



FANTINI'S GAMING REPORT®

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Special Reporting Service

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Fantini's COVID-19 Gaming Daily – Weekend Update

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NOTE: We welcome all news and developments that companies and investors want to submit for this report. Send to Editor@FantiniResearch.com. In addition, you may reach Editor Blake Weishaar at BWeishaar@FantiniResearch.com or by phone at +1 302 730 3793.

FIRST RE-OPENINGS: IDAHO, MONTANA

The first casinos will reopen as the calendar turns to May.

Coeur d'Alene in Idaho will open on Friday with these requirements:

- Social distancing at gaming tables, restaurants and lounges.
- Every other gaming machine powered off.
- Plexiglas barriers installed in key locations.

- Face masks or coverings required of everyone on property.
- All concerts and large events postponed.
- Casino closing from 3 a.m. to 7 a.m. daily for deep cleaning
- Spa, buffet, bingo, off-track betting closed during the initial reopening.

In Montana, casinos will be allowed to reopen Monday, May 4.

Requirements include maintaining social distance, meeting state cleaning standards and closing at 11:30 p.m. each night.

Reopening will benefit Golden Entertainment which gets 7 percent of its revenues from slot routes it services in the state.

MORE REOPENING PLANS

US: AR, CA, NV, OK

- ARKANSAS casinos are being given some hope of reopening as Gov. Asa Hutchinson says they can after the number of COVID-19 cases decline and as casinos show they have plans to protect employees and customers, the Arkansas Democrat-Gazette reported.

- CALIFORNIA. While Chumash near Santa Barbara is closed through May, the casino is preparing to reopen, including adopting procedures in which customers entering the property who have acceptable body temperatures will be given a wellness sticker.

Here's how Chumash is preparing: <https://newspress.com/chumash-casino-resort-to-acquire-non-contact-temperature-kiosks/>.

- NEVADA. Regency, the smallest casino in Laughlin, is the first property to reopen a small part of its operation with its Chuckwagon restaurant.

It will be open for takeout service, the Mohave Daily News reported.

- OKLAHOMA. The Quapaw Nation said it is working on a reopening plan for its Downstream Resort casino.

INTERNATIONAL: GERMANY, NZ

- GERMANY. Gauselmann Group is planning to reopen business in Germany as the government relaxes social distancing measures, iGaming Business reported.

The company closed all 700 venues and 10 casinos across Germany last month, but the government has allowed small shops and other businesses to open this week.

Gauselmann furloughed 13,500 employees and reduced management salaries to 50 percent.

- NEW ZEALAND horse training will resume April 28 paving the way for racing to relaunch in late May.

SMALL, TRIBAL CASINOS ELIGIBLE FOR AID

Small gaming companies and tribal casinos are now eligible for loans under the federal Paycheck Protection Program aimed at helping companies under 500 employees to keep workers on their payrolls.

The rule previously denied aid to companies that got more than 50 percent of their revenues from gaming.

Amended guidelines: <https://home.treasury.gov/system/files/136/Interim-Final-Rule-on-Requirements-for-Promissory-Notes-Authorizations-Affiliation-and-Eligibility.pdf>.

REVENUE FORECASTS DECLINE

Global gaming revenue is expected to be £384.4 billion this year down from its earlier forecast of £472.6 billion, H2 Gambling Capital says.

H2 bases its lower estimate on the International Monetary Fund's lower forecast for global economic growth of 3 percent from 4.9 percent and on the cessation of Chinese lottery sales.

ANALYSTS: GENTING SING, MACAU

- GENTING SINGAPORE. Edward Engel of Macquarie lowered his target to 85 Singapore cents on the extended closure of Singapore casinos.

However, Engle maintains his neutral rating as he expects Resorts World Sentosa to report positive first quarter EBITDA based on the first quarter results of competitor Marina Bay Sands.

Sentosa should lose significant VIP market share given the reliance on Chinese VIPs, he said. Singapore began restricting travel from China in late January.

Mass-market share should hold steady due to Sentosa's higher exposure to locals.

