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## **DGE Announces 3<sup>rd</sup> Quarter 2012 Results**

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### **3<sup>rd</sup> Quarter Highlights for 2012 versus 2011:**

- ◆ **Industry Results including Revel:**
  - ✓ Occupied room nights exceeded 1.56 million, a new quarterly record and 11.6% growth over 2011
  - ✓ Net non-gaming revenues rose 17%
  - ✓ Net revenues rose 1.6%
- ◆ **Industry Results excluding Revel:**
  - ✓ Gross operating profit increased 2.3%, the fourth consecutive quarter of growth
  - ✓ Net non-gaming revenues increased 3.8%
  - ✓ Occupancy rose slightly to 93.0%

ATLANTIC CITY —

### 3<sup>rd</sup> Quarter 2012 versus 2011

According to financial reports filed with the Division of Gaming Enforcement, the casinos that were in operation in 2011 and 2012 excluding Revel reported gross operating profit of \$186.4 million, which reflects a 2.3% increase from the \$182.1 million for the 3<sup>rd</sup> quarter of 2011. Net revenue for the quarter was \$887.1 million, a 5.0% decline from the 3<sup>rd</sup> quarter of last year. While casino revenue declined for the quarter, casinos that were in operation in both years reported a 3.8% improvement in net revenue from rooms, food and beverage, entertainment, and other revenue sources. Revel's net revenue for the 3<sup>rd</sup> quarter was \$61.9 million, of which, \$24.1 million was derived from rooms, food and beverage, entertainment, and other revenue sources.

**NJ Department of Law and Public Safety / Office of the Attorney General:**

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Including Revel, industry-wide net revenue for the quarter was \$949.0 million, a 1.6% increase from the 3<sup>rd</sup> quarter of last year. While casino revenue was down, the industry reported 17.0% growth in net revenue from rooms, food and beverage, entertainment, and other revenue sources for the 3<sup>rd</sup> quarter. Notably, the net revenue results discussed above do not include the revenues generated by an estimated 163 food, beverage, and retail outlets that operate within the casino properties under third-party leases.

#### Nine months ended September 30, 2012 versus 2011

For the first nine months of 2012, industry gross operating profit excluding Revel totaled \$453.9 million, a 9.0% increase from the \$416.2 million in gross operating profit for the first nine months of 2011.

Including Revel, industry-wide net revenue for the nine-month period fell 1.4%, to \$2.540 billion. While casino revenues were down, net revenue from rooms, food and beverage, entertainment, and other revenue sources increased by 13.0% for the period.

#### Hotel Occupancy

Including Revel, the industry-wide number of occupied rooms increased 11.6% for the 3<sup>rd</sup> quarter, from 1,399,339 for 2011 to 1,561,503 for 2012. The number of occupied rooms for the 3<sup>rd</sup> quarter of 2012 is the highest ever for a calendar quarter since inception of the casino industry in 1978 and 89,325, or 6.1%, higher than the previous quarterly record set in the third quarter of 2009.

The industry occupancy rate excluding Revel was 93.0% for the 3<sup>rd</sup> quarter and 86.2% for the first nine months of 2012, an increase over the 92.5% occupancy rate for the 3<sup>rd</sup> quarter and the 84.5% occupancy rate for the first nine months of 2011. The industry occupancy rate including Revel was 92.0% for the 3<sup>rd</sup> quarter of 2012 and 85.2% for the first nine months of 2012.

#### Notes

- Revel opened on April 2, 2012. As a result, key operating metrics have been broken out into total market operations both with and without Revel to provide greater clarity as to comparability.
- The income statement statistics and hotel occupancy data for the third quarter of 2011 include the temporary closure of the Atlantic City casinos due to Hurricane Irene.
- Net revenue excludes promotional allowances.
- 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.

- 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 2011 and 2012, which impacts the comparability of operating results among licensees.

