

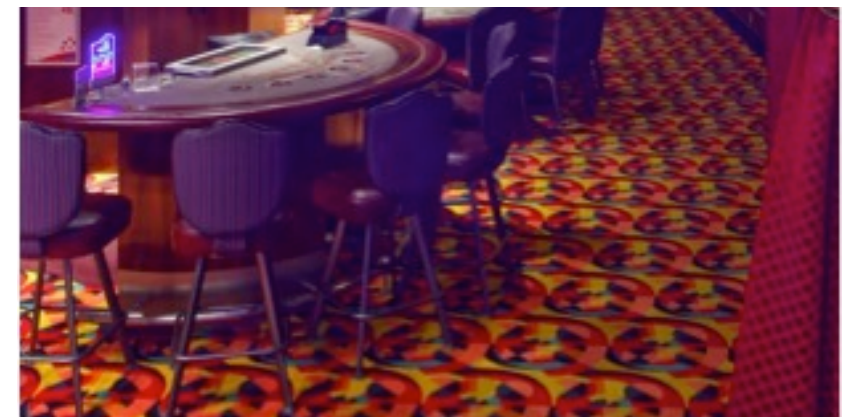
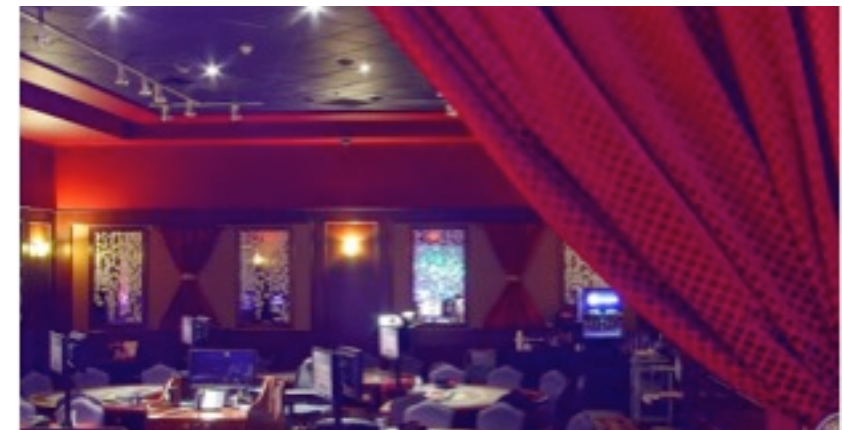


# Corporate Presentation

Peter Hoetzing

Founder, Co CEO & President

January 2014

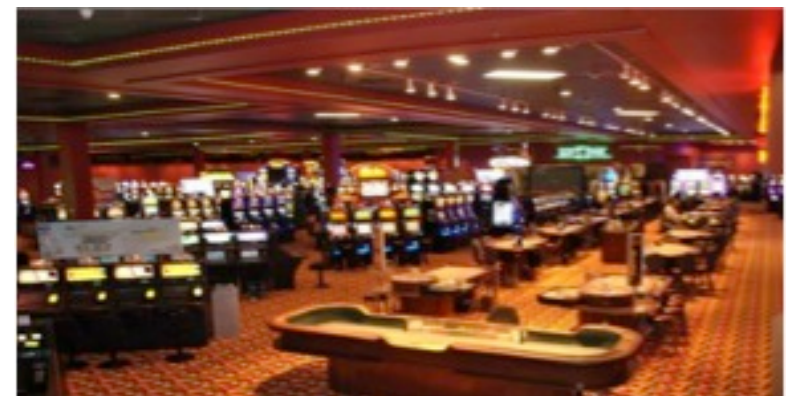


Welcome  
to the Winners' Zone!

# International Casino and Entertainment Company



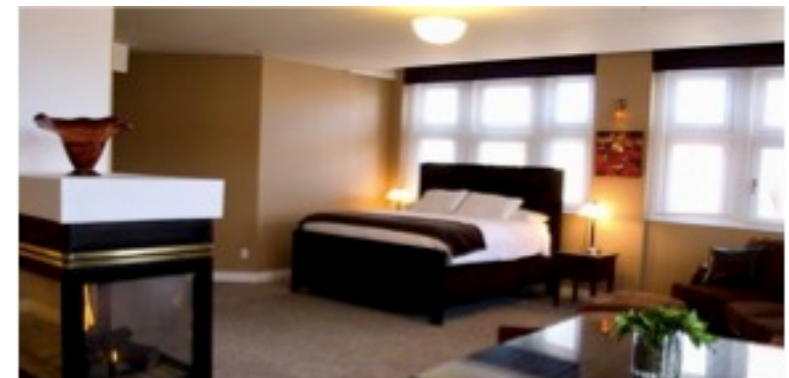
- Developer and operator of mid-market, regional casinos in regulated markets world-wide
- 26 casinos (approx. 3,150 gaming machines and 220 gaming tables):
  - 2 in USA (Colorado)
  - 2 in Canada (Alberta)
  - 1 in the Caribbean (Aruba)
  - 9 in Eastern Europe (Poland)
  - 12 on luxury cruise vessels
- Founded in 1992 by management team that has successfully developed and operated over 130 casinos in 25 countries
- Listed on NASDAQ (1994) and Vienna Stock Exchange (2005)



