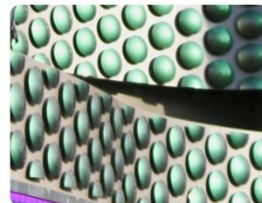


ECONOMIC IMPACT SERIES

BRIEF

DESTINATION DIVERSIFICATION: NON-GAMING VS. GAMING IMPACTS IN LAS VEGAS



Destination Diversification

Non-gaming vs. Gaming Impacts in Las Vegas

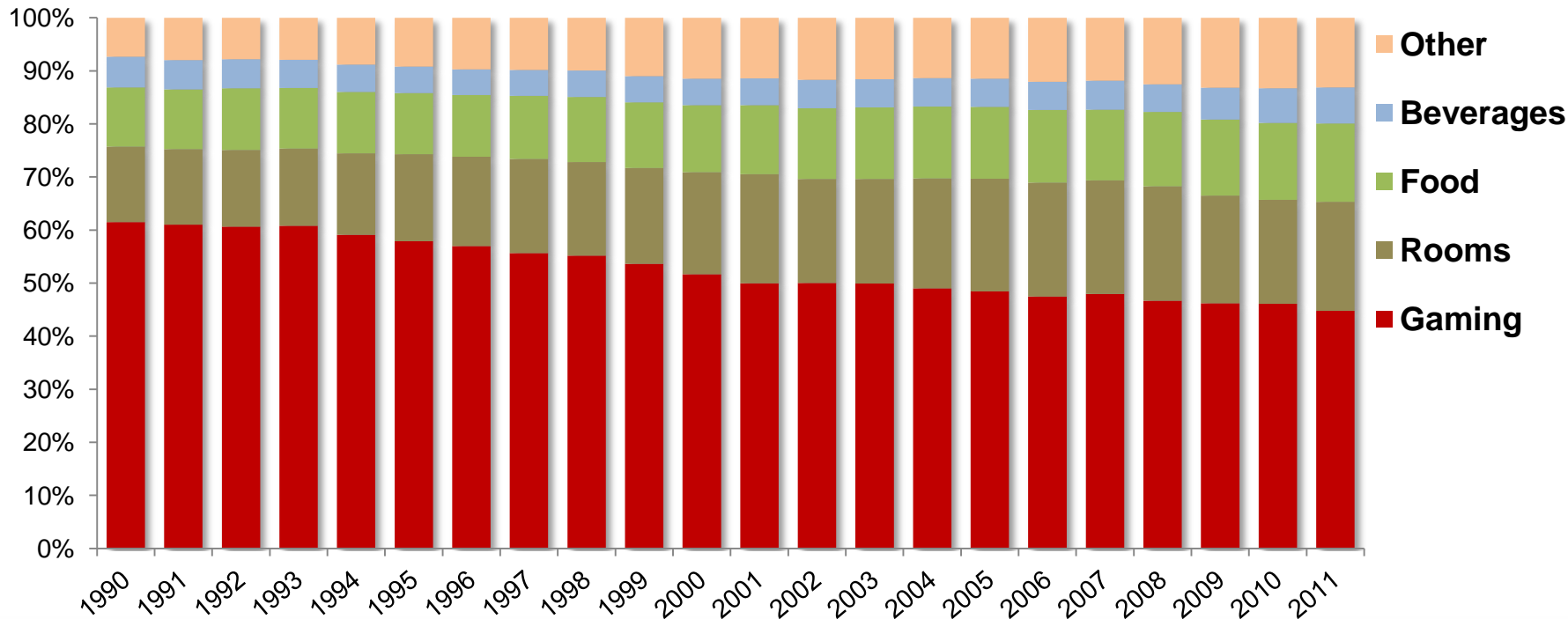
- **Historical revenue trends: non-gaming vs. gaming**
- **Market segment trend**
- **Expansions in dining and entertainment options**
- **Economic impacts sourced to non-gaming vs. gaming**

