EXECUTIVE SUMMARY

Market value
The Asia-Pacific casinos & gaming sector shrank by 7.1% in 2015 to reach a value of $192.6 million.

Market value forecast
In 2020, the Asia-Pacific casinos & gaming sector is forecast to have a value of $207.8 million, an increase of 7.9% since 2015.

Category segmentation
Casinos is the largest segment of the casinos & gaming sector in Asia-Pacific, accounting for 42.2% of the sector's total value.

Geography segmentation
China accounts for 30.2% of the Asia-Pacific casinos & gaming sector value.

Market rivalry
Casinos are banned in several Asia-Pacific markets such as China and Japan, but this segment of the market continues to perform well in the special administrative regions of Macau, Hong Kong, and in other countries, including Australia.
TABLE OF CONTENTS

Executive Summary.................................................................................................................. 2
Market value .............................................................................................................................. 2
Market value forecast ............................................................................................................... 2
Category segmentation ............................................................................................................ 2
Geography segmentation ......................................................................................................... 2
Market rivalry ......................................................................................................................... 2
Market Overview .................................................................................................................... 7
Market definition ..................................................................................................................... 7
Market analysis ....................................................................................................................... 7
Market Data ................................................................................................................................ 9
Market value .......................................................................................................................... 9
Market Segmentation ............................................................................................................. 10
Category segmentation ......................................................................................................... 10
Geography segmentation ....................................................................................................... 11
Market Outlook ....................................................................................................................... 12
Market value forecast ............................................................................................................ 12
Five Forces Analysis ............................................................................................................. 13
Summary ................................................................................................................................. 13
Buyer power ........................................................................................................................... 14
Supplier power ......................................................................................................................... 15
New entrants ........................................................................................................................... 16
Threat of substitutes ............................................................................................................... 17
Degree of rivalry .................................................................................................................... 18
Leading Companies ............................................................................................................... 19
Galaxy Entertainment Group Limited .................................................................................. 19
Las Vegas Sands Corp. ......................................................................................................... 22
Maruhan Corporation ............................................................................................................ 25
SJM Holdings Ltd. .................................................................................................................. 26
Methodology .......................................................................................................................... 29
Industry associations .............................................................................................................. 30
Related MarketLine research ............................................................................................... 30
Appendix .................................................................................................................................. 31
LIST OF TABLES

Table 1: Asia-Pacific casinos & gaming sector value: $ million, 2011–15 ................................................................. 9
Table 2: Asia–Pacific casinos & gaming sector category segmentation: $ million, 2015 .................................................. 10
Table 3: Asia–Pacific casinos & gaming sector geography segmentation: $ million, 2015 ............................................. 11
Table 4: Asia-Pacific casinos & gaming sector value forecast: $ million, 2015–20 ....................................................... 12
Table 5: Galaxy Entertainment Group Limited: key facts ....................................................................................... 19
Table 6: Galaxy Entertainment Group Limited: key financials ($) ........................................................................ 20
Table 7: Galaxy Entertainment Group Limited: key financials (HK$) ................................................................. 20
Table 8: Galaxy Entertainment Group Limited: key financial ratios ......................................................................... 20
Table 9: Las Vegas Sands Corp.: key facts .............................................................................................................. 22
Table 10: Las Vegas Sands Corp.: key financials ($) .............................................................................................. 23
Table 11: Las Vegas Sands Corp.: key financial ratios ............................................................................................. 23
Table 12: Maruhan Corporation: key facts ............................................................................................................. 25
Table 13: SJM Holdings Ltd.: key facts ..................................................................................................................... 26
Table 14: SJM Holdings Ltd.: key financials ($) ................................................................................................. 27
Table 15: SJM Holdings Ltd.: key financials (HK$) ......................................................................................... 27
Table 16: SJM Holdings Ltd.: key financial ratios ............................................................................................... 27
LIST OF FIGURES

Figure 1: Asia-Pacific casinos & gaming sector value: $ million, 2011–15 ................................................................. 9
Figure 2: Asia-Pacific casinos & gaming sector category segmentation: % share, by value, 2015 ................................. 10
Figure 3: Asia-Pacific casinos & gaming sector geography segmentation: % share, by value, 2015 ......................... 11
Figure 4: Asia-Pacific casinos & gaming sector value forecast: $ million, 2015–20 .......................................................... 12
Figure 5: Forces driving competition in the casinos & gaming sector in Asia-Pacific, 2015 ........................................ 13
Figure 6: Drivers of buyer power in the casinos & gaming sector in Asia-Pacific, 2015 ............................................. 14
Figure 7: Drivers of supplier power in the casinos & gaming sector in Asia-Pacific, 2015 ....................................... 15
Figure 8: Factors influencing the likelihood of new entrants in the casinos & gaming sector in Asia-Pacific, 2015 .... 16
Figure 9: Factors influencing the threat of substitutes in the casinos & gaming sector in Asia-Pacific, 2015 ......... 17
Figure 10: Drivers of degree of rivalry in the casinos & gaming sector in Asia-Pacific, 2015 ................................. 18
Figure 11: Galaxy Entertainment Group Limited: revenues & profitability .............................................................. 21
Figure 12: Galaxy Entertainment Group Limited: assets & liabilities ........................................................................ 21
Figure 13: Las Vegas Sands Corp.: revenues & profitability ....................................................................................... 24
Figure 14: Las Vegas Sands Corp.: assets & liabilities ............................................................................................. 24
Figure 15: SJM Holdings Ltd.: revenues & profitability .......................................................................................... 28
Figure 16: SJM Holdings Ltd.: assets & liabilities .................................................................................................... 28
MARKET OVERVIEW

Market definition
The casinos and gaming market consists of all forms of betting and gaming. All values are stated in terms of gross gaming win. This is the total amount wagered by customers minus the total amount paid out to customers as winnings, but before the payment of any applicable taxes, disbursements to charitable or other causes by games established for those purposes, or other expenses.

