

Las Vegas Sands Corp.

LVS 4Q14 Takeaways—Slightly Below in Macau; Modestly Lowering 2015 Macau EBITDA; PT Remains \$60

Overall, LVS's 4Q14 Macau EBITDA result was slightly below our estimate but north of the \$700m that we think the buy-side was expecting (each inclusive of favorable table hold) and margins there were essentially flat year-over-year on a normalized basis. In Singapore, a sizable headline EBITDA beat includes a one-time property tax refund benefit and favorable hold as well; adjusting for these two items property level EBITDA there was slightly ahead of our estimate. LV Strip RevPAR was surprisingly down 3% year-over-year, which we would attribute to simply losing share and underperforming its peers there. We thought Macau base mass would fare much better than premium mass and that was the case, but base mass was still down year-over-year (-2% versus premium mass down 18%). There was little color on current Macau operating trends (our view is that it is still very tough given Beijing's focus on curbing corruption/Macau government limiting smoking), nor was there any commentary that "things are less bad" in Macau, something that we think couldn't be stated in any event.

- **Looking ahead**, our 2015 estimates are modestly lower (-3.0%) in Macau (to \$2.898b with sub-\$700m EBITDA in the 1Q15 and 2Q15 and modest improvements in both the 3Q15 and 4Q15). Our 2015 Singapore property level EBITDA remains \$1.5b. Our price target remains \$60, which implies ~12% upside including the 4.6% annual dividend yield.
- **Our views here on LVS and the Macau names are unchanged.** We'd like to think we are close to being done with estimate cuts, but don't want to fall into this trap, as we thought we were close two months ago. Rather, we think investor sentiment is close to bottoming once we get through 4Q14 earnings season (which just started with LVS; others report next month) and have a sense of how bad 1Q15 will be (we are estimating a mid 20% yoy decline in GGR). We believe there is particularly limited visibility on the revenue side (stating the obvious) and the reclassification of certain mass revenues/tables into VIP revenues (so operators could lessen/avert the smoking ban impact) makes forecasting margins with any precision particularly challenging.

Las Vegas Sands Corp. (LVS;LVS US)

FYE Dec	2013A	2014A	2015E (Prev)	2015E (Curr)	2016E (Prev)	2016E (Curr)
EPS (\$)						
Q1 (Mar)	0.71	0.97	0.76	0.76	-	-
Q2 (Jun)	0.65	0.85	0.80	0.74	-	-
Q3 (Sep)	0.82	0.84	0.88	0.82	-	-
Q4 (Dec)	0.72	0.92	0.85	0.84	-	-
FY	2.90	3.58	3.30	3.16	3.58	3.46
Bloomberg EPS FY (\$)	3.03	3.46	-	3.34	-	3.67

Source: Company data, Bloomberg, J.P. Morgan estimates.

See page 35 for analyst certification and important disclosures.

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Overweight

LVS, LVS US

Price: \$56.02

Price Target: \$60.00

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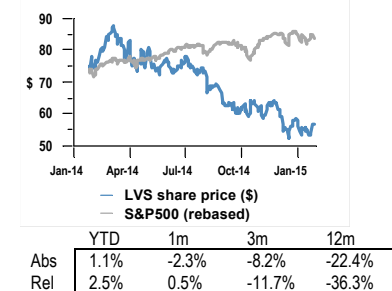
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Price Performance



Company Data

Price (\$)	56.02
Date Of Price	28-Jan-15
52-week Range (\$)	88.28-49.82
Market Cap (\$ mn)	45,085.49
Fiscal Year End	Dec
Shares O/S (mn)	805
Price Target (\$)	60.00
Price Target End Date	31-Dec-15

- **Our views here continued.** We believe these stocks should ideally be bought at lower levels in anticipation of easier comparisons starting in the 2Q/2H15—a period where the current poor sentiment should reverse given the Macau market’s medium-term penetration opportunity and fairly negative sentiment. But, in general and in the near term, we see reasonable floors at levels ~10% lower than where they are now (i.e., at levels experienced in mid December). We also think new property/rooms from the two new property openings (Galaxy and Studio city) in 2H15 will draw more mass revenues.
- **Macau recap.** VIP rolling chip volumes were down by 11% sequentially and 44% year-over-year (market was down 8% and 35%, respectively). LVS’s mass table revenue fell 9% year-over-year (market down 16%) with base mass table revenues down 2% year-over-year (stable in this environment) and a 17% sequential decline in premium mass table revenue. Table yield for base mass decreased by 2% year-over-year to US\$8.5k/day, and premium mass yield fell 18% year-over-year to US\$15.5k/day. Slot revenue increased by ~10% year-over-year, as did retail mall revenue. EBITDA margin increased by 50bps year-over-year to 33.9%, but was ~80 bps below our 34.7% estimate.
- **Singapore recap.** Marina Bays Sands (MBS) net revenues came in at \$838.6 million, \$69.3m above our \$769.3m estimate. Property-level EBITDA was \$518.5m (inclusive of a one-time \$90.1m property tax credit), \$148.8m above our estimate. Adjusted for hold and excluding the one-time property tax credit, property-level EBITDA was ~\$370m and in-line with our estimate. Year-over-year rolling (VIP) chip table game volume decreased 26.8%, however, VIP rolling win percentage was 3.6% (versus 1.9% in the year ago period and our 2.85% estimate). Non-rolling chip table game drop was -3.3% year-over-year, while hold of 26.7% was ~110 bps above our 25.6% estimate. Slot volumes were +10.6% year-over-year.
- **4Q14 Las Vegas metrics.** 4Q14 net revenues for the Las Vegas operations (Venetian & Palazzo) were \$362.6m, down 6.0% year-over-year and \$18.4m below our estimate for the period. EBITDAR margins in Las Vegas came in at 21.5%, down 140 bps year-over-year and 100 bps below our 22.5% estimate. Property-level EBITDAR for the Las Vegas operations (Venetian & Palazzo) was \$78.0m, \$7.9m below our \$85.8m estimate, and down 11.6% year-over-year. RevPAR was down 2.5% at \$180.

- **We remain Overweight LVS.** We maintain our Overweight rating as over the longer term we find Macau to possess attractive supply and demand dynamics supported by infrastructure enhancements and continued mass related penetration opportunity into Mainland China. We also highlight its solid free cash flow generation, which we would expect to be deployed into sizable dividend increases, and, given the recent share price underperformance, a reasonable valuation that reflects lowered investor expectations given a market-wide step down in operating momentum. In the near term, however, we expect the Macau stocks to be volatile and recommend investors use the volatility on the downside to build long positions. Given LVS's successes in both Macau and Singapore as well as a healthy balance sheet, we also like its option value related to the potential for it to participate in newer markets, though we don't specifically see much progress in Japan in the near term.
- **PT remains \$60.** Our December 2015 price target of \$60 is based on multiples of 10.0x 2016E LV EBITDAR, 12.5x 2016E Macau EBITDAR (adjusted for 70.3% interest), 12.0x 2016E Singapore EBITDAR, 12.5x Sands China royalty fees, and 90% of 9.0x our 2016E PA EBITDAR, less 2016E year-end net debt. We also ascribe value (~\$3.40 NPV per share) to its Parisian/Site 3 Cotai development project, based on \$2.7 billion of capital expenditures, and a stabilized 20.0% EBITDA ROIC, discounted back 10% per year. Our valuation multiples are consistent with those of LVS's LV/Macau-centric peers.
- **Current valuation.** At current levels, LVS trades at 13.2x 2015E EV/EBITDA, 12.3x 2016E EV/EBITDA, and 10.8x 2017E EV/EBITDA (all adjusted for Macau minority interest). This compares with its historical EV/EBITDA range of 3.5-57.7x and below its one-year-forward EV/EBITDA average multiple of 18.4x. We view these multiples as reasonably attractive in light of our discretionary free cash flow per share estimates of \$3.71 in 2015, \$3.97 in 2016, and \$4.41 in 2017.
- **Read on.** Our detailed write-up of the 4Q14, comprehensive model, easy-to-read charts on Macau, Singapore, and Las Vegas trends as well as our valuation work are attached in the body of this note.

Figure 1: Summary of Estimate Changes

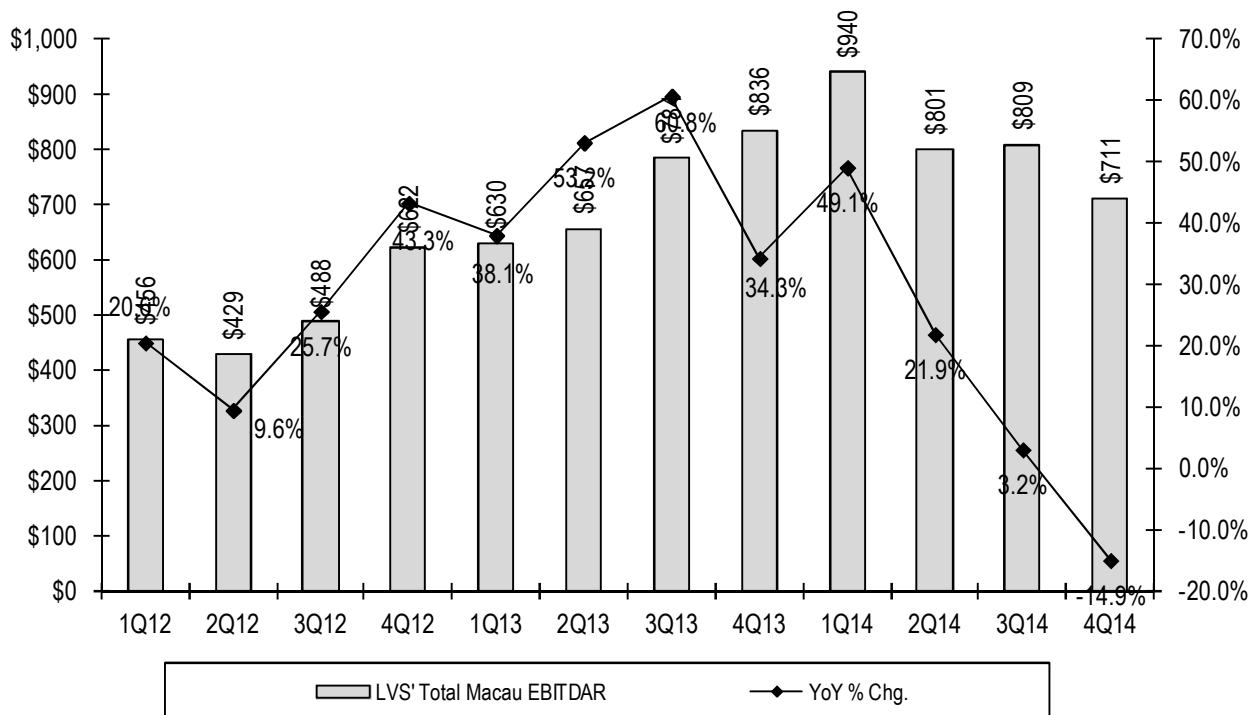
\$ in millions

	2015E				2016E			
	Previous	New	Chg.		Previous	New	Chg.	
			\$	%			\$	%
Sands Macao EBITDAR	\$328	\$311	(17)	-5%	\$328	\$311	(17)	-5%
Venetian Macao EBITDAR	1,325	1,277	(48)	-4%	1,387	1,370	(17)	-1%
Four Seasons EBITDAR	319	323	4	1%	335	336	1	0%
Cotai Central (Sites 5&6) EBITDAR	1,008	988	(20)	-2%	1,060	1,039	(21)	-2%
Macau Sub-total	2,980	2,898	(82)	-3%	3,111	3,056	(55)	-2%
Las Vegas EBITDAR	348	335	(12)	-4%	376	363	(13)	-3%
Singapore EBITDAR	1,544	1,520	(24)	-2%	1,643	1,611	(32)	-2%
Sand Networks EBITDAR	116	126	11	9%	116	127	11	9%
Other Asia EBITDAR	0	9	9	NM	0	9	9	NM
Total Property Level EBITDAR	4,987	4,889	(98)	-2%	5,246	5,166	(80)	-2%
Adjusted EPS	\$3.30	\$3.16	(\$0.14)	-4%	\$3.58	\$3.46	(\$0.12)	-3%

Source: Company reports and J.P. Morgan estimates.

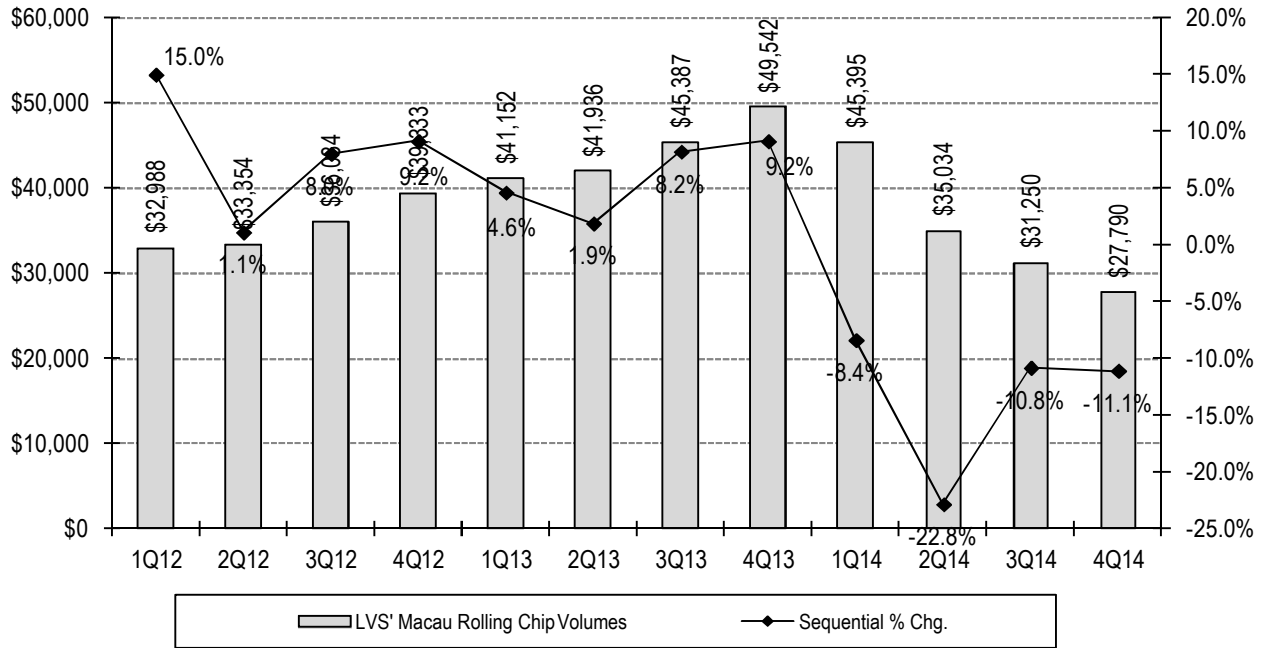
Figure 2: LVS' Aggregate Macau EBITDAR & Year-over-Year % Change

\$ in millions



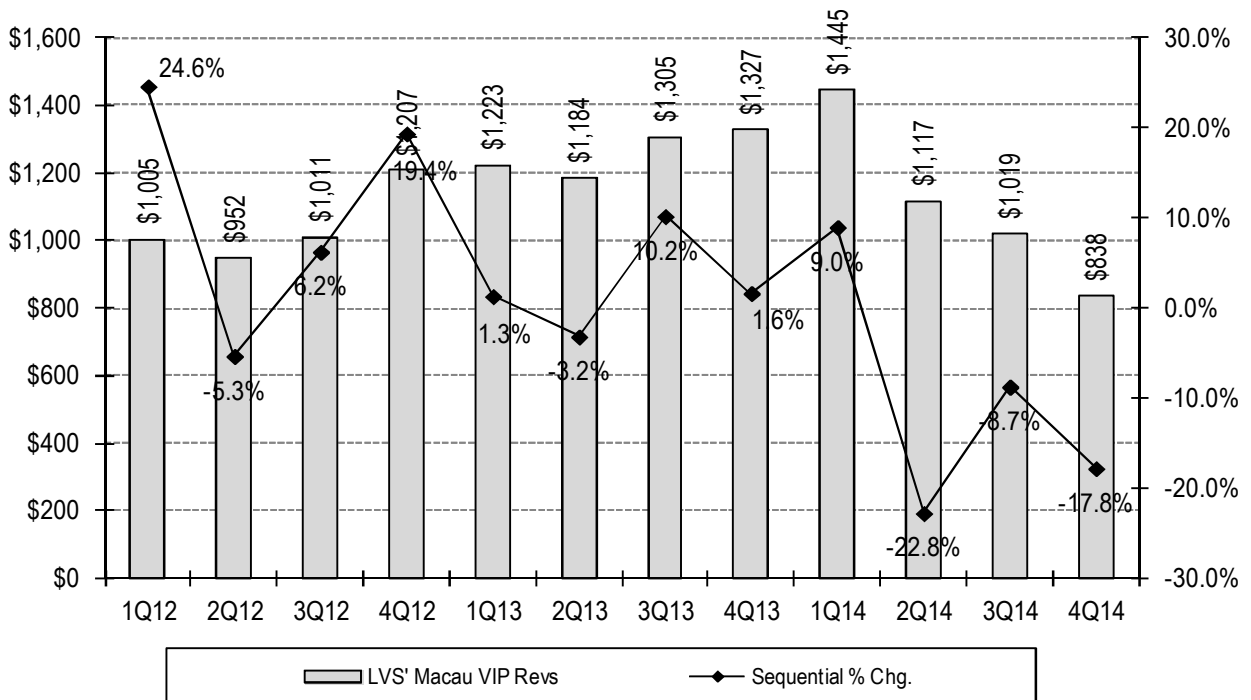
Source: Company reports and J.P. Morgan estimates.

Figure 3: LVS' Aggregate Macau Rolling Chip Volumes & Sequential % Change
 \$ in millions



Source: Company reports and J.P. Morgan estimates.

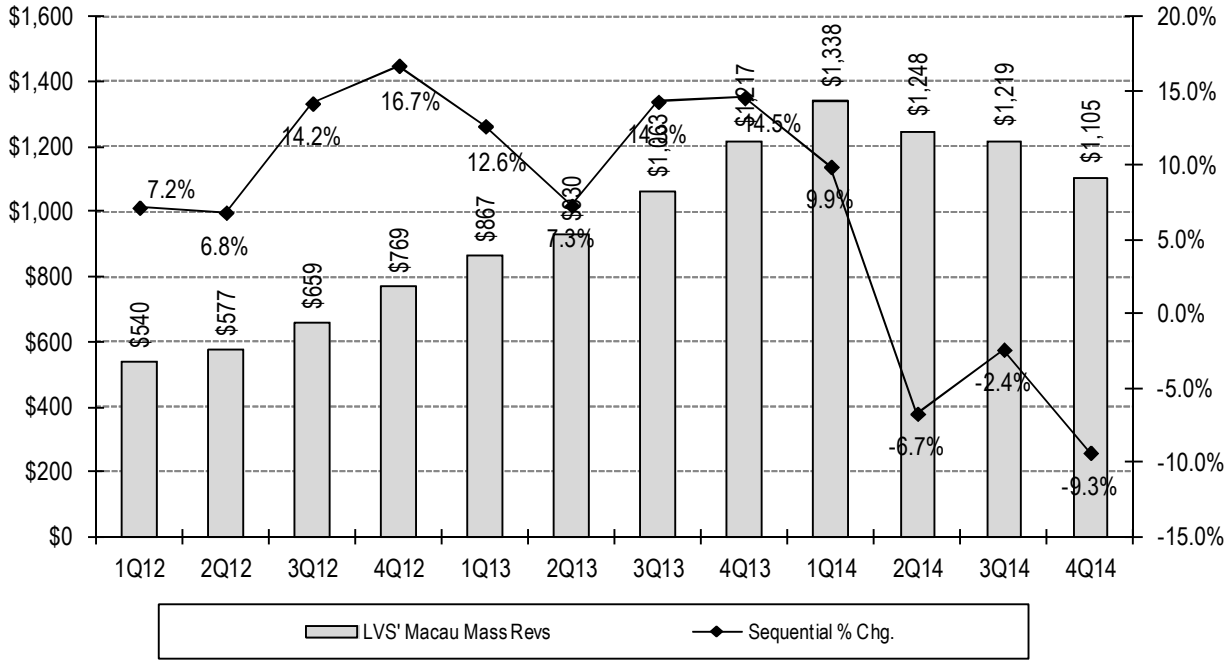
Figure 4: LVS' Aggregate Macau VIP Revenues & Sequential % Change
 \$ in millions



Source: Company reports and J.P. Morgan estimates.

