

MGHA QUARTERLY REPORT



JULY-SEPTEMBER
2017



Message from Executive Director

In 2017, we are seeing declines in gross gaming revenue (GGR) in the north and central regions (as noted right) with the Gulf Coast holding steady down less than 1% through Q3. Overall, GGR for the state is down 2.4% while visitation is slightly down as well. We will see how Q4 shapes up, but the declines seem to indicate that visitors are spending less. As we enter Q4, we look ahead to the [2018 Legislative Session](#) kicking off January 2. On January 24, we will roll out [MGHA's 2018 Annual Report](#). The same day, we will co-host the [MTA/MGHA Legislative Reception](#) at the South (in Jackson). Next, looking down the road to May, we are [Rebooting Southern Gaming Summit](#). Also, we expect to know [how the U.S. Supreme Court will rule on PASPA](#). To say the least, the next few months promise to be very busy and very interesting.

3rd Quarter Revenue and Visitation Comparison

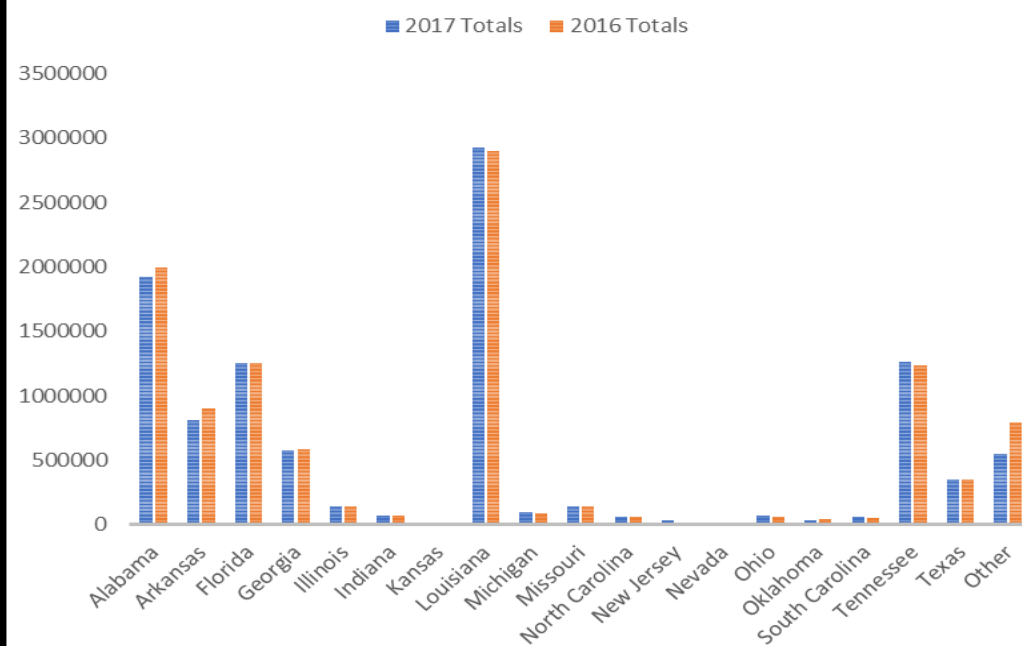
	July 2017	July 2016
Tunica Region	\$53,906,299	\$58,372,740
Lower River Region	\$25,240,487	\$25,874,482
Coastal Region	\$108,325,968	\$105,521,070
MONTH TOTAL	\$187,472,754	\$189,768,292

	August 2017	August 2016
Tunica Region	\$48,041,670	\$49,547,917
Lower River Region	\$22,666,423	\$23,388,560
Coastal Region	\$98,361,529	\$98,038,735
MONTH TOTAL	\$169,069,625	\$170,975,212

	September 2017	September 2016
Tunica Region	\$48,895,012	\$49,701,746
Lower River Region	\$23,800,261	\$23,444,819
Coastal Region	\$95,488,329	\$98,499,137
MONTH TOTAL	\$168,183,602	\$171,645,702
QUARTER TOTALS	\$524,725,981	\$532,389,206

The declines in gross gaming revenue continue in the river regions with the North experiencing a 4.3% decline in GGR during Q3 (down 4.7% for the year) and the Central region experiencing a 1.4% decline in GGR during Q3 (down 3.2% for the year). The Coast saw a slight increase in GGR during the quarter and is down less than 1% YTD. Through Q3, total GGR for the state is down 2.4%. By comparison, visits from out-of-state are down 3%.

