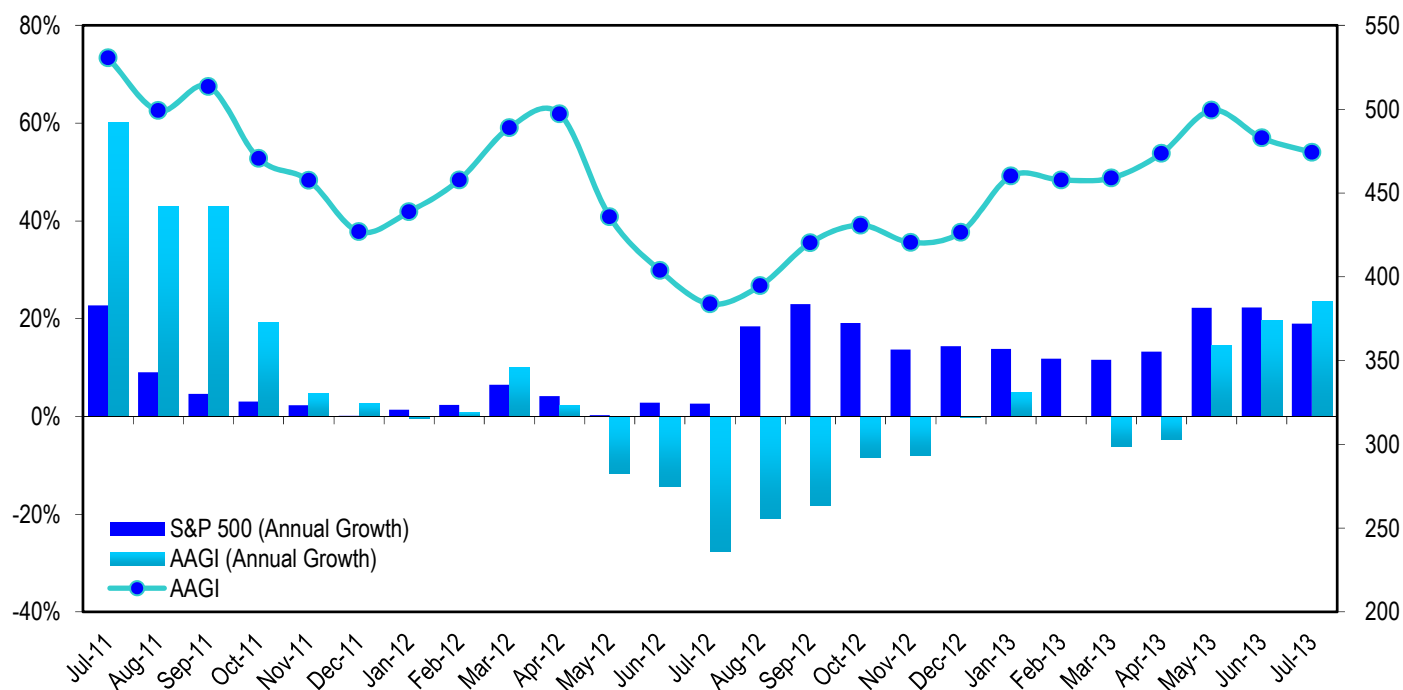


AAGI		Stock Price - Daily Average			Prior Period % Change	Prior Year % Change	Contribution to Index
		Jul-13	Jun-13	Jul-12			
Operators	Ameristar Casinos, Inc. (ASCA)	\$26.43	\$26.28	\$17.37	0.59 ▲	52.19 ▲	0.01
	Boyd Gaming (BYD)	\$11.67	\$11.69	\$6.61	(0.19) ▼	76.66 ▲	(0.01)
	Caesars Entertainment (CZR)	\$15.42	\$13.39	\$9.35	15.18 ▲	64.86 ▲	0.52
	Las Vegas Sands (LVS)	\$54.37	\$55.21	\$39.93	(1.52) ▼	36.15 ▲	(6.65)
	MGM Resorts International (MGM)	\$15.70	\$14.61	\$10.03	7.48 ▲	56.44 ▲	1.13
	Penn National Gaming, Inc. (PENN)	\$51.98	\$53.59	\$41.92	(3.00) ▼	24.00 ▲	(1.06)
	Pinnacle Entertainment, Inc. (PNK)	\$20.37	\$19.05	\$9.50	6.91 ▲	114.48 ▲	0.21
	Wynn Resorts, Ltd. (WYNN)	\$130.36	\$133.57	\$97.33	(2.40) ▼	33.93 ▲	(7.02)
Manufacturers	Bally Technologies, Inc. (BYI)	\$64.87	\$56.30	\$45.85	15.23 ▲	41.50 ▲	3.06
	International Game Technology (IGT)	\$18.05	\$17.01	\$14.52	6.08 ▲	24.29 ▲	0.64
	SHFL Entertainment (SHFL)	\$20.71	\$17.77	\$14.97	16.54 ▲	38.32 ▲	0.45
	WMS Industries (WMS)	\$25.70	\$25.48	\$19.59	0.86 ▲	31.21 ▲	0.03
Composite	Increase (Decrease) to Index						(8.69)
	AAGI - June 2013						482.87
	AAGI - July 2013						474.18