Figure 5: LVS' Aggregate Macau Mass Revenues & Sequential % Change

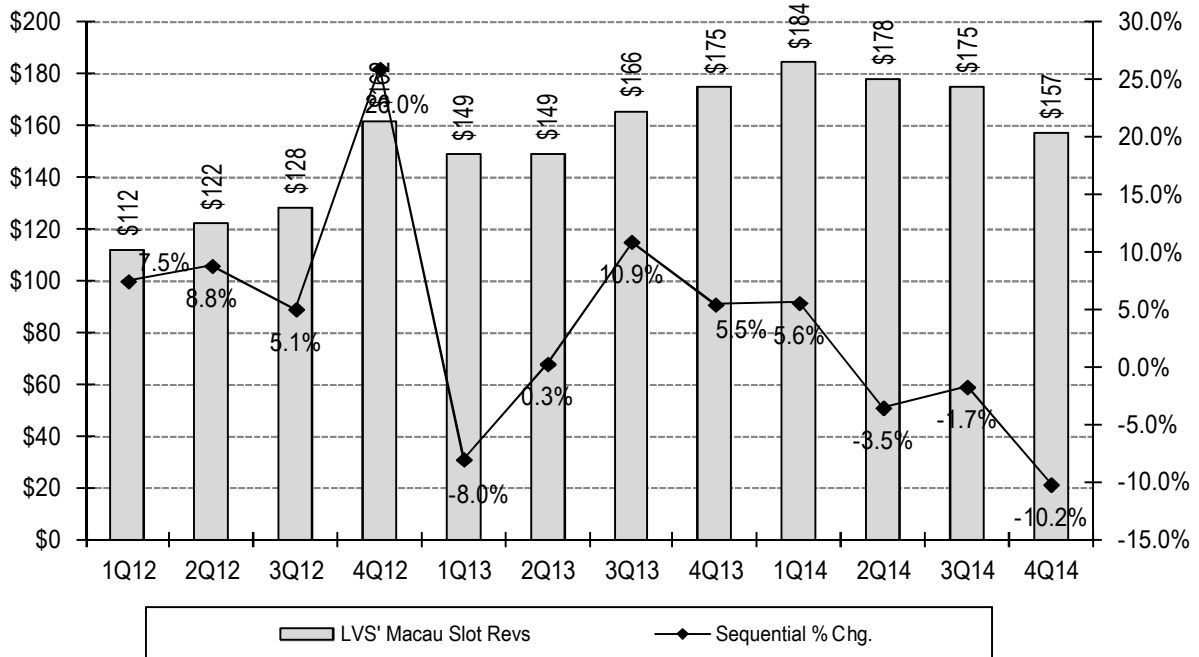
\$ in millions



Source: Company reports and J.P. Morgan estimates.

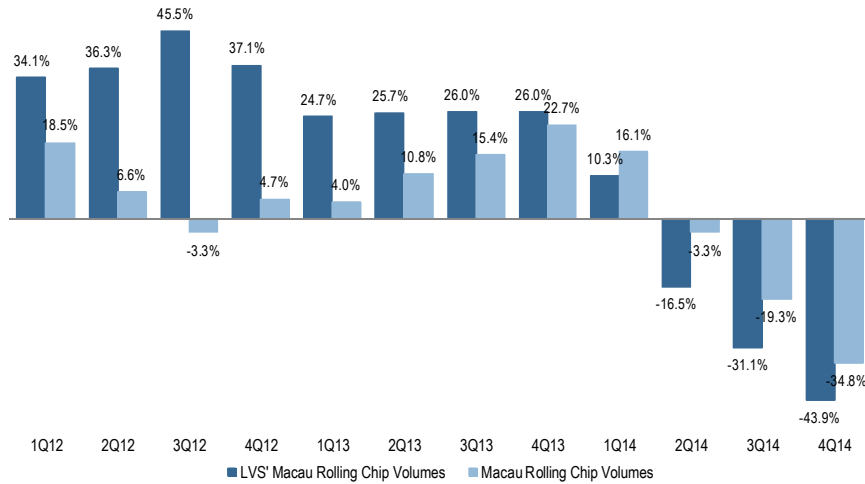
Figure 6: LVS' Aggregate Macau Slot Revenues & Sequential % Change

\$ in millions



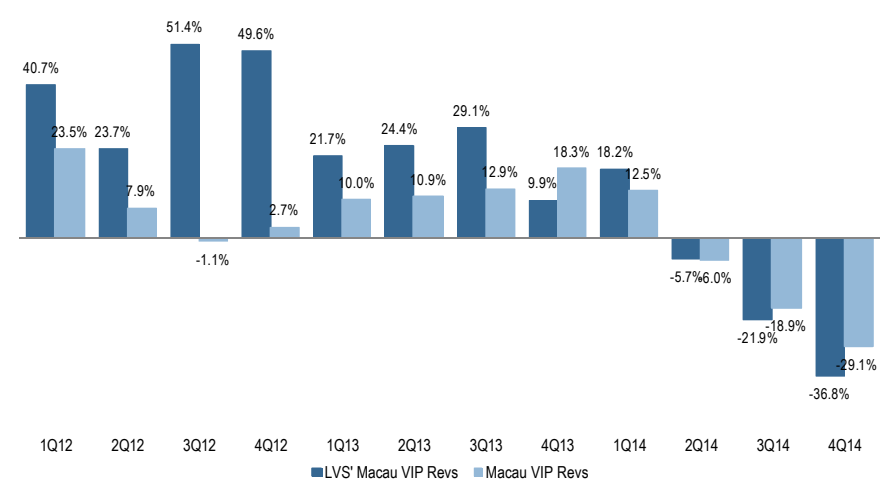
Source: Company reports and J.P. Morgan estimates.

Figure 7: LVS 4Q14 VIP RCT -43.9% yoy vs. -34.8% for the overall market



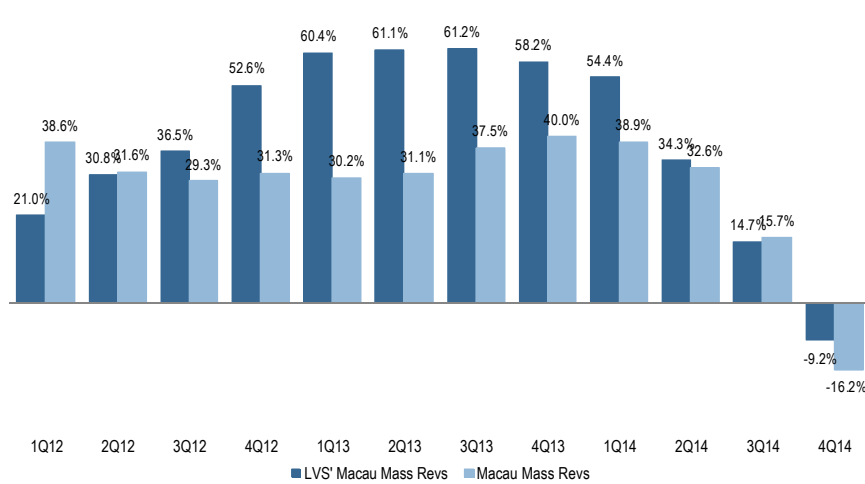
Source: J.P. Morgan estimates, DICJ

Figure 8: LVS 4Q14 VIP revenue -36.8% vs. -29.1% for the overall market



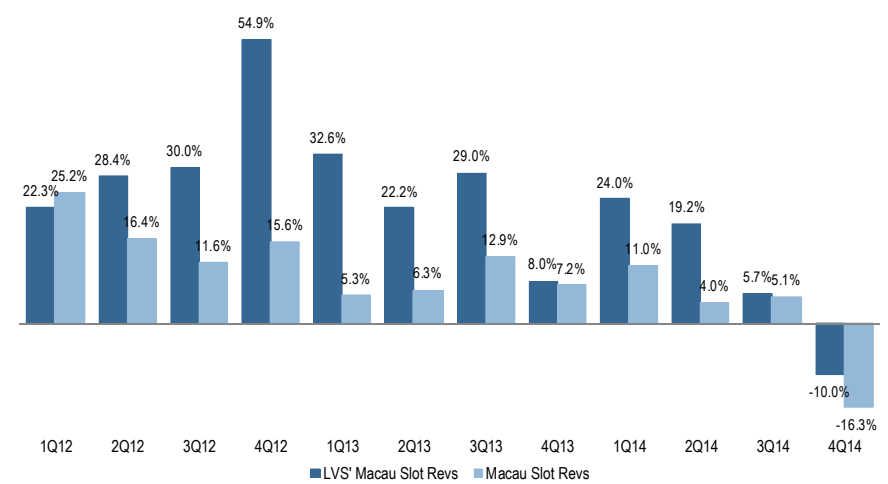
Source: J.P. Morgan estimates, DICJ

Figure 9: LVS 4Q14 mass revenue -9.2% yoy vs. -16.2% for the overall market



Source: J.P. Morgan estimates, DICJ

Figure 10: LVS 4Q14 slot revenue -10.0% yoy vs. -16.3% for the overall market



Source: J.P. Morgan estimates, DICJ

4Q14 Recap

Venetian Macau net revenues totaled \$880.3m, down 23.4% year-over-year but above our \$868.6 estimate, while property-level EBITDAR was \$321.4m, down 25.8% year-over-year but 1.7% above our \$316.0 estimate. VIP/Rolling Chip volume was down 39.7% year-over-year, mass market volume was down 7.1% year-over-year, while slot handle was up 2.2%. With regards to hold percentage, VIP table hold was 2.61% versus our estimate of 3.24% for the quarter while mass market table hold of 24.2% was below our estimate of 25.5%.

Net revenues at the Sands Macau totaled \$267.9m, down 18.0% year-over-year but \$0.2m above our \$267.7m estimate for the 4Q14. EBITDAR margins were 28.6%, up 170 bps year-over-year, but 150 bps below our estimate of 30.2%. Property-level EBITDAR at the Sands Macau was \$76.7m, down 12.8% year-over-year and \$4.1m below our \$80.8m estimate. VIP volumes were slightly ahead of our forecast (\$3.313 billion vs. our \$3.256b), while mass market volumes were roughly in-line (\$880m vs. our \$874m). Slot volumes were 4.7% above our estimates (\$767.1m vs. our \$731.0m). VIP table hold of 3.57% was in-line with our 3.57% estimate and mass market table hold of 18.0% was below our 18.2% estimate for the quarter.

4Q14 net revenues at the Four Seasons Macau came in at \$243.8m, up 2.4% year-over-year and in-line with our \$243.9m estimate. Property level EBITDAR was \$92.7m, \$8.2m above our \$84.5m estimate as EBITDAR margins at the property were 38.0%, ~340 bps above our 34.7% forecast and above the 4Q13's 32.2% margin. Rolling (VIP) chip table game volume came in at \$5.994b (-36.3% year-over-year), above our estimate of ~\$5.195b, while the hold percentage was 3.1%, below our estimate of 3.3%. Non-Rolling (Mass Market) chip table game drop came in at \$297m, and the win percentage was 20.0%. Slot volumes at the Four Seasons Macau were \$155m for the period, below our estimate of \$188m. The slot hold was 5.8%.

4Q14 net revenues at the Sands Cotai Central came in at \$705.0 million, slightly above our estimate of \$699.5m. Property level EBITDAR was \$220.3 million, \$20.0 million below our \$240.2m estimate as EBITDAR margins at the property were 31.2%, ~310 bps below our 34.3% forecast. Rolling (VIP) chip table game volume came in at \$8.384 billion, in-line with our estimate of \$8.380 billion, while the hold percentage of 3.2% was ~10 bps above our estimate. Non-Rolling (Mass Market) chip table game drop came in at \$1.859 billion, \$153.2m above our estimate. Mass market win percentage was 20.3%, ~210 bps below our estimate of 22.4%. Slot volumes at Sands Cotai Central were \$1.817 billion for the period, 2.3% above our estimate of \$1.776 billion. The slot hold was 3.5%, slightly above our estimate of 3.4%.

In the 4Q, Marina Bays Sands Singapore net revenues came in at \$838.6 million, \$69.3m above our \$769.3m estimate. Property-level EBITDA was \$518.5m (inclusive of a one-time \$90.1m property tax credit), \$148.8m above our estimate. Year-over-year rolling (VIP) chip table game volume decreased 26.8% to \$10.048b versus our estimate of \$10.298b; however, VIP rolling win percentage was 3.6%, above the expected hold range of 2.7% to 3.0%. Non-rolling (Mass Market) chip table game drop came in at \$1.098 billion, below our \$1.113 billion estimate. Non-rolling win percentage was 26.7%, ~110 bps above our 25.6% estimate. Slot

volumes at Marina Bay Sands were \$3.125 billion for the period (compared to our \$3.079 billion estimate) with a hold of 4.8% (versus our 4.9% estimate).

4Q14 net revenues for the Las Vegas operations (Venetian & Palazzo) were \$362.6m, down 6.0% year-over-year and \$18.4m below our estimate for the period. EBITDAR margins in Las Vegas came in at 21.5%, down 140 bps year-over-year and 100 bps below our 22.5% estimate. Property-level EBITDAR for the Las Vegas operations (Venetian & Palazzo) was \$78.0m, \$7.9m below our \$85.8m estimate, and down 11.6% year-over-year. RevPAR was down 2.5% at \$180m.

Sands Bethworks net revenues came in at \$133.6m, \$6.6m above our \$127.0m estimate for the quarter. Property-level EBITDAR was \$36.2m, \$5.8m above our estimate. EBITDAR margins at the property were 27.1%, ~320 bps above our forecast. Slot handle at the Sands Bethworks was \$1.011 billion for the period, up 1.6% year-over-year. The slot hold was 6.8%. Table games drop came in at \$279.9 million (+8.1% year-over-year) with a hold percentage of 18.7%.

Capital expenditures totaled ~\$385.5m in 4Q14. In the accompanying slide presentation, LVS noted it expects total capex to be ~\$2.420 billion in 2015, ~\$1.350 billion in 2016, and ~\$610 million in 2017.

LVS repurchased ~3.8m shares during the 4Q at a weighted average price of \$61.18, for a total of \$235.0m. In addition to the buybacks, LVS also returned \$400.3m to shareholders via dividends in the quarter. Recall, last quarter announced a 30% increase to its annual recurring dividend for 2015 to \$2.60 per share or \$0.65 per quarter.

As of December 31, 2014, LVS had an unrestricted cash balance of \$3.51b. Total debt at the end of the period was \$9.99b.

Figure 11: LVS 4Q14 Results Summary

\$ in millions

(\$MM)	LVS Actuals				JPM Estimates		
	4Q14	4Q13	YOY Change		4Q14E	Variance	
			\$	%		\$	%
Net Revenues							
Las Vegas Properties	362.6	385.7	(23.1)	-6.0%	381.0	(18.4)	-5.1%
Sands Macao	267.9	326.7	(58.8)	-18.0%	267.7	0.2	0.1%
Venetian Macao	880.3	1,149.1	(268.8)	-23.4%	868.6	11.7	1.3%
Four Seasons Macao	243.8	238.1	5.8	2.4%	243.9	(0.0)	0.0%
Sands Cotai Central (Sites 5&6)	705.0	790.7	(85.6)	-10.8%	699.5	5.6	0.8%
Sub-total Macau	2,097.1	2,504.5	(407.4)	-16.3%	2,079.6	17.5	0.8%
Marina Bay Sands, Singapore	838.6	659.8	178.8	27.1%	769.3	69.3	8.3%
Sands Bethworks	133.6	124.1	9.5	7.6%	127.0	6.6	4.9%
Other	(15.9)	(18.5)	2.7	NM	(0.7)	NM	
Total Net Revenues	3,416.0	3,655.7	(239.7)	-6.6%	3,341.7	74.3	2.2%
EBITDAR							
Las Vegas Properties	78.0	88.2	(10.2)	-12%	85.8	(7.9)	-10.1%
<i>Margin</i>	<i>21.5%</i>	<i>22.9%</i>		<i>-1.4%</i>	<i>22.5%</i>	<i>-1.0%</i>	
Sands Macao	76.7	88.0	(11.2)	-13%	80.8	(4.1)	-5.3%
<i>Margin</i>	<i>28.6%</i>	<i>26.9%</i>		<i>1.7%</i>	<i>30.2%</i>	<i>-1.5%</i>	
Venetian Macao	321.4	433.4	(111.9)	-26%	316.0	5.5	1.7%
<i>Margin</i>	<i>36.5%</i>	<i>37.7%</i>		<i>-1.2%</i>	<i>36.4%</i>	<i>0.1%</i>	
Four Seasons Macao	92.7	76.8	16.0	21%	84.5	8.2	8.8%
<i>Margin</i>	<i>38.0%</i>	<i>32.2%</i>		<i>5.8%</i>	<i>34.7%</i>	<i>3.4%</i>	
Sands Cotai Central (Sites 5&6)	220.3	237.8	(17.5)	-7%	240.2	(20.0)	-9.1%
<i>Margin</i>	<i>31.2%</i>	<i>30.1%</i>		<i>1.2%</i>	<i>34.3%</i>	<i>-3.1%</i>	
Sub-total Macau	711.2	835.9	(124.7)	-15%	721.5	(10.3)	-1.5%
<i>Margin</i>	<i>33.9%</i>	<i>33.4%</i>		<i>0.5%</i>	<i>34.7%</i>	<i>-0.8%</i>	
Marina Bay Sands, Singapore	518.5	258.8	259.7	100%	369.7	148.8	28.7%
<i>Margin</i>	<i>61.8%</i>	<i>39.2%</i>			<i>48.1%</i>	<i>13.8%</i>	
Sands Bethworks	36.2	30.3	5.9	19%	30.4	5.8	16.1%
<i>Margin</i>	<i>27.1%</i>	<i>24.4%</i>		<i>NM</i>	<i>23.9%</i>	<i>3.2%</i>	
Other Asia (Cotai Ferries)	2.2	0.7	1.6	NM	0.0	2.2	100.0%
Total Property EBITDAR	1,346.1	1,214.0	132.1	10.9%	1,207.4	138.7	10.3%
<i>Margin</i>	<i>39.4%</i>	<i>33.2%</i>			<i>36.1%</i>	<i>3.3%</i>	
Corporate Expense	36.2	48.3	(12.1)	-25.0%	42.7	(6.5)	-17.8%
Total EBITDAR, after Corp. Exp.	1,309.9	1,165.7	144.2	12.4%	1,164.7	145.1	11.1%
Rent Expense	10.4	10.1	0.4	3.9%	10.1	0.4	3.4%
Total EBITDA	1,299.4	1,155.6	143.8	12.4%	1,154.6	144.8	11.1%
<i>Margin</i>	<i>38.0%</i>	<i>31.6%</i>		<i>6.4%</i>	<i>34.6%</i>	<i>3.5%</i>	<i>9.2%</i>
Depreciation & Amortization	255.5	254.9	0.6	0.2%	251.0	4.5	1.8%
Pre-Opening Expense	13.6	4.7	8.9	NM	13.6	NM	
Development Expense	0.0	0.0	0.0	NM	0.0	NM	
Other (Gain)/Loss	1.9	1.7	0.2	NM	1.9	NM	
Stock-based Compensation, other	5.9	8.2	(2.4)	-28.7%	7.3	(1.4)	-23.8%
Operating Income	1,022.5	886.1	136.4	15.4%	896.4	126.1	12.3%
Interest Expense	66.7	67.1	(0.4)	-0.6%	60.9	5.8	8.7%
Interest Income	8.5	5.5	3.0	55.5%	5.9	2.6	30.9%
Loss on Debt Retirement, Other	4.3	14.8	(10.5)	NM	4.3	NM	
Pretax Income	968.7	809.6	159.1	19.6%	841.4	127.3	13.1%
<i>Tax Rate</i>	<i>9.4%</i>	<i>4.9%</i>			<i>5.3%</i>		
Tax (Provision) Benefit	90.7	39.9	50.8	NM	44.3	46.4	51%
Minority Interest, net	156.7	192.2			164.0		
Net Income (Loss)	721.3	577.5	143.8	24.9%	633.0	88.3	12.2%
Reported GAAP EPS	\$0.90	\$0.70	\$0.20	28.1%	\$0.79	\$0.11	12.4%
Basic Shares Outstanding	799.9	818.6	(18.8)	-2.3%	800.9	-1.0	-0.1%
Diluted Shares Outstanding	801.5	822.3	(20.8)	-2.5%	802.6	-1.1	-0.1%
Nonrecurring Items							
Preopening Expenses	(12.9)	(3.8)	(9.1)	242.8%	(12.9)	NM	
Other Nonrecurring items	0.0	(11.6)	11.6	NM	0.0	NM	
Net Income After Non-recurring. Items	734.2	592.9	141.3	NM	633.0	101.1	NM
Adjusted EPS	\$0.92	\$0.72	\$0.20	NM	\$0.79	\$0.13	NM

Source: Company reports and J.P. Morgan estimates.

