RubinBrown®

’16 GAMING STATISTICS

A Publication of RubinBrown LLP

RubinBrown's Gaming Services Group adds value to clients through an understanding of gaming regulations and focus on efficient, effective and sustainable compliance programs.

We are nationally known for leadership within the gaming industry. Our success and reputation is a byproduct of our commitment to the following:

- Excellence in Quality and Client Service
- Thought Leadership
- Strategic Partnerships
- Diverse and Inspired Team
- Integrated Approach and Technical Expertise Across Service Lines

Contents

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WELCOME

Welcome to the 2016 edition of RubinBrown's *Gaming Statistics*. In this, our seventh year, we continue to provide you with a comprehensive review of the United States gaming industry. This publication includes statistical data from over 1,000 gaming operations, spanning 40 states and incorporating all four of the U.S. gaming segments we monitor – commercial, iGaming, limited stakes and tribal gaming. Refer to page 29 for a detailed definition of each gaming segment.

New to this year's edition, we are highlighting over 40 specific gaming markets. We are also taking a look back at the industry's growth since 2007. Since 2007, the industry has grown by $5 billion from the pre-recession revenues of $66.1 billion to $71.1 billion in 2015. During the past nine years, the industry has increased competition, expanded the gaming footprint (regional, limited stakes, etc.) and adopted legislation to continue expanding online. The U.S. gaming industry has also opened 90 new casinos and created a $1 billion limited stakes gaming market in Illinois.

When reading this publication you will also learn the growth experienced in 2015 marked the sixth consecutive year of growth for the overall industry and the first time the industry surpassed $70 billion in total gaming revenue. Most importantly, the growth was attributed to increased revenue from existing casinos, not new openings.

Consistent with the previous three years, you will see the impact of increased competition and the impact new casinos are having on the distribution of gaming revenue nationwide and the continued growth of regional gaming. For example, in 2015 there were nine regional gaming markets with more than 5% growth. As we have done in the past, we continue to provide a summary of industry news and highlights by segment.

As with every year, we welcome your feedback and inquiries for additional analysis. We have a deep passion for the industry and our team is always looking for an opportunity to talk 'gaming' – gaining insights and perspectives from others while also sharing our own. After all, this publication would not be possible without the support of the gaming industry's leaders, regulators and professionals that we are able to work with throughout the nation. We thank you for your continued support and we hope RubinBrown's *Gaming Statistics* continues to be a valuable tool to you and your respective teams.

Sincerely,

Brandon Loeschner

Daniel Holmes

UNITED STATES GAMING INDUSTRY OVERVIEW

(Originally published in the March 2016 issue of Casino Journal)

U.S. gaming industry surpasses $70 billion in annual revenue as organic growth returns to gaming in 2015.

In 2015, the United States gaming industry generated $71.1 billion, growing at an annual rate of 3.1%. For purposes of this annual analysis the United States gaming industry includes commercial, iGaming, limited stakes and tribal gaming segments.

The growth seen in 2015 marked the sixth consecutive year of growth for the overall industry and the first time the industry surpassed $70 billion in total gaming revenue. Most importantly, the growth was largely attributed to organic growth from existing casinos, which is a welcome change to the industry.

Since 2007, the industry has grown at an annualized rate of 0.9%, expanding by $5 billion from the pre-recession revenues of $66.1 billion to the $71.1 billion recorded in 2015. During this same period of time, existing casinos have endured an increase in competition from gaming expansion activities throughout the nation. The overall industry has seen more than 90 new casino openings, the emergence of a $1 billion limited stakes gaming market in Illinois and the legalization of online gaming.

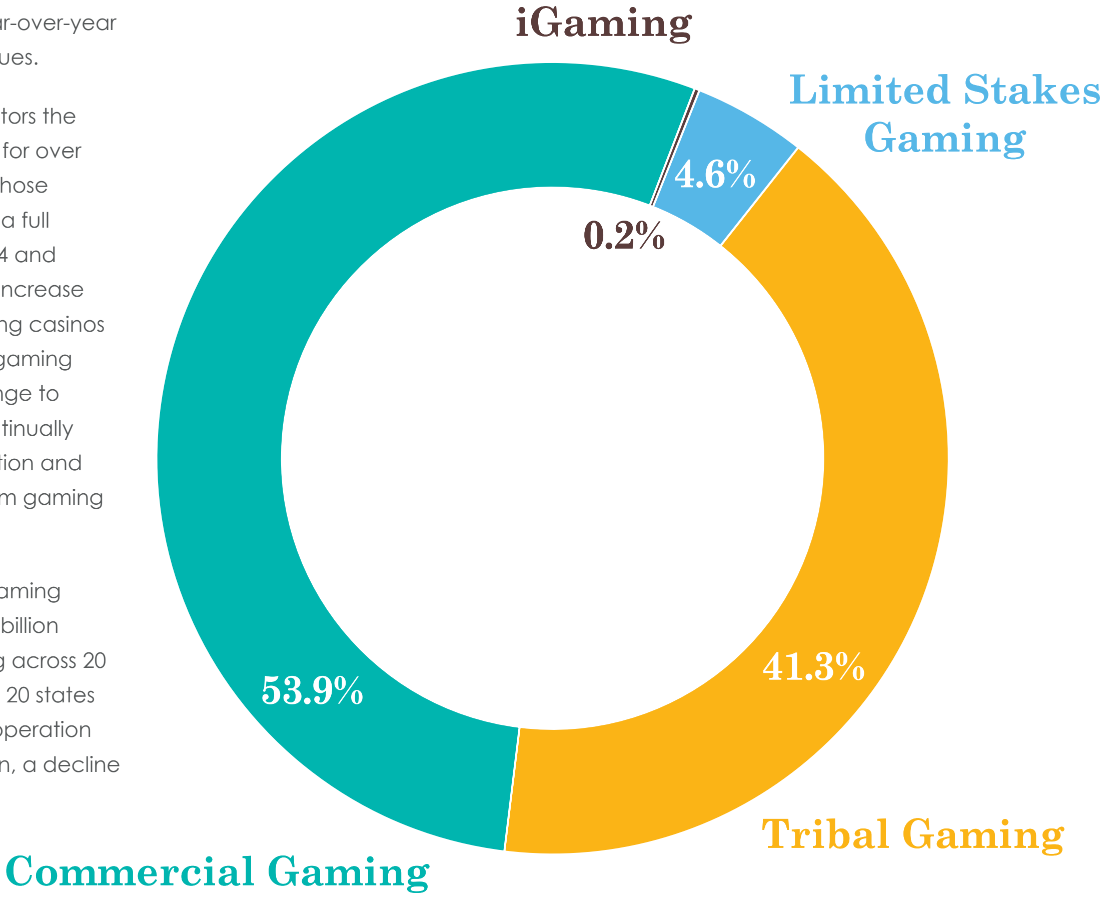
Commercial Gaming

The U.S. commercial gaming segment generated a record $38.3 billion, growing by 2.3% in 2015. The segment includes 580 casinos across 24 states. While commercial gaming set a new gaming revenues record in 2015, the most important fact is 2015 marks the first year since the Great Recession that the majority of existing casinos saw year-over-year increases in gaming revenues.

RubinBrown currently monitors the monthly gaming revenues for over 140 individual casinos. Of those casinos, that operated for a full twelve months in both 2014 and 2015, 60.7% saw revenues increase in 2015. The fact that existing casinos are seeing an increase in gaming activity is a welcome change to the industry which has continually faced increasing competition and market cannibalization from gaming expansion activities.

In 2007, the commercial gaming segment generated $37.4 billion from 562 casinos operating across 20 states. In 2015, those same 20 states had two fewer casinos in operation and generated $35.1 billion, a decline of 6.1%.

PERCENTAGE OF GAMING REVENUES BY GAMING SEGMENT



UNITED STATES GAMING INDUSTRY OVERVIEW

Since 2007, the overall commercial gaming segment has benefited from the following areas of growth:

- Addition of 20 casinos across 4 new gaming jurisdictions – Kansas, Maryland, Massachusetts and Ohio – which generated gaming revenues of $3.2 billion in 2015 and
- Expanded table game offerings in 5 states, which previously only permitted gaming machines.

iGaming

The iGaming segment closed its second full year of gaming operations in 2015. The industry segment generated $0.2 billion ($160.7 million) in 2015, growing at a rate of 19.3%. Entering 2016, the iGaming segment continues to garner the attention of numerous state legislatures as a method for increased tax revenue. However, the inability to establish uniform regulations on the national stage, has hindered the prospects for rapid growth.

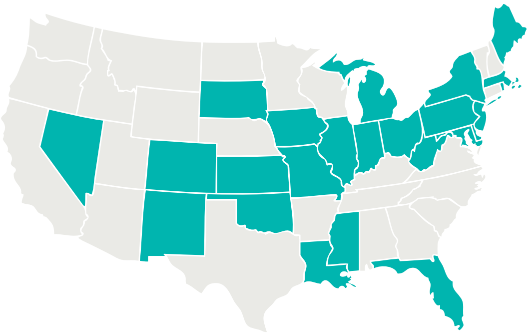
While the potential for national growth continues to be debated, existing iGaming states, Delaware, New Jersey and Nevada, continue to refine their regulations and look for ways to improve liquidity across their respective jurisdictions. Specifically, in March 2015, Delaware and Nevada formally launched its online poker network which allows players to compete across state lines.

Limited Stakes Gaming

The limited stakes gaming segment, representing gaming machines offered at taverns, restaurants and truck stops, generated $3.3 billion in 2015. Of the three industry segments that operated prior to the Great Recession, limited stakes gaming has seen the largest increase in revenues. In 2007, the industry segment included 5 states (excluding Nevada's route operators), that generated $2.6 billion. By 2015, the industry segment expanded into it's sixth state, Illinois, and saw revenues grow by 28.1% to $3.3 billion.

While the segment has seen the largest rise in gaming revenues, the growth has solely been attributed to the Illinois market expansion. In 2015, the Illinois limited stakes gaming market generated $0.9 billion ($913.6 million) in gaming revenues. Meanwhile, each of the five states (Louisiana, Montana, Oregon, South Dakota and West Virginia) that had limited stakes operations in 2007, have seen revenues decline. The five states collectively generated $2.4 billion in 2015, down 7.5% from 2007. While the existing states are still

Commercial Gaming

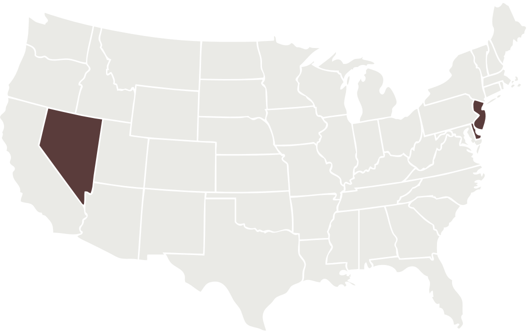


$38.32B GAMING REVENUES ⬆ **2.3%**

24 STATES

580 CASINOS†

iGaming



$0.16B iGAMING REVENUES ⬆ **19.3%**

3 STATES

9 OPERATORS†

† see statistical note on page 29

below pre-recession revenue levels, the states resumed a growth trend in 2015, when they collectively saw revenues increase compared to 2014.

Tribal Gaming

In 2015 the tribal gaming segment continued its trend of growth and expansion. The industry segment represents 459 casinos, operated by 240 tribes that collectively generated an estimated $29.3 billion in gaming revenues.

The industry segment's overall growth has remained steady throughout the Great Recession and subsequent recovery, with the industry seeing a compounded annual growth rate of 1.8% since 2007. During this time, tribal gaming has seen the opening of more than 70 casinos and overall tribal gaming revenues increase by $3.2 billion.

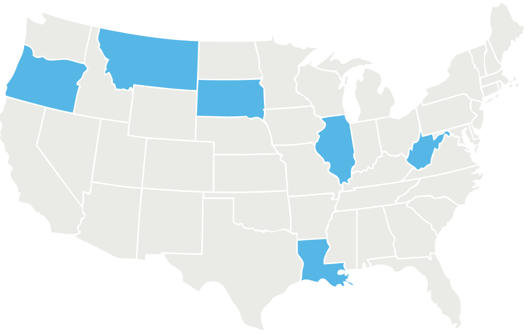
While the industry continues to produce year-over-year growth, the growth has not been uniform in tribal gaming. Specifically, the National Indian Gaming Commission's (NIGC's) Sacramento and Phoenix Regions continue to operate below the pre-recession revenue levels. In 2007, the two regions generated $10.7 billion from 104 casinos. By 2015, the number of gaming operations expanded to over 115 casinos; however, the estimated revenue of $10.3 billion remained below the peak established in 2007.

Conversely, the Oklahoma gaming market has continued to see rapid growth and expansion. In 2007, the NIGC's Tulsa and Oklahoma City Regions generated $2.6 billion from 102 casinos. Since then, the Oklahoma gaming market has welcomed more than 30 new casinos, while generating a $1.6 billion increase in annual revenues.

Looking Forward

With 2015 completed, the industry is focused on continuing the growth trends into 2016. The organic growth witnessed in 2015 is expected to continue as consumer prices remain low; however, continued economic uncertainty could bring a slow-down in job creation and growth. Beyond organic growth, the industry is also looking forward to continued expansion across all four industry segments. Specific to the commercial gaming market, new casino developments along the Las Vegas Strip, in New York State, Massachusetts and Maryland will continue to bring overall growth to the industry.

