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**Division of Gaming Enforcement**

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## DGE Announces Quarterly Results

**For Immediate Release:**

November 24, 2014

### Highlights for the nine months ended September 2014:

- ✓ Atlantic City Casino Hotels' occupancy rate increased 1.8 percentage points to 81.5% for the nine months ended September 2014
- ✓ Atlantic City Casino Industry's Gross Operating Profit increased 11.5% for the nine months ended September 2014
- ✓ Current Operators' (as defined) Total Revenue increased 3.3% for the nine months ended September 2014

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ATLANTIC CITY —

According to financial reports filed with the Division of Gaming Enforcement, the casino licensees reported Total Revenue of \$3 billion and \$221.5 million in Third Party Business sales for the nine months ended September 2014, as illustrated below:

#### Industry Total Revenue and Combined Sales

<u>For the Nine Months Ended</u> <u>(\$ in Thousands)</u>	<u>Sept. 30,</u> <u>2014</u>	<u>Sept. 30,</u> <u>2013</u>	<u>Change</u>
<b>Casino Licensees</b>			
Casino	\$ 2,084,938	\$ 2,193,958	-5.0%
Rooms	383,290	404,596	-5.3%
Food and Beverage	383,773	404,181	-5.0%
Entertainment and Other	144,635	147,100	-1.7%
<b>Casino Licensees Total Revenue</b>	<u>2,996,636</u>	<u>3,149,835</u>	-4.9%
<b>Third Party Business Sales</b>	<u>221,532</u>	<u>223,926</u>	-1.1%
<b>Combined Sales</b>	<u>\$ 3,218,168</u>	<u>\$ 3,373,761</u>	-4.6%

Current Operators' (as defined) Total Revenue increased 3.3% for the nine months ended September 2014, while Third Party Business sales increased 7.4%, as illustrated below.

**Current Operators' Total Revenue and Combined Sales**

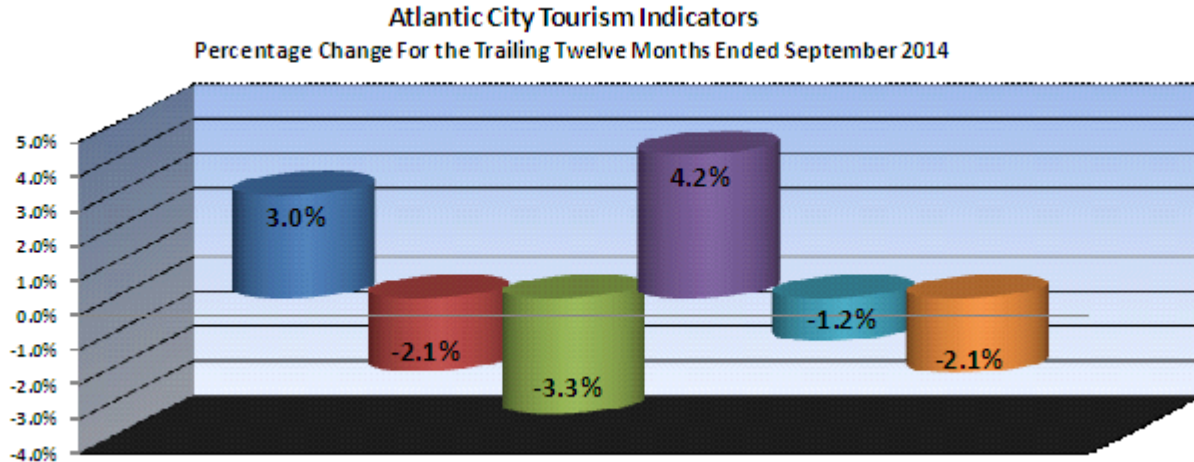
For the Nine Months Ended (\$ in Thousands)	Sept. 30, 2014	Sept. 30, 2013	Change
<b>Casino Licensees</b>			
Casino	\$ 1,837,662	\$ 1,761,038	4.4%
Rooms	313,178	315,846	-0.8%
Food and Beverage	335,934	329,876	1.8%
Entertainment and Other	117,996	115,486	2.2%
<b>Casino Licensees Total Revenue</b>	<b>2,604,770</b>	<b>2,522,246</b>	<b>3.3%</b>
<b>Third Party Business Sales</b>	<b>158,687</b>	<b>147,754</b>	<b>7.4%</b>
<b>Combined Sales</b>	<b>\$ 2,763,457</b>	<b>\$ 2,670,000</b>	<b>3.5%</b>

**Hotel Occupancy**

The occupancy rate in the city's casino hotels for the third quarter of 2014 was 92.0%, which is 0.9 percentage points higher than the comparable period last year. The occupancy rate for the first nine months of 2014 was 81.5%, an improvement of 1.8 percentage points from the same period last year.