**G**aming stocks declined for the second consecutive month in July of 2013. The operators included in the Applied Analysis Gaming Index (AAGI) reported mixed results when compared to the prior month, while all of the gaming manufacturers witnessed month-to-month gains. The broader market performed slightly better during the month, with relatively no change in closing price. In July of 2013, the AAGI fell to 474.18, down 1.8 percent from the prior month. Compared to a year ago, the index reported an increase for the third consecutive month, rising 23.5 percent.

Four companies included in the AAGI reported month-to-month declines in average daily stock price. Penn National Gaming (PENN) witnessed the greatest decline, falling 3.0 percent. Meanwhile, Wynn Resorts (WYNN) fell by 2.4 percent, Las Vegas Sands (LVS) fell by 1.5 percent and Boyd Gaming (BYD) fell by 0.2 percent. SHFL Entertainment (SHFL) witnessed the greatest increase in average daily stock price when compared to the prior month, rising 16.5 percent. Bally Technologies (BYI) and Caesars Entertainment (CZR) were both up by about 15.2 percent. The S&P 500, when computed on a similar basis, remained relatively flat from the prior month. Compared to a year ago, the broader market increased 19.0 percent.



Selected earnings reports during the past month included the following, with particular attention centered around recent Las Vegas operating performances:

- International Game Technology (IGT)** – International Game Technology reported an 8.7-percent increase in net revenues during the company’s fiscal third quarter of 2013, rising from \$532.8 million to \$579.0 million. The latest performance is largely attributable to gains in product sales and interactive revenues, which were offset by a decline in gaming operations revenues. Product sales revenues increased 11.9 percent to \$259.2 million. Although the average machine sales price fell 2.9 percent to \$13,300, the number of units recognized increased 15.5 percent to 13,400, primarily due to an increase in North American units. Interactive revenues more than doubled compared to a year ago, rising to \$72.5 million, primarily due to a 60-percent increase in bookings per daily active user. Despite gains in product sales and interactive revenues, gaming operations revenues declined 4.2 percent to \$247.3 million. Average revenue per unit per day fell 4.5 percent to \$47.96.
- Penn National Gaming (PENN)** – During the second quarter of 2013, Penn National Gaming reported net revenues of \$761.4 million, up 6.8 percent from the prior year period. Adjusted EBITDA reported a substantial 11.4-percent increase, rising to \$211.4 million. The company reported a 7.1-percent increase in gaming revenues during the quarter, which rose from \$634.8 million to \$679.8 million. Food, beverage and other revenues witnessed a more substantial increase, rising 10.1 percent to \$121.0 million. The East/West segment, which includes M Resort in Las Vegas, was the only segment to report a decline in net revenues and adjusted EBITDA in the second quarter. Net revenues fell 9.1 percent to \$317.1 million, while adjusted EBITDA fell 3.3 percent to \$95.1 million.
- Las Vegas Sands (LVS)** – Top-line revenue growth in the Las Vegas market for LVS was important. The Venetian Las Vegas and the Palazzo reported net revenues of \$345.7 million in the second quarter of 2013, representing an increase of 5.6 percent when compared to the prior year period. Adjusted EBITDA declined 2.2 percent to \$63.0 million, while EBITDA margin fell to 18.2 percent. Food and beverage was the only revenue source to report a year-over-year decline during the quarter, falling 2.2 percent to \$65.7 million. Casino revenues increased 11.1 percent to \$105.1 million, while convention, retail and other revenues rose 4.7 percent to \$75.7 million. Room revenues were \$120.6 during the period, up 6.9 percent from the prior year. Although average daily room rate (“ADR”) was flat at \$205, the occupancy rate increased 5.4 points to 91.6 percent, resulting in a 6.8-percent increase in revenue per available room (“RevPAR”).

