

Consumer Casinos & Gaming

Consumer

Nevada Numbers - Average Nevada Income Statements Back To 1991

Investment Summary

The enclosed note gives readers a financial snapshot of the typical operators within the Nevada casino market. **More importantly, it gives investors an income statement view through the last two economic downturns.**

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Event

In the last year, increasing construction and acquisition financing and a weakening economy has made the Nevada gaming market financially weaker with increased leverage, higher net debt/EBITDA and lower margins. Leverage in every market is the highest it has been for the 17 years of this report, with net debt having risen significantly in Las Vegas. Additionally, margins have been under tremendous pressure as the Las Vegas economy has been crushed. Unfortunately, this data is ended June 30, 2008 and does not reflect the more recent sizable gaming and non-gaming revenue declines along with related margin declines.

Key Points

- Nevada is still the epicenter of the gaming world, despite the developments in the rest of the U.S. and Asia. Therefore, it is important to understand the world in which companies in Nevada operate.
- For example, it is interesting to see the trend with large Las Vegas Strip operators. Gaming revenues are the lowest percentage of total revenue in this market's history with non-gaming revenues making up over 60 percent of the total.
- We believe capital raising through stock, debt offering and through asset sales will keep Buy-rated Wynn, MGM and LVS out of trouble whereas operators such as Hooters, Fontainebleau, Black Gaming, Cosmopolitan, Herbst and others face much higher default risk. Harrah's and even more so, Station remains at risk too, in our view.
- Please see the following pages for the average income statement and balance sheet of each casino grouping in the Nevada market (for the 12 months ended June—Nevada's fiscal year), even within a market, breaking out the data by levels of revenues generated for a total of 27 separate detailed data sets.

Nevada Numbers: Average Nevada income statements back to State Fiscal 1991 (ended June 30th)

Nevada is still the epicenter of the gaming world, despite the developments in the rest of the U.S. and Asia. Therefore, it is important to understand the world in which companies in Nevada operate. This article is more informational in nature giving readers a financial snapshot of the typical operators within the Nevada casino market. **More importantly, it gives investors an income statement view through the last two economic downturns.**

Nevada is one of the few states that does not break out monthly revenues per individual casino and the numbers it does give out are always two months delayed, a frustration for investors trying to follow and understand operators within its markets. Almost all other gaming markets give out individual casino revenues from the prior month on a timely basis. However, Nevada does release one data point that is only bettered by Atlantic City. Once a year it gives out the average income statement and balance sheet of each casino grouping in its market (for the 12 months ended June—Nevada's fiscal year), even within a market, breaking out the data by levels of revenues generated for a total of 27 separate detailed data sets. This allows operators and analysts to analyze these markets in great detail.

For example, it is interesting to see the trend with large Las Vegas Strip operators. Gaming revenues are the lowest percentage of total revenue in this market's history with non-gaming revenues making up over 60 percent of the total. You have to go back to 1998 to find a time when gaming revenues were king. At the same time, table games make up the smallest percentage of gaming revenues ever with slots now 52 percent of the total. Slot revenues overtook tables in 2002.

What a difference a year makes. Increasing construction and acquisition financing and a weakening economy has made the Nevada gaming market financially weaker with increased leverage, higher net debt/EBITDA and lower margins. Additionally, leverage in every market is the highest it has been for the 17 years of this report, **as shown in the table on the next page.** Net debt has risen significantly in Las Vegas related to the building of City Center, Encore, Cosmopolitan, Fontainebleau, and by the privatization of Harrah's. A year ago, the Boulder Strip operators (LV locals market) had the best margins in Nevada at 27.5%. In the course of a year's time, margins have fallen by 32% to only 18.6% as the Las Vegas economy has been crushed. And with Station going private, this market's debt/capitalization rose to 60.2% from 48.5%.

Unfortunately, this data is ended June 30, 2008 and does not reflect the more recent sizable gaming and non-gaming revenue declines along with related margin declines. Next year's book should have worse results. We believe capital raising through stock, debt offering and through asset sales will keep Buy-rated Wynn, MGM and LVS out of trouble whereas operators such as Hooters, Fontainebleau, Black Gaming, Cosmopolitan, Herbst and others face much higher default risk. Harrah's and even more so, Station remains at risk too, in our view.

Average per Casino- Key number comparison 2007 vs 2008

(Nevada State fiscal year ended 6/30)

	2007	2008
LV Strip (Annual revenues \$72mm or more)		
Gaming Revenues (Win)	\$258.4	\$250.5
Total Operating Revenues	\$633.5	\$636.5
Win/Total Operating Revenues	40.8%	39.3%
Operating Cash Flow	\$161.2	\$151.8
Cash Flow/Total Operating Revenues	25.4%	23.8%
Net Debt	\$391.0	\$773.4
Total Debt/Capitalization	36.8%	48.7%
Net Debt/EBITDA	2.4x	5.1x
LV Boulder Strip		
Gaming Revenues (Win)	\$30.8	\$28.7
Total Operating Revenues	\$41.8	\$39.0
Win/Total Operating Revenues	73.7%	73.5%
Operating Cash Flow	\$11.5	\$7.3
Cash Flow/Total Operating Revenues	27.5%	18.6%
Net Debt	\$28.8	\$30.9
Total Debt/Capitalization	48.5%	60.2%
Net Debt/EBITDA	2.5x	4.3x
LV Downtown		
Gaming Revenues (Win)	\$54.3	\$53.6
Total Operating Revenues	\$95.4	\$96.4
Win/Total Operating Revenues	56.9%	55.6%
Operating Cash Flow	\$14.8	\$14.1
Cash Flow/Total Operating Revenues	15.5%	14.6%
Net Debt	\$6.7	\$92.9
Total Debt/Capitalization	18.8%	66.6%
Net Debt/EBITDA	0.5x	6.6x
Laughlin		
Gaming Revenues (Win)	\$62.5	\$54.8
Total Operating Revenues	\$95.0	\$84.1
Win/Total Operating Revenues	65.8%	65.1%
Operating Cash Flow	\$16.8	\$13.1
Cash Flow/Total Operating Revenues	17.7%	15.6%
Net Debt	\$8.5	\$91.4
Total Debt/Capitalization	20.1%	93.9%
Net Debt/EBITDA	0.5x	7.0x
Nevada State-Wide		
Gaming Revenues (Win)	\$46.2	\$45.3
Total Operating Revenues	\$93.5	\$94.0
Win/Total Operating Revenues	49.4%	48.2%
Operating Cash Flow	\$21.4	\$18.6
Cash Flow/Total Operating Revenues	22.9%	19.8%
Net Debt	\$51.7	\$105.7
Total Debt/Capitalization	38.7%	56.2%
Net Debt/EBITDA	2.4x	5.7x

Source: Nevada State Gaming Control Board

Nevada- Average (Per Casino) Casino Financial Statements

For the fiscal year ended June 30, 2008

(\$ in millions)	Nevada Statewide	Las Vegas Strip	Las Vegas Strip	Las Vegas Strip	Las Vegas Downtown	Las Vegas Laughlin	Las Vegas Boulder Strip
Minimum Gaming Revenues	\$1.0	\$1.0	\$72.0	*	\$12.0	\$1.0	\$1.0
Number of Casinos	266	40	23	17	11	11	32
Average Casino Sq. Ft.	30,716	71,811	98,641	35,512	47,093	42,006	25,599
Ave. Win per Sq. Ft.	\$1,474	\$2,181	\$2,539	\$838	\$1,138	\$1,304	\$1,121
Gaming Revenues (Win)	\$45.3	\$156.7	\$250.5	\$29.7	\$53.6	\$54.8	\$28.7
% Slot	67.6%	53.9%	52.3%	72.2%	74.9%	87.3%	86.7%
% Table (Includes Keno & Bingo)	28.8%	42.1%	43.6%	25.9%	22.3%	10.8%	9.1%
% Book	2.0%	2.0%	2.1%	1.0%	1.3%	0.9%	2.9%
% Poker & Pan	1.6%	1.9%	2.0%	1.0%	1.5%	1.0%	1.3%
Total Operating Revenues	\$94.0	\$394.9	\$636.5	\$67.9	\$96.4	\$84.1	\$39.0
Win/Total Operating Revenues	48.2%	39.7%	39.3%	43.8%	55.6%	65.1%	73.5%
Operating Income	\$10.7	\$57.4	\$96.2	\$4.8	\$8.1	\$7.2	\$3.2
Depreciation & Amortization	\$7.9	\$33.5	\$55.5	\$3.7	\$6.0	\$5.9	\$4.1
Operating Cash Flow	\$18.6	\$90.9	\$151.8	\$8.5	\$14.1	\$13.1	\$7.3
Cash Flow/Total Operating Revenues	19.8%	23.0%	23.8%	12.5%	14.6%	15.6%	18.6%
Bad Debt Expense	\$0.5	\$3.1	\$5.5	(\$0.0)	\$0.1	\$0.1	\$0.1
Bad Debt Expense/Total Revenues	0.6%	0.8%	0.9%	0.0%	0.1%	0.1%	0.3%
Capitalization							
Current Maturities of L-T Debt	\$2.2	\$10.4	\$3.8	\$19.3	\$0.1	\$1.2	\$0.2
Long-Term Debt	\$108.8	\$564.2	\$794.3	\$253.0	\$98.4	\$102.2	\$33.0
Equity	<u>\$86.5</u>	<u>\$457.8</u>	<u>\$839.9</u>	<u>(\$59.2)</u>	<u>\$49.5</u>	<u>\$6.7</u>	<u>\$22.0</u>
Total Capitalization	\$197.6	\$1,032.4	\$1,637.9	\$213.1	\$147.9	\$110.1	\$55.3
Total Debt/Capitalization	56.2%	55.7%	48.7%	127.8%	66.6%	93.9%	60.2%
Cash & Marketable Securities	\$5.3	\$17.5	\$24.6	\$8.0	\$5.6	\$12.0	\$2.3

