



**CENTURY**<sup>TM</sup>  
CASINOS

# **CORPORATE PRESENTATION**

## **Q4 and YTD 2016**

Peter Hoetzinger

Co Founder, Co CEO & President

April 2017

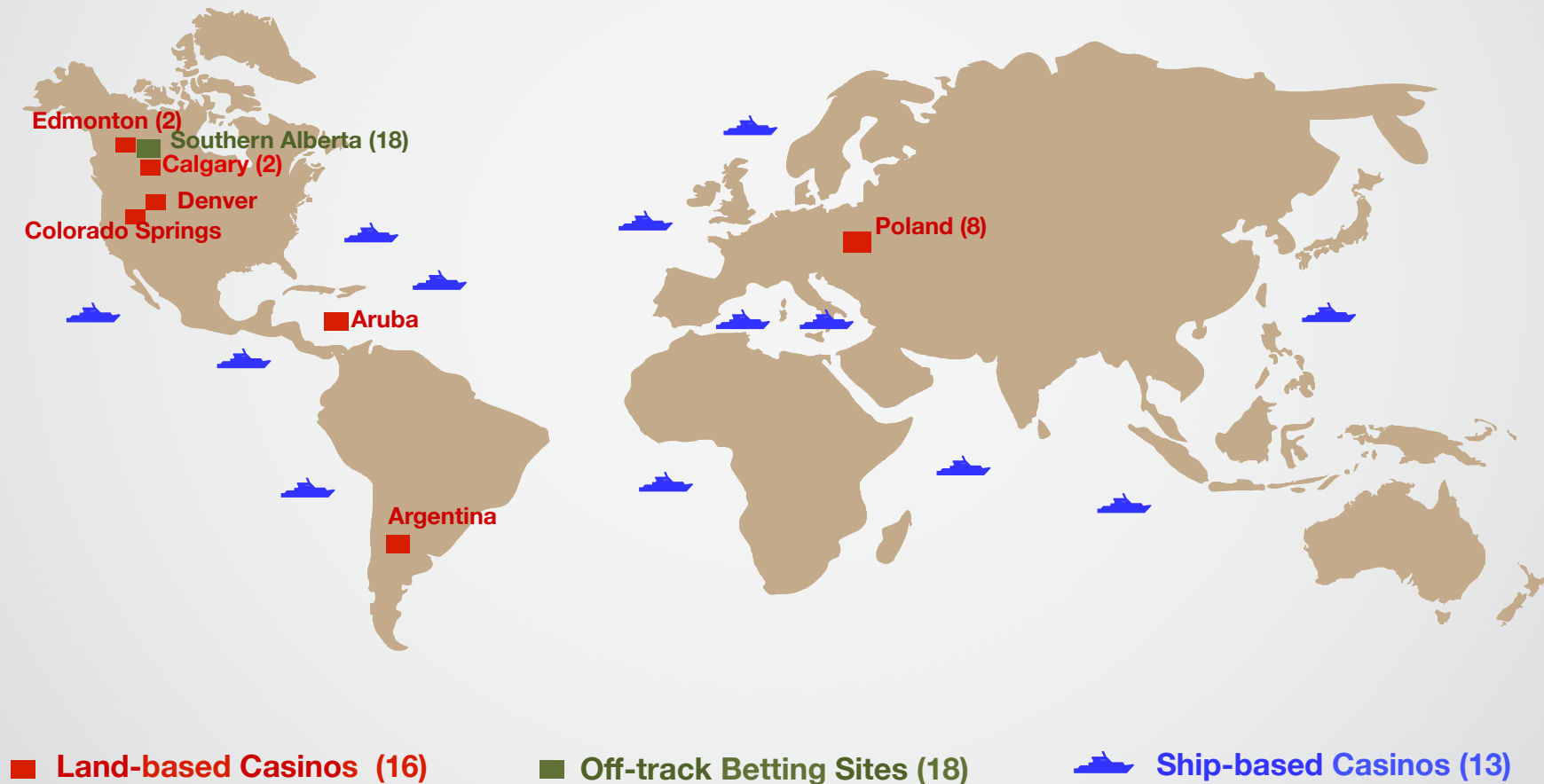
## International Casino and Entertainment Company

- Developer and operator of mid-market, mid-size casinos in regulated markets world-wide
- Focus on **entertainment with gaming and attractive non-gaming facilities** (urban casino resort concept)
- Target markets include **locals and tourists**
- **1,800 cooperators** of 32 different nationalities
- Listed on **NASDAQ** since 1994

