

SENTOSA UNLIMITED

sentosa

ANNUAL REPORT

06/07

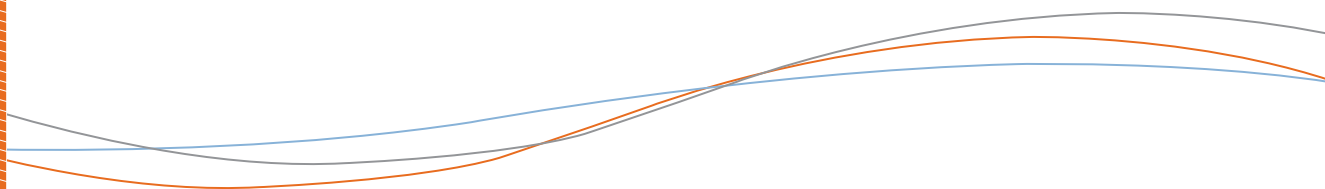
The background of the entire page is composed of numerous thin, wavy lines in various colors including blue, green, yellow, and pink. These lines are arranged in a pattern that resembles a stylized ocean or a series of ripples, creating a dynamic and vibrant visual effect.

SENTOSA **UNLIMITED**

Blue skies, thrilling rides, endless tropical island adventures and a residential lifestyle that is among the most envied in the world. The impetus for Sentosa has always been to go the distance for staff, guests, business partners and stakeholders. As we develop further and enhance the Sentosa experience, we prepare to extend our unique brand of pleasure and delight to mainland Singapore, the Southern Islands and beyond.

An island of unlimited possibilities that Singapore can truly be proud of.

A JOINT MESSAGE



“The energy in the air has strengthened our resolve to maintain Sentosa’s position as a key player in the global resorts industry.”



An artist's impression of Resorts World at Sentosa, an upcoming world-class integrated resort development by Genting International Ltd.



Sentosa Express monorail system was launched on schedule in January 2007.

2006 was yet another year of achievements and accolades.

As we made substantial progress on our development plans, the atmosphere of excitement was heightened by the announcement of the winning bid for the coveted Sentosa integrated resort project in December 2006.

Awarded to Genting International Ltd, Resorts World at Sentosa is a \$5.2 billion, 49-hectare mega development set to open by 2010. This family-oriented resort will comprise the acclaimed Universal Studios theme park, a new marine park, Asia's largest celebrity chef restaurants, signature retail offerings, nightly shows, an interactive maritime experience and over 1,800 hotel rooms with meetings, incentives, conventions and exhibitions (MICE) facilities.

This significant milestone has already begun to show positive impacts on the economy of Singapore as a whole and Sentosa in particular.

The energy in the air has strengthened our resolve to maintain Sentosa's position as a

key player in the global resorts industry. We have taken significant strides in enhancing our ability to accommodate and retain more market segments for Sentosa, particularly the family, lifestyle and MICE groups.

The past year has seen the addition of new resorts, enhanced accessibility and a refreshing array of new and redeveloped attractions on the island.

Most notably, our Sentosa Express monorail system was launched on schedule in January 2007. This major piece of the island's total transportation network now makes Sentosa even more accessible to guests, whisking them from the mainland to the island in a comfortable and scenic ride. With this linkage, Sentosa Island is now seamlessly connected to the world through the Mass Rapid Transit system and the Singapore Changi International Airport.

To entice more families and youths, we revitalised our beaches this year. Siloso Beach saw the opening of the \$50 million Siloso Beach Resort in August 2006. This new resort augments the selection of mid-tier



The spectacular Songs of the Sea has entertained with sell-out shows since opening day.



The award-winning annual floral extravaganza, Sentosa Flowers, continues to thrill audiences from all over the world.

accommodation on the island. To great buzz, the \$3 million privately-owned Café del Mar has become an overnight favourite for entertainment, music and dining.

Upping the ante in family attractions, Sentosa's most anticipated multi-sensory extravaganza – Songs of the Sea – opened in March 2007. This \$30 million high-tech laser, water and fire spectacular is set in a 2,500-seater, open-air amphitheatre on Siloso Beach. Designed by internationally acclaimed producer Yves Pépin, Songs of the Sea has struck the right notes with audiences from all over the world with sell-out shows since opening day. This nightly spectacular is set to become the major night-time family attraction in Singapore.

Over at Palawan Beach, new appeal was added with an \$11 million makeover which was completed in June 2006. Palawan Beach now boasts a 300-seater amphitheatre with an interactive animal showcase, a new beachfront food court, retail outlets and public amenities, befitting its new position as 'Singapore's happiest family beach'.

Established shows such as our award-winning annual floral extravaganza, Sentosa Flowers, continue to thrill enthusiasts from all over the world. On the sports front, Sentosa also scored well. Following the success of last year's Singapore Open golf tournament, Barclays announced its commitment to a five-year title sponsorship. This commitment effectively raised the prize money of Asia's richest national Open from US\$2 million last year to US\$3 million in 2006.

As the Sentosa metamorphosis continues, we are refining our vision for Sentosa against the backdrop of our revitalised neighbourhood. Together with the Resorts World at Sentosa, VivoCity, St James Power Station and Mount Faber, Sentosa will form a vital part of this world-class live, work and play environment in Singapore.

As Singapore's top tourist destination, Sentosa Island now captures almost 30% of Singapore's total annual pie of tourist visits. Annual guest arrivals have been on a steady increase, rising from 5.2 million in FY2005 to a record 5.7 million this year. With this consistent progression, Sentosa

is well-poised to achieve its target of 15 million visitors by 2010.

For the financial year ended 31 March 2007, the Group achieved a new record gross revenue of \$2 billion compared to \$1 billion in FY2005. In terms of net surplus for the year, the Group recorded \$1.2 billion, as compared to \$520 million in the previous year.

Riding on the back of a stronger-than-expected growth in the high-end residential property market and strong marketing efforts, Sentosa Cove achieved record sales during the year in review. Land sales revenue of \$1.5 billion this year was 62% higher than the \$941 million in the previous year. The Group's revenue was also boosted by the one-time extraordinary gain from the sale of a 49-hectare site for the development of Resorts World at Sentosa. Owing to the rare nature of the various property transactions, such revenue gains will not likely be seen again for some time to come.

