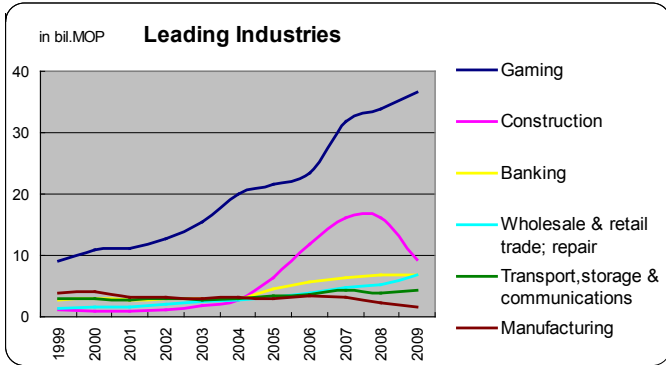


Business Opportunity in Macau, PRC – Entertainment

Executive Summary

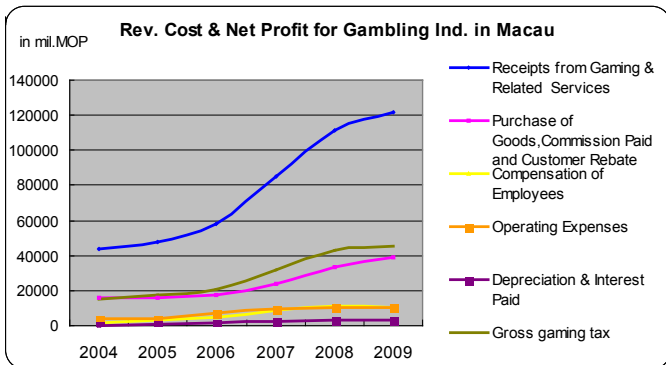
(1) Leading Industry by GDP



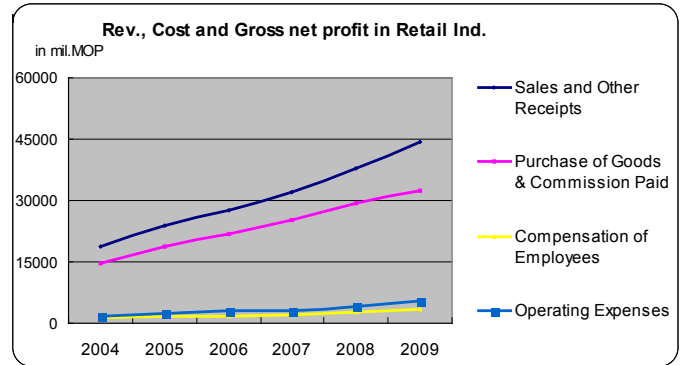
(2) Industrial Strength

(2.1) Profit

(2.1.1) Gaming Industry

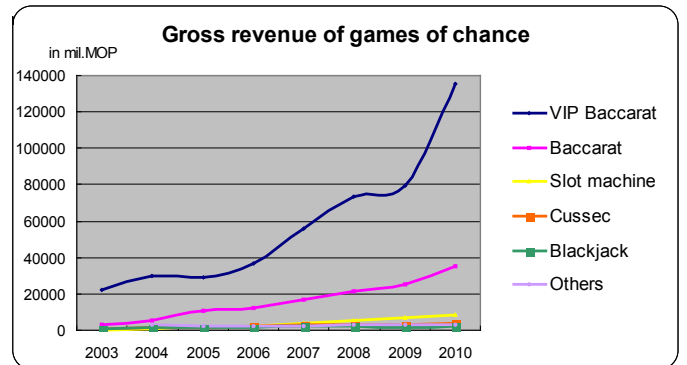
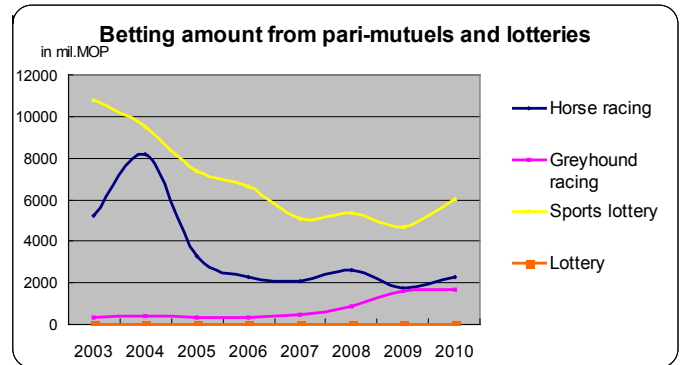