## International Casino and Entertainment Company

- 47 casinos and off-track betting sites with 4,500 slots and 200 tables in
  - USA (Colorado)
  - Canada (Alberta)
  - Europe (Poland)
  - Caribbean (Aruba)
  - Argentina (Mendoza)
  - Luxury cruise vessels

# International Diversification



## Milestones

- 1992 Company founded by Co CEOs Erwin Haitzmann and Peter Hoetzing
- 1993 First casino on cruise vessel
- 1994 First casino in Colorado  
Listing on NASDAQ
- 2000 Casinos in South Africa (sold in 2009 at approx. 9 x adj. EBITDA)
- 2006 Market-entry Canada (Edmonton)
- 2007 Market-entry Poland (33% stake in Casinos Poland Ltd.)
- 2013 Majority control (66%) of Casinos Poland Ltd.
- 2015 Opening of Century Downs Racetrack and Casino (Calgary)
- 2016 Opening of Ship-based Casino for Chinese Market
- 2017 License award for Century Mile Racetrack and Casino project (Edmonton)

# Overview Existing Properties



## Century Casino Cripple Creek

Near Colorado Springs, Colorado, USA

Wholly Owned

Opened in 1994

6 gaming tables, 445 gaming machines

1 restaurant, 2 bars

21 hotel rooms, 300+ parking





## Century Casino Central City

Near Denver, Colorado, USA

Wholly Owned, Opened in 2006

7 gaming tables, 495 gaming machines

2 restaurants, 1 bar

26 hotel rooms, 500 car parking garage



 VOTED DENVER'S   
**BEST CASINO**  
2012-2016

[MORE INFO](#)

## Century Casino Edmonton

In Edmonton, Alberta, Canada

Wholly Owned

Opened in 2006

34 gaming tables, 794 gaming machines

4 restaurants, 2 bars

26 hotel rooms, heated parking garage

Showroom and comedy club





## Century Casino St. Albert

11 miles from Century Casino Edmonton

Acquisition closed on October 1, 2016

CAN \$27.9 mil total investment

11 gaming tables, 382 gaming machines

Restaurant, bar, lounge, banquet for 175

Expect operational synergies



## Century Casino Calgary

In Calgary, Alberta, Canada

Wholly Owned

Purchased 2010, renovated 2011

16 gaming tables, 529 gaming machines

1 restaurant, 4 bars

Off-track horse betting parlor

1,100 seat showroom, 700+ parking

## Century Downs

North of Calgary, Alberta, Canada

75% ownership, full management control

Opened in April 2015

557 gaming machines, electronic tables

Restaurant, lounge & bar, event venues

5.5 furlong (0.7 miles) racetrack

Off-track horse betting parlor



# Century Bets!

- Exclusive license for Southern Alberta
- Pari-mutuel off-track horse betting network
- Signal to 18 off-track horse betting parlors
- 100+ racetracks worldwide under contract

마감	1	2	3	4	5	6	7	8	9	10	11
천원	단식 36.5	9.5	21.3	10.4	16.7	57.7	83.3	---	1.8	7.4	21.1
89,120	연식 8.5	2.7	4.9	2.7	3.3	6.8	14.3	---	1.2	1.8	3.5
72,271	복식 1→179.3	357.8	246.7	348.7	532.4	949.2	---	49.8	123.2	288.5	---
84,129	11→45.5	2→99.1	26.8	54.7	208.0	314.2	---	9.0	30.6	75.5	---
71,704	10→16.5	52.0	3→135.1	199.9	387.7	885.9	---	25.2	73.7	217.8	---
83,936	9→4.9	18.1	5.9	4→46.6	168.3	316.6	---	8.8	32.9	86.4	---
93,849	8→---	---	---	---	5→209.7	469.6	---	14.6	49.3	149.3	---
45,012	7→260.8	578.5	287.2	81.1	---	6→744.2	---	39.3	128.8	254.1	---
15:1											





The image shows a modern, multi-story building with a glass facade. The building has a sign that reads "Casinos Poland" with a red logo to the left. In front of the building, a yellow and red tram is stopped at a station. The sky is blue with some clouds. In the foreground, there are colorful flowers in shades of yellow, purple, and white.

