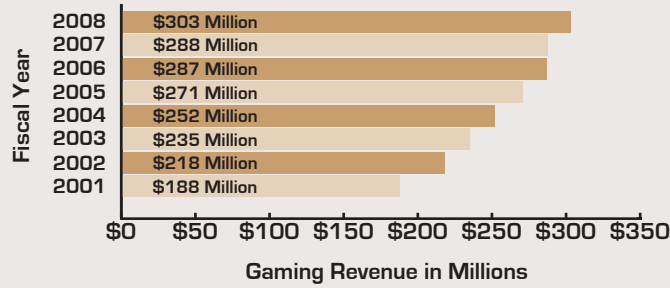




FINANCIALS

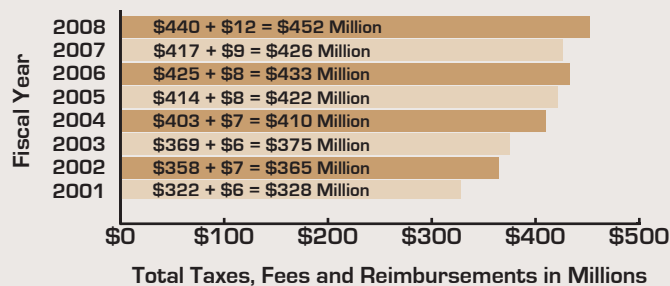
Gaming Revenue for the School Foundation Formula



Industry Results

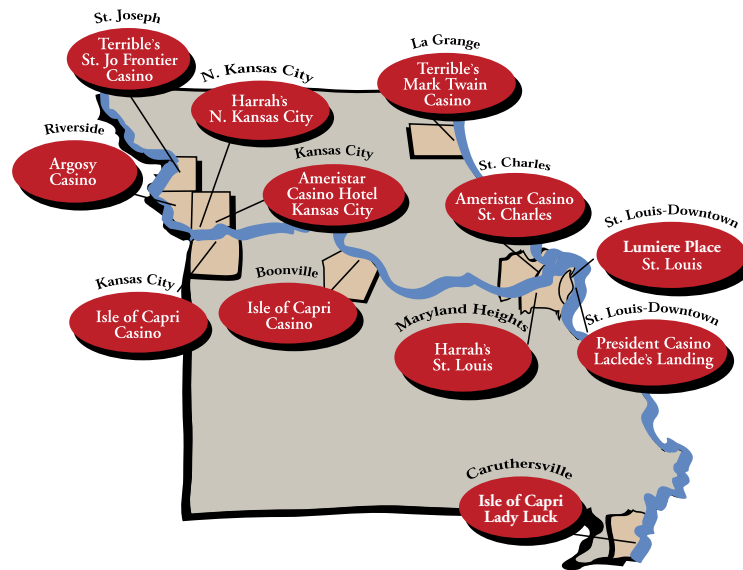
	Adjusted Gross Revenues by Calendar Year	Admissions by Calendar Year
2008	\$1.68 billion	52 million
2007	\$1.59 billion	49 million
2006	\$1.59 billion	53 million
2005	\$1.53 billion	54 million
2004	\$1.47 billion	54 million
2003	\$1.33 billion	51 million
2002	\$1.28 billion	51 million
2001	\$1.14 billion	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 21 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 is the professional organization representing the Missouri casino industry.

www.missouricasinos.org

2009 OFFICERS

- PRESIDENT**
Jim Franke, Ameristar St. Charles
- PRESIDENT-ELECT**
Todd George, Pinnacle Lumière
- TREASURER**
Lyle Randolph, Lady Luck Caruthersville
- SECRETARY**
Bob Thursby, Terrible's La Grange



Gaming Revenues Benefit Missouri

- School Foundation Formula \$303,000,000
- Host Cities \$85,600,000
- Early Childhood Development \$26,100,000
- Veterans Commission Capital Improvement \$6,000,000
- MGC Expenses* \$10,000,000
- Missouri College Guarantee Trust Fund \$5,000,000
- Missouri National Guard Trust Fund \$4,000,000
- Compulsive Gamblers Fund \$504,000

*Missouri Gaming Commission expenses not covered by casino licensing fees or direct reimbursements.