The casinos segment covers all gambling activities carried out within casino establishments, such as card games, roulette, and slot machines located in casinos; tips and admission fees are included, but additional revenues such as sales of food, drink, and accommodation are excluded.

The lotteries segment covers all state, private, and charitable lotteries, and includes traditional draws, scratchcard games, and similar products offered by lottery operators.

The sports betting and related segment covers gambling on the outcome of horse races, football matches, and other events, and includes gambling services offered by bookmakers and also pari-mutuel/totalisator operators.

The other segment covers bingo, slot machines located outside casinos, pachinko, etc. In North America, so-called 'Indian casinos' are covered in this segment, not the casino segment.

Online casino and gaming activity, with the exception of online purchases of lottery entry, is not included. Recreation-only slot machines that do not pay out any form of prize are excluded.

The report only includes gaming activities that are legal in the country where they are offered.

All currency conversions were calculated using constant average annual 2015 exchange rates.

For the purposes of this report, North America consists of Canada, Mexico, and the United States.

South America comprises Argentina, Brazil, Chile, Colombia, and Venezuela.

Europe comprises Austria, Belgium, the Czech Republic, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Netherlands, Norway, Poland, Portugal, Russia, Spain, Sweden, Switzerland, Turkey, and the United Kingdom.

Scandinavia comprises Denmark, Finland, Norway, and Sweden.

Asia-Pacific comprises Australia, China, Hong Kong, India, Indonesia, Kazakhstan, Japan, Malaysia, New Zealand, Pakistan, Philippines, Singapore, South Korea, Taiwan, Thailand, and Vietnam.

Middle East comprises Egypt, Israel, Saudi Arabia, and United Arab Emirates.

the global market consists of North America, South America, Europe, Asia-Pacific, Middle East, South Africa and Nigeria

Market analysis
The Asia-Pacific casinos & gaming market has been growing steadily in recent years and the market is expected to maintain the growing trend at a decreasing rate.

China has traditionally been the biggest driver in the Asian-Pacific market despite casinos being illegal in the country (with the exception of Macau); lottery is still growing strong in China. However, casino revenue in Macau has plummeted due to the corruption crackdown by the government. The majority of the growth in Asia can be attributed to the growth in lottery.

The Asia-Pacific casinos & gaming market had total gross gaming win of $192.6bn in 2015, representing a compound annual growth rate (CAGR) of 2% between 2011 and 2015. In comparison, the Chinese market increased with a CAGR of 3.1%, and the Japanese market declined with a compound annual rate of change (CARC) of -2.3%, over the same period, to reach respective values of $58.2bn and $31.5bn in 2015.
The casinos segment was the market's most lucrative in 2015, with total gross gaming win of $81.3bn, equivalent to 42.2% of the market's overall value. The lotteries segment contributed gross gaming win of $69.1bn in 2015, equating to 35.9% of the market's aggregate value.

The performance of the market is forecast to decelerate, with an anticipated CAGR of 1.5% for the five-year period 2015 - 2020, which is expected to drive the market to a value of $207.8bn by the end of 2020. Comparatively, the Chinese and Japanese markets will decline with CARCs of -0.2% and -3.9% respectively, over the same period, to reach respective values of $57.7bn and $25.9bn in 2020.
MARKET DATA

Market value

The Asia-Pacific casinos & gaming sector shrunk by 7.1% in 2015 to reach a value of $192.6 million.

The compound annual growth rate of the sector in the period 2011–15 was 2%.

<table>
<thead>
<tr>
<th>Year</th>
<th>$ million</th>
<th>€ million</th>
<th>% Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>177.7</td>
<td>160.2</td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td>189.7</td>
<td>171.0</td>
<td>6.8%</td>
</tr>
<tr>
<td>2013</td>
<td>199.5</td>
<td>179.8</td>
<td>5.2%</td>
</tr>
<tr>
<td>2014</td>
<td>207.3</td>
<td>186.8</td>
<td>3.9%</td>
</tr>
<tr>
<td>2015</td>
<td>192.6</td>
<td>173.6</td>
<td>(7.1%)</td>
</tr>
</tbody>
</table>

CAGR: 2011–15 2.0%

SOURCE: MARKETLINE
MARKET SEGMENTATION

Category segmentation

Casinos is the largest segment of the casinos & gaming sector in Asia-Pacific, accounting for 42.2% of the sector's total value.

The Lotteries segment accounts for a further 35.9% of the sector.

Table 2: Asia–Pacific casinos & gaming sector category segmentation: $ million, 2015

<table>
<thead>
<tr>
<th>Category</th>
<th>2015</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Casinos</td>
<td>81.3</td>
<td>42.2%</td>
</tr>
<tr>
<td>Lotteries</td>
<td>69.1</td>
<td>35.9%</td>
</tr>
<tr>
<td>Sports betting and related</td>
<td>31.3</td>
<td>16.2%</td>
</tr>
<tr>
<td>Other</td>
<td>11.0</td>
<td>5.7%</td>
</tr>
<tr>
<td>Total</td>
<td>192.7</td>
<td>100%</td>
</tr>
</tbody>
</table>

SOURCE: MARKETLINE

Figure 2: Asia–Pacific casinos & gaming sector category segmentation: % share, by value, 2015

SOURCE: MARKETLINE
Geography segmentation

China accounts for 30.2% of the Asia-Pacific casinos & gaming sector value.