Property aside, our leisure business did very well this year as well, grossing a revenue of \$86 million, an improvement of 26%

Revenue and Surplus

FY 04/05

\$261 million
\$65 million

FY 05/06

\$1.013 billion
\$520 million

FY 06/07

\$2.009 billion
\$1.216 billion

■ Group Revenue

■ Net Surplus

compared to \$68 million in the last financial year. The increase was mainly due to stronger performance from admissions, retail and food and beverage businesses.

With strong financial performance, the Group's total capital and reserves increased substantially by \$1.2 billion to \$2 billion as at 31 March 2007.

We celebrate our successes, mindful of a highly competitive global climate ahead. With other countries in the region emerging as mega-resort destinations, we continue to forge ahead playing up our advantages and

constantly refining our strategies and standards of service.

As we pass on the torch of leadership and responsibility, we look back gladly upon the transformation which Sentosa has undergone and the accomplishments we have achieved since 2001. Together, we look forward as Sentosa embarks on the next era of its growth and are grateful for the dedication, confidence and support of our solid team of board members, business partners, management and staff. They are the foundation of strength from which we can embark on our next phase of growth.



DR. LOO CHOON YONG
Chairman
(as of 1 March 2007)



PHILIP NG
Chairman
(March 2001 - February 2007)



DARRELL METZGER
Chief Executive Officer
(February 2002 - April 2007)

BOARD MEMBERS

CHAIRMAN
(as of 1 March 2007)



DR. LOO CHOON YONG

Executive Chairman
Raffles Medical Group Ltd

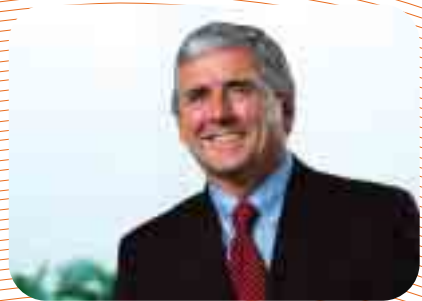
CHAIRMAN
(March 2001 – February 2007)



PHILIP NG

Chief Executive Officer
Far East Organization

CHIEF EXECUTIVE OFFICER
(February 2002 – April 2007)



DARRELL METZGER

Chief Executive Officer,
Destination Developments
Ruwaad Holdings LLC

MEMBERS



JENNIE CHUA

President & Chief Executive Officer
The Ascott Group Ltd



CHARLES ORMISTON

Managing Partner
Bain & Co S E Asia, Inc



RON SIM

Founder & Chief Executive Officer
OSIM International Ltd



WEE EE LIM

President & Chief Executive Officer
Haw Par Corporation Ltd



LT-GEN(RET) BEY SOO KHIANG

Senior Executive Vice-President
(Operations & Services)
Singapore Airlines Limited

MEMBERS



HIEW YOON KHONG

Chief Executive Officer
Mapletree Investments Pte Ltd



SOO KOK LENG

Chairman
JTC Corporation



GRANT KELLEY

Chief Executive Officer
Colony Capital Asia Limited



ANDREW TAN

Deputy Secretary (International)
Ministry of Foreign Affairs



LIM NEO CHIAN

Deputy Chairman &
Chief Executive
Singapore Tourism Board



MANOJ MURJANI

Chief Executive Officer
The Wellness Group Private Limited



ERIC KHOO

Director
Zhaowei Films Pte Ltd



OLIVIER LIM

Group Chief Financial Officer
CapitaLand Limited

An aerial photograph of Sentosa Island, Singapore, showing its lush greenery, beaches, and various recreational facilities. In the background, the dense urban skyline of Singapore is visible under a clear blue sky. The water of the bay is a vibrant blue.

LEISURE UNLIMITED

With the completion of the \$140 million Sentosa Express monorail system and several other key advancements during the year, Sentosa is fast becoming Singapore's compelling leisure destination.

2006 marked a crucial year in the island's renaissance, as we celebrated major milestones, refined our strategies, honed our skills and rededicated our commitment to the tasks at hand. Buoyed by the passion and fortitude of our people, and an unwavering resolve to provide best-in-class amenities and attractions with top-notch guest service, **Sentosa is poised to set new benchmarks of excellence and redefine the resort business and tourism in the region and beyond.**





A WHOLE-IN-ONE.



Tanjong Course,
Sentosa Golf Club

WHY STOP THERE?

A place that has it all. And more. The ultimate vision of Sentosa is to offer an innovative convergence of luxury resort living, world-class entertainment and leisure, outstanding meetings, incentives, conventions and exhibitions (MICE) amenities, each a stone's throw away from the other, transporting visitors through various scenarios and experiences.



A Year of *Exciting Makeovers* and New Attractions

Enhancing our entertainment precincts of enjoyment continues to be our key focus. From our beaches to attractions, guests can continue to expect greater variety, more excitement and new experiences for staying on a little longer on the island.

UPPING THE 'HIP' FACTOR AT SILOSO BEACH

Recently upgraded, Siloso Beach solidifies its position as Sentosa's 'hip and happening' beach for the surfer-set and trendy with the addition of a world-class sound, water and laser-light spectacular, a new multi-million dollar beach resort and an international sunset beach club.

Songs of the Sea *Sings Success*

To resounding applause, the much-anticipated multi-sensory spectacular and one of our best achievements – Songs of the Sea – raised its curtains for the first time on 26 March 2006.

Featuring a display of dramatic effects incorporating water jets, pyrotechnics, lights, laser and fire, this production with its 2,500-seater, open-air, sea-fronting amphitheatre is the brainchild of design firm ECA2 and its award-winning Creative Director, Yves Pépin. Since its premiere, Songs of the Sea has had good media interest and publicity supported by a hefty 80% nightly audience capacity. With the presence of this brand new, world-class production in Singapore, Sentosa aims to continue setting new benchmarks for entertainment offerings in the region.



