

Business Opportunity in Macau, PRC

Executive Summary

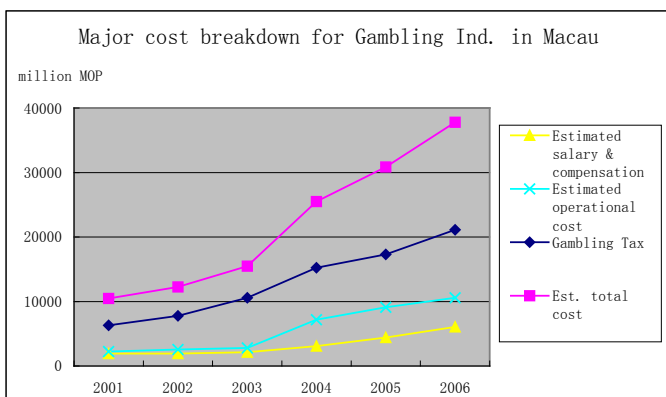
Leading Industry by GDP & Growth Rate

Industry	2000 GDP in million MOP	2006 GDP in million MOP	Growth rate	Ave. growth rate per year
Wholesale, retail & Hotel & Restaurant	5485	13142	139.60%	23.27%
Finance &	9686	21848	125.60%	20.93%
Gaming Business	19225	44171	129.80%	21.63%
Construction	1273	15333	1104.50%	184.10%
Manufacturing	4946	4496	(-9.1%)	(-1.52%)
Transportation & Comm.	3722	4842	30.10%	5.02%
Total	44337	103832	134.20%	22.37%

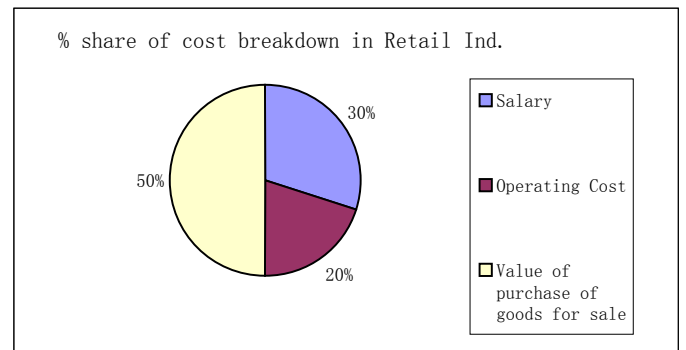
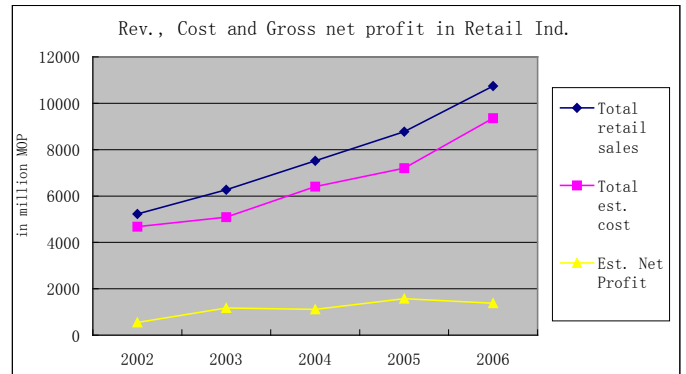
Industrial Strength

Profit

Gaming Industry

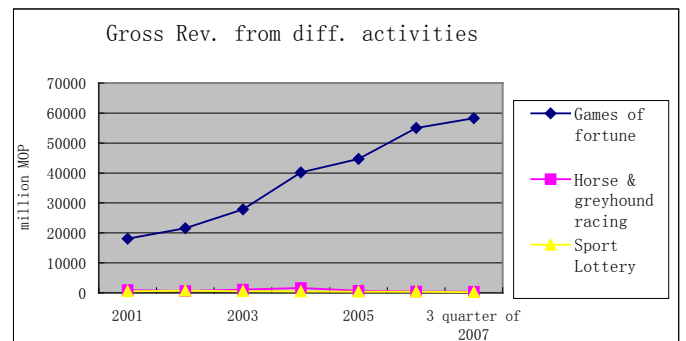


Retail Industry



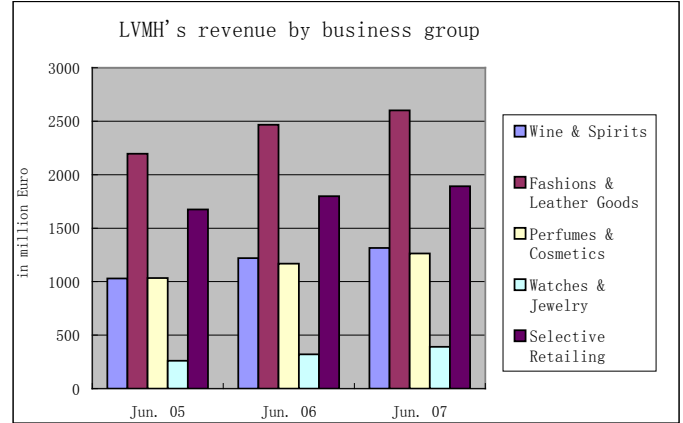
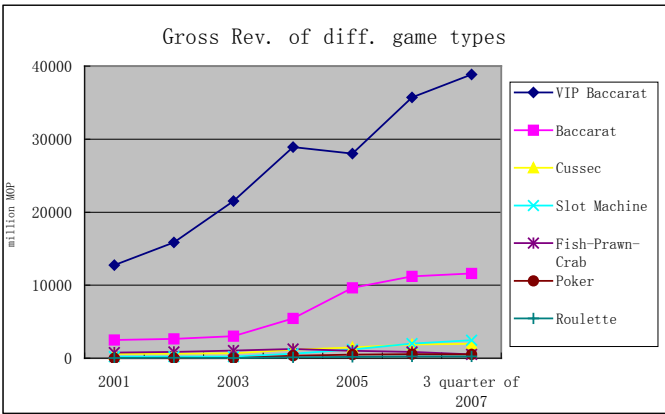
Product