Figure 12: Historical Hold-Adjusted Property EBITDA

\$ in millions

Historical Hold-Adjusted Adj. Property EBITDA¹												
\$ in millions	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14	3Q14	4Q14
Macau Property Operations												
Reported	\$456.4	\$429.0	\$487.9	\$622.2	\$630.2	\$657.2	\$784.3	\$835.9	\$939.8	\$801.3	\$809.0	\$711.2
Hold-Adjusted	455.6	446.6	487.9	575.4	630.2	657.2	784.3	887.6	864.8	752.5	772.1	686.2
Marina Bay Sands												
Reported	472.5	330.4	260.8	302.5	396.8	355.3	373.6	258.8	435.2	417.8	351.7	518.5
Hold-Adjusted	419.4	387.7	365.6	406.4	451.1	396.2	373.6	372.1	377.9	368.5	366.5	461.0
Las Vegas Operations												
Reported	115.8	64.4	98.2	52.8	113.4	63.0	87.1	88.2	79.7	66.1	90.2	78.0
Hold-Adjusted	98.6	76.9	69.1	87.9	82.7	89.1	48.5	83.3	97.3	70.4	83.6	87.6
Sands Bethlehem												
Reported	27.5	26.9	32.1	27.5	29.9	33.6	29.6	30.3	26.5	27.9	29.8	36.2
Hold-Adjusted	26.8	27.3	30.2	25.6	28.2	30.5	29.0	24.5	26.5	27.9	29.8	36.2
LVS Consolidated²												
Reported	1,066.5	844.7	876.9	1,003.0	1,166.6	1,106.9	1,275.8	1,214.0	1,479.7	1,312.6	1,283.9	1,346.1
Hold-Adjusted	994.7	932.6	950.7	1,093.2	1,188.5	1,170.9	1,236.7	1,368.2	1,365.2	1,218.8	1,255.1	1,273.3

1. This schedule presents hold-adjusted adjusted property EBITDA based on the following methodology:

(a) for Macao operations and Marina Bay Sands: if the quarter's junket and/or premium direct rolling win percentage is outside of the 2.70%-3.00% band, then a hold-adjustment is calculated by applying the respective segment's trailing twelve months win percentage to the rolling table volume in that segment for the quarter

(b) for Las Vegas operations and Sands Bethlehem: calculated by applying the trailing twelve months win percentage to each quarter's table games drop

(c) for all properties: gaming taxes on incremental win are applied to determine the EBITDA impact

2. Reflects consolidated EBITDA inclusive of Other Asia segment

Source: Company reports and J.P. Morgan estimates.

4Q14 Sands Macau Operating Performance

Net revenues at the Sands Macau totaled \$267.9m, down 18.0% year-over-year but \$0.2m above our \$267.7m estimate for the 4Q14. EBITDAR margins were 28.6%, up 170 bps year-over-year, but 150 bps below our estimate of 30.2%. Property-level EBITDAR at the Sands Macau was \$76.7m, down 12.8% year-over-year and \$4.1m below our \$80.8m estimate.

VIP volumes were slightly ahead of our forecast (\$3.313 billion vs. our \$3.256b), while mass market volumes were roughly in-line (\$880m vs. our \$874m). Slot volumes were 4.7% above our estimates (\$767.1m vs. our \$731.0m). VIP table hold of 3.57% was in-line with our 3.57% estimate and mass market table hold of 18.0% was below our 18.2% estimate for the quarter.

The expected range for table hold in the VIP business will remain 2.7-3.0% as this is consistent with the hold rate the company has experienced over the last few years.

Figure 13: Sands Macau 4Q14 Results Summary – VIP & Mass Volumes Decline Year-Over-Year; Slot Volumes Grow
\$ in millions

Sands Macau Results	LVS Actuals						JPM Estimates		
	4Q14	4Q13	YOY Change		3Q14	Seq. Chg	4Q14E	Variance	
			\$	%				\$	%
Gaming Metrics									
Rolling Chip Volume	3,313	5,813	(2,500)	-43.0%	4,319	-23.3%	3,256	56.8	1.7%
Rolling Chip Hold %	3.57%	2.8%		0.8%	2.8%	0.8%	3.57%	0.0%	
VIP GGR	118	161	(43)	-26.5%	119	-0.8%	116	2.2	1.8%
% of total Table GGR	42.7%	45.9%		-3.2%	41.4%	1.4%	42.2%	0.5%	
Mass Market Volume	880	1,025	(145)	-14.2%	885	-0.5%	874	6.4	0.7%
Mass Market Table Hold %	18.0%	18.5%		-0.5%	19.1%	-1.1%	18.2%	-0.2%	
Mass Market GGR	158	190	(31)	-16.5%	169	-6.2%	159	(0.6)	-0.4%
% of total Table GGR	57.3%	54.1%		3.2%	58.6%	-1.4%	57.8%	-0.5%	
Slot Handle (volume)	767	695	72	10.3%	833	-8.0%	731	36.2	4.7%
Slot Hold %	3.6%	3.8%		-0.2%	3.6%	0.0%	3.6%	0.0%	
Slot GGR	28	26	1	4.5%	30	-8.0%	26	1.3	4.7%
Total Gross Casino Revenues	304.3	377.1	(73)	-19.3%	318.2	-4.4%	301.4	2.9	1.0%
Contra Revenues	(43.0)	(58.4)	15	-26.4%	(44.6)	-3.5%	(40.7)	(2.3)	5.3%
Reported Casino Revenues	261.3	318.7	(57)	-18.0%	273.6	-4.5%	260.7	0.6	0.2%
Non-Casino Revenues, net	6.6	8.0	(1)	-17.8%	6.5	2.1%	7.0	(0.4)	-5.9%
Sands Macau Net Revenues	267.9	326.7	(58.8)	-18.0%	280.1	-4.3%	267.7	0.2	0.1%
EBITDAR	76.7	88.0	(11.2)	-12.8%	88.1	-12.9%	80.8	(4.1)	-5.3%
Margin	28.6%	26.9%		1.7%	31.5%	-2.8%	30.2%		-1.5%

Source: Company reports and J.P. Morgan estimates.

4Q14 Venetian Macau Operating Performance

Venetian Macau net revenues totaled \$880.3m, down 23.4% year-over-year but above our \$868.6 estimate, while property-level EBITDAR was \$321.4m, down 25.8% year-over-year but 1.7% above our \$316.0 estimate.

VIP/Rolling Chip volume was down 39.7% year-over-year, mass market volume was down 7.1% year-over-year, while slot handle was up 2.2%. With regards to hold percentage, VIP table hold was 2.61% versus our estimate of 3.24% for the quarter while mass market table hold of 24.2% was below our estimate of 25.5%.

The expected range for table hold in the VIP business will remain 2.7-3.0% as this is consistent with the hold rate the company has experienced over the last few years.

Figure 14: Venetian Macau 4Q14 Results Summary – VIP & Mass Volumes Decrease Year-over-Year; Slot Volumes Grow

\$ in millions

Venetian Macau Results	LVS Actuals						JPM Estimates		
	4Q14	4Q13	YOY Change		3Q14	Seq. Chg	4Q14E	Variance	
			\$	%				\$	%
Hotel Metrics									
Occupancy	88.3%	94.4%	-6.1%		93.3%		94.4%	-6.1%	
ADR	280	269	11	4.1%	269	4.1%	282	(2.4)	-0.9%
RevPAR	247	254	(7)	-2.6%	251	-1.5%	267	(19.4)	-7.8%
Room Revenues	65.7	67.0	(1.3)	-1.9%	66.6	-1.4%	70.3	(4.6)	-7.0%
Gaming Metrics									
Rolling Chip Volume	10,099	16,759	(6,661)	-39.7%	10,128	-0.3%	9,429	669.9	6.6%
Rolling Chip Hold %	2.61%	3.32%	-0.71%		3.13%	-0.52%	3.24%	-0.63%	
VIP GGR	264	556	(293)	-52.6%	317	-16.9%	305	(41.7)	-15.8%
% of total Table GGR	34.1%	49.3%		-15.3%	36.8%	-2.7%	38.7%	-4.6%	
Mass Market Volume	2,108	2,268	(161)	-7.1%	2,208	-4.6%	1,897	210.5	10.0%
Mass Market Table Hold %	24.2%	25.2%		-1.0%	24.7%	-0.5%	25.5%	-1.3%	
Mass Market GGR	510	572	(62)	-10.8%	545	-6.5%	484	26.3	5.2%
% of total Table GGR	65.9%	50.7%		15.3%	63.2%	2.7%	61.3%	4.6%	
Slot Handle (volume)	1,325	1,296	29	2.2%	1,441	-8.0%	1,186	139.1	10.5%
Slot Hold %	4.3%	5.2%		-0.9%	4.6%	-0.3%	4.9%	-0.6%	
Slot GGR	57	67	(10)	-15.5%	66	-14.0%	58	(1.1)	-2.0%
Total Gross Casino Revenues	830.6	1,195.4	(365)	-30.5%	928.7	-10.6%	847.2	(16.6)	-2.0%
Contra Revenues	(97.3)	(184.1)	87	-47.1%	(110.9)	-12.2%	(100.2)	2.9	-3.0%
Reported Casino Revenues	733.3	1,011.3	(278)	-27.5%	817.8	-10.3%	747.0	(13.7)	-1.9%
Non-Casino Revenues, net	195.3	186.7	9	4.6%	169.6	15.2%	164.4	30.9	15.8%
Total Gross Revenue	928.6	1,198.0	(269)	-22.5%	987.4	-6.0%	911.4	17.2	1.9%
Promotional Allowances and Other	(48.3)	(48.9)	1	-1.3%	(44.4)	8.9%	(42.8)	(5.5)	11.3%
Venetian Macau Net Revenues	880.3	1,149.1	(268.8)	-23.4%	943.0	-6.7%	868.6	11.7	1.3%
EBITDAR	321.4	433.4	(111.9)	-25.8%	352.7	-8.9%	316.0	5.5	1.7%
Margin	36.5%	37.7%		-1.2%	37.4%	-0.9%	36.4%		0.1%

Source: Company reports and J.P. Morgan estimates.

4Q14 Four Seasons Macau Operating Performance

4Q14 net revenues at the Four Seasons Macau came in at \$243.8m, up 2.4% year-over-year and in-line with our \$243.9m estimate. Property level EBITDAR was \$92.7m, \$8.2m above our \$84.5m estimate as EBITDAR margins at the property were 38.0%, ~340 bps above our 34.7% forecast and above the 4Q13's 32.2% margin.

Rolling (VIP) chip table game volume came in at \$5.994b (-36.3% year-over-year), above our estimate of ~\$5.195b, while the hold percentage was 3.1%, below our estimate of 3.3%. Non-Rolling (Mass Market) chip table game drop came in at \$297m, and the win percentage was 20.0%. Slot volumes at the Four Seasons Macau were \$155m for the period, below our estimate of \$188m. The slot hold was 5.8%.

The expected range for table hold in the VIP business will remain 2.7-3.0% as this is consistent with the hold rate the company has experienced over the last few years.

Figure 15: Four Seasons Macao 4Q14 Results Summary –VIP & Mass Volumes Decrease Year-Over-Year

\$ in millions

Four Seasons - Macau	LVS Actuals						JPM Estimates		
	4Q14	4Q13	YOY Change		3Q14	Seq. Chg	4Q14E	Variance	
			\$	%				\$	%
Hotel Metrics									
Occupancy	86.7%	90.8%	-4.1%		88.3%		90.8%	-4.1%	
ADR	372	403	(31)	-7.7%	391	-4.9%	423	(51.2)	-13.8%
RevPAR	323	366	(43)	-11.9%	345	-6.6%	384	(61.7)	-19.1%
Room Revenues	11.1	12.7	(1.6)	-12.6%	11.9	-6.7%	14.1	(3.0)	-27.4%
Gaming Metrics									
Rolling Chip Volume	5,994	9,404	(3,410)	-36.3%	6,237	-3.9%	5,195	799.1	13.3%
Rolling Chip Hold %	3.1%	1.8%	1.4%		3.5%	-0.3%	3.3%	-0.1%	
VIP GGR	187	166	21	12.4%	215	-13.1%	169	18.2	9.7%
% of total Table GGR	75.9%	69.1%	6.8%		72.7%	3.2%	68.7%	7.2%	
Mass Market Volume	297	331	(34)	-10.2%	320	-7.3%	305	(7.7)	-2.6%
Mass Market Table Hold %	20.0%	22.5%	-2.5%		25.2%	-5.2%	25.2%	-5.2%	
Mass Market GGR	59	74	(15)	-20.2%	81	-26.5%	77	(17.4)	-29.3%
% of total Table GGR	24.1%	30.9%	-6.8%		27.3%	-3.2%	31.3%	-7.2%	
Slot Handle (volume)	155	271	(116)	-42.7%	215	-27.6%	188	(32.8)	-21.1%
Slot Hold %	5.8%	5.3%	0.5%		4.6%	1.2%	4.6%	1.2%	
Slot GGR	9	14	(5)	-37.3%	10	-8.7%	9	0.4	3.9%
Total Gross Casino Revenues	255.4	255.3	0	0.1%	305.8	-16.5%	254.3	1.2	0.5%
Contra Revenues	(66.6)	(71.8)	5	-7.2%	(84.4)	-21.1%	(66.2)	(0.4)	0.6%
Reported Casino Revenues	188.8	183.5	5	2.9%	221.4	-14.7%	188.0	0.8	0.4%
Other net	43.9	41.9	2	4.9%	32.1	36.7%	41.7	2.2	5.1%
Four Seasons Macau Net Revenues	243.8	238.1	5.8	2.4%	265.4	-8.1%	243.9	(0.0)	0.0%
EBITDAR	92.7	76.8	16.0	20.8%	101.2	-8.4%	84.5	8.2	8.8%
Margin	38.0%	32.2%		5.8%	38.1%	-0.1%	34.7%		3.4%

Source: Company reports and J.P. Morgan estimates.

4Q14 Sands Cotai Central Operating Performance

4Q14 net revenues at the Sands Cotai Central came in at \$705.0 million, slightly above our estimate of \$699.5m. Property level EBITDAR was \$220.3 million, \$20.0 million below our \$240.2m estimate as EBITDAR margins at the property were 31.2%, ~310 bps below our 34.3% forecast.

Rolling (VIP) chip table game volume came in at \$8.384 billion, in-line with our estimate of \$8.380 billion, while the hold percentage of 3.2% was ~10 bps above our estimate. Non-Rolling (Mass Market) chip table game drop came in at \$1.859 billion, \$153.2m above our estimate. Mass market win percentage was 20.3%, ~210 bps below our estimate of 22.4%. Slot volumes at Sands Cotai Central were \$1.817 billion for the period, 2.3% above our estimate of \$1.776 billion. The slot hold was 3.5%, slightly above our estimate of 3.4%.

Figure 16: Sands Cotai Central 4Q14 Results Summary –VIP & Mass Volumes Decrease Year-Over-Year; Slot Volumes Grow

\$ in millions

Sands Cotai Central (Sites 5&6)	LVS Actuals						JPM Estimates		
	4Q14	4Q13	YOY Change		3Q14	Seq. Chg	4Q14E	Variance	
			\$	%				\$	%
Hotel Metrics									
Occupancy	90.9%	89.1%	1.8%		89.5%		90.0%	0.9%	
ADR	183	167	16	9.6%	176	4.0%	170	13.0	7.1%
RevPAR	166	149	18	11.8%	158	5.6%	153	13.3	8.0%
Room Revenues	86.4	76.7	9.7	12.6%	81.8	5.6%	78.8	7.6	8.8%
Gaming Metrics									
Rolling Chip Volume	8,384	17,566	(9,182)	-52.3%	10,567	-20.7%	8,380	3.9	0.0%
Rolling Chip Hold %	3.2%	2.5%		0.7%	3.5%		3.2%	0.1%	
VIP GGR	269	443	(174)	-39.2%	368	-26.8%	264	5.1	1.9%
% of total Table GGR	41.6%	53.7%		-12.1%	46.5%		40.9%	0.8%	
Mass Market Volume	1,859	1,681	178	10.6%	1,891	-1.7%	1,706	153.2	8.2%
Mass Market Table Hold %	20.3%	22.7%		-2.4%	22.4%		22.4%	-2.1%	
Mass Market GGR	377	382	(4)	-1.1%	424	-10.9%	382	(4.7)	-1.2%
% of total Table GGR	58.4%	46.3%		12.1%	53.5%		59.1%	-0.8%	
Slot Handle (volume)	1,817	1,749	69	3.9%	2,025	-10.3%	1,776	41.2	2.3%
Slot Hold %	3.5%	3.8%		-0.3%	3.4%		3.4%	0.1%	
Slot GGR	64	66	(3)	-4.3%	69	-7.6%	60	3.2	5.1%
Total Gross Casino Revenues	710.1	890.6	(181)	-20.3%	860.2	-17.4%	706.5	3.6	0.5%
Contra Revenues	(99.0)	(182.9)	84	-45.9%	(132.9)	-25.5%	(83.8)	(15.2)	15.4%
Reported Casino Revenues	611.1	707.7	(97)	-13.6%	727.3	-16.0%	622.7	(11.6)	-1.9%
Non-Casino Revenues, net	145.4	127.8	18	13.8%	142.5	2.0%	122.4	23.0	15.8%
Total Gross Revenue	756.5	835.5	(79)	-9.5%	869.8	-13.0%	745.2	11.3	1.5%
Promotional Allowances and Other	(51.5)	(44.9)	(7)	14.7%	(53.3)	-3.5%	(45.7)	(5.8)	11.2%
Sands Cotai Central Net Revenues	705.0	790.7	(85.6)	-10.8%	816.5	-13.6%	699.5	5.6	0.8%
EBITDAR	220.3	237.8	(17.5)	-7.4%	267.0	-17.5%	240.2	(20.0)	-9.1%
Margin	31.2%	30.1%		1.2%	32.7%		34.3%		-3.1%

Source: Company reports and J.P. Morgan estimates.

4Q14 Marina Bay Sands Operating Performance

In the 4Q, Marina Bays Sands Singapore net revenues came in at \$838.6 million, \$69.3m above our \$769.3m estimate. Property-level EBITDA was \$518.5m (inclusive of a one-time \$90.1m property tax credit), \$148.8m above our estimate. Year-over-year rolling (VIP) chip table game volume decreased 26.8% to \$10.048b versus our estimate of \$10.298b, however, VIP rolling win percentage was 3.6%, above the expected hold range of 2.7% to 3.0%.

Non-rolling (Mass Market) chip table game drop came in at \$1.098 billion, below our \$1.113 billion estimate. Non-rolling win percentage was 26.7%, ~110 bps above our 25.6% estimate. Slot volumes at Marina Bay Sands were \$3.125 billion for the period (compared to our \$3.079 billion estimate) with a hold of 4.8% (versus our 4.9% estimate).

Figure 17: Marina Bay Sands 4Q14 Results Summary –Results Favorably Impacted By Hold

\$ in millions

Marina Bay Sands - Singapore	LVS Actuals						JPM Estimates		
	4Q14	4Q13	YOY Change		3Q14	Seq. Chg	4Q14E	Variance	
			\$	%				\$	%
Hotel Metrics									
Occupancy	98.3%	96.9%	1.4%		99.4%		99.4%	-1.1%	
ADR	422	425	(3)	-0.7%	468	-9.8%	468	(45.5)	-10.8%
RevPAR	415	412	3	0.7%	465	-10.8%	465	(49.9)	-12.0%
Room Revenues	92.1	95.8	(3.7)	-3.9%	101.6	-9.4%	107.9	(15.8)	-17.2%
Gaming Metrics									
Rolling Chip Volume	10,048	13,731	(3,683)	-26.8%	9,122	10.2%	10,298	(250.0)	-2.5%
Rolling Chip Hold %	3.6%	1.9%		1.7%	2.6%	0.9%	2.9%	0.7%	
VIP GGR	360	264	96	36.4%	241	49.4%	294	66.2	18.4%
% of total Table GGR	55.1%	48.7%		6.4%	45.3%	9.8%	50.7%	4.4%	
Mass Market Volume	1,098	1,136	(38)	-3.3%	1,137	-3.5%	1,113	(15.1)	-1.4%
Mass Market Table Hold %	26.7%	24.5%		2.2%	25.6%	1.1%	25.6%	1.1%	
Mass Market GGR	293	278	15	5.4%	291	0.7%	285	8.2	2.8%
% of total Table GGR	44.9%	51.3%		-6.4%	54.7%	-9.8%	49.3%	-4.4%	
Slot Handle (volume)	3,125	2,825	300	10.6%	3,127	0.0%	3,079	46.2	1.5%
Slot Hold %	4.8%	5.2%		-0.4%	4.9%	-0.1%	4.9%	-0.1%	
Slot GGR	150	147	3	2.1%	153	-2.1%	151	(0.9)	-0.6%
Win Per Table Per Day	11,613	9,089	2,525	27.8%	9,418	23.3%	10,239	1,374.5	11.8%
Average Number of Table Games	611	648	(37)	-5.7%	614	-0.5%	614	(3.0)	-0.5%
Win Per Slot Per Day	664	675	(11)	-1.6%	713	-6.9%	702	(38.1)	-5.7%
Average Number of Slot Machines	2,455	2,365	90	3.8%	2,335	5.1%	2,335	120.0	4.9%
Total Gross Casino Revenues	674.4	504.6	170	33.7%	573.5	17.6%	600.5	73.9	11.0%
Non-Casino Revenues, net	164.2	155.2	9	5.8%	162.0	1.3%	168.8	(4.6)	-2.8%
Marina Bay Sands Net Revenues	838.6	659.8	178.8	27.1%	735.5	14.0%	769.3	69.3	8.3%
EBITDA	518.5	258.8	259.7	100.3%	351.7	47.4%	369.7	148.8	28.7%
Margin	61.8%	39.2%		22.6%	47.8%	14.0%	48.1%		13.8%

Source: Company reports and J.P. Morgan estimates.