Southern Nevada: All Things to All Visitors



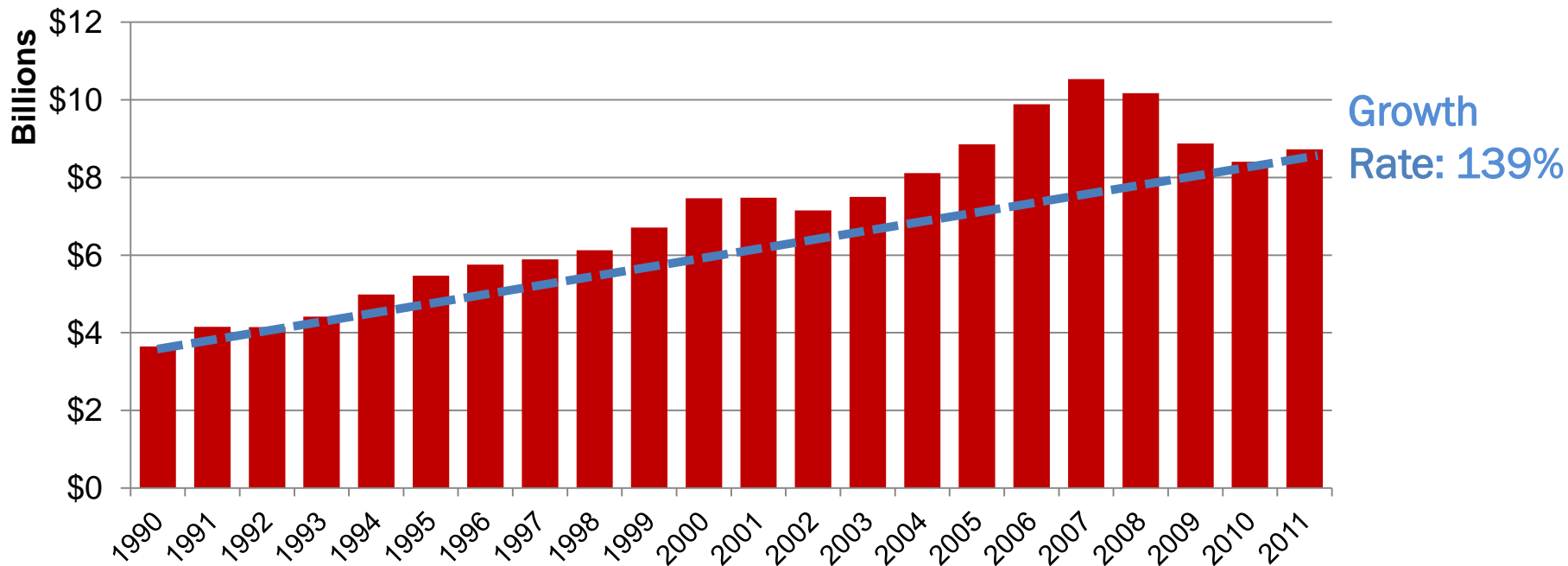
Historical Revenue Trend by Segment

Southern Nevada Gaming Operators (\$1 Million+ in Gaming Revenue)



