Bloomberry 3Q revenues grow to P7.1 billion
Improving operations narrow quarterly losses

3Q2015 highlights

- Revenues (net of promotional allowances) grew 29 percent year-on-year and 19 percent quarter-on-quarter to P7.094 billion
- Cash operating expenses declined 6 percent quarter-on-quarter to P3.985 billion
- Inclusive of P703 million in provisions for doubtful accounts, EBITDA reached P2.406 billion, flat year-on-year but 53 percent higher quarter-on-quarter
- Net losses were narrower quarter-on-quarter to P189 million

For the nine-month period, Bloomberry Resorts Corporation (BLOOM PM), owner and operator (through its subsidiaries) of Solaire Resort & Casino and Jeju Sun Hotel & Casino, reported unaudited consolidated revenues (net of promotional allowances) of P19.424 billion, up from P16.975 billion in the same period last year. The Company reported a P1.509 billion loss in contrast to P3.299 billion in net profits last year.

For the quarter ended September 30, 2015, the Company reported revenues (net of promotional allowances) of P7.094 billion, 29 percent higher year-on-year from P5.512 billion and 19 percent higher quarter-on-quarter from P5.986 billion. On a sequential basis, Philippine operations reported P281 million in net profit while Korea generated P471 million in net losses. Profitable Philippine operations reduced the consolidated third quarter net loss to P189 million, significantly narrower than the P787 million loss reported in the previous quarter.

Enrique K. Razon Jr., Bloomberry Chairman and CEO, says: "Our investments in the Sky Tower are beginning to show returns. Given the improvement in Philippine operations and the opening of a new revenue stream, we are hopeful that returns will continue to gain higher ground."

Gross gaming revenues and non-gaming revenues for the first nine months of the year hit P24.551 billion and P1.384 billion, respectively. On a year-on-year basis, these grew by 14 percent and 53 percent, respectively, with strong growth across all gaming segments and additional incremental growth in non-gaming revenues with the opening of Sky Tower in November 2014 and the consolidation of Korean operations beginning in 2Q 2015. Jeju Sun, in its first 15 days of casino operations, accounted for less than 1 percent of consolidated gross gaming revenues and 13 percent of consolidated non-gaming revenues.

Gaming continued to be the biggest generator of consolidated gross revenues in the first nine months of the year, accounting for 94.6 percent of the total. This was followed by Hotel, Food and Beverage as well as Retail and Other at 5.1 percent with the balance of 0.3 percent taken up by Interest Income.

Gross gaming revenues and non-gaming revenues in the third quarter grew year-on-year to P8.973 billion and P502 million, respectively. Gross gaming revenues for the quarter increased by 21 percent over the same period last year while non-gaming revenues grew 82 percent year-on-year helped by the contribution from Korea. On a sequential basis, both gross gaming revenues and non-gaming revenues also continued to grow by 20 percent and 10 percent, respectively,

Stripping out promotional allowances, net gaming revenues in the third quarter also grew by 26 percent year-on-year to P6.593 billion. On a sequential basis, net gaming revenues grew 20 percent from P5.476 billion in the preceding quarter.

Promotional allowances as a percentage of gross gaming revenues was at 26.5 percent for the third quarter, higher than the 29.3 percent reported in the same period last year but slightly lower on a quarter-on-quarter basis compared to the previous quarter's 26.8 percent.

Bloomberry's cost-containment initiatives have continued to show tangible benefits with cash operating expenses in the third quarter declining 6 percent quarter-on-quarter to P3.985 billion.

Inclusive of P703 million in provisions for doubtful accounts, EBITDA for the third quarter reached P2.406 billion, essentially unchanged from the P2.434 billion reported in the same period last year and 53 percent higher than the 2Q2015 EBITDA of P1.573 billion.

In the third quarter, the Company reported a P189 million net loss compared to P992 million in net profit made in the same period last year. Despite the P703 million provision for bad debt in the quarter, due to improving operations in the Philippines, the 3Q 2015 net loss of P189 million is a significant quarter-on-quarter improvement from the P787 million net loss reported in 2Q 2015.

The Company reported Earnings per Share (EPS) for the third quarter, Bloomberry reported EPS of P(0.017), from the 3Q 2014 P0.094 EPS.

Bloomberry Resorts Corporation is the owner and operator (through its subsidiaries) of the Solaire Resort & Casino and Jeju Sun Hotel & Casino. Solaire is the first property to open in PAGCOR's Entertainment City. Solaire became the first Integrated Resort in Entertainment City with the opening of Sky Tower last November 2014. Aside from a 312-key all-suite five star hotel, Sky Tower features other amenities such as The Theatre, a 1,760-seat Broadway-style theatre; The Macallan, a luxury cigar and whisky bar; 1,000 sqm of meeting space in The Forum; the Star 9 international karaoke bar as well as additional gaming facilities. A high-end retail area with a gross floor area of approximately 10,000 sqm and an expansive night club will also be opening soon.