 **Casinos Poland**

## Casinos Poland

Eight casinos in major cities in Poland

66.6% ownership stake since April 2013

75 gaming tables, 50 gaming machines

High-quality casinos in 4- and 5-star hotels

Limited number of licenses

Catering to international guests and locals



## Mendoza, Argentina

Minority stake in Mendoza Central SA

Long-term consulting services agreement

Main shareholders affiliates of UnoMedios

MCE leases slots to Casino de Mendoza

MCE receives 43% of slot revenue

Potential to grow in Latin America (Brazil)



## Aruba, Caribbean

The Casino in the Hilton Aruba Resort

Management agreement, no investment

12 gaming tables, 176 gaming machines

Catering to international guests and locals

365 rooms and suites



## Cruise Vessels

Largest independent ship casino operator

13 casinos on luxury vessels

42 gaming tables, 221 gaming machines

Maritime Labor Convention 2006 certified



## Diamond Cruises (China)

Glory Sea

辉煌号

Start in summer 2016, home port Shanghai

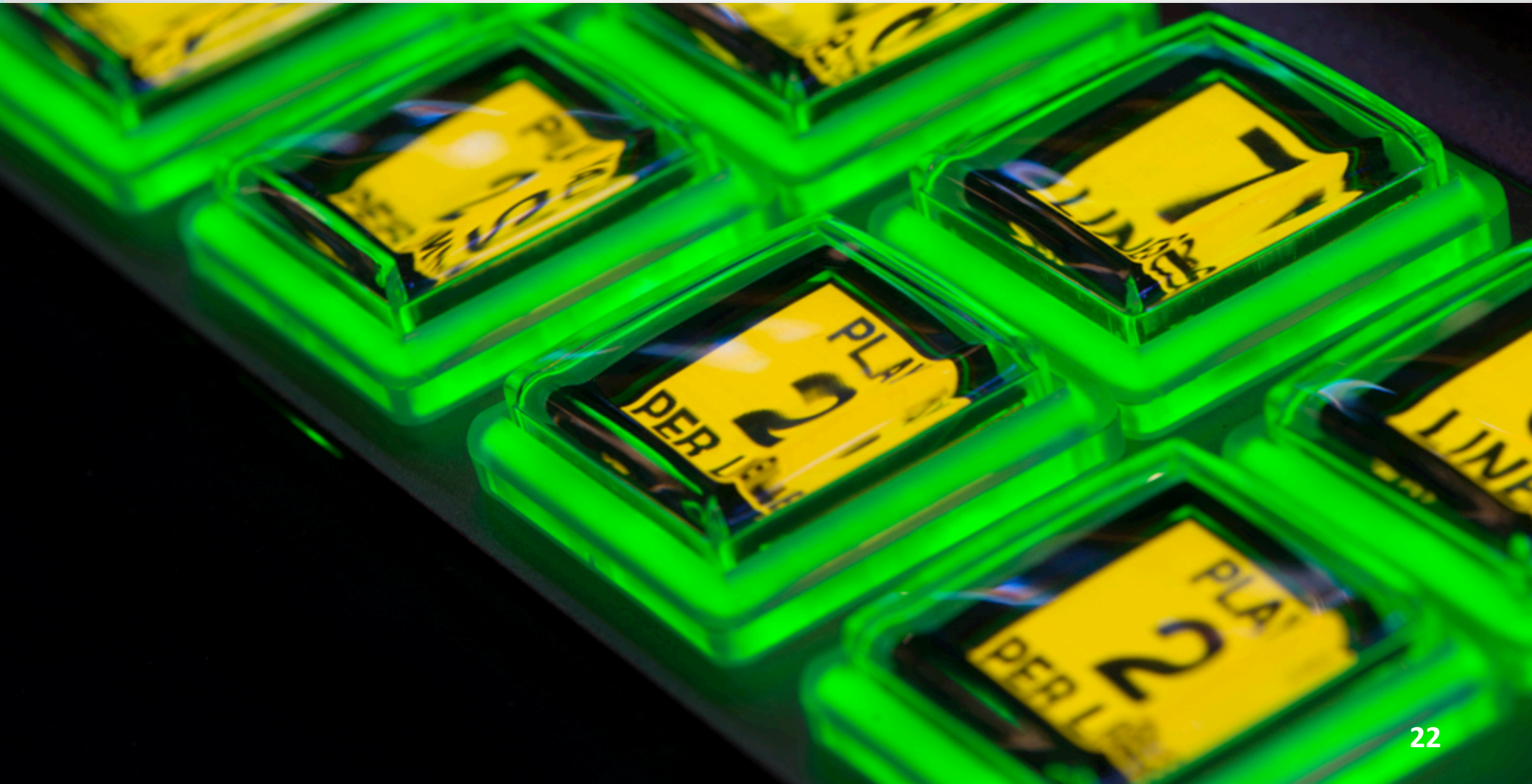
17 Tables, 20 Slots

1,200 max. passengers





# Financial Results



## Income Statement

In USD millions	Q4 2016	Q4 2015	Change
<b>Net Operating Revenue</b> as reported (GAAP)	36.3	31.9	14%
Unfavorable foreign currency impact vs. Q4 2015	0.7		
<b>Adjusted for Constant Currency (non-GAAP)*</b>	37.0	31.9	<b>16%</b>
<b>Adjusted EBITDA</b> as reported	6.3	4.5	40%
Unfavorable foreign currency impact vs. Q4 2015	0.1		
<b>Adjusted for Constant Currency (non-GAAP)*</b>	6.4	4.5	<b>42%</b>

\* Net Operating Revenue on a constant currency basis and Adjusted EBITDA as reported and on a constant currency basis are non-GAAP financial measures.