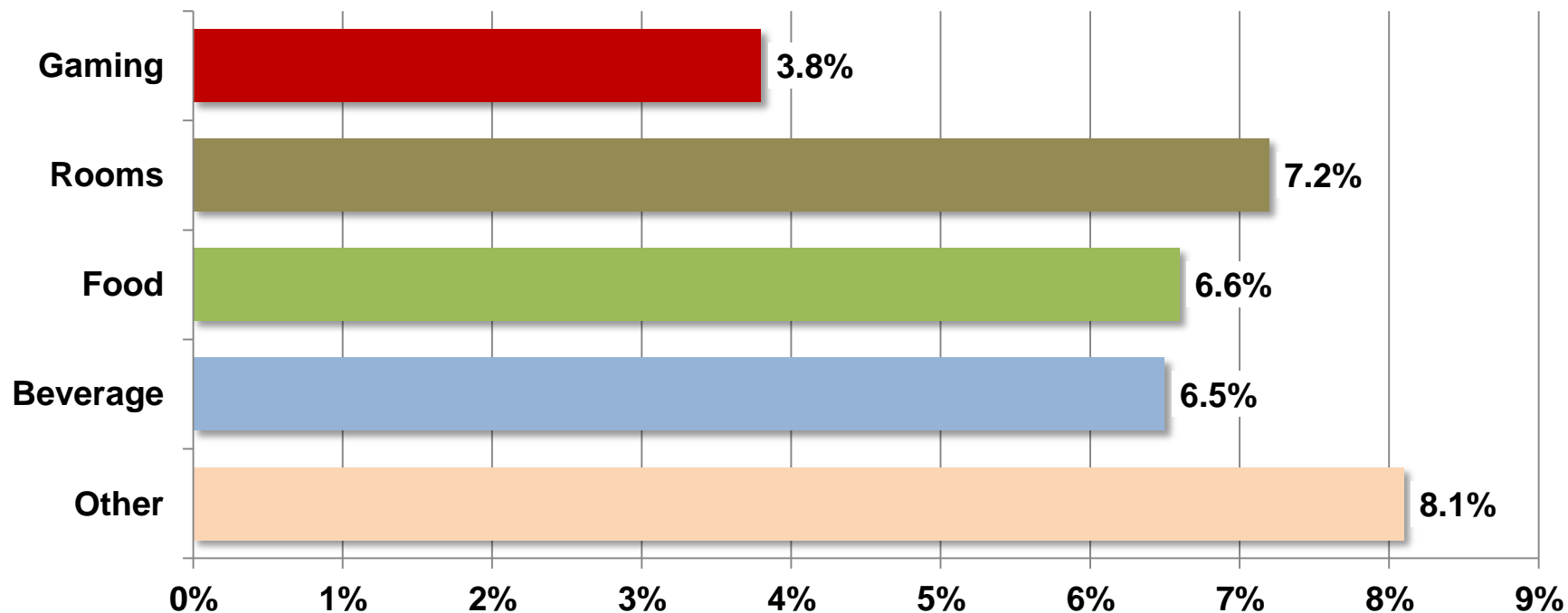
Growth in Gaming Revenue

Southern Nevada Gaming Operators (\$1 Million+ in Gaming Revenue)



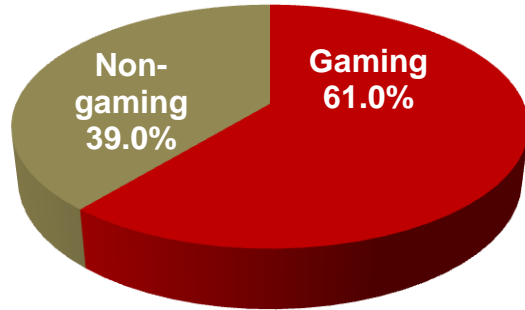
20-Year Compound Annual Growth Rate in Revenue

Southern Nevada Gaming Operators (\$1 Million+ in Gaming Revenue)

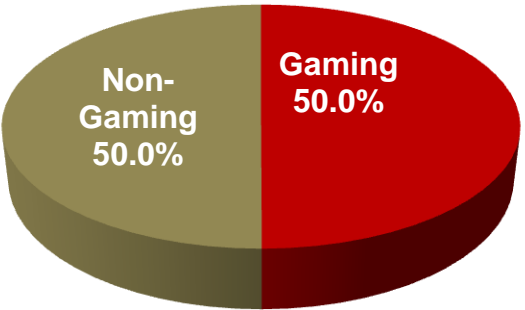


Historical Revenue Trend – Non-gaming vs. Gaming

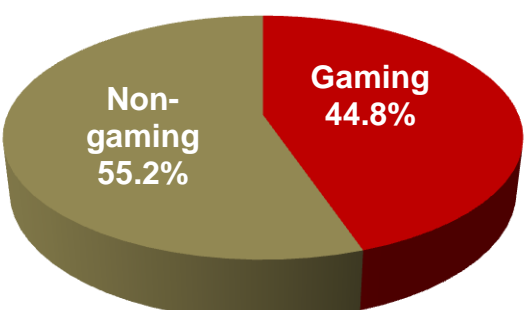
Southern Nevada Gaming Operators (\$1 Million+ in Gaming Revenue)