Location: Songs of the Sea
(Below, left to right)

Cynthia Lee
Director,
Human Resources

Ko Eng Wee
General Manager,
Leisure Business

Susan Teh
Chief Executive Officer,
Mount Faber Leisure Group

(Standing)

Goh Lye Whatt
Director,
Property

Low Tien Sio
Executive Director,
Special Projects



SILOSO BEACH RESORT OPENS

Guests who wish to enjoy the convenience of staying and partying at a centralised location will enjoy the brand new \$50 million Siloso Beach Resort that opened its doors in August 2006.

Set in lush surroundings with modern finishings, the mid-tier resort along Sentosa's hip and trendy Siloso Beach offers 182 sea-facing rooms and 12 villas. The resort caters to those looking to unwind from the city beat without leaving the conveniences of the city behind. Located next to the newly-upgraded Imbiah Lookout, a variety of Sentosa attractions is merely a short walk away, including our newest hotspot, Café Del Mar.



Clubbing *with a* Capital C

One of the most prized assets of Sentosa as a resort destination is our natural and spectacular sunset. Taking advantage of this dramatic nightly celestial 'show' is Café del Mar, the global and legendary 'sunset bar' founded in 1980 in Ibiza.

Set to become the iconic spot in beach life and entertainment, this new \$3 million, 35,000 sq ft privately-owned entertainment, music and dining watering-hole opened with a bash in January 2007 and now draws a steady stream of the youthful and upwardly mobile. Café del Mar offers cozy daybeds, cabanas, jacuzzis, a pool, restaurant and bar for the sultry clubber or the sexy beach-goer to unwind.



Café del Mar



Location: Café Del Mar
(Above, left to right)

Kemmy Tan
General Manager,
Sentosa Cove Pte Ltd

Low Wai Peng
Chief Financial Officer

Pamelia Lee
Managing Director,
Southern Islands Development

(Standing)

Frank Yuen
Director,
Food & Beverage

Robert Bird
Executive Director,
Sentosa Golf Club

NEW

PALAWAN BEACH MAKES WAVES

Siloso Beach was not the only beach making waves this year. Re-opened in June 2006, the new and improved Palawan Beach pulls in a different kind of crowd. The \$11 million makeover was purely dedicated to family-fun, bringing together all the elements to keep every member of the family entertained, well-fed and delighted!



Cockatoos *and More* at the Amphitheatre

Pythons, cockatoos and macaques are just some of the residents you may encounter at the new 300-seater Palawan Amphitheatre. Here, visitors of all ages can get up-close-and-personal with animal friends and enjoy bird shows all day long. A host of new child-inspired attractions including best-loved festivals and events, such as the Hi-5 pop group show, Sentosa's Balloon Hat Festival and a series of events with Nickelodeon kid's channel, made for a memorable year for the young and the young-at-heart.





MORE DINING CHOICES **FOR EVERY BUDGET**

A plethora of new dining options at Palawan Beach makes family meal-times even more enjoyable and satisfying. The new 350-seater Koufu food court offers regional and local favourites at great value with the added options of air-conditioned or al-fresco dining. For those with a penchant for more exotic flavours, the Samundar Authentic Indian Restaurant offers a gastronomic escapade not to be missed. Two beach bars, Bora Bora and Club Islander offer a laid back experience, serving frozen margaritas, beers and delectable finger food.

CONVENIENCES **FOR ALL IN THE FAMILY**

A beach-themed Island Life Shop, a beachfront Mövenpick outlet, and a unique 7-Eleven complete with a coconut tree growing through it are some of the exciting new additions to make Palawan Beach more appealing to the family. But that's not all. Public amenities have been totally refurbished. Now a family outing at Palawan Beach is even more enjoyable with new shower facilities, changing rooms, toilets, lockers for valuables, taps for washing away the sand and even a nursing room for mothers with infants.



ACCESSIBILITY ENHANCED

Hopping from beach to beach is now a breeze with the newly opened three-storey Beach Arrival Plaza which houses 630 parking lots, a bus terminal and a taxi point for guests' added convenience.

Now guests can also get to the beach faster from Imbiah Lookout via a zig zag ramp that was installed as an extension to the Merlion Walk. Beach lovers no longer need to take a roundabout route from the attractions to the beach.

Apart from adding new amenities such as toilets, sound systems and ambience lighting, improvements were made to enhance wheelchair access to Imbiah Terrace.





Presenting High Profile, Signature and International Events

The Biggest “Beach Party” in the City

More than 15,000 revellers converged on the lively Siloso Beach to welcome the New Year. Following the success of the inaugural bash in the previous year, this year’s party raised the bar with more star power, more music and two party zones – one wet and one dry.

Jointly presented by Sentosa and MTV Asia, the Siloso Beach Party is proving to be more than a winning combination of beach, music, attitude and dancing. Pitched as “Asia’s Grooviest”, it is fast becoming an iconic New Year beach party tradition in the city.



THE **BIGGEST** BLOOM TIME

Singapore's largest floral festival was held at the newly upgraded Imbiah Terrace this year. The theme of *Rhymes In Bloom* featured popular nursery rhyme characters set amidst a multitude of colourful floral displays and beautifully landscaped backdrops for photo-taking.

More than 200 species of plants and a million blooms were used to create this extravagant floral display, which attracted a record 298,000 guests. The annual event with its colourful floral displays and interactive programming, coincided with the Chinese New Year festivities, and provided an excellent opportunity for families to foster closer ties as well as share the joy and prosperity of the New Year.

World-Class Tournament – Barclays Singapore Open 2006

Defending champion Adam Scott (right) defeated Ernie Els to retain his title at the most prestigious Golf Open in Asia. Barclays Singapore Open was played at Sentosa Golf Club from 7 to 10 September 2006.

The second showing of this star-studded tournament on the Serapong Course, Singapore Open 2006 was made especially memorable with Barclays' announcement of its commitment to a five-year title sponsorship. With the prize money raised from US\$2 million last year to US\$3 million in 2006, Sentosa essentially played host to one of the top ten richest national golf Opens in the world.

