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澳門博彩控股有限公司 SJM HOLDINGS LIMITED

(incorporated in Hong Kong with limited liability)

(Stock Code: 880)

ANNOUNCEMENT

The board of directors (the “**Board**”) of SJM Holdings Limited (the “**Company**”) is pleased to announce selected unaudited key performance indicators of the Company and its subsidiaries (collectively the “**Group**”) for the three months ended 31 March 2014 (“**Q1 2014**”) to enable its shareholders, investors and the public to better appraise the position and business performance of the Group.

2014 FIRST QUARTER HIGHLIGHTS (UNAUDITED)

- Gaming revenue of the Group in Q1 2014 increased by 4.9% from Q1 2013 to HK\$22,789 million.
- Adjusted EBITDA¹ of the Group in Q1 2014 increased by 2.9% over Q1 2013 to HK\$2,190 million.
- Adjusted EBITDA Margin² of the Group in Q1 2014 decreased to 9.5% from 9.7% in Q1 2013.
- Profit attributable to owners of the Company in Q1 2014 decreased by 1.9% over Q1 2013 to HK\$1,878 million. The decrease reflected share-based payments of HK\$106 million; excluding such costs, profit attributable to owners of the Company would have increased by 3.6%.
- The Group’s gaming revenues accounted for 23.0% of Macau’s casino gaming market during Q1 2014, as compared with 26.2% in Q1 2013.
- The Group maintained a strong and liquid financial position, with HK\$29,616 million of cash and HK\$1,447 million of debt as at 31 March 2014.
- On 13 February 2014, groundbreaking was held for the Lisboa Palace, the Group’s integrated resort on Cotai, planned for completion in 2017.

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

Year-to-Date Comparison (unaudited)

	Three months ended 31 March		
	2014 <i>HK\$ million</i>	2013 <i>HK\$ million</i>	Increase/ (Decrease)
Gaming Revenue	22,789	21,734	4.9%
Profit Attributable to Owners of the Company	1,878	1,915	(1.9)%
Adjusted EBITDA	2,190	2,129	2.9%
Adjusted EBITDA Margin	9.5%	9.7%	

During Q1 2014, the Group's VIP gaming revenue was HK\$14,511 million, a decrease of 4.1% from HK\$15,137 million in Q1 2013, mass market gaming revenue was HK\$7,948 million, an increase of 27.8% from HK\$6,220 million, and slot machine (and Tombola) revenue was HK\$330 million, a decrease of 12.6% from HK\$377 million. The Group's total revenue during Q1 2014 of HK\$22,962 million included hotel, catering and related services revenue of HK\$173 million (Q1 2013: HK\$158 million).

During Q1 2013, HK\$1,004 million of gaming revenue from certain high-limit gaming tables located in mass market gaming areas were classified as VIP gaming revenue due to game size. If these tables had been classified as mass market, Q1 2014 VIP gaming revenue would have shown an increase of 2.7%, and mass market gaming revenue would have shown an increase of 10.0%.

During Q1 2014 the Group operated an average of 582 VIP gaming tables (Q1 2013: 653), 1,195 mass market gaming tables (Q1 2013: 1,118) and 2,971 slot machines (Q1 2013: 3,531) (average of three month-end counts).

Total VIP chips sales for the Group during Q1 2014 were HK\$537.2 billion (Q1 2013: HK\$459.2 billion) and the VIP gaming hold percentage (before commissions and discounts) was 2.70% (Q1 2013: 3.08%).

Key Results for the Group's Casinos – Q1 2014

	Gaming Revenue <i>HK\$ million</i>	Adjusted EBITDA <i>HK\$ million</i>
Casino Grand Lisboa	8,280	1,168
Other Self-promoted Casinos ¹	3,237	445
Satellite Casinos ²	11,272	494
¹ Casino Lisboa, Casino Oceanus at Jai Alai and one Tombola hall		
² Fourteen third party-promoted casinos		

The Group's Adjusted EBITDA Margin was 9.5% in Q1 2014, as compared with 9.7% in Q1 2013.

Unrealised fair value loss in an available-for-sale investment in equity securities amounting to HK\$353 million in Q1 2014 has been recognised in other comprehensive income and accumulated under investment revaluation reserve. Accumulated unrealised fair value gain amounting to HK\$871 million as of 31 March 2014 has been recorded in investment revaluation reserve.

To be more comparable to casino companies reporting in the United States, commissions and discounts paid to players and promoters would be deducted from revenue before calculating Adjusted EBITDA Margin. Using this method, the Group's Adjusted EBITDA Margin for Q1 2014 was 16.9%. If the Group's revenue is further adjusted to include the net revenue of self-promoted casinos plus the net revenue contribution (after reimbursed expenses) of the Group's Satellite Casinos, the Group's Adjusted EBITDA Margin would be 29.5%. These alternative margin calculations are provided for the convenience of investors and other interested parties for the purpose of comparing the Group's results with other casino operating companies.

During Q1 2014, the Grand Lisboa Hotel achieved an average occupancy rate of 95.8% and average room rate of HK\$2,385 per night, as compared with average occupancy rate of 93.9% and average room rate of HK\$2,236 in Q1 2013.

Capital expenditure of the Group during Q1 2014 was HK\$613 million, which was primarily for vessels and construction in progress. As at 31 March 2014, the Group had total cash of HK\$29,616 million and debt of HK\$1,447 million.

IMPORTANT NOTE

Shareholders and potential investors should be advised that the above financial data relates only to certain parts of the Group's operations and is based on the Group's internal records and management accounts. The above financial data has not been reviewed or audited by independent auditors and is not a forecast of the performance of the Group as a whole. The Board cautions shareholders and potential investors not to rely unduly on such data and to exercise caution when dealing in the securities of the Company.

By order of the Board
SJM Holdings Limited
So Shu Fai

Executive Director and Chief Executive Officer

Hong Kong, 12 May 2014

As at the date of this announcement, the executive directors of the Company are Dr. Ho Hung Sun, Stanley, Dr. So Shu Fai, Mr. Ng Chi Sing, Mr. Rui José da Cunha, Ms. Leong On Kei, Angela, Mr. Shum Hong Kuen, David and Mr. Fok Tsun Ting, Timothy, the non-executive director of the Company is Dr. Cheng Kar Shun and the independent non-executive directors of the Company are Mr. Chau Tak Hay, Dr. Lan Hong Tsung, David, Mr. Shek Lai Him, Abraham and Mr. Tse Hau Yin.