

New Year Kicks Off with Increased AGP

Colorado casinos got a jump start to the new year with increased revenues in January. Casinos statewide reported \$63.9 million in AGP in January, up 11.27 percent from \$57.4 million in December and up 6.35 percent from \$60.1 million in January 2005.

Black Hawk's 21 casinos generated \$45.7 million in AGP in January, up from \$41.5 million in December and \$42.4 million in January 2005. Cripple Creek's 19 casinos totaled \$12.2 million in AGP in January, up from \$10.8 million in December and \$11.6 million the previous year. Central City's six casinos recorded nearly \$5.9 million in AGP in January, up from nearly \$5.0 million December, but down from \$6.0 million in January 2005.

Casinos statewide paid \$10.3 million in gaming taxes in January, up from \$9.1 million in December, with 11 casinos reporting revenues at the 0.25 percent tax bracket, 15 at 2 percent, one at 4 percent, eight at 11 percent, two at 16 percent and nine at 20 percent.

Commission Action

At its meeting on February 16 in Lakewood, the Commission:

- Renewed the manufacturer/distributor licenses of WMS Gaming, Inc.; Novomatic Colorado, Inc.; and Atronic Americas, LLC
- Renewed the operator license of WMS Gaming, Inc.
- Approved change of ownership for Fortune Valley Hotel and Casino

Three Named to Commission

On January 25, Gov. Bill Owens appointed William Hybl, Patty Imhoff and Meyer Saltzman to the Colorado Limited Gaming Control Commission to replace Natalie Meyer and Rob Millman, who were removed from the Commission earlier by the governor, and Barbara Jenkins, who resigned.

Hybl, the chairman and chief executive officer of the El Pomar Foundation in Colorado Springs and past president of the United States Olympic Committee, serves as the Commission's attorney member. Imhoff, managing partner and founder of a plastic resin company as well as president and founder of a real estate development company, serves as the Commission's business member. Saltzman, senior partner in and founder of Saltzman Hamma Nelson Massaro LLP, serves as the Commission's CPA member.

MESSAGE FROM THE DIRECTOR

For those who remember me, let me say how excited I am to be back with the Division of Gaming. For those who don't, let me introduce myself. My name is Ron Kammerzell, and I am the new director of the Division of Gaming, where I worked for almost 13 years before becoming the security director at the Colorado Lottery last March. I started my career at the Division as an auditor before becoming an audit manager, financial investigator and agent in charge of the background investigations unit. In each of those roles I had the privilege of working directly with highly professional co-workers in the Division and with many people in the Colorado gaming industry. In my experience, both the Division and the industry, along with the Commission and the Department of Revenue, have always been committed to developing and maintaining a high standard of regulation.

As you can tell from the headline at the top, my appointment as director is not the only change taking place. I also get to work with three new commissioners. Change seems to breed uncertainty. As a former Division employee who went through previous changes in directors and commissioners, I understand the uncertainty that both Division employees and the industry felt when such changes occurred. Let me assure you that during those past changes and during this current change, the commitment to excellence that I previously mentioned always remained the same—and it will continue to remain a high priority.

I would be remiss not to mention and commend former director Mark Wilson, who is now the internal security director for the Department of Revenue. Mark has always been highly regarded as a law enforcement and regulatory leader, and leaves the Division with that reputation intact. I wish Mark the best.

It's worth mentioning again, I am excited to be back. I look forward to re-establishing relationships with co-workers and industry leaders, and to continuing and elevating the integrity that pervades the regulation of gaming in Colorado.