Organised by Sentosa, this world-watched event once again puts the resort island on the map as a venue of choice befitting the standards and esteem of the best players, officials and enthusiasts in the world.

sen
SINGAPORE'S



WORLD-CLASS BUSINESS GATHERING – **FORBES** GLOBAL CEO CONFERENCE 2006

In partnership with business publisher Forbes, Sentosa hosted The Forbes Global CEO Conference for its first of three consecutive years in Singapore and Sentosa.

The 6th Annual Forbes Global CEO Conference, which took place from 4 to 5 September 2006, was also held in conjunction with the Barclays Singapore Open 2006.

Marking our first foray into the business market, this global event brings over 450 of the world's top executives, policy-makers, thought leaders and industry-movers to Sentosa where they meet to build long-term business partnerships.

Our partnership with Forbes also includes hosting the annual Forbes *Best Under A Billion* Awards Ceremony and Dinner on Sentosa. The Ceremony recognises 200 of Asia's top performing small and medium enterprises.

An aerial photograph of Sentosa Cove, Singapore, showing a winding canal system, residential buildings, a golf course, and a marina. The water is a deep blue, and the land is lush green with various structures and landscaping.

Anchoring a Central *Live-Work-and-Play* **Leisure District**

An exciting environment for leisure makes for an enticing environment to live in. Urbanites who enjoy the proximity of the city will be drawn to our luxury residential enclave that balances the laid-back charms of the tropics with the up-beat energy of the metropolitan city. The signature Sentosa Cove waterfront residences offer the ultimate exclusive address in the region.

World-Class Real Estate

The only oceanfront residence in Singapore and arguably, the most coveted residential and commercial development in Asia, Sentosa Cove – blending exclusive residential, retail, resort and marina amenities – offers 117 hectares of an integrated waterfront tropical lifestyle resort for the region. When fully developed by 2010, Sentosa Cove will have some 10,000 residents in 2,500 up-market homes as well as the One® 15 Marina Club for 200 yachts, a quayside village and Singapore's first marina hotel.

RECORD BREAKING LAND PRICES

It was a year full of excitement as we achieved record prices for Sentosa's real estate. Major international and local developers staked their claim on Sentosa to build classy homes and offices for the jet set.

Foreign investors were more than forthcoming. The desirability of Sentosa Cove developments as one of the greatest luxury real estates in the world was solidified in a highly anticipated auction by Christie's Great Estate together with its exclusive affiliate Ken Jacobs. Prices set new benchmarks at up to \$1,039 psf for 12 oceanfront, fairway and waterway land parcels.



The ultimate waterfront living on Sentosa Cove beckons with the charms of a mega-yacht marina, luxury residences, tropical resorts and a quayside village.

FY 06/07 Sale Transactions

This year saw the awarding of the right to develop the only plot for commercial-use in Sentosa Cove to City Developments Ltd. Billed as Sentosa Cove's central hub around the marina, the 48,611-sqm Quayside Collection comprises land parcels for a seven-storey, 320-room five-star marina hotel operated by Starwood Hotel & Resorts, a three-storey waterfront commercial site and two six-storey condominium developments adjacent to the hotel. Once completed, it will be one of the unique shopping precincts that will provide a specialty retail, dining and entertainment experience on Sentosa catering to the whims of the wealthy.

Other successful tenders included the award of bungalow land parcels and condominium sites on the Southern Residential Precinct of Sentosa Cove.

One of the most keenly contested tenders was for the Waterfront Collection condominium site, which was awarded to Ho Bee Investment Ltd at \$181.2 million, equating to \$919 psf per plot ratio. Situated right at the water's edge and spread over 11,102 sqm, it is the only waterway-facing condominium site left to be launched. It can be developed up to six storeys high and yield a maximum of 117 units.

Another condominium land parcel, sitting on a sprawling 14,595 sqm site with a plot ratio of 2.15 that can yield up to a total of 200 units, was also launched during the year. Named The Seaview Collection for its prime location with unobstructed 360-degree views of the sea, the Southern Islands, Tanjong Golf Course and the waterways, the land parcel drew five bids. It was awarded to the highest bid of \$1,361 psf per plot ratio or \$459.8 million by a joint venture between Ho Bee Investment Ltd and IOI Land Singapore Pte Ltd.

A second batch of six limited prime seafront bungalow parcels was also put on sale. Occupying land areas ranging from 754.9 sqm to 1,723.8 sqm, these parcels achieved prices from \$927 psf to a benchmark high of \$1,308 psf, far exceeding the reserve of \$890 psf.

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**WE MADE
5.7 MILLION
LEISURE-
SEEKERS **FEEL
SPECIAL.****

ONE BY ONE.

As Singapore's biggest tourism attraction, Sentosa attracted close to 30% of the nation's total overseas guests. Reaching new peaks in guest figures year on year, this financial year saw an all-time high of 5.7 million people flocking to the island for Sentosa's brand of outstanding guest service and unique experiences that aim to make every guest feel special.

