

Ameristar Casinos Completes Acquisition of Resorts East Chicago, Enters Attractive Chicagoland Gaming Market

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Ameristar Casinos, Inc. (NASDAQ:ASCA) today announced it has completed its acquisition of Resorts East Chicago from Resorts International Holdings, LLC for \$675 million, plus approximately \$10 million of transaction costs.

This acquisition gives the Company a major presence in the nation's third-largest commercial gaming market. East Chicago, Indiana, is part of the Chicagoland market, which generates more than \$2.5 billion in gaming revenues annually and serves roughly 6.4 million adults.

Ameristar entered into a definitive agreement to purchase Resorts East Chicago on April 3, 2007. The acquisition closed today, following unanimous approval last week by the Indiana Gaming Commission to transfer the ownership interest in the Resorts East Chicago casino license to Ameristar.

"We are pleased to announce the completion of this acquisition, which serves as an important part of our long-term growth strategy," said John Boushy, CEO and President of Ameristar. "The purchase of Resorts East Chicago provides access to one of the nation's most attractive gaming markets, diversifies our cash flow, and greatly enhances our distribution channels. Under General Manager Tim Wright's leadership, we expect to fully incorporate Ameristar's culture, proven management model, operational discipline and development expertise quickly. As a result, this acquisition represents a significant milestone in achieving our growth objectives."

Boushy added, "I would like to thank everyone involved in completing this acquisition expeditiously, including our many team members involved in the transition and integration of East Chicago."

Resorts East Chicago currently includes a 53,000-square-foot casino and premier 291-room hotel. The casino offers approximately 1,900 slot machines, 60 table games and 16 poker tables. The property's streetscape features a 280-seat buffet, 80-seat steakhouse, 140-seat sports bar, other dining outlets, players' club facilities and meeting rooms. The hotel and casino are served by a 3,000-space parking garage.

Ameristar plans to begin making improvements at the East Chicago property immediately. Enhancements will include upgrading the casino floor with new technology and an improved mix and layout of games, implementing Ameristar's best-in-class food and beverage programs, and adopting the operational and marketing approaches that have been successful at all Ameristar properties. The Company will launch the Ameristar brand in the Chicago area when upgrades are completed. Ameristar currently expects to incur \$20 million to \$25 million of capital expenditures and \$5 million to \$7 million of one-time expenses in connection with the integration, enhancements and re-branding of the East Chicago property.

"This transaction continues to build upon the strength of the Ameristar brand and represents an important step in achieving our goal to double the Company's EBITDA over the next three to five years," said Ameristar Co-Chairman and Senior Vice President Ray H. Neilsen.

Longer-term expansion plans are in the early development stages and could include a new, single-level gaming facility, additional structured parking, enhanced food and entertainment options and better access throughout the property. The timing, scope and cost of these projects will depend on various factors, including potential changes in competitive conditions in the Chicagoland market.

"Ameristar has established an impressive record of maximizing the value of our acquired properties, and we are confident we will do the same with Resorts East Chicago," said Ameristar Co-Chairman and Executive Vice President Gordon Kanofsky.

Cash on hand and revolver borrowings under the Company's amended senior credit facility were used to fund the purchase of Resorts East Chicago. The Company anticipates its future operating cash flow and remaining availability under the amended senior credit facility will provide sufficient capital resources to fund all ongoing capital projects and other corporate operating needs.

In a separate release, the Company also announced that Timothy D. Wright has been appointed Senior Vice President and General Manager of the East Chicago property effective today. Wright served previously as Senior Vice President and General Manager of Ameristar Kansas City, the Company's largest property. Before joining Ameristar, Wright gained more than a decade of experience in the gaming industry in such markets as Las Vegas and Reno.

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