

# Innovation Capital

*Investment Bankers*



Gaming Newsweekly  
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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: **invest** (case sensitive).

## Gaming Industry Public Company & High Yield Data:

[Public Company Trading Comparables](#)

[High Yield Bond Trading Levels](#)

## Featured Article:

### MGM Growth Properties LLC Announces Agreement To Acquire The Hard Rock Rocksino Northfield Park

April 5, 2018

LAS VEGAS- (PR Newswire) - MGM Growth Properties LLC announced today that it has entered into an agreement with Milstein Entertainment LLC to acquire the Hard Rock Rocksino Northfield Park for approximately \$1.06 billion. The membership interest purchase agreement will be for 100% of the issued and outstanding limited liability company interests in Northfield Park Associates LLC, which owns and operates the Rocksino. "MGP is proud to announce the acquisition of the Hard Rock Rocksino, the best performing gaming asset in Ohio. We are thrilled to join the Northeast Ohio community and look forward to continuing to work with the management team to consummate the transaction and identify a third-party tenant to operate the asset going forward," said James Stewart, Chief Executive Officer of MGM Growth Properties.

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

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### Wynn Resorts CEO Said to Weigh Sale of Boston-Area Casino

April 6, 2018

BOSTON- (Christopher Palmeri, Bloomberg) - Wynn Resorts Ltd.'s new Chief Executive Officer Matt Maddox has had informal talks about a sale of the company's still-under-construction Massachusetts casino, according to a person familiar with the discussions. The person asked not to be named because the discussions are private. Michael Weaver, a spokesman for Wynn Resorts, declined to comment. Wynn Resorts has been reeling from reports that its founder, Steve Wynn, sexually harassed employees at the company. He denied assaulting anyone, but resigned in February and sold all his shares in the business, one of the largest casino operators in the world. Wynn Boston Harbor is

scheduled to open next year at a cost of \$2.4 billion.

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

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## Oklahoma Senate passes online sales, 'ball & dice' bills; they now head to Governor's office

April 6, 2018

OKLAHOMA CITY- (Dallas Franklin, KFOR Oklahoma's News) - The Oklahoma Senate passed two revenue bills Friday morning, both directly related to educational funding. HB1019XX, also known as a marketplace fairness act or the so-called 'Amazon bill,' passed the House on Wednesday by an overwhelming vote of 92-7. On Friday, the Senate passed the measure by a vote of 42-2, so the bill will now head to the Governor's office. The 'Amazon bill' would collect sales taxes from online retailers like Amazon, dedicating \$20 million to education.

[Click here to read the full article in KFOR Oklahoma's News](#)

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## MGM interested in buying Wynn Resorts: report

April 6, 2018

WORLDWIDE- (Jade Scipioni, Fox Business) - MGM Resorts may be experiencing a change of heart about buying troubled casino operator Wynn Resorts after initially indicating such a move was unlikely, according to a report. Sources familiar with the situation told the New York Post that MGM has recently come back into discussions to buy the resort "in the form of back-channel approaches." The report counters previous statements from MGM's chief executive, James Murren, who in February said it was unlikely that his company or others would make a serious bid for Wynn, simply because of how big it is. "It would be difficult to believe some entity is going to have the financial wherewithal to make a serious bid for them," Murren told Bloomberg in February, adding that he thinks the days of "megadeals" are over. But Murren did add that everyone "admires the assets of Wynn Resorts" because of the company's very high quality, which could have prompted his change of tune.

[Click here to read the full article in the Yahoo! Finance](#)

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## Spain looks to cut taxes on online gambling

April 6, 2018

SPAIN- (Jean Carter, USA Online Casino.com) - With the online gambling market in Spain set to hit \$1.22 billion by 2023, Spanish authorities have proposed new tax cuts for a burgeoning industry that is growing by leaps and bounds. Cristobal Montoro, the Minister of Finance and Public Function, presented the idea to the lower house of the Spanish Parliament this week as part of the national government's draft budget. The suggested tax cut, from the current 25% to 20% of gross gaming revenue, is intended draw more legal, licensed operators to Spain's thriving online gambling market as the country continues to battle offshore operators to keep its slice of the tax revenue pie.

[Click here to read the full article in USA Online Casino.com](#)

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## Alex Meruelo Closes on Acquisition of SLS Las Vegas® Hotel & Casino

April 5, 2018

LAS VEGAS- (Cision PR Newswire) - Alex Meruelo acquired ownership of SLS Las Vegas® Hotel & Casino, naming Paul Hobson as the property's new senior vice president and general manager. "Paul Hobson brings extensive experience in gaming and hospitality and valued insight into the ever-evolving North Las Vegas Strip to SLS Las Vegas," said Alex Meruelo, Principal of The Meruelo Group. "We are thrilled to have him lead the team in ushering in this exciting new era for the historic property."

