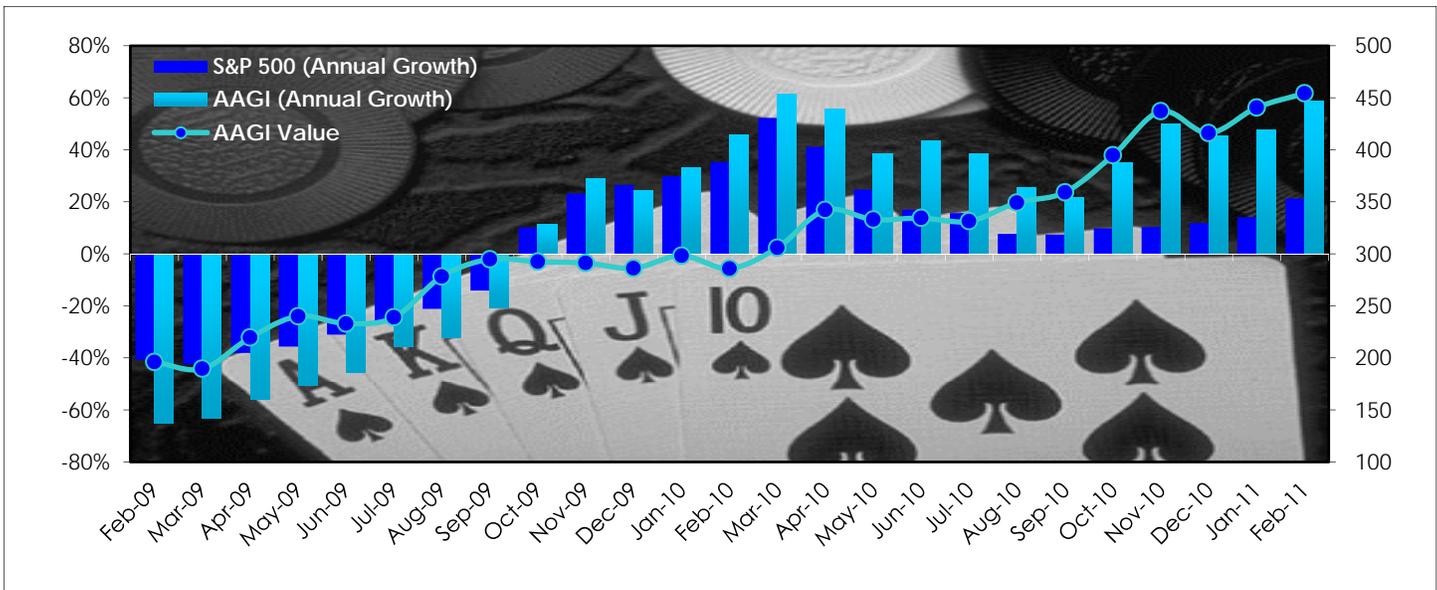


AAGI	Stock Price - Daily Average			Prior Period % Change	Prior Year % Change	Contribution to Index
	Feb-11	Jan-11	Feb-10			
MGM Resorts International (MGM)	\$14.84	\$15.60	\$10.99	(4.89) ▼	35.04 ▲	(0.97)
Las Vegas Sands (LVS)	\$47.20	\$47.14	\$16.38	0.12 ▲	188.08 ▲	0.54
Wynn Resorts, Ltd. (WYNN)	\$122.74	\$116.23	\$63.09	5.61 ▲	94.57 ▲	17.16
Boyd Gaming (BYD)	\$11.36	\$11.50	\$7.77	(1.25) ▼	46.17 ▲	(0.02)
Penn National Gaming, Inc. (PENN)	\$36.14	\$35.28	\$23.73	2.44 ▲	52.34 ▲	0.43
Pinnacle Entertainment, Inc. (PNK)	\$14.39	\$14.47	\$7.47	(0.54) ▼	92.62 ▲	(0.01)
Ameristar Casinos, Inc. (ASCA)	\$16.42	\$15.49	\$14.99	6.02 ▲	9.56 ▲	0.15
International Game Technology (IGT)	\$17.10	\$18.25	\$17.99	(6.29) ▼	(4.94) ▼	(1.05)
WMS Industries (WMS)	\$41.78	\$45.29	\$38.30	(7.75) ▼	9.09 ▲	(1.53)
Bally Technologies, Inc. (BYI)	\$39.43	\$42.19	\$40.08	(6.53) ▼	(1.62) ▼	(1.04)
Increase (Decrease) to Index						13.66
AAGI - January 2011						440.50
<b>AAGI - February 2011</b>						<b>454.16</b>