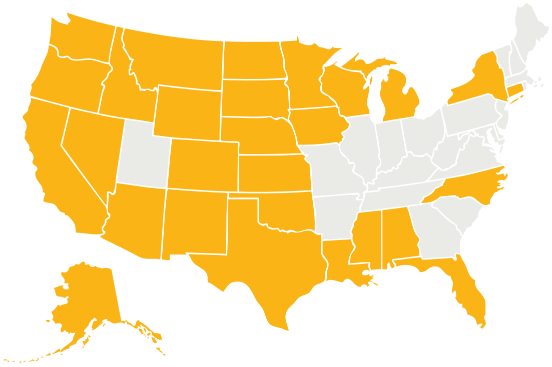
Limited Stakes Gaming



$3.28B GAMING REVENUES ▲ **11.4%**

6 STATES[†] **13,684** OPERATORS

Tribal Gaming



$29.34B GAMING REVENUES ▲ **3.1%**

28 STATES **459** CASINOS

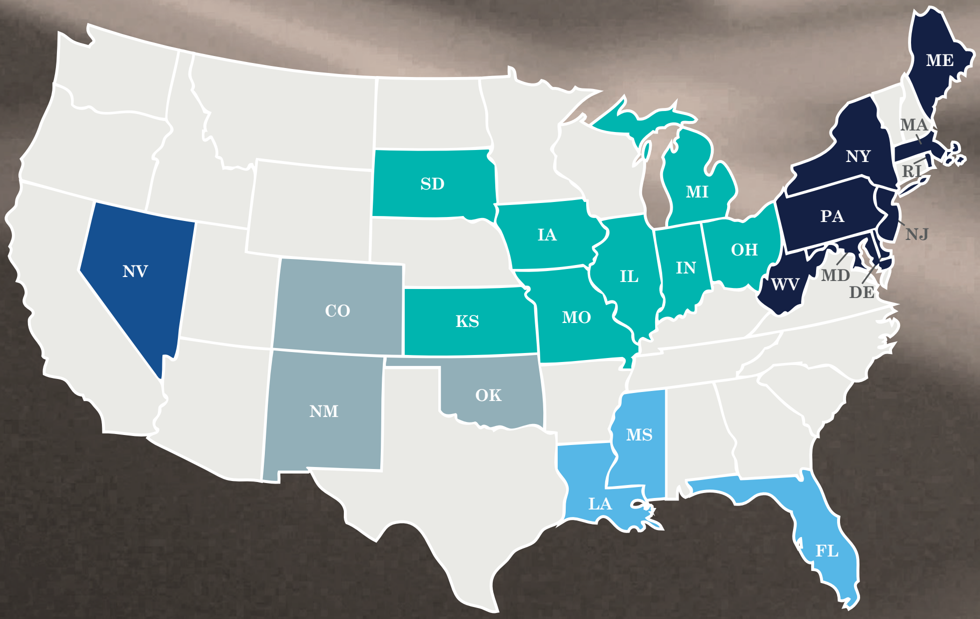
[†] see statistical note on page 29

2015 COMMERCIAL GAMING REVENUES

$38.32B ↑ **2.3%**

$$$$$$$$$$$$ **53.9%**

ALL 2015 GAMING REVENUES



COMMERCIAL GAMING

In 2015, the commercial gaming industry generated $38.3 billion, up 2.3% from 2014. The revenue number also established a new all-time high for commercial gaming, surpassing the $37.8 billion generated in 2013. The commercial gaming segment represents 24 state gaming jurisdictions and 580 individual casinos. When comparing the commercial gaming market to the overall industry, it accounts for 53.9% of the United States gaming Industry.

The three states with the largest revenue growth rates in 2015 all benefited from gaming expansion activities in 2014 that carried forward into 2015.

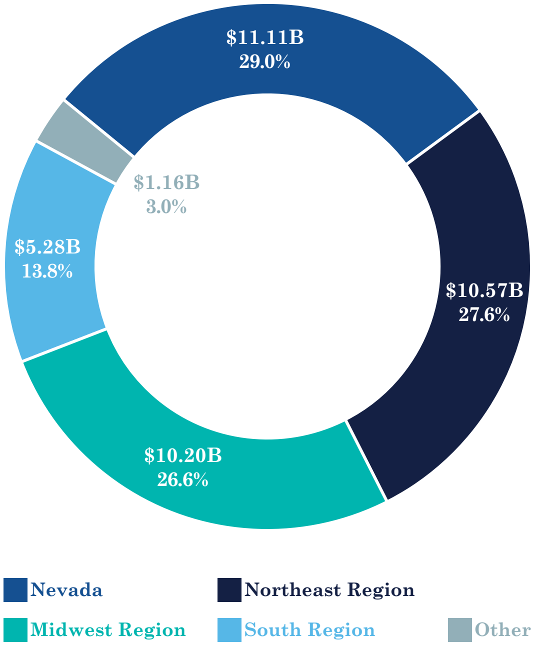
- Maryland (up 18.0%) benefited from the Horseshoe Baltimore Casino operating for a full twelve months in 2015, after opening in August 2014. The casino's $192.5 million increase in annual gaming revenues surpassed the state's $167.3 million increase in revenues.
- Ohio (up 13.3%) benefited from both organic growth and the impact of three racinos operating for a full twelve months in 2015. The three racinos generated an additional $152.9 million in 2015 and the state's overall gaming industry saw a gaming revenue increase of $186.1 million.
- Louisiana (up 7.1%) benefited from the expansion of the Lake Charles market and the opening of the Golden Nugget Casino. While the Golden Nugget cannibalized some revenues from neighboring casinos, the Lake Charles market increased revenues by $192.8 million, surpassing the state-wide revenue increase of $176.0 million.

The growth through expansion will be limited in 2016, as the opening of new casinos has slowed. In 2015, there was only one large† casino opening, Plainridge Park Casino in Plainville, Massachusetts. Looking beyond 2016, the growth through expansion is expected to resume as the MGM National Harbor opens in late 2016 (largely impacting 2017 revenues), the opening of three new casinos in New York scheduled for 2017, and the opening of two new casinos in Massachusetts in 2018 or 2019.

Even though gaming expansion will continue, the most impactful trend is organic growth in gaming revenues. In 2015, 17 of the 23 states experienced gaming revenue increases. (Note: Massachusetts began offering gaming in 2015 and is excluded from this statistic.) Of these 17 states only Maryland, Ohio and Louisiana benefited from large-scale expansion activities, meaning the remaining 14 states all benefited from organic growth in existing markets.

The reasons for positive growth vary by market and demographics; however, the nation-wide growth trend is attributed to increased consumer confidence, higher levels of employment and increased disposable income from a decline in consumer prices (such as gasoline). Beyond the current economic situation, the industry is working towards sustaining long-term growth through innovation. Both Nevada and New Jersey regulators have taken steps to implement skill-based electronic gaming machines which will provide new dynamic games to the traditional casino floor. While skill-based games will not replace the traditional slot machine in the near term, it will expand the appeal of gaming to a new consumer base.

GAMING REVENUES BY REGION



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† see statistical note on page 29

COMMERCIAL GAMING REVENUES

NEVADA

NEVADA	$11,113.83M GAMING REVENUE	▲ 1.2%	$$$$$	29.0% COMMERCIAL GAMING REVENUES	15.6% OF ALL GAMING REVENUES

NORTHEAST REGION

DELAWARE	$408.42M GAMING REVENUE	▼ -0.3%	$$$$$	1.1% COMMERCIAL GAMING REVENUES	0.6% OF ALL GAMING REVENUES
MAINE	$129.81M GAMING REVENUE	▲ 2.0%	$$$$$	0.3% COMMERCIAL GAMING REVENUES	0.2% OF ALL GAMING REVENUES
MARYLAND	$1,098.43M GAMING REVENUE	▲ 18.0%	$$$$$	2.9% COMMERCIAL GAMING REVENUES	1.5% OF ALL GAMING REVENUES
MASSACHUSETTS	$88.23M GAMING REVENUE	n/a	$$$$$	0.2% COMMERCIAL GAMING REVENUES	0.1% OF ALL GAMING REVENUES
NEW JERSEY	$2,414.24M GAMING REVENUE	▼ -7.8%	$$$$$	6.3% COMMERCIAL GAMING REVENUES	3.4% OF ALL GAMING REVENUES
NEW YORK	$1,950.96M GAMING REVENUE	▲ 2.8%	$$$$$	5.1% COMMERCIAL GAMING REVENUES	2.7% OF ALL GAMING REVENUES
PENNSYLVANIA	$3,173.79M GAMING REVENUE	▲ 3.4%	$$$$$	8.3% COMMERCIAL GAMING REVENUES	4.5% OF ALL GAMING REVENUES
RHODE ISLAND	$615.82M GAMING REVENUE	▼ -0.1%	$$$$$	1.6% COMMERCIAL GAMING REVENUES	0.9% OF ALL GAMING REVENUES
WEST VIRGINIA	$687.35M GAMING REVENUE	▼ -5.0%	$$$$$	1.8% COMMERCIAL GAMING REVENUES	1.0% OF ALL GAMING REVENUES

MIDWEST REGION

ILLINOIS	$1,438.03M GAMING REVENUE	▼ -1.7%	$$$$$	3.8% COMMERCIAL GAMING REVENUES	2.0% OF ALL GAMING REVENUES
INDIANA	$2,141.88M GAMING REVENUE	▼ -0.7%	$$$$$	5.6% COMMERCIAL GAMING REVENUES	3.0% OF ALL GAMING REVENUES
IOWA	$1,424.35M GAMING REVENUE	▲ 2.0%	$$$$$	3.7% COMMERCIAL GAMING REVENUES	2.0% OF ALL GAMING REVENUES
KANSAS	$367.78M GAMING REVENUE	▲ 4.0%	$$$$$	1.0% COMMERCIAL GAMING REVENUES	0.5% OF ALL GAMING REVENUES
MICHIGAN	$1,376.41M GAMING REVENUE	▲ 3.3%	$$$$$	3.6% COMMERCIAL GAMING REVENUES	1.9% OF ALL GAMING REVENUES
MISSOURI	$1,701.90M GAMING REVENUE	▲ 2.5%	$$$$$	4.4% COMMERCIAL GAMING REVENUES	2.4% OF ALL GAMING REVENUES
OHIO	$1,643.68M GAMING REVENUE	▲ 13.3%	$$$$$	4.3% COMMERCIAL GAMING REVENUES	2.3% OF ALL GAMING REVENUES
SOUTH DAKOTA	$108.36M GAMING REVENUE	▲ 4.1%	$$$$$	0.3% COMMERCIAL GAMING REVENUES	0.2% OF ALL GAMING REVENUES

SOUTH REGION

FLORIDA	$533.66M GAMING REVENUE	▲ 6.1%	$$$$$	1.4% COMMERCIAL GAMING REVENUES	0.8% OF ALL GAMING REVENUES
LOUISIANA	$2,648.54M GAMING REVENUE	▲ 7.1%	$$$$$	6.9% COMMERCIAL GAMING REVENUES	3.7% OF ALL GAMING REVENUES
MISSISSIPPI	$2,097.07M GAMING REVENUE	▲ 1.4%	$$$$$	5.5% COMMERCIAL GAMING REVENUES	2.9% OF ALL GAMING REVENUES

OTHER

COLORADO	$790.08M GAMING REVENUE	▲ 5.9%	$$$$$	2.1% COMMERCIAL GAMING REVENUES	1.1% OF ALL GAMING REVENUES
NEW MEXICO	$256.02M GAMING REVENUE	▼ -0.6%	$$$$$	0.7% COMMERCIAL GAMING REVENUES	0.4% OF ALL GAMING REVENUES
OKLAHOMA	$113.14M GAMING REVENUE	▲ 1.6%	$$$$$	0.3% COMMERCIAL GAMING REVENUES	0.2% OF ALL GAMING REVENUES

NEVADA

$7,003.23M	EGD REVENUE	▲ 3.8%	$128.81 REVENUE PER EGD PER DAY	$4,110.60M	TABLE GAMES REVENUE	▼ -3.8%	$1,873.71 REVENUE PER TG PER DAY	NEVADA

NORTHEAST REGION

$351.77M	EGD REVENUE	▼ -0.1%	$148.24 REVENUE PER EGD PER DAY	$52.54M	TABLE GAMES REVENUE	▲ 2.4%	$1,274.45 REVENUE PER TG PER DAY	DELAWARE
$106.37M	EGD REVENUE	▲ 1.5%	$180.19 REVENUE PER EGD PER DAY	$23.44M	TABLE GAMES REVENUE	▲ 4.2%	$1,533.32 REVENUE PER TG PER DAY	MAINE
$718.94M	EGD REVENUE	▲ 14.3%	$310.77 REVENUE PER EGD PER DAY	$379.49M	TABLE GAMES REVENUE	▲ 25.5%	$4,382.02 REVENUE PER TG PER DAY	MARYLAND
$88.23M	EGD REVENUE	n/a	$198.68 REVENUE PER EGD PER DAY	STATE LIMITED TO SLOTS-ONLY FACILITIES				MASSACHUSETTS
$1,731.46M	EGD REVENUE	▼ -7.6%	$281.35 REVENUE PER EGD PER DAY	$682.78M	TABLE GAMES REVENUE	▼ -8.3%	$1,582.93 REVENUE PER TG PER DAY	NEW JERSEY
$1,950.96M	EGD REVENUE	▲ 2.8%	$296.99 REVENUE PER EGD PER DAY	STATE LIMITED TO SLOTS-ONLY FACILITIES				NEW YORK
$2,365.65M	EGD REVENUE	▲ 7.8%	$247.15 REVENUE PER EGD PER DAY	$808.14M	TABLE GAMES REVENUE	▲ 7.8%	$1,959.89 REVENUE PER TG PER DAY	PENNSYLVANIA
$501.37M	EGD REVENUE	▼ -2.9%	$250.25 REVENUE PER EGD PER DAY	$114.45M	TABLE GAMES REVENUE	▲ 14.6%	$3,344.82 REVENUE PER TG PER DAY	RHODE ISLAND
$552.72M	EGD REVENUE	▼ -4.7%	$226.69 REVENUE PER EGD PER DAY	$134.63M	TABLE GAMES REVENUE	▼ -6.1%	$1,263.40 REVENUE PER TG PER DAY	WEST VIRGINIA

