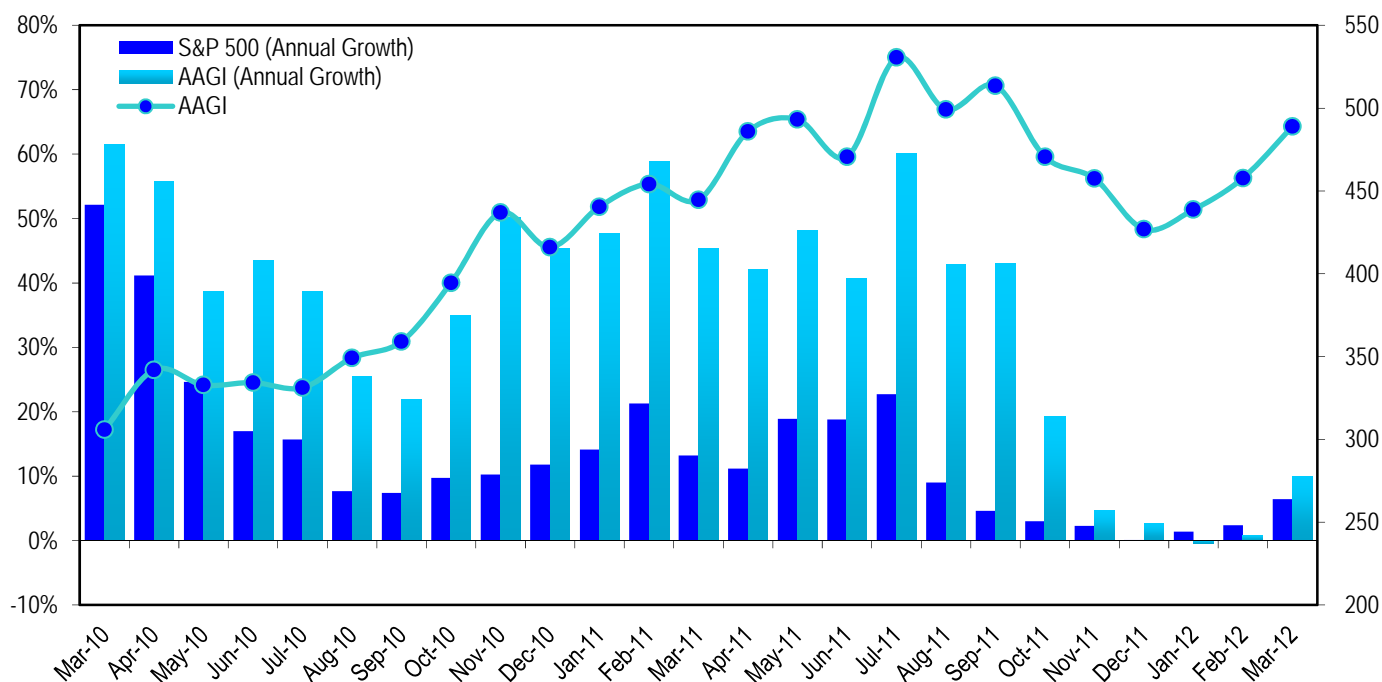


AAGI		Stock Price - Daily Average			Prior Period % Change	Prior Year % Change	Contribution to Index
		Mar-12	Feb-12	Mar-11			
Operators	Ameristar Casinos, Inc. (ASCA)	\$19.76	\$20.36	\$16.97	(2.97) ▼	16.40 ▲	(0.13)
	Boyd Gaming (BYD)	\$8.00	\$8.86	\$9.50	(9.75) ▼	(15.82) ▼	(0.13)
	Caesars Entertainment (CZR)	\$12.29	\$12.47	N/A	(1.41) ▼	N/A	(0.13)
	Las Vegas Sands (LVS)	\$56.60	\$52.50	\$40.86	7.81 ▲	38.51 ▲	15.54
	MGM Resorts International (MGM)	\$14.01	\$14.20	\$13.08	(1.34) ▼	7.15 ▲	(0.67)
	Penn National Gaming, Inc. (PENN)	\$43.50	\$41.78	\$35.70	4.13 ▲	21.87 ▲	0.23
	Pinnacle Entertainment, Inc. (PNK)	\$10.94	\$10.68	\$12.81	2.39 ▲	(14.64) ▼	(0.01)
	Wynn Resorts, Ltd. (WYNN)	\$125.45	\$115.03	\$124.21	9.05 ▲	1.00 ▲	16.15
Manufacturers	Bally Technologies, Inc. (BYI)	\$45.86	\$44.29	\$36.14	3.55 ▲	26.92 ▲	0.07
	International Game Technology (IGT)	\$16.15	\$15.28	\$16.17	5.70 ▲	(0.09) ▼	0.29
	Shuffle Master, Inc. (SHFL)	\$16.89	\$14.41	\$9.91	17.15 ▲	70.33 ▲	0.27
	WMS Industries (WMS)	\$22.43	\$23.18	\$36.50	(3.23) ▼	(38.54) ▼	(0.29)
Composite	Increase (Decrease) to Index						31.20
	AAGI - February 2012						457.79
	AAGI - March 2012						489.00

