EILERS & KREJCIK GAMING, LLC

Gaming Equipment & Technology

Market Research

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EILERS: Slot & Table Count – 4Q17

This quarterly report tracks the total number of slot machines and table games installed across the North American gaming market as of Dec 31, 2017. To prepare this report we collect publicly available data reported by commercial, tribal, and provincial gaming agencies combined with 3rd party data and our own proprietary slot surveys.

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Note: A detailed excel data set used to compile the Slot & Table Count report is available to Premium Tier subscribers, or available for purchase to non-Premium subscribers. Please contact DJ Leary at dleary@ekgamingllc.com or call a (310) 743-6239. The excel model includes additional historical data beyond what is highlighted in this report.

1. Summary Highlights

- We estimate the total install base of slot machines and equivalent electronic gaming devices in the U.S. and Canada markets increased +0.5% y/y and +0.1% q/q to ~982,700 games in operation at the end of 4Q CY17. Expansionary activity in Tribal markets such as Washington, Oklahoma, and Wisconsin combined with expansions in the Illinois VGT market more than offset reductions in the Commercial install base from product mix shifts and saturation in mature markets such as Nevada and New Jersey as well as select markets in the Mid-West (Missouri, Illinois, and Indiana), the South (Louisiana and Mississippi) and the North-East (Pennsylvania, Maryland, and Delaware).

- In CY18, we estimate the slot install base will increase +1.2% y/y to ~994,000 games installed driven by new commercial casinos in New York, New Jersey, and Massachusetts, the opening of the first Tribal casino in Indiana, and various expansions across other Tribal markets. In CY19, we estimate Tribal projects along with further Commercial developments should result in +0.9% y/y growth in the install base to ~1.0 million slots. Finally, we introduce our CY20 estimates in which we estimate the U.S. & Canada install base to increase +0.8% y/y.

- Further evidence of stabilization of the Commercial slot install base was seen in the quarter. Commercial slots declined -0.1% q/q following sequential growth in the first quarter and a -0.6% q/q and -0.3% q/q decline in the second and third quarters respectively. However, excluding a temporarily closed facility in Florida, due to poor weather and renovations, we note the market would have actually expanded by ~+500 units sequentially. We highlight growth in Commercial slot revenue (+3.0% y/y in CY17) as a potential source of support in the install base along with new casino development.

- We estimate the total install base of table games in the U.S. and Canada markets increased +1.0% y/y to ~31,400 games in operation at the end of 4Q CY17. New casino openings in various Tribal markets and table game expansions across select Commercial markets (ie. New York) more than offset declines in certain saturated Commercial markets like Nevada and New Jersey.

- Going forward, we expect the total number of U.S. and Canada table games installed to also benefit from Commercial and Tribal development projects, which should result in increases to the install base of +2.2% y/y, +2.0% y/y, and +2.0% y/y in CY18, CY19, and CY20, respectively.

- As of 4Q CY17, the largest slot markets in terms of the total number of slot machines installed across multiple categories including Commercial, Tribal, and Route Ops are 1) Nevada, 2) Oklahoma, and 3) California.

- As of 4Q CY17, the top table game markets including Commercial, Tribal, and Card Clubs are 1) Nevada, 2) California, and 3) Washington.

2. U.S. & Canada - Slot Install Base

Based on our tracking, we estimate the total number of slot machines in operation across the U.S. and Canada at the end of 4Q17 increased +0.5% y/y and +0.1% q/q to ~982,700 games installed. Increases in the Tribal and Route Ops markets more than offset a decrease in the Commercial install base.

We estimate the U.S. Tribal market increased +0.8% y/y and +0.1% q/q to ~365,700 slots installed as expansionary activity in Washington, Oklahoma, California, and Wisconsin combined with moderate overall market growth offset the reduction from Tribal slot operators in Connecticut and Louisiana.

The U.S. Route Ops market increased +3.5% y/y and 0.4% q/q to ~104,900 slots installed at the end of 4Q17 due to continued growth in the Illinois VGT market and additions in West Virginia which offset a decline in Oregon and Louisiana. In Canada, the slot install base increased +0.6% y/y and +0.4% q/q to ~99,900 machines due to new casino openings and expansions in British Columbia and Ontario that offset slot removals in Quebec while most markets remained flat.

The U.S. Commercial slot install base declined -0.5% y/y and -0.1% q/q to ~412,200 games primarily due to slot removals across a few mature or increasingly competitive markets. With respect to the mature market, slot floors across Nevada and Southern markets continue to contract while markets in the Mid-West and North-East were impacted by increased competition of Commercial, Tribal and Route Ops markets.

With that said, new projects and expansionary activity across New York, Kansas, and other jurisdictions helped to partially offset the declines in more mature markets. Additionally, we note the sustained growth in Commercial slot GGR should have a positive impact on the Commercial slot install base by fueling growth in some markets and potentially abate slot removals in more competitive markets. .

In terms of mix, the U.S. Commercial market is still the largest category representing 42% of the total North American market followed by U.S. Tribal at 37%, Route Ops at 11%, and Canada at 10% at the end of 4Q17.

Looking forward, in CY18 we anticipate the opening of large-scale Commercial resorts in New York, New Jersey, and Massachusetts, as well as further Tribal expansions combined with a sizable new Tribal casino in Indiana to drive an increase of +1.2% y/y growth in the N. American slot install base to ~993,400 machines. We note our CY18 projections have been marginally reduced by ~1k machines to account for higher levels of slot removals in competitive markets.

In CY19, we expect new Commercial openings as well as continued significant Tribal expansion will result in +0.9% growth in the total North American slot install base to ~1,002,000 slots. We note our CY19 projections have also been marginally revised down. In all, we remain positive with respect to the recovery of the North American slot market as improving GGR and visitation trends will support the growth of gaming in under penetrated markets.

Finally, we introduce our CY20 estimates in which we estimate the total market to grow +0.8% y/y led by further Tribal expansion and supported by moderate development activity in the U.S. Commercial and Canada markets. Below we provide a table summarizing our changes by category:

Total Slot Machine Install Base – Key Changes to our Estimates

	Previous Est			New Estimates			*Change in Slots*		
Market	**CY18E**	**CY19E**	**CY20E**	**CY18E**	**CY19E**	**CY20E**	**CY18E**	**CY19E**	**CY20E**
U.S. Commercial	417,825	422,066	n/a	416,569	419,593	421,000	*(1,256)*	*(2,473)*	*n/a*
U.S. Tribal	371,691	375,685	n/a	370,345	374,704	378,904	*(1,346)*	*(981)*	*n/a*
U.S. Route Ops	104,692	105,269	n/a	106,787	107,678	108,130	*2,095*	*2,409*	*n/a*
Canada	100,607	101,367	n/a	100,291	101,351	103,122	*(316)*	*(16)*	*n/a*
Total	994,816	1,004,387	n/a	993,992	1,003,327	1,011,157	*(823)*	*(1,060)*	*n/a*

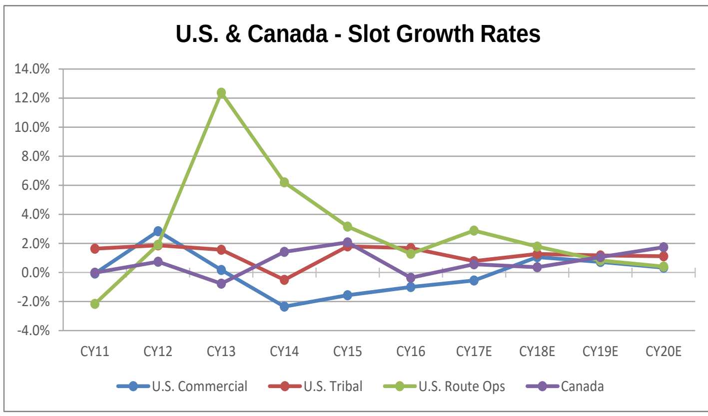
Source: Eilers & Krejcik Gaming, LLC., Various U.S. & Canadian Gaming Agencies, Casinocity.com

Below we highlight the historical install base of slot machines by category including our forward projections through CY20.