—Ron Kammerzell



COLORADO STATE GAMING STATISTICS

| | <u>January 2006</u> | <u>December 2005</u> | <u>January 2005</u> | <u>Tax Year to Date</u> |
|--|---------------------|----------------------|---------------------|-------------------------|
| 1¢ SLOTS | 4,704 | 4,658 | 2,568 | 30,056 |
| COINS IN | 218,645,438.97 | 199,551,947.54 | 135,064,872.80 | 1,414,114,456.00 |
| AGP | 19,073,932.50 | 17,269,566.78 | 10,776,664.06 | 121,413,463.45 |
| AVG DAILY AGP | 130.80 | 127.75 | 144.60 | 131.80 |
| HOLD % | 8.72% | 8.65% | 7.98% | 8.59% |
| 5¢ SLOTS | 2,909 | 3,047 | 4,221 | 22,819 |
| COINS IN | 118,854,345.23 | 110,025,207.29 | 175,563,649.34 | 900,390,281.69 |
| AGP | 8,024,320.66 | 7,442,369.29 | 11,742,124.32 | 61,164,649.39 |
| AVG DAILY AGP | 88.98 | 84.16 | 95.86 | 87.46 |
| HOLD % | 6.75% | 6.76% | 6.69% | 6.79% |
| 25¢ SLOTS | 3,418 | 3,539 | 3,940 | 25,558 |
| COINS IN | 227,406,875.50 | 208,446,602.24 | 257,788,764.50 | 1,674,573,516.06 |
| AGP | 11,360,609.33 | 9,816,126.55 | 12,913,107.05 | 83,976,901.41 |
| AVG DAILY AGP | 107.22 | 95.58 | 112.93 | 107.21 |
| HOLD % | 5.00% | 4.71% | 5.01% | 5.01% |
| \$1 SLOTS | 2,651 | 2,658 | 2,892 | 19,148 |
| COINS IN | 271,213,475.30 | 248,638,747.79 | 290,750,546.00 | 1,947,817,496.76 |
| AGP | 12,840,771.92 | 11,570,170.77 | 13,238,849.02 | 91,675,857.90 |
| AVG DAILY AGP | 156.25 | 149.99 | 157.74 | 156.21 |
| HOLD % | 4.73% | 4.65% | 4.55% | 4.71% |
| \$5 SLOTS | 284 | 285 | 299 | 2,014 |
| COINS IN | 44,692,990.00 | 41,645,060.00 | 45,797,990.00 | 312,886,010.00 |
| AGP | 1,878,231.24 | 1,716,800.72 | 1,967,451.07 | 13,046,061.99 |
| AVG DAILY AGP | 213.34 | 207.57 | 226.74 | 211.35 |
| HOLD % | 4.20% | 4.12% | 4.30% | 4.17% |
| OTHER SLOTS* | 2,190 | 2,124 | 1,594 | 14,115 |
| COINS IN | 136,586,762.46 | 118,857,498.40 | 104,047,887.62 | 888,783,783.43 |
| AGP | 8,241,159.86 | 7,173,104.08 | 6,381,895.70 | 53,950,273.96 |
| AVG DAILY AGP | 121.39 | 116.37 | 137.96 | 124.71 |
| HOLD % | 6.03% | 6.04% | 6.13% | 6.07% |
| BJ TABLES | 75 | 81 | 80 | 540 |
| BJ DROP | 3,348,161.25 | 3,293,588.15 | 3,816,043.25 | 24,810,130.04 |
| AGP | 683,460.50 | 703,815.90 | 779,278.50 | 4,898,527.54 |
| AVG DAILY AGP | 293.96 | 299.41 | 335.65 | 295.98 |
| HOLD % | 20.41% | 21.37% | 20.42% | 19.74% |
| POKER TABLES | 142 | 141 | 100 | 899 |
| POKER DROP | 2,519,135.50 | 2,424,533.80 | 2,682,103.25 | 18,157,848.11 |
| AGP | 1,795,492.54 | 1,737,336.11 | 1,754,589.25 | 12,282,592.23 |
| AVG DAILY AGP | 407.88 | 604.60 | 604.60 | 445.77 |
| HOLD % | 18.97% | 17.77% | 17.77% | 19.08% |
| TOTAL AGP | 63,900,333.55 | 57,429,290.20 | 60,082,445.82 | 442,410,682.87 |
| GAMING TAXES | 10,319,118.62 | 9,122,690.35 | 8,781,534.59 | 51,060,053.15 |
| # OF CASINOS | 46 | 46 | 48 | 46 |
| AVG. DAYS OPEN | 31.00 | 29.02 | 29.02 | 30.65 |
| *10¢, 50¢, \$2 and Multi-Denomination Slots | | | | |

