



澳門博彩控股有限公司
SJM HOLDINGS LIMITED

incorporated in Hong Kong with limited liability Stock Code : 880

Press Release

**SJM Holdings Announces
Key Performance Indicators for First Quarter 2019
Net Profit up 16.5%
Adjusted EBITDA up 8.9%**

(Hong Kong, 30 April 2019) SJM Holdings Limited (the “Company”) today announced selected unaudited key performance indicators of the Company and its subsidiaries (collectively the “Group”) for the three months ended 31 March 2019 (“Q1 2019”).

2019 FIRST QUARTER HIGHLIGHTS (UNAUDITED)

- Net Gaming Revenue¹ of the Group in Q1 2019 increased by 0.8% from Q1 2018 to HK\$8,476 million.
- Adjusted EBITDA² of the Group in Q1 2019 increased by 8.9% over Q1 2018 to HK\$1,075 million.
- Adjusted EBITDA Margin³ of the Group in Q1 2019 increased to 12.4% from 11.5% in Q1 2018.
- Profit attributable to owners of the Company in Q1 2019 increased by 16.5% over Q1 2018 to HK\$850 million. The increase was mainly due to an increase in mass market gross gaming revenue.
- The Group’s gross gaming revenue accounted for 14.1% of Macau’s casino gaming revenue during Q1 2019, as compared with 14.7% in Q1 2018.
- The Group maintained a strong and liquid financial position, with HK\$18,451 million of cash, bank balances and pledged bank deposits and HK\$15,402 million of debt as at 31 March 2019.
- The Grand Lisboa Palace, the Group’s integrated resort on Cotai continued to make progress on construction in Q1 2019.

1 Gross gaming revenue less commissions and incentives

2 Earnings after adjustment for non-controlling interests and before accounting for interest income and expense, tax, depreciation and amortisation, donations, gain on disposal of property and equipment and share based payments

3 Adjusted EBITDA divided by total net revenue (net gaming revenue plus hotel, catering, retail and related services revenue)

Year-to-Date Comparison (unaudited)

	Three months ended 31 March		
	2019	2018	Increase
	<i>HK\$ million</i>	<i>HK\$ million</i>	
Total Net Revenue	8,658	8,597	0.7%
Net Gaming Revenue	8,476	8,410	0.8%
Profit Attributable to Owners of the Company	850	730	16.5%
Adjusted EBITDA	1,075	987	8.9%
Adjusted EBITDA Margin	12.4%	11.5%	

Gaming revenue, net of commissions and incentives of HK\$1,942 million (Q1 2018: HK\$2,506 million), earned by Sociedade de Jogos de Macau, S.A., a subsidiary of the Company, was HK\$8,476 million in Q1 2019, an increase of 0.8% from Q1 2018.

During Q1 2019, the Group's VIP gross gaming revenue was HK\$3,935 million, a decrease of 19.4% from HK\$4,881 million in Q1 2018, mass market gross gaming revenue was HK\$6,193 million, an increase of 7.9% from HK\$5,741 million, and slot machine gross gaming revenue was HK\$290 million, a decrease of 1.3% from HK\$294 million. The Group's total net revenue during Q1 2019 of HK\$8,658 million included hotel, catering, retail and related services revenue of HK\$182 million (Q1 2018: HK\$187 million).

Year-to-Date Comparison (unaudited)

	Three months ended 31 March		
	2019	2018	Increase/ (Decrease)
	<i>HK\$ million</i>	<i>HK\$ million</i>	
VIP Gross Gaming Revenue	3,935	4,881	(19.4%)
Mass Market Gross Gaming Revenue	6,193	5,741	7.9%
Slot Machine Gross Gaming Revenue	290	294	(1.3%)
Gross Gaming Revenue	10,418	10,916	(4.6%)
Commissions and incentives	(1,942)	(2,506)	(22.5%)
Net Gaming Revenue	<u>8,476</u>	<u>8,410</u>	<u>0.8%</u>

During Q1 2019, the Group operated an average of 280 VIP gaming tables (Q1 2018: 284), 1,410 mass market gaming tables (Q1 2018: 1,417) and 2,594 slot machines (Q1 2018: 2,700) (average of three month-end counts).

Total VIP chips sales for the Group during Q1 2019 were HK\$123 billion (Q1 2018: HK\$178 billion) and the VIP gaming hold percentage (before commissions and incentives) was 3.20% (Q1 2018: 2.74%).

Key Results for the Group's Casinos – Q1 2019

	Gross Gaming Revenue <i>HK\$ million</i>	Adjusted EBITDA <i>HK\$ million</i>
Casino Grand Lisboa	3,524	601
Other Self-promoted Casinos ¹	1,469	284
Satellite Casinos ²	5,425	151

¹ Casino Lisboa, Casino Oceanus at Jai Alai (including casino area in the Jai Alai building) and Casino Taipa

² Sixteen third party-promoted casinos

During Q1 2019, the Grand Lisboa Hotel achieved an average occupancy rate of 94.7% and average room rate of HK\$1,500 per night, as compared with average occupancy rate of 97.2% and average room rate of HK\$1,582 per night in Q1 2018.

Capital expenditure of the Group during Q1 2019 was HK\$1,577 million, which was primarily for construction in progress. As at 31 March 2019, the Group had total cash, bank balances and pledged bank deposits of HK\$18,451 million and debt of HK\$15,402 million.

Speaking on the first quarter results, Dr. Ambrose So, Vice-Chairman and Chief Executive Officer of SJM Holdings Limited, said “We are very pleased that our efforts to strengthen our mass market business have resulted in material increases in SJM’s Net Profit and Adjusted EBITDA during the first quarter. We strive to continue enhancing our business on Macau Peninsula whilst we complete construction of the Grand Lisboa Palace on Cotai.”

Further information on SJM Holdings Limited can be found on www.sjmholdings.com.