(2.1.2) Retail Industry

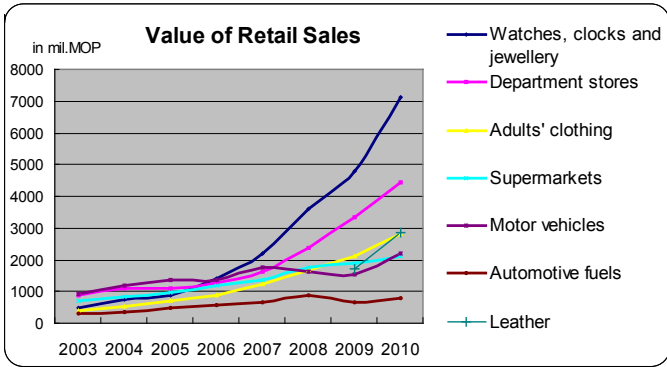


(2.3) Product

(2.3.1) Gaming Industry



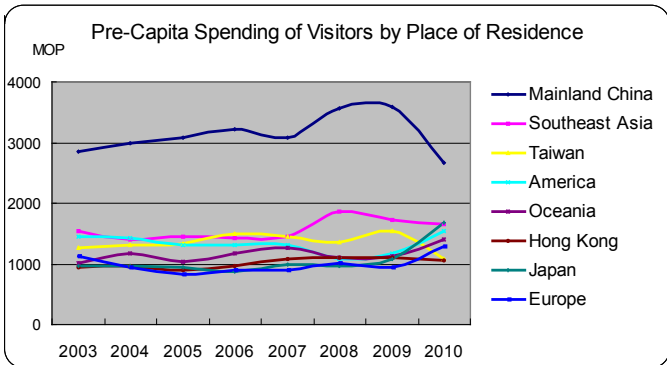
(2.3.2) Retail Industry



(3) Industrial Prospect

(3.3) China's economy

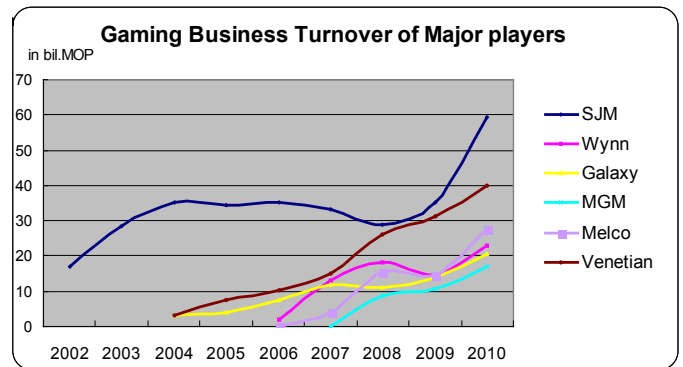
(3.3.2) Retail Industry



(4) Major Players

(4.1) Gaming Industry

1. Sociedade de Jogos de Macau, S.A. (SJM)
2. Galaxy Casino, S.A. – Galaxy Entertainment Group
3. Venetian Macau, S.A.
4. Wynn Resorts (Macau), S.A.
5. Casino City of Dreams - Melco Crown Jogos (Macau), S.A.
6. MGM Grand Paradise, S.A.



(4.2) Retail Industry

(4.2.1) Louis Vuitton - LVMH Group

(5) Human Resources Services

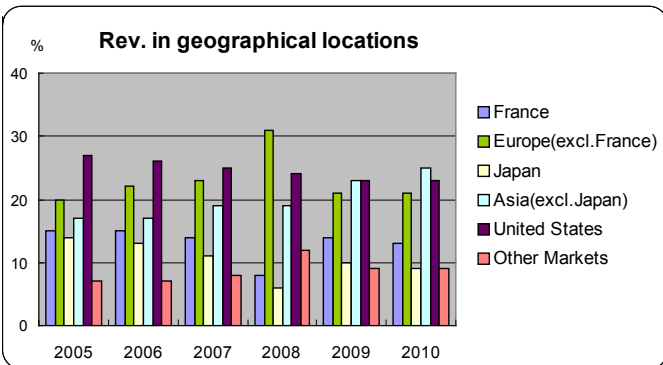
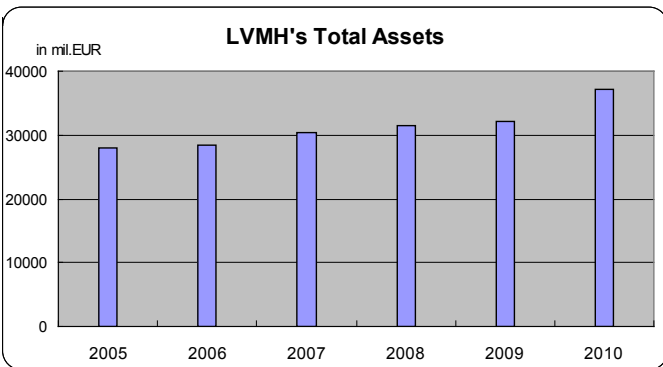
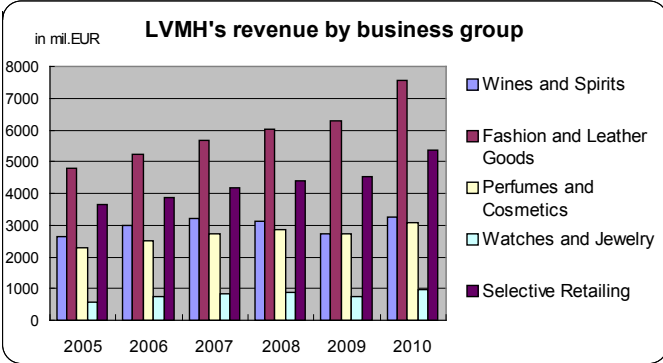
(5.1) Recruitment

(5.1.1) Gaming Industry

Time (end of Q4)	2005	2006	2007	2008	2009	2010
No. of Vacancies	6167	5631	3411	258	382	3761

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

Prerequisites	Percentage
Working experience	
Yes	31.7
No preference	68.3
Professional qualification	
Yes	2
No preference	98
Educational attainment	
Primary	11.8
Junior secondary	12.7
Senior secondary	69.9
Tertiary	5.1
Language skills	
Mandarin	28.3
English	23.9

