



JOHN J. HOFFMAN, *Acting Attorney General*

Division of Gaming Enforcement

David Rebeck, *Director*

DGE Announces 2014 Results

For Immediate Release:

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Highlights for the 2014:

- ✓ Atlantic City Casino Hotels' occupancy rate increased 2.8 percentage points to 80.2%
- ✓ Atlantic City Casino Industry's Gross Operating Profit increased 44.7%
- ✓ Current Operators' (as defined) Total Revenue increased 4.7%

Contact: Kerry Langan
(609) 317-6201
info@njdge.org

ATLANTIC CITY —

According to financial reports filed with the Division of Gaming Enforcement, the casino licensees reported Total Revenue of \$3.8 billion and \$265.7 million in Third Party Business sales for the year ended December 2014, as illustrated below:

Industry Total Revenue and Combined Sales

<u>For the Twelve Months Ended</u> <u>(\$ in Thousands)</u>	<u>Dec. 31,</u> <u>2014</u>	<u>Dec. 31,</u> <u>2013</u>	<u>Change</u>
Casino Licensees:			
Casino	\$2,669,976	\$2,838,084	-5.9%
Rooms	472,409	517,843	-8.8%
Food and Beverage	485,210	522,425	-7.1%
Entertainment and Other	180,385	189,145	-4.6%
Casino Licensees Total Revenue	<u>3,807,980</u>	<u>4,067,497</u>	-6.4%
Third Party Business Sales	<u>265,726</u>	<u>290,676</u>	-8.6%
Combined Sales	<u>\$4,073,706</u>	<u>\$4,358,173</u>	-6.5%

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Current Operators' (as defined) Total Revenue increased 4.7% for the year ended December 2014, while Third Party Business sales increased 3.9%, as illustrated below.

Current Operators' Total Revenue and Combined Sales

<u>For the Twelve Months Ended (\$ in Thousands)</u>	<u>Dec.31, 2014</u>	<u>Dec. 31, 2013</u>	<u>Change</u>
Casino Licensees:			
Casino	\$2,422,700	\$2,280,625	6.2%
Rooms	402,297	406,272	-1.0%
Food and Beverage	437,371	427,594	2.3%
Entertainment and Other	153,746	148,418	3.6%
Casino Licensees Total Revenue	3,416,114	3,262,909	4.7%
Third Party Business Sales	202,796	195,173	3.9%
Combined Sales	\$3,618,910	\$3,458,082	4.7%

Hotel Occupancy

The occupancy rate in the city's casino hotels for the fourth quarter of 2014 was 75.5%, which is 4.8 percentage points higher than the comparable period last year. The occupancy rate for 2014 was 80.2%, an improvement of 2.8 percentage points compared to the prior year.

Current Operators (as defined) had an occupancy rate of 80.8% for 2014.

Atlantic City Tourism Indicators

The Atlantic City Tourism Indicators for the industry for calendar 2014 are:

Total	Total Gaming Taxes	Hotel Room Fee	Parking Fee	Luxury Tax	Sales Tax	Tourism Promo Fee
TIM Dec. 2014	\$ 205,374,892	\$ 14,055,342	\$ 24,621,588	\$ 34,750,792	\$ 59,299,822	\$ 9,818,388
TIM Dec. 2013	\$ 205,256,811	\$ 15,637,872	\$ 27,907,278	\$ 35,519,043	\$ 63,866,628	\$ 10,822,323

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

Current Operators	Total Gaming Taxes	Hotel Room Fee	Parking Fee
TIM Dec. 2014	\$ 186,979,099	\$ 11,969,658	\$ 21,274,271
TIM Dec. 2013	\$ 166,370,394	\$ 12,192,942	\$ 20,778,198

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 2013 and 2014, 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 DECEMBER 31, 2014 AND 2013
(\$ in Thousands)**

	Total Revenue			Net Revenue			Gross Operating Profit		
	2014	2013	Variance	2014	2013	Variance	2014	2013	Variance
<u>Casinos with Internet Gaming (a)</u>									
Borgata	235,047	210,796	11.5%	179,147	157,128	14.0%	36,618	16,941	116.2%
Golden Nugget	62,266	41,052	51.7%	46,306	30,793	50.4%	(58)	(3,884)	98.5%
Tropicana	88,675	68,670	29.1%	69,537	51,965	33.8%	(323)	145	-322.8%
Trump Plaza (c)	-	19,222	N/A	-	13,797	N/A	-	(4,676)	N/A
Trump Taj Mahal	58,685	76,031	-22.8%	39,501	54,009	-26.9%	(5,486)	(1,947)	-181.8%
<u>Casinos without Internet Gaming</u>									
Atlantic Club (c)	-	37,977	N/A	-	23,657	N/A	-	(5,363)	N/A
Bally's AC (b)	72,452	73,852	-1.9%	51,244	50,528	1.4%	3,312	(2,870)	215.4%
Caesars (b)	108,678	105,060	3.4%	78,478	72,884	7.7%	17,324	7,131	142.9%
Harrah's Resorts	136,604	124,460	9.8%	98,992	89,984	10.0%	22,981	16,287	41.1%
Revel (c)	43,961	39,363	11.7%	32,115	27,188	18.1%	(1,983)	(5,635)	64.8%
Showboat (c)	-	59,090	N/A	-	43,006	N/A	-	(22,200)	N/A
	-	60,709	N/A	-	41,314	N/A	-	1,546	N/A
<u>Internet Gaming Only</u>									
CIENJ (b)	4,974	1,378	261.0%	4,969	1,361	265.1%	(329)	(1,289)	74.5%
Industry Total	<u>\$ 811,342</u>	<u>\$ 917,660</u>	-11.6%	<u>\$ 600,289</u>	<u>\$ 657,614</u>	-8.7%	<u>\$ 72,056</u>	<u>\$ (5,814)</u>	1339.4%
Current Operators (c)	<u>\$ 811,342</u>	<u>\$ 740,662</u>	9.5%	<u>\$ 600,289</u>	<u>\$ 535,840</u>	12.0%	<u>\$ 72,056</u>	<u>\$ 24,879</u>	189.6%

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

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 as an affiliate of Caesars and Bally's on November 21, 2013. As a casino licensee, CIENJ's revenue and Gross Operating Profit statistics are included in the table.

