



# Innovation Capital

*Investment Bankers*

Gaming Newsweekly  
For the week ended November 18th, 2018

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

## 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: **Gamble** (case sensitive).

## Gaming Industry Public Company & High Yield Data:

[Public Company Trading Comparables](#)

## [High Yield Bond Trading Levels](#)

### Featured Article:

#### **Casino measure wins Arkansas voters' support**

November 7, 2018

ARKANSAS- (Michael R. Wickline, Arkansas Democrat Gazette) - Arkansas voters on Tuesday approved a constitutional amendment to allow the state to issue licenses for four full-fledged casinos. Voters also approved Issue 2 on voter identification and Issue 5 on raising the state minimum wage. Issue 4 authorizes the expansion of gambling operations at Oaklawn Racing and Gaming in Hot Springs and Southland Gaming and Racing in West Memphis. Both tracks now offer electronic games of skill under a 2005 state law. The measure also authorizes the state to issue licenses for casinos in Jefferson and Pope counties, provided there is local support from elected officials. Issue 4 also allows the four casinos to offer sports betting.

[Click here to read the full article in Arkansas Democrat Gazette](#)

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#### **It's all going dark again in the gambling capital of the world**

November 11, 2018

MACAU- (Linette Lopez, Business Insider) - We know that China's economy is slowing dramatically, and one of the places where you can see that very clearly is Macau, the gambling capital of the world. Wall Street was reminded of that on Wednesday, when Wynn Resorts reported earnings. While the third quarter didn't look that bad - Macau revenue was up over \$200 million from the same time a year before - the casino giant had a dark outlook for the fourth quarter. Wynn projected earnings 20% below what Wall Street expected. According to analyst Cameron McKnight at Credit Suisse, this implies that the Macau gambling market could be negative over the last two months of 2018.

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

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#### **Penn National wants to build a casino in Morgantown**

November 9, 2018

PITTSBURGH- (The Inquirer Daily News) - Penn National Gaming Inc. filed an application with the Pennsylvania Gaming Control Board to build a \$111 million, 80,000 square foot satellite casino on 36 acres of land near the intersection of the Pennsylvania Turnpike and Interstate 176, which connects with Route 422 near Reading. The plans for Hollywood Casino Morgantown, in Caernarvon Township, Berks County, call for 750 slot machines and 30 table games, plus a sportsbook, Penn National said. "Hollywood Casino Morgantown is ideally situated to generate new revenues from the more densely populated suburbs to the west of Philadelphia, while further protecting our existing market share at Hollywood Casino at Penn National Race Course," said Timothy J. Wilmott, Penn National's chief executive.

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

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## **The casino giant Wynn Resorts plunges after saying its Macau business is slowing down (WYNN)**

November 8, 2018

MACAU- (Ethel Jiang, Markets Insider) - Wynn Resorts plunged as much as 14% Thursday after the company said its Macau business has slowed down in October. The company reported third-quarter results that beat on both the top and bottom lines as strength at Wynn Palace in Macau offset weakness in its Las Vegas operations. But on the earnings call, CEO Matthew Maddox warned investors that Wynn's Macau operations have seen a notable slowdown after China's National Day Golden Week, a seven-day holiday at the beginning of October.

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

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## **Online casino comparison site CasinoGuide relaunches with new design, new features, and new content**

November 8, 2018

WORLDWIDE- (Peter Amsel, Calvin Ayre) - The demands of online casino players are constantly changing, and the last five years in particular have seen some dramatic shifts in player preferences. Which is why the team at CasinoGuide.co.uk and CasinoGuide.com have now made wide-ranging changes in the content, design, and functionality of these two long-standing online casino affiliate sites. Anyone working in iGaming should by now be aware that over half of online casino players are now accessing games via their mobile phone. CasinoGuide has therefore put a lot of emphasis on creating a design which is equally as attractive and functional on mobiles and tablets as it is on desktop screens.