* Strip casinos with more than \$1 million of revenues and less than \$72 million in revenues.

Source: Nevada State Gaming Control Board

Las Vegas Strip-Annual Revenues of \$72 million-Average (Per Casino) Casino Financial Statements

For the fiscal years ended June 30

(\$ in millions)	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Number of Casinos	14	14	15	19	19	19	21	20	20	22	22	22	23	23	24	24	23	23
Average Casino Sq. Ft.	74,839	76,854	77,382	82,883	83,694	86,752	89,292	89,123	94,622	100,198	101,206	102,498	101,143	99,804	99,967	99,016	99,701	98,641
Ave. Win per Sq. Ft.	\$1,975	\$1,844	\$1,907	\$1,753	\$1,941	\$1,938	\$1,757	\$1,880	\$1,894	\$1,942	\$1,877	\$1,661	\$1,735	\$1,919	\$1,981	\$2,321	\$2,592	\$2,539
Gaming Revenues (Win)	\$147.8	\$141.7	\$147.5	\$145.3	\$162.4	\$168.1	\$156.9	\$167.6	\$179.2	\$194.6	\$189.9	\$170.2	\$175.5	\$191.6	\$198.0	\$229.8	\$258.4	\$250.5
% Slot	43.2%	48.3%	47.5%	47.3%	46.0%	45.4%	46.4%	47.0%	47.8%	47.1%	48.2%	50.8%	50.8%	51.5%	52.7%	51.7%	51.0%	52.3%
% Table(Includes Keno & Bingo)	52.1%	46.9%	47.7%	45.3%	49.8%	46.4%	50.6%	49.7%	48.6%	49.7%	48.5%	45.8%	45.8%	45.3%	43.4%	44.3%	44.6%	43.6%
% Book	3.1%	3.3%	3.4%	3.4%	3.2%	3.1%	2.2%	2.5%	2.7%	2.5%	2.6%	2.6%	2.6%	2.2%	2.4%	2.2%	2.3%	2.1%
% Poker & Pan	1.6%	1.6%	1.4%	4.0%	1.1%	5.1%	0.9%	0.8%	0.8%	0.7%	0.7%	0.7%	0.8%	1.0%	1.6%	1.8%	2.1%	2.0%
Total Operating Revenues	\$256.3	\$251.0	\$261.0	\$264.6	\$302.8	\$319.5	\$306.0	\$333.8	\$374.8	\$424.8	\$438.0	\$403.4	\$413.9	\$462.2	\$488.7	\$568.6	\$633.5	\$636.5
Win/Total Operating Revenues	57.7%	56.5%	56.5%	54.9%	53.6%	52.6%	51.3%	50.2%	47.8%	45.8%	43.4%	42.2%	42.4%	41.4%	40.5%	40.4%	40.8%	39.3%
Operating Income	\$56.7	\$42.4	\$44.8	\$40.5	\$48.9	\$57.6	\$47.3	\$47.5	\$50.1	\$43.9	\$61.2	\$26.2	\$55.8	\$76.9	\$80.7	\$95.1	\$114.9	\$96.2
Depreciation & Amortization	\$15.5	\$16.2	\$15.5	\$16.7	\$19.1	\$19.9	\$20.8	\$24.7	\$27.6	\$34.2	\$36.9	\$37.3	\$34.7	\$35.3	\$36.1	\$43.8	\$46.3	\$55.5
Operating Cash Flow	\$72.2	\$58.6	\$60.3	\$57.1	\$68.0	\$77.5	\$68.1	\$72.2	\$77.7	\$78.1	\$98.1	\$63.5	\$90.4	\$112.2	\$116.8	\$138.9	\$161.2	\$151.8
Cash Flow/Total Operating Revenues	28.2%	23.4%	23.1%	21.6%	22.5%	24.3%	22.3%	21.6%	20.7%	18.4%	22.4%	15.7%	21.9%	24.3%	23.9%	24.4%	25.4%	23.8%
Bad Debt Expense	\$7.8	\$5.6	\$6.4	\$7.4	\$8.6	\$7.5	\$7.2	\$9.3	\$10.8	\$10.7	\$10.2	\$8.2	\$3.6	\$2.3	\$2.4	\$2.1	\$5.3	\$5.5
Bad Debt Expense/Total Revenues	3.1%	2.2%	2.4%	2.8%	2.8%	2.4%	2.4%	2.8%	2.9%	2.5%	2.3%	2.0%	0.9%	0.5%	0.5%	0.4%	0.8%	0.9%
Capitalization																		
Current Maturities of L-T Debt	\$6.3	\$6.1	\$19.2	\$0.9	\$1.0	\$0.4	\$8.2	\$1.0	\$0.5	\$20.7	\$19.2	\$5.5	\$0.5	\$0.7	\$0.4	\$4.5	\$2.1	\$3.8
Long-Term Debt	\$60.7	\$76.9	\$42.5	\$97.7	\$59.5	\$57.2	\$61.3	\$55.7	\$171.0	\$283.3	\$281.0	\$288.2	\$236.1	\$237.3	\$295.8	\$374.0	\$482.1	\$794.3
Equity	<u>\$139.9</u>	<u>\$119.0</u>	<u>\$124.0</u>	<u>\$145.2</u>	<u>\$197.0</u>	<u>\$229.2</u>	<u>\$262.7</u>	<u>\$300.2</u>	<u>\$262.3</u>	<u>\$378.6</u>	<u>\$420.2</u>	<u>\$425.9</u>	<u>\$458.5</u>	<u>\$524.5</u>	<u>\$630.2</u>	<u>\$701.7</u>	<u>\$833.1</u>	<u>\$839.9</u>
Total Capitalization	\$207.0	\$202.1	\$185.7	\$243.8	\$257.5	\$286.8	\$332.2	\$357.0	\$433.8	\$682.6	\$720.4	\$719.6	\$695.1	\$762.6	\$926.4	\$1,080.2	\$1,317.4	\$1,637.9
Total Debt/Capitalization	32.4%	41.1%	33.2%	40.4%	23.5%	20.1%	20.9%	15.9%	39.5%	44.5%	41.7%	40.8%	34.0%	31.2%	32.0%	35.0%	36.8%	48.7%
Cash & Marketable Securities	\$15.6	\$12.9	\$13.3	\$13.8	\$11.2	\$20.9	\$13.0	\$16.2	\$12.7	\$16.4	\$16.8	\$30.4	\$20.5	\$45.9	\$63.8	\$55.7	\$93.2	\$24.6

Source: Nevada State Gaming Control Board

Nevada Statewide-Annual Revenues of \$1 million-Average (Per Casino) Casino Financial Statements