PROP A TO INCREASE TOURISM AND FUNDING FOR SCHOOLS

When voters passed Proposition A in November, they approved a measure that will make the state more competitive for casino tourism dollars and provide additional funding to Missouri schools.

"Now Missouri can compete on a level playing field with neighboring states while also generating more money for the schools," said Mike Winter, executive director of the Missouri Gaming Association. "This is a win for the state's economy and for our schools."

Proposition A passed with more than 1.57 million votes, or 56 percent of votes cast. The measure eliminated the \$500 buy-in or loss limit, the only restriction of its kind in the United States.

According to the official Missouri State Auditor's fiscal impact statement, passage of Proposition A will generate an estimated \$105 million to \$130 million annually in new gaming taxes for elementary and secondary education. Another \$5 million to \$7 million annually is projected for higher education, early childhood development, veterans and other programs. Local governments that receive gambling revenue will receive an estimated \$18 million to \$19 million a year more in new gaming taxes.

Proposition A created a new state education fund with annual audits to ensure that gaming tax revenues reach the schools. The measure also increased the state gaming tax



paid by casinos to 21 percent, and capped the number of casinos in Missouri to those in place or being built.

Missouri casinos provide more than 12,000 local jobs. Each year, casinos attract 25 million visitors and generate hundreds of millions of dollars in economic activity for Missouri.

CASINOS INVEST BILLIONS IN MISSOURI

Missouri casinos continue to expand, renovate and build infrastructure projects in the communities where they do business, attracting tourism dollars, spurring economic development and providing good-paying jobs.

"By 2009, the Missouri casino industry will have reinvested more than \$3.5 billion in capital projects in our local communities," said Mike Winter, executive director of the Missouri Gaming Association. "More than \$1 billion of that investment has taken place since 2007. In these uncertain times, that represents a major commitment to our local communities."



HotelLumière



Harrah's St. Louis



Project 21 Scholarship Program Educates Youth

The Project 21 scholarship competition, now in its 13th year, teaches high school students about the issues and dangers of underage gambling. Sponsored by the Missouri Gaming Association, Project 21 provides \$7,000 in scholarships annually to Missouri high school students who plan to attend college.

"I knew that gambling could become an addiction, but I didn't realize how easily it could be cultivated at a young age through little things, like betting on a game," said Ellie Koehly, whose essay "Under 21? Roll the Dice and Pay the Price!" won a \$1,000 college scholarship last year. Published in the Moberly High School student



Ellie Koehly, \$1000 scholarship winner
newspaper, the essay pointed out that many teens who play poker or bet on March Madness don't realize they're

participating in illegal underage gambling. In Missouri, gambling in a casino is not permitted for anyone under the age of 21. In addition to providing scholarships, Project 21 is a public awareness campaign that encourages young people to educate other youth about the dangers and consequences of underage gambling.

Applications for the 2009 Project 21 Scholarship are available at www.missouricasinos.org. Essays, posters and videos must be published or displayed in the school for at least a week between January 1 and February 28. The deadline for submitting the scholarship entry is March 6, 2009.

Casino Employees Enjoy Great Benefits

Missouri casinos offer generous benefit packages to their employees, including paid health insurance, personal time off, retirement and tuition assistance programs.

A 2008 benefits survey conducted by the Missouri Gaming Association showed that all 12 Missouri casinos provide medical, dental and vision care insurance, paying an average 75 percent of the premium cost for both employees and their dependents. Missouri casino employees are eligible for health insurance coverage at three months or earlier.

All Missouri casinos offer paid vacation and sick leave or a combined personal-time-off benefit. On average, casino employees receive 17.5 days of combined personal time off, vacation and paid holidays after one year of service, and nearly 25 days after five years.