## USA (Colorado) Q4 2016 vs. Q4 2015

Net Operating Revenue	11%
Adj. EBITDA	38%
<b>Century Casino &amp; Hotel Central City</b>	
<p>The economy and consumer sentiment in the greater Denver metro area continue to be strong and we see consumers growing more confident and showing a greater willingness to spend. Results strong despite a lower hold this quarter vs. last year. 25% increase in F&amp;B revenue due to higher volumes and revamped menu.</p>	
<b>Century Casino &amp; Hotel Cripple Creek</b>	
<p>Effective marketing programs, strong slot play, double-digit increase in hotel revenue. Focus on growing VIP player development.</p>	



## Canada (Alberta) Q4 2016 vs. Q4 2015

<b>Net Operating Revenue</b>	<b>8%</b>
<b>Adj. EBITDA</b>	<b>43%</b>
<b>Century Casino &amp; Hotel Edmonton</b>	
Our largest property. Extensive construction and remodel of gaming floor, VIP area and restaurants/bars finalized in Nov 2016. Mid single-digit growth in table drop and slot coin-in.	
<b>Century Casino Calgary</b>	
Challenging quarter, business still volatile, six weeks of road construction in front of property. Continuing to focus on marketing and growing Player's Club program.	
<b>Century Downs Racetrack and Casino</b>	
Slot coin-in up 17%, lower hold led to 7% revenue growth. 42% EBITDA margin. Only race track in greater Calgary area, located on QE2 highway adjacent to regional shopping mall.	
<b>Century Casino St. Albert</b>	
Acquisition effective on Oct 1, 2016. Starting to see synergy effects with our other properties in Alberta. Live entertainment, food promotions and banquet/catering functions.	
<b>Century Bets!</b>	
Provides signal to 18 OTB-parlors in Southern Alberta.	

## Poland (Eastern Europe) Q4 2016 vs. Q4 2015

Net Operating Revenue	23%
Adj. EBITDA	52%

### **Eight Casinos in Warsaw (2), Krakow, Lodz, Wroclaw, Poznan, Sosnowiec and Plock**

Strong operational growth, both slot and table play up year-over-year. F&B revenue up double-digit as well.

Player loyalty program very popular at all locations. Win/slot/day increased from approx. \$123 to \$162.

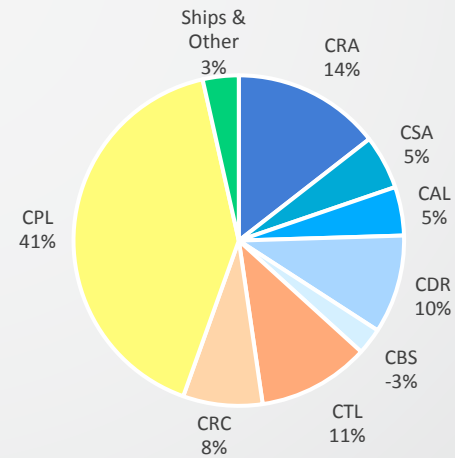
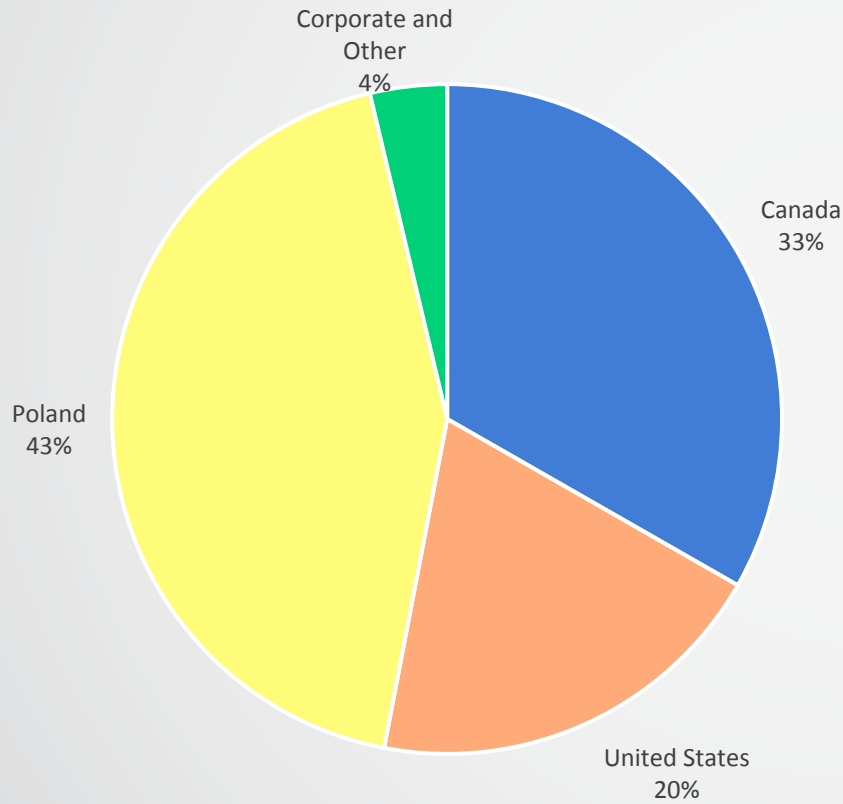
Our 8 casinos compete with 40 others throughout Poland (oligopolistic regulatory structure).