Gaming Industry

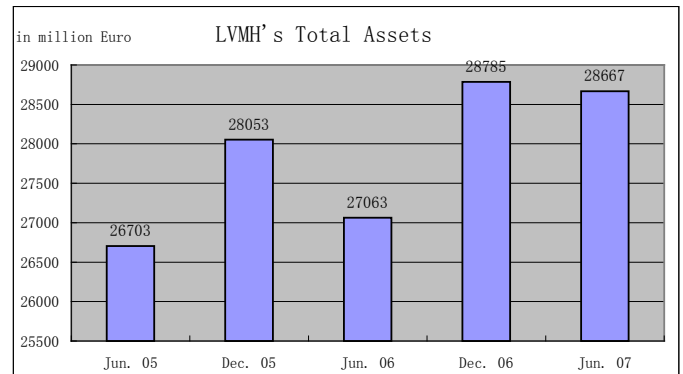
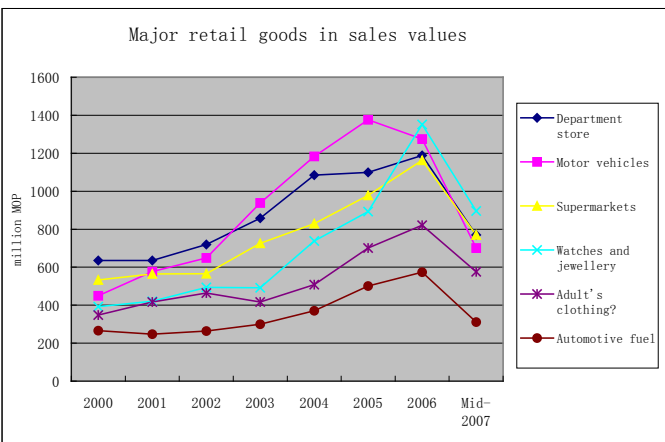


Retail Industry

Louis Vuitton - LVMH Group



Retail Industry



Regional Competitors in Gaming Industry

1. Resorts worlds in Singapore
2. Nagacorp in Cambodia
3. Genting in Malaysia

Major Players

Gaming Industry

1. Sociedade de Jogos de Macau, S.A. (SJM)
2. Galaxy Casino, S.A. – Galaxy Entertainment Group
3. Las Vegas Sands (LVS)
4. Venetian Venture Development Intermediate Limited (VML)

HR Aspects

Recruitment

Gaming Industry

Period	2004 Q4	2005 Q4	2006 Q2	2006 Q4
No. of Vacancies	7104	6167	5699	5631

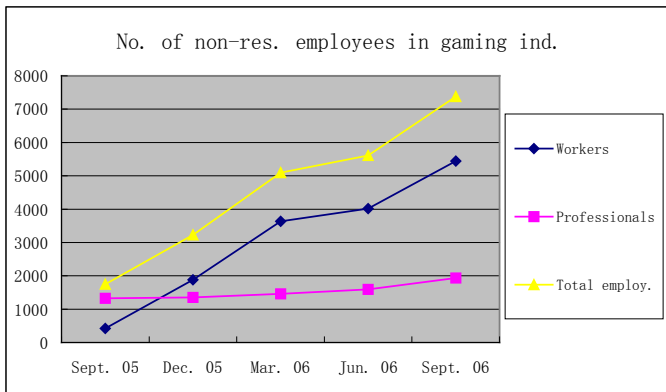
Projects	Est. no. of vacancies	Year
Venetian	60,000	2007
Exhibit. & Conv.	1,000+	2009
Hotels	40,000	2007-17
Cotai Casinos	24,000	2006-10
Crown Macau	3,800	2007

Retail and Wholesales Industry

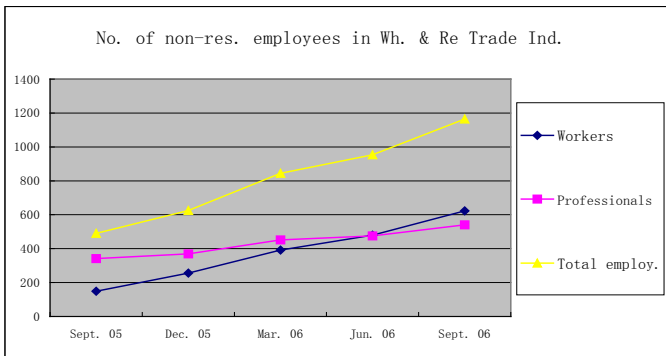
	2004 Q4	2005 Q2	2005 Q4	2006 Q2	2006 Q4
Wholesale	497	500	568	931	1083
Retail (% share)	947 (66%)	1264 (72%)	1490 (72%)	2021 (68%)	2526(70%)
Total vacancies	1444	1764	2058	2952	3609

Expatriate Issue

Gaming Industry



Retail and Wholesales Industry



Original Content

Introduction

Macau is a small city near Hong Kong. Similar to Hong Kong there is not much natural resources for them to develop heavy industry or manufacturing industry. The main industry in Macau is Gaming and Entertainment. Recently her gambling industry has been blooming ever since the turn of this century.

In related to that some other industries are also benefited by its prosperous development. Area like tourism, retail and construction have also taken great changes while more and more visitors are coming over to visit Macau.

This report is to investigate Macau’s two most dominating and promising industries, Gaming and Retail, their characters, recent changes and the coming trends.

Methodology

In this report several critical investigating areas are pre-determined. They are Leading Ind., Industrial strength, Prospect, Major Player and Human Resources Situation. In each aspect, there will be variables as parameters that serve to describe situations in a quantified manner.

(1) Leading Industry

(1.1) GDP and Growth Rate

Gambling and Retail can be treated as the leading industry as they both cover major portion of Macau GDP value. In year 2005, these two industry cover 48.46% of the whole GDP amounting to 92.95bn MOP. (Source: Stat. & Cens. Ser. SCS- MSAR 2007) and it is still booming in the recent two years. Table 1 lists the growth rate of some major industries in Macau.

Table 1

Industry	2000 GDP in million MOP	2006 GDP in million MOP	Growth rate	Ave. growth rate per year
Wholesale, retail & Hotel & Restaurant	5485	13142	139.60%	23.27%
Finance &	9686	21848	125.60%	20.93%
Gaming Business	19225	44171	129.80%	21.63%
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Transportation & Comm.	3722	4842	30.10%	5.02%
Total	44337	103832	134.20%	22.37%

(Source: Stat. & Cens. Ser. SCS- MSAR 2001 - 07)

With the growth rate of over 70% in these five years from 2000 to 2005, it can be understood why Gambling and Retail & Whole industry is ranked as the top economic engine of Macau.