2016-2017 VISITATION COMPARISON BY STATE



Visitation through the Q3 shows slight declines in visitation from AL and AR and slight increases in visitors from LA and TN. Visitors from key states like FL, GA and TX are holding steady.

Rebooting Southern Gaming Summit in 2018

On August 9, 2017, MGHA acquired 100% ownership of Southern Gaming Summit (SGS). Since then, MGHA has been working behind the scenes to come up with what SGS will look like in 2018. MGHA decided it is time to refresh SGS and, in 2018, MGHA is Rebooting Southern Gaming Summit. As part of SGS 2018, MGHA will add a dinner banquet honoring the Mississippians and others who have contributed so much to the Mississippi gaming industry. The nomination process will begin in January 2018 and the SGS 2018 website will go live in January as well.

A few of the expected events include:

- ◇ Tuesday, May 1 (SGS Golf Tournament) and (SGS Opening Night Party)
- ◇ Wednesday, May 2 (SGS Product Showcase Floor) (Global Gaming Women Luncheon) (Unveiling of SGS 2019) (“Drinks with a View” Cocktail Hour) (Inaugural Mississippi Gaming Hall of Fame Dinner Banquet)
- ◇ Thursday, May 3 (Breakfast on the Terrace) and (MGHA’s Responsible Gaming Training)



MGHA and M2 Media Working Together for Gaming Industry

Beginning in February 2018, MGHA’s quarterly report will become part of M2 Media’s Mississippi Gaming News magazine. Each quarter, M2Media will publish Mississippi Gaming News with statistics and articles, which you have come to expect as part MGHA’s newsletter; however, with added benefits. First, Mississippi Gaming News is printed and will be sent directly to each casino member and each associate member. Also, it will be posted on MGHA’s website (www.msgaming.org) in electronic format and will feature flip-page viewing.

The goal of this effort is to give our members the same information they have come to expect with the MGHA newsletter in a professional format while also providing more opportunities for exclusive feature stories on casino members, feature stories on our associate members, as well as opportunities for affordable advertising that will reach thousands of readers and customers. To request a feature article about your property or your company’s products or services, please contact: Michael Sunderman at M2 Media Corp. (michael@m2mediacorp.com).

Sports Betting — Mississippi is Poised and Ready

As the United States Supreme Court hears oral arguments about the constitutionality of the Professional & Amateur Sports Protection Act (“PASPA”), Mississippi stands poised and ready to begin offering sports betting at casinos should PASPA be found unconstitutional or limited so as not to interfere with a state’s right to regulate these activities. In 2017, the Mississippi legislature made two small changes to the Gaming Control Act (effective July 1, 2017) clearing the path for Race Book and Sports Pool in Mississippi casinos. If the Supreme Court overturns or restricts PASPA or if Congress takes action before the court rules, Mississippi operators will seek permission to operate these games on their casino floors. It is expected that offering these games at casinos will draw more visitors to Mississippi. Also, it is expected this could greatly reduce illegal sports betting taking place around the state.

The Lottery and VLTs — Where do we stand?

Most people think of lottery as traditional lottery tickets like PowerBall® and MegaMillions® and perhaps even scratch cards. The Mississippi Legislature has been studying the lottery since the summer, and it is expected that some bills will be introduced during the upcoming 2018 legislative session by those seeking to authorize a lottery. However, with a lottery bill comes the likelihood of Video Lottery Terminals (VLTs) and other versions of the lottery that are unlike traditional lottery tickets. MGHA addressed its concerns about VLTs and other non-traditional forms of the lottery in its letter dated November 16, 2017, that our Executive Director presented on the same date to the House Lottery Working Group. To read MGHA’s letter see our homepage at www.msgaming.org.