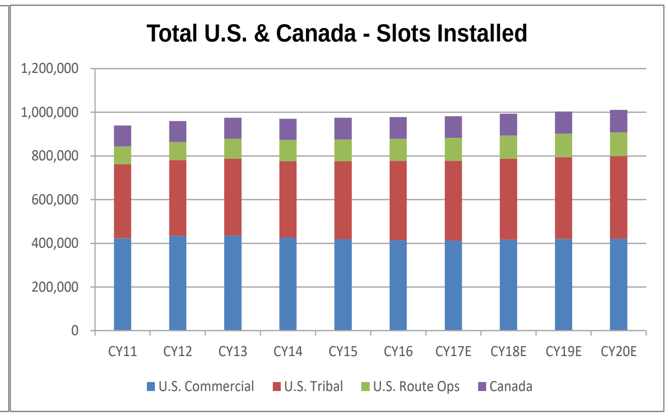
Total Slot Machine Install Base by Category

Market	CY11	CY12	CY13	CY14	CY15	CY16	CY17E	CY18E	CY19E	CY20E
U.S. Commercial	422,586	434,599	435,404	425,204	418,597	414,450	412,182	416,569	419,593	421,000
U.S. Tribal	340,415	346,793	352,241	350,458	356,780	362,780	365,658	370,345	374,704	378,904
U.S. Route Ops	79,782	81,317	91,376	97,047	100,113	101,407	104,920	106,787	107,678	108,130
Canada	96,338	97,053	96,315	97,685	99,717	99,360	99,931	100,291	101,351	103,122
Total North America	**939,121**	**959,762**	**975,337**	**970,393**	**975,207**	**977,997**	**982,692**	**993,992**	**1,003,327**	**1,011,157**
% Change y/y	*0.4%*	*2.2%*	*1.6%*	*-0.5%*	*0.5%*	*0.3%*	*0.5%*	*1.1%*	*0.9%*	*0.8%*
% Change q/q	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*

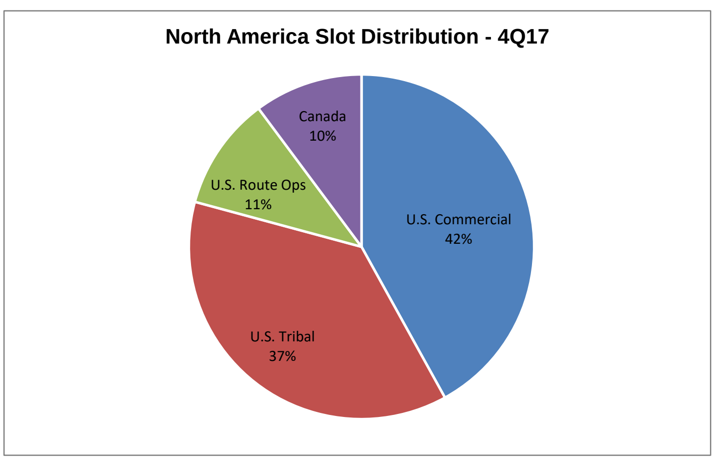
Note: AL Charity market shut down starting in CY08 and ending in CY09.
Source: Eilers & Krejcik Gaming, LLC., Various U.S. & Canadian Gaming Agencies, Casinocity.com



Source: Eilers & Krejcik Gaming, LLC, Gaming Agencies, Casinocity.com



Source: Eilers & Krejcik Gaming, LLC., Gaming Agencies, Casinocity.com



Source: Eilers & Krejcik Gaming, LLC., Gaming Agencies, Casinocity.com

3. U.S. Commercial Casinos

The U.S. Commercial Casino market declined -0.5% y/y and -0.1% q/q to ~412,200 slots installed in 4Q17. Commercial operators across many jurisdictions continue to moderately reduce slots installed on the gaming floor, which we attribute to a variety of factors. We believe many operators continue to exercise more conservative game floor management in the wake of the recovery from the Great Recession. Furthermore, more properties look to diversify the entertainment experience on-property by expanding non-gaming amenities. The declines were offset by moderate increases in under-penetrated markets.

In speaking to the annual decline, while many markets are have experienced a reduction in the install base, there are a few which drove a significant amount of the ~2,300 reduction in the slot install base. In Nevada, the slot install base declined ~3,500 y/y units due to slot floor reduction on both the strip and across the state. In the Mid-West, slot floor reductions across Commercial properties in Illinois, Iowa, Indiana and Missouri contributed another ~1,200 units to the annual decline. We attribute this to a combination of factors including: the expansion of the Route Ops market in the region (IL VGT), Tribal and Commercial expansionary activity in the region, and the legalization and expansion of Instant Racing games in Kentucky. In Florida, hurricane Irma resulted in the temporary closure of the ~900 slot Mardi Gras casino, which is expected to reopen in 1Q18 following renovations. Slot floor declines in Mississippi and Louisiana contributed another ~1,000 slot removals on an annual basis. Finally, removals across properties in the North-East in Pennsylvania, Maryland, and Delaware removed a combined ~800 slots over the prior year, likely due to increased expansionary activity in the area.

On the other hand, there are other markets where operators have seen opportunities for expansion. New property developments and expansions in New York and Kansas partially offset declines in the previously mentioned markets. Expansionary activity in New York is particularly active at the moment. Three of the state's four recently issued commercial casino licenses began operation in the past year. Two new properties, del Lago Resort and Rivers Casino, opened while Tioga Downs swapped VLTs for Class III units. Additionally, a new VLT venue opened in Long Island. Including both Commercial and VLT expansions, over ~5,000 additional machines have been installed across New York. In Kansas, the Kansas Crossing property opening resulted in a ~600 slot increase for Kansas.

Market	Annual	% Chg y/y	Sequential	% Chg q/q
Arkansas	49	2%	0	0%
Colorado	(168)	-1%	202	2%
Delaware	(107)	-2%	(16)	0%
Florida	(951)	-12%	(921)	-12%
Illinois	(131)	-1%	(28)	0%
Indiana	(259)	-1%	(123)	-1%
Iowa	(239)	-1%	(11)	0%
Kansas	616	14%	(9)	0%
Kentucky	115	7%	45	3%
Louisiana	(411)	-2%	(46)	0%
Maine	103	6%	172	11%
Maryland	(426)	-4%	(217)	-2%
Massachusetts	65	5%	3	0%
Michigan	(64)	-1%	(71)	-1%
Mississippi	(680)	-2%	(23)	0%
Missouri	(558)	-3%	289	2%
Nevada	(3,477)	-2%	(281)	0%
New Jersey	(73)	-1%	80	1%
New Mexico	(21)	-1%	(39)	-1%
New York	5,053	28%	658	3%
Ohio	(71)	0%	207	1%
Pennsylvania	(225)	-1%	(122)	0%
Rhode Island	(35)	-1%	(27)	-1%
South Dakota	(110)	-3%	30	1%
West Virginia	(263)	-4%	(150)	-3%
Total U.S. Commercial Casino	**(2,268)**	**-0.5%**	**(398)**	**-0.1%**

Looking at the market on a sequential basis, the ~-400 slot contraction was driven by slot removals across a few of the markets that experienced annual declines above. However, excluding the temporarily closed facility in Florida, due to poor weather and renovations, we note the market would have actually expanded by ~+500 units sequentially. Sequential declines across Nevada, Maryland, West Virginia, Indiana and Pennsylvania were offset by slot additions in New York, Missouri, Ohio, and Colorado. Outside of these markets, slot floor install bases were relatively flat.

Despite another period of slot removals, we note the trend of the declining Commercial install base has eased somewhat throughout CY17 compared with the prior few years. Calendar year 2014 was marked by the collapse the Atlantic City market and closures in Mississippi, as well as removals in a few other markets, which led to the removal of ~10k units during the year. Another ~7k and ~4k slots were removed in CY15 and CY16 respectively on more marginal broad-based removals across saturated markets. The ~2k slot removal in CY17 could be seen as the Commercial slot install base potentially flattening out. We believe current gaming revenue trends support further stabilization in the Commercial slot install base.

