

LAS VEGAS SANDS CORP

Form 10-Q

April 19, 2019

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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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Form 10-Q

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QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2019

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

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LAS VEGAS SANDS CORP.

(Exact name of registration as specified in its charter)

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Nevada 27-0099920  
(State or other jurisdiction of (I.R.S. Employer  
incorporation or organization) Identification No.)

3355 Las Vegas Boulevard South  
Las Vegas, Nevada 89109  
(Address of principal executive offices) (Zip Code)  
(702) 414-1000  
(Registrant's telephone number, including area code)

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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 ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐ Accelerated filer ☒

Non-accelerated filer ☐ Smaller reporting company ☐

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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

Indicate the number of shares outstanding of each of the Registrant's classes of common stock, as of the latest practicable date.

| Class                            | Outstanding at April 16, 2019 |
|----------------------------------|-------------------------------|
| Common Stock (\$0.001 par value) | 772,804,476 shares            |

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LAS VEGAS SANDS CORP. AND SUBSIDIARIES

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ITEM 1 — FINANCIAL STATEMENTSLAS VEGAS SANDS CORP. AND SUBSIDIARIES  
CONDENSED CONSOLIDATED BALANCE SHEETS

|                                                                                                             | March 31, 2019                  | December 31, 2018 |
|-------------------------------------------------------------------------------------------------------------|---------------------------------|-------------------|
|                                                                                                             | (In millions, except par value) |                   |
|                                                                                                             | (Unaudited)                     |                   |
| <b>ASSETS</b>                                                                                               |                                 |                   |
| Current assets:                                                                                             |                                 |                   |
| Cash and cash equivalents                                                                                   | \$4,134                         | \$ 4,648          |
| Restricted cash and cash equivalents                                                                        | 14                              | 13                |
| Accounts receivable, net                                                                                    | 737                             | 726               |
| Inventories                                                                                                 | 35                              | 35                |
| Prepaid expenses and other                                                                                  | 135                             | 144               |
| Total current assets                                                                                        | 5,055                           | 5,566             |
| Property and equipment, net                                                                                 | 15,099                          | 15,154            |
| Deferred income taxes, net                                                                                  | 359                             | 368               |
| Leasehold interests in land, net                                                                            | 1,333                           | 1,198             |
| Intangible assets, net                                                                                      | 69                              | 72                |
| Other assets, net                                                                                           | 398                             | 189               |
| Total assets                                                                                                | \$22,313                        | \$ 22,547         |
| <b>LIABILITIES AND EQUITY</b>                                                                               |                                 |                   |
| Current liabilities:                                                                                        |                                 |                   |
| Accounts payable                                                                                            | \$152                           | \$ 178            |
| Construction payables                                                                                       | 190                             | 189               |
| Other accrued liabilities                                                                                   | 2,189                           | 2,435             |
| Income taxes payable                                                                                        | 275                             | 244               |
| Current maturities of long-term debt                                                                        | 111                             | 111               |
| Total current liabilities                                                                                   | 2,917                           | 3,157             |
| Other long-term liabilities                                                                                 | 485                             | 179               |
| Deferred income taxes                                                                                       | 184                             | 191               |
| Deferred amounts related to mall sale transactions                                                          | 399                             | 401               |
| Long-term debt                                                                                              | 11,888                          | 11,874            |
| Total liabilities                                                                                           | 15,873                          | 15,802            |
| Commitments and contingencies (Note 6)                                                                      |                                 |                   |
| Equity:                                                                                                     |                                 |                   |
| Preferred stock, \$0.001 par value, 50 shares authorized, zero shares issued and outstanding                | —                               | —                 |
| Common stock, \$0.001 par value, 1,000 shares authorized, 832 shares issued, 773 and 775 shares outstanding | 1                               | 1                 |
| Treasury stock, at cost, 59 and 57 shares                                                                   | (3,901)                         | (3,727)           |
| Capital in excess of par value                                                                              | 6,700                           | 6,680             |
| Accumulated other comprehensive loss                                                                        | (32)                            | (40)              |
| Retained earnings                                                                                           | 2,757                           | 2,770             |
| Total Las Vegas Sands Corp. stockholders' equity                                                            | 5,525                           | 5,684             |
| Noncontrolling interests                                                                                    | 915                             | 1,061             |
| Total equity                                                                                                | 6,440                           | 6,745             |
| Total liabilities and equity                                                                                | \$22,313                        | \$ 22,547         |

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

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CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

|                                                     | Three Months<br>Ended<br>March 31,<br>2019    2018<br>(In millions,<br>except per share<br>data)<br>(Unaudited) |         |
|-----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|---------|
| Revenues:                                           |                                                                                                                 |         |
| Casino                                              | \$2,661                                                                                                         | \$2,599 |
| Rooms                                               | 450                                                                                                             | 445     |
| Food and beverage                                   | 232                                                                                                             | 228     |
| Mall                                                | 160                                                                                                             | 156     |
| Convention, retail and other                        | 143                                                                                                             | 151     |
| Net revenues                                        | 3,646                                                                                                           | 3,579   |
| Operating expenses:                                 |                                                                                                                 |         |
| Casino                                              | 1,439                                                                                                           | 1,371   |
| Rooms                                               | 110                                                                                                             | 110     |
| Food and beverage                                   | 178                                                                                                             | 172     |
| Mall                                                | 17                                                                                                              | 17      |
| Convention, retail and other                        | 80                                                                                                              | 84      |
| Provision for (recovery of) doubtful accounts       | 4                                                                                                               | (16 )   |
| General and administrative                          | 369                                                                                                             | 345     |
| Corporate                                           | 152                                                                                                             | 56      |
| Pre-opening                                         | 4                                                                                                               | 1       |
| Development                                         | 5                                                                                                               | 3       |
| Depreciation and amortization                       | 301                                                                                                             | 264     |
| Amortization of leasehold interests in land         | 9                                                                                                               | 9       |
| Loss on disposal or impairment of assets            | 7                                                                                                               | 5       |
|                                                     | 2,675                                                                                                           | 2,421   |
| Operating income                                    | 971                                                                                                             | 1,158   |
| Other income (expense):                             |                                                                                                                 |         |
| Interest income                                     | 20                                                                                                              | 5       |
| Interest expense, net of amounts capitalized        | (141 )                                                                                                          | (89 )   |
| Other expense                                       | (21 )                                                                                                           | (26 )   |
| Loss on modification or early retirement of debt    | —                                                                                                               | (3 )    |
| Income before income taxes                          | 829                                                                                                             | 1,045   |
| Income tax (expense) benefit                        | (85 )                                                                                                           | 571     |
| Net income                                          | 744                                                                                                             | 1,616   |
| Net income attributable to noncontrolling interests | (162 )                                                                                                          | (160 )  |
| Net income attributable to Las Vegas Sands Corp.    | \$582                                                                                                           | \$1,456 |
| Earnings per share:                                 |                                                                                                                 |         |
| Basic                                               | \$0.75                                                                                                          | \$1.85  |
| Diluted                                             | \$0.75                                                                                                          | \$1.84  |
| Weighted average shares outstanding:                |                                                                                                                 |         |
| Basic                                               | 774                                                                                                             | 789     |
| Diluted                                             | 775                                                                                                             | 790     |

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 COMPREHENSIVE INCOME

Three Months  
Ended  
March 31,  
2019 2018  
(In millions)  
(Unaudited)

|                                                               |        |         |
|---------------------------------------------------------------|--------|---------|
| Net income                                                    | \$744  | \$1,616 |
| Currency translation adjustment                               | 5      | 28      |
| Total comprehensive income                                    | 749    | 1,644   |
| Comprehensive income attributable to noncontrolling interests | (159 ) | (155 )  |
| Comprehensive income attributable to Las Vegas Sands Corp.    | \$590  | \$1,489 |

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

Table of ContentsLAS VEGAS SANDS CORP. AND SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY

|                                                | Las Vegas Sands Corp. Stockholders' Equity |                   |                                               |                                         |                      |                             |          |
|------------------------------------------------|--------------------------------------------|-------------------|-----------------------------------------------|-----------------------------------------|----------------------|-----------------------------|----------|
|                                                | Common<br>Stock                            | Treasury<br>Stock | Capital<br>in<br>Excess<br>of<br>Par<br>Value | Other<br>Comprehensive<br>Income (Loss) | Retained<br>Earnings | Noncontrolling<br>Interests | Total    |
|                                                | (In millions)                              |                   |                                               |                                         |                      |                             |          |
|                                                | (Unaudited)                                |                   |                                               |                                         |                      |                             |          |
| Balance at January 1, 2018                     | \$1                                        | \$(2,818)         | \$6,580                                       | \$ 14                                   | \$2,709              | \$ 1,141                    | \$7,627  |
| Net income                                     | —                                          | —                 | —                                             | —                                       | 1,456                | 160                         | 1,616    |
| Currency translation adjustment                | —                                          | —                 | —                                             | 33                                      | —                    | (5                          | ) 28     |
| Exercise of stock options                      | —                                          | —                 | 48                                            | —                                       | —                    | 6                           | 54       |
| Stock-based compensation                       | —                                          | —                 | 8                                             | —                                       | —                    | 1                           | 9        |
| Repurchase of common stock                     | —                                          | (75               | ) —                                           | —                                       | —                    | —                           | (75 )    |
| Dividends declared (\$0.75 per share) (Note 4) | —                                          | —                 | —                                             | —                                       | (593                 | ) (309                      | ) (902 ) |
| Balance at March 31, 2018                      | \$1                                        | \$(2,893)         | \$6,636                                       | \$ 47                                   | \$3,572              | \$ 994                      | \$8,357  |
| Balance at January 1, 2019                     | \$1                                        | \$(3,727)         | \$6,680                                       | \$ (40                                  | ) \$2,770            | \$ 1,061                    | \$6,745  |
| Net income                                     | —                                          | —                 | —                                             | —                                       | 582                  | 162                         | 744      |
| Currency translation adjustment                | —                                          | —                 | —                                             | 8                                       | —                    | (3                          | ) 5      |
| Exercise of stock options                      | —                                          | —                 | 12                                            | —                                       | —                    | 2                           | 14       |
| Stock-based compensation                       | —                                          | —                 | 8                                             | —                                       | —                    | 1                           | 9        |
| Repurchase of common stock                     | —                                          | (174              | ) —                                           | —                                       | —                    | —                           | (174 )   |
| Dividends declared (\$0.77 per share) (Note 4) | —                                          | —                 | —                                             | —                                       | (595                 | ) (308                      | ) (903 ) |
| Balance at March 31, 2019                      | \$1                                        | \$(3,901)         | \$6,700                                       | \$ (32                                  | ) \$2,757            | \$ 915                      | \$6,440  |

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

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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

|                                                                                      | Three Months<br>Ended<br>March 31,<br>2019    2018<br>(In millions)<br>(Unaudited) |         |
|--------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|---------|
| Cash flows from operating activities:                                                |                                                                                    |         |
| Net income                                                                           | \$744                                                                              | \$1,616 |
| Adjustments to reconcile net income to net cash generated from operating activities: |                                                                                    |         |
| Depreciation and amortization                                                        | 301                                                                                | 264     |
| Amortization of leasehold interests in land                                          | 9                                                                                  | 9       |
| Amortization of deferred financing costs and original issue discount                 | 8                                                                                  | 11      |
| Amortization of deferred gain on mall sale transactions                              | (1)                                                                                | (1)     |
| Loss on modification or early retirement of debt                                     | —                                                                                  | 3       |
| Loss on disposal or impairment of assets                                             | 5                                                                                  | 5       |
| Stock-based compensation expense                                                     | 9                                                                                  | 8       |
| Provision for (recovery of) doubtful accounts                                        | 4                                                                                  | (16)    |
| Foreign exchange loss                                                                | 22                                                                                 | 12      |
| Deferred income taxes                                                                | 1                                                                                  | (653)   |
| Changes in operating assets and liabilities:                                         |                                                                                    |         |
| Accounts receivable                                                                  | (15)                                                                               | 47      |
| Other assets                                                                         | (4)                                                                                | (14)    |
| Accounts payable                                                                     | (26)                                                                               | (12)    |
| Other liabilities                                                                    | (237)                                                                              | 118     |
| Net cash generated from operating activities                                         | 820                                                                                | 1,397   |
| Cash flows from investing activities:                                                |                                                                                    |         |
| Capital expenditures                                                                 | (240)                                                                              | (238)   |
| Proceeds from disposal of property and equipment                                     | —                                                                                  | 4       |
| Net cash used in investing activities                                                | (240)                                                                              | (234)   |
| Cash flows from financing activities:                                                |                                                                                    |         |
| Proceeds from exercise of stock options                                              | 14                                                                                 | 54      |
| Repurchase of common stock                                                           | (174)                                                                              | (75)    |
| Dividends paid                                                                       | (903)                                                                              | (902)   |
| Proceeds from long-term debt (Note 2)                                                | —                                                                                  | 249     |
| Repayments of long-term debt (Note 2)                                                | (26)                                                                               | (274)   |
| Payments of financing costs                                                          | —                                                                                  | (29)    |
| Net cash used in financing activities                                                | (1,089)                                                                            | (977)   |
| Effect of exchange rate on cash, cash equivalents and restricted cash                | (4)                                                                                | 24      |
| Increase (decrease) in cash, cash equivalents and restricted cash                    | (513)                                                                              | 210     |
| Cash, cash equivalents and restricted cash at beginning of period                    | 4,661                                                                              | 2,430   |
| Cash, cash equivalents and restricted cash at end of period                          | \$4,148                                                                            | \$2,640 |
| Supplemental disclosure of cash flow information:                                    |                                                                                    |         |
| Cash payments for interest, net of amounts capitalized                               | \$159                                                                              | \$74    |
| Cash payments for taxes, net of refunds                                              | \$40                                                                               | \$40    |
| Change in construction payables                                                      | \$1                                                                                | \$(35)  |

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



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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. ("LVSC"), a Nevada corporation, and its subsidiaries (collectively the "Company") for the year ended December 31, 2018, and have been prepared by the Company pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in the financial statements prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") have been condensed or omitted pursuant to such rules and regulations; however, the Company believes the disclosures herein are adequate to make the information presented not misleading. 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.

On March 8, 2018, the Company entered into a purchase and sale agreement under which PCI Gaming Authority, an unincorporated, chartered instrumentality of the Poarch Band of Creek Indians, will acquire Sands Bethlehem for a total enterprise value of \$1.30 billion. The closing of the transaction is subject to regulatory review and other closing conditions.

In April 2019, the Company paid 72 million Singapore dollars ("SGD," approximately \$53 million at exchange rates in effect at the time of the transaction) to the Singapore Casino Regulatory Authority as part of the process to renew its gaming license at Marina Bay Sands, which gaming license now expires in April 2022.