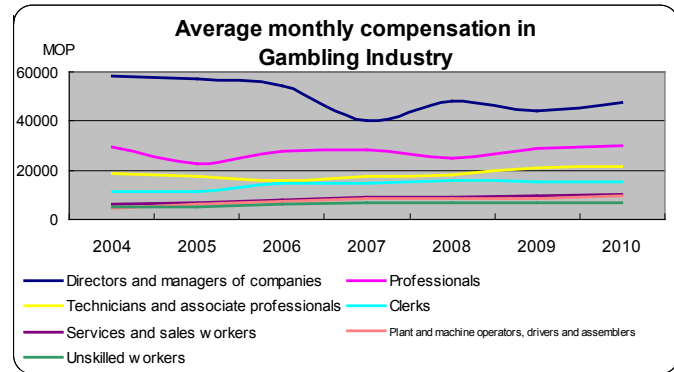


(5.1.2) Retails & Wholesales Industry

Time (end of Q4)	2005	2006	2007	2008	2009	2010
Wholesale	568	1061	1281	649	707	878
Retail	1490	2212	2333	973	2484	2037

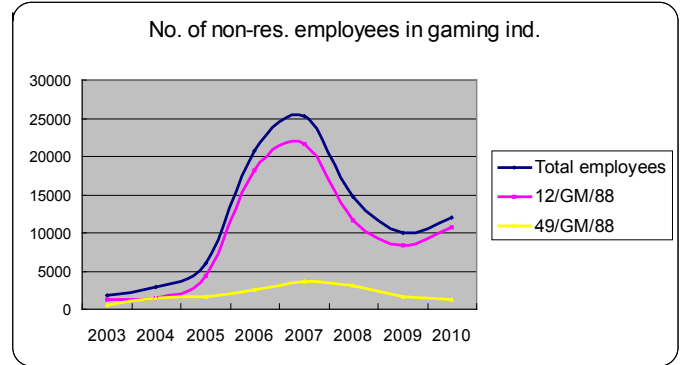
Prerequisites	Percentage
Working experience	
Yes	61.1
No preference	38.9
Professional qualification	
Yes	10.6
No preference	89.4
Educational attainment	
Primary	19.7
Junior secondary	35.5
Senior secondary	30.4
Tertiary	12.2
Language skills	
Mandarin	63.1
English	40.8

(5.2) Compensations & Benefits

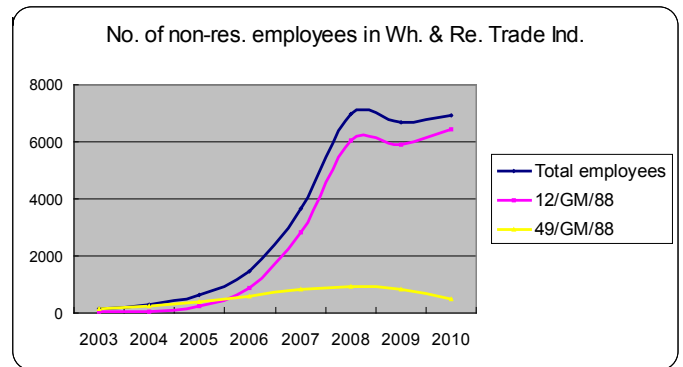


(5.3) Expatriate Services

(5.3.1) Gaming Industry



(5.3.2) Wholesale and Retail Industry



Original Contents

Introduction

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

Related to that industry are some other industries which also benefit due to prosperous development of entertainment industry. Areas 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 characteristics, recent changes and the coming trend.

Methodology

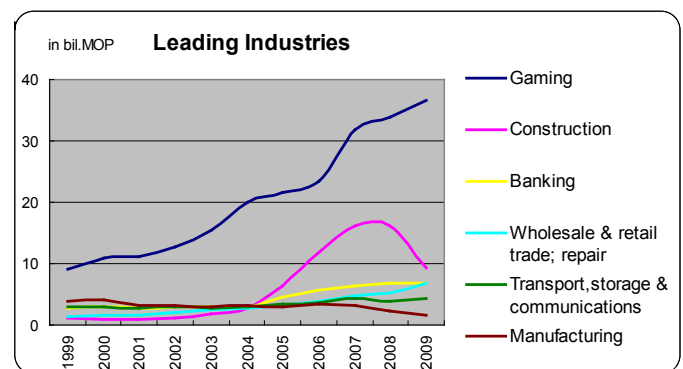
In this report several critical investigating areas are pre-determined. They are Leading Ind., Industrial strength, Prospect, Major Player and Human Resources Situation. In each aspect, there will be variables being used as parameters that serve to describe situation in a quantified manner.

(1) Leading Industry

(1.1) GDP

Gambling and Retail can be treated as the leading industries as they both cover major portion of Macau GDP value. In year 2008, these two industries covered 42.76% of the whole GDP amounting to 127.899bn MOP.(Source: Stat. & Cens. Ser. SCS- MSAR 2010) and they are still booming in the recent two years. Exhibit 1 shows some major industries in Macau.

Exhibit 1



(Source: Stat. & Census. Ser. SCS- MSAR 1999 - 2011)

With the growth rate of over 200% in these eight years from 1999 to 2007, it can be understood why Gambling and Retail & Wholesale industry are ranked as the top economic engines of Macau.