Changes to Gaming Law to reduce illegal slots offering. State will operate slots outside casinos as well as online gaming.

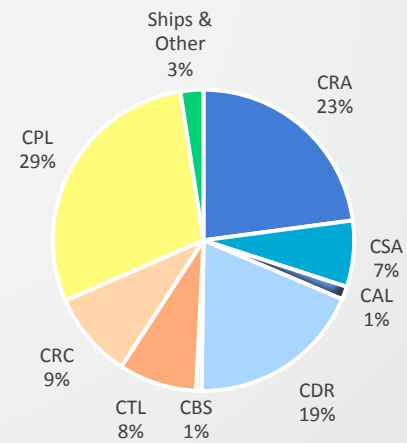
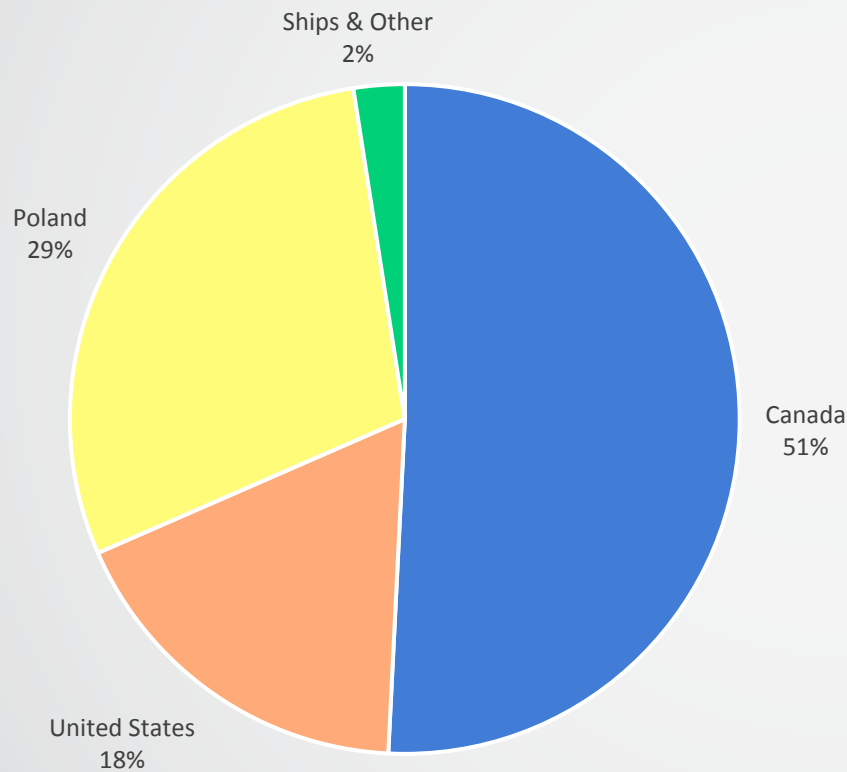
## Ship Casinos and Management Contracts Q4 2016 vs. Q4 2015