Development Projects

The Company is constantly evaluating opportunities to improve its product offerings, such as refreshing its meeting and convention facilities, suites and rooms, retail malls, restaurant and nightlife mix and its gaming areas, as well as other anticipated revenue generating additions to the Company's Integrated Resorts.

Singapore

In April 2019, the Company's wholly owned subsidiary, Marina Bay Sands Pte. Ltd. ("MBS"), and the Singapore Tourism Board (the "STB") entered into a development agreement (the "Development Agreement") pursuant to which MBS will construct a development, which will include a hotel tower with a rooftop attraction, convention and meeting facilities and a state-of-the-art live entertainment arena with a seating capacity of at least 15,000 persons (the "MBS Expansion Project"). The Development Agreement provides for a total project cost of approximately SGD 4.5 billion (approximately \$3.3 billion at exchange rates in effect at the time of the transaction). The amount of the total project cost will be finalized as the Company completes design and development and begins construction. In connection with the Development Agreement, MBS entered into a lease with the STB for the parcels of land underlying the project. In April 2019, MBS provided various governmental agencies in Singapore the required premiums, deposits, stamp duty, goods and services tax and other fees in an aggregate amount of approximately SGD 1.54 billion (approximately \$1.14 billion at exchange rates in effect at the time of the transaction).

Recent Accounting Pronouncements

In February 2016, the Financial Accounting Standards Board ("FASB") issued an accounting standard update on leases, which requires all lessees to recognize right-of-use ("ROU") assets and lease liabilities, measured at the present value of the future minimum lease payments, at the lease commencement date. Lessor accounting remains largely unchanged under the new guidance. The standard also requires more detailed disclosures to enable users of financial statements to understand the nature, amount, timing, and uncertainty of cash flows arising from leases. The Company adopted the new standard on January 1, 2019, on a prospective basis, forgoing comparative reporting. The Company elected to utilize the transition guidance within the new standard, which allows the Company to carryforward the historical lease classification. The Company elected to not separate lease and non-lease components for all classes of underlying assets in which it is the lessee and made an accounting policy election to not account for leases with an initial term of 12 months or less on the balance sheet. Adoption of the standard resulted in the recording of additional



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LAS VEGAS SANDS CORP. AND SUBSIDIARIES  
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
(UNAUDITED)

ROU assets and lease liabilities for operating leases of \$337 million as of January 1, 2019. The adoption of this guidance did not have an impact on net income. (See disclosures at “Note 8 — Leases.”)

In June 2016, the FASB issued an accounting standard update that revises the methodology for measuring credit losses on financial instruments and the timing of when such losses are recorded. The guidance is effective for fiscal years beginning after December 15, 2019, including interim reporting periods within that reporting period, and should be applied on a modified retrospective basis, with early adoption permitted. The Company is currently assessing the effect the guidance will have on the Company's financial condition and results of operations, but does not expect it will have a material impact.

Note 2 — Long-Term Debt

Long-term debt consists of the following:

|                                                                                                                                                                                                                     | March 31,<br>2019 | December 31,<br>2018 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|----------------------|
|                                                                                                                                                                                                                     | (In millions)     |                      |
| Corporate and U.S. Related <sup>(1)</sup> :                                                                                                                                                                         |                   |                      |
| 2013 U.S. Credit Facility — Extended Term B (net of unamortized original issue discount and deferred financing costs of \$20 and \$21, respectively)                                                                | \$3,456           | \$ 3,464             |
| HVAC Equipment Lease                                                                                                                                                                                                | 11                | 12                   |
| Macao Related <sup>(1)</sup> :                                                                                                                                                                                      |                   |                      |
| 4.600% Senior Notes due 2023 (net of unamortized original issue discount and deferred financing costs of \$13 and \$14, respectively, and a positive cumulative fair value adjustment of \$8 and \$5, respectively) | 1,795             | 1,791                |
| 5.125% Senior Notes due 2025 (net of unamortized original issue discount and deferred financing costs of \$15 and \$16, respectively, and a positive cumulative fair value adjustment of \$9 and \$5, respectively) | 1,794             | 1,789                |
| 5.400% Senior Notes due 2028 (net of unamortized original issue discount and deferred financing costs of \$20 and \$21, respectively, and a positive cumulative fair value adjustment of \$9 and \$5, respectively) | 1,889             | 1,884                |
| Other                                                                                                                                                                                                               | 4                 | 4                    |
| Singapore Related <sup>(1)</sup> :                                                                                                                                                                                  |                   |                      |
| 2012 Singapore Credit Facility — Term (net of unamortized deferred financing costs of \$41 and \$43, respectively)                                                                                                  | 3,050             | 3,041                |
|                                                                                                                                                                                                                     | 11,999            | 11,985               |
| Less — current maturities                                                                                                                                                                                           | (111 )            | (111 )               |
| Total long-term debt                                                                                                                                                                                                | \$11,888          | \$ 11,874            |

Unamortized deferred financing costs of \$44 million and \$47 million as of March 31, 2019 and December 31, (1)2018, respectively, related to the Company's revolving credit facilities are included in other assets, net in the accompanying condensed consolidated balance sheets.

2013 U.S. Credit Facility

As of March 31, 2019, the Company had \$1.15 billion of available borrowing capacity under the 2013 Extended U.S. Revolving Facility, net of outstanding letters of credit.

2018 SCL Credit Facility

As of March 31, 2019, the Company had \$2.0 billion of available borrowing capacity under the 2018 SCL Revolving Facility.

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LAS VEGAS SANDS CORP. AND SUBSIDIARIES  
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
(UNAUDITED)

2012 Singapore Credit Facility

As of March 31, 2019, the Company had SGD 495 million (approximately \$365 million at exchange rates in effect on March 31, 2019) of available borrowing capacity under the 2012 Singapore Revolving Facility, net of outstanding letters of credit.

In April 2019, in connection with the MBS Expansion Project, MBS entered into a banker's guarantee for SGD 153 million (approximately \$113 million at exchange rates in effect at the time of the transaction). The amount available for borrowing under the 2012 Singapore Revolving Facility will be reduced by this amount until the expansion is complete.

Debt Covenant Compliance

As of March 31, 2019, management believes the Company was in compliance with all debt covenants.

Fair Value of Long-Term Debt

The estimated fair value of the Company's long-term debt as of March 31, 2019 and December 31, 2018, was approximately \$12.20 billion and \$11.65 billion, respectively, compared to its carrying value of \$12.09 billion and \$12.08 billion, respectively. The estimated fair value of the Company's long-term debt is based on level 2 inputs (quoted prices in markets that are not active).

Note 3 — Derivative Instruments

In August 2018, the Company entered into interest rate swap agreements (the "IR Swaps"), which qualified and were designated as fair value hedges, swapping fixed-rate for variable-rate interest to hedge changes in the fair value of the SCL Senior Notes. These IR Swaps have a total notional value of \$5.50 billion and expire in August 2020.

The total fair value of the IR Swaps as of March 31, 2019, was \$28 million. In the accompanying condensed consolidated balance sheet, \$26 million was recorded as an asset in other assets, net with an equal corresponding adjustment recorded against the carrying value of the SCL Senior Notes. The fair value of the IR Swaps was estimated using level 2 inputs from recently reported market forecasts of interest rates. Gains and losses due to changes in fair value of the IR Swaps completely offset changes in the fair value of the hedged portion of the underlying debt; therefore, no gain or loss has been recognized due to hedge ineffectiveness. Additionally, for the three months ended March 31, 2019, the Company recorded a \$2 million reduction to interest expense related to the realized amount associated with the IR Swaps.

Note 4 — Equity and Earnings Per Share

Common Stock

Dividends

On March 28, 2019, the Company paid a dividend of \$0.77 per common share as part of a regular cash dividend program. During the three months ended March 31, 2019, the Company recorded \$595 million as a distribution against retained earnings (of which \$333 million related to the principal stockholder and his family and the remaining \$262 million related to all other shareholders).

On March 30, 2018, the Company paid a dividend of \$0.75 per common share as part of a regular cash dividend program. During the three months ended March 31, 2018, the Company recorded \$593 million as a distribution against retained earnings (of which \$324 million related to the principal stockholder and his family and the remaining \$269 million related to all other shareholders).

In March 2019, the Company's Board of Directors declared a quarterly dividend of \$0.77 per common share (a total estimated to be approximately \$595 million) to be paid on June 27, 2019, to shareholders of record on June 19, 2019.



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**Repurchase Program**

In November 2016, the Company's Board of Directors authorized the repurchase of \$1.56 billion of its outstanding common stock, which was to expire in November 2018. In June 2018, the Company's Board of Directors authorized increasing the remaining repurchase amount of \$1.11 billion to \$2.50 billion and extending the expiration date to November 2020. Repurchases of the Company's common stock are made at the Company's discretion in accordance with applicable federal securities laws in the open market or otherwise. The timing and actual number of shares to be repurchased in the future will depend on a variety of factors, including the Company's financial position, earnings, legal requirements, other investment opportunities and market conditions. During the three months ended March 31, 2019 and 2018, the Company repurchased 2,859,964 and 1,048,200 shares, respectively, of its common stock for \$174 million and \$75 million, respectively, (including commissions) under the program. All share repurchases of the Company's common stock have been recorded as treasury stock.

**Noncontrolling Interests**

On February 22, 2019, SCL paid a dividend of 0.99 Hong Kong dollars ("HKD") per share to SCL shareholders (a total of \$1.02 billion, of which the Company retained \$716 million during the three months ended March 31, 2019).

On February 23, 2018, SCL paid a dividend of HKD 0.99 per share to SCL shareholders (a total of \$1.02 billion, of which the Company retained \$717 million during the three months ended March 31, 2018).

During the three months ended March 31, 2019 and 2018, the Company distributed \$2 million and \$3 million, respectively, to certain of its noncontrolling interests.

**Earnings Per Share**

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

|                                                                                                              | Three<br>Months<br>Ended<br>March 31,<br>2019 2018<br>(In<br>millions) |     |
|--------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|-----|
| Weighted-average common shares outstanding (used in the calculation of basic earnings per share)             | 774                                                                    | 789 |
| Potential dilution from stock options and restricted stock and stock units                                   | 1                                                                      | 1   |
| Weighted-average common and common equivalent shares (used in the calculation of diluted earnings per share) | 775                                                                    | 790 |
| Antidilutive stock options excluded from the calculation of diluted earnings per share                       | 5                                                                      | 1   |

**Note 5 — Income Taxes**

The Company's effective income tax rate was 10.3% for the three months ended March 31, 2019, compared to (54.6)% for the three months ended March 31, 2018. The effective income tax rate for the three months ended March 31, 2018, would have been 9.5% without the discrete benefit of \$670 million, as discussed further below. The effective income tax rate for the three months ended March 31, 2019, reflects a 17% statutory tax rate on the Company's Singapore operations, a 21% corporate income tax rate for its domestic operations and a zero percent tax rate on its Macao gaming operations due to the Company's income tax exemption in Macao.

In December 2017, the U.S. enacted the Tax Cuts and Jobs Act (the "Act"), which made significant changes to U.S. income tax laws, including transitioning from a worldwide tax system to a territorial tax system. This change in the

U.S. international tax system included the introduction of several new tax regimes effective as of January 1, 2018. One of the new taxes introduced is the Global Intangible Low-Taxed Income ("GILTI"), which effectively taxes the foreign earnings of U.S. multinational companies at 10.5%, half of the current corporate tax rate. During the three months ended March 31, 2018, the Company concluded how the foreign tax credits associated with this income, and allowed against the U.S. tax liability, would be utilized and the potential impact on the foreign tax credit deferred tax

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asset and related valuation allowance. As a result, the Company recorded a non-cash tax benefit of \$670 million relating to the reduction of the valuation allowance on certain U.S. foreign tax credit assets generated prior to 2018 previously determined not likely to be utilized. In November 2018, the Internal Revenue Service issued guidance, which clarified the implementation of GILTI and other provisions, which impacted the foreign tax credit utilization and required an increase of a valuation allowance related to the Company's historical foreign tax credits. As a result, the Company recorded a non-cash expense of \$727 million during the three months ended December 31, 2018. In April 2019, Venetian Macau Limited ("VML") entered into an agreement with the Macao government, which is effective through June 26, 2022, and provides for an annual payment of 38 million patacas (approximately \$5 million at exchange rates in effect on March 31, 2019) as a substitution for a 12% tax otherwise due from VML shareholders on dividend distributions paid from VML gaming profits.

Note 6 — Commitments and Contingencies

Litigation

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 and cash flows.

Round Square Company Limited v. Las Vegas Sands Corp.

On October 15, 2004, Richard Suen ("Suen") and Round Square Company Limited ("Round Square") filed an action against LVSC, Las Vegas Sands, Inc. ("LVSI"), Sheldon G. Adelson and William P. Weidner in the District Court of Clark County, Nevada (the "District Court"), asserting a breach of an alleged agreement to pay a success fee of \$5 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 between the parties. On March 16, 2006, plaintiffs' fraud claims were dismissed with prejudice against all defendants, and all claims were dismissed against individual defendants Sheldon G. Adelson and William P. Weidner. The remaining claims were tried to verdict in May 2008, and the jury returned a quantum meruit verdict for Suen in the amount of \$44 million. On June 30, 2008, a judgment was entered in this matter in the amount of \$59 million (including pre-judgment interest). The Company appealed the judgment to the Nevada Supreme Court, which reversed the judgment and remanded the case to the District Court for a new trial. The remanded claims were tried to verdict in May 2013, and the jury returned a quantum meruit verdict in favor of Round Square in the amount of \$70 million. On May 28, 2013, a judgment was entered in the matter in the amount of \$102 million (including pre-judgment interest). The Company appealed that judgment to the Nevada Supreme Court, which affirmed the judgment of quantum meruit liability, but reversed the damages award and remanded for a new trial on damages. That retrial began on March 4, 2019, in the District Court.

On March 20, 2019, the parties entered into a confidential settlement through which Round Square dismissed all claims brought in the District Court against the Company and released all claims as of the settlement date in exchange for a payment from the Company. On March 26, 2019, the District Court entered a stipulation and order dismissing all remaining claims with prejudice. This matter is concluded.

Asian American Entertainment Corporation, Limited v. Venetian Macau Limited, et al.

On January 19, 2012, Asian American Entertainment Corporation, Limited ("AAEC") filed a claim (the "Macao action") with the Macao Judicial Court (Tribunal Judicial de Base) against VML, LVS (Nevada) International Holdings, Inc. ("LVS (Nevada)"), Las Vegas Sands, LLC ("LVSLLC") and Venetian Casino Resort, LLC ("VCR") (collectively, the "Defendants"). The claim is for 3.0 billion patacas (approximately \$371 million at exchange rates in

effect on March 31, 2019) as compensation for damages resulting from the alleged breach of agreements entered into between AAEC and LVS (Nevada), LVSLLC and VCR (collectively, the "U.S. Defendants") for their joint presentation of a bid in response to the public tender held by the Macao government for the award of gaming concessions at the end of 2001. On July 4, 2012, the Defendants filed their defense to the Macao action with the Macao Judicial Court. AAEC then filed a reply that included several amendments to the original claim, although the amount of the claim was not amended.

