

For Immediate Release



NagaCorp Announces 2008 Annual Results

Revenue Surged 34% to US\$193.5 Million

Financial Highlights

(US\$'Mil)	For the twelve months ended 31 December (Audited)	
	2008	2007
Total Revenue	193.5	144.0
Revenue from Public Floor	102.7	75.4
Revenue from Junket VIP	85.2	65.4
Gross Profit	88.0	78.1
EBITDA	49.3	56.9
Net Profit	40.0	50.2
Basic EPS (US cents)	1.93 <i>(approx. 15.05 HK cents)</i>	2.42
Proposed final dividend (US cents)	0.13 <i>(approx. 1.01 HK cents)</i>	0.77
Dividend payout ratio	45% <i>(40% cash & 60% scrip shares)</i>	60%

Hong Kong, February 27, 2009 – **NagaCorp Ltd.** ("NagaCorp" or the "Group", SEHK stock code: 3918), a gaming and entertainment company with exclusive rights to manage and operate the only licensed casino within a 200 km radius of Phnom Penh, the capital of Cambodia, announced its annual results for the 12 months ended December 31, 2008.

NagaCorp achieved growth in 2008, continued to benefit from Cambodia's stable political environment. Revenue increased by 34.3% to approximately US\$193.5 million in 2008 from approximately US\$144 million in 2007. Profit attributable to the equity shareholders of the Group decreased by 20.3% to approximately US\$40.0 million in 2008 from approximately US\$50.2 million in 2007.

The Board of Directors has recommended a final dividend per share of 0.13 US cents. Together with the 0.74 US cents interim dividend declared for the six months

ended June 30, 2008, total dividends for the year under review will amount to 0.87 US cents, representing a dividend payout ratio of 45%.

In 2008, NagaCorp continued to enjoy the benefit of its exclusive license which, coupled with continuous growth in various sectors of the company, helped the Group achieve growth. The strategic geographical location of NagaWorld sheltered the Group from the financial tsunami and facilitated a strong growth of its businesses. Various programs targeting Junket VIPs and public floor players enabled the Group to continue to improve overall revenue. The Group's most outstanding initiative was the Premium Players Programme, which delivered 89.7% of the total revenue from public floor tables.

Gaming operations continued to be the principal revenue source and contributed around 99% of the total Group revenue in 2008 while the remaining derived largely from food and beverages. Revenue from gaming operations was approximately US\$191.0 million in 2008 compared to US\$143.9 million in 2007.

Public Floor Tables

Revenue from public floors tables increased by 36.3% to approximately US\$102.8 million in 2008 from approximately US\$75.4 million in 2007. Revenue contribution from public floors tables increased to 53.1% of the total Group revenue in 2008 from 52.3% in 2007. The significant increase in revenue from public floor tables was attributable mainly to the success of the Group's various programs targeting public floor customers.

Junket VIP Floor Tables

Revenue from Junket VIP floor tables increased by 30.3% to approximately US\$85.2 million in 2008 from approximately US\$65.4 million in 2007. Around 15,196 Junket VIP players visited NagaWorld in 2008. The total check-in amounts deposited by Junket VIP players increased by 8.3% to approximately US\$443.4 million in 2008.

Gaming Machine Stations

NagaCorp continued to receive fixed income payments from an independent party for the provision of its gaming machine stations in the casino. During the year under review, the Group generated US\$3.1 million revenue from the gaming machine stations, similar to the level in 2007.

NagaWorld

During the year under review, the Group continued its investment in expanding the gaming, entertainment and hotel facilities of NagaWorld, the landmark hotel and casino complex in Phnom Penh.

Prospects

Despite the uncertain global business outlook, the market where NagaCorp operates is expected to grow progressively. Standard & Poor's, in October 2008, affirmed a stable outlook for Cambodia, praised the country's pragmatic and market-friendly economic and fiscal policies, as well as forecasted its GDP growth to maintain at 7% in 2009 (compared to 5% by Cambodia's Ministry of Economic and Finance). In addition, IMF's medium term view of Cambodia's economy is cautiously optimistic.

In the current uncertain global business environment, NagaCorp will continue to adopt a conservative financial and marketing approach: No gearing on its balance sheet, targeting mid size players in the region with competitive services and maximum table limit of USD50,000.

The Group will also benefit from the reverse flow of Cambodians from the Western countries where economies are slowing down. The increase in marketing presence in the Indo-China catchment areas to attract more home-coming Cambodians, VGP (Vietnam Ground Program) is working well.

NagaWorld will also proactively promote Junket VIP programs such as CRP (Complimentary Rated Program) with regional airlines like Air Asia & Shenzhen Airlines to bring in more targeted players from China, Malaysia and Thailand. With NagaWorld almost fully completed, hotel, F&B and entertainment facilities can be offered for regional players at a competitive price, given its competitive investment cost. The low tax rate also will allow NagaWorld to continue to devise strategic competitive VIP programs.

NagaCorp has in the past successfully weathered through challenging times including the 1997 Asian Financial Crisis and SARs. We are confident of our business strategy and are closely monitoring the market environment to ensure that our 2009 financial performances will not be negatively affected by the current global market uncertainties.

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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 manages and operates the only licensed casino in Phnom Penh, the capital city of the Kingdom of Cambodia. It owns a casino license valid for 70 years from 1995 up to 2065, and exclusive gaming operational rights within a 200km radius of Phnom Penh (save Cambodia–Vietnam border area, Bokor, Kirirom Mountains and Sihanoukville) for a period of around 41 years between 1995 and 2035. Its flagship project, NagaWorld is aimed to be an international hotel-casino complex, a first-of-its-kind in Phnom Penh. It has 8-storey entertainment wing and a 14-storey hotel wing with a total built up area of approximately 110,768 sq.m..

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