It is also worth noting that construction industry had been the first industry since 2002. The Macau government decided to flourish The Cotai Strip™. There were more and more buildings being built in the area. Up to June 2011 famous buildings in Taipa area like Casino Venetian, Casino City of Dreams and Casino Galaxy Macau were built. Function of the buildings is to provide full-set-package entertainment to the guests. Henceforth, construction industry would be the top industry for many years. (Source: the press from the press release conference of Venetian on March 18, 2005)

(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 industrial strength.

In this report, it is going to take a wider perspective of looking at four areas to strike a balance in viewing strength instead of relying on using one factor. They are: Profit, Place, Product and Profile. It is believed that a healthy and strong industry will have a balanced development in these four sectors, not solely profit.

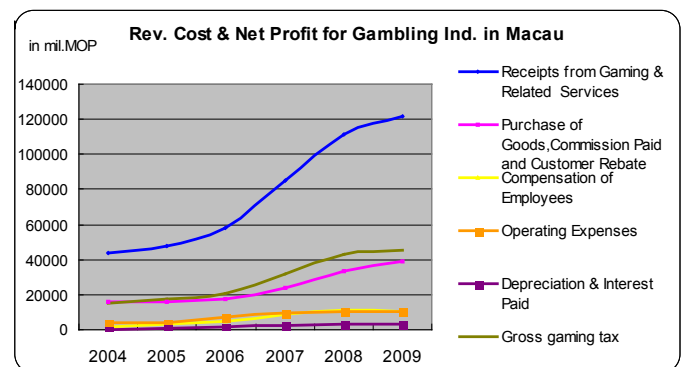
(2.1) Profit

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 grasp of the industry and find out what their characteristics are.

(2.1.1) Gaming Industry

Gaming is the most important industry in Macau. So government publishes Gaming Sector Survey every year starting from 2004. In the survey, detailed data such as receipts, purchase paid, compensation, expenses and tax are being shown. Readers can measure operation of this industry easily. Exhibit 2 is the detailed data of gaming industry.

Exhibit 2



(Source: Stat. & Census. Ser. SCS- MSAR 2004 - 2010)

Two years ago, while the revenue was growing and rocketing up so was the total cost as shown. As the gambling industry was taking shape and moving into a sizable scale, lot of those initial costs were required, for example, better service, higher operating cost and maintenance to give a grandiose impression to the clients. That also indicated that economic of scale was not achieved in the stage as overall cost was not lowered through sizeable operation there.

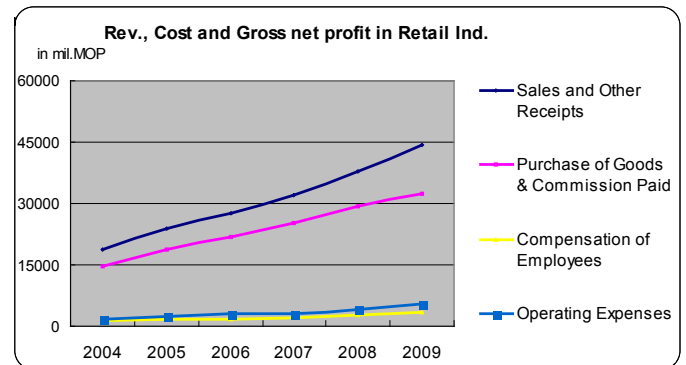
Since Macau government approved three gambling licenses in year 2002, casinos operation has been very competitive since then. Casino operators need to increase gaming receipts and at the same time to control unnecessary expenses.

(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 luxurious goods and join gambling.

Exhibit 3 shows the revenue and major expenses graph.

Exhibit 3



(Source: Stat. & Cens. Ser. SCS- MSAR 2004 - 2010)

Exhibit 3 shows that the retail industry is growing very fast in recent years and so is the total cost. The strong increment in total revenue is one of the indication 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.

On the other hand, the biggest portion of output is purchase paid. 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

At the end of year 2009, there were all together 27 casinos opened to serve the gamblers. Among these casinos 18 nos. are in Macau and 9 nos. are in Taipa and Coloane. (Source: website of Gaming Inspection and Coordination Bureau Macau SAR 2010) While at the end of May 2011, there were a total of 34 casinos operating in Macau. Table 1 is the detail of these casinos belonging to and locating at.

Table 1

	Macau Island	Taipa
SJM	16	4
Wynn	1	
Galaxy	4	2
MGM	1	
Melco		3
Venetian	1	2

(Source: Gaming Inspection and Coordination Bureau Macau SAR 2011)

(2.2.2.) Retail Industry

The no of retail shops is directly proportional to the business turnover of an industry. In Macau most of those client for those high-end retail shops are visitors. As of 2008, the total no. of high-end retail shops is 79. (Source: Wholesale and Retail Survey 2008)

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

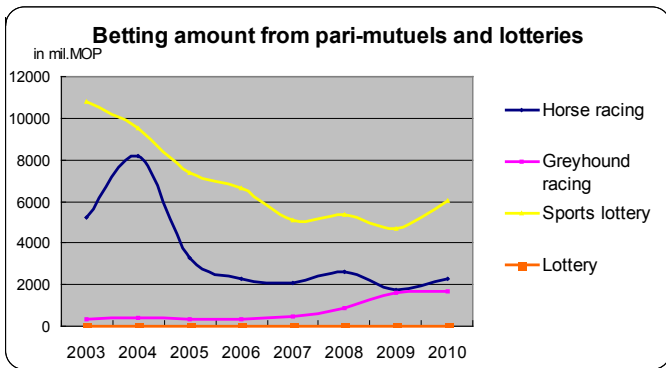
There are quite a number of products in gambling industry. Here is to list out some major types of them. They are: Baccarat, Cussec, Slot Machine, Black Jack, Fish-Prawn- Crab, Stud Poker, Roulette and Poker. They are done in casino venue. On the Lottery & Racing sides, it gets greyhound & horse racing,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

Exhibit 4 shows betting amount from pari-mutuels and lotteries.

