



# Innovation Capital

## Investment Bankers

Gaming Newsweekly  
For the week ended June 3rd, 2018

### Innovation Capital Contacts:

**Matt Sodl**  
Founding Partner, President &  
Managing Director  
(310) 335-9191

[msodl@innovation-capital.com](mailto:msodl@innovation-capital.com)

**Tadashi Wakabayashi**  
Managing Director - Japan Gaming  
Consultant  
+81-80-5424-6804  
[twakabayashi@innovation-capital.com](mailto:twakabayashi@innovation-capital.com)

**Alex Wang**  
Vice President  
(310) 335-9909  
[awang@innovation-capital.com](mailto:awang@innovation-capital.com)

**Mike Martin**  
Financial Analyst  
(310) 335-9339  
[mmartin@innovation-capital.com](mailto:mmartin@innovation-capital.com)

**Melissa Blau**  
Strategic Advisory Partner  
iGaming

**Kevin Scheible**  
Partner &  
Managing Director  
(310) 335-9907

[kscheible@innovation-capital.com](mailto:kscheible@innovation-capital.com)

**Ben Martinez**  
Director - Native American  
(214) 336-3819  
[bmartinez@innovation-capital.com](mailto:bmartinez@innovation-capital.com)

**Kevin Edler**  
Financial Analyst  
(310) 335-9292  
[kedler@innovation-capital.com](mailto:kedler@innovation-capital.com)

**Shannon Sharp**  
Office Manager  
(310) 335-9333  
[ssharp@innovation-capital.com](mailto:ssharp@innovation-capital.com)

**Ben Lee**  
Strategic Advisory Partner  
Asia Gaming

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: **casinocash** (case sensitive).

### Gaming Industry Public Company & High Yield Data:

[Public Company Trading Comparables](#)

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

### Featured Article:

## MGM Resorts International and MGM Growth Properties LLC Announce Transactions to Acquire Empire City Casino in Yonkers

May 29, 2018

NEW YORK- (PRNewswire) - MGM Resorts International (the "Company" or "MGM Resorts") (NYSE: MGM) and MGM Growth Properties LLC (NYSE: MGP) today announced that MGM Resorts has entered into an agreement to acquire the real property and operations associated with the Empire City Casino's ("Empire City") race track and casino for consideration of \$850 million. Further, MGM Resorts and MGP have entered into a definitive agreement whereby MGP will acquire the developed real property associated with Empire City from MGM Resorts and lease it back to a subsidiary of MGM Resorts, after which a subsidiary of MGM Resorts will operate the property.

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

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### NEW FEATURE...Innovation Inquiry

In an effort to provide additional content within Innovation Capital's Gaming Newsweekly, we will be conducting anonymous polls from our database of Gaming Newsweekly readers relating to topical gaming industry news matters in a question entitled, Innovation Inquiry. We will share the anonymous poll results from this week's Innovation Inquiry in next week's Newsweekly! This week's Innovation Inquiry is:

**Will MGM's acquisition of the Yonker's Empire City Casino dramatically impact the East Coast regional gaming sub-markets in New York, Pennsylvania and Northern New Jersey?**



## Caesars reaches tentative agreement with Culinary Union

June 1, 2018

LAS VEGAS- (Richard N. Velotta, Las Vegas Review-Journal) - The threat of a crippling strike in the city's resort corridor might be averted. With a tentative five-year labor agreement established by Culinary Local 226 and Bartenders Local 165 with Caesars Entertainment Corp., the focus of labor negotiations now shifts to the other big Strip player: MGM Resorts International. A union representative said negotiations with MGM would resume Saturday.

[Click here to read the full article in Las Vegas Review-Journal](#)

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## Crackdown on border currency exchange shops may have hampered mass gaming in May

June 1, 2018

MACAU- (Nelson Moura, Macau News Agency) - Mainland Chinese police actions against currency exchange shops at the Gongbei border might have led to a deceleration of mass gaming market growth in May, claims a note sent by advisory firm Union Gaming this Friday. To date, we believe most of the shops remain closed. To the extent these currency exchanges were being used to convert RMB into HKD to be used at the tables in Macau, we believe this would primarily just impact the lower tiers of mass and, importantly, would view the setback as temporary as workarounds typically pop up within a few weeks,' said Grant Govertsen, Managing Director, Head of Asia Equity Research, Macau at Union Gaming.

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

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## DraftKings, Resorts Casino Join Up to Offer Sports Betting

June 1, 2018

UNITED STATES- (Wayne Perry, NBC News) - One of the nation's largest daily fantasy sports companies is teaming up with an Atlantic City casino in the latest deal seeking to capitalize on the emerging legal sports betting market. DraftKings and Resorts Casino announced a deal Friday morning to offer sports betting in New Jersey. The pairing highlights the scramble among gambling, bookmaking and technology companies to position themselves to gain a large share of the nascent sports betting market now that the U.S. Supreme Court has cleared the way for it.

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

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## Scientific Games Will Support Delaware Lottery In First U.S. Full- Scale Sports Betting Expansion After PASPA Ruling

June 1, 2018

LAS VEGAS- (PRNewswire) - Scientific Games Corporation (NASDAQ: SGMS) ("Scientific Games" or the "Company") today announced that the Company will implement the Delaware Lottery's expansion to full-scale sports betting following the U.S. Supreme Court's overturn of the Professional and Amateur Sports Protection Act (PASPA) of 1992 on May 14, 2018. Delaware is the first U.S. state to add full-scale sports betting after the PASPA ruling. The state previously offered legal sports betting on professional football and has now expanded its offering to other sports. As the Delaware Lottery's sports betting provider, Scientific Games is supporting the expansion to full-scale sports betting with its industry leading integrated sports wagering technology, content and managed services.

