

News



New Jersey
Office of the Attorney General

NEW JERSEY DEPARTMENT OF LAW & PUBLIC SAFETY

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DGE Announces Quarterly Results

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ATLANTIC CITY —

According to financial reports filed with the Division of Gaming Enforcement, the casinos reported gross operating profit of \$98 million for the first quarter of 2011 which reflects a 13.8% decline from the \$113.7 million reported for the first quarter of 2010. Net revenue for the quarter was \$786.7 million, a 7.5% decline from the first quarter of last year.

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 gaming industry.

When all income statement items are considered, the casino industry reported a net loss of \$59.9 million for the first quarter of 2011, compared to a net loss of \$67.6 million for the comparable 2010 quarter.

The occupancy rate in the city's casino hotels was 74.3% for the first quarter of 2011 compared to 76.9% for the first quarter of 2010.

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

**ATLANTIC CITY CASINO INDUSTRY
STATEMENT OF INCOME STATISTICS
FOR THE QUARTER ENDED MARCH 31, 2011 AND 2010
(\$ in Thousands)**

	<u>Net Revenue</u>		Fav (Unfav) Var %	<u>Gross Operating Profit</u>		Fav (Unfav) Var %	<u>Net Income</u>		Fav (Unfav) Var %
	<u>2011</u>	<u>2010</u>		<u>2011</u>	<u>2010</u>		<u>2011</u>	<u>2010</u>	
AC Hilton	\$ 30,566	\$ 33,131	(7.7)	\$ (7,304)	\$ (8,179)	10.7	\$ (13,667)	\$ (14,930)	8.5
Bally's AC	86,842	100,101	(13.2)	8,387	15,450	(45.7)	(12,222)	(8,444)	(44.7)
Borgata	169,090	175,066	(3.4)	33,061	39,445	(16.2)	(4,951)	12,520	N/A
Caesars	92,528	92,810	(0.3)	20,439	17,220	18.7	(7,031)	(7,585)	7.3
Harrah's Marina	113,731	114,584	(0.7)	30,489	32,380	(5.8)	980	(6,588)	N/A
Resorts (a)	30,581	31,762	(3.7)	(5,320)	(7,005)	24.1	(6,107)	(7,204)	15.2
Showboat	57,469	61,882	(7.1)	10,044	10,093	(0.5)	(38)	574	N/A
Tropicana (b)	64,393	73,007	(11.8)	1,049	5,051	(79.2)	(3,514)	(18,739)	81.2
Trump Marina	27,799	32,406	(14.2)	(2,257)	(2,509)	10.0	(5,413)	(5,241)	(3.3)
Trump Plaza	34,357	41,928	(18.1)	297	(283)	N/A	(592)	(4,638)	87.2
Trump Taj Mahal	79,370	94,103	(15.7)	9,097	12,056	(24.5)	(7,355)	(7,293)	(0.9)
Industry	<u>\$ 786,726</u>	<u>\$ 850,780</u>	(7.5)	<u>\$ 97,982</u>	<u>\$ 113,719</u>	(13.8)	<u>\$ (59,910)</u>	<u>\$ (67,568)</u>	11.3

(a) Resorts' income statement results for the quarter ended March 31, 2010 reflect operations under RIH management.

(b) Tropicana's income statement results for the quarter ended March 31, 2010 reflect operations under Adamar of New Jersey, Inc. through March 7, 2010 and Tropicana Atlantic City Corp. ownership thereafter.