<b>Net Operating Revenue</b>	<b>58%</b>
<b>Adj. EBITDA</b>	<b>(43%)</b>
<p><b>Mein Schiff 1, 2, 3, 4 and 5, Discovery (TUI Cruises)</b>  <b>Wind Surf, Star, Spirit, Star Pride, Breeze and Legend (Windstar Cruises)</b>  <b>Glory Sea (Diamond Cruises, China)</b>  <b>Oceania Cruises and Seven Seas Cruises (Norwegian Cruise Line, consulting)</b></p> <p>Higher costs due to Chinese shipcasino opening.</p>	
<p><b>Management of Casino at the Hilton Aruba</b></p> <p>New ownership and management (formerly Radisson) of hotel property. No investment from Century. Management fee income stable.</p>	
<p><b>Consulting arrangement for Casino de Mendoza, Argentina</b></p> <p>Fixed consulting fee plus EBITDA percentage.</p>	

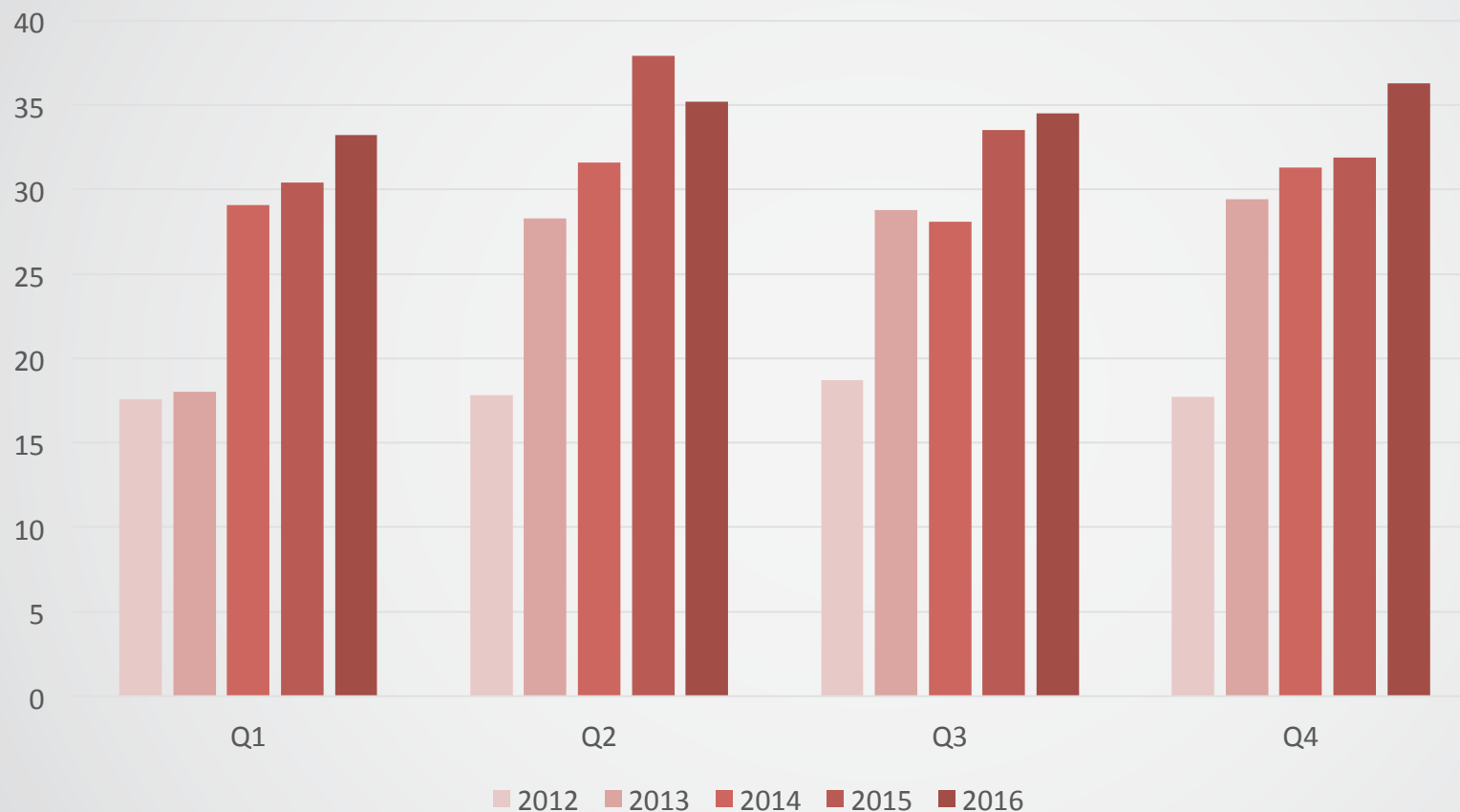
# Q4 2016 Net Operating Revenue by Operating Segment