MIDWEST REGION

$1,160.09M	EGD REVENUE	▼ -2.7%	$307.90 REVENUE PER EGD PER DAY	$277.94M	TABLE GAMES REVENUE	▲ 2.6%	$2,609.04 REVENUE PER TG PER DAY	ILLINOIS
$1,806.34M	EGD REVENUE	▼ -0.4%	$251.12 REVENUE PER EGD PER DAY	$335.55M	TABLE GAMES REVENUE	▼ -2.2%	$1,344.26 REVENUE PER TG PER DAY	INDIANA
$1,282.35M	EGD REVENUE	▲ 1.9%	$202.89 REVENUE PER EGD PER DAY	$142.01M	TABLE GAMES REVENUE	▲ 3.3%	$791.60 REVENUE PER TG PER DAY	IOWA
$315.49M	EGD REVENUE	▲ 4.7%	$188.67 REVENUE PER EGD PER DAY	$52.23M	TABLE GAMES REVENUE	▲ 0.3%	$1,010.50 REVENUE PER TG PER DAY	KANSAS
EGD REVENUE NOT REPORTED				TABLE GAMES REVENUE NOT REPORTED				MICHIGAN
$1,478.53M	EGD REVENUE	▲ 1.9%	$225.06 REVENUE PER EGD PER DAY	$223.36M	TABLE GAMES REVENUE	▲ 6.7%	$1,113.34 REVENUE PER TG PER DAY	MISSOURI
$1,381.42M	EGD REVENUE	▲ 16.7%	$206.19 REVENUE PER EGD PER DAY	$262.26M	TABLE GAMES REVENUE	▼ -4.2%	$1,651.88 REVENUE PER TG PER DAY	OHIO
$96.91M	EGD REVENUE	▲ 4.3%	$81.93 REVENUE PER EGD PER DAY	$11.45M	TABLE GAMES REVENUE	▲ 2.7%	$306.10 REVENUE PER TG PER DAY	SOUTH DAKOTA

SOUTH REGION

$533.66M	EGD REVENUE	▲ 6.1%	$195.12 REVENUE PER EGD PER DAY	STATE LIMITED TO SLOTS-ONLY FACILITIES				FLORIDA
EGD REVENUE NOT REPORTED				TABLE GAMES REVENUE NOT REPORTED				LOUISIANA
$1,758.31M	EGD REVENUE	▲ 1.4%	$172.47 REVENUE PER EGD PER DAY	$338.76M	TABLE GAMES REVENUE	▲ 1.3%	$1,183.41 REVENUE PER TG PER DAY	MISSISSIPPI

OTHER

$694.92M	EGD REVENUE	▲ 5.0%	$141.23 REVENUE PER EGD PER DAY	$95.16M	TABLE GAMES REVENUE	▲ 13.1%	$868.40 REVENUE PER TG PER DAY	COLORADO
$256.02M	EGD REVENUE	▼ -0.6%	$237.82 REVENUE PER EGD PER DAY	STATE LIMITED TO SLOTS-ONLY FACILITIES				NEW MEXICO
$113.14M	EGD REVENUE	▲ 1.6%	NUMBER OF EGDs NOT REPORTED ON MONTHLY BASIS	STATE LIMITED TO SLOTS-ONLY FACILITIES				OKLAHOMA

EGD = *Electronic Gaming Devices*

TG = *Table Games*

STATE GAMING TAX REVENUES

NEVADA

8.2% EFFECTIVE TAX RATE

NEVADA	1931 8.2%	GAMING LEGALIZED EFFECTIVE TAX RATE	GRADUATED TAX RATE: 3.5% - 6.75% (PLUS ADMINISTRATIVE FEES)	$907.01M	GAMING TAX REVENUE	▼ -0.3%

NORTHEAST REGION

37.2% EFFECTIVE TAX RATE

DELAWARE	1994 39.0%	GAMING LEGALIZED EFFECTIVE TAX RATE	BLENDED TAX RATE: 59.5% EGD & 33.9% TABLE GAMES	$159.32M	GAMING TAX REVENUE	▼ -3.2%
MAINE	2004 40.2%	GAMING LEGALIZED EFFECTIVE TAX RATE	CASINOS BLENDED TAX RATE: 46.0% EGD & 16.0% TABLE GAMES RACINOS BLENDED TAX RATE: 40.0% EGD & 16.0% TABLE GAMES	$52.21M	GAMING TAX REVENUE	▲ 1.7%
MARYLAND	2008 46.1%	GAMING LEGALIZED EFFECTIVE TAX RATE	BLENDED TAX RATE: 50.0%, 57.0% or 67.0% EGD & 20.0% TABLE GAMES	$505.86M	GAMING TAX REVENUE	▲ 9.8%
MASSACHUSETTS	2011 49.0%	GAMING LEGALIZED EFFECTIVE TAX RATE	SLOTS ONLY CACINOS BLENDED TAX RATE: 49.0% RESORT CASINOS STRAIGHT-LINE TAX RATE: 25.0% (ONCE OPEN)	$43.23M	GAMING TAX REVENUE	n/a
NEW JERSEY	1976 9.6%	GAMING LEGALIZED EFFECTIVE TAX RATE	STRAIGHT-LINE TAX RATE: 8.0% OR 10.25%	$230.93M	GAMING TAX REVENUE	▼ -4.2%
NEW YORK	2001 45.5%	GAMING LEGALIZED EFFECTIVE TAX RATE	STRAIGHT-LINE TAX RATE: 64.0%	$888.37M	GAMING TAX REVENUE	▲ 2.8%
PENNSYLVANIA	2004 43.5%	GAMING LEGALIZED EFFECTIVE TAX RATE	BLENDED TAX RATE: 55.0% EGD & 16.0% TABLE GAMES	$1,379.23M	GAMING TAX REVENUE	▲ 2.3%
RHODE ISLAND	1992 52.2%	GAMING LEGALIZED EFFECTIVE TAX RATE	BLENDED TAX RATE: 60.0% EGD & 18.0% TABLE GAMES	$321.42M	GAMING TAX REVENUE	▼ -1.9%
WEST VIRGINIA	1994 50.7%	GAMING LEGALIZED EFFECTIVE TAX RATE	RACINOS BLENDED TAX RATE: 54.9% EGD & 35.0% TABLE GAMES HISTORIC RESORTS TAX RATE: 57.7% EGD & 35.0% TABLE GAMES	$348.37M	GAMING TAX REVENUE	▼ -0.3%

MIDWEST REGION

27.2% EFFECTIVE TAX RATE

ILLINOIS	1990 33.9%	GAMING LEGALIZED EFFECTIVE TAX RATE	GRADUATED TAX RATE: 15.0% - 50.0% (PLUS $2-3 ADMISSION FEE PER PATRON PER DAY)	$488.04M	GAMING TAX REVENUE	▼ -2.5%
INDIANA	1993 28.4%	GAMING LEGALIZED EFFECTIVE TAX RATE	RIVERBOAT GRADUATED TAX RATE: 5.0% - 40.0% (PLUS $3 ADMISSION FEE PER PATRON PER DAY) RACINOS GRADUATED TAX RATE: 25.0% - 35.0%	$608.06M	GAMING TAX REVENUE	▼ -2.3%
IOWA	1989 21.7%	GAMING LEGALIZED EFFECTIVE TAX RATE	CASINOS GRADUATED TAX RATE: 5.0% - 22.0% RACINOS GRADUATED TAX RATE: 22.0% OR 24.0%	$309.68M	GAMING TAX REVENUE	▲ 0.6%
KANSAS	2007 27.0%	GAMING LEGALIZED EFFECTIVE TAX RATE	STRAIGHT-LINE TAX RATE: 27.0%	$99.30M	GAMING TAX REVENUE	▲ 4.0%
MICHIGAN	1996 19.0%	GAMING LEGALIZED EFFECTIVE TAX RATE	STRAIGHT-LINE TAX RATE: 19.0%	$261.52M	GAMING TAX REVENUE	▲ 3.3%
MISSOURI	1993 26.1%	GAMING LEGALIZED EFFECTIVE TAX RATE	STRAIGHT-LINE TAX RATE: 21.0% (PLUS $2 ADMISSION FEE PER PATRON PER 2 HOURS)	$443.89M	GAMING TAX REVENUE	▲ 1.6%
OHIO	2009 33.4%	GAMING LEGALIZED EFFECTIVE TAX RATE	CASINOS STRAIGHT-LINE TAX RATE: 33.0% RACINOS STRAIGHT-LINE TAX RATE: 33.5%	$548.69M	GAMING TAX REVENUE	▲ 12.6%
SOUTH DAKOTA	1989 14.4%	GAMING LEGALIZED EFFECTIVE TAX RATE	STRAIGHT-LINE TAX RATE: 8.0% (PLUS $2,000 ANNUAL FEE PER GAMING DEVICE)	$15.58M	GAMING TAX REVENUE	▼ -1.8%

SOUTH REGION

20.4% EFFECTIVE TAX RATE

FLORIDA	2006 34.8%	GAMING LEGALIZED EFFECTIVE TAX RATE	STRAIGHT-LINE TAX RATE: 35.0%	$185.73M	GAMING TAX REVENUE	▲ 4.7%
LOUISIANA[†]	1991 24.2%	GAMING LEGALIZED EFFECTIVE TAX RATE	CASINOS STRAIGHT-LINE TAX RATE: 21.5%[1] RACINOS STRAIGHT-LINE TAX RATE: 33.17%	$639.80M	GAMING TAX REVENUE	▲ 11.1%
MISSISSIPPI	1990 12.0%	GAMING LEGALIZED EFFECTIVE TAX RATE	GRADUATED TAX RATE AND VARIES BY LOCATION: 4.4 % - 12.0% (PLUS ADMINISTRATIVE FEES)	$252.41M	GAMING TAX REVENUE	▲ 2.4%

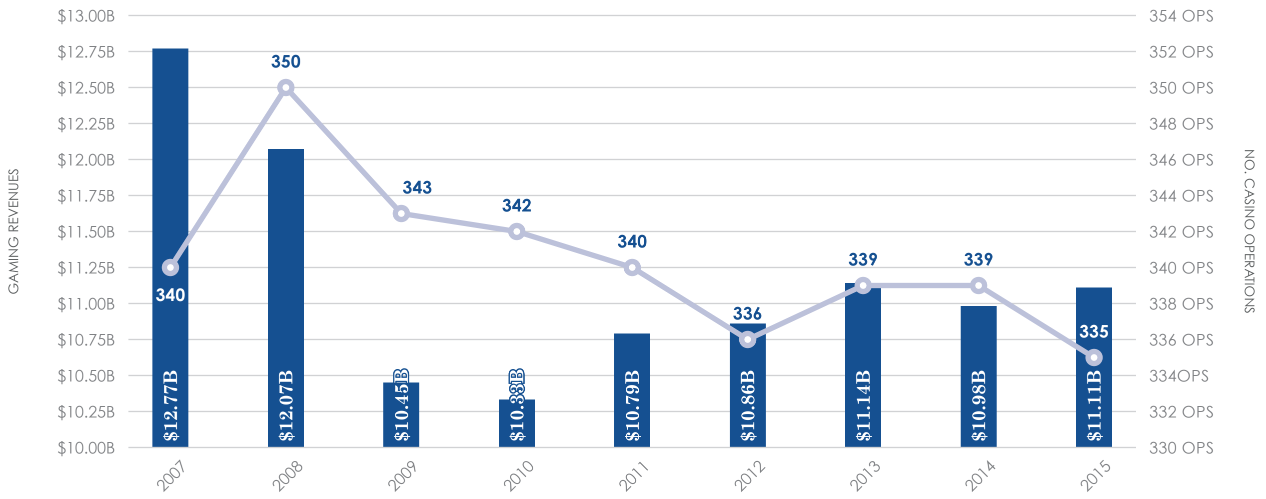
OTHER

17.3% EFFECTIVE TAX RATE

COLORADO	1990 14.4%	GAMING LEGALIZED EFFECTIVE TAX RATE	GRADUATED TAX RATE: 0.25% - 20.0%	$113.80M	GAMING TAX REVENUE	▲ 7.2%
NEW MEXICO	1997 26.0%	GAMING LEGALIZED EFFECTIVE TAX RATE	RACINOS STRAIGHT-LINE TAX RATE: 26.0%	$66.51M	GAMING TAX REVENUE	▼ -0.2%
OKLAHOMA	2004 18.3%	GAMING LEGALIZED EFFECTIVE TAX RATE	RACINOS GRADUATED TAX RATE: 10.0% - 30.0%	$20.76M	GAMING TAX REVENUE	▲ 0.6%

[†] *see statistical note on page 29*

NEVADA



$11.11B
GAMING REVENUE

▲ 1.2%

$$$$$ 29.0%
COMMERCIAL GAMING REVENUES
15.6% OF ALL GAMING REVENUES

63.0% REVENUE FROM ELECTRONIC GAMING DEVICES
37.0% REVENUE FROM TABLE GAMES

335 CASINO OPERATIONS

$33.18M
AVERAGE REVENUE PER CASINO

In 2015, the Nevada gaming market generated a 1.2% increase in revenues, which was the smallest percentage of revenue increase of the five regions monitored by RubinBrown. While the state's overall increase was limited, growth in gaming revenues was seen in eight of the top ten markets. The Nevada gaming market remains 13.0% below the revenue peak established in 2007.

- **Las Vegas establishes a new visitation record.** In 2015, 42.3 million people visited the city, a 2.9% increase from the previous record established in 2013. Since 2007, overall visitor volume has increased 7.9%. While gaming revenues have not returned to pre-recession levels, the Las Vegas Strip's hotels are once again enjoying occupancy rates of 90%.