Japan accounts for a further 16.4% of the Asia-Pacific sector.

Table 3: Asia–Pacific casinos & gaming sector geography segmentation: $ million, 2015

<table>
<thead>
<tr>
<th>Geography</th>
<th>2015</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>58.2</td>
<td>30.2</td>
</tr>
<tr>
<td>Japan</td>
<td>31.5</td>
<td>16.4</td>
</tr>
<tr>
<td>South Korea</td>
<td>7.9</td>
<td>4.1</td>
</tr>
<tr>
<td>India</td>
<td>6.4</td>
<td>3.3</td>
</tr>
<tr>
<td>Rest of Asia-Pacific</td>
<td>88.6</td>
<td>46.0</td>
</tr>
<tr>
<td>Total</td>
<td>192.6</td>
<td>100%</td>
</tr>
</tbody>
</table>

SOURCE: MARKETLINE

Figure 3: Asia–Pacific casinos & gaming sector geography segmentation: % share, by value, 2015

SOURCE: MARKETLINE
MARKET OUTLOOK

Market value forecast

In 2020, the Asia-Pacific casinos & gaming sector is forecast to have a value of $207.8 million, an increase of 7.9% since 2015.

The compound annual growth rate of the sector in the period 2015–20 is predicted to be 1.5%.

Table 4: Asia-Pacific casinos & gaming sector value forecast: $ million, 2015–20

<table>
<thead>
<tr>
<th>Year</th>
<th>$ million</th>
<th>€ million</th>
<th>% Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>192.6</td>
<td>173.6</td>
<td>(7.1%)</td>
</tr>
<tr>
<td>2016</td>
<td>193.4</td>
<td>174.3</td>
<td>0.4%</td>
</tr>
<tr>
<td>2017</td>
<td>196.0</td>
<td>176.6</td>
<td>1.3%</td>
</tr>
<tr>
<td>2018</td>
<td>199.3</td>
<td>179.6</td>
<td>1.7%</td>
</tr>
<tr>
<td>2019</td>
<td>203.3</td>
<td>183.3</td>
<td>2.0%</td>
</tr>
<tr>
<td>2020</td>
<td>207.8</td>
<td>187.3</td>
<td>2.2%</td>
</tr>
</tbody>
</table>

CAGR: 2015–20 1.5%

SOURCE: MARKETLINE

Figure 4: Asia-Pacific casinos & gaming sector value forecast: $ million, 2015–20

SOURCE: MARKETLINE
FIVE FORCES ANALYSIS

The casinos & gaming market will be analyzed taking operators of casinos, gaming machines, lotteries, and betting (commercial, state-run and charitable operations) as players. The key buyers will be taken as individual customers, and companies providing gaming machines, equipment, services, and real estate as the key suppliers.

Summary

Casinos are banned in several Asia-Pacific markets such as China and Japan, but this segment of the market continues to perform well in the special administrative regions of Macau, Hong Kong, and in other countries, including Australia.

The existence of addictive gambling behavior indicates that some consumers are not making rational economic decisions and can become dependent on gambling in their everyday lives. Such patterns are evident in many Asia-Pacific countries and weaken buyer power accordingly.

With regards to suppliers, size matters and a handful of suppliers dominate. Participants benefit from regulatory barriers to entry, which make it difficult for new players to enter the market and gain market share.

Almost any leisure activity can act as a substitute for casinos and gaming. As a result, the threat from substitutes is assessed as very strong.
Buyer power

The popularity of various gambling means the number of buyers is large and, in many regions, still growing. For instance, Singapore, which dropped its 40 year-long gambling ban in 2005, sees casinos as an important part of a broader effort to promote itself as a getaway for tourists, with the first two casinos in the country opening in 2010. In 2006, Macau overtook the Las Vegas Strip in terms of gaming revenues. In 2014, Macau’s casino market generated over $22 billion in gross gaming win; seven times the total from the Las Vegas Strip. This indicates the increasing appeal of this sector throughout the Asia-Pacific region.

The wide variety of potential customers weakens buyer power in this sector considerably. Activities within this sector are non-essential leisure activities, consequently it would be expected that such activities are not vital to buyers. However, this issue is complicated by gambling addictions. The existence of addictive gambling behavior indicates that some consumers are not making rational economic decisions and can become dependent on gambling in their everyday lives. Such patterns are evident in many regions and weaken buyer power accordingly.

Market players can choose from a wide range of gaming activities such as lotteries, gaming machines, poker, black jack, and sports betting etc. There are also several different methods of distribution (online, outlets, casinos etc.), and different win margins. Loyalty to a particular market player is unlikely to be high; although compulsory membership in many casinos can ensure that customers are retained.

Switching costs for consumers vary according to the type of gambling. For example, many casinos require annual membership fees; thus constituting a switching cost should a consumer change to a different casino before the annual membership expires. Generally switching costs remain minimal, particularly in the case of betting shops. This strengthens buyer power.

Overall, there is a moderate degree of buyer power within the Asia-Pacific casinos and gaming sector.
Supplier power

Suppliers to the casino and gaming sector vary according to the player. Many casinos position themselves within the hospitality sector, where success largely depends on the quality of service provided, and thus skilled employees are required. Location is important for such companies, for example, they may wish to locate themselves in popular tourist resorts. Gaming machines and related equipment and services are also, of course, vital.

Companies that supply equipment, machinery or services may lack the name recognition of the larger casino operators, but their services and products are integral to the success and proper functioning of a casino. Some of the large supply companies, that many casinos rely on include: International Game Technology (IGT) and WMS Industries. They produce top-of-the-range machines which consumers want to play and offer casinos the rates of return and security desired by casinos.