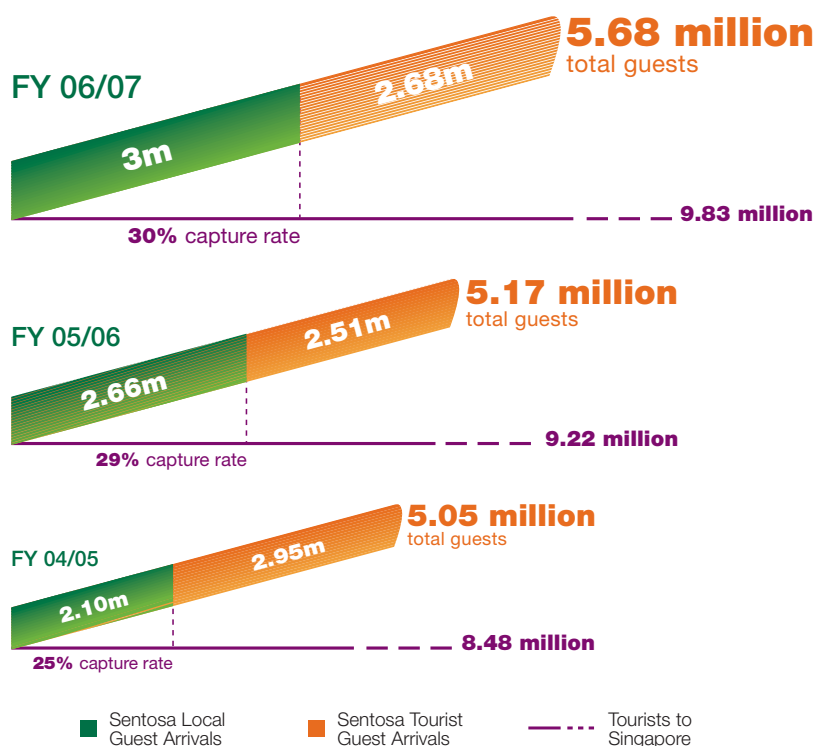


RECORD GUEST ARRIVALS & ATTENDANCE TO ATTRACTIONS

Total guest arrivals reached record highs this year with 5.7 million guests. This figure comprises 53% tourists and 47% locals.

Attendance to our attractions has also been growing from strength to strength with our beaches achieving 34% increase in beach-goers since their extensive makeovers. Images of Singapore and the Sentosa Luge & Skyride doubled in guest figures in the past year. This can mainly be attributed to our far-reaching marketing efforts and our consistent efforts to ensure a regularly revitalised and updated array of island attractions.

Guests to Sentosa







Guest Figures Up at Imbiah Attractions

Following the trade launch of the Imbiah Lookout in August 2005 and the addition of new attractions, such as the Sentosa Luge & Skyride, Sentosa 4D Magix and the revitalised Images of Singapore, the year in review saw concerted marketing and publicity efforts to enhance visitor arrivals to the attractions in the area.

Our promotions to attract “adventure seekers, nature lovers and history buffs” resulted in more guests to Imbiah in the past year as compared to the year before. The proportion of guests visiting more than two attractions at Imbiah also increased, affirming the success of our strategy to sell our cluster of attractions under the ‘Imbiah’ umbrella.

Replacing Cinemania (which closed in January 2007) will be the new state-of-the-art *Cineblast*, which is scheduled to open in June 2007. Looking ahead, guests to Sentosa can expect a constant renewal of cutting edge attractions benchmarked against the best around the world.

Guests to Attractions



Beaches



Underwater World & Dolphin Lagoon



Singapore Cable Car¹



Musical Fountain²



Sentosa Luge & Skyride³



Sky Tower



Images of Singapore⁴



The Merlion



Sentosa 4D Magix⁵



Butterfly Park & Insect Kingdom



Cinemaniam⁶



Fort Siloso Tours



■ Guest figures
FY06/07

■ Guest figures
FY05/06

Notes:

1. Cable Car was closed for maintenance from 1 June - 20 July 2005 & 3 - 26 April 2006.
2. Musical Fountain closed wef 27 March 2007.
3. Sentosa Luge & Skyride started operations in August 2005.
4. Images of Singapore closed for renovation from 5 July 2004 - 26 May 2005.
5. Sentosa 4D Magix started operations in December 2005.
6. Cinemaniam closed wef 15 January 2007.



Speedier Access for many with new **Sentosa Express**

Our largest infrastructural project since the development of the causeway link, the Sentosa Express monorail system was launched on 15 January 2007. Connecting Sentosa to mainland Singapore at the Sentosa Station at VivoCity, the monorail is just a short walk from HarbourFront MRT on the North-East Line. Once on board, one can reach the island in less than four minutes.

The driver-operated Sentosa Express runs on an elevated 2-way track along a 2.1km-route to the island's key activity points and can carry 3,000 passengers per hour in each direction. Equipped with Hitachi's advanced monorail technology, the system is computerised to ensure the smooth running of the trains. Starting from the Sentosa Station (at VivoCity), the monorail plies through the Waterfront Station (which will be operational only when the Resorts World at Sentosa is ready in 2010), Imbiah Station (next to The Merlion with convenient access to the attractions at Imbiah Lookout) and Beach Station (above the Beach Carpark). From the latter two stations, guests can easily connect to the island's buses and beach trams to get to the various parts of the island.



Location: Beach Station
(Below, left to right)

Bernadette Toh
Director,
Service Quality & Communications,
and Strategic Industry Partnerships
(The Tourism Academy @ Sentosa)

Andrew Koh
Director,
Retail

Lynette Lim
Director,
Resorts Development

Wun Khai Ping
Deputy Executive Director,
Sentosa Golf Club



BETTER SERVICE AND SHORTER QUEUES WITH NEW SMART-CARD SYSTEM

In conjunction with the launch of the new Sentosa Express, a contactless smart access card called Sentosa Pass was introduced. This Pass includes admission and transportation to Sentosa Island and can be readily purchased at all Sentosa Express stations. Part of the new Sentosa Access Control and Ticketing System (SACT), it will enable guests to save time at queues when they pay for all admissions, transportation and attraction charges at kiosks placed at strategic locations on the island.

SACT comprises gates, ticketing machines, point-of sales equipment and mobile validators connected to a central server. A 2K-bit memory chip embedded in the card will also enable the management to have a better understanding of our guests' needs and preferences so that we can effectively manage the island's resources. Guests are already raving about the intuitive ease of use and convenience of the smart new system.



Making Our Guests' Day!

Even as we hit record numbers in guest arrivals, our guest philosophy has remained unchanged: to make every individual guest feel special and create memorable experiences at every point of interaction.

Behind the "Sentosa wave" and warm smiles lie a strong guest-centric culture that is built on:

- establishing an islandwide mood of energy, passion and fun;
- recruitment policies that focus on people with the personalities for the service industry;
- human resource policies that take care of "employee service" so that guest service becomes a natural extension;
- training and empowerment programmes (such as "I Did Good!") that bring out the "can-do" attitude and enable staff at all levels and across all functions to provide on-the-spot service recovery, or better yet, to delight a guest!
- guidelines, such as operating priorities, to allow team members to exercise flexibility in responding to guests' needs while being clear about our guiding principles;
- recognition programmes (such as "Zapp!" that instantly reward great service provided as well as individual and team rewards for repeatedly high levels of service);
- measures such as guest satisfaction surveys and mystery shops at 31 guest touch-points to ensure that we are on track with guest expectations.

