

BERMAN STEVEN L  
Form 4  
June 08, 2012

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

OMB APPROVAL

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**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
BERMAN STEVEN L

(Last) (First) (Middle)

C/O DORMAN PRODUCTS, INC., 3400 WALNUT STREET

(Street)

COLMAR, PA 18915

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
Dorman Products, Inc. [DORM]

3. Date of Earliest Transaction (Month/Day/Year)  
06/07/2012

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)

Chief Executive Officer

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common Stock	06/07/2012		S	401 <sup>(1)</sup> D	\$ 47 815,961	D	
Common Stock					95,070 <sup>(2)</sup>	I	By Partnership
Common Stock					959,902	I	By Grantor Retained Annuity Trust
Common Stock					51,648	I	By Charitable Remainder

Common Stock	53,457	I	Trust By Children in Trust
Common Stock	12,767 <sup>(3)</sup>	I	By 401(k)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474  
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr
						Date Exercisable	Expiration Date	Title	Amount or Number of Shares
						Code	V (A) (D)		

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BERMAN STEVEN L C/O DORMAN PRODUCTS, INC. 3400 WALNUT STREET COLMAR, PA 18915	X	X	Chief Executive Officer	

## Signatures

/s/ Steven L. Berman 06/08/2012

\*\*Signature of Reporting Person Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) These shares were sold by the reporting person pursuant to a Rule 10b5-1 trading plan adopted on May 31, 2012.
- (2) The reported securities represent only the reporting person's pecuniary interest in the securities held by the Partnership.  
The shares are represented by units held in a unitized stock fund through the Issuer's 401(k) Retirement Plan and Trust. The unitized stock fund of the Issuer's 401(k) Retirement Plan and Trust consists of cash and Common Stock in amounts that vary from time to time.
- (3) As of March 31, 2012, the reporting person had 16,492 units in the Issuer's 401(k) Retirement Plan and Trust, which units consisted of 12,767 shares of Common Stock.

### Remarks:

The filing of this Statement shall not be construed as an admission (a) that the person filing this Statement is, for the purposes

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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Weighted average interest rate

4.0% 3.9%

Interest cost decreased \$7.3 million compared to the year ended December 31, 2010, resulting from a decrease in our weighted average debt balance, partially offset by a slight increase in our weighted average interest rate. Capitalized interest increased \$21.1 million compared to the year ended December 31, 2010, primarily due to increased construction activities at Sands Cotai Central in Macao.

### *Other Factors Effecting Earnings*

Other expense was \$4.0 million for the year ended December 31, 2011, compared to \$8.3 million for the year ended December 31, 2010. The expense during the year ended December 31, 2011, was primarily due to decreases in the fair value of our interest rate cap agreements in Macao and Singapore, and foreign exchange losses.

The loss on modification or early retirement of debt was \$22.6 million for the year ended December 31, 2011, and was primarily due to the refinancing of our VML and VOL credit facilities (see Item 8 Financial Statements and Supplementary Data Notes to Consolidated Financial Statements Note 8 Long-Term Debt Macao Related Debt ).

Our effective income tax rate was 10.1% for the year ended December 31, 2011, compared to 8.7% for the year ended December 31, 2010. The effective income tax rate for the years ended December 31, 2011 and 2010, reflects a 17% statutory tax rate on our Singapore operations and a zero percent tax rate on our Macao gaming operations due to our income tax exemption in Macao, which, if not extended, will expire in 2013. During July 2012, we requested an additional 5-year income tax exemption. We have recorded a valuation allowance related to deferred tax assets generated by operations in the U.S. and certain foreign jurisdictions; however, to the extent that the financial results of these operations improve and it becomes more-likely-than-not that these deferred tax assets or a portion thereof are realizable, we will reduce the valuation allowances in the period such determination is made.

The net income attributable to our noncontrolling interests was \$323.0 million for the year ended December 31, 2011, compared to \$182.2 million for the year ended December 31, 2010. These amounts are primarily related to the noncontrolling interest of SCL.

### Development Projects

We have suspended portions of our development projects and should general economic conditions fail to improve, if we are unable to obtain sufficient funding or applicable government approvals such that completion of our suspended projects is not probable, or should management decide to abandon certain projects, all or a portion of our investment to date on our suspended projects could be lost and would result in an impairment charge.

### *Macao*

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We submitted plans to the Macao government for The Parisian Macao, an integrated resort that will be connected to The Venetian Macao and Four Seasons Macao. The Parisian Macao, which is currently expected to open in late 2015, is intended to include a gaming area (to be operated under our gaming subconcession), hotel and shopping mall. We expect the cost to design, develop and construct The Parisian Macao to be approximately \$2.7 billion, inclusive of payments made for the land premium. We commenced construction activities and have capitalized costs of \$118.9 million, including the land premium (net of amortization), as of December 31, 2012. In addition, we will be completing the development of some public areas surrounding our Cotai Strip properties on behalf of the Macao government.

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As of December 31, 2012, we have capitalized an aggregate of \$8.43 billion in construction costs and land premiums (net of amortization) for our Cotai Strip developments, which include The Venetian Macao, Four Seasons Macao, Sands Cotai Central and The Parisian Macao, as well as our investments in transportation infrastructure, including our passenger ferry service operations. In addition to funding phases I and II of Sands Cotai Central with borrowings under our \$3.7 billion Macao credit facility that was completed in November 2011 (the 2011 VML Credit Facility, see Liquidity and Capital Resources Development Financing Strategy for further disclosure), we will need to arrange additional financing to fund the balance of our Cotai Strip developments on terms suitable to us.

Land concessions in Macao generally have an initial term of 25 years with automatic extensions of 10 years thereafter in accordance with Macao law. We have received land concessions from the Macao government to build on parcels 1, 2, 3 and 5 and 6, including the sites on which The Venetian Macao, Four Seasons Macao and Sands Cotai Central are, and The Parisian Macao will be, located. We do not own these land sites in Macao; however, the land concessions grant us exclusive use of the land. As specified in the land concessions, we are required to pay premiums for each parcel, which are either payable in a single lump sum upon acceptance of the land concessions by the Macao government or in seven semi-annual installments, as well as annual rent for the term of the land concessions.

Under our land concession for Sands Cotai Central, we are required to complete the development by May 2014. The land concession for The Parisian Macao contains a similar requirement, which was extended by the Macao government in July 2012, that the development be completed by April 2016. We expect to apply for an extension from the Macao government to complete Sands Cotai Central, as we will be unable to meet the May 2014 deadline. Should we determine that we are unable to complete The Parisian Macao by April 2016, we would then also expect to apply for an extension from the Macao government. If we are unable to meet The Parisian Macao deadline and the deadlines for either development are not extended, we could lose our land concessions for Sands Cotai Central or The Parisian Macao, which would prohibit us from operating any facilities developed under the respective land concessions. As a result, we could record a charge for all or some portion of the \$3.96 billion or \$118.9 million in capitalized construction costs and land premiums (net of amortization), as of December 31, 2012, related to Sands Cotai Central and The Parisian Macao, respectively.

**United States**

We were constructing the Las Vegas Condo Tower, located on the Las Vegas Strip between The Palazzo and The Venetian Las Vegas. We suspended our construction activities for the project due to reduced demand for Las Vegas Strip condominiums and the overall decline in general economic conditions. We intend to recommence construction when demand and conditions improve. As of December 31, 2012, we have capitalized construction costs of \$178.9 million for this project. The impact of the suspension on the estimated overall cost of the project is currently not determinable with certainty.

**Other**

We continue to aggressively pursue a variety of new development opportunities around the world.

**Liquidity and Capital Resources****Cash Flows Summary**

Our cash flows consisted of the following:

	Year Ended December 31,		
	2012	2011	2010
	(In thousands)		
Net cash generated from operating activities	\$ 3,057,757	\$ 2,662,496	\$ 1,870,151
Cash flows from investing activities:			
Change in restricted cash and cash equivalents	693	804,394	(688,266)
Capital expenditures	(1,449,234)	(1,508,493)	(2,023,981)
Proceeds from disposal of property and equipment	2,909	6,093	49,735
Acquisition of intangible assets		(100)	(45,303)
Purchases of investments			(173,774)
Proceeds from investments			173,774

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Net cash used in investing activities	(1,445,632)	(698,106)	(2,707,815)
Cash flows from financing activities:			
Proceeds from exercise of stock options	46,240	25,505	16,455

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	Year Ended December 31,		
	2012	2011	2010
	(In thousands)		
Proceeds from exercise of warrants	528,908	12,512	225,514
Dividends paid	(3,442,312)	(75,297)	(93,400)
Distributions to noncontrolling interests	(10,466)	(10,388)	
Deemed distribution to Principal Stockholder	(18,576)		
Proceeds from long-term debt	4,351,486	3,201,535	1,397,293
Repayments of long-term debt	(4,399,698)	(3,300,310)	(2,600,875)
Repurchases and redemption of preferred stock		(845,321)	
Payments of preferred stock inducement premium		(16,871)	(6,579)
Payments of deferred financing costs	(100,888)	(84,826)	(65,965)
Net cash used in financing activities	(3,045,306)	(1,093,461)	(1,127,557)
Effect of exchange rate on cash	43,229	(5,292)	46,886
Increase (decrease) in cash and cash equivalents	\$ (1,389,952)	\$ 865,637	\$ (1,918,335)

**Cash Flows Operating Activities**

Table games play at our properties is conducted on a cash and credit basis. Slot machine play is primarily conducted on a cash basis. The retail hotel rooms business is generally conducted on a cash basis, the group hotel rooms business is conducted on a cash and credit basis, and banquet business is conducted primarily on a credit basis resulting in operating cash flows being generally affected by changes in operating income and accounts receivable. Net cash generated from operating activities increased \$395.3 million compared to the year ended December 31, 2011. The increase was primarily attributable to the increase in operating cash flows generated from our Macao operations.

**Cash Flows Investing Activities**

Capital expenditures for the year ended December 31, 2012, totaled \$1.45 billion, including \$1.05 billion in Macao (primarily for Sands Cotai Central); \$156.2 million at our Las Vegas Operating Properties, \$119.6 million in Singapore, \$22.4 million at Sands Bethlehem; and \$100.9 million for corporate and other activities.

**Cash Flows Financing Activities**

Net cash flows used in financing activities were \$3.05 billion for the year ended December 31, 2012, which was primarily attributable to \$3.44 billion in dividend payments, \$189.7 million for the redemption of our Senior Notes and repayments of \$140.3 million on our ferry financing facility, partially offset by \$525.0 million of proceeds from the exercise of warrants by our Principal Stockholder's family and proceeds of \$326.0 million from our 2012 Singapore Revolving Facility.

As of December 31, 2012, we had \$677.1 million available for borrowing under our U.S., Macao and Singapore credit facilities, net of letters of credit.

**Development Financing Strategy**

Through December 31, 2012, we have funded our development projects primarily through borrowings from our credit facilities (see Item 8 Financial Statements and Supplementary Data Notes to Consolidated Financial Statements Note 8 Long-Term Debt), operating cash flows, proceeds from our equity offerings and proceeds from the disposition of non-core assets.

The U.S. credit facility requires our Las Vegas operations to comply with certain financial covenants at the end of each quarter, including maintaining a maximum leverage ratio of net debt, as defined, to trailing twelve-month adjusted earnings before interest, income taxes, depreciation and amortization, as defined ( Adjusted EBITDA ). The maximum leverage ratio is 5.0x for all quarterly periods through maturity. We can elect to contribute up to \$50 million of 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 (the EBITDA true-up ). Our Macao credit facility also requires our Macao operations to comply with similar financial covenants, which commenced with the quarterly period ended March 31, 2012, including maintaining a maximum leverage ratio of debt to Adjusted EBITDA.

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The maximum leverage ratio is 4.5x for the quarterly periods ending December 31, 2012 through June 30, 2013, decreases to 4.0x for the quarterly periods ending September 30, 2013 through December 31, 2014, decreases to 3.5x for the quarterly periods ending March 31 through December 31, 2015, and then decreases to, and remains at, 3.0x for all quarterly periods thereafter through maturity. Our Singapore credit facility requires operations of Marina Bay Sands to comply with similar financial covenants, which commenced with the quarterly period ended September 30, 2012, including maintaining a maximum leverage ratio of debt to Adjusted EBITDA. The maximum leverage ratio is 4.0x for the quarterly period ending December 31, 2012 through September 30, 2013, decreases to 3.5x for the quarterly periods ending December 31, 2013 through December 31, 2014, and then decreases to, and remains at, 3.0x for all quarterly periods thereafter through maturity. As of December 31, 2012, our U.S., Macao and Singapore leverage ratios were 1.2x, 1.6x and 3.0x, respectively, compared to the maximum leverage ratios allowed of 5.0x, 4.5x 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. A default under the U.S. credit facility would trigger a cross-default under our airplane financings. Any defaults or cross-defaults under these 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 that 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.

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We held unrestricted cash and cash equivalents of approximately \$2.51 billion and restricted cash and cash equivalents of approximately \$6.5 million as of December 31, 2012, of which approximately \$2.25 billion of the unrestricted amount is held by non-U.S. subsidiaries. Of the \$2.25 billion, approximately \$1.65 billion is available to be repatriated to the U.S. with minimal taxes owed on such amounts due to the Company's significant foreign taxes paid, which would ultimately generate U.S. foreign tax credits if cash is repatriated. The remaining unrestricted amounts 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 will be sufficient to maintain compliance with the financial covenants of our credit facilities. We will need to arrange additional financing to fund the balance of our Cotai Strip developments on terms suitable to us, including pursuing approximately \$2.0 billion of financing for The Parisian Macao.

In the normal course of our activities, we will continue to evaluate our capital structure and opportunities for enhancements thereof, including evaluating strategic alternatives related to our Pennsylvania operations. In November 2011, we completed the \$3.7 billion 2011 VML Credit Facility, which was used to repay the outstanding indebtedness under the VML and VOL credit facilities, as well as continue to fund the development, construction and completion of certain components of Sands Cotai Central. In March 2012, we redeemed the outstanding balance of Senior Notes for \$191.7 million and recorded a \$2.8 million loss on early retirement of debt during the year ended December 31, 2012. In May 2012, we repaid the \$131.6 million outstanding balance under our ferry financing and recorded a \$1.7 million loss on early retirement of debt during the year ended December 31, 2012. In June 2012, we entered into the SGD 5.1 billion (approximately \$4.18 billion at exchange rates in effect on December 31, 2012) 2012 Singapore Credit Facility, which was primarily used to repay the outstanding indebtedness under the prior Singapore credit facility. As a result, we recorded a \$13.1 million loss on modification and early retirement of debt during the year ended December 31, 2012. In June 2012, we repaid \$400.0 million of indebtedness under the term loans of our U.S. credit facility and recorded a \$1.6 million loss on early retirement of debt during the year ended December 31, 2012. In December 2012, we borrowed \$400.0 million and \$327.6 million from the revolvers under our U.S. and Singapore credit facilities, respectively.

On February 28 and June 22 2012, SCL paid a dividend of 0.58 Hong Kong dollars per share (a total of \$1.20 billion) to SCL shareholders (of which we retained \$844.4 million). On January 25, 2013, the Board of Directors of SCL declared a dividend of HKD 0.67 per share (a total of approximately \$696.4 million at exchange rates in effect on December 31, 2012, of which we will retain \$489.1 million) to SCL shareholders of record on February 19, 2013, which was paid on February 28, 2013. On March 30, June 29, September 28 and December 28, 2012, we paid a dividend of \$0.25 per common share as part of a regular cash dividend program and on December 18, 2012, we paid a special cash dividend of \$2.75 per common share. During the year ended December 31, 2012, we recorded \$3.09 billion as a distribution against retained earnings (of which \$1.62 billion related to our Principal Stockholder's family). On January 29, 2013, the Company's Board of Directors declared a quarterly dividend of \$0.35 per common share (a total estimated to be approximately \$289 million) to be paid on March 29, 2013, to shareholders of record on March 21, 2013. We expect this level of dividend to continue quarterly through the remainder of 2013.

On March 2, 2012, our Principal Stockholder's family exercised all of their outstanding warrants to purchase 87,500,175 shares of our common stock and paid \$525.0 million in cash as settlement of the exercise price.

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Our total long-term indebtedness and other known contractual obligations are summarized below as of December 31, 2012:

		Payments Due by Period Ending December 31, 2012 <sup>(11)</sup>				
		Less than 1 Year	2-3 Years	4-5 Years (In thousands)	More than 5 Years	Total
<b>Long-Term Debt Obligations<sup>(1)</sup></b>						
Senior Secured Credit Facility	Term B	\$ 18,314	\$ 647,047	\$ 1,151,116	\$	\$ 1,816,477
Senior Secured Credit Facility	Delayed Draws I and II	70,055	305,148	231,358		606,561
Senior Secured Credit Facility	Revolving		400,000			400,000
Airplane Financings		3,688	7,374	59,985		71,047
HVAC Equipment Lease <sup>(2)</sup>		1,573	2,986	2,739	12,416	19,714
U.S. Other		1,616	2,073			3,689
2011 VML Credit Facility	Term B		1,120,537	2,089,302		3,209,839
Macao Other		1,848	3,189	2,276		7,313
2012 Singapore Credit Facility	Term		791,100	2,147,269	828,772	3,767,141
2012 Singapore Credit Facility	Revolving			327,578		327,578
Singapore Other		708				708
Fixed Interest Payments		1,867	2,837	2,122	1,295	8,121
Variable Interest Payments <sup>(3)</sup>		211,322	367,391	163,147	6,702	748,562
<b>Contractual Obligations</b>						
Former Tenants <sup>(4)</sup>		577	800	800	5,200	7,377
Employment Agreements <sup>(5)</sup>		11,098	10,195	1,094		22,387
Macao Leasehold Interests in Land <sup>(6)</sup>		49,636	9,362	10,479	81,301	150,778
Mall Leases <sup>(7)</sup>		8,859	16,926	16,803	91,818	134,406
Macao Annual Premium <sup>(8)</sup>		38,838	77,676	77,676	174,772	368,962
Parking Lot Lease <sup>(9)</sup>		1,200	2,400	2,400	103,500	109,500
Other Operating Leases <sup>(10)</sup>		11,723	9,589	5,517	2,440	29,269
<b>Total</b>		<b>\$ 432,922</b>	<b>\$ 3,776,630</b>	<b>\$ 6,291,661</b>	<b>\$ 1,308,216</b>	<b>\$ 11,809,429</b>

(1) See Item 8 Financial Statements and Supplementary Data Notes to Consolidated Financial Statements Note 8 Long-Term Debt for further details on these financing transactions.

(2) In July 2009, we entered into a capital lease agreement with our current heating, ventilation and air conditioning ( HVAC ) provider (the HVAC Equipment Lease ) to provide the operation and maintenance services for the HVAC equipment in Las Vegas. The lease has a 10-year term with a purchase option at the third, fifth, seventh and tenth anniversary dates. We are obligated under the agreement to make monthly payments of approximately \$300,000 for the first year with automatic decreases of approximately \$14,000 per month on every anniversary date. The HVAC Equipment Lease has been capitalized at the present value of the future minimum lease payments at lease inception.

(3) Based on December 31, 2012, London Inter-Bank Offered Rate ( LIBOR ) of 0.3%, Hong Kong Inter-Bank Offered Rate ( HIBOR ) of 0.4% and Singapore Swap Offer Rate ( SOR ) of 0.3% plus the applicable interest rate spread in accordance with the respective debt agreements.

(4) We are party to tenant lease termination and asset purchase agreements. Under the agreement for The Grand Canal Shoppes sale, we are obligated to fulfill the lease termination and asset purchase agreements.

(5) We are party to employment agreements with nine of our executive officers, with remaining terms of one to five years.

(6) We are party to long-term land leases of 25 years with automatic extensions at our option of 10 years thereafter in accordance with Macao law.

(7) We are party to certain leaseback agreements for the theater, gondola and certain office and retail space related to the sales of The Grand Canal Shoppes and The Shoppes at the Palazzo.

(8) In addition to the 39% gross gaming win tax in Macao (which is not included in this table as the amount we pay is variable in nature), we are required to pay an annual premium with a fixed portion and a variable portion, which is based on the number and type of gaming tables and gaming machines we operate. Based on the gaming tables and gaming machines in operation as of December 31, 2012, the annual

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premium is approximately \$38.8 million payable to the Macao government through the termination of the gaming subconcession in June 2022.

- (9) We are party to a 99-year lease agreement (91 years remaining) for a parking structure located adjacent to The Venetian Las Vegas.
- (10) We are party to certain operating leases for real estate, various equipment and service arrangements.
- (11) As of December 31, 2012, we had a \$59.3 million liability related to unrecognized tax benefits; we do not expect this liability to result in a payment of cash within the next 12 months. We are unable to reasonably estimate the timing of the liability in individual years beyond 12 months due to uncertainties in the timing of the effective settlement of tax positions; therefore, such amounts are not included in the table.

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### **Off-Balance Sheet Arrangements**

We have not entered into any transactions with special purpose entities, nor have we engaged in any derivative transactions other than interest rate caps.

### **Restrictions on Distributions**

We are a parent company with limited business operations. Our main asset is the stock and membership interests of our subsidiaries. The debt instruments of our U.S., Macao and Singapore subsidiaries contain certain restrictions that, among other things, limit the ability of certain subsidiaries to incur additional indebtedness, issue disqualified stock or equity interests, pay dividends or make other distributions, repurchase equity interests or certain indebtedness, create certain liens, enter into certain transactions with affiliates, enter into certain mergers or consolidations or sell our assets of our company without prior approval of the lenders or noteholders.

### **Inflation**

We believe that inflation and changing prices have not had a material impact on our sales, revenues or income from continuing operations during the past three fiscal years.

### **Special Note Regarding Forward-Looking Statements**

This report contains forward-looking statements that are 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 that these forward-looking statements are reasonable, we cannot assure you that 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;

our substantial leverage, debt service and debt covenant compliance (including the pledge of our assets as security for our indebtedness);

disruptions in the global financing markets and our ability to obtain sufficient funding for our current and future developments;

the extensive regulations to which we are subject to and the costs of compliance with such regulations;

increased competition for labor and materials due to other planned construction projects in Macao and quota limits on the hiring of foreign workers;

the impact of the suspensions of certain of our development projects and our ability to meet certain development deadlines;

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the uncertainty of tourist behavior related to discretionary spending and vacationing at casino-resorts in Macao, Singapore, Las Vegas and Pennsylvania;

regulatory policies in mainland China or other countries in which our customers reside, 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;

our relationship with GGP or any successor owner of The Shoppes at The Palazzo and The Grand Canal Shoppes;

new developments, construction and ventures, including our Cotai Strip developments;

the passage of new legislation and receipt of governmental approvals for our proposed developments in Macao and other jurisdictions where we are planning to operate;

our insurance coverage, including the risk that we have not obtained sufficient coverage or will only be able to obtain additional coverage at significantly increased rates;

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disruptions or reductions in travel due to acts of terrorism;

disruptions or reductions in travel, as well as disruptions in our operations, due to natural or man-made disasters, outbreaks of infectious diseases, such as avian flu, SARS and H1N1 flu, terrorist activity or war;

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 and potential additional gaming licenses;

fluctuations in the demand for all-suites rooms, occupancy rates and average daily room rates in Macao, Singapore and Las Vegas;

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;

our ability to maintain our gaming licenses, certificate and subconcession;

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;

our failure to maintain the integrity of our internal or customer data;

the completion of infrastructure projects in Macao and Singapore; 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.

**Critical Accounting Policies and Estimates**

The preparation of our consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires our management to make estimates and judgments that affect the reported amounts of assets and liabilities, revenues and expenses, and related disclosures of contingent assets and liabilities. These estimates and judgments are based on historical information, information that is currently available to us and on various other assumptions that management believes to be reasonable under the circumstances. Actual results could vary from those estimates and we may change our estimates and assumptions in future evaluations. Changes in these estimates and assumptions may have a material effect on our results of operations and financial condition. We believe that the critical accounting policies discussed below affect our more significant judgments and estimates used in the preparation of our consolidated financial statements.

***Allowance for Doubtful Casino Accounts***

We maintain an allowance, or reserve, for doubtful casino accounts at our operating casino resorts in Macao, Singapore and the U.S., which we regularly evaluate. We specifically analyze the collectability of each account with a balance over a specified dollar amount, based upon the age of the account, the customer's financial condition, collection history and any other known information, and we apply standard reserve percentages to aged account balances under the specified dollar amount. We also monitor regional and global economic conditions and forecasts in our evaluation of the adequacy of the recorded reserves. Credit or marker play was 31.5%, 33.2% and 72.4% of table games play at our Macao properties, Marina Bay Sands and Las Vegas Operating Properties, respectively, during the year ended December 31, 2012. Our allowance for doubtful casino accounts was 27.7% and 22.2% of gross casino receivables from customers as of December 31, 2012 and 2011, respectively. As the credit extended to our junkets can be offset by the commissions payable to said junkets, the allowance for doubtful accounts related to receivables from junkets is not material. Our allowance for doubtful accounts from our hotel and other receivables is also not material.

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### ***Litigation Accrual***

We are subject to various claims and legal actions. We estimate the accruals for these claims and legal actions based on all relevant facts and circumstances currently available and include such accruals in other accrued liabilities in the consolidated balance sheets when it is determined that such contingencies are both probable and reasonably estimable.

### ***Property and Equipment***

At December 31, 2012, we had net property and equipment of \$15.77 billion, representing 71.1% of our total assets. We depreciate property and equipment on a straight-line basis over their estimated useful lives. The estimated useful lives are based on the nature of the assets as well as current operating strategy and legal considerations such as contractual life. Future events, such as property expansions, property developments, new competition, or new regulations, could result in a change in the manner in which we use certain assets requiring a change in the estimated useful lives of such assets.

For assets to be held and used (including projects under development), fixed assets are reviewed for impairment whenever indicators of impairment exist. If an indicator of impairment exists, we first group our assets with other assets and liabilities at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities (the asset group). Secondly, we estimate the undiscounted future cash flows that are directly associated with and expected to arise from the completion, use and eventual disposition of such asset group. We estimate the undiscounted cash flows over the remaining useful life of the primary asset within the asset group. If the undiscounted cash flows exceed the carrying value, no impairment is indicated. If the undiscounted cash flows do not exceed the carrying value, then an impairment is measured based on fair value compared to carrying value, with fair value typically based on a discounted cash flow model. If an asset is still under development, future cash flows include remaining construction costs.

To estimate the undiscounted cash flows of our asset groups, we consider all potential cash flows scenarios, which are probability weighted based on management's estimates given current conditions. Determining the recoverability of our asset groups is judgmental in nature and requires the use of significant estimates and assumptions, including estimated cash flows, probability weighting of potential scenarios, costs to complete construction for assets under development, growth rates and future market conditions, among others. Future changes to our estimates and assumptions based upon changes in macro-economic factors, regulatory environments, operating results or management's intentions may result in future changes to the recoverability of our asset groups.

For assets to be held for sale, the fixed assets (the disposal group) are measured at the lower of their carrying amount or fair value less cost to sell. Losses are recognized for any initial or subsequent write-down to fair value less cost to sell, while gains are recognized for any subsequent increase in fair value less cost to sell, but not in excess of the cumulative loss previously recognized. Any gains or losses not previously recognized that result from the sale of the disposal group shall be recognized at the date of sale. Fixed assets are not depreciated while classified as held for sale.

### ***Capitalized Interest***

Interest costs associated with our major construction projects are capitalized and included in the cost of the projects. When no debt is incurred specifically for construction projects, we capitalize interest on amounts expended using the weighted average cost of our outstanding borrowings. Capitalization of interest ceases when the project is substantially complete or construction activity is suspended for more than a brief period.

### ***Leasehold Interests in Land***

Leasehold interests in land represent payments made for the use of land over an extended period of time. The leasehold interests in land are amortized on a straight-line basis over the expected term of the related lease agreements.

### ***Indefinite Useful Life Assets***

As of December 31, 2012, we had a \$50.0 million asset related to our Sands Bethlehem gaming license and a \$16.5 million asset related to our Sands Bethlehem table games certificate, both of which were determined to have indefinite useful lives. Assets with indefinite useful lives are assessed regularly to ensure they continue to meet the indefinite useful life criteria. These assets are not subject to amortization and are tested for impairment and recoverability annually or more frequently if events or circumstances indicate that the assets might be impaired. When performing our impairment analysis, we first conduct a qualitative assessment to determine whether we believe it is more-likely-than-not that the asset is impaired. If, after assessing the qualitative factors, we determine it is more-likely-than-not the asset is impaired, we then perform an

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impairment test that consists of a comparison of the fair value of the asset with its carrying amount. If the carrying amount of the asset is not recoverable and exceeds its fair value, an impairment will be recognized in an amount equal to that excess. If the carrying amount of the asset does not exceed the fair value, no impairment is recognized.

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Our annual indefinite lived intangible asset impairment analysis on our Sands Bethlehem gaming license and table games certificate included an assessment of certain qualitative factors including, but not limited to, the results of the prior year fair value calculation, operating results and projected operating results, and macro-economic and industry conditions. We considered the qualitative factors and determined that it is not more-likely-than-not that the indefinite lived intangible assets are impaired. Although we believe the qualitative factors considered in the impairment are reasonable, significant changes in any one of our assumptions could produce a different result. Future changes to our estimates and assumptions based upon changes in operating results, macro-economic factors or management's intentions may result in future changes to the fair value of the gaming license and table games certificate.

If we determine a quantitative impairment test is to be performed to estimate the fair value of our Sands Bethlehem gaming license and table games certificate, our fair value analysis would be based on expected adjusted property EBITDA, combined with estimated future tax-affected cash flows and a terminal value using the Gordon Growth Model, which are discounted to present value at rates commensurate with our capital structure and the prevailing borrowing rates within the casino industry in general. Adjusted property EBITDA and discounted cash flows are common measures used to value cash-intensive businesses such as casinos. Determining the fair value of the gaming license and table games certificate is judgmental in nature and requires the use of significant estimates and assumptions, including adjusted property EBITDA, growth rates, discount rates and future market conditions, among others.

***Stock-Based Compensation***

Accounting standards regarding share-based payments require the recognition of compensation expense in the consolidated statements of operations related to the fair value of employee stock-based compensation. Determining the fair value of stock-based awards at the grant date requires judgment, including estimating the expected term that stock options will be outstanding prior to exercise, the associated volatility and the expected dividends. Expected volatilities are based on our historical volatility or combined with the historical volatilities from a selection of companies from our peer group when there is a lack of our historical information, as is the case for our SCL equity plan. The expected option life is based on the contractual term of the option as well historical exercise and forfeiture behavior. When there is a lack of historical information, as is the case for our SCL equity plan, we use the simplified method for estimating expected option life, as the options qualify as plain-vanilla options. The expected dividend yield is based on our estimate of annual dividends expected to be paid at the time of the grant. We believe that the valuation technique and the approach utilized to develop the underlying assumptions are appropriate in calculating the fair values of our stock options granted. Judgment is also required in estimating the amount of stock-based awards expected to be forfeited prior to vesting. If actual forfeitures differ significantly from these estimates, stock-based compensation expense could be materially impacted. All employee stock options were granted with an exercise price equal to the fair market value (as defined in the Company's equity award plans).

During the years ended December 31, 2012 and 2011, we recorded stock-based compensation expense of \$65.4 million and \$62.7 million, respectively. As of December 31, 2012, under the 2004 plan there was \$31.5 million of unrecognized compensation cost, net of estimated forfeitures of 8.0% per year, related to unvested stock options and there was \$38.5 million of unrecognized compensation cost, net of estimated forfeitures of 8.0% per year, related to unvested restricted stock and stock units. The stock option and restricted stock and stock units costs are expected to be recognized over a weighted average period of 2.1 years and 2.8 years, respectively.

As of December 31, 2012, under the SCL Equity Plan there was \$18.7 million of unrecognized compensation cost, net of estimated forfeitures of 8.8% per year, related to unvested stock options that are expected to be recognized over a weighted average period of 2.4 years.

***Income Taxes***

We are subject to income taxes in the U.S. (including federal and state) and numerous foreign jurisdictions in which we operate. We record income taxes under the asset and liability method, whereby deferred tax assets and liabilities are recognized based on the future tax consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases, and attributable to operating loss and tax credit carryforwards. Accounting standards regarding income taxes requires a reduction of the carrying amounts of deferred tax assets by a valuation allowance, if based on the available evidence, it is more-likely-than-not that such assets will not be realized. Accordingly, the need to establish valuation allowances for deferred tax assets is assessed at each reporting period based on a more-likely-than-not realization threshold. This assessment considers, among other matters, the nature, frequency and severity of current and cumulative losses, forecasts of future profitability, the duration of statutory carryforward periods, our experience with operating loss and tax credit carryforwards not expiring, and implementation of tax planning strategies.

We recorded a valuation allowance on the net deferred tax assets of certain foreign jurisdictions of \$209.4 million and \$179.5 million, as of December 31, 2012 and 2011, respectively, and a valuation allowance on the net deferred tax assets of our U.S. operations of \$1.18 billion and \$145.7 million as of December 31, 2012 and 2011, respectively. Management will reassess the realization of deferred tax assets based on the applicable accounting standards for income taxes each reporting period and consider the scheduled reversal of deferred tax liabilities, sources of taxable income and tax planning strategies. To the extent that the financial results of these operations improve and it becomes

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more-likely-than-not that the deferred tax assets are realizable, we will be able to reduce the valuation allowance.