Exhibit 5 shows gross revenue of games of chance.

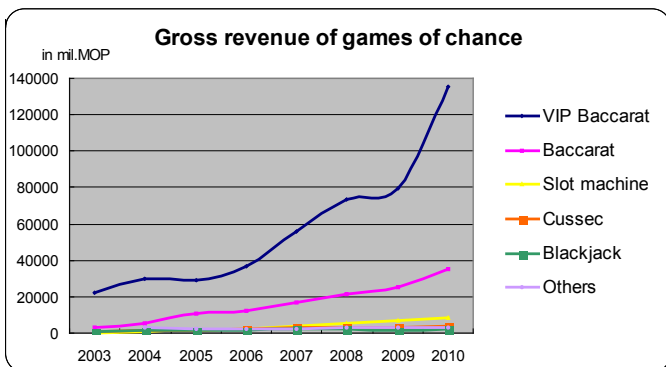
From the two graphs one can see that revenue from games of chance takes the lion portion and VIP Baccarat covers most of the income in this part. So providing the best services to the high-end customers can lead gaming industry into a smooth way. It is why the newly opened casinos prefer to provide from head to toe full set services to the visitors.

Exhibit 4



(Source: Gaming Inspection Coordinating Bureau – MSAR 2011)

Exhibit 5



(Source: Gaming Inspection Coordinating Bureau – MSAR 2011)

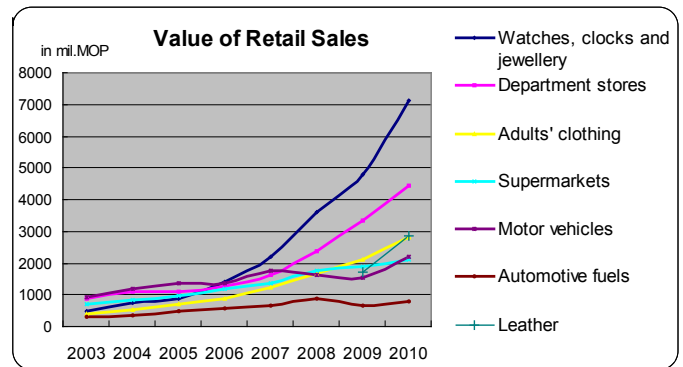
From years 2007 to 2011, there are four giant casinos whose names are Casino Venetian, Casino City of Dreams, Casino MGM Grand and Casino Galaxy Macau opened. They all provide not only gaming services, but also shopping, entertaining, housing and relaxing services.

(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: adults' clothing, watches, clocks and jewellery, motor vehicles and like.

Exhibit 6 shows the retail sales in some major retail goods in Macau.

Exhibit 6



(Source: Census & Stat. Depart –MSAR 2011)

It is worth noting that all kinds of consumer goods are improving in term of sales particularly watches, jewelry and motor vehicles that represent deluxe category are growing very fast among the others. Watch and jewelry started suppressing them and have become the highest in terms of retail sales figure from year 2006 onwards. This implies people are more willing and capable of purchasing luxurious goods.

In fact luxurious goods are getting more significant in the retail industry in Macau. Many famous foreign brand names like Louis Vuitton, Cartier, Prada are thinking of or have already opened their retail shops in Macau. In recent years, more and more foreign famous brand names are known by Chinese people. To some Chinese, leather is the best carrier to show off. So the value of leather retail sales has been ranking top since 2009.

(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 grand 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 few years as new foreign casino investors have encroached in Macau's Gaming Industry. The average project cost is usually talking about several billion MOP dollars so as to construct a luxurious area. This is a sign of high profile.

The salary level is comparatively higher for those employees working in a casino than those of the other industries. 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. (Source: Census & Statistics Dept – MSAR 2011 report).

(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 high as commission is pegged with the selling price of those luxurious goods. This 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 source of income for the government. Since then, Macau began to be famous for its gaming industry and earned the appellation "Monte Carlo of the Orient".

In year 2002, Macau government decided to authorize three companies to operate gambling industry in Macau. After that, the government promised each company can transfer the approved licenses one time. So up to year 2005, there were six companies operating gambling industry in Macau. (Source: Hobbs Journal 38) Among these six companies, the Ho's Family occupies three. Because the competition is open now, data and expositions are more lucent than before.

(3.2) Geographical Factor

The casino investors' background are from different countries. They are from Macau, 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 investors will not bother to encroach, and stride 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.