Our guest satisfaction rating has steadily climbed to 84% this year. We are determined to continue to work on closing our service gaps and increasing our service consistency.



**WORLD-CLASS
LEISURE**
IS HARD WORK.

A vibrant photograph of three people enjoying a swimming pool. In the center, a man with long dark hair is laughing with his mouth open, holding a woman in a yellow bikini. To the right, another woman in a black bikini is also laughing and splashing. The water is a bright, clear blue, and the scene is full of energy and joy.

THE TRICK IS TO ENJOY IT.

People who love what they do. This is the fuel that drives the energy, passion and fun that our people exude. To reinforce this spirit, creativity is injected into training workshops comprising balloon-sculpting skills and magic tricks, which are then used to entertain guests. Annual corporate goals are incorporated into company games and take into account not just revenue and guest satisfaction ratings, but also all staff's ability to entertain as well as to take care of guest safety. In the year under review, all staff were certified first aiders as part of the qualifier for the company game.

Outstanding Service and *Excellence* on the Ground

Award-winning excellence is only possible with award-winning staff who understand our values and are committed to working as a team to realise our collective vision. This year, as it was in the previous year, Sentosa received multiple local and international industry awards recognising our staff's outstanding service.





More than
100 winners
for the national
**Excellent Service
Awards (EXSA)**

Once again, Sentosa made an impressive showing at the EXSA awards, heading the honour roll of winners under the Association of Singapore Attractions, with 118 out of the 354 award winners in the industry.

Presented by SPRING Singapore and nine service industry lead bodies, EXSA is a national award that recognises individuals who have delivered outstanding services. It is conferred at four levels namely the Silver, Gold, Star and SuperStar. In 2006, **Francis Low Keng Kwok** (left) from our Animal Encounters Unit (Operations), was shortlisted from thousands of Star winners as one of 3 finalists for the SuperStar Award from the attractions industry.

RECORD NOMINATIONS AT TOURISM AWARDS

As a strong affirmation of our islandwide brand of service, Sentosa received a record number of nominations from the public. For the second year in a row, our two attractions, **Images of Singapore** and **Fort Siloso**, made it to the finals for ***"Best Leisure Attraction Experience"***. Our retail store at **Images of Singapore** was also a finalist for the ***"Best Shopping Experience – Specialty Store"***, while Assistant Retail Supervisor, **Norliah Bte Hassan**, was a finalist for ***"Best Tourism Host – Retail"***.

Together with our partners from the hotels and attractions, Sentosa bagged 7 out of the 26 awards for the year. **Images of Singapore** was voted among the ***"Top 10 Best Family Experiences"***. The other awards presented to our island partners were:

- **Mt Faber Leisure Group** and **Underwater World Singapore Pte Ltd**, both for ***"Top 10 Best Family Experiences"***
- **Rasa Sentosa Resort Singapore** for ***"Best Accommodation Experience – Superior Hotel"***
- **Lee Xunzhong**, Sentosa Luge & Skyride for ***"Best Tourism Host – Leisure Attractions"***
- **Siti Khadijah Bte Abdul Talip**, Spa Botanica at The Sentosa Resort & Spa for ***"Best Tourism Host – Spa"***
- **Danny Chee Kai Leong**, Supervisor - The Cliff, The Sentosa Resort & Spa for ***"Best Tourism Host – Restaurant"***.

The top honour went to our former chairman, Philip Ng, for his leadership and vision during his six-year tenure here.

The annual Tourism Awards honors individuals and organisations that have made outstanding contributions towards the development of Singapore's tourism industry, in terms of creating memorable and unique products and services that help enhance Singapore's status as a premier tourist destination. The award categories focus on service excellence, innovation, creativity and experiential factors.





Rasa Sentosa Resort,
Siloso Beach

Leaders in Tourism Education

Into its second year of operation, The *Tourism Academy@Sentosa* has made good strides in setting benchmarks in tourism and hospitality standards, and in nurturing talent for the industry.

In collaboration with Temasek Polytechnic, the Academy has seen some 500 local and foreign students pass through its campus for a diploma programme in hospitality and tourism. More importantly, the island's "living classrooms" allow for freshly-learnt skills to be put into practice in the various facilities on the island through internships, deployment and part-time employment. Students were a part of signature events such as the *Barclays Singapore Open* and the *World Gourmet Summit*.



A photograph of three staff members in white uniforms and blue caps on a beach. Two are in the foreground on the left, looking towards the right. One is in the background on the right, smiling and looking down. The background shows palm trees and a sandy beach.

Islandwide Service

We have been deeply committed to promoting a consistent level of service across our various island partners with diverse operating philosophies. This has been reciprocated by our partners, with their participation in the Academy's service fundamentals programme, *"The Sentosa Show"*. We are also progressively roping in more partners to discover more about the entire island's offerings through regular communication and tours of attractions. Service initiatives such as guest responsiveness standards and guest feedback methodology are also promoted.

Industry Synergy

The Academy has also been providing continuing education, consultancy and research services for those already in the industry. It conducted several executive seminars on brand safety; tourism planning, development and trends; understanding gaming; Asian hospitality; understanding integrated resorts; culinary and wine appreciation.

Looking ahead to future developments in the tourism landscape of Singapore, it took the lead in organising a workshop on safe practices and standards in operating rides and theme parks. Conducted by an international safety expert from the International Association of Amusement Parks and Attractions, the workshop put government agencies as well as local and regional industry operators on the same page with regard to global safety practices.

Global Excellence

Internationally, our alliance with University of Hawaii has resulted in a conference on destination management, an executive programme on Resort Management that will be launched in 2008, and subsequent offerings of graduate and post-graduate courses in Travel & Tourism.