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Significant judgment is required in evaluating our tax positions and determining our provision for income taxes. During the ordinary course of business, there are many transactions for which the tax treatment is uncertain. Accounting standards regarding uncertainty in income taxes provides a two-step approach to recognizing and measuring uncertain tax positions. The first step is to evaluate the tax position for recognition by determining if the weight of available evidence indicates it is more-likely-than-not that the position will be sustained on audit, including resolution of related appeals or litigation processes, if any. The second step is to measure the tax benefit as the largest amount which is more than 50% likely, based solely on the technical merits, of being sustained on examinations. We consider many factors when evaluating and estimating our tax positions and tax benefits, which may require periodic adjustments and which may not accurately anticipate actual outcomes.

Our major tax jurisdictions are the U.S., Macao, and Singapore. In January 2013, the Internal Revenue Service completed through the appeals process its examination of the Company's U.S. tax returns for years 2005 through 2009. We are subject to examination for years after 2007 in Macao and Singapore and for tax years after 2009 in the U.S.

**Recent Accounting Pronouncements**

See related disclosure at Item 8 Financial Statements and Supplementary Data Notes to Consolidated Financial Statements Note 2 Summary of Significant Accounting Policies.

**ITEM 7A. 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 exposure to market risk is interest rate risk associated with our variable rate long-term debt, which we attempt to manage through the use of interest rate cap agreements. 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 consist exclusively of interest rate cap agreements, which do not qualify for hedge accounting. Interest differentials resulting from these agreements are recorded on an accrual basis as an adjustment to interest expense.

To manage exposure to counterparty credit risk in interest rate cap agreements, we enter into agreements with highly rated institutions that can be expected to fully perform under the terms of such agreements. Frequently, these institutions are also members of the bank group providing our credit facilities, which management believes further minimizes the risk of nonperformance.

The table below provides information about our financial instruments that are sensitive to changes in interest rates. For debt obligations, the table presents notional amounts and weighted average interest rates by contractual maturity dates. Notional amounts are used to calculate the contractual payments to be exchanged under the contract. Weighted average variable rates are based on December 31, 2012, LIBOR, HIBOR and SOR plus the applicable interest rate spread in accordance with the respective debt agreements. The information is presented in U.S. dollar equivalents, which is the Company's reporting currency, for the years ending December 31:

	2013	2014	2015	2016	2017	Thereafter	Total	Fair Value <sup>(1)</sup>
	(In millions)							
<b>LIABILITIES</b>								
<b>Long-term debt</b>								
Fixed rate	\$ 0.9	\$ 0.9	\$ 0.2	\$	\$	\$	\$ 2.0	\$ 2.0
Average interest rate <sup>(2)</sup>	5.0%	5.0%	5.0%	%	%	%	5.0%	
Variable rate	\$ 92.1	\$ 1,521.6	\$ 1,749.6	\$ 4,417.2	\$ 1,589.4	\$ 828.8	\$ 10,198.7	\$ 10,120.4
Average interest rate <sup>(2)</sup>	2.0%	1.9%	2.0%	2.2%	2.0%	2.0%	2.1%	
<b>ASSETS</b>								
Cap Agreements <sup>(3)</sup>	\$	\$ 0.2	\$	\$	\$	\$	\$ 0.2	\$ 0.2

(1) The estimated fair values are based on level 2 inputs (quoted prices in markets that are not active).

(2) Based upon contractual interest rates for fixed rate indebtedness or current LIBOR, HIBOR and SOR for variable rate indebtedness. Based on variable rate debt levels as of December 31, 2012, an assumed 100 basis point change in LIBOR, HIBOR and SOR would cause our annual interest cost to change by approximately \$102.3 million.

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- (3) As of December 31, 2012, we have 30 interest rate cap agreements with an aggregate fair value of \$0.2 million based on quoted market values from the institutions holding the agreements.

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Borrowings under the U.S. credit facility, as amended, bear interest, at our election, at either an adjusted Eurodollar rate or at an alternative base rate plus a credit spread. The portions of the revolving facility and term loans that were not extended bear interest at the alternative base rate plus 0.25% per annum or 0.5% per annum, respectively, or at the adjusted Eurodollar rate plus 1.25% per annum or 1.5% per annum, respectively. The extended revolving facility and extended term loans bear interest at the alternative base rate plus 1.0% per annum or 1.5% per annum, respectively, or at the adjusted Eurodollar rate plus 2.0% per annum or 2.5% per annum, respectively. Applicable spreads under the U.S. credit facility are subject to downward adjustments based upon our credit rating. Borrowings under the 2011 VML Credit Facility bear interest at either the adjusted Eurodollar rate or an alternative base rate (in the case of U.S. dollar denominated loans) or HIBOR (in the case of Hong Kong dollar and Macao pataca denominated loans), as applicable, plus a spread of 1.5% per annum to 2.25% per annum based on a specified consolidated leverage. Borrowings under the 2012 Singapore Credit Facility bear interest at SOR plus a spread of 1.85% per annum. Borrowings under the airplane financings bear interest at LIBOR plus approximately 1.5% per annum.

Foreign currency transaction gains for the year ended December 31, 2012, were \$1.1 million primarily due to U.S. denominated debt held in Macao. We may be vulnerable to changes in the U.S. dollar/pataca exchange rate. Based on balances as of December 31, 2012, an assumed 1% change in the U.S. dollar/pataca exchange rate would cause a foreign currency transaction gain/loss of approximately \$14.9 million. We do not hedge our exposure to foreign currencies; however, 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.

See also [Liquidity and Capital Resources](#) and [Item 8 Financial Statements and Supplementary Data](#) [Notes to Consolidated Financial Statements](#) [Note 8 Long-Term Debt](#).

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**ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA**  
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**Financial Statements:**

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<u>Consolidated Statements of Operations for each of the three years in the period ended December 31, 2012</u>	65
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Financial Statement Schedule:	
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The financial information included in the financial statement schedule should be read in conjunction with the consolidated financial statements. All other financial statement schedules have been omitted because they are not applicable or the required information is included in the consolidated financial statements or the notes thereto.

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**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Directors and Stockholders of Las Vegas Sands Corp.

In our opinion, the consolidated financial statements listed in the accompanying index, present fairly, in all material respects, the financial position of Las Vegas Sands Corp. and its subsidiaries (the Company) at December 31, 2012 and 2011, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2012 in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statement schedule listed in the accompanying index presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2012, based on criteria established in *Internal Control - Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company's management is responsible for these financial statements and financial statement schedule, for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Annual Report on Internal Control Over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on these financial statements, on the financial statement schedule, and on the Company's internal control over financial reporting based on our integrated audits. We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ PricewaterhouseCoopers LLP

Las Vegas, Nevada  
March 1, 2013

**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****CONSOLIDATED BALANCE SHEETS**

	December 31, 2012                      2011 (In thousands, except share data)	
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 2,512,766	\$ 3,902,718
Restricted cash and cash equivalents	4,521	4,828
Accounts receivable, net	1,819,260	1,336,817
Inventories	43,875	34,990
Deferred income taxes, net	2,299	72,192
Prepaid expenses and other	94,793	45,607
<b>Total current assets</b>	<b>4,477,514</b>	<b>5,397,152</b>
Property and equipment, net	15,766,748	15,030,979
Deferred financing costs, net	214,465	173,636
Restricted cash and cash equivalents	1,938	2,315
Deferred income taxes, net	43,280	153
Leasehold interests in land, net	1,458,741	1,390,468
Intangible assets, net	70,618	80,068
Other assets, net	130,348	169,352
<b>Total assets</b>	<b>\$ 22,163,652</b>	<b>\$ 22,244,123</b>
<b>LIABILITIES AND EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 106,498	\$ 104,113
Construction payables	343,372	359,909
Accrued interest payable	15,542	31,668
Other accrued liabilities	1,895,483	1,439,110
Income taxes payable	164,126	108,060
Current maturities of long-term debt	97,802	455,846
<b>Total current liabilities</b>	<b>2,622,823</b>	<b>2,498,706</b>
Other long-term liabilities	133,936	89,445
Deferred income taxes	185,945	205,438
Deferred proceeds from sale of The Shoppes at The Palazzo	267,956	266,992
Deferred gain on sale of The Grand Canal Shoppes	43,880	47,344
Deferred rent from mall transactions	118,435	119,915
Long-term debt	10,132,265	9,577,131
<b>Total liabilities</b>	<b>13,505,240</b>	<b>12,804,971</b>
Commitments and contingencies (Note 13)		
Equity:		
Common stock, \$0.001 par value, 1,000,000,000 shares authorized, 824,297,756 and 733,249,698 shares issued and outstanding	824	733
Capital in excess of par value	6,237,488	5,610,160
Accumulated other comprehensive income	263,078	94,104

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Retained earnings	560,452	2,145,692
Total Las Vegas Sands Corp. stockholders' equity	7,061,842	7,850,689
Noncontrolling interests	1,596,570	1,588,463
Total equity	8,658,412	9,439,152
Total liabilities and equity	\$ 22,163,652	\$ 22,244,123

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

**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****CONSOLIDATED STATEMENTS OF OPERATIONS**

	Year Ended December 31,		
	2012	2011	2010
	(In thousands, except share and per share data)		
<b>Revenues:</b>			
Casino	\$ 9,008,158	\$ 7,437,002	\$ 5,533,088
Rooms	1,154,024	1,000,035	797,499
Food and beverage	628,528	598,823	446,558
Mall	396,927	325,123	186,617
Convention, retail and other	497,032	501,351	354,175
	11,684,669	9,862,334	7,317,937
Less promotional allowances	(553,537)	(451,589)	(464,755)
<b>Net revenues</b>	<b>11,131,132</b>	<b>9,410,745</b>	<b>6,853,182</b>
<b>Operating expenses:</b>			
Casino	5,128,036	4,007,887	3,249,227
Rooms	237,303	210,052	143,326
Food and beverage	331,210	307,446	207,956
Mall	68,763	59,183	43,771
Convention, retail and other	304,263	338,109	230,907
Provision for doubtful accounts	239,332	150,456	97,762
General and administrative	1,061,935	836,924	683,298
Corporate	207,030	185,694	108,848
Pre-opening	143,795	65,825	114,833
Development	19,958	11,309	1,783
Depreciation and amortization	892,046	794,404	694,971
Amortization of leasehold interests in land	40,165	43,366	41,302
Impairment loss	143,674		16,057
Loss on disposal of assets	2,240	10,203	38,555
	8,819,750	7,020,858	5,672,596
<b>Operating income</b>	<b>2,311,382</b>	<b>2,389,887</b>	<b>1,180,586</b>
<b>Other income (expense):</b>			
Interest income	23,252	14,394	8,947
Interest expense, net of amounts capitalized	(258,564)	(282,949)	(306,813)
Other income (expense)	5,740	(3,955)	(8,260)
Loss on modification or early retirement of debt	(19,234)	(22,554)	(18,555)
<b>Income before income taxes</b>	<b>2,062,576</b>	<b>2,094,823</b>	<b>855,905</b>
<b>Income tax expense</b>	<b>(180,763)</b>	<b>(211,704)</b>	<b>(74,302)</b>
<b>Net income</b>	<b>1,881,813</b>	<b>1,883,119</b>	<b>781,603</b>
<b>Net income attributable to noncontrolling interests</b>	<b>(357,720)</b>	<b>(322,996)</b>	<b>(182,209)</b>
<b>Net income attributable to Las Vegas Sands Corp.</b>	<b>1,524,093</b>	<b>1,560,123</b>	<b>599,394</b>
<b>Preferred stock dividends</b>		<b>(63,924)</b>	<b>(92,807)</b>
<b>Accretion to redemption value of preferred stock issued to Principal Stockholders family</b>		<b>(80,975)</b>	<b>(92,545)</b>

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Preferred stock inducement, repurchase and redemption premiums		(145,716)	(6,579)
Net income attributable to common stockholders	\$ 1,524,093	\$ 1,269,508	\$ 407,463
Earnings per share:			
Basic	\$ 1.89	\$ 1.74	\$ 0.61
Diluted	\$ 1.85	\$ 1.56	\$ 0.51
Weighted average shares outstanding:			
Basic	806,395,660	728,343,428	667,463,535
Diluted	824,556,036	811,816,687	791,760,624
Dividends declared per common share	\$ 3.75	\$	\$

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

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**LAS VEGAS SANDS CORP. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	Year Ended December 31,		
	2012	2011	2010
	(In thousands)		
Net income	\$ 1,881,813	\$ 1,883,119	\$ 781,603
Currency translation adjustment, net of reclassification adjustment	172,788	(32,793)	98,518
Total comprehensive income	2,054,601	1,850,326	880,121
Comprehensive income attributable to noncontrolling interests	(361,534)	(325,618)	(177,956)
Comprehensive income attributable to Las Vegas Sands Corp.	\$ 1,693,067	\$ 1,524,708	\$ 702,165

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

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## LAS VEGAS SANDS CORP. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF EQUITY

	Las Vegas Sands Corp. Stockholder's Equity						
	Preferred Stock	Common Stock	Capital in Excess of Par Value	Accumulated Other Comprehensive Income	Retained Earnings	Noncontrolling Interests	Total
	(In thousands)						
<b>Balance at January 1, 2010</b>	\$ 234,607	\$ 660	\$ 5,114,851	\$ 26,748	\$ 473,833	\$ 1,089,888	\$ 6,940,587
Net income					599,394	182,209	781,603
Currency translation adjustment				102,771		(4,253)	98,518
Exercise of stock options		2	16,453				16,455
Tax shortfall from stock-based compensation			(195)				(195)
Stock-based compensation			58,120			2,698	60,818
Exercise of warrants	(27,251)	46	252,719				225,514
Acquisition of remaining shares of noncontrolling interest			2,345			(2,345)	
Deemed contribution from Principal Stockholder			412				412
Dividends declared, net of amounts previously accrued					(86,546)		(86,546)
Accumulated but undeclared dividend requirement on preferred stock issued to Principal Stockholder's family					(6,854)		(6,854)
Accretion to redemption value of preferred stock issued to Principal Stockholder's family					(92,545)		(92,545)
Preferred stock inducement premium					(6,579)		(6,579)
<b>Balance at December 31, 2010</b>	207,356	708	5,444,705	129,519	880,703	1,268,197	7,931,188
Net income					1,560,123	322,996	1,883,119
Currency translation adjustment				(35,415)		2,622	(32,793)
Exercise of stock options		2	24,223			1,280	25,505
Stock-based compensation			60,363			2,927	63,290
Issuance of restricted stock		1	(1)				
Exercise of warrants	(68,380)	22	80,870				12,512
Disposition of interest in majority owned subsidiary						829	829
Repurchase and redemption of preferred stock	(138,976)				(128,845)		(267,821)
Dividends declared, net of amounts previously accrued					(68,443)		(68,443)
Distributions to noncontrolling interests						(10,388)	(10,388)
Accretion to redemption value of preferred stock issued to Principal Stockholder's family					(80,975)		(80,975)
Preferred stock inducement premium					(16,871)		(16,871)
<b>Balance at December 31, 2011</b>		733	5,610,160	94,104	2,145,692	1,588,463	9,439,152
Net income					1,524,093	357,720	1,881,813
Currency translation adjustment, net of reclassification adjustment				168,974		3,814	172,788
Exercise of stock options		2	40,038			6,200	46,240
Stock-based compensation			63,102			3,264	66,366
Issuance of restricted stock		1	(1)				
Exercise of warrants		88	528,820				528,908
Acquisition of remaining shares of noncontrolling interest			(4,631)			4,631	
Dividends declared					(3,090,757)	(357,056)	(3,447,813)
Distributions to noncontrolling interests						(10,466)	(10,466)
Deemed distribution to Principal Stockholder					(18,576)		(18,576)

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**Balance at December 31, 2012**                    \$                    \$ 824    \$ 6,237,488    \$ 263,078    \$ 560,452    \$ 1,596,570    \$ 8,658,412

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

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**LAS VEGAS SANDS CORP. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

	2012	Year Ended December 31, 2011	2010
	(In thousands)		
<b>Cash flows from operating activities:</b>			
Net income	\$ 1,881,813	\$ 1,883,119	\$ 781,603
Adjustments to reconcile net income to net cash generated from operating activities:			
Depreciation and amortization	892,046	794,404	694,971
Amortization of leasehold interests in land	40,165	43,366	41,302
Amortization of deferred financing costs and original issue discount	50,476	47,188	41,594
Amortization of deferred gain and rent	(4,944)	(8,418)	(5,160)
Non-cash change in deferred proceeds from sale of The Shoppes at The Palazzo	1,732	1,513	
Loss on modification or early retirement of debt	16,313	19,595	3,756
Impairment and loss on disposal of assets	145,914	10,203	54,612
Stock-based compensation expense	65,428	62,714	58,021
Provision for doubtful accounts	239,332	150,456	97,762
Foreign exchange (gain) loss	(2,799)	(176)	6,819
Deferred income taxes	5,188	90,927	99,536
Non-cash contribution from Principal Stockholder included in corporate expense			412
Changes in operating assets and liabilities:			
Accounts receivable	(675,461)	(789,163)	(332,924)
Inventories	(8,355)	(2,841)	(4,941)
Prepaid expenses and other	(32,995)	13,354	(17,024)
Leasehold interests in land	(45,542)	(43,327)	(50,810)
Accounts payable	788	(9,565)	29,270
Accrued interest payable	(17,005)	(10,917)	23,091
Income taxes payable	47,309	111,920	
Other accrued liabilities	458,354	298,144	348,261
<b>Net cash generated from operating activities</b>	<b>3,057,757</b>	<b>2,662,496</b>	<b>1,870,151</b>
<b>Cash flows from investing activities:</b>			
Change in restricted cash and cash equivalents	693	804,394	(688,266)
Capital expenditures	(1,449,234)	(1,508,493)	(2,023,981)
Proceeds from disposal of property and equipment	2,909	6,093	49,735
Acquisition of intangible assets		(100)	(45,303)
Purchases of investments			(173,774)
Proceeds from investments			173,774
<b>Net cash used in investing activities</b>	<b>(1,445,632)</b>	<b>(698,106)</b>	<b>(2,707,815)</b>
<b>Cash flows from financing activities:</b>			
Proceeds from exercise of stock options	46,240	25,505	16,455
Proceeds from exercise of warrants	528,908	12,512	225,514
Dividends paid	(3,442,312)	(75,297)	(93,400)
Distributions to noncontrolling interests	(10,466)	(10,388)	
Deemed distribution to Principal Stockholder	(18,576)		
Proceeds from long-term debt (Note 8)	4,351,486	3,201,535	1,397,293
Repayments of long-term debt (Note 8)	(4,399,698)	(3,300,310)	(2,600,875)
Repurchases and redemption of preferred stock		(845,321)	
Payments of preferred stock inducement premium		(16,871)	(6,579)
Payments of deferred financing costs	(100,888)	(84,826)	(65,965)

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Net cash used in financing activities	(3,045,306)	(1,093,461)	(1,127,557)
Effect of exchange rate on cash	43,229	(5,292)	46,886
Increase (decrease) in cash and cash equivalents	(1,389,952)	865,637	(1,918,335)
Cash and cash equivalents at beginning of year	3,902,718	3,037,081	4,955,416
Cash and cash equivalents at end of year	\$ 2,512,766	\$ 3,902,718	\$ 3,037,081
<b>Supplemental disclosure of cash flow information:</b>			
Cash payments for interest, net of amounts capitalized	\$ 209,091	\$ 246,783	\$ 237,232

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	Year Ended December 31,		
	2012	2011	2010
	(In thousands)		
Cash payments for taxes, net of refunds	\$ 115,045	\$ (5,423)	\$ 1,285
Changes in construction payables	\$ (16,537)	\$ (157,072)	\$ (261,790)
<b>Non-cash investing and financing activities:</b>			
Capitalized stock-based compensation costs	\$ 938	\$ 576	\$ 2,797
Change in dividends payable on unvested restricted stock and stock units included in other accrued liabilities	\$ 5,501	\$	\$
Property and equipment acquired under capital lease	\$ 10,109	\$	\$ 3,431
Acquisition of remaining shares of noncontrolling interest	\$ 4,631	\$	\$ 2,345
Disposition of interest in majority owned subsidiary	\$	\$ 829	\$
Accumulated but undeclared dividend requirement on preferred stock issued to Principal Stockholder's family	\$	\$	\$ 6,854
Accretion to redemption value of preferred stock issued to Principal Stockholder's family	\$	\$ 80,975	\$ 92,545
Warrants exercised and settled through tendering of preferred stock	\$	\$ 68,380	\$ 27,251
Property and equipment transferred to leasehold interest in land as part of lease transaction	\$	\$	\$ 107,879

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

**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****Note 1 Organization and Business of Company**

Las Vegas Sands Corp. (LVSC or together with its subsidiaries, the Company) is incorporated in Nevada and its common stock is traded on the New York Stock Exchange under the symbol LVS.

In November 2009, the Company's subsidiary, Sands China Ltd. (SCL, the direct or indirect owner and operator of the majority of the Company's operations in the Macao Special Administrative Region (Macao) of the People's Republic of China), completed an initial public offering by listing its ordinary shares (the SCL Offering) on The Main Board of The Stock Exchange of Hong Kong Limited (SEHK). The shares of SCL were not, and will not be, registered under the Securities Act of 1933, as amended, and may not be offered or sold in the U.S. absent a registration under the Securities Act of 1933, as amended, or an applicable exception from such registration requirements.

**Operations*****Macao***

The Company currently owns 70.2% of SCL, which includes the operations of The Venetian Macao, Four Seasons Macao, Sands Macao, Sands Cotai Central and other ancillary operations that support these properties, as further discussed below. The Company operates the gaming areas within these properties pursuant to a 20-year gaming subconcession.

The Company owns and operates The Venetian Macao Resort Hotel (The Venetian Macao), which anchors the Cotai Strip, the Company's master-planned development of integrated resort properties on an area of approximately 140 acres in Macao (consisting of parcels referred to as 1, 2, 3 and 5 and 6). The Venetian Macao (located on parcel 1) includes a 39-floor luxury hotel with over 2,900 suites; approximately 374,000 square feet of gaming space; a 15,000-seat arena; an 1,800-seat theater; retail and dining space of approximately 1.0 million square feet; and a convention center and meeting room complex of approximately 1.2 million square feet.

The Company owns the Four Seasons Hotel Macao, Cotai Strip (the Four Seasons Hotel Macao), which features 360 rooms and suites managed and operated by Four Seasons Hotels Inc. and is located adjacent and connected to The Venetian Macao. Connected to the Four Seasons Hotel Macao, the Company owns and operates the Plaza Casino (together with the Four Seasons Hotel Macao and located on parcel 2, the Four Seasons Macao), which features approximately 108,000 square feet of gaming space; 19 Paiza mansions; retail space of approximately 260,000 square feet, which is connected to the mall at The Venetian Macao; several food and beverage offerings; and conference, banquet and other facilities. This integrated resort will also feature the Four Seasons Apartment Hotel Macao, Cotai Strip (the Four Seasons Apartments), an apart-hotel tower that consists of approximately 1.0 million square feet of Four Seasons-serviced and -branded luxury apart-hotel units and common areas. The Company has completed the structural work of the tower and expects to monetize units within the Four Seasons Apartments after the necessary government approvals are obtained and future demand warrants it.

The Company owns and operates the Sands Macao, the first Las Vegas-style casino in Macao. The Sands Macao offers approximately 249,000 square feet of gaming space and a 289-suite hotel tower, as well as several restaurants, VIP facilities, a theater and other high-end services and amenities.

In April and September 2012, the Company opened phases I and IIA, respectively, of its Sands Cotai Central integrated resort (located on parcels 5 and 6), which is situated across the street from The Venetian Macao and Four Seasons Macao. Phase I consists of a hotel tower on parcel 5, which includes approximately 600 five-star rooms and suites under the Conrad brand and approximately 1,200 four-star rooms and suites under the Holiday Inn brand; more than 350,000 square feet of meeting space; several food and beverage establishments; along with the 230,000-square-foot casino and VIP gaming areas. Phase IIA, includes the first hotel tower on parcel 6, which features approximately 1,800 rooms managed by Sheraton International Inc. and Sheraton Overseas Management Co. (collectively Starwood) under the Sheraton brand, along with the second casino and additional retail, entertainment, dining and meeting facilities. Phase IIB, which opened on January 28, 2013, consists of the second hotel tower on parcel 6 and features approximately 2,100 rooms and suites managed by Starwood under the Sheraton brand. With the completion of phases I and II of the project, the integrated resort features approximately 300,000 square feet of gaming space, approximately 800,000 square feet of retail, entertainment and dining space, over 550,000 square feet of meeting facilities and a multipurpose theater. Phase III of the project is expected to include a fourth hotel and mixed-use tower, located on parcel 5, to be managed by Starwood under the St. Regis brand and the total cost to complete is expected to be approximately \$450 million. The Company intends to commence construction of phase III of the project as demand and market conditions warrant it. As of December 31, 2012, the Company has capitalized costs of \$3.96 billion for the

entire project, including the land premium (net of amortization) and \$191.7 million in outstanding construction payables.

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**LAS VEGAS SANDS CORP. AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

***Singapore***

The Company owns and operates the Marina Bay Sands in Singapore, which features three 55-story hotel towers (totaling approximately 2,600 rooms and suites), the Sands SkyPark (which sits atop the hotel towers and features an infinity swimming pool and several dining options), approximately 160,000 square feet of gaming space, an enclosed retail, dining and entertainment complex of approximately 800,000 net leasable square feet, a convention center and meeting room complex of approximately 1.2 million square feet, theaters and a landmark iconic structure at the bay-front promenade that contains an art/science museum.

***United States***

***Las Vegas***

The Company owns and operates The Venetian Resort Hotel Casino ( The Venetian Las Vegas ), a Renaissance Venice-themed resort; The Palazzo Resort Hotel Casino ( The Palazzo ), a resort featuring modern European ambience and design; and an expo and convention center of approximately 1.2 million square feet (the Sands Expo Center ). These Las Vegas properties, situated on or near the Las Vegas Strip, form an integrated resort with approximately 7,100 suites; approximately 225,000 square feet of gaming space; a meeting and conference facility of approximately 1.1 million square feet; and enclosed retail, dining and entertainment complexes located within The Venetian Las Vegas ( The Grand Canal Shoppes ) and The Palazzo ( The Shoppes at The Palazzo ), both of which were sold to GGP Limited Partnership ( GGP , see Note 12 Mall Sales ).

***Pennsylvania***

The Company owns and operates the Sands Casino Resort Bethlehem (the Sands Bethlehem ), a gaming, hotel, retail and dining complex located on the site of the historic Bethlehem Steel Works in Bethlehem, Pennsylvania. Sands Bethlehem features approximately 145,000 square feet of gaming space; a 300-room hotel tower, which opened in May 2011; a 150,000-square-foot retail facility, with a progressive opening that began in November 2011; an arts and cultural center; and a 50,000-square-foot multipurpose event center, which opened in May 2012. The Company owns 86% of the economic interest in the gaming, hotel and entertainment portion of the property through its ownership interest in Sands Bethworks Gaming LLC and more than 35% of the economic interest in the retail portion of the property through its ownership interest in Sands Bethworks Retail LLC.

**Development Projects**

The Company has suspended portions of its development projects and should general economic conditions fail to improve, if the Company is unable to obtain sufficient funding or applicable government approvals such that completion of its suspended projects is not probable, or should management decide to abandon certain projects, all or a portion of the Company's investment to date on its suspended projects could be lost and would result in an impairment charge.

***Macao***

The Company submitted plans to the Macao government for The Parisian Macao (formerly referred to as parcel 3), an integrated resort that will be connected to The Venetian Macao and Four Seasons Macao. The Parisian Macao, which is currently expected to open in late 2015, is intended to include a gaming area (to be operated under the Company's gaming subconcession), hotel and shopping mall. The Company expects the cost to design, develop and construct The Parisian Macao will be approximately \$2.7 billion, inclusive of payments made for the land premium. The Company had commenced construction activities and has capitalized costs of \$118.9 million, including the land premium (net of amortization), as of December 31, 2012. In addition, the Company will be completing the development of some public areas surrounding its Cotai Strip properties on behalf of the Macao government.

Under the Company's land concession for Sands Cotai Central, the Company is required to complete the development by May 2014. The land concession for The Parisian Macao contains a similar requirement, which was extended by the Macao government in July 2012, that the

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development be completed by April 2016. The Company expects to apply for an extension from the Macao government to complete Sands Cotai Central, as the Company will be unable to meet the May 2014 deadline. Should the Company determine that it is unable to complete The Parisian Macao by April 2016, the Company would then also expect to apply for an extension from the Macao government. If the Company is unable to meet The Parisian Macao deadline and the deadlines for either development are not extended, the Company could lose its land concessions for Sands Cotai Central or The Parisian Macao, which would prohibit the Company from operating any facilities developed under the respective land concessions. As a result, the Company could record a charge for all or some portion of its \$3.96 billion or \$118.9 million in capitalized construction costs and land premiums (net of amortization), as of December 31, 2012, related to Sands Cotai Central and The Parisian Macao, respectively.

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**LAS VEGAS SANDS CORP. AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

*United States*

The Company was constructing a high-rise residential condominium tower (the Las Vegas Condo Tower), located on the Las Vegas Strip between The Palazzo and The Venetian Las Vegas. The Company suspended construction activities for the project due to reduced demand for Las Vegas Strip condominiums and the overall decline in general economic conditions. The Company intends to recommence construction when demand and conditions improve. As of December 31, 2012, the Company has capitalized construction costs of \$178.9 million for this project. The impact of the suspension on the estimated overall cost of the project is currently not determinable with certainty.

*Other*

The Company continues to aggressively pursue a variety of new development opportunities around the world.

**Development Financing Strategy**

Through December 31, 2012, the Company has funded its development projects primarily through borrowings under its credit facilities, operating cash flows, proceeds from its equity offerings and proceeds from the disposition of non-core assets.

The U.S. credit facility requires the Company's Las Vegas operations to comply with certain financial covenants at the end of each quarter, including maintaining a maximum leverage ratio of net debt, as defined, to trailing twelve-month adjusted earnings before interest, income taxes, depreciation and amortization, as defined ( Adjusted EBITDA ). The maximum leverage ratio is 5.0x for all quarterly periods through maturity. The Company can elect to contribute up to \$50 million of cash on hand to its 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 (the EBITDA true-up ). The Company's Macao facility also requires the Company's Macao operations to comply with similar financial covenants, which commenced with the quarterly period ended March 31, 2012, including maintaining a maximum leverage ratio of debt to Adjusted EBITDA. The maximum leverage ratio is 4.5x for the quarterly periods ending December 31, 2012 through June 30, 2013, decreases to 4.0x for the quarterly periods ending September 30, 2013 through December 31, 2014, decreases to 3.5x for the quarterly periods ending March 31 through December 31, 2015, and then decreases to, and remains at, 3.0x for all quarterly periods thereafter through maturity. The Singapore credit facility (the 2012 Singapore Credit Facility ) requires operations of Marina Bay Sands to comply with similar financial covenants, which commenced with the quarterly period ended September 30, 2012, including maintaining a maximum leverage ratio of debt to Adjusted EBITDA. The maximum leverage ratio is 4.0x for the quarterly periods ending December 31, 2012 through September 30, 2013, decreases to 3.5x for the quarterly periods ending December 31, 2013 through December 31, 2014, and then decreases to, and remains at, 3.0x for all quarterly periods thereafter through maturity. If the Company is unable to maintain compliance with the financial covenants under these credit facilities, it would be in default under the respective credit facilities. A default under the U.S. credit facility would trigger a cross-default under the Company's airplane financings. Any defaults or cross-defaults under these 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 that the Company would be able to repay or refinance any amounts that may become due and payable under such agreements, which could force the Company to restructure or alter its operations or debt obligations.

The Company held unrestricted cash and cash equivalents of approximately \$2.51 billion and restricted cash and cash equivalents of \$6.5 million as of December 31, 2012. The Company believes the cash on hand and cash flow generated from operations will be sufficient to maintain compliance with the financial covenants of its credit facilities. The Company will need to arrange additional financing to fund the balance of its Cotai Strip developments on terms suitable to the Company, including pursuing approximately \$2.0 billion of financing for The Parisian Macao. In the normal course of its activities, the Company will continue to evaluate its capital structure and opportunities for enhancements thereof, including evaluating strategic alternatives related to the Company's Pennsylvania operations. In June 2012, the Company entered into its 5.1 billion Singapore dollar ( SGD, approximately \$4.18 billion at exchange rates in effect on December 31, 2012) 2012 Singapore Credit Facility, which was primarily used to repay the outstanding indebtedness under the prior Singapore credit facility (see Note 8 Long-term Debt 2012 Singapore Credit Facility ).

