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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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Highlights for the year ended December 2015:

- Current Operators' Total Revenue grew 2.3%
- Current Operators' Gross Operating Profit increased 40.3%
- Industry Hotel Occupancy improved 0.6 percentage points to 80.8%

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ATLANTIC CITY —

According to financial reports filed with the Division of Gaming Enforcement, Current Operators' (as defined) Total Revenue increased 2.3% for the year ended December 2015, including 3.1% growth in casino revenue, as illustrated below.

Current Operators' Total Revenue and Combined Sales

<u>For the Year Ended</u> <u>(\$ in Thousands)</u>	<u>Dec. 31,</u> <u>2015</u>	<u>Dec. 31,</u> <u>2014</u>	<u>Change</u>
Casino Licensees:			
Casino	\$2,496,906	\$2,422,700	3.1%
Rooms	406,218	402,880	0.8%
Food and Beverage	440,826	437,371	0.8%
Entertainment and Other	151,265	153,161	-1.2%
Casino Licensees Total Revenue	3,495,215	3,416,112	2.3%
Third Party Business Sales	199,440	205,074	-2.7%
Combined Sales	\$3,694,655	\$3,621,186	2.0%

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 casino industry's reported total revenues and combined sales for the year ended December 2015 and 2014, including Discontinued Operators, are illustrated below:

Industry Total Revenue and Combined Sales

For the Year Ended (\$ in Thousands)	Dec. 31, 2015	Dec. 31, 2014	Change
Casino Licensees:			
Casino	\$2,496,906	\$2,669,976	-6.5%
Rooms	406,218	472,992	-14.1%
Food and Beverage	440,826	485,210	-9.1%
Entertainment and Other	151,265	179,800	-15.9%
Casino Licensees Total Revenue	3,495,215	3,807,978	-8.2%
Third Party Business Sales	199,440	261,792	-23.8%
Combined Sales	\$3,694,655	\$4,069,770	-9.2%

Hotel Occupancy

The occupancy rate in the city's casino hotels for the fourth quarter of 2015 was 74.1%, which is 1.4 percentage points lower than the comparable period last year. The industry reported an occupancy rate of 80.8% for 2015, reflecting a 0.6 percentage point increase over the prior period.

Atlantic City Tourism Indicators

The Atlantic City Tourism Indicators for the twelve months ended December 2015 and 2014 are:

Total	Total Gaming Taxes	Hotel Room Fee	Parking Fee	Luxury Tax	Sales Tax	Tourism Promo Fee
T12M Dec. 2015	\$ 197,024,198	\$ 11,855,793	\$ 21,206,760	\$ 30,005,870	\$ 56,412,048	\$ 8,296,134
T12M Dec. 2014	\$ 205,374,892	\$ 14,054,592	\$ 24,621,588	\$ 34,750,792	\$ 59,299,822	\$ 9,818,388

Note that the Atlantic Club closed in January 2014 and three additional casinos closed in the third quarter of 2014. Thus, the preceding table compares an 8 casino market for the 12 months ended December 2015 with an 11 or 12 casino market for most of the prior year.

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>

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 DECEMBER 31, 2015 AND 2014
(\$ in Thousands)**

	Total Revenue			Net Revenue			Gross Operating Profit		
	2015	2014	Variance	2015	2014	Variance	2015	2014	Variance
Casino Hotels:									
Bally's AC	66,453	72,452	-8.3%	47,941	51,244	-6.4%	3,105	3,312	-6.3%
Borgata (a)	250,045	235,047	6.4%	192,953	179,147	7.7%	50,114	36,595	36.9%
Caesars (b)	94,811	108,678	-12.8%	69,826	78,815	-11.4%	14,230	17,324	-17.9%
Golden Nugget (a)	63,651	62,266	2.2%	46,848	46,306	1.2%	1,637	(58)	N/A
Harrah's	129,215	136,604	-5.4%	96,062	98,992	-3.0%	21,745	22,981	-5.4%
Resorts Casino (c)	49,263	43,961	12.1%	36,550	32,115	13.8%	2,233	(1,982)	N/A
Tropicana (a)	94,749	88,675	6.8%	75,264	69,537	8.2%	6,755	(323)	N/A
Trump Taj Mahal (a)	50,352	58,685	-14.2%	35,622	39,501	-9.8%	(3,475)	(5,486)	36.7%
Internet Gaming Only:									
CIENJ (b)	5,846	4,974	17.5%	5,779	4,969	16.3%	1,702	(329)	N/A
Resorts Digital (c)	3,402	-	N/A	2,199	-	N/A	(1,615)	(1,664)	2.9%
Industry Total	<u>\$ 807,787</u>	<u>\$ 811,342</u>	-0.4%	<u>\$ 609,044</u>	<u>\$ 600,626</u>	1.4%	<u>\$ 96,431</u>	<u>\$ 70,370</u>	37.0%

(a) Casino Licensees with Internet gaming operation. Trump Taj Mahal ceased Internet gaming operations on September 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) 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 and reflect the Internet operation of Resorts Casino.

