FIDELITY SOUTHERN CORP
Form S-8
June 17, 2011

As Filed with the Securities and Exchange Commission on June 16, 2011

Registration No. 333-__________

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
Form S-8
Registration Statement Under The Securities Act of 1933
FIDELITY SOUTHERN CORPORATION
(Exact Name of Registrant as Specified in its Charter)

Georgia	**58-1416811**
(State or Other Jurisdiction of Incorporation or Organization)	(IRS Employer Identification Number)

3490 Piedmont Road NE, Suite 1550
Atlanta, Georgia 30305
(Address of Principal Executive Offices) (Zip Code)
Fidelity Southern Corporation Tax Deferred 401(k) Savings Plan
(Full Title of the Plan)
James B. Miller, Jr.
Chairman and Chief Executive Officer
3490 Piedmont Road NE, Suite 1550
Atlanta, Georgia 30305
(404) 240-1504
(Name, Address and Telephone Number, Including Area Code, of Agent for Service)

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer o Accelerated filer o Non-accelerated filer o (Do not check if a smaller reporting company) Smaller reporting company þ

CALCULATION OF REGISTRATION FEE

Title of Securities to be Registered	**Amount to be Registered** (1)	**Proposed Maximum Offering Price Per Share** (2)	**Proposed Maximum Aggregate Offering Price**	**Amount of Registration Fee**
Common Stock, no par value	1,000,000 shares	$6.65	$6,650,000	$772.07 ($116.10 per $1,000,000)

(1) Pursuant to Rule 416(c) under the Securities Act of 1933, as amended (the Securities Act), this Registration Statement also covers an indeterminate number of additional shares that may become issuable to prevent dilution

in the event of stock splits, stock dividends or similar transactions.

(2) Estimated solely for the purpose of calculating the registration fee required by Section 6(b) of the Securities Act, pursuant to Rule 457(c) thereunder, based on $6.65, the average of the high and low prices of the common stock on June 13, 2011, as reported on the NASDAQ Global Select Market.

EXPLANATORY NOTE

By this Registration Statement, Fidelity Southern Corporation (Fidelity or the Registrant) is registering an additional 1,000,000 shares of its common stock, no par value, issuable under the Fidelity Southern Corporation Tax Deferred 401(k) Savings Plan (the Plan). Fidelity has previously filed a Registration Statement relating to 200,000 shares of its common stock issuable under the Plan (SEC File No. 333-57421, filed on June 22, 1998). The contents of that prior Registration Statement are incorporated by reference into this Registration Statement pursuant to General Instruction E of Form S-8.

PART II
INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

Item 3. Incorporation of Documents by Reference.

The following documents previously filed by the Registrant with the Securities and Exchange Commission (SEC) are incorporated herein by reference:

1. Annual Report on Form 10-K for the year ended December 31, 2010 and Plan Annual Report on Form 11-K for the year ended December 31, 2009;

2. Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2011;

3. Current Reports on Form 8-K filed on April 25, 2011, May 3, 2011 and May 31, 2011; and

4. The description of the Registrant s common stock, no par value, which is contained in the Registrant s Registration Statement filed on Form 10 dated August 27, 1993, and all amendments or reports filed for the purpose of updating that description.

All documents filed by the Registrant and the Plan pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Securities Exchange Act of 1934, as amended, subsequent to the date hereof and prior to the filing of a post-effective amendment which indicates that all securities offered hereby have been sold or which deregisters all securities then remaining unsold shall be deemed to be incorporated by reference herein and to be a part hereof from the dates of filing of such reports and documents. Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Registration Statement to the extent that a statement contained herein, or in any other subsequently filed document which also is incorporated or deemed to be incorporated by reference herein, modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Registration Statement.

Item 6. Indemnification of Directors and Officers.

Sections 14-2-851 and 14-2-857 of the Georgia Business Corporation Code provide that a corporation may indemnify its directors and officers against civil and criminal liabilities. Directors and officers may be indemnified if they acted in good faith and in a manner reasonably believed to be in or not opposed to the best interest of the corporation, if they have not been adjudged liable on the basis of the improper receipt of a personal benefit and, with respect to any criminal action, if they had no reasonable cause to believe their conduct was unlawful. A director or officer may be indemnified against expenses incurred in connection with a derivative suit if he or she acted in good faith and in a manner reasonably believed to be in or not opposed to the best interest of the corporation, except that no indemnification may be made without court approval if such person was adjudged liable for negligence or misconduct in the performance of his or her duty to the corporation. Statutory indemnification is not exclusive of any rights provided by any bylaw, agreement, vote of stockholders or disinterested directors or otherwise.

Fidelity s bylaws contain indemnification provisions that provide that directors and officers of Fidelity will be indemnified if they are successful on the merits or otherwise in the defense of any proceeding or any claim, issue or matter involved in the proceeding. The indemnification provisions also provide that Fidelity will indemnify directors and officers when they meet the applicable standard of conduct, regardless if they are successful in the defense of the proceeding or claim, issue or matter. The applicable standard of conduct is met if the director or officer acted in a manner he or she reasonably believed to be in, or not opposed to, the best interests of Fidelity. The standard of conduct with respect to any criminal action or proceeding is met if the director had no reasonable cause to believe his or her conduct was unlawful. Whether the applicable standard of conduct has been met is determined by the board of directors, the stockholders or independent legal counsel in each specific case.

Fidelity may also provide for greater indemnification than that set forth in its bylaws if it chooses to do so, subject to approval by Fidelity s stockholders. Fidelity may not, however, indemnify a director for liability arising out of circumstances that constitute exceptions to limitation of a director s liability for monetary damages, as described below. Fidelity may purchase and maintain insurance on behalf of any director against any liability asserted against such person and incurred by him or her in any such capacity, whether or not Fidelity would have had the power to indemnify against such liability.

In addition, Article 5 of Fidelity s Articles of Incorporation, subject to certain exceptions, eliminates the potential personal liability of a director for monetary damages to Fidelity and to the stockholders of Fidelity for breach of a duty as a director. There is no elimination of liability for:

any appropriation, in violation of his duties, of any of our business opportunities;

acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law;

the types of liability set forth in the Official Code of Georgia Section 14-2-832; or

any transaction from which the director derived an improper personal benefit.

The Articles of Incorporation do not eliminate or limit the right of Fidelity or its stockholders to seek injunctive or other equitable relief not involving monetary damages.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling the Registrant pursuant to the foregoing provisions, the Registrant has been informed that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Our directors and officers are insured against losses arising from any claim against them as such for wrongful acts or omissions, subject to limitations.

Item 8. Exhibits.

See the Exhibit Index, which is incorporated herein by reference. The Registrant agrees to furnish supplementally a copy of any omitted schedule to the SEC upon request.

Item 9. Undertakings.

(a) The undersigned Registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act,

(ii) To reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the SEC pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the Calculation of Registration Fee table in the effective Registration Statement,

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement,

provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) do not apply if the registration statement is on Form S-8 and the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the SEC by the Registrant pursuant to Section 13 or 15(d) of the Exchange Act that are incorporated by reference in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the Registrant s annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan s annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in the Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at the time shall be deemed to be the initial *bona fide* offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

Supplemental Undertaking

Pursuant to the instruction to Item 8 of Form S-8 concerning Exhibit 5, in lieu of providing an opinion of counsel or Internal Revenue Service (IRS) determination letter concerning the compliance of the Plan with ERISA, the undersigned Registrant undertakes that it has submitted the Plan, and any amendments thereto, to the Internal Revenue Service in a timely manner and has made or will make all changes required by the Internal Revenue Service in order to continue the qualification of the Plan under Section 401 of the Internal Revenue Code of 1986, as amended.

POWER OF ATTORNEY AND SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Atlanta, State of Georgia, on June 16, 2011.

