

News



New Jersey
Office of the Attorney General

NEW JERSEY DEPARTMENT OF LAW & PUBLIC SAFETY

Gurbir S. Grewal, *Attorney General*

Division of Gaming Enforcement

David Rebeck, *Director*

DGE Announces Quarterly and Year-To-Date Results

For Immediate Release:

November 22, 2019

Contact: Kerry Langan
(609) 317-6201
info@njdge.org

ATLANTIC CITY —

Casino Licensees Financial Results:

According to financial reports filed with the Division of Gaming Enforcement (DGE), the casino licensees reported 3rd quarter 2019 Net Revenue of \$928.9 million reflecting an 2.7% improvement over the same quarter last year while Gross Operating Profit increased 12.5% to \$239.4 million compared to the prior period. Additionally, the casino licensees' Net Revenue increased 10.8% to \$2,423.5 million and Gross Operating Profit decreased 4.5% for the nine months to \$484.6 million.

Third Party Business Sales:

Sales from third party businesses increased 4.9% to \$80.5 million for the quarter ended September 2019. For the year-to-date period, third party business sales increased 18.7% to \$165.9 million.

Hotel Occupancy:

For the 3rd quarter of 2019, the industry's occupancy rate was 90.8%, which is a 2.6 percentage point increase from the prior period. The occupancy rate in the industry's casino hotels for the nine months ended September 2019 was 81.2%, which is 2.9 percentage points lower than the comparable period last year.

NJ Department of Law and Public Safety / Office of the Attorney General:

Divisions -- Alcoholic Beverage Control · Civil Rights · Consumer Affairs · Criminal Justice ·
Gaming Enforcement · Highway Traffic Safety · Law · State Police

The following notes are integral to understanding the financial information contained in this press release. The notes provide a description and source of the data.

Notes:

- Net Revenue is the amount reported on Line 5 of the income statement. Net Revenue reflects Casino Revenue (less all promotional allowances) plus Rooms Revenue, Food and Beverage Revenue and Other Revenue as reflected on each casino licensee's income statement.
- Gross Operating Profit reflects earnings before interest, taxes, depreciation, amortization, charges from affiliates, and other miscellaneous items as reflected on each casino licensee's income statement. It is a widely-accepted measure of profitability in the Atlantic City gaming industry.
- Third Party Businesses reflect individuals or entities that lease space within the casino licensee whose sales are not included in the revenues reported by the casino licensee. Only businesses that provide food, beverage, retail, entertainment, or hospitality-related items were included in the statistics.
- Average Rate Per Occupied Room reflects Rooms Revenue as reported on the casino licensee's Statements of Income (which includes the value of complimentary rooms) divided by the number of occupied room nights for the period.
- The footnotes are an integral part of each casino licensee's financial statements. Valid comparisons cannot be made without using the information contained in the footnotes.

Additional information on Atlantic City tourism can be found on the Casino Reinvestment Development Authority's website at: <http://www.atlanticcitynj.com/about/stats.aspx>

Reports filed by the individual casinos can be found at the Division's website at: <http://www.nj.gov/oag/ge/quarterlyfinancialrpt.html>

**ATLANTIC CITY CASINO INDUSTRY
STATEMENT OF INCOME STATISTICS
FOR THE QUARTER ENDED SEPTEMBER 30, 2019 AND 2018
(\$ in Thousands)**

	Net Revenue			Gross Operating Profit		
	2019	2018	Variance	2019	2018	Variance
Casino Hotel Licensees (a):						
Bally's AC	60,774	67,001	-9.3%	14,234	18,395	-22.6%
Borgata	234,479	235,186	-0.3%	69,850	63,181	10.6%
Caesars	78,363	84,962	-7.8%	23,395	28,674	-18.4%
Golden Nugget	66,652	67,641	-1.5%	17,755	13,648	30.1%
Hard Rock (c)	128,400	100,563	27.7%	24,403	8,262	195.4%
Harrah's	109,164	113,637	-3.9%	32,978	35,935	-8.2%
Ocean Resort (d)	79,900	62,728	27.4%	10,226	581	1660.1%
Resorts Casino	49,582	48,952	1.3%	9,341	9,187	1.7%
Tropicana	103,269	107,438	-3.9%	32,433	31,841	1.9%
Other Licensees (a) (b):						
CIENJ	10,179	8,115	25.4%	3,096	1,161	166.7%
Resorts Digital	8,110	8,466	-4.2%	1,720	2,055	-16.3%
Industry Total	\$ 928,872	\$ 904,689	2.7%	\$ 239,431	\$ 212,920	12.5%

(a) The statistics in the table include each licensee's share of the revenue and Gross Operating Profit associated with Internet gaming operations and Sports Wagering operations.

(b) Caesars Interactive Entertainment NJ (CIENJ) operates under an Internet Gaming Permit issued to Caesars. As a separate reporting casino licensee, CIENJ's revenue and GOP statistics are included in the table. Resorts Digital operates under an Internet Gaming Permit issued to Resorts Casino. As a separate reporting casino licensee, Resorts Digital's revenue and GOP statistics are included in the table.

(c) Hard Rock commenced operations (soft play period on June 25, 2018). Hard Rock opened to the public June 27, 2018. Internet gaming operations commenced on June 28, 2018.

