



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 Selected Unaudited Q1 2017 Results

(Hong Kong, 4 May 2017) 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 2017 (“Q1 2017”).

2017 FIRST QUARTER HIGHLIGHTS (UNAUDITED)

- Gaming revenue of the Group in Q1 2017 decreased by 5.3% from Q1 2016 to HK\$10,389 million.
- Adjusted EBITDA¹ of the Group in Q1 2017 increased by 0.7% over Q1 2016 to HK\$843 million.
- Adjusted EBITDA Margin² of the Group in Q1 2017 increased to 8.0% from 7.5% in Q1 2016.
- Profit attributable to owners of the Company in Q1 2017 increased by 3.3% over Q1 2016 to HK\$580 million. The increase was mainly due to increase in mass market gaming revenue.
- The Group’s gaming revenue accounted for 16.9% of Macau’s casino gaming revenue during Q1 2017, as compared with 20.2% in Q1 2016.
- The Group maintained a strong and liquid financial position, with HK\$12,662 million of cash, bank balances and pledged bank deposits and HK\$503 million of debt as at 31 March 2017.
- The Grand Lisboa Palace, the Group’s integrated resort on Cotai continued to make progress on construction in Q1 2017.

1 Earnings after adjustment for non-controlling interests and before accounting for interest income and expense, tax, depreciation and amortization, donations, gain on disposal/write-off of property and equipment and share-based payments

2 Adjusted EBITDA divided by total revenue

Year-to-Date Comparison (unaudited)

	Three months ended 31 March		Increase/ (Decrease)
	2017 <i>HK\$ million</i>	2016 <i>HK\$ million</i>	
Total Revenue	10,528	11,105	(5.2%)
Gaming Revenue	10,389	10,973	(5.3%)
Profit Attributable to Owners of the Company	580	561	3.3%
Adjusted EBITDA	843	838	0.7%
Adjusted EBITDA Margin	8.0%	7.5%	

Gaming revenue, net of direct sales incentives including customer relationship programs of HK\$45 million (Q1 2016: HK\$47 million), earned by Sociedade de Jogos de Macau, S.A. (“SJM”), a subsidiary of the Company, was HK\$10,389 million in Q1 2017, a decrease of 5.3% from Q1 2016.

During Q1 2017, the Group’s VIP gaming revenue was HK\$4,936 million, a decrease of 12.0% from HK\$5,607 million in Q1 2016, mass market gaming revenue was HK\$5,196 million, an increase of 1.9% from HK\$5,099 million, and slot machine (and Tombola) revenue was HK\$257 million, a decrease of 3.7% from HK\$267 million. The Group’s total revenue during Q1 2017 of HK\$10,528 million included hotel, catering and related services revenue of HK\$139 million (Q1 2016: HK\$132 million).

During Q1 2017, the Group operated an average of 315 VIP gaming tables (Q1 2016: 369), 1,375 mass market gaming tables (Q1 2016: 1,298) and 2,549 slot machines (Q1 2016: 2,898) (average of three month-end counts).

Total VIP chips sales for the Group during Q1 2017 were HK\$157.7 billion (Q1 2016: HK\$177.9 billion) and the VIP gaming hold percentage (before commissions and discounts) was 3.13% (Q1 2016: 3.15%).

Key Results for the Group’s Casinos – Q1 2017

	Gaming Revenue <i>HK\$ million</i>	Adjusted EBITDA <i>HK\$ million</i>
Casino Grand Lisboa	3,682	474
Other Self-promoted Casinos ¹	1,533	150
Satellite Casinos ²	5,174	170

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

² Fifteen third party-promoted casinos

The Group's Adjusted EBITDA Margin was 8.0% in Q1 2017, as compared with 7.5% in Q1 2016.

During Q1 2017, the Grand Lisboa Hotel achieved an average occupancy rate of 93.5% and average room rate of HK\$1,585 per night, as compared with average occupancy rate of 91.6% and average room rate of HK\$1,660 per night in Q1 2016.

Capital expenditure of the Group during Q1 2017 was HK\$1,431 million, which was primarily for construction in progress. As at 31 March 2017, the Group had total cash, bank balances and pledged bank deposits of HK\$12,662 million and debt of HK\$503 million.

Dr. Ambrose So, Chief Executive Officer of SJM Holdings Limited, commented: "SJM's first quarter results saw a resumption of growth in mass market gaming revenue, quarter-to-quarter and year-on-year, which resulted in an increase in Adjusted EBITDA and an improvement in Adjusted EBITDA Margin for the period (exclusive of 4Q 2016 one-off items). Our Grand Lisboa Palace project on Cotai continues to make great progress and remains on budget."

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