

SOCIETE DES BAINS DE MER
ET DU CERCLE DES ETRANGERS A MONACO

2007/2008 consolidated results
(Period from April 1, 2007 – March 31, 2008)

- **Sharp rise in 2007/2008 annual results**
- **15% growth in revenue**
 - Excellent year for the gaming sector, with a turnaround of table games and the steady development of automatic machines
 - Continuous growth of hotel activities with a marked improvement in operating income
- **42% increase in operating income before depreciation and amortization**
- **75% growth in net income, which totaled €93.5 million**

During its meeting of June 19, 2007, the Société des Bains de Mer Board of Directors approved the 2007/2008 annual financial statements prepared in accordance with International Financial Reporting Standards (IFRS).

In €millions	2007/2008	2006/2007
Consolidated revenue	457.6	396.7
Operating income before depreciation & amortization	106.7	75.3
Operating income	64.1	30.9
Net income from financial items	29.5	22.7
Net income (attributable to equity holders of the parent)	93.5	53.6
Earnings per share (in €)	51.76	29.71

The Board of Directors will propose the payment of a dividend amounting to €11, including the statutory dividend, compared to €7 in the previous year, at the Shareholders' General Meeting to be held in Monaco on September 19, 2008.

▪ **Continued improvement in operating performance**

In keeping with the trend observed in the first half of the year, the high level of business recorded in the second half of the year contributed to a substantial improvement in the results for the year ended March 31, 2008 compared to the previous year.

The Group's consolidated revenue rose by 15% to €457.6 million.

This growth, steadier than in the previous year, results from the turnaround in the table games sector, up 23%, and new growth of 11% in automatic machines. Due to these favorable trends, gaming sector revenue rose by 16% to a record amount of €259.6 million.

This achievement was combined with a commendable performance from the hotel sector. With receipts up by 13%, this sector also registered a record level of business with revenue of €185.1 million. This positive trend was observed in all the Group's hotels, particularly the Monte-Carlo Bay Hotel & Resort, the Group's newest hotel which has fully satisfied client expectations.

The Group's operating income totaled €64.1 million, compared to €30.9 million in the previous year. The gaming sector contributed significantly to this improvement with a €22 million increase in profitability, while, likewise, net income from the hotel business increased by €10.3 million.

▪ **Increase in net income from financial items and growth in net income**

A capital gain of €17.6 million was recorded in net income from financial items due to the sale of 300,000 Wynn Resorts, Limited shares, while the Group retained 2,000,000 shares, equivalent to nearly 1.8% of share capital. The Company also collected financial income of €8.3 million with respect to the dividends paid by Wynn Resorts, Limited.

Consolidated net income attributable to the equity holders of the parent rose to €93.5 million, compared to €33.6 million for fiscal year 2006/2007.

▪ **Business trend in the first months of 2008/2009**

Société des Bains de Mer and its subsidiaries have made a commendable start to the fiscal year and have to date maintained a level of business in line with that of the previous year.

Due to the unpredictable and seasonal nature of the business and the uncertainty surrounding the international economic situation, forecasts cannot be prepared for the entire year.

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