**Note 2 Summary of Significant Accounting Policies**

**Principles of Consolidation**

The consolidated financial statements include the accounts of the Company, its majority-owned subsidiaries and variable interest entities ( VIEs ) in which the Company is the primary beneficiary. All significant intercompany balances and transactions have been eliminated in consolidation.

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**LAS VEGAS SANDS CORP. AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

Management's determination of the appropriate accounting method with respect to the Company's variable interests is based on accounting standards for VIEs issued by the Financial Accounting Standards Board (FASB). The Company consolidates any VIEs in which it is the primary beneficiary and discloses significant variable interests in VIEs of which it is not the primary beneficiary, if any.

The Company has entered into various joint venture agreements with independent third parties. The operations of these joint ventures have been consolidated by the Company due to the Company's significant investment in these joint ventures, its power to direct the activities of the joint ventures that would significantly impact their economic performance and the obligation to absorb potentially significant losses or the rights to receive potentially significant benefits from these joint ventures. The Company evaluates its primary beneficiary designation on an ongoing basis and will assess the appropriateness of the VIE's status when events have occurred that would trigger such an analysis.

As of December 31, 2012 and 2011, the Company's joint ventures had total assets of \$94.5 million and \$108.4 million, respectively, and total liabilities of \$95.8 million and \$104.3 million, respectively.

**Use of Estimates**

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires the Company to make estimates and judgments that affect the reported amounts of assets and liabilities, revenues and expenses, and related disclosures of contingent assets and liabilities. These estimates and judgments are based on historical information, information that is currently available to the Company and on various other assumptions that the Company believes to be reasonable under the circumstances. Actual results could vary from those estimates.

**Cash and Cash Equivalents**

Cash and cash equivalents consist of cash and short-term investments with original maturities of less than 90 days. Such investments are carried at cost, which is a reasonable estimate of their fair value. Cash equivalents are placed with high credit quality financial institutions and are primarily in money market funds.

**Accounts Receivable and Credit Risk**

Accounts receivable are comprised of casino, hotel and other receivables, which do not bear interest and are recorded at cost. The Company extends credit to approved casino customers following background checks and investigations of creditworthiness. The Company also extends credit to its junkets in Macao, which receivables can be offset against commissions payable to the respective junkets. Business or economic conditions, the legal enforceability of gaming debts, or other significant events in foreign countries could affect the collectability of receivables from customers and junkets residing in these countries.

The allowance for doubtful accounts represents the Company's best estimate of the amount of probable credit losses in the Company's existing accounts receivable. The Company determines the allowance based on specific customer information, historical write-off experience and current industry and economic data. Account balances are charged off against the allowance when the Company believes it is probable the receivable will not be recovered. Management believes that there are no concentrations of credit risk for which an allowance has not been established. Although management believes that the allowance is adequate, it is possible that the estimated amount of cash collections with respect to accounts receivable could change.

**Inventories**

Inventories consist primarily of food, beverage and retail products, and operating supplies, which are stated at the lower of cost or market. Cost is determined by the first-in, first-out and specific identification methods.

**Property and Equipment**

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Property and equipment are stated at the lower of cost or fair value. Depreciation and amortization are provided on a straight-line basis over the estimated useful lives of the assets, which do not exceed the lease term for leasehold improvements, as follows:

Land improvements, building and building improvements	15 to 40 years
Furniture, fixtures and equipment	3 to 15 years
Leasehold improvements	5 to 10 years
Transportation	5 to 20 years

The estimated useful lives are based on the nature of the assets as well as current operating strategy and legal considerations such as contractual life. Future events, such as property expansions, property developments, new competition or new regulations, could result in a change in the manner in which the Company uses certain assets requiring a change in the estimated useful lives of such assets.

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**LAS VEGAS SANDS CORP. AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

Maintenance and repairs that neither materially add to the value of the asset nor appreciably prolong its life are charged to expense as incurred. Gains or losses on disposition of property and equipment are included in the consolidated statements of operations.

The Company evaluates its property and equipment and other long-lived assets for impairment in accordance with related accounting standards. For assets to be disposed of, the Company recognizes the asset to be sold at the lower of carrying value or fair value less costs of disposal. Fair value for assets to be disposed of is estimated based on comparable asset sales, solicited offers or a discounted cash flow model.

For assets to be held and used (including projects under development), fixed assets are reviewed for impairment whenever indicators of impairment exist. If an indicator of impairment exists, the Company first groups its assets with other assets and liabilities at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities (the asset group). Secondly, the Company estimates the undiscounted future cash flows that are directly associated with and expected to arise from the completion, use and eventual disposition of such asset group. The Company estimates the undiscounted cash flows over the remaining useful life of the primary asset within the asset group. If the undiscounted cash flows exceed the carrying value, no impairment is indicated. If the undiscounted cash flows do not exceed the carrying value, then an impairment is measured based on fair value compared to carrying value, with fair value typically based on a discounted cash flow model. If an asset is still under development, future cash flows include remaining construction costs.

To estimate the undiscounted cash flows of the Company's asset groups, the Company considers all potential cash flow scenarios, which are probability weighted based on management's estimates given current conditions. Determining the recoverability of the Company's asset groups is judgmental in nature and requires the use of significant estimates and assumptions, including estimated cash flows, probability weighting of potential scenarios, costs to complete construction for assets under development, growth rates and future market conditions, among others. Future changes to the Company's estimates and assumptions based upon changes in macro-economic factors, regulatory environments, operating results or management's intentions may result in future changes to the recoverability of these asset groups.

For assets to be held for sale, the fixed assets (the disposal group) are measured at the lower of their carrying amount or fair value less cost to sell. Losses are recognized for any initial or subsequent write-down to fair value less cost to sell, while gains are recognized for any subsequent increase in fair value less cost to sell, but not in excess of the cumulative loss previously recognized. Any gains or losses not previously recognized that result from the sale of the disposal group shall be recognized at the date of sale. Fixed assets are not depreciated while classified as held for sale.

During the year ended December 31, 2012, the Company recognized an impairment loss of \$143.7 million primarily related to \$100.7 million of capitalized construction costs related to the Company's former Cotai Strip development (referred to as parcels 7 and 8) and a \$42.9 million impairment due to the termination of ZAiA at The Venetian Macao. No assets were impaired during the year ended December 31, 2011. During the year ended December 31, 2010, the Company recognized an impairment loss of \$16.1 million related to equipment disposed of in Macao.

**Capitalized Interest and Internal Costs**

Interest costs associated with major construction projects are capitalized and included in the cost of the projects. When no debt is incurred specifically for construction projects, interest is capitalized on amounts expended using the weighted average cost of the Company's outstanding borrowings. Capitalization of interest ceases when the project is substantially complete or construction activity is suspended for more than a brief period. During the years ended December 31, 2012, 2011 and 2010, the Company capitalized interest expense of \$49.3 million, \$127.1 million and \$106.1 million, respectively.

During the years ended December 31, 2012, 2011 and 2010, the Company capitalized approximately \$20.3 million, \$19.8 million and \$45.1 million, respectively, of internal costs, consisting primarily of compensation expense for individuals directly involved with the development and construction of property.

**Deferred Financing Costs and Original Issue Discounts**

Deferred financing costs and original issue discounts are amortized to interest expense based on the terms of the related debt instruments using the effective interest method.



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**LAS VEGAS SANDS CORP. AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**Leasehold Interests in Land**

Leasehold interests in land represent payments made for the use of land over an extended period of time. The leasehold interests in land are amortized on a straight-line basis over the expected term of the related lease agreements.

**Indefinite Useful Life Assets**

Assets with indefinite useful lives are regularly assessed to ensure they continue to meet the indefinite useful life criteria. These assets are not subject to amortization and are tested for impairment and recoverability annually or more frequently if events or circumstances indicate that the assets might be impaired. When performing the impairment analysis, the Company first conducts a qualitative assessment to determine whether it is more-likely-than-not that the asset is impaired. If, after assessing the qualitative factors, it is determined that it is more-likely-than-not that the asset is impaired, the Company then performs an impairment test that consists of a comparison of the fair value of the asset with its carrying amount. If the carrying amount of the asset is not recoverable and exceeds its fair value, an impairment will be recognized in an amount equal to that excess. If the carrying amount of the asset does not exceed the fair value, no impairment is recognized.

As of December 31, 2012, the Company had assets of \$50.0 million and \$16.5 million related to its Sands Bethlehem gaming license and table games certificate, respectively, both of which were determined to have an indefinite useful life and have been recorded within intangible assets in the accompanying consolidated balance sheets. For the year ended December 31, 2012, the annual impairment analysis included an assessment of certain qualitative factors including, but not limited to, the results of the prior year fair value calculation, current year and projected operating results, and macro-economic and industry conditions. The Company considered the qualitative factors and determined that it was not more-likely-than-not that the indefinite lived intangible assets were impaired. For the years ended December 31, 2011 and 2010, a quantitative analysis was performed and the fair value of the Company's gaming license and table games certificate was estimated using the Company's expected adjusted property EBITDA (as defined in Note 17 Segment Information), combined with estimated future tax-affected cash flows and a terminal value using the Gordon Growth Model, which were discounted to present value at rates commensurate with the Company's capital structure and the prevailing borrowing rates within the casino industry in general. Adjusted property EBITDA and discounted cash flows are common measures used to value cash-intensive businesses such as casinos. Determining the fair value of the gaming license and table games certificate is judgmental in nature and requires the use of significant estimates and assumptions, including adjusted property EBITDA, growth rates, discount rates and future market conditions, among others.

Although the Company believes the qualitative factors considered in the impairment are reasonable, significant changes in any one of the assumptions could produce a different result. Future changes to the Company's estimates and assumptions based upon changes in macro-economic factors, operating results or management's intentions may result in future changes to the fair value of the gaming license and table games certificate. No impairment charge related to these assets was recorded for the years ended December 31, 2012, 2011 and 2010.

**Revenue Recognition and Promotional Allowances**

Casino revenue is the aggregate of gaming wins and losses. The commissions rebated directly or indirectly through junkets to customers, cash discounts and other cash incentives to customers related to gaming play are recorded as a reduction to gross casino revenue. Hotel revenue recognition criteria are met at the time of occupancy. Food and beverage revenue recognition criteria are met at the time of service. Deposits for future hotel occupancy or food and beverage services contracts are recorded as deferred income until revenue recognition criteria are met. Cancellation fees for hotel and food and beverage services are recognized upon cancellation by the customer. Mall revenue is primarily generated from base rents and overage rents received through long-term leases with retail tenants. Base rent, adjusted for contractual escalations, is recognized on a straight-lined basis over the term of the related lease. Overage rent is paid by a tenant when its sales exceed an agreed upon minimum amount and is not recognized by the Company until the thresholds are met. Convention revenues are recognized when the related service is rendered or the event is held.

In accordance with industry practice, the retail value of rooms, food and beverage, and other services furnished to the Company's guests without charge is included in gross revenue and then deducted as promotional allowances. The estimated retail value of such promotional allowances is included in operating revenues as follows (in thousands):

	Year Ended December 31,		
	2012	2011	2010
Rooms	\$ 256,738	\$ 182,831	\$ 230,594
Food and beverage	185,292	169,576	141,925
Convention, retail and other	111,507	99,182	92,236
	\$ 553,537	\$ 451,589	\$ 464,755

**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

The estimated departmental cost of providing such promotional allowances, which is included primarily in casino operating expenses, is as follows (in thousands):

	Year Ended December 31,		
	2012	2011	2010
Rooms	\$ 62,201	\$ 38,038	\$ 55,433
Food and beverage	140,403	119,238	91,215
Convention, retail and other	73,106	75,600	74,160
	\$ 275,710	\$ 232,876	\$ 220,808

**Gaming Taxes**

The Company is subject to taxes based on gross gaming revenue in the jurisdictions in which it operates, subject to applicable jurisdictional adjustments. These gaming taxes, including the goods and services tax in Singapore, are an assessment on the Company's gaming revenue and are recorded as a casino expense in the accompanying consolidated statements of operations. These taxes were \$3.53 billion, \$2.72 billion and \$2.19 billion for the years ended December 31, 2012, 2011 and 2010, respectively.

**Frequent Players Program**

The Company has established promotional clubs to encourage repeat business from frequent and active slot machine customers and table games patrons. Members earn points primarily based on gaming activity and such points can be redeemed for cash, free play and other free goods and services. The Company accrues for club points expected to be redeemed for cash and free play as a reduction to gaming revenue and accrues for club points expected to be redeemed for free goods and services primarily as casino expense. The accruals are based on estimates and assumptions regarding the mix of cash, free play and other free goods and services that will be redeemed and the costs of providing those benefits. Historical data is used to assist in the determination of the estimated accruals.

**Pre-Opening and Development Expenses**

The Company accounts for costs incurred in the development and pre-opening phases of new ventures in accordance with accounting standards regarding start-up activities. Pre-opening expenses represent personnel and other costs incurred prior to the opening of new ventures and are expensed as incurred. Development expenses include the costs associated with the Company's evaluation and pursuit of new business opportunities, which are also expensed as incurred.

**Advertising Costs**

Costs for advertising are expensed the first time the advertising takes place or as incurred. Advertising costs included in the accompanying consolidated statements of operations were \$97.8 million, \$51.2 million and \$54.3 million for the years ended December 31, 2012, 2011 and 2010, respectively.

**Corporate Expenses**

Corporate expense represents payroll, travel, professional fees and various other expenses not allocated or directly related to the Company's integrated resort operations and related ancillary operations.

**Foreign Currency**

The Company accounts for currency translation in accordance with accounting standards regarding foreign currency translation. Gains or losses from foreign currency remeasurements are included in other income (expense). Balance sheet accounts are translated at the exchange rate in effect at each balance sheet date and income statement accounts are translated at the average exchange rates during the year. Translation adjustments resulting from this process are charged or credited to other comprehensive income.

**Comprehensive Income and Accumulated Other Comprehensive Income**

Comprehensive income includes net income and all other non-stockholder changes in equity, or other comprehensive income. The balance of accumulated other comprehensive income consisted solely of foreign currency translation adjustments. During the year ended December 31, 2012, a \$6.6 million gain related to the dissolution of a wholly owned foreign subsidiary was reclassified from accumulated other comprehensive income and comprehensive income to net income. This amount is included in other income (expense) in the accompanying consolidated statements of operations.

**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****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:

	Year Ended December 31,		
	2012	2011	2010
Weighted average common shares outstanding (used in the calculation of basic earnings per share)	806,395,660	728,343,428	667,463,535
Potential dilution from stock options, warrants and restricted stock and stock units	18,160,376	83,473,259	124,297,089
Weighted average common and common equivalent shares (used in the calculation of diluted earnings per share)	824,556,036	811,816,687	791,760,624
Antidilutive stock options excluded from the calculation of diluted earnings per share	4,700,981	5,493,706	9,848,266

**Stock-Based Employee Compensation**

The Company accounts for its stock-based employee compensation in accordance with accounting standards regarding share-based payment, which establishes accounting for equity instruments exchanged for employee services. Stock-based compensation cost is measured at the grant date, based on the calculated fair value of the award, and is recognized over the employee's requisite service period (generally the vesting period of the equity grant). The Company's stock-based employee compensation plans are more fully discussed in Note 14 Stock-Based Employee Compensation.

**Income Taxes**

The Company is subject to income taxes in the U.S. (including federal and state) and numerous foreign jurisdictions in which it operates. The Company records income taxes under the asset and liability method, whereby deferred tax assets and liabilities are recognized based on the future tax consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases, and attributable to operating loss and tax credit carryforwards. Accounting standards regarding income taxes require a reduction of the carrying amounts of deferred tax assets by a valuation allowance, if based on the available evidence, it is more-likely-than-not that such assets will not be realized. Accordingly, the need to establish valuation allowances for deferred tax assets is assessed at each reporting period based on a more-likely-than-not realization threshold. This assessment considers, among other matters, the nature, frequency and severity of current and cumulative losses, forecasts of future profitability, the duration of statutory carryforward periods, the Company's experience with operating loss and tax credit carryforwards not expiring, and tax planning strategies.

The Company recorded valuation allowances on the net deferred tax assets of its U.S. operations and certain foreign jurisdictions. Management will reassess the realization of deferred tax assets based on the accounting standards for income taxes each reporting period. To the extent that the financial results of these operations improve and it becomes more-likely-than-not that the deferred tax assets are realizable, the Company will be able to reduce the valuation allowance.

Significant judgment is required in evaluating the Company's tax positions and determining its provision for income taxes. During the ordinary course of business, there are many transactions and calculations for which the ultimate tax determination is uncertain. Accounting standards regarding uncertainty in income taxes provides a two-step approach to recognizing and measuring uncertain tax positions. The first step is to evaluate the tax position for recognition by determining if the weight of available evidence indicates it is more-likely-than-not that the position will be sustained on audit, including resolution of related appeals or litigation processes, if any. The second step is to measure the tax benefit as the largest amount which is more than 50% likely, based solely on the technical merits, of being sustained on examinations. The Company

considers many factors when evaluating and estimating its tax positions and tax benefits, which may require periodic adjustments and which may not accurately anticipate actual outcomes.

**Accounting for Derivative Instruments and Hedging Activities**

Accounting standards require that an entity recognize all derivatives as either assets or liabilities in the statement of financial position and measure those instruments at fair value. If specific conditions are met, a derivative may be specifically designated as a hedge of specific financial exposures. The accounting for changes in the fair value of a derivative depends on the intended use of the derivative and, if used in hedging activities, it depends on its effectiveness as a hedge.

**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

The Company has a policy aimed at managing interest rate risk associated with its current and anticipated future borrowings. This policy enables the Company to use any combination of interest rate swaps, futures, options, caps and similar instruments. To the extent the Company employs such financial instruments pursuant to this policy, and the instruments qualify for hedge accounting, they are accounted for as hedging instruments. In order to qualify for hedge accounting, the underlying hedged item must expose the Company to risks associated with market fluctuations and the financial instrument used must be designated as a hedge and must reduce the Company's exposure to market fluctuation throughout the hedge period. If these criteria are not met, a change in the market value of the financial instrument is recognized as a gain or loss in results of operations in the period of change.

Otherwise, gains and losses are recognized in comprehensive income or loss except to the extent that the financial instrument is disposed of prior to maturity. Net interest paid or received pursuant to the financial instrument is included as interest expense in the period.

**Recent Accounting Pronouncements**

In May 2011, the FASB issued authoritative guidance that is intended to align the principles for fair value measurements and the related disclosure requirements under accounting standards generally accepted in the United States of America ( GAAP ) and international financial reporting standards. The guidance was effective for interim and annual reporting periods beginning on or after December 15, 2011. The adoption of this guidance did not have a material effect on the Company's financial condition, results of operations or cash flows.

In June 2011, the FASB issued authoritative guidance that amends the presentation of comprehensive income in the financial statements by requiring an entity to present the total of comprehensive income, the components of net income and the components of other comprehensive income either in a single continuous statement of comprehensive income or in two separate but consecutive statements. The guidance also eliminates the option to present the components of other comprehensive income as part of the statement of equity. The guidance was effective for interim and annual reporting periods beginning on or after December 15, 2011, with early adoption permitted. See the accompanying consolidated statements of comprehensive income for the required presentation.

In July 2012, the FASB issued authoritative guidance that is intended to simplify testing indefinite lived intangible assets other than goodwill for impairment. The revised standard allows companies to perform a qualitative assessment to determine whether further impairment testing of indefinite lived intangible assets is necessary. An entity is not required to calculate the fair value of an indefinite lived intangible asset and perform the quantitative impairment test unless the entity determines that it is more-likely-than-not that the asset is impaired. The guidance is effective for interim and annual impairment tests performed for fiscal years beginning after September 15, 2012, with early adoption permitted. The Company elected to adopt this qualitative approach and applied it to the Company's annual impairment test for 2012. The adoption of this guidance did not have a material effect on the Company's financial condition, results of operations or cash flows.

In February 2013, the FASB issued authoritative guidance on the reporting of reclassifications out of accumulated other comprehensive income. The guidance requires an entity to present, either on the face of the statement where net income is presented or in the notes, significant amounts reclassified out of accumulated other comprehensive income by the respective line items of net income if the amount is reclassified to net income in its entirety in the same reporting period. The guidance is effective for fiscal years beginning after December 15, 2012, with early adoption permitted. The adoption of this guidance did not have a material effect on the Company's financial condition, results of operations or cash flows.

**Note 3 Accounts Receivable, Net**

Accounts receivable consists of the following (in thousands):

	<b>December 31,</b>	
	<b>2012</b>	<b>2011</b>
Casino	\$ 2,060,478	\$ 1,381,155

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Mall	121,213	94,494
Rooms	81,723	95,937
Other	47,528	40,297
	2,310,942	1,611,883
Less allowance for doubtful accounts	(491,682)	(275,066)
	\$ 1,819,260	\$ 1,336,817

**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****Note 4 Property and Equipment, Net**

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

	December 31,	
	2012	2011
Land and improvements	\$ 515,538	\$ 436,768
Building and improvements	14,414,026	11,456,407
Furniture, fixtures, equipment and leasehold improvements	2,557,071	2,147,326
Transportation	411,671	405,156
Construction in progress	1,824,531	3,677,479
	19,722,837	18,123,136
Less accumulated depreciation and amortization	(3,956,089)	(3,092,157)
	\$ 15,766,748	\$ 15,030,979

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

	December 31,	
	2012	2011
Sands Cotai Central	\$ 913,432	\$ 2,902,743
Four Seasons Macao (principally the Four Seasons Apartments)	415,367	404,650
The Parisian Macao	59,510	34,492
Other	436,222	335,594
	\$ 1,824,531	\$ 3,677,479

The \$436.2 million in other construction in progress consists primarily of construction of the Las Vegas Condo Tower and The Venetian Macao.

The final purchase price for The Shoppes at The Palazzo was to be determined in accordance with the April 2004 purchase and sale agreement, as amended, between Venetian Casino Resort, LLC ( VCR ) and GGP (the Amended Agreement ) based on net operating income ( NOI ) of The Shoppes at The Palazzo calculated 30 months after the closing date of the sale, as defined under the Amended Agreement (the Final Purchase Price ) and subject to certain later audit adjustments (see Note 12 Mall Sales The Shoppes at The Palazzo ). The Company and GGP had entered into several amendments to the Amended Agreement to defer the time to reach agreement on the Final Purchase Price and on June 24, 2011, the Company reached a settlement with GGP regarding the Final Purchase Price. Under the terms of the settlement, the Company retained the \$295.4 million of proceeds previously received and participates in certain future revenues earned by GGP. Under generally accepted accounting principles, the transaction has not been accounted for as a sale because the Company's participation in certain future revenues constitutes continuing involvement in The Shoppes at The Palazzo. Therefore, \$266.2 million of the proceeds allocated to the mall sale transaction has been recorded as deferred proceeds (a long-term financing obligation), which will accrue interest at an imputed rate and will be offset by (i) imputed rental income and (ii) rent payments made to GGP related to spaces leased back from GGP by the Company. The property and equipment legally sold to GGP totaling \$250.8 million (net of \$60.6 million of accumulated depreciation) as of December 31, 2012, will continue to be recorded on the Company's consolidated balance sheet and will continue to be depreciated in the Company's consolidated statement of operations.

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The cost and accumulated depreciation of property and equipment that the Company is leasing to third parties, primarily as part of its mall operations, was \$1.01 billion and \$154.2 million, respectively, as of December 31, 2012. The cost and accumulated depreciation of property and equipment that the Company is leasing to these third parties was \$807.3 million and \$112.2 million, respectively, as of December 31, 2011.

The cost and accumulated depreciation of property and equipment that the Company is leasing under capital lease arrangements is \$38.8 million and \$8.8 million, respectively, as of December 31, 2012. The cost and accumulated depreciation of property and equipment that the Company is leasing under capital lease arrangements was \$29.5 million and \$6.0 million, respectively, as of December 31, 2011.

The Company had commenced pre-construction activities on its former Cotai Strip development on parcels 7 and 8. During December 2010, the Company received notice from the Macao government that its application for a land concession for parcels 7 and 8 was not approved and the Company applied to the Chief Executive of Macao for an executive review of the decision. In January 2011, the Company filed a judicial appeal with the Court of Second Instance in Macao. In May 2012, the Company withdrew its appeal and recorded an impairment loss of \$100.7 million during the year ended December 31, 2012, related to the capitalized construction costs of its development on parcels 7 and 8.

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The Company also recorded a one-time impairment loss of \$42.9 million related to the termination of the ZAiA show at The Venetian Macao during the year ended December 31, 2012.

The Company suspended portions of its development projects. As described in Note 1 Organization and Business of Company Development Projects, the Company may be required to record an impairment charge related to these developments in the future.

**Note 5 Leasehold Interests in Land, Net**

Leasehold interests in land consist of the following (in thousands):

	December 31,	
	2012	2011
Marina Bay Sands	\$ 1,125,136	\$ 1,056,942
Sands Cotai Central	191,653	148,393
The Venetian Macao	174,893	172,759
Four Seasons Macao	87,020	86,123
The Parisian Macao	73,916	73,524
Sands Macao	27,572	27,272
	1,680,190	1,565,013
Less accumulated amortization	(221,449)	(174,545)
	\$ 1,458,741	\$ 1,390,468

The Company amortizes the leasehold interests in land on a straight-line basis over the expected term of the lease. Amortization expense of \$40.2 million, \$43.4 million and \$41.3 million was included in amortization of leasehold interests in land expense for the years ended December 31, 2012, 2011 and 2010, respectively. The estimated future amortization expense is approximately \$38.5 million for each of the next five years and \$1.48 billion thereafter at exchange rates in effect on December 31, 2012.

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 has received land concessions from the Macao government to build on parcels 1, 2, 3 and 5 and 6; the sites on which The Venetian Macao (parcel 1), Four Seasons Macao (parcel 2) and Sands Cotai Central (parcels 5 and 6) are located and The Parisian Macao (parcel 3) will be located. The Company does not own these land sites in Macao; however, the land concessions grant the Company exclusive use of the land. As specified in the land concessions, the Company is required to pay premiums for each parcel, as well as annual rent for the term of the land concessions.

During the year ended December 31, 2012, the Company made payments of 338.2 million patacas (approximately \$42.4 million at exchange rates in effect on December 31, 2012) as partial payments of the land premium for Sands Cotai Central. The remaining semi-annual land premium payments for Sands Cotai Central of 184.3 million patacas each (approximately \$23.1 million at exchange rates in effect on December 31, 2012) bear interest at 5% per annum and will be paid in 2013.

In addition to the land premium payments for the Macao leasehold interests in land, the Company is required to make annual rent payments in the amounts and at the times specified in the land concessions. The rent amounts may be revised every five years by the Macao government. As of December 31, 2012, the Company was obligated under its land concessions to make future premium and rental payments as follows (in thousands):

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2013	\$ 49,636
2014	4,358
2015	5,004
2016	5,192
2017	5,287
Thereafter	81,301
	\$ 150,778

**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****Note 6 Intangible Assets, Net**

Intangible assets consist of the following (in thousands):

	<b>December 31,</b>	
	<b>2012</b>	<b>2011</b>
Sands Bethlehem gaming license and certificate	\$ 66,500	\$ 66,500
Marina Bay Sands gaming license	30,710	28,849
Less accumulated amortization	(27,440)	(16,161)
	3,270	12,688
Trademarks and other	1,139	1,121
Less accumulated amortization	(291)	(241)
	848	880
Total intangible assets, net	\$ 70,618	\$ 80,068

In August 2007 and July 2010, the Company was issued a gaming license and certificate from the Pennsylvania Gaming Control Board for its slots and table games operations at Sands Bethlehem, respectively, which were acquired for \$50.0 million and \$16.5 million, respectively. The license and certificate were determined to have indefinite lives and therefore, are not subject to amortization. In April 2010, the Company was issued a gaming license from the Singapore Casino Regulatory Authority (the CRA) for its gaming operations at Marina Bay Sands, which required payment of a license fee of SGD 37.5 million (approximately \$30.7 million at exchange rates in effect on December 31, 2012). This license is being amortized over its three-year term and is renewable upon submitting an application, paying the applicable license fee and meeting the requirements as determined by the CRA. The Company has filed a renewal application and believes that it meets the renewal requirements as determined by the CRA; however, no assurance can be given that the license renewal will be granted or for what period of time it will be granted.

Amortization expense was \$10.0 million, \$10.0 million and \$6.3 million for the years ended December 31, 2012, 2011 and 2010, respectively. The estimated future amortization expense is approximately \$3.3 million and \$38,000 for the years ending December 31, 2013 and thereafter, respectively.

**Note 7 Other Accrued Liabilities**

Other accrued liabilities consist of the following (in thousands):

	<b>December 31,</b>	
	<b>2012</b>	<b>2011</b>
Outstanding gaming chips and tokens	\$ 534,323	\$ 380,907
Taxes and licenses	428,300	358,819
Customer deposits	388,355	254,671
Payroll and related	264,142	230,013
Other accruals	280,363	214,700

\$ 1,895,483    \$ 1,439,110

**Note 8 Long-Term Debt**

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

	December 31,	
	2012	2011
<b>Corporate and U.S. Related:</b>		
Senior Secured Credit Facility    Term B	\$ 1,816,477	\$ 2,135,504
Senior Secured Credit Facility    Delayed Draws I and II	606,561	713,089
Senior Secured Credit Facility    Revolving	400,000	
6.375% Senior Notes (net of original issue discount of \$547)		189,165
Airplane Financings	71,047	74,734
HVAC Equipment Lease	19,714	21,337
Other	3,689	2,958
<b>Macao Related:</b>		
2011 VML Credit Facility	3,209,839	3,206,010
Ferry Financing		140,268
Other	7,313	306
<b>Singapore Related:</b>		
2012 Singapore Credit Facility    Term	3,767,141	
2012 Singapore Credit Facility    Revolving	327,578	
Singapore Credit Facility		3,548,162
Other	708	1,444
	10,230,067	10,032,977
Less    current maturities	(97,802)	(455,846)
Total long-term debt	\$ 10,132,265	\$ 9,577,131

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In May 2007, the Company entered into a \$5.0 billion senior secured credit facility (the *Senior Secured Credit Facility*), which originally consisted of a \$3.0 billion funded term B loan (the *Term B Facility*), a \$600.0 million delayed draw term B loan available for 12 months after closing (the *Delayed Draw I Facility*), a \$400.0 million delayed draw term B loan available for 18 months after closing (the *Delayed Draw II Facility*) and a \$1.0 billion revolving credit facility, of which up to \$100.0 million may be drawn on a swingline basis (the *Revolving Facility*). In August 2010, the Senior Secured Credit Facility was amended to, among other things, modify certain financial covenants, including increasing the maximum leverage ratio for the quarterly periods through June 30, 2012. As of December 31, 2012, the Company had fully drawn the Delayed Draw I and II Facilities and had \$95.6 million of available borrowing capacity under the Extended Revolving Facility (as described below), net of outstanding letters of credit.

In addition to the amendment, certain lenders elected to extend the maturity of \$1.42 billion in aggregate principal amount of the Term B Facility to November 2016 (the *Extended Term B Facility*), \$284.5 million in aggregate principal amount of the Delayed Draw I Facility to November 2016 (the *Extended Delayed Draw I Facility*), \$207.9 million in aggregate principal amount of the Delayed Draw II Facility to November 2015 (the *Extended Delayed Draw II Facility*, collectively the *Extended Term Loans*) and to extend the availability of \$532.5 million (after giving effect to the reductions described below) of the Revolving Facility to May 2014 (the *Extended Revolving Facility*). As part of the extension, the Company was required to pay down \$1.0 billion in aggregate principal amount of the Extended Term Loans and the commitments under the Revolving Facility were reduced from \$1.0 billion to \$750.0 million. As a result of the repayment and amendment, the Company recorded a \$21.2 million loss on modification or early retirement of debt during the year ended December 31, 2010.

In addition to the pay down of \$1.0 billion of the Extended Term Loans described above, the Company paid down \$775.9 million under the Revolving Facility during the year ended December 31, 2010. The Company paid down \$400.0 million under the Senior Secured Credit Facility during the year ended December 31, 2012, and recorded a \$1.6 million loss on early retirement of debt as a result.

The Extended Term B Facility is now subject to quarterly amortization payments of \$3.0 million, which began on September 30, 2012, followed by a balloon payment of \$1.14 billion due on November 23, 2016. The Extended Delayed Draw I Facility is now subject to quarterly amortization payments of \$0.6 million, which began on September 30, 2012, followed by a balloon payment of \$229.6 million due on November 23, 2016. The Extended Delayed Draw II Facility is now subject to quarterly amortization payments of \$0.4 million, which began on September 30, 2012, followed by a balloon payment of \$169.4 million due on November 23, 2015. The Extended Revolving Facility has no interim amortization payments. On November 7, 2012, the Company permanently reduced the Extended Revolving Facility commitment by \$32.5 million to \$500.0 million.

The non-extended portions of the Term B and Delayed Draw I Facilities mature on May 23, 2014. The Term B Facility is now subject to quarterly amortization payments of \$1.6 million, which began on September 30, 2012, followed by a balloon payment of \$621.5 million due on May 23, 2014. The Delayed Draw I Facility is now subject to quarterly amortization payments of \$0.3 million, which began on September 30, 2012, followed by a balloon payment of \$127.5 million due on May 23, 2014. The Delayed Draw II Facility matures on May 23, 2013, and is now subject to quarterly amortization payments of \$0.2 million, which began on September 30, 2012, followed by a balloon payment of \$64.4 million due on May 23, 2013. The Company terminated the Revolving Facility in December 2011 and recorded a \$0.5 million loss on early retirement as a result.