For the fiscal years ended June 30

(\$ in millions)	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Number of Casinos	198	192	189	207	213	229	235	235	238	243	247	249	256	258	268	274	270	266
Average Casino Sq. Ft.	22,348	23,262	23,919	24,704	25,345	26,499	27,277	28,173	28,880	29,621	30,007	30,232	30,408	30,310	29,620	29,891	29,940	30,716
Ave. Win per Sq. Ft.	\$1,246	\$1,250	\$1,301	\$1,272	\$1,302	\$1,218	\$1,169	\$1,170	\$1,226	\$1,293	\$1,256	\$1,184	\$1,188	\$1,264	\$1,343	\$1,442	\$1,544	\$1,474
Gaming Revenues (Win)	\$27.8	\$29.1	\$31.1	\$31.4	\$33.0	\$32.3	\$31.9	\$33.0	\$35.4	\$38.3	\$37.7	\$35.8	\$36.1	\$38.3	\$39.8	\$43.1	\$46.2	\$45.3
% Slot	58.5%	62.0%	62.7%	62.1%	61.0%	61.4%	62.6%	63.5%	63.8%	63.8%	64.9%	67.0%	66.6%	66.9%	68.1%	67.2%	66.7%	67.6%
% Table(Includes Keno & Bingo)	37.7%	34.3%	33.6%	32.9%	35.4%	33.2%	34.4%	33.3%	33.1%	33.3%	32.2%	30.1%	30.5%	30.1%	28.5%	29.3%	29.4%	28.8%
% Book	2.3%	2.3%	2.4%	2.7%	2.5%	2.7%	2.1%	2.5%	2.3%	2.3%	2.2%	2.4%	2.3%	2.1%	2.1%	2.1%	2.2%	2.0%
% Poker & Pan	1.5%	1.4%	1.3%	2.3%	1.1%	2.7%	1.0%	0.8%	0.8%	0.7%	0.7%	0.7%	0.7%	0.9%	1.3%	1.4%	1.6%	1.6%
Total Operating Revenues	\$45.5	\$47.7	\$50.9	\$52.6	\$56.3	\$55.9	\$56.5	\$59.1	\$64.7	\$72.3	\$73.3	\$69.5	\$70.2	\$75.9	\$79.7	\$87.9	\$93.5	\$94.0
Win/Total Operating Revenues	61.1%	61.0%	61.1%	59.7%	58.6%	57.7%	56.4%	55.8%	54.7%	53.0%	51.4%	51.5%	51.5%	50.5%	49.9%	49.0%	49.4%	48.2%
Operating Income	\$8.0	\$6.6	\$7.6	\$7.4	\$7.7	\$7.4	\$6.1	\$6.3	\$6.7	\$6.6	\$8.0	\$4.6	\$7.6	\$9.6	\$11.2	\$13.6	\$14.7	\$10.7
Depreciation & Amortization	\$2.8	\$2.9	\$2.9	\$3.1	\$3.4	\$3.5	\$3.9	\$4.2	\$4.7	\$5.5	\$5.7	\$5.7	\$5.4	\$5.4	\$5.6	\$6.3	\$6.7	\$7.9
Operating Cash Flow	\$10.8	\$9.6	\$10.5	\$10.5	\$11.1	\$10.9	\$10.1	\$10.6	\$11.4	\$12.0	\$13.6	\$10.3	\$13.0	\$15.1	\$16.8	\$19.9	\$21.4	\$18.6
Cash Flow/Total Operating Revenues	23.8%	20.0%	20.7%	20.0%	19.8%	19.6%	17.8%	17.9%	17.6%	16.7%	18.6%	14.8%	18.6%	19.9%	21.1%	22.6%	22.9%	19.8%
Bad Debt Expense	\$0.9	\$0.6	\$0.6	\$0.8	\$0.9	\$0.7	\$0.8	\$0.9	\$1.1	\$1.1	\$1.0	\$0.8	\$0.4	\$0.3	\$0.3	\$0.4	\$0.5	\$0.5
Bad Debt Expense/Total Revenues	1.9%	1.2%	1.3%	1.5%	1.5%	1.3%	1.3%	1.5%	1.6%	1.5%	1.4%	1.2%	0.6%	0.4%	0.3%	0.4%	0.5%	0.6%
Capitalization																		
Current Maturities of L-T Debt	\$2.4	\$2.6	\$2.8	\$0.7	\$1.2	\$1.8	\$2.5	\$1.2	\$1.3	\$2.9	\$4.3	\$2.1	\$1.6	\$0.9	\$1.2	\$1.2	\$1.3	\$2.2
Long-Term Debt	\$16.2	\$18.8	\$13.3	\$15.0	\$15.2	\$16.7	\$16.2	\$16.6	\$33.9	\$42.9	\$41.5	\$42.0	\$36.9	\$36.8	\$43.6	\$51.2	\$63.2	\$108.8
Equity	\$16.9	\$15.2	\$21.5	\$20.5	\$32.4	\$36.7	\$39.1	\$42.5	\$41.7	\$55.2	\$57.9	\$59.6	\$62.7	\$71.1	\$83.9	\$90.2	\$102.0	\$86.5
Total Capitalization	\$35.5	\$36.6	\$37.7	\$36.2	\$48.8	\$55.2	\$57.8	\$60.3	\$76.9	\$101.0	\$103.8	\$103.7	\$101.2	\$108.9	\$128.7	\$142.6	\$166.5	\$197.6
Total Debt/Capitalization	52.4%	58.4%	42.8%	43.4%	33.5%	33.6%	32.4%	29.5%	45.8%	45.3%	44.2%	42.6%	38.0%	34.7%	34.8%	36.7%	38.7%	56.2%
Cash & Marketable Securities	\$3.5	\$3.4	\$4.2	\$2.7	\$2.9	\$4.3	\$3.2	\$3.8	\$3.7	\$3.9	\$4.1	\$5.5	\$4.7	\$7.0	\$8.8	\$8.6	\$12.8	\$5.3

Source: Nevada State Gaming Control Board

Las Vegas Strip-Annual Revenues of \$1 million or Greater-Average (Per Casino) Casino Financial Statements

For the fiscal years ended June 30

(\$ in millions)	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Number of Casinos	39	37	32	39	40	40	36	38	38	37	38	39	40	41	42	40	38	40
Average Casino Sq. Ft.	40,262	42,814	47,854	50,078	50,218	55,076	63,967	62,789	67,810	71,716	71,956	72,434	71,933	69,804	70,983	73,455	75,927	71,811
Ave. Win per Sq. Ft.	\$1,667	\$1,598	\$1,751	\$1,633	\$1,750	\$1,648	\$1,585	\$1,558	\$1,602	\$1,765	\$1,688	\$1,504	\$1,561	\$1,716	\$1,772	\$2,056	\$2,340	\$2,181
Gaming Revenues (Win)	\$67.1	\$68.4	\$83.8	\$81.8	\$87.9	\$90.7	\$101.4	\$97.8	\$108.6	\$126.6	\$121.5	\$108.9	\$112.3	\$119.8	\$125.8	\$151.0	\$176.3	\$156.7
% Slot	46.5%	50.6%	50.8%	50.1%	48.7%	47.9%	48.3%	48.9%	48.9%	48.7%	50.4%	53.1%	52.8%	53.5%	54.5%	53.3%	52.1%	53.9%
% Table(Includes Keno & Bingo)	49.0%	44.6%	44.5%	42.9%	47.2%	44.2%	48.3%	47.4%	47.6%	48.1%	46.5%	43.6%	43.9%	43.4%	41.7%	42.8%	43.9%	42.1%
% Book	3.0%	3.2%	3.3%	3.4%	3.1%	3.4%	2.6%	3.0%	2.7%	2.5%	2.5%	2.5%	2.5%	2.2%	2.2%	2.2%	2.2%	2.0%
% Poker & Pan	1.6%	1.5%	1.3%	3.6%	1.1%	4.6%	0.9%	0.7%	0.8%	0.7%	0.7%	0.7%	0.7%	0.9%	1.5%	1.7%	1.9%	1.9%
Total Operating Revenues	\$116.2	\$120.6	\$147.1	\$148.2	\$163.4	\$171.7	\$196.9	\$194.7	\$225.9	\$275.6	\$278.1	\$253.4	\$261.2	\$285.6	\$307.3	\$373.4	\$439.6	\$394.9
Win/Total Operating Revenues	57.7%	56.7%	57.0%	55.2%	53.8%	52.9%	51.5%	50.3%	48.1%	45.9%	43.7%	43.0%	43.0%	41.9%	40.9%	40.4%	40.0%	39.7%
Operating Income	\$21.9	\$17.2	\$23.1	\$20.8	\$24.2	\$28.2	\$28.4	\$25.1	\$25.2	\$24.6	\$36.2	\$15.2	\$32.9	\$45.6	\$48.9	\$62.5	\$76.0	\$57.4
Depreciation & Amortization	\$7.3	\$7.7	\$8.7	\$9.3	\$10.2	\$10.5	\$13.0	\$14.3	\$17.0	\$22.5	\$23.3	\$23.1	\$21.7	\$21.2	\$22.2	\$28.0	\$33.9	\$33.5
Operating Cash Flow	\$29.2	\$25.0	\$31.9	\$30.1	\$34.5	\$38.8	\$41.4	\$39.4	\$42.2	\$47.1	\$59.5	\$38.3	\$54.5	\$66.7	\$71.1	\$90.5	\$109.9	\$90.9
Cash Flow/Total Operating Revenues	25.1%	20.7%	21.7%	20.3%	21.1%	22.6%	21.0%	20.2%	18.7%	17.1%	21.4%	15.1%	20.9%	23.4%	23.1%	24.2%	25.3%	23.0%
Bad Debt Expense	\$3.5	\$2.4	\$3.2	\$3.7	\$4.2	\$3.6	\$4.2	\$4.9	\$6.0	\$6.5	\$6.0	\$4.7	\$2.1	\$1.3	\$1.4	\$2.2	\$3.0	\$3.1
Bad Debt Expense/Total Revenues	3.0%	2.0%	2.1%	2.5%	2.5%	2.1%	2.2%	2.5%	2.7%	2.3%	2.1%	1.8%	0.8%	0.5%	0.4%	0.6%	0.7%	0.8%
Capitalization																		
Current Maturities of L-T Debt	\$8.8	\$10.4	\$12.5	\$3.2	\$3.8	\$5.0	\$9.0	\$1.2	\$1.2	\$12.4	\$12.4	\$4.9	\$0.6	\$0.8	\$0.4	\$2.9	\$5.4	\$10.4
Long-Term Debt	\$39.1	\$51.7	\$36.2	\$60.1	\$42.6	\$40.1	\$42.6	\$44.6	\$140.1	\$196.1	\$178.9	\$178.4	\$153.3	\$149.5	\$184.7	\$247.0	\$309.2	\$564.2
Equity	<u>\$52.0</u>	<u>\$42.8</u>	<u>\$61.7</u>	<u>\$72.6</u>	<u>\$96.2</u>	<u>\$120.6</u>	<u>\$162.5</u>	<u>\$167.2</u>	<u>\$151.2</u>	<u>\$235.0</u>	<u>\$256.5</u>	<u>\$256.1</u>	<u>\$271.9</u>	<u>\$305.1</u>	<u>\$371.4</u>	<u>\$430.0</u>	<u>\$488.5</u>	<u>\$457.8</u>
Total Capitalization	\$99.9	\$104.9	\$110.4	\$135.9	\$142.7	\$165.7	\$214.1	\$213.1	\$292.5	\$443.5	\$447.8	\$439.4	\$425.8	\$455.5	\$556.5	\$679.9	\$803.2	\$1,032.4
Total Debt/Capitalization	47.9%	59.2%	44.1%	46.6%	32.5%	27.2%	24.1%	21.5%	48.3%	47.0%	42.7%	41.7%	36.1%	33.0%	33.3%	36.8%	40.3%	55.7%
Cash & Marketable Securities	\$7.3	\$6.6	\$8.5	\$8.0	\$6.9	\$13.4	\$8.9	\$11.4	\$10.7	\$12.1	\$12.3	\$19.3	\$13.8	\$27.8	\$39.0	\$36.4	\$33.9	\$17.5