Throughout the first quarter of 2012, gaming sector stocks experienced increasing demand; notably, March represented the third consecutive monthly increase. While selected operators reported some volatility, two of the major players with interests abroad outshined others during the month. Wynn Resorts, Ltd. (WYNN) posted a 9.1-percent rise from the prior month (February 2012), contributing 16.15 points to the Applied Analysis Gaming Index (AAGI), while Las Vegas Sands (LVS) improved by 7.8 percent. The gains posted by these two large-cap companies were somewhat offset by softness reported by others. The gaming equipment manufacturer component of the index remained relatively flat during the month with gains by Bally Technologies, Inc. (BYI), International Game Technology (IGT) and Shuffle Master, Inc. (SHFL) offset by a modest downturn by WMS Industries (WMS). Overall, the AAGI posted a respectable 6.8-percent (31.20-point) rise from the prior month, reaching a composite score of 489.00 by the end of March 2012. With limited financial reports from operators and manufacturers, pricing movements were largely sourced to regulatory changes (e.g., Chinese junket approvals), expectations for gaming expansions into new markets, and broader investor speculation.



On a year-over-year basis, the AAGI remains up 10.0 percent. Recent movements within the gaming sector outpaced the broader equities markets. The S&P 500, when computed on a similar basis, was up a more modest 2.7 percent in the month and gained 6.5 percent year-over-year. It is worth noting that the contributors to the AAGI shift from time-to-time as market conditions and other factors dictate. With the recent initial public offering (IPO) for Caesars Entertainment (CZR) taking place in February 2012, the global gaming operator re-entered the AAGI rankings after a more than four-year hiatus. Recall Caesars de-listed from the NYSE in January 2008 when private equity firms acquired the company. The AAGI also announced the debut of Shuffle Master, Inc. (SHFL) in the March 2012 release to provide a broader range of firms in the gaming equipment manufacturer component of the composite score.

Key industry events and highlights during the past month that contributed to the latest stock performances included the following:

- » **Caesars Entertainment Seeks to Raise More Equity** – In the first month of trading following CZR's IPO, the company filed regulatory documents to raise up to an estimated \$500 million through additional equity issuances (under a shelf registration). Concurrently with the regulatory filings to raise equity for the company, a registration statement was also filed to authorize existing shareholders to sell upwards of 22.3 million shares (+/- \$266.7 million). The proceeds of this additional offering are not expected to inure to the benefit of Caesars, rather provide an opportunity for existing stockholders to liquidate a portion of their investment.
- » **Ameristar Casinos to Acquire Lake Charles, Louisiana Casino Rights** – The regional gaming operator Ameristar Casinos (ASCA) announced an arrangement to acquire the equity interest of Creative Casinos of Louisiana, LLC, the company with rights to develop a casino-resort in Lake Charles, Louisiana. Plans called for the construction of the Mojito Pointe property. The rights, which reflect the last remaining riverboat gaming license available in the state, is subject to regulatory approvals. The total purchase price is \$32.5 million. The proposed project is located on a 242-acre site and is adjacent to the existing L'Auberge du Lac Casino Resort. The property is expected to house 1,600 slot machines, 60 table games, 700 hotel rooms and number of other amenities. The total project investment is expected to reach a minimum of \$500 million, with a possible opening in mid-2014.
- » **IGT Gains Access to Italian Market** – International Game Technology (IGT) announced a strategic partnership with Lottomatica Group to deliver game content and terminals to the Italian VLT gaming market. The Italian gaming market is substantial (estimated as a two-billion dollar-plus gaming market). Lottomatica Group is reportedly one of the largest players in the Italian gaming space.
- » **MGM Resorts Exits Initial Plans in Massachusetts Market** – The Vegas-based gaming operator MGM Resorts International (MGM) has dropped plans to develop a hotel-casino property in Brimfield, Massachusetts. The company noted they will seek an alternative site within the western portion of the state.

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.

Contact Us

6385 S. Rainbow Blvd.; Suite 105
Las Vegas, Nevada 89118
T: (702) 967-3333 / F: (702) 314-1439
E: info@appliedanalysis.com
W: www.appliedanalysis.com

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.

Data and information contained herein is provided for informational purposes only, and is not intended for investment, company evaluation or other decision-based purposes. This analysis is based on selected economic data from a wide range of economic data and statistics and is not intended to be a comprehensive overview of all economic factors. Neither Applied Analysis, its partners, principals or employees, nor any of its data or content providers shall be liable for any errors in the content, or for any actions taken in reliance thereon. By reviewing this data, a user agrees not to redistribute the information found therein. Applied Analysis shall not be liable for any actions taken in reliance thereon.