

# Part 1 Introduction



## Identity of Paradise Co., Ltd.

- The No.1 Casino in Korea exclusively for foreign tourists with tradition of over 30 years

### ■ The leading casino in Korea with the tradition of over 30 years

- Establishment Date : April 27, 1972
- Holds the biggest market share of 55.9% among the domestic 13 casinos in the year 2003

### ■ Exclusively for Foreigners

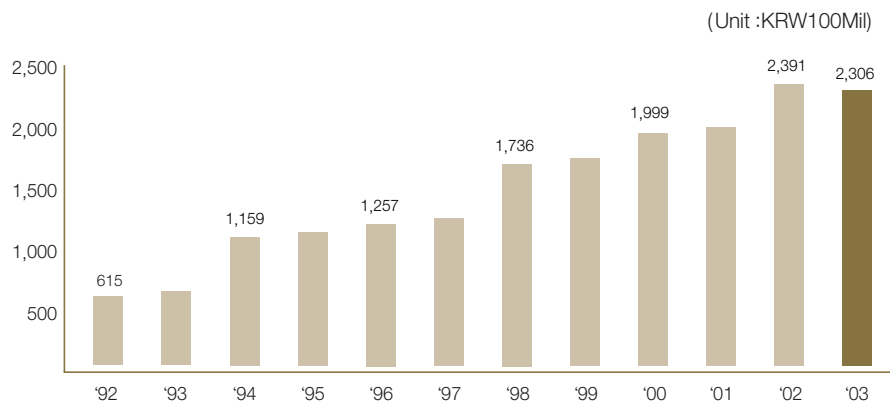
- Attract foreign tourists (Attracts 7 ~ 8% of foreigners that visit Korea on an annual basis.)
- The winner of the Tourism Promotion Award

### ■ Steady and Rapid Growth

- Realizes a steady sales growth • For the last 10 years, sales grew about 4times. • Sound financial structure

### ■ Shareholder focused management policy

- Sustain high dividend policy - Payout Ratio increased from 15.2% in 1999 to 36.7% in 2003, which meant 24.7% of annualized growth rate during that period.
- Acquisition of treasury stock(Special Money Trust & Stock Cancellation by Profit) - Rank 1st in the KOSDAQ with 20 billions KRW in 2003



## Organization Efficiency, High Quality, Systematic Organization

(as of December 31, 2003)

Division	Performance / Operation Activity	Personnel(908 persons)
Operation	Gaming Floor Operation, CRM(Customer Relation Management), F&B	575 (Male: 272, Female: 303)
Marketing	Japan Marketing, China Marketing, South East Asia Marketing International Marketing, Customer Satisfaction, Market development	108 (Male: 95, Female: 13)
Operation Support	General Affairs, Finance Department, Cashier	138 (Male: 83, Female: 55)
Corporate Planning	Management Strategy, Human Resources, R&D	50 (Male: 44, Female: 6)
Surveillance	Surveillance, CCTV, Security	37 (Male: 24, Female: 13)

## Financial Highlights

Highlights	1999	2000	2001	2002	2003
<b>Operating Results (KRW Mil)</b>					
Sales	182,368	199,918	219,118	239,093	230,640
Operating Income	37,446	50,573	49,172	60,559	52,256
Net Income	24,702	31,426	36,739	45,480	44,182
EBITDA <sup>Note(1)</sup>	43,785	47,386	56,588	68,551	62,449
<b>Financial Position (KRW Mil)</b>					
Total assets	248,680	304,253	341,760	428,845	427,207
Cash & Mkt securities <sup>Note(2)</sup>	89,392	97,376	176,983	247,950	244,943
Total liabilities	127,032	138,933	146,095	111,471	96,110
Interest-bearing debt	80,200	85,502	86,278	55,002	40,138
Shareholders' equity	121,648	165,320	195,665	317,374	331,097
<b>Per Share Data (KRW)</b>					
EPS (Earnings Per Share)	330	419	490	582	481
DPS (Dividend Per Share) <sup>Note(3)</sup>	50	75	100	125	200
<b>Financial Ratios (%)</b>					
Operating Income margin	20.5	25.3	22.4	25.3	22.7
Net Income margin	13.5	15.7	16.8	19.0	19.2
EBITDA margin	21.7	22.2	24.2	27.0	25.7
ROA (Return on Assets)	11.2	11.4	11.4	11.8	10.3
ROE (Return on Equity)	20.4	21.9	20.4	17.7	13.6
Debt-to-Equity ratio	104.4	84.0	74.7	35.1	29.0
<b>Cash Flows (KRW Mil)</b>					
Beginning	11,426	19,473	34,218	73,792	64,941
CF from Operating activities	21,437	53,565	47,599	53,841	52,634
CF from Investing activities	(78,405)	(36,530)	2,810	(96,393)	(8,436)
CF from Financing activities	65,014	(2,291)	(10,835)	33,702	(49,591)
Ending	19,473	34,218	73,792	64,941	59,548