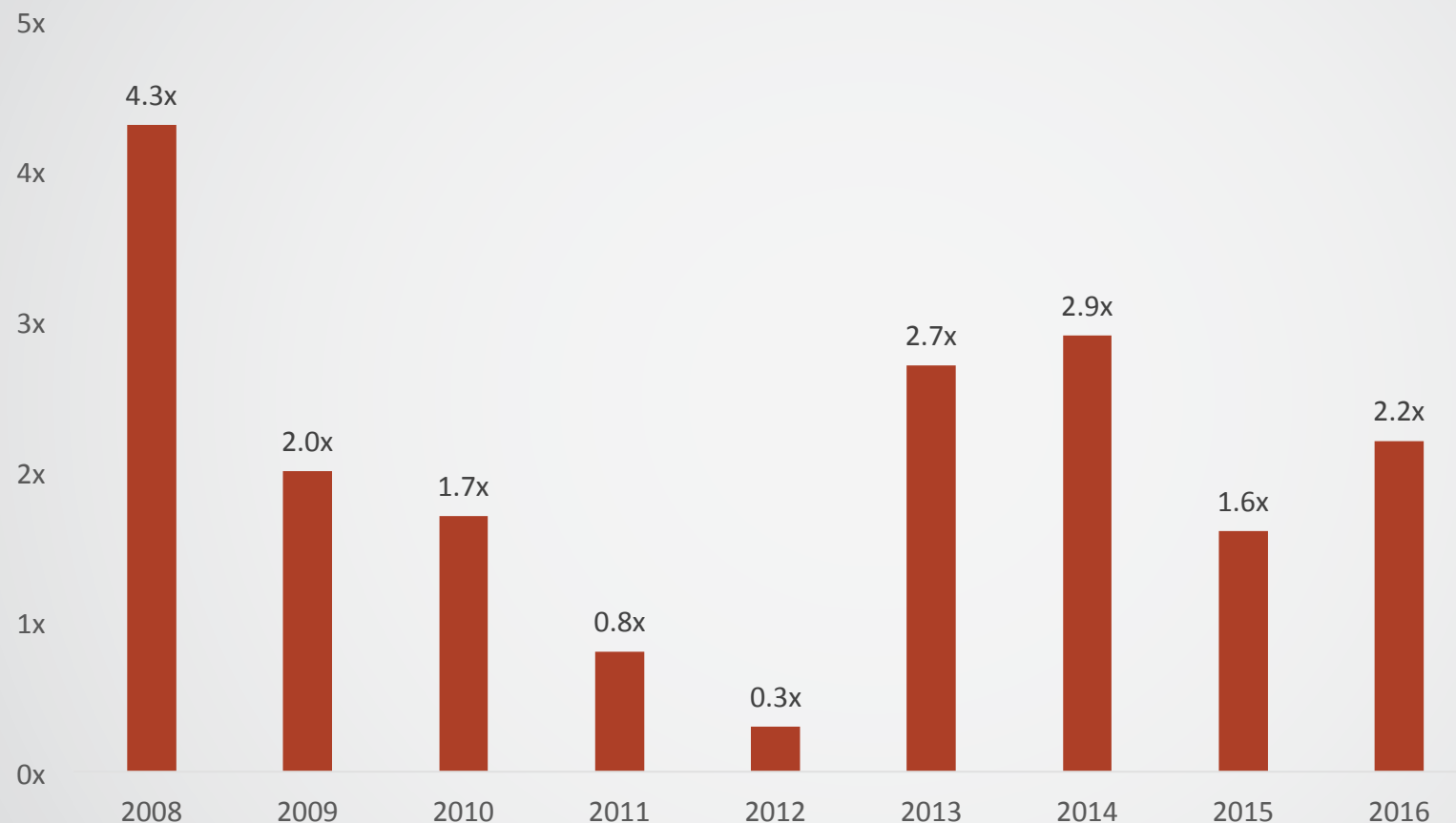
# Q4 2016 Adjusted EBITDA by Operating Segment



## Net Operating Revenue per Quarter (in USD millions)



## Debt to Adjusted EBITDA (as of December 31, 2016)



Debt includes \$0.2 million related to Casinos Poland, Ltd., \$14.5 million related to Century Downs Racetrack and Casino's long-term land lease, \$40.5 million related to our Bank of Montreal credit agreement and \$0.8 million related to various capital lease agreements. Net Debt increased from \$7.4 million (Dec 2015) to \$17.2 million (Dec 2016).