During the quarter, Las Vegas Sands repurchased approximately \$46.5 million of common stock. In addition, the company paid a recurring quarterly dividend of \$0.35 per share, up 40 percent compared to the prior quarter.

- **Pinnacle Entertainment (PNK)** – Net revenues for Pinnacle Entertainment increased 5.7 percent to \$315.3 million in the second quarter of 2013, while adjusted EBITDA declined 0.7 percent to \$72.7 million. As a result, adjusted EBITDA margin fell 1.5 percentage points to 23.0 percent. The company notes that the latest adjusted EBITDA performance was negatively affected by an unusually low gaming hold percentage. Lodging was the only revenue source to report an annual decline during the period, falling 2.4 percent to \$10.8 million. Gaming revenues reported the greatest increase, rising 6.2 percent to \$271.9 million. Meanwhile, retail, entertainment and other revenues increased 5.6 percent to \$12.3 million, while food and beverage revenues increased 3.6 percent to \$20.4 million.

In July, Pinnacle Entertainment gained approval from Missouri gaming regulators for its proposed acquisition of Ameristar Casinos (ASCA). In addition, the company announced that it would be selling the Lake Charles, Louisiana development project to the owners of Golden Nugget. The sale was part of an agreement reached with the Federal Trade Commission to avoid any antitrust issues surrounding the merger.

- **Ameristar Casinos (ASCA)** – Ameristar Casinos reported net revenues of \$291.3 million in the second quarter of 2013, down 1.7 percent from the prior year period. All of the company's major revenue sources witnessed annual declines during the quarter. Casino revenues fell 1.9 percent to \$297.7 million, while room revenues fell 1.5 percent to \$19.2 million. Food and beverage revenues witnessed the greatest year-over-year decline, falling 4.2 percent to \$31.9 million. The majority of the company's properties reported annual declines in net revenues, but Jackpot, Nevada witnessed a 3.9-percent increase, rising to \$14.8 million.

Ameristar reported adjusted EBITDA of \$91.9 million in the second quarter, up 1.9 percent from last year. EBITDA margin increased 1.1 percentage points to 31.5 percent. Four of the company's properties reported annual increases in adjusted EBITDA, including Jackpot, which increased 18.1 percent to \$4.8 million. Meanwhile, all of the properties witnessed increases in EBITDA margin, with Jackpot rising 3.9 percentage points to 32.4 percent.