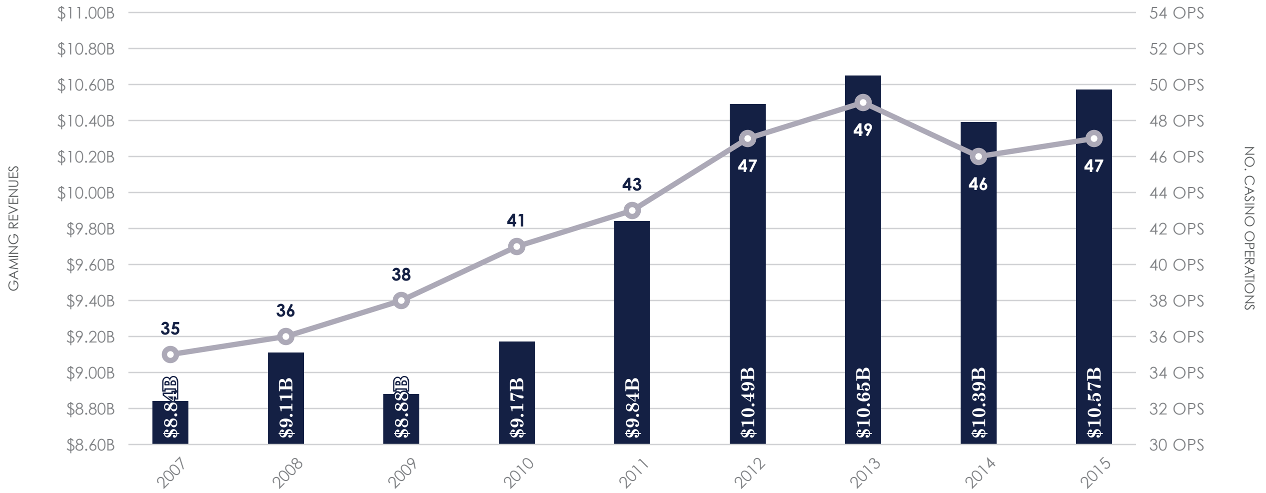
- **Nevada legalizes skill-based slot machines.** In May 2015, the Nevada Legislature passed legislation which allows for an element of skill to be included in slot machine technology. The state's regulators and gaming manufacturers are working to incorporate skill-based technologies in future games.

TOP 10 NEVADA MARKETS

(revenue increased in 8 of 10 markets in 2015)

LAS VEGAS STRIP	#1 NATIONAL RANK	$6,347.91M GAMING REVENUE	▲ 0.5%
BOULDER STRIP	#11 NATIONAL RANK	$784.35M GAMING REVENUE	▼ -1.8%
RENO / SPARKS	#16 NATIONAL RANK	$694.19M GAMING REVENUE	▲ 3.6%
LAS VEGAS DOWNTOWN	#22 NATIONAL RANK	$541.79M GAMING REVENUE	▲ 8.4%
LAUGHLIN	#25 NATIONAL RANK	$467.28M GAMING REVENUE	▲ 1.4%
NORTH LAS VEGAS	#33 NATIONAL RANK	$271.30M GAMING REVENUE	▲ 0.5%
LAKE TAHOE	#36 NATIONAL RANK	$230.52M GAMING REVENUE	▼ -1.6%
WENDOVER	#41 NATIONAL RANK	$175.23M GAMING REVENUE	▲ 7.2%
MESQUITE	#48 NATIONAL RANK	$114.09M GAMING REVENUE	▲ 1.3%
CARSON VALLEY	#50 NATIONAL RANK	$100.78M GAMING REVENUE	▲ 4.5%

NORTHEAST REGION



$10.57B
GAMING REVENUE

▲ 1.7%

$$$$$ 27.6%
COMMERCIAL GAMING REVENUES
14.9% OF ALL GAMING REVENUES

79.2% REVENUE FROM ELECTRONIC GAMING DEVICES
20.8% REVENUE FROM TABLE GAMES

47 CASINO OPERATIONS

$224.80M
AVERAGE REVENUE PER CASINO

TOP 10 NORTHEAST REGION MARKETS

(revenue increased in 7 of 10 markets in 2015)

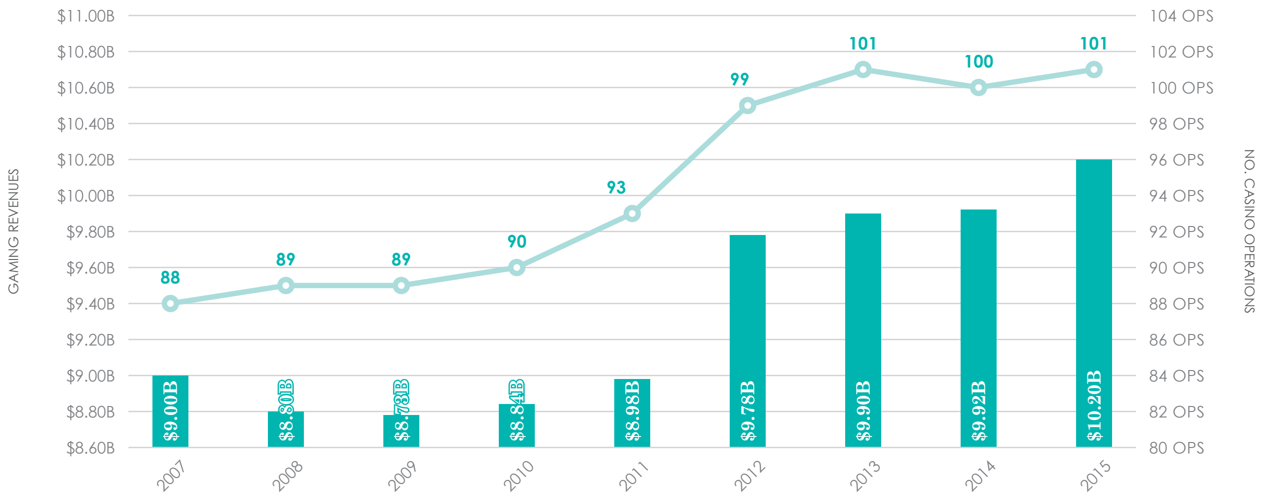
ATLANTIC CITY, NJ	#2 NATIONAL RANK	$2,414.24M	GAMING REVENUE	▼ -7.8%
NEW YORK CITY, NY	#4 NATIONAL RANK	$1,389.51M	GAMING REVENUE	▲ 3.3%
PHILADELPHIA, PA	#6 NATIONAL RANK	$1,191.97M	GAMING REVENUE	▲ 3.7%
BALTIMORE, MD	#8 NATIONAL RANK	$996.45M	GAMING REVENUE	▲ 19.3%
BETHLEHEM / SCRANTON, PA	#9 NATIONAL RANK	$965.56M	GAMING REVENUE	▲ 5.4%
PITTSBURG, PA	#18 NATIONAL RANK	$599.84M	GAMING REVENUE	▲ 1.4%
PROVIDENCE, RI	#21 NATIONAL RANK	$571.28M	GAMING REVENUE	no change
CHARLESTON, WV	#29 NATIONAL RANK	$382.92M	GAMING REVENUE	▼ -2.7%
HARRISBURG, PA	#35 NATIONAL RANK	$250.34M	GAMING REVENUE	▲ 1.2%
SARATOGA, NY	#42 NATIONAL RANK	$160.92M	GAMING REVENUE	▲ 1.4%

The Northeast region has been the fastest growing gaming market since 2007, increasing gaming revenues by 19.5%. However, the region's growth has stalled over the last three years, as the region has the smallest three-year compounded annual growth (CAGR) of 0.2%. While the regional growth has stalled, the prospect for growth remains strong with the construction of 6 new casinos underway in Maryland, Massachusetts and New York.

- **Massachusetts welcomes its first casino in 2015,** with the opening of the Plainridge Park Casino, a slots-only casino operated by Penn National Gaming. The state has been the focus of gaming expansion since gaming was legalized in 2011. Voters only authorized the development of four casinos while having a population of 6.7 million people. The next casino opening is not scheduled until 2018, when MGM International anticipates opening a resort style casino in Springfield.

- **Horsehoe Baltimore boosts Maryland's revenues.** In 2015, Maryland led the nation in the percentage of revenue growth, as the state's gaming industry increased gaming revenues 18.0%. The increase was attributed to the opening of the Horseshoe Baltimore Casino which completed its first full calendar year of operation after opening in August 2014. The Horsehoe Casino also leads the region in the percentage of revenue generated from table games, generating 45.6% of its revenue from table games.

MIDWEST REGION



$10.20B GAMING REVENUE ▲ 2.9%

$$$$$ 26.6% COMMERCIAL GAMING REVENUES

14.3% OF ALL GAMING REVENUES

85.2% REVENUE FROM ELECTRONIC GAMING DEVICES

14.8% REVENUE FROM TABLE GAMES

101 CASINO OPERATIONS

$101.01M AVERAGE REVENUE PER CASINO

In 2015, the Midwest region generated a 2.9% increase in revenues. The region has been the second fastest growing region since 2007, seeing overall gaming revenues increase by $1.2 billion or 13.4%. The increase is attributed to the expansion of gaming in Kansas and Ohio; these two states did not offer gaming in 2007, but collectively generated over $2 billion in gaming revenues in 2015.

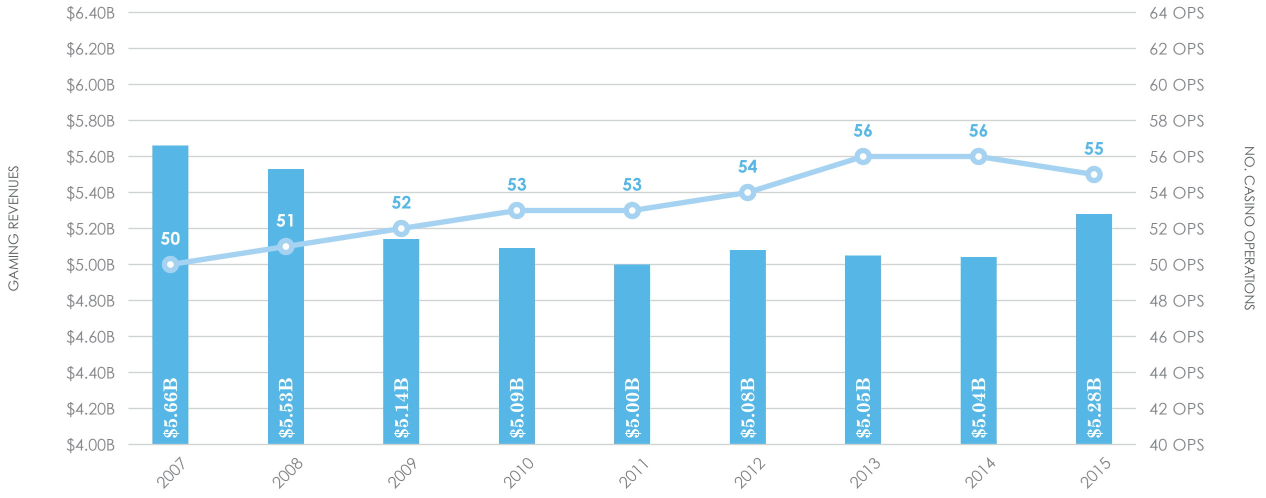
- **Ohio's gaming grows while casino expansion is complete.** Ohio opened its final casino (a slots-only racino) in August 2014, marking the end of an impressive gaming expansion effort. However, the lack of new casino openings has not stalled growth for the state. Since September 2015, Ohio has seen monthly gaming revenues increase by an average of 6.1% when compared to the same month last year.
- **South Dakota's expanded game offerings yield record revenues.** After state voters approved an amendment authorizing roulette, keno and craps in November 2014, the state welcomed the games to the casino floor in July 2015. After the introduction of the new games, the state has seen monthly revenues increase by an average of 4.4% when compared to the same month last year. With this increase in revenues, the state also established a new record in annual gaming revenues, generating $108.4 million.

