues and adjusted EBITDA for the first quarter of 2016 at Sands Cotai Central were US\$524.9 million and US\$163.2 million, respectively, resulting in an EBITDA margin of 31.1%.

Non-Rolling Chip drop was US\$1.50 billion in the first quarter, with a Non-Rolling Chip win percentage of 20.9%. Rolling Chip volume was US\$3.60 billion for the quarter with a Rolling Chip win percentage of 3.92%. Slot handle was US\$1.56 billion for the quarter. Hotel occupancy was 77.1% with ADR of US\$155.

The following table summarizes our key operating results for Sands Cotai Central for the first quarter of 2016 compared to the first quarter of 2015:

Sands Cotai Central Operations (In US\$ millions)	Three months ended March 31,			
	2016	2015	\$ Change	Change
Revenues:				
Casino	\$ 452.3	\$ 485.9	\$ (33.6)	(6.9)%
Mall	15.4	13.5	1.9	14.1%
Rooms	35.4	44.1	(8.7)	(19.7)%
Food and Beverage	17.4	17.9	(0.5)	(2.8)%
Convention, Retail and Other	4.4	5.0	(0.6)	(12.0)%
Net Revenues	\$ 524.9	\$ 566.3	\$ (41.4)	(7.3)%
Adjusted EBITDA	\$ 163.2	\$ 155.7	\$ 7.5	4.8%
EBITDA Margin %	31.1%	27.5%		3.6 pts
Operating Profit	\$ 84.8	\$ 77.7	\$ 7.1	9.1%
<b>Gaming Statistics</b> (In US\$ millions)				
Rolling Chip Volume	\$ 3,603.4	\$ 6,083.0	\$ (2,479.6)	(40.8)%
Rolling Chip Win % <sup>(1)</sup>	3.92%	2.76%		1.16 pts
Non-Rolling Chip Drop	\$ 1,504.0	\$ 1,645.1	\$ (141.1)	(8.6)%
Non-Rolling Chip Win %	20.9%	20.8%		0.1 pts
Slot Handle	\$ 1,559.1	\$ 1,643.8	\$ (84.7)	(5.2)%
Slot Hold %	3.5%	3.2%		0.3 pts
<b>Hotel Statistics</b>				
Occupancy %	77.1%	81.5%		(4.4) pts
Average Daily Rate (ADR)	\$ 155	\$ 173	\$ (18)	(10.4)%
Revenue per Available Room (RevPAR)	\$ 119	\$ 141	\$ (22)	(15.6)%

(1) This compares to our expected Rolling Chip win percentage of 2.7% to 3.0% (calculated before discounts and commissions).

## The Plaza Macao First Quarter Operating Results

The Plaza Macao generated adjusted EBITDA of US\$48.2 million in the first quarter of 2016, an increase of 8.3% compared to the year-ago quarter. Non-Rolling Chip drop increased 31.0% to US\$300.1 million, with a Non-Rolling Chip win percentage of 19.1%. Rolling Chip volume was US\$2.62 billion for the quarter. Rolling Chip win percentage was 3.22% in the quarter, above the 2.81% experienced in the prior-year quarter. Slot handle was US\$90.2 million during the quarter.

The following table summarizes our key operating results for The Plaza Macao for the first quarter of 2016 compared to the first quarter of 2015:

The Plaza Macao Operations (In US\$ millions)	Three months ended March 31,			
	2016	2015	\$ Change	Change
<b>Revenues:</b>				
Casino	\$ 110.4	\$ 124.5	\$ (14.1)	(11.3)%
Mall	31.3	29.7	1.6	5.4%
Rooms	2.5	2.7	(0.2)	(7.4)%
Food and Beverage	3.2	3.1	0.1	3.2%
Retail and Other	0.4	0.7	(0.3)	(42.9)%
Net Revenues	\$ 147.8	\$ 160.8	\$ (13.0)	(8.1)%
Adjusted EBITDA	\$ 48.2	\$ 44.5	\$ 3.7	8.3%
EBITDA Margin %	32.6%	27.7%		4.9 pts
Operating Profit	\$ 38.3	\$ 31.0	\$ 7.3	23.5%
<b>Gaming Statistics</b> (In US\$ millions)				
Rolling Chip Volume	\$ 2,621.5	\$ 3,962.6	\$ (1,341.1)	(33.8)%
Rolling Chip Win % <sup>(1)</sup>	3.22%	2.81%		0.41 pts
Non-Rolling Chip Drop	\$ 300.1	\$ 229.0	\$ 71.1	31.0%
Non-Rolling Chip Win %	19.1%	23.1%		(4.0) pts
Slot Handle	\$ 90.2	\$ 133.9	\$ (43.7)	(32.6)%
Slot Hold %	6.8%	4.8%		2.0 pts
<b>Hotel Statistics</b>				
Occupancy %	69.0%	77.0%		(8.0) pts
Average Daily Rate (ADR)	\$ 358	\$ 410	\$ (52)	(12.7)%
Revenue per Available Room (RevPAR)	\$ 247	\$ 316	\$ (69)	(21.8)%

(1) This compares to our expected Rolling Chip win percentage of 2.7% to 3.0% (calculated before discounts and commissions).

## Sands Macao First Quarter Operating Results

Sands Macao's adjusted EBITDA was US\$30.8 million. Non-Rolling Chip drop was US\$699.9 million during the quarter, while slot handle was US\$657.7 million. Rolling Chip volume was US\$2.24 billion for the quarter. The property realized 2.45% win on Rolling Chip volume during the quarter, below the 2.86% generated in the year-ago quarter.