1991



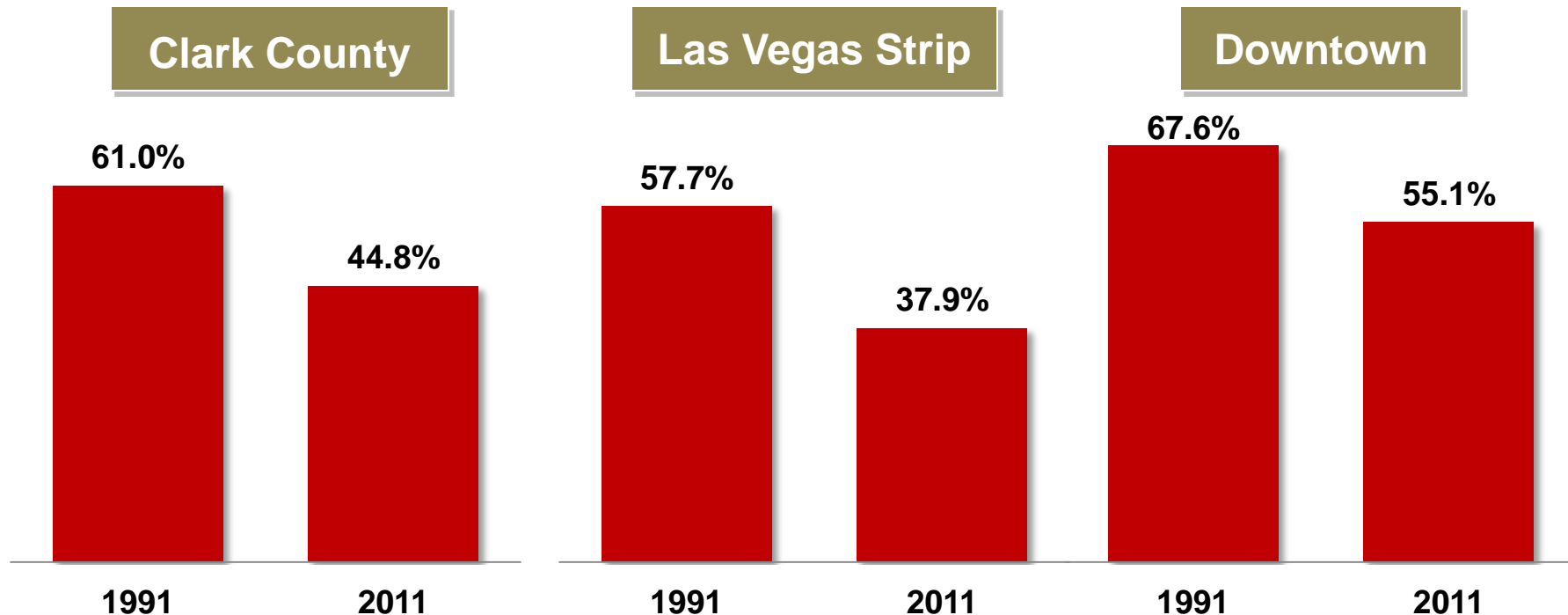
2001



2011

Gaming Revenue as Percent of Total – 1991 vs. 2011

Gaming Operators (\$1 Million+ in Gaming Revenue)



Beyond Gaming – Expansions in Dining Options



Nightclub & Bar - Top 100 (U.S.)

Based on Revenue

10

Lavo (New York City)

Nightclub & Bar - Top 100 (U.S.)

Based on Revenue

9



Nightclub & Bar - Top 100 (U.S.)

Based on Revenue

8



Nightclub & Bar - Top 100 (U.S.)

Based on Revenue

7



Nightclub & Bar - Top 100 (U.S.)

Based on Revenue

6



Nightclub & Bar - Top 100 (U.S.)

Based on Revenue

5

LIV (Miami Beach)

Nightclub & Bar - Top 100 (U.S.)

Based on Revenue

4

PURE
NIGHTCLUB

Nightclub & Bar - Top 100 (U.S.)

Based on Revenue

3 TAO[®]
ASIAN BISTRO & NIGHTCLUB

Nightclub & Bar - Top 100 (U.S.)

Based on Revenue

2



Nightclub & Bar - Top 100 (U.S.)

