

GALAXY CASINO S.A.

**CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2007**

(Extracted from the unaudited financial statements prepared in accordance with Hong Kong Financial Reporting Standards)

	HK\$'000
Revenue	11,511,315
Other income	129,095
Special gaming tax and funds to the Government	(4,439,215)
Commission and allowances	(4,207,442)
Employee benefit expenses	(1,155,961)
Operating lease rental - land and buildings	(58,298)
Amortisation and depreciation	(258,468)
Foreign exchange gains	5,038
Other operating expenses	(586,644)
Operating profit	<u>939,420</u>
Finance costs	(394,834)
Profit before taxation	<u>544,586</u>
Taxation	(1)
Profit for the year	<u><u>544,585</u></u>

GALAXY CASINO S.A.

**CONSOLIDATED BALANCE SHEET
AS AT 31ST DECEMBER 2007**

(Extracted from the unaudited financial statements prepared in accordance with Hong Kong Financial Reporting Standards)

	HK\$'000
ASSETS	
Non-current assets	
Property, plant and equipment	4,357,566
Intangible assets	15,533
Leasehold land	261,721
Finance lease receivable	137,438
Derivative financial instruments	1,155
Restricted bank deposits	50,000
Other non-current assets	219,550
	<u>5,042,963</u>

Current assets	
Inventories	12,290
Debtors and prepayments	319,835
Amount due from a fellow subsidiary	7,574
Amounts due from related parties	17,183
Cash and bank balances	3,533,045
	<u>3,889,927</u>

Total assets	<u><u>8,932,890</u></u>

GALAXY CASINO S.A.

CONSOLIDATED BALANCE SHEET (CONTINUED)

AS AT 31ST DECEMBER 2007

(Extracted from the unaudited financial statements prepared in accordance with Hong Kong Financial Reporting Standards)

	HK\$'000
EQUITY	
Share capital	924,175
Reserves	88,490
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Total equity	1,012,665
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LIABILITIES	
Non-current liabilities	
Borrowings	4,570,006
Derivative financial instruments	8,673
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	4,578,679
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Current liabilities	
Creditors and accruals	3,324,568
Amount due to a fellow subsidiary	10,811
Amounts due to related companies	2,177
Current portion of borrowings	3,990
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	3,341,546
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Total liabilities	7,920,225
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Total equity and liabilities	8,932,890
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GALAXY CASINO S.A.

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2007**

(Extracted from the unaudited financial statements prepared in accordance with Hong Kong Financial Reporting Standards)

	HK\$'000
Cash flows from operating activities	
Cash generated from operations	1,204,779
Tax paid	(1)
Interest paid	(474,692)
Interest element of finance lease rental payments	(1,155)
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Net cash from operating activities	728,931

Cash flows from investing activities	
Purchases of property, plant and equipment	(1,280,103)
Purchases of intangible assets	(4,268)
Additions in leasehold land	(104)
Decrease in restricted bank deposits	209,153
Interest received	102,056
Dividends received	6,699
Income from cash flow hedges	27,298
Decrease in finance lease receivable	38,419
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Net cash used in investing activities	(900,850)

Cash flows from financing activities	
Repayment of bank loans	(75,000)
Capital element of finance lease payments	(3,282)
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Net cash used in financing activities	(78,282)
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Net decrease in cash and bank balances	(250,201)
Cash and bank balances at beginning of the year	3,782,356
Changes in exchange rates	890
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Cash and bank balances at end of the year	<u><u>3,533,045</u></u>