Larger suppliers diversify geographically to guard against over-dependence on just one particular market; however, most manufacturers of gaming machines tend to specialize in this sector. Since the gaming industry is highly important to their survival, this weakens supplier power.

When casinos do well, they replace and repair games more often; however, when casinos slump, they do not move as quickly in making replacements. However, there is still opportunity in some areas for expansion into new forms of gambling.

Overall, supplier power is assessed as moderate.
New entrants

Figure 8: Factors influencing the likelihood of new entrants in the casinos & gaming sector in Asia-Pacific, 2015

The casinos and gaming sector operates differently from country to country, according to regulatory and legislative barriers, which often reflect the cultural acceptance of gambling in a particular country.

Gambling in mainland China is illegal. It is only in recent years that many ordinary Chinese people have been permitted to visit Macau, where gambling is legal. As such, the area is booming and is often described as ‘Asia’s Las Vegas.’ In mainland China, the lottery constitutes a lucrative form of government-sanctioned gaming.

The laws in Japan do not allow any form of casinos, although there is a call for this to change, as the government has identified it as a potentially lucrative source of tax and tourism revenue. The only gambling activities currently allowed are horse racing, pachinko parlors, and state lotteries. At present, pachinko (a pinball game) is a substitute for gambling in casinos. This game skirts Japan’s gambling ban because players exchange prizes for cash outside pachinko parlors.

Entering the casino sector in India may also be hampered as it is regulated at a state level. Currently, only Goa, Sikkim, and Daman allow casinos. Furthermore, foreign investment in the casinos and gaming sector in India is banned. Other than lotteries, legal gambling in India is limited to betting on horse racing. Singapore lifted a 40-year ban on casinos in 2005. The Marina Bay Sands casino opened in 2010, along with Genting’s Resorts World Casino.

A new company wishing to enter the casinos and gaming sector would require fairly large amounts of capital to establish a casino, betting shop or gaming hall, employ staff, and acquire gaming equipment. However, the willingness of customers to switch from one gaming company to another, coupled with an easy access to suppliers, is conducive to the entry of new players. The likelihood of new entrants remains moderate overall.
Threat of substitutes

For the casinos and gaming sector as a whole, almost any leisure activity can act as a substitute, which can be taken up with minimal switching costs and may also be cheaper than gambling for consumers.

Aside from cost advantages, some customers may value social aspects of using non-gambling forms of gaming facilities. For those wishing to engage in an activity which offers the possibility of winning money, online gambling is an option.

The threat of substitutes in this sector is very strong.
The Asia-Pacific casinos and gaming sector has a number of large incumbents. Amongst the gambling facilities operators there are also national and state players. In some countries, national operators of gambling facilities are protected by restrictions placed upon international operators who wish to enter the sector; thus limiting rivalry somewhat.

For many players, gaming is their sole or principal activity, so it is vital that they maintain their gaming revenues. Some companies, however, have a more diverse offering, casinos and hotels is a common combination, which weakens rivalry somewhat and makes an exit from the sector easier.

Many market players have the ability to differentiate their offerings through additional services such as entertainment (concerts, special events), reward programs, tournaments, or non-gaming facilities (restaurants, arcades, spas).

Overall, rivalry within this sector is assessed as moderate.
LEADING COMPANIES

Galaxy Entertainment Group Limited

Table 5: Galaxy Entertainment Group Limited: key facts

<table>
<thead>
<tr>
<th>Head office:</th>
<th>Room 1606, Hutchison House, 10 Harcourt Road, Central, HKG</th>
</tr>
</thead>
<tbody>
<tr>
<td>Telephone:</td>
<td>852 3150 1111</td>
</tr>
<tr>
<td>Fax:</td>
<td>852 3150 1100</td>
</tr>
<tr>
<td>Website:</td>
<td><a href="http://www.galaxyentertainment.com">www.galaxyentertainment.com</a></td>
</tr>
<tr>
<td>Financial year-end:</td>
<td>December</td>
</tr>
<tr>
<td>Ticker:</td>
<td>27</td>
</tr>
<tr>
<td>Stock exchange:</td>
<td>Hong Kong</td>
</tr>
</tbody>
</table>

SOURCE: COMPANY WEBSITE

Galaxy Entertainment Group (GEG) is a gaming and entertainment company, which develops and operates hotels, gaming and integrated resort facilities. The company has operations in Hong Kong and China.

The company operates its business through two segments: gaming and entertainment; and construction materials.

GEG's gaming and entertainment segment is involved in the developing and operating hotels, gaming and integrated entertainment facilities. The company owns Galaxy Macau, a resort located in Macau; and StarWorld, a five-star hotel and casino property. It also operates city clubs such as Waldo Casino, President Casino and Rio Casino.

The company’s construction materials segment is engaged in manufacturing, selling and distributing construction materials. Its products include aggregates and sand, concrete pipes and blocks, slag, cement and spare parts.