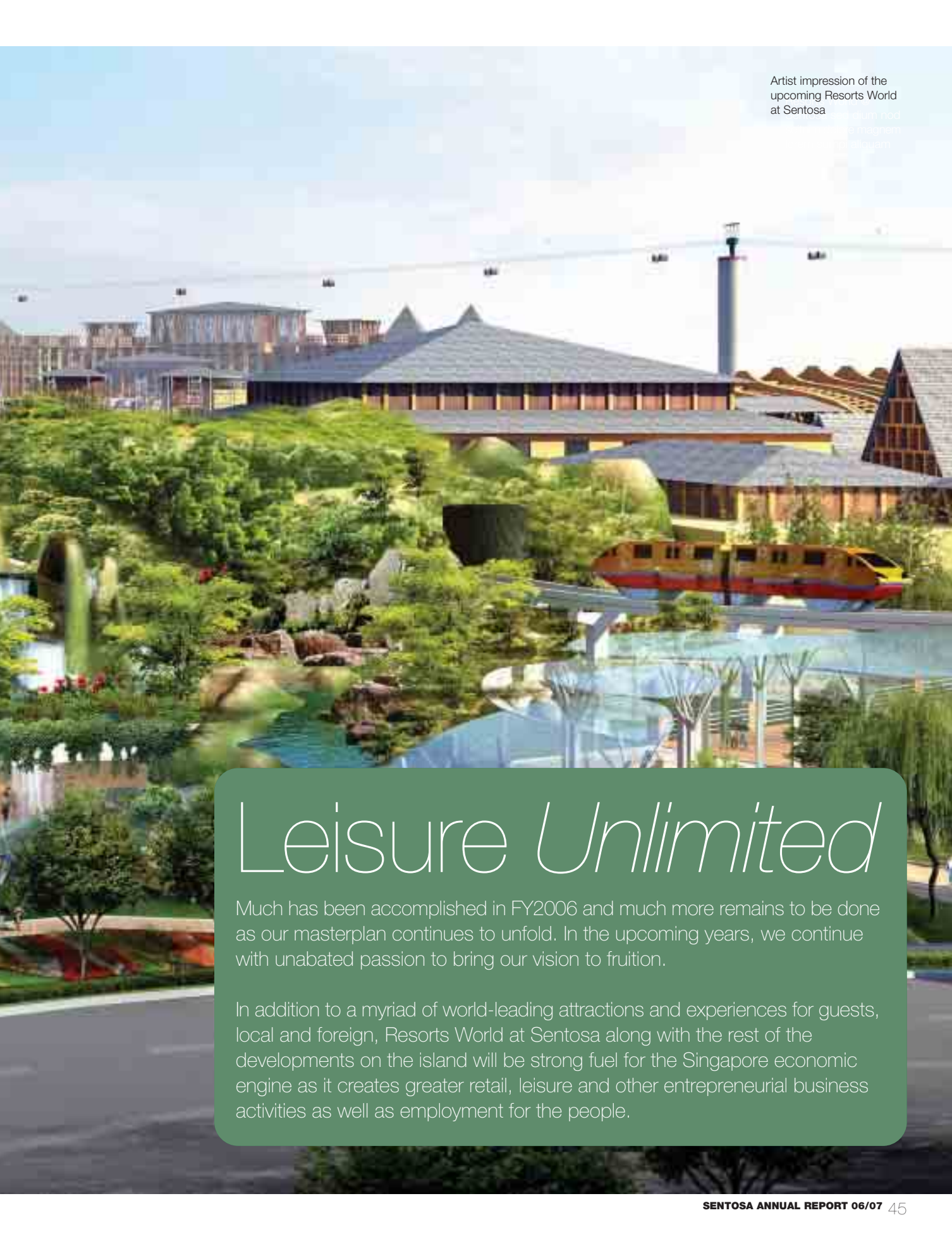
SIZE MATTERS.

A young girl with dark hair, wearing a white dress with a yellow floral pattern, and a young boy with dark hair, wearing yellow shorts, are standing on a sandy beach. They are both holding up large, colorful sunglasses (yellow for the girl, orange for the boy) in front of their faces, making them look like they are wearing them. The background shows the ocean waves. A grey rounded rectangle with a thin white border is positioned in the upper right corner, containing the text. A thin white line with a slight curve runs across the middle of the image, passing behind the grey box.

ONLY WHEN IT COMES TO VISION.

Like Singapore, Sentosa is a small island with a big and bold vision to make a major impact in the region and the world. Our view of a new and exciting Sentosa is one that enriches not just the lives of astute leisure seekers but also the man in the street in Singapore.



