

April Revenues Mixed

April revenues brought mixed results for Colorado casinos. Gaming establishments statewide reported \$65.8 million in AGP in April, down 1.1 percent from \$66.5 million in March, but up 5.8 percent from \$62.2 million in April 2005.

Black Hawk's 21 casinos generated \$47.9 million in AGP in April, up from \$47.7 million in March and \$44.1 million in April 2005. Cripple Creek's 19 casinos totaled \$12.3 million in AGP in April, down from \$12.8 million in March, but up from \$11.9 million the previous year. Central City's six casinos produced nearly \$5.6 million in AGP in April, down from \$5.9 million the previous month and nearly \$6.2 million in April 2005.

Casinos statewide paid \$11.2 million in gaming taxes in April, the same as in March.

During April, eight casinos reported revenues at the 0.25 percent tax bracket, nine at 2 percent, eight at four percent, six at 11 percent, four at 16 percent and 11 at 20 percent.

Commission Action

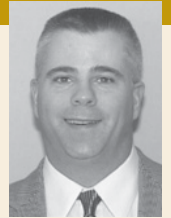
At its regular meeting on May 30 in Lakewood, the Colorado Limited Gaming Control Commission:

- Renewed the retail license of Imperial Hotel & Casino Corp.
- Renewed the manufacturer/distributor licenses of Western Money Systems and PDS Gaming Corporation - Colorado
- Approved change of ownership for Imperial Hotel & Casino Corp. and PDS Gaming Corp. - Colorado

Commission Retains Tax Rates

The Colorado Limited Gaming Control Commission on May 30 unanimously decided to retain the current gaming tax structure in which casinos, on an annual basis starting July 1, pay 0.25% on the first \$2 million in AGP, 2% from \$2 million to \$4 million, 4% from \$4 million to \$5 million, 11% from \$5 million to \$10 million, 16% from \$10 million to \$15 million and 20% above \$15 million. The Division of Gaming presented estimates that casinos statewide will pay \$109.4 million in gaming taxes in fiscal year 2007 on an estimated \$789.6 million in AGP, up from an estimated \$105.9 million in taxes on \$763.1 million in AGP in fiscal year 2006.

MESSAGE FROM THE DIRECTOR



The Gaming Commission has just completed a two-month crash course in Gaming 101, also known as the tax setting hearing process. For four commissioners, this was their first involvement in the process. Their teachers were the industry, the state agencies involved in carrying out the Limited Gaming Act or impacted by the industry's presence, local and county government officials, the Commission's independent CPA and Division staff.

The commissioners learned about the impact of marketing/promotional/giveaway dollars on casino revenues, the need for additional state troopers to patrol the highways leading to the gaming communities, the state budget process, EBITDA, how preservation dollars are spent, the history of the impacts of tribal gaming, statutory law regarding the balance between offsetting impacts and ensuring profitability, etc. The list seems almost endless.

In the end, they learned the Colorado gaming industry is highly complex and at its core a business, albeit a highly-regulated and publicly scrutinized entertainment business that is unique in its taxing structure, in its public perception and in its niche in the national gaming market. The gaming industry exists for the same reason that all other businesses exist—to make money. To that end, the industry is vulnerable to tax volatility and the corresponding impact that volatility has on the financial markets. For that primary reason, the industry this year sought stability over any type of tax relief, although the argument was made that a reduction in the tax rate at any level would benefit the entire industry. The governmental entities impacted by gaming also concurred that stability was the best route and also recommended the Commission retain the tax rates. The Commission obliged.

Finally, the Commission learned that its teachers throughout the process are highly professional and committed to a common goal—ensuring the integrity and continued success of the casino industry in Colorado. I learned that lesson a long time ago, but it was reinforced throughout the process. I hope its a lesson that neither the Commission nor I will ever forget.