FIDELITY SOUTHERN CORPORATION

By: /s/ James B. Miller, Jr.
James B. Miller, Jr.
Chief Executive Officer and Chairman of the Board
(Principal Executive Officer)

/s/ Stephen H. Brolly
Stephen H. Brolly
Chief Financial Officer
(Principal Financial and Accounting Officer)

Know all men by these presents, that each person whose signature appears below constitutes and appoints James B. Miller, Jr. and Stephen H. Brolly, or either of them, as attorney-in-fact, with each having the power of substitution, for him in any and all capacities, to sign any amendments to this Registration Statement on Form S-8 and to file the same, with exhibits thereto, and other documents in connection therewith, with the SEC, hereby ratifying and confirming all that each of said attorneys-in-fact, or his substitute or substitutes, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	**Title**	**Date**
/s/ James B. Miller, Jr. James B. Miller, Jr.	Chief Executive Officer and Chairman of the Board (Principal Executive Officer)	June 16, 2011
/s/ Stephen H. Brolly Stephen H. Brolly	Chief Financial Officer (Principal Financial and Accounting Officer)	June 16, 2011
/s/ David R. Bockel Major General (Ret) David R. Bockel	Director	June 16, 2011
/s/ Millard Choate Millard Choate	Director	June 16, 2011
/s/ Donald A. Harp, Jr. Dr. Donald A. Harp, Jr.	Director	June 16, 2011
/s/ Kevin S. King	Director	June 16, 2011

Kevin S. King		
/s/ William C. Lankford, Jr.	Director	June 16, 2011
William C. Lankford, Jr.		
/s/ H. Palmer Proctor, Jr.	Director	June 16, 2011
H. Palmer Proctor, Jr.		
/s/ W. Clyde Shepherd III	Director	June 16, 2011
W. Clyde Shepherd III		
/s/ Rankin M. Smith, Jr.	Director	June 16, 2011
Rankin M. Smith, Jr.		

The Plan.

Pursuant to the requirements of the Securities Act of 1933, the administrative committee members have duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Atlanta, State of Georgia, on June 16, 2011.

FIDELITY SOUTHERN CORPORATION TAX DEFERRED 401(K) SAVINGS PLAN

By: /s/ Stephanie Huckaby

Stephanie Huckaby
Plan Administrator
Fidelity Southern Corporation
Tax Deferred 401(k) Savings Plan

EXHIBIT INDEX

The following is a list of Exhibits included as part of this Registration Statement. Items marked with an asterisk are filed herewith.

Exhibit No.	Exhibit Name
3(a)	Amended and Restated Articles of Incorporation of Fidelity Southern Corporation, as amended effective December 16, 2008 (incorporated by reference from Exhibit 3(a) to Fidelity s Form 10-K for the year ended December 31, 2009)
3(b)	Bylaws of Fidelity Southern Corporation, as amended (incorporated by reference from Exhibit 3(b) to Fidelity s Quarterly Report on Form 10-Q for the quarter ended September 30, 2007)
4(a)	Form of Stock Certificate (incorporated by reference from Exhibit 4A to Fidelity s Form S-2 filed November 14, 1997)
5*	Opinion of Baker, Donelson, Bearman, Caldwell & Berkowitz, PC
23(a)*	Consent of Ernst & Young LLP
23(b)*	Consent of Baker, Donelson, Bearman, Caldwell & Berkowitz, PC (included in the opinion filed as Exhibit 5 to this Registration Statement)
24	Power of Attorney (set forth on the signature page hereto)

* Filed herewith.

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s casino revenue. Based upon our current mix of table games, our Rolling Chip win percentage (calculated before discounts and commissions) is expected to be 2.7% to 3.0% and our Non-Rolling Chip table games have produced a trailing 12-month win percentage (calculated before discounts) of 24.9%, 21.4%, 22.6%, 19.0% and 26.2% at The Venetian Macao, Sands Cotai Central, Four Seasons Macao, Sands Macao and Marina Bay Sands, respectively. Our slot machines have produced a trailing 12-month hold percentage (calculated before slot club cash incentives) of 4.7%, 3.4%, 5.2%, 3.6% and 4.7% at The Venetian Macao, Sands Cotai Central, Four Seasons Macao, Sands Macao and Marina Bay Sands, respectively. Actual win may vary from our expected win percentage and the trailing 12-month win and hold percentages. Generally, slot machine play is conducted on a cash basis. In Macao and Singapore, 23.6% and 29.9%, respectively, of our table games play was conducted on a credit basis for the six months ended June 30, 2015.

Casino revenue measurements for the U.S.: The volume measurements in the U.S. are slot handle, as previously described, and table games drop which is the total amount of cash and net markers issued that are deposited in the table drop box. We view table games win as a percentage of drop and slot hold as a percentage of handle. Based upon our current mix of table games, our table games are expected to produce a win percentage (calculated before discounts) of 21% to 29% for Baccarat and 16% to 20% for non-Baccarat. Table games at Sands Bethlehem have produced a trailing 12-month win percentage of 17.4%. Our slot machines have produced a trailing 12-month hold percentage (calculated before slot club cash incentives) of 8.0% and 7.0% at our Las Vegas Operating Properties and at Sands Bethlehem, respectively. Actual win may vary from our expected win percentage and the trailing 12-month win and hold percentages. As in Macao and Singapore, slot machine play is generally conducted on a cash basis. Approximately 66.5% of our table games play at our Las Vegas Operating Properties, for the six months ended June 30, 2015, was conducted on a credit basis, while our table games play at Sands Bethlehem was primarily conducted on a cash basis.
Hotel revenue measurements: Performance indicators used are occupancy rate, which is the average percentage of available hotel rooms occupied during a period, and average daily room rate, which is the average price of occupied

rooms per day. The calculations of the hotel occupancy and average daily room rates include the impact of rooms provided on a complimentary basis. Complimentary room rates are determined based on an analysis of retail (or cash) room rates by customer segment and type of room product to ensure the complimentary room rates are consistent with retail rates. Revenue per available room represents a summary of hotel average daily room rates and occupancy. Because not all available rooms are occupied, average daily room rates are normally higher than revenue per available room. Reserved rooms where the guests do not show up for their stay and lose their deposit may be re-sold to walk-in guests. These rooms are considered to be occupied twice for statistical purposes due to obtaining the original deposit and the walk-in guest revenue. In cases where a significant number of rooms are resold, occupancy rates may be in excess of 100% and revenue per available room may be higher than the average daily room rate.

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Mall revenue measurements: Occupancy, base rent per square foot and tenant sales per square foot are used as performance indicators. Occupancy represents gross leasable occupied area ("GLOA") divided by gross leasable area ("GLA") at the end of the reporting period. GLOA is the sum of: (1) tenant occupied space under lease and (2) tenants no longer occupying space, but paying rent. GLA does not include space that is currently under development or not on the market for lease. Base rent per square foot is the weighted average base, or minimum, rent charge in effect at the end of the reporting period for all tenants that would qualify to be included in occupancy. Tenant sales per square foot is the sum of reported comparable sales for the trailing 12 months divided by the comparable square footage for the same period. Only tenants that have been open for a minimum of 12 months are included in the tenant sales per square foot calculation.

Three Months Ended June 30, 2015 Compared to the Three Months Ended June 30, 2014

Operating Revenues

Our net revenues consisted of the following:

	Three Months Ended June 30,		
	2015	2014	Percent Change
	(Dollars in thousands)		
Casino	$2,301,498	$3,012,810	(23.6)%
Rooms	351,259	375,116	(6.4)%
Food and beverage	178,418	194,196	(8.1)%
Mall	135,282	119,073	13.6%
Convention, retail and other	125,514	125,829	(0.3)%
	3,091,971	3,827,024	(19.2)%
Less — promotional allowances	(170,550)	(202,674)	15.9%
Total net revenues	$2,921,421	$3,624,350	(19.4)%

Consolidated net revenues were $2.92 billion for the three months ended June 30, 2015, a decrease of $702.9 million compared to $3.62 billion for the three months ended June 30, 2014. The decrease in net revenues was driven by a $619.5 million decrease at our Macao operating properties, primarily due to decreased casino revenues.

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Casino revenues decreased $711.3 million compared to the three months ended June 30, 2014. The decrease is primarily attributable to decreases of $624.1 million at our Macao operating properties and $80.8 million at Marina Bay Sands, driven by decreases in Rolling Chip volume as demand has decreased in the VIP market. The following table summarizes the results of our casino activity:

	Three Months Ended June 30,		
	2015	2014	Change
	(Dollars in thousands)		
Macao Operations:			
The Venetian Macao			
Total casino revenues	$633,601	$927,560	(31.7)%
Non-Rolling Chip drop	$1,676,988	$2,234,919	(25.0)%
Non-Rolling Chip win percentage	26.0 %	25.7 %	0.3 pts
Rolling Chip volume	$7,632,905	$12,329,747	(38.1)%
Rolling Chip win percentage	3.07 %	3.45 %	(0.38) pts
Slot handle	$973,233	$1,345,866	(27.7)%
Slot hold percentage	4.9 %	5.0 %	(0.1) pts
Sands Cotai Central			
Total casino revenues	$484,361	$712,764	(32.0)%
Non-Rolling Chip drop	$1,462,593	$1,881,653	(22.3)%
Non-Rolling Chip win percentage	22.4 %	21.5 %	0.9 pts
Rolling Chip volume	$4,826,594	$12,404,368	(61.1)%
Rolling Chip win percentage	3.43 %	2.97 %	0.46 pts
Slot handle	$1,500,616	$1,966,706	(23.7)%
Slot hold percentage	3.6 %	3.5 %	0.1 pts
Four Seasons Macao			
Total casino revenues	$167,002	$197,689	(15.5)%
Non-Rolling Chip drop	$276,753	$366,630	(24.5)%
Non-Rolling Chip win percentage	21.8 %	21.9 %	(0.1) pts
Rolling Chip volume	$4,180,755	$5,647,929	(26.0)%
Rolling Chip win percentage	3.58 %	3.08 %	0.50 pts
Slot handle	$126,833	$170,407	(25.6)%
Slot hold percentage	6.1 %	6.5 %	(0.4) pts
Sands Macao			
Total casino revenues	$235,950	$306,972	(23.1)%
Non-Rolling Chip drop	$769,112	$1,081,280	(28.9)%
Non-Rolling Chip win percentage	19.9 %	17.5 %	2.4 pts
Rolling Chip volume	$2,328,209	$4,651,520	(49.9)%
Rolling Chip win percentage	3.91 %	3.20 %	0.71 pts
Slot handle	$658,602	$832,422	(20.9)%
Slot hold percentage	3.6 %	3.7 %	(0.1) pts
Singapore Operations:			
Marina Bay Sands			
Total casino revenues	$565,652	$646,435	(12.5)%
Non-Rolling Chip drop	$1,047,630	$1,106,260	(5.3)%
Non-Rolling Chip win percentage	27.5 %	24.8 %	2.7 pts
Rolling Chip volume	$9,505,830	$10,446,508	(9.0)%
Rolling Chip win percentage	2.78 %	3.45 %	(0.67) pts
Slot handle	$3,061,836	$3,066,718	(0.2)%
Slot hold percentage	4.6 %	4.9 %	(0.3) pts

U.S. Operations:			
Las Vegas Operating Properties			
Total casino revenues	$86,503	$104,318	(17.1)%
Table games drop	$466,542	$439,964	6.0%
Table games win percentage	11.2 %	18.2 %	(7.0) pts
Slot handle	$558,331	$483,630	15.4%
Slot hold percentage	8.4 %	8.3 %	0.1 pts
Sands Bethlehem			
Total casino revenues	$128,429	$117,072	9.7%
Table games drop	$286,945	$260,610	10.1%
Table games win percentage	17.2 %	16.1 %	1.1 pts
Slot handle	$1,091,400	$1,018,294	7.2%
Slot hold percentage	7.0 %	7.2 %	(0.2) pts

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In our experience, average win percentages remain steady when measured over extended periods of time, but can vary considerably within shorter time periods as a result of the statistical variances that are associated with games of chance in which large amounts are wagered.

Room revenues decreased $23.9 million compared to the three months ended June 30, 2014. The decrease is primarily due a decrease of $21.2 million at our Macao operating properties, driven by decreases in occupancy and average daily room rates. The suites at Sands Macao are primarily provided to casino patrons on a complimentary basis. The following table summarizes the results of our room activity:

	Three Months Ended June 30,				
	2015		2014		Change
	(Room revenues in thousands)				
Macao Operations:					
The Venetian Macao					
Total room revenues	$50,953		$61,248		(16.8)%
Occupancy rate	82.2	%	89.1	%	(6.9) pts
Average daily room rate	$239		$262		(8.8)%
Revenue per available room	$196		$233		(15.9)%
Sands Cotai Central					
Total room revenues	$63,303		$73,244		(13.6)%
Occupancy rate	78.7	%	84.9	%	(6.2) pts
Average daily room rate	$156		$169		(7.7)%
Revenue per available room	$123		$143		(14.0)%
Four Seasons Macao					
Total room revenues	$10,900		$12,040		(9.5)%
Occupancy rate	83.4	%	85.8	%	(2.4) pts
Average daily room rate	$382		$410		(6.8)%
Revenue per available room	$319		$352		(9.4)%
Sands Macao					
Total room revenues	$5,680		$5,539		2.5%
Occupancy rate	99.6	%	98.5	%	1.1 pts
Average daily room rate	$219		$216		1.4%
Revenue per available room	$218		$213		2.3%
Singapore Operations:					
Marina Bay Sands					
Total room revenues	$82,709		$93,078		(11.1)%
Occupancy rate	95.9	%	99.1	%	(3.2) pts
Average daily room rate	$377		$409		(7.8)%
Revenue per available room	$361		$405		(10.9)%
U.S. Operations:					
Las Vegas Operating Properties					
Total room revenues	$133,891		$126,516		5.8%
Occupancy rate	92.6	%	90.1	%	2.5 pts
Average daily room rate	$231		$223		3.6%
Revenue per available room	$214		$201		6.5%
Sands Bethlehem					
Total room revenues	$3,823		$3,451		10.8%
Occupancy rate	91.9	%	87.2	%	4.7 pts
Average daily room rate	$152		$144		5.6%
Revenue per available room	$140		$126		11.1%

Food and beverage revenues decreased $15.8 million compared to the three months ended June 30, 2014. The decrease was primarily due to a $14.0 million decrease at our Macao operating properties, driven by a decrease in property visitation.

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Mall revenues increased $16.2 million compared to the three months ended June 30, 2014. The increase was primarily due to a $16.0 million increase at our Macao operating properties, driven by an increase in base rents. For further information related to the financial performance of our malls, see "— Additional Information Regarding our Retail Mall Operations." The following table summarizes the results of our mall activity:

	Three Months Ended June 30,				
	2015		2014		Change
	(Mall revenues in thousands)				
Macao Operations:					
Shoppes at Venetian					
Total mall revenues	$48,295		$41,992		15.0%
Mall gross leasable area (in square feet)	780,044		755,876		3.2%
Occupancy	97.8	%	95.9	%	1.9 pts
Base rent per square foot	$209		$188		11.2%
Tenant sales per square foot	$1,578		$1,563		1.0%
Shoppes at Cotai Central(1)					
Total mall revenues	$14,632		$11,176		30.9%
Mall gross leasable area (in square feet)	331,466		312,848		6.0%
Occupancy	97.8	%	97.8	%	—
Base rent per square foot	$143		$136		5.1%
Tenant sales per square foot	$1,004		$1,461		(31.3)%
Shoppes at Four Seasons					
Total mall revenues	$31,057		$24,816		25.1%
Mall gross leasable area (in square feet)	257,615		255,888		0.7%
Occupancy	100.0	%	96.2	%	3.8 pts
Base rent per square foot	$419		$354		18.4%
Tenant sales per square foot	$4,924		$5,593		(12.0)%
Singapore Operations:					
The Shoppes at Marina Bay Sands					
Total mall revenues	$40,399		$40,265		0.3%
Mall gross leasable area (in square feet)	644,590		651,750		(1.1)%
Occupancy	93.6	%	89.5	%	4.1 pts
Base rent per square foot	$218		$220		(0.9)%
Tenant sales per square foot	$1,393		$1,497		(6.9)%
U.S. Operations:					
The Outlets at Sands Bethlehem					
Total mall revenues	$899		$824		9.1%
Mall gross leasable area (in square feet)	151,029		151,029		—
Occupancy	94.3	%	94.3	%	—
Base rent per square foot	$21		$25		(16.0)%
Tenant sales per square foot	$342		$410		(16.6)%

(1) The third phase of the Shoppes at Cotai Central opened in June 2014. At completion, the Shoppes at Cotai Central will feature up to 600,000 square feet of gross leasable area.

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Operating Expenses

The breakdown of operating expenses is as follows:

	Three Months Ended June 30,		
	2015	2014	Percent Change
	(Dollars in thousands)		
Casino	$1,315,568	$1,690,237	(22.2)%
Rooms	64,840	64,118	1.1%
Food and beverage	96,537	95,828	0.7%
Mall	15,341	17,709	(13.4)%
Convention, retail and other	69,965	74,664	(6.3)%
Provision for doubtful accounts	36,056	49,669	(27.4)%
General and administrative	315,602	327,532	(3.6)%
Corporate	44,565	45,123	(1.2)%
Pre-opening	10,654	16,141	(34.0)%
Development	2,348	4,217	(44.3)%
Depreciation and amortization	248,592	264,016	(5.8)%
Amortization of leasehold interests in land	9,485	10,040	(5.5)%
Loss on disposal of assets	2,558	3,596	(28.9)%
Total operating expenses	$2,232,111	$2,662,890	(16.2)%

Operating expenses were $2.23 billion for the three months ended June 30, 2015, a decrease of $430.8 million compared to $2.66 billion for the three months ended June 30, 2014. The decrease in operating expenses was primarily due to a decrease in casino expenses at our Macao operating properties.

