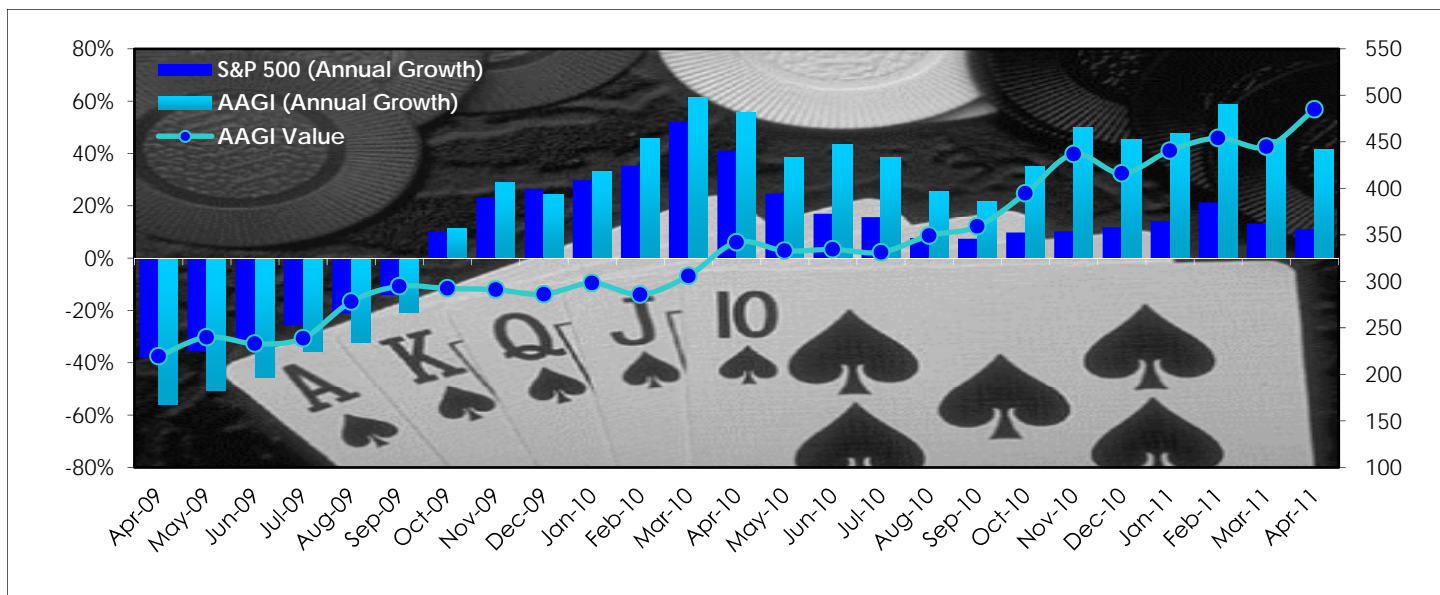


AAGI	Stock Price - Daily Average			Prior Period % Change	Prior Year % Change	Contribution to Index
	Apr-11	Mar-11	Apr-10			
MGM Resorts International (MGM)	\$13.26	\$13.08	\$14.88	1.41 ▲	(10.91) ▼	(0.38)
Las Vegas Sands (LVS)	\$45.11	\$40.86	\$24.08	10.40 ▲	87.36 ▲	14.35
Wynn Resorts, Ltd. (WYNN)	\$139.00	\$124.21	\$86.34	11.91 ▲	60.99 ▲	28.32
Boyd Gaming (BYD)	\$9.10	\$9.50	\$11.72	(4.24) ▼	(22.37) ▼	(0.11)
Penn National Gaming, Inc. (PENN)	\$38.33	\$35.70	\$29.71	7.39 ▲	29.02 ▲	0.62
Pinnacle Entertainment, Inc. (PNK)	\$13.56	\$12.81	\$11.79	5.87 ▲	15.02 ▲	0.03
Ameristar Casinos, Inc. (ASCA)	\$18.99	\$16.97	\$18.37	11.90 ▲	3.38 ▲	0.25
International Game Technology (IGT)	\$16.47	\$16.17	\$19.89	1.88 ▲	(17.19) ▼	(0.29)
WMS Industries (WMS)	\$33.41	\$36.50	\$46.49	(8.47) ▼	(28.15) ▼	(1.61)
Bally Technologies, Inc. (BYI)	\$37.99	\$36.14	\$42.81	5.13 ▲	(11.26) ▼	0.14
Increase (Decrease) to Index						41.31
AAGI - March 2011						444.61
<b>AAGI - April 2011</b>						<b>485.92</b>

The majority of gaming operators and equipment manufacturers comprising the Applied Analysis Gaming Index (AAGI) posted positive performances during the latest reporting period following a month of aggregate decline in March 2011. By the close of April 2011, the AAGI reported a composite score of 485.92 points, which represented a 9.3-percent gain from the preceding month (March) and a more substantial rise (+42.1 percent) from the same month of the prior year. Double-digit stock price gains by two Macau operators (WYNN and LVS) boosted the monthly index. The latest gaming sector activity outpaced the broader market as the S&P 500 (when computed on a similar basis) rose a more modest 2.1 percent during the past month and 11.2 percent over the prior year.