4Q14 Las Vegas (Venetian & Palazzo) Operating Performance

4Q14 net revenues for the Las Vegas operations (Venetian & Palazzo) were \$362.6m, down 6.0% year-over-year and \$18.4m below our estimate for the period. EBITDAR margins in Las Vegas came in at 21.5%, down 140 bps year-over-year and 100 bps below our 22.5% estimate. Property-level EBITDAR for the Las Vegas operations (Venetian & Palazzo) was \$78.0m, \$7.9m below our \$85.8m estimate, and down 11.6% year-over-year. RevPAR was down 2.5% at \$180m.

Figure 18: Las Vegas Properties 4Q14 Results Summary – RevPAR was -2.5% in the 4Q14

\$ in millions

<u>Las Vegas Results</u>	LVS Actuals				JPM Estimates		
	4Q14	4Q13	YOY Change		4Q14E	Variance	
			\$	%		\$	%
Hotel Metrics							
Venetian							
Occupancy	81.1%	88.8%	-7.7%				
ADR	222	208	14	6.7%			
RevPAR	180	185	(5)	-2.5%	192	(12.1)	-6.7%
Palazzo							
Occupancy	81.1%	88.8%	-7.7%				
ADR	222	208	14	6.7%			
RevPAR	180	185	(5)	-2.5%	192	(12.1)	-6.7%
Room Revenues	113.6	119.9	(6.3)	-5.3%	124.6	(11.0)	-9.7%
Gaming Metrics							
Table Drop	548.1	649.7	(102)	-15.6%	584.7	(36.6)	-6.7%
Table Hold %	19.1%	21.8%		-2.7%	20.0%	-0.9%	
Total Table Revenues	104.7	141.6	(37)	-26.1%	116.9	(12.3)	-11.7%
Slot Handle	584.6	542.2	42	7.8%	553.0	31.6	5.4%
Slot Hold %	7.7%	8.5%		-0.8%	8.3%	-0.6%	
Total Slot Revenues	45.0	46.1	(1)	-2.3%	45.9	(0.9)	-2.0%
Total Gross Casino Revenues	149.7	187.7	(38)	-20.3%	162.8	(13.1)	-8.8%
Discounts/Contra Revs	19.7	36.4	(16.7)	-45.9%	24.4	(4.7)	-24.0%
Reported Casino Revenues	130.0	151.3	(21.3)	-14.1%	138.4	(8.4)	-6.5%
Other Revenues	119.0	114.5	4.5	3.9%	117.9	1.0	0.9%
Total Las Vegas Net Revenues	362.6	385.7	(23.1)	-6.0%	381.0	(18.4)	-5.1%
Operating Expenses	284.6	297.5	(12.9)	-4.3%	295.1	(10.5)	-3.7%
Total Las Vegas EBITDAR	78.0	88.2	(10.2)	-11.6%	85.8	(7.9)	-10.1%
Margin	21.5%	22.9%		-1.4%	22.5%		-1.0%

Source: Company reports and J.P. Morgan estimates.

4Q14 Sands Bethworks Operating Performance

Sands Bethworks net revenues came in at \$133.6m, \$6.6m above our \$127.0m estimate for the quarter. Property-level EBITDAR was \$36.2m, \$5.8m above our estimate. EBITDAR margins at the property were 27.1%, ~320 bps above our forecast.

Investment Thesis, Valuation and Risks

Las Vegas Sands Corp. (Overweight; Price Target: \$60.00)

Investment Thesis

We maintain our Overweight rating as over the longer term we find Macau to possess attractive supply and demand dynamics supported by infrastructure enhancements and continued mass related penetration opportunity into Mainland China. We also highlight its solid free cash flow generation, which we would expect to be deployed into sizable dividend increases, and, given the recent share price underperformance, a reasonable valuation that reflects lowered investor expectations given a market-wide step down in operating momentum. In the near term, however, we expect the Macau stocks to be volatile and recommend investors use the volatility on the downside to build long positions. Given LVS's successes in both Macau and Singapore as well as a healthy balance sheet, we also like its option value related to the potential for it to participate in newer markets, though we don't specifically see much progress in Japan in the near term.

Valuation

At current levels, LVS trades at 13.2x 2015E EV/EBITDA, 12.3x 2016E EV/EBITDA, and 10.8x 2017E EV/EBITDA (all adjusted for Macau minority interest). This compares with its historical EV/EBITDA range of 3.5-57.7x and below its one-year-forward EV/EBITDA average multiple of 18.4x. We view these multiples as reasonably attractive in light of our discretionary free cash flow per share estimates of \$3.71 in 2015, \$3.97 in 2016, and \$4.41 in 2017.

Figure 19: LVS Current Valuation

\$ in millions

Year	FD Shares Out	FD Mkt Cap	Adjusted Net Debt EOP	Adjusted EV	Adjusted EBITDA	Adjusted EV/EBITDA	EBITDA CAGR
2017E	799.6	44,792	3,479	48,270	4,473	10.8x	5%
2016E	799.6	44,792	5,071	49,862	4,065	12.3x	
2015E	799.6	44,792	5,861	50,653	3,836	13.2x	
2014	808.3	45,279	6,280	51,559	4,237	12.2x	

Year	EPS	P/E	EPS CAGR
2017E	\$3.72	15.1x	6%
2016E	\$3.46	16.2x	
2015E	\$3.16	17.7x	
2014	\$3.58	15.6x	

Source: Company reports and J.P. Morgan estimates.

Our December 2015 price target of \$60 is based on multiples of 10.0x 2016E LV EBITDAR, 12.5x 2016E Macau EBITDAR (adjusted for 70.3% interest), 12.0x 2016E Singapore EBITDAR, 12.5x Sands China royalty fees, and 90% of 9.0x our

2016E PA EBITDAR, less 2016E year-end net debt. We also ascribe value (~\$3.40 NPV per share) to its Parisian/Site 3 Cotai development project, based on \$2.7 billion of capital expenditures, and a stabilized 20.0% EBITDA ROIC, discounted back 10% per year. Our valuation multiples are consistent with those of LVS's LV/Macau-centric peers.

Figure 20: LVS Price Target Methodology

\$ in millions

LVS (\$M)	2016E EBITDAR		Target Multiple	=	Firm Value	Sands China (\$M)	2016E EBITDAR		Target Multiple	=	Firm Value
Las Vegas	\$363	x	10.0x	=	\$3,629	Sands Macao	\$311	x	12.5x	=	\$3,885
Sands China Royaltes	40	x	12.5x	=	500	Venetian Macao	1,370	x	12.5x	=	17,129
Singapore	1,611	x	12.0x	=	19,329	Four Seasons Macao	336	x	12.5x	=	4,200
Pennsylvania (~90% interest)	114	x	9.0x	=	1,026	Other Macao (Cotai Ferries)	9	x	12.5x	=	112
Sub-total	2,128		11.5x		24,485	Sands Cotai Central & Parisian	1,039	x	12.5x	=	12,989
Non Sands China Corporate Expense	(148)	x	11.5x	=	(1,703)	Corporate Expense	(2)	x	12.5x	=	(20)
Sub-totals	\$1,980	x	11.5x		\$22,782	Stock Option Expense	(16)	x	12.5x	=	(202)
Plus: LVS's Equity Value Share of Sands China					30,477	Royaltes Paid to LVS	(40)	x	12.5x	=	(500)
Less: Non Sands China NetDebt (YE 2016)					5,571	Sub-totals	\$3,007	x	12.5x		\$37,593
Equals Equity Value					\$47,688	Plus SCL NetCash (year-end 2016) + Macau CIP 2016 EOP Balance					\$3,012
Divided by Diluted Shares Outstanding					800	Plus: PV for Site 3 Development (The Parisian Macao) ⁽¹⁾					2,749
Equals Year-end 2015 Price Target					\$60	Equals Equity Value of Sands China					\$43,353
Current Share Price					56.02	70.3% of Equity Value of Sands China					\$30,477
Annual Dividend					2.65						
Upside Potential, including the annual Dividend					12%						

Memo:

Implied Attributable 2015E FCF yield at current levels	6.6%
Implied Attributable 2015E FCF yield at price target	6.2%
Implied Attributable 2016E FCF yield at current levels	7.1%
Implied Attributable 2016E FCF yield at price target	6.7%
2015E P/E at current levels	17.7x
2015E P/E at price target	18.9x
2016E P/E at current levels	16.2x
2016E P/E at price target	17.3x

Source: Company reports and J.P. Morgan estimates.

Figure 21: LVS Free Cash Flow Calculation

\$ in millions

Discretionary Free Cash Flow Calculation	2015E	2016E	2017E
LVS Attributable EBITDA	4,015	4,245	4,653
Less: Allocated Corporate Expense	148	148	148
Less: Allocated Cash Interest Expense	244	243	242
Less: Allocated Maintenance Capex	418	418	447
Less Taxes	239	261	286
Equals Adjusted Discretionary Free Cash Flow	2,966	3,175	3,529
Adjusted FCF/Share	3.71	3.97	4.41
<i>yield</i>	6.6%	7.1%	7.9%
Current share Price	56.02	56.02	56.02
Number of Diluted Shares	800	800	800

Source: Company reports and J.P. Morgan estimates.

Risks to Rating and Price Target

Risks here relate to (1) additional regulatory investigations related to compliance with the Foreign Corrupt Practices Act (FCPA) or related negative headlines; (2) U.S. investor sentiment swings related to equity valuation swings in the global equity markets; (3) potential restrictions relating to Macau travel or other government policies that would be aimed at curbing market growth; (4) volatility associated with investor expectations on monthly Macau market revenues results/growth and market share; (5) executing on its Singapore VIP ramp; (6) heightened competition in Asia and the U.S.; and (7) a more meaningful consumer slowdown in Asia or the U.S.

Figure 22: Macau – Recent Market Share Trends – Overall Market Share

MOP in millions

Overall Market Share	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	Oct 13	Nov 13	Dec 13	4Q13	1Q14	2Q14	3Q14	Oct 14	Nov 14	Dec 14	4Q14
Sands China																		
Sands Macao	4.5%	3.4%	4.0%	3.6%	3.3%	3.1%	3.1%	2.4%	2.6%	3.7%	2.9%	2.7%	3.2%	3.0%	3.2%	3.1%	3.1%	3.1%
Venetian	8.4%	6.9%	8.3%	8.0%	8.3%	8.3%	8.4%	9.1%	9.6%	9.6%	9.4%	9.6%	9.2%	8.7%	9.4%	7.8%	8.8%	8.7%
Four Seasons	4.7%	3.6%	3.0%	3.5%	2.6%	3.3%	3.5%	1.8%	1.7%	2.6%	2.0%	3.4%	2.5%	3.0%	2.3%	3.8%	2.0%	2.7%
Sands Cotai Central		3.4%	3.7%	5.3%	6.3%	6.0%	7.2%	6.5%	7.6%	6.8%	7.0%	7.0%	7.3%	8.2%	8.5%	7.4%	5.6%	7.3%
Total	17.6%	17.3%	19.1%	20.4%	20.6%	20.7%	22.1%	19.8%	21.5%	22.8%	21.3%	22.7%	22.1%	22.9%	23.4%	22.1%	19.5%	21.8%
Galaxy																		
StarWorld	7.8%	8.2%	7.3%	6.3%	7.1%	7.1%	6.6%	7.0%	6.1%	6.7%	6.7%	7.1%	6.2%	7.2%	6.5%	6.8%	5.8%	6.4%
Galaxy Macau	9.6%	11.7%	10.9%	10.6%	10.4%	10.6%	11.0%	13.7%	11.9%	9.9%	11.9%	12.6%	13.5%	13.5%	14.5%	14.1%	14.4%	14.3%
CityClub	1.4%	1.3%	1.2%	1.2%	1.2%	1.2%	1.1%	0.7%	1.0%	1.1%	0.9%	1.0%	1.0%	1.1%	0.9%	1.0%	0.8%	0.9%
Total	18.8%	21.2%	19.4%	18.2%	18.7%	18.8%	18.7%	21.4%	19.0%	17.7%	19.5%	20.8%	20.8%	21.8%	21.9%	21.9%	21.1%	21.6%
Wynn Macau	12.2%	11.8%	12.1%	10.7%	11.3%	10.5%	11.0%	10.1%	11.3%	11.3%	10.9%	10.6%	10.1%	10.5%	8.7%	8.8%	10.0%	9.1%
SJM	28.0%	27.4%	26.8%	27.6%	27.0%	25.0%	25.0%	26.7%	23.9%	24.4%	25.1%	23.6%	24.8%	23.1%	24.1%	23.2%	24.3%	23.9%
Melco Crown																		
Altira	4.0%	3.4%	3.5%	4.0%	3.6%	3.8%	3.2%	2.7%	2.8%	3.2%	2.9%	2.6%	2.4%	2.2%	3.0%	2.5%	2.5%	2.7%
City of Dreams	9.3%	9.2%	9.7%	9.5%	9.7%	11.0%	10.4%	10.5%	10.6%	10.9%	10.7%	10.1%	10.3%	10.0%	11.0%	10.6%	12.2%	11.2%
Total	13.4%	12.6%	13.2%	13.5%	13.3%	14.8%	13.6%	13.1%	13.4%	14.2%	13.6%	12.7%	12.7%	12.3%	14.0%	13.1%	14.7%	13.9%
MGM	10.0%	9.6%	9.4%	9.6%	9.1%	10.2%	9.6%	8.9%	10.8%	9.6%	9.7%	9.6%	9.5%	9.4%	8.0%	11.0%	10.4%	9.7%
Grand Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Source: Company reports and J.P. Morgan estimates.

Figure 23: Macau – Recent Market Share Trends – Mass and VIP Gaming Segments

MOP in millions

Mass Monthly Market Share																		
	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	Oct 13	Nov 13	Dec 13	4Q13	1Q14	2Q14	3Q14	Oct 14	Nov 14	Dec 14	4Q14
Sands China																		
Sands	6.2%	5.7%	6.0%	5.3%	5.3%	5.3%	4.9%	4.7%	4.7%	5.1%	4.8%	4.8%	4.8%	4.3%	4.5%	5.4%	5.0%	4.9%
Venetian	14.7%	13.6%	14.3%	13.0%	14.4%	14.7%	13.7%	15.0%	14.4%	13.9%	14.5%	14.9%	13.7%	13.6%	14.0%	15.0%	15.3%	14.7%
Four Seasons	1.9%	1.7%	1.4%	2.0%	1.7%	1.4%	2.2%	1.8%	1.4%	2.2%	1.8%	2.3%	2.0%	2.0%	1.9%	1.1%	1.8%	1.6%
Sands Cotai Central		3.6%	4.7%	7.0%	7.3%	8.5%	9.0%	9.6%	9.2%	9.1%	9.3%	9.5%	9.9%	10.1%	11.7%	11.3%	10.1%	11.1%
Total	22.8%	24.7%	26.4%	27.3%	28.8%	29.9%	29.8%	31.1%	29.7%	30.3%	30.4%	31.5%	30.4%	30.0%	32.1%	32.8%	32.2%	32.4%
Galaxy																		
StarWorld	3.1%	3.0%	3.1%	3.2%	3.4%	3.6%	3.7%	3.7%	3.9%	4.1%	3.9%	3.5%	3.4%	3.6%	3.1%	4.2%	3.4%	3.6%
Galaxy Macau	8.6%	9.4%	9.5%	9.6%	9.7%	10.6%	10.1%	9.6%	10.3%	9.0%	9.6%	10.3%	9.6%	10.0%	9.5%	10.6%	10.7%	10.2%
CityClub	2.6%	2.5%	2.8%	2.8%	2.8%	2.5%	2.1%	2.0%	1.9%	2.2%	2.0%	1.9%	2.1%	2.0%	1.9%	2.1%	1.9%	2.0%
Total	14.3%	15.0%	15.5%	15.6%	15.9%	16.7%	16.0%	15.4%	16.1%	15.2%	15.6%	15.7%	15.1%	15.5%	14.5%	16.9%	16.0%	15.7%
Wynn Macau	9.5%	8.8%	8.5%	7.9%	8.3%	7.1%	7.1%	7.1%	8.3%	7.8%	7.7%	7.4%	7.9%	8.4%	6.4%	7.9%	9.7%	7.9%
SJM	34.3%	32.6%	31.6%	29.8%	27.6%	25.6%	27.2%	26.1%	27.0%	26.8%	26.7%	25.4%	25.2%	24.2%	25.5%	27.0%	27.0%	26.4%
Melco Crown																		
Altira	1.0%	1.0%	1.0%	0.9%	0.8%	0.9%	0.8%	0.7%	0.8%	1.0%	0.8%	0.6%	0.8%	0.7%	1.1%	0.7%	0.7%	0.9%
City of Dreams	10.8%	10.3%	9.7%	11.2%	11.5%	12.0%	12.3%	12.9%	11.7%	13.1%	12.6%	12.0%	12.4%	13.2%	12.0%	6.8%	7.9%	9.1%
Total	11.8%	11.3%	10.7%	12.1%	12.3%	12.9%	13.1%	13.6%	12.5%	14.1%	13.4%	12.7%	13.2%	14.0%	13.1%	7.5%	8.5%	9.9%
MGM	7.2%	7.6%	7.3%	7.3%	7.1%	7.7%	6.8%	6.7%	6.4%	5.7%	6.3%	7.4%	8.1%	7.9%	8.4%	7.8%	6.5%	7.7%
Grand Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
VIP Monthly Market Share																		
	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	Oct 13	Nov 13	Dec 13	4Q13	1Q14	2Q14	3Q14	Oct 14	Nov 14	Dec 14	4Q14
Sands China																		
Sands	3.8%	2.6%	3.2%	2.9%	2.5%	2.2%	2.2%	1.4%	1.5%	3.0%	2.0%	1.7%	2.2%	2.1%	2.4%	1.6%	2.1%	2.0%
Venetian	6.3%	4.5%	5.9%	5.9%	5.8%	5.6%	5.8%	6.4%	7.1%	7.5%	7.0%	6.8%	6.5%	5.4%	6.7%	3.6%	5.3%	5.3%
Four Seasons	5.6%	4.3%	3.7%	4.1%	2.9%	4.1%	4.1%	1.8%	1.8%	2.8%	2.1%	4.0%	2.8%	3.7%	2.5%	5.4%	2.2%	3.3%
Sands Cotai Central		3.3%	3.3%	4.7%	5.9%	4.9%	6.3%	5.2%	6.8%	5.7%	5.8%	5.7%	5.7%	6.9%	6.6%	5.1%	3.1%	5.0%
Total	15.7%	14.7%	16.1%	17.6%	17.2%	16.8%	18.4%	14.8%	17.2%	19.0%	16.9%	18.3%	17.1%	18.0%	18.2%	15.7%	12.7%	15.7%
Galaxy																		
StarWorld	9.5%	10.1%	8.9%	7.6%	8.6%	8.5%	8.0%	8.5%	7.3%	8.1%	8.0%	8.9%	7.9%	9.7%	8.5%	8.4%	7.1%	8.0%
Galaxy Macau	9.9%	12.5%	11.5%	11.1%	10.7%	10.6%	11.4%	15.4%	12.8%	10.4%	13.0%	13.8%	15.8%	16.0%	17.4%	16.2%	16.4%	16.7%
CityClub	1.0%	0.8%	0.6%	0.6%	0.6%	0.6%	0.6%	0.1%	0.5%	0.5%	0.4%	0.6%	0.4%	0.5%	0.4%	0.3%	0.2%	0.3%
Total	20.4%	23.4%	21.0%	19.3%	19.9%	19.7%	20.0%	24.0%	20.6%	19.0%	21.4%	23.4%	24.1%	26.2%	26.3%	24.8%	23.8%	25.0%
Wynn Macau	13.2%	12.9%	13.6%	11.9%	12.5%	11.9%	12.9%	11.5%	12.8%	13.1%	12.4%	12.3%	11.4%	12.0%	10.0%	9.3%	10.2%	9.8%
SJM	25.9%	25.5%	24.8%	26.6%	26.7%	24.8%	23.9%	26.9%	22.3%	23.2%	24.3%	22.7%	24.6%	22.4%	23.2%	20.9%	22.8%	22.4%
Melco Crown																		
Altira	5.1%	4.3%	4.5%	5.3%	4.8%	5.0%	4.3%	3.5%	3.9%	4.3%	3.9%	3.6%	3.4%	3.3%	4.2%	3.6%	3.5%	3.8%
City of Dreams	8.8%	8.8%	9.7%	8.8%	8.9%	10.6%	9.4%	9.4%	10.0%	9.8%	9.7%	9.1%	9.1%	7.8%	10.4%	12.8%	14.5%	12.4%
Total	13.9%	13.1%	14.2%	14.1%	13.7%	15.5%	13.8%	12.9%	13.9%	14.2%	13.6%	12.7%	12.5%	11.1%	14.5%	16.4%	18.0%	16.2%
MGM	10.9%	10.4%	10.2%	10.5%	9.9%	11.3%	11.0%	9.9%	13.1%	11.6%	11.4%	10.8%	10.3%	10.3%	7.7%	12.8%	12.5%	10.8%
Grand Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Source: Company reports and J.P. Morgan estimates.