# International Casino and Entertainment Company



- Focus on entertainment with gaming and attractive non-gaming facilities (Urban Casino Resort concept)
- Target markets include locals and tourists alike
- 1,600 cooperators from 32 different nationalities, 51% female
- Good corporate citizen: more than \$100 million per year in taxes, levies and fees to authorities, thus supporting the needy, cultural and historic causes, health and sports initiatives as well as programs for the youth and senior citizens
- Responsible gaming programs



# 20-year Track Record

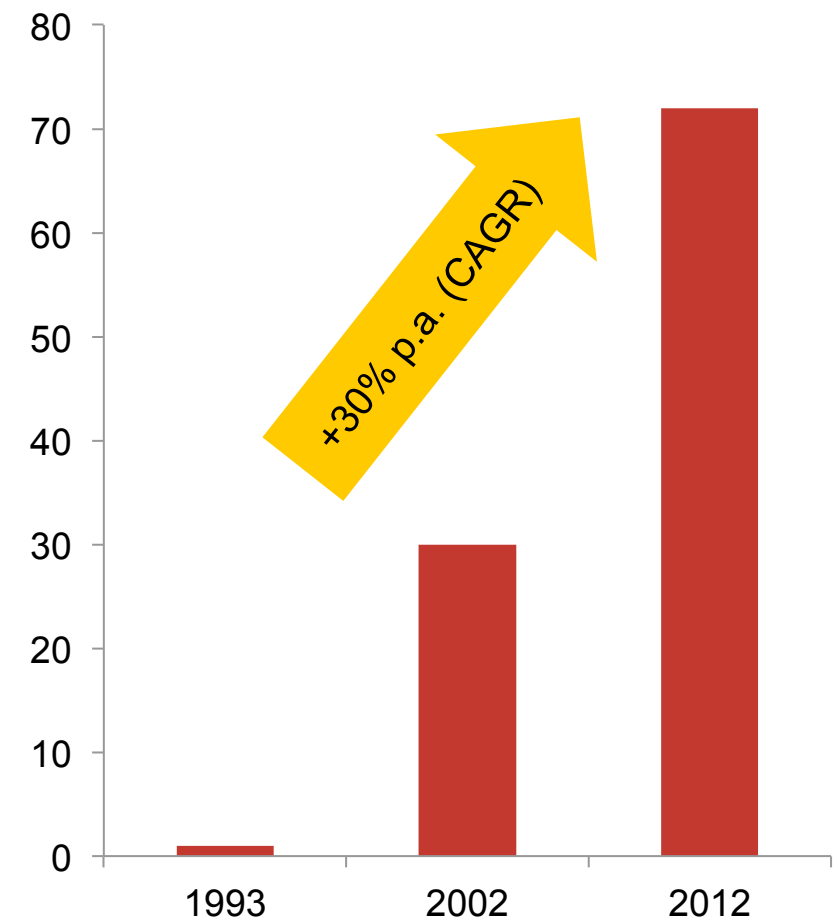


## Prudent Expansion Strategy

- 1992 Company foundation by Co CEOs Erwin Hartzmann and Peter Hoetzinger
- 1993 First casino on cruise vessel
- 1994 NASDAQ-listing and first casino in Colorado
- 2005 Listing on Vienna Stock Exchange
- 2006 Market-entry Canada (Edmonton)
- 2007 Market-entry Poland (33% stake in Casinos Poland Ltd.)
- 2013 14 consecutive quarters with increases in net operating revenues or net earnings
- 2013 Majority control of Casinos Poland Ltd.

## Sustainable Growth

Net Operating Revenues in USD Mio. \*)