Source: Nevada State Gaming Control Board

Las Vegas Strip-Annual Revenues between \$1 million and \$72 million-Average (Per Casino) Casino Financial Statements

For the fiscal years ended June 30

(\$ in millions)	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Number of Casinos	25	23	17	20	21	21	15	18	18	15	16	17	17	18	18	16	15	17
Average Casino Sq. Ft.	20,899	22,094	21,800	18,913	19,930	26,417	28,512	33,529	38,019	29,942	31,737	33,528	32,414	31,471	32,338	35,113	35,113	35,512
Ave. Win per Sq. Ft.	\$1,495	\$1,076	\$1,262	\$1,131	\$1,027	\$785	\$830	\$607	\$795	\$898	\$861	\$882	\$824	\$890	\$911	\$934	\$1,039	\$838
Gaming Revenues (Win)	\$21.9	\$23.8	\$27.5	\$21.4	\$20.5	\$20.7	\$23.7	\$20.3	\$30.2	\$26.9	\$27.3	\$29.6	\$26.7	\$28.0	\$29.5	\$32.8	\$36.5	\$29.7
% Slot	na	na	na	na	na	na	NA	NA	NA	NA	NA	NA	NA	NA	71.3%	70.5%	70.5%	72.2%
% Table(Includes Keno & Bingo)	na	na	na	na	na	na	NA	NA	NA	NA	NA	NA	NA	NA	26.9%	27.2%	27.2%	25.9%
% Book	na	na	na	na	na	na	NA	NA	NA	NA	NA	NA	NA	NA	1.4%	1.5%	1.5%	1.0%
% Poker & Pan	na	na	na	na	na	na	NA	NA	NA	NA	NA	NA	NA	NA	0.4%	0.8%	0.8%	1.0%
Total Operating Revenues	\$37.7	\$41.3	\$46.6	\$37.6	\$37.3	\$37.9	\$44.1	\$40.1	\$60.5	\$56.6	\$58.3	\$59.2	\$54.7	\$59.9	\$65.4	\$80.7	\$83.5	\$67.9
Win/Total Operating Revenues	58.0%	57.5%	59.1%	56.9%	54.8%	54.7%	53.6%	50.8%	49.9%	47.5%	46.9%	49.9%	48.9%	46.7%	45.0%	40.6%	43.7%	43.8%
Operating Income	\$2.3	\$1.9	\$4.0	\$2.1	\$2.0	\$1.6	\$1.9	\$0.3	(\$2.4)	(\$3.8)	\$1.9	\$1.0	\$1.8	\$5.4	\$6.5	\$13.5	\$14.3	\$4.8
Depreciation & Amortization	\$2.7	\$2.6	\$2.8	\$2.3	\$2.1	\$2.1	\$2.2	\$2.7	\$5.2	\$5.3	\$4.5	\$4.7	\$4.1	\$3.2	\$3.6	\$4.3	\$4.0	\$3.7
Operating Cash Flow	\$5.1	\$4.5	\$6.7	\$4.4	\$4.1	\$3.7	\$4.1	\$3.0	\$2.8	\$1.6	\$6.4	\$5.7	\$5.9	\$8.7	\$10.1	\$17.9	\$18.3	\$8.5
Cash Flow/Total Operating Revenues	13.4%	10.9%	14.5%	11.6%	11.0%	9.8%	9.3%	7.5%	4.6%	2.8%	11.0%	9.6%	10.8%	14.5%	15.5%	22.1%	21.9%	12.5%
Bad Debt Expense	\$1.0	\$0.5	\$0.3	\$0.2	\$0.2	\$0.1	\$0.1	\$0.1	\$0.7	\$0.3	\$0.1	\$0.1	\$0.1	\$0.1	\$0.0	\$2.2	\$0.0	(\$0.0)
Bad Debt Expense/Total Revenues	2.7%	1.2%	0.6%	0.6%	0.4%	0.3%	0.2%	0.2%	1.1%	0.5%	0.2%	0.2%	0.1%	0.1%	0.0%	2.7%	0.0%	0.0%
Capitalization																		
Current Maturities of L-T Debt	\$10.2	\$13.0	\$6.5	\$5.3	\$6.4	\$9.1	\$10.0	\$1.4	\$1.9	\$0.3	\$3.1	\$4.1	\$0.6	\$0.9	\$0.3	\$0.5	\$14.8	\$19.3
Long-Term Debt	\$27.0	\$36.3	\$30.7	\$24.5	\$27.3	\$24.6	\$16.4	\$32.2	\$105.8	\$68.1	\$38.5	\$36.4	\$41.4	\$37.3	\$36.6	\$56.4	\$48.5	\$253.0
Equity	<u>\$2.7</u>	<u>(\$3.6)</u>	<u>\$6.7</u>	<u>\$3.6</u>	<u>\$5.1</u>	<u>\$22.5</u>	<u>\$22.2</u>	<u>\$19.5</u>	<u>\$27.7</u>	<u>\$24.3</u>	<u>\$31.3</u>	<u>\$36.4</u>	<u>\$19.4</u>	<u>\$24.8</u>	<u>\$26.4</u>	<u>\$22.4</u>	<u>\$43.0</u>	<u>(\$59.2)</u>
Total Capitalization	\$39.9	\$45.7	\$44.0	\$33.4	\$38.8	\$56.1	\$48.6	\$53.1	\$135.5	\$92.8	\$73.0	\$76.9	\$61.4	\$63.0	\$63.4	\$79.3	\$106.3	\$213.1
Total Debt/Capitalization	93.1%	107.9%	84.7%	89.2%	86.8%	60.0%	54.3%	63.4%	79.5%	73.8%	57.0%	52.6%	68.3%	60.6%	58.3%	71.7%	59.6%	127.8%
Cash & Marketable Securities	\$2.6	\$2.7	\$4.2	\$2.5	\$2.9	\$6.6	\$3.2	\$6.0	\$8.4	\$6.0	\$6.2	\$5.0	\$4.7	\$4.7	\$5.8	\$7.6	\$24.3	\$8.0

