

AAGI	Stock Price - Daily Average			Prior Period % Change	Prior Year % Change	Contribution to Index
	Jun-10	May-10	Jun-09			
MGM Resorts International (MGM)	\$11.67	\$13.43	\$6.91	(13.10) ▼	68.87 ▲	(2.41)
Las Vegas Sands (LVS)	\$25.17	\$22.65	\$8.81	11.12 ▲	185.65 ▲	11.18
Wynn Resorts, Ltd. (WYNN)	\$82.69	\$82.09	\$37.31	0.74 ▲	121.62 ▲	3.30
Boyd Gaming (BYD)	\$10.69	\$12.91	\$9.08	(17.21) ▼	17.78 ▲	(0.57)
Penn National Gaming, Inc. (PENN)	\$25.65	\$27.35	\$30.19	(6.24) ▼	(15.04) ▼	(0.83)
Pinnacle Entertainment, Inc. (PNK)	\$11.13	\$12.97	\$10.64	(14.20) ▼	4.57 ▲	(0.33)
Ameristar Casinos, Inc. (ASCA)	\$17.04	\$18.97	\$19.18	(10.19) ▼	(11.19) ▼	(0.49)
International Game Technology (IGT)	\$18.23	\$20.28	\$16.23	(10.08) ▼	12.37 ▲	(2.84)
WMS Industries (WMS)	\$43.79	\$47.73	\$30.97	(8.24) ▼	41.40 ▲	(2.51)
Bally Technologies, Inc. (BYI)	\$37.88	\$43.59	\$28.57	(13.10) ▼	32.60 ▲	(3.00)
Increase (Decrease) to Index						1.50
AAGI - May 2010						332.86
AAGI - June 2010						334.36

During the month of June 2010, the Applied Analysis Gaming Index (AAGI) reported modest growth, which was primarily attributable to improvements of two selected competitors. While concerns about the national economic recovery persisted and challenges in the broader equity market continued, the majority of gaming companies reliant upon discretionary spending remained off where they started the month. With no material financial news coming from gaming operators and manufacturers during the month, expectations regarding second quarter financial reports remain relatively weak. Another 30 to 45 days will provide significant intelligence on general market trends, including locals-oriented and destination-based gaming segments.

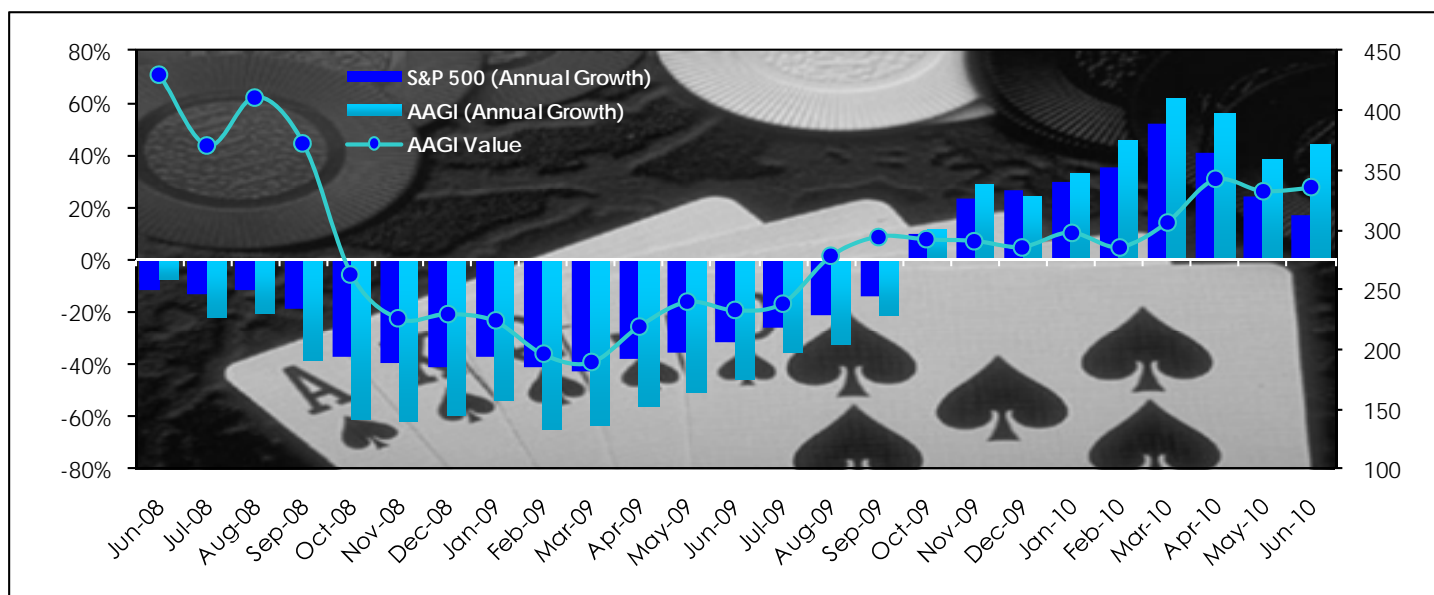
The AAGI posted a composite score of 334.4 points by the close of June 2010, representing a 0.5-percent increase from the preceding month (May 2010). Compared to the same period of the prior year, the index is up 43.5 percent. The latest movement within the sector outpaced the broader equity market as the S&P 500 posted a 3.7-percent decline during June (when computed on a similar basis). On an annual basis, the S&P 500 was up 17.0 percent.