Slot Install Base trends versus Revenue trends

Quarterly commercial slot revenue increased +3.8% y/y to $7.5 billion and full year CY17 slot revenue increased +3.0% y/y to $31 billion while the slot install base declined -0.5% y/y. We note this is significant growth following a year in which slot revenue was relatively flat at +0.8% y/y growth. Furthermore, we note slot revenue growth has accelerated through each quarter. Finally, increases were broad based in the quarter with 80% of the commercial jurisdictions reporting annual growth.

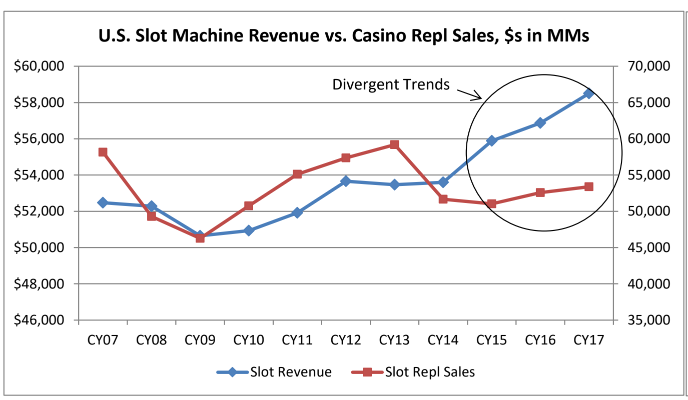
As would be expected, states with large resort openings such as Maryland and New York provided a substantial boost. Slot revenue in those states increased ~$109m cumulatively in 4Q17 or ~+16% over the prior year while the slot install base increased +23% y/y cumulatively. Revenue also increased in states with moderate expansions of the slot floor. In Massachusetts, quarterly slot revenue increased +5% y/y while the slot install base increased +5%y/y. On the other hand, more mature markets such as West Virginia experienced declines in both units and revenue.

Interestingly, a trend seems to be developing among a few markets in which slot revenue increases in mature markets where the slot floor has somewhat contracted. Slots installed in Nevada and Indiana decreased -2% and -1% y/y respectively while slot revenue grew +4% and +2% y/y respectively in 4Q17. The majority of the states which reported install base declines beyond -1% experienced slot revenue growth despite the removal. It is unlikely this will be a sustainable trend going forward. Therefore, we view this in a positive light for the near-term stabilization of the Commercial slot install base.

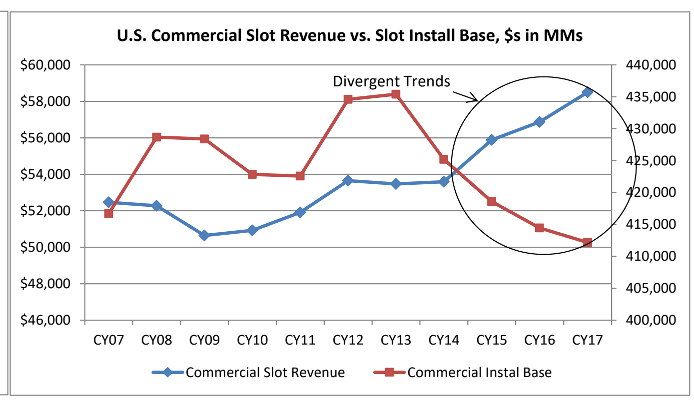
In providing an explanation for slot GGR growth, it can be attributed to a variety of factors. Improving macro trends, such as lower unemployment and rising wages, have a positive effect on discretionary income which in turn supports increasing entertainment spend, such as gaming. Furthermore, the significant decline in gas prices during 2015 and 2016, which have been more or less sustained throughout 2017, may have provided a short-term pump to discretionary income over the period as well. These factors help drive GGR in most gaming markets.

In regions with existing or latent demand, expansionary activity is also providing accretive revenue growth. With respect to the more mature markets, it may seem some casino operators are re-tooling casino floors to optimize available space which has resulted in the removal of slot units in some properties without negatively impacting revenue. The discussion on optimal floor distribution is a never-ending debate, but ultimately each operator is solely concerned with maximizing revenue. Therefore, we expect the recent performance in slot GGR growth, which includes 12 out of 13 quarters of y/y increases (4Q14-4Q17), may result in operators increasing gaming budgets and fueling install base growth and expansion.

Below we provide a comparison of U.S. Slot Revenue with the end of the period install base of slot machines. Based on the divergence between slot revenue and slots installed, we believe the install base is poised for a rebound assuming GGR trends remain robust.



Source: *State Gaming Agencies, Eilers & Krejcik Gaming, LLC*



Source: *State Gaming Agencies, Eilers & Krejcik Gaming, LLC*

Market expectations

Looking ahead, we anticipate substantial developments as well as sustained GGR growth to produce moderate increases in the slot install base in CY18 and CY19. In CY18, we expect large commercial projects in Massachusetts (MGM Springfield), New York (Resorts World Catskills) and the potential re-opening of a couple properties in New Jersey (Hard Rock AC and the Ocean View) to drive much of the growth in the year.

With respect to the Commercial install base trend throughout the year, we note much of the growth will be loaded into the back half of CY18. In the first quarter, the opening of the Resorts World Catskills may be offset by further slot removals in saturated markets such as Nevada and Mississippi. However, we anticipate the potential for moderate growth in the second half of the year led by new openings in Atlantic City and Massachusetts, which should offset moderate declines in a few other markets. By the end of the year, we anticipate new project developments as well as the reduction in slot removals in select markets should result in the addition of ~4k slots to the install base or +1.1% y/y growth.

In CY19, additional large-scale commercial projects in Massachusetts (Wynn) and Pennsylvania (Cordish and satellite casinos) among other smaller expansions should result in the net addition of ~4k slots to the install base during the year. Additionally, the marginally positive macro environment, including low unemployment and rising wages, will continue to support GGR growth, which should have a positive impact on slot install bases in more competitive markets. With that said, taking potential regional saturation into consideration, we expect Commercial slot growth of +0.7% y/y in CY19.

Below we highlight a few of the more sizable U.S. Commercial casino projects slated for the next couple of years. Note, we provide a complete list of new and expansionary projects in our quarterly slot and table game demand forecast. This table is simply designed to highlight the more sizable projects.

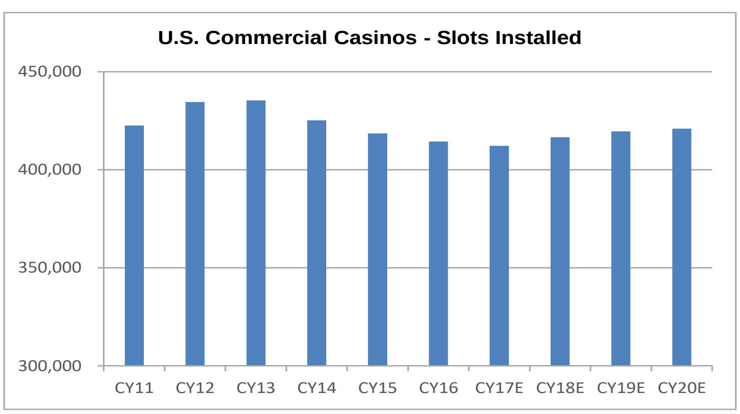
Commercial New and Expansionary Casino Projects CY17, CY18, CY19 & CY20

Project/Casino Name	Type	Owner/Operator	State	Open Date	Slots	Tables
del Lago Resort	Commercial	Wilmorite	NY	1Q17	2,000	85
Rivers Casino	Commercial	Rush Street Gaming	NY	1Q17	1,150	66
Resorts World Catskills	Commercial	Empire Resorts	NY	1Q18	1,290	100
Hard Rock AC	Commercial	Seminole Tribe	NJ	3Q18	2,400	150
Ocean Resort	Commercial	Integrated Properties/AC Ocean Walk	NJ	4Q18	2,200	100
MGM Springfield	Commercial	MGM Resorts	MA	4Q18	3,000	100
Wynn Boston Harbor	Commercial	Wynn Resorts	MA	2Q19	3,200	150
Resorts World - Las Vegas - Phase I	Commercial	Genting Group	NV	1Q20	2,000	75
Total					**17,240**	**826**

Note: The total number of slots & tables provided above is only a snapshot of major projects and does not reflect our forecast for total new and expansionary demand.

