LAS VEGAS SANDS CORP
Form 10-Q
November 09, 2007

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UNITED STATES SECURITIES & EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

þ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended September 30, 2007

o **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the Transition period from to

Commission file number 001-32373

LAS VEGAS SANDS CORP.
(Exact name of registration as specified in its charter)

Nevada *(State or other jurisdiction of incorporation or organization)*	**27-0099920** *(I.R.S. Employer Identification No.)*
3355 Las Vegas Boulevard South **Las Vegas, Nevada** *(Address of principal executive offices)*	**89109** *(Zip Code)*

(702) 414-1000
(Registrant s telephone number, including area code)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes þ No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act.

Large accelerated filer þ Accelerated filer o Non-accelerated filer o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes o No þ

Indicate the number of shares outstanding of each of the Registrant s classes of common stock, as of October 31, 2007.

LAS VEGAS SANDS CORP.

Class	**Outstanding at October 31, 2007**

Common Stock ($0.001 par value)	355,148,604 shares

LAS VEGAS SANDS CORP.

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Part I

FINANCIAL INFORMATION

Part II

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ITEM 1 FINANCIAL STATEMENTS

LAS VEGAS SANDS CORP. AND SUBSIDIARIES

Condensed Consolidated Balance Sheets
(Unaudited)

	September 30, 2007	December 31, 2006
	(In thousands, except share data)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 1,679,647	$ 468,066
Restricted cash	262,802	398,762
Accounts receivable, net	152,307	173,683
Inventories	15,914	12,291
Deferred income taxes	22,872	15,688
Prepaid expenses and other	69,054	25,067
Total current assets	2,202,596	1,093,557
Property and equipment, net	7,656,712	4,582,325
Deferred financing costs, net	113,407	70,381
Restricted cash		555,132
Deferred income taxes	7,253	
Leasehold interest in land, net	1,030,550	801,195
Other assets, net	119,034	23,868
Total assets	$ 11,129,552	$ 7,126,458
LIABILITIES AND STOCKHOLDERS EQUITY		
Current liabilities:		
Accounts payable	$ 68,118	$ 51,038
Construction payables	722,338	329,375
Accrued interest payable	8,694	8,496
Other accrued liabilities	646,733	318,901
Income taxes payable		20,352
Current maturities of long-term debt	1,329,829	6,486
Total current liabilities	2,775,712	734,648
Other long-term liabilities	23,529	10,742
Deferred income taxes		324
Deferred gain on sale of The Grand Canal Shops	62,066	64,665
Deferred rent from The Grand Canal Shops transaction	103,853	104,773
Long-term debt	5,961,369	4,136,152

Total liabilities	8,926,529	5,051,304
Commitments and contingencies (Note 7)		
Stockholders equity:		
Common stock, $0.001 par value, 1,000,000,000 shares authorized, 355,142,369 and 354,492,452 shares issued and outstanding	355	354
Capital in excess of par value	1,045,490	990,429
Accumulated other comprehensive loss	(473)	(580)
Retained earnings	1,157,651	1,084,951
Total stockholders equity	2,203,023	2,075,154
Total liabilities and stockholders equity	$ 11,129,552	$ 7,126,458

The accompanying notes are an integral part of these condensed consolidated financial statements.

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LAS VEGAS SANDS CORP. AND SUBSIDIARIES

Condensed Consolidated Statements of Operations
(Unaudited)

	Three Months Ended September 30, 2007	Three Months Ended September 30, 2006	Nine Months Ended September 30, 2007	Nine Months Ended September 30, 2006
	(In thousands, except share and per share data)			
Revenues:				
Casino	$ 508,522	$ 424,986	$ 1,433,135	$ 1,178,830
Rooms	96,718	81,651	289,588	262,443
Food and beverage	50,032	42,394	162,129	138,233
Convention, retail and other	39,058	29,908	113,397	94,189
	694,330	578,939	1,998,249	1,673,695
Less-promotional allowances	(33,380)	(25,711)	(96,155)	(73,096)
Net revenues	660,950	553,228	1,902,094	1,600,599
Operating expenses:				
Casino	341,975	232,962	904,440	655,548
Rooms	23,574	21,638	67,219	65,386
Food and beverage	28,485	20,538	79,011	67,409
Convention, retail and other	22,939	16,159	59,511	48,281
Provision for doubtful accounts	4,283	3,693	24,516	12,003
General and administrative	80,244	58,045	198,915	170,197
Corporate expense	23,444	15,654	66,657	40,859
Rental expense	8,136	3,383	23,141	10,893
Pre-opening expense	90,447	14,584	153,224	21,157
Development expense	3,621	5,968	7,227	22,997
Depreciation and amortization	54,309	26,743	121,262	76,176
Loss on disposal of assets	287	383	526	1,920
	681,744	419,750	1,705,649	1,192,826
Operating income (loss)	(20,794)	133,478	196,445	407,773
Other income (expense):				
Interest income	26,890	21,029	60,906	46,261
Interest expense, net of amounts capitalized	(72,607)	(45,343)	(161,628)	(90,443)
Other income (expense)	17,052	(680)	7,715	(530)
Loss on early retirement of debt			(10,705)	
Income (loss) before income taxes	(49,459)	108,484	92,733	363,061
Benefit (provision) for income taxes	952	(11,233)	(15,928)	(34,698)

Net income (loss)	$	(48,507)	$	97,251	$	76,805	$	328,363
Basic earnings (loss) per share	$	(0.14)	$	0.27	$	0.22	$	0.93
Diluted earnings (loss) per share	$	(0.14)	$	0.27	$	0.22	$	0.92
Weighted average shares outstanding:								
Basic		354,856,121		354,296,742		354,716,730		354,250,901
Diluted		354,856,121		355,220,167		357,094,808		355,006,634

The accompanying notes are an integral part of these condensed consolidated financial statements.