—Ron Kammerzell

COLORADO STATE GAMING STATISTICS

	<u>April 2006</u>	<u>March 2006</u>	<u>April 2005</u>	<u>Tax Year to Date</u>
1¢ SLOTS	5,249	5,127	3,359	45,327
COINS IN	245,663,724.38	237,914,129.37	165,233,977.41	2,117,720,458.68
AGP	21,679,760.59	21,092,854.01	13,514,479.96	183,067,339.08
AVG DAILY AGP	137.68	132.71	134.59	133.04
HOLD %	8.82%	8.87%	8.18%	8.64%
5¢ SLOTS	2,801	2,920	4,122	31,485
COINS IN	117,382,383.79	119,110,739.46	164,606,536.05	1,251,583,468.02
AGP	7,825,423.55	8,103,658.61	10,934,845.32	84,768,756.24
AVG DAILY AGP	93.13	89.52	88.74	88.68
HOLD %	6.67%	6.80%	6.64%	6.77%
25¢ SLOTS	3,518	3,559	3,907	36,115
COINS IN	236,669,036.52	241,505,841.78	263,301,223.60	2,370,566,778.47
AGP	11,817,147.37	11,705,763.83	13,170,016.63	118,573,705.87
AVG DAILY AGP	111.97	106.10	112.76	108.15
HOLD %	4.99%	4.85%	5.00%	5.00%
\$1 SLOTS	2,718	2,701	2,868	27,210
COINS IN	283,468,789.38	280,128,383.94	284,851,991.79	2,769,838,976.46
AGP	12,954,460.58	13,063,376.99	12,810,313.70	130,245,954.77
AVG DAILY AGP	158.87	156.02	149.42	157.67
HOLD %	4.57%	4.66%	4.50%	4.70%
\$5 SLOTS	283	280	320	2,854
COINS IN	44,231,360.04	43,808,489.57	52,726,113.00	439,417,479.61
AGP	1,454,870.76	2,009,960.68	2,262,870.69	17,838,129.49
AVG DAILY AGP	171.36	231.56	236.55	205.88
HOLD %	3.29%	4.59%	4.29%	4.06%
OTHER SLOTS*	2,286	2,255	1,693	20,839
COINS IN	142,305,127.22	136,877,223.78	107,769,864.88	1,295,191,889.14
AGP	7,559,497.86	8,132,226.20	6,620,893.21	77,271,866.74
AVG DAILY AGP	110.23	116.33	130.82	122.14
HOLD %	5.31%	5.94%	6.14%	5.97%
BJ TABLES	75	76	83	770
BJ DROP	3,413,335.15	3,438,398.01	3,728,911.06	34,951,926.30
AGP	732,974.40	675,337.51	790,213.81	6,991,895.30
AVG DAILY AGP	325.77	286.65	318.48	299.10
HOLD %	21.47%	19.64%	21.19%	20.00%
POKER TABLES	138	141	126	1,317
POKER DROP	2,610,461.30	2,618,978.25	2,709,041.05	25,918,948.96
AGP	1,816,194.63	1,774,561.60	1,731,952.10	17,571,317.61
AVG DAILY AGP	438.69	405.99	459.82	439.47
HOLD %	19.72%	17.38%	19.96%	18.88%
TOTAL AGP	65,840,329.74	66,557,739.43	62,251,141.26	636,331,320.10
GAMING TAXES	11,243,324.42	11,275,911.49	10,282,645.79	83,732,679.83
# OF CASINOS	46	46	47	46
AVG. DAYS OPEN	30.00	31.00	29.89	30.36
*10¢, 50¢, \$2 and Multi-Denomination Slots				