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

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## Macau Legend Cambodia resort plan queried by official

June 1, 2018

MACAU- (GGRAsia) - A Cambodian government official was quoted on Friday as saying gambling business was "not allowed" in Siem Reap, near the country's UNESCO World Heritage site Angkor Wat. The comments by Ros Phirun at the Ministry of Economy and Finance (pictured) came after David Chow Kam

Fai, co-chairman and chief executive of Hong Kong-listed casino services firm Macau Legend Development Ltd on Wednesday said it was negotiating to buy land in Siem Reap for an "integrated resort". The term is typically a euphemism in the industry for a venue containing a mix of casino space and non-gaming facilities, although Mr Chow did not specifically use the word "casino" when referring to the scheme.

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

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## Smoking now banned inside Baton Rouge bars, casinos

May 31, 2018

BATON ROUGE- (WAFB) - People smoking is a familiar sight inside bars and casinos, but no longer in the in the Capital City. June 1 was the first day of a smoke-free Baton Rouge. "It is amazing thing to be sitting here, waking up in Baton Rouge today in a smoke free city," says Ashley Hebert of the American Heart Association. The Smoke Free Baton Rouge Council celebrated Friday morning. This new law also includes the use of e-cigarettes. The American Heart Association is one of the council's partners. They say this is just one step towards a healthier work environment.

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

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## The smart money is heading overseas to cash in on the eSports boom

May 31, 2018

BEIJING- (Dion Rabouin, Yahoo Finance) - As video gaming becomes more popular and more lucrative, fund managers are betting that eSports and video game stocks will break out. And while most investors have focused their attention on the big names in the United States, the upside for the international names is arguably much higher. Bank of America Merrill Lynch analyst Justin Post said in a recent note to clients that he predicts eSports could generate direct revenue of over \$900 million this year and \$1 billion in 2019.

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

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## Delaware is first state to allow sports betting after Supreme Court ruling

May 31, 2018

DELAWARE- (Joe Lemire, CNN Money) - Governor John Carney announced that the state would launch a "full-scale sports gaming operation" on Tuesday at its three casinos. In May, the Supreme Court overturned a federal law that banned sports gambling everywhere except Nevada. That decision lets states decide whether to allow sports betting. Delaware will be the first state to take that step since the Supreme Court's ruling. SportsPick, Delaware's sports gaming product, will go live at 1:30 p.m. ET in the state's three casinos: Dover Downs Hotel & Casino, Delaware Park and Harrington Raceway & Casino. Bettors will be able to wager on single games for pro baseball, football, hockey, basketball, soccer, golf and auto racing.

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

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## North Las Vegas theater project 'catalyst' for downtown revival

May 31, 2018

LAS VEGAS- (Art Marroquin, Las Vegas Review-Journal) - A construction crane Thursday lifted the first set of walls for a new 14-screen movie theater in North Las Vegas, providing concrete evidence of

redevelopment in the city's blighted downtown area. The \$75 million Maya Entertainment Center being built across the street from North Las Vegas City Hall will span more than 67,000 square feet when it opens by Christmas.

[Click here to read the full article in Las Vegas Review-Journal](#)

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## Seminole Hard Rock Tampa plans massive \$700M expansion

May 30, 2018

TAMPA- (Frances McMorris, Tampa Bay Business Journal) - The Seminole Hard Rock Hotel & Casino Tampa is planning a massive, multimillion-dollar expansion that will provide hundreds more guest rooms, 5,000 more slot machines and as many as 6,000 more jobs. The property plans to undertake a nearly \$700 million expansion that includes almost 200 gaming tables. The project is expected to be completed in mid-2019 and will allow the expanded casino to offer one of the largest varieties of slot machines in the country. It will offer guests approximately 200,000 square feet of entertainment and gaming.

[Click here to read the full article in Tampa Bay Business Journal](#)

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## Betsoft Gaming wins G2E Asia award

May 29, 2018

MACAO- (iGaming Business) - In recognition of their impact on the international igaming industry, Betsoft Gaming's comprehensive suite of content and support systems was named best B2B digital platform and software solution at G2E Asia 2018. This year's G2E Asia event ran in Macao from 15 to 17 May, and competition was fierce - on the expo floor as well as in the prestigious category in which Betsoft emerged as winners. A major fixture on the two-day G2E Asia calendar, the awards are adjudicated by a panel of more than 50 independent industry experts.

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

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## Gaming industry still a safe bet in PH amid changing rules, rising competition

May 28, 2018

PHILIPPINES- (Niña V. Guno, Business Inquirer) - In a country which is 80 percent Catholic, it would seem surprising that the gaming industry has taken off: the Philippines has become one of the key markets for casinos in Asia after Macau and Singapore. A stigma towards gambling still exists, whether as an addiction or on the illicit activities attached to it, such as money laundering. President Rodrigo Duterte, who has been aggressive on his crackdown on crime, has expressed a desire to "limit gambling," as he said in a Negros Occidental ceremony last Sunday, May 20.

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

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www.innovation-capital.com  
Member: FINRA/SIPC

Innovation Capital, 222 N. Sepulveda Blvd., Suite 1300, El Segundo, CA 90245

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