Key Metrics

The company recorded revenues of $6,575 million in the fiscal year ending December 2015, a decrease of 28.9% compared to fiscal 2014. Its net income was $537 million in fiscal 2015, compared to a net income of $1,333 million in the preceding year.
### Table 6: Galaxy Entertainment Group Limited: key financials ($)

<table>
<thead>
<tr>
<th>$ million</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>5,311.2</td>
<td>7,317.7</td>
<td>8,515.2</td>
<td>9,252.7</td>
<td>6,575.5</td>
</tr>
<tr>
<td>Net income (loss)</td>
<td>387.4</td>
<td>951.4</td>
<td>1,296.2</td>
<td>1,333.4</td>
<td>536.6</td>
</tr>
<tr>
<td>Total assets</td>
<td>4,612.0</td>
<td>5,724.1</td>
<td>5,965.0</td>
<td>6,684.8</td>
<td>7,138.2</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>2,723.7</td>
<td>2,849.1</td>
<td>1,702.5</td>
<td>1,657.1</td>
<td>1,838.0</td>
</tr>
<tr>
<td>Employees</td>
<td>15,000</td>
<td>15,000</td>
<td>16,000</td>
<td>17,000</td>
<td>21,500</td>
</tr>
</tbody>
</table>

**SOURCE:** COMPANY FILINGS

### Table 7: Galaxy Entertainment Group Limited: key financials (HK$)

<table>
<thead>
<tr>
<th>HK$ million</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>41,186.4</td>
<td>56,746.4</td>
<td>66,032.5</td>
<td>71,752.0</td>
<td>50,990.8</td>
</tr>
<tr>
<td>Net income (loss)</td>
<td>3,003.9</td>
<td>7,377.8</td>
<td>10,051.8</td>
<td>10,340.0</td>
<td>4,161.1</td>
</tr>
<tr>
<td>Total assets</td>
<td>35,764.3</td>
<td>44,388.6</td>
<td>46,256.8</td>
<td>51,839.0</td>
<td>55,354.3</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>21,121.1</td>
<td>22,094.2</td>
<td>13,202.6</td>
<td>12,850.0</td>
<td>14,252.9</td>
</tr>
</tbody>
</table>

**SOURCE:** COMPANY FILINGS

### Table 8: Galaxy Entertainment Group Limited: key financial ratios

<table>
<thead>
<tr>
<th>Ratio</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit margin</td>
<td>7.3%</td>
<td>13.0%</td>
<td>15.2%</td>
<td>14.4%</td>
<td>8.2%</td>
</tr>
<tr>
<td>Revenue growth</td>
<td>113.8%</td>
<td>37.8%</td>
<td>16.4%</td>
<td>8.7%</td>
<td>(28.9%)</td>
</tr>
<tr>
<td>Asset growth</td>
<td>42.0%</td>
<td>24.1%</td>
<td>4.2%</td>
<td>12.1%</td>
<td>6.8%</td>
</tr>
<tr>
<td>Liabilities growth</td>
<td>35.3%</td>
<td>4.6%</td>
<td>(40.2%)</td>
<td>(2.7%)</td>
<td>10.9%</td>
</tr>
<tr>
<td>Debt/asset ratio</td>
<td>59.1%</td>
<td>49.8%</td>
<td>28.5%</td>
<td>24.8%</td>
<td>25.7%</td>
</tr>
<tr>
<td>Return on assets</td>
<td>9.9%</td>
<td>18.4%</td>
<td>22.2%</td>
<td>21.1%</td>
<td>7.8%</td>
</tr>
<tr>
<td>Revenue per employee</td>
<td>$354,077</td>
<td>$487,845</td>
<td>$532,197</td>
<td>$544,277</td>
<td>$305,836</td>
</tr>
<tr>
<td>Profit per employee</td>
<td>$25,824</td>
<td>$63,426</td>
<td>$81,014</td>
<td>$78,434</td>
<td>$24,957</td>
</tr>
</tbody>
</table>

**SOURCE:** COMPANY FILINGS
Figure 11: Galaxy Entertainment Group Limited: revenues & profitability

Source: Company Filings

Figure 12: Galaxy Entertainment Group Limited: assets & liabilities

Source: Company Filings
Las Vegas Sands Corp.

Table 9: Las Vegas Sands Corp.: key facts

<table>
<thead>
<tr>
<th>Head office:</th>
<th>3355 Las Vegas Boulevard South, Las Vegas, Nevada 89109, USA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Telephone:</td>
<td>1 702 414 1000</td>
</tr>
<tr>
<td>Website:</td>
<td><a href="http://www.lasvegassands.com">www.lasvegassands.com</a></td>
</tr>
<tr>
<td>Financial year-end:</td>
<td>December</td>
</tr>
<tr>
<td>Ticker:</td>
<td>LVS</td>
</tr>
<tr>
<td>Stock exchange:</td>
<td>New York</td>
</tr>
</tbody>
</table>

SOURCE: COMPANY WEBSITE

Las Vegas Sands (LVSC) is a US-based developer of destination properties. The company, through its subsidiaries, owns and operates resorts, and offers facilities such as accommodations, gaming, entertainment, convention and exhibition facilities, and celebrity chef restaurants.

The company primarily conducts its operating and developmental activities in Asia and the US.

In Asia, LVSC operates The Venetian Macao; Four Seasons Macao; Sands Macao; Sands Cotai Central; and Marina Bay Sands. The Venetian Macao is the anchor property of its Cotai Strip development featured with a 39-floor hotel tower with over 2,900 suites, a shopping store the Shoppes at Venetian, more than 50 restaurants, a 1,800-seat theater, a 15,000-seat CotaiArena that hosts entertainment and sporting events and a Paiza Club. The Four Seasons Macao features approximately 105,000 square feet of gaming space with approximately 98 table games and 144 slot machines at its Plaza Casino. It also has 360 rooms and suites, conference and banquet facilities and Paiza Mansions.

The Sands Macao is a Las Vegas-style casino that includes approximately 216,000 square feet of gaming space with approximately 274 table games and 933 slot machines. It incorporates a 289-suite hotel tower, spa facilities, several restaurants and entertainment areas, and a Paiza Club. Sands Cotai Central property includes approximately 370,000 square feet of gaming space with approximately 505 table games and 1,872 slot machines, approximately 800,000 square feet of retail, entertainment and dining space, over 550,000 square feet of meeting facilities and a multipurpose theater.