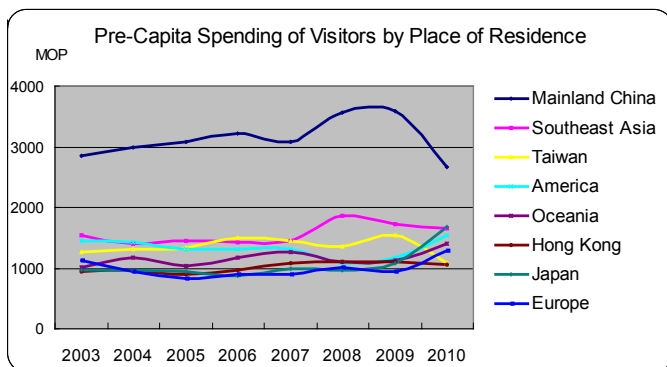
With the progressive improvement of economy in China and increasing of their spending ability, it is reasonable to predict that more and more Chinese residents will go to Macau to visit and entertain themselves. Most of them would try their luck and go gambling in casino. Statistic data shows that from Jan to Jun 2007, an estimation of 22.04 bn MOP revenue is contributed by 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 2004, retail industry benefits enormously. This boosts tourism and hence shopping industry in Macau.

Exhibit 7 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 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 7



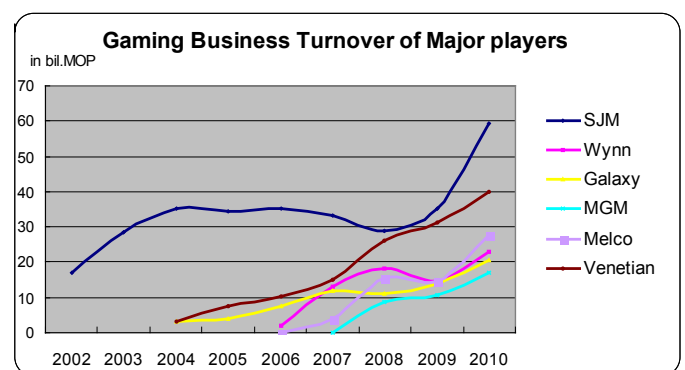
(Source: Census & Stat. Depart –MSAR 2011 rpt)

(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 rule of the game is to obtain the authorized licenses as those major players do. There are totally three gaming licenses granted by Macau Government to the following three corporations: Sociedade de Jogos de Macau, S.A. (SJM), Galaxy Casino S.A., and Wynn Resorts (Macau) S.A. Up to year 2005, each company has the right to transfer the approved licenses. So there are totally six companies who have the licenses to operate gambling industry in Macau. Exhibit 8 are the details of these six companies.

Exhibit 8



(Source: Gaming Inspection Coordinating Bureau – MSAR 2011 and the annual reports of these companies)

(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 now owned by Mr. Stanely Ho who is also the Chairman of Shun Tak Holdings Ltd., a Hong Kong listed company. For the past 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 2002.

According to exhibit 8, readers can see that in year 2008, SJM faced its most dangerous period. It is because in the year, Casino Venetian, Casino City of Dreams and Casino MGM Grand were newly opened. So the market share of SJM was only 26.53% in year 2008. Two years later, with the advantage of local background, market share of SJM in year 2010 was high up to 31.61% again.

Mr. Stanely Ho was born in year 1921 and got a fatally wound in year 2010. So in year 2010, the government approved Ms. Leong, On Ki Angela to replace Mr. Stanely Ho's position in SJM. (Source: Gaming Inspection Coordinating Bureau – MSAR 2011)

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

Casino Galaxy Macau, which is under the group called Galaxy Entertainment Ltd, is one of the three companies that acquire gaming concession granted by Macau Government on Feb. 2002 and signed the contract on 26 June in the same year. (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 in 2006 and a Resort is scheduled to open in 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. (Source: annual report 2006 of Galaxy Entertainment Group Ltd.)

(4.1.3) Venetian Macau, S.A.

The gambling license was transferred from Galaxy Entertainment Ltd. The parent company of Venetian Macau 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 is registered in Cayman Islands. And the final headquarter 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. They are large enough to hold ninety Boeing 747 jumbo jets, with rare combination of facilities, attractions and amenities within the 3,000 suite property. (Source: www.venetianmacao.com)

The Venetian® Macao-Resort-Hotel is located in The Cotai Strip™ . And it is also the first resort hotel which operates in the location. The hotel was opened in 2004. And on August 18, 2007, it became fully operational. From then on, income from the casino becomes the biggest profit of the whole VML. (Source: www.imprensa.macao.gov.mo)

(4.1.4) Wynn Resorts (Macau), S.A.

It is an American company. When Macau decides to authorize three gambling licenses, one is for Wynn who is famous for its exhibition and show business. Although the business owner, Mr. Stephen Alan Wynn was born in 1942, the achievements he has made in Las Vegas is well known.

Wynn Macau is a luxury integrated resort in Macau Peninsula, offering gaming combined with a deluxe hotel, restaurants, designer shops, spa, and a "Performance Lake". It is the first Las Vegas-style integrated resort in Asia. (Source: http://en.wikipedia.org/wiki/Wynn_Macau)

(4.1.5) Casino City of Dreams - Melco Crown Jogos (Macau), S.A.

It is a joint-venture company whose shareholders are Mr. Ho, Lawrence Yau Lung, the son of Mr. Stanely Ho and PBL Group from Australia. The gambling license is transferred from Wynn Resorts (Macau), S.A.. (Source: www.abnnewswire.net/companies/cs/28849/Melco-Crown-Entertainment-Ltd) The company has altogether three casinos in Taipa area. Except gambling industry, the company also operates business such as Mocha facility and seafood restaurant inside and outside the casino.