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LAS VEGAS SANDS CORP. AND SUBSIDIARIES

Condensed Consolidated Statements of Cash Flows
(Unaudited)

	Nine Months Ended September 30, 2007	Nine Months Ended September 30, 2006
	(In thousands)	
Cash flows from operating activities:		
Net income	$ 76,805	$ 328,363
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	121,262	76,176
Amortization of leasehold interest in land included in rental expense	16,117	
Amortization of deferred financing costs and original issue discount	18,913	8,489
Amortization of deferred gain and rent	(3,519)	(3,517)
Loss on early retirement of debt	10,705	
Loss on disposal of assets	526	1,920
Stock-based compensation expense	22,814	10,183
Provision for doubtful accounts	24,516	12,003
Foreign exchange gain	(9,960)	
Excess tax benefits from stock-based compensation	(5,865)	(888)
Deferred income taxes	(14,761)	8,751
Changes in operating assets and liabilities:		
Accounts receivable	(3,140)	(29,354)
Inventories	(3,623)	(1,696)
Prepaid expenses and other	(97,908)	(19,375)
Leasehold interest in land	(208,604)	(810,813)
Accounts payable	17,080	9,277
Accrued interest payable	198	(2,716)
Other accrued liabilities	271,979	42,362
Income taxes payable	(14,292)	
Net cash provided by (used in) operating activities	219,243	(370,835)
Cash flows from investing activities:		
Change in restricted cash	694,682	(652,073)
Capital expenditures	(2,722,067)	(1,286,892)
Acquisition of gaming license included in other assets	(50,000)	
Net cash used in investing activities	(2,077,385)	(1,938,965)
Cash flows from financing activities:		
Proceeds from exercise of stock options	23,862	3,863
Excess tax benefits from stock-based compensation	5,865	888
Proceeds from Macao credit facility	1,300,000	1,350,000

Proceeds from Singapore credit facility		332,002		866,203
Proceeds from new senior secured credit facility-term B		3,000,000		
Proceeds from senior secured credit facility-revolver		62,000		254,129
Proceeds from airplane financings		92,250		
Proceeds from Phase II mall construction loan		52,000		51,000
Proceeds from FF&E credit facility and other long-term debt		37,249		
Repayments on senior secured credit facility-term B and term B delayed		(1,170,000)		
Repayments on senior secured credit facility-revolver		(322,128)		(25,000)
Repayments on Phase II mall construction loan		(166,500)		
Repayments on The Sands Expo Center mortgage loan		(90,868)		(3,650)
Repayments on new senior secured credit facility-term B		(7,500)		
Repayments on FF&E credit facility and other long-term debt		(7,349)		(2,333)
Repayments on airplane financings		(1,844)		
Repayments on Macao credit facility				(50,000)
Repayments on Venetian Intermediate credit facility				(50,000)
Payments of deferred financing costs		(72,178)		(49,389)
Net cash provided by financing activities		3,066,861		2,345,711
Effect of exchange rate on cash		2,862		952
Increase in cash and cash equivalents		1,211,581		36,863
Cash and cash equivalents at beginning of period		468,066		456,846
Cash and cash equivalents at end of period	$	1,679,647	$	493,709
Supplemental disclosure of cash flow information:				
Cash payments for interest	$	311,516	$	141,614
Cash payments for taxes	$	60,000	$	28,000
Non-cash investing and financing activities:				
Property and equipment asset acquisitions included in construction payables	$	722,338	$	277,975
Property and equipment asset acquisitions included in other accrued liabilities	$	62,313	$	

The accompanying notes are an integral part of these condensed consolidated financial statements.

LAS VEGAS SANDS CORP. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

NOTE 1 ORGANIZATION AND BUSINESS OF COMPANY

The accompanying condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Annual Report on Form 10-K of Las Vegas Sands Corp. (a Nevada corporation) and its subsidiaries (collectively the Company) for the year ended December 31, 2006. The year-end balance sheet data was derived from audited financial statements, but does not include all disclosures required by generally accepted accounting principles in the United States of America. In the opinion of management, all adjustments and normal recurring accruals considered necessary for a fair statement of the results for the interim period have been included. The interim results reflected in the unaudited condensed consolidated financial statements are not necessarily indicative of expected results for the full year. The Company s common stock is traded on the New York Stock Exchange under the symbol LVS.

Operations

The Company owns and operates The Venetian Resort Hotel Casino (The Venetian), a Renaissance Venice-themed resort situated on the Las Vegas Strip (the Strip). The Venetian includes the first all-suites hotel on the Strip with 4,027 suites; a gaming facility of approximately 120,000 gross square feet; an enclosed retail, dining and entertainment complex of approximately 440,000 net leasable square feet (The Grand Canal Shops), which was sold to a third party in 2004; and a meeting and conference facility of approximately 1.1 million square feet (the Congress Center). A subsidiary of Las Vegas Sands Corp. owns and operates an expo and convention center with approximately 1.2 million square feet (The Sands Expo Center), which is connected to The Venetian and the Congress Center.

The Company also owns and operates the Sands Macao, the first Las Vegas-style casino in Macao, China, which opened in May 2004. The Sands Macao now offers over 229,000 square feet of gaming facilities after its expansion, which was completed in August 2006, as well as several restaurants, VIP facilities, a theater and other high-end amenities. In addition, the completion of the hotel tower in September 2007 increased the number of suites from 51 to 289.

On August 28, 2007, the Company opened The Venetian Macao Resort Hotel (The Venetian Macao) on the Cotai Strip™, a master-planned development of resort properties (the Cotai Strip), in Macao, China. With a theme similar to that of The Venetian in Las Vegas, The Venetian Macao includes a hotel with over 2,900 suites; a casino floor of approximately 550,000 square feet; a 15,000-seat arena; retail space of approximately 1.0 million square feet; and a convention center complex of approximately 1.2 million square feet.

United States Development Projects

The Company is currently constructing The Palazzo Resort Hotel Casino (The Palazzo), a second resort similar in size to The Venetian, which is situated on a 14-acre site next to The Venetian and The Sands Expo Center. The Palazzo will consist of an all-suites, 50-floor luxury hotel tower with 3,066 suites, a gaming facility of approximately 105,000 square feet and an enclosed shopping, dining and entertainment complex of approximately 400,000 net leasable square feet (the Phase II mall), which the Company has contracted to sell to a third party. The Palazzo is expected to open on December 20, 2007. The Company is also constructing a high-rise residential condominium tower with approximately 1.0 million saleable square feet that will be situated between The Palazzo and The Venetian. The condominium tower is currently expected to open in fall 2009.