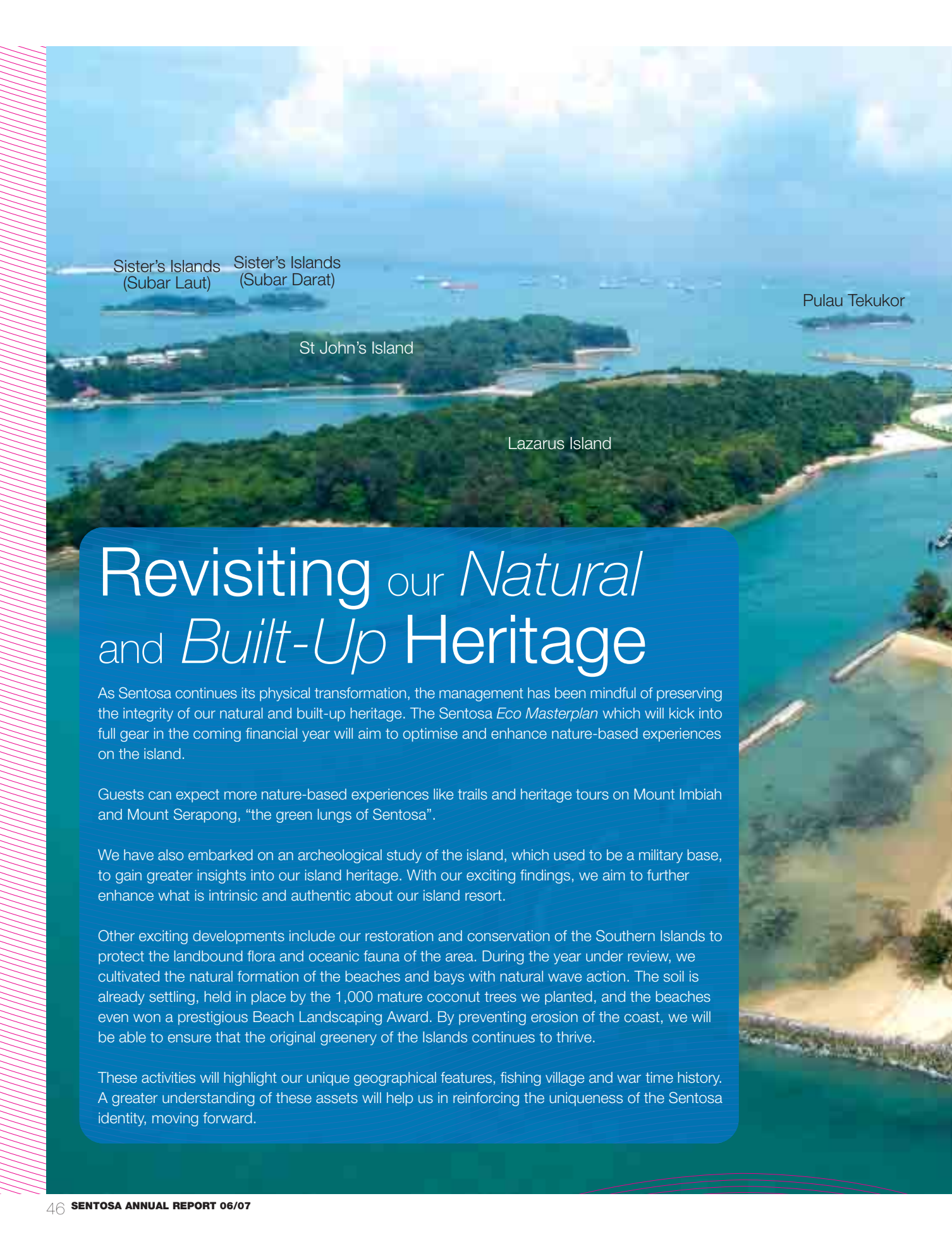
An artist's impression of the Resorts World at Sentosa development. The image shows a large, modern building with a traditional-style roof, surrounded by lush greenery and a water feature. A cable car is visible in the sky, and a train is on a track in the foreground. The scene is set against a clear blue sky.

Artist impression of the
upcoming Resorts World
at Sentosa

Leisure *Unlimited*

Much has been accomplished in FY2006 and much more remains to be done as our masterplan continues to unfold. In the upcoming years, we continue with unabated passion to bring our vision to fruition.

In addition to a myriad of world-leading attractions and experiences for guests, local and foreign, Resorts World at Sentosa along with the rest of the developments on the island will be strong fuel for the Singapore economic engine as it creates greater retail, leisure and other entrepreneurial business activities as well as employment for the people.



Sister's Islands
(Subar Laut)

Sister's Islands
(Subar Darat)

St John's Island

Pulau Tekukor

Lazarus Island

Revisiting our *Natural* and *Built-Up* Heritage

As Sentosa continues its physical transformation, the management has been mindful of preserving the integrity of our natural and built-up heritage. The Sentosa *Eco Masterplan* which will kick into full gear in the coming financial year will aim to optimise and enhance nature-based experiences on the island.

Guests can expect more nature-based experiences like trails and heritage tours on Mount Imbiah and Mount Serapong, “the green lungs of Sentosa”.

We have also embarked on an archeological study of the island, which used to be a military base, to gain greater insights into our island heritage. With our exciting findings, we aim to further enhance what is intrinsic and authentic about our island resort.

Other exciting developments include our restoration and conservation of the Southern Islands to protect the landbound flora and oceanic fauna of the area. During the year under review, we cultivated the natural formation of the beaches and bays with natural wave action. The soil is already settling, held in place by the 1,000 mature coconut trees we planted, and the beaches even won a prestigious Beach Landscaping Award. By preventing erosion of the coast, we will be able to ensure that the original greenery of the Islands continues to thrive.


These activities will highlight our unique geographical features, fishing village and war time history. A greater understanding of these assets will help us in reinforcing the uniqueness of the Sentosa identity, moving forward.



Kias Island

Pulau Seringat

Kusu Island



As we turn the page to another year, we are excited by the fresh new beginnings ahead. The past year saw many of our initiatives coming into their own as we forged ahead with plans and developments to create a dynamic Sentosa – one that will always have new experiences to offer our guests. Our efforts are bearing fruits and we look forward to realising our vision.



The newly rejuvenated Sentosa now offers a plethora of experiences including – (from left to right) Dolphin Lagoon, Fort Siloso, Skyride, ambient dining, beach parties, The Merlion, sporting events, spa retreats and more.



Sentosa Leisure Group

Sentosa Development Corporation manages, plans, develops and maintains Sentosa Island in its vision to be the leader in shaping leisure and lifestyle experiences. Formed on 1 September 1972 as a statutory board under the Ministry of Trade and Industry, it now encompasses five other businesses:



Sentosa Leisure Management Pte Ltd

oversees daily operations of Sentosa Island including sales, marketing, communications, event planning, attraction development and management, transport, guest services, landscaping, facilities maintenance, security, food and beverage, and retail.



Sentosa Cove Pte Ltd undertakes the masterplanning, infrastructure development, project management and land sales of Sentosa Cove, a prestigious waterfront residential, commercial and marina project on Sentosa Island.



Sentosa Cove Resort Management Pte Ltd

is the place manager of Sentosa Cove's estate, facilities, maintenance and community management; dedicated to cater to the needs of the community and guests of Sentosa Cove.



Sentosa Golf Club manages two luxurious and challenging 18-hole 72-par championship golf courses on Sentosa Island.



Southern Islands Development oversees the master planning and transformation of a cluster of islands – Kusu, Lazarus, Sisters, St John's, Seringat, Hantu, Biola, Jong and Tekukor – into a waterfront lifestyle destination.



Mount Faber Leisure Group operates Singapore's only cableway system and manages other inbound tour services, retail, food and beverage, ground handling services and attractions management (50 percent stake).

Destination **Sentosa**





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