Source: Eilers & Krejcik Gaming, LLC. & State Gaming Agencies

Below we highlight the total number of U.S. Commercial Casino slots installed on a historical basis and our forecast through CY20, along with a summary of the Top 10 Commercial Casino markets.



Source: Eilers & Krejcik Gaming, LLC & State Gaming Agencies

Top 10 Commercial - 4Q17

Rank	State	# Slots
1	Nevada	141,636
2	Mississippi	27,269
3	Pennsylvania	25,849
4	New York	23,159
5	Louisiana	23,081
6	Indiana	18,924
7	Ohio	18,733
8	Missouri	16,899
9	Iowa	16,620
10	New Jersey	14,052

Source: Eilers & Krejcik Gaming, LLC & State Gaming Agencies

4. U.S. Tribal Casinos

Based on our tracking, we estimate the total U.S. Tribal Gaming market increased moderately in the recent quarter with the number of slots installed at the end of 4Q17 increasing +0.8% y/y and +0.1% q/q to ~365,700 games in operation.

In the Tribal market, expansionary activity across many regions continues to offset declines due to saturation in Tribal regions such as Connecticut and Louisiana. Washington was the leading market with respect to install base growth primarily due to the opening of the large-scale casino resort by the Cowlitz Tribe, Ilani Resort (~2,500 slots).

Additionally, expansions at Yakama Nation, Colville, and Swinomish tribal casinos further added to the slot install base in Washington over the past year. In Oklahoma, the opening of the Cherokee Casino Grove and expansions by the Fort Sill Apache and Choctaw Nation tribes provided accretive growth for the Tribal install base.

In Wisconsin, a few expansionary projects from the Ho Chunk tribe as well as other expansionary activity added ~300 slots to the Tribal install base. Finally, expansions across California, Arizona, and New Mexico collectively added roughly ~700 slots installed over the past year as well. Beyond these notable projects, modest growth in most regional markets further contributed to growth in the Tribal slot install base.

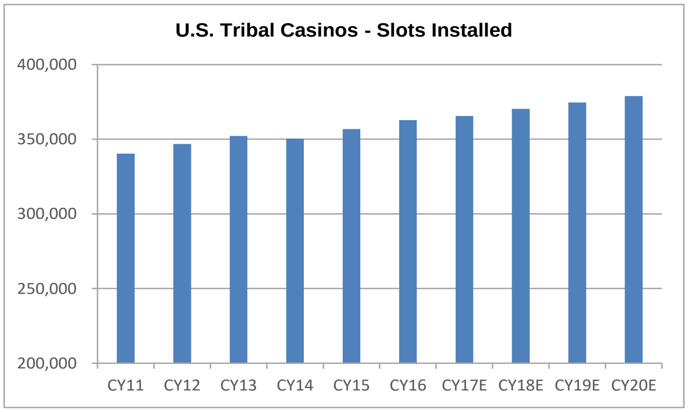
Market	Annual	% chg y/y	Sequential	% Chg Q/Q
Alabama	(24)	0%	(128)	-2%
Alaska	0	0%	0	0%
Arizona	540	3%	75	0%
California	1,120	2%	100	0%
Colorado	9	1%	3	0%
Connecticut	(610)	-6%	(55)	-1%
Florida	150	1%	0	0%
Idaho	0	0%	0	0%
Iowa	28	1%	7	0%
Kansas	(29)	-1%	(8)	0%
Louisiana	(268)	-4%	(1)	0%
Michigan	208	1%	0	0%
Minnesota	100	0%	50	0%
Mississippi	(26)	-1%	(7)	0%
Montana	206	12%	2	0%
Nebraska	5	1%	2	0%
Nevada	9	1%	3	0%
New Mexico	150	1%	50	0%
New York	230	2%	0	0%
North Carolina	72	2%	24	1%
North Dakota	396	10%	32	1%
Oklahoma	250	0%	0	0%
Oregon	110	1%	30	0%
South Dakota	29	1%	7	0%
Texas	30	1%	10	0%
Washington	1,666	6%	350	1%
Wisconsin	159	1%	80	0%
Wyoming	13	1%	4	0%
Total	**4,524**	**1%**	**630**	**0%**

These Tribal market expansions were partially offset by slot removals in a few markets. In Connecticut, the Foxwoods and Mohegan Sun have removed roughly ~600 machines combined over the past year. We note the tribes have been steadily removing units since 2014 to focus more on non-gaming entertainment offerings as a result of the increased gaming competition within the region. Tribal operators in Louisiana have removed roughly ~200 slots over the previous year likely due to saturation from both Commercial and Route Ops markets in the region.

Looking forward, we expect new property developments and expansions across existing and new jurisdictions to drive growth in the following few years. For CY18, we expect the first Tribal casino in Indiana (Four Winds South Bend) along with new openings in Oklahoma and California as well as continued development across most Tribal markets to result in +1.3% y/y growth. We note additions to the install base will be relatively strong in the first quarter driven by the opening of the Four Winds South Bend in Indiana supported by expansionary activity in strong Tribal markets such as California, Oklahoma, Wisconsin, and Washington may add nearly ~3,000 slots in the quarter. Expansionary activity throughout the remainder of the year should be more moderate following the major opening in Indiana.

Finally in CY19, we anticipate new openings in California, Florida, Minnesota, Washington, and Oklahoma along with continued stable expansionary growth in underdeveloped markets to result in +1.2% y/y growth in the Tribal slot install base for the year.

Below we highlight the total number of U.S. Tribal Casino slots installed and our forecast through CY20 along with a summary of the Top 10 Tribal markets.



Source: Eilers & Krejcik Gaming, LLC, Tribal Gaming Agencies, Casinocity.com

Top 10 Tribal - 4Q17

Rank	State	# Slots
1	Oklahoma	74,787
2	California	72,850
3	Washington	31,916
4	Michigan	22,386
5	Minnesota	22,002
6	New Mexico	17,015
7	Arizona	16,832
8	Wisconsin	16,759
9	Florida	14,358
10	New York	11,973

Source: Eilers & Krejcik Gaming, LLC, Tribal Gaming Agencies, Casinocity.com

Below we highlight several of the more sizable U.S. Tribal casino projects slated for the next couple of years. Note, this is only a partial list of Tribal projects. We will provide a more comprehensive list in our next Slot & Table Game Demand forecast.

New Tribal Casino Projects CY17, CY18, CY19 & CY20

Project/Casino Name	Type	Owner/Operator	State	Open Date	Slots	Tables
Rain Rock Casino - Phase I	Tribal	Karuk Tribe	CA	1Q17	300	0
Ilani - Phase I	Tribal	Cowlitz Tribe / Mohegan Sun (mgmt)	WA	2Q17	2,500	80
Spokane Tribal Project - Phase I	Tribal	Spokane Tribe	WA	1Q18	450	12
Four Winds South Bend	Tribal	Pokagon Band of Potawatomi	IN	1Q18	1,800	10
Osage Casino Tulsa - Expansion	Tribal	Osage Nation	OK	3Q18	500	5
Martha's Vineyard Casino	Tribal	Aquinnah Wampanoag	MA	4Q18	1,000	0
Flying Cloud Casino	Tribal	Buena Vista Rancheria of Me-Wuk Indians	CA	2Q19	950	20
Star Lake Casino	Tribal	White Earth Nation	MN	3Q19	600	15
Hard Rock Hollywood - Expansion	Tribal	Seminole Gaming	FL	4Q19	1,000	20
Fire Mountain Casino	Tribal	Estom Yumeka Maidu Tribe (Enterprise Rancheria)	CA	1Q20	1,000	15
Total					**10,100**	**177**

Note: The total number of slots & tables provided above only reflects the projects highlighted above and does not reflect our forecast for total new and expansionary demand.