Figure 24: Macau – Recent Market Share Trends – Junket Rolling Chip Turnover

MOP in millions

VIP junkets Rolling Chips Turnover (MOP Mn)																			
	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	Oct 13	Nov 13	Dec 13	4Q13	1Q14	2Q14	3Q14	Oct 14	Nov 14	Dec 14	4Q14	
Sands China																			
Sands	45,900	44,769	50,135	41,646	45,533	41,952	37,974	15,447	13,780	11,048	40,275	39,388	32,946	30,264	9,879	7,013	5,918	22,810	
Venetian	80,279	63,910	62,518	74,842	67,716	67,991	77,643	34,613	35,170	28,805	98,588	89,622	72,325	57,223	21,679	16,923	14,678	53,280	
Four Seasons	85,646	61,858	60,368	73,772	67,666	67,704	62,487	22,089	20,664	19,296	62,049	65,053	36,601	39,711	12,859	13,278	6,929	33,066	
Sands Cotai Central		47,841	66,158	72,174	97,262	103,583	110,893	51,839	41,479	35,732	129,050	112,537	90,480	73,846	25,388	17,932	15,242	58,562	
Total	211,824	218,378	239,179	262,434	278,177	281,231	288,997	123,988	111,094	94,881	329,963	306,600	232,352	201,043	69,805	55,147	42,767	167,719	
Galaxy																			
StarWorld	181,124	167,631	152,886	150,909	153,996	166,094	174,012	62,324	61,286	63,783	187,393	185,522	174,040	154,741	48,342	40,475	39,047	127,865	
Galaxy Macau	175,801	192,626	179,096	172,155	173,660	183,301	195,773	83,841	76,108	82,076	242,025	260,898	271,895	231,580	78,543	70,438	57,615	206,596	
CityClub	21,867	17,549	14,637	14,399	12,718	11,954	9,047	3,888	2,991	3,196	10,074	9,767	7,339	6,586	2,097	1,587	1,520	5,204	
Total	378,792	377,806	346,619	337,463	340,374	361,349	378,831	150,053	140,385	149,054	439,492	456,186	453,274	392,907	128,982	112,501	98,182	339,664	
Wynn Macau	241,303	221,992	198,016	197,280	203,923	219,429	220,112	87,565	74,561	88,393	250,519	262,519	191,532	179,707	62,591	45,797	38,406	146,793	
SJM	479,159	461,152	433,876	486,601	487,042	489,348	520,472	207,913	181,785	199,396	589,094	566,847	495,087	383,653	142,816	124,432	110,397	377,645	
Melco Crown																			
Altira	84,198	79,286	84,832	91,343	91,380	92,874	84,505	28,893	26,200	27,589	82,682	78,732	65,787	56,961	23,120	21,644	18,709	63,472	
City of Dreams	129,156	130,406	132,671	154,082	164,924	167,058	143,665	58,751	52,239	54,293	165,283	159,104	141,153	107,182	38,549	41,327	30,760	110,636	
Total	213,355	209,692	217,502	245,425	256,304	259,932	228,171	87,644	78,439	81,881	247,965	237,836	206,940	164,144	61,669	62,970	49,469	174,108	
MGM	166,884	152,467	164,912	183,170	193,303	207,963	209,202	85,727	75,607	83,041	244,375	212,977	179,620	168,281	60,478	53,291	49,807	163,576	
Overall market	1,691,317	1,641,487	1,600,104	1,712,372	1,759,124	1,819,252	1,845,785	742,891	661,871	696,646	2,101,408	2,042,966	1,758,806	1,489,735	526,342	454,137	389,027	1,369,506	
VIP junkets Rolling Chips market share																			
	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	Oct 13	Nov 13	Dec 13	4Q13	1Q14	2Q14	3Q14	Oct 14	Nov 14	Dec 14	4Q14	
Sands China																			
Sands	2.7%	2.7%	3.1%	2.4%	2.6%	2.3%	2.1%	2.1%	2.1%	1.6%	1.9%	1.9%	1.9%	2.0%	1.9%	1.5%	1.5%	1.7%	
Venetian	4.7%	3.9%	3.9%	4.4%	3.8%	3.7%	4.2%	4.7%	5.3%	4.1%	4.7%	4.4%	4.1%	3.8%	4.1%	3.7%	3.8%	3.9%	
Four Seasons	5.1%	3.8%	3.8%	4.3%	3.8%	3.7%	3.4%	3.0%	3.1%	2.8%	3.0%	3.2%	2.1%	2.7%	2.4%	2.9%	1.8%	2.4%	
Sands Cotai Central		2.9%	4.1%	4.2%	5.5%	5.7%	6.0%	7.0%	6.3%	5.1%	6.1%	5.5%	5.1%	5.0%	4.8%	3.9%	3.9%	4.3%	
Total	12.5%	13.3%	14.9%	15.3%	15.8%	15.5%	15.7%	16.7%	16.8%	13.6%	15.7%	15.0%	13.2%	13.5%	13.3%	12.1%	11.0%	12.2%	
Galaxy																			
StarWorld	10.7%	10.2%	9.6%	8.8%	8.8%	9.1%	9.4%	8.4%	9.3%	9.2%	8.9%	9.1%	9.9%	10.4%	9.2%	8.9%	10.0%	9.3%	
Galaxy Macau	10.4%	11.7%	11.2%	10.1%	9.9%	10.1%	10.6%	11.3%	11.5%	11.8%	11.5%	12.8%	15.5%	15.5%	14.9%	15.5%	14.8%	15.1%	
CityClub	1.3%	1.1%	0.9%	0.8%	0.7%	0.7%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.4%	0.4%	0.4%	0.3%	0.4%	0.4%	
Total	22.4%	23.0%	21.7%	19.7%	19.3%	19.9%	20.5%	20.2%	21.2%	21.4%	20.9%	22.3%	25.8%	26.4%	24.5%	24.8%	25.2%	24.8%	
Wynn Macau	14.3%	13.5%	12.4%	11.5%	11.6%	12.1%	11.9%	11.8%	11.3%	12.7%	11.9%	12.8%	10.9%	12.1%	11.9%	10.1%	9.9%	10.7%	
SJM	28.3%	28.1%	27.1%	28.4%	27.7%	26.9%	28.2%	28.0%	27.5%	28.6%	28.0%	27.7%	28.1%	25.8%	27.1%	27.4%	28.4%	27.6%	
Melco Crown																			
Altira	5.0%	4.8%	5.3%	5.3%	5.2%	5.1%	4.6%	3.9%	4.0%	4.0%	3.9%	3.9%	3.7%	3.8%	4.4%	4.8%	4.8%	4.6%	
City of Dreams	7.6%	7.9%	8.3%	9.0%	9.4%	9.2%	7.8%	7.9%	7.9%	7.8%	7.9%	7.8%	8.0%	7.2%	7.3%	9.1%	7.9%	8.1%	
Total	12.6%	12.8%	13.6%	14.3%	14.6%	14.3%	12.4%	11.8%	11.9%	11.8%	11.8%	11.6%	11.8%	11.0%	11.7%	13.9%	12.7%	12.7%	
MGM	9.9%	9.3%	10.3%	10.7%	11.0%	11.4%	11.3%	11.5%	11.4%	11.9%	11.6%	10.4%	10.2%	11.3%	11.5%	11.7%	12.8%	11.9%	
Overall market	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	

Source: Company reports and J.P. Morgan estimates.

Figure 25: Macau – Recent Market Share Trends – Slot Gross Gaming Revenue

MOP in millions

Slot market share	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	Oct 13	Nov 13	Dec 13	4Q13	1Q14	2Q14	3Q14	Oct 14	Nov 14	Dec 14	4Q14
Sands China	24.8%	27.0%	28.5%	32.7%	29.6%	30.1%	32.6%	31.4%	31.7%	34.7%	32.6%	32.5%	32.4%	31.4%	30.9%	33.8%	34.7%	32.9%
Galaxy	11.7%	10.2%	12.1%	11.7%	12.6%	12.5%	12.4%	11.0%	11.1%	11.1%	11.1%	11.8%	11.5%	12.0%	11.2%	13.7%	11.1%	11.9%
Wynn Macau	17.6%	15.7%	13.6%	12.6%	13.7%	13.1%	12.4%	15.4%	13.6%	15.4%	14.9%	14.1%	14.5%	15.6%	14.4%	10.9%	14.1%	13.2%
SJM	12.4%	11.8%	11.9%	10.5%	11.1%	10.4%	9.9%	9.8%	8.8%	7.9%	8.9%	9.0%	9.4%	9.8%	10.8%	10.0%	10.1%	10.3%
Melco Crown	18.4%	17.6%	17.5%	17.1%	16.9%	17.8%	17.5%	18.4%	18.3%	16.9%	17.9%	17.4%	18.6%	18.3%	19.3%	19.9%	18.3%	19.2%
MGM	15.1%	17.6%	16.4%	15.3%	16.2%	16.1%	15.1%	13.9%	16.5%	13.9%	14.7%	15.3%	13.6%	13.0%	13.5%	11.7%	11.6%	12.4%
Overall market	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Source: Company reports and J.P. Morgan estimates.

Figure 26: EPS Model

\$ in millions

(\$MM, except per share data)	2012	2013	1Q14	2Q14	3Q14	4Q14	2014	1Q15E	2Q15E	3Q15E	4Q15E	2015E	2016E	2017E
Net Revenues														
Venetian Macao	3,038.0	3,851.2	1,184.6	1,032.7	943.0	880.3	4,040.7	872.3	838.8	912.1	919.4	3,542.6	3,772.8	3,951.7
% yoy growth	7.5%	26.8%	35.8%	15.4%	0.8%	-23.4%	4.9%	-26.4%	-18.8%	-3.3%	4.4%	-12.3%	6%	5%
Sands Macao	1,250.6	1,237.0	314.0	312.8	280.1	267.9	1,174.8	262.6	266.0	270.2	257.2	1,056.1	1,056.1	1,056.1
% yoy growth	-2.5%	-1.1%	1.2%	6.2%	-8.3%	-18.0%	-5.0%	-16.3%	-15.0%	-3.5%	-4.0%	-10.1%	0%	0%
Four Seasons Macao	1,086.5	1,065.4	370.0	228.5	265.4	243.8	1,107.8	225.1	188.2	246.7	233.5	893.4	916.3	935.9
% yoy growth	60.2%	-1.9%	65.8%	-16.6%	-19.6%	2.4%	4.0%	-39.2%	-17.6%	-7.1%	-4.3%	-19.3%	3%	2%
Sands Cotai Central & Parisian	1,052.1	2,698.4	827.6	784.8	816.5	705.0	3,133.9	667.8	690.4	764.7	723.3	2,846.3	3,004.5	4,465.9
% yoy growth		40.9%	34.4%	10.8%	-10.8%	16.1%	16.1%	-19.3%	-12.0%	-6.3%	2.6%	-9.2%	6%	49%
Sub-total Macau	6,427.1	8,852.1	2,696.2	2,358.9	2,305.0	2,097.1	9,457.1	2,027.9	1,983.5	2,193.7	2,133.4	8,338.4	8,749.7	10,409.7
% yoy growth	34.2%	37.7%	35.3%	15.2%	-0.1%	-16.3%	6.8%	-24.8%	-15.9%	-4.8%	1.7%	-11.8%	4.9%	19.0%
Las Vegas Properties	1,384.6	1,518.0	382.7	353.1	380.5	362.6	1,478.8	402.4	367.1	378.3	379.0	1,526.6	1,587.7	1,651.2
% yoy growth	4.5%	9.6%	-7.0%	2.1%	1.4%	-6.0%	-2.6%	5.1%	4.0%	-0.6%	4.5%	3.2%	4.0%	4.0%
Marina Bay Sands, Singapore	2,886.1	2,968.4	835.4	804.7	735.5	838.6	3,214.2	773.9	770.7	785.1	802.3	3,132.0	3,245.6	3,394.2
% yoy growth	-1.2%	2.8%	5.1%	8.8%	-5.0%	27.1%	8.3%	-7.4%	-4.2%	6.7%	-4.3%	-2.6%	4%	5%
Sands BehWorks, PA	470.5	496.7	117.2	126.1	127.3	133.6	504.2	120.2	129.7	128.9	134.2	513.0	513.8	513.8
% yoy growth	17.6%	5.6%	-4.7%	-0.5%	3.6%	7.6%	1.5%	2.6%	2.9%	1.2%	0.5%	1.7%	0%	0%
Other	(37.2)	(65.3)	(21.0)	(18.4)	(15.2)	(15.9)	(70.5)	(15.9)	(15.9)	(15.9)	(15.9)	(63.5)	(63.5)	(63.5)
Total Net Revenues	11,131.1	13,769.9	4,010.4	3,624.4	3,533.1	3,416.0	14,583.8	3,308.5	3,235.1	3,470.0	3,433.0	13,446.6	14,033.4	15,905.4
% yoy growth	18.3%	23.7%	21.4%	11.8%	-1.0%	-6.6%	5.9%	-17.5%	-10.7%	-1.8%	0.5%	-7.8%	4.4%	13.3%
EBITDAR														
Venetian Macao	1,143.2	1,499.9	470.1	402.1	352.7	321.4	1,546.3	308.2	305.2	330.4	333.1	1,276.9	1,370.3	1,434.5
Margin	37.6%	38.9%	39.7%	38.9%	37.4%	36.5%	38.3%	35.3%	36.4%	36.2%	36.2%	36.0%	36.3%	36.3%
Sands Macao	350.6	362.9	91.4	82.3	88.1	76.7	338.6	78.7	78.4	75.9	77.8	310.8	310.8	310.8
Margin	28.0%	29.3%	29.1%	26.3%	31.5%	28.6%	28.8%	29.9%	29.5%	28.1%	30.3%	29.4%	29.4%	29.4%
Four Seasons Macao	288.2	305.0	113.0	68.0	101.2	92.7	374.9	75.9	68.3	89.5	89.1	322.7	336.0	345.5
Margin	26.5%	28.6%	30.6%	29.7%	38.1%	38.0%	33.8%	33.7%	36.3%	36.3%	38.1%	36.1%	36.7%	36.9%
Sands Cotai Central & Parisian	213.5	739.7	265.2	249.0	267.0	220.3	1,001.5	227.6	236.6	263.6	260.0	987.8	1,039.1	1,415.6
Margin	20.3%	27.4%	32.0%	31.7%	32.7%	31.2%	32.0%	34.1%	34.3%	34.5%	35.9%	34.7%	34.6%	31.7%
Sub-total Macau	1,995.5	2,907.6	939.8	801.3	809.0	711.2	3,261.3	690.3	688.5	759.4	760.0	2,898.2	3,056.2	3,506.4
Margin	31.0%	32.8%	34.9%	34.0%	35.1%	33.9%	34.5%	34.0%	34.7%	34.6%	35.6%	34.8%	34.9%	33.7%
% yoy growth	25.3%	45.7%	49.1%	21.9%	3.2%	-14.9%	12.2%	-26.5%	-14.1%	-6.1%	6.9%	-11.1%	5.5%	14.7%
Las Vegas Properties	331.2	351.7	79.7	66.1	90.2	78.0	313.9	88.5	72.4	89.2	85.3	335.5	362.9	391.5
Margin	23.9%	23.2%	20.8%	18.7%	23.7%	21.5%	21.2%	22.0%	19.7%	23.6%	22.5%	22.0%	22.9%	23.7%
Marina Bay Sands, Singapore	1,366.2	1,384.6	435.2	417.8	351.7	518.5	1,723.1	373.7	372.8	379.2	394.0	1,519.7	1,610.8	1,673.2
Margin	47.3%	46.6%	52.1%	51.9%	47.8%	61.8%	53.6%	48.3%	48.4%	48.3%	49.1%	48.5%	49.6%	49.3%
Sands BehWorks, PA (100%)	114.1	123.3	26.5	27.9	29.8	36.2	120.5	28.9	31.1	30.9	35.6	126.5	126.7	126.7
Margin	24.2%	24.8%	22.6%	22.1%	23.4%	27.1%	23.9%	24.0%	24.0%	24.0%	26.5%	24.7%	24.7%	24.7%
Other Asia (Cotai Ferries)	(16.0)	(3.9)	(1.4)	(0.5)	3.1	2.2	3.5	2.2	2.2	2.2	2.2	9.0	9.0	9.0
Total Property EBITDAR	3,791.1	4,763.4	1,479.7	1,312.6	1,283.9	1,346.1	5,422.3	1,183.6	1,167.1	1,261.0	1,277.1	4,888.8	5,165.6	5,706.8
% yoy growth	7.3%	25.6%	26.8%	18.6%	0.6%	10.9%	13.8%	-20.0%	-11.1%	-1.8%	-5.1%	-9.8%	5.7%	10.5%
Corporate Expense	207.0	189.5	50.7	45.1	42.7	36.2	174.8	37.0	37.0	37.0	37.0	148.0	148.0	148.0
Total EBITDAR, after Corp. Exp.	3,584.0	4,573.8	1,429.0	1,267.5	1,241.2	1,309.9	5,247.6	1,146.6	1,130.1	1,224.0	1,240.1	4,740.8	5,017.6	5,558.8
Margin	32.2%	33.2%	35.6%	35.0%	35.1%	38.3%	36.0%	34.7%	34.9%	35.3%	36.1%	35.3%	35.8%	34.9%
% yoy growth	7.1%	27.6%	28.7%	19.5%	0.3%	12.4%	14.7%	-19.8%	-10.8%	-1.4%	-5.3%	-9.7%	5.8%	10.8%
Rent Expense	40.2	40.4	10.0	10.0	10.1	10.4	40.6	10.4	10.4	10.4	10.4	41.8	41.8	41.8
Total EBITDA, after Corp. Exp.	3,543.9	4,533.5	1,419.0	1,257.5	1,231.1	1,299.4	5,207.0	1,136.1	1,119.7	1,213.6	1,229.6	4,699.0	4,975.8	5,517.0
Depreciation & Amortization	892.0	1,007.5	261.0	264.0	251.0	255.5	1,031.6	255.5	255.5	255.5	255.5	1,022.1	1,022.1	1,144.8
Pre-Opening Expense			6.0	20.4	0.6	13.6								
(Gain)/Loss on Asset Disposal/Other			0.5	3.6	0.8	1.9								
Stock-based Compensation, other	30.8	77.5	7.6	8.1	7.3	5.9	28.8	7.5	7.5	7.5	7.5	30.0	31.5	33.1
Operating Income	2,311.4	3,408.2	1,143.8	961.5	971.4	1,022.5	4,099.2	873.1	856.7	950.5	966.6	3,646.9	3,922.2	4,339.1
Interest Expense	(258.6)	(271.2)	(71.1)	(69.6)	(66.8)	(66.7)	(274.2)	(66.0)	(65.0)	(63.0)	(61.0)	(255.0)	(228.0)	(278.0)
Interest Income	23.3	16.3	5.8	5.7	5.6	8.5	25.6	6.5	6.5	6.6	6.8	26.4	28.4	31.7
Loss on Debt Retirement, Other (Expense)			(22.6)	2.2	(1.9)	4.3								
Pre-Tax Income	2,062.6	3,143.5	1,055.9	899.8	908.4	968.7	3,832.7	813.6	798.2	894.1	912.4	3,418.3	3,722.6	4,092.8
Tax rate	9%	6%	6%	5%	5%	9%	6%	7%	7%	7%	7%	7%	7%	7%
Tax (Provision) Benefit	180.8	188.8	59.2	46.9	47.9	90.7	244.6	57.0	55.9	62.6	63.9	239.3	260.6	286.5
Minority Interest, net	357.7	648.7	220.5	181.4	188.8	156.7	747.4	152.6	152.3	173.3	173.9	652.1	699.4	833.5
Net Income (Loss)	1,524.1	2,306.0	776.2	671.4	671.7	721.3	2,840.6	604.1	590.0	658.2	674.6	2,527.0	2,762.6	2,972.9
GAAP Reported EPS	\$1.85	\$2.79	\$0.95	\$0.83	\$0.83	\$0.90	\$3.51	\$0.76	\$0.74	\$0.82	\$0.84	\$3.16	\$3.46	\$3.72
% yoy growth	18%	51%	37%	30%	10%	28%	26%	-20%	-11%	-1%	-6%	-10%	9%	8%
Basic Shares Outstanding	806.3	822.3	814.8	807.0	803.1	799.9	806.2	798.0	798.0	798.0	798.0	798.0	798.0	798.0
Diluted Shares Outstanding	824.3	826.2	817.5	809.2	804.8	801.5	808.3	799.6	799.6	799.6	799.6	799.6	799.6	799.6
Net Income excl. Non-rec. Items	1,767.8	2,398.7	793.9	690.4	675.7	734.2	2,894.1	604.1	590.0	658.2	674.6	2,527.0	2,762.6	2,972.9
Adjusted EPS	\$2.15	\$2.90	\$0.97	\$0.85	\$0.84	\$0.92	\$3.58	\$0.76	\$0.74	\$0.82	\$0.84	\$3.16	\$3.46	\$3.72

Source: Company reports and J.P. Morgan estimates.

