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**Division of Gaming Enforcement**

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## **DGE Announces Quarterly and Year-End Results**

**For Immediate Release:**

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### **Casino Licensees Financial Results:**

According to financial reports filed with the Division of Gaming Enforcement (DGE), the casino licensees' Net Revenue increased 7.5% to \$2.896 billion and Gross Operating Profit for the industry decreased 15.4% for the twelve months ended December 2018 to \$582.6 million.

### **Third Party Business Sales:**

Sales from third party businesses increased 13.0% to \$219.0 million for the twelve months ended December 2018.

### **Hotel Occupancy:**

The occupancy rate in the industry's casino hotels for the twelve months ended December 2018 was 80.7%, which is 6.2 percentage points lower than the comparable period last year.

**NOTICE - CHANGE IN FINANCIAL REPORTING REQUIREMENTS:** The Financial Accounting Standards Board and International Accounting Standards Board have updated standards on revenue recognition, including ASC 606: "Revenue from Contracts with Customers". For New Jersey casino licensees, ASC 606 changes the reporting of revenue on the Income Statement by requiring the former "Promotional Allowances" line to be reported as a reduction to the "Casino Revenue" line. Accordingly, the "Total Revenue" and "Promotional Allowances" lines have been removed from the Income Statement effective January 1, 2018. For Income Statements filed with the DGE after the effective date, prior periods will be restated to conform with ASC 606 and ensure consistency and comparability among casino licensees as mandated by the Casino Control Act.

**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

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

Notes:

- Net Revenue is the amount reported on Line 5 of the income statement. Net Revenue reflects Casino Revenue (less all promotional allowances) plus Rooms Revenue, Food and Beverage Revenue and Other Revenue as reflected on each casino licensee's income statement.
- Gross Operating Profit reflects earnings before interest, taxes, depreciation, amortization, charges from affiliates, and other miscellaneous items as reflected on each casino licensee's income statement. It is a widely-accepted measure of profitability in the Atlantic City gaming industry.
- Third Party Businesses reflect individuals or entities that lease space within the casino licensee whose sales are not included in the revenues reported by the casino licensee. Only businesses that provide food, beverage, retail, entertainment, or hospitality-related items were included in the statistics.
- Average Rate Per Occupied Room reflects Rooms Revenue as reported on the casino licensee's Statements of Income (which includes the value of complimentary rooms) divided by the number of occupied room nights for the period.
- The footnotes are an integral part of each casino licensee's financial statements. Valid comparisons cannot be made without using the information contained in the footnotes.

*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>*

**ATLANTIC CITY CASINO INDUSTRY  
STATEMENT OF INCOME STATISTICS  
FOR THE QUARTER ENDED DECEMBER 31, 2018 AND 2017  
(\$ in Thousands)**

	Net Revenue			Gross Operating Profit		
	2018	2017	Variance	2018	2017	Variance
<b>Casino Hotels:</b>						
Bally's AC	46,824	52,098	-10.1%	3,796	8,329	-54.4%
Borgata (a)	192,129	199,680	-3.8%	45,217	44,975	0.5%
Caesars (b)	64,918	73,298	-11.4%	13,770	18,593	-25.9%
Golden Nugget (a)	56,300	57,561	-2.2%	7,190	10,283	-30.1%
Hard Rock (a)(d)	81,154	-	N/A	(14,750)	-	N/A
Harrah's	82,107	101,630	-19.2%	13,449	28,678	-53.1%
Ocean Resort (a)(e)	45,228	-	N/A	(19,314)	-	N/A
Resorts Casino (c)	39,316	40,307	-2.5%	2,612	2,858	-8.6%
Tropicana (a)	85,116	85,001	0.1%	18,819	10,701	75.9%
<b>Internet Gaming Only:</b>						
CIENJ (b)	8,542	7,889	8.3%	2,363	2,836	-16.7%
Resorts Digital (c)	7,693	6,142	25.3%	1,998	431	363.6%
Industry Total	<u>\$ 709,327</u>	<u>\$ 623,606</u>	13.7%	<u>\$ 75,150</u>	<u>\$ 127,684</u>	-41.1%

(a) Casino Licensees with Internet casino gaming operation. The statistics in the table include each licensee's share of the revenue and Gross Operating Profit associated with Internet gaming operations.

(b) Caesars Interactive Entertainment NJ (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 Digital 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.

(d) Hard Rock commenced operations (soft play period on June 25, 2018). Hard Rock opened to the public June 27, 2018. Internet gaming operations commenced on June 28, 2018.

(e) Ocean Resort commenced operations (soft play period on June 25, 2018). Ocean Resort opened to the public June 27, 2018. Internet gaming operations commenced on July 10, 2018.