During the month of February 2011, the gaming sector continued to report increased investor demand as the Applied Analysis Gaming Index (AAGI) edged north 3.1 percent, or 13.66 points, reaching a composite value of 454.16. Compared to the same month of the prior year the AAGI jumped 58.8 percent. While the latest monthly movement was on par with broader equities markets, including the S&P 500 that rose 3.0 percent during the same timeframe, on an annual basis the gaming sector far outpaced broader equities. During the past 12 months the S&P 500 climbed a respectable 21.3 percent, yet this was only a fraction of the 58.8-percent growth experienced by gamers. The latest monthly gain was driven by improvements of gaming operators (+17.29 points), while performances of gaming equipment manufacturers continued to trend in an opposite direction (-3.63 points). It is also worth noting the AAGI reached its highest value since the mid-2008 timeframe. Fourth quarter earnings reports released during the month provided increased visibility for both Las Vegas operations and international markets. The following highlights financial performance released during February.

- Wynn Resorts (WYNN)** – WYNN reported net revenue of \$1.2 billion in the fourth quarter of 2010 compared to \$0.8 billion in the same quarter last year, with strong results in both Macau and Las Vegas contributing to the increase. The current year results also include Encore at Wynn Macau, which opened April 1, 2010. Including the newly opened Encore, fourth quarter revenue and EBITDA were up 79.4 percent and 108.9 percent, respectively, in Macau. Average daily room rate (ADR) increased from \$271 to \$303 for the same period, and occupancy increased from 90.6 percent to 92.3 percent for the company's Macau operations. In Las Vegas, revenue and EBITDA were up 8.0 percent and 25.0 percent, respectively; ADR rose from \$219 in the fourth quarter of 2009 to \$235 in the latest quarter, while occupancy rose 0.8 percentage points to 81.8 percent. On the expansion front, the company hopes to begin groundwork on its planned third Macau resort in the Cotai area as early as March 2011. Chairman and chief executive officer Steve Wynn also said he has changed his mind about not investing in any more U.S. projects due to what he believed were uncertain and unfavorable fiscal conditions, but he did not announce any specific future projects.



- Las Vegas Sands (LVS)** – The latest quarterly results for international gaming operator LVS continued to break revenue and EBITDA records for the company as properties in Macau and Singapore turned in strong results once again. The company reported net revenue of \$2.02 billion, a record for LVS and an increase of 56.9 percent compared to the \$1.28 billion reported in the same quarter last year. In Singapore, the Marina Bay Sands, in its second full quarter of operations, again generated the highest quarterly adjusted property EBITDA (\$305.8 million) and EBITDA margin (54.6 percent) from any single property in the history of the company. Due to strong demand for “MICE” (meetings, incentives, conventions and exhibitions) space in the Singapore complex, LVS has announced that it will bid for any additional land that the Singapore government puts up for auction that would be suitable for expansion. Also on the growth front, the company recently announced plans to build a \$20-billion miniature Las Vegas Strip in either Madrid or Barcelona, Spain. However, materialization of “Euro Vegas” would require land concessions from the government and quick approval of building plans. Meanwhile, for the company’s operations in Las Vegas, Nevada, net revenue was up 16.5 percent to \$310.6 million for the quarter compared to last year due to increased sales in the food, beverage, and retail segments; adjusted property EBITDA rose 41.7 percent to \$80.6 million and EBITDA margin increased 4.6 percentage points to 25.9 percent.
- MGM Resorts International (MGM)** – MGM narrowed its net loss in the final quarter of 2010 to \$139.2 million or \$0.29 per share, an improvement from a loss of \$433.9 million or \$0.98 per share in the same quarter last year. MGM Macau, which is 50 percent owned by the company, reported record results in terms of operating income during the quarter. Companywide, net revenue increased one percent to \$1.5 billion for the fourth quarter of 2010 compared to the prior year quarter; excluding reimbursed costs mainly related to the company’s management of CityCenter, net revenue decreased one percent. The company notes that it has made significant improvements in its balance sheet during the past year through capital raises and the extension of debt maturities at MGM Resorts, MGM Macau and CityCenter. In early 2011, the company rolled out its new customer loyalty program, M life, which allows guests to accumulate points not only on gambling but on total resort stay.
- Caesars Entertainment** – In its first quarterly earnings conference call in years, Caesars Entertainment (formerly Harrah’s Entertainment) reported same store net revenue growth in the Las Vegas region of 0.9 percent in the fourth quarter of 2010 compared to the same quarter last year. Including Planet Hollywood, which was acquired in the first quarter of 2010, fourth quarter revenues increased 11.9 percent year-over-year for the company’s nine Las Vegas region properties. Companywide, quarterly net revenues increased 1.0 percent to \$2.1 billion and adjusted EBITDA rose 5.1 percent to \$439.9 million. However, the company reported a net loss of \$194.0 million for the latest quarter due to declining operating income and increased impairment charges, compared to net income of \$298.3 million in the same quarter prior year. Caesars Entertainment remains a privately held company, but management indicated they would continue to monitor market opportunities as it relates to a potential public offering.