# Confirmed New Developments







## REC and Racetrack Edmonton

Project approved by AGLC and HRA

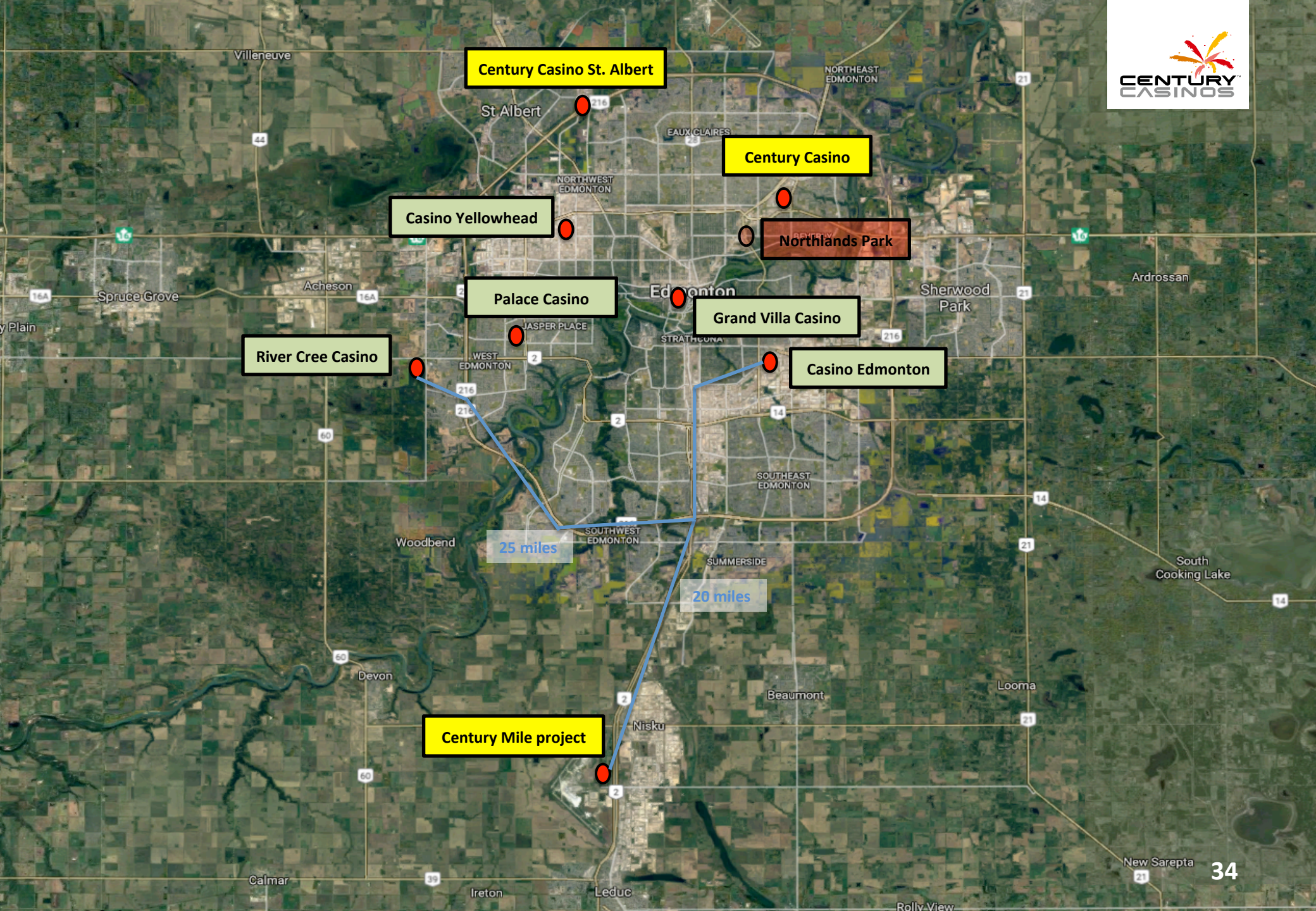
Approx. CAN \$50 million total project cost

Edmonton Int'l Airport, one-mile Racetrack

600 gaming machines, parimutuel wagering

Restaurant, bar, lounge, entertainment

Projected opening: end 2018 / early 2019



## Cruise Vessels

In Q3 2017, will add casino on Mein Schiff 6



## Looking Ahead

- Robust operations with organic growth
- Largest property (Edmonton) newly refurbished, beautiful new VIP casino areas
- Newly opened ship-casinos expected to add from Q4 2016 forward
- Newly acquired Apex Casino (now Century Casino St. Albert) accretive from Q4 2016 forward
  
- South Edmonton Racetrack and Casino project
- Additional cruise ship casino from Q3 2017
- Additional projects under consideration

FINISH



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