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DGE Announces Quarterly Results

For Immediate Release:

May 22, 2013

Highlights for the Quarter ended March 2013:

- ✓ Sales by Third Party Businesses grow 32.8% in 1st Quarter of 2013
- ✓ Five of six Atlantic City Tourism Indicators hold fairly steady or show significant growth during the trailing twelve months ended March 2013
- ✓ Room revenue from cash paying customers increases 3.2% in 1st Quarter of 2013

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ATLANTIC CITY —

According to financial reports filed with the Division of Gaming Enforcement, the twelve casinos reported total revenue of \$920 million for the first quarter of 2013. While total revenue declined for the quarter ended March 2013 by 10.4%, this decline was partially offset by the significant increase in third party business sales of 32.8%, as illustrated below:

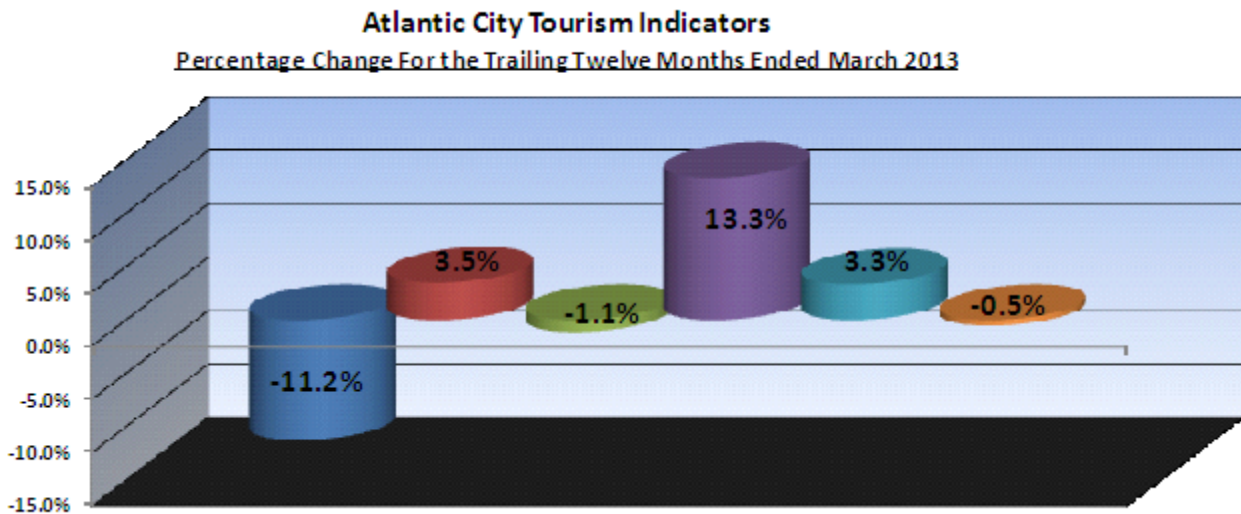
<u>(\$ in Thousands)</u>	<u>March 31,</u> <u>2013</u>	<u>March 31,</u> <u>2012</u>	<u>Change</u>
Casino Hotels			
Casino	\$ 654,032	\$ 743,848	-12.1%
Rooms	110,813	112,800	-1.8%
Food and Beverage	116,458	133,469	-12.7%
Entertainment and Other	38,278	35,705	7.2%
Casino Hotel Total Revenue	<u>919,581</u>	<u>1,025,822</u>	-10.4%
Third Party Business Sales	<u>56,441</u>	<u>42,511</u>	32.8%
Combined Sales	<u>\$ 976,022</u>	<u>\$ 1,068,333</u>	-8.6%

Hotel Occupancy

The occupancy rate in the city’s casino hotels for the first quarter of 2013 was 69.4%. Room revenue from cash paying customers increased by 3.2% for the first quarter of 2013 from \$47.8 million to \$49.3 million.

Atlantic City Tourism Indicators

During the most recent trailing twelve month (TTM) period beginning April 2012 and ending March 2013, five of the six Atlantic City Tourism Indicators continue to hold fairly steady or show significant improvement, including three indicators showing growth between 3.3% and 13.3% over the prior comparable period.



