



澳門博彩控股有限公司 SJM HOLDINGS LIMITED

(incorporated in Hong Kong with limited liability)

(Stock Code: 880)

For immediate release

SJM Holdings Announces Selected Unaudited Q3 2014 Results and Selected Unaudited 2014 Year-to-Date Results

(Hong Kong, 10 November 2014) 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 30 September 2014 (“Q3 2014”) and the nine months ended 30 September 2014 to enable its shareholders, investors and the public to better appraise the position and business performance of the Group.

2014 THIRD QUARTER AND THE NINE MONTHS HIGHLIGHTS (UNAUDITED)

- Profit attributable to owners of the Company in Q3 2014 decreased by 16.4% over Q3 2013 to HK\$1,528 million and for the nine months ended 30 September 2014 decreased by 4.0% from the first nine months of 2013 to HK\$5,430 million.
- Adjusted EBITDA¹ of the Group in Q3 2014 decreased by 14.3% over Q3 2013 to HK\$1,751 million and for the nine months ended 30 September 2014 decreased by 1.8% from the first nine months of 2013 to HK\$6,196 million.
- Adjusted EBITDA Margin² of the Group in Q3 2014 was 9.6%, the same margin as in Q3 2013 and for the nine months ended 30 September 2014 was 9.9%, the same margin as for the first nine months of 2013.
- Gaming revenue of the Group in Q3 2014 decreased by 14.1% from Q3 2013 to HK\$18,091 million and for the nine months ended 30 September 2014 decreased by 1.6% from the first nine months of 2013 to HK\$62,203 million.
- Gaming revenue of the Group’s flagship Casino Grand Lisboa decreased by 11.0% from Q3 2013 to HK\$6,878 million, whilst its Adjusted EBITDA decreased by 6.4% to HK\$999 million. For the nine months ended 30 September 2014, Casino Grand Lisboa’s gaming revenue decreased by 0.3% from the first nine months of 2013 to HK\$23,086 million, whilst its Adjusted EBITDA increased by 1.9% to HK\$3,423 million.
- The Group’s gaming revenues accounted for 22.5% of Macau’s casino gaming market during Q3 2014, as compared with 24.3% in Q3 2013 and 23.2% for the nine months ended 30 September 2014, as compared with 25.0% for the first nine months of 2013.
- The Group maintained a strong and liquid financial position, with HK\$24,588 million of cash and HK\$1,089 million of debt as at 30 September 2014.

¹ Earnings after adjustment for non-controlling interests and before accounting for interest income and expense, tax, depreciation and amortisation, donations, loss on disposal of property and equipment and share-based payments

² Adjusted EBITDA divided by total revenue

Adjusted EBITDA for the nine months ended 30 September 2014 decreased by HK\$116 million from the first nine months of 2013, being affected by the receipt of non-recurrent income from Macau Legend Development Limited of HK\$149 million in 2013, and the decrease in value of trading securities of HK\$117 million in 2014. Adjusted EBITDA of gaming segments improved by HK\$135 million in the nine months ended 30 September 2014 when compared with the first nine months of 2013. Profit attributable to owners of the Company decreased by HK\$225 million in the first nine months of 2014, being further affected by share-based payments of HK\$191 million in 2014 (HK\$0 in the first nine months of 2013).

During Q3 2014, the Group's VIP gaming revenue was HK\$10,375 million, a decrease of 23.6% from HK\$13,575 million in Q3 2013, mass market gaming revenue was HK\$7,359 million, an increase of 3.1% from HK\$7,141 million, and slot machine (and Tombola) revenue was HK\$357 million, an increase of 5.4% from HK\$339 million. The Group's total revenue during Q3 2014 of HK\$18,254 million included hotel, catering and related services revenue of HK\$163 million (Q3 2013: HK\$181 million).

During Q3 2014 the Group operated an average of 564 VIP gaming tables (Q3 2013: 585), 1,190 mass market gaming tables (Q3 2013: 1,186) and 2,806 slot machines (Q3 2013: 3,348) (average of three month-end counts).

Total VIP chips sales for the Group during Q3 2014 were HK\$360 billion (Q3 2013: HK\$488.8 billion), and the VIP gaming hold percentage (before commissions and discounts) was 2.88% (Q3 2013: 2.75%).

Key Results for the Group's Casinos				
	Q3 2014		Nine months ended 30 September 2014	
	Gaming Revenue	Adjusted EBITDA	Gaming Revenue	Adjusted EBITDA
	<i>HK\$ million</i>	<i>HK\$ million</i>	<i>HK\$ million</i>	<i>HK\$ million</i>
Casino Grand Lisboa	6,878	999	23,086	3,423
Other Self-promoted Casinos ¹	1,960	310	7,810	1,194
Satellite Casinos ²	9,253	382	31,307	1,345

¹ Casino Lisboa, Casino Oceanus at Jai Alai and one Tombola hall

² Fifteen third party-promoted casinos

During Q3 2014, the Grand Lisboa Hotel achieved an average occupancy rate of 90.5% and average room rate of HK\$2,261 per night, as compared with average occupancy rate of 97.5% and average room rate of HK\$2,183 in Q3 2013.

Capital expenditure of the Group during Q3 2014 was HK\$1,228 million, which was primarily for construction in progress and furniture, fixtures and equipment. As at 30 September 2014, the Group had total cash of HK\$24,588 million and debt of HK\$1,089 million.

Speaking on the third quarter results, Dr. Ambrose So, Chief Executive Officer of SJM Holdings Limited, said “In spite of well-publicized headwinds this year which have primarily affected the VIP segment of the Macau market, SJM has turned in a decent performance in the year-to-date period. In particular our mass market business has continued its growth and overall our EBITDA margin has been stable. SJM is well-capitalized and is moving ahead at full speed on construction of our Lisboa Palace project in Cotai, whilst we continue striving to optimize gaming table utilization at our existing properties.”

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