\*) Continuing Operations

# Selected Key Data



## Balance Sheet (as of Sep 30, 2013)

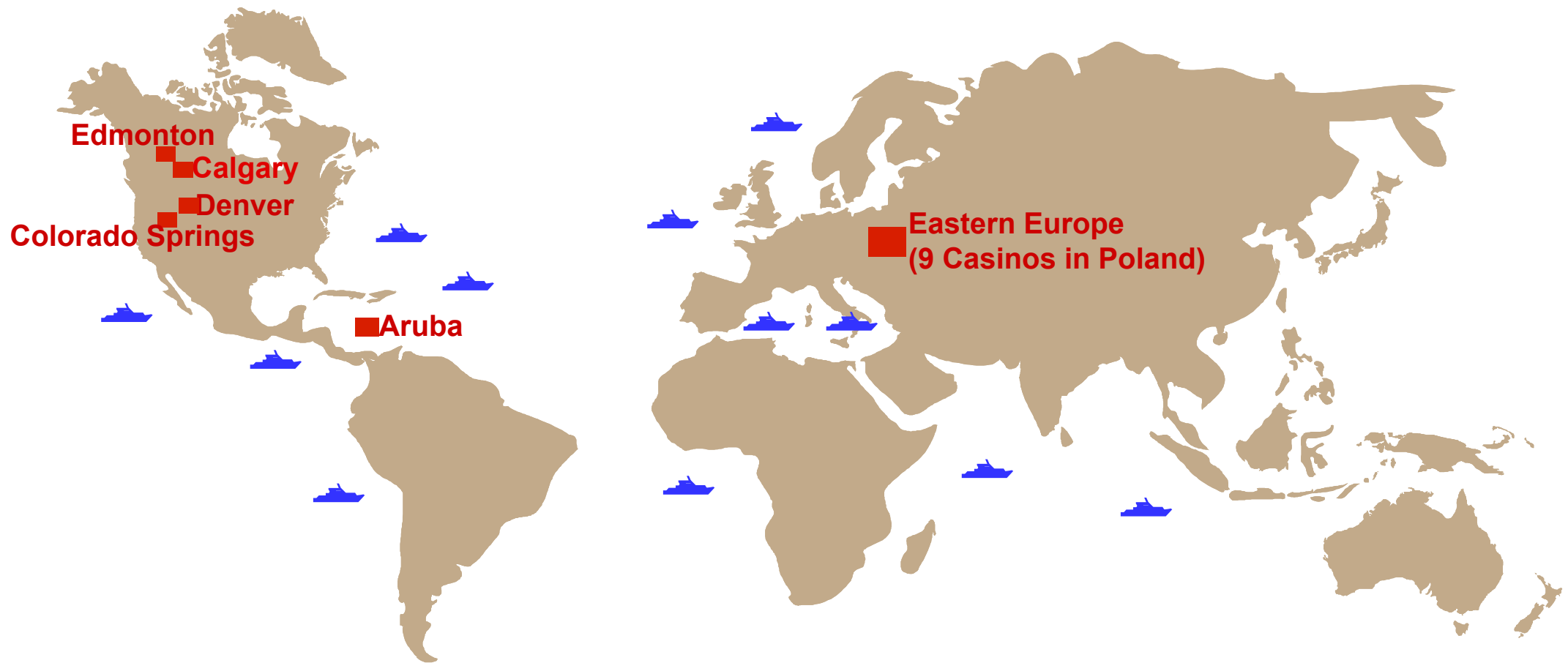
▪ Total Assets	\$ 169 mil
▪ Cash & Cash Equivalents	\$ 30 mil
▪ Debt Obligations	\$ 16 mil
▪ Shareholders' Equity	\$ 129 mil
▪ Total Shares Outstanding	24 mil
▪ Book Value per Share	\$ 5.05

## Stock Market Data (as of Jan 10, 2013)

▪ Stock Price	\$ 5.05
▪ Market Cap	\$ 123 mil
▪ Enterprise Value	\$ 113 mil
▪ Avg. Daily Trading	250,000 shares
▪ % Held by Insiders	21%
▪ % Held by Institutions	40%

- Enterprise value is calculated as market cap plus debt and minority interest, minus total cash & cash equivalents.
- Ownership percentages as reported by Thomson Reuters.

# International Diversification



■ Land-based Casinos (14)

🚢 Ship-based Casinos (12)

# Two Casinos in Colorado (USA)



## Hotel-Casinos near Denver and Colorado Springs, both wholly-owned

### Central City

Opening 2006

12 Gaming Tables and 495 Gaming Machines (100% TITO)

26 Hotel rooms, 500 car parking garage

2 Restaurants and 1 Bar

### Cripple Creek

Opening 1993

6 Gaming Tables and 448 Gaming Machines (100% TITO)

21 Hotel rooms

1 Restaurant and 2 Bars

# Denver's Best Casino 2 Years in a Row





# Two Casinos in Alberta (Canada)



## Casinos in major metropolitan areas of Canada, both wholly-owned

### Calgary

Opening 2010

16 Gaming Tables and 529 Gaming Machines (100% TITO)

Extensive surface parking available

2 Restaurant and 2 Bars

1,100-seat Event Center, Bowling, Show Lounge

### Edmonton

Opening 2006

34 Gaming Tables and 759 Gaming Machines (100% TITO)

26 Hotel rooms, heated parking garage

4 Restaurants and 2 Bars

Entertainment with Live-Music Lounge, Comedy Club

# Alberta (Canada) Casino Industry



- One of the best places in Canada to operate a casino, as jobs in its oil and gas industry lead to a growing and increasingly wealthy population with discretionary income
- Over the past ten years, Alberta's population has increased by 27% (to over four million), the fastest growth rate of any Canadian province
- Lowest unemployment rate in Canada (4.3%)
- Median income is 24% above the national average
- Above-average propensity to game relative to the rest of Canada



# Nine Casinos in Poland, Europe



**Casinos Poland Ltd. – Nine Casinos in Major Cities of Poland**

**66.66% Controlling Stake in Polish Market Leader (45% market share)**

33.33% stake since 2007, increased to 66.66% in April 2013 for approx. USD 6.8 million

High-quality casinos in 4- and 5-star hotels with 70 gaming tables and 354 gaming machines

Limited number of licenses – high barrier to entry

Elimination of all slot-arcades outside casinos over the next two years



# Casino Aruba



## Casino in Radisson Hotel & Spa Resort Aruba

### Long-term Management Agreement

Re-opening under Century Casinos' Management in 2010

355 rooms and suites, various restaurants and bars, conference and spa facilities