Note(1) EBITDA = Ordinary Income + Net Interest expenses + Depreciation + Amortization

Note(2) Cash & Mkt securities = Cash and cash equivalents + Short-term financial instruments + Trading securities + Held-to-maturity securities

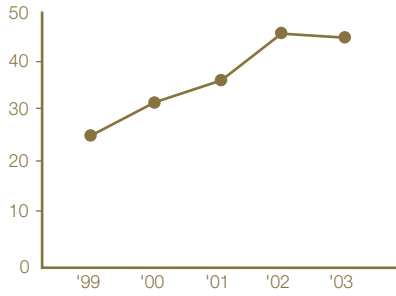
Note(3) Minority shareholders based



## Financial Highlights (Graph)

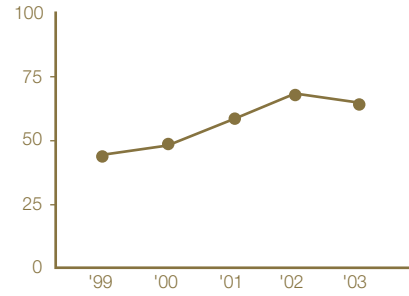
Net Income

(Unit:KRW Bil)



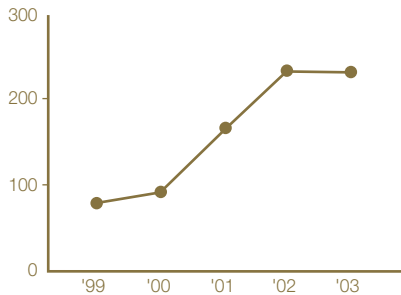
EBITDA

(Unit:KRW Bil)



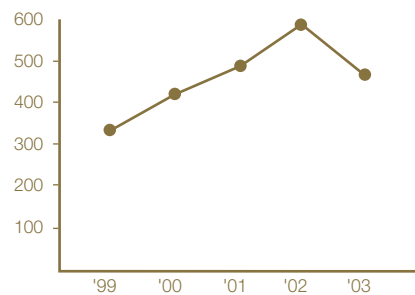
Cash & Mkt securities

(Unit:KRW Bil)



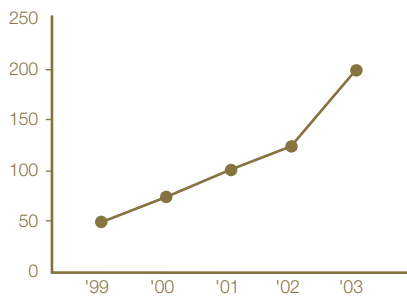
EPS (Earnings Per Share)

(Unit:KRW)



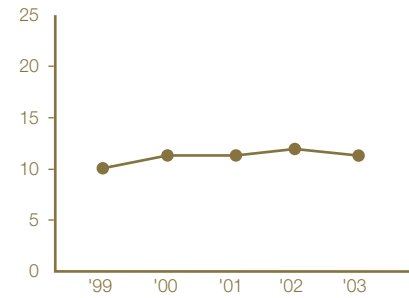
DPS (Dividend Per Share)

(Unit:KRW)



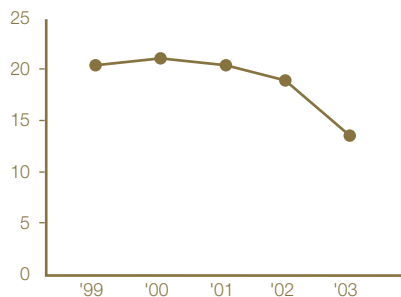
ROA (Return on Assets)

(Unit:%)



ROE (Return on Equity)

(Unit:%)



Debt-to-Equity ratio

(Unit:%)