(d) Ocean Resort commenced operations (soft play period on June 25, 2018). Ocean Resort opened to the public June 27, 2018. Internet gaming operations commenced on July 10, 2018.

The notes contained in the Quarterly Press Release and the footnotes contained in the Quarterly Report are an integral part of each licensee's financial results. Valid comparisons cannot be made without using this information.

**ATLANTIC CITY CASINO INDUSTRY
STATEMENT OF INCOME STATISTICS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2019 AND 2018
(\$ in Thousands)**

	Net Revenue			Gross Operating Profit		
	2019	2018	Variance	2019	2018	Variance
Casino Hotel Licensees (a):						
Bally's AC	160,185	173,393	-7.6%	26,433	36,386	-27.4%
Borgata	621,085	635,486	-2.3%	164,974	161,238	2.3%
Caesars	208,857	227,409	-8.2%	50,593	65,883	-23.2%
Golden Nugget	181,902	191,388	-5.0%	37,317	37,868	-1.5%
Hard Rock (c)	310,000	105,098	N/A	29,546	5,592	N/A
Harrah's	290,311	320,353	-9.4%	72,527	95,893	-24.4%
Ocean Resort (d)	191,772	67,276	N/A	(2,532)	1,441	N/A
Resorts Casino	131,308	132,415	-0.8%	17,736	19,924	-11.0%
Tropicana	270,973	287,897	-5.9%	71,596	74,595	-4.0%
Other Licensees (a) (b):						
CIENJ	30,987	23,560	31.5%	10,861	6,997	55.2%
Resorts Digital	26,105	22,441	16.3%	5,517	1,631	238.3%
Industry Total	<u>\$ 2,423,485</u>	<u>\$ 2,186,716</u>	10.8%	<u>\$ 484,568</u>	<u>\$ 507,448</u>	-4.5%

(a) The statistics in the table include each licensee's share of the revenue and Gross Operating Profit associated with Internet gaming operations and Sports Wagering operations.

(b) Caesars Interactive Entertainment NJ (CIENJ) operates under an Internet Gaming Permit issued to Caesars. As a separate reporting casino licensee, CIENJ's revenue and GOP statistics are included in the table. Resorts Digital operates under an Internet Gaming Permit issued to Resorts Casino. As a separate reporting casino licensee, Resorts Digital's revenue and GOP statistics are included in the table.

(c) Hard Rock commenced operations (soft play period on June 25, 2018). Hard Rock opened to the public June 27, 2018. Internet gaming operations commenced on June 28, 2018.

(d) Ocean Resort commenced operations (soft play period on June 25, 2018). Ocean Resort opened to the public June 27, 2018. Internet gaming operations commenced on July 10, 2018.

The notes contained in the Quarterly Press Release and the footnotes contained in the Quarterly Report are an integral part of each licensee's financial results. Valid comparisons cannot be made without using this information.

**ATLANTIC CITY CASINO INDUSTRY
HOTEL STATISTICS
FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

CASINO	NUMBER OF GUEST ROOMS IN PROPERTY*	NUMBER OF AVAILABLE ROOM NIGHTS	NUMBER OF OCCUPIED ROOM NIGHTS	OCCUPANCY RATE	AVERAGE RATE PER OCCUPIED ROOM
Bally's AC	1,214	111,688	103,326	92.5%	139.43
Borgata	2,767	254,564	231,744	91.0%	184.77
Caesars	1,141	104,972	102,221	97.4%	161.10
Golden Nugget	717	65,964	59,012	89.5%	90.25
Hard Rock	1,971	181,332	165,204	91.1%	153.43
Harrah's	2,587	238,185	214,250	90.0%	144.48
Ocean Resort	1,399	128,708	128,159	99.6%	219.01
Resorts	942	87,606	82,765	94.5%	102.21
Tropicana	2,364	212,576	171,923	80.9%	179.52
INDUSTRY TOTAL	15,102	1,385,595	1,258,604	90.8%	\$161.06

* Number of guest rooms at end of quarter

**ATLANTIC CITY CASINO INDUSTRY
HOTEL STATISTICS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2019**

CASINO	NUMBER OF GUEST ROOMS IN PROPERTY*	NUMBER OF AVAILABLE ROOM NIGHTS	NUMBER OF OCCUPIED ROOM NIGHTS	OCCUPANCY RATE	AVERAGE RATE PER OCCUPIED ROOM
Bally's AC	1,214	331,422	278,412	84.0%	\$122.82
Borgata	2,767	755,391	633,463	83.9%	174.08
Caesars	1,141	311,335	278,626	89.5%	140.29
Golden Nugget	717	195,741	146,144	74.7%	85.17
Hard Rock	1,971	538,083	413,678	76.9%	137.44
Harrah's	2,587	665,619	548,238	82.4%	134.51
Ocean Resort	1,399	381,927	327,213	85.7%	187.36
Resorts	942	258,108	216,931	84.0%	96.50
Tropicana	2,364	623,474	456,351	73.2%	156.07
INDUSTRY TOTAL	15,102	4,061,100	3,299,056	81.2%	\$145.51

* Number of guest rooms at end of quarter