



Innovation Capital

Investment Bankers

Gaming Newsweekly
For the week ended January 19th, 2014

This publication is a compilation of weekly gaming-related news provided by Innovation Capital, a leading boutique investment bank dedicated to representing mid-market clients in the gaming, leisure, restaurant and retail industries.

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Gaming Industry Public Company & High Yield Data:

[Public Company Trading Comparables](#)

[High Yield Bond Trading Levels](#)

Featured Article:

Rockefeller's Firm Plans \$2.5 Billion Vietnam Development

January 14, 2014

VIETNAM - (Bloomberg News) - Rose Rock Group, a Rockefeller family-backed alternative investment management firm, will help develop a \$2.5 billion residential and hotel project on the south-central coast

of Vietnam. The Vung Ro Bay development covering 200,000 square meters (2.15 million square feet) will be developed with Vung Ro Petroleum Co., a Tuy Hoa, Phu Yen province-based oil company, according to a joint e-mailed statement today.

[Click here to read the full article in Bloomberg News](#)

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Old-School Style Bermuda Casinos Likely Coming Soon

January 19, 2014

BERMUDA - (Kevin Horridge, Casino.org) - Dust off your 007 tuxedo or chiffon evening wear: Bermuda is close to finalizing plans for classic casinos - with the look and feel of those James Bond classic movies - and they're aiming for predominantly upscale table games, and the appropriate tourist crowd to go with. Tourism Minister Shawn Crockwell announced at a recent press conference that the government will soon take action with a public education program outlining its objectives and vision for their own casino gaming industry.

[Click here to read the full article in Casino.org](#)

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Massachusetts Casino Hearing Set for this Week

January 19, 2014

MASSACHUSETTS - (Steve Larson, Legal US Poker Sites) - Among the biggest - and best-publicized - news stories coming out of the East Coast gambling scene last year was the casino licensing race currently underway in Massachusetts. The attention shined on the Bay State's process was due in no small part to the abundance of big name casino outfits vying for a piece of the Massachusetts pie. Such companies as Wynn Resorts, Caesars Entertainment, MGM, Hard Rock, and Mohegan Sun, just to name a few, had their hats in the ring as they worked to gain one of the highly coveted casino licenses the state plans to issue in the coming months as a result of the land-based casino expansion bill Massachusetts passed back in 2011.

[Click here to read the full article in Legal U.S. Poker Sites](#)

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W. Memphis Casino, Racetrack to Expand, add Jobs

January 17, 2014

ARKANSAS - (Chuck Bartels, Miami Herald) - Southland Park in West Memphis announced Friday that it will spend \$37.4 million to expand its casino-style gambling area in a move that will add 60 jobs. Plans include the addition of 41,000 square feet and exterior work to provide a uniform look to old and new areas of the greyhound track and casino. "The entire building from east to west is going to be completely refinished," Southland President and General Manager Troy Keeping said in a phone interview.

[Click here to read the full article in Miami Herald](#)

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Macau Legend to Raise HK \$1.35B from Share Sale

January 17, 2014

MACAU - (Macau Business) - Macau Legend Development Ltd intends to raise about HK\$1.35 billion (US\$174 million) by placing out new shares, less than originally planned. Macau Legend told the Hong Kong Stock Exchange that it will sell up to 188 million shares at HK\$7.25 each. This means Macau Legend is raising about 58 percent of the US\$300 million that its co-chairman, Carl Tong, said in September the company would raise to revamp its Fisherman's Wharf casino complex in Macau.

[Click here to read the full article in Macau Business](#)

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Enoch First Nation Now Outright Owner of River Cree Resort

January 17, 2014

CANADA - (Bill Mah, Edmonton Journal) - The River Cree Resort and Casino is now fully owned by the Enoch Cree Nation and River Cree Enterprises LP. The First Nation and its business entity announced Thursday they have acquired sole ownership after completing a deal to purchase the minority interest held by Las Vegas-based casino operator, Paragon Gaming. To finance the transaction, River Cree Enterprises said it became the first Canadian First Nation-owned company to issue cross-border bonds.