TOP 10 MIDWEST REGION MARKETS

(revenue increased in 7 of 10 markets in 2015)

CHICAGO (IN & IL)	#3 NATIONAL RANK	**$1,968.44M** GAMING REVENUE	▼ -1.3%
DETROIT, MI	#5 NATIONAL RANK	**$1,376.41M** GAMING REVENUE	▲ 3.3%
ST. LOUIS (MO & IL)	#7 NATIONAL RANK	**$1,006.47M** GAMING REVENUE	▲ 1.0%
KANSAS CITY (MO & KS)	#12 NATIONAL RANK	**$782.05M** GAMING REVENUE	▲ 3.2%
CINCINNATI (OH & IN)	#15 NATIONAL RANK	**$708.28M** GAMING REVENUE	▲ 3.9%
CLEVELAND, OH	#24 NATIONAL RANK	**$529.98M** GAMING REVENUE	▲ 1.9%
CENTRAL INDIANA	#26 NATIONAL RANK	**$446.62M** GAMING REVENUE	▲ 3.0%
SOUTHERN INDIANA	#27 NATIONAL RANK	**$434.50M** GAMING REVENUE	▼ -0.5%
COUNCIL BLUFFS, IA	#28 NATIONAL RANK	**$419.49M** GAMING REVENUE	▼ -2.4%
COLUMBUS, OH	#30 NATIONAL RANK	**$355.64M** GAMING REVENUE	▲ 3.2%

SOUTH REGION



$5.28B GAMING REVENUE

▲ 4.7%

$$$$$ 13.8% COMMERCIAL GAMING REVENUES

7.4% OF ALL GAMING REVENUES

87.1% REVENUE FROM ELECTRONIC GAMING DEVICES

12.9% REVENUE FROM TABLE GAMES

55 CASINO OPERATIONS

$95.99M AVERAGE REVENUE PER CASINO

TOP 8 SOUTH REGION MARKETS

(revenue increased in 5 of 8 markets in 2015)

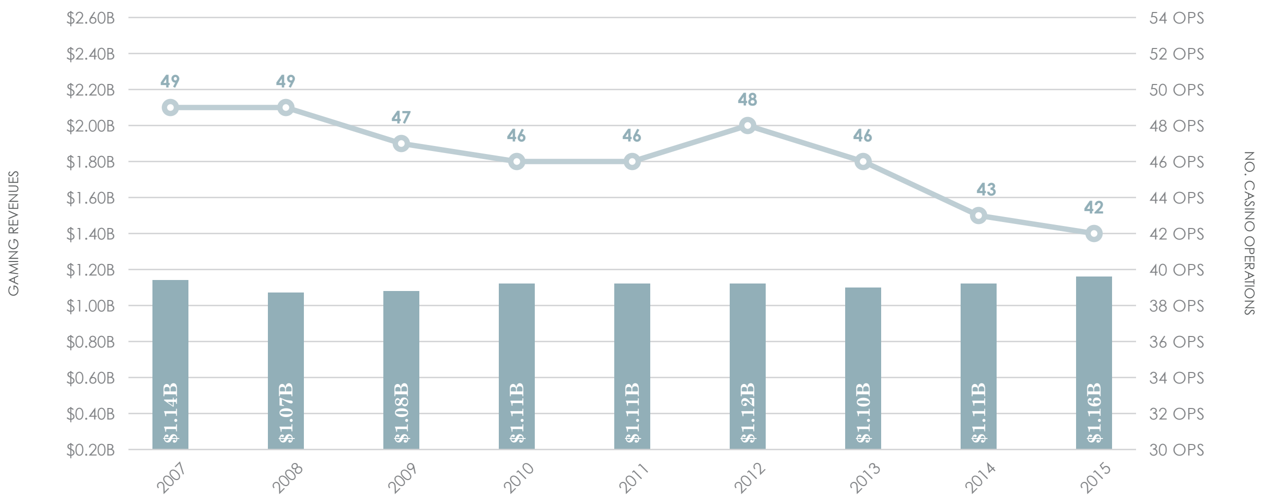
BILOXI, MS	#10 NATIONAL RANK	$856.64M GAMING REVENUE	▲ 3.3%
SHREVEPORT / BOSSIER CITY, LA	#13 NATIONAL RANK	$732.51M GAMING REVENUE	▼ -0.5%
LAKE CHARLES, LA	#14 NATIONAL RANK	$721.68M GAMING REVENUE	▲ 36.5%
TUNICA / LULA, MS	#17 NATIONAL RANK	$634.73M GAMING REVENUE	▼ -6.5%
NEW ORLEANS, LA	#20 NATIONAL RANK	$576.22M GAMING REVENUE	▼ -3.7%
MIAMI / FT. LAUDERDALE, FL	#23 NATIONAL RANK	$533.66M GAMING REVENUE	▲ 6.1%
BAY ST. LOUIS / GULFPORT, MS	#31 NATIONAL RANK	$295.89M GAMING REVENUE	▲ 17.0%
BATON ROUGE, LA	#32 NATIONAL RANK	$291.47M GAMING REVENUE	▲ 4.6%

The South was the fastest growing region in 2015, as gaming revenues grew by 4.7% in 2015. The growth was a welcomed change for the region which experienced revenue declines in both 2013 and 2014. Since 2007, the region has seen overall gaming revenue decline by 6.7%, which is attributed to the Mississippi gaming market. Since the Great Recession, Mississippi (tied with New Jersey) has endured the largest percentage decline (-27.5%) in gaming revenues.

- **Golden Nugget boosts Lake Charles into a Top 15 gaming market.** The opening of the Golden Nugget Casino in December 2014, led to a 36.5% surge in gaming revenues for the Lake Charles market. The increase in revenues propelled the market from #21 to #14 in the rankings of national commercial gaming markets, based on revenue.

- **Florida gaming continues its growth trend, while rumors of expansion continue.** The Florida racino gaming market has the longest growth streak in the nation, with six consecutive years of annual revenue growth. While the racinos in Broward and Miami Dade counties have enjoyed continued growth, the state's legislature continues to debate the possibility for gaming expansion throughout Florida with proponents claiming (once again) that this is the year a gaming expansion law will be passed.

OTHER



$1.16B GAMING REVENUE

▲ 4.0%

$$$$$ 3.0% COMMERCIAL GAMING REVENUES

1.6% OF ALL GAMING REVENUES

91.8% REVENUE FROM ELECTRONIC GAMING DEVICES

8.2% REVENUE FROM TABLE GAMES

42 CASINO OPERATIONS

$27.60M AVERAGE REVENUE PER CASINO

The remaining gaming markets experienced a year of mixed results in 2015. Colorado led the way with a 5.9% increase in revenues, while New Mexico saw a 0.6% decline. Since 2007, these other markets have seen overall gaming revenues remain relatively flat.

- **Colorado a leader in organic growth.** In 2015, the Colorado gaming market increased at a rate of 5.9%, which was the fifth highest growth rate among the 24 states offering commercial gaming. While Colorado was fifth overall, three of the four states with higher growth rates all benefited from the opening of new casinos. Florida was the only state ahead of Colorado that did not have a new casino opening.

- **Oklahoma racinos return to positive growth in 2015.** The Oklahoma slots-only racinos overcame two consecutive years of declining revenues with a 1.6% increase in 2015. Since 2007, the overall Oklahoma market has experienced tremendous growth. Commercial racinos have seen annual gaming revenues increase by 43.8% since 2007, while the tribal gaming operations have welcomed 30 new casinos and seen annual gaming revenues increase by 64.1%.

TOP 5 OTHER MARKETS

(revenue increased in 4 of 5 markets in 2015)

BLACKHAWK, CO #19 NATIONAL RANK
$595.79M GAMING REVENUE ▲ 6.3%

NEW MEXICO RACINOS #34 NATIONAL RANK
$256.02M GAMING REVENUE ▼ -0.6%

CRIPPLE CREEK, CO #47 NATIONAL RANK
$128.05M GAMING REVENUE ▲ 4.1%

OKLAHOMA RACINOS #49 NATIONAL RANK
$113.14M GAMING REVENUE ▲ 1.6%

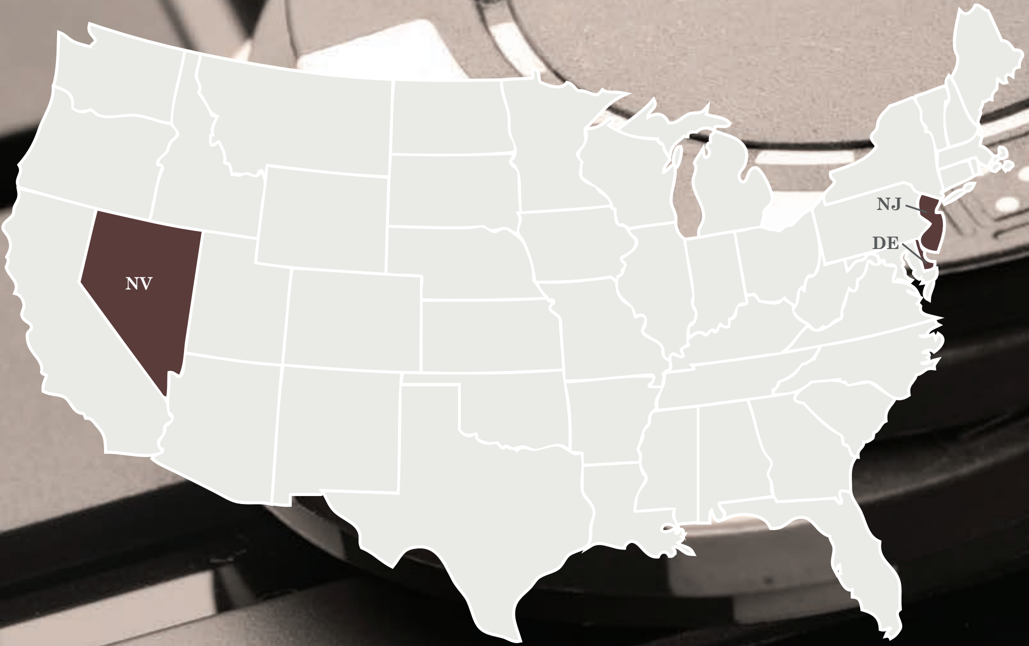
CENTRAL CITY, CO #60 NATIONAL RANK
$66.24M GAMING REVENUE ▲ 6.3%

2015 iGAMING REVENUES

$0.16B ↑ **19.3%**

$$$$$$$$$$$$$ **0.2%**

ALL 2015 GAMING REVENUES



iGAMING

The iGaming market completed its second full year of operations in 2015, generating an estimated $160.7 million and growing at a rate of 19.3%. The current legalized online gaming industry remained relatively unchanged in 2015, as the number of states remained unchanged. The segment is comprised of three state jurisdictions that include Nevada, New Jersey and Delaware, with Nevada's online gaming being restricted to online poker.

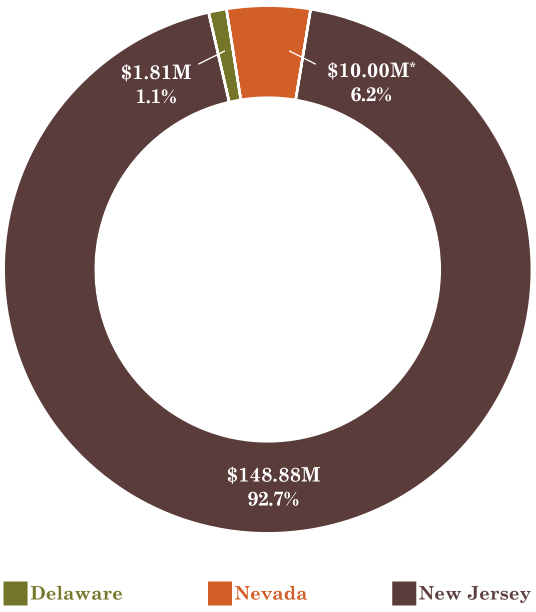
While the number of states remained unchanged in 2015, there was a change in the industry's players. At the end of 2014, the Trump Casinos shut down their online gaming site, reducing the number of operators from nine to eight. In February 2015, Resorts Casino entered the online gaming space returning the number of operators to nine. The existing online operators and their respective partners are as follows:

- Borgata Casino & GameAccount Network
- Tropicana & Gamesys
- Caesar's Interactive & 888 Holdings
- Golden Nugget & NYX Gaming Group
- Resorts & NYX Gaming Group
- Southpoint Casino & Real Gaming
- Delaware Casinos (3) & 888 Holdings

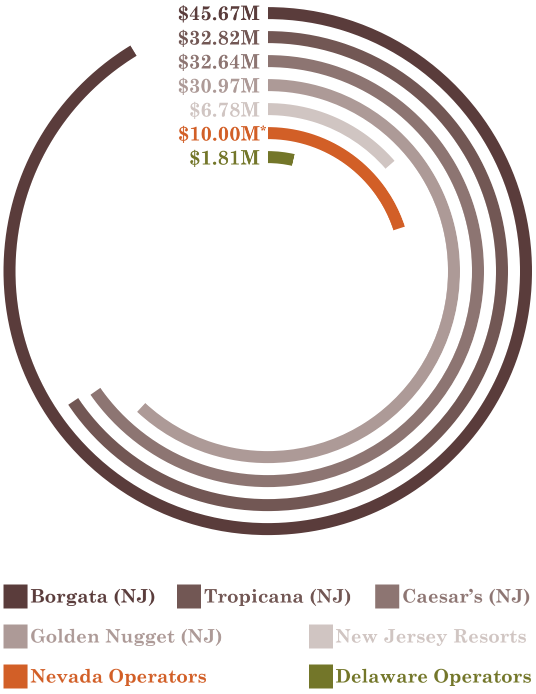
The Resorts Casino's expansion into online gaming is the most interesting, as the casino is owned and operated by the business enterprise of the Mohegan Tribe. The tribally owned commercial iGaming operation, provides the Mohegan Tribe a unique advantage as tribal gaming looks to expand into online gaming in advance of state-by-state regulations.

Looking forward, the iGaming segment is expected to have continued growth in 2016 and beyond. The growth within the existing state jurisdictions is expected to continue as financial institutions improve the processing of legalized online gaming transactions and states partner together to increase liquidity and player experience. In 2015 the first such partnership was struck when Delaware and Nevada entered into an inter-state compact. The agreement allows wagering activity to cross state lines, so long as the respective players reside in either Nevada or Delaware. Even though growth in iGaming is expected to continue, the anticipated hyper-growth forecasted will not be recognized until there is federal regulation establishing a national framework for the industry's operators.