Figure 27: Las Vegas Property Model

\$ in millions

(\$MM)	2012	2013	1Q14	2Q14	3Q14	4Q14	2014	1Q15E	2Q15E	3Q15E	4Q15E	2015E	2016E	2017E
Days in Period	366	365	90	91	92	92	365	90	91	92	92	365	366	365
Venetian Total Number of Standard Rooms	4,027	4,027	4,027	4,027	4,027	4,027	4,027	4,027	4,027	4,027	4,027	4,027	4,027	4,027
Avg. Daily Rate			\$241	\$223	\$204	\$222								
Occupancy			88.9%	90.1%	91.9%	81.1%							90.3%	90.3%
RevPAR	\$175	\$184	\$214	\$201	\$187	\$180	\$196	\$223	\$209	\$195	\$187	\$203	\$212	\$220
% yoy growth	-0.9%	5.0%	12.4%	7.0%	9.2%	-2.5%	6.5%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Palazzo Total Number of Standard Rooms	3,025	3,025	3,025	3,025	3,025	3,025	3,025	3,025	3,025	3,025	3,025	3,025	3,025	3,025
Avg. Daily Rate			\$241	\$223	\$204	\$222								
Occupancy			88.9%	90.1%	91.9%	81.1%							91.2%	91.2%
RevPAR	\$175	\$184	\$214	\$201	\$187	\$180	\$196	\$223	\$209	\$195	\$187	\$203	\$212	\$220
% yoy growth	-0.9%	5.0%	12.4%	7.0%	9.2%	-2.5%	6.5%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Room Revenues	446.2	472.5	135.7	126.5	115.6	113.6	491.4	141.4	134.1	126.5	121.5	523.5	545.9	566.2
% yoy growth	-1.2%	5.9%	12.1%	4.9%	4.2%	-5.3%	4.0%	4.2%	6.0%	9.4%	6.9%	6.5%	4%	4%
Total Table Revenues	439.6	525.3	88.7	80.1	152.5	104.7	426.0	103.7	88.0	130.4	112.9	435.0	448.0	461.5
% yoy growth	24.7%	19.5%	-36.6%	-8.6%	-2.4%	-26.1%	-18.9%	17.0%	9.9%	-14.5%	7.9%	2.1%	3.0%	3.0%
Table Drop	2,084.5	2,251.7	518.5	440.0	632.9	548.1	2,139.5	518.5	440.0	651.9	564.5	2,174.9	2,240.2	2,307.4
% change	6.0%	8.0%	2.4%	-20.2%	16.3%	-15.6%	-5.0%	3.0%	3.0%	3.0%	3.0%	1.7%	3.0%	3.0%
Table Hold	21.1%	23.3%	17.1%	18.2%	24.1%	19.1%	19.9%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
% yoy growth	26.4%	-1.9%	-4.4%	-4.0%	2.9%	-0.5%	-1.3%	-3.9%	-0.8%	-2.9%	2.0%	-1.2%	8.3%	-4.0%
Total Slot Revenues	170.1	175.5	40.7	40.1	47.6	45.0	173.4	37.2	38.0	45.0	45.9	166.1	180.4	172.8
% yoy growth	6.8%	3.2%	-6.6%	-3.0%	6.9%	-2.3%	-1.2%	-8.7%	-5.4%	-5.4%	2.0%	-4.2%	8.6%	-4.2%
Slot Handle	1,944.6	2,024.1	473.2	483.6	573.1	584.6	2,114.5	482.7	493.3	584.6	596.3	2,156.8	2,199.9	2,243.9
% change	6.3%	4.1%	-4.4%	1.7%	12.1%	7.8%	4.5%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Slot Win %	8.7%	8.7%	8.6%	8.3%	8.3%	7.7%	8.2%	7.7%	7.7%	7.7%	7.7%	7.7%	8.2%	7.7%
Gross Gaming Revenues	609.8	700.8	129.4	120.2	200.1	149.7	599.4	140.9	126.0	175.4	158.8	601.1	628.5	634.3
% yoy growth	19.1%	14.9%	-29.4%	-6.8%	-0.3%	-20.3%	-14.5%	8.9%	4.8%	-12.3%	6.1%	0.3%	5%	1%
Discounts/Contra Revs	(97.1)	(116.4)	(19.6)	(15.9)	(35.0)	(19.7)	(90.2)	(21.2)	(19.0)	(26.4)	(23.9)	(90.4)	(94.6)	(95.4)
as a % of Casino Revs	15.9%	16.6%	15.1%	13.2%	17.5%	13.2%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
Total Reported Casino Revenues	512.7	584.4	109.8	104.3	165.1	130.0	509.2	119.7	107.0	149.0	134.9	510.6	533.9	538.8
% yoy growth	19.0%	14.0%	-31.3%	-0.8%	-1.8%	-14.1%	-12.9%	9.0%	2.6%	-9.8%	3.8%	0.3%	5%	1%
Other Revenues, net	425.7	461.1	137.2	122.3	99.8	119.0	478.2	141.3	125.9	102.8	122.5	492.5	507.3	522.5
% yoy growth	-3.7%	8.3%	5.1%	1.9%	3.9%	3.9%	3.7%	3.0%	3.0%	3.0%	3.0%	3.0%	3%	3%
As % of Gaming and Room Revenues	44.4%	43.6%	55.9%	53.0%	35.5%	48.8%	47.8%	54.1%	52.2%	37.3%	47.8%	47.6%	47.0%	47.3%
Las Vegas Net Revenues	1,384.6	1,518.0	382.7	353.1	380.5	362.6	1,478.8	402.4	367.1	378.3	379.0	1,526.6	1,587.1	1,627.6
% yoy growth	4.5%	9.6%	-7.0%	2.1%	1.4%	-6.0%	-2.6%	5.1%	4.0%	-0.6%	4.5%	3.2%	4.0%	2.5%
Opex	1,053.4	1,166.3	303.0	287.0	290.3	284.6	1,164.9	313.8	294.7	289.1	293.6	1,191.2	1,224.8	1,259.7
Opex per day	2.9	3.2	3.4	3.2	3.2	3.1	3.2	3.5	3.2	3.1	3.2	3.3	3.3	3.5

Source: Company reports and J.P. Morgan estimates.

Figure 28: Sands Macau Property Model

\$ in millions

(\$MM)	2012	2013	1Q14	2Q14	3Q14	4Q14	2014	1Q15E	2Q15E	3Q15E	4Q15E	2015E	2016E	2017E
Days in Period	366	365	90	91	92	92	365	90	91	92	92	365	366	365
Total Table Revenues	1,392.9	1,333.1	335.9	338.1	288.1	276.7	1,238.8	266.7	271.5	282.3	260.7	1,081.3	1,081.3	1,081.3
% yoy growth	-4.3%	-4.3%	-0.4%	5.8%	-11.6%	-21.1%	-7.1%	-20.6%	-19.7%	-2.0%	-5.8%	-12.7%	0.0%	0.0%
sequential % chg.	-4.3%	-4.3%	-4.2%	0.6%	-14.8%	-4.0%	-7.1%	-3.6%	1.8%	4.0%	-7.6%	-12.7%	0.0%	0.0%
Rolling Chip Volume (VIP play)	25,182.7	23,242.6	5,380.5	4,651.5	4,318.5	3,312.9	17,663.4	3,497.3	3,721.2	4,318.5	3,312.9	14,849.9	14,849.9	14,849.9
% yoy growth	-20.1%	-7.7%	-15.7%	-20.1%	-17.5%	-43.0%	-24.0%	-35.0%	-20.0%	0.0%	0.0%	-15.9%	0.0%	0.0%
Table Hold	3.14%	2.77%	2.59%	3.20%	2.76%	3.57%	2.98%	2.85%	2.85%	2.85%	2.85%	2.85%	2.85%	2.85%
VIP Revenues	790.6	643.4	139.4	148.8	119.2	118.3	525.7	99.7	106.1	123.1	94.4	423.2	423.2	423.2
% yoy growth	-10.0%	-18.6%	-20.8%	-2.4%	-22.5%	-26.5%	-18.3%	-28.5%	-28.8%	3.3%	-20.2%	-19.5%	0.0%	0.0%
sequential % chg.	-10.0%	-18.6%	-13.4%	6.8%	-19.9%	-0.8%	-18.3%	-15.7%	6.4%	16.1%	-23.3%	-19.5%	0.0%	0.0%
Non-Rolling Chip Volume	2,872.5	3,488.9	1,091.9	1,081.3	884.6	880.0	3,937.8	928.1	919.1	884.6	924.0	3,655.8	3,655.8	3,655.8
% yoy growth	2.2%	21.5%	43.1%	31.4%	0.8%	-14.2%	12.9%	-15.0%	-15.0%	0.0%	5.0%	-7.2%	0.0%	0.0%
Table Hold	21.0%	19.8%	18.0%	17.5%	19.1%	18.0%	18.1%	18.0%	18.0%	18.0%	18.0%	18.0%	18.0%	18.0%
Mass Market Revenues	602.3	689.8	196.5	189.2	169.0	158.4	713.1	167.1	165.4	159.2	166.3	658.0	658.0	658.0
% yoy growth	4.5%	14.5%	22.0%	13.3%	-1.8%	-16.5%	3.4%	-15.0%	-12.6%	-5.8%	5.0%	-7.7%	0.0%	0.0%
sequential % chg.	4.5%	14.5%	3.6%	-3.7%	-10.7%	-6.2%	3.4%	5.5%	-1.0%	-3.8%	4.5%	-7.7%	0.0%	0.0%
Total Number of Slot Machines	1,168	1,163	1,084	914	852	919	942	919	919	919	919	919	919	919
Avg. Win Per Slot Per Day	246	246	313	370	383	327	346	367	376	373	343	365	364	365
Total Slot Revenues	105.3	104.4	30.5	30.8	30.0	27.6	118.9	30.4	31.5	31.5	29.0	122.3	122.3	122.3
% yoy growth	-7.1%	-0.9%	16.8%	17.9%	16.5%	4.5%	13.9%	-0.5%	2.2%	5.0%	5.0%	2.8%	0.0%	0.0%
Slot Handle	2,476.6	2,699.3	803.2	832.4	833.4	767.1	3,236.1	843.4	874.0	875.1	805.5	3,397.9	3,397.9	3,397.9
% yoy growth	20.5%	9.0%	13.7%	30.6%	26.2%	10.3%	19.9%	5.0%	5.0%	5.0%	5.0%	5.0%	0.0%	0.0%
Slot Win %	4.3%	3.9%	3.8%	3.7%	3.6%	3.6%	3.7%	3.6%	3.6%	3.6%	3.6%	3.6%	3.6%	3.6%
Gross Gaming Revenues	1,498.2	1,437.5	366.4	368.9	318.2	304.3	1,357.7	297.1	303.0	313.8	289.7	1,203.6	1,203.6	1,203.6
% yoy growth	-4.5%	-4.1%	0.9%	6.7%	-9.5%	-19.3%	-5.6%	-18.9%	-17.9%	-1.4%	-4.8%	-11.4%	0%	0%
% sequential growth			-2.8%	0.7%	-13.8%	-4.4%		-2.4%	2.0%	3.6%	-7.7%			
Contra Revenues	(278.8)	(231.0)	(59.8)	(61.9)	(44.6)	(43.0)	(209.2)	(40.2)	(42.8)	(49.7)	(38.1)	(170.8)	(170.8)	(170.8)
as a % of GGR	18.6%	16.1%	16.3%	16.8%	14.0%	14.1%	15.4%	13.5%	14.1%	15.8%	13.1%	14.2%	14.2%	14.2%
Total Casino Revenues	1,219.4	1,206.5	306.6	307.0	273.6	261.3	1,148.5	256.9	260.2	264.1	251.6	1,032.8	1,032.8	1,032.8
% yoy growth	-2.5%	-1.1%	1.4%	6.8%	-8.2%	-18.0%	-4.8%	-16.2%	-15.3%	-3.5%	-3.7%	-10.1%	0%	0%
Non-Casino Revenues, net	31.2	30.5	7.4	5.8	6.5	6.6	26.3	5.8	5.9	6.1	5.6	23.3	23.3	23.3
As a % of Gross Gaming Revenues	2.1%	2.1%	2.0%	1.6%	2.0%	2.2%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%
Total Sands Macao Net Revs	1,250.6	1,237.0	314.0	312.8	280.1	267.9	1,174.8	262.6	266.0	270.2	257.2	1,056.1	1,056.1	1,056.1
% yoy growth	-2.5%	-1.1%	1.2%	6.2%	-8.3%	-18.0%	-5.0%	-16.3%	-15.0%	-3.5%	-4.0%	-10.1%	0%	0%
Opex	899.9	874.2	222.5	230.5	192.0	191.2	836.2	184.0	187.6	194.3	179.4	745.3	745.3	745.3
Opex per day	2.5	2.4	2.5	2.5	2.1	2.1	2.3	2.0	2.1	2.1	2.0	2.0	2.0	2.0

Source: Company reports and J.P. Morgan estimates.

Figure 29: Venetian Macau Property Model

\$ in millions

(\$MM)	2012	2013	1Q14	2Q14	3Q14	4Q14	2014	1Q15E	2Q15E	3Q15E	4Q15E	2015E	2016E	2017E
Days in Period	366	365	90	91	92	92	365	90	91	92	92	365	366	365
Total Number of Rooms	2,866	2,866	2,866	2,866	2,866	2,866	2,866	2,866	2,866	2,866	2,866	2,866	2,866	2,866
Avg. Daily Rate	\$237	\$242	\$267	\$262	\$269	\$280	\$270	\$254	\$262	\$269	\$280	\$266	\$274	\$282
% yoy growth	2.0%	2.4%	15.6%	15.4%	11.2%	4.1%	11.2%	-5.0%	0.0%	0.0%	0.0%	-1.2%	3.0%	3.0%
Occupancy	91.9%	91.3%	94.4%	89.1%	93.3%	88.3%	91.3%	94.4%	89.1%	93.3%	88.3%	91.3%	91.3%	91.3%
yoy growth in bps			280	170	150	-610		0	0	0	0			
RevPAR	\$217	\$221	\$252	\$233	\$251	\$247	\$246	\$239	\$233	\$251	\$247	\$243	\$250	\$258
% yoy growth	2.5%	1.8%	19.1%	17.7%	13.0%	-2.6%	11.2%	-5.0%	0.0%	0.0%	0.0%	-1.3%	3.1%	3.0%
Room Revenues	224.2	230.8	65.3	61.2	66.6	65.7	258.8	61.8	60.9	66.2	65.2	254.0	262.5	269.6
% yoy growth	1.9%	2.9%	20.0%	19.8%	14.2%	-1.9%	12.1%	-5.4%	-0.5%	-0.7%	-0.8%	-1.9%	3%	3%
Total Table Revenues	2,859.1	3,734.0	1,163.6	999.7	862.4	773.6	3,799.3	826.0	776.8	840.7	855.4	3,298.9	3,486.2	3,684.5
% yoy growth	6.8%	30.6%	37.7%	17.2%	-5.0%	-31.4%	1.7%	-29.0%	-22.3%	-2.5%	10.6%	-13.2%	5.7%	5.7%
sequential % chg.	6.8%	30.6%	3.2%	-14.1%	-13.7%	-10.3%	1.7%	6.8%	-6.0%	8.2%	1.8%	-13.2%	5.7%	5.7%
Rolling Chip Volume (VIP play)	48,825.5	54,420.4	15,315.4	12,329.7	10,127.6	10,098.7	47,871.4	9,955.0	8,630.8	10,127.6	10,603.6	39,317.0	42,069.2	45,014.1
% Chg.	-6.1%	11.5%	31.2%	4.2%	-28.4%	-39.7%	-12.0%	-35.0%	-30.0%	0.0%	5.0%	-17.9%	7.0%	7.0%
Table Hold	3.05%	3.32%	3.49%	3.45%	3.13%	2.61%	3.22%	2.85%	2.85%	2.85%	2.85%	2.85%	2.85%	2.85%
VIP Revenues	1,486.9	1,805.5	534.5	425.4	317.0	263.6	1,540.5	283.7	246.0	288.6	302.2	1,120.5	1,199.0	1,282.9
% yoy growth	-3.0%	21.4%	28.3%	5.4%	-26.1%	-52.6%	-14.7%	-46.9%	-42.2%	-8.9%	14.7%	-27.3%	7.0%	7.0%
sequential % chg.	-3.0%	21.4%	-3.9%	-20.4%	-25.5%	-16.9%	-14.7%	7.6%	-13.3%	17.3%	4.7%	-27.3%	7.0%	7.0%
Non-Rolling Chip Volume	4,482.4	7,201.0	2,410.2	2,234.9	2,208.1	2,107.6	8,960.8	2,169.2	2,123.2	2,208.1	2,213.0	8,713.4	9,149.1	9,606.5
% Chg.	7.3%	60.7%	80.7%	40.2%	10.1%	-7.1%	24.4%	-10.0%	-5.0%	0.0%	5.0%	-2.8%	5.0%	5.0%
Table Hold	30.6%	26.8%	26.1%	25.7%	24.7%	24.2%	25.2%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
Mass Market Revenues	1,372.2	1,928.4	629.1	574.4	545.4	510.0	2,258.9	542.3	530.8	552.0	553.2	2,178.4	2,287.3	2,401.6
% yoy growth	20.1%	40.5%	46.9%	27.8%	13.8%	-10.8%	17.1%	-13.8%	-7.6%	1.2%	8.5%	-3.6%	5.0%	5.0%
sequential % chg.	20.1%	40.5%	10.1%	-8.7%	-5.0%	-6.5%	17.1%	6.3%	-2.1%	4.0%	0.2%	-3.6%	5.0%	5.0%
Total Slot Revenues	262.3	262.6	74.1	67.3	66.3	57.0	264.6	63.0	60.6	69.6	59.8	253.0	321.7	334.5
% yoy growth	14.5%	0.1%	13.0%	4.5%	1.6%	-15.5%	0.8%	-15.0%	-10.0%	5.0%	5.0%	-4.4%	27.2%	4.0%
Slot Handle	4,946.1	4,781.9	1,452.4	1,345.9	1,440.9	1,325.4	5,564.6	1,464.2	1,408.5	1,618.5	1,391.7	5,882.9	6,765.3	7,780.1
% yoy growth	38.8%	-3.3%	21.9%	17.1%	25.9%	2.2%	16.4%	0.8%	4.7%	12.3%	5.0%	5.7%	15.0%	15.0%
Slot Win %	5.3%	5.5%	5.1%	5.0%	4.6%	4.3%	4.8%	4.3%	4.3%	4.3%	4.3%	4.3%	4.8%	4.3%
Gross Gaming Revenues	3,121.3	3,996.5	1,237.6	1,067.0	928.7	830.6	4,064.0	889.0	837.3	910.3	915.3	3,551.9	3,808.0	4,019.1
Contra Revenues	(492.4)	(581.1)	(161.9)	(139.4)	(110.9)	(97.3)	(509.6)	(95.9)	(83.2)	(97.6)	(102.2)	(378.8)	(405.4)	(433.7)
Total Casino Revenues	2,628.9	3,415.4	1,075.7	927.6	817.8	733.3	3,554.4	793.1	754.2	812.7	813.1	3,173.0	3,402.6	3,585.3
Retail and other & F&B revenues, net	307.2	355.7	88	87	103	130	408.0	63	68	81	89	302.0	306.2	304.8
% of casino revenues	11.7%	10.4%	8.2%	9.4%	12.6%	17.7%	11.5%	8.0%	9.0%	10.0%	11.0%	9.5%	9.0%	8.5%
Total Non-Casino Revs	531.4	586.5	153.5	148.4	169.6	195.3	666.8	125.2	128.7	147.4	154.6	556.0	568.7	574.4
Total Gross Revenues	3,160	4,001.9	1,229.2	1,076.0	987.4	928.6	4,221.2	918.2	882.9	960.1	967.7	3,729.0	3,971	4,160
Less: Promotional Allowances & Other	(122.3)	(150.7)	(44.6)	(43.3)	(44.4)	(48.3)	(180.5)	(45.9)	(44.1)	(48.0)	(48.4)	(186.5)	(198.6)	(208.0)
as a % of total gross revs	-3.9%	-3.8%	-3.6%	-4.0%	-4.5%	-5.2%	-4.3%	-5.0%	-5.0%	-5.0%	-5.0%	-5.0%	-5.0%	-5.0%
Total Venetian Macao Net Revs	3,038.0	3,851.2	1,184.6	1,032.7	943.0	880.3	4,040.7	872.3	838.8	912.1	919.4	3,542.6	3,772.8	3,951.7
% yoy growth	7.5%	26.8%	36%	15%	1%	-23%	4.9%	-26%	-19%	-3%	4%	-12.3%	6.5%	4.7%
Opex	1,894.7	2,351.3	714.5	630.7	590.3	558.9	2,494.4	564.2	533.6	581.7	586.3	2,265.7	2,402.5	2,517.3
Opex per day	5.2	6.4	7.9	6.9	6.4	6.1	6.8	6.3	5.9	6.3	6.4	6.2	6.6	6.9

Source: Company reports and J.P. Morgan estimates.