All 12 casinos also offer defined benefit retirement plans with full vestment within five years. Five casinos match employee retirement fund contributions at 50 percent while seven casinos provide a 25 percent match.

"On average, casino employees receive 17.5 days of combined personal time off, vacation and paid holidays after one year of service, and nearly 25 days after five years."

Employees at 10 casinos also benefit from generous tuition assistance programs, ranging from an average \$2,600 education benefit for undergrad classes to \$2,900 for graduate classes.

CASINOS INVEST BILLIONS IN MISSOURI Continued from Page 1

Many of the capital improvements are non-gaming amenities such as hotels, spas, conference centers, fine dining restaurants and retail shops, all of which generated \$36.8 million in real estate and sales taxes for the local communities last year. In total, Missouri casinos paid more than \$465 million in gaming and other taxes and fees in 2008, according to the Missouri Gaming Commission.

HoteLumière – just three months after opening the \$507 million Lumière Place entertainment complex in downtown St. Louis, Pinnacle Entertainment added HoteLumière, a second downtown hotel located just east of the casino. The 294-room all-suite hotel features 8,000 square feet of meeting and convention space, a business center, fitness center and outdoor pool.

River City Casino & Hotel – construction is underway on this south St. Louis County casino by Pinnacle

Entertainment, with a planned opening in late 2009 or early 2010 upon final approval from the Missouri Gaming Commission. The \$375 million complex will include a 90,000-square-foot casino with 2,300 slot machines and 60 table games, restaurants and a multi-use community center. A new public roadway will provide access to the casino and open the area to economic development.

Ameristar Casino Resort Spa in St. Charles – a \$265 million all-suite hotel opened in early 2008 with 400 luxury suites, the full-service Ara spa, an indoor-outdoor pool, the new HOME nightclub and a state-of-the-art conference center. Ameristar also upgraded its entrance road, Ameristar Boulevard, in 2008.

Harrah's St. Louis Casino & Hotel – the new \$3.1 million state-of-the-art St. Louis Conference Center opened in November 2008 with 6,300 square feet of meeting and event space. The new



conference center offers A/V services, a business center, customized menu planning and free valet service. Harrah's also completed a \$350,000 renovation of Essentials gift shop in July.

Argosy Casino Hotel & Spa – the Argosy Casino Parkway which opened in December 2008 provides new access to the casino and a critical link to the planned Riverside Horizons commercial development. Riverside Horizons, an 800-acre property in development near downtown Kansas City, has the potential for creating 10,000 new jobs for the region. The city of Riverside and Argosy Casino each paid half of the \$3 million construction cost.

MISSOURI HEALTH STUDY REPORTS LOW RATE OF PROBLEM GAMBLING

Less than one percent of Missouri residents who gamble reported financial problems related to gambling in a recent study by the Missouri Department of Health and Senior Services.

Forty-four percent of Missouri residents surveyed in the 2007 Behavioral Risk Factor Surveillance System (BRFSS) study said they visited casinos, bet on sports and card games or played the Lottery. Of the 44 percent, less than one percent of those surveyed (0.75 percent) reported financial problems related to gambling. The same survey conducted three years earlier

showed a slightly higher rate of problem gambling at 0.9 percent.

The phone survey of nearly 5,000 adults was conducted by the Missouri Department of Health and Senior Services throughout 2007, with assistance from the Centers for Disease Control and Prevention. The state included the gambling question on the survey to determine the extent of problem gambling in Missouri, according to Michael Winter, chairman of the Alliance to Curb Problem Gambling and executive director of the Missouri Gaming Association.

"We're encouraged that the numbers are moving in the right direction," said Winter. "Still, there is work to be done to curb problem gambling. We'll use the data to enhance our education and outreach programs for problem gamblers and their families."

The Alliance to Curb Problem Gambling educates the public on the dangers of problem and compulsive gambling, funds a toll-free help line and sponsors an annual conference on problem gambling and substance abuse. For details, visit www.888betsoff.org or call 1-888-BETSOFF.