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

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## Maryland casinos set revenue record in March

April 5, 2018

MARYLAND- (Jeff Barker, The Baltimore Sun) - Maryland's six casinos combined to set a monthly revenue record in March, topping \$150 million for the first time, according to the state's gaming regulatory agency. The casinos were led by MGM National Harbor, which generated \$60.4 million from slots and table games - its most ever in a month, the Lottery and Gaming Control Agency said. MGM's revenue was 17.9 percent higher than the same month a year earlier. Live Casino & Hotel in Anne Arundel was second with \$47 million during the month, up about 1 percent over March 2017. While Horseshoe Casino Baltimore generated \$24.8 million, down 7.8 percent.

[Click here to read the full article in The Baltimore Sun](#)

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## Pennsylvania to allow multiple online gaming 'skins'

April 5, 2018

PENNSYLVANIA- (iGaming Business) - The Pennsylvania Gaming Control Board has approved a measure that will allow online gambling operators to run multiple 'skins' in the US state. In October, Pennsylvania became the fourth state to officially legalise online gaming after Governor Tom Wolf signed an expansive gambling package into law. The Pennsylvania Gaming Control Board, the state's regulatory body, is this month due to begin the licensing process for companies keen to offer online gaming services in the state. Ahead of this, the organisation has posted Temporary Rules and Regulations 125-215, which address a number of rules related to various issues, including that of interactive gaming skins.

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

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## Japan advances casino resort bill but more delays seen likely

April 4, 2018

TOKYO- (Thomas Wilson, Reuters) - International casino operators have welcomed an agreement by Japan's ruling coalition over key points needed to finalize legislation of large "integrated" resorts, which

are expected to generate billions of dollars for the country and the industry. The ruling Liberal Democratic Party and its coalition partner reached agreement this week on points from tax rates to casino floor space - closely watched by operators as they calibrate the potential size of investments in the country. Japan legalized casinos in late 2016 after years of delay and still needs further legislation passed to set out how resort locations and operators will be selected and how the industry regulated.

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

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## **Penn National wins second mini-casino license for \$7.5M**

April 4, 2018

PENNSYLVANIA- (Jason Scott, Central Penn Business Journal) - After plunking down more than \$50 million for the first mini-casino license awarded in Pennsylvania, Penn National Gaming today bid just above the \$7.5 million minimum to win its second mini-casino license. Wyomissing-based Penn National, the owner of Hollywood Casino at Penn National Race Course in East Hanover Township, is looking to build a casino within a 15-mile radius of West Cocalico Township in northern Lancaster County, near the Berks County border. Penn National spokesman Eric Schippers said no specific sites have been chosen, but the company's focus is on the Reading and Lancaster areas.

[Click here to read the full article in Central Penn Business Journal](#)

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## **A major league bet: R.I. seeks company to run sports gambling operation**

April 3, 2018

PROVIDENCE- (Patrick Anderson, Providence Journal) - Rhode Island raised its bet on legalized sports gambling Tuesday, going out to bid for a company to run athletics wagering at Twin River's casinos and making a case to lawmakers why - should the U.S. Supreme Court allow it - expanded gaming is essential to protect the state's third largest revenue source. In a request for proposals, the Rhode Island Lottery says it hopes to award an "exclusive contract to provide initial sports betting services" this year in time to potentially taking wagers at Twin River Oct. 1. Gov. Gina Raimondo's budget proposal for next year includes \$23.5 million in new state revenue from legalized sports gambling at Twin River's casino in Lincoln and its planned casino in Tiverton.

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

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## **Ruling coalition sets tax at 30 percent, to allow 3 IRs**

April 1, 2018

JAPAN- (Asia Gaming Brief) - The ruling coalition Liberal Democratic Party and Komeito party agreed on Friday on a flat 30 percent tax rate and to a limitation setting the casino floor size at 3 percent of the resort, which was largely along the lines preferred by the pro-IR lawmakers. A further report on Saturday suggested that they had also agreed on authorizing a total of three local governments for hosting IRs. Komeito had originally argued for an escalating tax rate that would start at 30 percent and then rise to 50 percent at a certain level of annual income. This notion has now been abandoned in favor

of a 30 percent rate of taxation irrespective of the total amount of casino income.  
[Click here to read the full article in Asia Gaming Brief](#)

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