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Division of Gaming Enforcement

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DGE Announces Quarterly and Year-To-Date Results

For Immediate Release:

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Highlights for the six months ended June 2015:

For Current Operators (as defined):

- Total Revenue grew 3.5%
- Net Revenue improved 5.5%
- Gross Operating Profit increased 27.4%

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ATLANTIC CITY —

According to financial reports filed with the Division of Gaming Enforcement, Current Operators' (as defined) Total Revenue increased 3.5% for the first half of 2015, including 4.1% growth in casino revenue, as illustrated below.

Current Operators' Total Revenue and Combined Sales

<u>For the Six Months Ended</u> <u>(\$ in Thousands)</u>	<u>June 30,</u> <u>2015</u>	<u>June 30,</u> <u>2014</u>	<u>Change</u>
Casino Licensees:			
Casino	\$ 1,182,631	\$ 1,135,974	4.1%
Rooms	191,038	188,072	1.6%
Food and Beverage	212,425	207,530	2.4%
Entertainment and Other	70,907	68,878	2.9%
Casino Licensees Total Revenue	1,657,001	1,600,454	3.5%
Third Party Business Sales	91,270	98,402	-7.2%
Combined Sales	\$ 1,748,271	\$ 1,698,856	2.9%

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The casino industry's reported total revenues and combined sales for the six months ended June 2015 and 2014, including Discontinued Operators, are illustrated below:

Industry Total Revenue and Combined Sales

<u>For the Six Months Ended</u> <u>(\$ in Thousands)</u>	<u>June 30,</u> <u>2015</u>	<u>June 30,</u> <u>2014</u>	<u>Change</u>
Casino Licensees:			
Casino	\$1,182,631	\$1,315,201	-10.1%
Rooms	191,038	234,700	-18.6%
Food and Beverage	212,425	242,071	-12.2%
Entertainment and Other	70,907	86,405	-17.9%
Casino Licensees Total Revenue	<u>1,657,001</u>	<u>1,878,377</u>	-11.8%
Third Party Business Sales	<u>91,270</u>	<u>137,648</u>	-33.7%
Combined Sales	<u>\$1,748,271</u>	<u>\$2,016,025</u>	-13.3%

Hotel Occupancy

The occupancy rate in the city's casino hotels for the second quarter of 2015 was 84%, which is 0.7 percentage points higher than the comparable period last year. The industry reported an occupancy rate of 78.5% for the first six months of 2015, reflecting a 1.9% increase over the prior period.

Atlantic City Tourism Indicators

The Atlantic City Tourism Indicators for the trailing twelve months ended June 2015 are:

Total	Total Gaming Taxes	Hotel Room Fee	Parking Fee	Luxury Tax	Sales Tax	Tourism Promo Fee
TIM June 2015	\$ 197,126,718	\$ 12,557,298	\$ 22,432,428	\$ 32,155,754	\$ 55,817,418	\$ 8,767,775
TIM June 2014	\$ 208,083,103	\$ 15,421,161	\$ 27,203,064	\$ 35,910,557	\$ 62,660,214	\$ 10,681,089

Below are the three casino-specific Tourism Indicators for the Current Operators:

Current Operators	Total Gaming Taxes	Hotel Room Fee	Parking Fee
TIM June 2015	\$ 192,146,987	\$ 11,996,316	\$ 21,404,568
TIM June 2014	\$ 173,914,845	\$ 12,079,155	\$ 21,016,296

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/oag/ge/quarterlyfinancialrpt.html>

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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 2014 and 2015, 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 JUNE 30, 2015 AND 2014
(\$ in Thousands)**

Reporting Casino Licensee:

	<u>Total Revenue</u>			<u>Net Revenue</u>			<u>Gross Operating Profit</u>		
	<u>2015</u>	<u>2014</u>	<u>Variance</u>	<u>2015</u>	<u>2014</u>	<u>Variance</u>	<u>2015</u>	<u>2014</u>	<u>Variance</u>
<u>Casino Hotels:</u>									
Bally's AC	74,900	77,425	-3.3%	56,815	58,557	-3.0%	11,146	8,403	32.6%
Borgata (a)	247,415	240,573	2.8%	191,163	181,854	5.1%	45,293	43,241	4.7%
Caesars (b)	108,095	109,795	-1.5%	79,349	77,173	2.8%	21,715	15,576	39.4%
Golden Nugget (a)	71,099	61,133	16.3%	53,267	43,938	21.2%	7,778	776	902.3%
Harrah's	144,536	130,960	10.4%	108,698	99,019	9.8%	31,392	24,405	28.6%
Resorts Casino (c)	51,929	46,497	11.7%	39,088	34,908	12.0%	4,856	1,919	153.0%
Revel (d)	-	61,616	N/A	-	48,222	N/A	-	(24,344)	N/A
Showboat (d)	-	63,325	N/A	-	45,284	N/A	-	7,652	N/A
Tropicana (a)	103,632	100,841	2.8%	82,340	77,818	5.8%	11,222	9,595	17.0%
Trump Plaza (a) (d)	-	20,740	N/A	-	15,391	N/A	-	(3,299)	N/A
Trump Taj Mahal (a)	67,391	81,138	-16.9%	44,594	58,800	-24.2%	(902)	1,799	-150.1%
<u>Internet Gaming Only:</u>									
CIENJ (b)	5,396	5,155	4.7%	5,367	5,147	4.3%	1,471	(2,703)	154.4%
Resorts Digital (c)	938	-	N/A	426	-	N/A	(1,844)	-	N/A
Industry Total	<u>\$ 875,331</u>	<u>\$ 999,198</u>	-12.4%	<u>\$ 661,107</u>	<u>\$ 746,111</u>	-11.4%	<u>\$ 132,127</u>	<u>\$ 83,020</u>	59.2%
Current Operators (d)	<u>\$ 875,331</u>	<u>\$ 853,517</u>	2.6%	<u>\$ 661,107</u>	<u>\$ 637,214</u>	3.7%	<u>\$ 132,127</u>	<u>\$ 103,011</u>	28.3%

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

Trump Taj Mahal ceased Internet gaming operations on September 21, 2014. Trump Plaza ceased Internet gaming operations on November 21, 2014.

