

Wynn Resorts, Limited Reports First Quarter Results

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Revenue increase was driven by a 61.4% increase in revenues at Wynn Macau

Wynn Resorts, Limited (Nasdaq:WYNN) reported financial results for the first quarter ended March 31, 2008.

Net revenues for the first quarter of 2008 were \$778.7 million, compared to \$635.3 million in the first quarter of 2007. The revenue increase was driven primarily by a 61.4% increase in revenues at Wynn Macau.

Consolidated adjusted property EBITDA (1) increased 4.0% to \$197.8 million for the first quarter of 2008, compared to \$190.2 million in the first quarter of 2007.

On a US GAAP (Generally Accepted Accounting Principles) basis, net income for the quarter was \$46.7 million, or \$0.41 per diluted share, compared to net income of \$58.4 million, or \$0.54 per diluted share in 2007. Adjusted net income in the first quarter of 2008 was \$78.2 million, or \$0.69 per diluted share (adjusted EPS)(2) compared to an adjusted net income of \$72.6 million, or \$0.67 per diluted share in the first quarter of 2007.

Wynn Las Vegas First Quarter Results

For the quarter ended March 31, 2008, Wynn Las Vegas generated adjusted property EBITDA of \$68.4 million, compared to \$111.2 million in the first quarter of 2007, with a 23.8% EBITDA margin on net revenue. The EBITDA decline was primarily driven by lower table hold percentage of 19.9% in the first quarter of 2008 compared to 27.6% in the comparable period in 2007.

Net casino revenues in the first quarter of 2008 were \$125.1 million, compared to \$173.1 million for the first quarter of 2007. Table games drop decreased 3.1% from the comparable period in 2007 to \$533.3 million. Slot machine handle of \$897 million was 2.8% below the comparable period of 2007 and win per unit per day was \$227, compared to a win per unit per day of \$256 in the first quarter of 2007.

Gross non-casino revenues for the quarter were \$201.6 million, a 3.3% increase from the first quarter of 2007, driven primarily by higher entertainment revenues. Hotel revenues were down 3.3% to \$70.6 million during the quarter, versus \$72.9 million in the first quarter of 2007. Wynn Las Vegas achieved an Average Daily Rate (ADR) of \$298 for the quarter, compared to \$310 in the first quarter of 2007. The property's occupancy was 95.8%, compared to 96.2% during the prior year period, generating revenue per available room (REVPAR) of \$285 in the 2008 period (4.3% below the first quarter of 2007).

Food and beverage revenues decreased 0.2% to \$77.2 million in the quarter, and retail revenues were \$22.6 million in the quarter, compared to \$21.4 million in the first quarter of 2007, an increase of 5.8%. Entertainment revenues were approximately \$19.2 million compared to \$10.9 million in the first quarter of 2007 as Monty Python's Spamalot opened in March 2007 and Le Rêve was open for only two months in the first quarter of 2007 (remodeling of the theater). Spamalot will be closing in July 2008 and we will start the renovation of that theater into the Encore theater which will feature Danny Gans starting in February 2009.

Encore at Wynn Las Vegas

We are constructing Encore on approximately 20 acres on the Las Vegas Strip, immediately adjacent to Wynn Las Vegas. Encore includes a 2,034 all-suite hotel tower, an approximately 72,000 square foot casino, additional convention and meeting space, as well as restaurants, a nightclub, swimming pools, a spa and salon and retail outlets. Encore is expected to open in December 2008. Our project budget is approximately \$2.2 billion for Encore and related capital improvements.

As of March 31, 2008, we had incurred approximately \$1.2 billion of project costs related to the development and construction of Encore and related capital improvements.

Wynn Macau First Quarter Results

In the first quarter of 2008, Wynn Macau generated Net Revenues of \$491.5 million compared to \$304.6 million for the first quarter of 2007. Adjusted property EBITDA increased 63.8% to \$129.4 million (with a 26.3% EBITDA margin on net revenue) compared to \$79.0 million in the first quarter of 2007. In December 2007, we completed the Wynn Macau expansion, adding approximately 75,000 square feet of gaming space and 20,000 square feet of retail space including 11 new boutiques.

The following table games results are segregated into two distinct reporting categories, the VIP segment and the mass market segment.

Table games turnover in the VIP segment increased 104.7% to \$14.8 billion for the period, compared to \$7.2 billion for the first quarter of 2007. VIP table games win as a percentage of turnover (calculated before discounts and commissions) was 3.0%, at the top end of the expected range of 2.7% to 3.0% and lower than the 3.3% in the comparable period of 2007.

Table games drop in the mass market category was approximately \$592.7 million during the period, a 16.9% increase from \$506.9 million in the first quarter of 2007. Mass market table games win percentage (calculated before discounts) of 19.7% was within the property's range of 18% to 20% and was higher than the 18.2% in the first quarter of 2007.

Slot machine win increased 98.4% compared to the first quarter of 2007. Win per unit per day was \$310, a 31.6% decline from the first quarter of 2007 due to the increase in the number of slot machines from 433 to 1,243 slots.

Wynn Macau achieved an Average Daily Rate (ADR) of \$276 for the quarter, compared to \$245 in the first quarter of 2007. The property's occupancy was 88.5%, compared to 84.8% during the prior year period, generating revenue per available room (REVPAR) of \$244 in the 2008 period (17.3% higher than in 2007).

Encore at Wynn Macau

Wynn Macau currently features approximately 600 hotel rooms and suites, 380 table games and 1,240 slot machines in 205,000 square feet of casino gaming space, five restaurants, a spa and salon, lounges, meeting facilities and 46,000 square feet of retail space. Encore at Wynn Macau (previously known as Wynn Diamond) will add approximately 400 luxury suites and four villas along with restaurants, additional retail and gaming space. We commenced construction of Encore at Wynn Macau in 2007, and expect the property to open in the first half of 2010. As of March 31, 2008, we have incurred \$75.8 million of an expected \$600 million budget associated with the construction of Encore at Wynn Macau.

Other Factors Affecting Earnings

Interest expense, net of \$16.9 million in capitalized interest, was \$45.3 million for the first quarter of 2008. Depreciation and amortization expenses were \$62.7 million and Encore at Wynn Las Vegas pre-opening expenses were \$5.3 million during the quarter. Corporate expense and other was \$14.1 million in the first quarter, including \$3.4 million in stock based compensation. Property charges of \$24.3 million are primarily related to write-offs associated with Spamalot at Wynn Las Vegas, which will close in July 2008.

During the quarter, we recorded a \$4.7 million tax benefit primarily resulting from pre-opening expenses associated with the development of Encore at Wynn Las Vegas and the higher earnings contribution of Wynn Macau, the earnings of which are neither taxable in the U.S. nor Macau.

Balance Sheet and Capital Expenditures

Our total cash balances at the end of the quarter were \$1.5 billion, including unrestricted cash balances of \$1.2 billion and cash balances restricted for construction and development and stock repurchases of \$290.5 million. Total debt outstanding at the end of the quarter was \$3.7 billion, including approximately \$2.1 billion of Wynn Las Vegas debt, \$551 million of Wynn Macau related debt and \$1.0 billion at Wynn Resorts, Limited. Capital expenditures during the first quarter of 2008, net of changes in construction payables and retention, totaled approximately \$280 million, primarily attributable to Encore at Wynn Las Vegas.

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