Casino expenses decreased $374.7 million compared to the three months ended June 30, 2014. Of the decrease, $309.3 million was due to the 39.0% gross win tax on decreased casino revenues at our Macao operating properties. The remaining decrease is primarily attributable to decreases in junket commissions, as well as the implementation of certain cost control measures at our Macao operating properties.

The provision for doubtful accounts was $36.1 million for the three months ended June 30, 2015, compared to $49.7 million for the three months ended June 30, 2014. The amount of this provision can vary over short periods of time because of factors specific to the customers who owe us money from gaming activities at any given time. We believe that the amount of our provision for doubtful accounts in the future will depend upon the state of the economy, our credit standards, our risk assessments and the judgment of our employees responsible for granting credit.

Pre-opening expense represents personnel and other costs incurred prior to the opening of new ventures, which are expensed as incurred. Pre-opening expenses for the three months ended June 30, 2015, primarily related to activities at The Parisian Macao and Sands Cotai Central. Development expenses include the costs associated with the Company’s evaluation and pursuit of new business opportunities, which are also expensed as incurred.

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Adjusted Property EBITDA

Adjusted property EBITDA is used by management as the primary measure of the operating performance of our segments. Adjusted property EBITDA is net income before intersegment royalty fees, stock-based compensation expense, corporate expense, pre-opening expense, development expense, depreciation and amortization, amortization of leasehold interests in land, loss on disposal of assets, interest, other income (expense), loss on modification or early retirement of debt and income taxes. The following table summarizes information related to our segments (see “Item 1 — Financial Statements — Notes to Condensed Consolidated Financial Statements — Note 10 — Segment Information” for discussion of our operating segments and a reconciliation of adjusted property EBITDA to net income):

	Three Months Ended June 30,		
	2015	2014	Percent Change
	(Dollars in thousands)		
Macao:			
The Venetian Macao	$254,990	$402,057	(36.6)%
Sands Cotai Central	164,210	248,973	(34.0)%
Four Seasons Macao	74,334	67,954	9.4%
Sands Macao	66,284	82,319	(19.5)%
Other Asia	4,821	(468)	N.M.
	564,639	800,835	(29.5)%
Marina Bay Sands	363,254	417,778	(13.1)%
United States:			
Las Vegas Operating Properties	54,166	66,115	(18.1)%
Sands Bethlehem	34,099	27,915	22.2%
	88,265	94,030	(6.1)%
Total adjusted property EBITDA	$1,016,158	$1,312,643	(22.6)%

N.M. - Not meaningful

Adjusted property EBITDA at our Macao operations decreased $236.2 million compared to the three months ended June 30, 2014. As previously described, the decrease was primarily due to the decrease in casino operations at our Macao operating properties, driven by decreased demand in the VIP market.

Adjusted property EBITDA at Marina Bay Sands decreased $54.5 million compared to the three months ended June 30, 2014. As previously described, the decrease was primarily due to the decrease in casino operations, driven by decreased demand in the VIP market.

Adjusted property EBITDA at our Las Vegas Operating Properties decreased $11.9 million compared to the three months ended June 30, 2014. The decrease was primarily due to a $17.8 million decrease in casino revenues, partially offset by an increase in non-gaming revenues.

Adjusted property EBITDA at Sands Bethlehem increased $6.2 million compared to the three months ended June 30, 2014. The increase was primarily due to an $11.4 million increase in net revenues, driven by an increase in casino revenues, partially offset by increases in the associated operating expenses.

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Interest Expense

The following table summarizes information related to interest expense:

	Three Months Ended June 30,	
	2015	2014
	(Dollars in thousands)	
Interest cost (which includes the amortization of deferred financing costs and original issue discount)	$67,507	$67,294
Add — imputed interest on deferred proceeds from sale of The Shoppes at The Palazzo	3,797	3,797
Less — capitalized interest	(5,503)	(1,501)
Interest expense, net	$65,801	$69,590
Cash paid for interest	$63,034	$54,164
Weighted average total debt balance	$9,432,474	$10,178,055
Weighted average interest rate	2.9%	2.6%

Interest cost remained relatively consistent compared to the three months ended June 30, 2014, due to an increase in our weighted average interest rate, offset by a decrease in our weighted average debt balance. Capitalized interest increased $4.0 million compared to the three months ended June 30, 2014, primarily due to the construction of The Parisian Macao.

Other Factors Effecting Earnings

Other expense was $0.2 million for the three months ended June 30, 2015, compared to other income of $2.2 million for the three months ended June 30, 2014. The amounts in both periods were primarily due to foreign exchange gains and losses.

Our effective income tax rate was 7.3% for the three months ended June 30, 2015, compared to 5.2% for the three months ended June 30, 2014. The effective income tax rates reflect 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, effective through the end of 2018. We have recorded a valuation allowance related to certain 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 $112.3 million for the three months ended June 30, 2015, compared to $181.4 million for the three months ended June 30, 2014. These amounts are primarily related to the noncontrolling interest of SCL.

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Six Months Ended June 30, 2015 Compared to the Six Months Ended June 30, 2014

Operating Revenues

Our net revenues consisted of the following:

	Six Months Ended June 30,		
	2015	2014	Percent Change
	(Dollars in thousands)		
Casino	$4,678,186	$6,384,875	(26.7)%
Rooms	722,672	775,338	(6.8)%
Food and beverage	367,829	396,983	(7.3)%
Mall	263,096	228,104	15.3 %
Convention, retail and other	259,651	263,205	(1.4)%
	6,291,434	8,048,505	(21.8)%
Less — promotional allowances	(358,391)	(413,771)	13.4 %
Total net revenues	$5,933,043	$7,634,734	(22.3)%

Consolidated net revenues were $5.93 billion for the six months ended June 30, 2015, a decrease of $1.70 billion compared to $7.63 billion for the six months ended June 30, 2014. The decrease in net revenues was driven by a $1.57 billion decrease at our Macao operating properties, primarily due to decreased casino revenues.

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Casino revenues decreased $1.71 billion compared to the six months ended June 30, 2014. The decrease is primarily attributable to decreases of $1.58 billion at our Macao operating properties and $129.3 million at Marina Bay Sands, driven by decreases in Rolling Chip volume as demand has decreased in the VIP market. The following table summarizes the results of our casino activity:

	Six Months Ended June 30,				
	2015		2014		Change
	(Dollars in thousands)				
Macao Operations:					
The Venetian Macao					
Total casino revenues	$1,310,515		$2,003,228		(34.6)%
Non-Rolling Chip drop	$3,545,005		$4,645,147		(23.7)%
Non-Rolling Chip win percentage	25.5	%	25.9	%	(0.4) pts
Rolling Chip volume	$16,150,943		$27,645,155		(41.6)%
Rolling Chip win percentage	2.95	%	3.47	%	(0.52) pts
Slot handle	$2,035,709		$2,798,251		(27.3)%
Slot hold percentage	4.9	%	5.0	%	(0.1) pts
Sands Cotai Central					
Total casino revenues	$977,384		$1,463,093		(33.2)%
Non-Rolling Chip drop	$3,107,659		$3,682,321		(15.6)%
Non-Rolling Chip win percentage	21.5	%	22.2	%	(0.7) pts
Rolling Chip volume	$10,909,546		$27,909,672		(60.9)%
Rolling Chip win percentage	3.05	%	2.89	%	0.16 pts
Slot handle	$3,144,382		$3,788,146		(17.0)%
Slot hold percentage	3.4	%	3.6	%	(0.2) pts
Four Seasons Macao					
Total casino revenues	$292,399		$537,879		(45.6)%
Non-Rolling Chip drop	$505,717		$718,594		(29.6)%
Non-Rolling Chip win percentage	22.4	%	25.1	%	(2.7) pts
Rolling Chip volume	$8,143,327		$14,841,591		(45.1)%
Rolling Chip win percentage	3.20	%	3.42	%	(0.22) pts
Slot handle	$260,756		$460,196		(43.3)%
Slot hold percentage	5.4	%	5.1	%	0.3 pts
Sands Macao					
Total casino revenues	$454,771		$613,579		(25.9)%
Non-Rolling Chip drop	$1,559,021		$2,173,194		(28.3)%
Non-Rolling Chip win percentage	19.5	%	17.7	%	1.8 pts
Rolling Chip volume	$4,854,397		$10,032,059		(51.6)%
Rolling Chip win percentage	3.36	%	2.87	%	0.49 pts
Slot handle	$1,365,678		$1,635,643		(16.5)%
Slot hold percentage	3.6	%	3.8	%	(0.2) pts
Singapore Operations:					
Marina Bay Sands					
Total casino revenues	$1,197,580		$1,326,880		(9.7)%
Non-Rolling Chip drop	$2,156,379		$2,263,612		(4.7)%
Non-Rolling Chip win percentage	26.3	%	24.1	%	2.2 pts
Rolling Chip volume	$19,595,787		$23,387,991		(16.2)%
Rolling Chip win percentage	3.10	%	3.43	%	

					(0.33) pts
Slot handle	$6,146,105		$6,116,693		0.5%
Slot hold percentage	4.6	%	4.9	%	(0.3) pts
U.S. Operations:					
Las Vegas Operating Properties					
Total casino revenues	$198,290		$214,108		(7.4)%
Table games drop	$999,596		$958,500		4.3%
Table games win percentage	14.1	%	17.6	%	(3.5) pts
Slot handle	$1,136,879		$956,784		18.8%
Slot hold percentage	8.0	%	8.4	%	(0.4) pts
Sands Bethlehem					
Total casino revenues	$247,247		$226,108		9.3%
Table games drop	$550,360		$508,200		8.3%
Table games win percentage	17.3	%	16.1	%	1.2 pts
Slot handle	$2,096,567		$1,966,804		6.6%
Slot hold percentage	7.0	%	7.1	%	(0.1) pts

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In our experience, average win percentages remain steady when measured over extended periods of time, but can vary considerably within shorter time periods as a result of the statistical variances that are associated with games of chance in which large amounts are wagered.