GAMING REVENUES BY STATE



GAMING REVENUES BY OPERATOR†



iGAMING REVENUES

DELAWARE	$1.81M iGAMING REVENUE	▼ -13.5%	0.0% OF ALL GAMING REVENUES	21.7% REVENUE FROM POKER	3 OPERATORS
NEVADA	$10.00M* iGAMING REVENUE	▲ 2.9%	0.0% OF ALL GAMING REVENUES	100.0% REVENUE FROM POKER	2 OPERATORS†
NEW JERSEY	$148.88M iGAMING REVENUE	▲ 21.2%	0.2% OF ALL GAMING REVENUES	16.0% REVENUE FROM POKER	5 OPERATORS†

* ESTIMATED

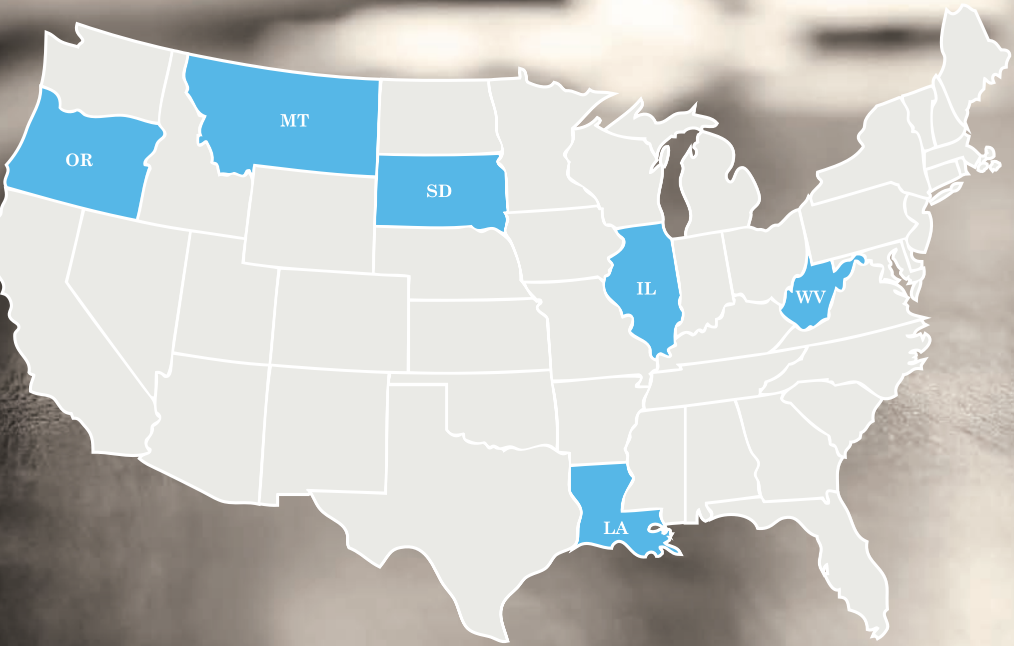
† *see statistical note on page 29*

2015 LIMITED STAKES GAMING REVENUES

$3.28B ▲ **11.4%**

$$$$$$$$$$$$ **4.6%**

ALL 2015 GAMING REVENUES



LIMITED STAKES GAMING

During 2015 the limited stakes gaming market generated $3.3 billion in revenue, an increase of 11.4% from 2014. The growth experienced in 2015 was the third consecutive year of double digit growth for the limited stakes segment. The rapid growth is attributed to the Illinois market expansion which began in 2012. Since entering the limited stakes market in 2012, Illinois has grown to become the nation's number one limited stakes market, generating almost $1 billion in 2015.

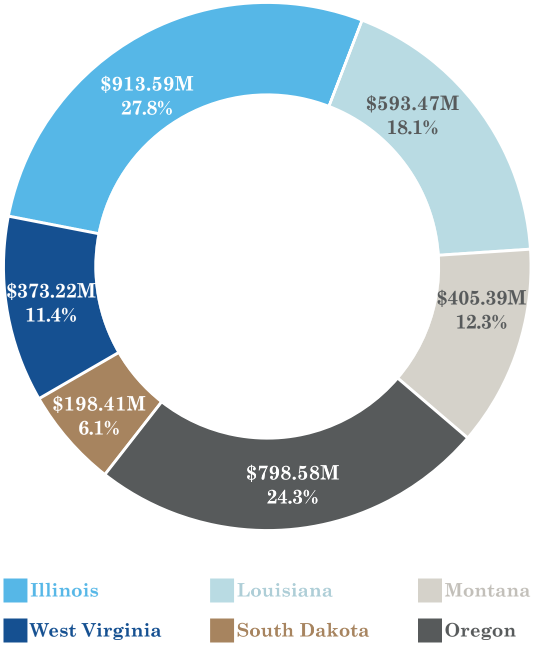
The Illinois expansion has been a tremendous success for both the state and gaming operators. The expansion of limited stakes gaming has provided the state with an overall $206 million increase in annual gaming related tax revenues.

The increase in tax revenues is attributed to the limited stakes gaming segment producing annual revenues of $913 million, yielding the state $274 million in tax revenues. However, the increase provided by limited stakes gaming has been partially offset by a decline in commercial gaming. Since 2012, the year limited stakes gaming was introduced in the State of Illinois, the annual revenues produced by Illinois casinos has declined by 12.2% or $200 million, resulting in $68 million less in annual gaming tax revenues.

The strong growth in the limited stakes segment was not limited to Illinois. During 2015, five of the six states offering limited stakes gaming experienced revenue increases. Most notably both Oregon and South Dakota produced annual growth in excess of 7%. The strong growth seen nation-wide is similar to the growth seen in commercial gaming, as increased consumer confidence has led to increased revenues throughout the gaming industry.

Looking towards 2016 and beyond, the limited stakes gaming segment is expected to see continued growth. However, the ability for the industry to continue its streak of double digit growth rates will be difficult without further expansion into new states.

GAMING REVENUES BY STATE[†]



LIMITED STAKES GAMING REVENUES[†]

ILLINOIS	$913.59M	GAMING REVENUE	▲ 38.5%	1.3% OF ALL GAMING REVENUES	$121.36	REVENUE PER MACHINE PER DAY	▲ 15.8%
LOUISIANA	$593.47M	GAMING REVENUE	▲ 0.3%	0.8% OF ALL GAMING REVENUES	$113.80	REVENUE PER MACHINE PER DAY	▼ -2.3%
MONTANA	$405.39M	GAMING REVENUE	▲ 3.8%	0.6% OF ALL GAMING REVENUES	$71.16	REVENUE PER MACHINE PER DAY	▲ 4.7%
OREGON	$798.58M	GAMING REVENUE	▲ 7.5%	1.1% OF ALL GAMING REVENUES	$183.47	REVENUE PER MACHINE PER DAY	▲ 7.8%
SOUTH DAKOTA	$198.41M	GAMING REVENUE	▲ 7.1%	0.3% OF ALL GAMING REVENUES	$60.89	REVENUE PER MACHINE PER DAY	▲ 8.5%
WEST VIRGINIA	$373.22M	GAMING REVENUE	▼ -1.1%	5.2% OF ALL GAMING REVENUES	$158.36	REVENUE PER MACHINE PER DAY	▼ -1.0%

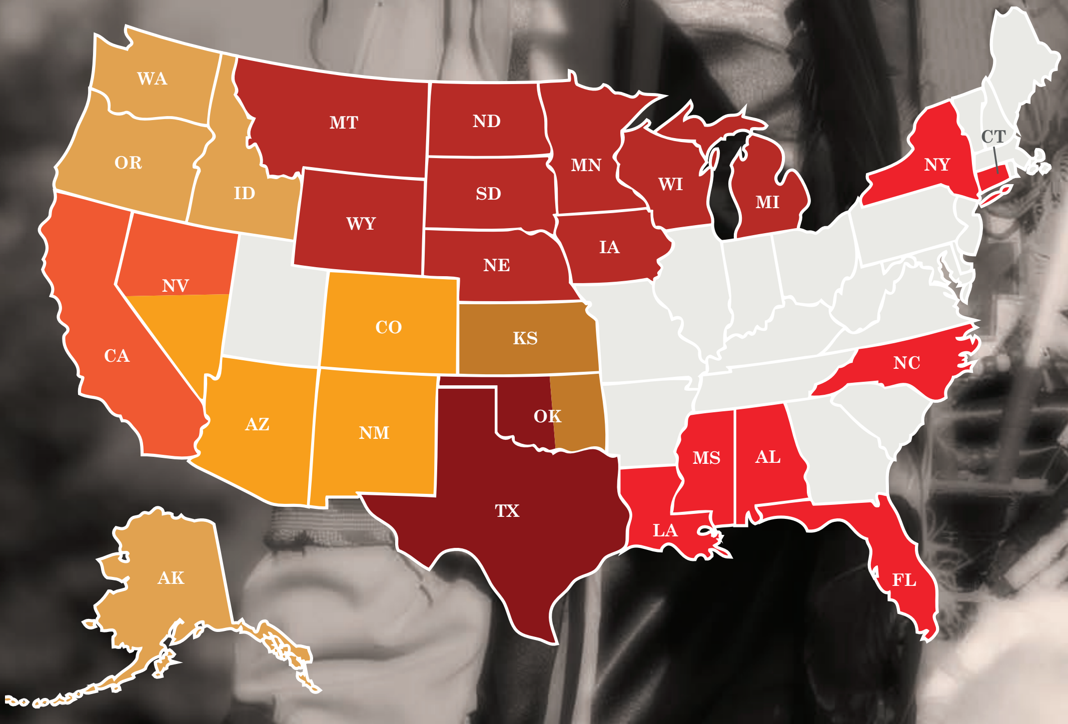
[†] *see statistical note on page 29*

2015 TRIBAL GAMING REVENUES

$29.34B ⬆ **3.1%**

$$$$$$$$$$$$ **41.3%**

ALL 2015 GAMING REVENUES



TRIBAL GAMING

In 2015, Indian gaming generated an estimated $29.3 billion, growing at an annual rate of 3.1%. The continued growth makes tribal gaming the longest growing segment of the United States gaming industry, with six consecutive years of growth.

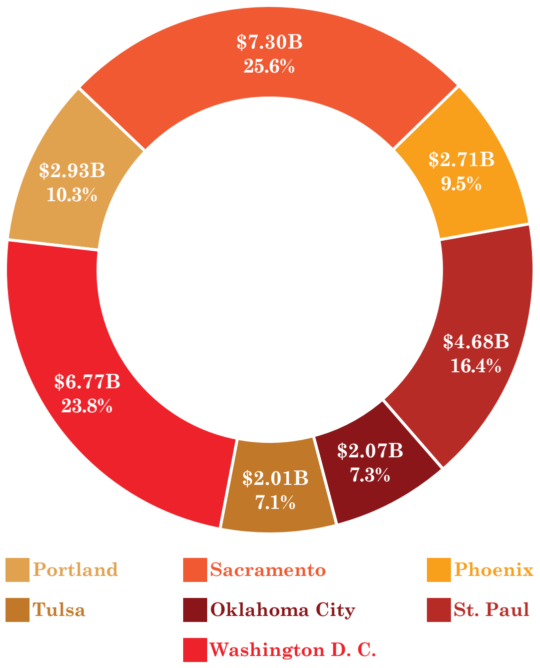
Since 2007, the Indian gaming segment has seen the largest increase in gaming revenues, increasing by $3.2 billion. During this same time, the industry has welcomed over 68 new tribal casinos. While growth and expansion continues, the growth has not been enjoyed by all tribal nations.

Specifically, the California and Arizona gaming operators have seen revenues decline, as the average revenue per casino declined 12.9%. In 2007 the National Indian Gaming Commission's (NIGC) Sacramento and Phoenix Regions included 104 casinos and generated annual gaming revenues of $10.7 billion. At the end of 2015 these two regions included over 115 casinos and generated an estimated $10.3 billion.

Across the country, the eastern tribal nations residing within the NIGC's Washington D.C. Region have seen revenues increase by an estimated 10.6% since 2007. While the region has enjoyed strong growth, it has varied by tribal nation. The Mohegan and the Mashantucket Pequot Tribes have seen annual gaming machine revenues drop by more than 35% or $700 million since 2007. Conversely, the Seminole Nation in Florida has enjoyed a rapid increase in gaming revenues. In 2015, the Florida tribal gaming market produced an estimated $2.2 billion in gaming revenues.

Looking to 2016 and beyond, tribal gaming will continue to see growth and expansion. The expansion will come from the reinvestment in existing gaming facilities, developing resort-destination casinos and tribal nations not currently involved in gaming entering the market. While there are more than 240 tribes offering gaming, less than 45% of federally recognized tribes offer gaming.

GAMING REVENUES BY REGION†



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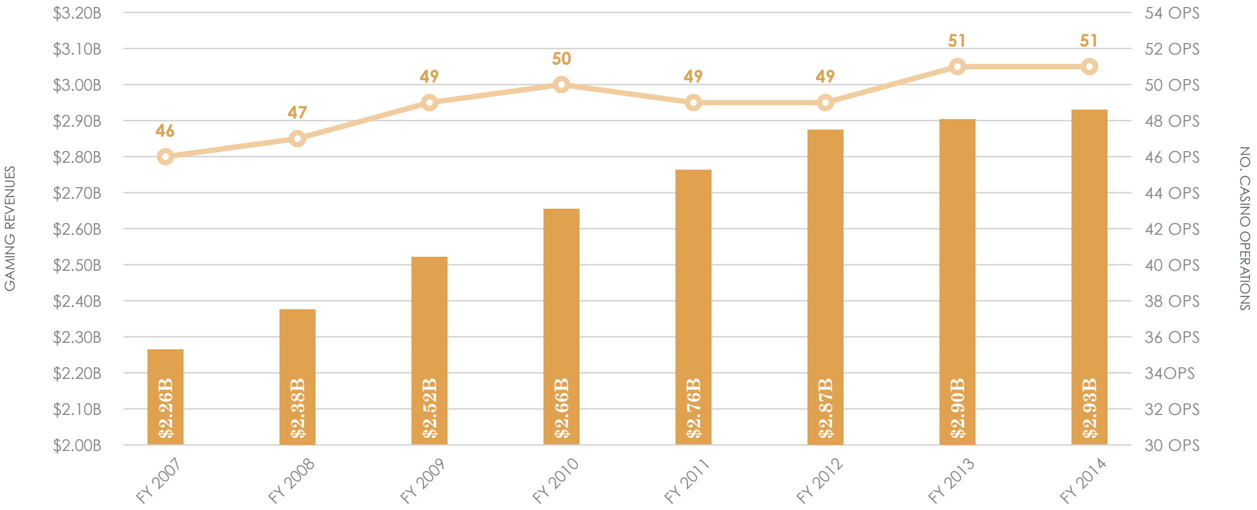
† *see statistical note on page 29*

PORTLAND REGION[†]



