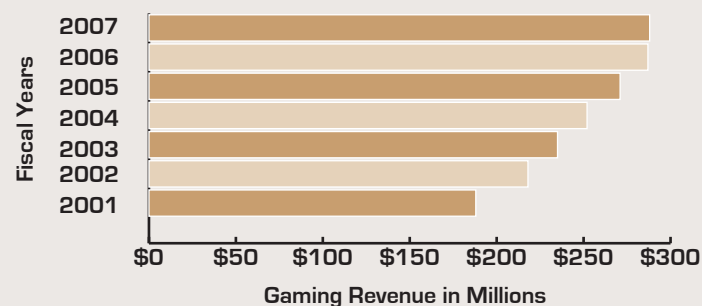


FINANCIALS

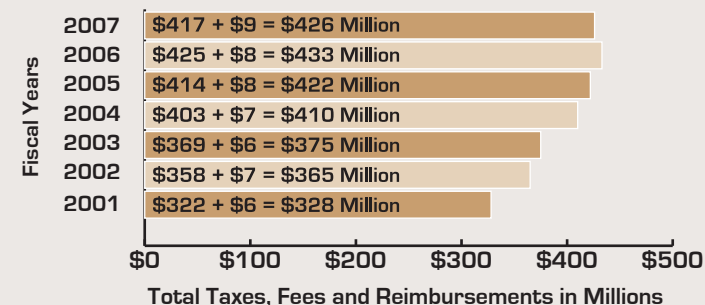
Gaming Revenue for the School Foundation Formula



Industry Results

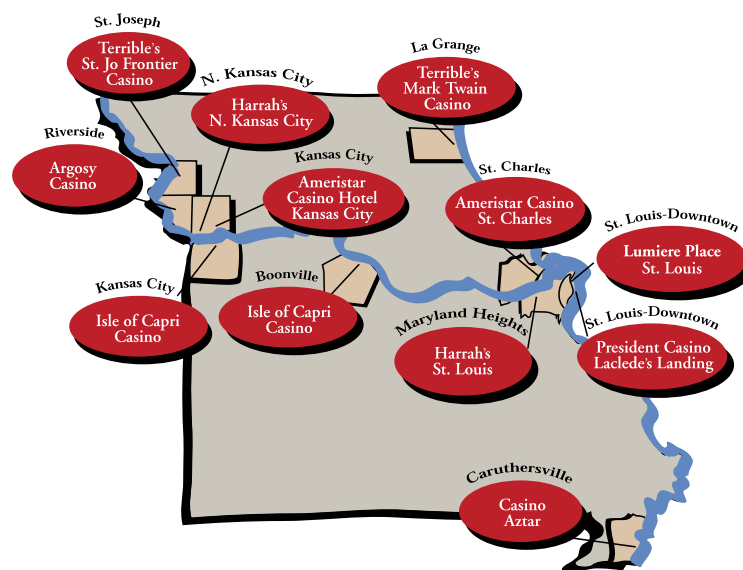
	Adjusted Gross Revenues by Calendar Year	Admissions by Calendar Year
2007	\$1.59 billion	49 million
2006	\$1.59 billion	53 million
2005	\$1.53 billion	54 million
2004	\$1.47 billion	54 million
2003	\$1.33 billion	51 million
2002	\$1.28 billion	51 million
2001	\$1.14 billion	47 million

Total Taxes and Fees Plus Reimbursements



Casinos - Missouri's Highest Taxed Industry

Missouri casinos operate in one of the highest-taxed casino jurisdictions in the country, paying an effective tax rate of 30 percent off the top, before other taxes. That includes a 20 percent gaming tax, admission fees for patrons visiting their properties and other reimbursements to the state. In fact, Missouri casinos contribute more revenue to the state than all of the approximately 60,000 corporations operating in Missouri. Casino taxes rank as the fifth largest source of revenue to the state.