Room revenues decreased $52.7 million compared to the six months ended June 30, 2014. The decrease is primarily due to decreases of $38.1 million at our Macao operating properties and $17.9 million at Marina Bay Sands, driven by decreases in occupancy and average daily room rates. The suites at Sands Macao are primarily provided to casino patrons on a complimentary basis. The following table summarizes the results of our room activity:

	Six Months Ended June 30,		
	2015	2014	Change
	(Room revenues in thousands)		
Macao Operations:			
The Venetian Macao			
Total room revenues	$110,554	$126,552	(12.6)%
Occupancy rate	84.0 %	91.7 %	(7.7) pts
Average daily room rate	$255	$265	(3.8)%
Revenue per available room	$214	$243	(11.9)%
Sands Cotai Central			
Total room revenues	$135,235	$152,690	(11.4)%
Occupancy rate	80.1 %	86.9 %	(6.8) pts
Average daily room rate	$164	$173	(5.2)%
Revenue per available room	$132	$150	(12.0)%
Four Seasons Macao			
Total room revenues	$21,575	$24,671	(12.5)%
Occupancy rate	80.2 %	86.4 %	(6.2) pts
Average daily room rate	$395	$419	(5.7)%
Revenue per available room	$317	$363	(12.7)%
Sands Macao			
Total room revenues	$11,295	$12,800	(11.8)%
Occupancy rate	99.0 %	97.6 %	1.4 pts
Average daily room rate	$222	$254	(12.6)%
Revenue per available room	$220	$248	(11.3)%
Singapore Operations:			
Marina Bay Sands			
Total room revenues	$172,323	$190,207	(9.4)%
Occupancy rate	95.4 %	99.2 %	(3.8) pts
Average daily room rate	$396	$418	(5.3)%
Revenue per available room	$377	$415	(9.2)%
U.S. Operations:			
Las Vegas Operating Properties			
Total room revenues	$264,448	$262,230	0.8%
Occupancy rate	89.4 %	89.5 %	(0.1) pts
Average daily room rate	$237	$232	2.2%
Revenue per available room	$212	$207	2.4%
Sands Bethlehem			
Total room revenues	$7,242	$6,188	17.0%
Occupancy rate	88.2 %	78.0 %	10.2 pts
Average daily room rate	$151	$145	4.1%
Revenue per available room	$133	$113	17.7%

Food and beverage revenues decreased $29.2 million compared to the six months ended June 30, 2014. The decrease was primarily due to a $23.2 million decrease at our Macao operating properties, driven by a decrease in property visitation.

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Mall revenues increased $35.0 million compared to the six months ended June 30, 2014. The increase was primarily due to a $33.5 million increase at our Macao operating properties, driven by an increase in base rents. For further information related to the financial performance of our malls, see "— Additional Information Regarding our Retail Mall Operations." The following table summarizes the results of our mall activity:

	Six Months Ended June 30,[1]		
	2015	2014	Change
	(Mall revenues in thousands)		
Macao Operations:			
Shoppes at Venetian			
Total mall revenues	$92,510	$80,132	15.4%
Mall gross leasable area (in square feet)	780,044	755,876	3.2%
Occupancy	97.8 %	95.9 %	1.9 pts
Base rent per square foot	$209	$188	11.2%
Tenant sales per square foot	$1,578	$1,563	1.0%
Shoppes at Cotai Central[2]			
Total mall revenues	$28,034	$19,896	40.9%
Mall gross leasable area (in square feet)	331,466	312,848	6.0%
Occupancy	97.8 %	97.8 %	—
Base rent per square foot	$143	$136	5.1%
Tenant sales per square foot	$1,004	$1,461	(31.3)%
Shoppes at Four Seasons			
Total mall revenues	$60,803	$47,841	27.1%
Mall gross leasable area (in square feet)	257,615	255,888	0.7%
Occupancy	100.0 %	96.2 %	3.8 pts
Base rent per square foot	$419	$354	18.4%
Tenant sales per square foot	$4,924	$5,593	(12.0)%
Singapore Operations:			
The Shoppes at Marina Bay Sands			
Total mall revenues	$80,218	$78,780	1.8%
Mall gross leasable area (in square feet)	644,590	651,750	(1.1)%
Occupancy	93.6 %	89.5 %	4.1 pts
Base rent per square foot	$218	$220	(0.9)%
Tenant sales per square foot	$1,393	$1,497	(6.9)%
U.S. Operations:			
The Outlets at Sands Bethlehem			
Total mall revenues	$1,531	$1,455	5.2%
Mall gross leasable area (in square feet)	151,029	151,029	—
Occupancy	94.3 %	94.3 %	—
Base rent per square foot	$21	$25	(16.0)%
Tenant sales per square foot	$342	$410	(16.6)%

(1) As GLA, occupancy, base rent per square foot and tenant sales per square foot are calculated as of June 30, 2015 and 2014, they are identical to the summary presented herein for the three months ended June 30, 2015 and 2014, respectively.

(2) The third phase of the Shoppes at Cotai Central opened in June 2014. At completion, the Shoppes at Cotai Central will feature up to 600,000 square feet of gross leasable area.

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Operating Expenses

The breakdown of operating expenses is as follows:

	Six Months Ended June 30,		
	2015	2014	Percent Change
	(Dollars in thousands)		
Casino	$2,650,397	$3,557,849	(25.5)%
Rooms	130,631	128,381	1.8 %
Food and beverage	195,784	195,997	(0.1)%
Mall	30,478	35,072	(13.1)%
Convention, retail and other	138,222	165,132	(16.3)%
Provision for doubtful accounts	93,406	111,587	(16.3)%
General and administrative	640,080	664,031	(3.6)%
Corporate	89,788	95,800	(6.3)%
Pre-opening	20,233	20,441	(1.0)%
Development	3,881	5,909	(34.3)%
Depreciation and amortization	502,514	525,063	(4.3)%
Amortization of leasehold interests in land	19,323	20,066	(3.7)%
Loss on disposal of assets	17,881	4,121	333.9 %
Total operating expenses	$4,532,618	$5,529,449	(18.0)%

Operating expenses were $4.53 billion for the six months ended June 30, 2015, a decrease of $996.8 million compared to $5.53 billion for the six months ended June 30, 2014. The decrease in operating expenses was primarily due to a decrease in casino expenses at our Macao operating properties.

Casino expenses decreased $907.5 million compared to the six months ended June 30, 2014. Of the decrease, $787.0 million was due to the 39.0% gross win tax on decreased casino revenues at our Macao operating properties. The remaining decrease is primarily attributable to decreases in junket commissions, as well as the implementation of certain cost control measures at our Macao operating properties.

Convention, retail and other expenses decreased $26.9 million compared to the six months ended June 30, 2014. The decrease was primarily due to decreases of $10.3 million and $7.8 million at our Las Vegas Operating Properties and our Macao operating properties, respectively, driven by a decrease in entertainment expenses, and a decrease of $7.4 million in our passenger ferry service operations in Macao.

The provision for doubtful accounts was $93.4 million for the six months ended June 30, 2015, compared to $111.6 million for the six months ended June 30, 2014. The amount of this provision can vary over short periods of time because of factors specific to the customers who owe us money from gaming activities at any given time. We believe that the amount of our provision for doubtful accounts in the future will depend upon the state of the economy, our credit standards, our risk assessments and the judgment of our employees responsible for granting credit.