CRIPPLE CREEK GAMING STATISTICS

	<u>April 2006</u>	<u>March 2006</u>	<u>April 2005</u>	<u>Tax Year to Date</u>
1¢ SLOTS	1,288	1,292	916	12,057
COINS IN	45,800,625.36	45,799,527.85	33,447,694.39	420,062,306.24
AGP	3,534,054.48	3,652,514.20	2,540,240.88	33,099,903.39
AVG DAILY AGP	91.46	91.19	92.93	90.31
HOLD %	7.72%	7.98%	7.59%	7.88%
5¢ SLOTS	810	825	1,234	9,231
COINS IN	23,792,589.00	23,882,006.77	34,912,175.75	267,085,846.39
AGP	1,548,389.75	1,579,512.99	2,192,304.95	17,434,421.60
AVG DAILY AGP	63.72	61.76	59.53	62.13
HOLD %	6.51%	6.61%	6.28%	6.53%
25¢ SLOTS	965	971	1,089	10,115
COINS IN	45,438,693.35	44,771,793.77	51,911,394.25	486,144,859.50
AGP	2,165,307.08	2,200,317.45	2,607,704.13	24,116,667.79
AVG DAILY AGP	74.79	73.10	80.24	78.44
HOLD %	4.77%	4.91%	5.02%	4.96%
\$1 SLOTS	844	844	877	8,486
COINS IN	66,138,990.00	63,750,286.00	65,173,389.70	639,211,721.00
AGP	2,841,297.44	3,042,079.65	2,679,411.77	30,192,085.17
AVG DAILY AGP	112.22	116.27	102.38	117.05
HOLD %	4.30%	4.77%	4.11%	4.72%
\$5 SLOTS	55	56	77	621
COINS IN	5,747,700.00	5,314,140.00	5,572,088.00	58,784,555.00
AGP	266,552.40	297,940.00	133,161.41	2,708,901.52
AVG DAILY AGP	161.55	171.62	57.95	143.51
HOLD %	4.64%	5.61%	2.39%	4.61%
OTHER SLOTS*	784	806	579	6,926
COINS IN	28,209,897.16	28,490,512.65	22,652,746.40	258,095,842.79
AGP	1,574,330.97	1,763,544.73	1,424,593.83	15,512,448.57
AVG DAILY AGP	66.94	70.58	82.45	73.68
HOLD %	5.58%	6.19%	6.29%	6.01%
BJ TABLES	17	17	15	168
BJ DROP	464,313.50	489,435.75	512,480.56	5,373,121.12
AGP	115,903.00	87,745.25	96,012.31	1,009,724.62
AVG DAILY AGP	227.26	166.50	214.49	197.73
HOLD %	24.96%	17.93%	18.73%	18.79%
POKER TABLES	28	30	28	281
POKER DROP	265,531.50	278,496.00	264,436.50	2,801,103.00
AGP	268,950.00	271,836.50	269,244.00	2,832,411.25
AVG DAILY AGP	320.18	292.30	322.22	331.61
HOLD %	19.27%	16.78%	22.00%	20.92%
TOTAL AGP	12,314,785.12	12,895,490.77	11,942,673.28	126,906,563.91
GAMING TAXES	1,491,038.05	1,519,074.50	1,430,786.76	8,205,723.77
# OF CASINOS	19	19	19	19
AVG. DAYS OPEN	30.00	31.00	29.84	30.40
*10¢, 50¢, \$2 and Multi-Denomination Slots				