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On January 4, 2013, the Defendants filed an amended defense to the amended claim with the Macao Judicial Court. On September 23, 2013, the U.S. Defendants filed a motion with the Macao Second Instance Court, seeking recognition and enforcement of the U.S. Court of Appeals ruling in the Prior Action, referred to below, given on April 10, 2009, which partially dismissed AAEC's claims against the U.S. Defendants.

On March 24, 2014, the Macao Judicial Court issued a Decision (Despacho Seneador) holding that AAEC's claim against VML is unfounded and that VML be removed as a party to the proceedings, and the claim should proceed exclusively against the U.S. Defendants. On May 8, 2014, AAEC lodged an appeal against that decision. The Macao Judicial Court further held that the existence of the pending application for recognition and enforcement of the U.S. Court of Appeals ruling before the Macao Second Instance Court did not justify a stay of the proceedings against the U.S. Defendants at the present time, although in principle an application for a stay of the proceedings against the U.S. Defendants could be reviewed after the Macao Second Instance Court had issued its decision. On June 25, 2014, the Macao Second Instance Court delivered a decision, which gave formal recognition to and allowed enforcement in Macao of the judgment of the U.S. Court of Appeals, dismissing AAEC's claims against the U.S. Defendants. AAEC appealed against the recognition decision to the Macao Court of Final Appeal, which, on May 6, 2015, dismissed the appeal and held the U.S. judgment to be final and have preclusive effect. The Macao Court of Final Appeal's decision became final on May 21, 2015. On June 5, 2015, the U.S. Defendants applied to the Macao Judicial Court to dismiss the claims against them as res judicata. AAEC filed its response to that application on June 30, 2015. The U.S. Defendants filed their reply on July 23, 2015. On September 14, 2015, the Macao Judicial Court admitted two further legal opinions from Portuguese and U.S. law experts. On March 16, 2016, the Macao Judicial Court dismissed the defense of res judicata. An appeal against that decision was lodged on April 7, 2016, together with a request that the appeal be heard immediately. By a decision dated April 13, 2016, the Macao Judicial Court accepted that the appeal be heard immediately. Legal arguments were submitted May 23, 2016. AAEC replied to the legal arguments on or about July 14, 2016, which was three days late, upon payment of a penalty. The U.S. Defendants submitted a response on September 20, 2016. On December 13, 2016, the Macao Judicial Court confirmed its earlier decision not to stay the proceedings pending appeal. As of the end of December 2016, all appeals (including VML's dismissal and the res judicata appeals) were being transferred to the Macao Second Instance Court. On May 11, 2017, the Macao Second Instance Court notified the parties of its decision of refusal to deal with the appeals at the present time. The Macao Second Instance Court ordered the court file be transferred back to the Macao Judicial Court. Evidence gathering by the Macao Judicial Court commenced by letters rogatory. On June 30, 2017, the Macao Judicial Court sent letters rogatory to the Public Prosecutor's office, for onward transmission to relevant authorities in the U.S. and Hong Kong. On August 10, 2017, the Hong Kong Mutual Legal Assistance Unit, International Law Division, Hong Kong Department of Justice ("HKMLAU") responded to the Public Prosecutor and requested additional information. On August 18, 2017, the Public Prosecutor forwarded the HKMLAU request to the Macao Judicial Court. On November 14, 2017, the Public Prosecutor replied to the HKMLAU. The HKMLAU sent a further communication to the Public Prosecutor on November 29, 2017, again requesting the Macao Judicial Court provide further information to enable processing of the Hong Kong letter rogatory. On January 6, 2018, the Macao Judicial Court notified the parties accordingly. On February 10, 2018, the Macao Judicial Court notified the parties that a communication dated January 25, 2018, had been received from the U.S. Department of Justice. The Macao Judicial Court extended the time for processing the letters rogatory until the end of June 2018. On May 7, 2018, the Macao Judicial Court further extended the time for processing one of the letters rogatory until mid-September 2018, which was further extended until early 2019. On March 14, 2019, the outstanding letter rogatory was returned executed. The trial of this matter has been scheduled by the Macao Judicial Court for mid-September 2019.

On March 25, 2015, application was made by the U.S. Defendants to the Macao Judicial Court to revoke the legal aid granted to AAEC, accompanied by a request for evidence taking from AAEC, relating to the fees and expenses that they incurred and paid in the U.S. subsequent action referred to below. The Macao Public Prosecutor has opposed the action on the ground of lack of evidence that AAEC's financial position has improved. No decision has been issued in respect to that application up to the present time. A complaint against AAEC's Macao lawyer arising from certain conduct in relation to recent U.S. proceedings was submitted to the Macao Lawyer's Association on October 19, 2015. A letter dated February 26, 2016, has been received from the Conselho Superior de Advocacia of the Macao Bar

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Association advising that disciplinary proceedings have commenced. A further letter dated April 5, 2016, was received from the Conselho Superior de Advocacia requesting confirmation that the signatories of the complaint were acting within their corporate authority. In a letter dated April 14, 2016, such confirmation was provided. On September 28, 2016, the Conselho Superior de Advocacia invited comments on the defense, which had been lodged by AAEC's Macao lawyer.

On July 9, 2014, the plaintiff filed another action in the U.S. District Court against LVSC, LVSLLC, VCR (collectively, the "LVSC entities"), Sheldon G. Adelson, William P. Weidner, David Friedman and Does 1-50 for declaratory judgment, equitable accounting, misappropriation of trade secrets, breach of confidence and conversion based on a theory of copyright law. The claim is for \$5.0 billion. On November 4, 2014, plaintiff finally effected notice on the LVSC entities, which was followed by a motion to dismiss by the LVSC entities on November 10, 2014. Plaintiff failed to timely respond, and on December 2, 2014, the LVSC entities moved for immediate dismissal and sanctions against plaintiff and his counsel for bringing a frivolous lawsuit. On December 19, 2014, plaintiff filed an incomplete and untimely response, which was followed by plaintiff's December 27, 2014 notice of withdrawal of the lawsuit and the LVSC entities' December 29, 2014, reply in favor of sanctions and dismissal with prejudice. On August 31, 2015, the judge dismissed the U.S. action and the LVSC entities' sanctions motion. The Macao action is in a preliminary stage and management has determined that based on proceedings to date, it is currently unable to determine the probability of the outcome of this matter or the range of reasonably possible loss, if any. The Company intends to defend this matter vigorously.

As previously disclosed by the Company, on February 5, 2007, AAEC brought a similar claim (the "Prior Action") in the U.S. District Court, against LVSI (now known as LVSLLC), VCR and Venetian Venture Development, LLC, which are subsidiaries of the Company, and William P. Weidner and David Friedman, who are former executives of the Company. The U.S. District Court entered an order on April 16, 2010, dismissing the Prior Action. On April 20, 2012, LVSLLC, VCR and LVS (Nevada) filed an injunctive action (the "Nevada Action") against AAEC in the U.S. District Court seeking to enjoin AAEC from proceeding with the Macao Action based on AAEC's filing, and the U.S. District Court's dismissal, of the Prior Action. On June 14, 2012, the U.S. District Court issued an order that denied the motions requesting the Nevada Action, thereby effectively dismissing the Nevada Action.

Note 7 — Segment Information

The Company's principal operating and developmental activities occur in three geographic areas: Macao, Singapore and the U.S. The Company reviews the results of operations for each of its operating segments: The Venetian Macao; Sands Cotai Central; The Parisian Macao; The Plaza Macao and Four Seasons Hotel Macao; Sands Macao; Marina Bay Sands; Las Vegas Operating Properties; and Sands Bethlehem. The Company also reviews construction and development activities for each of its primary projects currently under development, in addition to its reportable segments noted above, which include the renovation, expansion and rebranding of Sands Cotai Central to The Londoner Macao, the suites within the tower also occupied by the St. Regis hotel and the Four Seasons Tower Suites Macao in Macao, and the Las Vegas Condo Tower (for which construction currently is suspended) in the United States. The Company has included Ferry Operations and Other (comprised primarily of the Company's ferry operations and various other operations that are ancillary to its properties in Macao) to reconcile to condensed consolidated results of operations and financial condition. The Company has included Corporate and Other (which includes the Las Vegas Condo Tower and corporate activities of the Company) to reconcile to the condensed consolidated financial condition. The Company's segment information as of March 31, 2019 and December 31, 2018, and for the three months ended March 31, 2019 and 2018 is as follows:



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|                                              | Casino        | Rooms  | Food and<br>Beverage | Mall  | Convention,<br>Retail and<br>Other | Net<br>Revenues |
|----------------------------------------------|---------------|--------|----------------------|-------|------------------------------------|-----------------|
| Three Months Ended March 31, 2019            | (In millions) |        |                      |       |                                    |                 |
| Macao:                                       |               |        |                      |       |                                    |                 |
| The Venetian Macao                           | \$740         | \$ 57  | \$ 22                | \$56  | \$ 22                              | \$ 897          |
| Sands Cotai Central                          | 445           | 84     | 26                   | 16    | 6                                  | 577             |
| The Parisian Macao                           | 387           | 32     | 18                   | 12    | 5                                  | 454             |
| The Plaza Macao and Four Seasons Hotel Macao | 173           | 10     | 9                    | 31    | 1                                  | 224             |
| Sands Macao                                  | 139           | 4      | 7                    | 1     | 1                                  | 152             |
| Ferry Operations and Other                   | —             | —      | —                    | —     | 30                                 | 30              |
|                                              | 1,884         | 187    | 82                   | 116   | 65                                 | 2,334           |
| Marina Bay Sands                             | 544           | 102    | 53                   | 43    | 25                                 | 767             |
| United States:                               |               |        |                      |       |                                    |                 |
| Las Vegas Operating Properties               | 113           | 157    | 90                   | —     | 111                                | 471             |
| Sands Bethlehem                              | 120           | 4      | 7                    | 1     | 5                                  | 137             |
|                                              | 233           | 161    | 97                   | 1     | 116                                | 608             |
| Intercompany eliminations <sup>(1)</sup>     | —             | —      | —                    | —     | (63)                               | (63)            |
| Total net revenues                           | \$2,661       | \$ 450 | \$ 232               | \$160 | \$ 143                             | \$ 3,646        |
| Three Months Ended March 31, 2018            |               |        |                      |       |                                    |                 |
| Macao:                                       |               |        |                      |       |                                    |                 |
| The Venetian Macao                           | \$716         | \$ 57  | \$ 23                | \$53  | \$ 19                              | \$ 868          |
| Sands Cotai Central                          | 418           | 82     | 29                   | 14    | 6                                  | 549             |
| The Parisian Macao                           | 291           | 33     | 15                   | 15    | 5                                  | 359             |
| The Plaza Macao and Four Seasons Hotel Macao | 142           | 9      | 8                    | 31    | 1                                  | 191             |
| Sands Macao                                  | 142           | 4      | 7                    | —     | 1                                  | 154             |
| Ferry Operations and Other                   | —             | —      | —                    | —     | 39                                 | 39              |
|                                              | 1,709         | 185    | 82                   | 113   | 71                                 | 2,160           |
| Marina Bay Sands                             | 652           | 100    | 52                   | 42    | 26                                 | 872             |
| United States:                               |               |        |                      |       |                                    |                 |
| Las Vegas Operating Properties               | 120           | 156    | 88                   | —     | 113                                | 477             |
| Sands Bethlehem                              | 118           | 4      | 6                    | 1     | 5                                  | 134             |
|                                              | 238           | 160    | 94                   | 1     | 118                                | 611             |
| Intercompany eliminations <sup>(1)</sup>     | —             | —      | —                    | —     | (64)                               | (64)            |
| Total net revenues                           | \$2,599       | \$ 445 | \$ 228               | \$156 | \$ 151                             | \$ 3,579        |

(1) Intercompany eliminations include royalties and other intercompany services.

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|                                                      | Three<br>Months<br>Ended<br>March 31,<br>2019 2018<br>(In<br>millions) |        |
|------------------------------------------------------|------------------------------------------------------------------------|--------|
| Intersegment Revenues                                |                                                                        |        |
| Macao:                                               |                                                                        |        |
| The Venetian Macao                                   | \$ 1                                                                   | \$ 1   |
| Ferry Operations and Other                           | 6                                                                      | 6      |
|                                                      | 7                                                                      | 7      |
| Marina Bay Sands                                     | 1                                                                      | 2      |
| Las Vegas Operating Properties                       | 55                                                                     | 55     |
| Total intersegment revenues                          | \$63                                                                   | \$ 64  |
|                                                      |                                                                        |        |
|                                                      | Three Months<br>Ended<br>March 31,<br>2019 2018<br>(In millions)       |        |
| Adjusted Property EBITDA                             |                                                                        |        |
| Macao:                                               |                                                                        |        |
| The Venetian Macao                                   | \$361                                                                  | \$348  |
| Sands Cotai Central                                  | 212                                                                    | 201    |
| The Parisian Macao                                   | 163                                                                    | 116    |
| The Plaza Macao and Four Seasons Hotel Macao         | 85                                                                     | 73     |
| Sands Macao                                          | 40                                                                     | 47     |
| Ferry Operations and Other                           | (3 )                                                                   | 4      |
|                                                      | 858                                                                    | 789    |
| Marina Bay Sands                                     | 423                                                                    | 541    |
| United States:                                       |                                                                        |        |
| Las Vegas Operating Properties                       | 138                                                                    | 141    |
| Sands Bethlehem                                      | 33                                                                     | 29     |
|                                                      | 171                                                                    | 170    |
| Consolidated adjusted property EBITDA <sup>(1)</sup> | 1,452                                                                  | 1,500  |
| Other Operating Costs and Expenses                   |                                                                        |        |
| Stock-based compensation <sup>(2)</sup>              | (3 )                                                                   | (4 )   |
| Corporate                                            | (152 )                                                                 | (56 )  |
| Pre-opening                                          | (4 )                                                                   | (1 )   |
| Development                                          | (5 )                                                                   | (3 )   |
| Depreciation and amortization                        | (301 )                                                                 | (264 ) |
| Amortization of leasehold interests in land          | (9 )                                                                   | (9 )   |

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|                                                  |        |         |
|--------------------------------------------------|--------|---------|
| Loss on disposal or impairment of assets         | (7 )   | (5 )    |
| Operating income                                 | 971    | 1,158   |
| Other Non-Operating Costs and Expenses           |        |         |
| Interest income                                  | 20     | 5       |
| Interest expense, net of amounts capitalized     | (141 ) | (89 )   |
| Other expense                                    | (21 )  | (26 )   |
| Loss on modification or early retirement of debt | —      | (3 )    |
| Income tax (expense) benefit                     | (85 )  | 571     |
| Net income                                       | \$744  | \$1,616 |