Source: Nevada State Gaming Control Board

Las Vegas Boulder Strip-Annual Revenues of \$1 million-Average (Per Casino) Casino Financial Statements

For the fiscal years ended June 30

(\$ in millions)	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Number of Casinos	11	14	16	20	22	22	23	26	28	29	30	31	31	31	31	32
Average Casino Sq. Ft.	16,860	17,637	22,074	19,882	22,039	24,199	23,588	23,220	22,677	22,169	24,772	26,238	23,028	22,343	23,730	25,599
Ave. Win per Sq. Ft.	\$872	\$725	\$766	\$840	\$758	\$875	\$989	\$967	\$943	\$1,007	\$935	\$933	\$1,230	\$1,367	\$1,298	\$1,121
Gaming Revenues (Win)	\$14.7	\$12.8	\$16.9	\$16.7	\$16.7	\$21.2	\$23.3	\$22.4	\$21.4	\$22.3	\$23.2	\$24.5	\$28.3	\$30.6	\$30.8	\$28.7
% Slot	83.5%	84.3%	82.5%	83.1%	85.3%	84.9%	85.9%	86.6%	86.3%	85.8%	83.9%	85.7%	86.1%	86.6%	86.1%	86.7%
% Table(Includes Keno & Bingo)	13.0%	11.8%	13.2%	12.0%	11.2%	11.2%	10.5%	9.8%	10.0%	10.6%	12.2%	10.5%	10.0%	9.6%	9.6%	9.1%
% Book	2.2%	2.9%	3.2%	3.6%	2.7%	2.9%	2.8%	2.9%	2.9%	3.0%	2.3%	3.1%	3.0%	2.6%	2.9%	2.9%
% Poker & Pan	1.3%	1.0%	1.1%	1.2%	0.9%	1.0%	0.8%	0.8%	70.0%	0.6%	0.6%	0.7%	80.0%	1.2%	1.3%	1.3%
Total Operating Revenues	\$21.4	\$18.4	\$24.9	\$24.2	\$24.1	\$30.4	\$32.5	\$30.8	\$29.4	\$30.8	\$31.5	\$33.0	\$37.9	\$41.1	\$41.8	\$39.0
Win/Total Operating Revenues	68.7%	69.4%	67.9%	69.0%	69.3%	69.8%	71.8%	72.8%	72.7%	72.5%	73.5%	74.3%	74.8%	74.4%	73.7%	73.5%
Operating Income	\$4.3	\$2.9	\$2.8	\$3.6	\$3.2	\$3.8	\$4.3	\$4.4	\$3.3	\$3.7	\$4.9	\$5.2	\$8.0	\$8.4	\$8.0	\$3.2
Depreciation & Amortization	\$1.0	\$1.0	\$2.0	\$1.6	\$2.1	\$2.0	\$2.2	\$2.1	\$2.1	\$2.3	\$2.5	\$2.6	\$3.1	\$3.4	\$3.5	\$4.1
Operating Cash Flow	\$5.4	\$3.9	\$4.9	\$5.2	\$5.3	\$5.8	\$6.5	\$6.5	\$5.4	\$6.1	\$7.4	\$7.8	\$11.1	\$11.7	\$11.5	\$7.3
Cash Flow/Total Operating Revenues	25.0%	21.4%	19.5%	21.5%	21.9%	19.2%	20.1%	21.1%	18.3%	19.7%	23.5%	23.7%	29.2%	28.6%	27.5%	18.6%
Bad Debt Expense	\$0.0	\$0.0	\$0.0	\$0.0	\$0.1	\$0.1	\$0.1	\$0.1	\$0.3	\$0.1	\$0.1	\$0.1	\$0.0	\$0.1	\$0.1	\$0.1
Bad Debt Expense/Total Revenues	0.1%	0.1%	0.1%	0.2%	0.2%	0.3%	0.3%	0.2%	1.1%	0.3%	0.2%	0.2%	0.1%	0.2%	0.2%	0.3%
Capitalization																
Current Maturities of L-T Debt	\$1.1	\$0.5	\$0.5	\$0.8	\$0.3	\$0.3	\$0.6	\$0.4	\$0.2	\$1.0	\$1.0	\$0.6	\$0.6	\$0.3	\$0.3	\$0.2
Long-Term Debt	\$3.3	\$2.5	\$7.4	\$13.6	\$10.4	\$14.6	\$19.1	\$12.2	\$12.0	\$16.2	\$12.7	\$15.8	\$12.4	\$16.9	\$31.7	\$33.0
Equity	<u>\$14.7</u>	<u>\$12.6</u>	<u>\$14.4</u>	<u>\$17.4</u>	<u>\$18.6</u>	<u>\$21.1</u>	<u>\$15.4</u>	<u>\$22.9</u>	<u>\$24.3</u>	<u>\$19.3</u>	<u>\$29.3</u>	<u>\$31.8</u>	<u>\$36.6</u>	<u>\$63.0</u>	<u>\$34.0</u>	<u>\$22.0</u>
Total Capitalization	\$19.0	\$15.5	\$22.2	\$31.7	\$29.4	\$36.0	\$35.1	\$35.5	\$36.5	\$36.5	\$43.0	\$48.2	\$49.5	\$80.2	\$66.0	\$55.3
Total Debt/Capitalization	22.8%	19.0%	35.4%	45.3%	36.6%	41.3%	56.2%	35.5%	33.4%	47.1%	31.8%	34.0%	26.1%	21.5%	48.5%	60.2%
Cash & Marketable Securities	\$3.1	\$1.4	\$2.2	\$2.6	\$2.5	\$2.7	\$2.0	\$2.0	\$2.0	\$2.7	\$2.4	\$2.0	\$2.6	\$3.2	\$3.2	\$2.3

Source: Nevada State Gaming Control Board

Las Vegas Downtown-Annual Revenues of \$12 million-Average (Per Casino) Casino Financial Statements