2017 Press Room Highlights

Here are some events that took place in 2017:

- ◇ US Supreme Court Will Argue Over Sports Betting
- ◇ Bally's Tunica Rebrands to First Jackpot
- ◇ Joe Lodise Joins Horseshoe & Roadhouse—Tunica
- ◇ Jim Rigot Named GM of Trop Casino—Greenville
- ◇ Coast Casinos Reopen Following Hurricane Nate
- ◇ MGHA Acquires 100% of Southern Gaming Summit
- ◇ MGM Rolls Out "Welcome to the Show" campaign
- ◇ Tragic Las Vegas Shooting Spree Occurs
- ◇ G2E Another Successful Year Featuring New Games
- ◇ NV Sportsbooks—Big Bets on Mayweather v. McGregor
- ◇ Penn National, Pinnacle Entertainment Consider Merger
- ◇ AL Continues Fight Against Electronic Bingo Operators
- ◇ Silver Slipper Casino on a Roll with New Amenities
- ◇ Industry Continues Commitment to Responsible Gaming
- ◇ Judge reverses Ruling on Slot Machines in Florida
- ◇ Arkansas AG Again Rejects Proposal to Legalize Gaming
- ◇ Pioneers of Riverboat Gaming—A 25 Year Look Back
- ◇ Trump's DOL Changing Obama-Era Policy on Overtime
- ◇ After 1 Year, Margaritaville Biloxi Resort Appeals to All
- ◇ New \$75 Million casino at Island View coming to G'port
- ◇ Mike Galle Named GM Boomtown and Hollywood GC
- ◇ Eldorado Resorts Now in 10 States with Isle Acquisition
- ◇ RW & DH Real Estate Appeal MGC's Denial of Sites
- ◇ Scarlet Pearl Opens New \$25 Million Parking Garage
- ◇ Penn National Acquires Bally's and Resorts—Tunica
- ◇ Georgia Considers Legalizing Casino Gambling
- ◇ MS Celebrates 25 Years of Gaming

MGHA Upcoming Meetings

MGHA 4th Quarter Meeting '17

December 15, 2017

Jackson Office (or Call In)

MGHA 1st Quarter Meeting '18

January 24, 2018

Watkins & Eager

MTA/MGHA Legislative Reception

January 24, 2018

The South (627 E Silas Brown St, Jackson)

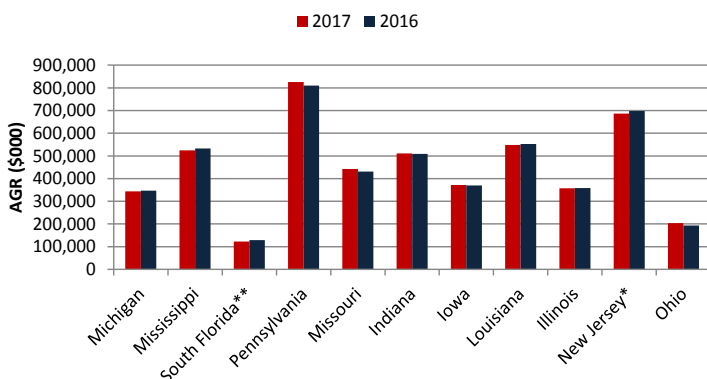
USM Offers Casino Management

The **University of Southern Mississippi** is providing a Casino Management Certification (CMC). Wei Wang, Asst. Professor of the College of Business said, "The goal of the Casino Management program is to develop proficiencies in casino resort operations." The program is designed for business/non-major students interested in casino resort management careers, gaming professionals seeking career development opportunities and hospitality and tourism professionals and to re-skill and expand their knowledge in casino resort management. Classes include: Customer Service Management, Casino and Resort Operations, Revenue Management, Regulatory, Legal & Security, and Casino Resort Marketing. For more information call 601-266-4774 or visit <http://choose.usm.edu/degrees.php>.



Regional Statistics—3rd Quarter 2017

Chart 1: 3rd Quarter 2017 Gaming Revenue Data



AGR Summaries (\$000)

	Q3 2017	Q3 2016	Change
Ohio	203,609	192,675	5.7%
Missouri	442,169	430,463	2.7%
Pennsylvania	825,447	810,293	1.9%
Iowa	371,274	369,345	0.5%
Indiana	510,491	508,863	0.3%
Illinois	356,811	358,272	-0.4%
Michigan	344,151	346,533	-0.7%
Louisiana	547,808	552,208	-0.8%
Mississippi	524,726	532,389	-1.4%
New Jersey*	686,237	698,081	-1.7%
South Florida**	122,620	128,857	-4.8%