Current Operators (as defined) had an occupancy rate of 93.0% during the third quarter of 2014 and 82.6% for the first nine months of 2014.

**Atlantic City Tourism Indicators**



	Total Gaming Taxes	Hotel Room Fee	Parking Fee	Luxury Tax	Sales Tax	Tourism Promo Fee
TTM Sept. 2014	\$ 206,851,671	\$ 14,862,054	\$ 26,150,766	\$ 36,266,357	\$ 61,327,231	\$ 10,332,756
TTM Sept. 2013	\$ 200,865,902	\$ 15,180,786	\$ 27,062,509	\$ 34,820,660	\$ 62,093,535	\$ 10,569,610

The notes on the following page are integral to understanding the financial information contained in this press release. The notes provide a description and source of the data.

(Additional information on Atlantic City tourism can be found on the Casino Reinvestment Development Authority's website at: <http://www.atlanticcitynj.com/about/stats.aspx>)

Reports filed by the individual casinos can be found at the Division's website at: <http://www.nj.gov/bag/ge/quarterlyfinancialrpt.html>

**NJ Department of Law and Public Safety / Office of the Attorney General:**  
Divisions -- Alcoholic Beverage Control · Civil Rights · Consumer Affairs · Criminal Justice ·  
Gaming Enforcement · Highway Traffic Safety · Law · State Police

Notes:

- Entertainment and Other Revenue reflects concert and show admissions, casino-owned spa revenue, casino-owned retail sales, rental income and other miscellaneous revenue sources.
- Total Revenue is the amount reported on line 5 of the income statement and is not the same as Net Revenue, which is reported on line 7 of the income statement. Net revenue is after promotional allowances are deducted.
- Third Party Businesses reflect individuals or entities that lease space within the casino licensees whose sales are not included in the revenues reported by the casino licensees. Only businesses that provide food, beverage, retail, entertainment, or hospitality-related items were included in the statistics.
- Gross Operating Profit reflects earnings before interest, taxes, depreciation, amortization, charges from affiliates, and other miscellaneous items. It is a widely-accepted measure of profitability in the Atlantic City gaming industry.
- The footnotes are an integral part of each licensee's financial statements. Valid comparisons cannot be made without using the information contained in the footnotes. Note that certain real estate tax matters were resolved in 2013 and 2014, which impacts the comparability of operating results among licensees.
- Atlantic City Tourism Indicators are based upon tax/fee filings for the most recent twelve month period (TTM), which are preliminary and subject to future adjustments, as follows:
  - Total Gaming Taxes: 8% of Taxable Gross Revenue and 15% Internet Gross Revenue Tax as reported to the Division of Gaming Enforcement.
  - Casino Hotel Room Fee: \$3 per occupied room night in casino hotels reported to the Division of Taxation.
  - Casino Hotel Parking Fee: \$3 daily fee collected by casino hotels for parked cars as reported to the Casino Control Commission.
  - Atlantic City Luxury Tax: 3% to 9% tax on show admissions, hotel rooms, alcohol consumed on premises and other tourist-related items as reported to the Division of Taxation.
  - Sales Tax: Based upon Atlantic City-based business entities active during the year as reported by the Division of Taxation. These figures do not typically include sales tax revenue from business entities that have Atlantic City locations but are primarily based outside Atlantic City.
  - Tourism Promotional Fee: \$1 or \$2 fee per occupied hotel/motel room in Atlantic City as reported to the Division of Taxation.
- Current Operators reflect active operators reporting revenue during the last day of the current quarter. Discontinued Operators include Atlantic Club, Showboat, Revel, and Trump Plaza.

**ATLANTIC CITY CASINO INDUSTRY  
STATEMENT OF INCOME STATISTICS  
FOR THE QUARTER ENDED SEPTEMBER 30, 2014 AND 2013  
(\$ in Thousands)**