Earnings report season began in April as selected operators and equipment makers released first quarter earnings statements. Despite somewhat mixed performances in April, expectations for gaming operators that have yet to release earnings remain high. Wynn Resorts, Ltd. posted impressive revenue gains across the board as its Macau operations jumped by 46.6 percent and its Vegas operations climbed 24.0 percent. Adjusted property EBITDA for the multi-locational operator surged from \$241.9 million to \$405.0 million (+67.4 percent) – Macau EBITDA jumped 50.2 percent and Vegas EBITDA was up 119.1 percent. It is worth noting the Macau results include the addition of 414 rooms and villas with the opening of Encore on April 21, 2010. In Las Vegas, revenue per available room (RevPAR) improved from \$181 to \$211 (+16.6 percent) while table games win percent exceeded 30 percent during quarter (well above expectation and the prior year) primarily sourced to a successful Chinese New Year.

International Gaming Technology (IGT) reported fiscal 2011 second quarter results during the month. Total revenue increased 1.1 percent, or from \$486.8 million in the prior year quarter to \$492.3 million. The company reported a 3.9-percent increase in product sales, mainly sourced to an increase in unit sales in North America compared to the prior year. Sequentially, North America unit sales grew 12 percent, while international unit sales grew 5 percent (compared to the immediately preceding quarter). In its earnings release, IGT increased fiscal year 2011 guidance for adjusted earnings from continuing operations to a range of \$0.84 to \$0.90 per share, which was consistent with analyst expectations. Late in the month, the company announced it had entered into an exclusive agreement to supply several thousand video lottery terminals to an operator in the Caribbean and Latin America.



Gaming manufacturer WMS Industries (WMS) reported preliminary fiscal 2011 third quarter results in early April that were confirmed later in the month. Quarterly revenues declined 2.4 percent compared to the prior year quarter, or from \$197.5 million to \$192.7 million. The company attributed the decline primarily to a 3.0-percent reduction in product sales revenues, which was reflective of lower-than-expected global new unit demand. Management also noted that certain unit shipments expected to be fulfilled during the quarter were delayed to the subsequent quarter, while other products experienced delays in the commercialization process. Fewer new major casino openings and continued constrained capital expenditures by the company's customers contributed to the challenging quarter. The company's stock nosedived immediately after management's release and commentary but gained some ground back in the second half of the month.

While pending its first quarter results (due out on May 4, 2011), MGM Resorts International (MGM) made a few announcements during the month that may play a role for the international hospitality company going forward. In mid-April 2011, MGM entered into agreements with Ms. Pansy Ho that will allow for the company to obtain 51-percent ownership and management control of MGM China upon consummation of its initial public offering. MGM announced late in the month that the Hong Kong Stock Exchange has issued a comment letter as part of its ongoing review process. While these types of inquiries are not uncommon, MGM is required to furnish additional information which may or may not impact the viability and/or timing of the Macau IPO. Unrelated and also during the month, MGM Resorts announced the resignation of Kirk Kerkorian from full-time board responsibilities; he has been named Director Emeritus. Kerkorian is expected to continue as a senior advisor to the company, but his board voting rights will not be retained.

A few key indicators continue to suggest increased stability for the leisure sector is possible, particularly in Las Vegas – visitor volume data has been tracking positively while national consumer confidence levels have come off the floor. According to the latest data released by the Las Vegas Convention and Visitors Authority (LVCVA), visitor volume showed modest improvement over the prior year, contributing to 12 consecutive months of year-over-year increases. In February, Las Vegas greeted nearly 2.9 million visitors, an increase of 1.0 percent compared to the same month last year. While the increase is small compared to other recent months, this is the first time the month of February has reported an annual increase since 2008. While convention attendance remains down from the same period last year (-11.5 percent), visitor volume during the month was assisted with an increase in airport passengers (+2.4 percent) and auto traffic from the Nevada-California border (+1.4 percent). In conjunction with increases in visitor volume, the citywide average daily room rate continues to make small gains, reporting a 1.3-percent increase over the previous year, to an average rate of \$98.49 per night. Improvements in the average daily room rate have been modest; yet, they have now risen on a year-over-year basis for 12 consecutive months. This suggests casino-hotels are beginning to look at retracting discounts witnessed during the latest recession, as visitor demand rises.

After facing a sharp decline in March 2011, the Conference Board's Consumer Confidence Index increased 1.6 points to 65.4 in April. Consumers' short-term outlook improved slightly as concerns about inflation lessened, resulting in an increase in the Expectations Index from 81.3 to 82.6. This suggests that consumers are becoming less uncertain than they were in the previous month. Meanwhile, consumers' feelings on current economic conditions improved for the seventh straight month, with an increase in the Present Situation Index from 37.5 to 39.6 in April. Consumers also had a slightly better view of the business market in the past month. There was a decline in the number of consumers who felt jobs were "hard to get" in the current market from 44.4 percent in March to 41.8 percent in April. In addition, 5.2 percent of consumers said jobs in the current market were "plentiful", which is a 0.6 percentage-point increase from the 4.6 percent who felt the same in March. However, there is still a bit of uncertainty about how much the labor market will improve in the next six months. While the number of consumers who felt there would be fewer jobs declined from 20.5 percent to 19.0 percent, those that thought there would be more job creation also declined from 19.6 percent to 17.5 percent.



## 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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