BLACK HAWK GAMING STATISTICS

	<u>April 2006</u>	<u>March 2006</u>	<u>April 2005</u>	<u>Tax Year to Date</u>
1¢ SLOTS	3,250	3,122	1,888	26,583
COINS IN	173,704,907.37	164,529,103.02	110,151,254.10	1,448,136,290.72
AGP	16,004,162.55	15,218,206.39	9,408,136.91	129,952,478.14
AVG DAILY AGP	164.15	157.24	166.37	160.73
HOLD %	9.21%	9.25%	8.54%	8.97%
5¢ SLOTS	1,610	1,715	2,267	17,991
COINS IN	84,770,673.39	86,393,433.59	114,957,807.90	886,720,234.98
AGP	5,702,350.94	5,955,462.90	7,676,214.64	60,613,131.02
AVG DAILY AGP	118.06	112.02	113.05	110.77
HOLD %	6.73%	6.89%	6.68%	6.84%
25¢ SLOTS	2,088	2,120	2,293	21,128
COINS IN	168,934,169.67	172,875,004.26	185,328,323.35	1,649,130,575.57
AGP	8,415,169.48	8,295,034.98	9,087,995.33	82,066,197.88
AVG DAILY AGP	134.34	126.22	132.32	127.71
HOLD %	4.98%	4.80%	4.90%	4.98%
\$1 SLOTS	1,614	1,594	1,592	15,773
COINS IN	193,804,240.38	191,033,163.89	192,687,885.00	1,880,995,320.41
AGP	9,101,812.74	8,937,819.09	8,873,908.39	89,196,622.49
AVG DAILY AGP	187.98	180.88	186.10	185.93
HOLD %	4.70%	4.68%	4.61%	4.74%
\$5 SLOTS	208	204	210	2,033
COINS IN	36,578,485.04	36,534,014.57	44,834,215.00	360,629,784.61
AGP	1,120,456.36	1,603,399.68	1,974,096.23	13,991,557.97
AVG DAILY AGP	179.56	253.54	313.85	226.28
HOLD %	3.06%	4.39%	4.40%	3.88%
OTHER SLOTS*	1,370	1,323	1,114	12,719
COINS IN	105,824,609.59	98,880,413.20	85,117,118.48	951,744,935.49
AGP	5,630,642.64	5,878,352.60	5,196,299.38	57,177,422.55
AVG DAILY AGP	137.00	143.33	155.73	147.81
HOLD %	5.32%	5.94%	6.10%	6.01%
BJ TABLES	45	47	59	498
BJ DROP	2,722,008.90	2,688,509.26	2,959,276.75	27,057,817.68
AGP	576,856.15	549,470.26	655,262.25	5,581,523.43
AVG DAILY AGP	427.30	377.12	370.79	368.51
HOLD %	21.19%	20.44%	22.14%	20.63%
POKER TABLES	92	93	83	869
POKER DROP	2,097,852.30	2,080,364.25	2,116,243.80	20,603,945.90
AGP	1,384,461.13	1,317,824.60	1,240,181.80	12,817,945.30
AVG DAILY AGP	501.62	457.10	498.86	484.98
HOLD %	19.89%	17.00%	19.17%	18.37%
TOTAL AGP	47,935,911.99	47,755,570.50	44,112,094.93	451,396,878.78
GAMING TAXES	8,915,274.75	8,857,891.18	7,953,659.25	68,475,715.53
# OF CASINOS	21	21	21	21
AVG. DAYS OPEN	30.00	31.00	29.95	30.41
*10¢, 50¢, \$2 and Multi-Denomination Slots				