In addition, the Company is in the process of developing a gaming, hotel, shopping and dining complex (the Sands Bethworks) located on the site of the Historic Bethlehem Steel Works in Bethlehem, Pennsylvania. The 126-acre development is expected to feature a 300-room hotel, 200,000 square feet of retail space, 5,000 slot machines, a 50,000 square foot multipurpose event center and a variety of dining options. In July 2007, the

LAS VEGAS SANDS CORP. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Company paid a $50.0 million licensing fee to the Commonwealth of Pennsylvania and was issued its Pennsylvania gaming license by the Pennsylvania Gaming Control Board in August 2007.

Macao Development Projects

The Company has submitted development plans to the Macao government for six casino-resort developments in addition to The Venetian Macao on an area of approximately 200 acres located on the Cotai Strip. The developments are expected to include hotels, exhibition and conference facilities, casinos, showrooms, shopping malls, spas, restaurants, entertainment facilities and other attractions and amenities, as well as public common areas.

In February 2007, the Company entered into a land concession agreement with the Macao government pursuant to which the Company was awarded a concession by lease for parcels referred to as 1, 2 and 3 on the Cotai Strip, including the site on which The Venetian Macao was built (parcel 1) and the site on which the Company is building a Four Seasons hotel (The Four Seasons Macao located on parcel 2). The Company has made an initial premium payment of 853.0 million patacas (approximately $106.7 million at exchange rates in effect on September 30, 2007) towards the aggregate land premium for parcels 1, 2 and 3 of 2.59 billion patacas (approximately $323.9 million at exchange rates in effect on September 30, 2007). Additionally, the Company received a credit in the amount of 193.4 million patacas (approximately $24.2 million at exchange rates in effect on September 30, 2007) towards the aggregate land premium related to reclamation work and other works done on the land and the installation costs of an electrical substation. On April 18, 2007, the land concession became effective when it was published in Macao s Official Gazette. In July 2007, the Company paid 816.9 million patacas (approximately $102.2 million at exchange rates in effect on September 30, 2007) for the balance of the land premium payment due on parcel 1. The Company is required to make land premium payments on the remaining parcels 2 and 3, and annual rent payments relating to all three parcels in the amounts and at the times specified in the land concession. Each parcel s share of the remaining land premium balance will either be due upon the completion of the corresponding resort or be payable through seven equal semi-annual payments, bearing interest at 5% per annum, to be made over a four year period, whichever comes first. The Company has commenced construction on its other Cotai Strip properties on land for which it has not yet been granted land concessions. If the Company does not obtain land concessions it could lose all or a substantial part of its $475.1 million in capitalized construction costs as of September 30, 2007, related to these other Cotai Strip properties.

Hengqin Island Development Project

The Company has entered into a non-binding letter of intent with the Zhuhai Municipal People s Government of the People s Republic of China to work with it to create a master plan for, and develop, a leisure and convention destination resort on Hengqin Island, which is located within mainland China, approximately one mile from the Cotai Strip. In January 2007, the Company was informed that the Zhuhai Government established a Project Coordination Committee to act as a government liaison empowered to work directly with the Company to advance the development of the project. The Company has interfaced with this committee and is working actively with the committee as it continues to advance its plans. The project remains subject to a number of conditions, including further governmental approvals.

Singapore Development Project

In August 2006, the Company s wholly-owned subsidiary, Marina Bay Sands Pte. Ltd., entered into a development agreement (the Development Agreement) with the Singapore Tourism Board (the STB) to build and operate an integrated resort called the Marina Bay Sands in Singapore, which is expected to open in late 2009. The Marina Bay Sands will be a large integrated resort that is expected to include three 50+ story hotel towers (totaling approximately 2,600 rooms), a casino, an enclosed retail, dining and entertainment complex of approximately 750,000 net leasable square feet, a convention center and meeting room complex of approximately

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LAS VEGAS SANDS CORP. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

1.2 million square feet, theaters, and a landmark iconic structure at the bay-front promenade that contains an art/science museum.

Other Development Projects

The Company is currently exploring the possibility of developing and operating integrated resorts in additional Asian, U.S. and European jurisdictions.

Recent Accounting Pronouncements

In July 2006, the Financial Accounting Standards Board (FASB) issued Interpretation (FIN) No. 48, Accounting for Uncertainty in Income Taxes, which provides guidance for the accounting for uncertainty in income taxes recognized in the financial statements in accordance with Statement of Financial Accounting Standards (SFAS) No. 109, Accounting for Income Taxes. FIN No. 48 provides guidance on the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. FIN No. 48 also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosures and transition. FIN No. 48 requires entities to assess the likelihood that uncertain tax positions will be accepted by the applicable taxing authority and then measure the amount of benefit to be recognized for these purposes which are considered greater than 50% likely to be sustained. The Company adopted FIN No. 48 as of January 1, 2007, and recorded a reduction to opening retained earnings of $4.1 million.

In September 2006, the FASB issued SFAS No. 157, Fair Value Measurements, which defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. SFAS No. 157 applies under other accounting pronouncements that require or permit fair value measurement. SFAS No. 157 does not require any new fair value measurements. The provisions of SFAS No. 157 are effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. The Company is still evaluating the impact of this standard; however, it does not expect the adoption of SFAS No. 157 will have a material effect on its financial condition, results of operations or cash flows.

In February 2007, the FASB issued SFAS No. 159, The Fair Value Option for Financial Assets and Liabilities Including an Amendment of FASB Statement No. 115. Under SFAS No. 159, the Company may elect to measure many financial instruments and certain other items at fair value, which are not otherwise currently required to be measured at fair value. The decision to measure items at fair value is made at specific election dates on an irrevocable instrument-by-instrument basis and requires recognition of the changes in fair value in earnings and expensing upfront costs and fees associated with the item for which the fair value option is elected. Fair value instruments for which the fair value option has been elected and similar instruments measured using another measurement attribute are to be distinguished on the face of the statement of financial position. SFAS No. 159 is effective for financial statements beginning after November 15, 2007. The Company is still evaluating the impact of this standard; however, it does not expect the adoption of SFAS No. 159 will have a material effect on its financial condition, results of operations or cash flows.