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

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## **Delaware North pays \$137m for SkyCity Darwin casino**

November 8, 2018

AUSTRALIA- (Peter Amsel, Calvin Ayre) - Australia and New Zealand casino operator SkyCity Entertainment Group has sold its Darwin property to Buffalo-based gaming and hospitality giant Delaware North. On Thursday, SkyCity announced that it had reached agreement to sell its SkyCity Darwin casino to Delaware North for AU\$188m (US\$137m). The deal doesn't cover the adjacent Little Mindil beachfront property, which SkyCity plans to sell separately at some future date. Delaware North's purchase of the Darwin casino is contingent on it obtaining the necessary financing - which SkyCity says is "well progressed" - within 60 days. Northern Territory gaming regulators will also have to sign off on the deal.

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

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## **DraftKings, FanDuel taking the lead in states' new sports gambling**

November 7, 2018

UNITED STATES - (Bill King - SportsBusiness Journal) - When the U.S. Supreme Court cleared the way for states to legalize sports betting on May 14, the first entrants were those long expected to be the leaders:

William Hill, a global sportsbook with London roots that trace back 84 years, and MGM Resorts, the colossal U.S.-based casino chain. Both opened sportsbook locations on June 14, the first day allowed by New Jersey regulators, with William Hill taking bets at Monmouth Park Racetrack and MGM operating at its Borgata Hotel in Atlantic City. Exactly one month later daily fantasy operator FanDuel opened its location at the Meadowlands Racetrack.

[Click here to read the full article in New York Business Journal](#)

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## West Memphis Could Get \$200 Million Convention Center If Casino Measure Passes

November 5, 2018

ARKANSAS- (KUAR) - If the casino ballot initiative passes in Arkansas on Tuesday, Delaware North, the parent company of Southland Gaming and Racing, will attempt to build a hotel and convention center in West Memphis, Delaware North Senior Vice President of Governmental Affairs Jack McNeill told Talk Business & Politics. It would cost at least \$200 million to build and would likely be located on the Southland property, he said. An estimate of how long it would take to build was not available. Some of the current facilities might have to be modified to accommodate a project of this size, he said. Soil samples could be tested and renderings of the proposed facility could be drafted in the weeks after the election if it passes, he added.

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

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## Arizona nets \$27 million from tribal gambling in 1st quarter

November 5, 2018

PHOENIX - (The Associated Press) - Indian tribes that operate casinos paid nearly \$27 million to Arizona during the first three months of the state budget year. The revenue announced by the state Gaming Department Friday for the quarter ending Sept. 30 is up 2 percent from the same quarter a year ago. It's the seventh consecutive increase in state receipts. Arizona collects between 1 percent and 8 percent of the gross gambling receipts from 24 tribal casinos. Cities, towns and counties also get a share. The state uses about half its money to fund education and splits the rest between regulatory costs and emergency services, wildlife conservation, tourism and problem gambling funds.

[Click here to read the article in Arizona Daily Star](#)

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## Pragmatic Play pens Kindred Group igaming partnership

November 5, 2018

WORLDWIDE- (iINTERGAME) - Pragmatic Play products, including its latest release Ancient Egypt Classic and Wolf Gold, will be made available to Kindred's players via the operator's multiple brands, including Unibet. Melissa Summerfield, Chief Commercial Officer at Pragmatic Play, said: "We are very pleased that Kindred Group will be delivering our content to its customers, allowing them to further their online casino and gaming experiences with our engaging and diverse range of mobile-first products. "Pragmatic Play aims to make every game exciting, innovative and immersive, with a broad appeal that all players can love, and we are excited to deliver our products to Kindred's brands."

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

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## **With Caesars bid, Tilman Fertitta seeks biggest stage yet**

October 27, 2018

UNITED STATES - (Nancy Sarnoff and Paul Takahashi) - At 61, Tilman Fertitta doesn't have a lot to prove. He has cache of profitable businesses, a hit reality TV show on CNBC, an NBA basketball franchise and an estimated net worth of \$4.5 billion. But Fertitta, nonetheless, has embarked on a quest to merge his vast private holdings of casinos and restaurants with Caesars Entertainment Corp., one of the gambling industry's biggest publicly traded companies worth \$6.1 billion. If Fertitta can pull it off, he will become the chief executive of a sprawling global empire and gain the opportunity to show again, on his biggest stage yet, that he has what it takes to pump new life into a struggling old brand and make it pay.

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

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