(c) 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.

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, 2014 AND 2013
(\$ in Thousands)**

	Total Revenue			Net Revenue			Gross Operating Profit		
	2014	2013	Variance	2014	2013	Variance	2014	2013	Variance
<u>Casinos with Internet Gaming (a)</u>									
Borgata	970,448	913,516	6.2%	738,211	695,700	6.1%	158,453	121,613	30.3%
Golden Nugget	245,547	177,769	38.1%	178,968	131,235	36.4%	4,555	(10,424)	143.7%
Tropicana	388,243	318,194	22.0%	303,079	244,471	24.0%	59,851	26,549	125.4%
Trump Plaza (c)	57,060	104,685	N/A	42,197	76,328	N/A	(13,045)	(4,725)	N/A
Trump Taj Mahal	298,830	353,932	-15.6%	212,152	257,883	-17.7%	(1,123)	20,122	-105.6%
<u>Casinos without Internet Gaming</u>									
Atlantic Club (c)	5,016	174,126	N/A	3,924	112,242	N/A	(1,837)	(12,738)	N/A
Bally's AC (b)	314,058	346,398	-9.3%	227,579	255,488	-10.9%	22,635	33,499	-32.4%
Caesars (b)	442,689	444,295	-0.4%	310,858	324,820	-4.3%	59,835	69,510	-13.9%
Harrah's	550,461	530,881	3.7%	403,911	401,700	0.6%	97,413	102,151	-4.6%
Resorts	184,422	176,546	4.5%	137,200	124,617	10.1%	2,497	(12,323)	120.3%
Revel (c)	165,937	250,426	N/A	131,139	189,705	N/A	(48,522)	(130,239)	N/A
Showboat (c)	163,853	275,351	N/A	114,671	197,223	N/A	12,928	34,048	N/A
<u>Internet Gaming Only</u>									
CIENJ (b)	21,416	1,378	1454.1%	21,372	1,361	1470.3%	(12,507)	(1,289)	-870.3%
Industry Total	<u>\$ 3,807,980</u>	<u>\$ 4,067,497</u>	-6.4%	<u>\$ 2,825,261</u>	<u>\$ 3,012,773</u>	-6.2%	<u>\$ 341,133</u>	<u>\$ 235,754</u>	44.7%
Current Operators (c)	<u>\$ 3,416,114</u>	<u>\$ 3,262,909</u>	4.7%	<u>\$ 2,533,330</u>	<u>\$ 2,437,275</u>	3.9%	<u>\$ 391,609</u>	<u>\$ 349,408</u>	12.1%

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

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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**ATLANTIC CITY CASINO INDUSTRY
HOTEL STATISTICS
FOR THE QUARTER ENDED DECEMBER 31, 2014**

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	1,180	115,092	94,364	82.0%	88.24
Borgata	2,767	254,564	207,987	81.7%	129.79
Caesars	1,141	104,972	88,373	84.2%	88.22
Golden Nugget	727	66,608	50,927	76.5%	78.32
Harrah's	2,590	238,280	187,184	78.6%	93.06
Resorts	942	86,664	62,553	72.2%	74.58
Tropicana	2,079	172,988	128,864	74.5%	83.13
Trump Taj Mahal	2,010	184,920	104,120	56.3%	88.49
INDUSTRY TOTAL	13,436	1,224,088	924,372		
INDUSTRY AVERAGE				75.5%	\$96.41

* Number of guest rooms at end of quarter

**ATLANTIC CITY CASINO INDUSTRY
HOTEL STATISTICS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014**

CASINO	NUMBER OF GUEST ROOMS IN PROPERTY*	NUMBER OF AVAILABLE ROOM NIGHTS	NUMBER OF OCCUPIED ROOM NIGHTS	OCCUPANCY RATE	AVERAGE RATE PER OCCUPIED ROOM
ACH (Atlantic Club)	809	9,120	5,053	55.4%	\$ 59.93
Bally's AC	1,180	483,804	397,609	82.2%	89.56
Borgata	2,767	1,009,955	869,978	86.1%	133.52
Caesars	1,141	416,465	365,636	87.8%	96.86
Golden Nugget	727	265,067	220,478	83.2%	83.89
Harrah's	2,590	945,350	780,834	82.6%	96.81
Resorts	942	343,830	275,703	80.2%	80.99
Revel	1,399	339,957	297,979	87.7%	111.61
Showboat	1,329	322,947	259,734	80.4%	92.03
Tropicana	2,079	737,755	570,537	77.3%	91.89
Trump Plaza	906	233,748	132,462	56.7%	95.57
Trump Taj Mahal	2,010	733,650	509,111	69.4%	90.87
INDUSTRY TOTAL	17,879	5,841,648	4,685,114		
INDUSTRY AVERAGE				80.2%	\$100.83
CURRENT OPERATORS	13,436	4,935,876	3,989,886		
CURRENT OPERATORS AVG.				80.8%	\$100.83