

## **Naga World Profits Double To \$98 Million**



*Reposted from The Cambodia Daily, February, 24 2012*

*By Simon Lewis*

Naga Corp, which owns Phnom Penh's only licensed casino, announced on Wednesday that net profits at the company had more than doubled in 2011 and that plans are in store to expand its operations in the country.

Financial results filed with the Hong Kong Stock Exchange show that Naga Corp made a net profit of \$92 million in 2011 compared to \$44 million in 2010, the highest profit recorded by the company since it went public in 2006.

Revenues totaled \$223.8 million, a 49 percent increase on the previous year. According to the results, the largest portion of revenue & \$80 million-was made from gamblers on VIP trips, known as junkets.

A total of \$3.2 billion was gambled at junket tables in the casino by 16,019 visitors, an average of more than \$200,000 per player.

Because it is illegal for Cambodians to gamble at domestic casinos, Naga World says that it draws in the wealthy from around the region to play at its tables.

"The Company's marketing strategy for Vietnam is an integral component in generating business .... The Company believes it has only just begun to tap into the junket market, especially within the burgeoning economies of Vietnam, China and Thailand," the company said in its annual report.

The report also said that shareholders had agreed at a meeting on Jan. 30 to acquire two companies owned by Naga Corp's Malaysian CEO Chen Lip Keong for a total of \$369 million.

The companies, TanSriChen Inc and TanSriChen (Citywalk) Inc, are both incorporated in the British Virgin Islands.

Naga Corp is incorporated in the Cayman Islands.

Those firms have plans of building a “hotel and gaming complex, a retail walkway and a tourist park” at a site next to Naga World casino, the report said.

Naga Corp was granted a 70-year casino license by the government in 1995 and has the exclusive right to operate casinos in Phnom Penh and the surrounding area.