	Gross Revenue Tax	Hotel Room Fee	Parking Fee	Luxury Tax	Sales Tax	Tourism Promo Fee
TTM March 2013	\$ 206,187,664	\$ 15,460,908	\$ 28,287,177	\$ 35,639,036	\$ 60,422,759	\$ 10,668,423
TTM March 2012	\$ 232,299,171	\$ 14,939,669	\$ 28,602,861	\$ 31,454,004	\$ 58,465,407	\$ 10,725,221

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 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/bag/ge/quarterlyfinancialrpt.html>

Notes:

- Revel opened on April 2, 2012. Certain statistics have been provided both with and without Revel to provide greater clarity as to comparability.
- 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 2012 and 2013, 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:
 - Gross Revenue Tax: 8% of Taxable Gross Revenue 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.

**ATLANTIC CITY CASINO INDUSTRY
STATEMENT OF INCOME STATISTICS (a)
FOR THE QUARTER ENDED MARCH 31, 2013 AND 2012
(\$ in Thousands)**

	Total Revenue		Fav (Unfav) Var	Net Revenue		Fav (Unfav) Var	Gross Operating Profit		Fav (Unfav) Var
	2013	2012	%	2013	2012	%	2013	2012	%
Atlantic Club	\$ 38,600	\$ 31,308	23.3	\$ 25,649	\$ 22,814	12.4	\$ (3,299)	\$ (5,929)	44.4
Bally's AC	79,925	109,247	(26.8)	60,655	78,797	(23.0)	8,613	21,752	(60.4)
Borgata	215,480	227,434	(5.3)	165,644	176,151	(6.0)	29,325	39,945	(26.6)
Caesars	95,166	114,025	(16.5)	70,307	83,375	(15.7)	12,055	18,016	(33.1)
Golden Nugget	39,961	39,947	0.0	29,327	26,100	12.4	(2,162)	(5,046)	57.2
Harrah's	125,488	155,344	(19.2)	98,400	115,080	(14.5)	27,968	31,877	(12.3)
Resorts	34,601	44,233	(21.8)	24,908	30,252	(17.7)	(6,067)	(3,403)	(78.3)
Showboat	63,582	81,681	(22.2)	46,664	56,920	(18.0)	8,478	11,934	(29.0)
Tropicana	74,277	81,928	(9.3)	56,171	59,893	(6.2)	1,978	(1,533)	n/a
Trump Plaza	22,825	35,682	(36.0)	16,785	26,115	(35.7)	(1,374)	(1,491)	7.8
Trump Taj Mahal	84,170	104,993	(19.8)	61,991	75,090	(17.4)	6,751	8,311	(18.8)
Industry w/o Revel	\$ 874,075	\$ 1,025,822	(14.8)	\$ 656,501	\$ 750,587	(12.5)	\$ 82,266	\$ 114,433	(28.1)
Revel (b)	45,506	-	n/a	37,309	-	n/a	(40,779)	-	n/a
Industry	\$ 919,581	\$ 1,025,822	(10.4)	\$ 693,810	\$ 750,587	(7.6)	\$ 41,487	\$ 114,433	(63.7)

(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
HOTEL STATISTICS
FOR THE QUARTER ENDED MARCH 31, 2013**

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	72,810	40,613	55.8%	\$ 58.41
Bally's AC	1,749	157,410	113,898	72.4%	\$ 83.65
Borgata	2,767	249,030	206,266	82.8%	\$ 127.05
Caesars	1,141	102,690	89,830	87.5%	\$ 91.66
Golden Nugget	727	65,430	44,768	68.4%	\$ 82.62
Harrah's	2,590	233,100	178,194	76.4%	\$ 90.03
Resorts	942	84,780	45,255	53.4%	\$ 69.39
Revel	1,399	125,910	66,131	52.5%	\$ 150.80
Showboat	1,329	119,610	84,692	70.8%	\$ 87.17
Tropicana	2,079	187,110	121,100	64.7%	\$ 82.57
Trump Plaza	906	81,540	39,812	48.8%	\$ 93.21
Trump Taj Mahal	2,010	180,900	121,153	67.0%	\$ 86.90
INDUSTRY w/o Revel	17,049	1,534,410	1,085,581		
IND. AVG. w/o Revel				70.7%	\$92.89
INDUSTRY TOTAL	18,448	1,660,320	1,151,712		
INDUSTRY AVERAGE				69.4%	\$96.22

* Number of guest rooms at end of quarter