For the fiscal years ended June 30

(\$ in millions)	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Number of Casinos	12	11	11	11	11	12	13	13	13	13	13	13	13	13	12	12	11	11
Average Casino Sq. Ft.	37,443	39,167	38,771	40,049	37,236	44,606	43,687	42,048	42,179	42,685	42,677	41,786	41,786	39,864	42,806	39,686	46,422	47,093
Ave. Win per Sq. Ft.	\$1,404	\$1,422	\$1,505	\$1,412	\$1,534	\$1,165	\$1,155	\$1,194	\$1,161	\$1,153	\$1,154	\$1,158	\$1,150	\$1,210	\$1,221	\$1,290	\$1,170	\$1,138
Gaming Revenues (Win)	\$52.6	\$55.7	\$58.3	\$56.5	\$57.1	\$52.0	\$50.5	\$50.2	\$49.0	\$49.2	\$49.3	\$48.4	\$48.1	\$48.2	\$52.3	\$51.2	\$54.3	\$53.6
% Slot	63.1%	65.1%	65.7%	67.8%	66.0%	67.1%	70.5%	70.6%	73.4%	74.4%	74.3%	73.9%	72.5%	71.6%	72.8%	73.9%	73.5%	74.9%
% Table(Includes Keno & Bingo)	32.7%	30.6%	30.1%	27.5%	29.6%	28.9%	26.6%	26.7%	24.0%	22.7%	23.1%	23.6%	24.9%	25.5%	24.0%	23.2%	23.7%	22.3%
% Book	2.0%	2.1%	2.3%	3.0%	2.7%	2.6%	1.7%	1.4%	1.6%	1.8%	1.6%	1.5%	1.5%	1.3%	1.3%	1.2%	1.3%	1.3%
% Poker & Pan	2.1%	2.1%	1.8%	1.6%	1.7%	1.4%	1.2%	1.2%	1.1%	1.0%	1.0%	1.0%	1.0%	1.5%	1.8%	1.6%	1.5%	1.5%
Total Operating Revenues	\$77.9	\$82.4	\$85.6	\$84.2	\$84.9	\$79.8	\$84.3	\$82.9	\$80.8	\$80.8	\$81.1	\$79.7	\$79.9	\$80.3	\$88.6	\$95.6	\$95.4	\$96.4
Win/Total Operating Revenues	67.5%	67.6%	68.2%	67.1%	67.3%	65.2%	59.8%	60.6%	60.6%	60.9%	60.8%	60.7%	60.2%	60.1%	59.0%	53.5%	56.9%	55.6%
Operating Income	\$7.0	\$6.5	\$8.5	\$7.6	\$8.3	\$3.6	(\$0.6)	\$2.0	\$3.2	\$4.7	\$4.3	\$2.1	\$3.9	\$5.6	\$6.6	\$14.4	\$8.6	\$8.1
Depreciation & Amortization	\$5.4	\$5.4	\$3.9	\$3.9	\$4.0	\$4.7	\$6.9	\$5.1	\$5.0	\$4.8	\$4.6	\$4.6	\$4.8	\$4.5	\$5.1	\$5.2	\$6.1	\$6.0
Operating Cash Flow	\$12.4	\$11.9	\$12.4	\$11.4	\$12.3	\$8.4	\$6.3	\$7.1	\$8.3	\$9.5	\$9.0	\$6.7	\$8.7	\$10.1	\$11.7	\$19.6	\$14.8	\$14.1
Cash Flow/Total Operating Revenues	15.9%	14.4%	14.5%	13.6%	14.5%	10.5%	7.5%	8.5%	10.2%	11.8%	11.1%	8.5%	10.9%	12.6%	13.2%	20.5%	15.5%	14.6%
Bad Debt Expense	\$1.7	\$0.2	\$0.2	\$0.2	\$0.1	\$0.8	\$0.3	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.2	\$0.3	\$0.1	\$0.0	\$0.1
Bad Debt Expense/Total Revenues	2.2%	0.2%	0.2%	0.2%	0.2%	1.0%	0.4%	0.2%	0.2%	0.1%	0.1%	0.2%	0.2%	0.2%	0.4%	0.1%	0.0%	0.1%
Capitalization																		
Current Maturities of L-T Debt	\$2.8	\$0.8	\$0.9	\$0.4	\$0.8	\$1.3	\$1.0	\$1.3	\$3.3	\$0.8	\$1.1	\$1.9	\$2.8	\$1.1	\$0.9	\$0.4	\$0.3	\$0.1
Long-Term Debt	\$36.7	\$27.5	\$29.0	\$13.2	\$14.8	\$37.1	\$41.8	\$39.4	\$27.8	\$25.6	\$34.7	\$32.3	\$30.8	\$22.1	\$20.3	\$23.5	\$17.7	\$98.4
Equity	<u>\$22.7</u>	<u>\$25.9</u>	<u>\$30.0</u>	<u>\$44.8</u>	<u>\$50.3</u>	<u>\$70.8</u>	<u>\$26.0</u>	<u>\$24.1</u>	<u>\$33.6</u>	<u>\$34.3</u>	<u>\$34.7</u>	<u>\$38.0</u>	<u>\$39.4</u>	<u>\$66.0</u>	<u>\$71.8</u>	<u>\$90.2</u>	<u>\$78.0</u>	<u>\$49.5</u>
Total Capitalization	\$62.1	\$54.3	\$59.8	\$58.3	\$66.0	\$109.2	\$68.8	\$64.8	\$64.7	\$60.8	\$70.4	\$72.3	\$73.0	\$89.3	\$93.1	\$114.1	\$96.0	\$147.9
Total Debt/Capitalization	63.5%	52.2%	49.9%	23.2%	23.7%	35.1%	62.2%	62.8%	48.1%	43.5%	50.8%	47.4%	46.0%	26.0%	22.8%	20.9%	18.8%	66.6%
Cash & Marketable Securities	\$9.1	\$9.5	\$10.3	\$9.4	\$8.4	\$8.4	\$7.4	\$7.4	\$6.9	\$6.4	\$7.2	\$8.1	\$10.8	\$8.6	\$9.5	\$14.2	\$11.3	\$5.6

Source: Nevada State Gaming Control Board

Laughlin-Annual Revenues of \$1 million-Average (Per Casino) Casino Financial Statements