The Missouri Gaming Association, formerly the Missouri Riverboat Gaming Association, is the professional organization representing the Missouri casino industry.

www.missouricasinos.org



MISSOURI GAMING ASSOCIATION State of the Industry

20
07

2007 OFFICERS

PRESIDENT
Troy Stremming

PRESIDENT-ELECT
Arnold Block

TREASURER
Jim Franke

SECRETARY
Bob Thursby



Gaming Revenues Benefit Missouri

School Foundation Formula	\$287,000,000
Host Cities	\$81,300,000
Early Childhood Development, Etc.	\$27,500,000
Veterans Commission Capital Improvement	\$6,000,000
MGC Expenses*	\$6,000,000
Missouri College Guarantee Trust Fund	\$5,000,000
Missouri National Guard Trust Fund	\$4,000,000
Compulsive Gamblers Fund	\$300,000

* Missouri Gaming Commission salaries, fringe benefits and other expenses not covered by casino licensing fees or direct reimbursement.

CASINO INVESTMENTS IN MISSOURI WILL TOP \$3.4 BILLION

Casino operators have reinvested almost \$2.2 billion in capital back into their Missouri gaming facilities since 1998, according to the Missouri Gaming Commission. An additional \$1.2 billion in new and expansion projects have been recently completed or currently are underway. These reinvestments, which represent an estimated 60 percent of the casinos' operating cash flow, have a significant positive impact on the local economy.

These major capital projects were underway at Missouri casinos in 2007:

Lumiere Place - Pinnacle Entertainment completed their \$507 million, 75,000 square-foot Lumiere Place casino in December, 2007. The casino offers 2,000 slot machines, more than 45 table games and a poker room. Bar and dining options include Aqua, a piano bar; Global: The Kitchen Buffet & Bistro, Asia, Burger Bar St. Louis, SleeK, coming soon; and Peet's Coffee & Tea.

Ameristar St. Charles is expanding with a new \$265 million project, including a 400-room all-suite luxury hotel and spa. In 2007, Ameristar opened the nightclub HOME, the Lixx circle bar, an enhanced high-limit room featuring 14 table games, the Imagination

Junior Ballroom, a 2,350-space parking garage and a new Ameristar Boulevard entrance road.

Argosy Casino Hotel & Spa completed a \$66 million 258-room Mediterranean themed luxury hotel and spa in April, with oversized rooms, fitness center, business center, top-of-the-line amenities and the latest technologies for both business and leisure guests. Argosy's recent investments include a multi-million dollar casino renovation, a ballroom that can accommodate up to 600, and five dining venues.

Harrah's St. Louis opened their \$17.2 million Las Vegas-style buffet Eat Up! in December 2007, offering seven interactive "foodscapes" stretching the length of a football field. Special features include a Brazilian carving station, a seven-foot tall smoker, a dessert station with 62 different deserts and technologies to offer foods not normally found at a buffet.

Terrible's Mark Twain Casino completed a \$1 million renovation of the casino floor.



Lumiere Place



Ameristar St. Charles



Harrah's St. Louis



ALLIANCE CELEBRATES 10TH ANNIVERSARY

The Missouri Alliance to Curb Problem Gambling, an organization in which the Missouri Gaming Association is an active charter member, celebrated its 10th anniversary at an event in December with speakers, awards and a personal story of recovery.

Dr. Renee Cunningham-Williams, an associate professor at George Warren Brown School of Social Work at Washington University, presented new research findings on problem gambling issues.

Marlene, a St. Louis area woman, also provided a moving personal story about her recovery from gambling addiction through counseling and group therapy,

after her daughter convinced her to call 1-888-BETSOFF for free help. Marlene said her addiction nearly took her life, but today is enjoying time with her family, especially her two young grandchildren.

The Alliance awarded the 2007 Service Award to Mike Ryan, former executive director of the Missouri Gaming Association. Ryan was instrumental in creating the Alliance. He guided the casinos in establishing the nation's first statewide responsible gaming committee which launched the 1-888-BETS OFF help line, responsible gambling standards for Missouri casinos and a statewide college scholarship program. Ryan retired from the Missouri Gaming Association in 2006,

but remains active on its Responsible Gaming Committee.



Project 21 Youth Education

The Missouri Gaming Association has supported Project 21, a scholarship contest designed to educate youth about the dangers of underage gambling, for the past 12 years. The association awards two \$1,500 and four \$1,000 scholarships each year. Applications for the 2008 Project 21 Scholarship forms are available at www.missouricasinos.org.