	Total Revenue			Net Revenue			Gross Operating Profit		
	2014	2013	Variance	2014	2013	Variance	2014	2013	Variance
<b><u>Casinos with Internet Gaming (a)</u></b>									
Borgata	275,948	263,410	4.8%	209,946	200,051	4.9%	57,576	47,216	21.9%
Golden Nugget	72,712	55,186	31.8%	53,434	41,684	28.2%	5,637	2,125	165.3%
Tropicana	116,722	90,378	29.1%	92,705	69,808	32.8%	18,486	11,808	56.6%
Trump Plaza (c)	18,898	35,146	N/A	14,130	25,557	N/A	(5,613)	1,028	N/A
Trump Taj Mahal	90,601	104,326	-13.2%	64,176	75,814	-15.4%	5,757	9,461	-39.2%
<b><u>Casinos without Internet Gaming</u></b>									
Atlantic Club (c)	-	51,754	N/A	-	33,395	N/A	-	(1,705)	N/A
Bally's AC (b)	95,826	101,110	-5.2%	70,013	75,396	-7.1%	12,481	17,011	-26.6%
Caesars (b)	131,099	129,057	1.6%	91,769	93,969	-2.3%	20,803	26,031	-20.1%
Harrah's	160,171	147,836	8.3%	116,516	111,084	4.9%	28,834	32,893	-12.3%
Resorts	55,939	55,917	0.0%	41,867	39,159	6.9%	4,929	708	596.2%
Revel (c)	47,950	89,941	N/A	37,902	66,701	N/A	(2,428)	(23,513)	N/A
Showboat (c)	47,095	78,844	N/A	33,243	57,392	N/A	3,280	14,515	N/A
<b><u>Internet Gaming Only</u></b>									
CIENJ (b)	5,358	-	N/A	5,348	-	N/A	(2,197)	-	N/A
Industry Total	<u>\$ 1,118,319</u>	<u>\$ 1,202,905</u>	-7.0%	<u>\$ 831,049</u>	<u>\$ 890,010</u>	-6.6%	<u>\$ 147,545</u>	<u>\$ 137,578</u>	7.2%
Current Operators (c)	<u>\$ 1,004,376</u>	<u>\$ 947,220</u>	6.0%	<u>\$ 745,774</u>	<u>\$ 706,965</u>	5.5%	<u>\$ 152,306</u>	<u>\$ 147,253</u>	3.4%

(a) Borgata, Golden Nugget, Tropicana, Trump Plaza, and Trump Taj Mahal commenced Internet gaming operations (soft play) on November 21, 2013.

The statistics in the table include each licensee's share of the revenues and Gross Operating Profit associated with Internet gaming operations.

(b) Caesars Interactive Entertainment NJ (CIENJ) obtained a casino license in November 2013 and commenced Internet gaming operations as an affiliate of Caesars and Bally's on November 21, 2013. As a casino licensee, CIENJ's revenue and Gross Operating Profit statistics are included in the table.

(c) Current Operators reflect active operators reporting revenue during the last day of the current quarter. Discontinued Operators include Atlantic Club, Showboat, Revel, and Trump Plaza.

**The notes contained in the Quarterly Press Release and the footnotes contained in the Quarterly Report are an integral part of each licensee's financial results. Valid comparisons cannot be made without using this information.**

**ATLANTIC CITY CASINO INDUSTRY  
STATEMENT OF INCOME STATISTICS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014 AND 2013  
(\$ in Thousands)**

	Total Revenue			Net Revenue			Gross Operating Profit		
	2014	2013	Variance	2014	2013	Variance	2014	2013	Variance
<b><u>Casinos with Internet Gaming (a)</u></b>									
Borgata	735,401	702,720	4.7%	559,064	538,572	3.8%	121,858	104,685	16.4%
Golden Nugget	183,281	136,715	34.1%	132,662	100,440	32.1%	4,614	(6,541)	170.5%
Tropicana	299,568	249,524	20.1%	233,542	192,506	21.3%	60,174	26,404	127.9%
Trump Plaza (c)	57,060	85,463	N/A	42,197	62,531	N/A	(13,045)	(251)	N/A
Trump Taj Mahal	240,145	277,901	-13.6%	172,651	203,874	-15.3%	4,363	22,069	-80.2%
<b><u>Casinos without Internet Gaming</u></b>									
Atlantic Club (c)	5,016	136,149	N/A	3,924	88,585	N/A	(1,837)	(7,379)	N/A
Bally's AC (b)	241,606	272,546	-11.4%	176,335	204,960	-14.0%	19,323	36,369	-46.9%
Caesars (b)	334,011	339,235	-1.5%	232,380	251,936	-7.8%	42,511	62,379	-31.9%
Harrah's	413,857	406,421	1.8%	304,919	311,716	-2.2%	74,432	85,864	-13.3%
Resorts	140,459	137,184	2.4%	105,083	97,429	7.9%	4,479	(6,687)	167.0%
Revel (c)	165,937	191,336	N/A	131,139	146,699	N/A	(48,522)	(108,039)	N/A
Showboat (c)	163,853	214,641	N/A	114,671	155,909	N/A	12,928	32,502	N/A
<b><u>Internet Gaming Only</u></b>									
CIENJ (b)	16,442	-	N/A	16,403	-	N/A	(12,180)	-	N/A
Industry Total	<u>\$ 2,996,636</u>	<u>\$ 3,149,835</u>	-4.9%	<u>\$ 2,224,970</u>	<u>\$ 2,355,157</u>	-5.5%	<u>\$ 269,098</u>	<u>\$ 241,375</u>	11.5%
Current Operators (c)	<u>\$ 2,604,770</u>	<u>\$ 2,522,246</u>	3.3%	<u>\$ 1,933,039</u>	<u>\$ 1,901,433</u>	1.7%	<u>\$ 319,574</u>	<u>\$ 324,542</u>	-1.5%

(a) Borgata, Golden Nugget, Tropicana, Trump Plaza, and Trump Taj Mahal commenced Internet gaming operations (soft play) on November 21, 2013.

