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REVENUE RISES AT DETROIT CASINOS
JANUARY TOTAL IS \$109.3 MILLION FOR 3 GAMBLING SITES
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Detroit's three **casinos** reported combined revenue of \$109.3 million, an increase of \$5 million, in January. The Michigan Gaming Control Board said **casino** revenue increased an average of 4.8% last month, compared to the same period last year.

MotorCity Casino reported a 7.1% jump in revenue, while **MGM Grand Detroit Casino** and **Greektown Casino** posted increases of 4.5% and 2.3%, respectively.

The city's three **casinos**, all of which are building permanent facilities, raked in a combined \$1.3 billion in revenue last year, a 6.1% increase compared to 2005.

In related news, on Wednesday **MGM Mirage Inc.**, the world's second-largest gambling company, said its fourth-quarter profit more than doubled on profits from Las Vegas condominium sales and from insurance payouts and the reopening of its Mississippi **casino** that was damaged in Hurricane Katrina.

Net income jumped to \$201.6 million, or 69 cents per share, compared with \$97.8 million, or 33 cents per share, during the same period a year ago. Net income from continuing operations was 68 cents per share. Analysts surveyed by Thomson Financial were looking for earnings of 48 cents per share, excluding onetime items.

Morgan Stanley analyst Celeste Brown said after subtracting condo sales and insurance profits, net income was 46 cents per share and "comparable" to estimates.

"Overall, it was kind of an unspectacular quarter - solid but unspectacular," said Keybank Capital Markets analyst Dennis Forst. "The 68 (cents per share) got people more excited than it should have."

After surging more than 5% in morning trading, **MGM** shares finished 14 cents higher, closing at \$70.38 on the New York Stock Exchange.

The company said it saw \$86 million in income from Hurricane Katrina insurance recoveries. Property transactions, which include insurance recovery income from Katrina, contributed 17 cents per share. Profits from the sale of Tower 2 condominium units at the Signature at **MGM Grand** in Las Vegas contributed 15 cents per share to earnings.

The current quarter's results also were reduced by a stock-based compensation charge of 3 cents per share and pre-opening and start-up costs totaling 2 cents per share.

MGM said sales of condo units at its planned \$7-billion CityCenter mega resort on the Las Vegas Strip, set to open in November 2009, were expected to bring in more revenue than expected.

The company said it obtained purchase contracts on 90% of the 227 units at the Mandarin, worth \$613 million, after they were made available for sale in mid-January. The company will not book the results until later quarters.

"It's over \$50 million more in profit, and that's just the Mandarin," Chief Financial Officer Jim Murren told the Associated Press. "This is a 10-round fight but we just about knocked them out in the first round." About \$2.5 billion of CityCenter's price tag is to be offset by proceeds from condo sales, but Murren said "it will be better than that probably."