Additional information on Atlantic City tourism can be found on the Atlantic City Convention and Visitor's Authority 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/oag/ge/quarterlyfinancialrpt.html>

**ATLANTIC CITY CASINO INDUSTRY  
STATEMENT OF INCOME STATISTICS (a)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2012 AND 2011  
(\$ in Thousands)**

	Net Revenue		Fav (Unfav) Var %	Gross Operating Profit		Fav (Unfav) Var %	Net Income		Fav (Unfav) Var %
	<u>2012</u>	<u>2011</u>		<u>2012</u>	<u>2011</u>		<u>2012</u>	<u>2011</u>	
Atlantic Club	\$ 33,541	\$ 36,464	(8.0)	\$ (2,351)	\$ (2,456)	4.3	\$ (4,647)	\$ (10,168)	54.3
Bally's AC	85,728	102,102	(16.0)	19,043	17,186	10.8	(7,832)	(8,836)	11.4
Borgata	187,091	202,018	(7.4)	34,418	51,484	(33.1)	(1,812)	12,926	N/A
Caesars	107,311	105,551	1.7	36,220	28,006	29.3	2,357	(2,111)	N/A
Golden Nugget	40,630	36,005	12.8	2,456	2,172	13.1	(703)	654	N/A
Harrah's	125,657	127,653	(1.6)	42,676	33,060	29.1	3,801	(867)	N/A
Resorts	37,853	36,220	4.5	694	(4,926)	N/A	(222)	(6,140)	96.4
Showboat	66,968	69,591	(3.8)	18,064	16,780	7.7	6,698	3,891	72.1
Tropicana	83,197	86,050	(3.3)	16,074	16,757	(4.1)	10,881	737	N/A
Trump Plaza	32,236	38,777	(16.9)	2,351	3,559	(33.9)	(1,639)	(1,169)	(40.2)
Trump Taj Mahal	86,887	93,330	(6.9)	16,715	20,502	(18.5)	3,707	5,720	(35.2)
Industry (excl. Revel)	\$ 887,099	\$ 933,761	(5.0)	\$ 186,360	\$ 182,124	2.3	\$ 10,589	\$ (5,363)	N/A
Revel (b)	61,934	-	NA	(36,838)	-	NA	(86,846)	-	
Industry	<u>\$ 949,033</u>	<u>\$ 933,761</u>	1.6	<u>\$ 149,522</u>	<u>\$ 182,124</u>	(17.9)	<u>\$ (76,257)</u>	<u>\$ (5,363)</u>	N/A

(a) The Income Statement statistics contained herein reflect only the operating results of the casino licensees.

The statistics do not include third-party restaurants, nightclubs, retail outlets and other businesses operating within the casino properties.

(b) Revel commenced operations on April 2, 2012.

The footnotes are an integral part of each licensee's financial statements.  
Valid comparisons cannot be made without using information contained in the footnotes.

**ATLANTIC CITY CASINO INDUSTRY  
STATEMENT OF INCOME STATISTICS (a)  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2012 AND 2011  
(\$ 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>2012</u>	<u>2011</u>		<u>2012</u>	<u>2011</u>		<u>2012</u>	<u>2011</u>	
Atlantic Club	\$ 81,794	\$ 102,252	(20.0)	\$ (13,563)	\$ (13,273)	(2.2)	\$ (18,794)	\$ (34,388)	45.3
Bally's AC	246,749	287,333	(14.1)	58,162	41,607	39.8	(22,950)	(29,966)	23.4
Borgata	538,657	553,864	(2.7)	106,085	124,586	(14.8)	(2,581)	7,976	N/A
Caesars	277,778	295,101	(5.9)	74,926	73,302	2.2	(14,935)	(13,819)	(8.1)
Golden Nugget (b)	99,822	49,796	N/A	(6,181)	3,297	N/A	(15,554)	2,528	N/A
Harrah's	355,547	361,610	(1.7)	108,753	94,243	15.4	5,243	(1,308)	N/A
Resorts	101,694	104,449	(2.6)	(2,510)	(16,173)	84.5	(6,954)	(19,715)	64.7
Showboat	183,451	189,600	(3.2)	43,816	41,045	6.8	7,540	6,202	21.6
Tropicana	218,172	211,789	3.0	24,423	16,516	47.9	7,383	(7,088)	N/A
Trump Marina (c)	-	45,084	N/A	-	(3,066)	N/A	-	(8,531)	N/A
Trump Plaza	85,321	109,146	(21.8)	13,934	4,725	N/A	2,548	(7,046)	N/A
Trump Taj Mahal	<u>234,077</u>	<u>265,129</u>	(11.7)	<u>46,009</u>	<u>49,406</u>	(6.9)	<u>7,690</u>	<u>2,063</u>	N/A
Industry (excl. Revel)	\$ 2,423,062	\$ 2,575,153	(5.9)	\$ 453,854	\$ 416,215	9.0	\$ (51,364)	\$ (103,092)	50.2
Revel (d)	<u>116,985</u>	-	NA	<u>(72,015)</u>	-	NA	<u>(168,362)</u>	-	
Industry	<u>\$ 2,540,047</u>	<u>\$ 2,575,153</u>	(1.4)	<u>\$ 381,839</u>	<u>\$ 416,215</u>	(8.3)	<u>\$ (219,726)</u>	<u>\$ (103,092)</u>	N/A