16 Gaming Tables and 200 Gaming Machines for international tourists, guests from other hotels and locals



# 12 Casinos on Cruise Vessels



**Largest Independent Operator of Casinos onboard luxury Cruise Vessels**

Casinos wholly-owned and operated under casino concession agreements

55 Gaming Tables and 425 Gaming Machines. Approx. 12,000 passengers daily.

Opportunistic approach towards cruise lines with affluent passenger mix





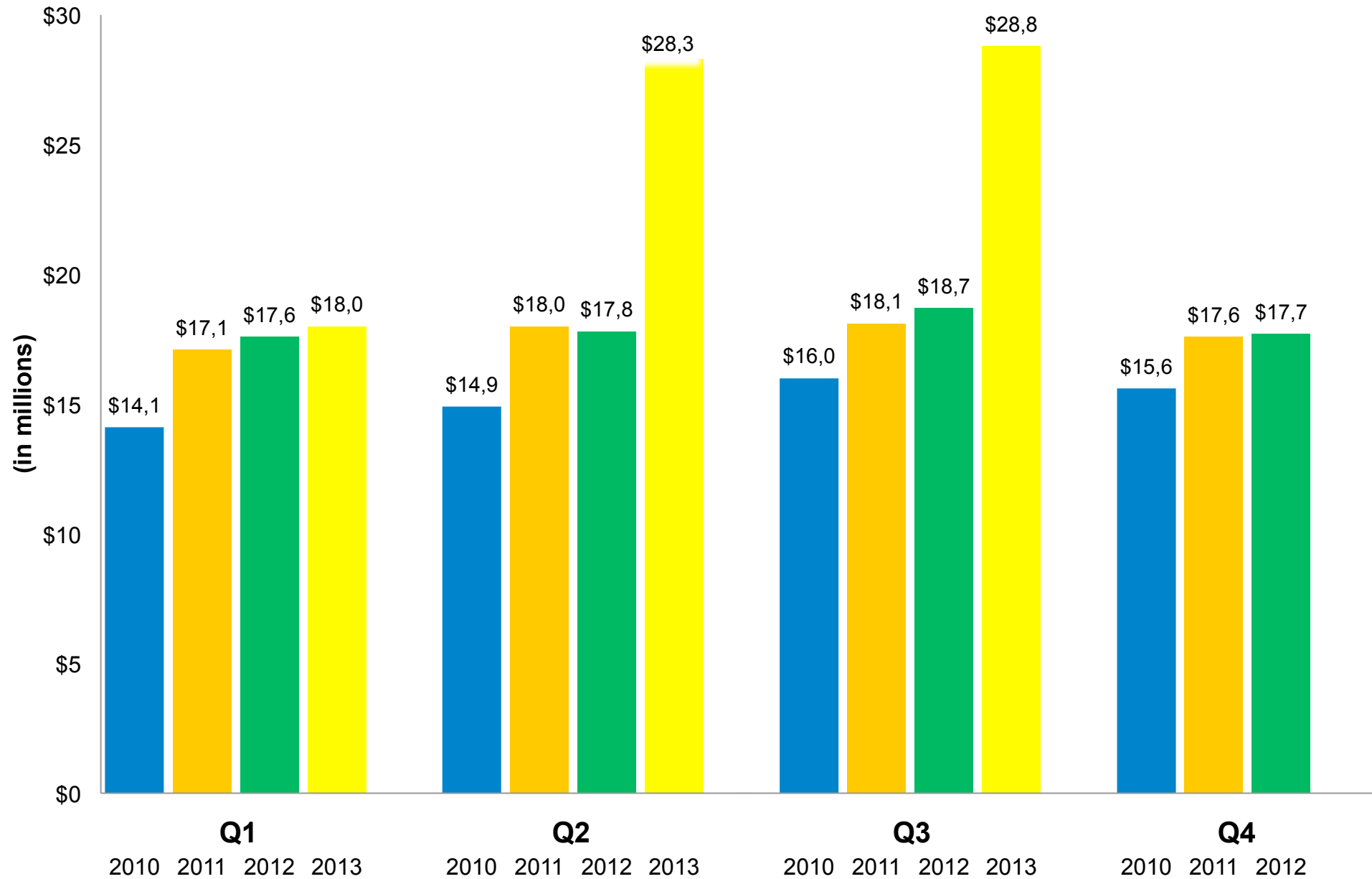
# Financials

# Financial Results 1-9 2013 vs. 1-9 2012



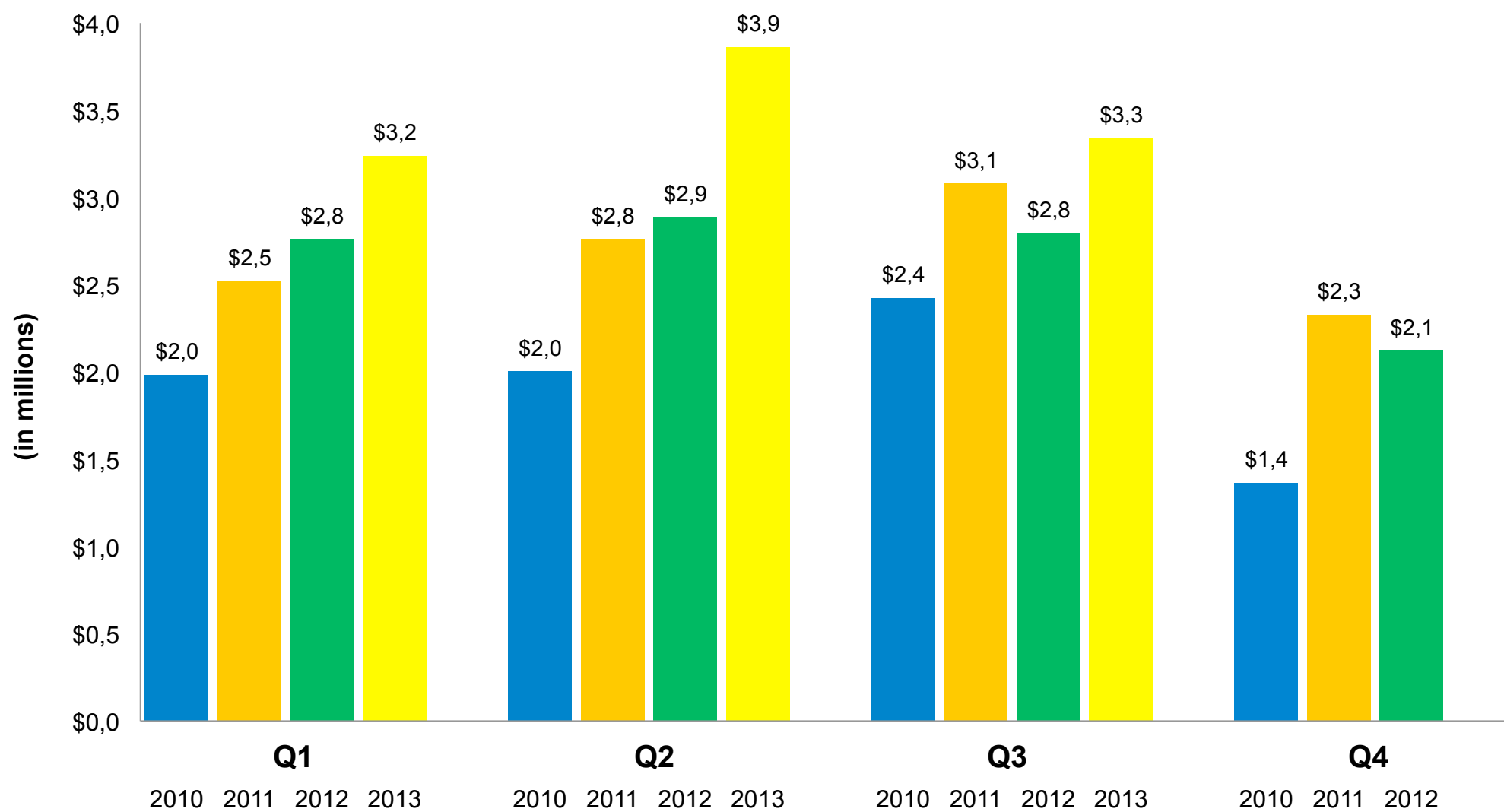
Net Operating Revenue	\$ 75.2 Million	+ 39%
Adj. EBITDA	\$ 10.5 Million	+ 24%
Earnings from Operations	\$ 5.5 Million	+ 13%
Net Earnings	\$ 6.4 Million	+ 84%
Earnings per Share	\$ 0.26	+ 86%
Net Cash	\$ 14.4 Million	