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- Consolidated adjusted property EBITDA, which is a non-GAAP financial measure, is net income before stock-based compensation expense, corporate expense, pre-opening expense, development expense, depreciation and amortization, amortization of leasehold interests in land, gain or loss on disposal or impairment of assets, interest, other income or expense, gain or loss on modification or early retirement of debt and income taxes. Consolidated adjusted property EBITDA is a supplemental non-GAAP financial measure used by management, as well as industry analysts, to evaluate operations and operating performance. In particular, management utilizes consolidated adjusted property EBITDA to compare the operating profitability of its operations with those of its competitors, as well as a basis for determining certain incentive compensation. Integrated Resort companies have historically reported adjusted property EBITDA as a supplemental performance measure to GAAP financial measures. In order to view the operations of their properties on a more stand-alone basis, Integrated Resort companies, including Las Vegas Sands Corp., have historically excluded certain expenses that do not relate to the management of specific properties, such as pre-opening expense, development expense and corporate expense, from their adjusted property EBITDA calculations. Consolidated adjusted property EBITDA should not be interpreted as an alternative to income from operations (as an indicator of operating performance) or to cash flows from operations (as a measure of liquidity), in each case, as determined in accordance with GAAP. The Company has significant uses of cash flow, including capital expenditures, dividend payments, interest payments, debt principal repayments and income taxes, which are not reflected in consolidated adjusted property EBITDA. Not all companies calculate adjusted property EBITDA in the same manner. As a result, consolidated adjusted property EBITDA as presented by the Company may not be directly comparable to similarly titled measures presented by other companies.
- (1) During the three months ended March 31, 2019 and 2018, the company recorded stock-based compensation expense of \$9 million in each period, of which \$6 million and \$5 million, respectively, is included in corporate expense on the company's condensed consolidated statements of operations.

|                                              | Three<br>Months<br>Ended<br>March 31,<br>2019 2018<br>(In<br>millions) |      |
|----------------------------------------------|------------------------------------------------------------------------|------|
| Capital Expenditures                         |                                                                        |      |
| Corporate and Other                          | \$23                                                                   | \$49 |
| Macao:                                       |                                                                        |      |
| The Venetian Macao                           | 24                                                                     | 42   |
| Sands Cotai Central                          | 64                                                                     | 28   |
| The Parisian Macao                           | 8                                                                      | 42   |
| The Plaza Macao and Four Seasons Hotel Macao | 30                                                                     | 9    |
| Sands Macao                                  | 2                                                                      | 4    |
|                                              | 128                                                                    | 125  |
| Marina Bay Sands                             | 49                                                                     | 35   |
| United States:                               |                                                                        |      |

|                                |       |       |
|--------------------------------|-------|-------|
| Las Vegas Operating Properties | 38    | 26    |
| Sands Bethlehem                | 2     | 3     |
|                                | 40    | 29    |
| Total capital expenditures     | \$240 | \$238 |

Note 8 — Leases

Management determines if a contract is or contains a lease at inception or modification of a contract. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. Control over the use of the identified asset means the lessee has both (a) the right to obtain substantially all of the economic benefits from the use of the asset and (b) the right to direct the use of the asset.

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Finance and operating lease ROU assets and liabilities are recognized based on the present value of future minimum lease payments over the expected lease term at commencement date. As the implicit rate is not determinable in most of the Company's leases, management uses the Company's incremental borrowing rate based on the information available at commencement date in determining the present value of future payments. The expected lease terms include options to extend or terminate the lease when it is reasonably certain the Company will exercise such option. Lease expense for minimum lease payments is recognized on a straight-line basis over the expected lease term. The Company's lease arrangements have lease and non-lease components. For leases in which the Company is the lessee, the Company accounts for the lease components and non-lease components as a single lease component for all classes of underlying assets (primarily real estate). Leases, in which the Company is the lessor, are substantially all accounted for as operating leases and the lease components and non-lease components are accounted for separately. Leases with an expected term of 12 months or less are not accounted for on the balance sheet and the related lease expense is recognized on a straight-line basis over the expected lease term.

**Lessee**

The Company has operating and finance leases for various real estate (including the Macao and Singapore leasehold interests in land) and equipment. Certain of our lease agreements include rental payments based on a percentage of sales over specified contractual amounts, rental payments adjusted periodically for inflation and rental payments based on usage. The Company's leases include options to extend the lease term one month to 40 years. Land concessions in Macao generally have an initial term of 25 years with automatic extensions of 10 years thereafter in accordance with Macao law. The Company anticipates a useful life of 50 years related to the land concessions in Macao. The Company's lease agreements do not contain any material residual value guarantees or material restrictive covenants. Leases recorded on the balance sheet consist of the following (excluding the Macao and Singapore leasehold interests in land assets):

| Leases                     | Classification on the Balance Sheet        | March<br>31,<br>2019<br>(In<br>millions) |
|----------------------------|--------------------------------------------|------------------------------------------|
| <b>Assets</b>              |                                            |                                          |
| Operating lease ROU assets | Other assets, net                          | \$ 195                                   |
| Finance lease ROU assets   | Property and equipment, net <sup>(1)</sup> | \$ 15                                    |
| <b>Liabilities</b>         |                                            |                                          |
| <b>Current</b>             |                                            |                                          |
| Operating                  | Other accrued liabilities                  | \$ 27                                    |
| Finance                    | Current maturities of long-term debt       | \$ 13                                    |
| <b>Noncurrent</b>          |                                            |                                          |
| Operating                  | Other long-term liabilities                | \$ 309                                   |
| Finance                    | Long-term debt                             | \$ 2                                     |

(1) Finance lease ROU assets are recorded net of accumulated depreciation of \$25 million as of March 31, 2019.

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LAS VEGAS SANDS CORP. AND SUBSIDIARIES  
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
(UNAUDITED)

Other information related to lease term and discount rate is as follows:

|                                       |                   |   |
|---------------------------------------|-------------------|---|
|                                       | March 31,<br>2019 |   |
| Weighted Average Remaining Lease Term |                   |   |
| Operating leases                      | 32.1 years        |   |
| Finance leases                        | 0.9 years         |   |
| Weighted Average Discount Rate        |                   |   |
| Operating leases <sup>(1)</sup>       | 4.6               | % |
| Finance leases                        | 6.2               | % |

<sup>(1)</sup> Upon adoption of the new lease standard, discount rates used for existing operating leases were established on January 1, 2019.

The components of lease expense are as follows:

|                                             |                                                                   |
|---------------------------------------------|-------------------------------------------------------------------|
|                                             | Three<br>Months<br>Ended<br>March<br>31, 2019<br>(In<br>millions) |
| Operating lease cost:                       |                                                                   |
| Amortization of leasehold interests in land | \$ 9                                                              |
| Operating lease cost                        | 7                                                                 |
| Short-term lease cost                       | 4                                                                 |
| Variable lease cost                         | 2                                                                 |
| Finance lease cost:                         |                                                                   |
| Amortization of ROU assets                  | 1                                                                 |
| Total lease cost                            | \$ 23                                                             |

Supplemental cash flow information related to leases is as follows:

|                                                                         |                                                                   |
|-------------------------------------------------------------------------|-------------------------------------------------------------------|
|                                                                         | Three<br>Months<br>Ended<br>March<br>31, 2019<br>(In<br>millions) |
| Cash paid for amounts included in the measurement of lease liabilities: |                                                                   |
| Operating cash flows for operating leases                               | \$ 7                                                              |
| Financing cash flows for finance leases                                 | \$ 1                                                              |

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LAS VEGAS SANDS CORP. AND SUBSIDIARIES  
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
(UNAUDITED)

Maturities of lease liabilities are summarized as follows:

|                                                        | Operating<br>Leases | Finance<br>Leases |
|--------------------------------------------------------|---------------------|-------------------|
|                                                        | (In millions)       |                   |
| Year ending December 31,                               |                     |                   |
| 2019 (excluding the three months ended March 31, 2019) | \$ 29               | \$ 13             |
| 2020                                                   | 28                  | 1                 |
| 2021                                                   | 25                  | 1                 |
| 2022                                                   | 24                  | —                 |
| 2023                                                   | 24                  | —                 |
| Thereafter                                             | 556                 | —                 |
| Total future minimum lease payments                    | 686                 | 15                |
| Less — amount representing interest                    | (350 )              | —                 |
| Present value of future minimum lease payments         | 336                 | 15                |
| Less — current lease obligations                       | (27 )               | (13 )             |
| Long-term lease obligations                            | \$ 309              | \$ 2              |

Lessor

The Company leases space at several of its Integrated Resorts to various third parties as part of its mall operations, as well as retail and office space that are recorded within convention, retail and other revenues. These leases are non-cancelable operating leases with remaining lease periods that vary from one month to 18 years. The leases include minimum base rents with escalated contingent rent clauses.

Lease revenue consists of the following:

|                                               |        |       |
|-----------------------------------------------|--------|-------|
| Three<br>Months<br>Ended<br>March 31,<br>2019 | Mall   | Other |
| (In millions)                                 |        |       |
| Minimum rents                                 | \$ 128 | \$ 4  |
| Overage rents                                 | 7      | 1     |
|                                               | \$ 135 | \$ 5  |

Future minimum rentals on non-cancelable leases are as follows:

|                                                        | Mall          | Other |
|--------------------------------------------------------|---------------|-------|
|                                                        | (In millions) |       |
| Year ending December 31,                               |               |       |
| 2019 (excluding the three months ended March 31, 2019) | \$ 351        | \$ 10 |
| 2020                                                   | 384           | 12    |
| 2021                                                   | 287           | 12    |
| 2022                                                   | 197           | 8     |
| 2023                                                   | 92            | 7     |
| Thereafter                                             | 141           | 22    |

Total minimum future rentals

\$1,452 \$ 71

The total minimum future rentals do not include the escalated contingent rent clauses.

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LAS VEGAS SANDS CORP. AND SUBSIDIARIES  
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
(UNAUDITED)

The cost and accumulated depreciation of property and equipment the Company is leasing to third parties is as follows:

|                                 |                                          |
|---------------------------------|------------------------------------------|
|                                 | March<br>31,<br>2019<br>(In<br>millions) |
| Property and equipment, at cost | \$ 1,401                                 |
| Accumulated depreciation        | (501 )                                   |
| Property and equipment, net     | \$ 900                                   |

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LAS VEGAS SANDS CORP. AND SUBSIDIARIES

ITEM 2 — MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with, and is qualified in its entirety by, the condensed consolidated financial statements and the notes thereto, and other financial information included in this Form 10-Q. Certain statements in this "Management's Discussion and Analysis of Financial Condition and Results of Operations" are forward-looking statements. See "Special Note Regarding Forward-Looking Statements."

Operations

We view each of our Integrated Resort properties as an operating segment. Our operating segments in the Macao Special Administrative Region ("Macao") of the People's Republic of China consist of The Venetian Macao; Sands Cotai Central; The Parisian Macao; The Plaza Macao and Four Seasons Hotel Macao; and the Sands Macao. Our operating segment in Singapore is Marina Bay Sands. Our operating segments in the U.S. consist of the Las Vegas Operating Properties, which includes The Venetian Resort Las Vegas and the Sands Expo Center, and Sands Bethlehem.

On March 8, 2018, we entered into a purchase and sale agreement under which PCI Gaming Authority, an unincorporated, chartered instrumentality of the Poarch Band of Creek Indians, will acquire Sands Bethlehem for a total enterprise value of \$1.30 billion. The closing of the transaction is subject to regulatory review and other closing conditions.

In April 2019, our wholly owned subsidiary, Marina Bay Sands Pte. Ltd. ("MBS"), and the Singapore Tourism Board (the "STB") entered into a development agreement (the "Development Agreement") pursuant to which MBS will construct a development, which will include a hotel tower with a rooftop attraction, convention and meeting facilities and a state-of-the-art live entertainment arena with a seating capacity of at least 15,000 persons (the "MBS Expansion Project"). The Development Agreement provides for a total project cost of approximately 4.5 billion Singapore dollars ("SGD," approximately \$3.3 billion at exchange rates in effect at the time of the transaction). The amount of the total project cost will be finalized as we complete design and development and begin construction. In connection with the Development Agreement, MBS entered into a lease with the STB for the parcels of land underlying the project. In April 2019, MBS provided various governmental agencies in Singapore the required premiums, deposits, stamp duty, goods and services tax and other fees in an aggregate amount of approximately SGD 1.54 billion (approximately \$1.14 billion at exchange rates in effect at the time of the transaction).

In April 2019, we paid SGD 72 million (approximately \$53 million at exchange rates in effect at the time of the transaction) to the Singapore Casino Regulatory Authority as part of the process to renew our gaming license at Marina Bay Sands, which gaming license now expires in April 2022.

Critical Accounting Policies and Estimates

For a discussion of our significant accounting policies and estimates, please refer to "Management's Discussion and Analysis of Financial Condition and Results of Operations" presented in our 2018 Annual Report on Form 10-K filed on February 22, 2019.

There were no newly identified significant accounting estimates during the three months ended March 31, 2019, nor were there any material changes to the critical accounting policies and estimates discussed in our 2018 Annual Report.

Recent Accounting Pronouncements

See related disclosure at "Item 1 — Financial Statements — Notes to Condensed Consolidated Financial Statements — Note 1 — Organization and Business of Company — Recent Accounting Pronouncements."

Operating Results

Key Operating Revenue Measurements

Operating revenues at The Venetian Macao, Sands Cotai Central, The Parisian Macao, The Plaza Macao and Four Seasons Hotel Macao, Marina Bay Sands and our Las Vegas Operating Properties are dependent upon the volume of customers who stay at the hotel, which affects the price that can be charged for hotel rooms and our gaming volume.

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Operating revenues at Sands Macao and Sands Bethlehem are principally driven by gaming patrons who visit the properties on a daily basis.

The following are the key measurements we use to evaluate operating revenues:

Casino revenue measurements for Macao and Singapore: Macao and Singapore table games are segregated into two groups: Rolling Chip play (composed of VIP players) and Non-Rolling Chip play (mostly non-VIP players). The volume measurement for Rolling Chip play is non-negotiable gaming chips wagered and lost. The volume measurement for Non-Rolling Chip play is table games drop ("drop"), which is net markers issued (credit instruments), cash deposited in the table drop boxes and gaming chips purchased and exchanged at the cage. Rolling Chip and Non-Rolling Chip volume measurements are not comparable as they are two distinct measures of volume. The amounts wagered and lost for Rolling Chip play are substantially higher than the amounts dropped for Non-Rolling Chip play. Slot handle ("handle"), also a volume measurement, is the gross amount wagered for the period cited.