[Click here to read the full article in The First Perspective](#)

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Popularity of ETGs Means Fewer Slots

January 17, 2014

MACAU - (Macau Business) - The number of slot machines in Macau's casinos had fallen to 13,106 by the end of last month, official data show. The number has been falling since it peaked at 17,035 halfway through 2012. But Union Gaming Research Macau Ltd says the number of slot machines and electronic gaming devices, taken together, is growing.

[Click here to read the full article in Macau Business](#)

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Nevada Casinos Rake in \$152.7 Million from Live and Online Poker in Fiscal Year 2013

January 16, 2014

NEVADA - (Brian Pempus, Card Player) - Statewide, Nevada's top casinos reported \$152,746,688 in revenue from live and online poker in fiscal year 2013, according to a state report issued last week. The revenue is another word for the rake. Since online gambling hit the Silver State on April 30th, the figure included only about two months of online poker action. Card Player was told by the Nevada Gaming Control Board that online poker revenues were negligible with respect to the fiscal year poker revenue figure. It is very worth noting that only one online poker site in the Silver State was in operation during that time. Ultimate Poker was the first to venture into the online space in U.S. gaming history.

[Click here to read the full article in Card Player](#)

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Mass-Market Baccarat Revenue Burgeons in 2013

January 16, 2014

MACAU - (Macau Business) - Annual revenue from mass-market baccarat jumped by 38.3 percent last year to MOP91.6 billion (US\$11.5 billion), Gaming Inspection and Coordination Bureau data show. In 2012 revenue had leapt by 36.1 percent. Revenue from mass-market baccarat made up 27 percent of gross gaming revenue in the fourth quarter of last year, the highest proportion ever. Revenue from VIP baccarat increased by 13.1 percent last year to MOP238.5 billion.

[Click here to read the full article in Macau Business](#)

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MGM Has Promising Plan for Casino in PG County

January 16, 2014

MARYLAND - (Bill Ordine, Pressbox) - It shouldn't have come as a surprise that Maryland's sixth casino was awarded to MGM Resorts International, which plans a luxury casino-hotel at National Harbor in Prince George's County, on the doorstep of Washington, D.C. On Dec. 20, the Maryland Video Lottery Facility Location Commission chose MGM instead of projects that two other gaming companies -- Penn

National and Greenwood Racing -- had offered. The casino is not permitted to open any sooner than mid-2016.

[Click here to read the full article in Pressbox](#)

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New Jersey's Casinos are Sinking Faster Than Online Gambling Can Rise

January 15, 2014

NEW JERSEY - (Joshua Brustein, Bloomberg Businessweek) - Six weeks into the era of legalized online gambling in New Jersey, the state has released the first data (PDF) about how much people are gambling on the Internet. Casinos brought in \$8.4 million from Nov. 21, the day of online gaming's soft launch, through the end of the year. This added \$1.2 million the state's coffers. But even with the addition of online gambling, the state's casinos brought in less money in December than they did in December 2012.

[Click here to read the full article in Bloomberg Businessweek](#)

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Lawmakers Reject Video Gambling Reforms

January 15, 2014

ILLINOIS - (Joseph Ryan, Chicago Tribune) - An obscure panel of lawmakers unexpectedly shot down video gambling reforms Tuesday, leaving regulators grasping to close loopholes in the lucrative business. Aaron Jaffe, chairman of the Illinois Gaming Board, which proposed the reforms, said he was "astounded" by the move, which came with no public discussion after a closed-door meeting by the lawmakers. "This is an open invitation for bad people to come into gambling," Jaffe said.

[Click here to read the full article in Chicago Tribune](#)

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Picture of Casino Gambling in Capital Region Coming More into Focus

January 15, 2014

NEW YORK - (Lucas Willard, WAMC Northeast Public Radio) - The picture of casino gambling in New York's Capital Region is coming more into focus, with word that a Western New York company is seeking possible development in Albany. According to a local attorney, the Rochester-based Capital Gaming LLC has signed a contract to purchase Tobin's First Prize Center, the long-vacant site of a former meat packing facility located near I-90 in Albany.

[Click here to read the full article in WAMC Northeast Public Radio](#)

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Zynga Takes First Real-Money Poker App to Facebook

January 15, 2014

UNITED KINGDOM - (iGaming Business) - Social gaming company Zynga has launched its Zynga Plus Poker product on social networking website Facebook, according to the Pokernews.com website. The product, which is currently only available to Facebook users in the UK, utilises the network and software of Partypoker, the internet poker brand of online gaming company bwin.party.