In May 2007, the FASB issued FASB Staff Position (FSP) No. FIN 48-1, Definition of Settlement in FASB Interpretation No. 48. FSP No. FIN 48-1 provides guidance about how a company should determine whether a tax position is effectively settled for the purpose of recognizing previously unrecognized tax benefits. Under FSP

No. FIN 48-1, a tax position could be effectively settled on completion of examination by a taxing authority if the entity does not intend to appeal or litigate the result and it is remote that the taxing authority would examine or re-examine the tax position. FSP No. FIN 48-1 shall be applied upon the initial adoption date of FIN No. 48. The FSP No. FIN 48-1 did not have a material impact on the Company s condensed consolidated financial statements.

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LAS VEGAS SANDS CORP. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

NOTE 2 STOCKHOLDERS EQUITY AND EARNINGS PER SHARE

Changes in stockholders equity for the nine months ended September 30, 2007, were as follows (in thousands):

Balance at December 31, 2006	$ 2,075,154
Net income	76,805
Stock-based compensation	25,140
Proceeds from exercise of stock options	23,862
Tax benefit from exercise of stock options	6,060
Change in accumulated other comprehensive loss	107
Cumulative effect from adoption of FIN No. 48	(4,105)
Balance at September 30, 2007	$ 2,203,023

At September 30, 2007, and December 31, 2006, the accumulated other comprehensive loss balance consisted solely of foreign currency translation adjustments. For the three and nine months ended September 30, 2007, comprehensive income (loss) amounted to ($43.7) million and $76.9 million, respectively. For the three and nine months ended September 30, 2006, comprehensive income amounted to $95.2 million and $325.4 million, respectively.

The weighted average number of common and common equivalent shares used in the calculation of basic and diluted earnings (loss) per share consisted of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2007	2006	2007	2006
Weighted-average common shares outstanding (used in the calculation of basic earnings (loss) per share)	354,856,121	354,296,742	354,716,730	354,250,901
Potential dilution from stock options and restricted stock		923,425	2,378,078	755,733
Weighted-average common and common equivalent shares (used in the calculations of diluted earnings (loss) per share)	354,856,121	355,220,167	357,094,808	355,006,634
Antidilutive stock options and restricted stock excluded from calculation of diluted earnings (loss) per share	6,974,935	441,449	965,900	520,949

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LAS VEGAS SANDS CORP. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

NOTE 3 PROPERTY AND EQUIPMENT

Property and equipment consists of the following (in thousands):

	September 30, 2007	December 31, 2006
Land and land improvements	$ 326,591	$ 207,144
Building and improvements	3,528,856	1,622,783
Equipment, furniture, fixtures and leasehold improvements	1,035,736	528,882
Construction in progress	3,355,634	2,694,180
	8,246,817	5,052,989
Less: accumulated depreciation and amortization	(590,105)	(470,664)
	$ 7,656,712	$ 4,582,325

Construction in progress consists of the following (in thousands):

	September 30, 2007	December 31, 2006
Sands Macao	$ 6,872	$ 17,443
The Venetian Macao	340,292	1,474,312
The Four Seasons Macao	220,786	70,310
Other Macao Development Projects (Principally Cotai Strip Parcels 5 and 6)	551,798	130,355
Marina Bay Sands	371,351	30,511
The Palazzo and Phase II Mall	1,774,590	916,302
Other	89,945	54,947
	$ 3,355,634	$ 2,694,180

As of September 30, 2007, portions of The Venetian Macao were under construction and are scheduled to be completed later this year and during 2008. The $89.9 million in other CIP consists primarily of airplane-related purchases at corporate and construction costs incurred at Sands Bethworks.

During the three and nine months ended September 30, 2007, and the three and nine months ended September 30, 2006, the Company capitalized interest expense of $64.2 million, $169.0 million, $28.4 million and $57.7 million, respectively.

During the three months ended June 30, 2007, the Company recorded a charge of $4.8 million to properly account for pre-opening expenses that had been previously capitalized on the balance sheet during the years ended December 31, 2005 and 2006 and the three months ended March 31, 2007. Because the amounts involved were not material to the Company s financial statements in any individual prior period, and the cumulative amount is not material to the estimated results of operations for the year ended December 31, 2007, the Company recorded the cumulative effect of correcting this item, which increased Pre-opening expense and reduced Property and equipment by $4.8 million, during the three months ended June 30, 2007.

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LAS VEGAS SANDS CORP. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

NOTE 4 LONG-TERM DEBT

Long-term debt consists of the following (in thousands):

	September 30, 2007	December 31, 2006
Corporate and U.S. Related:		
New Senior Secured Credit Facility Term B	$ 2,992,500	$
Senior Secured Credit Facility Term B and Term B Delayed Draw		1,170,000
Senior Secured Credit Facility Revolving Facility		260,128
6.375% Senior Notes	248,324	248,153
Airplane Financings	90,406	
FF&E Credit Facility Term Funded		7,395
FF&E Credit Facility Term Delayed Draw	61,416	37,582
Other	7,305	
The Sands Expo Center Mortgage Loan		90,868
Phase II Mall Construction Loan		114,500
Macao Related:		
Macao Credit Facility Term B and Local Term	1,900,000	1,300,000
Macao Credit Facility Term B Delayed	700,000	
Other	6,261	
Singapore Related:		
Singapore Credit Facility Term Loan	574,806	393,510
Singapore Credit Facility Floating Rate Notes	710,180	520,502
	7,291,198	4,142,638
Less: current maturities	(1,329,829)	(6,486)
Total long-term debt	$ 5,961,369	$ 4,136,152

The Company is currently working to obtain long-term financing to fund the construction of Marina Bay Sands and refinance the Singapore credit facilities, which mature in August 2008. The Company expects to obtain the long-term financing in 2007; however, there is no assurance the Company will be able to obtain the additional long-term financing or to obtain the financing on terms agreeable to the Company. If the Company is unable to complete the financing, it has the ability to use borrowings under its new senior secured credit facility (as defined below) to continue to fund its Singapore construction activities for a period of time and repay the outstanding balance. As no agreement has been signed, the $1.28 billion outstanding balance on the Singapore credit facilities has been classified as current as of September 30, 2007, resulting in a $573.1 million deficit in working capital.