Source: Eilers & Krejcik Gaming, LLC. & State Gaming Agencies

5. U.S. Route Ops & Distributed Gaming

The U.S. Route Operations market increased +3.5% y/y and +0.4% q/q to ~104,900 games installed at the end of 4Q17. The increase y/y was due primarily to continued expansion in the Illinois VGT market which was offset by declines in Oregon and Louisiana. We note the IL VGT market added roughly ~2,800 slots over the previous year (+11% y/y). Additionally, the West Virginia market added roughly ~700 slots y/y which likely comes as the result of VLT expansionary legislation that passed in 2017 which expanded the unit limit by location from 5 to 7 games.

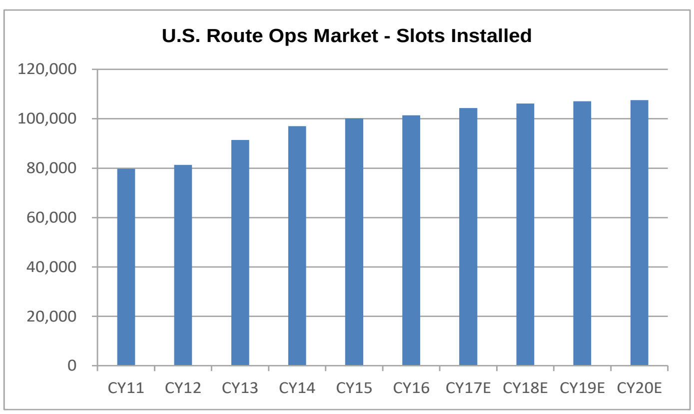
These increases were partially offset by moderate declines in Oregon and Louisiana which cumulatively removed ~800 slots y/y. In Oregon, the state lottery is in the midst of implementing new legislation which limits the number of retail gaming licenses in operation for a given area. Despite this limit, we note the impact on revenue seems to be moderate – Oregon VLT revenue increased +2% y/y in the quarter versus the +3% y/y average quarterly growth experienced in the first three quarters of the year. We note the remaining Route Ops markets were relatively flat.

Looking ahead, moderate growth in the IL VGT markets and the establishment of a new Pennsylvania route ops market is likely to be slightly offset by the continued reduction in the Oregon VLT market resulting in +1.8% y/y growth in the U.S. Route Ops market in CY18. For Pennsylvania, the recent passage of broad expansionary gambling bill allows for the operation of up to 5 VGTs at ~100-150 truck stops. We assume this would result in the cumulative addition of ~750 games. The bill just passed in November 2017, but we note these games can be installed relatively quickly once licenses are issued. Therefore we assume initial machines to be installed in late CY18 and ramp up through CY19. While this is a relatively small addition to the market, we find the launch of a new VGT jurisdiction as more meaningful to the future development of new Route Ops jurisdictions.

In CY19, we anticipate IL VGT market and the ramp up of the PA VGT market will result in +0.8% y/y growth in the U.S. Route Ops install base. Longer term, we believe more states will look to legalize distributed / route ops markets as another way to generate additional tax revenue given the recent success of the IL VGT market combined with several regional casino operators investing into Route Op business (i.e. Penn National, Delaware North, Golden Entertainment, etc.). More recently, we highlight the successful legalization of a Route Ops market in Pennsylvania and legislative proposals in IN and MO during 2017, as evidence that there is building momentum in this category. We believe there is an untapped market potential for another 200-300k games in the Route Ops / Distributed Gaming category.

Note, we define Route Ops / Distributed Gaming markets as jurisdictions with non-venue based gaming that includes a small number of games at a large number of retail locations most often found in bars, taverns, truck stops, and mini-casinos.

Below we highlight the total number of Distributed Gaming / Route Ops slots installed and our forecast through CY20 along with a summary of the Top 10 Route Op markets.



Source: Eilers & Krejcik Gaming, LLC, State Gaming Agencies, Casinocity.com

Top 10 Route Ops - 4Q17

Rank	State	# Slots
1	Illinois	28,271
2	Nevada	18,719
3	Montana	15,810
4	Louisiana	12,960
5	Oregon	11,166
6	South Dakota	9,150
7	West Virginia	7,445
8	New Mexico	643
9	Delaware	456
10	n/a	n/a

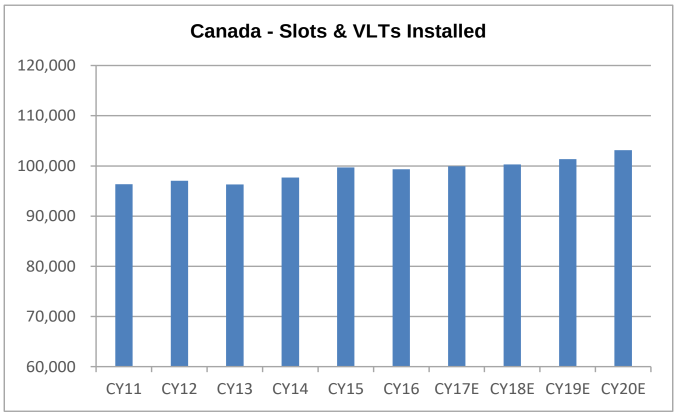
Source: Eilers & Krejcik Gaming, LLC, State Gaming Agencies, Casinocity.com

6. Canada Slots & VLTs

The Canadian market increased +0.6% y/y and +0.4% q/q to ~99,900 machines installed at the end of 4Q17. On an annual basis, expansions in British Columbia and Ontario were partially offset by slot removals in Quebec and Alberta while slot install bases in other jurisdictions were relatively flat. On a sequential basis, a few expansions in British Columbia were partially offset by slot removals from Quebec.

Looking ahead, In CY18 expansionary projects in Ontario led by Great Canadian and Gateway Casinos will be partially offset by the government instituted reduction of VLT units in Quebec and produce growth of +0.4% y/y in the Canada slot install base. In CY19, we expect further expansionary activity across Ontario as well as new casino openings in Alberta and British Columbia to result in incremental growth of +1.1% y/y for CY19. Note, our install base estimates include both Class III slot machines as well as VLTs.

Below we highlight the total number of Canada slots and VLTs installed and our forecast through CY20 along with a summary of the Top 10 Canada markets.



Source: Eilers & Krejcik Gaming, LLC., Gaming Agencies, Casinocity.com

Top 10 Canada Markets - 4Q17

Rank	Province	# Slots
1	Ontario	22,834
2	Alberta	20,495
3	Quebec	17,400
4	British Columbia	13,909
5	Manitoba	10,099
6	Saskatchewan	7,172
7	Nova Scotia	2,895
8	New Brunswick	2,711
9	New foundland & Labrad	1,896
10	Prince Edward Island	520

Source: Eilers & Krejcik Gaming, LLC., Gaming Agencies, Casinocity.com

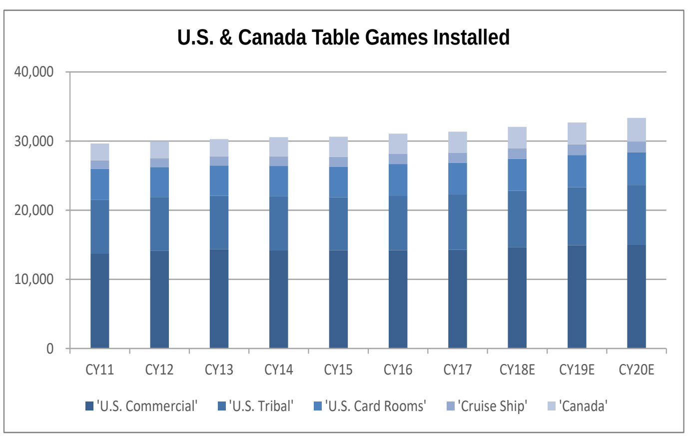
7. U.S. & Canada Table Games

Total U.S. and Canada table games install base increased +1.0% y/y but declined -0.2% q/q to ~31,400 tables installed at the end of 4Q17. In the Commercial market, table game expansions in New York (Tioga Downs, del Lago and Rivers), Pennsylvania, and Missouri were partially offset by table removals from properties in Nevada as well as other jurisdictions which resulted in the table install base increasing +0.4% y/y to ~14,300 tables in the quarter. On a sequential basis, the Commercial table install base declined -1.0% q/q driven primarily by table game removals across properties in Nevada and New Jersey. We note, the Borgata casino in New Jersey has a large seasonal decline in tables installed from 3Q to 4Q due to an annual poker tournament held in September.