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, 2015 AND 2014
(\$ in Thousands)**

	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	299,472	314,058	-4.6%	224,331	227,579	-1.4%	39,973	22,635	76.6%
Borgata (a)	1,036,759	970,448	6.8%	804,166	738,211	8.9%	215,981	158,453	36.3%
Caesars (b)	423,456	442,689	-4.3%	310,918	311,195	-0.1%	83,426	59,835	39.4%
Golden Nugget (a)	279,280	245,547	13.7%	207,878	178,968	16.2%	22,608	4,555	396.3%
Harrah's	568,861	550,461	3.3%	424,031	403,911	5.0%	122,726	97,413	26.0%
Resorts Casino (c)	206,800	184,420	12.1%	154,972	137,198	13.0%	15,607	2,497	525.0%
Revel (d)	-	165,937	N/A	-	131,139	N/A	-	(48,522)	N/A
Showboat (d)	-	163,853	N/A	-	114,671	N/A	-	12,928	N/A
Tropicana (a)	405,720	388,243	4.5%	322,309	303,079	6.3%	46,437	59,851	-22.4%
Trump Plaza (a) (d)	-	57,060	N/A	-	42,197	N/A	-	(13,045)	N/A
Trump Taj Mahal (a)	245,276	298,830	-17.9%	170,025	212,152	-19.9%	3,105	(1,123)	N/A
Internet Gaming Only:									
CIENJ (b)	22,508	21,416	5.1%	22,308	21,372	4.4%	4,045	(12,340)	N/A
Resorts Digital (c)	7,083	-	N/A	4,110	-	N/A	(6,540)	(1,664)	-293.0%
Industry Total	<u>\$ 3,495,215</u>	<u>\$ 3,807,978</u>	-8.2%	<u>\$ 2,645,048</u>	<u>\$ 2,825,596</u>	-6.4%	<u>\$ 547,368</u>	<u>\$ 339,636</u>	61.2%
Current Operators (d)	<u>\$ 3,495,215</u>	<u>\$ 3,416,112</u>	2.3%	<u>\$ 2,645,048</u>	<u>\$ 2,533,665</u>	4.4%	<u>\$ 547,368</u>	<u>\$ 390,112</u>	40.3%

- (a) Casino Licensees with Internet gaming operation. Trump Taj Mahal ceased Internet gaming operations on September 21, 2014. 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) 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 and reflect the Internet operation of Resorts Casino.
- (d) 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
HOTEL STATISTICS
FOR THE QUARTER ENDED DECEMBER 31, 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	109,452	82,919	75.8%	87.54
Borgata	2,767	254,564	218,490	85.8%	129.06
Caesars	1,141	97,622	84,531	86.6%	93.85
Golden Nugget	727	66,608	51,130	76.8%	73.50
Harrah's	2,590	238,280	177,752	74.6%	100.52
Resorts	942	86,664	65,064	75.1%	72.81
Tropicana	2,078	191,176	140,472	73.5%	82.20
Trump Taj Mahal	2,010	184,920	91,127	49.3%	88.94
INDUSTRY	13,424	1,229,286	911,485	74.1%	\$98.09

* Number of guest rooms at end of quarter

**ATLANTIC CITY CASINO INDUSTRY
HOTEL STATISTICS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 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	450,975	383,366	85.0%	94.69
Borgata	2,767	1,009,955	901,151	89.2%	133.31
Caesars	1,141	409,115	369,220	90.2%	99.62
Golden Nugget	727	263,236	219,308	83.3%	78.67
Harrah's	2,590	945,350	769,672	81.4%	103.62
Resorts	942	343,830	281,757	81.9%	79.21
Tropicana	2,078	738,663	584,479	79.1%	92.55
Trump Taj Mahal	2,010	733,650	443,662	60.5%	89.22
INDUSTRY	13,424	4,894,774	3,952,615	80.8%	\$102.77

* Number of guest rooms at end of quarter