We view Rolling Chip win as a percentage of Rolling Chip volume, Non-Rolling Chip win as a percentage of drop and slot hold (amount won by the casino) as a percentage of slot handle. Win or hold percentage represents the percentage of Rolling Chip volume, Non-Rolling Chip drop or slot handle that is won by the casino and recorded as casino revenue. Our win and hold percentages are calculated before discounts, commissions, deferring revenue associated with our loyalty programs and allocating casino revenues related to goods and services provided to patrons on a complimentary basis. Our Rolling Chip win percentage is expected to be 3.0% to 3.3% in Macao and Singapore, and our Non-Rolling Chip table games have produced a trailing 12-month win percentage of 25.9%, 22.0%, 21.8%, 25.5%, 18.3% and 20.8% at The Venetian Macao, Sands Cotai Central, The Parisian Macao, The Plaza Macao and Four Seasons Hotel Macao, Sands Macao and Marina Bay Sands, respectively. Our slot machines have produced a trailing 12-month hold percentage of 4.6%, 3.9%, 3.0%, 5.7%, 3.2% and 4.5% at The Venetian Macao, Sands Cotai Central, The Parisian Macao, The Plaza Macao and Four Seasons Hotel Macao, Sands Macao and Marina Bay Sands, respectively. Actual win and hold percentages may vary from our expected win percentage and the trailing 12-month win and hold percentages. Generally, slot machine play is conducted on a cash basis. In Macao and Singapore, 15.5% and 19.4%, respectively, of our table games play was conducted on a credit basis for the three months ended March 31, 2019.

Casino revenue measurements for the U.S.: The volume measurements in the U.S. are slot handle, as previously described, and table games drop, which is the total amount of cash and net markers issued deposited in the table drop box. We view table games win as a percentage of drop and slot hold as a percentage of handle. Our win and hold percentages are calculated before discounts, commissions, deferring revenue associated with our loyalty programs and allocating casino revenues related to goods and services provided to patrons on a complimentary basis. Based upon our mix of table games, our table games are expected to produce a win percentage of 18% to 26% for Baccarat and 16% to 24% for non-Baccarat. Table games at Sands Bethlehem have produced a trailing 12-month win percentage of 18.4%. Our slot machines have produced a trailing 12-month hold percentage of 8.3% and 6.4% at our Las Vegas Operating Properties and at Sands Bethlehem, respectively. Actual win and hold percentages may vary from our expected win percentage and the trailing 12-month win and hold percentages. Similar to Macao and Singapore, slot machine play is generally conducted on a cash basis. Approximately 60.5% of our table games play at our Las Vegas Operating Properties, for the three months ended March 31, 2019, was conducted on a credit basis, while our table games play in Pennsylvania is primarily conducted on a cash basis.

Hotel revenue measurements: Performance indicators used are occupancy rate (a volume indicator), which is the average percentage of available hotel rooms occupied during a period and average daily room rate ("ADR," a price indicator), which is the average price of occupied rooms per day. Available rooms exclude those rooms unavailable for occupancy during the period due to renovation, development or other requirements. The calculations of the occupancy rate and ADR include the impact of rooms provided on a complimentary basis. Revenue per available room ("RevPAR") represents a summary of hotel ADR and occupancy. Because not all available rooms are occupied, ADR is normally higher than RevPAR. Reserved rooms where the guests do not show up for their stay and lose their deposit, or where guests check out early, may be re-sold to walk-in guests.

Mall revenue measurements: Occupancy, base rent per square foot and tenant sales per square foot are used as performance indicators. Occupancy represents gross leasable occupied area ("GLOA") divided by gross leasable area ("GLA") at the end of the reporting period. GLOA is the sum of: (1) tenant occupied space under lease and (2) tenants no longer occupying space, but paying rent. GLA does not include space currently under development or not on the market for lease. Base rent per square foot is the weighted average base or minimum rent charge in effect at the end of the reporting period for all tenants that would qualify to be included in occupancy. Tenant sales per square foot is the

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sum of reported comparable sales for the trailing 12 months divided by the comparable square footage for the same period. Only tenants that have been open for a minimum of 12 months are included in the tenant sales per square foot calculation.

### Three Months Ended March 31, 2019 Compared to the Three Months Ended March 31, 2018

#### Summary Financial Results

Net revenues for the three months ended March 31, 2019, increased 1.9% to \$3.65 billion, compared to \$3.58 billion for the three months ended March 31, 2018, and operating income decreased 16.1% to \$971 million compared to \$1.16 billion for the three months ended March 31, 2018. The increase in net revenues resulted from stronger operating performance in Macao due to an 8.1% increase in revenues. We experienced growth at each of our Macao properties on the Cotai Strip across our revenue streams. The decrease in operating income was primarily driven by lower Rolling Chip volume and win percentage in Singapore and a nonrecurring legal settlement. Net income decreased 54.0% to \$744 million for the three months ended March 31, 2019, compared to \$1.62 billion for the three months ended March 31, 2018. The decrease resulted from an increase in tax expense due to a nonrecurring non-cash income tax benefit of \$670 million related to U.S. tax reform in 2018 (as discussed below) and the decrease in operating income. Adjusted property EBITDA for the three months ended March 31, 2019, decreased 3.2% to \$1.45 billion, compared to \$1.50 billion for the three months ended March 31, 2018.

#### Operating Revenues

Our net revenues consisted of the following:

|                              | Three Months Ended<br>March 31, |         | Percent<br>Change |   |
|------------------------------|---------------------------------|---------|-------------------|---|
|                              | 2019                            | 2018    |                   |   |
|                              | (Dollars in millions)           |         |                   |   |
| Casino                       | \$2,661                         | \$2,599 | 2.4               | % |
| Rooms                        | 450                             | 445     | 1.1               | % |
| Food and beverage            | 232                             | 228     | 1.8               | % |
| Mall                         | 160                             | 156     | 2.6               | % |
| Convention, retail and other | 143                             | 151     | (5.3)             | % |
| Total net revenues           | \$3,646                         | \$3,579 | 1.9               | % |

Consolidated net revenues were \$3.65 billion for the three months ended March 31, 2019, an increase of \$67 million compared to \$3.58 billion for the three months ended March 31, 2018. The increase was primarily driven by a \$174 million increase from our Macao operations, primarily due to increased casino revenues. The increase was partially offset by a \$105 million decrease at Marina Bay Sands, due to decreased casino revenues.

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Net casino revenues increased \$62 million compared to the three months ended March 31, 2018. The increase was primarily attributable to a \$175 million increase in Macao, primarily driven by an increase in Non-Rolling Chip win percentage. This was partially offset by a \$108 million decrease at Marina Bay Sands, driven by a decrease in Rolling Chip win percentage and volume. The following table summarizes the results of our casino activity:

|                                              | Three Months Ended March 31, |   |         |        |           |
|----------------------------------------------|------------------------------|---|---------|--------|-----------|
|                                              | 2019                         |   | 2018    |        | Change    |
|                                              | (Dollars in millions)        |   |         |        |           |
| Macao Operations:                            |                              |   |         |        |           |
| The Venetian Macao                           |                              |   |         |        |           |
| Total net casino revenues                    | \$740                        |   | \$716   | 3.4    | %         |
| Non-Rolling Chip drop                        | \$2,266                      |   | \$2,244 | 1.0    | %         |
| Non-Rolling Chip win percentage              | 28.5                         | % | 23.7    | %      | 4.8 pts   |
| Rolling Chip volume                          | \$7,501                      |   | \$7,866 | (4.6)  | %         |
| Rolling Chip win percentage                  | 2.89                         | % | 4.20    | %      | (1.31)pts |
| Slot handle                                  | \$891                        |   | \$837   | 6.5    | %         |
| Slot hold percentage                         | 5.0                          | % | 5.1     | %      | (0.1)pts  |
| Sands Cotai Central                          |                              |   |         |        |           |
| Total net casino revenues                    | \$445                        |   | \$418   | 6.5    | %         |
| Non-Rolling Chip drop                        | \$1,699                      |   | \$1,760 | (3.5)  | %         |
| Non-Rolling Chip win percentage              | 23.8                         | % | 21.4    | %      | 2.4 pts   |
| Rolling Chip volume                          | \$1,944                      |   | \$2,407 | (19.2) | %         |
| Rolling Chip win percentage                  | 4.69                         | % | 3.43    | %      | 1.26 pts  |
| Slot handle                                  | \$1,063                      |   | \$1,276 | (16.7) | %         |
| Slot hold percentage                         | 4.1                          | % | 4.0     | %      | 0.1 pts   |
| The Parisian Macao                           |                              |   |         |        |           |
| Total net casino revenues                    | \$387                        |   | \$291   | 33.0   | %         |
| Non-Rolling Chip drop                        | \$1,140                      |   | \$1,086 | 5.0    | %         |
| Non-Rolling Chip win percentage              | 23.1                         | % | 20.2    | %      | 2.9 pts   |
| Rolling Chip volume                          | \$3,917                      |   | \$4,598 | (14.8) | %         |
| Rolling Chip win percentage                  | 4.63                         | % | 2.77    | %      | 1.86 pts  |
| Slot handle                                  | \$1,124                      |   | \$1,044 | 7.7    | %         |
| Slot hold percentage                         | 3.3                          | % | 2.7     | %      | 0.6 pts   |
| The Plaza Macao and Four Seasons Hotel Macao |                              |   |         |        |           |
| Total net casino revenues                    | \$173                        |   | \$142   | 21.8   | %         |
| Non-Rolling Chip drop                        | \$356                        |   | \$416   | (14.4) | %         |
| Non-Rolling Chip win percentage              | 25.1                         | % | 23.2    | %      | 1.9 pts   |
| Rolling Chip volume                          | \$4,488                      |   | \$3,055 | 46.9   | %         |
| Rolling Chip win percentage                  | 3.36                         | % | 3.25    | %      | 0.11 pts  |
| Slot handle                                  | \$149                        |   | \$135   | 10.4   | %         |
| Slot hold percentage                         | 4.9                          | % | 6.7     | %      | (1.8)pts  |
| Sands Macao                                  |                              |   |         |        |           |
| Total net casino revenues                    | \$139                        |   | \$142   | (2.1)  | %         |
| Non-Rolling Chip drop                        | \$663                        |   | \$657   | 0.9    | %         |
| Non-Rolling Chip win percentage              | 17.8                         | % | 18.2    | %      | (0.4)pts  |
| Rolling Chip volume                          | \$1,201                      |   | \$897   | 33.9   | %         |
| Rolling Chip win percentage                  | 1.86                         | % | 2.78    | %      | (0.92)pts |
| Slot handle                                  | \$615                        |   | \$640   | (3.9)  | %         |
| Slot hold percentage                         | 3.5                          | % | 3.1     | %      | 0.4 pts   |

Singapore Operations:

Marina Bay Sands

|                                 |         |         |           |
|---------------------------------|---------|---------|-----------|
| Total net casino revenues       | \$544   | \$652   | (16.6)%   |
| Non-Rolling Chip drop           | \$1,343 | \$1,397 | (3.9 )%   |
| Non-Rolling Chip win percentage | 21.2 %  | 18.4 %  | 2.8 pts   |
| Rolling Chip volume             | \$7,128 | \$7,375 | (3.3 )%   |
| Rolling Chip win percentage     | 3.13 %  | 4.77 %  | (1.64)pts |
| Slot handle                     | \$3,560 | \$3,885 | (8.4 )%   |
| Slot hold percentage            | 4.6 %   | 4.4 %   | 0.2 pts   |

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Three Months Ended March  
31,  
2019      2018      Change  
(Dollars in millions)

## U.S. Operations:

## Las Vegas Operating Properties

|                            |        |        |         |
|----------------------------|--------|--------|---------|
| Total net casino revenues  | \$113  | \$120  | (5.8 )% |
| Table games drop           | \$419  | \$491  | (14.7)% |
| Table games win percentage | 22.8 % | 22.7 % | 0.1 pts |
| Slot handle                | \$668  | \$618  | 8.1 %   |
| Slot hold percentage       | 8.4 %  | 8.3 %  | 0.1 pts |

## Sands Bethlehem

|                            |         |         |           |
|----------------------------|---------|---------|-----------|
| Total net casino revenues  | \$120   | \$118   | 1.7 %     |
| Table games drop           | \$274   | \$281   | (2.5 )%   |
| Table games win percentage | 20.2 %  | 18.2 %  | 2.0 pts   |
| Slot handle                | \$1,193 | \$1,171 | 1.9 %     |
| Slot hold percentage       | 6.3 %   | 6.6 %   | (0.3 )pts |

In our experience, average win percentages remain fairly consistent when measured over extended periods of time with a significant volume of wagers, but can vary considerably within shorter time periods as a result of the statistical variances associated with games of chance in which large amounts are wagered.

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Room revenues increased \$5 million compared to the three months ended March 31, 2018. During the three months ended March 31, 2019, there were approximately 10% fewer rooms available at The Parisian Macao compared to the three months ended March 31, 2018, after the room to suite conversions were completed in late 2018. The following table summarizes the results of our room activity:

|                                              | Three Months Ended<br>March 31,<br>2019    2018    Change<br>(Room revenues in<br>millions) |        |           |     |
|----------------------------------------------|---------------------------------------------------------------------------------------------|--------|-----------|-----|
| Macao Operations:                            |                                                                                             |        |           |     |
| The Venetian Macao                           |                                                                                             |        |           |     |
| Total room revenues                          | \$57                                                                                        | \$57   | —         |     |
| Occupancy rate                               | 96.8 %                                                                                      | 95.9 % | 0.9       | pts |
| Average daily room rate (ADR)                | \$228                                                                                       | \$232  | (1.7 )%   |     |
| Revenue per available room (RevPAR)          | \$221                                                                                       | \$223  | (0.9 )%   |     |
| Sands Cotai Central                          |                                                                                             |        |           |     |
| Total room revenues                          | \$84                                                                                        | \$82   | 2.4       | %   |
| Occupancy rate                               | 97.3 %                                                                                      | 93.5 % | 3.8       | pts |
| Average daily room rate (ADR)                | \$157                                                                                       | \$158  | (0.6 )%   |     |
| Revenue per available room (RevPAR)          | \$153                                                                                       | \$148  | 3.4       | %   |
| The Parisian Macao                           |                                                                                             |        |           |     |
| Total room revenues                          | \$32                                                                                        | \$33   | (3.0 )%   |     |
| Occupancy rate                               | 98.6 %                                                                                      | 94.5 % | 4.1       | pts |
| Average daily room rate (ADR)                | \$158                                                                                       | \$151  | 4.6       | %   |
| Revenue per available room (RevPAR)          | \$156                                                                                       | \$143  | 9.1       | %   |
| The Plaza Macao and Four Seasons Hotel Macao |                                                                                             |        |           |     |
| Total room revenues                          | \$10                                                                                        | \$9    | 11.1 %    |     |
| Occupancy rate                               | 89.7 %                                                                                      | 88.7 % | 1.0       | pts |
| Average daily room rate (ADR)                | \$335                                                                                       | \$322  | 4.0       | %   |
| Revenue per available room (RevPAR)          | \$300                                                                                       | \$285  | 5.3       | %   |
| Sands Macao                                  |                                                                                             |        |           |     |
| Total room revenues                          | \$4                                                                                         | \$4    | —         |     |
| Occupancy rate                               | 99.9 %                                                                                      | 98.8 % | 1.1       | pts |
| Average daily room rate (ADR)                | \$178                                                                                       | \$165  | 7.9       | %   |
| Revenue per available room (RevPAR)          | \$177                                                                                       | \$163  | 8.6       | %   |
| Singapore Operations:                        |                                                                                             |        |           |     |
| Marina Bay Sands                             |                                                                                             |        |           |     |
| Total room revenues                          | \$102                                                                                       | \$100  | 2.0       | %   |
| Occupancy rate                               | 98.1 %                                                                                      | 96.8 % | 1.3       | pts |
| Average daily room rate (ADR)                | \$454                                                                                       | \$455  | (0.2 )%   |     |
| Revenue per available room (RevPAR)          | \$446                                                                                       | \$440  | 1.4       | %   |
| U.S. Operations:                             |                                                                                             |        |           |     |
| Las Vegas Operating Properties               |                                                                                             |        |           |     |
| Total room revenues                          | \$157                                                                                       | \$156  | 0.6       | %   |
| Occupancy rate                               | 94.9 %                                                                                      | 95.8 % | (0.9 )pts |     |
| Average daily room rate (ADR)                | \$263                                                                                       | \$257  | 2.3       | %   |
| Revenue per available room (RevPAR)          | \$250                                                                                       | \$246  | 1.6       | %   |
| Sands Bethlehem                              |                                                                                             |        |           |     |
| Total room revenues                          | \$4                                                                                         | \$4    | —         |     |