Marina Bay Sands features approximately 2,600 rooms and suites located in three 55-story hotel towers. It also includes approximately 160,000 square feet of gaming space with approximately 610 table games and 2,500 slot machines. It also includes The Shoppes at Marina Bay Sands, an enclosed retail, dining and entertainment complex; an event plaza and promenade; an Art/Science museum; approximately 1.2 million square feet of meeting and convention space and two theaters for broadway shows, concerts and events.

In the US, the company operates The Venetian Las Vegas, The Palazzo and Sands Expo Center in Las Vegas; and Sands Bethlehem in Pennsylvania. The Venetian Las Vegas has 4,028 suites situated in a 3,015-suite, 35-story three-winged tower. It also includes a Paiza Club, several theaters and a Canyon Ranch SpaClub. The Palazzo features a casino with approximately 105,000 square feet of gaming space and includes approximately 130 table games and 950 slot machines; and a 50-floor hotel tower with 3,064 suites including a Canyon Ranch SpaClub, a Paiza Club and a theatre.
Sands Expo Center is a trade show and convention facility with approximately 1.2 million gross square feet of exhibit and meeting space. The company owns an approximately 1.1 million-gross-square-foot meeting and conference facility that links Sands Expo Center to The Venetian Las Vegas and The Palazzo. Sands Bethlehem is a gaming, hotel, retail and dining complex featured with approximately 145,000 square feet of gaming space that includes approximately 180 table games and more than 3,000 slot machines; a 300-room hotel tower; an approximate 150,000-square-foot retail facility (The Shoppes at Sands Bethlehem); an arts and cultural center; and a 50,000-square-foot multipurpose event center.


Key Metrics

The company recorded revenues of $11,688 million in the fiscal year ending December 2015, a decrease of 24.2% compared to fiscal 2014. Its net income was $1,966 million in fiscal 2015, compared to a net income of $2,841 million in the preceding year.

Table 10: Las Vegas Sands Corp.: key financials ($)

<table>
<thead>
<tr>
<th>$ million</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>9,862.3</td>
<td>11,684.7</td>
<td>14,494.4</td>
<td>15,426.0</td>
<td>11,688.5</td>
</tr>
<tr>
<td>Net income (loss)</td>
<td>1,269.5</td>
<td>1,524.1</td>
<td>2,306.0</td>
<td>2,841.0</td>
<td>1,966.2</td>
</tr>
<tr>
<td>Total assets</td>
<td>22,244.1</td>
<td>22,163.7</td>
<td>22,724.3</td>
<td>22,362.0</td>
<td>20,863.5</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>14,393.4</td>
<td>15,101.9</td>
<td>15,058.8</td>
<td>13,341.0</td>
<td>14,046.7</td>
</tr>
<tr>
<td>Employees</td>
<td>40,000</td>
<td>46,000</td>
<td>48,500</td>
<td>48,500</td>
<td>46,500</td>
</tr>
</tbody>
</table>

SOURCE: COMPANY FILINGS

Table 11: Las Vegas Sands Corp.: key financial ratios

<table>
<thead>
<tr>
<th>Ratio</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit margin</td>
<td>12.9%</td>
<td>13.0%</td>
<td>15.9%</td>
<td>18.4%</td>
<td>16.8%</td>
</tr>
<tr>
<td>Revenue growth</td>
<td>34.8%</td>
<td>18.5%</td>
<td>24.0%</td>
<td>6.4%</td>
<td>(24.2%)</td>
</tr>
<tr>
<td>Asset growth</td>
<td>5.7%</td>
<td>(0.4%)</td>
<td>2.5%</td>
<td>(1.6%)</td>
<td>(6.7%)</td>
</tr>
<tr>
<td>Liabilities growth</td>
<td>0.1%</td>
<td>4.9%</td>
<td>(0.3%)</td>
<td>(11.4%)</td>
<td>5.3%</td>
</tr>
<tr>
<td>Debt/asset ratio</td>
<td>64.7%</td>
<td>68.1%</td>
<td>66.3%</td>
<td>59.7%</td>
<td>67.3%</td>
</tr>
<tr>
<td>Return on assets</td>
<td>5.9%</td>
<td>6.9%</td>
<td>10.3%</td>
<td>12.6%</td>
<td>9.1%</td>
</tr>
<tr>
<td>Revenue per employee</td>
<td>$246,557</td>
<td>$254,015</td>
<td>$298,854</td>
<td>$318,062</td>
<td>$251,365</td>
</tr>
<tr>
<td>Profit per employee</td>
<td>$31,738</td>
<td>$33,133</td>
<td>$47,546</td>
<td>$58,577</td>
<td>$42,285</td>
</tr>
</tbody>
</table>

SOURCE: COMPANY FILINGS
Figure 13: Las Vegas Sands Corp.: revenues & profitability

![Graph showing revenues and profitability over years](image1.png)

Source: Company Filings

Figure 14: Las Vegas Sands Corp.: assets & liabilities

![Graph showing assets, liabilities, and debt/asset ratio over years](image2.png)

Source: Company Filings
Maruhan Corporation

Table 12: Maruhan Corporation: key facts

<table>
<thead>
<tr>
<th>Head office:</th>
<th>Pacific Century Place Marunouchi, 28th Floor, 1-11-1 Marunouchi Chiyoda ku, Tokyo 100 6228, JPN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Telephone:</td>
<td>81 3 5221 7777</td>
</tr>
<tr>
<td>Fax:</td>
<td>81 3 5221 7171</td>
</tr>
<tr>
<td>Website:</td>
<td><a href="http://www.maruhan.co.jp">www.maruhan.co.jp</a></td>
</tr>
<tr>
<td>Financial year-end:</td>
<td>March</td>
</tr>
</tbody>
</table>

Maruhan is a Japan-based company engaged in operating entertainment facilities such as pachinko parlors, bowling alleys, golf driving ranges, amusement facilities, cinemas and other leisure-related activities. Maruhan operates through a network of around 308 pachinko parlors, and 11 bowling alleys and leisure and other facilities. The company has operations in Japan and Cambodia.