* Excludes \$62.3 million in online gaming revenue

**South Florida only includes slots at racetracks

Mississippi Gaming Statistics (July-September 2017)

Third Quarter 2017 Table Game Analysis

Game Type		Twenty-One	Craps	Roulette	Three Card Poker	Other	North River Summary	
North River	Win	9,129,034	7,184,303	1,608,906	1,429,777	3,959,559	Win	23,311,579
	WPUD	\$750	\$2,823	\$874	\$914	\$1,041	WPUD	\$1,063
	Units	132	28	20	17	41	Units	238
	Unit Mix	55.5%	11.6%	8.4%	7.1%	17.3%		
	Drop	61,609,721	36,162,650	7,220,840	4,157,257	14,613,940	Drop	123,764,408
	% of Drop	49.8%	29.2%	5.8%	3.4%	11.8%	As % Prior year	78.4%
Game Type		Twenty-One	Craps	Roulette	Three Card Poker	Other	South River Summary	
South River	Win	4,334,755	1,500,351	458,591	558,932	779,651	Win	7,632,280
	WPUD	\$725	\$1,322	\$712	\$868	\$1,211	WPUD	\$844
	Units	65	12	7	7	7	Units	98
	Unit Mix	66.1%	12.5%	7.1%	7.1%	7.1%		
	Drop	21,961,954	6,724,958	1,766,139	1,372,923	2,544,068	Drop	34,370,042
	% of Drop	63.9%	19.6%	5.1%	4.0%	7.4%	As % Prior year	104.3%
Game Type		Twenty-One	Craps	Roulette	Three Card Poker	Other	Gulf Coast Summary	
Gulf Coast	Win	17,610,370	8,232,965	3,987,585	3,440,658	13,667,802	Win	46,939,380
	WPUD	\$713	\$2,509	\$1,445	\$1,368	\$1,564	WPUD	\$1,118
	Units	268	36	30	27	95	Units	456
	Unit Mix	58.8%	7.8%	6.6%	6.0%	20.8%		
	Drop	136,634,279	51,325,576	17,805,523	11,051,216	75,705,931	Drop	292,522,525
	% of Drop	46.7%	17.5%	6.1%	3.8%	25.9%	As % Prior year	102.9%

Third Quarter 2017 Slot Analysis

Denomination		\$0.01	\$0.05	\$0.25	\$0.50 - \$2.00	High Limit/Other	North River Summary	
North River	Win	83,096,595	2,400,650	9,867,597	18,505,693	9,229,116	Win	123,099,651
	WPUD	\$160	\$118	\$121	\$181	\$214	WPUD	\$161
	Units	5,631	222	889	1,111	469	Units	8,321
	Unit Mix	67.7%	2.7%	10.7%	13.4%	5.6%		
	Coin In	966,363,339	41,971,450	126,754,604	276,509,859	180,722,361	Coin In	1,592,321,613
	% of Coin in	60.7%	2.6%	8.0%	17.4%	11.3%	As % Prior year	97.4%
Denomination		\$0.01	\$0.05	\$0.25	\$0.50 - \$2.00	High Limit/Other	South River Summary	
South River	Win	49,689,000	882,303	2,900,581	7,360,780	1,859,129	Win	62,691,793
	WPUD	\$146	\$94	\$79	\$134	\$146	WPUD	\$138
	Units	3,709	102	397	596	138	Units	4,942
	Unit Mix	75.1%	2.1%	8.0%	12.1%	2.8%		
	Coin In	594,727,875	19,703,205	47,209,210	149,095,855	44,011,553	Coin In	854,747,698
	% of Coin in	69.6%	2.3%	5.5%	17.4%	5.1%	As % Prior year	104.4%
Denomination		\$0.01	\$0.05	\$0.25	\$0.50 - \$2.00	High Limit/Other	Gulf Coast Summary	
Gulf Coast	Win	176,535,194	8,405,124	21,599,591	29,845,996	14,730,574	Win	251,116,479
	WPUD	\$196	\$155	\$165	\$208	\$272	WPUD	\$196
	Units	9,772	590	1,425	1,560	589	Units	13,936
	Unit Mix	70.1%	4.2%	10.2%	11.2%	4.2%		
	Coin In	2,059,956,358	171,559,638	381,888,907	467,309,895	256,289,780	Coin In	3,337,004,578
	% of Coin in	61.7%	5.1%	11.4%	14.0%	7.7%	As % Prior year	100.5%