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|                                     |       |   |       |   |       |     |
|-------------------------------------|-------|---|-------|---|-------|-----|
| Occupancy rate                      | 92.3  | % | 88.2  | % | 4.1   | pts |
| Average daily room rate (ADR)       | \$157 |   | \$159 |   | (1.3) | %)  |
| Revenue per available room (RevPAR) | \$145 |   | \$140 |   | 3.6   | %   |

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Mall revenues increased \$4 million compared to the three months ended March 31, 2018. The increase was primarily due to increases of \$3 million and \$2 million at the Shoppes at Venetian and the Shoppes at Cotai Central, respectively, driven by an increase in base rent as well as additional retail space available at Sands Cotai Central. For further information related to the financial performance of our malls, see "Additional Information Regarding our Retail Mall Operations." The following table summarizes the results of our malls on the Cotai Strip in Macao and in Singapore:

|                                           | Three Months Ended March 31, |         |         |     |  |
|-------------------------------------------|------------------------------|---------|---------|-----|--|
|                                           | 2019                         | 2018    | Change  |     |  |
|                                           | (Mall revenues in millions)  |         |         |     |  |
| Macao Operations:                         |                              |         |         |     |  |
| Shoppes at Venetian                       |                              |         |         |     |  |
| Total mall revenues                       | \$56                         | \$53    | 5.7     | %   |  |
| Mall gross leasable area (in square feet) | 813,416                      | 786,472 | 3.4     | %   |  |
| Occupancy                                 | 90.8                         | % 91.8  | % (1.0) | pts |  |
| Base rent per square foot                 | \$265                        | \$261   | 1.5     | %   |  |
| Tenant sales per square foot              | \$1,732                      | \$1,591 | 8.9     | %   |  |
| Shoppes at Cotai Central <sup>(1)</sup>   |                              |         |         |     |  |
| Total mall revenues                       | \$16                         | \$14    | 14.3    | %   |  |
| Mall gross leasable area (in square feet) | 519,666                      | 424,388 | 22.5    | %   |  |
| Occupancy                                 | 92.2                         | % 94.0  | % (1.8) | pts |  |
| Base rent per square foot                 | \$108                        | \$113   | (4.4)   | )%  |  |
| Tenant sales per square foot              | \$880                        | \$802   | 9.7     | %   |  |
| Shoppes at Parisian                       |                              |         |         |     |  |
| Total mall revenues                       | \$12                         | \$15    | (20.0)  | )%  |  |
| Mall gross leasable area (in square feet) | 295,915                      | 300,238 | (1.4)   | )%  |  |
| Occupancy                                 | 89.6                         | % 90.1  | % (0.5) | pts |  |
| Base rent per square foot                 | \$150                        | \$213   | (29.6)  | )%  |  |
| Tenant sales per square foot              | \$640                        | \$623   | 2.7     | %   |  |
| Shoppes at Four Seasons                   |                              |         |         |     |  |
| Total mall revenues                       | \$31                         | \$31    | —       |     |  |
| Mall gross leasable area (in square feet) | 241,548                      | 258,291 | (6.5)   | )%  |  |
| Occupancy                                 | 99.3                         | % 98.9  | % 0.4   | pts |  |
| Base rent per square foot                 | \$458                        | \$455   | 0.7     | %   |  |
| Tenant sales per square foot              | \$4,420                      | \$3,896 | 13.4    | %   |  |
| Singapore Operations:                     |                              |         |         |     |  |
| The Shoppes at Marina Bay Sands           |                              |         |         |     |  |
| Total mall revenues                       | \$43                         | \$42    | 2.4     | %   |  |
| Mall gross leasable area (in square feet) | 601,226                      | 608,571 | (1.2)   | )%  |  |
| Occupancy                                 | 95.5                         | % 96.3  | % (0.8) | pts |  |
| Base rent per square foot                 | \$266                        | \$256   | 3.9     | %   |  |
| Tenant sales per square foot              | \$1,918                      | \$1,719 | 11.6    | %   |  |

Note: This table excludes the results of our mall operations at Sands Macao and Sands Bethlehem.

<sup>(1)</sup> The Shoppes at Cotai Central will feature up to approximately 600,000 square feet of gross leasable area upon completion of all phases of Sands Cotai Central's renovation, rebranding and expansion to The Londoner Macao.

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Convention, retail and other revenues decreased \$8 million compared to the three months ended March 31, 2018. The decrease was primarily attributable to a \$10 million decrease in ferry operation revenues in connection with the opening of the Hong Kong-Macao-Zhuhai bridge in October 2018.

## Operating Expenses

Our operating expenses consisted of the following:

|                                               | Three Months Ended<br>March 31, |         | Percent<br>Change |   |
|-----------------------------------------------|---------------------------------|---------|-------------------|---|
|                                               | 2019                            | 2018    |                   |   |
|                                               | (Dollars in millions)           |         |                   |   |
| Casino                                        | \$1,439                         | \$1,371 | 5.0               | % |
| Rooms                                         | 110                             | 110     | —                 | % |
| Food and beverage                             | 178                             | 172     | 3.5               | % |
| Mall                                          | 17                              | 17      | —                 | % |
| Convention, retail and other                  | 80                              | 84      | (4.8)             | % |
| Provision for (recovery of) doubtful accounts | 4                               | (16)    | 125.0             | % |
| General and administrative                    | 369                             | 345     | 7.0               | % |
| Corporate                                     | 152                             | 56      | 171.4             | % |
| Pre-opening                                   | 4                               | 1       | 300.0             | % |
| Development                                   | 5                               | 3       | 66.7              | % |
| Depreciation and amortization                 | 301                             | 264     | 14.0              | % |
| Amortization of leasehold interests in land   | 9                               | 9       | —                 | % |
| Loss on disposal or impairment of assets      | 7                               | 5       | 40.0              | % |
| Total operating expenses                      | \$2,675                         | \$2,421 | 10.5              | % |

Operating expenses were \$2.68 billion for the three months ended March 31, 2019, an increase of \$254 million compared to \$2.42 billion for the three months ended March 31, 2018. The increase in operating expenses was primarily driven by an increase in corporate expense and an increase in casino expenses at our Macao operating properties due to increased casino revenues.

Casino expenses increased \$68 million compared to the three months ended March 31, 2018. The increase was primarily attributable to a \$76 million increase at our Macao operating properties, driven by an increase in gaming tax due to increased casino revenues. This was offset by a \$12 million decrease at Marina Bay Sands, driven by a decrease in gaming tax due to decreased casino revenues.

The provision for doubtful accounts was \$4 million for the three months ended March 31, 2019, compared to the recovery for doubtful accounts of \$16 million for the three months ended March 31, 2018. The increase primarily resulted from collections of previously reserved customer balances during the three months ended March 31, 2018. The amount of this provision can vary over short periods of time because of factors specific to the customers who owe us money from gaming activities. We believe the amount of our provision for doubtful accounts in the future will depend upon the state of the economy, our credit standards, our risk assessments and the judgment of our employees responsible for granting credit.

General and administrative expenses increased \$24 million compared to the three months ended March 31, 2018. The increase was primarily due to a \$17 million increase at our Macao operating properties, driven by increases in payroll and marketing related costs. Additionally, there was a \$7 million increase at Marina Bay Sands, resulting from increased property taxes and repairs and maintenance costs.

Corporate expenses increased in the three months ended March 31, 2019, due to a nonrecurring legal settlement. Depreciation and amortization expense increased \$37 million compared to the three months ended March 31, 2018. The increase was driven by a \$35 million increase due to the acceleration of depreciation on certain assets to be replaced in conjunction with The Londoner Macao project.



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## Segment Adjusted Property EBITDA

The following table summarizes information related to our segments (see "Item 1 — Financial Statements — Notes to Condensed Consolidated Financial Statements — Note 7 — Segment Information" for discussion of our operating segments and a reconciliation of consolidated adjusted property EBITDA to net income):

|                                                      | Three Months Ended<br>March 31, |         |                   |   |
|------------------------------------------------------|---------------------------------|---------|-------------------|---|
|                                                      | 2019                            | 2018    | Percent<br>Change |   |
|                                                      | (Dollars in millions)           |         |                   |   |
| Macao:                                               |                                 |         |                   |   |
| The Venetian Macao                                   | \$361                           | \$348   | 3.7               | % |
| Sands Cotai Central                                  | 212                             | 201     | 5.5               | % |
| The Parisian Macao                                   | 163                             | 116     | 40.5              | % |
| The Plaza Macao and Four Seasons Hotel Macao         | 85                              | 73      | 16.4              | % |
| Sands Macao                                          | 40                              | 47      | (14.9 )           | % |
| Ferry Operations and Other                           | (3 )                            | 4       | (175.0)           | % |
|                                                      | 858                             | 789     | 8.7               | % |
| Marina Bay Sands                                     | 423                             | 541     | (21.8 )           | % |
| United States:                                       |                                 |         |                   |   |
| Las Vegas Operating Properties                       | 138                             | 141     | (2.1 )            | % |
| Sands Bethlehem                                      | 33                              | 29      | 13.8              | % |
|                                                      | 171                             | 170     | 0.6               | % |
| Consolidated adjusted property EBITDA <sup>(1)</sup> | \$1,452                         | \$1,500 | (3.2 )            | % |

Consolidated adjusted property EBITDA, which is a non-GAAP financial measure, is used by management as the primary measure of the operating performance of our segments. Consolidated adjusted property EBITDA is net income before stock-based compensation expense, corporate expense, pre-opening expense, development expense, depreciation and amortization, amortization of leasehold interests in land, gain or loss on disposal or impairment of assets, interest, other income or expense, gain or loss on modification or early retirement of debt and income taxes. Consolidated adjusted property EBITDA is a supplemental non-GAAP financial measure used by management, as well as industry analysts, to evaluate operations and operating performance. In particular, management utilizes consolidated adjusted property EBITDA to compare the operating profitability of its operations with those of its competitors, as well as a basis for determining certain incentive compensation. Integrated Resort companies have historically reported adjusted property EBITDA as a supplemental performance measure to GAAP financial (1) measures. In order to view the operations of their properties on a more stand-alone basis, Integrated Resort companies, including Las Vegas Sands Corp., have historically excluded certain expenses that do not relate to the management of specific properties, such as pre-opening expense, development expense and corporate expense, from their adjusted property EBITDA calculations. Consolidated adjusted property EBITDA should not be interpreted as an alternative to income from operations (as an indicator of operating performance) or to cash flows from operations (as a measure of liquidity), in each case, as determined in accordance with GAAP. We have significant uses of cash flow, including capital expenditures, dividend payments, interest payments, debt principal repayments and income taxes, which are not reflected in consolidated adjusted property EBITDA. Not all companies calculate adjusted property EBITDA in the same manner. As a result, our presentation of consolidated adjusted property EBITDA may not be directly comparable to similarly titled measures presented by other companies.

Adjusted property EBITDA at our Integrated Resorts is primarily driven by our casino, room and mall operations. Adjusted property EBITDA at our Macao operations increased \$69 million compared to the three months ended March 31, 2018. The increase was driven by a \$47 million increase at The Parisian Macao, due to increases in Rolling Chip win percentage and Non-Rolling Chip win percentage and drop, a \$13 million increase at The Venetian Macao,

resulting from an increase in Non-Rolling Chip win percentage, and a \$12 million increase at The Plaza Macao and

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Four Seasons Hotel Macao, driven by an increase in Rolling Chip volume. The increase was partially offset by a decrease in our ferry operations, resulting from the opening of the Hong Kong-Macao-Zhuhai bridge in October 2018. Adjusted property EBITDA at Marina Bay Sands decreased \$118 million compared to the three months ended March 31, 2018. As previously described, the decrease was primarily due to decreased casino revenues, driven by a decrease in Rolling Chip win percentage, and an increase in the provision for doubtful accounts, driven by collections on previously reserved customer balances during the three months ended March 31, 2018.

**Interest Expense**

The following table summarizes information related to interest expense:

|                                                                                                         | Three Months Ended<br>March 31, |         |
|---------------------------------------------------------------------------------------------------------|---------------------------------|---------|
|                                                                                                         | 2019                            | 2018    |
|                                                                                                         | (Dollars in millions)           |         |
| Interest cost (which includes the amortization of deferred financing costs and original issue discount) | \$138                           | \$85    |
| Add — imputed interest on deferred proceeds from sale of The Shoppes at The Palazzo                     | 4                               | 4       |
| Less — capitalized interest                                                                             | (1)                             | —       |
| Interest expense, net                                                                                   | \$141                           | \$89    |
| Weighted average total debt balance                                                                     | \$12,103                        | \$9,842 |
| Weighted average interest rate                                                                          | 4.6                             | % 3.5   |

Interest cost increased \$53 million compared to the three months ended March 31, 2018, resulting primarily from increases in our weighted average interest rate and weighted average total debt balance. The increase in our weighted average interest rate was due to the issuance of the SCL Senior Notes and increases in interest rates globally. Our weighted average total debt balance increased in connection with the issuance of the SCL Senior Notes in August 2018 and additional borrowings on our U.S. Credit Facility in June 2018 (see "Item 1 — Financial Statements — Notes to Condensed Consolidated Financial Statements — Note 2 — Long-Term Debt").