[Click here to read the full article in iGaming Business](#)

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Turnaround Tuesday: Las Vegas Hard Rock Casino Aims to Avoid Foreclosure

January 14, 2014

LAS VEGAS - (Allison Collins, Mergers & Acquisitions) - Bref HR LLC, the owner and operator of the

Hard Rock Hotel & Casino Las Vegas, is seeking options to avoid missing a March mortgage interest payment. Failure to pay could jeopardize the company's future and lead to foreclosure. Affiliates of Brookfield Financial LLC formed New York-based Bref in February 2011 to buy the interests of HRHH JV Junior Mezz LLC, which indirectly owned the hotel.

[Click here to read the full article in Mergers & Acquisitions](#)

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Pennsylvania, 10 Other States in Line for Internet Gambling

January 14, 2014

UNITED STATES - (Mark Gruetze, McClatchy News Service) - Online gambling, especially poker, was huge throughout the country until April 2011, when federal investigators shut down American operations of three major websites based overseas as a violation of banking laws. Pennsylvania, West Virginia and nine other states might approve online gambling this year or next, says the founder of a major Internet gambling consulting company.

[Click here to read the full article in Government Technology](#)

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Nevada Casinos Lost \$1.35 Billion in 2013

January 14, 2014

NEVADA - (Dan Katz, Poker News Daily) - With the U.S. financial markets soaring to new heights in 2013, it was apparent that people were willing to gamble last year. Unfortunately for Nevada, they weren't willing to gamble on dice, cards, and spinning reels as much as the state would have liked. For the fifth straight year, Silver State casinos lost money and lots of it. According to the 2013 Nevada Gaming Abstract, published by the Nevada Gaming Control Board on Friday, the 263 casinos in the state that grossed \$1 million or more in gaming revenue lost a combined \$1,348,992,937. In case the font is too small to count the commas, that's 1.35 BILLION dollars. That is 11 percent worse than in 2012, when the net loss was \$1,212,990,361.

[Click here to read the full article in Poker News Daily](#)

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New Jersey says Internet Betting Generated \$8.4 Million

January 14, 2014

NEW JERSEY - (Christopher Palmeri, Bloomberg News) - New Jersey, the most-populous state to legalize online gambling, said casinos took in \$8.37 million in the first six weeks of play in a debut marked by technical glitches and payment problems. Borgata Hotel Casino & Spa, owned by Boyd Gaming Corp. (BYD) and MGM Resorts International (MGM), and Caesars Entertainment Corp. (CZR) led with \$3.75 million and \$2.38 million respectively, the Division of Gaming Enforcement said today on its website.

[Click here to read the full article in Bloomberg News](#)

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Tribe Doubles Down: Plans Call for \$10M Renovation plus Second \$25-30M Casino

January 13, 2014

ARIZONA - (Lee Allen, Indian Country Today Media Network) - It's no wonder that a primary economic focus for the San Carlos Apache Nation, whose Arizona-based home encompasses seven biotic regions ranging from desert to forest, is recreation and wildlife. The 3,000-square-mile reservation teems with some of the largest antler-bearing elk in the world, as well as deer, big horn sheep, javelina, antelope, black bear, mountain lion, wild turkey and more, making it a big and small game hunting

destination. The tribe's unspoiled lakes and streams, offering Native species like Apache Trout, attract anglers, and the tribe's waters also allow for year-round recreational pursuits like whitewater rafting, kayaking and canoeing.

[Click here to read the full article in ICTMN](#)

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The American Gaming Association Takes a Smart New Direction

January 13, 2014

UNITED STATES - (David G. Schwartz, Vegas Seven) - In the past few months, the American Gaming Association has almost completely regenerated itself. Even though the gaming industry's chief lobbying group has the same name and offices, it has a renewed mission under new President and CEO Geoff Freeman: to promote the overall positive community impact of gaming, urge a streamlined regulatory process and underline the reality that online gaming is not going away. When the AGA was founded in 1995, the industry was in transition.

[Click here to read the full article in Vegas Seven](#)

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