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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 2011 (“**Q1 2011**”) to enable its shareholders, investors and the public to better appraise the position and business performance of the Group.

2011 FIRST QUARTER HIGHLIGHTS (UNAUDITED)

- Gaming revenue of the Group in Q1 2011 increased by 43% over Q1 2010 to HK\$18,141 million, the Group’s ninth consecutive quarter of growth in gaming revenue.
- Adjusted EBITDA¹ of the Group in Q1 2011 increased by 53% over Q1 2010 to HK\$1,678 million, the Group’s ninth consecutive quarter of growth in Adjusted EBITDA.
- Profit attributable to owners of the Company in Q1 2011 increased by 85% over Q1 2010 to HK\$1,407 million.
- The Group’s gaming revenues accounted for 31.9% of Macau’s casino gaming market during Q1 2011, as compared with 31.9% in Q1 2010.
- The Group maintained a strong and liquid financial position, with HK\$17,735 million of cash and HK\$3,852 million of debt (excluding convertible bonds) as at 31 March 2011.

¹ Earnings after adjustment for non-controlling interest and before accounting for interest income and expense, tax, depreciation and amortisation, and share-based payments

Year-to-Date Comparison (unaudited)

	Three months ended 31 March		Increase
	2011	2010	
	HK\$ million	HK\$ million	
Gaming Revenue	18,141	12,683	43%
Profit Attributable to Owners of the Company	1,407	760	85%
Adjusted EBITDA	1,678	1,096	53%
Adjusted EBITDA Margin	9.2%	8.6%	

Sequential Quarter Comparison (unaudited)

	Three months ended		Increase
	31 March	31 December	
	2011	2010	
	HK\$ million	HK\$ million	
Gaming Revenue	18,141	16,689	9%
Profit Attributable to Owners of the Company	1,407	1,125	25%
Adjusted EBITDA	1,678	1,428	18%
Adjusted EBITDA Margin	9.2%	8.5%	

During Q1 2011, the Group's VIP gaming revenue was HK\$12,748 million, an increase of 54% from HK\$8,282 million in Q1 2010, mass market gaming revenue was HK\$5,015 million, an increase of 22% from HK\$4,122 million, and slot machine revenue was HK\$378 million, an increase of 35% from HK\$279 million. The Group's total revenue during Q1 2011 of HK\$18,271 million included hotel, catering and related services revenue of HK\$130 million (Q1 2010: HK\$81 million).

During Q1 2011 the Group operated an average of 565 VIP gaming tables (Q1 2010: 411), 1,179 mass market gaming tables (Q1 2010: 1,361) and 3,943 slot machines (Q1 2010: 4,614) (average of three month-end counts).

Total VIP chips sales for the Group during Q1 2011 were HK\$453.9 billion (Q1 2010: HK\$288.5 billion), and the VIP gaming hold percentage (before commissions and discounts) was 2.81% (Q1 2010: 2.87%).

Key Results for the Group's Casinos – Q1 2011

	Gaming Revenue HK\$ million	Adjusted EBITDA HK\$ million
Casino Grand Lisboa	5,334	882
Other Self-promoted Casinos ¹	3,008	332
Satellite Casinos ²	9,799	391

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

² Fourteen third party-promoted casinos and one slot hall (ceased operating on 19 January 2011)

The Group's Adjusted EBITDA margin, calculated in accordance with Hong Kong generally accepted accounting principles (Adjusted EBITDA divided by total revenue), was 9.2% in Q1 2011, as compared with 8.6% in Q1 2010.

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 2011 was 16.5%. 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 third party-promoted casinos and slot halls, the Group's Adjusted EBITDA margin would be 30.6%.

The above 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 2011, the Grand Lisboa Hotel achieved an average occupancy rate of 88.3% and average room rate of HK\$2,055 per night, as compared with average occupancy rate of 72.2% and average room rate of HK\$1,924 in Q1 2010.

Capital expenditure of the Group during Q1 2011 was HK\$205 million, which was primarily for work on the upper floors of Grand Lisboa, for phase 3 of Ponte 16 Resort and for equipment purchases. As at 31 March 2011, the Group had total cash of HK\$17,735 million and debt of HK\$3,852 million (excluding convertible bonds of nominal value of HK\$103 million, which were subsequently converted into equity during April 2011).

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, 17 May 2011

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 Dato' Dr. Cheng Yu Tung and the independent non-executive directors of the Company are Mr. Chau Tak Hay, Mr. Lan Hong Tsung, David, Mr. Shek Lai Him, Abraham and Mr. Tse Hau Yin.