Pre-opening expense represents personnel and other costs incurred prior to the opening of new ventures, which are expensed as incurred. Pre-opening expenses for the six months ended June 30, 2015, primarily related to activities at The Parisian Macao and at Sands Cotai Central. Development expenses include the costs associated with the Company’s evaluation and pursuit of new business opportunities, which are also expensed as incurred.

The loss on disposal of assets of $17.9 million for the six months ended June 30, 2015, primarily related to dispositions at our Macao operating properties.

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Adjusted Property EBITDA

The following table summarizes information related to our segments (see "Item 1 — Financial Statements — Notes to Condensed Consolidated Financial Statements — Note 10 — Segment Information" for discussion of our operating segments and a reconciliation of adjusted property EBITDA to net income):

	Six Months Ended June 30,		
	2015	2014	Percent Change
	(Dollars in thousands)		
Macao:			
The Venetian Macao	$524,932	$872,141	(39.8)%
Sands Cotai Central	320,120	514,179	(37.7)%
Four Seasons Macao	118,806	180,995	(34.4)%
Sands Macao	123,662	173,757	(28.8)%
Other Asia	8,353	(1,882)	N.M.
	1,095,873	1,739,190	(37.0)%
Marina Bay Sands	778,526	852,939	(8.7)%
United States:			
Las Vegas Operating Properties	128,275	145,767	(12.0)%
Sands Bethlehem	63,992	54,446	17.5 %
	192,267	200,213	(4.0)%
Total adjusted property EBITDA	$2,066,666	$2,792,342	(26.0)%

N.M. - Not meaningful

Adjusted property EBITDA at our Macao operations decreased $643.3 million compared to the six months ended June 30, 2014. As previously described, the decrease was primarily due to the decrease in casino operations at our Macao operating properties, driven by decreased demand in the VIP market.

Adjusted property EBITDA at Marina Bay Sands decreased $74.4 million compared to the six months ended June 30, 2014. As previously described, the decrease was primarily due to the decrease in casino operations, driven by decreased demand in the VIP market.

Adjusted property EBITDA at our Las Vegas Operating Properties decreased $17.5 million compared to the six months ended June 30, 2014. The decrease was primarily due to a $14.8 million decrease in net revenues (excluding intersegment royalty revenue), driven by a decrease in casino revenues.

Adjusted property EBITDA at Sands Bethlehem increased $9.5 million compared to the six months ended June 30, 2014. The increase was primarily due to a $21.9 million increase in net revenues, driven by an increase in casino revenues, partially offset by increases in the associated operating expenses.

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Interest Expense

The following table summarizes information related to interest expense:

	Six Months Ended June 30,	
	2015	2014
	(Dollars in thousands)	
Interest cost (which includes the amortization of deferred financing costs and original issue discounts)	$134,121	$136,370
Add — imputed interest on deferred proceeds from sale of The Shoppes at The Palazzo	7,596	7,594
Less — capitalized interest	(9,661)	(3,248)
Interest expense, net	$132,056	$140,716
Cash paid for interest	$118,476	$113,747
Weighted average total debt balance	$9,636,321	$10,095,750
Weighted average interest rate	2.8%	2.7%

Interest cost decreased $2.2 million compared to the six months ended June 30, 2014, 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 $6.4 million compared to the six months ended June 30, 2014, primarily due to the construction of The Parisian Macao.

Other Factors Effecting Earnings

Other income was $15.3 million for the six months ended June 30, 2015, compared to other expense of $2.5 million for the six months ended June 30, 2014. The amounts in both periods were primarily due to foreign exchange gains and losses.

The loss on modification or early retirement of debt of $18.0 million for the six months ended June 30, 2014, was related to the refinancing of our 2011 VML Credit Facility in March 2014.

Our effective income tax rate was 7.9% for the six months ended June 30, 2015, compared to 5.4% for the six months ended June 30, 2014. The effective income tax rates for the six months ended June 30, 2015 and 2014, reflect 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, effective through the end of 2018. We have recorded a valuation allowance related to certain 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 $211.4 million for the six months ended June 30, 2015, compared to $402.0 million for the six months ended June 30, 2014. These amounts are primarily related to the noncontrolling interest of SCL.

Additional Information Regarding our Retail Mall Operations

We own and operate retail malls at our integrated resorts at The Venetian Macao, Sands Cotai Central, Four Seasons Macao, Marina Bay Sands and Sands Bethlehem. Management believes that being in the retail mall business and, specifically, owning some of the largest retail properties in Asia will provide meaningful value for us, particularly as the retail market in Asia continues to grow.

Our malls are designed to complement our other unique amenities and service offerings provided by our integrated resorts. Our strategy is to seek out desirable tenants that appeal to our customers and provide a wide variety of shopping options. We generate our mall revenues primarily from leases with tenants through minimum base rents, overage rents, management fees and reimbursements for common area maintenance ("CAM") and other expenditures.

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The following tables summarize the results of our mall operations for the three and six months ended June 30, 2015 and 2014 (in thousands):

	Shoppes at Venetian	Shoppes at Four Seasons	Shoppes at Cotai Central	The Shoppes at Marina Bay Sands	The Outlets at Sands Bethlehem[1]	Total
For the three months ended June 31, 2015						
Mall revenues:						
Minimum rents[2]	$37,643	$26,976	$10,685	$30,048	$289	$105,641
Overage rents	3,082	1,696	686	3,456	610	9,530
CAM, levies and management fees	7,570	2,385	3,261	6,895	—	20,111
Total mall revenues	48,295	31,057	14,632	40,399	899	135,282
Mall operating expenses:						
Common area maintenance	3,773	1,538	1,662	5,838	226	13,037
Management fees and other direct operating expenses	1,458	317	345	41	143	2,304
Mall operating expenses	5,231	1,855	2,007	5,879	369	15,341
Property taxes	—	—	—	1,133	323	1,456
Provision for doubtful accounts	47	3	228	—	—	278
Mall-related expenses[3]	$5,278	$1,858	$2,235	$7,012	$692	$17,075
For the three months ended June 31, 2014						
Mall revenues:						
Minimum rents[2]	$31,488	$20,603	$6,375	$30,225	$349	$89,040
Overage rents	3,744	2,343	2,281	3,109	475	11,952
CAM, levies and management fees	6,760	1,870	2,520	6,931	—	18,081
Total mall revenues	41,992	24,816	11,176	40,265	824	119,073
Mall operating expenses:						
Common area maintenance	4,736	1,486	1,590	6,310	318	14,440
Management fees and other direct operating expenses	1,952	348	341	463	165	3,269
Mall operating expenses	6,688	1,834	1,931	6,773	483	17,709
Property taxes[4]	(2,602)	—	—	1,762	303	(537)
Provision for doubtful accounts	128	34	—	514	—	676
Mall-related expenses[3]	$4,214	$1,868	$1,931	$9,049	$786	$17,848

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	Shoppes at Venetian	Shoppes at Four Seasons	Shoppes at Cotai Central	The Shoppes at Marina Bay Sands	The Outlets at Sands Bethlehem[1]	Total
For the six months ended June 30, 2015						
Mall revenues:						
Minimum rents[2]	$73,815	$54,349	$20,532	$60,345	$674	$209,715
Overage rents	4,153	1,854	1,087	6,068	857	14,019
CAM, levies and management fees	14,542	4,600	6,415	13,805	—	39,362
Total mall revenues	92,510	60,803	28,034	80,218	1,531	263,096
Mall operating expenses:						
Common area maintenance	7,422	2,874	3,187	11,872	519	25,874
Management fees and other direct operating expenses	2,820	565	989	(14)	244	4,604
Mall operating expenses	10,242	3,439	4,176	11,858	763	30,478
Property taxes	—	—	—	2,230	646	2,876
Provision for (recovery of) doubtful accounts	49	(83)	334	(16)	—	284
Mall-related expenses[3]	$10,291	$3,356	$4,510	$14,072	$1,409	$33,638
For the six months ended June 30, 2014						
Mall revenues:						
Minimum rents[2]	$62,788	$40,382	$12,309	$59,250	$739	$175,468
Overage rents	4,085	3,838	2,653	5,596	716	16,888
CAM, levies and management fees	13,259	3,621	4,934	13,934	—	35,748
Total mall revenues	80,132	47,841	19,896	78,780	1,455	228,104
Mall operating expenses:						
Common area maintenance	8,704	2,717	2,970	12,272	632	27,295
Management fees and other direct operating expenses	3,810	802	674	2,212	279	7,777
Mall operating expenses	12,514	3,519	3,644	14,484	911	35,072
Property taxes[4]	(1,488)	—	—	3,519	574	2,605
Provision for (recovery of) doubtful accounts	267	112	(21)	772	—	1,130
Mall-related expenses[3]	$11,293	$3,631	$3,623	$18,775	$1,485	$38,807

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(1) Revenues from CAM, levies and management fees are included in minimum rents for The Outlets at Sands Bethlehem.