In February 2007, the Company entered into promissory notes totaling $72.0 million to finance the purchase of one airplane and to finance two others that were already owned. The notes consist of balloon payment promissory notes and amortizing promissory notes, all of which have ten year maturities and are collateralized by the related aircraft. The notes bear interest at three-month LIBOR plus 1.5% per annum (7.13% as of September 30, 2007). The amortizing notes, totaling $28.8 million, are subject to quarterly principal and interest payments which began June 1, 2007. The balloon notes, totaling $43.2 million, are subject to quarterly interest payments which began June 1, 2007, with the principal payments due in full on March 1, 2017. At September 30, 2007, the book value of the aircraft collateralizing the notes was $65.9 million.

In April 2007, the Company entered into promissory notes totaling $20.3 million to finance the purchase of an additional airplane. The notes have ten year maturities and consist of a balloon payment promissory note and an

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LAS VEGAS SANDS CORP. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

amortizing promissory note. The notes bear interest at three-month LIBOR plus 1.25% per annum (6.45% as of September 30, 2007). The $8.1 million amortizing note is subject to quarterly principal and interest payments which began June 30, 2007. The $12.2 million balloon note is subject to quarterly interest payments which began June 30, 2007, with the principal payment due in full on March 31, 2017. At September 30, 2007, the book value of the aircraft collateralizing the notes was $21.4 million.

In March 2007, the $2.5 billion Macao credit facility was amended to expand the use of proceeds and remove certain restrictive conditions. In April 2007, the lenders of the Macao credit facility approved a reduction of the interest rate margin for all classes of loans by 50 basis points and the Company exercised its rights under the Macao credit facility to access the $800.0 million of incremental facilities under the accordion feature set forth therein, which increased the funded term loan portion by $600.0 million, the revolving credit facility by $200.0 million, and the total credit facility to $3.3 billion. As of September 30, 2007, the Company had fully drawn $700.0 million under the delayed draw facility, with no amounts outstanding under the revolving credit facility.

In May 2007, the Company entered into a $5.0 billion senior secured credit facility (the New Senior Secured Credit Facility), which consists of a $3.0 billion funded term loan (the Term B Facility), a $600.0 million delayed draw term loan available for 12 months after closing (the Delayed Draw I Facility), a $400.0 million delayed draw term loan available for 18 months after closing (the Delayed Draw II Facility) and a $1.0 billion revolving credit facility (the Revolving Facility). A portion of the proceeds of the Term B Facility was used to refinance the existing U.S. credit facility, repay the Phase II mall construction loan and The Sands Expo Center mortgage loan, pay for certain construction and development related expenses incurred in connection with The Palazzo, and for fees and expenses related to the New Senior Secured Credit Facility.

The Term B Facility and the Delayed Draw I Facility mature on May 23, 2014. The Term B Facility is subject to quarterly amortization payments of $7.5 million, which began in September 2007, followed by a balloon payment of $2.80 billion due on May 23, 2014. The Delayed Draw I Facility is subject to quarterly amortization payments of $1.5 million, which begin on September 30, 2008, followed by a balloon payment of $565.5 million due on May 23, 2014. The Delayed Draw II Facility matures on May 23, 2013, and is subject to quarterly amortization payments of $1.0 million, which begin on March 31, 2009, followed by a balloon payment of $383.0 million due on May 23, 2013. The Revolving Facility matures on May 23, 2012, and has no interim amortization. As of September 30, 2007, no amounts are outstanding under the Revolving Facility and no amounts have been drawn under the delayed draw facilities.

The New Senior Secured Credit Facility is guaranteed by certain of the Company s domestic subsidiaries (the Guarantors). The obligations under the New Senior Secured Credit Facility and the guarantees of the Guarantors are collateralized by a first-priority security interest in substantially all of Las Vegas Sands, LLC (LVSLLC), and the Guarantors assets, other than capital stock and similar ownership interests, certain furniture, fixtures and equipment, and certain other excluded assets.

Borrowings under the New Senior Secured Credit Facility bear interest, at the Company s option, at either an adjusted Eurodollar rate or at an alternative base rate plus a credit spread. The initial credit spread is 0.5% per annum for the Revolving Facility accruing interest at a base rate, 0.75% per annum for term loans accruing interest at a base rate, 1.5% per annum for the Revolving Facility accruing interest at an adjusted Eurodollar rate, and 1.75% per annum for term loans accruing interest at an adjusted Eurodollar rate (6.95% as of September 30, 2007). These spreads will be reduced by 0.25% if the Company s corporate rating (as defined in the New Senior Secured Credit Facility) is increased to at least Ba2 by Moody s and at least BB by Standard & Poor s Ratings Group, subject to certain additional conditions. The spread for the Revolving Facility will be further reduced by 0.25% if the Company s corporate rating is increased to at least Ba1 or higher by Moody s and at least BB+ or higher by S&P, subject to certain additional conditions.

The Company will pay a commitment fee of 0.375% per annum on the undrawn amounts under the Revolving Facility, which will be reduced by 0.125% if certain ratings are achieved, subject to certain additional conditions.

LAS VEGAS SANDS CORP. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The Company will also pay a commitment fee equal to 0.75% per annum on the undrawn amounts under the Delayed Draw I Facility and a commitment fee equal to 0.5% per annum on the undrawn amounts under the Delayed Draw II Facility. The New Senior Secured Credit Facility contains affirmative and negative covenants customary for such financings, including, but not limited to, minimum ratios of adjusted EBITDA to interest expense and maximum ratios of total debt outstanding to adjusted EBITDA. The New Senior Secured Credit Facility also contains conditions and events of default customary for such financings.

In August 2007, the Company amended its FF&E term delayed draw credit facility, which increased the facility to $167.0 million. Borrowings under the facility bear interest, at the Company s option, at either an adjusted Eurodollar rate or a base rate plus a credit spread (7.2% as of September 30, 2007). The initial spread is 2.0% per annum for loans accruing interest at the Eurodollar rate and 1.0% per annum for loans accruing interest at the base rate. The spreads may be reduced by 0.25% under certain circumstances and the Company is required to pay a commitment fee equal to 0.5% per annum on the undrawn amounts under the facility.