- **Caesars Entertainment (CZR)** – Caesars Entertainment's Las Vegas properties witnessed a 4.5-percent annual decline in net revenues during the second quarter of 2013 to \$745.9 million, while property EBITDA fell 1.8 percent to \$210.6 million. Food and beverage revenues reported an 8.9-percent increase compared to the prior year, due to new restaurant offerings that include Bacchanal Buffet and Nobu at Caesars Palace and Gordon Ramsey-branded restaurants at Caesars Palace, Paris and Planet Hollywood. Hotel revenues increased 6.3 percent during the quarter, primarily due to the implementation of resort fees, which led to a 10.3-percent increase in ADR. The increase was partially offset by a 1.3-percentage point decline in occupancy rate. Despite the increases in food and beverage and hotel revenues, casino revenues fell 15.5 percent during the quarter. The company continues to make significant progress on The LINQ and High Roller Wheel as well as the transformation of Bill's Gamblin' Hall into the forthcoming Gansevoort Las Vegas.
- **Wynn Resorts (WYNN)** – Wynn Resorts reported a 16.2-percent increase in net revenues at its Las Vegas properties during the second quarter of 2013, rising to \$401.4 million. Adjusted EBITDA reported an even more substantial 65.6-percent increase to \$135.7 million, resulting in an EBITDA margin of 33.8 percent (compared to 23.7 percent a year ago). The company witnessed annual growth in both gaming and non-gaming revenues, with casino revenues rising by 44.7 percent. Non-casino revenues reported a more modest 3.9-percent increase, with growth in room, food and beverage and retail revenues being partially offset by a decline in entertainment revenues. Room revenues increased 4.6 percent to \$100.6 million, attributable to a 5.0-percent increase in RevPAR to \$233. Although the occupancy rate fell 0.7 percentage points to 86.9 percent, ADR increased 5.5 percent to \$268. Food and beverage revenues increased 5.9 percent to \$146.6 million, due to increases at the property's restaurants and nightclubs, while retail revenues were up 5.2 percent from last year. Entertainment revenues fell 18.8 percent from the prior year, due to a show that ended in November of 2012.
- **Boyd Gaming (BYD)** – Boyd Gaming's wholly-owned business reported a 29.0-percent increase in net revenues during the second quarter of 2013, rising to \$565.9 million. Adjusted EBITDA was \$132.3 million, up 59.3 percent from a year ago. The gains included the recent acquisition of Peninsula Gaming. Both of the company's Las Vegas segments reported little change in net revenues compared to a year ago. Meanwhile, adjusted EBITDA and EBITDA margin witnessed more significant gains. In the Las Vegas Locals market, net revenues were \$149.7 million, up 0.5 percent from the prior year period. Adjusted EBITDA increased 12.1 percent to \$38.7 million, resulting in a 2.7-percentage point increase in EBITDA margin to 25.9 percent. The company attributes the latest performance to operating refinements as well as new slot marketing initiatives. The Downtown market reported net revenues of \$56.1 million, up just 0.3 percent from last year. Adjusted EBITDA increased 14.7 percent to \$9.3 million, resulting in a 2.1-percentage point increase in EBITDA margin to 16.6 percent. The increases are primarily attributable to increased visitor traffic along Fremont Street as well as new marketing programs directed at Hawaiian visitors.

## Selected Performance Metrics: Q2 2013 Revenue, EBITDA and EBITDA Margin

Company	Property/Segment	Revenue (in thousands)				EBITDA (in thousands)				EBITDA Margin			
		Three Months Ended June 30,				Three Months Ended June 30,				Three Months Ended June 30,			
		2013	2012	Change		2013	2012	Change		2013	2012	Change	
Boyd Gaming	Boyd Gaming LV Locals Operations	\$149,690	\$148,987	0.5%	▲	\$38,723	\$34,535	12.1%	▲	25.9%	23.2%	2.7%	▲
Boyd Gaming	Boyd Gaming Downtown LV Operations	\$56,128	\$55,939	0.3%	▲	\$9,297	\$8,109	14.7%	▲	16.6%	14.5%	2.1%	▲
Caesars Entertainment	Caesars LV Operations [1]	\$745,900	\$780,700	-4.5%	▼	\$210,600	\$214,400	-1.8%	▼	28.2%	27.5%	0.8%	▲
Las Vegas Sands	The Venetian/The Palazzo	\$345,700	\$327,300	5.6%	▲	\$63,000	\$64,400	-2.2%	▼	18.2%	19.7%	-1.5%	▼
MGM Resorts International	Bellagio	Data not available as of month-end				Data not available as of month-end				Data not available as of month-end			
MGM Resorts International	MGM Grand Las Vegas	Data not available as of month-end				Data not available as of month-end				Data not available as of month-end			
MGM Resorts International	Mandalay Bay	Data not available as of month-end				Data not available as of month-end				Data not available as of month-end			
MGM Resorts International	The Mirage	Data not available as of month-end				Data not available as of month-end				Data not available as of month-end			
MGM Resorts International	Luxor	Data not available as of month-end				Data not available as of month-end				Data not available as of month-end			
MGM Resorts International	New York-New York	Data not available as of month-end				Data not available as of month-end				Data not available as of month-end			
MGM Resorts International	Excalibur	Data not available as of month-end				Data not available as of month-end				Data not available as of month-end			
MGM Resorts International	Monte Carlo	Data not available as of month-end				Data not available as of month-end				Data not available as of month-end			
MGM Resorts International	Circus Circus Las Vegas	Data not available as of month-end				Data not available as of month-end				Data not available as of month-end			
MGM Resorts International	All Las Vegas Properties	Data not available as of month-end				Data not available as of month-end				Data not available as of month-end			
CityCenter Holdings, LLC	ARIA	Data not available as of month-end				Data not available as of month-end				Data not available as of month-end			
Penn National	M Resort	\$317,071	\$348,652	-9.1%	▼	\$95,119	\$98,379	-3.3%	▼	30.0%	28.2%	1.8%	▲
Pinnacle Entertainment	Company-wide	\$315,340	\$298,310	5.7%	▲	\$72,657	\$73,178	-0.7%	▼	23.0%	24.5%	-1.5%	▼
Station Casinos	Station Casinos - All	Data not available as of month-end				Data not available as of month-end				Data not available as of month-end			
Wynn Resorts, Limited	Wynn & Encore	\$401,382	\$345,566	16.2%	▲	\$135,657	\$81,919	65.6%	▲	33.8%	23.7%	10.1%	▲
Bally Technologies	N/A	Data not available as of month-end				Data not available as of month-end				Data not available as of month-end			
International Game Technology	N/A	\$579,000	\$532,800	8.7%	▲	\$211,600	\$194,400	8.8%	▲	36.5%	36.5%	0.1%	▲
SHFL Entertainment [2]	N/A	Data not available as of month-end				Data not available as of month-end				Data not available as of month-end			