CENTRAL CITY GAMING STATISTICS

	<u>April 2006</u>	<u>March 2006</u>	<u>April 2005</u>	<u>Tax Year to Date</u>
1¢ SLOTS	711	713	555	6,687
COINS IN	26,158,191.65	27,585,498.50	21,635,028.92	249,521,861.72
AGP	2,141,543.56	2,222,133.42	1,566,102.17	20,014,957.55
AVG DAILY AGP	100.40	100.54	94.51	99.66
HOLD %	8.19%	8.06%	7.24%	8.02%
5¢ SLOTS	381	380	621	4,263
COINS IN	8,819,121.40	8,835,299.10	14,736,552.40	97,777,386.65
AGP	574,682.86	568,682.72	1,066,325.73	6,721,203.62
AVG DAILY AGP	50.28	48.28	57.51	52.49
HOLD %	6.52%	6.44%	7.24%	6.87%
25¢ SLOTS	465	468	525	4,872
COINS IN	22,296,173.50	23,859,043.75	26,061,506.00	235,291,343.40
AGP	1,236,670.81	1,210,411.40	1,474,317.17	12,390,840.20
AVG DAILY AGP	88.65	83.43	94.06	84.68
HOLD %	5.55%	5.07%	5.66%	5.27%
\$1 SLOTS	260	263	399	2,951
COINS IN	23,525,559.00	25,344,934.05	26,990,717.09	249,631,935.05
AGP	1,011,350.40	1,083,478.25	1,256,993.54	10,857,247.11
AVG DAILY AGP	129.66	132.89	105.51	122.50
HOLD %	4.30%	4.27%	4.66%	4.35%
\$5 SLOTS	20	20	33	200
COINS IN	1,905,175.00	1,960,335.00	2,319,810.00	20,003,140.00
AGP	67,862.00	108,621.00	155,613.05	1,137,670.00
AVG DAILY AGP	113.10	175.20	157.94	189.39
HOLD %	3.56%	5.54%	6.71%	5.69%
OTHER SLOTS*	132	126	0	1,194
COINS IN	8,270,620.47	9,506,297.93	0.00	85,351,110.86
AGP	354,524.25	490,328.87	0.00	4,581,995.62
AVG DAILY AGP	89.53	125.53	0.00	127.77
HOLD %	4.29%	5.16%	0.00%	5.37%
BJ TABLES	13	12	9	104
BJ DROP	227,012.75	260,453.00	257,153.75	2,520,987.50
AGP	40,215.25	38,122.00	38,939.25	400,647.25
AVG DAILY AGP	103.12	102.48	144.91	128.27
HOLD %	17.71%	14.64%	15.14%	15.89%
POKER TABLES	18	18	15	167
POKER DROP	247,077.50	260,118.00	328,360.75	2,513,900.06
AGP	162,783.50	184,900.50	222,526.30	1,920,961.06
AVG DAILY AGP	301.45	331.36	496.87	382.99
HOLD %	18.73%	21.03%	23.41%	20.79%
TOTAL AGP	5,589,632.63	5,906,678.16	6,196,373.05	58,027,877.41
GAMING TAXES	837,011.62	898,945.81	898,199.78	7,051,240.53
# OF CASINOS	6	6	7	6
AVG. DAYS OPEN	30.00	31.00	29.86	30.03
*10¢, 50¢, \$2 and Multi-Denomination Slots				

APRIL AGP BY DEVICE

Statewide

<u>Device</u>	<u>Number</u>	<u>AGP</u>	<u>Avg. Daily AGP/Device</u>	<u>Hold %</u>
Slots	16,855	\$63,291,161	\$125.17	5.92%
Tables	213	\$2,549,169	\$398.83	20.71%
TOTAL	17,068	\$65,840,330	\$128.58	6.12%

Cripple Creek

<u>Device</u>	<u>Number</u>	<u>AGP</u>	<u>Avg. Daily AGP/Device</u>	<u>Hold %</u>
Slots	4,746	\$11,929,932	\$83.79	5.55%
Tables	45	\$384,853	\$285.08	22.89%
TOTAL	4,791	\$12,314,785	\$85.68	5.71%

Black Hawk

<u>Device</u>	<u>Number</u>	<u>AGP</u>	<u>Avg. Daily AGP/Device</u>	<u>Hold %</u>
Slots	10,140	\$45,974,595	\$151.13	6.02%
Tables	137	\$1,961,317	\$477.21	20.63%
TOTAL	10,277	\$47,935,911	\$155.48	6.24%

Central City

<u>Device</u>	<u>Number</u>	<u>AGP</u>	<u>Avg. Daily AGP/Device</u>	<u>Hold %</u>
Slots	1,969	\$5,386,634	\$91.19	5.92%
Tables	31	\$202,999	\$285.08	18.25%
TOTAL	2,000	\$5,589,633	\$85.68	6.11%

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 April. Hold percentage does not include player-banked poker tables.

GAMING ♦ UPDATE

DATES TO REMEMBER

- ✓ June 15 • May gaming tax returns due
- ✓ June 15 • Gaming Commission meeting, 1881 Pierce St., Suite 110, Lakewood

JUNE 2006

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