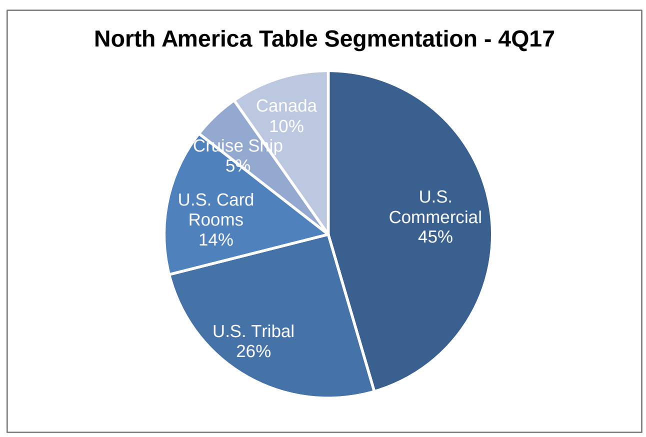
The Tribal market increased +2.2% y/y and +0.2% q/q to ~8,000 table games installed. New tribal property openings and expansions in Washington, Florida, Wisconsin, and Michigan were the primary drivers for growth along with moderate expansions across most markets. The U.S. Card Room table market decreased -1.7% y/y to ~4,500 units due to the removal of tables in California and Florida which was partially offset by the addition of card rooms and tables in Washington and New Hampshire. In terms of mix, we note the U.S. Commercial market represents 45% of the market followed by Tribal at 26%, Card Rooms at 14%, Canada at 10%, and Cruise Ship at 5%.

We expect the market for table games to somewhat follow the growth trends in slots. Significant expansions along with continued economic recovery should support moderate table game growth in North America. For the Commercial market, multiple large scale projects as well as moderate same-store table game expansions in New York, Massachusetts, Pennsylvania, and New Jersey will result in annual increases of +2.6% y/y and +2.0% y/y growth in CY18 and CY19, respectively.

For the Tribal market we expect projects across many jurisdictions including California, Oklahoma, Wisconsin, Washington, and Florida, to drive table game install base increases of +2.1% y/y and +2.3% y/y in CY18 and CY19 respectively. For the total table market, including U.S. Card Rooms, Cruise Ships and Canada, we expect moderate growth rates of +2.2% y/y in CY18 and +2.0% y/y in CY19. Below we highlight the total number of table games installed in the U.S. and Canada markets and our forecast through CY20 along with a summary of the Top 10 table game markets.



Source: Eilers & Krejcik Gaming, LLC., Gaming Agencies, Casinocity.com



Source: Eilers & Krejcik Gaming, LLC., Gaming Agencies, Casinocity.com

Top 10 Table Game Markets - 4Q17

Rank	State	Commercial	Tribal	Card Rm	Total
1	Nevada	5,718	27	0	5,745
2	California	0	2,066	1,921	3,987
3	Washington	0	654	1,180	1,835
4	Florida	0	585	769	1,354
5	Pennsylvania	1,257	0	0	1,257
6	New Jersey	1,032	0	0	1,032
7	Mississippi	901	95	0	996
8	Louisiana	743	172	0	915
9	Oklahoma	0	772	0	772
10	Connecticut	0	663	0	663

Source: Eilers & Krejcik Gaming, LLC., Various Gaming Agencies, Casinocity.com

Appendix A – Top 15 Slot Markets

Top 15 Markets by Total Slot Machine

Rank	Market	Commercial	Tribal	Route Ops	Canada	Total	% of Total
1	Nevada	141,636	1,129	18,719	0	161,484	16%
2	Oklahoma	0	74,787	0	0	74,787	8%
3	California	0	72,850	0	0	72,850	7%
4	Louisiana	23,081	5,796	12,960	0	41,837	4%
5	Illinois	9,943	0	28,271	0	38,214	4%
6	New York	23,159	11,973	0	0	35,132	4%
7	Washington	0	31,916	0	0	31,916	3%
8	Michigan	9,100	22,386	0	0	31,486	3%
9	Mississippi	27,269	3,078	0	0	30,347	3%
10	Pennsylvania	25,849	0	0	0	25,849	3%
11	Ontario, Canada	0	0	0	22,834	22,834	2%
12	Minnesota	0	22,002	0	0	22,002	2%
13	Florida	6,802	14,358	0	0	21,160	2%
14	New Mexico	2,887	17,015	643	0	20,545	2%
15	Alberta, Canada	0	0	0	20,495	20,495	2%

Source: Eilers & Krejcik Gaming, LLC., State & Provincial Gaming Agencies, Casinocity.com

Appendix B – Most & Least Saturated Markets

In aggregate, there are ~360 people for every slot machine installed in the U.S. market. In the below tables we highlight the Leased Saturated markets and the Most Saturated markets as of the most recent quarter.

Top 10 Least Saturated Markets - 4Q17

Rank	State	Population	# Slots	People / Slots
1	Alaska	738,432	93	7,940
2	Texas	27,469,114	4,107	6,688
3	Massachusetts	6,794,422	1,365	4,978
4	Nebraska	1,896,190	674	2,813
5	Arkansas	2,978,204	2,849	1,045
6	Florida	20,271,272	21,160	958
7	Maine	1,329,328	1,736	766
8	Alabama	4,858,979	6,527	744
9	New Jersey	8,958,013	14,052	637
10	Ohio	11,613,423	18,733	620

Source: U.S Census Bureau, Eilers & Krejcik Gaming, LLC.

**Note: We do not include state's that do not have any slot machines*

Top 10 Most Saturated Markets - 4Q17

Rank	State	Population	# Slots	People / Slots
1	Oklahoma	3,911,338	74,787	52
2	South Dakota	858,469	15,064	57
3	Montana	1,032,949	17,684	58
4	Mississippi	2,992,333	30,347	99
5	New Mexico	2,085,109	20,545	101
6	Louisiana	4,670,724	41,837	112
7	Delaware	945,934	6,708	141
8	Iowa	3,123,899	19,248	162
9	North Dakota	756,927	4,330	175
10	Rhode Island	1,056,298	5,284	200

Source: U.S Census Bureau, Eilers & Krejcik Gaming, LLC.

