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MICHIGAN GAMING CONTROL BOARD RELEASES DETROIT CASINO REVENUES FOR OCTOBER 2007

On Monday, the Michigan Gaming Control Board (MGCB) released the October, 2007 total adjusted revenue figures for the three Detroit casinos – MGM Grand Detroit Casino, MotorCity Casino and Greektown Casino.

| Month in 2007 | Total Adjusted Revenue 2007 | | |
|---------------|-----------------------------|------------------|------------------|
| | MGM Grand Detroit | MotorCity Casino | Greektown Casino |
| January | \$40,503,320.38 | \$40,452,401.96 | \$28,439,733.74 |
| February | \$36,771,280.82 | \$39,208,228.16 | \$28,998,669.02 |
| March | \$47,402,120.22 | \$42,894,972.21 | \$33,427,503.33 |
| April | \$41,040,958.48 | \$39,345,925.30 | \$30,060,692.80 |
| May | \$41,417,910.37 | \$36,787,442.36 | \$27,394,026.36 |
| June | \$38,562,158.58 | \$42,333,206.56 | \$28,490,060.73 |
| July | \$41,334,381.05 | \$42,676,452.96 | \$29,281,394.59 |
| August | \$42,750,887.02 | \$41,091,884.90 | \$27,795,698.55 |
| September | \$35,279,291.62 | \$39,884,824.57 | \$26,308,063.80 |
| October | \$54,888,849.43 | \$37,709,923.79 | \$25,633,602.69 |
| Total | \$419,951,157.97 | \$402,385,262.77 | \$285,829,445.61 |

(Continued on page 2)

The figures released by the MGC B are the gross receipts less winnings paid to wagerers. The figures do not include: 1) the 12.1% state share of the wagering tax; 2) the 11.9% City of Detroit portion of the wagering tax; 3) any fees or other relevant city, state or federal taxes; 4) wages and benefits paid to casino employees; and 5) payments to suppliers, service providers or vendors. It is important to note that under Public Act 306 of 2004, each of the Detroit casinos are required to file for certification as being fully operational with the MGC B once their permanent casino facilities open. The fully operational certification will result in a reduction of the wagering tax from 24% to 19%.

The three Detroit casinos' total adjusted gross receipts for October 2007 were \$118,232,375.91. Of this amount, the three Detroit casinos collectively paid to the state of Michigan \$14,306,117.49 and the City of Detroit \$14,069,652.73. The October 2007 revenues for the Detroit market represent a 14.92% increase over a year ago.

MGM Grand Detroit Casino's increased revenue figures for October, 2007 reflect the opening and first month of operation of the permanent casino and hotel facility.

The October revenues for MGM Grand Detroit Casino set a new record high for a single month, despite the fact that MGM Grand Detroit Casino was closed for two days to transition from its temporary to its permanent facility. Despite the difficult economic conditions in Michigan, the developmental progress at the other two Detroit casinos (see story below) will likely lead to incremental growth in the market and position the region to grow once the state economy turns around.

OHIO CASINO SUPPORTERS FILE AMENDED REFERENDUM PETITION WITH OHIO ATTORNEY GENERAL

Yesterday, the organization, MyOhioNow.com, LLC (MyOhioNow) submitted amended petition language to the Ohio Attorney General in order to have its voter referendum request better comply with Ohio law. MyOhioNow is proposing to allow a \$600 million casino development project to be built in Clinton County, Ohio by means of a voter referendum that would amend the Ohio constitution. Initial project plans call for a development including a casino, a 5-star resort hotel, convention facilities, golf course, spa and 5-star restaurants.

On November 1, 2007, MyOhioNow filed its initial

petition of 2,393 signatures with Ohio Attorney General Marc Dann in order to approve and certify the referendum. On November 13, the Ohio Attorney General's Office requested that the group amend its petition language to better comply with Ohio law. This amended petition was filed yesterday, along with an additional 2,440 signatures supporting the petition. If approved and certified by the Ohio Attorney General, MyOhioNow has stated that it will then begin collecting the 402,275 Ohio voter signatures necessary to place the measure on the November 4, 2008 ballot. A summary of the revised petition language, as contained on the MyOhioNow website (www.myohionow.com) reads as follows:

The Amendment, to be enacted by adding new Section 6a to Article XV of the Ohio Constitution, will:

- Authorize no more than one privately-owned Ohio casino in the State of Ohio to be operated legally at a specified site in the northwest quadrant of the intersection of State Route 73 and Interstate 71 in Chester Township, Clinton County.
- Require the casino operator to pay a gross casino receipts tax of up to thirty percent (30%) which is to be distributed as follows: (i) up to one percent (1%) of the gross casino receipts tax collected may be used to fund problem gaming prevention and treatment programs; (ii) a reasonable amount as determined by the General Assembly shall be used to defray the reasonable administrative expenses of operating the Gaming Regulatory Commission; (iii) an amount sufficient to defray the expense of collecting and distributing the gross casino receipts tax shall be distributed to the fund or funds from which such expenses are paid; and (iv) the remaining gross casino receipts taxes collected to be distributed as follows: ten percent (10%) to the county in which the casino is located and ninety (90%) to be distributed on a per capita basis among all 88 counties in Ohio.
- Require the casino operator to make a minimum initial investment of \$600 million for the development of a casino destination resort to include the casino, a hotel and other resort related amenities, and permit the state to establish a fee, not to exceed fifteen million dollars (\$15 million), for the initial casino license.
- Provide that the initial casino license fee shall be treated as an interest-free advance on, and shall be credited against, the gross casino receipts taxes due from the licensee; and that no fee shall be charged for applying for a casino license or for renewing a casino license.

(Continued on page 3)

- Establish a Gaming Regulatory Commission, with members appointed by the Governor with advice and counsel of the Senate, to act as the State regulatory and licensing agency for ensuring the fairness and integrity of gaming activities conducted at the casino.
- Permit the casino to conduct certain gaming activities, including any type of card or table games, slot machines or electronic gaming devices permitted by the State of Nevada or any State adjacent to Ohio, except bets on races or sporting events.
- Provide a minimum age of twenty-one (21) for those placing wagers at the casino.
- Authorize the casino to obtain one or more liquor permits, notwithstanding any local option requirements or any local quotas on liquor permits.
- Provide that, if other casino operations are ever subsequently permitted at any additional sites in the State of Ohio, the tax on Gross Casino Receipts at the casino authorized by this section shall not exceed the lesser of twenty-five percent or the percentage payable by any other casino operation subsequently authorized.

DETROIT/WINDSOR CASINO MARKET ROUND UP

The Detroit/Windsor casino market is going through its largest transformation since the opening of the permanent Casino Windsor in 1998 and the opening of the three Detroit temporary casinos in 1999 and 2000. At the conclusion of the current phase of development, Detroit will house three permanent casinos that will collectively include over \$1.2 billion in capital investment, 1,200 hotel rooms, 300,000 square feet in gaming space along with numerous restaurant and meeting locations. Meanwhile, across the Detroit River, Casino Windsor is set to complete a \$400 million expansion to its initial \$500 million casino by adding 400 hotel rooms and 100,000 square feet of convention space during spring, 2008. Below are several recent developments related to the market:

- **Detroit Casino Council Finalizes 4-year Labor Agreements**

On Friday, November 16, the Detroit Casino Council, which is composed of five (5) unions that represent employees at the three Detroit casinos, announced that employees at Greektown Casino have ratified a new four (4) year contract. The deals were finalized weeks earlier with MotorCity Casino on October 22 and MGM Grand Detroit on October 30. As a result of the

finalized agreements all three casino operations will operate under their current deal until 2011.

- **Greektown Casino Opens New 2,900 Space Parking Structure**

On Thursday, November 15, Greektown Casino held a ceremony announcing the opening of its new parking structure which includes 2,900 additional parking spaces, and is located directly off I-375. Visitors to Greektown Casino will now be able to exit I-375 and directly gain access to covered parking.

- **MotorCity Casino Announces Hotel Opening**

Earlier this month, MotorCity Casino Hotel announced that it is scheduled to open on November 28, 2007. MotorCity Casino opened a portion of its new permanent casino floor in June of 2007. The MotorCity Casino Hotel will be the second permanent casino hotel to open in the City of Detroit. MGM Grand Detroit Casino opened on October 2, 2007.

- **Casino Windsor Reduces Workforce by 229**

Last week, Casino Windsor announced that it was reducing its labor force by 229 works. The reduction in jobs was attributed to several factors, including the higher Canadian dollar, the confusion over passport requirements and the perception of border delays, as well as the Ontario smoking ban. *The Windsor Star* reported that Casino Windsor's labor force has been cut by 2,000 since September 11, 2001. Currently the casino has 3,000 employees.

On a positive note, Casino Windsor's spokesperson, Holly Ward told *The Windsor Star* that with the opening of the \$400 million dollar expansion next spring, Casino Windsor will undergo a rebranding and change its name to Caesars Windsor. During the opening of the expanded facility, the casino will be adding 400 employees.