

News



New Jersey
Office of the Attorney General

NEW JERSEY DEPARTMENT OF LAW & PUBLIC SAFETY

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DGE Announces 1st Quarter 2019 Results

For Immediate Release:

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ATLANTIC CITY —

Casino Licensees Financial Results:

According to financial reports filed with the Division of Gaming Enforcement (DGE), the casino licensees' Net Revenue increased 17.6% to \$704.6 million. Additionally, Gross Operating Profit for the industry decreased 29.6% for the quarter to \$87 million.

Third Party Business Sales:

Sales from third party businesses increased 39.3% to \$54.6 million for the three months ended March 2019.

Hotel Occupancy:

The occupancy rate in the industry's casino hotels for the three months ended March 2019 was 72.6%, which is 5.3 percentage points lower than the comparable period last year.

NJ Department of Law and Public Safety / Office of the Attorney General:

Divisions -- Alcoholic Beverage Control · Civil Rights · Consumer Affairs · Criminal Justice ·
Gaming Enforcement · Highway Traffic Safety · Law · State Police

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

Notes:

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

Additional information on Atlantic City tourism can be found on the Casino Reinvestment Development Authority's website at:
<http://www.atlanticcitynj.com/about/stats.aspx>

Reports filed by the individual casinos can be found at the Division's website at: <http://www.nj.gov/oag/ge/quarterlyfinancialrpt.html>

**ATLANTIC CITY CASINO INDUSTRY
STATEMENT OF INCOME STATISTICS
FOR THE QUARTER ENDED MARCH 31, 2019 AND 2018
(\$ in Thousands)**

	Net Revenue			Gross Operating Profit		
	2019	2018	Variance	2019	2018	Variance
Casino Hotel Licensees (a):						
Bally's AC	44,896	49,086	-8.5%	2,834	6,212	-54.4%
Borgata	184,630	192,441	-4.1%	39,707	45,128	-12.0%
Caesars	60,651	63,759	-4.9%	10,862	12,577	-13.6%
Golden Nugget	56,159	57,664	-2.6%	9,445	10,009	-5.6%
Hard Rock (c)	77,912	-	N/A	(6,139)	-	N/A
Harrah's	84,713	100,431	-15.7%	16,510	28,415	-41.9%
Ocean Resort (d)	57,086	-	N/A	(10,333)	-	N/A
Resorts Casino	38,680	36,317	6.5%	3,024	1,682	79.8%
Tropicana	80,253	84,535	-5.1%	16,546	17,474	-5.3%
Other Licensees (a) (b):						
CIENJ	10,510	7,679	36.9%	2,743	2,909	-5.7%
Resorts Digital	9,148	7,315	25.1%	1,846	(815)	326.5%
Industry Total	<u>\$ 704,638</u>	<u>\$ 599,227</u>	17.6%	<u>\$ 87,045</u>	<u>\$ 123,591</u>	-29.6%

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

(b) Caesars Interactive Entertainment NJ (CIENJ) operates under an Internet Gaming Permit issued to Caesars. As a separate reporting casino licensee, statistics are included in the table. CIENJ's revenue and GOP Resorts Digital operates under an Internet Gaming Permit issued to Resorts Casino. As a separate reporting casino licensee, Resorts Digital's revenue and GOP statistics are included in the table.

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

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

The notes contained in the Quarterly Press Release and the footnotes contained in the Quarterly Report are an integral part of each licensee's financial results. Valid comparisons cannot be made without using this information.

**ATLANTIC CITY CASINO INDUSTRY
HOTEL STATISTICS
FOR THE QUARTER ENDED MARCH 31, 2019**

CASINO	NUMBER OF GUEST ROOMS IN PROPERTY*	NUMBER OF AVAILABLE ROOM NIGHTS	NUMBER OF OCCUPIED ROOM NIGHTS	OCCUPANCY RATE	AVERAGE RATE PER OCCUPIED ROOM
Bally's AC	1,214	109,260	80,305	73.5%	\$108.77
Borgata	2,767	249,030	194,109	77.9%	164.16
Caesars	1,141	102,690	83,770	81.6%	122.24
Golden Nugget	717	64,530	41,118	63.7%	76.83
Hard Rock	1,971	177,390	106,269	59.9%	124.24
Harrah's	2,587	194,538	154,076	79.2%	114.58
Ocean Resort	1,399	125,910	83,167	66.1%	128.60
Resorts	942	84,780	60,522	71.4%	89.36
Tropicana	2,364	202,493	147,681	72.9%	126.38
INDUSTRY TOTAL	15,102	1,310,621	951,017	72.6%	\$125.78

* Number of guest rooms at end of quarter