Figure 30: Four Seasons Macau Property Model

\$ in millions

(\$MM)	2012	2013	1Q14	2Q14	3Q14	4Q14	2014	1Q15E	2Q15E	3Q15E	4Q15E	2015E	2016E	2017E
Days in Period	366	365	90	91	92	92	365	90	91	92	92	365	366	365
Total Number of Standard Rooms	400	400	400	400	400	400	400	400	400	400	400	400	400	400
Avg. Daily Rate	\$362	\$372	\$429	\$410	\$391	\$372	\$401							
Occupancy	80.1%	85.2%	87.1%	85.8%	88.3%	86.7%	87.0%							
RevPAR	\$290	\$317	\$374	\$352	\$345	\$323	\$348	\$329	\$310	\$345	\$329	\$328	\$345	\$362
% yoy growth	24.0%	9.3%	24.4%	23.8%	7.8%	-11.9%	9.9%	-12.0%	-12.0%	0.0%	2.0%	-5.8%	5.0%	5.0%
Room Revenues	39.8	43.7	12.6	12.0	11.9	11.1	47.6	11.8	11.3	12.7	12.1	47.9	50.4	52.8
% yoy growth	23.2%	9.8%	23.5%	23.7%	7.2%	-12.6%	8.9%	-6.1%	-6.1%	6.8%	9.1%	0.7%	5.3%	4.7%
Rolling Chip Volume (VIP play)	41,605	39,280	9,194	5,648	6,237	5,994	27,073	5,976	4,518	6,237	5,994	22,726	22,726	22,726
% yoy growth	119.2%	-5.6%	-3.0%	-43.2%	-40.3%	-36.3%	-31.1%	-35.0%	-20.0%	0.0%	0.0%	-16.1%	0.0%	0.0%
Table Hold	2.79%	2.47%	3.62%	3.08%	3.45%	3.12%	3.36%	2.85%	2.85%	2.85%	2.85%	2.85%	2.85%	2.85%
VIP Revenues	1,159	968	332.8	174.0	215.2	187.0	909	170.3	128.8	177.8	170.8	648	647.7	647.7
% yoy growth	112.1%	-16.5%	58.9%	-40.3%	-28.5%	12.4%	-6.1%	-48.8%	-26.0%	-17.4%	-8.7%	-28.7%	0.0%	0.0%
sequential % chg.	112.1%	-16.5%	99.9%	-47.7%	23.7%	-13.1%	-6.1%	-8.9%	-24.4%	38.0%	-3.9%	-28.7%	0.0%	0.0%
Non-Rolling Chip Volume	433	900	352	367	320	297	1,336	400	341	404	312	1,457	1,529	1,606
% yoy growth	11.6%	107.7%	218.6%	97.0%	17.7%	-10.2%	48.5%	13.6%	-6.9%	26.0%	5.0%	9.0%	5.0%	5.0%
Table Hold	40.8%	27.5%	28.4%	21.9%	25.2%	20.0%	24.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Mass Market Revenues	177	247	100.0	80.3	80.7	59.4	320	80.0	68.2	80.7	62.3	291	305.9	321.2
% yoy growth	13.1%	39.7%	86.1%	91.7%	4.8%	-20.2%	29.7%	-20.0%	-15.0%	0.0%	5.0%	-9.1%	5.0%	5.0%
sequential % chg.	13.1%	39.7%	34.3%	-19.7%	0.6%	-26.5%	29.7%	34.7%	-14.7%	18.3%	-22.8%	-9.1%	5.0%	5.0%
Total Table Revenues	1,336.0	1,215.4	432.8	254.2	295.9	246.4	1,229.3	250.3	197.0	258.5	233.2	939.0	953.5	968.8
% yoy growth	87.9%	-9.0%	64.4%	-23.7%	-21.7%	2.3%	1.1%	-42.2%	-22.5%	-12.6%	-5.4%	-23.6%	1.6%	1.6%
sequential % chg.	87.9%	-9.0%	79.7%	-41.3%	16.4%	-16.7%	1.1%	1.6%	-21.3%	31.2%	-9.8%	-23.6%	1.6%	1.6%
Slot Handle	963	901	289.8	170.4	214.6	155.4	830							
Slot Win %	5.26%	5.51%	4.30%	6.50%	4.60%	5.80%	5.11%							
Total Slot Revenues	50.7	49.6	12.5	11.1	9.9	9.0	42.4	8.1	8.9	9.9	9.5	36.3	38.1	40.0
% yoy growth	6.4%	-2.1%	35.2%	-1.8%	-33.1%	-37.3%	-14.5%	-35.0%	-20.0%	0.0%	5.0%	-14.4%	5.0%	5.0%
Gross Gaming Revenues	1,387	1,265	445	265	306	255	1,272	258	206	268	243	975	992	1,009
as a % of total revs	82.8%	-8.8%	63.4%	-23.0%	-22.2%	0.1%	0.5%	-42.0%	-22.4%	-12.2%	-5.0%	-23.3%	1.7%	1.7%
Contra Revs	(409.1)	(342.3)	(105.0)	(67.6)	(84.4)	(66.6)	(323.7)	(60.6)	(45.9)	(63.3)	(60.8)	(230.6)	(226.7)	(226.7)
Total casino revs	977.6	922.7	340.2	197.7	221.4	188.8	948.1	197.7	160.0	205.1	181.8	744.7	765.0	782.2
Other net revs	69.1	99.0	17.2	18.8	32.1	43.9	112.1	15.5	16.9	28.9	39.5	100.9	100.9	100.9
% of total casino revs	5.0%	7.8%	3.9%	7.1%	10.5%	17.2%	8.8%	6.0%	8.2%	10.8%	16.3%	10.3%	10.2%	10.0%
Total Four Seasons Net Revs	1,086.5	1,065.4	370.0	228.5	265.4	243.8	1,107.8	225.1	188.2	246.7	233.5	893.4	916.3	935.9
% yoy growth	60.2%	-1.9%	65.8%	-16.6%	-19.6%	2.4%	4.0%	-39.2%	-17.6%	-7.1%	-4.3%	-19.3%	2.6%	2.1%
Opex	798.3	760.4	257.0	160.5	164.2	151.1	732.9	149.2	119.9	157.2	144.4	570.7	580.3	590.3
Opex per day	2.2	2.1	2.9	1.8	1.8	1.6	2.0	1.7	1.3	1.7	1.6	1.6	1.6	1.6

Source: Company reports and J.P. Morgan estimates.

Figure 31: Sands Cotai Central (Sites 5 & 6) Macau Property Model

\$ in millions

(\$MM)	2012	2013	1Q14	2Q14	3Q14	4Q14	2014	1Q15E	2Q15E	3Q15E	4Q15E	2015E	2016E	2017E
Days in Period	265	365	90	91	92	92	365	90	91	92	92	365	366	365
Total Number of Rooms	2,300	5,450	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600
Avg. Daily Rate	\$151	\$154	\$177	\$169	\$176	\$183	\$176							
% yoy growth			16.4%	18.2%	15.8%	9.6%								
Occupancy	74.5%	78.1%	88.8%	84.9%	89.5%	90.9%	88.5%							
yoy growth in bps														
RevPAR	\$112	\$120	\$157	\$143	\$158	\$166	\$156	\$167	\$160	\$166	\$173	\$167	\$175	\$184
% yoy growth			46.1%	48.6%	22.2%	11.8%	30.2%	0.0%	0.0%	0.0%	5.0%	6.7%	5.0%	5.0%
Room Revenues	83.8	236.8	79.4	73.2	81.8	86.4	320.8	84.3	81.4	85.7	89.1	340.5	358.4	375.3
% yoy growth		182.6%	71.9%	52.5%	24.1%	12.6%	35.5%	6.2%	11.2%	4.8%	3.1%	6.1%	5.3%	4.7%
Total Table Revenues	1,133.8	2,832.9	851.2	773.0	791.4	646.5	3,062.0	616.2	638.6	704.3	647.1	2,606.3	2,758.9	2,920.7
% yoy growth		149.9%	32.1%	27.1%	4.7%	-21.6%	8.1%	-27.6%	-17.4%	-11.0%	0.1%	-14.9%	5.9%	5.9%
sequential % chg.			3.3%	-9.2%	2.4%	-18.3%		-4.7%	3.6%	10.3%	-8.1%		5.9%	5.9%
Rolling Chip Volume (VIP play)	26,096.1	61,073.8	15,505.3	12,404.4	10,567.2	8,383.7	46,860.6	10,078.4	9,675.4	10,567.2	8,802.9	39,124.0	41,862.6	44,793.0
% Chg.		134.0%	13.8%	-20.2%	-39.8%	-52.3%	-23.3%	-35.0%	-22.0%	0.0%	5.0%	-16.5%	7.0%	7.0%
Table Hold	2.83%	2.66%	2.83%	2.97%	3.48%	3.21%	3.08%	2.85%	2.85%	2.85%	2.85%	2.85%	2.85%	2.85%
VIP Revenues	739.0	1,621.9	438.8	368.4	367.7	269.1	1,444.1	287.2	275.7	301.2	250.9	1,115.0	1,193.1	1,276.6
% yoy growth														
sequential % chg.														
Non-Rolling Chip Volume	1,888.9	5,373.5	1,800.7	1,881.7	1,891.2	1,859.1	7,432.7	1,620.6	1,787.6	1,985.8	1,952.1	7,346.1	7,713.4	8,099.0
% Chg.		184.5%	73.9%	53.2%	32.3%	10.6%	38.3%	-10.0%	-5.0%	5.0%	5.0%	-1.2%	5.0%	5.0%
Table Hold	20.9%	22.5%	22.9%	21.5%	22.4%	20.3%	21.8%	20.3%	20.3%	20.3%	20.3%	20.3%	20.3%	20.3%
Mass Market Revenues	394.8	1,211.0	412.4	404.6	423.6	377.4	1,618.0	329.0	362.9	403.1	396.3	1,491.3	1,565.8	1,644.1
% yoy growth		206.8%	84.4%	49.0%	26.7%	-1.1%	33.6%	-20.2%	-10.3%	-4.8%	5.0%	-7.8%	5.0%	5.0%
sequential % chg.			8.1%	-1.9%	4.7%	-10.9%		-12.8%	10.3%	11.1%	-1.7%		5.0%	5.0%
Total Slot Revenues	106.3	221.7	67.4	68.8	68.9	63.6	268.7	64.0	65.4	72.3	66.8	268.5	281.9	296.0
% yoy growth		108.6%	40.7%	45.0%	15.0%	-4.3%	21.2%	-5.0%	-5.0%	5.0%	5.0%	-0.1%	5.0%	5.0%
Slot Handle	2,964.5	5,686.4	1,821.4	1,966.7	2,025.1	1,817.2	7,630.4	1,829.2	1,868.4	2,065.6	1,908.1	7,671.2	8,054.8	8,457.5
% yoy growth		91.8%	48.3%	57.4%	38.7%	3.9%	34.2%	0.4%	-5.0%	2.0%	5.0%	0.5%	5.0%	5.0%
Slot Win %	3.58%	3.90%	3.7%	3.5%	3.4%	3.5%	3.52%	3.5%	3.5%	3.5%	3.5%	3.50%	3.5%	3.5%
Gross Gaming Revenues	1,240	3,055	919	842	860	710	3,331	680	704	777	714	2,875	3,041	3,217
Contra Revenues	(270.4)	(621.7)	(168.3)	(129.0)	(132.9)	(99.0)	(529.2)	(94.5)	(90.7)	(99.1)	(82.5)	(366.8)	(392.5)	(419.9)
as a % of GGR	22%	20%	18%	15%	15%	14%	16%	14%	13%	13%	12%	13%	13%	13%
Total Casino Revenues	969.7	2,432.9	750.3	712.8	727.3	611.1	2,801.5	585.8	613.3	677.5	631.4	2,508.0	2,648.4	2,796.8
Retail and other & F&B revenues, net	65.4	170.2	49	49	61	59	217.4	44	44	55	53	195.7	207	218
% of casino revenues	6.7%	7.0%	6.5%	6.8%	8.3%	9.7%	7.8%	6.0%	6.5%	6.5%	6.7%	7.8%	7.8%	7.8%
Total Non-Casino Revs	149.2	407.0	128.5	121.8	142.5	145.4	538.2	128.5	125.1	140.3	142.2	536.1	565.1	593.5
Total Gross Revenues	1,118.8	2,839.9	878.8	834.6	869.8	756.5	3,339.7	714.3	738.4	817.8	773.6	3,044.1	3,213.4	3,390.3
Less: Promotional Allowances & Other	(57.2)	(141.5)	(51.2)	(49.8)	(53.3)	(51.5)	(205.8)	(46.4)	(48.0)	(53.2)	(50.3)	(197.9)	(208.9)	(220.4)
as a % of total gross revs	-5.1%	-5.0%	-5.8%	-6.0%	-6.1%	-6.8%	-6.2%	-6.5%	-6.5%	-6.5%	-6.5%	-6.5%	-6.5%	-6.5%
Total Cotai Central (Sites 5 & 6) Net Revs	1,061.6	2,698.4	827.6	784.8	816.5	705.0	3,133.9	667.8	690.4	764.7	723.3	2,846.3	3,004.5	3,169.9
% yoy growth		154.2%	41%	34%	11%	-11%	16.1%	-19%	-12%	-6%	3%	-9.2%	5.6%	5.5%
Opex	838.6	1,958.7	562.4	535.8	549.4	484.8	2,132.4	440.2	453.9	501.1	463.3	1,858.5	1,965.4	3,050.3
Opex per day	3.2	5.4	6.2	5.9	6.0	5.3	5.8	4.9	5.0	5.4	5.0	5.1	5.4	8.4

Source: Company reports and J.P. Morgan estimates.

Figure 32: Marina Bay Sands – Singapore Property Model

\$ in millions

(\$MM)	2012	2013	1Q14	2Q14	3Q14	4Q14	2014	1Q15E	2Q15E	3Q15E	4Q15E	2015E	2016E	2017E
Days in Period	366	365	90	91	92	92	365	90	91	92	92	365	366	365
Average Number of Rooms	2,524	2,524	2,524	2,524	2,524	2,524	2,524	2,524	2,524	2,524	2,524	2,524	2,524	2,524
Avg. Daily Rate	\$355	\$396	\$428	\$409	\$468	\$422	\$432							
% yoy growth	14.6%	11.4%	13.2%	7.9%	16.7%	-0.7%	9.1%							
Occupancy	98.9%	98.7%	99.3%	99.1%	99.4%	98.3%	99.0%							
RevPAR	351	390	425	405	465	415	428	442	422	465	440	446	468	491
% yoy growth	21.2%	11.1%	14.1%	7.6%	16.2%	0.7%	9.5%	4.0%	4.0%	0.0%	6.0%	4.2%	5.0%	5.0%
Room Revenues	325.4	360.2	97.1	93.1	101.6	92.1	383.9	100.4	96.8	108.0	102.1	407.3	432.2	452.6
Casino:														
Total Table Revenues	2,366.7	2,577.7	712.1	634.8	532.0	652.8	2,531.7	588.6	578.2	569.7	608.4	2,345.0	2,439.5	2,538.0
Table Rev Per Day	6.47	7.06	7.91	6.98	5.78	7.10	6.94	6.54	6.35	6.19	6.61	6.42	6.67	6.95
Rolling Chip Volume (VIP play)	52,568	60,095	12,942	10,447	9,122	10,048	42,558	10,353	9,924	9,122	10,551	39,950	41,148	42,383
% yoy growth	5.5%	14.3%	-28.9%	-27.3%	-33.8%	-26.8%	-29.2%	-20.0%	-5.0%	0.0%	5.0%	-6.1%	3.0%	3.0%
Rolling Chip Volume (VIP play) Per Day	144	165	144	115	99	109	117	115	109	99	115	109	112	116
Table Hold	2.47%	2.46%	3.41%	3.45%	2.64%	3.58%	3.29%	2.85%	2.85%	2.85%	2.85%	2.85%	2.85%	2.85%
VIP Revenues	1,300.3	1,477.1	441	360	241	360	1,402.3	295	283	260	301	1,138.6	1,173	1,208
Per Day	3.55	4.05	4.90	3.96	2.62	3.91	3.84	3.28	3.11	2.83	3.27	3.12	3.20	3.31
Non-Rolling Chip Volume	4,612	4,650	1,157	1,106	1,137	1,098	4,499	1,100	1,106	1,160	1,153	4,519	4,744	4,982
% yoy growth	3.8%	0.8%	-3.1%	-4.9%	-1.6%	-3.3%	-3.3%	-5.0%	0.0%	2.0%	5.0%	0.4%	5.0%	5.0%
Table Hold	23.1%	23.7%	23.4%	24.8%	25.6%	26.7%	25.1%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%
Mass Market Revenues	1,066	1,101	271	274	291	293	1,129	294	295	310	308	1,206	1,267	1,330
Per Day	2.91	3.02	3.01	3.01	3.16	3.19	3.09	3.26	3.25	3.37	3.35	3.31	3.46	3.64
Total Slot Revenues	572.1	567.1	146.4	150.3	153.2	150.0	599.9	155.2	156.0	159.1	159.0	629.3	660.8	693.8
Slot Rev Per Day	1.6	1.6	1.6	1.7	1.7	1.6	1.6	1.7	1.7	1.7	1.7	1.7	1.8	1.9
Slot Handle	10,793	11,118	3,050	3,067	3,127	3,125	12,368	3,233	3,251	3,314	3,313	13,110	13,766	14,454
% yoy growth	8.4%	3.0%	9.5%	11.7%	13.1%	10.6%	11.2%	6.0%	6.0%	6.0%	6.0%	6.0%	5.0%	5.0%
Slot Win %	5.30%	5.10%	4.80%	4.90%	4.90%	4.80%	4.85%	4.80%	4.80%	4.80%	4.80%	4.80%	4.80%	4.80%
Total Mass Tables and Slots GGR per day	4.48	4.57	4.64	4.67	4.83	4.82	4.74	4.99	4.96	5.10	5.07	5.03	5.27	5.54
Total Gross Casino Revenues	2,938.8	3,144.8	858.5	785.0	685.2	802.8	3,131.6	743.8	734.3	728.8	767.4	2,974.3	3,100.3	3,231.8
Contra Revenues	(667.0)	(781.6)	(178.1)	(138.6)	(111.7)	(128.4)	(556.9)	(132.3)	(126.8)	(116.6)	(134.8)	(510.5)	(525.9)	(541.6)
% of VIP Volume	-1.27%	-1.30%	-1.38%	-1.33%	-1.22%	-1.28%	-1.31%	-1.28%	-1.28%	-1.28%	-1.28%	-1.28%	-1.28%	-1.28%
Total Casino Revs	2,271.8	2,363.2	680.4	646.4	573.5	674.4	2,574.7	611.5	607.4	612.2	632.6	2,463.8	2,574.4	2,690.2
F&B	188.5	187.2	46.0	46.7	47.9	50.7	191.3	46.0	46.7	43.7	46.0	182.5	155.0	161.6
% of gross gaming revenues	6.4%	6.0%	5.4%	5.9%	7.0%	6.3%	6.1%	6.0%	6.0%	6.0%	6.0%	6.1%	5.0%	5.0%
Retail & Other	266.2	259.0	64.8	67.8	68.7	71.7	273.0	68.0	71.2	72.1	75.3	286.7	301.0	316.0
% yoy growth	0.3%	-2.7%	2.5%	6.9%	9.9%	2.6%	5.4%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Less: Promotional Allowances	(165.8)	(201.2)	(52.9)	(49.3)	(56.2)	(50.3)	(208.7)	(52.1)	(51.4)	(51.0)	(53.7)	(208.2)	(217.0)	(226.2)
% of gross gaming revenues	-5.6%	-6.4%	-6.2%	-6.3%	-8.2%	-6.3%	-6.7%	-7.0%	-7.0%	-7.0%	-7.0%	-7.0%	-7.0%	-7.0%
Total Singapore Net Revs	2,886.1	2,968.4	835.4	804.7	735.5	838.6	3,214.2	773.9	770.7	785.1	802.3	3,132.0	3,245.6	3,394.2
Operating Expenses	1519.9	1583.8	400.3	386.9	383.8	320.1	1491.1	400.2	397.9	405.9	408.3	1612.3	1,634.8	1,720.9
Opex Per Day	4.2	4.3	4.4	4.3	4.2	3.5	4.1	4.4	4.4	4.4	4.4	4.4	4.5	4.7
EBITDA	1,366.2	1,384.6	435.2	417.8	351.7	518.5	1,723.1	373.7	372.8	379.2	394.0	1,519.7	1,610.8	1,673.2
Implied Margin	47.3%	46.6%	52.1%	51.9%	47.8%	61.8%	53.6%	48.3%	48.4%	48.3%	49.1%	48.5%	49.6%	49.3%

Source: Company reports and J.P. Morgan estimates.