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

**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

Borrowings under the Senior Secured Credit Facility, as amended, bear interest, at the Company's option, at either an adjusted Eurodollar rate or at an alternative base rate plus a credit spread. For base rate borrowings, the initial credit spread is 0.5% per annum and 0.75% per annum for the Revolving Facility and the term loans, respectively, and 1.25% per annum and 1.75% per annum for the Extended Revolving Facility and the Extended Term Loans, respectively. For Eurodollar rate borrowings, the initial credit spread is 1.5% per annum and 1.75% per annum for the Revolving Facility and the term loans, respectively, and 2.25% per annum and 2.75% per annum for the Extended Revolving Facility and Extended Term Loans, respectively. These spreads will be reduced if the Company's corporate rating (as defined in the Senior Secured Credit Facility) is increased to at least Ba2 by Moody's and at least BB by Standard & Poor's Ratings Group (S&P), subject to certain additional conditions (the interest rates were set at 1.8%, 2.0% and 2.8% for the non-extended term loans, Extended Revolving Facility and Extended Term Loans, respectively, as of December 31, 2012). The spread for the Extended Revolving Facility will be further reduced if the Company's corporate rating is increased to at least Ba1 or higher by Moody's and at least BB+ or higher by S&P, subject to certain additional conditions. The weighted average interest rate for the Senior Secured Credit Facility was 2.5% and 2.6% during the years ended December 31, 2012 and 2011, respectively.

The Company pays a commitment fee of 0.375% per annum on the undrawn amounts under the Extended Revolving Facility, which will be reduced if certain corporate ratings are achieved, subject to certain additional conditions. The Company also paid a commitment fee equal to 0.375% per annum, 0.75% per annum and 0.5% per annum on the undrawn amounts under the Revolving Facility and Delayed Draw I and II Facilities, respectively.

The Senior Secured Credit Facility, as amended, contains affirmative and negative covenants customary for such financings, including, but not limited to, limitations on incurring additional liens, incurring additional indebtedness, making certain investments and acquiring and selling assets. The Senior Secured Credit Facility also requires the Guarantors to comply with financial covenants, including, but not limited to, minimum ratios of Adjusted EBITDA to interest expense and maximum ratios of net debt outstanding to Adjusted EBITDA. The Senior Secured Credit Facility also contains conditions and events of default customary for such financings. See Note 1 Organization and Business of Company Development Financing Strategy for further discussion. As of December 31, 2012, approximately \$5.14 billion of net assets of LVSLLC were restricted from being distributed under the terms of the Senior Secured Credit Facility.

**Senior Notes**

On February 10, 2005, LVSC sold in a private placement transaction \$250.0 million in aggregate principal amount of its 6.375% senior notes due 2015 with an original issue discount of \$2.3 million. Net proceeds after offering costs and original issue discount were \$244.8 million. In June 2005, the senior notes were exchanged for substantially similar senior notes (the Senior Notes), which were registered under the federal securities laws. The Senior Notes were set to mature on February 15, 2015. LVSC had the option to redeem all or a portion of the Senior Notes at any time prior to February 15, 2010, at a make-whole redemption price. Thereafter, LVSC has the option to redeem all or a portion of the Senior Notes at any time at fixed prices that decline ratably over time. The Senior Notes were senior obligations of LVSC.

During the year ended December 31, 2010, the Company repurchased \$60.3 million of the outstanding principal of the Senior Notes and recorded a \$3.4 million gain on early retirement of debt in connection with the repurchase. During the year ended December 31, 2011, no Senior Notes were repurchased. In March 2012, the Company redeemed the Senior Notes for \$191.7 million and recorded a \$2.8 million loss on early retirement of debt during the year ended December 31, 2012.

**FF&E Facility**

In December 2006, certain of the Company's subsidiaries, including LVSLLC and VCR, entered into a credit facility agreement to provide up to \$142.9 million to finance or refinance the acquisition of certain furniture, fixtures and equipment (FF&E) located in The Venetian Las Vegas and The Palazzo. The facility consisted of a \$7.9 million funded term loan which proceeds refinanced a prior FF&E loan and a \$135.0 million delayed draw term loan. In August 2007, the parties to this facility entered into an amended and restated FF&E credit and guarantee agreement (the FF&E Facility) which, among other things, increased the overall size of the delayed draw term loan facility to \$167.0 million, repaid the funded term loan under the previous facility and conformed the affirmative and negative covenants and events of default to those set forth in the Senior Secured Credit Facility.

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Borrowings under the FF&E Facility bore interest, at the Company's option, at either an adjusted Eurodollar rate or at a base rate, plus an applicable margin. The initial applicable margin was 1.0% per annum for loans accruing interest at the base rate, and 2.0% per annum for loans accruing interest at the adjusted Eurodollar rate. The applicable margins were to be reduced by 0.25% per annum under certain circumstances similar to those set forth in the Senior Secured Credit Facility. The Company also paid a commitment fee of 0.50% per annum on the undrawn amount of the term delayed draw loan.

In August 2010, the Company repaid the \$91.8 million outstanding balance under the FF&E Credit Facility and incurred a \$0.5 million loss on early retirement of debt during the year ended December 31, 2010.

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**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)*****Airplane Financings***

In February 2007, the Company entered into promissory notes totaling \$72.0 million to finance the purchase of one airplane and to finance two others that the Company already owned. The notes consist of balloon payment promissory notes and amortizing promissory notes, all of which have ten-year maturities and are collateralized by the related aircraft. The notes bear interest at three-month London Inter-Bank Offered Rate ( LIBOR ) plus 1.5% per annum (set at 1.8% as of December 31, 2012). The amortizing notes, totaling \$28.8 million, are subject to quarterly amortization payments of \$0.7 million, which began June 1, 2007. The balloon notes, totaling \$43.2 million, mature on March 1, 2017, and have no interim amortization payments. The weighted average interest rate on the notes was 2.0% and 1.9% during the years ended December 31, 2012 and 2011, respectively.

In April 2007, the Company entered into promissory notes totaling \$20.3 million to finance the purchase of an additional airplane. The notes have ten-year maturities and consist of a balloon payment promissory note and an amortizing promissory note. The notes bear interest at three-month LIBOR plus 1.25% per annum (set at 1.6% as of December 31, 2012). The \$8.1 million amortizing note is subject to quarterly amortization payments of \$0.2 million, which began June 30, 2007. The \$12.2 million balloon note matures on March 31, 2017, and has no interim amortization payments. The weighted average interest rate on the notes was 1.7% and 1.6% during the years ended December 31, 2012 and 2011, respectively.

***HVAC Equipment Lease***

In July 2009, the Company entered into a capital lease agreement with its current heating, ventilation and air conditioning ( HVAC ) provider (the HVAC Equipment Lease ) to provide the operation and maintenance services for the HVAC equipment in Las Vegas. The lease has a 10-year term with a purchase option at the third, fifth, seventh and tenth anniversary dates. The Company is obligated under the agreement to make monthly payments of approximately \$300,000 for the first year with automatic decreases of approximately \$14,000 per month on every anniversary date. The HVAC Equipment Lease was capitalized at the present value of the future minimum lease payments at lease inception.

***Macao Related Debt******VML and VOL Credit Facilities Refinancing***

The Company entered into the VML and VOL credit facilities (as further described below) to construct and develop its Cotai Strip integrated resort projects (including The Venetian Macao, Four Seasons Macao and Sands Cotai Central). In order to reduce the Company's interest expense, extend the debt maturities and enhance the Company's financial flexibility and further strengthen its financial position, the Company entered into a new credit facility in Macao in September 2011, as further described below. Borrowings under the new facility were used to repay outstanding indebtedness under the VML and VOL credit facilities and will be used for working capital requirements and general corporate purposes, including for the development, construction and completion of certain components of Sands Cotai Central. The Company recorded a charge of \$22.1 million for loss on modification or early retirement of debt during the year ended December 31, 2011, as part of refinancing the VML and VOL credit facilities.

***VML Credit Facility***

On May 25, 2006, two subsidiaries of the Company, VML US Finance, LLC (the Borrower ) and Venetian Macau Limited ( VML ), as guarantor, entered into a credit agreement (the VML Credit Facility ). The VML Credit Facility originally consisted of a \$1.2 billion funded term B loan (the VML Term B Facility ), a \$700.0 million delayed draw term B loan (the VML Term B Delayed Draw Facility ), a \$100.0 million funded local currency term loan (the VML Local Term Facility ) and a \$500.0 million revolving credit facility (the VML Revolving Facility ). In April 2007, the Borrower exercised its rights under the VML Credit Facility to access the \$800.0 million of incremental facilities under the accordion feature set forth therein, which increased the funded VML Term B Facility by \$600.0 million, the VML Revolving Facility by \$200.0 million, and the total VML Credit Facility to \$3.3 billion.

As part of an amendment to the VML Credit Facility, dated August 12, 2009, the credit spread increased by 325 basis points with borrowings bearing interest, at the Company's option, at either an adjusted Eurodollar rate (or, in the case of the local term loan, adjusted Hong Kong

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Inter-Bank Offered Rate ( HIBOR ) or at an alternate base rate, plus a spread of 5.5% per annum or 4.5% per annum, respectively. In November 2009, in connection with the SCL Offering, the Company was required to repay and permanently reduce \$500.0 million of term loan and revolving borrowings, on a pro rata basis, under the VML Credit Facility. In conjunction with the \$500.0 million repayment, the credit spread was reduced by 100 basis points. Credit spreads under the VML Local Term Facility and the VML Revolving Facility were subject to downward adjustments if certain consolidated leverage ratios were achieved.

In addition to quarterly amortization payments, which commenced in June 2009, the Company paid down the VML Local Term Facility in full and \$479.6 million under the VML Revolving Facility during the year ended December 31, 2010.

The Borrower also paid a standby commitment fee of 0.5% per annum on the undrawn amounts under the VML Revolving Facility. For the year ended December 31, 2011, the weighted average interest rate for the VML Credit Facility was 4.8%.

**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

To meet the requirements of the VML Credit Facility, the Company entered into an interest rate cap agreement in September 2009 with a notional amount of \$1.59 billion, which expired in September 2012. The provisions of the interest rate cap agreement entitle the Company to receive from the counterparty the amounts, if any, by which the selected market interest rate exceeds the strike rate of 9.5%. There was no net effect on interest expense as a result of the interest rate cap agreement for the years ended December 31, 2012, 2011 and 2010.

***VOL Credit Facility***

On May 17, 2010, a subsidiary of the Company, Venetian Orient Limited ( VOL, owner and developer of Sands Cotai Central), entered into a credit agreement (the VOL Credit Facility ) providing for up to \$1.75 billion (or equivalent in Hong Kong dollars or Macao patacas), which consisted of a \$750.0 million term loan (the VOL Term Facility ) that was fully drawn on July 16, 2010, a \$750.0 million delayed draw term loan available for 18 months after closing (the VOL Delayed Draw Facility ) and a \$250.0 million revolving facility (the VOL Revolving Facility ).

Borrowings under the VOL Credit Facility bore interest at either the adjusted Eurodollar rate or an alternative base rate (in the case of U.S. dollar denominated loans) or HIBOR (in the case of Hong Kong dollar and Macao pataca denominated loans), as applicable, plus a spread of 4.5% per annum. VOL paid standby fees of 2.0% per annum on the undrawn amounts under the VOL Term and Delayed Draw Facilities and 1.5% per annum on the undrawn amounts under the VOL Revolving Facility. The weighted average interest rate on the VOL Credit Facility was 4.8% during the year ended December 31, 2011.

To meet the requirements of the VOL Credit Facility, the Company entered into three interest rate cap agreements in September 2010 with a combined notional amount of \$375.0 million, which expire in September 2013. The provisions of the interest rate cap agreement entitle the Company to receive from the counterparty the amounts, if any, by which the selected market interest rate exceeds the strike rate of 3.5%. There was no net effect on interest expense as a result of the interest rate cap agreements for the years ended December 31, 2012, 2011 and 2010, respectively. The interest rate cap agreements remain in effect and are used to meet the requirements under the 2011 VML Credit Facility.

***2011 VML Credit Facility***

On September 22, 2011, two subsidiaries of the Company, VML US Finance LLC, the Borrower, and VML, as guarantor, entered into a credit agreement (the 2011 VML Credit Facility ), providing for up to \$3.7 billion (or equivalent in Hong Kong dollars or Macao patacas), which consists of a \$3.2 billion term loan (the 2011 VML Term Facility ) that was fully drawn on November 15, 2011, and a \$500.0 million revolving facility (the 2011 VML Revolving Facility ), none of which was drawn as of December 31, 2012, that is available until October 15, 2016.

The indebtedness under the 2011 VML Credit Facility is guaranteed by VML, Venetian Cotai Limited, VOL and certain of the Company's other foreign subsidiaries (collectively, the 2011 VML Guarantors ). The obligations under the 2011 VML Credit Facility are collateralized by a first-priority security interest in substantially all of the Borrower's and the 2011 VML Guarantors' assets, other than (1) capital stock and similar ownership interests, (2) certain furniture, fixtures, fittings and equipment and (3) certain other excluded assets.

The 2011 VML Credit Facility will mature on November 15, 2016. Commencing on December 31, 2014, and at the end of each subsequent quarter through September 30, 2015, the Borrower is required to repay the outstanding 2011 VML Term Facility on a pro rata basis in an amount equal to 6.25% of the aggregate principal amount outstanding as of November 15, 2011. Commencing on December 31, 2015, and at the end of each subsequent quarter through June 30, 2016, the Borrower is required to repay the outstanding 2011 VML Term Facility on a pro rata basis in an amount equal to 10.0% of the aggregate principal amount outstanding as of November 15, 2011. The remaining balance on the 2011 VML Term Facility and any balance on the 2011 VML Revolving Facility are due on the maturity date. In addition, the Borrower is required to further repay the outstanding 2011 VML Term Facility with a portion of its excess free cash flow (as defined by the 2011 VML Credit Facility) after the end of each year, unless the Borrower is in compliance with a specified consolidated leverage ratio (the CLR ).

Borrowings under the 2011 VML Credit Facility bear interest at either the adjusted Eurodollar rate or an alternative base rate (in the case of U.S. dollar denominated loans) or HIBOR (in the case of Hong Kong dollar and Macao pataca denominated loans), as applicable, plus an initial spread of 2.25%. Beginning May 14, 2012, the spread for all outstanding loans is subject to reduction based on the CLR (interest rates set at 1.7% for the U.S. dollar denominated loans and 1.8% for the Hong Kong dollar and Macao pataca denominated loans as of December 31, 2012). The Borrower will also pay standby fees of 0.5% per annum on the undrawn amounts under the 2011 VML Revolving Facility (which

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commenced September 30, 2011) and the 2011 VML Term Facility (which commenced October 31, 2011). The weighted average interest rate on the 2011 VML Credit Facility was 2.1% and 2.6% for the years ended December 31, 2012 and 2011, respectively.

To meet the requirements of the 2011 VML Credit Facility, the Company entered into four interest rate cap agreements in September 2012 with a combined notional amount of \$1.3 billion, which expire in November 2014. The provisions of the interest rate cap agreement entitle the Company to receive from the counterparty the amounts, if any, by which the selected market interest rate exceeds the strike rate of 2.0%. There was no net effect on interest expense as a result of the interest rate cap agreements for the year ended December 31, 2012. The Company maintains the interest rate cap agreements previously used to meet the requirements of the VOL Credit Facility, which was fully repaid in November 2011, to meet the requirements of the 2011 VML Credit Facility.

**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

The 2011 VML Credit Facility contains affirmative and negative covenants customary for such financings, including, but not limited to, limitations on liens, loans and guarantees, investments, acquisitions and asset sales, restricted payments and other distributions, affiliate transactions, certain capital expenditures and use of proceeds from the facility. The 2011 VML Credit Facility also requires the Borrower and VML to comply with financial covenants, including maximum ratios of total indebtedness to Adjusted EBITDA and minimum ratios of Adjusted EBITDA to net interest expense. The 2011 VML Credit Facility also contains events of default customary for such financings. See Note 1 Organization and Business of Company Development Financing Strategy for further discussion.

***Ferry Financing***

In January 2008, in order to finance the purchase of ten ferries, the Company entered into a 1.21 billion Hong Kong dollar ( HKD, approximately \$156.0 million at exchange rates in effect on December 31, 2012) secured credit facility, which was available for borrowing for up to 18 months after closing. The proceeds from the secured credit facility were used to reimburse the Company for cash spent to date on the progress payments made on the ferries and to finance the completion of the remaining ferries. The facility was collateralized by the ferries and guaranteed by VML.

In July 2008, the Company exercised the accordion option on the secured credit facility agreement that financed the Company's original ten ferries and executed a supplement to the secured credit facility agreement. The supplement increased the secured credit facility by an additional HKD 561.6 million (approximately \$72.5 million at exchange rates in effect on December 31, 2012). The proceeds from this supplemental facility were used to reimburse the Company for cash spent to date on the progress payments made on four additional ferries and to finance the remaining progress payments on those ferries. The supplemental facility was collateralized by the additional ferries and guaranteed by VML.

On August 20, 2009, the ferry financing facility was amended to, among other things, allow for the SCL Offering and remove the requirement to comply with all financial covenants. The facility, as amended, was set to mature in December 2015 and was subject to 26 quarterly payments of HKD 68.1 million (approximately \$8.8 million at exchange rates in effect on December 31, 2012), which commenced in October 2009.

As part of the amendment, the credit spread increased by 50 basis points to 2.5% per annum for borrowings made in Hong Kong Dollars and accrued interest at HIBOR, or 2.5% per annum for borrowings made in U.S. Dollars and accrued interest at LIBOR. The weighted average interest rate for the facility was 2.9% and 2.7% for the years ended December 31, 2012 and 2011, respectively.

The Company repaid the \$131.6 million outstanding balance under the Ferry Financing and recorded a \$1.7 million loss on early retirement of debt during the year ended December 31, 2012.

**Singapore Related Debt*****Singapore Credit Facility***

In December 2007, MBS signed a credit facility agreement (the Singapore Credit Facility) providing for a SGD 2.0 billion (approximately \$1.64 billion at exchange rates in effect on December 31, 2012) term loan (Singapore Credit Facility A) that was funded in January 2008, a SGD 2.75 billion (approximately \$2.25 billion at exchange rates in effect on December 31, 2012) term loan (Singapore Credit Facility B) that was available on a delayed draw basis until December 31, 2010, a SGD 192.6 million (approximately \$157.7 million at exchange rates in effect on December 31, 2012) banker's guarantee facility (Singapore Credit Facility C) to provide the bankers' guarantees in favor of the STB required under the Development Agreement that was fully drawn in January 2008, and a SGD 500.0 million (approximately \$409.5 million at exchange rates in effect on December 31, 2012) revolving credit facility (Singapore Credit Facility D) that was available until February 28, 2015. In January 2012, the banker's guarantee was released by the STB and the Singapore Credit Facility C was immediately terminated.

The indebtedness under the Singapore Credit Facility was collateralized by a first-priority security interest in substantially all of MBS's assets, other than capital stock and similar ownership interests, certain furniture, fixtures, fittings and equipment and certain other excluded assets.

The Singapore Credit Facility was to mature on March 31, 2015, with MBS required to repay or prepay the Singapore Credit Facility under certain circumstances. Commencing March 31, 2011, and at the end of each quarter thereafter, MBS was required to repay the outstanding

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Singapore Credit Facility A and Facility B loans on a pro rata basis in an aggregate amount equal to SGD 125.0 million (approximately \$102.4 million at exchange rates in effect on December 31, 2012) per quarter. In addition, commencing with the quarter ending September 30, 2011, MBS was required to further prepay the outstanding Singapore Credit Facility A and Facility B loans on a pro rata basis with a percentage of excess free cash flow (as defined by the Singapore Credit Facility). The initial excess free cash flow calculation was performed on September 30, 2011, with the payment made during the fourth quarter of 2011.

**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

Borrowings under the Singapore Credit Facility bore interest at the Singapore Swap Offered Rate (SOR) plus a spread of 2.25% per annum. MBS paid a standby interest fee of 1.125% per annum and 0.90% per annum on the undrawn amounts under Singapore Credit Facility B and Facility D, respectively. MBS paid a commission of 2.25% per annum on the bankers' guarantees outstanding under the Singapore Credit Facility for the period during which any banker's guarantees are outstanding. The weighted average interest rate for the Singapore Credit Facility was 2.5% during the years ended December 31, 2012 and 2011.

To meet the requirements of the Singapore Credit Facility, the Company entered into nine interest rate cap agreements in 2008, with a combined notional amount of \$1.41 billion, all of which had three-year terms and expired between June and December 2011. The maturity date of one of the interest rate cap agreements, with a notional amount of \$50.0 million, was extended until August 2013. During 2009, the Company entered into 14 additional interest rate cap agreements, with a combined notional amount of \$850.0 million, all of which had three-year terms and expired between March and December 2012. During 2010, the Company entered into seven additional interest rate cap agreements, with a combined notional amount of \$365.0 million, all of which have three-year terms and expire between January and June 2013. During 2011, the Company entered into 12 additional interest rate cap agreements, with a combined notional amount of \$1.15 billion, all of which have three-year terms and expire between May and August 2014. During 2012, the Company entered into three additional interest rate cap agreements, with a combined notional amount of \$200.0 million, all of which have three-year terms and expire between April and May 2015. The provisions of the interest rate cap agreements entitle the Company to receive from the counterparties the amounts, if any, by which the selected market interest rates exceed the strike rate (which range from 3.0% to 4.5%) as stated in such agreements. There was no net effect on interest expense as a result of the interest rate cap agreements for the years ended December 31, 2012, 2011 and 2010.

In June 2012, borrowings under the new 2012 Singapore Credit Facility (as further described below) were used to repay the outstanding balance under the Singapore Credit Facility. The Company recorded a \$13.1 million loss on modification and early retirement of debt during the year ended December 31, 2012, as part of the refinancing of the facility.

***2012 Singapore Credit Facility***

In June 2012, the Company's wholly owned subsidiary, Marina Bay Sands Pte. Ltd. (MBS), entered into a SGD 5.1 billion (approximately \$4.18 billion at exchange rates in effect on December 31, 2012) credit agreement, providing for a fully funded SGD 4.6 billion (approximately \$3.77 billion at exchange rates in effect on December 31, 2012) term loan (the 2012 Singapore Term Facility) and a SGD 500.0 million (approximately \$409.5 million at exchange rates in effect on December 31, 2012) revolving facility (the 2012 Singapore Revolving Facility) that is available until November 25, 2017, which includes a SGD 100.0 million (approximately \$81.9 million at exchange rates in effect on December 31, 2012) ancillary facility (the 2012 Singapore Ancillary Facility). As of December 31, 2012, the Company had SGD 99.5 million (approximately \$81.5 million at exchange rates in effect on December 31, 2012) available for borrowing, net of outstanding letters of credit.

The indebtedness under the 2012 Singapore Credit Facility is collateralized by a first-priority security interest in substantially all of MBS's assets, other than capital stock and similar ownership interests, certain furniture, fixtures, fittings and equipment and certain other excluded assets.

The 2012 Singapore Term Facility matures on June 25, 2018, with MBS required to repay or prepay the 2012 Singapore Credit Facility under certain circumstances. Commencing September 30, 2014, and at the end of each quarter thereafter, MBS is required to repay the outstanding 2012 Singapore Term Facility in an amount increasing from 2.0% (September 30, 2014) to 8.0% (March 31, 2017 to March 31, 2018) of the aggregate principal amount outstanding of SGD 4.6 billion (approximately \$3.77 billion at exchange rates in effect on December 31, 2012). The remaining balance on the 2012 Singapore Term Facility is due on the maturity date. The 2012 Singapore Revolving Facility matures on December 25, 2017, and has no interim amortization payments.

Borrowings under the 2012 Singapore Credit Facility bear interest at the Singapore Swap Offered Rate (SOR) plus a spread of 1.85%. Beginning December 23, 2012, the spread for all outstanding loans is subject to reduction based on a ratio of debt to Adjusted EBITDA (interest rate set at approximately 2.0% as of December 31, 2012). MBS pays a standby commitment fee of 35% to 40% of the spread per annum on all undrawn amounts under the 2012 Singapore Revolving Facility. The weighted average interest rate for the 2012 Singapore Credit Facility was 2.1% for the year ended December 31, 2012.

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The 2012 Singapore Credit Facility contains affirmative and negative covenants customary for such financings, including, but not limited to, limitations on liens, indebtedness, loans and guarantees, investments, acquisitions and asset sales, restricted payments, affiliate transactions and use of proceeds from the facilities. The 2012 Singapore Credit Facility also requires MBS to comply with financial covenants, including maximum ratios of total indebtedness to Adjusted EBITDA, minimum ratios of Adjusted EBITDA to interest expense and a positive net worth requirement. The 2012 Singapore Credit Facility also contains events of default customary for such financings. See Note 1 Organization and Business of Company Development Financing Strategy for further discussion.

**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****Cash Flows from Financing Activities**

Cash flows from financing activities related to long-term debt and capital lease obligations are as follows (in thousands):

	Year Ended December 31,		
	2012	2011	2010
Proceeds from 2012 Singapore Credit Facility	\$ 3,951,486	\$	\$
Proceeds from Senior Secured Credit Facility	400,000		
Proceeds from 2011 VML Credit Facility		3,201,535	
Proceeds from VOL Credit Facility			749,305
Proceeds from Singapore Credit Facility			647,988
	\$ 4,351,486	\$ 3,201,535	\$ 1,397,293
Repayments on Singapore Credit Facility	\$ (3,635,676)	\$ (418,564)	\$
Repayments on Senior Secured Credit Facility	(425,555)	(28,937)	(1,810,329)
Repayments on VML Credit Facility		(2,060,819)	(572,337)
Repayments on VOL Credit Facility		(749,660)	
Redemption or repurchase and cancellation of Senior Notes	(189,712)		(56,675)
Repayments on Ferry Financing	(140,337)	(35,002)	(35,055)
Repayments on Airplane Financings	(3,688)	(3,688)	(3,687)
Repayments on HVAC Equipment Lease	(1,623)	(1,669)	(1,711)
Repayments on Other Long-Term Debt	(3,107)	(1,971)	(121,081)
	\$ (4,399,698)	\$ (3,300,310)	\$ (2,600,875)

**Scheduled Maturities of Capital Lease Obligations and Long-Term Debt**

Maturities of capital lease obligations and long-term debt outstanding as of December 31, 2012, are summarized as follows (in thousands):

	Capital Lease Obligations	Long-term Debt
2013	\$ 6,620	\$ 92,967
2014	5,377	1,522,462
2015	4,530	1,749,882
2016	4,203	4,417,248
2017	2,934	1,589,360
Thereafter	13,712	828,772
	37,376	10,200,691
Less amount representing interest	(8,000)	
Total	\$ 29,376	\$ 10,200,691

**Fair Value of Long-Term Debt**

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The estimated fair value of the Company's long-term debt as of December 31, 2012 and 2011, was approximately \$10.12 billion and \$9.48 billion, respectively, compared to its carrying value of \$10.20 billion and \$10.01 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 9 Equity**

#### **Preferred Stock and Warrants**

In November 2008, the Company issued 10,446,300 shares of its 10% Series A Cumulative Perpetual Preferred Stock (the Preferred Stock) and warrants to purchase up to an aggregate of approximately 174,105,348 shares of common stock at an exercise price of \$6.00 per share and an expiration date of November 16, 2013 (the Warrants). Units consisting of one share of Preferred Stock and one Warrant to purchase 16.6667 shares of common stock were sold for \$100 per unit. As described further below, the outstanding Preferred Stock was redeemed in whole by the Company on November 15, 2011, at a redemption price of \$110 per share. Holders of the Preferred Stock had no rights to exchange or convert such shares into any other securities.

Under Nevada law, the Company had the ability to declare or pay dividends on the Preferred Stock only to the extent by which the total assets exceeded the total liabilities and so long as the Company was able to pay its debts as they became due in the usual course of its business. When declared by the Company's Board of Directors, holders of the Preferred Stock were entitled to receive cumulative cash dividends quarterly on each February 15, May 15, August 15 and November 15, which began on February 15, 2009.

**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)*****Preferred Stock Issued to Public***

Of the 10,446,300 shares of Preferred Stock issued, the Company issued 5,196,300 shares to the public together with Warrants to purchase up to an aggregate of approximately 86,605,173 shares of its common stock and received gross proceeds of \$519.6 million (\$503.6 million, net of transaction costs). The allocated carrying values of the Preferred Stock and Warrants on the date of issuance (based on their relative fair values) were \$298.1 million and \$221.5 million, respectively.

During the year ended December 31, 2012, 39,070 Warrants were exercised to purchase an aggregate of 655,496 shares of the Company's common stock at \$6.00 per share and \$3.9 million in cash was received as settlement of the Warrant exercise price.

During the year ended December 31, 2011, holders of preferred stock exercised 1,317,220 Warrants to purchase an aggregate of 21,953,704 shares of the Company's common stock at \$6.00 per share and tendered 1,192,100 shares of preferred stock and \$12.5 million in cash as settlement of the Warrant exercise price. In conjunction with certain of these transactions, the Company paid \$16.9 million in premiums to induce the exercise of Warrants with settlement through tendering preferred stock. During the year ended December 31, 2011, the Company also repurchased and retired 736,629 shares of preferred stock for \$82.3 million.

During the year ended December 31, 2010, holders of preferred stock exercised 2,730,209 Warrants to purchase an aggregate of 45,503,562 shares of the Company's common stock at \$6.00 per share and tendered 475,076 shares of preferred stock and \$225.5 million in cash as settlement of the Warrant exercise price. In conjunction with certain of these transactions, the Company paid \$6.6 million in premiums to induce the exercise of Warrants with settlement through tendering preferred stock.

***Preferred Stock Issued to Principal Stockholder's Family***

Of the 10,446,300 shares of Preferred Stock issued, the Company issued 5,250,000 shares to the Principal Stockholder's family together with Warrants to purchase up to an aggregate of approximately 87,500,175 shares of its common stock and received gross proceeds of \$525.0 million (\$523.7 million, net of transaction costs). The allocated carrying values of the Preferred Stock and Warrants on the date of issuance (based on their relative fair values) were \$301.1 million and \$223.9 million, respectively. The Preferred Stock amount had been recorded as mezzanine equity as the Principal Stockholder and his family have a greater than 50% ownership of the Company and therefore had the ability to require the Company to redeem their Preferred Stock beginning November 15, 2011.

As the Preferred Stock issued to the Principal Stockholder's family was being accounted for as redeemable at the option of the holder, the balance was accreted to the redemption value of \$577.5 million over three years. Due to the redemption of the Preferred Stock on November 15, 2011, there were no accumulated or undeclared dividends as of December 31, 2011.

A summary of the Company's Preferred Stock issued its Principal Stockholder's family for the years ended December 31, 2011 and 2010, is presented below (in thousands, except number of shares):

	Number of Shares	Amount
Balance as of January 1, 2010	5,250,000	410,834
Accretion to redemption value		92,545
Dividends declared, net of amounts previously accrued		45,646
Dividends paid		(52,500)
Accumulated but undeclared dividend requirement		6,854
Balance as of December 31, 2010	5,250,000	503,379
Accretion to redemption value		80,975

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Dividends declared, net of amounts previously accrued		45,646
Dividends paid		(52,500)
Redemption of preferred stock	(5,250,000)	(577,500)
Balance as of December 31, 2011		\$

On March 2, 2012, the Principal Stockholder's family exercised all of their outstanding Warrants to purchase 87,500,175 shares of the Company's common stock for \$6.00 per share and paid \$525.0 million in cash as settlement of the Warrant exercise price.

**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)*****Preferred Stock Dividends***

On February 15, May 16, August 15 and November 15, 2011, the Company paid a dividend of \$2.50 per preferred share, totaling \$75.3 million (of which \$52.5 million was paid to the Principal Stockholder's family).

On February 16, May 17, August 16 and November 15, 2010, the Company paid a dividend of \$2.50 per preferred share, totaling \$93.4 million (of which \$52.5 million was paid to the Principal Stockholder's family).

***Redemption of Preferred Stock***

In August 2011, the Company's Board of Directors approved the redemption of all outstanding preferred stock and on November 15, 2011, the Company paid \$763.0 million to redeem all of the preferred shares outstanding and recorded a redemption premium of \$88.8 million during the year ended December 31, 2011.

**Common Stock**

On March 30, June 29, September 28 and December 28, 2012, the Company paid a dividend of \$0.25 per common share as part of a regular cash dividend program. On December 18, 2012, the Company paid a special cash dividend of \$2.75 per common share. During the year ended December 31, 2012, the Company recorded \$3.09 billion as a distribution against retained earnings (of which \$1.62 billion related to the Principal Stockholder's family). Of this amount, approximately \$5.5 million has been recorded as a liability as of December 31, 2012, which will be paid to holders of unvested restricted stock and stock units upon vesting.

