

**SOCIÉTÉ DES BAINS DE MER**  
**ET DU CERCLE DES ÉTRANGERS À MONACO**

**General Meetings of Shareholders, 20 September 2019**

Monaco, 20 September 2019.

The Shareholders of Société des Bains de Mer convened on Friday 20 September at the One Monte-Carlo – Conference Center (Salle des Arts) at an Ordinary General Meeting, followed by an Extraordinary General Meeting.

The shareholders present or represented passed all of the resolutions tabled.

**ORDINARY GENERAL MEETING**

**Approval of the financial statements for FY 2018/2019**

S.B.M. Group reported consolidated revenue of €5265 million for the fiscal year 2018/2019, compared to €474.6 million in 2017/2018, an improvement of 11%. The increase of €51.9 million for the year is the result of higher revenue across all sectors.

S.B.M. Group operating result was a loss of -€9.6 million compared to a loss of -€27.1 million during the previous financial year.

This favorable trend in operating income concerns all sectors.

Thus, the gaming sector benefitted from increased table game revenue and the rental sector reported a strong growth with the opening of new retail spaces at the Hotel de Paris and in the new One Monte-Carlo complex.

Although it has improved slightly, the operating income in the hotel sector remains in deficit, primarily due to renovation works at the Hotel de Paris. While the hotel has benefitted from increased accommodation capacity compared to previous year, with an average of 97 rooms available in 2018/2019 compared to 56 previously, it has not yet returned to its level of business prior to the beginning of the work, when the Hôtel de Paris had 182 rooms. The unfavorable impact on the operating income is around €7 million for 2018/2019 compared to €10 million for the previous year.

Equity accounting consolidation of Betcliv Everest Group, an online gaming group in which the Group has a 50% stake, requires the recognition of 50% of its net income for the period in question, resulting in a profit of €12.3 million, compared to a profit of €12.5 million last year. This result notably reflects Betcliv's good performance, with the development of its sports betting offers, new mobile apps and the intensification of its marketing actions.

The General Meeting of Shareholders approved the consolidated and financial statements for the financial year 2018/2019 and passed the resolution on the allocation of net income. Given the on-going operating deficit, it was decided that no dividend would be distributed.

## **Authorisation to buyback Company shares**

The General Meeting of Shareholders renewed the authorisation granted to the Board to buyback Company shares, up to a limit of 5% of the share capital, at a maximum price of €80 per share and for a maximum total amount of €30 million. This authorisation is valid for a period of 18 months as from 20 September 2019.

## **EXTRAORDINARY GENERAL MEETING**

### **Addendum 4 to the Terms of Reference**

The Extraordinary General Meeting of Shareholders approved addendum 4 to the Terms of Reference, giving authorisation to operate three new games.

This same addendum maintains the licencing fee rate at 15% and allows discounts granted to clients to be deducted from the base used to calculate licencing fee, for a period of three financial years.

## **FORWARD-LOOKING PROSPECTS**

It is reminded that the activity observed over the first quarter of the current financial year (1 April to 30 June 2019) was up by 22% compared to last year. This growth is due to improved revenue across all sectors.

Since 1st July 2019, hotel and rental activities continue to grow with the full opening of the Hôtel de Paris and the rental revenue from the leasing at the new One Monte-Carlo complex. The gaming sector maintains its advance recorded during the first quarter, the activity accounted since 1 July being equivalent as the one accounted during the same period of last year.

Fiscal year 2019/2020 will record full commissioning of the two major investment projects – extensive renovation of the Hotel de Paris and One Monte-Carlo real estate development – , allowing S.B.M. Group to take a new dimension.

S.B.M. Group's business, which is dependent on the economic and financial context, as well as the random and seasonal natures of activities, particularly in the gaming sector, do not permit to give forecasts for the entire fiscal year 2019/2020. Although the activity remains sensitive to the political context, which can influence some markets, the commissioning of the two aforementioned projects should contribute to an improvement in S.B.M. Group's performance.

The Group's priority remains to relaunch the gaming activity and to improve performance at the Hotel de Paris and the One Monte-Carlo, with the objective to position the S.B.M. Group as the Resort of Excellence in Europe in terms of gaming, hotel, residential and luxury retail.

[www.montecarlosbm.com](http://www.montecarlosbm.com)

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