** Note: Does not include Nevada due to its nature as a primary travel market*

Appendix C – State by State Numbers

Total Commercial Slot Install Base

Market	CY11	CY12	CY13	CY14	CY15	CY16	Mar-17	Jun-17	Sep-17	Dec-17	CY17E	CY18E	CY19E	CY20E
Arkansas	1,650	2,050	2,050	2,562	2,643	2,800	2,800	2,800	2,849	2,849	2,849	2,885	2,928	2,972
Colorado	14,565	14,744	14,298	13,635	13,534	12,870	12,952	12,571	12,500	12,702	12,702	13,300	13,820	13,958
Delaware	6,824	6,595	6,508	6,517	6,507	6,359	6,358	5,679	6,268	6,252	6,252	6,127	6,066	6,005
Florida	5,357	6,393	7,162	7,076	6,933	7,753	7,701	7,684	7,723	6,802	6,802	7,580	7,504	7,579
Illinois	11,292	11,298	11,229	10,448	10,257	10,074	10,062	10,052	9,971	9,943	9,943	9,744	9,647	9,550
Indiana	22,709	21,963	21,125	19,978	19,526	19,183	19,129	19,067	19,047	18,924	18,924	18,550	18,365	18,181
Iowa	17,999	18,302	17,824	17,361	17,291	16,859	16,690	16,744	16,631	16,620	16,620	16,400	16,318	16,236
Kansas	2,050	4,161	4,575	4,525	4,475	4,475	5,100	5,100	5,100	5,091	5,091	5,115	5,166	5,269
Kentucky	200	537	577	517	1,581	1,706	1,724	1,724	1,776	1,821	1,821	2,310	2,426	2,547
Louisiana	21,300	21,500	22,882	23,955	23,816	23,492	23,250	23,080	23,127	23,081	23,081	22,850	22,622	22,622
Maine	1,000	1,739	1,734	1,758	1,641	1,633	1,599	1,613	1,564	1,736	1,736	1,753	1,771	1,788
Maryland	2,050	6,050	6,857	9,257	8,477	11,657	11,621	11,591	11,448	11,231	11,231	11,400	11,571	11,745
Massachusetts	0	0	0	0	1,200	1,300	1,384	1,363	1,362	1,365	1,365	4,065	6,305	6,620
Michigan	9,529	9,538	9,550	9,535	9,162	9,164	9,158	9,171	9,171	9,100	9,100	9,100	9,100	9,100
Mississippi	32,790	32,414	31,513	28,551	28,635	27,949	27,640	27,440	27,292	27,269	27,269	26,850	27,540	27,265
Missouri	19,210	19,276	18,986	18,399	17,887	17,457	17,135	17,031	16,610	16,899	16,899	16,450	16,286	16,204
Nevada	162,995	158,660	155,413	152,263	147,653	145,113	143,647	142,742	141,917	141,636	141,636	139,500	138,803	139,203
New Jersey	27,048	26,650	25,305	17,239	16,770	14,125	14,092	13,946	13,972	14,052	14,052	16,540	16,209	16,047
New Mexico	2,612	2,569	2,883	2,965	2,927	2,908	2,934	2,941	2,926	2,887	2,887	2,880	2,880	2,880
New York	16,357	17,211	18,147	18,016	18,032	18,106	22,072	22,757	22,501	23,159	23,159	24,900	25,149	25,400
Ohio	0	9,023	13,620	18,323	18,516	18,804	18,681	18,708	18,526	18,733	18,733	18,470	18,378	18,286
Pennsylvania	26,417	26,476	26,591	26,376	26,229	26,074	26,219	25,686	25,971	25,849	25,849	25,700	26,700	27,501
Rhode Island	5,851	5,836	5,632	5,635	5,362	5,319	5,318	5,318	5,311	5,284	5,284	5,330	5,330	5,330
South Dakota	3,787	3,659	3,402	3,314	3,167	3,187	3,110	3,109	3,047	3,077	3,077	2,960	2,960	2,960
West Virginia	8,994	7,955	7,541	6,999	6,376	6,083	6,028	5,979	5,970	5,820	5,820	5,810	5,752	5,752
Total U.S. Commercial Casino	**422,586**	**434,599**	**435,404**	**425,204**	**418,597**	**414,450**	**416,404**	**413,895**	**412,580**	**412,182**	**412,182**	**416,569**	**419,593**	**421,000**
% change y/y	*-0.1%*	*2.8%*	*0.2%*	*-2.3%*	*-1.6%*	*-1.0%*	*-0.5%*	*-0.9%*	*-0.6%*	*-0.5%*	*-0.5%*	*1.1%*	*0.7%*	*0.3%*
% change q/q	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*0.5%*	*-0.6%*	*-0.3%*	*-0.1%*	*n/a*	*n/a*	*n/a*	*n/a*

Source: Eilers & Krejcik Gaming, LLC., State Gaming Agencies, Casinocity.com

Total Tribal Slot Install Base

Market	CY11	CY12	CY13	CY14	CY15	CY16	Mar-17	Jun-17	Sep-17	Dec-17	CY17E	CY18E	CY19E	CY20E
Alabama	4,200	4,769	6,300	6,337	6,423	6,647	6,698	6,730	6,602	6,527	6,527	6,602	6,650	6,700
Alaska	90	90	80	90	90	92	92	92	92	93	93	91	91	91
Arizona	14,530	14,327	15,502	15,422	16,268	16,583	16,658	16,733	16,808	16,832	16,832	16,894	17,080	17,868
California	68,341	67,999	70,248	68,793	71,102	72,575	72,575	72,575	72,675	72,850	72,850	73,050	73,938	74,677
Colorado	1,475	1,410	1,380	1,422	1,384	1,399	1,402	1,405	1,408	1,413	1,413	1,427	1,441	1,456
Connecticut	12,468	11,855	11,358	10,298	9,706	9,533	9,093	9,066	9,011	8,977	8,977	8,742	8,698	8,655
Florida	13,069	14,699	14,605	14,083	14,058	14,258	14,258	14,358	14,358	14,358	14,358	14,423	15,223	15,527
Idaho	3,931	3,928	3,888	3,779	3,739	3,739	3,739	3,739	3,739	3,739	3,739	3,839	3,897	3,955
Indiana	0	0	0	0	0	0	0	0	0	0	0	1,800	1,818	1,836
Iowa	2,022	2,155	2,137	2,573	2,574	2,602	2,609	2,616	2,623	2,628	2,628	2,628	2,628	2,628
Kansas	3,675	3,564	3,573	3,414	3,278	3,258	3,250	3,242	3,234	3,225	3,225	3,325	3,359	3,409
Louisiana	6,160	6,635	6,637	6,526	6,154	5,963	5,844	5,853	5,852	5,796	5,796	5,716	5,716	5,802
Massachusetts	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Michigan	23,869	23,576	22,829	22,769	22,098	22,206	22,206	22,386	22,386	22,386	22,386	22,479	22,539	22,764
Minnesota	22,582	22,246	21,947	22,088	21,612	21,892	21,892	21,942	21,992	22,002	22,002	22,102	22,902	23,131
Mississippi	3,618	3,422	3,457	2,849	3,126	3,106	3,099	3,092	3,085	3,078	3,078	3,063	3,063	3,063
Montana	1,527	1,587	1,664	1,677	1,665	1,865	1,867	1,869	1,871	1,874	1,874	1,874	1,874	1,874
Nebraska	483	490	651	666	662	667	668	670	672	674	674	674	674	674
Nevada	1,128	1,105	1,131	1,092	1,014	1,118	1,121	1,124	1,127	1,129	1,129	1,129	1,129	1,129
New Mexico	15,842	16,281	16,359	17,116	16,635	16,815	16,865	16,915	16,965	17,015	17,015	17,183	17,423	17,597
New York	11,811	11,204	11,394	11,444	11,717	11,817	11,817	11,997	11,997	11,973	11,973	12,073	12,013	11,953
North Carolina	3,145	3,862	3,649	3,600	4,575	4,575	4,599	4,623	4,647	4,667	4,667	4,731	4,802	4,874
North Dakota	3,647	3,690	3,692	3,702	3,902	4,202	4,234	4,266	4,298	4,330	4,330	4,555	4,601	4,647
Oklahoma	63,601	68,134	69,376	70,219	72,537	74,487	74,737	74,737	74,737	74,787	74,787	76,110	76,535	77,109
Oregon	7,373	7,607	7,559	7,450	7,770	7,845	7,875	7,905	7,935	7,963	7,963	8,083	8,204	8,327
South Dakota	2,461	2,629	2,506	2,717	2,778	2,809	2,816	2,823	2,830	2,837	2,837	3,037	3,067	3,098
Texas	1,858	1,988	2,786	2,796	3,357	4,067	4,077	4,087	4,097	4,107	4,107	4,107	4,169	4,231
Washington	28,007	28,300	28,655	29,075	30,175	30,475	30,475	31,491	31,841	31,916	31,916	32,086	32,566	33,055
Wisconsin	17,997	17,709	17,322	16,886	16,815	16,479	16,479	16,579	16,659	16,759	16,759	16,799	16,883	17,052
Wyoming	1,505	1,532	1,556	1,575	1,566	1,706	1,710	1,715	1,719	1,723	1,723	1,723	1,723	1,723
Total	340,415	346,793	352,241	350,458	356,780	362,780	362,755	364,630	365,260	365,658	365,658	370,345	374,704	378,904
% change y/y	*1.6%*	*1.9%*	*1.6%*	*-0.5%*	*1.8%*	*1.7%*	*1.4%*	*1.6%*	*1.3%*	*0.8%*	*0.8%*	*1.3%*	*1.2%*	*1.1%*
% change q/q	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*0.0%*	*0.5%*	*0.2%*	*0.1%*	*n/a*	*n/a*	*n/a*	*n/a*
Total Class III Tribal	*292,725*	*295,242*	*296,905*	*295,643*	*298,817*	*303,357*	*303,505*	*305,347*	*306,075*	*306,743*	*306,743*	*309,285*	*313,296*	*317,044*
% change y/y	*0.7%*	*0.9%*	*0.6%*	*-0.4%*	*1.1%*	*1.5%*	*1.3%*	*1.8%*	*1.5%*	*1.1%*	*1.1%*	*0.8%*	*1.3%*	*1.2%*
% of Total	*86.0%*	*85.1%*	*84.3%*	*84.4%*	*83.8%*	*83.6%*	*83.7%*	*83.7%*	*83.8%*	*83.9%*	*83.9%*	*83.5%*	*83.6%*	*83.7%*
Total Class II Tribal	*47,690*	*51,551*	*55,336*	*54,815*	*57,963*	*59,423*	*59,250*	*59,284*	*59,185*	*58,915*	*58,915*	*61,061*	*61,408*	*61,860*
% change y/y	*7.5%*	*8.1%*	*7.3%*	*-0.9%*	*5.7%*	*2.5%*	*1.8%*	*1.0%*	*0.0%*	*-0.9%*	*-0.9%*	*3.6%*	*0.6%*	*0.7%*
% of Total	*14.0%*	*14.9%*	*15.7%*	*15.6%*	*16.2%*	*16.4%*	*16.3%*	*16.3%*	*16.2%*	*16.1%*	*16.1%*	*16.5%*	*16.4%*	*16.3%*