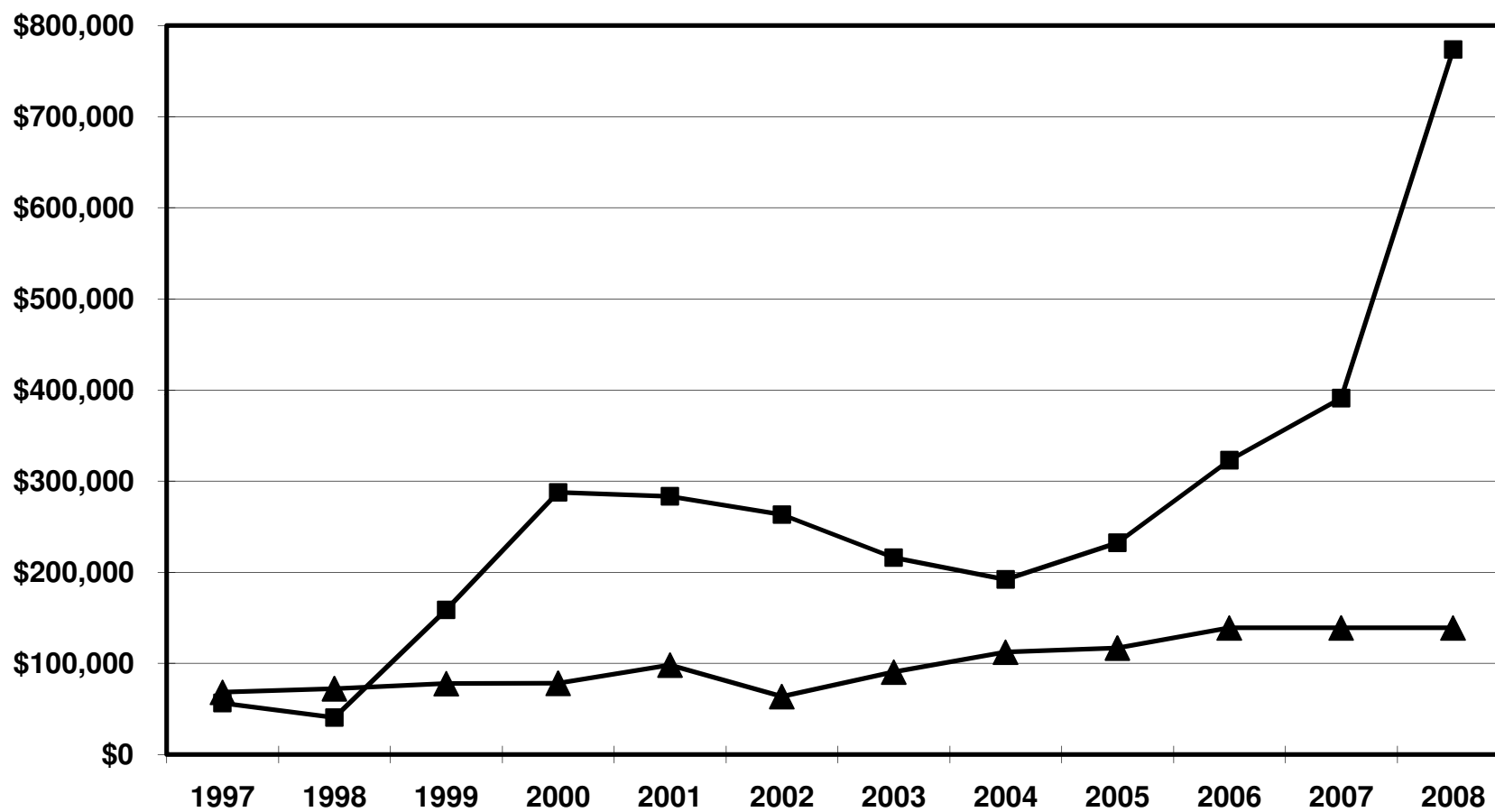
For the fiscal years ended June 30

(\$ in millions)	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Number of Casinos	10	10	10	10	10	10	10	10	10	10	9	9	9	9	10	10	10	11
Average Casino Sq. Ft.	39,860	39,908	41,533	45,406	45,429	46,135	45,770	45,624	45,924	46,770	51,361	50,568	50,917	49,963	45,386	47,482	46,441	42,006
Ave. Win per Sq. Ft.	\$1,097	\$1,213	\$1,258	\$1,192	\$1,141	\$1,094	\$1,054	\$1,043	\$1,101	\$1,169	\$1,173	\$1,172	\$1,181	\$1,224	\$1,313	\$1,295	\$1,347	\$1,304
Gaming Revenues (Win)	\$43.7	\$48.4	\$52.3	\$54.1	\$51.8	\$50.5	\$48.3	\$47.6	\$50.6	\$54.7	\$60.3	\$59.3	\$60.1	\$61.2	\$59.6	\$61.5	\$62.5	\$54.8
% Slot	80.1%	80.8%	81.9%	81.6%	81.9%	81.6%	82.4%	82.8%	83.5%	84.3%	84.5%	84.3%	85.0%	85.0%	85.3%	85.7%	86.7%	87.3%
% Table(Includes Keno & Bingo)	17.2%	16.8%	15.8%	16.1%	15.9%	16.0%	15.5%	15.0%	14.4%	13.8%	13.6%	13.7%	13.1%	13.0%	12.6%	11.9%	11.3%	10.8%
% Book	1.2%	1.1%	1.2%	1.2%	1.1%	1.3%	1.1%	1.2%	1.3%	1.2%	1.2%	1.2%	1.3%	1.1%	1.1%	1.0%	1.0%	0.9%
% Poker & Pan	1.5%	1.3%	1.1%	1.1%	1.1%	1.0%	1.0%	1.0%	0.8%	0.8%	0.8%	0.7%	0.7%	0.9%	1.0%	1.4%	1.0%	1.0%
Total Operating Revenues	\$64.8	\$72.0	\$78.1	\$81.6	\$78.8	\$79.3	\$75.9	\$74.4	\$79.0	\$85.9	\$94.8	\$93.8	\$93.7	\$95.9	\$92.3	\$94.4	\$95.0	\$84.1
Win/Total Operating Revenues	67.5%	67.2%	66.9%	66.3%	65.8%	63.7%	63.6%	63.9%	64.0%	63.7%	63.6%	63.2%	64.1%	63.8%	64.5%	65.1%	65.8%	65.1%
Operating Income	\$12.8	\$12.5	\$13.7	\$13.9	\$11.9	\$10.6	\$6.9	\$5.8	\$6.8	\$9.3	\$7.1	\$6.8	\$4.9	(\$2.1)	\$8.5	\$11.5	\$11.2	\$7.2
Depreciation & Amortization	\$4.6	\$5.0	\$5.1	\$5.6	\$5.8	\$5.7	\$5.4	\$5.4	\$5.0	\$5.3	\$5.5	\$5.4	\$5.3	\$4.8	\$4.6	\$4.5	\$5.6	\$5.9
Operating Cash Flow	\$17.5	\$17.5	\$18.8	\$19.4	\$17.7	\$16.4	\$12.3	\$11.2	\$11.8	\$14.6	\$12.6	\$12.2	\$10.2	\$2.6	\$13.1	\$16.0	\$16.8	\$13.1
Cash Flow/Total Operating Revenues	26.9%	24.3%	24.1%	23.8%	22.5%	20.7%	16.2%	15.0%	15.0%	17.0%	13.3%	13.0%	10.9%	2.7%	14.2%	16.9%	17.7%	15.6%
Bad Debt Expense	\$0.0	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.0	\$0.1	\$0.1	\$0.1	\$0.1	\$0.0	\$0.0	\$0.1	\$0.1
Bad Debt Expense/Total Revenues	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.0%	0.1%	0.1%	0.1%	0.1%	0.0%	0.0%	0.1%	0.1%
Capitalization																		
Current Maturities of L-T Debt	\$0.5	\$0.5	\$0.5	\$0.4	\$0.2	\$0.3	\$7.6	\$6.3	\$5.7	\$6.1	\$0.8	\$2.7	\$4.8	\$4.2	\$0.2	\$0.4	\$0.2	\$1.2
Long-Term Debt	\$35.4	\$35.6	\$28.9	\$30.4	\$32.2	\$25.3	\$16.2	\$9.3	\$21.5	\$26.1	\$31.8	\$27.8	\$24.4	\$21.6	\$16.0	\$13.9	\$20.5	\$102.2
Equity	<u>\$14.4</u>	<u>\$19.5</u>	<u>\$42.1</u>	<u>\$49.8</u>	<u>\$54.8</u>	<u>\$63.1</u>	<u>\$59.9</u>	<u>\$70.8</u>	<u>\$61.4</u>	<u>\$61.4</u>	<u>\$70.3</u>	<u>\$72.8</u>	<u>\$78.6</u>	<u>\$76.9</u>	<u>\$69.6</u>	<u>\$66.5</u>	<u>\$81.9</u>	<u>\$6.7</u>
Total Capitalization	\$50.3	\$55.6	\$71.6	\$80.6	\$87.2	\$88.7	\$83.6	\$86.4	\$88.6	\$93.6	\$102.9	\$103.3	\$107.9	\$102.7	\$85.8	\$80.8	\$102.6	\$110.1
Total Debt/Capitalization	71.4%	64.9%	41.2%	38.2%	37.2%	28.8%	28.4%	18.1%	30.7%	34.5%	31.7%	29.5%	27.1%	25.1%	18.9%	17.7%	20.1%	93.9%
Cash & Marketable Securities	\$8.0	\$5.2	\$4.2	\$3.7	\$2.9	\$3.6	\$3.8	\$4.0	\$4.0	\$4.6	\$4.8	\$5.8	\$5.6	\$6.8	\$7.7	\$9.3	\$12.2	\$12.0

Source: Nevada State Gaming Control Board

Average
Per Casino

Las Vegas Strip-Casinos with Win Greater than \$72 million: Recent trends



*State fiscal year ended June 30

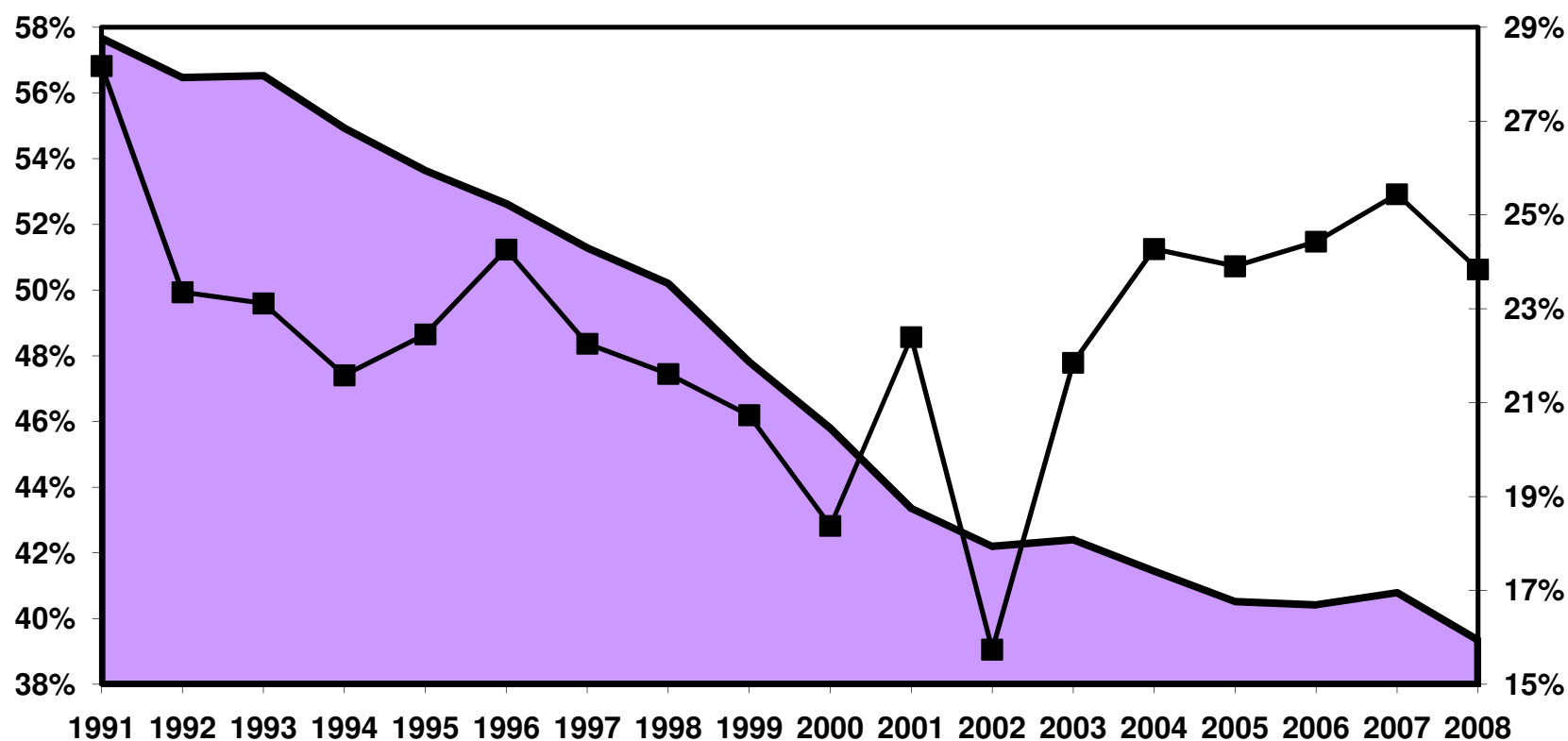
■ Net Debt
▲ EBITDA

Net Debt/EBITDA	0.8x	0.6x	2.0x	3.7x	2.9x	4.1x	2.4x	1.7x	2.0x	2.3x	2.4x	5.1x
EBITDA/Net Rev.	22.3%	21.6%	20.7	18.4%	22.4%	15.7%	21.9%	24.3%	23.9%	24.4%	25.4%	23.8%

Las Vegas Strip-\$72 million or Greater of Annual Win

Win/Net Revenues

EBITDA/Net Revenues



*State fiscal year ended June 30

 Win/Net Revenues
 EBITDA/Net Revenues

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In September 2008, Jefferies rendered a fairness opinion to the Special Committee of the Independent Directors of the Board of Las Vegas Sands Corp in connection with a \$475M infusion from Sheldon Adelson. In November 2008, Jefferies rendered a fairness opinion to the Independent Directors of the Board of Las Vegas Sands Corp in connection with the investment by Chairman Sheldon Adelson of \$525M Series A Preferred and the conversion of \$475M of notes into common stock.