On January 29, 2013, as part of a regular cash dividend program, the Company's Board of Directors declared a quarterly dividend of \$0.35 per common share (a total estimated to be approximately \$289 million) to be paid on March 29, 2013, to shareholders of record on March 21, 2013.

**Rollforward of Shares of Common Stock and Preferred Stock Issued to Public**

A summary of the outstanding shares of common stock and preferred stock issued to the public is as follows:

	Preferred Stock	Common Stock
Balance as of January 1, 2010	4,089,999	660,322,749
Exercise of stock options		1,667,636
Issuance of restricted stock		15,765
Forfeiture of unvested restricted stock		(1,730)
Exercise of warrants	(475,076)	45,503,562
Balance as of December 31, 2010	3,614,923	707,507,982
Exercise of stock options		2,549,131
Issuance of restricted stock		1,250,381
Forfeiture of unvested restricted stock		(11,500)
Exercise of warrants	(1,192,100)	21,953,704
Repurchases and redemption of preferred stock	(2,422,823)	
Balance as of December 31, 2011		733,249,698
Exercise of stock options		2,387,831
Issuance of restricted stock		516,556

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Forfeiture of unvested restricted stock	(12,000)
Exercise of warrants	88,155,671
Balance as of December 31, 2012	824,297,756

### Other Equity Transactions

In July 2012, the Company purchased a Boeing 747 airplane from an entity controlled by the Principal Stockholder for \$34.0 million, based on independent third party appraisals. In accordance with accounting standards regarding transactions between entities under common control, the Company recorded the cost of the airplane at the Principal Stockholder's book value at the date of the transaction, which was \$15.4 million. The \$18.6 million difference between the amount paid and the book value of the airplane (a gain to the Principal Stockholder) was recorded as a deemed distribution to the Principal Stockholder during the year ended December 31, 2012.

**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

The Company believes that the purchase of the airplane allows it to meet the increased demand for high-end premium direct customer travel driven from the Company's expanding global gaming operations and is an important component in creating the ultimate trans-Pacific transportation experience for its customers. The Company believes it would have been more costly to acquire the airplane in the open market due to the limited supply of similar aircraft with luxury features.

**Noncontrolling Interests***SCL*

On February 28 and June 22, 2012, SCL paid a dividend of HKD 0.58 per share (a total of \$1.20 billion, of which the Company retained \$844.4 million).

On January 25, 2013, the Board of Directors of SCL declared a dividend of HKD 0.67 per share (a total of approximately \$696.4 million at exchange rates in effect on December 31, 2012, of which the Company will retain \$489.1 million) to SCL shareholders of record on February 19, 2013, which was paid on February 28, 2013.

*Other*

In June 2011, the Company disposed of its interest in one of its majority owned subsidiaries, resulting in a loss of \$3.7 million, which is included in loss on disposal of assets during the year ended December 31, 2011. In addition, during the year ended December 31, 2012 and 2011, the Company distributed \$10.5 million and \$10.4 million, respectively, to certain of its noncontrolling interests.

**Note 10 Income Taxes**

Consolidated income before taxes and noncontrolling interests for domestic and foreign operations is as follows (in thousands):

	<b>Year Ended December 31,</b>		
	<b>2012</b>	<b>2011</b>	<b>2010</b>
Foreign	\$ 2,089,243	\$ 2,149,538	\$ 960,941
Domestic	(26,667)	(54,715)	(105,036)
<b>Total income before income taxes</b>	<b>\$ 2,062,576</b>	<b>\$ 2,094,823</b>	<b>\$ 855,905</b>

The components of the income tax expense are as follows (in thousands):

	<b>Year Ended December 31,</b>		
	<b>2012</b>	<b>2011</b>	<b>2010</b>
<b>Foreign:</b>			
Current	\$ 163,199	\$ 120,502	\$ 5,280
Deferred	17,848	91,706	68,456
<b>Federal:</b>			
Current	12,379	232	(30,515)
Deferred	(12,660)	(779)	31,080
<b>State:</b>			
Current	(3)	43	1

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Deferred

Total income tax expense \$ 180,763 \$ 211,704 \$ 74,302

The reconciliation of the statutory federal income tax rate and the Company's effective tax rate is as follows:

	Year Ended December 31,		
	2012	2011	2010
Statutory federal income tax rate	35.0%	35.0%	35.0%
Increase (decrease) in tax rate resulting from:			
U.S. foreign tax credits	(162.1)%	(4.0)%	
Repatriation of foreign earnings	110.5%	2.4%	
Change in valuation allowance	54.3%	2.7%	10.5%
Foreign and U.S. tax rate differential	(20.8)%	(21.0)%	(24.4)%
Tax exempt income of foreign subsidiary (Macao)	(10.0)%	(7.6)%	(14.4)%
Change in uncertain tax positions	0.7%	0.1%	0.3%
Other, net	1.2%	2.5%	1.7%
Effective tax rate	8.8%	10.1%	8.7%

**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

The Company received a 5-year income tax exemption in Macao that exempts the Company from paying corporate income tax on profits generated by gaming operations. The Company will continue to benefit from this tax exemption through the end of 2013. During July 2012, VML requested an additional 5-year income tax exemption. Had the Company not received the income tax exemption in Macao, consolidated net income attributable to Las Vegas Sands Corp. would have been reduced by \$139.8 million, \$108.6 million and \$81.0 million, and diluted earnings per share would have been reduced by \$0.17, \$0.13 and \$0.10 per share for the years ended December 31, 2012, 2011 and 2010, respectively. In February 2011, the Company entered into an agreement with the Macao government, effective through the end of 2013 that provides for an annual payment of 14.4 million patacas (approximately \$1.8 million at exchange rates in effect on December 31, 2012) that is a substitution for a 12% tax otherwise due from VML shareholders on dividend distributions paid from VML gaming profits.

The primary tax affected components of the Company's net deferred tax liabilities are as follows (in thousands):

	December 31,	
	2012	2011
<b>Deferred tax assets:</b>		
U.S. foreign tax credit carryforwards	\$ 1,199,794	\$ 84,481
Net operating loss carryforwards	193,638	249,632
Pre-opening expenses	49,103	41,452
Stock-based compensation	47,197	45,710
Deferred gain on the sale of The Grand Canal Shoppes and The Shoppes at The Palazzo	34,534	35,927
Allowance for doubtful accounts	25,156	21,284
Accrued expenses	24,868	26,670
State deferred items	13,976	12,350
Other tax credit carryforwards	4,313	3,771
Other	5,456	8,746
	1,598,035	530,023
Less valuation allowances	(1,390,900)	(325,239)
Total deferred tax assets	207,135	204,784
<b>Deferred tax liabilities:</b>		
Property and equipment	(323,674)	(321,512)
Prepaid expenses	(556)	(3,909)
Other	(23,271)	(12,456)
Total deferred tax liabilities	(347,501)	(337,877)
Deferred tax liabilities, net	\$ (140,366)	\$ (133,093)

The Company recognizes tax benefits associated with stock-based compensation directly to stockholders' equity only when realized. Accordingly, deferred tax assets are not recognized for net operating loss carryforwards or credit carryforwards resulting from windfall tax benefits. A windfall tax benefit occurs when the actual tax benefit realized upon an employee's disposition of a share-based award exceeds the cumulative book compensation charge associated with the award. As of December 31, 2012 and 2011, the Company has windfall tax benefits of \$171.5 million and \$112.2 million, respectively, which are not reflected in deferred tax assets. The Company uses a with-and-without approach to determine if the excess tax deductions associated with compensation costs have reduced income taxes payable.

During the year ended December 31, 2012, certain wholly owned foreign subsidiaries paid dividends resulting in incremental U.S. taxable income. The receipt of the dividends did not result in a cash tax liability for the Company as the incremental U.S. taxable income was fully

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offset by the utilization of the U.S. federal net operating loss and the U.S. foreign tax credits generated as a result of the dividends. In addition, the dividends generated excess U.S. foreign tax credits that will be available to be carried forward to tax years beyond 2012. The Company's U.S. operations had no federal net operating loss carryforward as of December 31, 2012 and had \$359.7 million as of December 31, 2011. The Company's U.S. foreign tax credits were \$1.20 billion and \$84.5 million as of December 31, 2012 and 2011, respectively, which will begin to expire in 2021. The Company's state net operating loss carryforwards were \$220.7 million and \$185.9 million as of December 31, 2012 and 2011, respectively, which will begin to expire in 2024. The Company's U.S. general business credits were \$4.3 million and \$3.8 million as of December 31, 2012 and 2011, respectively, which will begin to expire in 2024. There was a valuation allowance of \$1.18 billion and \$145.7 million as of December 31, 2012 and 2011, respectively, provided on the net U.S. deferred tax assets, as the Company believes these assets do not meet the more-likely-than-not criteria for recognition. Net operating loss carryforwards for the Company's foreign subsidiaries were \$1.56 billion and \$1.38 billion as of December 31, 2012 and 2011, respectively, which begin to expire in 2013. There are valuation allowances of \$209.4 million and \$179.5 million, as of December 31, 2012 and 2011, respectively, provided on the net deferred tax assets of certain foreign jurisdictions, as the Company believes these assets do not meet the more-likely-than-not criteria for recognition.

**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

Undistributed earnings of subsidiaries are accounted for as a temporary difference, except that deferred tax liabilities are not recorded for undistributed earnings of foreign subsidiaries that are deemed to be indefinitely reinvested in foreign jurisdictions. During the year ended December 31, 2012, the Company made a special one-time repatriation of prior earnings of certain foreign subsidiaries in the form of a \$1.37 billion dividend. The distribution resulted in no federal or foreign income tax or withholding as the foreign tax credits associated with the distribution exceeded the tax due on the distribution of foreign earnings. The Company has a plan for reinvestment of the remaining undistributed earnings of its foreign subsidiaries attributable to periods before January 1, 2012, which demonstrates such earnings will be indefinitely reinvested in the applicable jurisdictions. As of January 1, 2012, the Company no longer considers the current portion of the tax earnings and profits of certain of its foreign subsidiaries to be permanently reinvested. The Company has not provided deferred taxes for these foreign earnings as the Company expects there will be sufficient creditable foreign taxes to offset the U.S. income tax that would result from the repatriation of foreign earnings. As of December 31, 2012 and 2011, the amount of undistributed earnings of foreign subsidiaries that the Company does not intend to repatriate was \$4.27 billion and \$5.62 billion, respectively. Should these earnings be distributed in the form of dividends or otherwise, the Company expects there will be sufficient creditable foreign taxes to offset the U.S. income taxes and other foreign taxes that would result from a distribution.

A reconciliation of the beginning and ending amounts of unrecognized tax benefits is as follows (in thousands):

	<b>December 31,</b>		
	<b>2012</b>	<b>2011</b>	<b>2010</b>
Balance at the beginning of the year	\$ 43,411	\$ 35,769	\$ 66,067
Additions to tax positions related to prior years	8,959	4,450	324
Reductions to tax positions related to prior years		(35)	(6,287)
Additions to tax positions related to current year	6,968	3,736	2,311
Settlements		(417)	(26,646)
Lapse in statutes of limitations		(92)	
Balance at the end of the year	\$ 59,338	\$ 43,411	\$ 35,769

As of December 31, 2011 and 2010, unrecognized tax benefits of \$8.9 million and \$7.9 million, respectively, were recorded as reductions to the U.S. net operating loss deferred tax asset. No such amounts were recorded as of December 31, 2012. As of December 31, 2012, 2011 and 2010, unrecognized tax benefits of \$59.3 million, \$34.5 million and \$27.9 million, respectively, were recorded in other long-term liabilities.

Included in the balance as of December 31, 2012, 2011 and 2010, are \$47.8 million, \$33.9 million and \$31.3 million, respectively, of uncertain tax benefits that would affect the effective income tax rate if recognized.

The Company's major tax jurisdictions are the U.S., Macao, and Singapore. In January 2013, the Internal Revenue Service ( IRS ) completed its examination of tax years 2005 through 2009. The Inland Revenue Authority of Singapore is performing a compliance review of the Marina Bay Sands tax return for tax year 2010. The Company is subject to examination for tax years after 2007 in Macao and Singapore and for tax years after 2009 in the U.S. The Company believes it has adequately reserved for its uncertain tax positions; however, there is no assurance that the taxing authorities will not propose adjustments that are different from the Company's expected outcome and that will impact the provision for income taxes.

The Company believes it is reasonably possible that the total amount of unrecognized tax benefits at December 31, 2012, may decrease by approximately \$17 million within the next twelve months primarily due to the conclusion of the IRS audit of the Company's 2005 through 2009 consolidated federal income tax returns.

The Company recognizes interest and penalties, if any, related to unrecognized tax positions in the provision for income taxes in the accompanying consolidated statement of operations. No interest or penalties were accrued as of December 31, 2012 or 2011.



**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****Note 11 Fair Value Measurements**

Under applicable accounting guidance, fair value is defined as the exit price, or the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date. Applicable accounting guidance also establishes a valuation hierarchy for inputs in measuring fair value that maximizes the use of observable inputs (inputs market participants would use based on market data obtained from sources independent of the Company) and minimizes the use of unobservable inputs (inputs that reflect the Company's assumptions based upon the best information available in the circumstances) by requiring that the most observable inputs be used when available. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, and inputs (other than quoted prices) that are observable for the assets or liabilities, either directly or indirectly. Level 3 inputs are unobservable inputs for the assets or liabilities. Categorization within the hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The following table provides the assets carried at fair value (in thousands):

	Total Carrying Value	Fair Value Measurements Using:		
		Quoted Market Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>As of December 31, 2012</b>				
Cash equivalents <sup>(1)</sup>	\$ 1,377,330	\$ 1,377,330	\$	\$
Interest rate caps <sup>(2)</sup>	\$ 218	\$	\$ 218	\$
<b>As of December 31, 2011</b>				
Cash equivalents <sup>(1)</sup>	\$ 2,766,796	\$ 2,766,796	\$	\$
Interest rate caps <sup>(2)</sup>	\$ 1,195	\$	\$ 1,195	\$

(1) The Company has short-term investments classified as cash equivalents as the original maturities are less than 90 days.

(2) As of December 31, 2012 and 2011, the Company has 30 and 38 interest rate cap agreements, respectively, with an aggregate fair value of approximately \$0.2 million and \$1.2 million, respectively, based on quoted market values from the institutions holding the agreements.

**Note 12 Mall Sales****The Grand Canal Shoppes at The Venetian Las Vegas**

In April 2004, the Company entered into an agreement to sell The Grand Canal Shoppes and lease certain restaurant and other retail space at the casino level of The Venetian Las Vegas (the "Master Lease") to GGP for approximately \$766.0 million (the "Mall Sale"). The Mall Sale closed in May 2004, and the Company realized a gain of \$417.6 million in connection with the Mall Sale. Under the Master Lease agreement, The Venetian Las Vegas leased nineteen retail and restaurant spaces on its casino level to GGP for 89 years with annual rent of one dollar and GGP assumed the various leases. In accordance with related accounting standards, the Master Lease agreement does not qualify as a sale of the real property assets, which real property was not separately legally demised. Accordingly, \$109.2 million of the transaction has been deferred as prepaid operating lease payments to The Venetian Las Vegas, which will amortize into income on a straight-line basis over the 89-year lease term. During each of the years ended December 31, 2012, 2011 and 2010, \$1.2 million of this deferred item was amortized and included in convention, retail and other revenue. In addition, the Company agreed with GGP to: (i) continue to be obligated to fulfill certain lease termination and asset purchase agreements as further described in Note 13 Commitments and Contingencies - Other Ventures and Commitments; (ii) lease theater space located within The Grand Canal Shoppes from GGP for a period of 25 years with fixed minimum rent of \$3.3 million per year with cost of living adjustments; (iii) operate the Gondola ride under an operating agreement for a period of 25 years for an annual fee of \$3.5 million; and (iv) lease certain office space from GGP for a period of 10 years, subject to extension options for a period of up to 65 years, with annual rent of approximately \$0.9 million. The lease payments under clauses (ii) through (iv) above are subject to automatic

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increases beginning on the sixth lease year. The net present value of the lease payments under clauses (ii) through (iv) on the closing date of the sale was \$77.2 million. In accordance with related accounting standards, a portion of the transaction must be deferred in an amount equal to the present value of the minimum lease payments set forth in the lease back agreements. This deferred gain will be amortized to reduce lease expense on a straight-line basis over the life of the leases. During each of the years ended December 31, 2012, 2011 and 2010, \$3.5 million of this deferred item was amortized as an offset to convention, retail and other expense.

**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

As of December 31, 2012, the Company was obligated under (ii), (iii), and (iv) above to make future payments as follows (in thousands):

2013	\$ 8,043
2014	7,725
2015	7,497
2016	7,497
2017	7,497
Thereafter	91,307
	<b>\$ 129,566</b>

**The Shoppes at The Palazzo**

The Shoppes at The Palazzo opened on January 18, 2008, with some tenants not yet open and with construction of certain portions of the mall not yet completed. Pursuant to the Amended Agreement, the Company contracted to sell The Shoppes at The Palazzo to GGP. The Final Purchase Price for The Shoppes at The Palazzo was to be determined by taking The Shoppes at The Palazzo's NOI, as defined in the Amended Agreement, for months 19 through 30 of its operations (assuming that the fixed rent and other fixed periodic payments due from all tenants in month 30 were actually due in each of months 19 through 30, provided that this 12-month period could have been delayed if certain conditions were satisfied) divided by a capitalization rate. The capitalization rate was 0.06 for every dollar of NOI up to \$38.0 million and 0.08 for every dollar of NOI above \$38.0 million. On the closing date of the sale, February 29, 2008, GGP made its initial purchase price payment of \$290.8 million based on projected net operating income for the first 12 months of operations (only taking into account tenants open for business or paying rent as of February 29, 2008). Pursuant to the Amended Agreement, periodic adjustments to the purchase price (up or down, but never to less than \$250.0 million) were to be made based on projected NOI for the then upcoming 12 months. Pursuant to the Amended Agreement, the Company received an additional \$4.6 million in June 2008, representing the adjustment payment at the fourth month after closing. Subject to adjustments for certain audit and other issues, the final adjustment to the purchase price was to be made on the 30-month anniversary of the closing date (or later if certain conditions are satisfied) based on the previously described formula. For all purchase price and purchase price adjustment calculations, NOI was to be calculated using the accrual method of accounting. The Company and GGP had entered into several amendments to the Amended Agreement to defer the time to reach agreement on the Final Purchase Price as both parties continued to work on various matters related to the calculation of NOI. On June 24, 2011, the Company reached a settlement with GGP regarding the Final Purchase Price. Under the terms of the settlement, the Company retained the \$295.4 million of proceeds previously received and participates in certain future revenues earned by GGP. In addition, the Company agreed with GGP to lease certain spaces located within The Shoppes at The Palazzo for a period of 10 years with total fixed minimum rents of \$0.7 million per year, subject to extension options for a period of up to 10 years and automatic increases beginning on the second lease year. As of December 31, 2012, the Company was obligated to make future payments of approximately \$0.8 million annually for the two years ended December 31, 2014, approximately \$0.9 million annually for the three years ended December 31, 2017, and \$0.5 million thereafter. In accordance with related accounting standards, the transaction has not been accounted for as a sale because the Company's participation in certain future revenues constitutes continuing involvement in The Shoppes at The Palazzo. Therefore, \$268.0 million of the mall sale transaction has been recorded as deferred proceeds from the sale as of December 31, 2012, which accrues interest at an imputed interest rate offset by (i) imputed rental income and (ii) rent payments made to GGP related to those spaces leased back from GGP.

In the Amended Agreement, the Company agreed to lease certain restaurant and retail space on the casino level of The Palazzo to GGP pursuant to a master lease agreement (The Palazzo Master Lease). Under The Palazzo Master Lease, which was executed concurrently with, and as a part of, the closing on the sale of The Shoppes at The Palazzo to GGP on February 29, 2008, The Palazzo leased nine restaurant and retail spaces on its casino level to GGP for 89 years with annual rent of one dollar and GGP assumed the various tenant operating leases for those spaces. In accordance with related accounting standards, The Palazzo Master Lease does not qualify as a sale of the real property, which real property was not separately legally demised. Accordingly, \$22.5 million of the mall sale transaction has been deferred as prepaid operating lease payments to The Palazzo, which is amortized into income on a straight-line basis over the 89-year lease term, while \$4.1 million of the total proceeds from the mall sale transaction (which represented the portion of the proceeds in excess of the guaranteed purchase price that was allocated to The

Palazzo Master Lease) has been recognized as contingent rent revenue and included in convention, retail and other revenue during the year ended December 31, 2011.

**Note 13 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 or cash flows.

**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

On October 15, 2004, Richard Suen and Round Square Company Limited 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 of Clark County ), asserting a breach of an alleged agreement to pay a success fee of \$5.0 million and 2.0% of the net profit from the Company's Macao resort operations to the plaintiffs as well as other related claims. In March 2005, LVSC was dismissed as a party without prejudice based on a stipulation to do so between the parties. Pursuant to an order filed March 16, 2006, plaintiffs' fraud claims set forth in the first amended complaint were dismissed with prejudice against all defendants. The order also dismissed with prejudice the first amended complaint against defendants Sheldon G. Adelson and William P. Weidner. On May 24, 2008, the jury returned a verdict for the plaintiffs in the amount of \$43.8 million. On June 30, 2008, a judgment was entered in this matter in the amount of \$58.6 million (including pre-judgment interest). The Company appealed the verdict to the Nevada Supreme Court. On November 17, 2010, the Nevada Supreme Court reversed the judgment and remanded the case to the District Court of Clark County for a new trial. In its decision reversing the monetary judgment against the Company, the Nevada Supreme Court also made several other rulings which may affect the outcome of the new trial, including overturning the pre-trial dismissal of the plaintiffs' breach of contract claim and deciding several evidentiary matters, some of which confirmed and some of which overturned rulings made by the District Court of Clark County. On February 27, 2012, the District Court of Clark County set a date of March 25, 2013, for the new trial. On June 22, 2012, the defendants filed a request to add experts and plaintiffs filed a motion seeking additional financial data as part of their discovery. The District Court of Clark County granted both requests. As such, the Company is unable at this time to determine the probability of the outcome or range of reasonably possible loss, if any. The Company intends to defend this matter vigorously.

On October 20, 2010, Steven C. Jacobs, the former Chief Executive Officer of SCL, filed an action against LVSC and SCL in the District Court of Clark County alleging breach of contract against LVSC and SCL and breach of the implied covenant of good faith and fair dealing and tortious discharge in violation of public policy against LVSC. On March 16, 2011, an amended complaint was filed, which added Sheldon G. Adelson as a defendant and alleged a claim of defamation per se against him, LVSC and SCL. On June 9, 2011, the District Court of Clark County dismissed the defamation claim and certified the decision as to Sheldon G. Adelson as a final judgment. On July 1, 2011, the plaintiff filed a notice of appeal regarding the final judgment as to Sheldon G. Adelson. On August 26, 2011, the Nevada Supreme Court issued a writ of mandamus instructing the District Court of Clark County to hold an evidentiary hearing on whether personal jurisdiction exists over SCL and stayed the case until after the district court's decision. On January 17, 2012, Mr. Jacobs filed his opening brief with the Nevada Supreme Court regarding his appeal of the defamation claim against Mr. Adelson. On January 30, 2012, Mr. Adelson filed his reply to Mr. Jacobs' opening brief. On March 8, 2012, the District Court of Clark County set a hearing date for the week of June 25-29, 2012, for the evidentiary hearing on personal jurisdiction over SCL. On May 24, 2012, the District Court of Clark County vacated the hearing date previously set for June 25-29 and set a status conference for June 28, 2012. At the June 28 status hearing, the District Court of Clark County set out a hearing schedule to resolve a discovery dispute and did not reset a date for the jurisdictional hearing. From September 10 to September 12, 2012, the District Court of Clark County held a hearing to determine the outcome of certain discovery disputes and issued an Order on September 14, 2012. In its Order, the District Court of Clark County fined LVSC \$25,000 and, for the purposes of the jurisdictional discovery and evidentiary hearing, precluded the Defendants from relying on the Macao Data Privacy Act as an objection or defense under its discovery obligations. On December 21, 2012, the District Court of Clark County ordered the defendants to produce documents from a former counsel to LVSC containing attorney client privileged information. On January 23, 2013, the defendants filed a writ with the Nevada Supreme Court challenging this order. On January 29, 2013, the District Court of Clark County granted defendants motion for a stay of the order. Mr. Jacobs is seeking unspecified damages. This 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.

On February 9, 2011, LVSC received a subpoena from the Securities and Exchange Commission (the SEC ) requesting that the Company produce documents relating to its compliance with the Foreign Corrupt Practices Act (the FCPA ). The Company has also been advised by the Department of Justice (the DOJ ) that it is conducting a similar investigation. It is the Company's belief that the subpoena may have emanated from the lawsuit filed by Steven C. Jacobs described above.

After the Company's receipt of the subpoena from the SEC on February 9, 2011, the Board of Directors delegated to the Audit Committee, comprised of three independent members of the Board of Directors, the authority to investigate the matters raised in the SEC subpoena and related inquiry of the DOJ.

As part of the annual audit of the Company's financial statements, the Audit Committee advised the Company and its independent accountants that it had reached certain preliminary findings, including that there were likely violations of the books and records and internal controls provisions of the FCPA and that in recent years, the Company has improved its practices with respect to books and records and internal controls.

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Based on the information provided to management by the Audit Committee and its counsel, the Company believes, and the Audit Committee concurs, that the preliminary findings:

do not have a material impact on the financial statements of the Company;

do not warrant any restatement of the Company's past financial statements; and

do not represent a material weakness in the Company's internal controls over financial reporting as of December 31, 2012.

The investigation by the Audit Committee, though largely completed, remains ongoing. The Company is cooperating with all investigations. Based on proceedings to date, management is currently unable to determine the probability of the outcome of this matter, the extent of materiality, or the range of reasonably possible loss, if any.

On May 24, 2010, Frank J. Fosbre, Jr. filed a purported class action complaint in the United States District Court for the District of Nevada (the U.S. District Court), against LVSC, Sheldon G. Adelson, and William P. Weidner. The complaint alleged that LVSC, through the individual defendants, disseminated or approved materially false information, or failed to disclose material facts, through press releases, investor conference calls and other means from August 1, 2007 through November 6, 2008. The complaint sought, among other relief, class certification, compensatory damages and attorneys' fees and costs. On July 21, 2010, Wendell and Shirley Combs filed a purported class action complaint in the U.S. District Court, against LVSC, Sheldon G. Adelson, and William P. Weidner. The complaint alleged that LVSC, through the individual defendants, disseminated or approved materially false information, or failed to disclose material facts, through press releases, investor conference calls and other means from June 13, 2007 through November 11, 2008. The complaint, which was substantially similar to the Fosbre complaint, discussed above, sought, among other relief, class certification, compensatory damages and attorneys' fees and costs. On August 31, 2010, the U.S. District Court entered an order consolidating the Fosbre and Combs cases, and appointed lead plaintiffs and lead counsel. As such, the Fosbre and Combs cases are reported as one consolidated matter. On November 1, 2010, a purported class action amended complaint was

**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

filed in the consolidated action against LVSC, Sheldon G. Adelson and William P. Weidner. The amended complaint alleges that LVSC, through the individual defendants, disseminated or approved materially false and misleading information, or failed to disclose material facts, through press releases, investor conference calls and other means from August 2, 2007 through November 6, 2008. The amended complaint seeks, among other relief, class certification, compensatory damages and attorneys' fees and costs. On January 10, 2011, the defendants filed a motion to dismiss the amended complaint, which, on August 24, 2011, was granted in part, and denied in part, with the dismissal of certain allegations. On November 7, 2011, the defendants filed their answer to the allegations remaining in the amended complaint. On July 11, 2012, the U.S. District Court issued an order allowing Defendants' Motion for Partial Reconsideration of the Court's Order dated August 24, 2011, striking additional portions of the plaintiff's complaint and reducing the class period to a period of February 4 to November 6, 2008. On August 7, 2012, the plaintiff filed a purported class action second amended complaint (the "Second Amended Complaint") seeking to expand their allegations back to a time period of 2007 (having previously been cut back to 2008 by the U.S. District Court) essentially alleging very similar matters that had been previously stricken by the U.S. District Court. On October 16, 2012, the defendants filed a new motion to dismiss the Second Amended Complaint. The plaintiffs responded to the motion to dismiss on November 1, 2012, and defendants filed their reply on November 12, 2012. On November 20, 2012, the U.S. District Court granted a stay of discovery under the Private Securities Litigation Reform Act pending a decision on the new motion to dismiss and therefore, the discovery process has been suspended. This consolidated 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.

On March 9, 2011, Benyamin Kohanim filed a shareholder derivative action (the "Kohanim action") on behalf of the Company in the District Court of Clark County against Sheldon G. Adelson, Jason N. Ader, Irwin Chafetz, Charles D. Forman, George P. Koo, Michael A. Leven, Jeffrey H. Schwartz and Irwin A. Siegel, the members of the Board of Directors at the time. The complaint alleges, among other things, breach of fiduciary duties in failing to properly implement, oversee and maintain internal controls to ensure compliance with the FCPA. The complaint seeks to recover for the Company unspecified damages, including restitution and disgorgement of profits, and also seeks to recover attorneys' fees, costs and related expenses for the plaintiff. On April 18, 2011, Ira J. Gaines, Sunshine Wire and Cable Defined Benefit Pension Plan Trust dated 1/1/92 and Peachtree Mortgage Ltd. filed a shareholder derivative action (the "Gaines action") on behalf of the Company in the District Court of Clark County against Sheldon G. Adelson, Jason N. Ader, Irwin Chafetz, Charles D. Forman, George P. Koo, Michael A. Leven, Jeffrey H. Schwartz and Irwin A. Siegel, the members of the Board of Directors at the time. The complaint raises substantially similar claims as alleged in the Kohanim action. The complaint seeks to recover for the Company unspecified damages, and also seeks to recover attorneys' fees, costs and related expenses for the plaintiffs. The Kohanim and Gaines actions have been consolidated and are reported as one consolidated matter. On July 25, 2011, the plaintiffs filed a first verified amended consolidated complaint. The plaintiffs have twice agreed to stay the proceedings. A 120-day stay was entered by the Court in October 2011. It was extended for another 90 days in February 2012 and expired in May 2012. The parties agreed to an extension of the May 2012 deadline that expired on October 30, 2012. The defendants filed a motion to dismiss on November 1, 2012, based on the fact that the plaintiffs have suffered no damages. On January 23, 2013, the Court denied the motion to dismiss in part, deferred the remainder of the motion to dismiss and stayed the proceedings until a July 22, 2013 status hearing. This consolidated 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.

On April 1, 2011, Nasser Moradi, Richard Buckman, Douglas Tomlinson and Matt Abbeduto filed a shareholder derivative action (the "Moradi action"), as amended on April 15, 2011, on behalf of the Company in the U.S. District Court, against Sheldon G. Adelson, Jason N. Ader, Irwin Chafetz, Charles D. Forman, George P. Koo, Michael A. Leven, Jeffrey H. Schwartz and Irwin A. Siegel, the members of the Board of Directors at the time. The complaint raises substantially similar claims as alleged in the Kohanim and Gaines actions. The complaint seeks to recover for the Company unspecified damages, including exemplary damages and restitution, and also seeks to recover attorneys' fees, costs and related expenses for the plaintiffs. On April 18, 2011, the Louisiana Municipal Police Employees Retirement System filed a shareholder derivative action (the "LAMPERS action") on behalf of the Company in the U.S. District Court, against Sheldon G. Adelson, Jason N. Ader, Irwin Chafetz, Charles D. Forman, George P. Koo, Michael A. Leven, Jeffrey H. Schwartz and Irwin A. Siegel, the members of the Board of Directors at the time, and Wing T. Chao, a former member of the Board of Directors. The complaint raises substantially similar claims as alleged in the Kohanim, Moradi and Gaines actions. The complaint seeks to recover for the Company unspecified damages, and also seeks to recover attorneys' fees, costs and related expenses for the plaintiff. On April 22, 2011, John Zaremba filed a shareholder derivative action (the "Zaremba action") on behalf of the Company in the U.S. District Court, against Sheldon G. Adelson, Jason N. Ader, Irwin Chafetz, Charles D. Forman, George P. Koo, Michael A. Leven, Jeffrey H. Schwartz and Irwin A. Siegel, the members of the Board of Directors at the time, and Wing T. Chao, a former member of the Board of Directors. The complaint raises substantially similar claims as alleged in the Kohanim, Moradi, Gaines and

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LAMPERS actions. The complaint seeks to recover for the Company unspecified damages, including restitution, disgorgement of profits and injunctive relief, and also seeks to recover attorneys' fees, costs and related expenses for the plaintiff. On August 25, 2011, the U.S. District Court consolidated the Moradi, LAMPERS and Zaremba actions and such actions are reported as one consolidated matter. On November 17, 2011, the defendants filed a motion to dismiss or alternatively to stay the federal action due to the parallel state court action described above. On May 25, 2012, the case was transferred to a new judge. On August 27, 2012, the U.S. District Court granted the motion to stay pending a further update of the Special Litigation Committee due on October 30, 2012. On October 30, 2012, the defendants filed the update asking the judge to determine whether to continue the stay until January 31, 2013, or to address motions to dismiss. On November 7, 2012, the U.S. District Court denied defendants request for an extension of the stay but asked the parties to brief the motion to dismiss. On November 21, 2012, defendants filed their motion to dismiss. On December 21, 2012, plaintiffs filed their opposition and on January 18, 2013, defendants filed their reply. This consolidated 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.