Industry news released during the month indicated that recovery in the sector, specifically in the Las Vegas market, will take time. In Clark County, gross gaming win declined 2.6 percent in December 2010 compared to the same month last year, according to data released by the Nevada Gaming Control Board. Establishments on the Las Vegas Strip, which comprise approximately 60 percent of statewide gaming win, reported monthly revenues only 0.3-percent below the prior year. For the entirety of calendar year 2010, gross gaming revenue county-wide is up approximately 0.8 percent year-over-year. Gaming win on the Las Vegas Strip is up 4.1 percent for the latest 12 months. Visitor statistics in Las Vegas fared slightly better, suggesting spend per visitor remains relatively weak. According to the Las Vegas Convention and Visitors Authority (LVCVA), visitor volume increased for the tenth consecutive month in December 2010. As room inventory held constant despite some fluctuation during the year, climbing visitor numbers positively impacted occupancy rates, which increased from 71.3 percent citywide in December 2009 to 72.4 percent in the latest month. Visitor volume is up 2.7 percent for the year as the region welcomed 37.3 million visitors compared to 36.4 million in the prior year. The average daily room rate for the entirety of 2010 was \$94.91, up 2.0 percent from 2009. Also for the year, total air passengers declined 1.8 percent while average daily automobile traffic at the Nevada/California border on I-15 increased 2.6 percent.

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## What is the AAGI?

The Applied Analysis team updates over 300 market variables and economic indicators on a monthly basis. One set of those indicators is the stock prices and market capitalization for publicly traded, gaming-related enterprises. To meet the needs of our clients and provide some insight into the gaming sector of our local economy, our team has developed the Applied Analysis Gaming Index (AAGI). The AAGI is a monthly gauge on equity valuations of ten major gaming related companies, comprised of seven operators and three manufacturers of machines and equipment.

## Who is Applied Analysis?

Applied Analysis is a Nevada-based advisory services firm founded in 1997. We are an information and analysis resource for both the public and private sectors. Our team has extensive experience in economics, information technology and finance. We apply this knowledge in an effort to develop creative solutions to our client's challenges.

Our team has performed analyses in Nevada, California, Mississippi, Colorado and Illinois. We have serviced a broad spectrum of business clients, from gaming operators to healthcare providers. Our public sector practice has analyzed the fiscal and economic impact of developments from five to 23,000 acres, and handled policy issues spanning business tax initiatives to the cost of air quality programs.

Our vision and goals have been the same since our inception. We strive to provide superior advisory services through a better understanding of our clients and their issues. We obtain this superior understanding through listening closely to our clients' needs and designing solutions that take into account their unique nature, circumstances and requirements.

**To put it simply, we are a solutions resource. Our future is branded by the success of our clients and the quality of our professionals. Our commitment lies therein.**

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To obtain further information about our gaming and tourism market data and our full range of consultation services, including market analysis, urban economic consulting, financial advisory services, information technology and information systems consulting, public policy analysis, and hospitality and gaming consulting, please contact us directly.

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