**ATLANTIC CITY CASINO INDUSTRY
STATEMENTS OF INCOME
FOR THE QUARTER ENDED MARCH 31, 2011
(\$ in Thousands)**

	AC Hilton	Bally's AC	Borgata	Caesars	Harrah's Marina	Resorts	Showboat	Tropicana	Trump Marina	Trump Plaza	Trump Taj Mahal	Industry
REVENUE:												
Casino	\$ 34,434	\$ 90,626	\$ 151,856	\$ 98,793	\$ 109,872	\$ 37,432	\$ 62,011	\$ 64,461	\$ 29,755	\$ 34,541	\$ 82,255	\$ 796,036
Rooms	2,305	11,262	26,291	8,867	17,454	3,585	8,179	14,141	2,958	4,557	10,872	110,471
Food and Beverage	4,416	14,565	34,465	10,510	18,877	5,846	10,663	9,133	3,373	3,803	10,636	126,287
Other	637	3,042	9,304	3,303	6,061	1,312	2,656	3,265	1,177	2,799	3,754	37,310
Total Revenue	41,792	119,495	221,916	121,473	152,264	48,175	83,509	91,000	37,263	45,700	107,517	1,070,104
Less: Promotional Allowances	11,226	32,653	52,826	28,945	38,533	17,594	26,040	26,607	9,464	11,343	28,147	283,378
NET REVENUE	30,566	86,842	169,090	92,528	113,731	30,581	57,469	64,393	27,799	34,357	79,370	786,726
COSTS AND EXPENSES:												
Cost of Goods and Services	30,732	67,925	113,600	60,987	68,613	27,206	39,689	50,132	26,259	29,305	60,395	574,843
Selling, General, and Administrative	6,612	10,202	21,450	10,836	13,858	8,311	7,330	12,528	3,525	4,529	9,031	108,212
Provision for Doubtful Accounts	526	328	979	266	771	384	406	684	272	226	847	5,689
Total Costs & Expenses	37,870	78,455	136,029	72,089	83,242	35,901	47,425	63,344	30,056	34,060	70,273	688,744
GROSS OPERATING PROFIT	(7,304)	8,387	33,061	20,439	30,489	(5,320)	10,044	1,049	(2,257)	297	9,097	97,982
Depreciation and Amortization	590	8,668	16,291	11,954	12,997	-	5,495	3,952	367	2,585	5,604	68,503
Charges from Affiliates Other than Interest:												
Management Fees	-	-	-	-	-	300	-	-	-	-	-	300
Other	330	5,923	-	7,201	11,143	-	4,169	-	1,066	1,349	2,821	34,002
INCOME (LOSS) FROM OPERATIONS	(8,224)	(6,204)	16,770	1,284	6,349	(5,620)	380	(2,903)	(3,690)	(3,637)	672	(4,823)
OTHER INCOME (EXPENSES):												
Interest (Expense) - Affiliates	(5,477)	(12,410)	-	(11,015)	-	-	-	-	(1,467)	(2,118)	(7,212)	(39,699)
Interest (Expense) - External	(56)	(4)	(20,741)	(42)	(9,725)	15	-	(3)	(171)	(394)	(534)	(31,655)
Invest. Alt. Tax & Related Income (Exp.)-Net	(143)	(469)	(1,083)	(254)	(537)	(571)	(288)	(909)	(122)	(49)	(328)	(4,753)
Nonoperating Income (Expense) - Net	233	162	(185)	(248)	5,817	69	64	(46)	37	5,606	47	11,556
Total Other Income (Expenses)	(5,443)	(12,721)	(22,009)	(11,559)	(4,445)	(487)	(224)	(958)	(1,723)	3,045	(8,027)	(64,551)
Income(Loss) Before Taxes&Extraordinary Items	(13,667)	(18,925)	(5,239)	(10,275)	1,904	(6,107)	156	(3,861)	(5,413)	(592)	(7,355)	(69,374)
Provision (Credit) for Income Taxes	-	(6,703)	(288)	(3,244)	924	-	194	(347)	-	-	-	(9,464)
Income (Loss) Before Extraordinary Items	(13,667)	(12,222)	(4,951)	(7,031)	980	(6,107)	(38)	(3,514)	(5,413)	(592)	(7,355)	(59,910)
Extraordinary Items (Net of Income Taxes)	-	-	-	-	-	-	-	-	-	-	-	-
NET INCOME (LOSS)	\$ (13,667)	\$ (12,222)	\$ (4,951)	\$ (7,031)	\$ 980	\$ (6,107)	\$ (38)	\$ (3,514)	\$ (5,413)	\$ (592)	\$ (7,355)	\$ (59,910)