Las Vegas Sands (LVS) reported increasing demand for its stock as the daily average price in June 2010 jumped 11.1 percent from May. Interest in the diversifying gaming operator was partially sourced to the opening of Marina Bay Sands in Singapore. The new project likely contributed to a reported 30.3-percent rise in visitor volume in the region during May 2010, while management remains bullish on the Singapore market and expected profitability. Wynn Resorts, Ltd. (WYNN) was the only other gaming operator to post a month-to-month increase in valuation. WYNN maintains operations primarily in Las Vegas and Macau, two of the key market in which LVS also competes.

Regional operators such as Boyd Gaming (BYD) and Pinnacle Entertainment (PNK) were harder hit during the month as broader economic conditions continue to remain somewhat soft in the markets in which they compete. Late in the month, Boyd Gaming (BYD) announced plans to roll out its B Connected loyalty program to a nationwide audience, which will have its Vegas-based "Club Coast" cardholders converting to the new program with additional incentives. The expanded program likely provides an opportunity to gain efficiencies improving the company's ability to cross-promote its properties to a broader audience.

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From a gaming equipment manufacturer perspective, International Game Technology (IGT) sought to push out debt maturities with a \$300 million issuance of notes due in 2020 (5.5 percent). Proceeds from the transaction are expected to pay down debt on IGT's revolving credit line.

In other news, MGM MIRAGE officially changed its name to MGM Resorts International (MGM), while the operations of the Las Vegas Strip gaming giant are expected to improve, according to commentary sourced to the Wall Street Journal. Comments from Jim Murren, MGM's Chairman and Chief Executive Officer, suggest the second quarter bottom line should turn from red to black while occupancies at the new flagship property, Aria, are trending above 80 percent. The report did not rule out a possible re-branding of one of CityCenter's properties, Vdara, with a recognizable flag.

Selected industry indicators released during the month included the following:

- Nevada Gaming Revenue** – According to the latest report released by the Nevada Gaming Control Board, gross gaming revenues for the state declined by 5.7 percent to \$810.5 million. Clark County casinos were responsible for 85.1 percent of gaming win held statewide, or \$690.0 million. That said, Clark County casinos experienced a 6.1-percent decline in April when compared to April 2009 as the majority of market areas posted declines in gaming revenue when compared to the prior year. Properties on the Las Vegas Strip (which account for the largest share of gaming revenues in Clark County) posted a marginal year-over-year decline of 0.9 percent, finishing the month with a total of \$437.3 million in gaming revenue. High-end gaming play continues to impact results as baccarat posted a 10.7-percent jump from the prior year. During the past three months, baccarat revenue is up 119.8 percent, while the last 12 months included a 62.0-percent improvement. High-end facilities, like Aria at CityCenter, are likely expanding interest while general improvements in the equity markets have likely helped. Mesquite was the only submarket to show improvement year-over-year (+1.7 percent) in gaming win.
- Las Vegas Visitor Volume** - Las Vegas visitor volume reached 3.2 million in April (latest available data), a 0.9-percent rise from April 2009 according to data released by the Las Vegas Convention and Visitors Authority. The year-to-date data shows an increase of 1.3 percent in visitor volume from the same fourth-month period last year despite a 3.1-percent decrease in hotel occupancy rates – likely the result of additional hotel inventory sourced to MGM Resorts International's CityCenter and expansion at the Hard Rock Hotel and Casino late last year. Average daily hotel/motel room rates remained under the \$100-mark at an average of \$96.87 during the month of April, which represented a 3.0-percent improvement over the same month of the prior year. Given forward-looking bookings and advance room rate quotes, it appears upward pressure on room rates may prevail in the second half of 2010. It is also worth noting convention attendance increased by 2.9 percent in April from the same period last year, yet remains 5.9 percent off through the first four months of the year.
- McCarran International Airport Passenger Volume** - McCarran Airport served 3.5 million passengers in May 2010 (latest available data), down 1.6 percent from the same month of the prior year. Through the first five months of the calendar year, McCarran reported enplaned and deplaned passenger counts were down 3.4 percent. During the latest month, Southwest Airlines retained its lead in arriving and departing passengers, reaching 1.3 million – a 1.3-percent decrease from the same period last year. Through the first five months of the year, Southwest is down 0.6 percent while representing approximately 38 percent of all passenger counts in and out of McCarran.

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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