**Other Factors Affecting Earnings**

Other expense was \$21 million for the three months ended March 31, 2019, compared to \$26 million for the three months ended March 31, 2018. Other expense during the three months ended March 31, 2019, was attributable to \$21 million of foreign currency transaction losses, driven by U.S. dollar denominated debt held by SCL and Singapore dollar denominated intercompany debt reported in U.S. dollars, resulting from the depreciation of the U.S. dollar versus the Singapore dollar during the period.

Our effective income tax rate was 10.3% for the three months ended March 31, 2019, compared to (54.6)% for the three months ended March 31, 2018. The effective income tax rate for the three months ended March 31, 2019, reflects a 17% statutory tax rate on our Singapore operations, a 21% corporate income tax for our domestic operations and a zero percent tax rate on our Macao gaming operations due to our income tax exemption in Macao. The tax rate for the three months ended March 31, 2018, was primarily driven by a non-cash tax benefit of \$670 million due to the impact of the Tax Cuts and Jobs Act enacted in the U.S. in December 2017 on the valuation allowance related to certain of our tax attributes. The effective income tax rate for the three months ended March 31, 2018, would have been 9.5% without the discrete benefit of \$670 million (see "Item 1 — Financial Statements — Notes to Condensed Consolidated Financial Statements — Note 5 — Income Taxes").

The net income attributable to our noncontrolling interests was \$162 million for the three months ended March 31, 2019, compared to \$160 million for the three months ended March 31, 2018. These amounts are primarily related to the noncontrolling interest of SCL.

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## Additional Information Regarding our Retail Mall Operations

We own and operate retail malls at our Integrated Resorts at The Venetian Macao, The Plaza Macao and Four Seasons Hotel Macao, Sands Cotai Central, The Parisian Macao, Sands Macao, Marina Bay Sands and Sands Bethlehem.

Management believes being in the retail mall business and, specifically, owning some of the largest retail properties in Asia will provide meaningful value for us, particularly as the retail market in Asia continues to grow.

Our malls are designed to complement our other unique amenities and service offerings provided by our Integrated Resorts. Our strategy is to seek out desirable tenants that appeal to our customers and provide a wide variety of shopping options. We generate our mall revenues primarily from leases with tenants through minimum base rents, overage rents, and reimbursements for common area maintenance ("CAM") and other expenditures.

The following tables summarize the results of our mall operations on the Cotai Strip and at Marina Bay Sands for the three months ended March 31, 2019 and 2018:

|                                               | Shoppes at<br>The Venetian<br>Macao<br>Four Seasons |       | Shoppes at<br>Cotai<br>Central | Shoppes<br>at<br>Parisian | The Shoppes<br>at Marina<br>Bay Sands | Total |
|-----------------------------------------------|-----------------------------------------------------|-------|--------------------------------|---------------------------|---------------------------------------|-------|
|                                               | (In millions)                                       |       |                                |                           |                                       |       |
| For the three months ended March 31, 2019     |                                                     |       |                                |                           |                                       |       |
| Mall revenues:                                |                                                     |       |                                |                           |                                       |       |
| Minimum rents <sup>(1)</sup>                  | \$47                                                | \$ 27 | \$ 10                          | \$ 9                      | \$ 34                                 | \$127 |
| Overage rents                                 | 1                                                   | 1     | 2                              | —                         | 3                                     | 7     |
| CAM, levies and direct recoveries             | 8                                                   | 3     | 4                              | 3                         | 6                                     | 24    |
| Total mall revenues                           | 56                                                  | 31    | 16                             | 12                        | 43                                    | 158   |
| Mall operating expenses:                      |                                                     |       |                                |                           |                                       |       |
| Common area maintenance                       | 4                                                   | 1     | 2                              | 1                         | 4                                     | 12    |
| Marketing and other direct operating expenses | 1                                                   | 1     | —                              | 1                         | 1                                     | 4     |
| Mall operating expenses                       | 5                                                   | 2     | 2                              | 2                         | 5                                     | 16    |
| Property taxes <sup>(2)</sup>                 | —                                                   | —     | —                              | —                         | 1                                     | 1     |
| Mall-related expenses <sup>(3)</sup>          | \$5                                                 | \$ 2  | \$ 2                           | \$ 2                      | \$ 6                                  | \$17  |
| For the three months ended March 31, 2018     |                                                     |       |                                |                           |                                       |       |
| Mall revenues:                                |                                                     |       |                                |                           |                                       |       |
| Minimum rents <sup>(1)</sup>                  | \$44                                                | \$ 28 | \$ 9                           | \$ 12                     | \$ 31                                 | \$124 |
| Overage rents                                 | 1                                                   | 1     | 1                              | —                         | 4                                     | 7     |
| CAM, levies and direct recoveries             | 8                                                   | 2     | 4                              | 3                         | 7                                     | 24    |
| Total mall revenues                           | 53                                                  | 31    | 14                             | 15                        | 42                                    | 155   |
| Mall operating expenses:                      |                                                     |       |                                |                           |                                       |       |
| Common area maintenance                       | 3                                                   | 1     | 1                              | 1                         | 4                                     | 10    |
| Marketing and other direct operating expenses | 2                                                   | 1     | 1                              | 1                         | 2                                     | 7     |
| Mall operating expenses                       | 5                                                   | 2     | 2                              | 2                         | 6                                     | 17    |
| Property taxes <sup>(2)</sup>                 | —                                                   | —     | —                              | —                         | 1                                     | 1     |
| Mall-related expenses <sup>(3)</sup>          | \$5                                                 | \$ 2  | \$ 2                           | \$ 2                      | \$ 7                                  | \$18  |

Note: This table excludes the results of our mall operations at Sands Macao and Sands Bethlehem.

(1) Minimum rents include base rents and straight-line adjustments of base rents.

(2) Commercial property that generates rental income is exempt from property tax for the first six years for newly constructed buildings in Cotai. Each property is also eligible to obtain an additional six-year exemption, provided certain qualifications are met. To date, The Venetian Macao, The Plaza Macao and Four Seasons Hotel Macao and The Parisian Macao have



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obtained a second exemption, extending the property tax exemption to July 2019, July 2020 and August 2028, respectively. Under the initial exemption, Sands Cotai Central has a distinct exemption for each hotel tower with expiration dates that range from March 2018 to November 2021. The Company is currently working on obtaining the second exemption for Sands Cotai Central.

(3) Mall-related expenses consist of CAM, marketing fees and other direct operating expenses, property taxes and provision for doubtful accounts, but excludes depreciation and amortization and general and administrative costs. It is common in the mall operating industry for companies to disclose mall net operating income ("NOI") as a useful supplemental measure of a mall's operating performance. Because NOI excludes general and administrative expenses, interest expense, impairment losses, depreciation and amortization, gains and losses from property dispositions, allocations to noncontrolling interests and provision for income taxes, it provides a performance measure that, when compared year over year, reflects the revenues and expenses directly associated with owning and operating commercial real estate properties and the impact on operations from trends in occupancy rates, rental rates and operating costs.

In the tables above, we believe taking total mall revenues less mall-related expenses provides an operating performance measure for our malls. Other mall operating companies may use different methodologies for deriving mall-related expenses. As such, this calculation may not be comparable to the NOI of other mall operating companies.

### Development Projects

We are constantly evaluating opportunities to improve our product offerings, such as refreshing our meeting and convention facilities, suites and rooms, retail malls, restaurant and nightlife mix and our gaming areas, as well as other anticipated revenue generating additions to our Integrated Resorts.

### Macao

We previously announced the renovation, expansion and rebranding of the Sands Cotai Central into a new destination Integrated Resort, The Londoner Macao, by adding extensive thematic elements both externally and internally. The Londoner Macao will feature new attractions and features from London, including some of London's most recognizable landmarks and expanded retail and food and beverage venues. We will add approximately 370 luxury suites within the tower also occupied by the St. Regis hotel. Design work is nearing completion and construction is being initiated and will be phased to minimize disruption during the property's peak periods. We expect the additional suites within the tower also occupied by the St. Regis hotel to be completed in 2020 and The Londoner Macao project to be completed in phases throughout 2020 and 2021.

We also previously announced the Four Seasons Tower Suites Macao, which will feature approximately 290 additional premium quality suites. We have completed the structural work of the tower and have commenced preliminary build out of the suites. We expect the project to be completed in the first quarter of 2020.

We anticipate the total costs associated with these development projects to be approximately \$2.2 billion. The ultimate costs and completion dates for these projects are subject to change as we finalize our planning and design work and complete the projects.

### Singapore

In April 2019, our wholly owned subsidiary, MBS, and the STB entered into a development agreement pursuant to which MBS will construct a development, which will include a hotel tower with a rooftop attraction, convention and meeting facilities and a state-of-the-art live entertainment arena with a seating capacity of at least 15,000 persons. The Development Agreement provides for a total project cost of approximately SGD 4.5 billion (approximately \$3.3 billion at exchange rates in effect at the time of the transaction). The amount of the total project cost will be finalized as we complete design and development and begin construction. In connection with the Development Agreement, MBS entered into a lease with the STB for the parcels of land underlying the project. In April 2019, MBS provided various governmental agencies in Singapore the required premiums, deposits, stamp duty, goods and services tax and other fees in an aggregate amount of approximately SGD 1.54 billion (approximately \$1.14 billion at exchange rates in effect at the time of the transaction).

### Other

We continue to evaluate additional development projects in each of our market and pursue new development opportunities globally.



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## Liquidity and Capital Resources

## Cash Flows — Summary

Our cash flows consisted of the following:

|                                                                       | Three Months<br>Ended March 31, |         |
|-----------------------------------------------------------------------|---------------------------------|---------|
|                                                                       | 2019                            | 2018    |
|                                                                       | (In millions)                   |         |
| Net cash generated from operating activities                          | \$820                           | \$1,397 |
| Cash flows from investing activities:                                 |                                 |         |
| Capital expenditures                                                  | (240 )                          | (238 )  |
| Proceeds from disposal of property and equipment                      | —                               | 4       |
| Net cash used in investing activities                                 | (240 )                          | (234 )  |
| Cash flows from financing activities:                                 |                                 |         |
| Proceeds from exercise of stock options                               | 14                              | 54      |
| Repurchase of common stock                                            | (174 )                          | (75 )   |
| Dividends paid                                                        | (903 )                          | (902 )  |
| Proceeds from long-term debt                                          | —                               | 249     |
| Repayments on long-term debt                                          | (26 )                           | (274 )  |
| Payments of financing costs                                           | —                               | (29 )   |
| Net cash used in financing activities                                 | (1,089 )                        | (977 )  |
| Effect of exchange rate on cash, cash equivalents and restricted cash | (4 )                            | 24      |
| Increase (decrease) in cash, cash equivalents and restricted cash     | (513 )                          | 210     |
| Cash, cash equivalents and restricted cash at beginning of period     | 4,661                           | 2,430   |
| Cash, cash equivalents and restricted cash at end of period           | \$4,148                         | \$2,640 |

## Cash Flows — Operating Activities

Table games play at our properties is conducted on a cash and credit basis, while slot machine play is primarily conducted on a cash basis. Our rooms, food and beverage and other non-gaming revenues are conducted primarily on a cash basis or as a trade receivable, resulting in operating cash flows being generally affected by changes in operating income and accounts receivable. Net cash generated from operating activities for the three months ended March 31, 2019, decreased \$577 million compared to the three months ended March 31, 2018. The factors driving the decrease in operating cash flows were lower revenues in Singapore, a nonrecurring legal settlement and increased interest costs as explained above. Other impacts in the first quarter of 2019 versus the prior year were the change in timing of our Macao interest expense payments (from monthly to semi-annual under the SCL Notes with the first occurring in February 2019) and a decrease in our working capital due to increased patron receivables and lower levels of deposits from gaming customers and outstanding chips.

## Cash Flows — Investing Activities

Capital expenditures for the three months ended March 31, 2019, totaled \$240 million, including \$128 million for construction and development activities in Macao, which consisted primarily of \$64 million for Sands Cotai Central, \$30 million for The Plaza Macao and Four Seasons Hotel Macao, \$24 million for The Venetian Macao and \$8 million for The Parisian Macao; \$49 million at Marina Bay Sands in Singapore; \$38 million at our Las Vegas Operating Properties; and \$23 million for corporate and other.

Capital expenditures for the three months ended March 31, 2018, totaled \$238 million, including \$125 million for construction and development activities in Macao, which consisted primarily of \$42 million for The Parisian Macao, \$42 million for The Venetian Macao and \$28 million for Sands Cotai Central; \$49 million for corporate and other; \$35 million at Marina Bay Sands in Singapore; and \$26 million at our Las Vegas Operating Properties.

## Cash Flows — Financing Activities

Net cash flows used in financing activities were \$1.09 billion for the three months ended March 31, 2019, which was primarily attributable to \$903 million in dividend payments, \$174 million in common stock repurchases and net repayments of \$26 million on our various credit facilities.



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Net cash flows used in financing activities were \$977 million for the three months ended March 31, 2018, which was primarily attributable to \$902 million in dividend payments, \$75 million in common stock repurchases and \$25 million of net repayments on our various credit facilities, partially offset by proceeds of \$54 million from the exercise of stock options.

### Capital Financing Overview

We fund our development projects primarily through borrowings from our debt instruments (see, "Part I — Item 1 — Financial Statements — Notes to Condensed Consolidated Financial Statements — Note 2 — Long-Term Debt") and operating cash flows.

Our U.S., SCL and Singapore credit facilities, as amended, contain various financial covenants, which include maintaining a maximum leverage ratio or net debt, as defined, to trailing twelve-month adjusted earnings before interest, income taxes, depreciation and amortization, as defined ("Adjusted EBITDA"). The U.S. credit facility requires our Las Vegas operations to maintain a maximum leverage ratio of net debt to Adjusted EBITDA at the end of each quarter to the extent any revolving loans or certain letters of credit are outstanding. The maximum leverage ratio is 5.5x for all quarterly periods through maturity. We can elect to contribute cash on hand to our Las Vegas operations on a bi-quarterly basis; such contributions having the effect of increasing Adjusted EBITDA during the applicable quarter for purposes of calculating compliance with the maximum leverage ratio. Our SCL credit facility requires our Macao operations to comply with similar financial covenants, including maintaining a maximum leverage ratio of debt to Adjusted EBITDA of 4.0x for all quarterly periods through maturity. Our Singapore credit facility requires our Marina Bay Sands operations to comply with similar financial covenants, including maintaining a maximum leverage ratio of debt to Adjusted EBITDA of 4.0x for all quarterly periods through maturity. As of March 31, 2019, our U.S., SCL and Singapore leverage ratios, as defined per the respective credit facility agreements, were 1.0x, 1.8x and 2.0x, respectively, compared to the maximum leverage ratios allowed of 5.5x, 4.0x and 4.0x, respectively. If we are unable to maintain compliance with the financial covenants under these credit facilities, we would be in default under the respective credit facilities.