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On March 23, 2012, Ernest Kleinschmidt filed a shareholder derivative action (the Kleinschmidt action ) on behalf of the Company in the District Court of Clark County against Sheldon G. Adelson, Michael A. Leven, Irwin A. Siegel, Jeffrey H. Schwartz, Jason N. Ader, Charles D. Forman, Irwin Chafetz and George P. Koo, who are currently members of the Board of Directors, and Wing T. Chao, Andrew R. Heyer, James Purcell, Bradley H. Stone and William P. Weidner, who are former members of the Board of Directors and/or executives of the Company. The complaint alleges, among other things, breach of fiduciary duties for disseminating false and misleading information, failure to maintain internal controls and failing to properly oversee and manage the Company, and unjust enrichment. The complaint seeks, among other relief, unspecified damages, direction to LVSC to take unspecified actions to improve its corporate governance and internal procedures, restitution and disgorgement of profits, and attorneys' fees, costs and related expenses for the plaintiff. On June 29, 2012, the defendants who had been served at that time including nominal defendant LVSC and defendants Michael A. Leven, Irwin A. Siegel, Jason N. Ader, Charles D. Forman, Irwin Chafetz, George P. Koo, James Purcell, Bradley H. Stone and William P. Weidner filed a motion to dismiss. On July 20 and July 25, 2012, defendants Jeffrey H. Schwartz and Wing T. Chao, respectively, each filed a substantially similar motion to dismiss. On October 10, 2012, the case was transferred to business court within the District Court of Clark County. On October 12, 2012, the case was reassigned to a new judge. On January 14, 2013, the District Court of Clark County filed its order dismissing the entire case for failure to make a demand on the Board of Directors of LVSC with 5 of 6 claims dismissed with prejudice as being time barred under applicable statutes of limitations. The sixth claim for unjust enrichment was allowed to be re-filed, but only after demand on the Board of Directors of LVSC is made. The Company received a letter from the plaintiffs lawyers dated February 9, 2013, making their demand on the Board of Directors of LVSC for the unjust enrichment claim that the District Court of Clark County previously dismissed without prejudice. In addition, on February 19, 2013, the plaintiffs filed a notice of appeal with the Nevada Supreme Court appealing the dismissal of the case. Based on proceedings to date, management is 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.

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) ), LVSLLC and VCR (collectively, the Defendants ). The claim is for 3.0 billion patacas (approximately \$375.8 million at exchange rates in effect on December 31, 2012) as compensation for damages resulting from the alleged breach of agreements entered into between AAEC and the 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. 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.

On August 1, 2012, SCL filed an announcement with the SEHK stating that SCL's subsidiary, VML, has received a notification from the Office for Personal Data Protection of the Macao government (the OPDP ) indicating that the OPDP has launched an official investigation procedure in relation to the alleged transfer from Macao by VML to the United States of certain data contrary to the Personal Data Protection Act (Macao). The Company has cooperated fully with the investigation and expects OPDP to present its finding in the first half of 2013. Based on proceedings to date, management is currently unable to determine the probability of the outcome of this matter or the range of reasonably possible loss, if any.

The Company has received subpoenas from the U.S. Attorney's Office requesting the production of documents relating to two prior customers of the Company's properties. The Company is cooperating with the U.S. Attorney's Office on these matters. Based on proceedings to date, management is currently unable to determine the probability of the outcome of this matter or the range of reasonably possible loss, if any.



**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****Macao Concession and Subconcession**

On June 26, 2002, the Macao government granted a concession to operate casinos in Macao through June 26, 2022, subject to certain qualifications, to Galaxy Casino Company Limited ( Galaxy ), a consortium of Macao and Hong Kong-based investors. During December 2002, VML and Galaxy entered into a subconcession agreement which was recognized and approved by the Macao government and allows VML to develop and operate casino projects, including the Sands Macao, The Venetian Macao, the Plaza Casino at the Four Seasons Macao, and Sands Cotai Central, separately from Galaxy. Beginning on December 26, 2017, the Macao government may redeem the subconcession agreement by providing the Company at least one year prior notice.

Under the subconcession, the Company is obligated to pay to the Macao government an annual premium with a fixed portion and a variable portion based on the number and type of gaming tables it employs and gaming machines it operates. The fixed portion of the premium is equal to 30.0 million patacas (approximately \$3.8 million at exchange rates in effect on December 31, 2012). The variable portion is equal to 300,000 patacas per gaming table reserved exclusively for certain kinds of games or players, 150,000 patacas per gaming table not so reserved and 1,000 patacas per electrical or mechanical gaming machine, including slot machines (approximately \$37,580, \$18,790 and \$125, respectively, at exchange rates in effect on December 31, 2012), subject to a minimum of 45.0 million patacas (approximately \$5.6 million at exchange rates in effect on December 31, 2012). The Company is also obligated to pay a special gaming tax of 35% of gross gaming revenues and applicable withholding taxes. The Company must also contribute 4% of its gross gaming revenue to utilities designated by the Macao government, a portion of which must be used for promotion of tourism in Macao. Based on the number and types of gaming tables employed and gaming machines in operation as of December 31, 2012, the Company was obligated under its subconcession to make minimum future payments of approximately \$38.8 million in each of the next five years and approximately \$174.8 million thereafter. These amounts are expected to increase as the Company completes its other Cotai Strip properties.

Currently, the gaming tax in Macao is calculated as a percentage of gross gaming revenue; however, unlike Nevada, gross gaming revenue does not include deductions for credit losses. As a result, if the Company extends credit to its customers in Macao and is unable to collect on the related receivables, the Company must pay taxes on its winnings from these customers even though it was unable to collect on the related receivables. If the laws are not changed, the Company's business in Macao may not be able to realize the full benefits of extending credit to its customers. Although there are proposals to revise the gaming tax laws in Macao, there can be no assurance that the laws will be changed.

**Operating Leases**

The Company leases real estate and various equipment under operating lease arrangements and is also party to several service agreements with terms in excess of one year. As of December 31, 2012, the Company was obligated under non-cancelable operating leases to make future minimum lease payments as follows (in thousands):

2013	\$ 12,923
2014	7,520
2015	4,469
2016	4,125
2017	3,792
Thereafter	105,940
<b>Total minimum payments</b>	<b>\$ 138,769</b>

Expenses incurred under operating lease agreements, including those that are short-term and variable-rate in nature, totaled \$51.4 million, \$43.9 million and \$38.1 million for the years ended December 31, 2012, 2011 and 2010, respectively.

**Other Ventures and Commitments**

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The Company has entered into employment agreements with nine of its executive officers, with remaining terms of one to five years. As of December 31, 2012, the Company was obligated to make future payments of \$11.1 million, \$7.0 million, \$3.2 million, \$0.9 million and \$0.2 million during the years ended December 31, 2013, 2014, 2015, 2016 and 2017, respectively.

During 2003, the Company entered into three lease termination and asset purchase agreements with The Grand Canal Shoppes tenants. In each case, the Company has obtained title to leasehold improvements and other fixed assets, which were originally purchased by The Grand Canal Shoppes tenants, and which have been recorded at estimated fair market value, which approximated the discounted present value of the Company's obligation to the former tenants. As of December 31, 2012, the Company was obligated under these agreements to make future payments of approximately \$0.6 million during the year ended December 31, 2013 and \$0.4 million during each of the years ended December 31, 2014, 2015, 2016 and 2017, and \$5.2 million thereafter.

**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****Malls and Other**

The Company leases space at several of its integrated resorts to various third parties. These leases are non-cancellable operating leases with lease periods that vary from 1 month to 25 years. The leases include minimum base rents with escalated contingent rent clauses. At December 31, 2012, the future minimum rentals on these non-cancelable leases are as follows (in thousands, at exchange rates in effect on December 31, 2012):

2013	\$ 274,724
2014	221,597
2015	171,705
2016	115,785
2017	87,361
Thereafter	206,323
<b>Total minimum future rentals</b>	<b>\$ 1,077,495</b>

The total minimum future rentals do not include the escalated contingent rent clauses. Contingent rentals amounted to \$109.0 million, \$82.3 million and \$37.8 million for the years ended December 31, 2012, 2011 and 2010, respectively.

**Note 14 Stock-Based Employee Compensation**

The Company has three nonqualified stock option plans, the 1997 Plan, the 2004 Plan and the SCL Equity Plan, which are described below. The plans provide for the granting of stock options pursuant to the applicable provisions of the Internal Revenue Code and regulations.

**LVSLLC 1997 Fixed Stock Option Plan**

The 1997 Plan provides for 19,952,457 shares (on a post-split basis) of common stock of LVSLLC to be reserved for issuance to officers and other key employees or consultants of LVSLLC or any LVSLLC affiliates or subsidiaries (each as defined in the 1997 Plan) pursuant to options granted under the 1997 Plan.

The 1997 Plan provides that the Principal Stockholder may, at any time, assume the 1997 Plan or certain obligations under the 1997 Plan, in which case the Principal Stockholder will have all the rights, powers and responsibilities granted LVSLLC or its Board of Directors under the 1997 Plan with respect to such assumed obligations. The Principal Stockholder assumed LVSLLC's obligations under the 1997 Plan to sell shares to optionees upon the exercise of their options with respect to options granted prior to July 15, 2004. LVSLLC is responsible for all other obligations under the 1997 Plan. LVSC assumed all of the obligations of LVSLLC and the Principal Stockholder under the 1997 Plan (other than the obligation of the Principal Stockholder to issue 984,321 shares under options granted prior to July 15, 2004), in connection with its initial public offering.

The Board of Directors agreed not to grant any additional stock options under the 1997 Plan following the initial public offering and there were no options outstanding under it during the years ended December 31, 2012 and 2011. Subsequent to December 31, 2012, the Board of Directors approved the dissolution of the 1997 Plan.

**Las Vegas Sands Corp. 2004 Equity Award Plan**

The Company adopted the 2004 Plan for grants of options to purchase its common stock. The purpose of the 2004 Plan is to give the Company a competitive edge in attracting, retaining and motivating employees, directors and consultants and to provide the Company with a stock plan providing incentives directly related to increases in its stockholder value. Any of the Company's subsidiaries or affiliates' employees, directors or

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officers and many of its consultants are eligible for awards under the 2004 Plan. The 2004 Plan provides for an aggregate of 26,344,000 shares of the Company's common stock to be available for awards. The 2004 Plan has a term of ten years and no further awards may be granted after the expiration of the term. The compensation committee may grant awards of nonqualified stock options, incentive (qualified) stock options, stock appreciation rights, restricted stock awards, restricted stock units, stock bonus awards, performance compensation awards or any combination of the foregoing. As of December 31, 2012, there were 6,454,680 shares available for grant under the 2004 Plan.

Stock option awards are granted with an exercise price equal to the fair market value (as defined in the 2004 Plan) of the Company's stock on the date of grant. The outstanding stock options generally vest over four years and have ten-year contractual terms. Compensation cost for all stock option grants, which all have graded vesting, is net of estimated forfeitures and is recognized on a straight-line basis over the awards' respective requisite service periods. The Company estimates the fair value of stock options using the Black-Scholes option-pricing model. For stock options granted during the year ended December 31, 2010, expected volatilities are based on a combination of the Company's historical volatility and the historical volatilities from a selection of companies from the Company's peer group due to the Company's lack of historical information. For stock options granted subsequent to December 31, 2010, expected volatilities are based on the Company's historical volatility for a period equal to the expected life of the stock options. The expected option life is based on the contractual term of the option as well as historical exercise and forfeiture behavior. The risk-free interest rate for periods equal to the expected term of the stock option is based on the U.S. Treasury yield curve in effect at the time of grant. The expected dividend yield is based on the estimate of annual dividends expected to be paid at the time of the grant.

**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****Sands China Ltd. Equity Award Plan**

The Company's subsidiary, SCL, adopted an equity award plan (the SCL Equity Plan) for grants of options to purchase ordinary shares of SCL. The purpose of the SCL Equity Plan is to give SCL a competitive edge in attracting, retaining and motivating employees, directors and consultants and to provide SCL with a stock plan providing incentives directly related to increases in its stockholder value. Subject to certain criteria as defined in the SCL Equity Plan, SCL's subsidiaries or affiliates' employees, directors or officers and many of its consultants are eligible for awards under the SCL Equity Plan. The SCL Equity Plan provides for an aggregate of 804,786,508 shares of SCL's common stock to be available for awards. The SCL Equity Plan has a term of ten years and no further awards may be granted after the expiration of the term. SCL's compensation committee may grant awards of stock options, stock appreciation rights, restricted stock awards, restricted stock units, stock bonus awards, performance compensation awards or any combination of the foregoing. As of December 31, 2012, there were 773,913,693 shares available for grant under the SCL Equity Plan.

Stock option awards are granted with an exercise price not less than (i) the closing price of SCL's stock on the date of grant or (ii) the average closing price of SCL's stock for the five business days immediately preceding the date of grant. The outstanding stock options generally vest over four years and have ten-year contractual terms. Compensation cost for all stock option grants, which all have graded vesting, is net of estimated forfeitures and is recognized on a straight-line basis over the awards' respective requisite service periods. The Company estimates the fair value of stock options using the Black-Scholes option-pricing model. Expected volatilities are based on the historical volatilities from a selection of companies from SCL's peer group due to SCL's lack of historical information. The Company used the simplified method for estimating expected option life, as the options qualify as plain-vanilla options. The risk-free interest rate for periods equal to the expected term of the stock option is based on the Hong Kong Exchange Fund Note rate in effect at the time of grant. The expected dividend yield is based on the estimate of annual dividends expected to be paid at the time of the grant.

**Stock-Based Employee Compensation Activity**

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

	2012	2011	2010
<b>LVSC 2004 Plan:</b>			
Weighted average volatility	95.2%	94.4%	89.2%
Expected term (in years)	5.5	6.3	5.4
Risk-free rate	1.1%	2.7%	2.9%
Expected dividends	1.9%		
<b>SCL Equity Plan:</b>			
Weighted average volatility	70.0%	69.2%	73.5%
Expected term (in years)	6.2	6.3	6.2
Risk-free rate	0.5%	1.3%	1.9%
Expected dividends	4.0%		

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A summary of the stock option activity for the Company's equity award plans for the year ended December 31, 2012, is presented below:

	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value
<b>LVSC 2004 Plan:</b>				
Outstanding as of January 1, 2012	12,046,742	\$ 37.38		
Granted	532,922	55.28		
Exercised	(1,707,956)	16.40		
Forfeited	(365,550)	64.00		
Outstanding as of December 10, 2012	10,506,158	40.78		
Outstanding as of December 11, 2012 <sup>(1)</sup>	10,506,158	38.15		
Granted	3,677	44.54		
Exercised	(679,875)	9.78		
Forfeited	(39,500)	29.00		
Outstanding as of December 31, 2012	9,790,460	\$ 40.16	5.02	\$ 171,619,765
Exercisable as of December 31, 2012	6,896,006	\$ 45.09	4.12	\$ 109,549,967
<b>SCL Equity Plan:</b>				
Outstanding as of January 1, 2012	23,816,666	\$ 2.07		
Granted	7,761,800	3.74		
Exercised	(6,130,975)	1.88		
Forfeited	(2,123,851)	2.23		
Outstanding as of December 31, 2012	23,323,640	\$ 2.66	8.41	\$ 39,367,728
Exercisable as of December 31, 2012	2,834,172	\$ 2.03	7.81	\$ 6,582,618

(1) As a result of the Company paying a special cash dividend of \$2.75 per common share on December 18, 2012, to common stockholders of record on December 10, 2012, the Company reduced the exercise price of all stock options outstanding on December 10, 2012, by approximately \$2.75. This adjustment was the result of an antidilution provision in the Company's 2004 Plan and did not result in any additional compensation expense.

A summary of the unvested restricted shares under the Company's 2004 Plan for the year ended December 31, 2012, is presented below:

Shares	Weighted Average Grant Date Fair Value
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Unvested as of January 1, 2012	1,242,205	\$	45.30
Granted	516,556		52.97
Vested	(630,064)		47.02
Forfeited	(12,000)		51.07
Unvested as of December 31, 2012	1,116,697	\$	47.82

A summary of the unvested restricted stock units under the Company's 2004 Plan for the year ended December 31, 2012, is presented below:

	Shares		Weighted Average Grant Date Fair Value
Unvested as of January 1, 2012	42,000	\$	47.15
Granted	332,500		25.98
Vested			
Forfeited			
Unvested as of December 31, 2012	374,500	\$	28.35

As of December 31, 2012, under the 2004 Plan there was \$31.5 million of unrecognized compensation cost, net of estimated forfeitures of 8.0% per year, related to unvested stock options and there was \$38.5 million of unrecognized compensation cost, net of estimated forfeitures of 8.0% per year, related to unvested restricted stock and stock units. The stock option and restricted stock and stock unit costs are expected to be recognized over a weighted average period of 2.1 years and 2.8 years, respectively.

As of December 31, 2012, under the SCL Equity Plan there was \$18.7 million of unrecognized compensation cost, net of estimated forfeitures of 8.8% per year, related to unvested stock options that are expected to be recognized over a weighted average period of 2.4 years.

**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

The stock-based compensation activity for the 2004 Plan and SCL Equity Plan is as follows for the three years ended December 31, 2012 (in thousands, except weighted average grant date fair values):

	<b>Year Ended December 31,</b>		
	<b>2012</b>	<b>2011</b>	<b>2010</b>
<b>Compensation expense:</b>			
Stock options	\$ 35,777	\$ 44,691	\$ 56,462
Restricted stock and stock units	29,651	18,023	1,559
	\$ 65,428	\$ 62,714	\$ 58,021
Income tax benefit recognized in the consolidated statements of operations	\$	\$	\$
Compensation cost capitalized as part of property and equipment	\$ 938	\$ 576	\$ 2,797
<b>LVSC 2004 Plan:</b>			
Stock options granted	537	263	4,497
Weighted average grant date fair value	\$ 36.17	\$ 36.31	\$ 15.95
Restricted shares granted	517	1,250	16
Weighted average grant date fair value	\$ 52.97	\$ 45.42	\$ 25.37
Restricted stock units granted	333	42	
Weighted average grant date fair value	\$ 25.98	\$ 47.15	\$
<b>Stock options exercised:</b>			
Intrinsic value	\$ 84,761	\$ 89,814	\$ 47,529
Cash received	\$ 34,668	\$ 23,238	\$ 16,455
Tax benefit realized for tax deductions from stock-based compensation	\$	\$	\$
<b>SCL Equity Plan:</b>			
Stock options granted	7,762	9,987	26,189
Weighted average grant date fair value	\$ 1.65	\$ 1.71	\$ 1.06
<b>Stock options exercised:</b>			
Intrinsic value	\$ 12,261	\$ 1,699	\$
Cash received	\$ 11,572	\$ 2,267	\$

Tax benefit realized for tax deductions from stock-based compensation \$ \$ \$

**Note 15 Employee Benefit Plans**

The Company is self-insured for health care and workers compensation benefits for its U.S. employees. The liability for claims filed and estimates of claims incurred but not filed is included in other accrued liabilities in the accompanying consolidated balance sheets.

Participation in the VCR 401(k) employee savings plan is available for all eligible employees after a three-month probation period. The savings plan allows participants to defer, on a pre-tax basis, a portion of their salary and accumulate tax-deferred earnings as a retirement fund. The Company matches 150% of the first \$390 of employee contributions and 50% of employee contributions in excess of \$390 up to a maximum of 5% of participating employee's eligible gross wages. Given the challenging conditions and their impact on the Company's U.S. operations, the Company ceased matching contributions for its salaried employees effective April 1, 2009. These matching contributions for salaried employees were subsequently reinstated on January 1, 2011. For the years ended December 31, 2012, 2011 and 2010, the Company's matching contributions under the savings plan were \$4.7 million, \$7.9 million and \$3.2 million, respectively.

Participation in VML's provident retirement fund is available for all permanent employees after a three-month probation period. VML contributes 5% of each employee's basic salary to the fund and the employee is eligible to receive 30% of these contributions after working for three consecutive years, gradually increasing to 100% after working for ten years. Given the challenging conditions and their impact on the Company's Macao operations, the provident fund was suspended during the year ended December 31, 2010, and only employees who accepted a reduced work schedule were eligible for the benefit. The provident fund contributions for all full-time employees were subsequently reinstated on January 1, 2011. For the years ended December 31, 2012, 2011 and 2010, VML's contributions into the provident fund were \$22.9 million, \$16.0 million and \$7.3 million, respectively.

**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

Participation in MBS's provident retirement fund is available for all permanent employees that are Singapore residents upon joining the Company. As of December 31, 2012, MBS contributes 16.0% of each employee's basic salary to the fund, subject to certain caps as mandated by local regulations. The employee is eligible to receive funds upon reaching the retirement age or upon meeting requirements set up by local regulations. For the years ended December 31, 2012, 2011 and 2010, MBS's contributions into the provident fund were \$32.8 million, \$30.7 million and \$16.9 million, respectively.

**Note 16 Related Party Transactions**

During the years ended December 31, 2012, 2011 and 2010, the Principal Stockholder and his family purchased certain lodging, banquet room, catering goods and services and procurement services from the Company for approximately \$1.3 million, \$0.5 million and \$0.8 million, respectively.

During the years ended December 31, 2012, 2011 and 2010, the Company incurred and paid certain expenses totaling \$11.7 million, \$16.5 million and \$16.1 million, respectively, to its Principal Stockholder related to the Company's use of his personal aircraft for business purposes. In addition, during the years ended December 31, 2012, 2011 and 2010, the Company charged and received from the Principal Stockholder \$15.4 million, \$15.2 million and \$9.4 million, respectively, related to aviation costs incurred by the Company for the Principal Stockholder's use of Company aviation personnel and assets for personal purposes. See Note 9 Equity Other Equity Transactions regarding the Company's purchase of a Boeing 747 airplane from an entity controlled by the Principal Stockholder in June 2012.

On November 15, 2011, the Company paid \$577.5 million to redeem all of the Preferred Stock held by the Principal Stockholder's family. On March 2, 2012, the Principal Stockholder's family exercised all of their outstanding Warrants to purchase 87,500,175 shares of the Company's common stock for \$6.00 per share and paid \$525.0 million in cash as settlement of the Warrant exercise price. See Note 9 Equity Preferred Stock Issued to Principal Stockholder's Family.

During the year ended December 31, 2003, the Company purchased the lease interest and assets of Carnevale Coffee Bar, LLC, in which the Principal Stockholder is a partner, for \$3.1 million, payable in installments of \$0.6 million during 2003, and approximately \$0.3 million annually over 10 years, beginning in 2004 through September 1, 2013.

**Note 17 Segment Information**

The Company's principal operating and developmental activities occur in three geographic areas: Macao, Singapore and the United States. The Company reviews the results of operations for each of its operating segments: The Venetian Macao; Sands Macao; Four Seasons Macao; Sands Cotai Central; Other Asia (comprised primarily of the Company's ferry operations and various other operations that are ancillary to the Company's properties in Macao); Marina Bay Sands; The Venetian Las Vegas, which includes the Sands Expo Center; The Palazzo; and Sands Bethlehem. The Venetian Las Vegas and The Palazzo operating segments are managed as a single integrated resort and have been aggregated as one reportable segment (the Las Vegas Operating Properties), considering their similar economic characteristics, types of customers, types of services and products, the regulatory business environment of the operations within each segment and the Company's organizational and management reporting structure. The Company also reviews construction and development activities for each of its primary projects under development, some of which have been suspended, in addition to its reportable segments noted above. The Company's primary projects under development are The Parisian Macao and phase III of Sands Cotai Central in Macao, and the Las Vegas Condo Tower (included in Corporate and Other) in the U.S. The corporate activities of the Company are also included in Corporate and Other. The information as of and for the years ended December 31, 2011 and 2010, have been reclassified to conform to the current presentation. The Company's segment information is as follows as of and for the years ended December 31, 2012, 2011 and 2010 (in thousands):

	Year Ended December 31,		
	2012	2011	2010
<b>Net Revenues</b>			
Macao:			

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The Venetian Macao	\$ 3,037,975	\$ 2,827,174	\$ 2,412,990
Sands Macao	1,250,552	1,282,201	1,193,589
Four Seasons Macao	1,086,456	678,293	498,649
Sands Cotai Central	1,052,124		
Other Asia	148,330	147,323	110,586
	6,575,437	4,934,991	4,215,814
Marina Bay Sands	2,886,139	2,921,863	1,262,690
United States:			
Las Vegas Operating Properties	1,384,629	1,324,505	1,213,046
Sands Bethlehem	470,458	399,900	302,101
	1,855,087	1,724,405	1,515,147
Intersegment eliminations	(185,531)	(170,514)	(140,469)
Total net revenues	\$ 11,131,132	\$ 9,410,745	\$ 6,853,182

**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

	Year Ended December 31,		
	2012	2011	2010
<b>Adjusted Property EBITDA<sup>(1)</sup></b>			
Macao:			
The Venetian Macao	\$ 1,143,245	\$ 1,022,778	\$ 809,798
Sands Macao	350,639	351,877	318,519
Four Seasons Macao	288,170	217,923	113,692
Sands Cotai Central	213,476		
Other Asia	(15,950)	(15,143)	(24,429)
	1,979,580	1,577,435	1,217,580
Marina Bay Sands	1,366,245	1,530,623	641,898
United States:			
Las Vegas Operating Properties	331,182	333,295	310,113
Sands Bethlehem	114,055	90,802	58,982
	445,237	424,097	369,095
Total adjusted property EBITDA	3,791,062	3,532,155	2,228,573
<b>Other Operating Costs and Expenses</b>			
Stock-based compensation	(30,772)	(31,467)	(31,638)
Corporate	(207,030)	(185,694)	(108,848)
Pre-opening	(143,795)	(65,825)	(114,833)
Development	(19,958)	(11,309)	(1,783)
Depreciation and amortization	(892,046)	(794,404)	(694,971)
Amortization of leasehold interests in land	(40,165)	(43,366)	(41,302)
Impairment loss	(143,674)		(16,057)
Loss on disposal of assets	(2,240)	(10,203)	(38,555)
Operating income	2,311,382	2,389,887	1,180,586
<b>Other Non-Operating Costs and Expenses</b>			
Interest income	23,252	14,394	8,947
Interest expense, net of amounts capitalized	(258,564)	(282,949)	(306,813)
Other income (expense)	5,740	(3,955)	(8,260)
Loss on modification or early retirement of debt	(19,234)	(22,554)	(18,555)
Income tax expense	(180,763)	(211,704)	(74,302)
Net income	\$ 1,881,813	\$ 1,883,119	\$ 781,603

- (1) Adjusted property EBITDA is net income before royalty fees, stock-based compensation expense, corporate expense, pre-opening expense, development expense, depreciation and amortization, amortization of leasehold interests in land, impairment loss, loss on disposal of assets, interest, other income (expense), loss on modification or early retirement of debt and income taxes. Adjusted property EBITDA is used by management as the primary measure of operating performance of the Company's properties and to compare the operating performance of the Company's properties with that of its competitors.

**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

	Year Ended December 31,		
	2012	2011	2010
<b>Intersegment Revenues</b>			
Macao:			
The Venetian Macao	\$ 5,125	\$ 3,923	\$ 8,345
Sands Cotai Central	251		
Other Asia	32,748	36,888	61,664
	38,124	40,811	70,009
Marina Bay Sands	3,449	1,298	568
Las Vegas Operating Properties	143,958	128,405	69,892
Total intersegment revenues	\$ 185,531	\$ 170,514	\$ 140,469

	Year Ended December 31,		
	2012	2011	2010
<b>Capital Expenditures</b>			
Corporate and Other	\$ 100,887	\$ 23,062	\$ 12,215
Macao:			
The Venetian Macao	112,351	28,018	40,895
Sands Macao	25,076	7,690	4,708
Four Seasons Macao	28,143	31,092	35,708
Sands Cotai Central	862,951	842,962	321,489
Other Asia	1,193	5,553	4,025
The Parisian Macao	20,393	39	7,335
	1,050,107	915,354	414,160
Marina Bay Sands	119,647	466,144	1,530,283
United States:			
Las Vegas Operating Properties	156,205	47,666	21,651
Sands Bethlehem	22,388	56,267	45,672
	178,593	103,933	67,323
Total capital expenditures	\$ 1,449,234	\$ 1,508,493	\$ 2,023,981

	December 31,		
	2012	2011	2010
<b>Total Assets</b>			
Corporate and Other	\$ 586,788	\$ 644,645	\$ 1,574,180
Macao:			
The Venetian Macao	3,254,193	3,199,194	3,194,598
Sands Macao	414,531	485,231	483,678
Four Seasons Macao	1,338,714	1,267,977	1,155,243
Sands Cotai Central	4,791,560	4,333,406	2,932,646
Other Asia	345,522	328,415	370,525
The Parisian Macao	118,975	96,017	97,947
Other Development Projects	123	110,133	110,312

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	10,263,618	9,820,373	8,344,949
Marina Bay Sands	6,941,510	6,794,258	6,400,432
United States:			
Las Vegas Operating Properties	3,605,513	4,105,618	3,966,754
Sands Bethlehem	766,223	879,229	757,993
	4,371,736	4,984,847	4,724,747
Total assets	\$ 22,163,652	\$ 22,244,123	\$ 21,044,308

**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

	2012	December 31, 2011	2010
<b>Total Long-Lived Assets</b>			
Corporate and Other	\$ 398,100	\$ 312,860	\$ 308,438
Macao:			
The Venetian Macao	1,968,415	2,002,751	2,138,419
Sands Macao	285,344	291,620	315,380
Four Seasons Macao	971,732	1,006,441	1,024,302
Sands Cotai Central	3,836,471	3,053,551	2,103,927
Other Asia	202,392	216,030	230,640
The Parisian Macao	118,912	96,017	97,947
Other Development Projects		101,062	102,085
	7,383,266	6,767,472	6,012,700
Marina Bay Sands	5,657,351	5,471,376	5,541,881
United States:			
Las Vegas Operating Properties	3,179,426	3,244,090	3,429,997
Sands Bethlehem	607,346	625,649	608,021
	3,786,772	3,869,739	4,038,018
Total long-lived assets	\$ 17,225,489	\$ 16,421,447	\$ 15,901,037

**Note 18 Condensed Consolidating Financial Information**

LVSLLC, VCR, Mall Intermediate Holding Company, LLC, Venetian Transport, LLC, Venetian Marketing, Inc., Lido Intermediate Holding Company, LLC, Lido Casino Resort Holding Company, LLC, Sands Expo & Convention Center, Inc. (formerly Interface Group-Nevada, Inc.), Palazzo Condo Tower, LLC, Sands Pennsylvania, Inc., Phase II Mall Holding, LLC, LVS (Nevada) International Holdings, Inc. and LVS Management Services, LLC (collectively, the Restricted Subsidiaries), are all guarantors under the Senior Secured Credit Facility. The noncontrolling interest amounts included in the Restricted Subsidiaries condensed consolidating financial information are related to non-voting preferred stock of one of the subsidiaries held by third parties.

In February 2008, all of the capital stock of Phase II Mall Subsidiary, LLC was sold to GGP; however, the sale is not complete from an accounting perspective due to the Company's continuing involvement in the transaction related to the participation in certain future revenues earned by GGP. Certain of the assets, liabilities and operating results related to the ownership and operation of the mall by Phase II Mall Subsidiary, LLC subsequent to the sale will continue to be accounted for by the Restricted Subsidiaries, and therefore are included in the

Restricted Subsidiaries columns in the following condensed consolidating financial information. As a result, net liabilities of \$17.3 million (consisting of \$250.8 million of property and equipment, offset by \$268.1 million of liabilities consisting primarily of deferred proceeds from the sale) and \$3.0 million (consisting of \$264.1 million of property and equipment, offset by \$267.1 million of liabilities consisting primarily of deferred proceeds from the sale) as of December 31, 2012 and 2011, respectively, and a net loss (consisting primarily of depreciation expense) of \$15.1 million, \$19.5 million and \$9.9 million for the years ended December 31, 2012, 2011 and 2010, respectively, related to the mall and are being accounted for by the Restricted Subsidiaries. These balances and amounts are not collateral for the Senior Secured Credit Facility.