The following table summarizes our key operating results for Sands Macao for the first quarter of 2016 compared to the first quarter of 2015:

Sands Macao Operations (In US\$ millions)	Three months ended March 31,			
	2016	2015	\$ Change	Change
Revenues:				
Casino	\$ 166.8	\$ 215.4	\$ (48.6)	(22.6)%
Rooms	0.4	0.6	(0.2)	(33.3)%
Food and Beverage	4.0	4.6	(0.6)	(13.0)%
Retail and Other	1.4	1.8	(0.4)	(22.2)%
Net Revenues	\$ 172.7	\$ 222.5	\$ (49.8)	(22.4)%
Adjusted EBITDA	\$ 30.8	\$ 57.2	\$ (26.4)	(46.2)%
EBITDA Margin %	17.8%	25.7%		(7.9) pts
Operating Profit	\$ 20.5	\$ 43.6	\$ (23.1)	(53.0)%
<b>Gaming Statistics</b> (In US\$ millions)				
Rolling Chip Volume	\$ 2,241.0	\$ 2,526.2	\$ (285.2)	(11.3)%
Rolling Chip Win % <sup>(1)</sup>	2.45%	2.86%		(0.41) pts
Non-Rolling Chip Drop	\$ 699.9	\$ 789.9	\$ (90.0)	(11.4)%
Non-Rolling Chip Win %	16.9%	19.1%		(2.2) pts
Slot Handle	\$ 657.7	\$ 707.1	\$ (49.4)	(7.0)%
Slot Hold %	3.3%	3.5%		(0.2) pts
<b>Hotel Statistics</b>				
Occupancy %	95.8%	98.4%		(2.6) pts
Average Daily Rate (ADR)	\$ 207	\$ 226	\$ (19)	(8.4)%
Revenue per Available Room (RevPAR)	\$ 198	\$ 222	\$ (24)	(10.8)%

(1) This compares to our expected Rolling Chip win percentage of 2.7% to 3.0% (calculated before discounts and commissions).



## **Other Factors Affecting Earnings**

Our other operations' adjusted EBITDA, which is principally comprised of our CotaiJet ferry operation, reflected adjusted EBITDA of US\$7.4 million during the quarter, compared to US\$3.3 million in the first quarter of 2015. The increase was mainly due to increases in ticket sales and decreases in gas and oil expenses.

Corporate expense was US\$23.9 million in the first quarter of 2016, compared to US\$20.1 million in the first quarter of 2015. The increase was mainly due to increases of royalty fees and corporate legal expenses.

Pre-opening expense was US\$8.2 million in the first quarter of 2016, compared to US\$9.3 million in the first quarter of 2015. The decrease was mainly attributable to the completion of the St. Regis tower at Sands Cotai Central.

Depreciation and amortization expense was US\$139.6 million in the first quarter of 2016, compared to US\$135.7 million in the first quarter of 2015.

Net foreign exchange gains were US\$1.2 million in the first quarter of 2016, compared to US\$1.3 million in the first quarter of 2015.

Loss on disposal of property and equipment, investment properties and intangible assets was US\$0.5 million in the first quarter of 2016. This compared with a loss of US\$14.9 million in the first quarter of 2015, which primarily related to the dispositions at our operating properties.

Interest expense, net of amounts capitalized, was US\$15.9 million for the first quarter of 2016, compared to US\$15.2 million for the first quarter of 2015. The increase was mainly due to a US\$6.3 million increase in interest and other finance costs resulted primarily from an increase in bank borrowing and undrawn revolving facility, partially offset by a US\$5.5 million increase in capitalized interest for The Parisian Macao.

Income tax expense was US\$15.7 million in the first quarter of 2016, primarily relating to a discrete non-cash charge in connection with partial reduction of the deferred tax assets of a subsidiary.

## **Forward-Looking Statements**

This announcement contains forward-looking statements. Forward-looking statements involve a number of risks, uncertainties or other factors beyond the Company's control, which may cause material differences in actual results, performance or other expectations. These factors include, but are not limited to, general economic conditions, competition, new development, construction and ventures, substantial leverage and debt service, government regulation, tax law changes, legalization of gaming, interest rates, future terrorist acts, influenza, insurance, gaming promoters, risks relating to our gaming licenses, certificate and subconcession, infrastructure in Macao, our ability to meet certain development deadlines, our subsidiaries' ability to make distribution payments to us, and other factors detailed in our Company's prospectus dated November 16, 2009 and our 2015 Annual Report. We are under no obligation to (and expressly disclaim any such obligation to) update the forward-looking statements as a result of new information, future events or otherwise.

Our shareholders, potential investors and readers are reminded that the quarterly results of our Company presented herein have not been audited. Our shareholders, potential investors and readers are advised to exercise caution in dealing in securities in our Company.

By order of the Board  
**SANDS CHINA LTD.**  
**Dylan James Williams**  
*Company Secretary*

Macao, April 29, 2016

As at the date of this announcement, the directors of the Company are:

*Executive Directors:*

Sheldon Gary Adelson  
Wong Ying Wai

*Non-Executive Directors:*

Robert Glen Goldstein  
Charles Daniel Forman

*Independent Non-Executive Directors:*

Chiang Yun  
Victor Patrick Hoog Antink  
Steven Zygmunt Strasser

*In case of any inconsistency between the English version and the Chinese version of this announcement, the English version shall prevail.*