(2) Minimum rents include base rents and straight-line adjustments of base rents.

(3) Mall-related expenses consist of CAM, management fees and other direct operating expenses, property taxes and provision for (recovery of) doubtful accounts, but excludes depreciation and amortization and general and administrative costs.

(4) Commercial property that generates rental income is exempt from property tax for the first six years for newly constructed buildings in Cotai. This property tax exemption expired in August 2013 for The Venetian Macao. In May 2014, the Company received an additional six-year property tax exemption for The Venetian Macao. As a result, the Company reversed $2.6 million of previously recognized property taxes during the three months ended

June 30, 2014.

It is common in the mall operating industry for companies to disclose mall net operating income (“NOI”) as a useful supplemental measure of a mall’s operating performance. Because NOI excludes general and administrative expenses, interest expense, impairment losses, depreciation and amortization, gains and losses from property dispositions, allocations to noncontrolling interests and provision for income taxes, it provides a performance measure that, when compared year over year, reflects the revenues and expenses directly associated with owning and operating commercial real estate properties and the impact on operations from trends in occupancy rates, rental rates and operating costs.

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In the tables above, we believe that taking total mall revenues less mall-related expenses provides an operating performance measure for our malls. Other mall operating companies may use different methodologies for deriving mall-related expenses. As such, this calculation may not be comparable to the NOI of other mall operating companies.

Development Projects

Macao

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 is intended to include a gaming area (to be operated under our gaming subconcession), a hotel with over 3,000 rooms and suites and retail, entertainment, dining and meeting facilities. We have commenced construction and 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. As with projects of this nature, we will continue to analyze options for both a full and phased opening of the facility, which is anticipated to open in the second half of 2016, subject to Macao government approval. We have capitalized costs of $1.15 billion, including the land premium (net of amortization) and $116.6 million in outstanding construction payables, as of June 30, 2015. In addition, we will be completing the development of some public areas surrounding our Cotai Strip properties on behalf of the Macao government.

As of June 30, 2015, we have capitalized an aggregate of $10.44 billion in construction costs and land premiums (net of amortization) for our Cotai Strip developments, which include The Venetian Macao, Sands Cotai Central, Four Seasons Macao and The Parisian Macao, as well as our investments in transportation infrastructure, including our passenger ferry service operations.

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 the sites on which The Venetian Macao, Sands Cotai Central, Four Seasons Macao and The Parisian Macao are 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 The Parisian Macao, we are required to complete the development by April 2016. The land concession for Sands Cotai Central contains a similar requirement that the development be completed by December 2016. We have applied for an extension from the Macao government to complete The Parisian Macao, as we believe we will be unable to meet the April 2016 deadline. Should we determine that we are unable to complete Sands Cotai Central by December 2016, we would then also expect to apply for another extension from the Macao government. If we are unable to meet the Sands Cotai Central deadline and the deadlines for either development are not extended, we could lose our land concessions for The Parisian Macao or Sands Cotai Central, 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 $1.15 billion or $4.69 billion in capitalized construction costs and land premiums (net of amortization), as of June 30, 2015, related to The Parisian Macao and Sands Cotai Central, respectively.

United States

We were 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. 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. The impact of the suspension on the estimated overall cost of the project is currently not determinable with certainty. Should demand and conditions fail to improve or management decides to abandon the project, we could record a charge for some portion of the $178.6 million in capitalized construction costs as of June 30, 2015.

Other

We continue to aggressively pursue new development opportunities globally.

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Liquidity and Capital Resources

Cash Flows — Summary

Our cash flows consisted of the following:

	Six Months Ended June 30, 2015	2014
	(In thousands)	
Net cash generated from operating activities	$1,581,533	$2,390,844
Cash flows from investing activities:		
Change in restricted cash and cash equivalents	(549)	559
Capital expenditures	(719,239)	(526,838)
Proceeds from disposal of property and equipment	639	1,106
Net cash used in investing activities	(719,149)	(525,173)
Cash flows from financing activities:		
Proceeds from exercise of stock options	8,078	45,118
Excess tax benefits from stock-based compensation	2,242	2,755
Repurchase of common stock	(64,994)	(1,139,415)
Dividends paid	(1,345,804)	(1,585,655)
Distributions to noncontrolling interests	(6,871)	(4,731)
Proceeds from long-term debt	1,459,277	1,857,725
Repayments on long-term debt	(1,569,609)	(1,296,058)
Payments of deferred financing costs	(11,745)	(57,244)
Net cash used in financing activities	(1,529,426)	(2,177,505)
Effect of exchange rate on cash	(20,597)	4,147
Decrease in cash and cash equivalents	$(687,639)	$(307,687)

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 for the six months ended June 30, 2015, decreased $809.3 million compared to the six months ended June 30, 2014. The decrease was primarily attributable to the decrease in operating cash flows generated from our Macao operations.

Cash Flows — Investing Activities

Capital expenditures for the six months ended June 30, 2015, totaled $719.2 million, including $609.2 million for construction and development activities in Macao, which consisted primarily of $321.6 million for The Parisian Macao and $221.1 million for Sands Cotai Central; $56.2 million in Singapore; $37.9 million at our Las Vegas Operating Properties; and $15.9 million for corporate and other activities.

Cash Flows — Financing Activities

Net cash flows used in financing activities were $1.53 billion for the six months ended June 30, 2015, which was primarily attributable to $1.35 billion in dividend payments and a net repayment of $251.3 million on our 2013 U.S Credit Facility, partially offset by net proceeds of $179.1 million on our 2011 VML Credit Facility.

As of June 30, 2015, we had $2.83 billion available for borrowing under our U.S., Macao and Singapore credit facilities, net of outstanding letters of credit.

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Capital Financing Overview

Through June 30, 2015, we have funded our development projects primarily through borrowings under our U.S., Macao and Singapore credit facilities, operating cash flows, proceeds from our equity offerings and proceeds from the disposition of non-core assets.

Our U.S., Macao and Singapore credit facilities contain various financial covenants. The U.S. credit facility requires our Las Vegas operations to comply with a financial covenant at the end of each quarter to the extent that any revolving loans or certain letters of credit are outstanding. This financial covenant requires our Las Vegas operations to maintain 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 5.5x for all quarterly periods through maturity. We can elect to contribute 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. Our Macao credit facility, which was amended in March 2014, also requires our Macao operations to comply with similar financial covenants, including maintaining a maximum leverage ratio of debt to Adjusted EBITDA. The maximum leverage ratio is 4.5x for the quarterly periods ending June 30 through September 30, 2015, decreases to 4.0x for the quarterly periods ending December 31, 2015 through March 31, 2017, and then decreases to, and remains at, 3.5x for all quarterly periods thereafter through maturity. Our Singapore credit facility, which was amended in August 2014, requires operations of Marina Bay Sands to comply with similar financial covenants, including maintaining a maximum leverage ratio of debt to Adjusted EBITDA. The maximum leverage ratio is 3.5x for the quarterly periods ending June 30, 2015 through September 30, 2019, and then decreases to, and remains at, 3.0x for all quarterly periods thereafter through maturity. As of June 30, 2015, our U.S., Macao and Singapore leverage ratios were 1.0x, 1.3x and 2.2x, respectively, compared to the maximum leverage ratios allowed of 5.5x, 4.5x and 3.5x, 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.

We held unrestricted cash and cash equivalents of approximately $2.82 billion and restricted cash and cash equivalents of approximately $7.1 million as of June 30, 2015, of which approximately $2.44 billion of the unrestricted amount is held by non-U.S. subsidiaries. Of the $2.44 billion, approximately $1.85 billion is available to be repatriated to the U.S. with minimal taxes owed on such amounts due to the significant foreign taxes we 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 may elect to arrange additional financing to fund the balance of our Cotai Strip developments. In the normal course of our activities, we will continue to evaluate our capital structure and opportunities for enhancements thereof.

In April 2015, we entered into a joinder agreement (the "Joinder Agreement") to the 2011 VML Credit Facility. Under the Joinder Agreement, certain lenders have agreed to provide term loan commitments of $1.0 billion (the "2011 VML Accordion Term"), which was funded on April 30, 2015 (see "Item 1 — Financial Statements — Notes to Condensed Consolidated Financial Statements — Note 3 — Long-term Debt — 2011 VML Credit Facility"). During the six months ended June 30, 2015, we made net repayments of $820.2 million and $240.0 million on our 2011 VML and 2013 U.S. Revolving Facilities, respectively. Subsequent to June 30, 2015, we made an additional repayment of $460.0 million on our 2013 U.S. Revolving Facility.