It is also worth noting that construction industry is the first industry since year 2002. The Macau government has decided to flourish the The Cotai Strip™ . There are more and more buildings being build in the area. And the use of the buildings is to provide the full-set-package entertainment to the guests. The Venetian® Macao-Resort-Hotel is the first finished building of them. Henceforth, construction industry would be the industry for many years.

(2) Industrial Strength

Talking about industrial strength, one might usually think about profitability is a direct reflection of how good and hence how strong an industry is. Profit is a factor that measures strength.

In this report, it is going to be a wider scope of looking at four areas to strike a balance. They are: Profit, Place and Product and Profile. It is believed that a health and strong industry will have a balanced development in these four sectors, not solely profit.

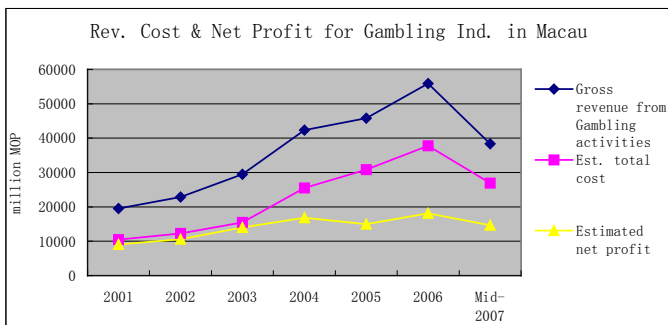
(2.1) Profit

In this part, it is going to unfold financial structure of leading industry by its revenue, expense and its composition. By viewing this breakdown, one can get a better griping of the industry and what its characters are.

(2.1.1) Gaming Industry

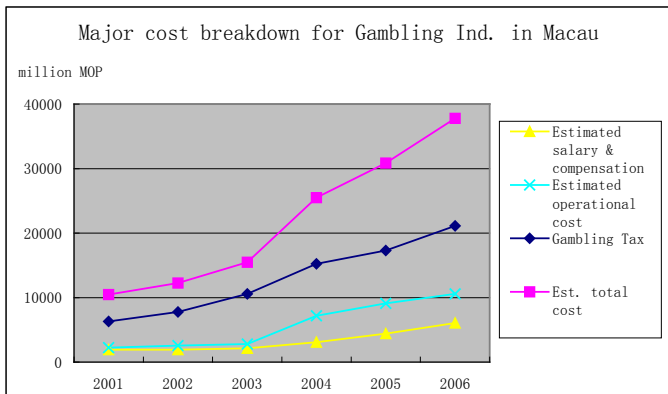
Gamble is the most important industry in Macau. Even as that, official data taken by the government is not in a comprehensive and well organized manner. Discretionary reasoning is required when it comes to estimate these figures. Exhibit 1 & 2 show the revenue and expense graph and major cost breakdown respectively.

Exhibit 1



(Source: Gaming Inspection Coordinating Bureau – MSAR 2007)

Exhibit 2



(Source: Gaming Inspection Coordinating Bureau – MSAR 2006)

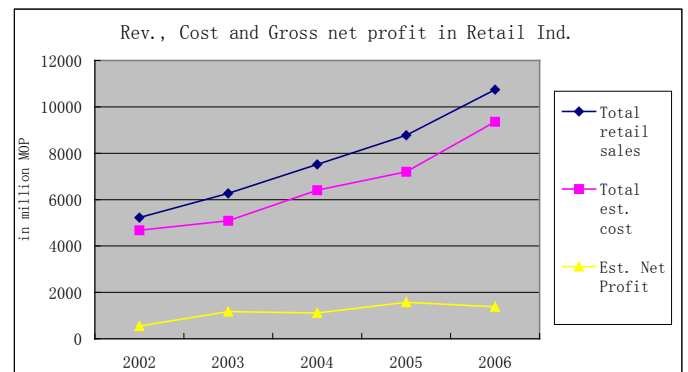
While the revenue is growing and rocketing up so is the total cost as shown in Exhibit 1. As the gambling industry is taking shape and moving into a sizable scale, lot of those initial costs are expected to require, for example, better service, higher operating cost and maintenance to give a grandiose impression to the clients. This also indicates that economic of scale is not reached in this stage as large in size cannot lower the overall cost in here.

(2.1.2) Retail Industry

Gambling Industry is tightly related with Retail Industry in Macau. Tourists go to visit Macau and entertain themselves. Probably they will do some shopping on their trips. This definitely simulates Retail Industry in Macau. It is specially true when visitors come from Mainland China and they like to shop at those luxurious goods and gambling.

Exhibit 3 & 4 show the revenue and expenses graph and major costs breakdown in the retail industry respectively.

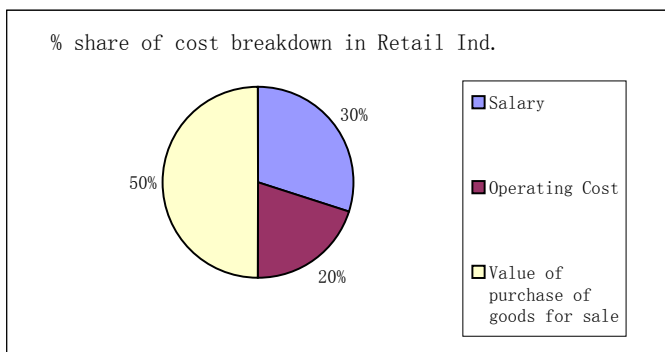
Exhibit 3



(Source: Stat. & Cens. Ser.- MSAR 2006 rpt)

Exhibit 3 shows that the retail industry is increasing very fast in recent years and so is the total cost. The strong increment in total cost is one of the indications that buyers in retail industry are targeting for and purchasing luxury goods. This can be further verified by the slightly but gradually increase of gross net profit.

Exhibit 4



(Source: Stat. & Cens. Ser. – MSAR 2006 rpt)

In exhibit 4 one can see from the breakdown chart that the biggest portion of output is purchasing of goods for sale. This is also another proof that profile of the retail goods is high ended and so their prices are expensive.