**ATLANTIC CITY CASINO INDUSTRY
STATEMENTS OF INCOME
FOR THE QUARTER ENDED MARCH 31, 2010
(\$ in Thousands)**

	AC Hilton	Bally's AC	Borgata	Caesars	Harrah's Marina	Resorts (a)	Showboat	Tropicana (b)	Trump Marina	Trump Plaza	Trump Taj Mahal	Industry
REVENUE:												
Casino	\$ 37,206	\$ 106,320	\$ 153,776	\$ 99,895	\$ 110,648	\$ 37,300	\$ 67,877	\$ 68,177	\$ 34,225	\$ 42,616	\$ 93,945	\$ 851,985
Rooms	3,028	11,290	26,402	9,153	17,670	3,098	8,295	14,925	3,254	5,127	11,350	113,592
Food and Beverage	4,891	15,858	34,363	11,609	18,697	4,284	10,741	9,788	3,789	4,655	11,635	130,310
Other	701	3,536	9,843	3,307	5,907	714	2,249	4,146	1,306	1,711	4,748	38,168
Total Revenue	45,826	137,004	224,384	123,964	152,922	45,396	89,162	97,036	42,574	54,109	121,678	1,134,055
Less: Promotional Allowances	12,695	36,903	49,318	31,154	38,338	13,634	27,280	24,029	10,168	12,181	27,575	283,275
NET REVENUE	33,131	100,101	175,066	92,810	114,584	31,762	61,882	73,007	32,406	41,928	94,103	850,780
COSTS AND EXPENSES:												
Cost of Goods and Services	33,566	73,959	114,572	62,269	68,822	31,229	43,872	54,449	29,014	34,333	67,315	613,400
Selling, General, and Administrative	7,177	10,308	20,347	12,142	12,802	6,975	7,504	12,561	5,488	7,414	12,840	115,558
Provision for Doubtful Accounts	567	384	702	1,179	580	563	413	946	413	464	1,892	8,103
Total Costs & Expenses	41,310	84,651	135,621	75,590	82,204	38,767	51,789	67,956	34,915	42,211	82,047	737,061
GROSS OPERATING PROFIT	(8,179)	15,450	39,445	17,220	32,380	(7,005)	10,093	5,051	(2,509)	(283)	12,056	113,719
Depreciation and Amortization	915	9,080	18,379	12,525	13,385	137	6,124	12,950	697	1,022	9,771	84,985
Charges from Affiliates Other than Interest:												
Management Fees	-	-	-	-	-	-	-	-	-	-	-	-
Other	337	6,244	-	5,278	9,481	-	4,151	-	1,247	1,552	3,423	31,713
INCOME (LOSS) FROM OPERATIONS	(9,431)	126	21,066	(583)	9,514	(7,142)	(182)	(7,899)	(4,453)	(2,857)	(1,138)	(2,979)
OTHER INCOME (EXPENSES):												
Interest (Expense) - Affiliates	(5,422)	(12,410)	-	(11,015)	-	-	-	-	(542)	(1,450)	(5,313)	(36,152)
Interest (Expense) - External	(7)	(66)	(5,544)	(98)	(11,265)	(15)	-	(4)	(152)	(367)	(492)	(18,010)
Invest. Alt. Tax & Related Income (Exp.)-Net	(157)	(511)	(1,105)	(255)	(100)	(376)	1,246	(226)	(144)	(161)	(390)	(2,179)
Nonoperating Income (Expense) - Net	87	201	(391)	(428)	(8,748)	329	315	(11,818)	50	197	40	(20,166)
Total Other Income (Expenses)	(5,499)	(12,786)	(7,040)	(11,796)	(20,113)	(62)	1,561	(12,048)	(788)	(1,781)	(6,155)	(76,507)
Income(Loss) Before Taxes&Extraordinary Items	(14,930)	(12,660)	14,026	(12,379)	(10,599)	(7,204)	1,379	(19,947)	(5,241)	(4,638)	(7,293)	(79,486)
Provision (Credit) for Income Taxes	-	(4,216)	1,506	(4,794)	(4,011)	-	805	(1,208)	-	-	-	(11,918)
Income (Loss) Before Extraordinary Items	(14,930)	(8,444)	12,520	(7,585)	(6,588)	(7,204)	574	(18,739)	(5,241)	(4,638)	(7,293)	(67,568)
Extraordinary Items (Net of Income Taxes)	-	-	-	-	-	-	-	-	-	-	-	-
NET INCOME (LOSS)	\$ (14,930)	\$ (8,444)	\$ 12,520	\$ (7,585)	\$ (6,588)	\$ (7,204)	\$ 574	\$ (18,739)	\$ (5,241)	\$ (4,638)	\$ (7,293)	\$ (67,568)

(a) Resorts' income statement results for the quarter reflect operations under RIH management.

(b) Tropicana was acquired by Tropicana Entertainment on March 8, 2010, and thus their income statements reflect Adamar of New Jersey, Inc. through March 7, 2010 and Tropicana Atlantic City Corp. ownership thereafter.

**ATLANTIC CITY CASINO INDUSTRY
HOTEL STATISTICS
FOR THE QUARTER ENDED MARCH 31, 2011**

CASINO	NUMBER OF GUEST ROOMS IN PROPERTY*	NUMBER OF AVAILABLE ROOM NIGHTS	NUMBER OF OCCUPIED ROOM NIGHTS	OCCUPANCY RATE	AVERAGE RATE PER OCCUPIED ROOM
AC Hilton	809	72,810	37,154	51.0%	\$ 62.05
Bally's AC	1,705	153,487	132,290	86.2%	85.13
Borgata	2,769	245,859	198,732	80.8%	129.74
Caesars	1,141	102,690	93,048	90.6%	87.06
Harrah's Marina	2,590	233,100	184,729	79.2%	94.49
Resorts	942	84,780	56,175	66.3%	63.92
Showboat	1,331	119,790	90,070	75.2%	92.09
Tropicana	2,052	188,915	137,105	72.6%	103.14
Trump Marina	728	65,520	34,714	53.0%	85.21
Trump Plaza	906	81,540	51,135	62.7%	89.12
Trump Taj Mahal	2,010	180,900	121,383	67.1%	89.57
INDUSTRY TOTAL	16,983	1,529,391	1,136,535		
INDUSTRY AVERAGE				74.3%	\$96.19

* Number of guest rooms at end of quarter