

# Innovation Capital

*Investment Bankers*



**Gaming Newsweekly**  
For the week ended February 25th, 2018

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For securities-related inquiries, please contact an Innovation Capital banker.

## NEW FEATURE...Newsweekly Archive

You can now access Innovation Capital's Newsletter archive on the firm's website [here](#). This feature is password protected-- this month's password is: **grand** (case sensitive).

## Gaming Industry Public Company & High Yield Data:

[Public Company Trading Comparables](#)

[High Yield Bond Trading Levels](#)

## Featured Article:

### Greenwood Gaming and Entertainment secures Category 4 casino award for casino in Shippensburg area

February 22, 2018

HARRISBURG- (Fox 43 Newsroom) - Greenwood Gaming and Entertainment, Inc., gained the opportunity to build a casino in the Shippensburg area after being awarded the fourth auction for Category 4 casino permits in the Commonwealth, according to the Pennsylvania Gaming Control Board. Greenwood Gaming and Entertainment's bid of \$8,111,000 was actually the second highest bid submitted, the Gaming Control Board said in a press release. But the high bidder, Sands Bethworks Gaming, LLC, but its stated potential casino location intruded into an area that was earlier secured by Mount Airy #1 LLC at a previous auction, the Gaming Control Board said.

[Click here to read the full article in Fox 42](#)

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### Long-stalled Vegas casino-resort gets new life

February 25, 2018

LAS VEGAS- (Regina Garcia Cano, Associated Press) - The Fontainebleau is no more. Call it The Drew Las Vegas. The hulking, bluish casino-resort, which has sat unfinished on the Las Vegas Strip since 2009 and became a poster child of the Great Recession, is now scheduled to open in late 2020 under a partnership between hospitality giant Marriott International and New York-based global real estate firm Witkoff. The new luxury property, which will feature a casino and 4,000 rooms and suites, announced last month that it will be home to the Strip's first JW Marriott.

[Click here to read the full article in Honolulu Star Advisor](#)

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## Hard Rock Casino to Flood Atlantic City With Live Music

February 25, 2018

ATLANTIC CITY- (Wayne Parry, Associated Press) - Atlantic City's newest casino promises to flood the city with live music. The music-themed Hard Rock casino opening this summer promises to become an East Coast musical mecca, with over 200 nights of live music in its first year. The global gambling, entertainment and resort company is also enlarging the concert venue at the former Trump Taj Mahal to fit 7,000 seats, up from the 5,200 it formerly held. Jim Allen, CEO of Hard Rock International and a veteran Atlantic City casino executive, promised an audience last week at a local church that the new casino will offer more live music than Atlantic City has ever seen.

[Click here to read the full article in U.S. News & World Report](#)

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## Scientific Games begins retail roll-out in Germany for Lotto Berlin

February 23, 2018

BERLIN- (Wayne Perry, Associated Press) - New York-listed gaming and lottery supplier Scientific Games has begun deploying a suite of new retail terminals for Lotto Berlin, after renewing its supply contract with the state lottery operator. Through a six-year contract renewal agreed last year, Scientific Games will roll out the new machines, including tablet-based solutions, across Lotto Berlin's network of 950 retailers.

The supplier is to also provide the lottery with field and maintenance services, as well as retailer and lottery personnel training. "This is a full rollout of more than 1,000 new lottery terminals to suit every type of retailer in our network, and we look forward to adding the tablet technology as well," Lotto Berlin chief executive Hansjörg Höltkemeier said.

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

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## Aristocrat expects US\$6.5mln one-off U.S. tax reform gain

February 22, 2018

AUSTRALIA- (GGRASIA) - Australia-based slot machine maker Aristocrat Leisure Ltd expects to record a year-on-year reduction of around 3 percentage points in the group's effective tax rate for the fiscal year ending September 30, 2018, resulting in a US\$6.5 million gain for the company. The forecast was provided by chief executive and managing director Trevor Crocker on Thursday, during the firm's annual general meeting. The estimate took into account the impact of the recent U.S. tax reform, he said.