# Net Operating Revenue





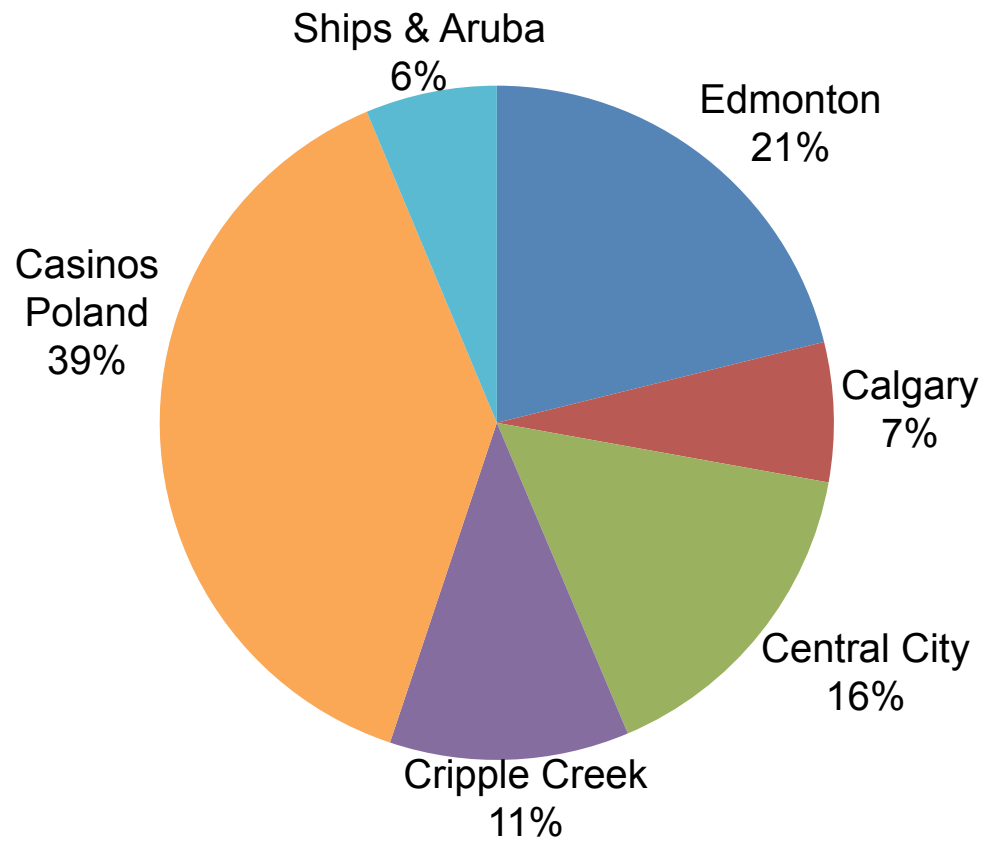
# Adjusted EBITDA



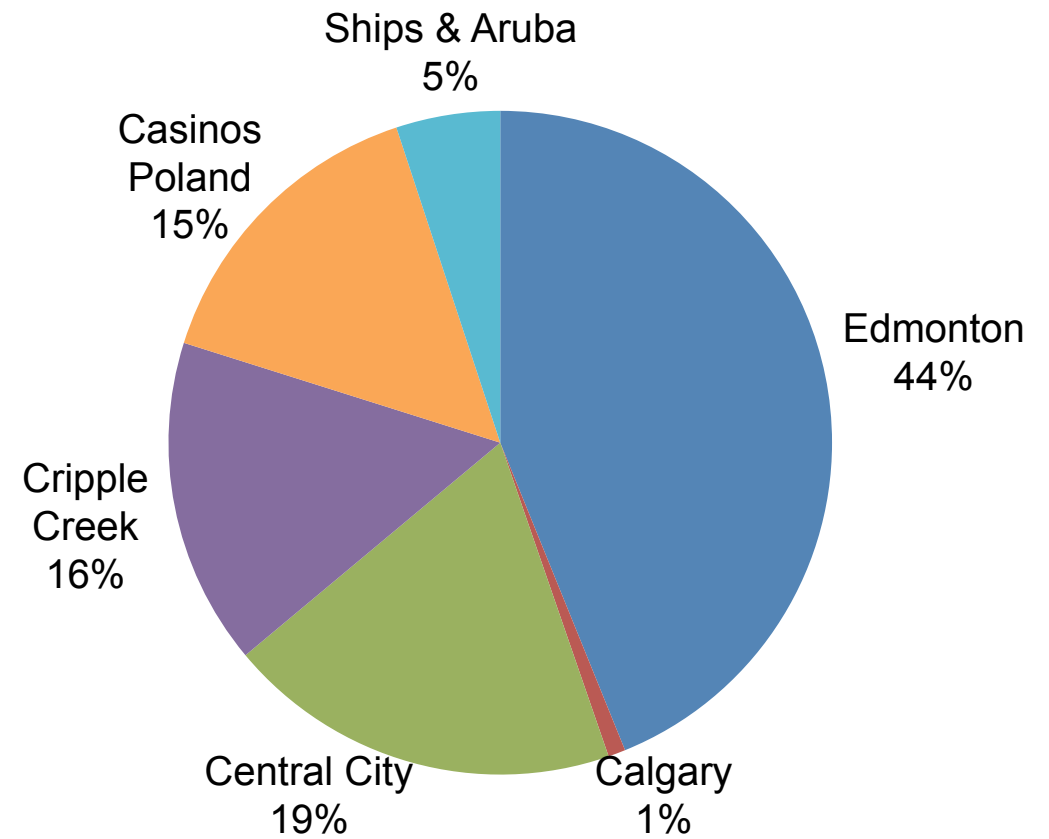
# Geographical Diversification



## Net Operating Revenue



## Adjusted EBITDA





# Outlook

# Casinos Poland Ltd.



- We have controlling ownership (66.6%) since April 2013
- Targets for next few quarters:
  - Optimization of operating procedures
  - Analysis of smaller, weaker operations and possibly move locations
  - Improve operating margins (currently less than 10%)
- Gaming law provides for the licenses of all slot machines operating outside casinos (in bars, pubs, arcades) to expire over the next two years. Licensed casinos will be the only places to play slot machines
- Industry experts estimate that revenue potential to be around \$100 mil per year. Casinos Poland, with a 45% market share, well positioned



# Casino on new TUI Cruises Ship



- TUI Cruises is a joint venture between Royal Caribbean Cruises and TUI Travel Germany
- Currently two luxurious 1,900-guest ships (Mein Schiff 1, Mein Schiff 2) in service, with focus on the European premium all inclusive cruise market
- Mein Schiff 3, a new 2,500-guest ship, is currently being built, scheduled to commence operations in June 2014
- Casino Concession Agreement extended until at least May 2017