**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 TWELVE MONTHS ENDED DECEMBER 31, 2018 AND 2017  
(\$ in Thousands)**

	Net Revenue			Gross Operating Profit		
	2018	2017	Variance	2018	2017	Variance
<b>Casino Hotels:</b>						
Bally's AC	220,217	230,192	-4.3%	40,182	42,596	-5.7%
Borgata (a)	827,616	864,995	-4.3%	206,456	254,306	-18.8%
Caesars (b)	292,327	323,346	-9.6%	79,653	94,099	-15.4%
Golden Nugget (a)	247,687	234,115	5.8%	45,059	40,051	12.5%
Hard Rock (a)(d)	186,252	-	N/A	(9,158)	-	N/A
Harrah's	402,460	420,168	-4.2%	109,342	116,915	-6.5%
Ocean Resort (a)(e)	112,504	-	N/A	(17,873)	-	N/A
Resorts Casino (c)	171,731	176,671	-2.8%	22,536	23,165	-2.7%
Tropicana (a)	373,013	375,800	-0.7%	93,414	92,148	1.4%
<b>Internet Gaming Only:</b>						
CIENJ (b)	32,102	30,653	4.7%	9,360	10,796	-13.3%
Resorts Digital (c)	30,134	36,875	-18.3%	3,629	14,494	-75.0%
<b>Industry Total</b>	<b>\$ 2,896,043</b>	<b>\$ 2,692,815</b>	<b>7.5%</b>	<b>\$ 582,600</b>	<b>\$ 688,570</b>	<b>-15.4%</b>

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- (c) Resorts Digital 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.
- (d) Hard Rock commenced operations (soft play period on June 25, 2018). Hard Rock opened to the public June 27, 2018. Internet gaming operations commenced on June 28, 2018.
- (e) Ocean Resort commenced operations (soft play period on June 25, 2018). Ocean Resort opened to the public June 27, 2018. Internet gaming operations commenced on July 10, 2018.

**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 DECEMBER 31, 2018**

<b>CASINO</b>	<b>NUMBER OF GUEST ROOMS IN PROPERTY*</b>	<b>NUMBER OF AVAILABLE ROOM NIGHTS</b>	<b>NUMBER OF OCCUPIED ROOM NIGHTS</b>	<b>OCCUPANCY RATE</b>	<b>AVERAGE RATE PER OCCUPIED ROOM</b>
Bally's AC	1,214	111,668	83,195	74.5%	\$95.40
Borgata	2,767	254,564	194,183	76.3%	174.25
Caesars	1,141	104,972	85,491	81.4%	117.61
Golden Nugget	717	65,964	44,595	67.6%	76.38
Hard Rock	1,971	181,332	104,887	57.8%	198.66
Harrah's	2,587	199,358	154,231	77.4%	104.49
Ocean Resort	1,399	128,708	86,014	66.8%	126.78
Resorts	942	86,664	66,587	76.8%	85.35
Tropicana	2,366	217,672	154,529	71.0%	125.14
<b>INDUSTRY TOTAL</b>	<b>15,104</b>	<b>1,350,902</b>	<b>973,712</b>	<b>72.1%</b>	<b>\$131.57</b>

\* Number of guest rooms at end of quarter

**ATLANTIC CITY CASINO INDUSTRY  
HOTEL STATISTICS  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2018**

<b>CASINO</b>	<b>NUMBER OF GUEST ROOMS IN PROPERTY*</b>	<b>NUMBER OF AVAILABLE ROOM NIGHTS</b>	<b>NUMBER OF OCCUPIED ROOM NIGHTS</b>	<b>OCCUPANCY RATE</b>	<b>AVERAGE RATE PER OCCUPIED ROOM</b>
Bally's AC	1,214	452,932	378,099	83.5%	\$107.42
Borgata	2,767	1,009,955	856,210	84.8%	179.64
Caesars	1,141	416,157	356,187	85.6%	140.60
Golden Nugget	717	261,462	194,960	74.6%	83.98
Hard Rock	1,971	368,577	225,765	61.3%	160.73
Harrah's	2,587	892,237	737,568	82.7%	121.32
Ocean Resort	1,399	261,129	201,166	77.0%	142.23
Resorts	942	334,740	287,958	86.0%	91.32
Tropicana	2,366	842,564	670,064	79.5%	140.24
<b>INDUSTRY TOTAL</b>	<b>15,104</b>	<b>4,839,753</b>	<b>3,907,977</b>	<b>80.7%</b>	<b>\$137.03</b>

\* Number of guest rooms at end of quarter