NOTE 5 INCOME TAXES

The Company adopted the provisions of FIN No. 48 on January 1, 2007. As a result of the implementation of FIN No. 48, the Company recognized a $4.1 million increase in the liability for unrecognized tax benefits, which was accounted for as a reduction to opening retained earnings. At the adoption date of January 1, 2007, the Company had $8.5 million of unrecognized tax benefits, of which $6.1 million would affect the effective income tax rate if recognized.

The Company files income tax returns in the U.S., various states and foreign jurisdictions. The Company is subject to federal, state and local, or foreign income tax examinations by tax authorities for years after 2002. The Company is not presently under examination by any major tax jurisdiction.

The Company recognizes interest and penalties, if any, related to unrecognized tax benefits in the provision for income taxes on the statement of operations. At January 1, 2007, the date of adoption, and at September 30, 2007, the Company did not accrue any significant interest or penalties. The Company does not expect a significant increase or decrease in unrecognized tax benefits over the next twelve months.

NOTE 6 STOCK-BASED EMPLOYEE COMPENSATION

Stock-based compensation activity is as follows for the three and nine months ended September 30, 2007 and 2006 (in thousands, except weighted average grant date fair values):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2007	2006	2007	2006
Compensation expense:				
Stock options	$ 9,139	$ 4,186	$ 21,117	$ 9,239
Restricted shares	683	273	1,697	944

	$ 9,822	$ 4,459	$ 22,814	$ 10,183
Compensation cost capitalized as part of property and equipment	$ 1,045	$ 437	$ 2,326	$ 1,312
Stock options granted	193	88	3,102	2,705
Weighted average grant date fair value	$ 38.88	$ 24.36	$ 31.67	$ 19.11
Restricted shares granted			51	78
Weighted average grant date fair value	$	$	$ 86.56	$ 44.00

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LAS VEGAS SANDS CORP. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The fair value of each option grant was estimated on the grant date using the Black-Scholes option-pricing model with the following weighted average assumptions:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2007	2006	2007	2006
Weighted average volatility	30.17%	30.44%	30.67%	31.39%
Expected term (in years)	6.0	6.0	6.0	6.0
Risk-free rate	4.75%	4.76%	4.53%	4.53%
Expected dividends				

NOTE 7 COMMITMENTS AND CONTINGENCIES

The Company is involved in other litigation in addition to those noted below, arising in the normal course of business. Management has made certain estimates for potential litigation costs based upon consultation with legal counsel. Actual results could differ from these estimates; however, in the opinion of management, such litigation and claims will not have a material effect on the Company s financial condition, results of operations or cash flows.

The Palazzo Construction Litigation

Lido Casino Resort, LLC (Lido), formerly a wholly-owned subsidiary of the Company and now merged into Venetian Casino Resort, LLC (VCR), another wholly-owned subsidiary of the Company, and its construction manager, Taylor International Corp. (Taylor), filed suit in March 2006 in the United States District Court for the District of Nevada (the District Court) against Malcolm Drilling Company, Inc. (Malcolm), the contractor on The Palazzo project responsible for completing certain foundation work (the District Court Case). Lido and Taylor claimed in the District Court Case that Malcolm was in default of its contract for performing defective work, failing to correct defective work, failing to complete its work and causing delay to the project. Malcolm responded by filing a Notice of a Lien with the Clerk of Clark County, Nevada in March 2006 in the amount of approximately $19.0 million plus interest, costs and attorney s fees (the Lien). In April 2006, Lido and Taylor moved in the District Court Case to strike or, in the alternative, to reduce the amount of, the Lien, claiming, among other things, that the Lien was excessive for including claims for disruption and delay, which Lido and Taylor claim are not lienable under Nevada law (the Lien Motion). Malcolm responded in April 2006 by filing a complaint against Lido and Taylor in District Court of Clark County, Nevada seeking to foreclose on the Lien against Taylor, claiming breach of contract, a cardinal change in the underlying contract, unjust enrichment against Lido and Taylor and bad faith and fraud against Taylor (the State Court Case), and simultaneously filed a motion in the District Court Case, seeking to dismiss the District Court Case on abstention grounds (the Abstention Motion). In response, in June 2006, Lido filed a motion to dismiss the State Court Case based on the principle of the prior pending District Court Case (the Motion to Dismiss). In June 2006, the Abstention Motion was granted in part by the United States District Court, the District Court Case was stayed pending the outcome of the Motion to Dismiss in the State Court Case and the Lien Motion was denied without prejudice. Lido and Malcolm then entered into a stipulation under which Lido withdrew the Motion to Dismiss, and in July 2006 filed a replacement lien motion in the State Court Case. The lien motion in the State Court Case was denied in August 2006 and Lido and Taylor filed a permitted interlocutory notice of appeal to the Supreme Court of Nevada in September

2006. On April 11, 2007, Malcolm filed an Amended Notice of Lien with the Clerk of Clark County, Nevada in the amount of approximately $16.7 million plus interest, costs and attorney s fees. In August 2007, Malcolm filed a motion for partial summary judgment, seeking the dismissal of the counterclaim filed in the State Court Case by Lido to the extent the claim sought lost profits. After argument, the motion for partial summary judgment was denied without prejudice on October 23, 2007, with a conforming written order to be issued. This matter remains in discovery. Based upon the advice of legal counsel, management has determined that based on proceedings to date, it is currently unable to determine the probability of the outcome of this matter. Lido intends to defend itself against the claims pending in the State Court Case.

LAS VEGAS SANDS CORP. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Litigation Relating to Macao Casino

On October 15, 2004, Richard Suen and Round Square Company Limited filed an action against Las Vegas Sands Corp. (LVSC), Las Vegas Sands, Inc., Sheldon G. Adelson and William P. Weidner in the District Court of Clark County, Nevada, asserting a breach of an alleged agreement to pay a success fee of $5.0 million and 2.0% of the net profit from the Company s Macao resort operations to the plaintiffs as well as other related claims. In March 2005, LVSC was dismissed as a party without prejudice based on a stipulation to do so between the parties. On May 17, 2005, the plaintiffs filed their first amended complaint. On February 2, 2006, defendants filed a motion for partial summary judgment with respect to plaintiffs fraud claims against all the defendants. On March 16, 2006, an order was filed by the court granting defendants motion for partial summary judgment. Pursuant to the order filed March 16, 2006, plaintiffs fraud claims set forth in the first amended complaint were dismissed with prejudice as against all defendants. The order also dismissed with prejudice the first amended complaint against defendants Sheldon G. Adelson and William P. Weidner. This action is currently set for trial in February 2008. Based upon the advice of legal counsel, management has determined that based on proceedings to date, the probability of an unfavorable outcome in this matter is remote. The Company intends to defend this matter vigorously.