# Three new Casinos on Seabourn Cruises Vessels



- Windstar Cruises (we have the agreement to operate their casinos) have purchased three 210-pax luxury vessels from Seabourn Cruises
- The first of these three vessels will be delivered to Windstar in spring 2014, the other two in spring 2015
- These ships will be included in the existing Casino Concession Agreement with Windstar Cruises



# Century Downs Racetrack and Casino Calgary, Canada



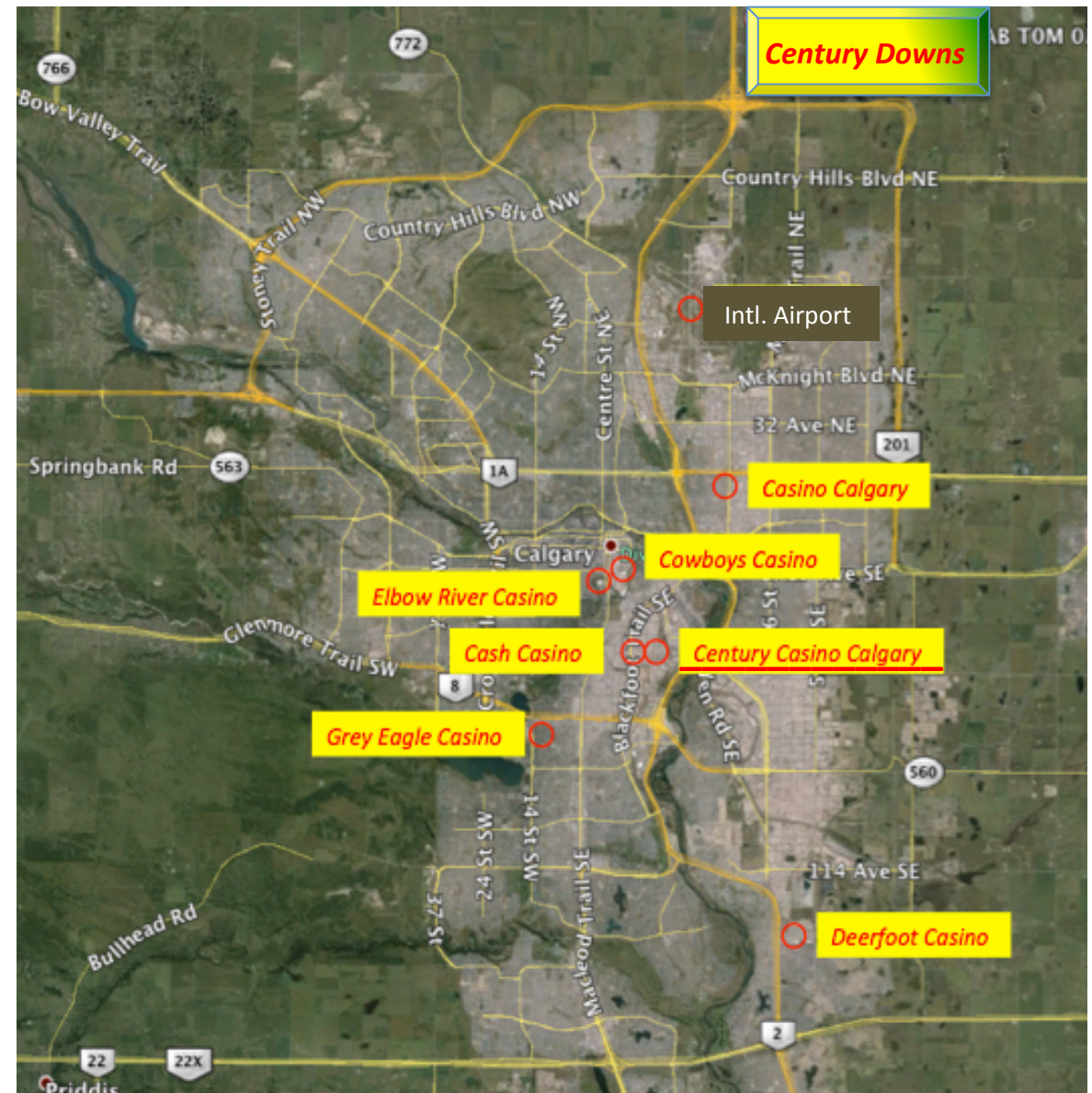
- Only horse race track in Calgary, rights to slot-casino license (moratorium in place, but this license is grandfathered in, last one available in any Alberta metro area)
- Regular casinos get 15% of slot win, this racino gets **40%** of slot win
- Total project cost \$24m, funded by Century (all loan funding, \$11m convertible)
- Century will have 75% ownership (assuming full conversion) and management control



# Century Downs Racetrack and Casino Calgary, Canada



- In position to capture north, north east and affluent north west Calgary markets
- On Queen Elisabeth II highway, one of the most heavily used highways in Western Canada
- Next to CrossIron Mills, a 1.4 mil sft regional shopping center (anchor tenant Bass Pro shops) with approx. 8 mil visitors a year
- In close proximity to Costco, Lowes, Walmart and Target Distribution Centers
- 4.5 miles from Calgary Airport