Responsible Gambling Help by E-Mail

Getting help for gambling problems is now easier than ever in Missouri with a new e-mail option launched in August, during Missouri Responsible Gaming Month. Missouri residents and their families can e-mail freehelp@888betsoff.org to reach the state's problem gambling counseling hotline and to make an appointment for free treatment from a certified compulsive gambling counselor. The hotline and counseling services provided during those calls are funded by the Missouri gaming industry.

Missouri Department of Health Study

In an effort to support public research on problem gambling, the Missouri Gaming Association has allocated funding to add gambling-related questions to the Missouri Department of Health "2007 Behavioral Risk Factor Surveillance System (BRFSS)," a telephone survey used by each state to track health risks. The phone survey was conducted throughout 2007. Results will be available in early 2008.

Casino Employees More Satisfied Than Most

A recent survey conducted for the Missouri Gaming Association shows that job satisfaction by Missouri casino workers is very high, nearly double that of the U.S. workforce. Missouri's 12 casinos currently employ about 12,160 people and more than 3,300 responded to the survey.

The survey showed that 81 percent of Missouri casino employees surveyed rated their jobs as satisfying. By contrast, a recent Harris Interactive/Spherion study showed that only 43 percent of U.S. workers are satisfied with their jobs.

As a result of their jobs, casino workers report that they've learned new and more marketable job skills (38 percent), worried

less about making ends meet (34 percent), moved to a better home (26 percent), obtained better health care (41 percent), improved education (15 percent) and increased self-esteem (34 percent).

The vast majority of Missouri casino workers (93 percent) work 32 hours or more, which makes them eligible for benefits at most Missouri casinos.

2007 EMPLOYEE STATS

12,160 employees

\$334 million in wages and tip income in 2007

49 percent of employees are female

37 percent of employees are minority



Argosy Casino Hotel & Spa



Harrah's St. Louis

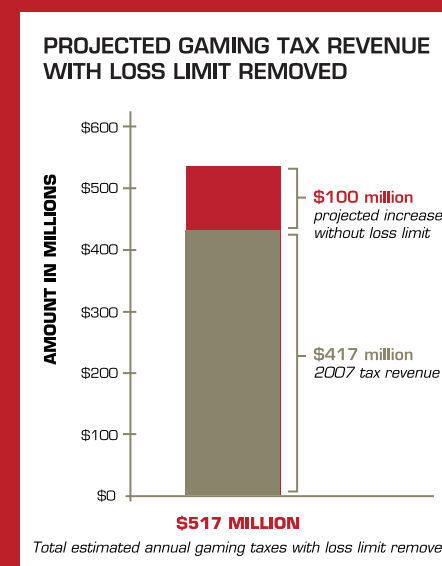
LOSS LIMIT REPEAL WILL BE DEBATED

During the 2007 session of the Missouri General Assembly, efforts were made to repeal the \$500 loss limit that the state imposes on casino patrons per gaming session. In 2008, efforts to bring this issue forward in the legislative process and gain its final passage are expected.

Missouri is the only gaming jurisdiction in the world that imposes such a loss limit on its patrons. Missouri Gaming Commission studies have cast serious doubt on the loss limit's effectiveness in preventing problem gambling.

Since casino gambling was approved in Kansas in 2007, the loss limit now puts Missouri casinos at an even greater competitive disadvantage.

Last year, Senator Charlie Shields spearheaded the Smart Start Scholarship Program, which would have created a scholarship program funded by increased revenue from repeal of the loss limit.



The Smart Start Scholarship would have assisted graduating high school seniors in pursuing higher education.

The Missouri Gaming Commission projects that a loss limit repeal could boost casino industry tax contributions to

Missouri by almost \$100 million per year. Senator Shields' legislation, SB 430, would have used most of those funds for the Smart Start Scholarship Program. Besides removing the \$500 loss limit, SB 430 also would have capped the number of casino licenses in Missouri at 16 and increased the gaming tax on adjusted gross receipts to 24.25 percent from the current 20 percent.

"Missouri is the only gaming jurisdiction in the world that imposes such a loss limit on its patrons."

Due to continued opposition from several senators, as well as concerns raised by the industry on the 4.25% increase in taxes, Senator Shields laid the bill over on the Informal Calendar. It remained there until the end of the legislative session. We expect to see the debate continue in 2008.