

Wynn slows Macau expansion, plans buyback

New York (Reuters) – Wynn Resorts Ltd. said on Thursday it plans to slow expansion at its Macau casino amid increasing competition and slowing travel to the Chinese gambling haven.

Wynn also said its board of directors approved a program that will allow it to buy back up to USD 1.2 billion in stocks and convertible bonds.

The casino operator said new restrictive visa requirements imposed by the Chinese government had slowed travel to Macau from nearby Guangdong province in the past few weeks.

Also, the company said it was closely monitoring new Macau developments such as Las Vegas Sands Corp's Venetian Cotai and the MGM Grand Paradise, a 50/50 joint venture between MGM Mirage Inc. and Pansy Ho Chiu-king, daughter of Asian gambling tycoon Stanley Ho.

„In light of this uncertainty in the marketplace, we have elected to open only a portion of our Wynn Macau expansion in the third quarter of 2007,“ said Chief Executive Stephen Wynn in a statement.

Wynn now plans to open 25,000 square feet of additional gaming space at the casino in the third quarter, which will provide space for 25 table games and 200 slot machines.

The total USD 1.2 billion expansion at the casino was to include 123,000 square feet of gaming space, a dramatic front feature attraction, a theater showroom, and additional food and retail space.

Wynn has said that it had incurred about USD 935 million of expenses on the project as of March 31.

The slowed expansion in booming Macau is a sign of the challenges that casino companies face as they battle over the same markets across the globe.

The casino operator said results at Wynn Las Vegas and Wynn Macau thus far in the second quarter had „significantly exceeded expectations.

Wynn said it plans to open additional space from the Macau expansion „opportunistically.“

The company said it is proceeding with designing and budgeting for the Wynn Diamond Suites in Macau. The hotel tower is expected to open 2010.