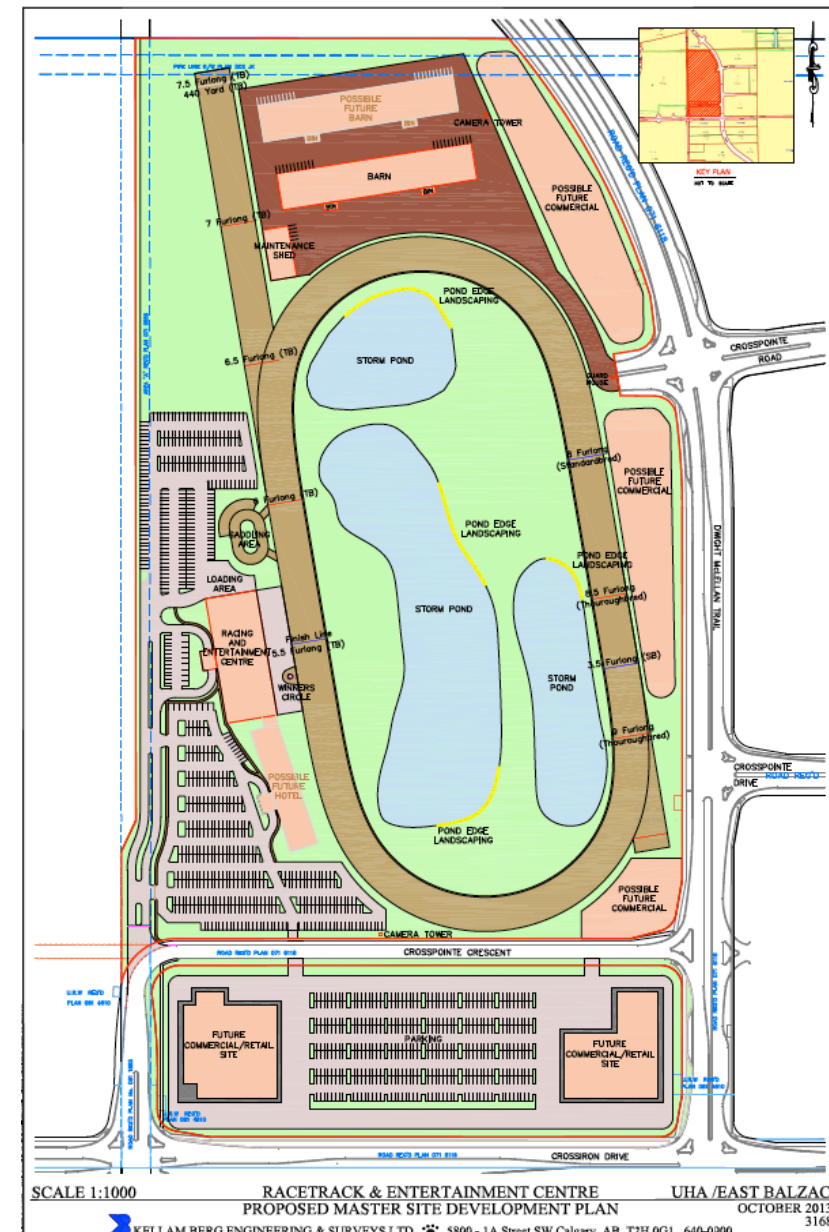




# Century Downs Racetrack and Casino Calgary, Canada



- 550 slots, 5.5/8th-mile horse race track, bars, lounges, restaurants, off-track-betting and entertainment area
- AGLC approval in final stage
- Horse Racing Alberta license issued
- Sod-turning on December 4, 2013, final building permit in process with Rocky View County
- Construction company selected (Chandos)
- Expected opening late 2014



# Application for Casino-License in Vienna, Austria



- Three new casino licenses available in the Vienna metro area
- „Urban Casino Resort“ concept a first for Vienna
- Existing hotel Intercontinental will be renovated, 400 rooms, parking garage, congress- and event facilities, spa, restaurants
- High density of 3-, 4- and 5-Star hotels in immediate vicinity
- Elegant casino with 25 gaming tables and 318 slot machines
- 26% ownership position and management contract
- Decision expected in March 2014



# Summary



- Internationally diversified portfolio, market leader in Poland and on cruise vessels
- One of the healthiest balance sheets in the industry (net cash of \$14.4 million)
- \$27 million credit line with BMO at 3.9% (currently / floating)
- Globally experienced management team, flexible to undertake projects in any well regulated casino market world-wide
- Additional growth possibilities
  - Vienna license application
  - Evaluating various opportunities (acquisitions and green-field developments) in attractive markets, including North America, Europe and SE Asia
- Organic growth opportunities with main focus on margin improvement at
  - Casinos Poland
  - Century Casino Calgary
- Confirmed growth drivers
  - Four new cruise ship casinos under contract
  - Century Downs Racetrack and Casino under development



## **CONTACT INFORMATION**

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**Founder, Co CEO & President**

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**Welcome**  
**to the Winners' Zone!**