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 on November 21, 2013. CIENJ operates under an Internet Gaming Permit issued to Caesars. As a separate reporting casino licensee, CIENJ's revenue and GOP statistics are included in the table.

(c) Resorts Casino commenced Internet gaming operations on February 21, 2015. Resorts Digital obtained a casino license on August 12, 2015 and operates under an Internet Gaming Permit issued to Resorts Casino. As a separate reporting casino licensee, Resorts Digital's revenue and GOP statistics are included in the table and reflect the Internet operations of Resorts Casino.

(d) Current Operators reflect active operators reporting revenue during the last day of the current quarter. Discontinued Operators include 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 SIX MONTHS ENDED JUNE 30, 2015 AND 2014
(\$ in Thousands)**

Reporting Casino Licensee:	Total Revenue			Net Revenue			Gross Operating Profit		
	2015	2014	Variance	2015	2014	Variance	2015	2014	Variance
Casino Hotels:									
Atlantic Club (d)	-	5,016	N/A	-	3,924	N/A	-	(1,837)	N/A
Bally's AC	139,803	145,780	-4.1%	105,639	106,322	-0.6%	15,696	6,842	129.4%
Borgata (a)	483,125	459,453	5.2%	373,752	349,118	7.1%	83,763	64,282	30.3%
Caesars (b)	203,876	202,912	0.5%	150,275	140,611	6.9%	36,660	21,708	68.9%
Golden Nugget (a)	134,195	110,569	21.4%	100,401	79,228	26.7%	11,851	(1,023)	1258.5%
Harrah's	279,374	253,686	10.1%	209,677	188,403	11.3%	59,062	45,598	29.5%
Resorts Casino (c)	94,225	84,523	11.5%	70,819	63,219	12.0%	4,517	(449)	1106.0%
Revel (d)	-	117,987	N/A	-	93,237	N/A	-	(46,094)	N/A
Showboat (d)	-	116,758	N/A	-	81,428	N/A	-	9,648	N/A
Tropicana (a)	190,376	182,846	4.1%	150,791	140,837	7.1%	13,612	41,688	-67.3%
Trump Plaza (a) (d)	-	38,162	N/A	-	28,067	N/A	-	(7,432)	N/A
Trump Taj Mahal (a)	119,442	149,544	-20.1%	79,761	108,475	-26.5%	(9,635)	(1,394)	-591.2%
Internet Gaming Only:									
CIENJ (b)	11,142	11,141	0.0%	11,066	11,111	-0.4%	857	(9,665)	108.9%
Resorts Digital (c)	1,443	-	N/A	800	-	N/A	(2,938)	-	N/A
Industry Total	<u>\$ 1,657,001</u>	<u>\$ 1,878,377</u>	-11.8%	<u>\$ 1,252,981</u>	<u>\$ 1,393,980</u>	-10.1%	<u>\$ 213,445</u>	<u>\$ 121,872</u>	75.1%
Current Operators (d)	<u>\$ 1,657,001</u>	<u>\$ 1,600,454</u>	3.5%	<u>\$ 1,252,981</u>	<u>\$ 1,187,324</u>	5.5%	<u>\$ 213,445</u>	<u>\$ 167,587</u>	27.4%

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

Trump Taj Mahal ceased Internet gaming operations on September 21, 2014. Trump Plaza ceased Internet gaming operations on November 21, 2014.

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

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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 JUNE 30, 2015**

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	1,169	113,841	102,508	90.0%	98.15
Borgata	2,767	251,797	225,281	89.5%	132.43
Caesars	1,141	103,831	97,445	93.8%	99.35
Golden Nugget	727	65,584	56,978	86.9%	81.58
Harrah's	2,590	235,690	197,820	83.9%	101.61
Resorts	942	85,722	75,512	88.1%	79.62
Tropicana	2,078	185,839	150,022	80.7%	91.84
Trump Taj Mahal	2,010	182,910	123,874	67.7%	86.32
INDUSTRY AVG./TOTAL	13,424	1,225,214	1,029,440	84.0%	\$101.81

* Number of guest rooms at end of quarter

**ATLANTIC CITY CASINO INDUSTRY
HOTEL STATISTICS
FOR THE SIX MONTHS ENDED JUNE 30, 2015**

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	1,169	226,431	190,970	84.3%	94.20
Borgata	2,767	500,827	435,581	87.0%	130.75
Caesars	1,141	206,521	182,399	88.3%	96.76
Golden Nugget	727	130,744	105,198	80.5%	79.13
Harrah's	2,590	468,790	370,399	79.0%	100.31
Resorts	942	170,502	134,817	79.1%	77.50
Tropicana	2,078	356,311	270,145	75.8%	88.57
Trump Taj Mahal	2,010	363,810	212,072	58.3%	87.69
INDUSTRY AVG./TOTAL	13,424	2,423,936	1,901,581	78.5%	\$100.46

* Number of guest rooms at end of quarter