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Las Vegas Sands Corp. Q4 2008 Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator instructions) Your first question is from the line of Joe Gross with Wachovia.

Joe Gross – JP Morgan

It's close. This is Joe Gross from JP Morgan. Hey guys.

Brad Stone

Okay so you exchanged jobs.

Joe Gross – JP Morgan

Hopefully, not again. Rob, you mentioned that the group nights for the first quarter look pretty good in Las Vegas. Can you go beyond the first quarter? How does the second, third, fourth quarter look?

Rob Goldstein

The first quarter looks pretty good year-on-year. Obviously, the economy has affected us. The most recent national headlines hasn't helped, and we still see our group business to be a strong part overall – reports probably affected it but it's not as – year-on-year will decline versus 2008 in the second and third quarter. I can't speak the fourth quarter yet, hoping it will rebound. Second and third quarters are going to be more challenging than the first quarter was.

Joe Gross – JP Morgan

Okay. And then, Brad, you talked about Singapore clearly challenging. With different design elements, what is the most recent construction cost, all-in cost for Singapore?

Brad Stone

The construction cost is consists of what we've announced previously and it's –

Stephen Weaver

\$3.5 billion.

Brad Stone

\$3.5 billion, of course, we actually paid for the job in Singapore dollars, so it moves around in terms of the Singapore dollars on exchange rates. But it's consistent with what we've been saying all along. Matthew has done an excellent job in his team. And in terms of keeping that thing under control, and we have ebbs and flows. Some things come in, significantly under, and some are all right. The good news, I think, for us going forward is even what remains of that bit out, and Matthew you can comment on this as well, is stuff that is not commodity-based so you don't have the commodity risk, and it's also finishes in things like many contracts you can form. There are very few people who can build those towers. Probably, only two contractors in the world. So, if you have a limited market, going forward, those things, which remain to be bit out are very broad in terms of markets that we can go to in terms of contractors.

Stephen Weaver

Yes, I mean, there's a lot of fitting out. Obviously, a lot more – go to a lot of packages to buy out or fitting out. And there's a lot of competition in those packages in the market. We're seeing very competitive returns on bids to those packages.

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