(a) The Income Statement statistics contained herein reflect only the operating results of the casino licensees.

The statistics do not include third-party restaurants, nightclubs, retail outlets and other businesses operating within the casino properties.

(b) Golden Nugget commenced operations on May 24, 2011.

(c) Trump Marina ceased operations on May 23, 2011.

(d) Revel commenced operations on April 2, 2012.

The footnotes are an integral part of each licensee's financial statements.  
Valid comparisons cannot be made without using information contained in the footnotes.

**ATLANTIC CITY CASINO INDUSTRY  
HOTEL STATISTICS  
FOR THE QUARTER ENDED SEPTEMBER 30, 2012**

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	809	74,318	64,979	87.4%	\$ 68.27
Bally's AC	1,749	160,908	152,443	94.7%	95.41
Borgata	2,767	254,564	244,807	96.2%	137.68
Caesars	1,141	104,972	101,115	96.3%	108.82
Golden Nugget	727	66,884	63,384	94.8%	98.26
Harrah's	2,590	238,280	220,529	92.6%	101.73
Resorts	942	86,664	76,943	88.8%	86.59
Revel	1,399	128,708	102,644	79.7%	138.53
Showboat	1,329	122,330	114,987	94.0%	98.54
Tropicana	2,078	191,176	170,275	89.1%	100.67
Trump Plaza	906	83,352	76,173	91.4%	95.22
Trump Taj Mahal	2,010	184,920	173,224	93.7%	95.47
<b>INDUSTRY (EXCL. REVEL)</b>	<b>17,048</b>	<b>1,568,368</b>	<b>1,458,859</b>		
<b>INDUSTRY AVG. (EXCL. REVEL)</b>				<b>93.0%</b>	<b>\$103.70</b>
<b>INDUSTRY TOTAL</b>	<b>18,447</b>	<b>1,697,076</b>	<b>1,561,503</b>		
<b>INDUSTRY AVERAGE</b>				<b>92.0%</b>	<b>\$105.99</b>

\* Number of guest rooms at end of quarter

**ATLANTIC CITY CASINO INDUSTRY  
HOTEL STATISTICS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2012**

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	809	221,556	146,789	66.3%	\$ 67.59
Bally's AC	1,749	478,955	433,706	90.6%	92.37
Borgata	2,767	758,158	665,372	87.8%	134.80
Caesars	1,141	312,634	288,264	92.2%	102.21
Golden Nugget	727	181,222	160,694	88.7%	90.13
Harrah's	2,590	709,660	626,449	88.3%	96.92
Resorts	942	258,108	212,549	82.3%	78.78
Revel (a)	1,399	232,459	149,120	64.1%	161.10
Showboat	1,329	364,572	318,537	87.4%	93.43
Tropicana	2,078	569,372	476,659	83.7%	93.36
Trump Plaza	906	248,244	202,459	81.6%	85.11
Trump Taj Mahal	2,010	550,740	480,153	87.2%	89.06
<b>INDUSTRY (EXCL. REVEL)</b>	<b>17,048</b>	<b>4,653,221</b>	<b>4,011,631</b>		
<b>INDUSTRY AVG. (EXCL. REVEL)</b>				<b>86.2%</b>	<b>\$98.55</b>
<b>INDUSTRY TOTAL</b>	<b>18,447</b>	<b>4,885,680</b>	<b>4,160,751</b>		
<b>INDUSTRY AVERAGE</b>				<b>85.2%</b>	<b>\$100.79</b>

\* Number of guest rooms at end of quarter

(a) Revel limited the number of rooms available for rent during the second quarter of 2012.