

## Ameristar Reports Third Quarter Results

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### Profitability in Line with Guidance

- Maintained Strong Position in All Markets
- Posted Solid Profitability in Line with Guidance
- Updates Guidance to Include Recently-Acquired Resorts East Chicago Property

Ameristar Casinos, Inc. (NASDAQ:ASCA) today announced financial results for the third quarter ended September 30, 2007.

Net revenues for the period were \$265.4 million and included a \$9.2 million contribution from the Resorts East Chicago property, which was acquired on September 18, 2007. In last year's third quarter, the Company reported net revenues of \$253.6 million.

"Ameristar succeeded in generating higher net revenues at four of our six locations and we achieved companywide net revenue growth despite slower than expected growth in most of our markets during the third quarter," noted John Boushy, Chief Executive Officer and President. "We continue our disciplined focus on maximizing our profitability, while moving ahead with important expansion projects that provide significant potential for growth beginning next year."

EBITDA was \$68.5 million and adjusted EBITDA was \$70.1 million in the 2007 third quarter compared to EBITDA of \$69.6 million in last year's third quarter. Adjusted EBITDA in the 2007 third quarter excludes:

pre-opening expenses of \$0.5 million associated with the hotel under construction at the St. Charles property, and integration and transition costs of \$1.1 million related to the Resorts East Chicago acquisition.

No adjustments to EBITDA were appropriate for the quarter ended September 30, 2006. More information on the non-GAAP financial measures EBITDA and Adjusted EBITDA can be found under the caption "Use of Non-GAAP Financial Measures" on page 14 of this release.

Operating income was \$46.0 million, similar to the \$46.3 million reported last year. Third quarter 2007 operating income was impacted by a \$0.3 million negative contribution from the Company's recently acquired Resorts East Chicago property. Net income for the period was \$20.0 million, or \$0.34 per share on a diluted basis, which included a net loss of \$0.8 million (\$0.01 per diluted share) from the Resorts East Chicago property. In last year's third quarter, the Company reported net income of \$21.1 million, or \$0.37 per diluted share.

"Ameristar maintained its prominent position in each of our markets, and we continued to generate solid same-store EBITDA margins for all properties," Mr. Boushy said. "Nonetheless, year-over-year comparisons reflect the impact of softer conditions in certain locations and construction-related disruptions at two properties. Overall, Ameristar's third quarter results were in line with our expectations and guidance, illustrating the strength of our business model and our ability to generate solid profitability within dynamic market environments."

### Third Quarter Property Highlights

Ameristar Black Hawk continued its strong momentum, posting net revenue growth of 8% and an increase of nearly 11% in EBITDA. This property's performance is indicative of Ameristar's proven track record of driving profitable growth through strategic spending on facility upgrades and implementation of initiatives to deliver superior guest service. Since its rebranding to "Ameristar" in April 2006, the property has recorded six consecutive quarters of growth in net revenues and EBITDA.

Ameristar Kansas City achieved 12.3% EBITDA growth on a modest increase in net revenues, mostly attributable to a more efficient operating model and effective marketing.

Ameristar St. Charles generated net revenues that were basically flat and slightly lower EBITDA. Results were impacted by pre-opening expenses, construction-related disruptions and increased competition in the market.

Ameristar Council Bluffs posted a 3.4% decline in net revenues and a 5.2% decrease in EBITDA, primarily reflecting softer than expected market growth.

Ameristar Vicksburg reported slightly lower revenues and EBITDA due to construction-related disruptions and to a lesser extent business recapture by re-opened Gulf Coast casinos.

Our Jackpot properties benefited from operating efficiencies reflected in EBITDA growth of 14.5% on an 11.1% increase in net revenues.

East Chicago, which the Company owned for 13 days in the quarter, reported net revenues of \$9.2 million and EBITDA of \$0.1 million, which included integration costs of \$0.3 million.

#### Additional Third Quarter Financial Information

Corporate expense increased \$2.7 million year-over-year, mostly attributable to acquisition-related integration expenses of \$0.8 million, higher pre-tax stock-based compensation expense of \$0.8 million as well as \$0.4 million in other benefit-related costs.

Capital expenditures were \$69.3 million, primarily including: - St. Charles expansion: \$35.5 million - Black Hawk hotel project: \$6.6 million - Vicksburg expansion: \$5.7 million

The Company repurchased approximately 376,000 shares of common stock in the open market at an average price of \$25.65 per share, for a total cost of approximately \$9.7 million. Since August 2006, the Company has repurchased approximately 787,000 shares at an average price of \$22.43 per share for an aggregate cost of \$17.7 million. Approximately 2.0 million shares remain available for repurchase under the currently authorized repurchase program.

#### Outlook

The Company is updating its fourth quarter and full year 2007 guidance to include the forecasted results of the operations of Resorts East Chicago. On a same-store basis, the guidance ranges are in line with the outlook the Company provided on August 1, 2007.