CRIPPLE CREEK GAMING STATISTICS

| | <u>January 2006</u> | <u>December 2005</u> | <u>January 2005</u> | <u>Tax Year to Date</u> |
|--|---------------------|----------------------|---------------------|-------------------------|
| 1¢ SLOTS | 1,286 | 1,295 | 841 | 8,188 |
| COINS IN | 42,145,429.87 | 39,151,279.04 | 29,661,164.84 | 285,141,172.83 |
| AGP | 3,349,925.07 | 3,107,899.65 | 2,261,499.10 | 22,569,938.29 |
| AVG DAILY AGP | 84.03 | 77.42 | 86.74 | 89.75 |
| HOLD % | 7.95% | 7.94% | 7.62% | 7.92% |
| 5¢ SLOTS | 845 | 864 | 1,310 | 6,758 |
| COINS IN | 23,523,501.26 | 20,964,094.95 | 35,859,985.59 | 196,958,760.82 |
| AGP | 1,493,295.07 | 1,357,438.71 | 2,199,070.28 | 12,863,080.17 |
| AVG DAILY AGP | 57.01 | 50.68 | 54.15 | 61.97 |
| HOLD % | 6.35% | 6.48% | 6.13% | 6.53% |
| 25¢ SLOTS | 965 | 982 | 1,141 | 7,208 |
| COINS IN | 44,755,318.25 | 39,803,677.75 | 51,832,736.00 | 352,880,182.88 |
| AGP | 2,151,305.69 | 1,860,926.88 | 2,665,719.93 | 17,503,233.10 |
| AVG DAILY AGP | 71.91 | 61.13 | 75.36 | 79.06 |
| HOLD % | 4.81% | 4.68% | 5.14% | 4.96% |
| \$1 SLOTS | 833 | 835 | 925 | 5,960 |
| COINS IN | 60,577,814.00 | 53,992,275.00 | 62,496,620.00 | 450,443,016.00 |
| AGP | 2,910,369.15 | 2,619,314.89 | 2,813,887.16 | 21,385,990.38 |
| AVG DAILY AGP | 112.70 | 101.19 | 98.13 | 116.83 |
| HOLD % | 4.80% | 4.85% | 4.50% | 4.75% |
| \$5 SLOTS | 62 | 62 | 71 | 452 |
| COINS IN | 6,151,090.00 | 6,334,750.00 | 4,011,755.00 | 42,576,850.00 |
| AGP | 304,929.50 | 228,705.98 | 132,161.50 | 1,952,435.35 |
| AVG DAILY AGP | 158.65 | 118.99 | 60.05 | 140.64 |
| HOLD % | 4.96% | 3.61% | 3.29% | 4.59% |
| OTHER SLOTS* | 779 | 734 | 494 | 4,566 |
| COINS IN | 27,374,267.29 | 23,022,505.62 | 17,983,866.01 | 175,114,092.87 |
| AGP | 1,641,173.41 | 1,341,154.67 | 1,158,089.19 | 10,595,088.13 |
| AVG DAILY AGP | 67.96 | 58.94 | 75.62 | 75.55 |
| HOLD % | 6.00% | 5.83% | 6.44% | 6.05% |
| BJ TABLES | 17 | 17 | 17 | 117 |
| BJ DROP | 441,806.25 | 459,029.50 | 506,566.00 | 3,956,430.62 |
| AGP | 85,032.75 | 96,781.50 | 103,961.00 | 705,661.12 |
| AVG DAILY AGP | 161.35 | 183.65 | 197.27 | 196.37 |
| HOLD % | 19.25% | 21.08% | 20.52% | 17.84% |
| POKER TABLES | 30 | 30 | 23 | 195 |
| POKER DROP | 254,715.50 | 259,104.50 | 266,554.50 | 1,985,228.00 |
| AGP | 278,618.00 | 259,049.00 | 303,603.75 | 2,036,488.25 |
| AVG DAILY AGP | 299.59 | 278.55 | 425.81 | 340.02 |
| HOLD % | 25.46% | 19.87% | 24.37% | 21.95% |
| TOTAL AGP | 12,214,648.64 | 10,871,271.28 | 11,637,991.91 | 89,611,914.79 |
| GAMING TAXES | 1,103,354.12 | 866,380.97 | 986,695.97 | 3,889,931.60 |
| # OF CASINOS | 19 | 19 | 19 | 19 |
| AVG. DAYS OPEN | 31.00 | 31.00 | 31.00 | 30.71 |
| *10¢, 50¢, \$2 and Multi-Denomination Slots | | | | |