Any defaults under our debt agreements would allow the lenders, in each case, to exercise their rights and remedies as defined under their respective agreements. If the lenders were to exercise their rights to accelerate the due dates of the indebtedness outstanding, there can be no assurance we would be able to repay or refinance any amounts that may become due and payable under such agreements, which could force us to restructure or alter our operations or debt obligations.

We held unrestricted cash and cash equivalents of approximately \$4.13 billion and restricted cash of approximately \$14 million as of March 31, 2019, of which approximately \$3.46 billion of the unrestricted amount is held by non-U.S. subsidiaries. Of the \$3.46 billion, approximately \$2.83 billion is available to be repatriated to the U.S., and we do not expect withholding taxes or other foreign income taxes to apply should these earnings be distributed in the form of dividends or otherwise. The remaining unrestricted amounts held by non-U.S. subsidiaries are not available for repatriation primarily due to dividend requirements to third-party public shareholders in the case of funds being repatriated from SCL. We believe the cash on hand and cash flow generated from operations, as well as the \$3.51 billion available for borrowing under our U.S., SCL and Singapore credit facilities, net of outstanding letters of credit, as of March 31, 2019, will be sufficient to maintain compliance with the financial covenants of our credit facilities and fund our working capital needs, committed and planned capital expenditures, development opportunities, debt obligations and dividend commitments. In the normal course of our activities, we will continue to evaluate global capital markets to consider future opportunities for enhancements of our capital structure.

On February 22, 2019, SCL paid a dividend of 0.99 Hong Kong dollars ("HKD") to SCL shareholders (a total of \$1.02 billion, of which we retained \$716 million during the three months ended March 31, 2019).

On March 28, 2019, we paid a quarterly dividend of \$0.77 per common share as part of a regular cash dividend program and, during the three months ended March 31, 2019, recorded \$595 million as a distribution against retained earnings. In March 2019, our Board of Directors declared a quarterly dividend of \$0.77 per common share (a total estimated to be approximately \$595 million) to be paid on June 27, 2019, to shareholders of record on June 19, 2019. In November 2016, our Board of Directors authorized the repurchase of \$1.56 billion of our outstanding common stock, which was to expire in November 2018. In June 2018, our Board of Directors authorized increasing the

remaining repurchase amount of \$1.11 billion to \$2.50 billion and extending the expiration date to November 2020. During the three months ended March 31, 2019, we repurchased 2,859,964 shares of our common stock for \$174 million (including

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commissions) under this program. All share repurchases of our common stock are recorded as treasury stock. As of March 31, 2019, we have remaining authorization to repurchase \$1.50 billion of our outstanding common shares. Repurchases of our common stock are made at our discretion in accordance with applicable federal securities laws in the open market or otherwise. The timing and actual number of shares to be repurchased in the future will depend on a variety of factors, including our financial position, earnings, legal requirements, other investment opportunities and market conditions.

### Special Note Regarding Forward-Looking Statements

This report contains forward-looking statements made pursuant to the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include the discussions of our business strategies and expectations concerning future operations, margins, profitability, liquidity and capital resources. In addition, in certain portions included in this report, the words: "anticipates," "believes," "estimates," "seeks," "expects," "plans," "intends" and similar expressions, as they relate to our company or management, are intended to identify forward-looking statements. Although we believe these forward-looking statements are reasonable, we cannot assure you any forward-looking statements will prove to be correct. These forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. These factors include, among others, the risks associated with:

- general economic and business conditions in the U.S. and internationally, which may impact levels of disposable income, consumer spending, group meeting business, pricing of hotel rooms and retail and mall sales;
- the uncertainty of consumer behavior related to discretionary spending and vacationing at our Integrated Resorts in Macao, Singapore, Las Vegas and Bethlehem, Pennsylvania;
- the extensive regulations to which we are subject and the costs of compliance or failure to comply with such regulations;
- our leverage, debt service and debt covenant compliance, including the pledge of our assets (other than our equity interests in our subsidiaries) as security for our indebtedness and ability to refinance our debt obligations as they come due or to obtain sufficient funding for our planned, or any future, development projects;
- fluctuations in currency exchange rates and interest rates;
- increased competition for labor and materials due to planned construction projects in Macao and Singapore and quota limits on the hiring of foreign workers;
- our ability to obtain required visas and work permits for management and employees from outside countries to work in Macao, and our ability to compete for the managers and employees with the skills required to perform the services we offer at our properties;
- new developments, construction projects and ventures;
- regulatory policies in mainland China or other countries in which our customers reside, or where we have operations, including visa restrictions limiting the number of visits or the length of stay for visitors from mainland China to Macao, restrictions on foreign currency exchange or importation of currency, and the judicial enforcement of gaming debts;
- our dependence upon properties primarily in Macao, Singapore and Las Vegas for all of our cash flow;
- the passage of new legislation and receipt of governmental approvals for our operations in Macao and Singapore and other jurisdictions where we are planning to operate;
- our insurance coverage, including the risk we have not obtained sufficient coverage, may not be able to obtain sufficient coverage in the future, or will only be able to obtain additional coverage at significantly increased rates;
- disruptions or reductions in travel, as well as disruptions in our operations, due to natural or man-made disasters, outbreaks of infectious diseases, terrorist activity or war;
- our ability to collect gaming receivables from our credit players;

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our relationship with junket operators in Macao;  
 our dependence on chance and theoretical win rates;  
 fraud and cheating;  
 our ability to establish and protect our intellectual property rights;  
 conflicts of interest that arise because certain of our directors and officers are also directors of SCL;  
 government regulation of the casino industry (as well as new laws and regulations and changes to existing laws and regulations), including gaming license regulation, the requirement for certain beneficial owners of our securities to be found suitable by gaming authorities, the legalization of gaming in other jurisdictions and regulation of gaming on the Internet;  
 increased competition in Macao and Las Vegas, including recent and upcoming increases in hotel rooms, meeting and convention space, retail space, potential additional gaming licenses and online gaming;  
 the popularity of Macao, Singapore and Las Vegas as convention and trade show destinations;  
 new taxes, changes to existing tax rates or proposed changes in tax legislation and the impact of U.S. tax reform;  
 our ability to maintain our gaming licenses, certificate and subconcession in Macao, Singapore, Las Vegas and Bethlehem, Pennsylvania;  
 the continued services of our key management and personnel;  
 any potential conflict between the interests of our principal stockholder and us;  
 the ability of our subsidiaries to make distribution payments to us;  
 labor actions and other labor problems;  
 our failure to maintain the integrity of information systems that contain legally protected information about people and company data, including against past or future cybersecurity attacks, and any litigation or disruption to our operations resulting from such loss of data integrity;  
 the completion of infrastructure projects in Macao;  
 • our relationship with GGP Limited Partnership or any successor owner of the Grand Canal Shoppes;  
 and  
 the outcome of any ongoing and future litigation.

All future written and verbal forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. New risks and uncertainties arise from time to time, and it is impossible for us to predict these events or how they may affect us. Readers are cautioned not to place undue reliance on these forward-looking statements. We assume no obligation to update any forward-looking statements after the date of this report as a result of new information, future events or developments, except as required by federal securities laws.

Investors and others should note we announce material financial information using our investor relations website (<https://investor.sands.com>), our company website, SEC filings, investor events, news and earnings releases, public conference calls and webcasts. We use these channels to communicate with our investors and the public about our company, our products and services, and other issues.

In addition, we post certain information regarding SCL, a subsidiary of Las Vegas Sands Corp. with ordinary shares listed on The Stock Exchange of Hong Kong Limited, from time to time on our company website and our investor relations website. It is possible the information we post regarding SCL could be deemed to be material information. The contents of these websites are not intended to be incorporated by reference into this Quarterly Report on Form 10-Q or in any other report or document we file, and any reference to these websites are intended to be inactive textual references only.

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### ITEM 3 — QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk is the risk of loss arising from adverse changes in market rates and prices, such as interest rates, foreign currency exchange rates and commodity prices. Our primary exposures to market risk are interest rate risk associated with our long-term debt and interest rate swap contracts and foreign currency exchange rate risk associated with our operations outside the United States, which we may manage through the use of futures, options, caps, forward contracts and similar instruments. We do not hold or issue financial instruments for trading purposes and do not enter into derivative transactions that would be considered speculative positions. Our derivative financial instruments currently consist of interest rate swap contracts on certain fixed-rate long-term debt, which have been designated as hedging instruments for accounting purposes.

As of March 31, 2019, the estimated fair value of our long-term debt was approximately \$12.20 billion, compared to its carrying value of \$12.09 billion. The estimated fair value of our long-term debt is based on level 2 inputs (quoted prices in markets that are not active). A hypothetical 100 basis point change in market rates would cause the fair value of our long-term debt to change by \$389 million, inclusive of the impact from the interest rate swaps. A hypothetical 100 basis point change in LIBOR and SOR would cause our annual interest cost on our long-term debt to change by approximately \$121 million.

The total notional amount of our fixed-to-variable interest rate swaps was \$5.50 billion as of March 31, 2019. The fair value of the interest rate swaps, on a stand-alone basis, as of March 31, 2019, was an asset of \$28 million. A hypothetical 100 basis point change in LIBOR would cause the fair value of the interest rate swaps to change by approximately \$75 million.

Foreign currency transaction gains were \$21 million for the three months ended March 31, 2019, primarily due to Singapore dollar denominated intercompany debt reported in U.S. dollars and U.S. dollar denominated debt issued by SCL. We may be vulnerable to changes in the U.S. dollar/SGD and U.S. dollar/pataca exchange rates. Based on balances as of March 31, 2019, a hypothetical 10% weakening of the U.S. dollar/SGD exchange rate would cause a foreign currency transaction loss of approximately \$118 million, and a hypothetical 1% weakening of the U.S. dollar/pataca exchange rate would cause a foreign currency transaction loss of approximately \$40 million. The pataca is pegged to the Hong Kong dollar and the Hong Kong dollar is pegged to the U.S. dollar (within a range). We maintain a significant amount of our operating funds in the same currencies in which we have obligations thereby reducing our exposure to currency fluctuations.

### ITEM 4 — CONTROLS AND PROCEDURES

#### Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures are designed to ensure information required to be disclosed in the reports the Company files or submits under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms and such information is accumulated and communicated to the Company's management, including its principal executive officer and principal financial officer, as appropriate, to allow for timely decisions regarding required disclosure. The Company's Chief Executive Officer and its Chief Financial Officer have evaluated the disclosure controls and procedures (as defined in the Securities Exchange Act of 1934 Rules 13a-15(e) and 15d-15(e)) of the Company as of March 31, 2019, and have concluded they are effective at the reasonable assurance level.

It should be noted any system of controls, however well designed and operated, can provide only reasonable, and not absolute, assurance the objectives of the system are met. In addition, the design of any control system is based in part upon certain assumptions about the likelihood of future events. Because of these and other inherent limitations of control systems, there can be no assurance any design will succeed in achieving its stated goals under all potential future conditions, regardless of how remote.

#### Changes in Internal Control over Financial Reporting

There were no changes in the Company's internal control over financial reporting that occurred during the fiscal quarter covered by this Quarterly Report on Form 10-Q that had a material effect, or were reasonably likely to have a material effect, on the Company's internal control over financial reporting.



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## PART II OTHER INFORMATION

## ITEM 1 — LEGAL PROCEEDINGS

The Company is party to litigation matters and claims related to its operations. For more information, see the Company's Annual Report on Form 10-K for the year ended December 31, 2018 and "Part I — Item 1 — Financial Statements — Notes to Condensed Consolidated Financial Statements — Note 6 — Commitments and Contingencies" of this Quarterly Report on Form 10-Q.

## ITEM 1A — RISK FACTORS

There have been no material changes from the risk factors previously disclosed in the Company's Annual Report on Form 10-K for the year ended December 31, 2018.

## ITEM 2 — UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

The following table provides information about share repurchases made by the Company of its common stock during the quarter ended March 31, 2019:

| Period                               | Total<br>Number of<br>Shares<br>Purchased | Weighted<br>Average<br>Price Paid<br>per Share | Total Number<br>of Shares<br>Purchased as<br>Part of a Publicly<br>Announced Program | Approximate<br>Dollar Value of<br>Shares that May<br>Yet Be Purchased<br>Under the Program<br>(in millions) <sup>(1)</sup> |
|--------------------------------------|-------------------------------------------|------------------------------------------------|--------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|
| January 1, 2019 — January 31, 2019   | —                                         | \$ —                                           | —                                                                                    | \$ 1,670                                                                                                                   |
| February 1, 2019 — February 28, 2019 | 2,041,647                                 | \$ 61.22                                       | 2,041,647                                                                            | \$ 1,545                                                                                                                   |
| March 1, 2019 — March 31, 2019       | 818,317                                   | \$ 59.98                                       | 818,317                                                                              | \$ 1,496                                                                                                                   |

In November 2016, the Company's Board of Directors authorized the repurchase of \$1.56 billion of its outstanding common stock, which was to expire on November 2, 2018. In June 2018, the Company's Board of Directors authorized increasing the remaining repurchase amount of \$1.11 billion to \$2.50 billion and extending the expiration date to November 2, 2020. All repurchases under the stock repurchase program are made from time to time at the Company's discretion in accordance with applicable federal securities laws in the open market or otherwise. All share repurchases of the Company's common stock have been recorded as treasury stock.

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ITEM 6 — EXHIBITS

List of Exhibits

Exhibit No. Description of Document

|       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 31.1  | <u>Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 31.2  | <u>Certification of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 32.1+ | <u>Certification of Chief Executive Officer of Las Vegas Sands Corp. pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 32.2+ | <u>Certification of Chief Financial Officer of Las Vegas Sands Corp. pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 101   | The following financial information from the Company's Quarterly Report on Form 10-Q for the three months ended March 31, 2019, formatted in Extensible Business Reporting Language ("XBRL"): (i) Condensed Consolidated Balance Sheets as of March 31, 2019 and December 31, 2018, (ii) Condensed Consolidated Statements of Operations for the three months ended March 31, 2019 and 2018, (iii) Condensed Consolidated Statements of Comprehensive Income for the three months ended March 31, 2019 and 2018, (iv) Condensed Consolidated Statements of Equity for the three months ended March 31, 2019 and 2018, (v) Condensed Consolidated Statements of Cash Flows for the three months ended March 31, 2019 and 2018, and (vi) Notes to Condensed Consolidated Financial Statements. |

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This exhibit will not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section. Such exhibit shall not be deemed incorporated into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended.

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LAS VEGAS SANDS CORP.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this quarterly report on Form 10-Q to be signed on its behalf by the undersigned thereunto duly authorized.

LAS VEGAS SANDS CORP.

April 19, 2019 By: /S/ SHELDON G. ADELSON

Sheldon G. Adelson

Chairman of the Board and

Chief Executive Officer

April 19, 2019 By: /S/ PATRICK DUMONT

Patrick Dumont

Executive Vice President and Chief Financial Officer