(2.2) Place

Place is like a network point or an infra structure of a business. The more physical locations an industry has, the better development it will be in the later days.

(2.2.1) Gaming Industry

There are all together 24 casinos opened to serve the gamblers and three sizable casinos are yet to be opened in the near further. There will be 18 nos. in Macau and 9 nos. casinos in Taipa and Coloane.

(2.2.2.) Retail Industry

The no of retail shops is directly proportional to the business turnover of an industry. In Macau more of those client for those high-end retail shops are visitors. As of 2006, the total no. of high-end retail shops is 38.

Judging by the total no. of casino and high-end retail shops in Macau, of such a tiny city, it can be concluded that a high density of casino or shop is present in this city. It builds a very strong development foundation for the two industries.

(2.3) Product

(2.3.1) Gaming Industry

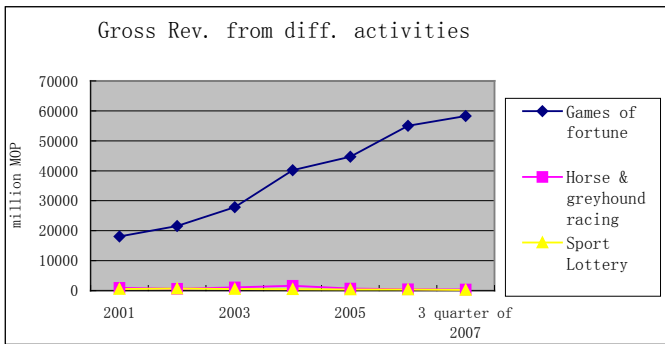
There are quite a number of products in gambling industry. Here is to list out some major types of them. They are: Baccarat, Cussec, Slot Machine, Black Jack, Fish-Prawn-Crab, Stud Poker, Roulette and Poker. They are done in casino venue. On the Lottery & Racing sides, it gets greyhound & horse racing, football and basketball lottery.

Exhibit 5 shows different revenue when comparing different kinds of gaming.

Exhibit 6 shows the corresponding gross revenue of those products in casinos.

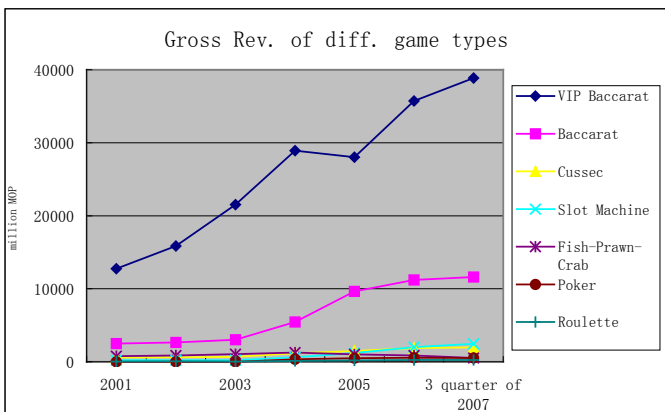
From the two graphs one can see that revenue from casino section takes the lion portion and VIP Baccarat covers most of the income in casinos.

Exhibit 5



(Source: Gaming Inspection Coordinating Bureau – MSAR 2007)

Exhibit 6



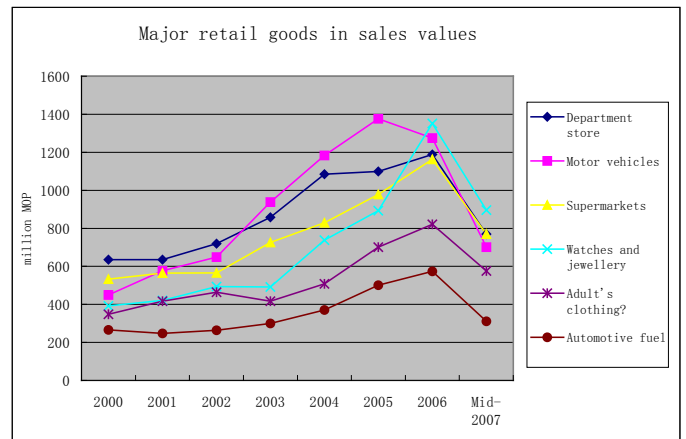
(Source: Gaming Inspection Coordinating Bureau – MSAR 2007)

(2.3.2) Retail Industry

Types of product in retail industry are vast. It ranges from essential goods to normal consumer types to deluxe expensive classes. Here are the major types: clothing, jewelry and watches, cigar and wine, cosmetics and perfume, foods, motor vehicles, leather goods and like.

Exhibit 7 shows the retail sales in some major retail goods in Macau.

Exhibit 7



(Source: Census & Stat. Dept –MSAR 2007)

It is worth noting that all kinds of consumer goods are improving in term of sales but watches, jewelry and motor vehicles that represent deluxe category are growing very fast among the others. Watch and jewelry even surpass them and becomes the highest in terms of retail sales figure in year 2006. This clearly implies people are more willing and capable of purchasing luxurious goods.

In fact luxurious goods is getting more significant in the retail industry in Macau. Many foreign famous brand names are thinking of or have already established, like Louis Vuitton, their retail shops in Macau.

(2.4) Profile

(2.4.1) Gaming Industry

The profile of gambling industry in Macau can be justified from the average outlays of project involved, the salary level and level of skill.

The grandiose feeling when one enters a casino is thought to be really important as casino is always related to splendid decoration and opulent ambience. This is especially so in these years as new foreign casino investors have encroached in Macau's Gaming Industry. By the light of this, the average project cost is usually talking about several billion MOP dollars so as to concoct a luxurious aura. This is equivalent to high profile.

The salary level is comparatively higher for those employees working in a casino. The salary range for a dealer is from 10K MOP to 18K MOP, depending on the experiences. There is a tendency of going upwards for the demand of it is large while more new casinos are being built. Hence, gambling industry is getting to be recognized as high profile as high pay is usually associated with high profile.

(2.4.2) Retail Industry

The basic salary range of salesperson is from 4K to 10K. In addition to it, there will always be an incentive scheme to boost the sale volume. The commission is also rather high as commission is pegged with the selling price of those luxurious goods. This invite high pay factor can in same way attract some of the graduated candidates.