BLACK HAWK GAMING STATISTICS

| | <u>January 2006</u> | <u>December 2005</u> | <u>January 2005</u> | <u>Tax Year to Date</u> |
|--|---------------------|----------------------|---------------------|-------------------------|
| 1¢ SLOTS | 2,736 | 2,696 | 1,450 | 17,296 |
| COINS IN | 149,726,572.31 | 137,715,696.88 | 88,869,370.56 | 958,135,395.87 |
| AGP | 13,557,179.46 | 12,374,032.53 | 7,252,932.75 | 85,240,940.81 |
| AVG DAILY AGP | 159.84 | 148.06 | 184.97 | 160.46 |
| HOLD % | 9.05% | 8.99% | 8.16% | 8.90% |
| 5¢ SLOTS | 1,673 | 1,769 | 2,409 | 12,947 |
| COINS IN | 86,397,852.06 | 81,311,948.44 | 124,086,000.95 | 631,633,632.32 |
| AGP | 5,958,073.67 | 5,561,260.78 | 8,367,380.12 | 43,282,687.51 |
| AVG DAILY AGP | 114.88 | 101.41 | 128.45 | 108.84 |
| HOLD % | 6.90% | 6.84% | 6.74% | 6.85% |
| 25¢ SLOTS | 1,981 | 2,088 | 2,366 | 14,881 |
| COINS IN | 159,168,409.75 | 148,730,377.84 | 179,285,015.75 | 1,155,051,009.78 |
| AGP | 7,947,225.50 | 7,002,065.21 | 8,831,726.13 | 57,585,186.11 |
| AVG DAILY AGP | 129.41 | 108.18 | 138.04 | 125.99 |
| HOLD % | 4.99% | 4.71% | 4.93% | 4.99% |
| \$1 SLOTS | 1,528 | 1,530 | 1,689 | 11,038 |
| COINS IN | 182,769,378.30 | 171,991,772.79 | 200,504,260.00 | 1,321,555,436.76 |
| AGP | 8,862,349.69 | 7,988,660.18 | 9,199,505.40 | 62,520,656.95 |
| AVG DAILY AGP | 187.10 | 168.43 | 201.42 | 184.41 |
| HOLD % | 4.85% | 4.64% | 4.59% | 4.73% |
| \$5 SLOTS | 202 | 203 | 208 | 1,422 |
| COINS IN | 36,537,815.00 | 33,505,515.00 | 39,345,300.00 | 256,102,720.00 |
| AGP | 1,448,901.74 | 1,403,291.74 | 1,682,629.57 | 10,255,139.64 |
| AVG DAILY AGP | 231.38 | 222.99 | 299.15 | 234.80 |
| HOLD % | 3.97% | 4.19% | 4.28% | 4.00% |
| OTHER SLOTS* | 1,294 | 1,271 | 1,100 | 8,735 |
| COINS IN | 99,251,916.69 | 87,685,574.37 | 86,064,021.61 | 655,311,895.53 |
| AGP | 6,108,829.05 | 5,366,904.87 | 5,223,806.51 | 40,126,423.64 |
| AVG DAILY AGP | 152.29 | 136.21 | 175.61 | 149.56 |
| HOLD % | 6.15% | 6.12% | 6.07% | 6.12% |
| BJ TABLES | 49 | 51 | 55 | 356 |
| BJ DROP | 2,692,952.50 | 2,619,313.65 | 3,075,692.75 | 19,049,067.67 |
| AGP | 569,259.75 | 564,887.15 | 644,275.50 | 3,907,362.17 |
| AVG DAILY AGP | 374.76 | 357.30 | 433.19 | 357.35 |
| HOLD % | 21.14% | 21.57% | 20.95% | 20.51% |
| POKER TABLES | 95 | 94 | 62 | 590 |
| POKER DROP | 2,035,499.00 | 1,944,893.30 | 2,125,888.25 | 14,416,513.05 |
| AGP | 1,339,070.04 | 1,299,167.11 | 1,241,948.50 | 8,844,399.92 |
| AVG DAILY AGP | 454.69 | 445.84 | 740.76 | 488.06 |
| HOLD % | 18.09% | 18.89% | 17.16% | 18.38% |
| TOTAL AGP | 45,790,888.90 | 41,560,269.57 | 42,444,204.48 | 311,762,796.75 |
| GAMING TAXES | 8,300,451.55 | 7,475,819.50 | 6,815,567.53 | 42,700,766.28 |
| # OF CASINOS | 21 | 21 | 24 | 21 |
| AVG. DAYS OPEN | 31.00 | 31.00 | 27.04 | 30.71 |
| *10¢, 50¢, \$2 and Multi-Denomination Slots | | | | |