On January 26, 2006, Clive Basset Jones, Darryl Steven Turok (a/k/a Dax Turok) and Cheong Jose Vai Chi (a/k/a Cliff Cheong), filed an action against LVSC, LVSLLC, Venetian Venture Development, LLC and various unspecified individuals and companies in the District Court of Clark County, Nevada. The plaintiffs assert breach of an agreement to pay a success fee in an amount equal to 5% of the ownership interest in the entity that owns and operates the Macau SAR gaming subconcession as well as other related claims. In April 2006, LVSC was dismissed as a party without prejudice based on a stipulation to do so between the parties. Discovery has begun in this action. Upon the advice of legal counsel, management has determined that based on proceedings to date, it is currently unable to determine the probability of the outcome of this matter. The Company intends to defend this matter vigorously.

On February 5, 2007, Asian American Entertainment Corporation, Limited (AAEC) filed an action against Las Vegas Sands, Inc. (LVSI), VCR, Venetian Venture Development, LLC (Venetian Venture Development), William P. Weidner and David Friedman in the United States District Court for the District of Nevada. The plaintiffs assert breach of contract by LVSI, VCR and Venetian Venture Development of an agreement under which AAEC would work to obtain a gaming license in Macao and, if successful, AAEC would jointly operate a casino, hotel and related facilities in Macao with Venetian Venture Development and Venetian Venture Development would receive fees and a minority equity interest in the venture, and breach of fiduciary duties by all of the defendants. The plaintiffs have requested an unspecified amount of actual, compensatory and punitive damages, and disgorgement of profits related to the Company s Macao gaming license. The Company filed a motion to dismiss on July 11, 2007. On August 1, 2007, the Court granted defendants motion to dismiss the Complaint against all defendants without prejudice. The plaintiffs in the case filed a notice of appeal of the decision of the Court on September 10, 2007. Based upon the advice of legal counsel, management has determined that based on proceedings to date, the probability of an unfavorable outcome in this matter is remote. The Company intends to defend this matter vigorously.

Singapore Development Project

On August 23, 2006, the Company s subsidiary, Marina Bay Sands Pte. Ltd. (MBS), entered into the Development Agreement, which requires it to construct and operate the Marina Bay Sands in accordance with its proposal for this integrated resort and in accordance with the agreement. Although construction has started, MBS is continuing to work with the Singapore Tourism Board to finalize various aspects of the integrated resort and is in the process of revising its cost estimates for the project. The cost to develop and construct the Marina Bay Sands is expected to be in excess of the previously disclosed $3.6 billion, which is inclusive of $811.7 million paid in 2006 for the land premium, taxes and other fees. In August 2006, MBS entered into the Singapore credit facility to satisfy near-term development costs and to satisfy some of its obligations under the Development Agreement. MBS is currently working to obtain long-term financing.

LAS VEGAS SANDS CORP. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

NOTE 8 SEGMENT INFORMATION

The Company reviews the results of operations based on the following geographic segments: (1) Las Vegas, which includes The Venetian, The Sands Expo Center and The Palazzo (currently under construction), (2) Macao, which includes the Sands Macao, The Venetian Macao (which opened on August 28, 2007), The Four Seasons Macao (currently under construction) and other development projects on the Cotai Strip, and (3) Singapore, which includes the Marina Bay Sands (currently under construction). The Company s segment information is as follows for the three and nine months ended September 30, 2007 and 2006 (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2007	2006	2007	2006
Net Revenues				
Las Vegas	$ 212,103	$ 214,042	$ 725,459	$ 669,344
Macao:				
Sands Macao	298,756	339,186	1,026,544	931,255
The Venetian Macao	150,091		150,091	
Total net revenues	$ 660,950	$ 553,228	$ 1,902,094	$ 1,600,599
Adjusted EBITDAR(1)				
Las Vegas	$ 60,183	$ 75,129	$ 255,506	$ 239,387
Macao:				
Sands Macao	77,574	127,431	296,463	347,785
The Venetian Macao	26,520		26,520	
Total adjusted EBITDAR	164,277	202,560	578,489	587,172
Other Operating Costs and Expenses				
Corporate expense	(23,444)	(15,654)	(66,657)	(40,859)
Rental expense	(8,136)	(3,383)	(23,141)	(10,893)
Stock-based compensation expense	(4,827)	(2,367)	(10,007)	(5,397)
Depreciation and amortization	(54,309)	(26,743)	(121,262)	(76,176)
Loss on disposal of assets	(287)	(383)	(526)	(1,920)
Pre-opening expense	(90,447)	(14,584)	(153,224)	(21,157)
Development expense	(3,621)	(5,968)	(7,227)	(22,997)
Operating income (loss)	(20,794)	133,478	196,445	407,773
Other Non-Operating Costs and Expenses				
Interest income	26,890	21,029	60,906	46,261
Interest expense, net of amounts capitalized	(72,607)	(45,343)	(161,628)	(90,443)
Other income (expense)	17,052	(680)	7,715	(530)

Loss on early retirement of debt			(10,705)	
Benefit (provision) for income taxes	952	(11,233)	(15,928)	(34,698)
Net income (loss)	$ (48,507)	$ 97,251	$ 76,805	$ 328,363

(1) Adjusted EBITDAR is earnings before interest, income taxes, loss on early retirement of debt, depreciation and amortization, pre-opening expense, development expense, other income (expense), loss on disposal of assets, rental expense, corporate expense and stock-based compensation expense included in general and administrative expense. Adjusted EBITDAR is used by management as the primary measure of operating performance of the Company s properties and to compare the operating performance of the Company s properties with those of its competitors.

