



LAS VEGAS SANDS CORP.

Las Vegas Sands Corp. NYSE: (LVS)

Sam Funderburg, Kebing Li, Reeve Maddux, Jackson Ward, and Kate Wincek

Company Overview:

Las Vegas Sands Corporation (NYSE: LVS) is a leader in the gaming, lodging, and leisure industry and a major developer of premium destination resorts. The company operates world class properties ("Integrated Resorts") in the United States and Asia that feature gambling, entertainment, retail, convention facilities, fine dining, and accommodations. LVS was founded in 1988 in Las Vegas, Nevada by Sheldon Anderson, who is still the CEO. In the past 14 years LVS has become increasingly focused on investing in its Macau properties in order to tap into the lucrative Asian gambling market that only opened up to outsiders about 15 years ago. This diversification into Asia has increased profits drastically and mitigated country specific cyclical risk.

Investment Thesis:

LVS represents a unique opportunity for the endowed fund to invest in an extremely shareholder conscious firm with strong growth potential both in the US and abroad. The recent sale of Sands Bethlehem as well as the Company's significant growth opportunities in Macau will allow Las Vegas Sands to continue growing its dividend and extend its share repurchase plan. Both of these measures will result in steady increases in share price. Our target price of \$88.32 with a current trading price of \$72.33 means that LVS is undervalued by 22%.

Price	\$72.33 (April 27)
Price Target	\$88.32
Market Cap	\$57.07B (April 27)
Beta	1.88
52 Week Range	\$56.33-\$73.39
P/E	20.43
2016 EPS	\$3.54
EBIT	\$3.379B
RoE	43.1%

Strong Growth In the Future: The Macau Story

- Increasing focus on attracting mass market customers outside the Guangdong Province to its Macau properties
- Strong dividend growth, has increased every year since LVS began paying it
- The completion of the Hong Kong - Zhuhai - Macau bridge in July 2018 with the possibility of a rail link added later will substantially stimulate travel around the Pearl River Delta
- The renovation and rebranding of the Sands Cotai Central to what will be The Londoner Macau represents another opportunity for LVS to reap gains from its Macau investments

Historic and Projected EPS Growth