Also the required level of skill is also higher as it requires an employee to have a bilingual ability. All these factors suggest that retail industry in Macau is in a high profile.

(3) Industrial Prospect

(3.1) History

After Hong Kong's sovereignty was ceded to the British in 1842, Macau's role as an important trading port was gradually replaced by Hong Kong. In an effort to fill its depleted coffers and diversify its leading economic activities, the Macau's Portuguese government legalized gaming for the first time in 1847.

By 1850s, there were more than two hundred "Fantan" stalls operating in Macao. Towards the late 19th century, gaming industry started booming, thus, making gaming tax as the main income for the government. Since then, Macau began to be famous for its gaming industry and earned the appellation "Monte Carlo of the Orient".

(3.2) Geographical Factor

The casino investor's backgrounds are from different countries. They are from Macau, herself, Las Vegas of United States and Australia. Investors from different countries imply popularity and recognition of the industry. It hints that gaming industry in Macau is profitable, otherwise foreign investor will not bother to encroach, and striding into an international frontier in Macau.

(3.3) China's economy

(3.3.1) Gaming Industry

Macau has a preferential geographical location for her affinity to Mainland China.

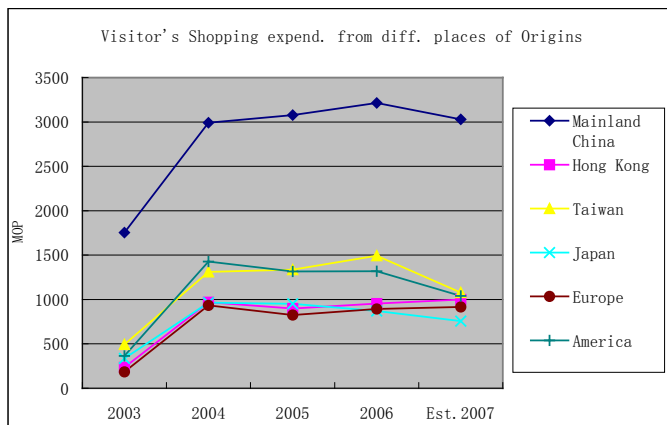
With the progressive improvement of economy in China and increasing of their spending ability, it is reasonable to predict that more and more Chinese residents will go to Macau to visit and entertain themselves. Most of them would try their luck and go gambling in casino. Statistic data shows that from Jan to Jun 2007, an estimation of 22.04 bn MOP revenue is contributed by these Chinese visitors. This composed about 90% of the total revenue in Macau casinos. (Source: Macau Economic Journal October 09, 2007)

(3.3.2) Retail Industry

It is easy to reason that gambling industry is correlated with retailing industry in Macau. The blooming of gambling business does help a lot in their retail industry. Also with the implementation of the Individual Visit Scheme by the Chinese government started in July year 2004, retail industry benefits enormously. This boosts tourism and hence shopping industry in Macau.

Exhibit 8 reveals the average shopping expenditure of visitors from different places of residence. One can see the big spenders are tourists from Mainland China. They spend way far more money in shopping than that of the others from Asian countries and western societies. Hence it is easy to believe that major participants or customers in retail industry in Macau are those Chinese visitors.

Exhibit 8



(Source: Census & Stat. Depart –MSAR 2007 rpt)

(3.4) Competition

(3.4.1) Gaming Industry

Singapore – Resorts Worlds

Casino has been acknowledged as a powerful tourism resource internationally. Singapore government has made a trade off of her long-held opposition towards the casino industry and in favor of allowing casino investment adventure.

A new casino resort is launched under way and expected to effectively double the number of tourists in Singapore.

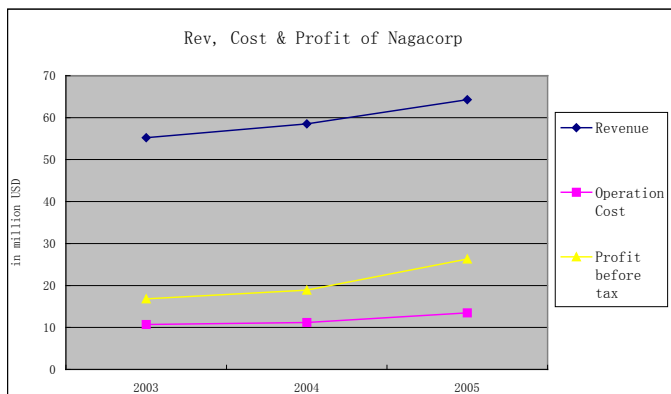
After a vigorous bidding of the Singapore gambling license, Genting, Malaysia's casino monopoly holder, was awarded to win the license for the giant project. The Project will be called "Resorts Worlds at Sentosa" and the estimated project cost is amount to 15.6 bn Singapore dollar (\$ 9.9 bn US). The project is scheduled to open in year 2009.

Cambodia - Nagacorp

Nagacorp. is the only licensed casino in Phnom Penh, the capital city of Cambodia. The casino license is valid for 70 years and was granted by Cambodia Government on 2 Jan 1995. The casino is owned by Malaysian tycoon, Chen Lip Keong. (Source: The Santard 9 Oct. 2006)

Nagacorp. has launched an initial public offering (IPO) on 19 Oct., 2006. It is planned to use about 540 million HKD to develop the entertainment complex – NagaWorld- and thus increases the gaming table from 44 to 176. Exhibit 8a shows its financial status. (Source: The Santard – China's Business 9 Oct. 2006)

Exhibit 8a



(Source: Nagacorp. Ltd. IPO rpt 2006)

Malaysia – Genting

Genting Highlands is a entertainment complex with casino, resort and hotels. Straddling on the borders of Malaysian state, Genting is situated in a mountain peak enjoying a cool climate with a moderate temp.

Genting, sometimes known as the Las Vegas of Malaysia, is the only legal land-based casino in Malaysia running by the Gentings Group. Among its hotel, First World Hotel is currently the largest hotel in the world with room no amount to 6118.