Based on Revenue

1

MARQUEE
NIGHTCLUB & DAYCLUB
AT THE COSMOPOLITAN

Nightclub & Bar Top 100

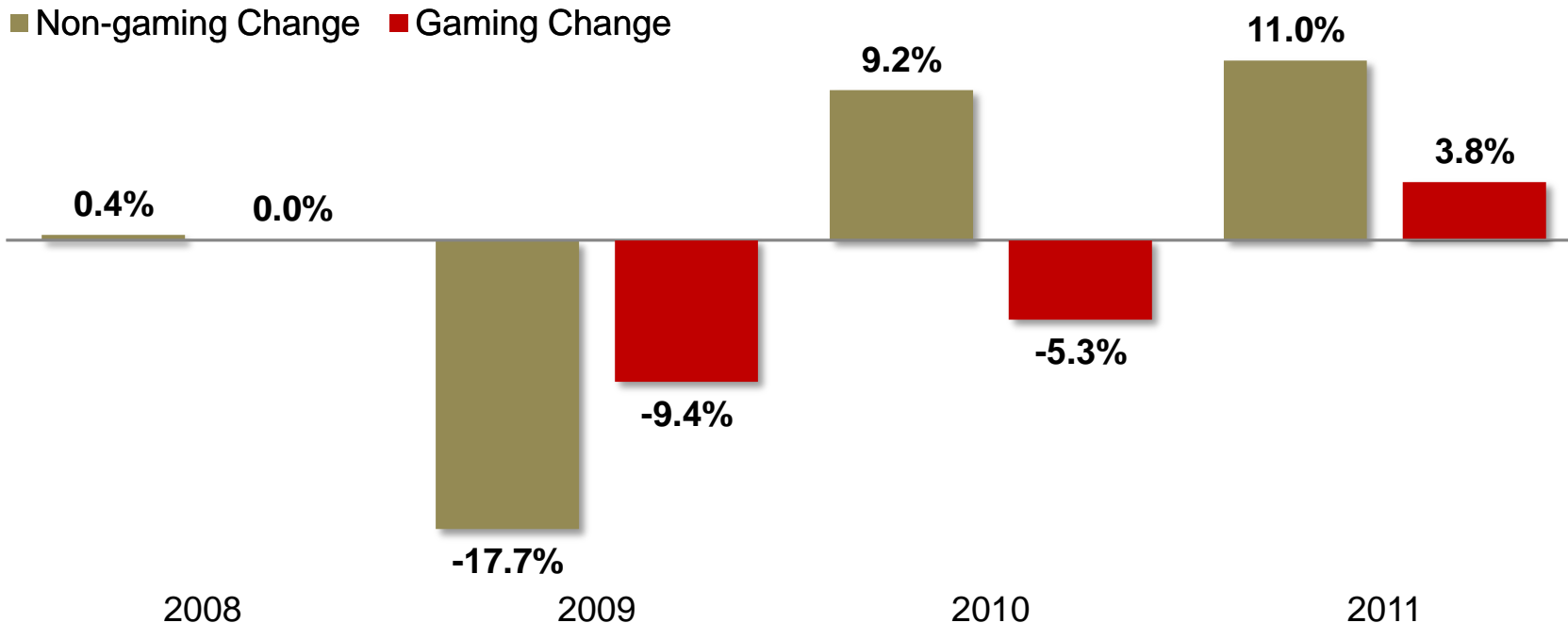
Based on Revenue

Rank	Name	Location	'11 Revenue
1	Marquee Nightclub	Las Vegas, NV	\$70-\$80M
2	XS Nightclub	Las Vegas, NV	\$60-\$70M
3	TAO Nightclub	Las Vegas, NV	\$60-\$70M
4	Pure Nightclub	Las Vegas, NV	\$45-\$60M
5	<i>LIV</i>	<i>Miami Beach, FL</i>	<i>\$35-\$45M</i>
6	LAX Nightclub	Las Vegas, NV	\$35-\$45M
7	HAZE Nightclub	Las Vegas, NV	\$35-\$45M
8	Surrender Nightclub	Las Vegas, NV	\$35-\$45M
9	The Bank Nightclub	Las Vegas, NV	\$25-\$35M
10	<i>LAVO Nightclub NYC</i>	<i>New York, NY</i>	<i>\$25-\$35M</i>

Rank	Name	Location	'11 Revenue
<i>Other Las Vegas Nightclubs in the Top 100...</i>			
12	LAVO LV	Las Vegas, NV	\$25-\$35M
13	Tryst Nightclub	Las Vegas, NV	\$25-\$35M
19	Vanity Nightclub	Las Vegas, NV	\$15-\$25M
20	ghOstbar	Las Vegas, NV	\$15-\$25M
21	Drai's Afterhours	Las Vegas, NV	\$15-\$25M
23	MOON Nightclub	Las Vegas, NV	\$10-\$15M
30	The Gold Lounge	Las Vegas, NV	\$10-\$15M
35	Playboy Club	Las Vegas, NV	\$10-\$15M
42	Rain Nightclub	Las Vegas, NV	\$10-\$15M
46	The Chandelier	Las Vegas, NV	\$10-\$15M
59	Studio 54	Las Vegas, NV	\$5-\$10M
60	Krave Nightclub	Las Vegas, NV	\$5-\$10M
67	Stoney's Rockin' Country	Las Vegas, NV	\$5-\$10M
81	Lagasse's Stadium	Las Vegas, NV	\$5-\$10M

Economic Impacts Sourced to Non-gaming vs. Gaming

Year-over-Year Change



The Bottom Line

- Southern Nevada has evolved into a destination that can attract a broad cross section of visitors.
- For southern Nevada gaming operators, revenue has shifted away from gaming, or from 61 percent of total in 1991 to 45 percent in 2011.
- Expansions in dining and entertainment offerings have buoyed non-gaming visitor spending. Currently, 8 of the top 10 nightclubs in the U.S. are in Las Vegas.
- As the destination diversifies, economic impacts sourced to non-gaming are increasing at a faster rate than impacts sourced to gaming.

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