



SWOT & Growth Strategy

SWOT

Strength

- Location
- Excellent Human Resources
- Refined Marketing
- Efficient Floor Operation
- Synergy Effect from Related Companies

- Government's Support Policy
- Rapid growth of Chinese Market
- Recovery of Japanese Economy

Opportunity

Weakness

- Leased Casino Floor

- Possibility of New Entry Penetration in the Domestic Market
- Possibility of New Entry in Nearby Countries

Threat

Growth Strategy

Develop a new market

- **Chinese Market** : Dispatch Personal Marketing Force
Favorable Geographical Condition, Well Organized Marketing Network,
Agent Marketing through Chinese Travel Agent and Participate in Tourism Exhibitions and Events

Reinforcing the existing market

- **Existing VIP market in Japan** : Intensify Local Marketing - Maintain VIP Marketing
- **Existing middle class market in Japan** : Mass Marketing - Diversification of Customer Class



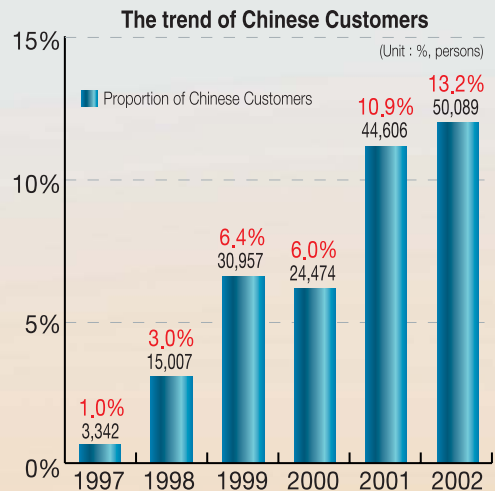


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Growth Potential of the Chinese Market

Current Status of Chinese Tourists

- Sharply increased after overseas trip liberalization five years ago
- Chinese out-bound tourists in year2002 :17Mil
- Incoming Chinese tourists in Year2002 : 550K(3.3% of 17Mil)
- Chinese guest in Walker-hill Casino per year : 50K (year2002)



Expect Rapid Market Growth

■ **Acceleration of Globalization & Open-door Policy**

- Joined the WTO in year 2001
- Host of Summer Olympic Games in year 2008
- Shanghai World Expo in year 2010

■ **Overseas Trip Liberalization**

- Simplify reporting process for overseas trip (Abolish invitation requirement)
- Simplify the passport issuing process

■ **Increasing Interchange between Korea and China**

- 178 flights per week
- There are daily flights for Shanghai, Beijing, Qingdao, Guangzhou, Yantai and Shenyang.
- Plans to establish Korean consulates in major Chinese cities

■ **Reform measures aiming the Chinese market**

- (presented by Korea National Tourism Organization, 2001. 11)
- Reform entry formalities for Chinese tourist
 - Increase accommodations
 - Bring up Chinese speaking tour guides
 - Active Casino Publicity