Casino Member Directory

- Ameristar Casino Hotel, Vicksburg
- Beau Rivage Resort Casino, Biloxi
- Boomtown Casino, Biloxi
- First Jackpot, Tunica
- Fitz Casino & Hotel, Tunica
- Golden Nugget Biloxi
- Gold Strike Casino Resort, Tunica
- Hard Rock Casino, Biloxi
- Harlow's Casino Resort, Greenville
- Harrah's Gulf Coast, Biloxi
- Hollywood Casino Gulf Coast
- Hollywood Casino, Tunica
- Horseshoe Casino, Tunica
- IP Casino Resort Spa, Biloxi
- Island View Casino Resort, Gulfport
- Isle of Capri, Lula
- Lady Luck Casino, Vicksburg
- Magnolia Bluffs Casino, Natchez
- Palace Casino Resort, Biloxi
- Resorts Tunica Hotel & Casino
- Riverwalk Casino Hotel, Vicksburg
- Roadhouse Casino, Tunica
- Sam'sTown Hotel & Gambling Hall, Tunica
- Scarlet Pearl Casino & Hotel, D'iberville
- Silver Slipper Casino, Bay St Louis
- Treasure Bay Resort, Biloxi
- Trop Casino, Greenville
- Waterview Casino & Hotel-Vicksburg

Associate Member Corner

A special thanks and welcome to our newest associate member.

Pelican Waste & Debris

www.pelicanwaste.net

The Mississippi Gaming & Hospitality Association (MGHA)* is a non-profit organization made up of casino operators and vendors whose mission it is to protect and enhance the reputation and success of the gaming industry within the State of Mississippi. We seek to accomplish our mission by:

- ◆ Cooperating with government officials in advancing the gaming industry's common goals and objectives;
- ◆ Promoting comprehensive and fair regulation of the gaming industry to insure integrity at all levels of operation;
- ◆ Advocating fair and reasonable taxation of the industry, which will permit operators to maximize employment opportunities and re-invest, expand and improve existing facilities;
- ◆ Promoting and participating in public education throughout Mississippi regarding the benefits of casino gaming, including job creation, economic development and how the industry can help the State in maximizing its tax revenues; and
- ◆ Supporting and enhancing responsible gaming programs and offering education and assistance to individuals with gambling problems.

For questions about membership contact Executive Director Larry Gregory or Deputy Director Mike Bruffey via email (lgregory@msgaming.org or mikebruffey@msgaming.org) or by phone 601-965-6992.

**The MGHA was originally chartered in 1993 as the Mississippi Casino Operators Association (MCOA). In March 2013, the Board of Directors voted to change the name of the association to better reflect its mission.*



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 (601) 965-6992
www.msgaming.org

Associate Member Directory

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| <ul style="list-style-type: none"> • Aruze Gaming • Baker Donelson Bearman Caldwell • Balch & Bingham, LLP • Beecher Carlson Holdings • Biloxi Boardwalk Marina (Ferrara Land) • BMM Testlabs • Butler Snow • Capital Resources • Cintas • DEQ Systems Corp. • Duke Dukes Keating & Faneca PA • Easy Ads • Everi • Family Frozen Foods • FEB Distributing/Capital City Beverage • Gaming Laboratories, Inc. • Gulfport –Biloxi International Airport • Horne, LLP • IGT (G-Tech) • Jones Walker • J. Carcamo & Associates • Konami Gaming • Kronos | <ul style="list-style-type: none"> • Lewis Roca Rothgerber Christie • M2 Media Corp (MS Gaming News) • MDA-Visit Mississippi • Medical Analysis • Mile High Casinos Services, Inc. • Mitchell Distributing Company • Mississippi Economic Council • Miss. Gulf Coast Community College • Miss. Hospitality & Restaurant Assoc. • Mississippi Hotel & Lodging Association • Mississippi Power Company • Mississippi Tourism Association • Pearl River Resort • Roy Anderson Corp. • Scientific Games • Snapshot Publishing • Stewart Sneed & Hewes • Sysco • Thompson & Associates, LLC • Tunica Convention & Visitors Bureau • Visit Mississippi Gulf Coast • VizExploreer • YATES Construction |
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