The condensed consolidating financial information of LVSC, the Restricted Subsidiaries and the non-restricted subsidiaries on a combined basis as of December 31, 2012 and 2011, and for each of the three years in the period ended December 31, 2012, is as follows (in thousands):

**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****CONDENSED CONSOLIDATING BALANCE SHEETS****December 31, 2012**

	<b>Las Vegas Sands Corp.</b>	<b>Restricted Subsidiaries</b>	<b>Non-Restricted Subsidiaries</b>	<b>Consolidating/ Eliminating Entries</b>	<b>Total</b>
Cash and cash equivalents	\$ 7,962	\$ 182,402	\$ 2,322,402	\$	\$ 2,512,766
Restricted cash and cash equivalents		34	4,487		4,521
Intercompany receivables	209,961	62,968		(272,929)	
Intercompany notes receivables		1,100,000	237,161	(1,337,161)	
Accounts receivable, net	6,646	259,691	1,552,923		1,819,260
Inventories	3,501	13,081	27,293		43,875
Deferred income taxes, net	5,687		87	(3,475)	2,299
Prepaid expenses and other	13,257	12,223	69,313		94,793
<b>Total current assets</b>	<b>247,014</b>	<b>1,630,399</b>	<b>4,213,666</b>	<b>(1,613,565)</b>	<b>4,477,514</b>
Property and equipment, net	173,065	3,329,824	12,263,859		15,766,748
Investments in subsidiaries	7,045,198	4,657,313		(11,702,511)	
Deferred financing costs, net	238	12,528	201,699		214,465
Restricted cash and cash equivalents		1,068	870		1,938
Intercompany receivables	6,109	54,982		(61,091)	
Intercompany notes receivable		928,728		(928,728)	
Deferred income taxes, net	3,665	39,429		186	43,280
Leasehold interests in land, net			1,458,741		1,458,741
Intangible assets, net	690		69,928		70,618
Other assets, net	243	18,994	111,111		130,348
<b>Total assets</b>	<b>\$ 7,476,222</b>	<b>\$ 10,673,265</b>	<b>\$ 18,319,874</b>	<b>\$ (14,305,709)</b>	<b>\$ 22,163,652</b>
Accounts payable	\$ 9,948	\$ 25,007	\$ 71,543	\$	\$ 106,498
Construction payables	5,318	7,680	330,374		343,372
Intercompany payables		173,698	99,231	(272,929)	
Intercompany notes payable	237,161		1,100,000	(1,337,161)	
Accrued interest payable	82	1,050	14,410		15,542
Other accrued liabilities	42,318	235,882	1,617,283		1,895,483
Income taxes payable		4	164,122		164,126
Deferred income taxes		3,475		(3,475)	
Current maturities of long-term debt	3,688	90,649	3,465		97,802
<b>Total current liabilities</b>	<b>298,515</b>	<b>537,445</b>	<b>3,400,428</b>	<b>(1,613,565)</b>	<b>2,622,823</b>
Other long-term liabilities	48,506	9,776	75,654		133,936
Intercompany payables			61,091	(61,091)	
Intercompany notes payable			928,728	(928,728)	
Deferred income taxes			185,759	186	185,945
Deferred amounts related to mall transactions		430,271			430,271
Long-term debt	67,359	2,753,745	7,311,161		10,132,265

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Total liabilities	414,380	3,731,237	11,962,821	(2,603,198)	13,505,240
Total Las Vegas Sands Corp. stockholders equity	7,061,842	6,941,623	4,760,888	(11,702,511)	7,061,842
Noncontrolling interests		405	1,596,165		1,596,570
Total equity	7,061,842	6,942,028	6,357,053	(11,702,511)	8,658,412
Total liabilities and equity	\$ 7,476,222	\$ 10,673,265	\$ 18,319,874	\$ (14,305,709)	\$ 22,163,652

**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****CONDENSED CONSOLIDATING BALANCE SHEETS****December 31, 2011**

	<b>Las Vegas Sands Corp.</b>	<b>Restricted Subsidiaries</b>	<b>Non-Restricted Subsidiaries</b>	<b>Consolidating/ Eliminating Entries</b>	<b>Total</b>
Cash and cash equivalents	\$ 12,849	\$ 689,642	\$ 3,200,227	\$	\$ 3,902,718
Restricted cash and cash equivalents		185	4,643		4,828
Intercompany receivables	127,302	43,793		(171,095)	
Accounts receivable, net	1,047	226,869	1,108,901		1,336,817
Inventories	2,434	9,633	22,923		34,990
Deferred income taxes, net	38,806	32,867	519		72,192
Prepaid expenses and other	10,263	4,259	31,085		45,607
<b>Total current assets</b>	<b>192,701</b>	<b>1,007,248</b>	<b>4,368,298</b>	<b>(171,095)</b>	<b>5,397,152</b>
Property and equipment, net	137,044	3,391,316	11,502,619		15,030,979
Investments in subsidiaries	7,891,281	6,263,974		(14,155,255)	
Deferred financing costs, net	608	20,677	152,351		173,636
Restricted cash and cash equivalents		2,315			2,315
Intercompany receivables	31,162	128,270		(159,432)	
Intercompany notes receivable		794,286		(794,286)	
Deferred income taxes, net	544			(391)	153
Leasehold interests in land, net			1,390,468		1,390,468
Intangible assets, net	690		79,378		80,068
Other assets, net	112	18,778	150,462		169,352
<b>Total assets</b>	<b>\$ 8,254,142</b>	<b>\$ 11,626,864</b>	<b>\$ 17,643,576</b>	<b>\$ (15,280,459)</b>	<b>\$ 22,244,123</b>
Accounts payable	\$ 15,084	\$ 23,397	\$ 65,632	\$	\$ 104,113
Construction payables	280	4,477	355,152		359,909
Intercompany payables		119,203	51,892	(171,095)	
Accrued interest payable	4,674	1,087	25,907		31,668
Other accrued liabilities	28,100	212,279	1,198,731		1,439,110
Income taxes payable		4	108,056		108,060
Current maturities of long-term debt	3,688	30,561	421,597		455,846
<b>Total current liabilities</b>	<b>51,826</b>	<b>391,008</b>	<b>2,226,967</b>	<b>(171,095)</b>	<b>2,498,706</b>
Other long-term liabilities	26,215	10,723	52,507		89,445
Intercompany payables	65,201		94,231	(159,432)	
Intercompany notes payable			794,286	(794,286)	
Deferred income taxes		48,471	157,358	(391)	205,438
Deferred amounts related to mall transactions		434,251			434,251
Long-term debt	260,211	2,839,369	6,477,551		9,577,131
<b>Total liabilities</b>	<b>403,453</b>	<b>3,723,822</b>	<b>9,802,900</b>	<b>(1,125,204)</b>	<b>12,804,971</b>
<b>Total Las Vegas Sands Corp. stockholders equity</b>	<b>7,850,689</b>	<b>7,902,637</b>	<b>6,252,618</b>	<b>(14,155,255)</b>	<b>7,850,689</b>

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Noncontrolling interests		405	1,588,058		1,588,463
Total equity	7,850,689	7,903,042	7,840,676	(14,155,255)	9,439,152
Total liabilities and equity	\$ 8,254,142	\$ 11,626,864	\$ 17,643,576	\$ (15,280,459)	\$ 22,244,123

**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****CONDENSED CONSOLIDATING STATEMENTS OF OPERATIONS****For the Year Ended December 31, 2012**

	Las Vegas Sands Corp.	Restricted Subsidiaries	Non-Restricted Subsidiaries	Consolidating/ Eliminating Entries	Total
<b>Revenues:</b>					
Casino	\$	\$ 512,647	\$ 8,495,511	\$	\$ 9,008,158
Rooms		446,241	707,783		1,154,024
Food and beverage		173,111	455,417		628,528
Mall			396,927		396,927
Convention, retail and other		294,047	359,342	(156,357)	497,032
		1,426,046	10,414,980	(156,357)	11,684,669
Less promotional allowances	(1,109)	(84,613)	(466,177)	(1,638)	(553,537)
<b>Net revenues</b>	<b>(1,109)</b>	<b>1,341,433</b>	<b>9,948,803</b>	<b>(157,995)</b>	<b>11,131,132</b>
<b>Operating expenses:</b>					
Casino		288,999	4,841,526	(2,489)	5,128,036
Rooms		138,356	98,951	(4)	237,303
Food and beverage		85,206	250,258	(4,254)	331,210
Mall			68,763		68,763
Convention, retail and other		84,957	239,904	(20,598)	304,263
Provision for doubtful accounts		28,987	210,345		239,332
General and administrative		268,834	793,916	(815)	1,061,935
Corporate	188,187	443	148,213	(129,813)	207,030
Pre-opening		1,909	141,893	(7)	143,795
Development	19,973			(15)	19,958
Depreciation and amortization	19,921	222,709	649,416		892,046
Amortization of leasehold interests in land			40,165		40,165
Impairment loss			143,674		143,674
(Gain) loss on disposal of assets	(1)	389	1,852		2,240
	228,080	1,120,789	7,628,876	(157,995)	8,819,750
<b>Operating income (loss)</b>	<b>(229,189)</b>	<b>220,644</b>	<b>2,319,927</b>		<b>2,311,382</b>
<b>Other income (expense):</b>					
Interest income	281	135,153	21,700	(133,882)	23,252
Interest expense, net of amounts capitalized	(4,841)	(91,870)	(295,735)	133,882	(258,564)
Other income (expense)	(47)	792	4,995		5,740
Loss on modification or early retirement of debt	(2,831)	(1,599)	(14,804)		(19,234)
Income from equity investments in subsidiaries	1,705,354	1,398,367		(3,103,721)	
<b>Income before income taxes</b>	<b>1,468,727</b>	<b>1,661,487</b>	<b>2,036,083</b>	<b>(3,103,721)</b>	<b>2,062,576</b>
Income tax benefit (expense)	55,366	(45,505)	(190,624)		(180,763)

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Net income	1,524,093	1,615,982	1,845,459	(3,103,721)	1,881,813
Net income attributable to noncontrolling interests		(2,733)	(354,987)		(357,720)
Net income attributable to Las Vegas Sands Corp.	\$ 1,524,093	\$ 1,613,249	\$ 1,490,472	\$ (3,103,721)	\$ 1,524,093

**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****CONDENSED CONSOLIDATING STATEMENTS OF OPERATIONS****For the Year Ended December 31, 2011**

	Las Vegas Sands Corp.	Restricted Subsidiaries	Non-Restricted Subsidiaries	Consolidating/ Eliminating Entries	Total
Revenues:					
Casino	\$	\$ 430,758	\$ 7,006,244	\$	\$ 7,437,002
Rooms		450,487	549,548		1,000,035
Food and beverage		186,894	411,929		598,823
Mall			325,123		325,123
Convention, retail and other		280,349	362,050	(141,048)	501,351
		1,348,488	8,654,894	(141,048)	9,862,334
Less promotional allowances	(720)	(75,238)	(374,060)	(1,571)	(451,589)
Net revenues	(720)	1,273,250	8,280,834	(142,619)	9,410,745
Operating expenses:					
Casino		266,203	3,744,193	(2,509)	4,007,887
Rooms		136,416	73,636		210,052
Food and beverage		88,485	223,807	(4,846)	307,446
Mall			59,183		59,183
Convention, retail and other		87,779	274,582	(24,252)	338,109
Provision for doubtful accounts		14,532	135,924		150,456
General and administrative		254,139	583,472	(687)	836,924
Corporate	165,120	280	130,608	(110,314)	185,694
Pre-opening		15	65,818	(8)	65,825
Development	11,312			(3)	11,309
Depreciation and amortization	18,493	228,013	547,898		794,404
Amortization of leasehold interests in land			43,366		43,366
(Gain) loss on disposal of assets	7,662	2,590	(49)		10,203
	202,587	1,078,452	5,882,438	(142,619)	7,020,858
Operating income (loss)	(203,307)	194,798	2,398,396		2,389,887
Other income (expense):					
Interest income	3,702	112,218	9,867	(111,393)	14,394
Interest expense, net of amounts capitalized	(13,856)	(95,993)	(284,493)	111,393	(282,949)
Other income (expense)	171	(1,946)	(2,180)		(3,955)
Loss on modification or early retirement of debt		(503)	(22,051)		(22,554)
Income from equity investments in subsidiaries	1,716,119	1,443,385		(3,159,504)	
Income before income taxes	1,502,829	1,651,959	2,099,539	(3,159,504)	2,094,823
Income tax benefit (expense)	57,294	(57,111)	(211,887)		(211,704)
Net income	1,560,123	1,594,848	1,887,652	(3,159,504)	1,883,119

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Net income attributable to noncontrolling interests		(2,495)	(320,501)		(322,996)
Net income attributable to Las Vegas Sands Corp.	\$ 1,560,123	\$ 1,592,353	\$ 1,567,151	\$ (3,159,504)	\$ 1,560,123

**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****CONDENSED CONSOLIDATING STATEMENTS OF OPERATIONS****For the Year Ended December 31, 2010**

	Las Vegas Sands Corp.	Restricted Subsidiaries	Non-Restricted Subsidiaries	Consolidating/ Eliminating Entries	Total
<b>Revenues:</b>					
Casino	\$	\$ 496,637	\$ 5,036,451	\$	\$ 5,533,088
Rooms		445,458	352,041		797,499
Food and beverage		159,285	287,273		446,558
Mall			186,617		186,617
Convention, retail and other		218,586	218,297	(82,708)	354,175
		1,319,966	6,080,679	(82,708)	7,317,937
Less promotional allowances	(597)	(155,394)	(305,744)	(3,020)	(464,755)
<b>Net revenues</b>	<b>(597)</b>	<b>1,164,572</b>	<b>5,774,935</b>	<b>(85,728)</b>	<b>6,853,182</b>
<b>Operating expenses:</b>					
Casino		300,083	2,951,842	(2,698)	3,249,227
Rooms		99,066	44,261	(1)	143,326
Food and beverage		69,644	144,397	(6,085)	207,956
Mall			43,771		43,771
Convention, retail and other		75,041	172,721	(16,855)	230,907
Provision for doubtful accounts		30,277	67,485		97,762
General and administrative		239,561	444,882	(1,145)	683,298
Corporate	93,262	270	74,200	(58,884)	108,848
Pre-opening	654	7	114,232	(60)	114,833
Development	1,783				1,783
Depreciation and amortization	12,578	224,372	458,021		694,971
Amortization of leasehold interests in land			41,302		41,302
Impairment loss			16,057		16,057
Loss on disposal of assets	1,605	9,423	27,527		38,555
	109,882	1,047,744	4,600,698	(85,728)	5,672,596
<b>Operating income (loss)</b>	<b>(110,479)</b>	<b>116,828</b>	<b>1,174,237</b>		<b>1,180,586</b>
<b>Other income (expense):</b>					
Interest income	3,614	89,522	3,735	(87,924)	8,947
Interest expense, net of amounts capitalized	(15,380)	(106,463)	(272,894)	87,924	(306,813)
Other income (expense)	(1,500)	3,325	(10,085)		(8,260)
Gain (loss) on modification or early retirement of debt	3,358	(21,692)	(221)		(18,555)
Income from equity investments in subsidiaries	709,794	589,784		(1,299,578)	
<b>Income before income taxes</b>	<b>589,407</b>	<b>671,304</b>	<b>894,772</b>	<b>(1,299,578)</b>	<b>855,905</b>
Income tax benefit (expense)	9,987	(10,055)	(74,234)		(74,302)

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Net income	599,394	661,249	820,538	(1,299,578)	781,603
Net income attributable to noncontrolling interests			(182,209)		(182,209)
Net income attributable to Las Vegas Sands Corp.	\$ 599,394	\$ 661,249	\$ 638,329	\$ (1,299,578)	\$ 599,394

**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****CONDENSED CONSOLIDATING STATEMENTS OF COMPREHENSIVE INCOME****For the Year Ended December 31, 2012**

	<b>Las Vegas Sands Corp.</b>	<b>Restricted Subsidiaries</b>	<b>Non-Restricted Subsidiaries</b>	<b>Consolidating/ Eliminating Entries</b>	<b>Total</b>
Net income	\$ 1,524,093	\$ 1,615,982	\$ 1,845,459	\$ (3,103,721)	\$ 1,881,813
Currency translation adjustment, net of reclassification adjustment	168,974	143,570	172,788	(312,544)	172,788
Total comprehensive income	1,693,067	1,759,552	2,018,247	(3,416,265)	2,054,601
Comprehensive income attributable to noncontrolling interests		(2,733)	(358,801)		(361,534)
Comprehensive income attributable to Las Vegas Sands Corp.	\$ 1,693,067	\$ 1,756,819	\$ 1,659,446	\$ (3,416,265)	\$ 1,693,067

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	<b>Las Vegas Sands Corp.</b>	<b>Restricted Subsidiaries</b>	<b>Non-Restricted Subsidiaries</b>	<b>Consolidating/ Eliminating Entries</b>	<b>Total</b>
Net income	\$ 1,560,123	\$ 1,594,848	\$ 1,887,652	\$ (3,159,504)	\$ 1,883,119
Currency translation adjustment	(35,415)	(28,876)	(32,793)	64,291	(32,793)
Total comprehensive income	1,524,708	1,565,972	1,854,859	(3,095,213)	1,850,326
Comprehensive income attributable to noncontrolling interests		(2,495)	(323,123)		(325,618)
Comprehensive income attributable to Las Vegas Sands Corp.	\$ 1,524,708	\$ 1,563,477	\$ 1,531,736	\$ (3,095,213)	\$ 1,524,708

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	<b>Las Vegas Sands Corp.</b>	<b>Restricted Subsidiaries</b>	<b>Non-Restricted Subsidiaries</b>	<b>Consolidating/ Eliminating Entries</b>	<b>Total</b>
Net income	\$ 599,394	\$ 661,249	\$ 820,538	\$ (1,299,578)	\$ 781,603
Currency translation adjustment	102,771	87,465	98,518	(190,236)	98,518
Total comprehensive income	702,165	748,714	919,056	(1,489,814)	880,121
Comprehensive income attributable to noncontrolling interests			(177,956)		(177,956)
Comprehensive income attributable to Las Vegas Sands Corp.	\$ 702,165	\$ 748,714	\$ 741,100	\$ (1,489,814)	\$ 702,165

**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****CONDENSED CONSOLIDATING STATEMENTS OF CASH FLOWS****For the Year Ended December 31, 2012**

	Las Vegas Sands Corp.	Restricted Subsidiaries	Non-Restricted Subsidiaries	Consolidating/ Eliminating Entries	Total
Net cash generated from operating activities	\$ 2,544,296	\$ 2,176,525	\$ 2,895,080	\$ (4,558,144)	\$ 3,057,757
Cash flows from investing activities:					
Change in restricted cash and cash equivalents		1,398	(705)		693
Capital expenditures	(50,903)	(156,678)	(1,241,653)		(1,449,234)
Proceeds from disposal of property and equipment		454	2,455		2,909
Intercompany receivable to non-restricted subsidiaries	(20,297)			20,297	
Repayments of receivable from non-restricted subsidiaries		683		(683)	
Notes receivable to Las Vegas Sands Corp.			(237,161)	237,161	
Notes receivable to non-restricted subsidiaries		(9,773)		9,773	
Dividends received from non-restricted subsidiaries		2,564,500		(2,564,500)	
Capital contributions to subsidiaries	(64)	(2,485,000)		2,485,064	
Net cash used in investing activities	(71,264)	(84,416)	(1,477,064)	187,112	(1,445,632)
Cash flows from financing activities:					
Proceeds from exercise of stock options	34,668		11,572		46,240
Proceeds from exercise of warrants	528,908				528,908
Dividends paid	(3,085,256)		(357,056)		(3,442,312)
Distributions to noncontrolling interests		(2,733)	(7,733)		(10,466)
Deemed distribution to Principal Stockholder			(18,576)		(18,576)
Dividends paid to Las Vegas Sands Corp.		(2,568,900)	(181,191)	2,750,091	
Dividends paid to Restricted Subsidiaries			(4,372,553)	4,372,553	
Capital contributions received			2,485,064	(2,485,064)	
Borrowings from Las Vegas Sands Corp.			20,297	(20,297)	
Borrowings from Restricted Subsidiaries			9,773	(9,773)	
Borrowings from non-restricted subsidiaries	237,161			(237,161)	
Repayments on borrowings from Restricted Subsidiaries			(683)	683	
Proceeds from 2012 Singapore credit facility			3,951,486		3,951,486
Proceeds from senior secured credit facility		400,000			400,000
Repayments on Singapore credit facility			(3,635,676)		(3,635,676)
Repayments on senior secured credit facility		(425,555)			(425,555)
Redemption of senior notes	(189,712)				(189,712)
Repayments on ferry financing			(140,337)		(140,337)
Repayments on airplane financings	(3,688)				(3,688)
Repayments on HVAC equipment lease		(1,623)			(1,623)
Repayments on other long-term debt		(538)	(2,569)		(3,107)
Payments of deferred financing costs			(100,888)		(100,888)
Net cash used in financing activities	(2,477,919)	(2,599,349)	(2,339,070)	4,371,032	(3,045,306)

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Effect of exchange rate on cash			43,229		43,229
Increase (decrease) in cash and cash equivalents	(4,887)	507,240	(877,825)		(1,389,952)
Cash and cash equivalents at beginning of year	12,849	689,642	3,200,227		3,902,718
Cash and cash equivalents at end of year	\$ 7,962	\$ 182,402	\$ 2,322,402	\$	\$ 2,512,766

**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****CONDENSED CONSOLIDATING STATEMENTS OF CASH FLOWS****For the Year Ended December 31, 2011**

	Las Vegas Sands Corp.	Restricted Subsidiaries	Non-Restricted Subsidiaries	Consolidating/ Eliminating Entries	Total
Net cash generated from (used in) operating activities	\$ (42,087)	\$ 404,322	\$ 2,503,999	\$ (203,738)	\$ 2,662,496
Cash flows from investing activities:					
Change in restricted cash and cash equivalents		4,295	800,099		804,394
Capital expenditures	(21,355)	(49,268)	(1,437,870)		(1,508,493)
Proceeds from disposal of property and equipment			6,093		6,093
Acquisition of intangible assets	(100)				(100)
Repayments of receivable from non-restricted subsidiaries		1,200		(1,200)	
Notes receivable to non-restricted subsidiaries		(50,766)		50,766	
Dividends received from non-restricted subsidiaries		94,472		(94,472)	
Capital contributions to subsidiaries	(50,026)			50,026	
Net cash used in investing activities	(71,481)	(67)	(631,678)	5,120	(698,106)
Cash flows from financing activities:					
Proceeds from exercise of stock options	23,238		2,267		25,505
Proceeds from exercise of warrants	12,512				12,512
Dividends paid	(75,297)				(75,297)
Distributions to noncontrolling interests		(2,495)	(7,893)		(10,388)
Dividends paid to Las Vegas Sands Corp.		(143,738)		143,738	
Dividends paid to Restricted Subsidiaries			(154,472)	154,472	
Capital contributions received		50,000	26	(50,026)	
Borrowings from Restricted Subsidiaries			50,766	(50,766)	
Repayments on borrowings from Restricted Subsidiaries			(1,200)	1,200	
Proceeds from 2011 VML credit facility			3,201,535		3,201,535
Repayments on VML credit facility			(2,060,819)		(2,060,819)
Repayments on VOL credit facility			(749,660)		(749,660)
Repayments on Singapore credit facility			(418,564)		(418,564)
Repayments on senior secured credit facility		(28,937)			(28,937)
Repayments on ferry financing			(35,002)		(35,002)
Repayments on airplane financings	(3,688)				(3,688)
Repayments on HVAC equipment lease		(1,669)			(1,669)
Repayments on other long-term debt			(1,971)		(1,971)
Repurchases and redemption of preferred stock	(845,321)				(845,321)
Payments of preferred stock inducement premium	(16,871)				(16,871)
Payments of deferred financing costs			(84,826)		(84,826)
Net cash used in financing activities	(905,427)	(126,839)	(259,813)	198,618	(1,093,461)
Effect of exchange rate on cash			(5,292)		(5,292)

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Increase (decrease) in cash and cash equivalents	(1,018,995)	277,416	1,607,216	865,637
Cash and cash equivalents at beginning of year	1,031,844	412,226	1,593,011	3,037,081
Cash and cash equivalents at end of year	\$ 12,849	\$ 689,642	\$ 3,200,227	\$ 3,902,718

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	<b>Las Vegas Sands Corp.</b>	<b>Restricted Subsidiaries</b>	<b>Non-Restricted Subsidiaries</b>	<b>Consolidating/ Eliminating Entries</b>	<b>Total</b>
Net cash generated from (used in) operating activities	\$ (28,875)	\$ 331,374	\$ 1,651,768	\$ (84,116)	\$ 1,870,151
Cash flows from investing activities:					
Change in restricted cash and cash equivalents		159	(688,425)		(688,266)
Capital expenditures	(7,538)	(26,021)	(1,990,422)		(2,023,981)
Proceeds from disposal of property and equipment		828	48,907		49,735
Acquisition of intangible assets	(590)		(44,713)		(45,303)
Purchases of investments			(173,774)		(173,774)
Proceeds from investments			173,774		173,774
Notes receivable to non-restricted subsidiaries		(52,729)		52,729	
Dividends received from Restricted Subsidiaries	4,300,000			(4,300,000)	
Dividends received from non-restricted subsidiaries		56,100		(56,100)	
Capital contributions to subsidiaries	(3,567,037)	(16,537)		3,583,574	
Net cash generated from (used in) investing activities	724,835	(38,200)	(2,674,653)	(719,797)	(2,707,815)
Cash flows from financing activities:					
Proceeds from exercise of stock options	16,455				16,455
Proceeds from exercise of warrants	225,514				225,514
Dividends paid	(93,400)				(93,400)
Dividends paid to Las Vegas Sands Corp.		(4,384,116)		4,384,116	
Dividends paid to Restricted Subsidiaries			(56,100)	56,100	
Capital contributions received		3,400,037	183,537	(3,583,574)	
Borrowings from Restricted Subsidiaries			52,729	(52,729)	
Proceeds from VOL credit facility			749,305		749,305
Proceeds from Singapore credit facility			647,988		647,988
Repayments on senior secured credit facility		(1,810,329)			(1,810,329)
Repayments on VML credit facility			(572,337)		(572,337)
Repurchase and cancellation of senior notes	(56,675)				(56,675)
Repayments on ferry financing			(35,055)		(35,055)
Repayments on airplane financings	(3,687)				(3,687)
Repayments on HVAC equipment lease		(1,711)			(1,711)
Repayments on other long-term debt		(108,549)	(12,532)		(121,081)
Payments of preferred stock inducement premium	(6,579)				(6,579)
Payments of deferred financing costs		(9,905)	(56,060)		(65,965)
Net cash generated from (used in) financing activities	81,628	(2,914,573)	901,475	803,913	(1,127,557)
Effect of exchange rate on cash			46,886		46,886
Increase (decrease) in cash and cash equivalents	777,588	(2,621,399)	(74,524)		(1,918,335)

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Cash and cash equivalents at beginning of year	254,256	3,033,625	1,667,535	4,955,416
Cash and cash equivalents at end of year	\$ 1,031,844	\$ 412,226	\$ 1,593,011	\$ 3,037,081

**Table of Contents****LAS VEGAS SANDS CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****Note 19 Selected Quarterly Financial Results (Unaudited)**

	First <sup>(1)(2)(3)</sup>	Second <sup>(1)(3)(4)</sup>	Quarter Third <sup>(1)(4)</sup>	Fourth <sup>(1)</sup>	Total <sup>(1)</sup>
	(In thousands, except per share data)				
<b>2012</b>					
Net revenues	\$ 2,762,742	\$ 2,581,906	\$ 2,709,482	\$ 3,077,002	\$ 11,131,132
Operating income	707,554	397,728	534,095	672,005	2,311,382
Net income	579,109	286,381	444,980	571,343	1,881,813
Net income attributable to Las Vegas Sands Corp. and common stockholders	498,942	240,587	349,782	434,782	1,524,093
Basic earnings per share	0.66	0.29	0.43	0.53	1.89
Diluted earnings per share	0.61	0.29	0.42	0.53	1.85
<b>2011</b>					
Net revenues	\$ 2,111,919	\$ 2,345,096	\$ 2,409,375	\$ 2,544,355	\$ 9,410,745
Operating income	485,927	608,122	632,556	663,282	2,389,887
Net income	364,503	489,092	505,172	524,352	1,883,119
Net income attributable to Las Vegas Sands Corp.	289,323	410,637	424,879	435,284	1,560,123
Net income attributable to common stockholders	228,156	367,607	353,631	320,114	1,269,508
Basic earnings per share	0.32	0.50	0.48	0.44	1.74
Diluted earnings per share	0.28	0.45	0.44	0.39	1.56

(1) The Company repurchased, redeemed or induced holders to redeem all outstanding preferred stock, which resulted in charges to net income attributable to common stockholders of \$18.4 million, \$0.7 million, \$29.0 million and \$97.6 million during the first, second, third and fourth quarters of the year ended December 31, 2011, respectively. For the year ended December 31, 2011, \$145.7 million was charged to net income attributable to common stockholders.

(2) During the first quarter of 2012, the Principal Stockholder's family exercised all of their outstanding warrants to purchase 87,500,175 shares of the Company's common stock and paid \$525.0 million in cash as settlement of the exercise price.

(3) During the first and second quarters of 2012, the Company recorded impairment losses of \$42.9 million and \$100.7 million, respectively.

(4) Phases I and IIA of Sands Cotai Central opened in April and September 2012, respectively.

Because earnings per share amounts are calculated using the weighted average number of common and dilutive common equivalent shares outstanding during each quarter, the sum of the per share amounts for the four quarters may not equal the total earnings per share amounts for the respective year.

**Table of Contents****SCHEDULE II VALUATION AND QUALIFYING ACCOUNTS****LAS VEGAS SANDS CORP. AND SUBSIDIARIES**

For the Years Ended December 31, 2012, 2011 and 2010

Description	Balance at Beginning of Year	Provision for Doubtful Accounts (In thousands)	Write-offs, Net of Recoveries	Balance at End of Year
Allowance for doubtful accounts:				
2010	\$ 118,700	97,762	(34,606)	\$ 181,856
2011	\$ 181,856	150,456	(57,246)	\$ 275,066
2012	\$ 275,066	239,332	(22,716)	\$ 491,682
Description	Balance at Beginning of Year	Additions	Deductions (In thousands)	Balance at End of Year
Deferred income tax asset valuation allowance:				
2010	\$ 280,007	51,268		\$ 331,275
2011	\$ 331,275	46,228	(52,264)	\$ 325,239
2012	\$ 325,239	1,088,812	(23,151)	\$ 1,390,900

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**ITEM 9.            *CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE***

Not applicable.

**ITEM 9A.         *CONTROLS AND PROCEDURES***

**Evaluation of Disclosure Controls and Procedures**

Disclosure controls and procedures are designed to ensure that information required to be disclosed in the reports that 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 SEC's rules and forms and that 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 December 31, 2012, and have concluded that they are effective at the reasonable assurance level.

It should be noted that any system of controls, however well designed and operated, can provide only reasonable, and not absolute, assurance that 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 that 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 fourth quarter covered by this Annual Report on Form 10-K that had a material effect, or was reasonably likely to have a material effect, on the Company's internal control over financial reporting.

**Management's Annual Report on Internal Control Over Financial Reporting**

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) of the Securities Exchange Act of 1934. The Company's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. The Company's internal control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the Company's assets;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that the Company's receipts and expenditures are being made only in accordance with authorizations of its management and directors; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The Company's management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2012. In making this assessment, the Company's management used the framework set forth by the Committee of Sponsoring Organizations of the Treadway Commission in *Internal Control - Integrated Framework*.

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Based on this assessment, management concluded that, as of December 31, 2012, the Company's internal control over financial reporting is effective based on this framework.

The effectiveness of the Company's internal control over financial reporting as of December 31, 2012, has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report, which appears herein.

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**ITEM 9B.            *OTHER INFORMATION***  
**1997 Plan**

On February 28, 2013, the Company terminated its LVSLLC 1997 Fixed Stock Option Plan (as amended to date, the Plan ). See Item 7 Financial Statements and Supplementary Data Notes to Consolidated Financial Statements Note 14 Stock-Based Employee Compensation LVSLLC 1997 Fixed Option Stock Plan regarding the Plan.

**Preferred Stock**

On February 28, 2013, the Company filed a Certificate of Withdrawal with the Secretary of State of Nevada with respect to the Company s Series A 10% Cumulative Perpetual Preferred Stock (the Series A Stock ). The Series A Stock had been issued pursuant to a Certificate of Designations of Series A 10% Cumulative Perpetual Preferred Stock (the Certificate of Designations ) and all such shares were redeemed by November 15, 2011, leaving no shares of Series A Stock outstanding after such date. The Company is permitted under Nevada law to file a certificate of withdrawal with the Secretary of State of Nevada to eliminate from the Company s Amended and Restated Articles of Incorporation all matters contained in the Certificate of Designations regarding the Series A Stock when no such shares remain outstanding. Accordingly, the Company filed a Certificate of Withdrawal as stated above, which was effective when filed.

**PART III**

**ITEM 10.            *DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE***

We incorporate by reference the information responsive to this Item appearing in our definitive Proxy Statement for our 2013 Annual Meeting of Stockholders, which we expect to file with the Securities and Exchange Commission on or about April 26, 2013 (the Proxy Statement ), including under the captions Board of Directors, Executive Officers, Section 16(a) Beneficial Ownership Reporting Compliance and Information Regarding the Board of Directors and Its Committees.