Figure 33: Sands BethWorks – Pennsylvania Property Model

\$ in millions

(\$MM)	2012	2013	1Q14	2Q14	3Q14	4Q14	2014	1Q15E	2Q15E	3Q15E	4Q15E	2015E	2016E	2017E
Days in Period	366	365	90	91	92	92	365	90	91	92	92	365	366	365
Total Number of Standard Rooms	300	300	300	300	300	300	300	300	300	300	300	300	300	300
Avg. Daily Rate	\$140	\$142	\$146	\$144	\$145	\$149	\$146	\$146	\$144	\$145	\$149	\$146	\$146	\$146
Occupancy	70.0%	76.3%	68.8%	87.2%	89.4%	87.9%	88.2%	68.8%	87.2%	89.4%	87.9%	88.2%	88.2%	88.2%
RevPAR	\$98	\$108	\$100	\$126	\$130	\$131	\$129	\$100	\$126	\$130	\$131	\$129	\$129	\$129
% yoy growth	18.6%	10.6%	11%	21.1%	12.0%	21.4%	19.0%	0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Room Revenues	10.0	11.4	2.7	3.5	3.6	3.6	13.4	2.7	3.4	3.6	3.6	13.3	14.1	14.1
% yoy growth	104.1%	14.0%	13%	25.0%	12.5%	20.0%	17.5%	0%	-2.1%	-0.6%	0.4%	-0.5%	6.0%	-0.3%
Gross Slot Revenue	291.5	288.1	67.2	72.9	71.5	69.3	280.8	67.2	72.9	71.5	69.3	280.8	280.8	280.8
% yoy growth	7.7%	-1.2%	-9.2%	-1.5%	-0.8%	1.8%	-2.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Gross Table Revenue	135.3	164.9	39.7	41.9	44.6	52.4	178.6	41.7	44.0	44.6	52.4	182.6	182.6	182.6
% yoy growth	40.2%	21.9%	3.6%	-0.2%	13.3%	15.8%	8.3%	5.0%	5.0%	0.0%	0.0%	2.3%	0.0%	0.0%
Gross Gaming Revenue	437.6	461.9	109.0	117.1	118.3	123.6	468.0	108.8	116.9	116.1	121.7	463.5	463.5	463.5
% yoy growth	16.2%	5.6%	-5.1%	-0.8%	3.9%	7.3%	1.3%	-0.1%	-0.2%	-1.9%	-1.6%	-1.0%	0.0%	0.0%
Other Revenues, net as % of gross slot revenues	32.9 11.3%	34.8 12.1%	8.2 12.2%	9.0 12.4%	9.0 12.6%	10.0 14.4%	36.2 12.9%	8.7 12.9%	9.4 12.9%	9.2 12.9%	8.9 12.9%	36.2 12.9%	36.2 12.9%	36.2 12.9%
Net Revenues	470.5	496.7	117.2	126.1	127.3	133.6	504.2	120.2	129.7	128.9	134.2	513.0	513.8	513.8
% yoy growth	17.6%	5.6%	-4.7%	-0.5%	3.6%	7.6%	1.5%	2.6%	2.9%	1.2%	0.5%	1.7%	0.2%	0.0%
EBITDA	114.1	123.3	26.5	27.9	29.8	36.2	120.5	28.9	31.1	30.9	35.6	126.5	126.7	126.7
EBITDA Margin	24.2%	24.8%	22.6%	22.1%	23.4%	27.1%	23.9%	24.0%	24.0%	24.0%	26.5%	24.7%	24.7%	24.7%
FAS 123 Exp	0.8	0.5	0.0	0.0	0.0	0.5	0.5	0.5	0.5	0.5	0.5	2.1	2.1	2.1
D&A	33.9	37.3	9.2	7.7	6.3	6.5	29.7	6.5	6.5	6.5	6.5	25.9	25.9	25.9
Other	0.8	0.5	0.0	0.0	0.0	0.2	0.3	0.2	0.2	0.2	0.2	1.0	1.0	1.0
Operating Income	78.6	85.1	17.3	20.2	23.5	28.9	90.0	21.6	23.9	23.7	28.3	97.5	97.7	97.7
Minority Interest Expense	7.9	8.5	1.7	2.0	2.3	2.9	9.0	2.2	2.4	2.4	2.8	9.7	9.8	9.8

Source: Company reports and J.P. Morgan estimates.

Figure 34: Free Cash Flow & Balance Sheet Model

\$ in millions

(\$MM)	2012	2013	1Q14	2Q14	3Q14	4Q14	2014	1Q15E	2Q15E	3Q15E	4Q15E	2015E	2016E	2017E
Non-Macau														
LV Strip EBITDA						78		89	72	89	85	335	363	392
Singapore EBITDA						519		374	373	379	394	1,520	1,611	1,673
PA EBITDA						36		29	31	31	36	126	127	127
Less: Allocated corporate expense						(36)		(37)	(37)	(37)	(37)	(148)	(148)	(148)
Less: Cash interest expense						(50)		(50)	(50)	(50)	(50)	(200)	(199)	(197)
Less: Maintenance capex						0	(113)	(56)	(56)	(56)	(56)	(225)	(225)	(225)
Less: Project capex						(68)								
Less: Cash taxes														
Less: Share repurchases						(230)								
Less: Dividends						(400)		(519)	(519)	(519)	(519)	(2,075)	(2,075)	(2,075)
Add: Dividend from Sands China						0		724				724	724	724
Add: Other						104								
FCF for Non-Macau net debt change						(47)		553	(185)	(163)	(147)	58	178	271
Macau														
Property EBITDA						711		690	688	759	760	2,898	3,056	3,506
Less: Allocated corporate expense														
Less: Cash interest expense						(20)		(20)	(20)	(20)	(20)	(80)	(80)	(80)
Less: Maintenance capex						0	(263)	(69)	(69)	(69)	(69)	(275)	(275)	(316)
Less: Project capex						(318)		(250)	(250)	(250)	(250)	(1,000)	(800)	(200)
Less: Cash taxes														
Less: Dividends								(1,030)				(1,030)	(1,030)	(1,030)
Add: Other						(22)								
FCF for Macau net debt change						352		(679)	350	421	421	513	871	1,880
Balance Sheet Items														
Cash, Non Macau	566	658	1,489	1,785	965	971	971	1,524	1,339	1,176	1,029	1,029	1,208	1,478
Debt, Non Macau	7,013	6,543	7,058	7,162	6,726	6,779	6,779	6,779	6,779	6,779	6,779	6,779	6,779	6,779
Net Debt, Non Macau	6,447	5,885	5,569	5,377	5,761	5,808	5,808	5,254	5,440	5,602	5,749	5,749	5,571	5,300
<i>Chg in Net Debt</i>		<i>(561)</i>	<i>(316)</i>	<i>(192)</i>	<i>383</i>	<i>47</i>	<i>(78)</i>	<i>(553)</i>	<i>185</i>	<i>163</i>	<i>147</i>	<i>(58)</i>	<i>(178)</i>	<i>(271)</i>
Cash, Macau	1,953	2,949	1,820	1,514	2,188	2,542	2,542	1,863	2,213	2,634	3,055	3,055	3,926	5,805
Debt, Macau	3,217	3,217	3,216	3,217	3,213	3,214	3,214	3,214	3,214	3,214	3,214	3,214	3,214	3,214
Net Debt, Macau	1,264	268	1,395	1,703	1,025	672	672	1,351	1,001	580	159	159	(712)	(2,591)
<i>Chg in Net Debt</i>		<i>(997)</i>	<i>1,128</i>	<i>307</i>	<i>(678)</i>	<i>(352)</i>	<i>404</i>	<i>679</i>	<i>(350)</i>	<i>(421)</i>	<i>(421)</i>	<i>(513)</i>	<i>(871)</i>	<i>(1,880)</i>
Consolidated Balance Sheet Items:														
Total Cash (100%)	2,519	3,607	3,309	3,299	3,154	3,513	3,513	3,388	3,552	3,810	4,084	4,084	5,133	7,284
Total Debt (100%)	10,230	9,760	10,274	10,379	9,939	9,993	9,993	9,993	9,993	9,993	9,993	9,993	9,993	9,993
Total Net Debt (100%)	7,711	6,153	6,965	7,080	6,785	6,480	6,480	6,605	6,441	6,183	5,909	5,909	4,859	2,709
<i>Chg in Net Debt</i>		<i>(1,558)</i>	<i>812</i>	<i>115</i>	<i>(295)</i>	<i>(305)</i>	<i>327</i>	<i>125</i>	<i>(164)</i>	<i>(258)</i>	<i>(274)</i>	<i>(571)</i>	<i>(1,049)</i>	<i>(2,150)</i>
Equity (adjusted for non-controlling interests)	7,062	7,665	7,287	7,276	7,207	7,299	7,299	7,384	7,455	7,595	7,751	7,751	8,439	9,337
Credit Stats														
Debt as % of Total Cap.	59.2%	56.0%	58.5%	58.8%	58.0%	57.8%	57.8%	57.5%	57.3%	56.8%	56.3%	56.3%	54.2%	51.7%
Gross Debt/EBITDA	2.9x	2.2x	2.1x	2.1x	2.0x	1.9x	1.9x	2.0x	2.1x	2.1x	2.1x	2.1x	2.0x	1.8x
Net Debt/EBITDA	2.2x	1.4x	1.4x	1.4x	1.3x	1.2x	1.2x	1.3x	1.3x	1.3x	1.3x	1.3x	1.0x	0.5x
EBITDA/Interest	13.7x	16.7x	17.7x	18.4x	18.4x	19.0x	19.0x	18.3x	18.1x	18.3x	18.4x	18.4x	21.8x	19.8x

Source: Company reports and J.P. Morgan estimates.

Las Vegas Sands Corp.: Summary of Financials

Income Statement - Annual	FY13A	FY14A	FY15E	FY16E	Income Statement - Quarterly	1Q15E	2Q15E	3Q15E	4Q15E
Net Revenues	13,770	14,584	13,447	14,033	Net Revenues	3,308	3,235	3,470	3,433
EBITDA	4,763	5,422	4,889	5,166	EBITDA	1,184	1,167	1,261	1,277
Corporate expense	(190)	(175)	(148)	(148)	Corporate expense	(37)	(37)	(37)	(37)
Net EBITDA	4,533	5,207	4,699	4,976	Net EBITDA	1,136	1,120	1,214	1,230
D&A	(1,007)	(1,032)	(1,022)	(1,022)	D&A	(256)	(256)	(256)	(256)
Other	(9,087)	(9,250)	(8,600)	(8,910)	Other	(2,135)	(2,078)	(2,219)	(2,166)
Operating income	3,408	4,099	3,647	3,922	Operating income	873	857	951	967
Net interest income / (expense)	(255)	(249)	(229)	(200)	Net interest income / (expense)	(60)	(59)	(56)	(54)
Other income / (expense)	(10)	(18)	0	0	Other income / (expense)	0	0	0	0
Pretax income	3,144	3,833	3,418	3,723	Pretax income	814	798	894	912
Income taxes	(189)	(245)	(239)	(261)	Income taxes	(57)	(56)	(63)	(64)
Net income - GAAP	2,306	2,841	2,527	2,763	Net income - GAAP	604	590	658	675
Diluted shares outstanding	826	808	800	800	Diluted shares outstanding	800	800	800	800
EPS - recurring	2.90	3.58	3.16	3.46	EPS - recurring	0.76	0.74	0.82	0.84
EPS - GAAP	2.79	3.51	3.16	3.46	EPS - GAAP	0.76	0.74	0.82	0.84
Balance Sheet and Cash Flow Data	FY13A	FY14A	FY15E	FY16E	Ratio Analysis	FY13A	FY14A	FY15E	FY16E
Cash and cash equivalents	3,607	3,586	4,157	5,206	Net Revenue growth	23.7%	5.9%	(7.8%)	4.4%
Total debt	9,760	9,993	9,993	9,993	EBITDA growth	27.9%	14.9%	(9.8%)	5.9%
Net Debt	6,153	6,407	5,836	4,787	EPS growth	35.3%	23.3%	(11.7%)	9.3%
Shareholders' equity	7,665	7,867	8,320	7,975	EBIT margin	24.8%	28.1%	27.1%	27.9%
Net income (including charges)	2,306	2,841	2,527	2,763	EBITDA margin	32.9%	35.7%	34.9%	35.5%
D&A	1,007	1,032	1,022	1,022	Tax rate	6.0%	6.4%	7.0%	7.0%
Other	-	-	-	-	Net margin	17.4%	19.8%	18.8%	19.7%
Maintenance Capex	0	0	(500)	(500)	Net debt / EBITDA	129.2%	118.2%	119.4%	92.7%
Free cash flow	3,553	4,105	3,262	3,470	Interest coverage ratio	18.7	21.8	21.4	25.9
					Return on Average Equity (ROAE)	32.6%	37.3%	31.2%	33.9%
					FCF / Share	4.30	5.08	4.08	4.34
					P / E	20.1	15.9	17.7	16.2
					Enterprise value / EBITDA	11.5	10.2	11.2	10.4

Source: Company reports and J.P. Morgan estimates.

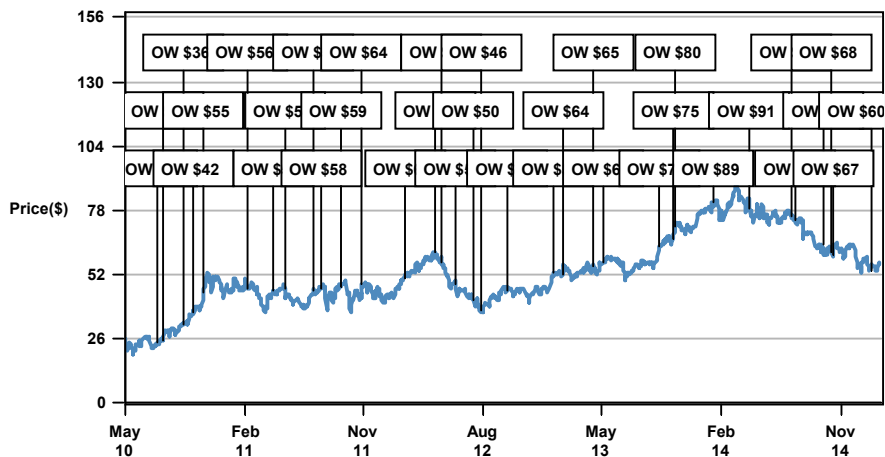
Note: \$ in millions (except per-share data). Fiscal year ends Dec

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Las Vegas Sands Corp. (LVS, LVS US) Price Chart



Source: Bloomberg and J.P. Morgan; price data adjusted for stock splits and dividends.
 Initiated coverage Jul 15, 2010.

Date	Rating	Share Price (\$)	Price Target (\$)
15-Jul-10	OW	24.37	30.00
28-Jul-10	OW	25.28	32.00
09-Sep-10	OW	31.67	36.00
06-Oct-10	OW	36.10	42.00
28-Oct-10	OW	44.63	55.00
04-Feb-11	OW	46.03	56.00
07-Apr-11	OW	45.15	58.00
04-May-11	OW	45.87	55.00
08-Jul-11	OW	45.30	56.00
27-Jul-11	OW	46.30	58.00
09-Sep-11	OW	47.14	59.00
27-Oct-11	OW	48.13	64.00
02-Feb-12	OW	50.18	61.00
10-Apr-12	OW	60.62	66.00
26-Apr-12	OW	56.97	65.00
30-May-12	OW	47.58	57.00
10-Jul-12	OW	41.20	50.00
26-Jul-12	OW	37.51	46.00
25-Sep-12	OW	45.53	51.00
09-Jan-13	OW	52.41	58.00
31-Jan-13	OW	51.56	64.00
10-Apr-13	OW	55.50	65.00
02-May-13	OW	56.97	66.00
10-Sep-13	OW	63.01	72.00
11-Oct-13	OW	66.28	75.00
17-Oct-13	OW	70.97	80.00
08-Jan-14	OW	81.18	89.00
04-Apr-14	OW	78.31	91.00
09-Jul-14	OW	75.08	89.00
16-Jul-14	OW	73.80	83.00
18-Sep-14	OW	63.95	69.00
10-Oct-14	OW	60.61	68.00
15-Oct-14	OW	60.32	67.00
07-Jan-15	OW	53.36	60.00

The chart(s) show J.P. Morgan's continuing coverage of the stocks; the current analysts may or may not have covered it over the entire period.

J.P. Morgan ratings or designations: OW = Overweight, N= Neutral, UW = Underweight, NR = Not Rated

Explanation of Equity Research Ratings, Designations and Analyst(s) Coverage Universe:

J.P. Morgan uses the following rating system: Overweight [Over the next six to twelve months, we expect this stock will outperform the average total return of the stocks in the analyst's (or the analyst's team's) coverage universe.] Neutral [Over the next six to twelve months, we expect this stock will perform in line with the average total return of the stocks in the analyst's (or the analyst's team's) coverage universe.] Underweight [Over the next six to twelve months, we expect this stock will underperform the average total return of the stocks in the analyst's (or the analyst's team's) coverage universe.] Not Rated (NR): J.P. Morgan has removed the rating and, if applicable, the price target, for this stock because of either a lack of a sufficient fundamental basis or for legal, regulatory or policy reasons. The previous rating and, if applicable, the price target, no longer should be relied upon. An NR designation is not a recommendation or a rating. In our Asia (ex-Australia) and U.K. small- and mid-cap equity research, each stock's expected total return is compared to the expected total return of a benchmark country market index, not to those analysts' coverage universe. If it does not appear in the Important Disclosures section of this report, the certifying analyst's coverage universe can be found on J.P. Morgan's research website, www.jpmorganmarkets.com.

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J.P. Morgan Equity Research Ratings Distribution, as of January 1, 2015

	Overweight (buy)	Neutral (hold)	Underweight (sell)
J.P. Morgan Global Equity Research Coverage	45%	43%	12%
IB clients*	56%	49%	33%
JPMS Equity Research Coverage	45%	48%	7%
IB clients*	75%	67%	52%

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