The company's subsidiaries include the following: MM International, MARUHAN Dining, MARUHAN Japan Bank, Taiheiyo Club and Maruhan Cambodia.

MM International is involved in the cleaning business, facility management business, security services, real estate brokerage, and sales and lease of cleaning materials and equipment.

MARUHAN Dining is engaged in the wholesale and retail of grocery and managing restaurants. The company is also engaged in buying and selling of real estate properties; and provision of leasing, management and brokerage services. MARUHAN Dining operates around 267 M's kitchen stores, 282 Cafe Bankarera outlets, two Mister Donut stores, and two Scrop, among others.

MARUHAN Japan Bank offers various banking services that include personal banking services, business banking services, private banking services and microfinance services.

Taiheiyo Club is engaged in management of golf clubs, hotels and golf schools.

Key Metrics

The company recorded revenues of JPY1,978,222 million (approximately $18,100.7 million) in the fiscal year ended March 2015, a decrease of 6.3% compared to 2014. The company's operating profit was JPY61,504 million (approximately $562.8 million) in fiscal 2015, an increase of 6.2% over 2014. Its net profit was JPY30,015 million (approximately $274.6 million) in fiscal 2015, a decrease of 7.3% compared to 2014.
SJM Holdings Ltd.

Table 13: SJM Holdings Ltd.: key facts

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Head office:</td>
<td>Suites 3001-3006, 30th Floor, One International Finance Centre, 1</td>
</tr>
<tr>
<td></td>
<td>Harbour View Street, Central, HKG</td>
</tr>
<tr>
<td>Telephone:</td>
<td>852 3960 8000</td>
</tr>
<tr>
<td>Fax:</td>
<td>852 3960 8111</td>
</tr>
<tr>
<td>Website:</td>
<td><a href="http://www.sjmholdings.com">www.sjmholdings.com</a></td>
</tr>
<tr>
<td>Financial year-end:</td>
<td>December</td>
</tr>
<tr>
<td>Ticker:</td>
<td>880</td>
</tr>
<tr>
<td>Stock exchange:</td>
<td>Hong Kong</td>
</tr>
</tbody>
</table>

SJM Holdings (SJMH) is a South Korea-based holding company that is engaged in the management of its subsidiaries. The company has operations in South Korea, South Africa, Malaysia, Germany, the US and China.

The company operates through its subsidiaries, which include SJM, Seohwa, T&N, Aecus and SJM Prewell.

SJM develops flexible couplings for automobile exhaust pipes; precision bellows that are used for precision instruments such as semiconductors, medical devices and airplane systems; expansion joints for architecture that are used for heating, ventilation, and air conditioning (HVAC) of large scale residential facilities and high rise buildings; and industrial expansion joints used in large ships, petrochemical processing and power generation.

Seohwa develops and provides relay systems such as radio frequency (RF), optical, digital, high-definition television (HDTV) and wiбро.

T&N is also engaged in trading stainless steel products such as stainless coils, plates, wires, and pipes and rods, as well as special metal related products such as nickel, alloy and titanium.

Aecus is engaged in financial investments and business ventures.

SJM Prewell designs and manufactures high frequency processing units such as RF integrated circuits and monolithic microwave integrated circuits.

Key Metrics

The company recorded revenues of $6,341 million in the fiscal year ending December 2015, a decrease of 38.5% compared to fiscal 2014. Its net income was $318 million in fiscal 2015, compared to a net income of $868 million in the preceding year.
### Table 14: SJM Holdings Ltd.: key financials ($)

<table>
<thead>
<tr>
<th>$ million</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>6,063.5</td>
<td>6,340.1</td>
<td>6,992.6</td>
<td>10,307.8</td>
<td>6,340.8</td>
</tr>
<tr>
<td>Net income (loss)</td>
<td>684.4</td>
<td>869.8</td>
<td>993.7</td>
<td>868.0</td>
<td>317.9</td>
</tr>
<tr>
<td>Total assets</td>
<td>4,258.1</td>
<td>4,809.2</td>
<td>5,463.6</td>
<td>5,443.8</td>
<td>4,752.6</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>2,034.0</td>
<td>2,241.2</td>
<td>2,438.9</td>
<td>2,250.4</td>
<td>1,744.6</td>
</tr>
<tr>
<td>Employees</td>
<td>19,600</td>
<td>2,100</td>
<td>21,400</td>
<td>21,800</td>
<td>21,200</td>
</tr>
</tbody>
</table>

**Source:** COMPANY FILINGS

### Table 15: SJM Holdings Ltd.: key financials (HK$)

<table>
<thead>
<tr>
<th>HK$ million</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>47,020.9</td>
<td>49,165.2</td>
<td>54,225.7</td>
<td>79,933.9</td>
<td>49,170.9</td>
</tr>
<tr>
<td>Net income (loss)</td>
<td>5,307.6</td>
<td>6,745.4</td>
<td>7,706.0</td>
<td>6,730.7</td>
<td>2,465.0</td>
</tr>
<tr>
<td>Total assets</td>
<td>33,020.0</td>
<td>37,293.8</td>
<td>42,368.5</td>
<td>42,215.1</td>
<td>36,854.7</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>15,773.4</td>
<td>17,379.8</td>
<td>18,913.3</td>
<td>17,451.1</td>
<td>13,528.8</td>
</tr>
</tbody>
</table>