$2.93B
GAMING REVENUE

▲ 0.8%

$$$$$ 10.3%
TRIBAL GAMING REVENUES
4.2% OF ALL 2014 GAMING REVENUES

1.9% THREE YEAR COMPOUND ANNUAL GROWTH RATE
3.0% FIVE YEAR COMPOUND ANNUAL GROWTH RATE

51 CASINO OPERATIONS

$57.39M
AVERAGE REVENUE PER CASINO

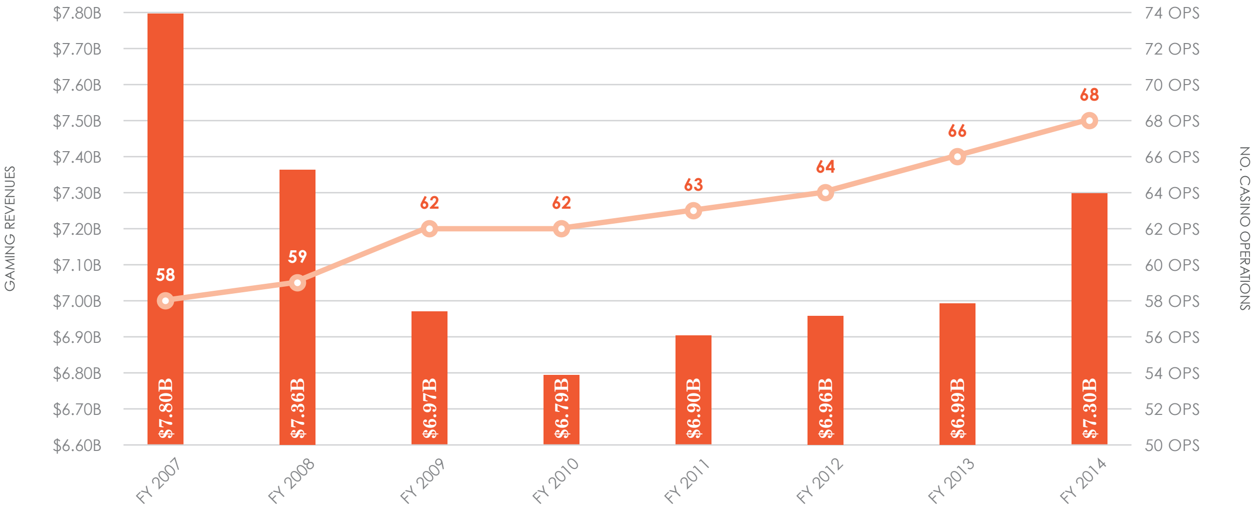
The Portland Region is one of two regions that has never experienced a year of declining revenues. In 2014, the trend did not change as the region generated revenue growth of 0.8%, the smallest growth rate in over a decade. Overall, the Portland region represents 10.3% of the tribal gaming revenues. Since 2007, the region has grown by $663.0 million or 29.3%.

- **The region continues to see the opportunity for future growth,** as multiple new casino projects are underway. The Spokane Tribe is working to build a $400 million casino near Spokane, Washington. The Cowlitz Tribe is currently constructing a $510 million casino near Ridgefield, Washington, 25 miles north of Portland, Oregon. And the Coos, Lower Umpqua and Siuslaw Indians opened a second casino, Three Rivers Casino in Coos Bay, Oregon.

- **Oregon tribes face increased competition from "illegal" casinos linked to limited stakes gaming.** In Oregon, casino operations are limited to tribal nations; however, the state allows limited stakes gaming establishments so long as they do not generate more than 50% of their revenue from gaming. During a recent audit by the state auditor, more than half of the establishments did not comply with the 50% revenue limitation making them "illegal" casinos. The report claimed the lottery has backed away from enforcing their own regulations, while accepting more than $550 million in annual tax revenues.

[†] *see statistical note on page 29*

SACRAMENTO REGION[†]



$7.30B
GAMING REVENUE

▲ **4.4%**

$$$$$ 25.6%
TRIBAL GAMING REVENUES
10.6% OF ALL 2014 GAMING REVENUES

1.9% THREE YEAR COMPOUND ANNUAL GROWTH RATE
0.9% FIVE YEAR COMPOUND ANNUAL GROWTH RATE

68 CASINO OPERATIONS

$107.32M
AVERAGE REVENUE PER CASINO

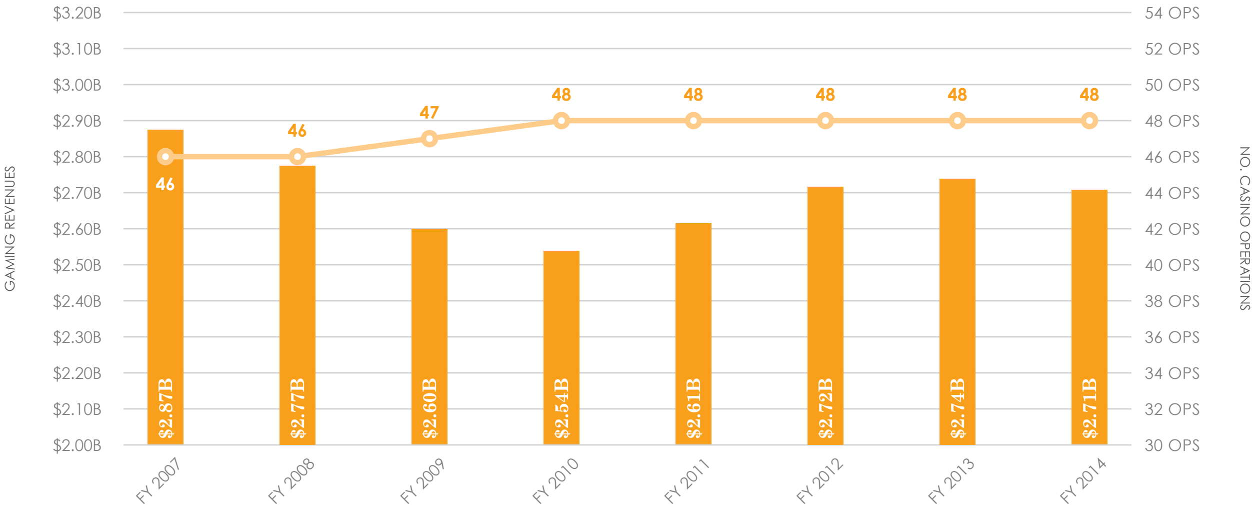
The Sacramento Region continues to serve as the largest region, generating 25.6% of all Indian gaming revenues. During 2014, the region produced the second highest growth rate (4.4%), only trailing the Oklahoma City Region (at 11.0%). The growth experienced in 2014 is a welcomed change for the region, which continues to operate 6.4% (or $498.4 million) below the peak established in 2007. While revenues continue to be less than the pre-recession peak, the region has seen a 17.2% increase in the number of casino operations.

- **iGaming continues to be a looming legislative battle.** Since iGaming was legalized in Nevada and New Jersey, there has been much optimism for the California iGaming expansion. However, passage of the legislation has proven difficult with competing interest between state legislators, card clubs and tribal casinos. While previous efforts have not been successful, law makers are optimistic 2016 will be the year of iGaming expansion.

- **California tribe renegotiates gaming compact, receiving more favorable terms for tribal nations.** The United Auburn Indian Community signed an amended state-tribal gaming compact in August 2015. Under the amended deal, the tribe's annual revenue share payments to California's general fund will be reduced by $25 million, while providing more revenue to tribal nations that do not offer gaming. The amended gaming compact terms has sparked the interest of other tribes operating under the 2004 California gaming compact.

[†] *see statistical note on page 29*

PHOENIX REGION†



$2.71B
GAMING REVENUE

-1.1%

$$$$$ 9.5%
TRIBAL GAMING REVENUES
3.9% OF ALL 2014 GAMING REVENUES

1.2% THREE YEAR COMPOUND ANNUAL GROWTH RATE
0.8% FIVE YEAR COMPOUND ANNUAL GROWTH RATE

48 CASINO OPERATIONS

$56.41M
AVERAGE REVENUE PER CASINO

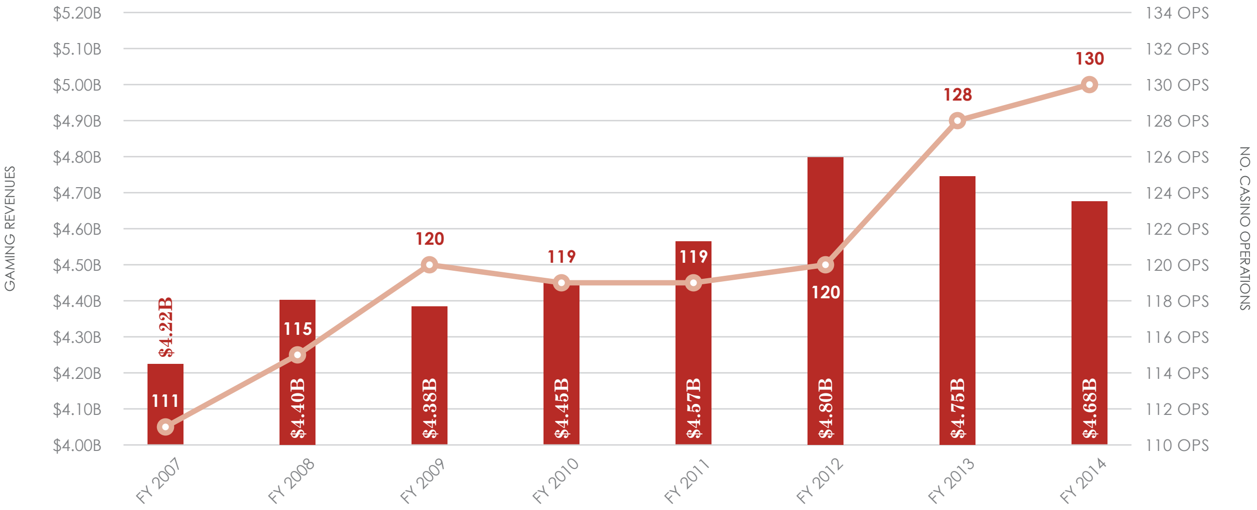
In 2014, the Phoenix Region's gaming revenues declined by 1.1%. The decline in revenues is a setback for the region which continues to operate below the peak established in 2006, when the region generated $2.9 billion in gaming revenues. When compared to the other regions, the Phoenix Region has seen the slowest growth rates since the Great Recession. During this time, the number of casinos within the region has only expanded by two (net growth, factoring in both closures and openings).

- **Tribal nations reach an agreement with the State of New Mexico.** In April 2015, New Mexico Governor Susana Martinez finally agreed to terms with five Pueblos that previously operated under the 2001 compact. The new compact is more favorable to the Pueblos, allowing the issuance of credit, resolving the free-play revenue share debate and extending gaming hours of operation to 24 hours a day. The new compact will be in effect until 2037.

- **Glendale casino opens, but controversy remains.** In December 2015, the Tohono O'odham opened their long awaited casino near Glendale, Arizona. The casino development has become a political hot button for local, state and federal officials. In 2014, the Department of Interior approved the Tohono O'odham's request to place the land into trust; however, local, state and federal officials continue efforts to block the casino development.

† *see statistical note on page 29*

ST. PAUL REGION†



$4.68B
GAMING REVENUE

-1.5% ⬇

$$$$$ 16.4%
TRIBAL GAMING REVENUES
6.8% OF ALL 2014 GAMING REVENUES

0.8% THREE YEAR COMPOUND ANNUAL GROWTH RATE
1.3% FIVE YEAR COMPOUND ANNUAL GROWTH RATE

130 CASINO OPERATIONS

$35.96M
AVERAGE REVENUE PER CASINO

In 2014, the St. Paul Region experienced a 1.5% decline in gaming revenue. While the decline only amounted to a $69.7 million spread across 130 gaming operations, it marked the largest percentage decline for any tribal gaming region since 2010. Overall, the region continues to operate above the pre-recession revenues generated in 2007. Since 2007, the region has seen the number of gaming operations increase by 19 casinos and revenue increase by 10.7%, or $450.5 million.

- **Casino expansion continues in the St. Paul Region.** In Michigan, the Little River Band of Ottawa Indians began its first casino expansion project since 2007, while the tribe is also seeking approval to build a $180 million casino approximately 30 miles outside of Grand Rapids, Michigan. In Minnesota, the Shakopee Mdewakanton Sioux Community announced a 180 room hotel-tower expansion at its Mystic Lake Casino. Additional expansion efforts are underway by the Confederated Salish and Kootenai Tribes in Montana and the Menominee Tribe in Wisconsin.

- **Michigan's online lottery games create new competition for tribal nations.** In August 2014, the Michigan lottery began offering instant lottery games online. This move has created new competition for tribal nations and called into question the gaming exclusivity (outside of Detroit) provided to tribal nations under the current Michigan gaming compact. In July 2015, the Gun Lake Tribe suspended its revenue sharing payments, claiming the lottery games violated the gaming compact provisions.