(Source: www.wikipedia.org-Genting Highlands)

(4) Major Players

(4.1) Gaming Industry

Gaming business in Macau is largely restricted by the concession of gambling license issued by Macau Government. So the name of the game is to obtain the authorized licensed as those major did. There are totally three gaming licenses granted by Macau Government to the following three corporation: Sociedade de Jogos de Macau, S.A. (SJM), Galaxy Casino S.A., and Wynn Resorts (Macau) S.A.

(4.1.1) Sociedade de Jogos de Macau, S.A. (SJM)

Sociedade de Jogos de Macau, S.A. (SJM) was formerly named Sociedade de Turismo e Diversões de Macao (STDM) which is owned by Stanely Ho who is also the Chairman of Shun Tak Holdings Ltd., a Hong Kong listed company. For nearly two decades, the gambling industry of Macau was solely owned by Ho's STDM. At one time Ho controlled up to 70% market share of Macau's gambling business. This era of monopoly came to an end in the year 2000.

Now Ho and his family is still the biggest market share owner of the industry in Macau. Up to the end of 2006, SJM is in command of 17 no. of casinos. (Source: en.wikipedia.org/wiki/Stanley_Ho & Gaming Inspection Coordinating Bureau – MSAR 2007)

Exhibit 9 shows the business turnover of SJM.

Exhibit 9



(Source: Gaming Inspection and Coordinating Bureau – MSAR 2007)

Table 2 compares the gaming business turnover of SJM and some other main players.

Table 2 (Unit in million MOP)

	2002	2003	2004	2005	2006
SJM	17,019	28,672	35,206	34,409	35,222
Galaxy	N.A.	N.A.	3,084	3,987	7,786
Sands	N.A.	N.A.	3,111	7,706	11,230

(Source: Gaming Inspection and Coordinating Bureau 2007)

(4.1.2) Galaxy Casino, S.A.–Galaxy Entertainment Group

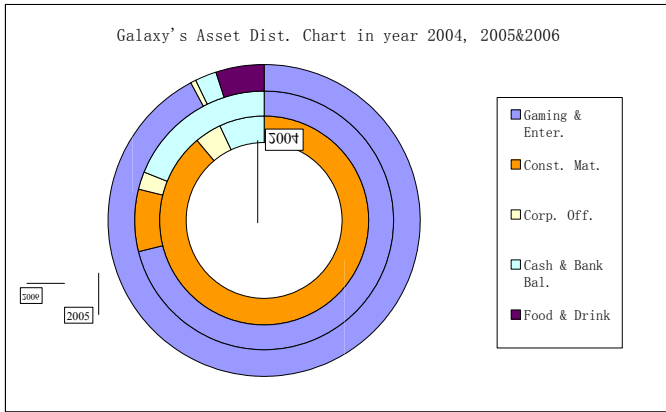
Galaxy Casino, which is under the group called Galaxy Entertainment Ltd, is one of the three companies that acquired the gaming concession granted by Macau Government on Feb. 2002 and signed the contract on 26 June on the same. (Source: Gaming Inspection and Coordinating Bureau MSAR 2007) Macau Government has also allowed Galaxy Casino S.A. to have a sub-concession relationship with the Venetians Macau S.A.

Galaxy group actually comes from a Hong Kong listed corporation named K. Wah Construction Materials Limited, which deals mainly with construction materials business. Having granted the gaming concession on year 2002, the group changed her name to “ Galaxy Entertainment Group Ltd” on Oct 2005, determined to have a portion in the gaming and entertaining business in Macau. Galaxy has planned to have four casinos and a hotel projects to be finished on year 2006 and a Resort is scheduled to open in year 2008.

In terms of the business turnover, Galaxy ‘s gambling revenue is MOP\$ 7,541 million in 2006. This also accounts for 13% of the market share in gambling industry in Macau. This shows a fast growing percentage under efforts of the Group.

Exhibit 10 shows Galaxy's assets allocation proportion in recent two years.

Exhibit 10



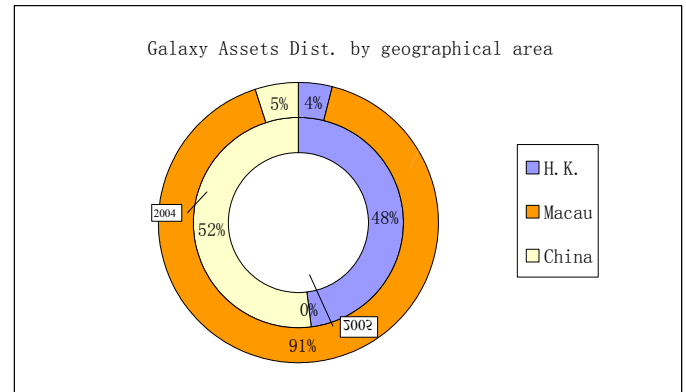
N.B. Assets Value in Year 2006 is 8.553bn MOP, 2005 & 2004 are 26.39bn HKD & 24.15bn HKD respectively. (Source: Galaxy Enter. Gp Ltd. Annual rpt 2006)

By looking at the brown and light blue colours in year 2004 and 2005, on can see that there is a big change in business nature of Galaxy, aiming towards gaming industry. It also deliberately reverses a large amount of current asset for later strategic investment. The group predicts that the established construction business will wane gradually.

(4.1.1.1) Geographical Coverage

Exhibit 11 shows the Galaxy's assets distribution geographically.

Exhibit 11



N.B. Assets Value in Year 2005 & 2004 are 26.39bn HKD & 24.15bn HKD respectively. (Source: Galaxy Enter. Gp Ltd. Annual rpt 2005)

Exhibit 11 above is another piece of evident that shows the Galaxy Group is determined to abandon the construction business and enter the gaming industry by looking at their allocation of assets geographically.