The statistics in the table include each licensee's share of the revenues and Gross Operating Profit associated with Internet gaming operations.

(b) Caesars Interactive Entertainment NJ (CIENJ) obtained a casino license in November 2013 and commenced Internet gaming operations as an affiliate of Caesars and Bally's on November 21, 2013. As a casino licensee, CIENJ's revenue and Gross Operating Profit statistics are included in the table.

(c) Current Operators reflect active operators reporting revenue during the last day of the current quarter. Discontinued Operators include Atlantic Club, Showboat, Revel, Trump Plaza.

**The notes contained in the Quarterly Press Release and the footnotes contained in the Quarterly Report are an integral part of each licensee's financial results. Valid comparisons cannot be made without using this information.**

**ATLANTIC CITY CASINO INDUSTRY  
HOTEL STATISTICS  
FOR THE QUARTER ENDED SEPTEMBER 30, 2014**

CASINO	NUMBER OF GUEST ROOMS IN PROPERTY*	NUMBER OF AVAILABLE ROOM NIGHTS	NUMBER OF OCCUPIED ROOM NIGHTS	OCCUPANCY RATE	AVERAGE RATE PER OCCUPIED ROOM
Bally's AC	1,180	115,247	108,072	93.8%	93.35
Borgata	2,767	254,564	244,721	96.1%	142.98
Caesars	1,141	104,972	99,903	95.2%	104.83
Golden Nugget	727	66,872	64,638	96.7%	89.22
Harrah's	2,590	238,280	226,107	94.9%	102.66
Resorts	942	86,664	82,183	94.8%	92.91
Revel (a)	1,399	86,738	81,606	94.1%	126.80
Showboat (a)	1,329	82,398	77,260	93.8%	107.56
Tropicana	2,079	188,468	172,763	91.7%	105.84
Trump Plaza (a)	906	69,762	47,629	68.3%	101.32
Trump Taj Mahal	2,010	184,920	155,136	83.9%	94.44
<b>INDUSTRY TOTAL</b>	<b>17,070</b>	<b>1,478,885</b>	<b>1,360,018</b>		
<b>INDUSTRY AVERAGE</b>				<b>92.0%</b>	<b>\$109.25</b>
<b>CURRENT OPERATORS</b>	<b>13,436</b>	<b>1,239,987</b>	<b>1,153,523</b>		
<b>CURRENT OPERATOR AVG.</b>				<b>93.0%</b>	<b>\$108.45</b>

\* Number of guest rooms at end of quarter (Discontinued Operators reflect number of guest rooms at closing date)

(a) Discontinued Operators

**ATLANTIC CITY CASINO INDUSTRY  
HOTEL STATISTICS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014**

CASINO	NUMBER OF GUEST ROOMS IN PROPERTY*	NUMBER OF AVAILABLE ROOM NIGHTS	NUMBER OF OCCUPIED ROOM NIGHTS	OCCUPANCY RATE	AVERAGE RATE PER OCCUPIED ROOM
Atlantic Club (a)	809	9,120	5,053	55.4%	\$ 59.93
Bally's AC	1,180	368,712	303,245	82.2%	89.97
Borgata	2,767	755,391	661,991	87.6%	134.69
Caesars	1,141	311,493	277,263	89.0%	99.61
Golden Nugget	727	198,459	171,760	86.5%	84.46
Harrah's	2,590	707,070	593,650	84.0%	98.00
Resorts	942	257,166	213,150	82.9%	82.87
Revel (a)	1,399	339,957	297,979	87.7%	111.61
Showboat (a)	1,329	322,947	259,734	80.4%	92.03
Tropicana	2,079	564,767	441,673	78.2%	94.44
Trump Plaza (a)	906	233,748	132,462	56.7%	95.57
Trump Taj Mahal	2,010	548,730	404,991	73.8%	91.48
<b>INDUSTRY TOTAL</b>	<b>17,879</b>	<b>4,617,560</b>	<b>3,762,951</b>		
<b>INDUSTRY AVERAGE</b>				<b>81.5%</b>	<b>\$101.86</b>
<b>CURRENT OPERATORS</b>	<b>13,436</b>	<b>3,711,788</b>	<b>3,067,723</b>		
<b>CURRENT OPERATOR AVG.</b>				<b>82.6%</b>	<b>\$102.09</b>

\* Number of guest rooms at end of quarter (Discontinued Operators reflect number of guest rooms at closing date)

(a) Discontinued Operators