CENTRAL CITY GAMING STATISTICS

| | <u>January 2006</u> | <u>December 2005</u> | <u>January 2005</u> | <u>Tax Year to Date</u> |
|--|---------------------|----------------------|---------------------|-------------------------|
| 1¢ SLOTS | 682 | 667 | 277 | 4,572 |
| COINS IN | 26,773,436.79 | 22,684,971.62 | 16,534,337.40 | 170,837,887.30 |
| AGP | 2,166,827.97 | 1,787,634.60 | 1,262,232.21 | 13,602,584.35 |
| AVG DAILY AGP | 102.49 | 86.46 | 146.99 | 98.58 |
| HOLD % | 8.09% | 7.88% | 7.63% | 7.96% |
| 5¢ SLOTS | 391 | 414 | 502 | 3,114 |
| COINS IN | 8,932,991.91 | 7,749,163.90 | 15,617,662.80 | 71,797,888.55 |
| AGP | 572,951.92 | 523,669.80 | 1,175,673.92 | 5,018,881.71 |
| AVG DAILY AGP | 47.27 | 40.80 | 75.55 | 53.40 |
| HOLD % | 6.41% | 6.76% | 7.53% | 6.99% |
| 25¢ SLOTS | 472 | 469 | 433 | 3,469 |
| COINS IN | 23,483,147.50 | 19,912,546.65 | 26,671,012.75 | 166,642,323.40 |
| AGP | 1,262,078.14 | 953,134.46 | 1,415,660.99 | 8,888,482.20 |
| AVG DAILY AGP | 86.25 | 65.56 | 105.47 | 84.90 |
| HOLD % | 5.37% | 4.79% | 5.31% | 5.33% |
| \$1 SLOTS | 290 | 293 | 278 | 2,150 |
| COINS IN | 27,866,283.00 | 22,654,700.00 | 27,749,666.00 | 175,819,044.00 |
| AGP | 1,068,053.08 | 962,195.70 | 1,225,456.46 | 7,769,210.57 |
| AVG DAILY AGP | 118.80 | 105.93 | 142.20 | 119.74 |
| HOLD % | 3.83% | 4.25% | 4.42% | 4.42% |
| \$5 SLOTS | 20 | 20 | 20 | 140 |
| COINS IN | 2,004,085.00 | 1,804,795.00 | 2,440,935.00 | 14,206,440.00 |
| AGP | 124,400.00 | 84,803.00 | 152,660.00 | 838,487.00 |
| AVG DAILY AGP | 200.65 | 136.78 | 246.23 | 198.45 |
| HOLD % | 6.21% | 4.70% | 6.25% | 5.90% |
| OTHER SLOTS* | 117 | 119 | 0 | 814 |
| COINS IN | 9,960,578.48 | 8,149,418.41 | 0.00 | 58,357,795.03 |
| AGP | 491,157.40 | 465,044.54 | 0.00 | 3,228,762.19 |
| AVG DAILY AGP | 135.42 | 126.06 | 0.00 | 131.43 |
| HOLD % | 4.93% | 5.71% | 0.00% | 5.53% |
| BJ TABLES | 9 | 13 | 8 | 67 |
| BJ DROP | 213,402.50 | 215,245.00 | 233,784.50 | 1,804,631.75 |
| AGP | 29,168.00 | 42,147.25 | 31,042.00 | 285,504.25 |
| AVG DAILY AGP | 104.54 | 104.58 | 125.17 | 141.20 |
| HOLD % | 13.67% | 19.58% | 13.28% | 15.82% |
| POKER TABLES | 17 | 17 | 15 | 114 |
| POKER DROP | 228,921.00 | 220,536.00 | 289,660.50 | 1,756,107.06 |
| AGP | 177,804.50 | 179,120.00 | 209,037.00 | 1,401,704.06 |
| AVG DAILY AGP | 337.39 | 339.89 | 449.54 | 407.42 |
| HOLD % | 19.64% | 23.92% | 16.22% | 21.59% |
| TOTAL AGP | 5,894,796.01 | 4,997,749.35 | 6,000,249.43 | 41,035,971.33 |
| GAMING TAXES | 915,312.95 | 780,489.88 | 979,271.09 | 4,469,355.27 |
| # OF CASINOS | 6 | 6 | 5 | 6 |
| AVG. DAYS OPEN | 31.00 | 31.00 | 31.00 | 30.18 |
| *10¢, 50¢, \$2 and Multi-Denomination Slots | | | | |