(4.1.3) Las Vegas Sands (LVS)

Las Vegas Sands Corporate is a casino giant with its casino resort head quarter based in Las Vegas, Nevada, U.S.A. As of January 2007, the company's market capital is 36bn USD. The group's total revenue in year 2006 is 1.74bn USD of 27.5% increment. The CEO & Chairman is Sheldon G. Adelson who is ranked the third richest man in America. (Source:www.wikipedia.com)

The group established the Sands Macau casino that opened in May 2004 at a cost of 240 million USD. Sands Macua is a casino resort with 740 gaming tables and also consists a 51-suite VIP hotel. The group's target group is destined for those potential day trip Chinese visitors. (Source:www.wikipedia.com)

LVS is now running its another giant project, The Venetian Macau, located in Cotai, Macau. The resort is scheduled which opened on August 28, 2007. The property, with a 546K sq ft gaming floor and with some 3,000 suites and 700 tables, will be anchored for other hotel casinos in Cotai Strip of Macau.(www.wikipedia.com)

(4.1.4) Venetian Venture Development Intermediate Limited(VML)

This is a big casino group including six subsidiaries as VCL, VOL, VMLF, VTL, VHK & VMFC. The headquarter of VML is Venetian Venture Development Intermediate Limited(VVDIL)which registered in Cayman Islands. And the final headquarter of it is Las Vegas Sands Corp. (LVSC). (Source: www.imprensa.macao.gov.mo)

The main business of VML is the Venetian® Macao-Resort-Hotel. It would play a crucial role in making Macau one of Asia's most exciting entertainment destinations and preeminent convention and exhibition venues. Large enough to hold ninety Boeing 747 jumbo jets, nowhere else in Asia will you find such a rare combination of facilities, attractions and amenities than at this 3,000 suite flagship property.

(Source: www.venetianmacao.com)

The Venetian® Macao-Resort-Hotel located in The Cotai Strip™. And it is also the first resort-hotel which operate in the location. The hotel was operated in 2004. And on August 18, 2007, the whole part was opened to operate. From then on, the income from the casino became the biggest profit of the whole VML.

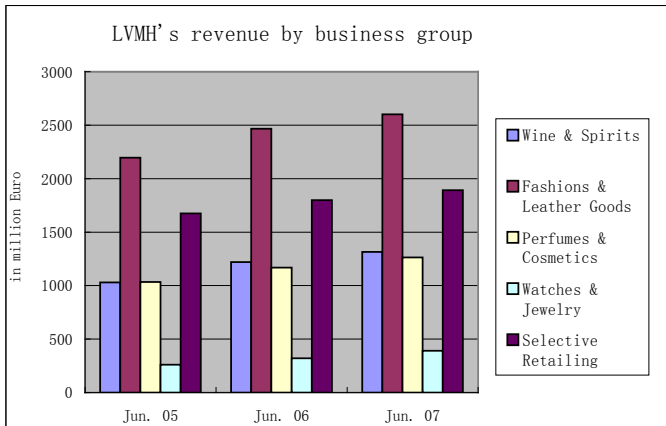
(Source: www.imprensa.macao.gov.mo)

(4.2) Retail Industry

(4.2.1) Louis Vuitton - LVMH Group

There are two LV retail stores in Macau with one opened in Sept 2006. This phenomenon indicates the up-lifting of the consuming power in Macau where major customers are mainly those well-off Chinese tourists. Exhibit 12 & 13 show LV's group worldwide revenue by business nature and its total asset in these recently.

Exhibit 12

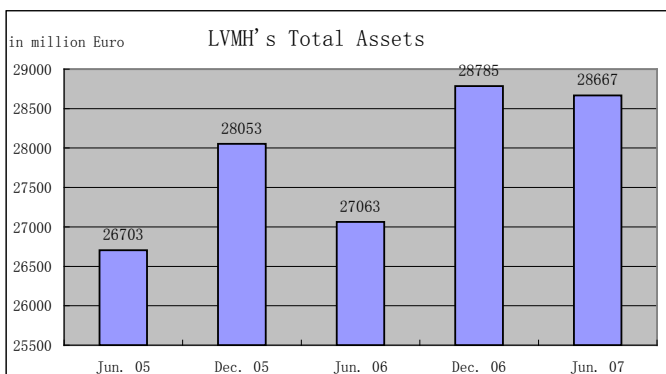


(Source: LVMH first half 2007 interim rpt)

The two major revenue sources are from fashions & leather goods and selective retailing businesses that amounts to 60% of the total revenue. The store outlets for selective retailing sector are mainly Duty Free Shop (DSF) and SEPHORA cosmetics and skincare retail shops.

(Source: LVMH first half 2007 interim rpt)

Exhibit 13

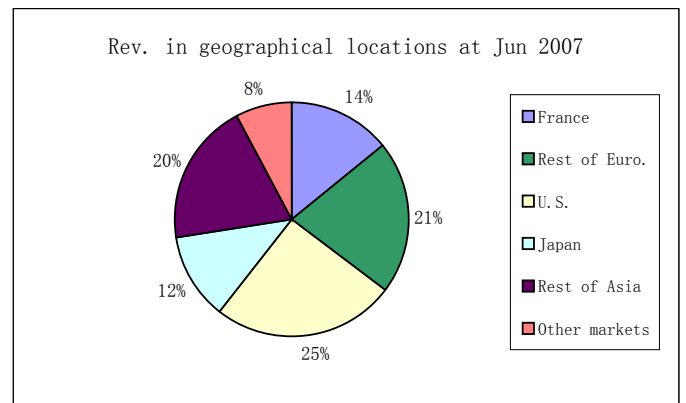


(Source: LVMH first half 2007 interim rpt)

(4.2.1.1) Geographical Coverage

As mentioned before that LV is a MNC with stores located globally. Exhibit 14 shows the group's revenue in geographical regions by percentage share.

Exhibit 14



(Source: LVMH first half 2007 interim rpt)

(5) Human Resources Services

(5.1) Recruitment

(5.1.1) Gaming Industry

As the gaming industry is expanding the requirement of the employee is in great demand. Table 3 & 4 display the vacancies for the industry in recent quarters and the estimated further demand.

Table 3

Period	2004 Q4	2005 Q4	2006 Q2	2006 Q4
No. of Vacancies	7104	6167	5699	5631

(Source: Census & Stat. Depart –MSAR 2007 rpt)

Table 4

Projects	Est. no. of vacancies	Year
Ventetian	60,000	2007
Exhibit. & Conv.	1,000+	2009
Hotels	40,000	2007-17
Cotai Casinos	24,000	2006-10
Crown Macau	3,800	2007

(Source: Census & Stat. Depart –MSAR 2007)

(5.1.2) Retails & Wholesales Industry

At the end of June 2006, Wholesale and Retail Trade reported a total of 3,440 vacancies of which 60.5% were in Retail Trade. It is a remarkable increase of 1071 vacant posts compared with that of Dec. 2005. Table 5 summaries the vacancies in the industry.