(4.1.6) MGM Grand Paradise, S.A.

It is a joint-venture company whose shareholders are Ms. Ho, Pansy Catilina Chiu King, the daughter of Mr. Stanely Ho and MGM Resorts International Holdings Ltd. The gambling license was transferred from Sociedade de Jogos de Macau, S.A.. (Source: www.dicj.gov.mo/web/cn/information/RelContas/MGM/RC2010.html)

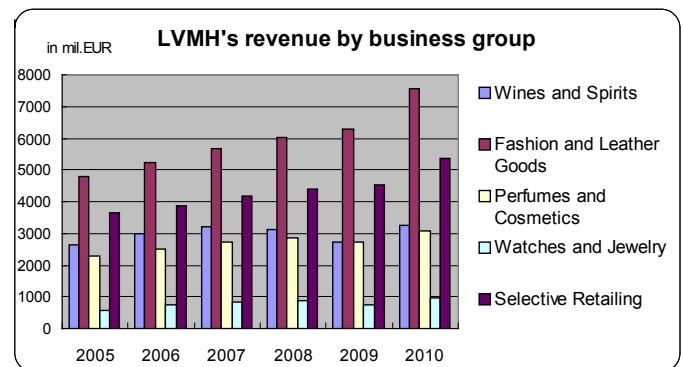
Casino MGM Grand is a 5-star hotel resort with 593 deluxe guest rooms, the 35-story hotel tower rises 154 meters into the sky, the glass exterior reflecting the hues of the South China Sea and the swell of the ocean surf. The casino also provides Spa, restaurant, meeting and convention services.

(4.2) Retail Industry

(4.2.1) Louis Vuitton - LVMH Group

There are four LV retail stores in Macau with the first 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 9 & 10 show LV's group worldwide revenue by business nature and its total asset in recent times.

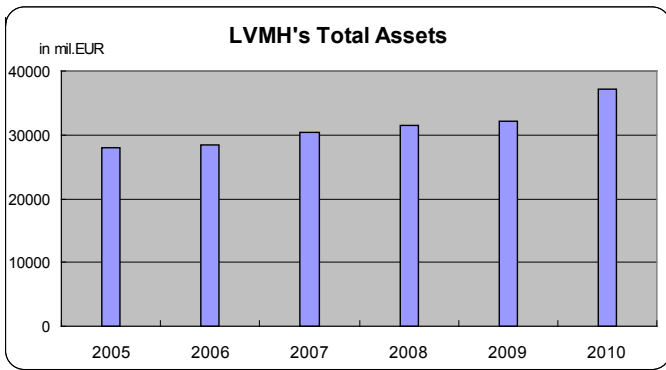
Exhibit 9



(Source: LVMH annual reports 2005 - 2010)

The most significant revenue 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 10

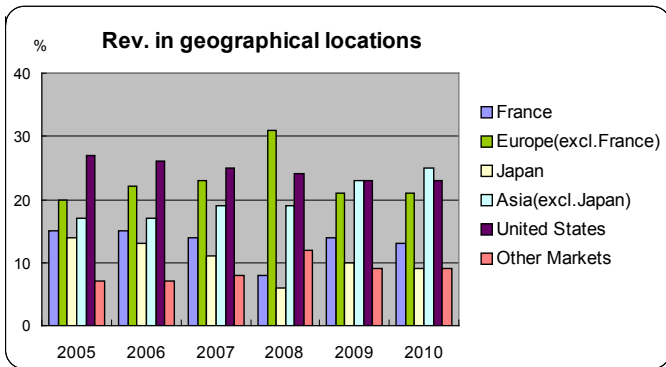


(Source: LVMH annual reports 2005 - 2010)

(4.2.1.1) Geographical Coverage

As mentioned before that LV is a MNC with stores located globally. Exhibit 11 shows the group's revenue in geographical regions by percentage share.

Exhibit 11



(Source: LVMH annual reports 2005 - 2010)

According to exhibit 11, readers can see that Europe and Asia markets are the rising markets among them. In Asia especially in China, parts of rich persons contribute most of their money to LV. In year 2010, the amount of these contribution is high up to 0.65 bil. Eur. (Source: <http://theory.people.com.cn/GB/14678218.html>)

(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 2 & 3 display the vacancies for the industry in recent quarters and the estimated further demand.

Table 2

Time (end of Q4)	2005	2006	2007	2008	2009	2010
No. of Vacancies	6167	5631	3411	258	382	3761

(Source: Census & Stat. Depart –MSAR 2011 rpt)

Table 3

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)

In terms of the recruitment prerequisites, Table 4 is the detail of it.

Table 4

Prerequisites	Percentage
Working experience	
Yes	31.7
No preference	68.3
Professional qualification	
Yes	2
No preference	98
Educational attainment	
Primary	11.8
Junior secondary	12.7
Senior secondary	69.9
Tertiary	5.1
Language skills	
Mandarin	28.3
English	23.9

(Source: Census & Stat. Depart –MSAR 2010 – Q4 rpt)

Comparing with table 2 and table 4, one can see that since the vacancies in year 2010 are much larger than that of year 2009, so the percentage of prerequisites for working experience and professional qualification are much lower than that of year 2009. Correspondingly, the percentage of prerequisites of senior secondary education is much higher than that of year 2009.