JANUARY AGP BY DEVICE

Statewide

| <u>Device</u> | <u>Number</u> | <u>AGP</u> | <u>Avg. Daily AGP/Device</u> | <u>Hold %</u> |
|---------------|---------------|--------------|----------------------------------|---------------|
| Slots | 16,158 | \$61,421,381 | \$122.62 | 6.04% |
| Tables | 217 | \$2,478,953 | \$368.51 | 19.80% |
| TOTAL | 16,375 | \$63,900,334 | \$125.88 | 6.24% |

Cripple Creek

| <u>Device</u> | <u>Number</u> | <u>AGP</u> | <u>Avg. Daily AGP/Device</u> | <u>Hold %</u> |
|---------------|---------------|--------------|----------------------------------|---------------|
| Slots | 4,770 | \$11,850,998 | \$80.14 | 5.79% |
| Tables | 47 | \$363,651 | \$249.59 | 21.52% |
| TOTAL | 4,817 | \$12,214,649 | \$81.80 | 5.95% |

Black Hawk

| <u>Device</u> | <u>Number</u> | <u>AGP</u> | <u>Avg. Daily AGP/Device</u> | <u>Hold %</u> |
|---------------|---------------|--------------|----------------------------------|---------------|
| Slots | 9,414 | \$43,882,559 | \$150.37 | 6.15% |
| Tables | 144 | \$1,908,330 | \$427.49 | 19.83% |
| TOTAL | 9,558 | \$45,790,889 | \$154.54 | 6.37% |

Central City

| <u>Device</u> | <u>Number</u> | <u>AGP</u> | <u>Avg. Daily AGP/Device</u> | <u>Hold %</u> |
|---------------|---------------|-------------|----------------------------------|---------------|
| Slots | 1,974 | \$5,687,824 | \$92.95 | 5.74% |
| Tables | 26 | \$206,973 | \$256.79 | 16.76% |
| TOTAL | 2,000 | \$5,894,796 | \$95.08 | 5.93% |

Average daily AGP per device is calculated by dividing the total AGP by the number of devices, further divided by the average number of days open for all establishments open in January. Hold percentage does not include player-banked poker tables.

GAMING ♦ UPDATE

DATES TO REMEMBER

- ✓ March 15 • February gaming tax returns due
- ✓ March 15 • 2005 casino financial statements due
- ✓ March 16 • Gaming Commission meeting, 1881 Pierce St., Suite 110, Lakewood

MARCH 2006

COLORADO DEPT OF REVENUE
DIVISION OF GAMING
1881 PIERCE ST STE 112
LAKEWOOD CO 80214-1496