

HD RPT-UPDATE 1-Australia shortlists **Chinese billionaires**, state **firm** for Queensland casino licences

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* Far East Consortium/Chow Tai Fook, state-owned Greenland shortlisted bidders

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* **Chinese** developers up against domestic stalwarts Crown and Echo

By Byron Kaye

SYDNEY, May 28 (Reuters) - Some of **China's** biggest **property** developers will compete against Australian gaming giants for casino licences in Queensland, boosting the government's plans to turn the popular tourist destination into a haven for big-spending **Chinese** gamblers.

The Queensland government, seeking to capitalise on the growing appetite of well-heeled **Chinese** for travel and gaming, revealed on Wednesday the names of the bidders it had shortlisted for the three casino licences.

They are **property** giant Far East Consortium/Chow Tai Fook Enterprises, controlled by **Hong Kong billionaire** Cheng Yu-tung, one of the world's richest businessmen, and **Chinese** state-owned real **estate** developer Greenland **Group**.

These **Chinese** firms are vying against established domestic casino operators Crown Resorts Ltd, owned by Australia's richest man James Packer, and rival Echo Entertainment **Group** Ltd for permission to build a casino in central Brisbane.

The enmity between Echo and Crown is well-known: Echo unsuccessfully tried to stop Packer building a new casino near its casino in central Sydney. But Echo brings to the table its experience in Queensland, where it already operates several casino and **hotel** complexes.

Across Asia, countries from the Philippines and Vietnam to South Korea are setting up lavish casino resorts to lure moneyed **Chinese**, who have earned a reputation as the world's most prolific, and biggest spending gamblers.

DRAWING IN THE **CHINESE**

Brisbane, the capital of Australia's third most populous state, is already a hit with tourists because of its warm climate and proximity to the Great Barrier Reef.

The city is keen to emulate the success of Singapore's two casino resorts, run by Genting Singapore PLC and Las Vegas Sands Corp and which dramatically boosted visitor spending after they opened in 2010.

"It will be a landmark development designed to be a drawcard for international tourists and businesses for generations to come," Queensland Deputy Premier Jeff Seeney said in a statement.

Australian casinos are expected to increase revenues by about 4 percent in the current 2013/14 financial year to A\$5.6 **billion** (\$5.18 **billion**), according to consultants IBISWorld.

Shortlisted companies, chosen from 12 bidders including Australian developer Lend Lease Corp Ltd, must submit fully developed proposals by late 2014 with the winner to be announced in early 2015, Seeney said.

The **Chinese** developers are keen to take a chunk of a market so far dominated by domestic firms. Greenland told Reuters on Wednesday it is studying the project in Brisbane.

The **company** has so far invested 8.7 **billion** yuan (\$1.39 **billion**) in four **residential** and **hotel** projects in Australia and also runs an integrated resort with casinos, **residential** and **commercial operations** in Jeju, South Korea.

Cheng Yu-tung's Chow Tai Fook Enterprises has been closely involved with the development of Macau's casino industry over the past two decades through a 10 percent **stake** in STDM, which was founded by his close friend, the former Macau gaming kinpin Stanley Ho.

Cheng in January this year spent \$950 **million** via International Entertainment Corporation to **buy** a Macau junket operator to expand his position in the lucrative industry.

The **Chinese** bidders for the Brisbane licences will join two other compatriots that the Queensland government has already cleared to seek planning and environmental approval for regional projects.

These were **Hong Kong billionaire** Tony Fung, his son Justin Fung and their Aquis Casino Acquisitions Ltd, who plan to build an A\$8 **billion** (\$7.40 **billion**) casino near the beachside city of Cairns, and state-backed ASF **China Property** Consortium, which wants to build a A\$7.5 **billion** casino and cruise ship terminal at the **Gold Coast**. (\$1 = 1.0815 Australian Dollars) (\$1 = 6.2486 **Chinese** Yuan) (Additional reporting by Farah Master and Clare Jim in **Hong Kong**; Editing by Miral Fahmy)

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CO crncas : Crown Resorts Limited

IN i97912 : Gambling Industries | ilea : Leisure/Arts/Hospitality

NS ccat : Corporate/Industrial News

RE china : China | austr : Australia | brisbn : Brisbane | devgcoz : Emerging Market Countries | singp : Singapore | apacz : Asia Pacific | asiaz : Asia | ausnz : Australia/Oceania | bric : BRIC Countries | chinaz : Greater China | dvpcos : Developing Economies | easiaz : Eastern Asia | queensl : Queensland | seasiaz : Southeast Asia

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