**Source:** COMPANY FILINGS

### Table 16: SJM Holdings Ltd.: key financial ratios

<table>
<thead>
<tr>
<th>Ratio</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit margin</td>
<td>11.3%</td>
<td>13.7%</td>
<td>14.2%</td>
<td>8.4%</td>
<td>5.0%</td>
</tr>
<tr>
<td>Revenue growth</td>
<td>32.2%</td>
<td>4.6%</td>
<td>10.3%</td>
<td>47.4%</td>
<td>(38.5%)</td>
</tr>
<tr>
<td>Asset growth</td>
<td>14.3%</td>
<td>12.9%</td>
<td>13.6%</td>
<td>(0.4%)</td>
<td>(12.7%)</td>
</tr>
<tr>
<td>Liabilities growth</td>
<td>0.4%</td>
<td>10.2%</td>
<td>8.8%</td>
<td>(7.7%)</td>
<td>(22.5%)</td>
</tr>
<tr>
<td>Debt/asset ratio</td>
<td>47.8%</td>
<td>46.6%</td>
<td>44.6%</td>
<td>41.3%</td>
<td>36.7%</td>
</tr>
<tr>
<td>Return on assets</td>
<td>17.1%</td>
<td>19.2%</td>
<td>19.3%</td>
<td>15.9%</td>
<td>6.2%</td>
</tr>
<tr>
<td>Revenue per employee</td>
<td>$309,364</td>
<td>$3,019,072</td>
<td>$326,758</td>
<td>$472,835</td>
<td>$299,094</td>
</tr>
<tr>
<td>Profit per employee</td>
<td>$34,920</td>
<td>$414,213</td>
<td>$46,436</td>
<td>$39,814</td>
<td>$14,994</td>
</tr>
</tbody>
</table>

**Source:** COMPANY FILINGS
Figure 15: SJM Holdings Ltd.: revenues & profitability

- Revenues
- Net income
- Profit margin

SOURCE: COMPANY FILINGS

Figure 16: SJM Holdings Ltd.: assets & liabilities

- Total assets
- Total liabilities
- Debt/asset ratio

SOURCE: COMPANY FILINGS
METHODOLOGY

MarketLine Industry Profiles draw on extensive primary and secondary research, all aggregated, analyzed, cross-checked and presented in a consistent and accessible style.

Review of in-house databases – Created using 250,000+ industry interviews and consumer surveys and supported by analysis from industry experts using highly complex modeling & forecasting tools, MarketLine's in-house databases provide the foundation for all related industry profiles.

Preparatory research – We also maintain extensive in-house databases of news, analyst commentary, company profiles and macroeconomic & demographic information, which enable our researchers to build an accurate market overview.

Definitions – Market definitions are standardized to allow comparison from country to country. The parameters of each definition are carefully reviewed at the start of the research process to ensure they match the requirements of both the market and our clients.

Extensive secondary research activities ensure we are always fully up-to-date with the latest industry events and trends.

MarketLine aggregates and analyzes a number of secondary information sources, including:

- National/Governmental statistics
- International data (official international sources)
- National and International trade associations
- Broker and analyst reports
- Company Annual Reports
- Business information libraries and databases

Modeling & forecasting tools – MarketLine has developed powerful tools that allow quantitative and qualitative data to be combined with related macroeconomic and demographic drivers to create market models and forecasts, which can then be refined according to specific competitive, regulatory and demand-related factors.

Continuous quality control ensures that our processes and profiles remain focused, accurate and up-to-date.
Industry associations

International Association of Gaming Regulators (IAGR)
www.iagr.org

Asia Pacific Lottery Association (APLA)
74 Walters Drive, Osborne Park, Western Australia 6017
Tel.: 61 8 9340 5371
Fax: 61 8 9443 1464
www.asiapacific-lotteries.com

World Lottery Association
Lange Gasse 20, CH-4002 Basel, Switzerland
Tel.: 41 61 284 1111
Fax: 41 61 284 1350
www.world-lotteries.org

Related MarketLine research

Industry Profile
Casinos & Gaming in Canada
Casinos & Gaming in North America
Global Casinos and Gaming
Casinos & Gaming in Europe
APPENDIX

About MarketLine

In an information-rich world, finding facts you can rely upon isn’t always easy. MarketLine is the solution.

We make it our job to sort through the data and deliver accurate, up-to-date information on companies, industries and countries across the world. No other business information company comes close to matching our sheer breadth of coverage.

And unlike many of our competitors, we cut the ‘data padding’ and present information in easy-to-digest formats, so you can absorb key facts in minutes, not hours.

What we do

Profiling all major companies, industries and geographies, MarketLine is one of the most prolific publishers of business information today.

Our dedicated research professionals aggregate, analyze, and cross-check facts in line with our strict research methodology, ensuring a constant stream of new and accurate information is added to MarketLine every day.

With stringent checks and controls to capture and validate the accuracy of our data, you can be confident in MarketLine to deliver quality data in an instant.

For further information about our products and services see more at: http://www.marketline.com/overview/

Disclaimer

All Rights Reserved.

No part of this publication may be reproduced, stored in a retrieval system or transmitted in any form by any means, electronic, mechanical, photocopying, recording or otherwise, without the prior permission of the publisher, MarketLine.

The facts of this report are believed to be correct at the time of publication but cannot be guaranteed. Please note that the findings, conclusions and recommendations that MarketLine delivers will be based on information gathered in good faith from both primary and secondary sources, whose accuracy we are not always in a position to guarantee. As such MarketLine can accept no liability whatever for actions taken based on any information that may subsequently prove to be incorrect.