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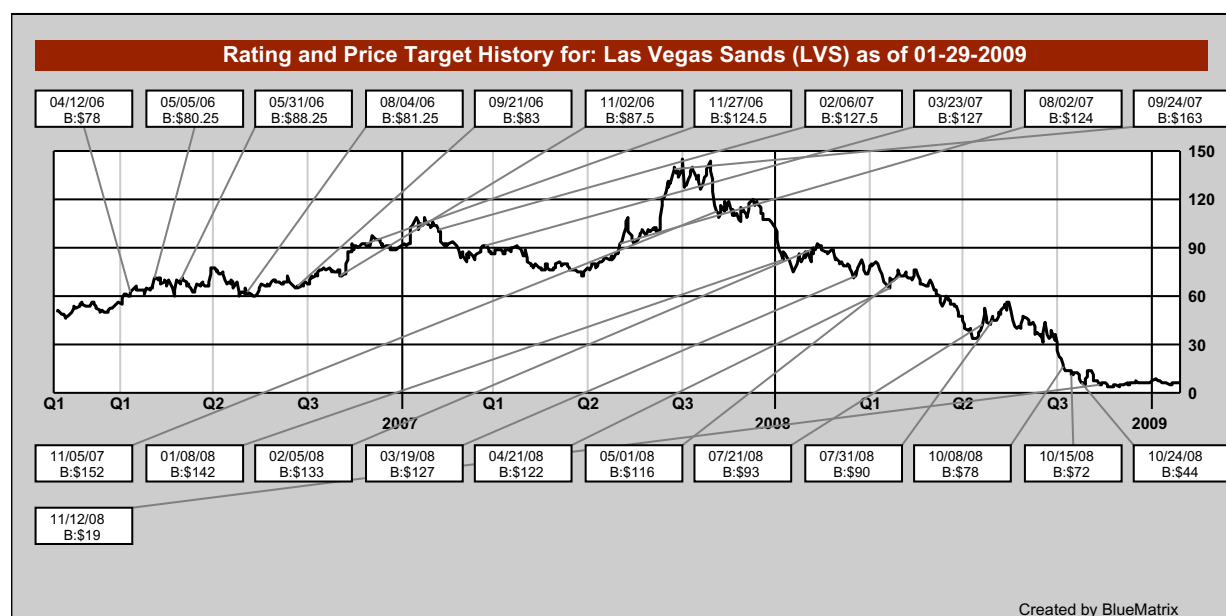
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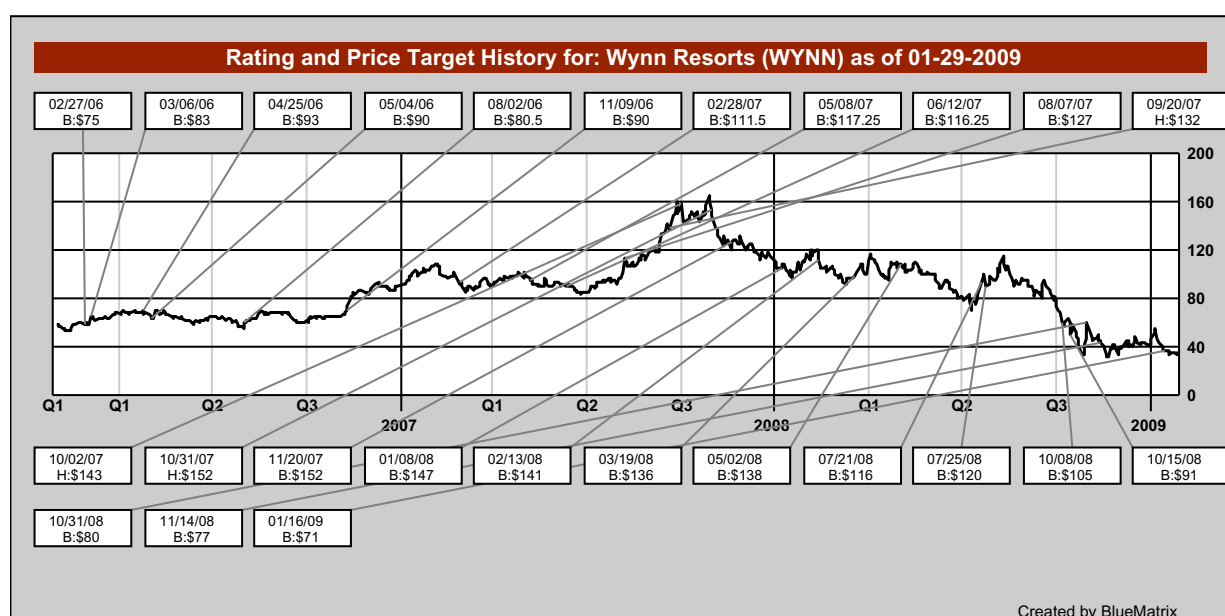
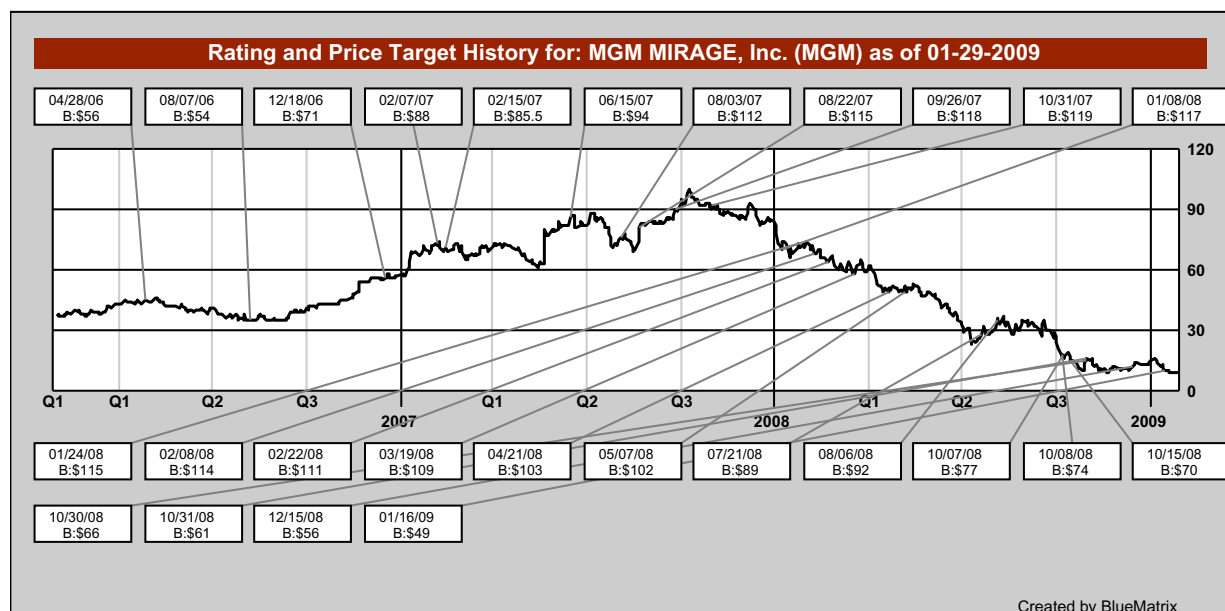
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Rating	Count	Percent	IB Serv./Past 12 Mos.	
			Count	Percent
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HOLD [HOLD]	290	36.90	24	8.28
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