Engel's EBITDA estimates fall to S\$292 million this year, \$1.129 billion next year and \$1.128 billion in 2022 with a loss per share of 0.1 cent followed by earnings per share of 5.7 and 5.5 cents.

- MACAU casino revenues and EBITDA could recover to 80 percent of last year's levels by the end of the year, GGRAsia quoted Union Gaming.

The interim impact of revenue declines and cash burn seems underappreciated by investors, Union said.

Union's forecasts revenue to fall 57 percent in the second quarter, 45 percent next quarter and 25 percent in the fourth quarter.

COMPANIES: CIRSA, INTRALOT, LVS, MGM

- CIRSA drew €175 million in credit in order to preserve financial flexibility.
- INTRALOT believes COVID-19's impact has yet to reach its peak and business levels will not return to normal until November.

The company expects to take a €25 million to €30 million EBITDA hit.

INLOT reduced operating expenses by €15 million and deferred capital expenditure of €13 million. The company said it will continue to review and implement strategic alternatives.

Its subsidiaries have applied for government support in Australia and Malta. In Asia, personnel are working remotely, which may delay product roll-outs, INLOT said.

- LAS VEGAS SANDS will continue paying Venetian and Palazzo employees through May 17.

LVS has also canceled all hotel room reservations through May 31.

- MGM RESORTS, which had started taking Las Vegas hotel reservations as of May 1 has now canceled all reservations through May 21.

US: CA, IA, LV

- CALIFORNIA. Augustine Casino in Coachella is idling 93 percent of its workers with 75 layoffs and 210 furloughs.

The casino has been closed since March 15.

- IOWA. Prairie Meadows near Des Moines will lay off more than 1,000 employees on May 3, KCCI-TV reported.

The casino still hopes to reopen June 1, the station said.

- LAS VEGAS. Passenger counts at McCarran International Airport dropped 53.1 percent to 2.064 million in March because of flight cancellations due to COVID-19.

The number of domestic passengers was down 52.8 percent to 1.892 million and international passengers, down 58.2 percent to 127,623.

TRIBAL CLOSURES

- EAGLE MOUNTAIN CASINO in California has extended its closure to June 1.

- GRAND CASINO MILLE LACS in Minnesota has furloughed its employees as its closure has been extended indefinitely.

- TALKING STICK CASINO and CASINO ARIZONA in Arizona have extended their closures through May.

INTERNATIONAL CLOSURES: GENTING MALAY, PHILIPPINES

- GENTING MALAYSIA. Resorts World Genting will remain closed until May 12.

- PHILIPPINES. Casinos in Manila will remain closed until at least May 15.

DOING GOOD: CZR, CHDN, GARY PLATT, INSE

- CAESARS launched Caesars Cares support fund for employees who suffer unexpected hardships during property closures.

The program is funded by CZR board members and executives.

- CHURCHILL DOWNS plans to use a new Kentucky Derby virtual racing game created by INSPIRED to raise \$2 million for its COVID-19 emergency relief fund.

- GARY PLATT. The chair manufacturer is now making face masks and donating them to the Renown Regional Medical Center in Reno.

FANTINI'S VIRTUAL TRADE SHOW

As COVID-19 has caused the cancellation of many trade shows, now is the time to turn to a virtual show to display and advertise all your product lines and news events too. To exhibit your company, contact Dee Wild-Shyver at DWild@FantiniResearch.com.

See products, demos, and news from exhibitors at www.FantinisGamingShow.com.

CONVENTIONS, TRADE SHOWS, CONFERENCES, EXPOS

Shows and conferences have been canceled or postponed due to the coronavirus outbreak. As new dates become available or for those that transition to webinars, they will be listed in our online calendar at <https://www.fantiniresearch.com/conventions.html>.

ABOUT THIS REPORT:

In Fantini's COVID-19 Gaming Daily report we consolidate all developments about the virus that have business and investment implications for the gaming industry. We will post them on our website until further notice. Fantini's COVID-19 Gaming Daily is a Special Report that is included with all levels of Fantini's Gaming Report subscriptions.

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