

For Immediate Release



NagaCorp Announces 2014 Interim Results

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27% Gross Gaming Revenue (GGR) Growth in Phnom Penh Higher than Macau

Hong Kong, 7 August 2014 – **NagaCorp Ltd.** (“NagaCorp” or the “Company”, SEHK stock code: 3918), which owns, manages and operates NagaWorld, the largest integrated gaming and entertainment hotel complex in Indochina, announced today a 27% increase in Gross Gaming Revenue (GGR) with encouraging financial and operational results for the six months ended 30 June 2014.

- 1) Gross Gaming Revenue increased by 27.3%** to US\$180.3 million
- 2) VIP Gaming Revenue increased by 61.3%** to US\$86.0 million
- 3) Mass Market: Public Floor Tables Revenue increased by 19.8%** to US\$53.1 million
- 4) Non-Gaming Revenue increased by 7.4%** to US\$10.7 million
- 5) Gross Profit increased by 19.0%** to US\$132.7 million with a gross profit margin of 69%
- 6) EBITDA increased by 11.5%** to US\$86.6 million with an EBITDA margin of 45%
- 7) Net Profit increased by 7.6%** to US\$67.6 million
- 8) 70% Dividend Payout Ratio:** An interim dividend of US cents 2.07 per share (or equivalent to HK cents 16.04 per share) has been declared, representing a dividend payout ratio of approximately 70% based on the net profit generated for the period

BUSINESS OVERVIEW

The Cambodian economy remains strong amidst a recovering global economy. The Cambodian Ministry of Economy and Finance expects the Cambodian gross domestic product (“GDP”) to grow at 7.0% (in real terms). International tourist arrivals to Cambodia continued to grow, recording 1.9 million visitors in the first five months of 2014, an increase of 6% compared to the same period in 2013. Vietnam, China and Korea comprise the top three countries of all tourist arrivals. In particular, visitor arrivals from China rose 19% year-on-year, to 240,657 visitors in the first five months of 2014. Continued visitor growth from these gaming-centric countries is a driver of the Group’s business growth.

NagaWorld continued to generate positive operational and financial results with a growth of 27% in GGR to US\$180.3 million, despite the negative news and the slowdown of GGR in Macau. The Company’s revenue increased by 26% to US\$191.0 million and net profit increased by 8% to US\$67.6 million, led by higher business volume from the Public Floor Tables and the successful ramp-up of VIP Gaming generated through the junket incentive program. As at 30 June 2014, NagaWorld had available in operation 169 gaming tables and 1,544 electronic gaming machines.

Public Floor Tables recorded strong growth due to the steady growth in visitation to NagaWorld as well as from the improvement in table game productivity. In addition, the Company’s loyalty program, the Golden Edge Rewards Club, has been tracking well with rising membership, which reached approximately 42,400 members as at 30 June 2014.

The overseas junket incentive program continued to ramp up with sequential increase in rollings under the incentive junket halls in 1H2014. The Company in July 2014 completed the new level 3 VIP gaming halls in NagaWorld, which will add approximately 47 VIP gaming tables.

Non-gaming revenue, which stems from the hotel, food & beverage and entertainment business, increased by 7% to US\$10.7 million due to an increase in the number of room nights sold.

PROSPECTS

To further diversify and grow its revenue base, the Group is expanding its reach to North Asia and plans to sign up new junket operators. To pursue this, the Group has established a marketing office in Macau for the purpose of promoting NagaWorld to the North Asian junket market while continuing with its market development in South East Asia.

With regard to the mass market, the Group is also focused on developing the China market by improving accessibility to Phnom Penh, using its recently acquired Airbus A320s and collaborating with key outbound Chinese travel agents. The appeal of Cambodia as a travel destination for the Chinese tourists is evident from the

continued strong growth of Chinese visitation, which recorded an approximately 19% increase for the 5 months ended 31 May 2014.

Naga2 has a total built-up area of approximately 110,105 square metres, which includes the NagaCity Walk with approximately 13,248 square metres of retail and public space, and the Naga2 Complex which features approximately 1,000 hotel rooms, 38 luxury VIP suites, a multipurpose-entertainment/theatre with a seating capacity of approximately 2,100; and additional gaming space (up to 300 gaming tables and 500 EGMs). NagaCity Walk is scheduled for completion by the end of 2014, with operations commencing mid-2015; whereas the Naga2 Complex is scheduled for completion by late 2016, with operations commencing mid-2017.

For the longer term, the Company's investment in Vladivostok, Russia, not expected to be operational before 2018, will be the next catalyst of growth. The Company believes that its participation in an exciting new casino market in a different geographical region will serve to better diversify and enhance the Company's results in the long term.

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ABOUT NAGACORP LTD.

NagaCorp Ltd. was listed on The Hong Kong Stock Exchange in October 2006 (SEHK stock code: 3918). Established in 1995, NagaCorp's wholly owned subsidiary NagaWorld Ltd. owns, manages and operates the only world class comprehensive hotel casino entertainment complex in Phnom Penh, the capital city of the Kingdom of Cambodia. It owns a casino license valid for 70 years and exclusive gaming rights for a period of around 41 years (1995-2035). NagaCorp Ltd. was selected in the Hang Seng Foreign Companies Composite Index and the Hang Seng Global Composite Index launched on 5 September 2011.

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