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

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## AGS Receives Regulatory Approval to Offer its Gaming Products in Ohio

February 22, 2018

LAS VEGAS- (Cision PR Newswire for AGS) - PlayAGS, Inc. a leading designer and supplier of electronic gaming machines ("EGMs") and other products and services for the gaming industry, today announced that the Ohio Casino Control Commission has approved the Company's application to begin selling and distributing its Class III EGMs and table game products to commercial casinos throughout the state. "We are very pleased that the Ohio Casino Control Commission has approved our license application and are confident in our ability to grow our Class III and table game product businesses within this robust marketplace," said David Lopez, President and CEO of AGS. "This approval will allow us to leverage our already established relationships with many of the state's casino operators who are eager to begin offering our consistently high-performing products like OrionSM, ICON™, and Bonus Spin™."

[Click here to read the full press release](#)

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## Scientific Games wins NY casino contract

February 22, 2018

NEW YORK- (iINTERGAME) - Turning Stone Resort, Yellow Brick Road and Point Place casinos as well as several SavOn convenience stores in the US will all run on Scientific Games' casino management system. 2,921 slot machines will be involved in total. Oneida Nation Representative and Nation Enterprises CEO Ray Halbritter said: "The guest experience offered by Scientific Games is industry leading, which was a key factor in our decision to partner with them."

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

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## County waives parking requirement for planned Vegas arena

February 22, 2018

LAS VEGAS- (Associated Press for 3 News Las Vegas) - County officials have waived parking and other development standards for a planned entertainment arena just off the Las Vegas Strip. Clark County commissioners on Wednesday approved zoning and land use permits for the 18,000-seat Madison Square Garden Sphere Las Vegas. The project is being developed by the Madison Square Garden Company and Las Vegas Sands, which operates two casino-resorts adjacent to planned arena.

[Click here to read the full article in 3 News Las Vegas](#)

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## Japan mulls casino entry fee, 30 percent tax rate

February 21, 2018

JAPAN- (Asia Gaming Brief) - Japan is considering imposing an entry fee to casinos of Y2000 (\$18.6) and imposing a tax rate of 30 percent on operators' revenue, according to local media reports. A government task force presented the fee proposal to Liberal Democratic party lawmakers on Wednesday. The entry charge will apply to both foreigners and locals. Like Japanese nationals, foreign

residents will also likely be required to present their My Number identification cards upon entry, Takeshi Iwaya, an LDP lawmaker who chairs the party's policy study team on casino issues, was cited as saying in the Japan Times.

[Click here to read the full article in Asia Gaming Brief](#)

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## **William Hill PLC hit by £6.2mln fine by The Gambling Commission**

February 20, 2018

UNITED KINGDOM- (Proactive Investors) - It may not surprise some that a bookie was not exactly strenuous in its investigations into the source of large sums deposited with it, but the Gambling Commission was not amused. Bookmaker William Hill has been hit with a £6.2mln fine by The Gambling Commission for slapdash anti-money laundering practices. The gambling regulator said that between November 2014 and August 2016 senior management failed to mitigate risks and have sufficient staff numbers to ensure that anti-money laundering and social responsibilities processes were effective.

[Click here to read the article in Proactive Investors](#)

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## **New Jersey Online Poker Still Flailing in Isolation While Online Casino Revenues Reach a New High**

February 20, 2018

NEW JERSEY- (Poker Fuse) - Online poker operators in New Jersey collectively suffered their worst January on record in terms of revenue since the market launched more than five years ago, according to figures released last week by the Division of Gaming Enforcement. The state regulator reported that a combined \$1.95 million was generated at internet poker rooms in the state marking the first time that revenue has fallen below \$2 million in a month that has traditionally been one of the busiest of the year for online poker.

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

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## **Chinese firm to develop casino scheme in Incheon**

February 20, 2018

CHINA- (GGRASIA) - Chinese property developer LongRunn International Group is reportedly developing a large-scale casino resort complex in South Korea's Yeongjong Island (pictured), part of the Incheon Free Economic Zone. The project, called "Diamond City", is adjacent to a casino scheme being co-developed by U.S. casino group Caesars Entertainment Corp and mainland Chinese developer Guangzhou R&F Properties Co Ltd, according to LongRunn's official website. On February 11, LongRunn International inked a deal with the Incheon authorities to purchase a 76,000 square-metre (818,000 sq-foot) land parcel in Yeongjong for KRW87.1 billion (US\$81.5 million), several South

Korean media reported, citing the Incheon Free Economic Zone Authority.  
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