We have adopted a Code of Business Conduct and Ethics, which is posted on our website at [www.lasvegassands.com](http://www.lasvegassands.com), along with any amendments or waivers to the Code. Copies of the Code of Business Conduct and Ethics are available without charge by sending a written request to Investor Relations at the following address: Las Vegas Sands Corp., 3355 Las Vegas Boulevard South, Las Vegas, Nevada 89109.

**ITEM 11.            *EXECUTIVE COMPENSATION***

We incorporate by reference the information responsive to this Item appearing in the Proxy Statement, including under the captions Executive Compensation and Other Information, Director Compensation, Information Regarding the Board of Directors and Its Committees and Compensation Committee Report (which report is deemed to be furnished and is not deemed to be filed in any Company filing under the Securities Act of 1933 or the Securities Exchange Act of 1934).

**ITEM 12.            *SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS***

We incorporate by reference the information responsive to this Item appearing in the Proxy Statement, including under the captions Equity Compensation Plan Information and Principal Stockholders.

**ITEM 13.            *CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE***

We incorporate by reference the information responsive to this Item appearing in the Proxy Statement, including under the captions Board of Directors, Information Regarding the Board of Directors and its Committees and Certain Transactions.

**ITEM 14.        *PRINCIPAL ACCOUNTANT FEES AND SERVICES***

We incorporate by reference the information responsive to this Item appearing in the Proxy Statement, under the caption "Fees paid to Independent Registered Public Accounting Firm."

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**PART IV**

**ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES**

(a) Documents filed as part of the Annual Report on Form 10-K.

(1) List of Financial Statements

Report of Independent Registered Public Accounting Firm

Consolidated Balance Sheets

Consolidated Statements of Operations

Consolidated Statements of Comprehensive Income

Consolidated Statements of Equity

Consolidated Statements of Cash Flows

Notes to Consolidated Financial Statements

(2) List of Financial Statement Schedule

Schedule II Valuation and Qualifying Accounts

(3) List of Exhibits

<b>Exhibit No.</b>	<b>Description of Document</b>
3.1	Certificate of Amended and Restated Articles of Incorporation of Las Vegas Sands Corp. (incorporated by reference from Exhibit 3.1 to the Company's Amendment No. 2 to Registration Statement on Form S-1 (File No. 333-118827) filed on November 22, 2004).
3.2	Amended and Restated By-laws of Las Vegas Sands Corp. (incorporated by reference from Exhibit 3.2 to the Company's Quarterly Report on Form 10-Q (File No. 001-32373) for the quarter ended September 30, 2007 and filed on November 9, 2007).
4.1	Form of Specimen Common Stock Certificate of Las Vegas Sands Corp. (incorporated by reference from Exhibit 4.1 to the Company's Amendment No. 2 to Registration Statement on Form S-1 (File No. 333-118827) filed on November 22, 2004).
10.1	Warrant Agreement, dated as of November 14, 2008, between Las Vegas Sands Corp. and U.S. Bank National Association, as warrant agent (incorporated by reference from Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 001-32373) filed on November 14, 2008).
10.2	Amendment and Restatement Agreement dated as of August 17, 2010, to the Credit and Guaranty Agreement dated as of May 23, 2007, as amended, among Las Vegas Sands, LLC, the Guarantors party thereto, the Lenders party thereto and The Bank of Nova Scotia (including as Exhibit A thereto the Amended and Restated Credit and Guaranty Agreement dated as of August 18, 2010 among Las Vegas Sands, LLC, the Guarantors party thereto, the lenders party thereto, Goldman Sachs Credit Partners L.P, Citigroup Global Markets Inc., The Bank of Nova Scotia and Credit Suisse AG, Cayman Islands Branch, Barclays Capital Inc. and JPMorgan Chase Bank, N.A.) (incorporated by reference from Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q (File No. 001-32373) for the quarter ended September 30, 2010 and filed on November 9, 2010).

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- 10.3 Security Agreement, dated as of May 23, 2007, between each of the parties named as a grantor therein and The Bank of Nova Scotia, as collateral agent for the secured parties, as defined therein (incorporated by reference from Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q (File No. 001-32373) for the quarter ended June 30, 2007 and filed on August 9, 2007).
- 10.4 Deed of Trust, Leasehold Deed of Trust, Assignment of Rents and Leases, Security Agreement and Fixture Filing made by Phase II Mall Subsidiary, LLC, as trustor, as of May 23, 2007 in favor of First American Title Insurance Company, as trustee, for the benefit of The Bank of Nova Scotia, in its capacity as collateral agent, as beneficiary (incorporated by reference from Exhibit 10.6 to the Company's Quarterly Report on Form 10-Q (File No. 001-32373) for the quarter ended June 30, 2007 and filed on August 9, 2007).
- 10.5 Deed of Trust, Leasehold Deed of Trust, Assignment of Rents and Leases, Security Agreement and Fixture Filing made by Las Vegas Sands, LLC, as trustor, as of May 23, 2007 in favor of First American Title Insurance Company, as trustee, for the benefit of The Bank of Nova Scotia, in its capacity as collateral agent, as beneficiary (incorporated by reference from Exhibit 10.7 to the Company's Quarterly Report on Form 10-Q (File No. 001-32373) for the quarter ended June 30, 2007 and filed on August 9, 2007).

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Exhibit No.	Description of Document
10.6	Deed of Trust, Leasehold Deed of Trust, Assignment of Rents and Leases, Security Agreement and Fixture Filing made by Venetian Casino Resort, LLC, as trustor, as of May 23, 2007 in favor of First American Title Insurance Company, as trustee, for the benefit of The Bank of Nova Scotia, in its capacity as collateral agent, as beneficiary (incorporated by reference from Exhibit 10.8 to the Company's Quarterly Report on Form 10-Q (File No. 001-32373) for the quarter ended June 30, 2007 and filed on August 9, 2007).
10.7	Deed of Trust, Leasehold Deed of Trust, Assignment of Rents and Leases, Security Agreement and Fixture Filing made by Venetian Casino Resort, LLC and Las Vegas Sands, LLC, jointly and severally as trustors, as of May 23, 2007 in favor of First American Title Insurance Company, as trustee, for the benefit of The Bank of Nova Scotia, in its capacity as collateral agent, as beneficiary (incorporated by reference from Exhibit 10.9 to the Company's Quarterly Report on Form 10-Q (File No. 001-32373) for the quarter ended June 30, 2007 and filed on August 9, 2007).
10.8	Deed of Trust, Leasehold Deed of Trust, Assignment of Rents and Leases, Security Agreement and Fixture Filing made by Interface Group-Nevada, Inc., as trustor, as of May 23, 2007 in favor of First American Title Insurance Company, as trustee, for the benefit of The Bank of Nova Scotia, in its capacity as collateral agent, as beneficiary (incorporated by reference from Exhibit 10.10 to the Company's Quarterly Report on Form 10-Q (File No. 001-32373) for the quarter ended June 30, 2007 and filed on August 9, 2007).
10.9	Credit Agreement, dated as of September 21, 2011, entered into by and among VML US Finance LLC, Venetian Macau Limited, the financial institutions listed on the signature pages thereto as Lenders, Bank of China Limited, Macau Branch (BOC), as administrative agent for the Lenders, Goldman Sachs (Asia) L.L.C., Goldman Sachs Lending Partners LLC, Bank of America, N.A., BOC, Barclays Capital, BNP Paribas Hong Kong Branch, Citigroup Global Markets Asia Limited, Citibank, N.A. Hong Kong Branch, Commerzbank AG, Credit Agricole Corporate and Investment Bank, Credit Suisse Securities (USA) LLC, Credit Suisse AG, Singapore Branch, Industrial and Commercial Bank of China (Macau) Limited, ING Capital L.L.C. and ING Bank NV, Singapore Bank, Sumitomo Mitsui Banking Corporation, UBS Securities LLC and United Overseas Bank Limited, as global coordinators and bookrunners for the Term Loan Facility and Revolving Credit Facility and as co-syndication agents for the Term Loan Lenders and Revolving Loan Lenders and Banco Nacional Ultramarino, S.A., DBS Bank Ltd., Oversea-Chinese Banking Corporation Limited, The Bank of Nova Scotia and Wing Lung Bank Ltd., Macau Branch, as lead arrangers for the Term Loan Facility and Revolving Credit Facility (incorporated by reference from Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q (File No. 001-32373) for the quarter ended September 30, 2011 and filed on November 9, 2011).

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Exhibit No.	Description of Document
10.10	Credit Agreement, dated as of May 17, 2010, by and among Venetian Orient Limited, the financial institutions listed as Lenders on the signature pages thereto, The Bank of Nova Scotia, as Administrative Agent, Goldman Sachs Lending Partners LLC, BNP Paribas, Hong Kong Branch, Citibank, N.A., Citigroup Financial Services Limited and Citibank, N.A., Hong Kong Branch, UBS AG Hong Kong Branch, Barclays Capital, The Investment Banking Division of Barclays PLC, Bank of China Limited, Macau Branch ( BOC ), and Industrial and Commercial Bank of China (Macau) Limited ( ICBC ), as Global Coordinators and Bookrunners, and, with the exception of BOC and ICBC, as co-syndication agents for the enders, and Banco Nacional Ultramarino, S.A., DBS Bank Ltd. and Oversea-Chinese Banking Corporation Limited, as Mandated Lead Arrangers and Bookrunners (incorporated by reference from Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q (File No. 001-32373) for the quarter ended June 30, 2010 and filed on August 9, 2010).
10.11	Sponsor Agreement, dated as of May 17, 2010, by and between Sands China Ltd., The Bank of Nova Scotia, as administrative agent, and Bank of China Limited, Macau Branch, as the collateral agent (incorporated by reference from Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q (File No. 001-32373) for the quarter ended June 30, 2010 and filed on August 9, 2010).
10.12	Guaranty, dated as of May 17, 2010, is made by Sands China Ltd., and each Subsidiary of Sands China Ltd. Required from time to time to become party hereto pursuant to the Credit Agreement, in favor of and for the benefit of The Bank of Nova Scotia, as administrative agent (incorporated by reference from Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q (File No. 001-32373) for the quarter ended June 30, 2010 and filed on August 9, 2010).
10.13	Facility Agreement, dated as of June 25, 2012, among Marina Bay Sands Pte. Ltd., as borrower, DBS Bank Ltd., Oversea-Chinese Banking Corporation Limited, United Overseas Bank Limited and Malayan Banking Berhad, Singapore Branch, as global coordinators, DBS Bank Ltd., as agent for the finance parties and security trustee for the secured parties and certain other lenders party thereto (incorporated by reference from Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q (File No. 001-32373) for the quarter ended June 30, 2012 and filed on August 9, 2012).
10.14	Construction Agency Agreement, dated as of May 1, 1997, by and between Venetian Casino Resort, LLC and Atlantic Pacific Las Vegas, LLC (incorporated by reference from Exhibit 10.21 to Amendment No. 2 to Las Vegas Sands, Inc.'s Registration Statement on Form S-4 (File No. 333-42147) dated March 27, 1998).
10.15	Sands Resort Hotel and Casino Agreement, dated as of February 18, 1997, by and between Clark County and Las Vegas Sands, Inc. (incorporated by reference from Exhibit 10.27 to Amendment No. 1 to Las Vegas Sands, Inc.'s Registration Statement on Form S-4 (File No. 333-42147) dated February 12, 1998).
10.16	Addendum to Sands Resort Hotel and Casino Agreement, dated as of September 16, 1997, by and between Clark County and Las Vegas Sands, Inc. (incorporated by reference from Exhibit 10.20 to the Company's Amendment No. 1 to Registration Statement on Form S-1 (File No. 333-118827) dated October 25, 2004).
10.17	Improvement Phasing Agreement by and between Clark County and Lido Casino Resort, LLC (incorporated by reference from Exhibit 10.21 to the Company's Amendment No. 1 to Registration Statement on Form S-1 (File No. 333-118827) dated October 22, 2004).
10.18	Concession Contract for Operating Casino Games of Chance or Games of Other Forms in the Macao Special Administrative Region, June 26, 2002, by and among the Macao Special Administrative Region and Galaxy Casino Company Limited (incorporated by reference from Exhibit 10.40 to Las Vegas Sands, Inc.'s Form 10-K (File No. 333-42147) for the year ended December 31, 2002 and filed on March 31, 2003).
10.19	Subconcession Contract for Operating Casino Games of Chance or Games of Other Forms in the Macao Special Administrative Region, dated December 19, 2002, between Galaxy Casino Company Limited, as concessionaire, and Venetian Macau S.A., as subconcessionaire (incorporated by reference from Exhibit 10.65 to the Company's Amendment No. 5 to Registration Statement on Form S-1 (File No. 333-118827) dated December 10, 2004).
10.20	Land Concession Agreement, dated as of December 10, 2003, relating to the Sands Macao between the Macao Special Administrative Region and Venetian Macau Limited (incorporated by reference from Exhibit 10.39 to the Company's Amendment No. 1 to Registration Statement on Form S-1 (File No. 333-118827) dated October 25, 2004).
10.21	Amendment, published on April 22, 2008, to Land Concession Agreement, dated as of December 10, 2003, relating to the Sands Macao between the Macao Special Administrative Region and Venetian Macau Limited (incorporated by reference from Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q (File No. 001-32373) for the quarter ended March 31,

2008 and filed on May 9, 2008).

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<b>Exhibit No.</b>	<b>Description of Document</b>
10.22	Land Concession Agreement, dated as of February 23, 2007, relating to the Venetian Macao, Four Seasons Macao and Site 3 among the Macau Special Administrative Region, Venetian Cotai Limited and Venetian Macao Limited (incorporated by reference from Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q (File No. 001-32373) for the quarter ended March 31, 2007 and filed on May 10, 2007).
10.23	Amendment published on October 28, 2008, to Land Concession Agreement between Macau Special Administrative Region and Venetian Cotai Limited (incorporated by reference from Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q (File No. 001-32373) for the quarter ended September 30, 2008 and filed on November 10, 2008).
10.24	Development Agreement, dated August 23, 2006, between the Singapore Tourism Board and Marina Bay Sands Pte. Ltd. (incorporated by reference from Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q (File No. 001-32373) for the quarter ended September 30, 2006 and filed on November 9, 2006).
10.25	Supplement to Development Agreement, dated December 11, 2009, by and between Singapore Tourism Board and Marina Bay Sands PTE. LTD (incorporated by reference from Exhibit 10.76 to the Company's Annual Report on Form 10-K (File No. 001-32373) for the year ended December 31, 2009 and filed on March 1, 2010).
10.26	Energy Services Agreement, dated as of May 1, 1997, by and between Atlantic Pacific Las Vegas, LLC and Venetian Casino Resort, LLC (incorporated by reference from Exhibit 10.3 to Amendment No. 2 to Las Vegas Sands, Inc.'s Registration Statement on Form S-4 (File No. 333-42147) dated March 27, 1998).
10.27	Energy Services Agreement Amendment No. 1, dated as of July 1, 1999, by and between Atlantic Pacific Las Vegas, LLC and Venetian Casino Resort, LLC (incorporated by reference from Exhibit 10.8 to Las Vegas Sands, Inc.'s Annual Report on Form 10-K (File No. 333-42147) for the year ended December 31, 1999 and filed on March 30, 2000).
10.28	Energy Services Agreement Amendment No. 2, dated as of July 1, 2006, by and between Atlantic Pacific Las Vegas, LLC and Venetian Casino Resort, LLC (incorporated by reference from Exhibit 10.77 to the Company's Annual Report on Form 10-K (File No. 001-32373) for the year ended December 31, 2006 and filed on February 28, 2007).
10.29	Energy Services Agreement Amendment No. 3 dated as of February 10, 2009, by and between Trigen-Las Vegas Energy Company, LLC f/k/a Atlantic Pacific Las Vegas, LLC, Venetian Casino Resort, LLC Grand Canal Shops II, LLC and Interface Group-Nevada, Inc. (incorporated by reference from Exhibit 10.34 to the Company's Annual Report on Form 10-K (File No. 001-32373) for year ended December 31, 2010 and filed on March 1, 2011).
10.30	Energy Services Agreement, dated as of November 14, 1997, by and between Atlantic-Pacific Las Vegas, LLC and Interface Group-Nevada, Inc. (incorporated by reference from Exhibit 10.8 to Amendment No. 1 of the Company's Registration Statement on Form S-1 (File No. 333-118827) dated October 25, 2004).
10.31	Energy Services Agreement Amendment No. 1, dated as of July 1, 1999, by and between Atlantic-Pacific Las Vegas, LLC and Interface Group-Nevada, Inc. (incorporated by reference from Exhibit 10.9 to the Company's Amendment No. 1 to Registration Statement on Form S-1 (File No. 333-118827) dated October 25, 2004).
10.32	Amended and Restated Services Agreement, dated as of November 14, 1997, by and among Las Vegas Sands, Inc., Venetian Casino Resort, LLC, Interface Group Holding Company, Inc., Interface Group-Nevada, Inc., Lido Casino Resort MM, Inc., Grand Canal Shops Mall MM Subsidiary, Inc. and certain subsidiaries of Venetian Casino Resort, LLC named therein (incorporated by reference from Exhibit 10.15 to Amendment No. 1 to Las Vegas Sands, Inc.'s Registration Statement on Form S-4 (File No. 333-42147) dated February 12, 1998).
10.33	Assignment and Assumption Agreement, dated as of November 8, 2004, by and among Las Vegas Sands, Inc., Venetian Casino Resort, LLC, Interface Group Holding Company, Inc., Interface Group-Nevada, Inc., Interface Operations LLC, Lido Casino Resort MM, Inc., Grand Canal Shops Mall MM Subsidiary, Inc. and certain subsidiaries of Venetian Casino Resort, LLC named therein (incorporated by reference from Exhibit 10.52 to the Company's Amendment No. 2 to Registration Statement on Form S-1 (File No. 333-118827) dated November 22, 2004).
10.34	Fourth Amended and Restated Reciprocal Easement, Use and Operating Agreement, dated as of February 29, 2008, by and among Interface Group Nevada, Inc., Grand Canal Shops II, LLC, Phase II Mall Subsidiary, LLC, Venetian Casino Resort, LLC, and Palazzo Condo Tower, LLC (incorporated by reference from Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q (File No. 001-32373) for the quarter ended March 31, 2008 and filed on May 9, 2008).
10.35+	Las Vegas Sands Corp. 2004 Equity Award Plan (incorporated by reference from Exhibit 10.41 to the Company's Quarterly Report on Form 10-Q (File No. 001-32373) for the quarter ended March 31, 2005 and filed on May 16, 2005).
10.36+	

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First Amendment, dated as of February 5, 2007, to the Las Vegas Sands Corp. 2004 Equity Award Plan (incorporated by reference from Exhibit 10.76 to the Company's Annual Report on Form 10-K (File No. 001-32373) for the year ended December 31, 2006 and filed on February 28, 2007).

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<b>Exhibit No.</b>	<b>Description of Document</b>
10.37+	Second Amendment, dated as of December 14, 2011, to the Las Vegas Sands Corp. 2004 Equity Award Plan (incorporated by reference from Exhibit 10.48 to the Company's Annual Report on Form 10-K (File No. 001-32373) for the year ended December 31, 2011 and filed on February 28, 2012).
10.38+	Form of Restricted Stock Award Agreements under the 2004 Equity Award Plan (incorporated by reference from Exhibit 10.70 to the Company's Amendment No. 4 to Registration Statement on Form S-1 (File No. 333-118827) dated December 8, 2004).
10.39+	Form of Restricted Stock Award Agreement under the 2004 Equity Award Plan (incorporated by reference from Exhibit 10.48 to the Company's Annual Report on Form 10-K (File No. 001-32373) for year ended December 31, 2010 and filed on March 1, 2011).
10.40+	Form of Nonqualified Stock Option Agreements under the 2004 Equity Award Plan (incorporated by reference from Exhibit 10.71 to the Company's Amendment No. 4 to Registration Statement on Form S-1 (File No. 333-118827) dated December 8, 2004).
10.41+	Form of Nonqualified Stock Option Agreement under the Company's 2004 Equity Award Plan (incorporated by reference from Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q (File No. 001-32373) for the quarter ended June 30, 2009 and filed August 7, 2009).
10.42+	Form of Nonqualified Stock Option Agreement under the 2004 Equity Award Plan (incorporated by reference from Exhibit 10.51 to the Company's Annual Report on Form 10-K (File No. 001-32373) for year ended December 31, 2010 and filed on March 1, 2011).
10.43+	Las Vegas Sands Corp. Executive Cash Incentive Plan (incorporated by reference from Exhibit 10.42 to the Company's Quarterly Report on Form 10-Q (File No. 001-32373) for the quarter ended March 31, 2005 and filed on May 16, 2005).
10.44+	Las Vegas Sands Corp. Deferred Compensation Plan (incorporated by reference from Exhibit 10.63 to the Company's Amendment No. 2 to Registration Statement on Form S-1 (File No. 333-118827) dated November 22, 2004).
10.45+	Form of Restricted Stock Award Agreement (incorporated by reference from Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 001-32373) filed on February 9, 2007).
10.46+	Employment Agreement, dated as of November 18, 2004, by and among Las Vegas Sands Corp., Las Vegas Sands, Inc. and Sheldon G. Adelson (incorporated by reference from Exhibit 10.36 to the Company's Amendment No. 2 to Registration Statement on Form S-1 (File No. 333-118827) dated November 22, 2004).
10.47+	Amendment No. 1 to Employment Agreement, dated as of December 31, 2008, by and among Las Vegas Sands Corp., Las Vegas Sands, LLC (f/k/a Las Vegas Sands, Inc.) and Sheldon G. Adelson (incorporated by reference from Exhibit 10.35 to the Company's Annual Report on Form 10-K (File No. 001-32373) for the year ended December 31, 2008 and filed on March 2, 2009).
10.48+	Employment Agreement, dated as of November 13, 2010, among Las Vegas Sands Corp., Las Vegas Sands, LLC and Michael A. Leven (incorporated by reference from Exhibit 10.57 to the Company's Annual Report on Form 10-K (File No. 001-32373) for year ended December 31, 2010 and filed on March 1, 2011).
10.49+	Employment Agreement, dated as of December 1, 2008 between Las Vegas Sands Corp. and Kenneth J. Kay (incorporated by reference from Exhibit 10.36 to the Company's Annual Report on Form 10-K (File No. 001-32373) for the year ended December 31, 2008 and filed on March 2, 2009).
10.50+	Letter Agreement, dated January 18, 2010, between Las Vegas Sands Corp. and Kenneth J. Kay (incorporated by reference from Exhibit 10.33 to the Company's Annual Report on Form 10-K (File No. 001-32373) for the year ended December 31, 2009 and filed on March 1, 2010).
10.51+	Employment Agreement, dated as of January 11, 2011, among Las Vegas Sands Corp., Las Vegas Sands, LLC and Robert G. Goldstein (incorporated by reference from Exhibit 10.60 to the Company's Annual Report on Form 10-K (File No. 001-32373) for year ended December 31, 2010 and filed on March 1, 2011).
10.52	Settlement Agreement, date as of June 24, 2011, by and among Venetian Casino Resort, LLC, Phase II Mall Holding, LLC, GGP Limited Partnership, The Shoppes at the Palazzo, LLC (f/k/a Phase II Mall Subsidiary, LLC) and Grand Canal Shops II, LLC (incorporated by reference from Exhibit 10.63 to the Company's Annual Report on Form 10-K (File No. 001-32373) for the year ended December 31, 2011 and filed on February 28, 2012).
10.53+	

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Terms of Continued Employment, dated June 7, 2012, among Las Vegas Sands Corp., Las Vegas Sands, LLC and Michael A. Leven (incorporated by reference from Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q (File No. 001-32373) for the quarter ended June 30, 2012 and filed on August 9, 2012).

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<b>Exhibit No.</b>	<b>Description of Document</b>
10.54+	Terms of Continued Employment, dated as of March 7, 2012, among Las Vegas Sands Corp., Las Vegas Sands, LLC and Robert G. Goldstein (incorporated by reference from Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q (File No. 001-32373) for the quarter ended March 31, 2012 and filed on May 10, 2012).
10.55	Purchase and Sale Agreement, dated April 12, 2004, by and among Grand Canal Shops Mall Subsidiary, LLC, Grand Canal Shops Mall MM Subsidiary, Inc. and GGP Limited Partnership (incorporated by reference from Exhibit 10.1 to Las Vegas Sands, Inc.'s Current Report on Form 8-K (File No. 333-42147) filed on April 16, 2004).
10.56	Agreement, made as of April 12, 2004, by and between Lido Casino Resort, LLC and GGP Limited Partnership (incorporated by reference from Exhibit 10.2 to Las Vegas Sands, Inc.'s Current Report on Form 8-K (File No. 333-42147) filed on April 16, 2004).
10.57	Assignment and Assumption of Agreement and First Amendment to Agreement, dated September 30, 2004, made by Lido Casino Resort, LLC, as assignor, to Phase II Mall Holding, LLC, as assignee, and to GGP Limited Partnership, as buyer (incorporated by reference from Exhibit 10.60 to the Company's Amendment No. 1 to Registration Statement on Form S-1 (File No. 333-118827) dated October 25, 2004).
10.58	Second Amendment, dated as of January 31, 2008, to Agreement dated as of April 12, 2004 and amended as of September 30, 2004, by and among Venetian Casino Resort, LLC, as successor-by-merger to Lido Casino Resort, LLC, Phase II Mall Holding, LLC, as successor-in-interest to Lido Casino Resort, LLC, and GGP Limited Partnership (incorporated by reference from Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q (File No. 001-32373) for the quarter ended March 31, 2008 and filed on May 9, 2008).
10.59	Second Amended and Restated Registration Rights Agreement, dated as of November 14, 2008, by and among Las Vegas Sands Corp., Dr. Miriam Adelson and the other Adelson Holders (as defined therein) that are party to the agreement from time to time (incorporated by reference from Exhibit 10.2 to the Company's Current Report on Form 8-K (File No. 001-32373) filed on November 14, 2008).
10.60	Investor Rights Agreement, dated as of September 30, 2008, by and between Las Vegas Sands Corp. and the Investor named therein (incorporated by reference from Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q (File No. 001-32373) for the quarter ended September 30, 2008 and filed on November 10, 2008).
10.61	Agreement, dated as of July 8, 2004, by and between Sheldon G. Adelson and Las Vegas Sands, Inc. (incorporated by reference from Exhibit 10.47 to the Company's Registration Statement on Form S-1 (File No. 333-118827) dated September 3, 2004).
10.62	Venetian Hotel Service Agreement, dated as of June 28, 2001, by and between Venetian Casino Resort, LLC and Interface Group-Nevada, Inc. d/b/a Sands Expo and Convention Center (incorporated by reference from Exhibit 10.49 to the Company's Amendment No. 2 to Registration Statement on Form S-1 (File No. 333-118827) dated November 22, 2004).
10.63	First Amendment to Venetian Hotel Service Agreement, dated as of June 28, 2004, by and between Venetian Casino Resort, LLC and Interface Group-Nevada, Inc. d/b/a Sands Expo and Convention Center (incorporated by reference from Exhibit 10.50 to the Company's Registration Statement on Form S-1 (File No. 333-118827) dated September 3, 2004).
10.64	Tax Indemnification Agreement, dated as of December 17, 2004, by and among Las Vegas Sands Corp., Las Vegas Sands, Inc. and the stockholders named therein (incorporated by reference from Exhibit 10.56 to the Company's Current Report on Form 8-K (File No. 001-32373) filed on April 4, 2005).
10.65	Aircraft Time Sharing Agreement, dated as of November 6, 2009 and effective as of January 1, 2009, between Las Vegas Sands Corp. and Interface Operations, LLC (incorporated by reference from Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2009 and filed on November 9, 2009).
10.66	Aircraft Time Sharing Agreement, dated as of November 6, 2009 and effective as of January 1, 2009, between Interface Operations, LLC and Las Vegas Sands Corp. (incorporated by reference from Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q (File No. 001-32373) for the quarter ended September 30, 2009 and filed on November 9, 2009).
10.67	Aircraft Time Sharing Agreement, dated as of November 6, 2009 and effective as of January 1, 2009, between Las Vegas Sands Corp. and Interface Operations, LLC (incorporated by reference from Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q (File No. 001-32373) for the quarter ended September 30, 2009 and filed on November 9, 2009).

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- 10.68 Aircraft Time Sharing Agreement, dated as of November 6, 2009 and effective as of January 1, 2009, between Interface Operations, LLC and Las Vegas Sands Corp. (incorporated by reference from Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q (File No. 001-32373) for the quarter ended September 30, 2009 and filed on November 9, 2009).

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<b>Exhibit No.</b>	<b>Description of Document</b>
10.69	Aircraft Time Sharing Agreement, dated as of November 6, 2009 and effective as of January 1, 2009, between Interface Operations Bermuda, LTD and Las Vegas Sands Corp. (incorporated by reference from Exhibit 10.6 to the Company's Quarterly Report on Form 10-Q (File No. 001-32373) for the quarter ended September 30, 2009 and filed on November 9, 2009).
10.70	Aircraft Time Share Agreement, dated as of May 23, 2007, by and between Interface Operations LLC and Las Vegas Sands Corp. (incorporated by reference from Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q (File No. 001-32373) for the quarter ended June 30, 2007 and filed on August 9, 2007).
10.71	Aircraft Time Sharing Agreement, dated as of January 1, 2005, by and between Interface Operations LLC and Las Vegas Sands Corp. (incorporated by reference from Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q (File No. 001-32373) for the quarter ended September 30, 2005 and filed November 14, 2005).
10.72	Aircraft Time Sharing Agreement, dated as of June 18, 2004, by and between Interface Operations LLC and Las Vegas Sands, Inc. (incorporated by reference from Exhibit 10.48 to the Company's Amendment No. 1 to Registration Statement on Form S-1 (File No. 333-118827) dated October 25, 2004).
10.73	Aircraft Time Sharing Agreement dated as of April 14, 2011, between Las Vegas Sands Corp. and Interface Operations, LLC (incorporated by reference from Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q (File No. 001-32373) for the quarter ended June 30, 2011).
10.74+	Form of Restricted Stock Award Agreement under the 2004 Equity Award Plan (incorporated by reference from Exhibit 10.82 to the Company's Annual Report on Form 10-K (File No. 001-32373) for year ended December 31, 2010 and filed on March 1, 2011).
10.75+	Form of Restricted Stock Award agreement under the 2004 Equity Award Plan (incorporated by reference from Exhibit 10.86 to the Company's Annual Report on Form 10-K (File No. 001-32373) for the year ended December 31, 2011 and filed on February 28, 2012).
10.76+	Form of Restricted Stock Units Award agreement under the 2004 Equity Award Plan (incorporated by reference from Exhibit 10.87 to the Company's Annual Report on Form 10-K (File No. 001-32373) for the year ended December 31, 2011 and filed on February 28, 2012).
10.77+	Las Vegas Sands Corp. Non-Employee Director Deferred Compensation Plan (incorporated by reference from Exhibit 10.88 to the Company's Annual Report on Form 10-K (File No. 001-32373) for the year ended December 31, 2011 and filed on February 28, 2012).
21.1*	Subsidiaries of Las Vegas Sands Corp.
23.1*	Consent of PricewaterhouseCoopers LLP.
31.1*	Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	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.
32.2*	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.
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

\* Filed herewith.

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Confidential treatment has been requested and granted with respect to portions of this exhibit, and such confidential portions have been deleted and replaced with \*\* and filed separately with the Securities and Exchange Commission pursuant to Rule 406 under the Securities Act of 1933.

+ Denotes a management contract or compensatory plan or arrangement.

**Table of Contents****SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this Annual Report on Form 10-K to be signed on its behalf by the undersigned thereunto duly authorized.

## LAS VEGAS SANDS CORP.

March 1, 2013

/s/ SHELDON G. ADELSON  
Sheldon G. Adelson,  
Chairman of the Board and

Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this Annual Report on Form 10-K has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<b>Signature</b>	<b>Title</b>	<b>Date</b>
/s/ SHELDON G. ADELSON Sheldon G. Adelson	Chairman of the Board, Chief Executive Officer and Director	March 1, 2013
/s/ MICHAEL A. LEVEN Michael A. Leven	President, Chief Operating Officer and Director	March 1, 2013
/s/ JASON N. ADER Jason N. Ader	Director	March 1, 2013
/s/ IRWIN CHAFETZ Irwin Chafetz	Director	March 1, 2013
/s/ VICTOR CHALTIEL Victor Chaltiel	Director	March 1, 2013
/s/ CHARLES D. FORMAN Charles D. Forman	Director	March 1, 2013
/s/ GEORGE P. KOO George P. Koo	Director	March 1, 2013
/s/ CHARLES A. KOPPELMAN Charles A. Koppelman	Director	March 1, 2013
/s/ JEFFREY H. SCHWARTZ Jeffrey H. Schwartz	Director	March 1, 2013
/s/ IRWIN A. SIEGEL Irwin A. Siegel	Director	March 1, 2013
/s/ KENNETH J. KAY Kenneth J. Kay	Executive Vice President and Chief Financial Officer	March 1, 2013
/s/ MICHAEL A. QUARTIERI	Chief Accounting Officer and	March 1, 2013

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Michael A. Quartieri

Global Controller

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