Table 5

	2004 Q4	2005 Q2	2005 Q4	2006 Q2	2006 Q4
Wholesale	497	500	568	931	1083
Retail, (% share)	947 (66%)	1264 (72%)	1490 (72%)	2021 (68%)	2526(70%)
Total vacancies	1444	1764	2058	2952	3609

(Source: Manpower & wages survey – Stat. & Cens. Serv.-MSAR 2007 rpt)

In terms of the recruitment prerequisites, Table 6 shows some findings in wholesales and retail industry.

Table 6

Prerequisites	Percentage %
Working experience	
Yes	57.7
No preference	42.3
Professional qualification	
Yes	11.4
No preference	88.6
Educational attainment	
Primary	26.9
Junior secondary	35.7
Senior secondary	19.5
Tertiary	9.6
Language skills	
Mandarin	46.1
English	22.9

(Source: Manpower survey Q2/ 2006 – Stat. & Cens. Serv.2006 rpt)

(5.2) Compensations & Benefits

The information of out-sourcing can in some extend shed light on the area of compensations and benefits. This report uses out-sourcing information from those multi-national corporations (MNC) retail business as a reference.

The part-time employees from retail industry get an average payment of 35 dollars MOP per hour while the worker contributes 15 dollars MOP and employer contributes 30 dollar per month for the Social Security Fund (SSF).

The full-timers from multi-national companies are entitled to SSF and medical benefit beside their regular salaries. The SSF payment in there is the same disregarding whether they are full timer or part-time employees. (Source: Levin Consulting Group 2007)

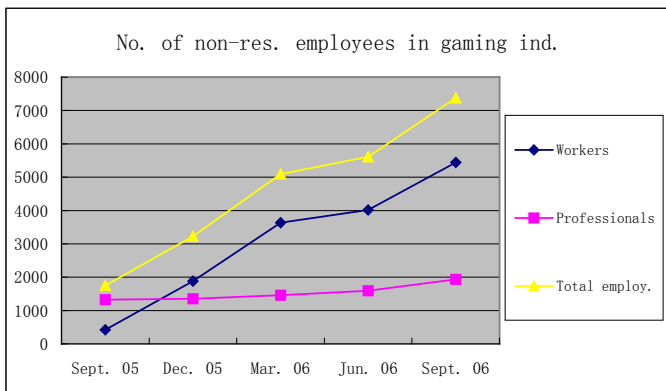
(5.3) Expatriate Services

According to the administrative information, the no. of non-residents employees with working permits amount to 75,391 at the end of June 2007. Within these non-resident workers, 29.9% is in Recreational, cultural and gaming industry, 18.1% is in Manufacturing, 15% is in Construction and 12.6% is Domestic workers.

(5.3.1) Gaming Industry

Exhibit 15 shows the non-residents employees in the gaming industry.

Exhibit 15

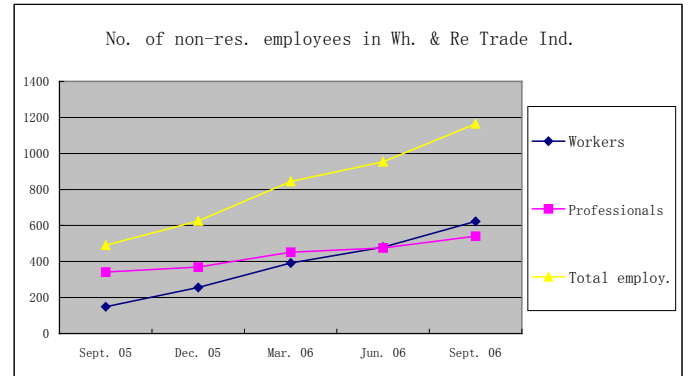


(Source: Employment Survey – Stat. & Cens. Serv.-MSAR 2006 & 07 rpt)

(5.3.2) Wholesale and Retail Industry

Exhibit 16 shows the non-resident employees in wholesale and retail trade sector.

Exhibit 16



(Source: Employment Survey – Stat. & Cens. Serv.-MSAR 2005 & 06 rpt)

(5.4) Training & Development

(5.4.1) Gaming Industry

As the gaming industry is prosperous in Macau, providing training for new candidates is essential for a healthy industrial growth and for a transformation of the industry into a systematic and professional new era. Two institutes of the course details are listed in the following.

Macau Tourism and Casino Career Center provides a three years casino management course for dealers. The academic coverage includes: dealer skills, casino management, gaming regulations and operation, customer training, IT knowledge, security system, tourism and hospitality.

University of Macau has a program major in Gaming Management: Students will acquire a placement in one of the casinos in their final year.

(5.4.2) Retail Industry

Macau's largest fashion retailer, Rainbow Group, has joined force with CTM and Macau Polytechnic to launch the Rain Academy Program to train up new blood for top salespeople. The group's strategy is to establish a strong presence in the Greater China region. The group feels that as Macau has become an international tourism city, giving a good impression towards tourists by the frontline staff is highly essential. So it is necessary to have " Rain Academy " to help to uniform the retail services standard in Macau. The course has expected 38 students in the first intake but ended up accepting 98 seats from China and Macau. (Source www.macaubusiness.com - Apr. 02, 2005)

Conclusion

The main industries in Macau are Gaming and Retail industries of which the Gambling Industry has a long history background back to 19th century. From then on, the tax levied has become the main government income. This monopolised situation with an indirect avocation from Macau government, in same sense, helps the gaming industry to become a long life business.

Gaming industry has acted as an economic leading engine after the turn of 20th century, which also benefits and facilitates the prosperity of retail industry as myriad no. of tourists are coming over to visit Macau. Hence, Macau has positioned herself as an international tourism city with luxurious casino and resort venues.

The flourishing and uplifting of gaming industry in Macau has come in a sudden and unexpected manner. There are a lot of infrastructures and peripherals that have to be dealt with properly and cautiously, otherwise there will turn into chaos. It seems that residences in Macau are still trying to adopt the impacts of this big changing wheel socially and psychologically.

- End of Report -

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Kin Lam**Disclaimer**

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