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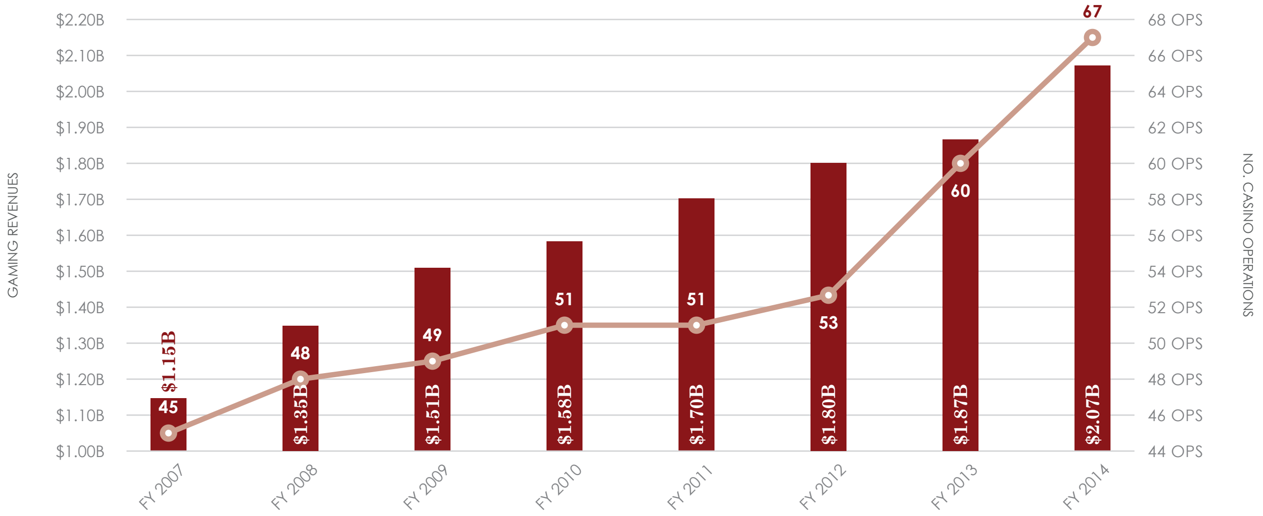
† *see statistical note on page 29*

OKLAHOMA CITY REGION[†]



$2.07B
GAMING REVENUE

▲ **11.0%**

$$$$$ **7.3%**
TRIBAL GAMING REVENUES
3.0% OF ALL 2014 GAMING REVENUES

6.8% THREE YEAR COMPOUND ANNUAL GROWTH RATE
6.5% FIVE YEAR COMPOUND ANNUAL GROWTH RATE

67 CASINO OPERATIONS

$30.91M
AVERAGE REVENUE PER CASINO

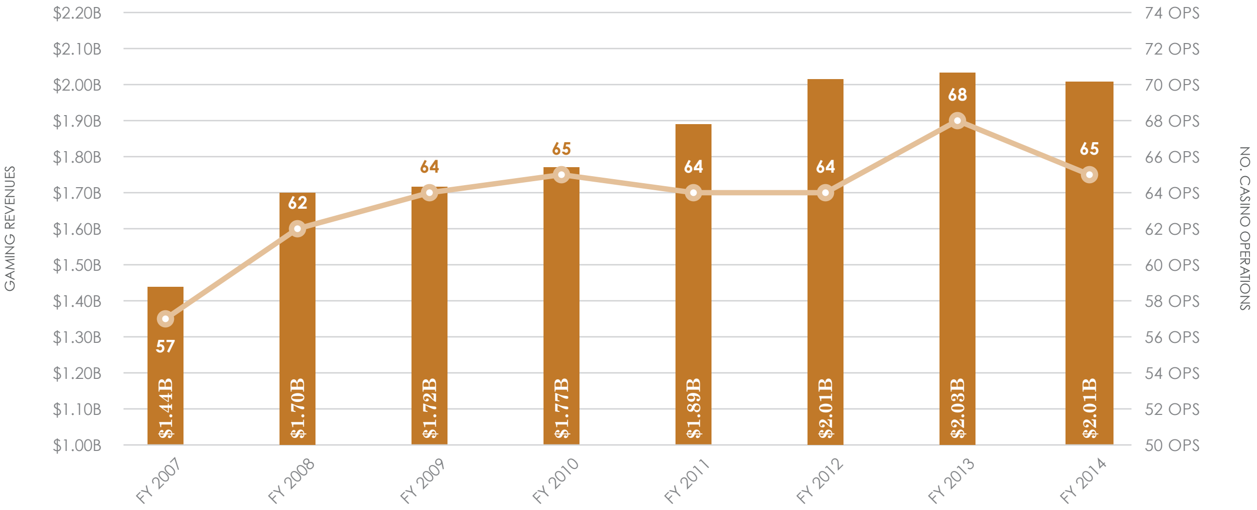
The Oklahoma City Region continues to be the fastest growing region in tribal gaming, as overall gaming revenues increased by 11.1% in 2014. The region has outpaced other regions four out of the last seven years. The growth in gaming revenues is attributed to market expansion, as the number of casinos has increased by 48.9% since 2007, a total increase of 22 casinos. While the growth for the Oklahoma City Region continues, the growth in 2014 marked a shift in gaming revenues across the State of Oklahoma, as the casinos within the neighboring Tulsa Region saw revenues decline.

- **Tribal nations partner for future casino developments.** In August 2015, the Shawnee and Chickasaw Nation announced their partnership in developing a new casino in Western Oklahoma. The casino development is in the initial phases, as the land targeted for development must first be placed into trust.

- **Oklahoma tribal nations generate more than $1 billion for education.** In an economic impact analysis, funded by the Oklahoma Indian Gaming Association, tribal nations in the Oklahoma City and Tulsa Regions have generated more than $1 billion for education since the state permitted Class III gaming in 2005. Under the current Oklahoma gaming compact, tribal nations share 4-6% of Class III gaming machine revenues and 10% of table game revenues.

[†] *see statistical note on page 29*

TULSA REGION†



$2.01B
GAMING REVENUE

-1.2% ▼

$$$$$ **7.1%**
TRIBAL GAMING REVENUES
2.9% OF ALL 2014 GAMING REVENUES

2.0% THREE YEAR COMPOUND ANNUAL GROWTH RATE
3.2% FIVE YEAR COMPOUND ANNUAL GROWTH RATE

65 CASINO OPERATIONS

$30.88M
AVERAGE REVENUE PER CASINO

In 2014, the Tulsa Region experienced a 1.2% decline in annual gaming revenues. The decline in annual revenues is a first for a region that has enjoyed rapid expansion and growth for more than a decade. The decline in the region's revenues also marks a shift in gaming activity within the State of Oklahoma. The casinos within the neighboring Oklahoma City Region enjoyed revenue growth of 11.1%. Since 2007, the Tulsa Region has seen annual gaming revenues increase by $569.1 million or 39.6%.

- **Amidst a year of declining revenues, expansion continues.** In May 2015, the Cherokee Nation completed the $80 million Cherokee Casino & Hotel in Roland, Oklahoma. Soon after the casino opening in Roland, the Cherokee Nation announced it will be constructing its tenth casino, to be built near Grand Lake. Additional expansion efforts are underway by the Muscogee Creek and Osage Nations. The Muscogee Creek are building a new 27-story hotel at its River Spirit Casino in South Tulsa, while the Osage Nation is evaluating a six-story hotel addition at its Osage Casino in North Tulsa.

- **Prairie Band Potawatomi Nations looks to expand outside the State of Kansas.** The nation is looking to build a Class II gaming facility on the ancestral Shab-eh-nay reservation located in Dekalb County, Illinois. If the land is successfully placed into trust, the tribe will be able to build a resort casino on the outskirts of the Chicago suburbs, marking the first tribal casino development in the State of Illinois.

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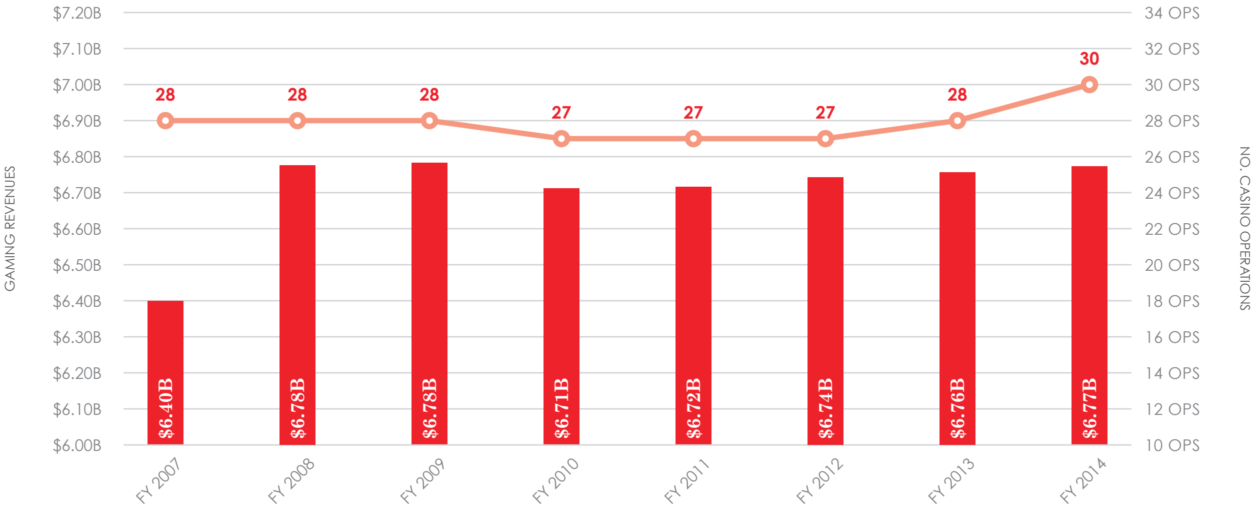
† *see statistical note on page 29*

WASHINGTON D.C. REGION†



$6.77B
GAMING REVENUE

▲ **0.2%**

$$$$$ 23.8%
TRIBAL GAMING REVENUES
9.8% OF ALL 2014 GAMING REVENUES

0.3% THREE YEAR COMPOUND ANNUAL GROWTH RATE
0.0% FIVE YEAR COMPOUND ANNUAL GROWTH RATE

30 CASINO OPERATIONS

$225.76M
AVERAGE REVENUE PER CASINO

The Washington D.C. Region continues to see gaming revenue remain relatively flat, as revenues increased by 0.2% in 2014. The region's overall gaming revenues have remained unchanged since the $6.8 billion peak established in 2009; however, the source of gaming revenues continues to shift across the region.

- **Competing tribal nations partner ahead of increased commercial gaming competition.** The Mohegan and Mashantucket Pequot nations have competed for decades, as they enjoyed gaming exclusivity in the New England states. However, with the emergence of commercial gaming and future Massachusetts expansion, the two tribes struck a partnership in 2015 to protect their gaming interests going forward. The tribes are looking to build a casino north of Hartford, Connecticut that would compete against the $800 million MGM casino development in Springfield, Massachusetts.

- **Gaming negotiations continue in Florida.** In 2015, the Seminole Nation successfully negotiated a new gaming compact with Florida Governor Rick Scott. Under the new compact terms, the state would be guaranteed $3 billion over a seven-year period, while the Seminole Nation would be permitted to offer craps and roulette and receive gaming exclusivity rights (outside Miami Dade and Broward Counties). While the deal is advantageous for both parties, state legislators debate the future of gaming in Florida as both anti-gaming and commercial gaming interests continue to influence the State's legislature.

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† see statistical note on page 29

NOTES, SOURCES & ACKNOWLEDGMENTS

Statistical Definitions

Gaming Revenue – For purposes of this report, the term gaming revenue is intended to be an all-encompassing term for the various definitions of gaming proceeds as defined by the individual regulatory authorities (e.g. AGR, AGP and Net Win) and should not be interpreted to equal the American Institute of Certified Public Accountants definition of revenue.

Commercial Gaming – Encompasses traditional brick-and-mortar casinos, racinos and slot parlors regulated by state gaming boards or state lotteries. Within this segment, the revenues reported include amounts generated from gaming machines, table games, poker and sport books. We have excluded revenues from pari-mutual racing activities.

- **Electronic Gaming Devices (EGDs)** – Includes both the traditional slot machines and video lottery terminals (VLTs) located inside a brick-and-mortar casino. VLTs differ from traditional slot machines, as they are connected to a network overseen by the respective state's lottery commission. The connection to the lottery commission's network does not impact the game performance or patron experience.

- **Table Games** – Defined as live table games that require casino personnel to conduct the game. Electronic table games are included in the electronic gaming machines. When reporting on table games revenue, we have included both house-banked (when a player bets against the casino) and player-banked (when the players bets against an opposing patron) games. For the win per table and table game hold statistics, we excluded player-banked games from the analysis.

iGaming – Includes Interactive Gaming, as defined under Nevada law, iGaming as reported by the Delaware Lottery and Internet Gaming as defined under New Jersey law.

Limited Stakes Gaming – Includes video gaming, video lottery terminals and limited gaming operations offered in restaurants, travel centers and taverns. The revenues exclude amounts generated from 'grey markets.'

Tribal Gaming – Includes Class II and Class III casinos built and regulated by tribal nations, operating in accordance with the Indian Gaming Regulatory Act (IGRA) or a tribal-state gaming compact.

Statistical Notes

Commercial Casinos – The 514 casinos noted in the *2015 Gaming Statistics* excluded Nevada casinos generating less than $1 million.

iGaming Operators – Caesar's Interactive operates in both NV and NJ.

Limited Stakes States – Revenues generated by Nevada's restricted licenses have been incorporated into Nevada's commercial gaming revenues. In 2015, the state had approximately 1,900 restricted license locations.

Large Casinos – Annualized revenues in excess of $100 million.

Louisiana – Casinos include riverboat and land-based operations. The latter are subject to a minimum tax of $60 million, regardless of revenues.

Tribal Gaming Regions – The data presented is limited to information made available through the NIGC's annual statistical release and represents data for the year ended December 31, 2014.

Sources

Colorado Department of Revenue – Division of Gaming

Delaware Lottery

Florida Division of Pari-Mutuel Wagering

Illinois Gaming Board

Indiana Gaming Commission

Iowa Racing & Gaming Commission

Kansas Racing & Gaming Commission

Louisiana Gaming Control Board

Maine Gambling Control Board

Maryland Lottery

Massachusetts Gaming Commission

Michigan Gaming Control Board

Mississippi Gaming Commission

Missouri Gaming Commission

Montana Department of Justice – Gambling Control Division

National Indian Gaming Commission

Nevada Gaming Control Board

New Jersey Gaming Control Board

New Mexico Gaming Control Board

New York Lottery

Ohio Casino Control Commission

Ohio Lottery

Oklahoma Horse Racing Commission

Oregon Lottery

Pennsylvania Gaming Control Board

Rhode Island Lottery

South Dakota Gaming Commission

South Dakota Lottery

West Virginia Lottery

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