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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 30 September 2011 (“**Q3 2011**”) to enable its shareholders, investors and the public to better appraise the position and business performance of the Group.

### **2011 THIRD QUARTER HIGHLIGHTS (UNAUDITED)**

- Gaming revenue of the Group in Q3 2011 increased by 36.2% over Q3 2010 to HK\$19,057 million.
- Adjusted EBITDA<sup>1</sup> of the Group in Q3 2011 increased by 40.2% over Q3 2010 to HK\$1,651 million.
- Profit attributable to owners of the Company in Q3 2011 increased by 35.3% over Q3 2010 to HK\$1,173 million.
- The Group’s flagship Casino Grand Lisboa continued to outperform the market, and increased its gaming revenue in Q3 2011 by 60.1% over Q3 2010 to HK\$5,829 million.
- The Group’s gaming revenues accounted for 28.0% of Macau’s casino gaming market during Q3 2011, as compared with 30.4% in Q3 2010.
- The Group maintained a strong and liquid financial position, with HK\$19,137 million of cash and HK\$3,332 million of debt as at 30 September 2011.

<sup>1</sup> 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)**

	Nine months ended 30 September		Increase
	2011 <i>HK\$ million</i>	2010 <i>HK\$ million</i>	
Gaming Revenue	<b>56,591</b>	40,506	<b>39.7%</b>
Profit Attributable to Owners of the Company	<b>3,839</b>	2,434	<b>57.7%</b>
Adjusted EBITDA	<b>5,142</b>	3,410	<b>50.8%</b>
Adjusted EBITDA Margin	<b>9.0%</b>	8.4%	

During Q3 2011, the Group's VIP gaming revenue was HK\$13,314 million, an increase of 42.0% from HK\$9,375 million in Q3 2010, mass market gaming revenue was HK\$5,389 million, an increase of 25.4% from HK\$4,296 million, and slot machine (and Tombola) revenue was HK\$354 million, an increase of 11.6% from HK\$316 million. The Group's total revenue during Q3 2011 of HK\$19,213 million included hotel, catering and related services revenue of HK\$156 million (Q3 2010: HK\$108 million).

During Q3 2011 the Group operated an average of 613 VIP gaming tables (Q3 2010: 474), 1,145 mass market gaming tables (Q3 2010: 1,274) and 3,964 slot machines (Q3 2010: 4,370) (average of three month-end counts).

Total VIP chips sales for the Group during Q3 2011 were HK\$463.0 billion (Q3 2010: HK\$323.7 billion), and the VIP gaming hold percentage (before commissions and discounts) was 2.88% (Q3 2010: 2.90%).

**Key Results for the Group's Casinos – Q3 2011**

	<b>Gaming Revenue</b> <i>HK\$ million</i>	<b>Adjusted EBITDA</b> <i>HK\$ million</i>
Casino Grand Lisboa	5,829	956
Other Self-promoted Casinos <sup>1</sup>	2,701	253
Satellite Casinos <sup>2</sup>	10,527	423

<sup>1</sup> Casino Lisboa, Casino Jai Alai, Casino Oceanus at Jai Alai, three slot halls and one Tombola hall

<sup>2</sup> Fourteen third party-promoted casinos

The Group's Adjusted EBITDA margin, calculated in accordance with Hong Kong generally accepted accounting principles (Adjusted EBITDA divided by total revenue), was 8.6% in Q3 2011, as compared with 8.4% in Q3 2010. Adjusted EBITDA margin in Q3 2011 was affected by various factors including share of loss in an associate and devaluation of the share price of listed investments.

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 Q3 2011 was 15.5%. 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 29.6%.

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 Q3 2011, the Grand Lisboa Hotel achieved an average occupancy rate of 94.7% and average room rate of HK\$2,015 per night, as compared with average occupancy rate of 77.9% and average room rate of HK\$1,889 in Q3 2010.

Capital expenditure of the Group during Q3 2011 was HK\$61 million, which was primarily for furniture, fixtures and equipment, and chips. As at 30 September 2011, the Group had total cash of HK\$19,137 million and debt of HK\$3,332 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, 7 November 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.*