LAS VEGAS SANDS CORP. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

	Nine Months Ended September 30, 2007	Nine Months Ended September 30, 2006
Capital Expenditures		
Las Vegas Sands Corp. and Other	$ 96,161	$ 41,851
Las Vegas:		
The Venetian	121,209	80,027
The Palazzo	784,228	345,903
Macao:		
Sands Macao	86,503	74,983
The Venetian Macao and The Four Seasons Macao	1,011,684	699,834
Other Development Projects (Principally Cotai Strip Parcels 5 and 6)	403,349	35,867
Singapore	218,933	8,427
Total capital expenditures	$ 2,722,067	$ 1,286,892

	September 30, 2007	December 31, 2006
Total Assets		
Las Vegas Sands Corp. and Other	$ 399,177	$ 209,701
Las Vegas:		
The Venetian	2,521,176	1,991,566
The Palazzo	2,105,591	1,179,157
Macao:		
Sands Macao	584,784	537,990
The Venetian Macao and The Four Seasons Macao	3,442,401	2,138,535
Other Development Projects (Principally Cotai Strip Parcels 5 and 6)	757,891	170,441
Singapore	1,318,532	899,068
Total consolidated assets	$ 11,129,552	$ 7,126,458

NOTE 9 CONDENSED CONSOLIDATING FINANCIAL INFORMATION

LVSC is the obligor of the 6.375% Senior Notes due 2015 issued by LVSC on February 10, 2005. LVSLLC, VCR, Mall Intermediate Holding Company, LLC, Venetian Venture Development, LLC, Venetian Transport, LLC, Venetian Marketing, Inc., Interface Group-Nevada, Inc., Palazzo Condo Tower, LLC, Sands Pennsylvania, Inc., Lido Intermediate Holding Company, LLC, Lido Casino Resort Holding Company, LLC, Phase II Mall Holding, LLC, Phase II Mall Subsidiary, LLC and Lido Casino Resort, LLC, which was merged into VCR in March 2007 (collectively, the Guarantor Subsidiaries), have jointly and severally guaranteed the 6.375% Senior Notes on a full and unconditional basis. In conjunction with entering into the New Senior Secured Credit Facility, LVSC, the Guarantor Subsidiaries and the trustee entered into a supplemental indenture related to the Senior Notes, whereby the following subsidiaries were included as guarantors: Interface Group-Nevada, Inc., Palazzo Condo Tower, LLC, Sands Pennsylvania, Inc., Phase II Mall Holding, LLC, and Phase II Mall Subsidiary, LLC. As a result of the change in Guarantor Subsidiaries and non-guarantor subsidiaries, the Company has reclassified prior periods to conform to the current presentation as these are all entities under common control.

The condensed consolidating financial information of LVSC, the Guarantor Subsidiaries and the non-guarantor subsidiaries as of September 30, 2007, and December 31, 2006, and for the three and nine months ended September 30, 2007 and 2006, is as follows (in thousands).

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LAS VEGAS SANDS CORP. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Condensed Consolidating Balance Sheets
September 30, 2007

	Las Vegas Sands Corp.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating/ Eliminating Entries	Total
Cash and cash equivalents	$ 131,411	$ 1,029,561	$ 518,675	$	$ 1,679,647
Restricted cash		7,255	255,547		262,802
Intercompany receivable	141,404	56,188		(197,592)	
Accounts receivable, net	2,127	102,066	48,114		152,307
Inventories		10,463	5,451		15,914
Deferred income taxes	706	22,110		56	22,872
Prepaid expenses and other	22,719	21,499	24,860	(24)	69,054
Total current assets	298,367	1,249,142	852,647	(197,560)	2,202,596
Property and equipment, net	157,185	3,366,948	4,132,579		7,656,712
Investment in subsidiaries	2,033,948	898,335		(2,932,283)	
Intercompany notes receivable	73,378	54,633		(128,011)	
Deferred financing costs, net	1,607	61,348	50,452		113,407
Deferred income taxes	2,647	4,597	9		7,253
Leasehold interest in land, net			1,030,550		1,030,550
Other assets, net	128	64,790	54,116		119,034
Total assets	$ 2,567,260	$ 5,699,793	$ 6,120,353	$ (3,257,854)	$ 11,129,552
Accounts payable	$ 2,721	$ 34,468	$ 30,929	$	$ 68,118
Construction payables		155,540	566,798		722,338
Intercompany payables		87,888	109,704	(197,592)	
Accrued interest payable	2,394	1,863	4,437		8,694
Other accrued liabilities	7,221	158,788	480,748	(24)	646,733
Deferred income taxes			(56)	56	
Current maturities of long-term debt	3,688	33,071	1,293,070		1,329,829
Total current liabilities	16,024	471,618	2,485,630	(197,560)	2,775,712
Other long-term liabilities	13,171	173,382	2,895		189,448
Intercompany notes payable			128,011	(128,011)	
Long-term debt	335,042	3,020,845	2,605,482		5,961,369
Total liabilities	364,237	3,665,845	5,222,018	(325,571)	8,926,529
Stockholders equity	2,203,023	2,033,948	898,335	(2,932,283)	2,203,023

Total liabilities and stockholders equity	$ 2,567,260	$ 5,699,793	$ 6,120,353	$ (3,257,854)	$ 11,129,552

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LAS VEGAS SANDS CORP. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Condensed Consolidating Balance Sheets
December 31, 2006

	Las Vegas Sands Corp.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating/ Eliminating Entries	Total
Cash and cash equivalents	$ 69,100	$ 96,315	$ 302,651	$	$ 468,066
Restricted cash	50,076	95,139	253,547		398,762
Intercompany receivables	170,844	49,510		(220,354)	
Accounts receivable, net	137	121,375	52,171		173,683
Inventories		10,273	2,018		12,291
Deferred income taxes	1,583	14,064	41		15,688
Prepaid expenses and other	1,793	10,287	12,987		25,067
Total current assets	293,533	396,963	623,415	(220,354)	1,093,557
Property and equipment, net	85,758	2,437,222	2,059,345		4,582,325
Investment in subsidiaries	1,919,079	825,736		(2,744,815)	
Intercompany notes receivable	73,154	52,736		(125,890)	
Deferred financing costs, net	1,176	24,124	45,081		70,381
Restricted cash		323,668	231,464		555,132
Deferred income taxes					