The Company's guidance ranges for the fourth quarter and full year 2007, including the results of the Resorts East Chicago (REC) property and its acquisition, are as follows:

Fourth Quarter 2007		
Guidance Range (Dollars in Millions, Except Per Share Data)		
Financial Measure		Assumptions and Factors
EBITDA	\$64 - \$67	Includes \$9 million - \$10 million from REC and \$3 million in stock-based compensation expense
Adjusted EBITDA	\$69 - \$72	Excludes St. Charles hotel pre-opening expenses of \$3 million and integration costs of \$2 million for REC
Operating Income	\$38 - \$41	Includes \$6.5 million - \$7.5 million from REC
Diluted EPS	\$0.14 - \$0.17	Includes net loss of \$0.05 - \$0.06 attributable to REC, and a dilutive impact of \$0.03 related to St. Charles pre-opening costs and \$0.03 related to stock-based compensation expense
Full Year 2007		
Guidance Range (Dollars in Millions, Except Per Share Data)		
Financial Measure		Assumptions and Factors
EBITDA	\$273 - \$276	Includes \$9 million - \$10 million from REC and \$12 million in stock-based compensation expense
Adjusted EBITDA	\$280 - \$283	Excludes St. Charles hotel pre-opening expenses of approximately \$4 million and integration costs of approximately \$3 million for REC
Operating Income	\$177 - \$180	Includes \$6.2 million - \$7.2 million from REC
Diluted EPS	\$1.19 - \$1.22	Includes net loss of \$0.06 - \$0.07 attributable to REC and a dilutive impact of \$0.04 related to St. Charles pre-opening costs and \$0.13 related to stock-based compensation expense

Fourth quarter 2007 guidance includes an estimate of \$1.5 million to \$2 million in additional property tax expense for the Resorts East Chicago property, which is the result of a significant increase in the assessed valuation of the real property issued by Lake County, Indiana. While the Company has notified the tax assessor that it intends to protest the tax re-assessment, it nonetheless expects to continue to recognize significantly higher than anticipated property tax expense at East Chicago in 2008.

Fourth quarter guidance is based upon anticipated depreciation expense of \$26 million and interest expense of \$24 million. Diluted EPS guidance assumes fourth quarter and full year 2007 consolidated income tax rates of approximately 42.0% and 41.6%, respectively.

Commenting on the Company's outlook, Mr. Boushy said: "Ameristar continues to distinguish itself as a leader in each market and is laying the foundation for increasing revenue and earnings growth potential through a combination of important expansion projects and strategic acquisitions. Capital projects currently underway at existing locations are expected to drive

both market growth and share for Ameristar."

#### Resorts East Chicago Integration, Facility Upgrade and Rebranding

Ameristar now has a major presence in the third largest commercial gaming market in the country, following the recent acquisition of Resorts East Chicago. The Chicagoland market generates more than \$2.5 billion in gaming revenues annually and serves approximately 6.4 million adults. The property's 53,000-square foot casino and 291-room hotel provide Ameristar with a strategically important platform for future growth and geographic diversification.

However, year-to-date results for Resorts East Chicago are significantly less than originally anticipated. We now expect proforma EBITDA for the full year 2007 to be \$54 million to \$55 million, adjusted to exclude the impact of integration expenses and the increase in property taxes.

While this situation provides an additional hurdle to overcome, the Company continues to believe there is significant growth potential for Ameristar at this location as it begins to leverage its operating and marketing strategies. The Company is already beginning to redirect the property's marketing and promotional activities to maximize East Chicago's revenue and profitability, replicating the strategies that have proven successful at Ameristar's other properties.

Immediately after closing of the acquisition, Ameristar also began making initial improvements to the property, including changing the slot machine mix and layout of games and making enhancements to the food and beverage venues to bring them up to Ameristar's standards.

The Company continues to expect capital expenditures for these upgrades to the property will be in the range of \$20 million to \$25 million. One-time expenses in connection with the integration, enhancement and rebranding are expected to total between \$5 million to \$7 million, inclusive of the \$0.3 million incurred in the 2007 third quarter.

Upon completion of the property upgrades and the implementation of its operating and marketing programs, the Company will launch the Ameristar brand in the Chicagoland market no later than the third quarter of 2008. The property's competitiveness in this underserved and attractive market is expected to progressively increase as the implementation of Ameristar's operational and marketing approaches and the facility upgrades are completed.

#### Expansion Projects

St. Charles. The Company's major development project at its Ameristar St. Charles property was originally scheduled for a December 2007 completion and opening. However, recent delays have been encountered on the project, which the Company is addressing through negotiations with its general contractor. Work is continuing on the project, which includes a 25-story, 400-room all-suite hotel with an indoor/outdoor swimming pool and a 7,000-square-foot, full-service spa. Management is focused on resolving the outstanding issues facing the project and is seeking to open the hotel, pool and spa as soon as possible without material impacts on the budget or schedule.

Also at St. Charles, the Company is enhancing the casino area by improving flow and layout as well as adding a new casino circle bar. A new entertainment venue -- a stylish, state-of-the-art nightclub -- is also under construction to complement the property's new amenities and broaden consumer appeal. These improvements are scheduled to be completed in December 2007, in time for the holiday season.

Construction work is progressing well on the roadway project to improve the primary access to Ameristar St. Charles. When completed this December, the new boulevard will greatly improve access to the property by accommodating more traffic at peak periods, as well as upgrading the aesthetics of the approach to the property, including improved lighting and landscaping.

Vicksburg. The \$98 million project at Ameristar Vicksburg is progressing. Both the 1,000-space parking garage, as well as the expanded gaming facility, which will include 440 additional gaming positions, two new restaurants, a VIP club and retail space, are now scheduled to open in the second quarter of 2008. In addition, the \$12 million renovation to the 149-room hotel commenced in August 2007 and is expected to be completed this December.

Council Bluffs. Earlier this year, the Company announced a \$100 million expansion plan for its Council Bluffs property. This project will add 60,000 square feet to the existing facility and double the current casino floor square footage. The project, which is in the design stage, is expected to be completed in mid-2009, subject to the receipt of all necessary approvals.

Black Hawk. Construction on the Ameristar Black Hawk 536-room, four-diamond-quality hotel is progressing on schedule, despite previously announced delays due to difficult geological site conditions. Extensive rock excavation and removal, which is making way for work to begin on the main portion of the 33-story hotel tower, is expected to be finished early this month. This project is scheduled to be completed in the second half of 2009.

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