Sources: Various company public filings and/or press releases; extracted from MyResearcher.com.

[1] Includes Bally's Las Vegas, Bill's Gamblin' Hall & Saloon, Caesars Palace, Flamingo Las Vegas, Harrah's Las Vegas, The Quad Resort & Casino (formerly Imperial Palace Hotel and Casino), Paris Las Vegas, Planet Hollywood Resort & Casino and Rio

[2] Reporting period is for the three months ended July 31, 2013 vs. 2012.

## Selected Performance Metrics: Q2 2013

Hotel Occupancy, Average Daily Room Rates (ADR) and Revenue per Available Room (RevPAR)

Company	Property	Hotel Occupancy				Average Daily Room Rates (ADR)				Revenue Per Available Room (RevPAR)			
		Three Months Ended June 30,			Change	Three Months Ended June 30,			Change	Three Months Ended June 30,			Change
		2013	2012			2013	2012			2013	2012		
Las Vegas Sands	The Venetian/The Palazzo	91.6%	86.2%	5.4%	▲	\$205	\$205	0.0%	▶	\$188	\$176	6.8%	▲
MGM Resorts International	Bellagio	Data not available as of month-end				Data not available as of month-end				Data not available as of month-end			
MGM Resorts International	MGM Grand Las Vegas	Data not available as of month-end				Data not available as of month-end				Data not available as of month-end			
MGM Resorts International	Mandalay Bay	Data not available as of month-end				Data not available as of month-end				Data not available as of month-end			
MGM Resorts International	The Mirage	Data not available as of month-end				Data not available as of month-end				Data not available as of month-end			
MGM Resorts International	Luxor	Data not available as of month-end				Data not available as of month-end				Data not available as of month-end			
MGM Resorts International	New York-New York	Data not available as of month-end				Data not available as of month-end				Data not available as of month-end			
MGM Resorts International	Excalibur	Data not available as of month-end				Data not available as of month-end				Data not available as of month-end			
MGM Resorts International	Monte Carlo	Data not available as of month-end				Data not available as of month-end				Data not available as of month-end			
MGM Resorts International	Circus Circus Las Vegas	Data not available as of month-end				Data not available as of month-end				Data not available as of month-end			
MGM Resorts International	All Las Vegas Properties	Data not available as of month-end				Data not available as of month-end				Data not available as of month-end			
CityCenter Holdings, LLC	ARIA	Data not available as of month-end				Data not available as of month-end				Data not available as of month-end			
Station Casinos	Station Casinos - All	Data not available as of month-end				Data not available as of month-end				Data not available as of month-end			
Wynn Resorts, Limited	Wynn & Encore	86.9%	87.6%	-0.7%	▼	\$268	\$254	5.5%	▲	\$233	\$222	5.0%	▲

Sources: Various company public filings and/or press releases; extracted from MyResearcher.com.

## What is the AAGI?

The Applied Analysis team updates over a thousand market variables and economic indicators on a recurring 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 twelve major gaming related companies, comprised of eight operators and four 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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