(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

Time (end of Q4)	2005	2006	2007	2008	2009	2010
Wholesale	568	1061	1281	649	707	878
Retail	1490	2212	2333	973	2484	2037

(Source: Manpower & wages survey – Stat. & Cens. Serv.-MSAR 2011 rpt)

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

Table 6

Prerequisites	Percentage
Working experience	
Yes	61.1
No preference	38.9
Professional qualification	
Yes	10.6
No preference	89.4
Educational attainment	
Primary	19.7
Junior secondary	35.5
Senior secondary	30.4
Tertiary	12.2
Language skills	
Mandarin	63.1
English	40.8

(Source: Census & Stat. Depart –MSAR 2010 – Q4 rpt)

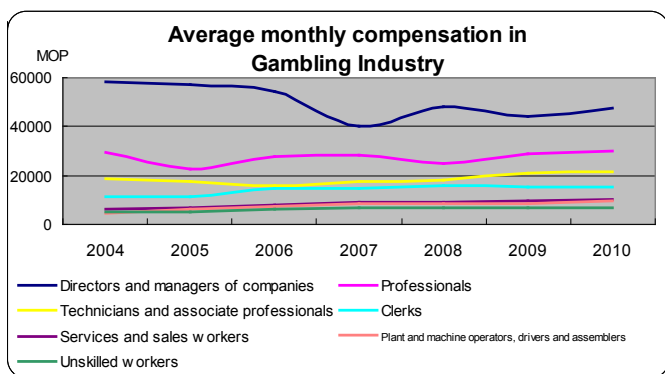
Since the vacancies of Wholesale and Retail are in the average level, except working experience and professional qualification, prerequisites include higher level of Mandarin also.

(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. Employer contributes 30 dollar per month for the Social Security Fund (SSF).

Exhibit 12



(Source: Census & Stat. Depart –MSAR 2011 rpt)

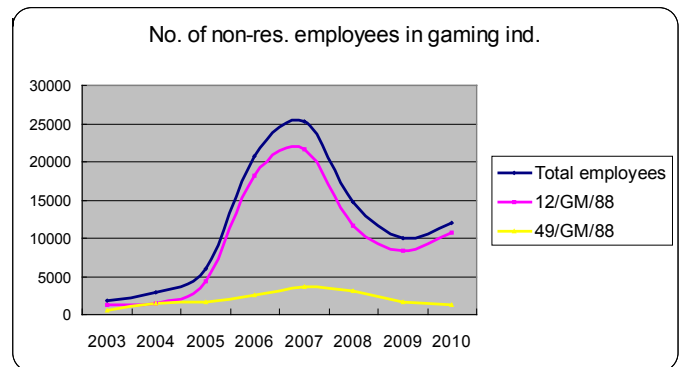
(5.3) Expatriate Services

According to the administrative information, the no. of non-residents employees with working permits amounted to 75,813 at the end of Dec. 2010. Within these non-resident workers, 22.1% was in hotel and restaurant, 15.83% in Recreational, cultural and gaming industry, 7.25% is in Manufacturing, 7% was in Construction and 20.8% was Domestic workers. (Source: www.grh.gov.mo 2011)

(5.3.1) Gaming Industry

Exhibit 13 shows the non-resident employees in the gaming industry.

Exhibit 13

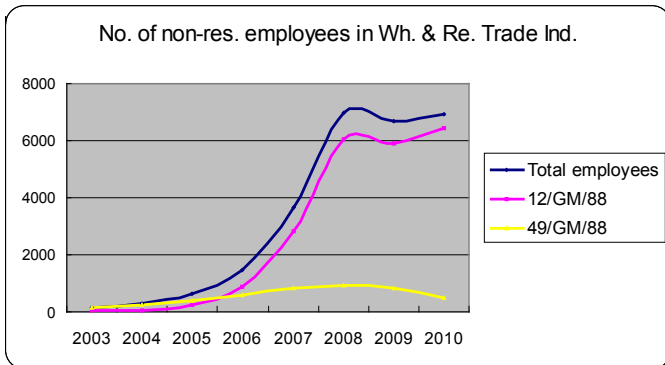


(Source: Labour affairs bureau - MSAR 2011)

(5.3.2) Wholesale and Retail Industry

Exhibit 14 shows the non-resident employees in wholesale and retail trade sector.

Exhibit 14



(Source: Labour affairs bureau - MSAR 2011)

(5.4) Training & Development

(5.4.1) Gaming Industry

As the gaming industry is prosperous in Macau, provides 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 majoring 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. 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. In order to make Gambling industry famous in the world, government decides to enrich the content by attracting world players to operate business in Macau.

In the early time of open competition, SJM lost its market share sharply. According to exhibit 8, the market share of SJM rose again in year 2010. Comparing with exhibit 5, the rises up revenue of VIP Baccarat can give the reason. Although grand and full-set services can help boosting the revenue, core business to core value customer is important too.

After year 2002, with the new stratagem set by government, the newly open casinos prefer to build themselves as full-set resort offering gaming combined with a deluxe hotel, restaurants, designer shops, spa, meeting and convention services and so on. So in year 2005 to 2008, construction industry is benefited from the building of these new casinos.

According to exhibit 12, the average compensation for high-level managers is decreasing from year 2004 to 2010. But for normal employees, the average compensation is getting high step by step. In addition, gambling industry employs more and more resident employees. Although gambling employers require employees to have higher education level, they also request lower working experience and lower professional qualification.

– End of Report –

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(June 2011)

Jade Xuan**Disclaimer**
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