On February 27, 2015, SCL paid a dividend of 0.99 Hong Kong dollars ("HKD") per share, and, on June 17, 2015, SCL shareholders approved a dividend of HKD 1.00 per share, which was paid on July 15, 2015 (a total of $2.07 billion, of which the Company retained $1.45 billion). On March 31 and June 30, 2015, we paid a dividend of $0.65

per common share as part of a regular cash dividend program. During the six months ended June 30, 2015, we recorded $1.04 billion as a distribution against retained earnings (of which $561.2 million related to our Principal Stockholder's family and the remaining $476.3 million related to all other shareholders). In July 2015, our Board of Directors declared

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a quarterly dividend of $0.65 per common share (a total estimated to be approximately $518 million) to be paid on September 30, 2015, to shareholders of record on September 22, 2015. We expect this level of dividend to continue quarterly through the remainder of 2015.
In June 2013, our Board of Directors approved a stock repurchase program with an initial authorization of $2.0 billion, which would have expired in June 2015, but was substantially completed during the year ended December 31, 2014. In October 2014, our Board of Directors authorized the repurchase of an additional $2.0 billion of our outstanding common stock, which expires in October 2016. Repurchases of our common stock are made at our discretion in accordance with applicable federal securities laws in the open market or otherwise. The timing and actual number of shares to be repurchased in the future will depend on a variety of factors, including our financial position, earnings, legal requirements, other investment opportunities and market conditions. During the six months ended June 30, 2015, we repurchased 1,287,537 shares of our common stock for $65.0 million (including commissions) under this program. All share repurchases of our common stock have been recorded as treasury stock.

Aggregate Indebtedness and Other Known Contractual Obligations
As of June 30, 2015, there had been no material changes to our aggregated indebtedness and other known contractual obligations, which are set forth in the table included in our Annual Report on Form 10-K for the year ended December 31, 2014, with the exception of the following:

- proceeds of $999.3 million on our 2011 VML Accordion Term (which matures March 30, 2021, and requires quarterly payments commencing June 30, 2018, see "Item 1 — Financial Statements — Notes to Condensed Consolidated Financial Statements — Note 3 — Long-term Debt — 2011 VML Credit Facility");
- repayments of $820.2 million on our Extended 2011 VML Revolving Facility (which would have matured in March 2020 with no interim amortization); and
- net repayments of $240.0 million on our 2013 U.S. Revolving Facility (which would have matured in December 2018 with no interim amortization).

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 year.
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:

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- 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 leverage, debt service and debt covenant compliance, including the pledge of our assets (other than our equity interests in our subsidiaries) 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;
- our ability to meet certain development deadlines;
- 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 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;
- disruptions or reductions in travel, as well as disruptions in our operations, due to natural or man-made disasters, outbreaks of infectious diseases, terrorist activity or war;
- our ability to collect gaming receivables from our credit players;
- our dependence on chance and theoretical win rates;
- fraud and cheating;
- our ability to establish and protect our IP rights;
- conflicts of interest that arise because certain of our directors and officers are also directors of SCL;
- 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, potential additional gaming licenses and online gaming;
- 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;

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- our failure to maintain the integrity of our customer or company data, including against past or future cybersecurity attacks, and any litigation or disruption to our operations resulting from such loss of data integrity;
- the completion of infrastructure projects in Macao; 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.

ITEM 3 — 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 may 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 June 30, 2015, 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 twelve months ending June 30:

	2016	2017	2018	2019	2020	Thereafter	Total	Fair Value[(1)]
	(Dollars in millions)							
LIABILITIES								
Long-term debt								
Variable rate	$94.4	$208.6	$414.4	$2,101.2	$3,690.4	$3,297.5	$9,806.5	$9,632.5
Average interest rate[(2)]	2.6 %	2.1 %	1.8 %	1.9 %	2.1 %	2.8 %	2.3 %	
ASSETS								
Cap agreements[(3)]	$—	$—	$—	$—	$—	$—	$—	$—

(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 current LIBOR, HIBOR and SOR for variable-rate indebtedness. Based on variable rate debt levels as of June 30, 2015, an assumed 100 basis point change in LIBOR, HIBOR and SOR would cause our annual interest cost to change by approximately $88.2 million.

(3) As of June 30, 2015, we had one interest rate cap agreement with a nominal aggregate fair value based on quoted market values from the institutions holding the agreement.

Borrowings under the 2013 U.S. Credit Facility bear interest, at our 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 1.5% per annum for the 2013 U.S. Revolving Facility and the 2013 U.S. Term B Facility, respectively. For Eurodollar rate borrowings, the initial credit spread is 1.5% per annum and 2.5% per annum for the 2013 U.S. Revolving Facility

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and the 2013 U.S. Term B Facility (subject to a Eurodollar rate floor of 0.75%), respectively. Borrowings under the 2011 VML Credit Facility bear interest, at our option, at either an adjusted Eurodollar rate or HIBOR, plus a credit spread, or an alternative base rate, plus a credit spread, which credit spread in each case is determined based on the maximum leverage ratio set forth in the credit facility agreement, as amended. The credit spread for the 2011 VML Credit Facility ranges from 0.25% to 1.125% per annum for loans accruing interest at the base rate and ranges from 1.25% to 2.125% per annum for loans accruing interest at an adjusted Eurodollar or HIBOR rate. Borrowings under the 2012 Singapore Credit Facility bear interest at SOR plus a spread of 1.85% per annum, which is subject to reduction based on a ratio of debt to Adjusted EBITDA. Borrowings under the airplane financings bear interest at LIBOR plus 1.25% or 1.5% per annum.

Foreign currency transaction gains for the six months ended June 30, 2015, were $10.1 million primarily due to Singapore dollar denominated intercompany debt held in the U.S. and U.S. dollar denominated debt held in Macao. We may be vulnerable to changes in the U.S. dollar/SGD and U.S. dollar/pataca exchange rates. Based on balances as of June 30, 2015, an assumed 10% change in the U.S. dollar/SGD exchange rate would cause a foreign currency transaction gain/loss of approximately $32.1 million and an assumed 1% change in the U.S. dollar/pataca exchange rate would cause a foreign currency transaction gain/loss of approximately $12.2 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.”

ITEM 4 — 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 Securities and Exchange Commission’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 Accounting Officer (Principal 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 June 30, 2015, 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 fiscal quarter covered by this Quarterly Report on Form 10-Q that had, or was reasonably likely to have, a material effect on the Company’s internal control over financial reporting.

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PART II OTHER INFORMATION

ITEM 1 — LEGAL PROCEEDINGS

The Company is party to litigation matters and claims related to its operations. For more information, see the Company’s Annual Report on Form 10-K for the year ended December 31, 2014, and “Part I — Item 1 —Financial Statements — Notes to Condensed Consolidated Financial Statements — Note 9 — Commitments and Contingencies” of this Quarterly Report on Form 10-Q.

ITEM 1A — RISK FACTORS

There have been no material changes from the risk factors previously disclosed in the Company’s Annual Report on Form 10-K for the year ended December 31, 2014.

ITEM 2 — UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

The following table provides information about share repurchases made by the Company of its common stock during the quarter ended June 30, 2015:

Period	Total Number of Shares Purchased	Weighted Average Price Paid per Share	Total Number of Shares Purchased as Part of a Publicly Announced Program	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Program (in thousands)[(1)]
April 1, 2015 — April 30, 2015	—	$—	—	$1,765,001
May 1, 2015 — May 31, 2015	1,287,537	$50.46	1,287,537	$1,700,026
June 1, 2015 — June 30, 2015	—	$—	—	$1,700,026

(1) In June 2013, the Company’s Board of Directors approved a stock repurchase program, which expired on June 5, 2015, with an initial authorization of $2.0 billion. In October 2014, the Company's Board of Directors authorized the repurchase of an additional $2.0 billion of its outstanding common stock, which expires on October 9, 2016. All repurchases under the stock repurchase program are made from time to time at the Company’s discretion in accordance with applicable federal securities laws. All share repurchases of the Company’s common stock have been recorded as treasury stock.

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ITEM 6 — EXHIBITS
List of Exhibits

Exhibit No.	Description of Document
31.1	Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of the Principal 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 Principal 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

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LAS VEGAS SANDS CORP.
SIGNATURES
Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this quarterly report on Form 10-Q to be signed on its behalf by the undersigned thereunto duly authorized.

	LAS VEGAS SANDS CORP.
August 7, 2015	By: /s/ Sheldon G. Adelson Sheldon G. Adelson Chairman of the Board and Chief Executive Officer
August 7, 2015	By: /s/ Michael A. Quartieri Michael A. Quartieri Chief Accounting Officer (Principal Financial Officer)