Source: Eilers & Krejcik Gaming, LLC., State & Tribal Gaming Agencies, Casinocity.com

Total Route Ops & Distributed Gaming Slot Install Base

Market	CY11	CY12	CY13	CY14	CY15	CY16	Mar-17	Jun-17	Sep-17	Dec-17	CY17	CY18E	CY19E	CY20E
Nevada	19,000	19,000	19,000	18,966	18,751	18,536	18,542	18,669	18,657	18,719	18,719	18,805	18,805	18,805
Illinois	0	2,290	13,374	19,182	22,135	24,840	25,911	26,873	27,681	28,271	28,271	29,571	30,162	30,464
Louisiana	14,500	14,197	13,829	13,809	14,303	13,069	13,093	13,091	12,962	12,960	12,960	13,025	13,025	13,025
West Virginia (Limited VLTs)	7,519	7,467	7,368	7,174	6,978	6,785	6,819	6,738	7,141	7,445	7,445	7,645	7,645	7,645
Montana	16,850	16,500	16,100	15,742	15,607	15,773	15,809	15,276	15,810	15,810	15,810	15,840	15,840	15,840
Oregon (VLTs)	12,200	12,175	11,962	12,019	11,960	11,900	11,964	11,817	11,772	11,166	11,166	10,966	10,966	10,966
South Dakota (VLTs)	9,057	9,045	9,045	8,935	8,934	9,095	9,086	9,107	9,113	9,150	9,150	9,230	9,230	9,230
Maryland (ITLM)	0	0	0	75	283	300	300	300	300	300	300	300	300	300
Delaware (Charitable VLTs)	0	0	0	456	456	456	456	456	456	456	456	456	456	456
New Mexico	656	643	698	689	706	653	631	650	633	643	643	649	649	649
Pennsylvania	0	0	0	0	0	0	0	0	0	0	0	300	600	750
New Markets	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	79,782	81,317	91,376	97,047	100,113	101,407	102,611	102,977	104,525	104,920	104,920	106,787	107,678	108,130
% change y/y	*-2.1%*	*1.9%*	*12.4%*	*6.2%*	*3.2%*	*1.3%*	*2.9%*	*2.2%*	*3.5%*	*3.5%*	*3.5%*	*1.8%*	*0.8%*	*0.4%*
% change q/q	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*1.2%*	*0.4%*	*1.5%*	*0.4%*	*n/a*	*n/a*	*n/a*	*n/a*
U.S. Commercial	*66,926*	*68,499*	*78,716*	*83,808*	*86,708*	*88,098*	*89,260*	*89,754*	*91,364*	*92,355*	*92,355*	*94,116*	*94,707*	*95,009*
U.S. Government	*12,856*	*12,818*	*12,660*	*13,239*	*13,405*	*13,309*	*13,351*	*13,223*	*13,161*	*12,565*	*12,565*	*12,671*	*12,971*	*13,121*

Source: Eilers & Krejcik Gaming, LLC., State Gaming Agencies, Casinocity.com

Total Canadian Market Slot Install Base

Market	CY11	CY12	CY13	CY14	CY15	CY16	Mar-17	Jun-17	Sep-17	Dec-17	CY17E	CY18E	CY19E	CY20E
Alberta - Alberta Gaming & Liq	19,288	19,363	19,348	19,505	20,398	20,721	20,622	20,566	20,492	20,495	20,495	20,495	20,975	21,275
British Columbia - British Colu	11,317	11,830	12,224	12,710	12,947	12,949	12,949	13,349	13,549	13,909	13,909	14,100	14,460	14,749
Manitoba - Manitoba Lotteries	8,953	9,153	9,203	9,714	10,024	10,099	10,099	10,099	10,099	10,099	10,099	10,099	10,099	10,099
New Brunswick - Atlantic Lotte	2,475	2,459	2,578	2,580	2,670	2,711	2,711	2,711	2,711	2,711	2,711	2,711	2,711	2,711
Newfoundland & Labrador - A	2,059	2,000	1,938	1,946	1,920	1,896	1,896	1,896	1,896	1,896	1,896	1,896	1,896	1,896
Nova Scotia - Atlantic Lottery C	3,755	3,836	3,614	3,620	3,534	3,073	2,895	2,895	2,895	2,895	2,895	2,895	2,895	2,895
Ontario (OLG) - Ontario Lottery	23,250	23,000	22,329	22,457	22,516	22,524	22,794	22,794	22,794	22,834	22,834	23,514	24,034	25,684
Prince Edward Island - Atlantic	516	500	516	516	493	520	520	520	520	520	520	520	520	520
Quebec - Lotto Quebec	17,876	17,983	17,665	17,750	17,972	17,679	17,479	17,529	17,429	17,400	17,400	16,900	16,400	16,000
Saskatchewan - Saskatchewa	6,849	6,929	6,900	6,887	7,243	7,188	7,192	7,189	7,172	7,172	7,172	7,161	7,361	7,294
Total Canadian Slots & Vlts	96,338	97,053	96,315	97,685	99,717	99,360	99,157	99,548	99,557	99,931	99,931	100,291	101,351	103,122
% change y/y	*0.0%*	*0.7%*	*-0.8%*	*1.4%*	*2.1%*	*-0.4%*	*-0.6%*	*-0.2%*	*-0.3%*	*0.6%*	*0.6%*	*0.4%*	*1.1%*	*1.7%*
% change q/q	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*-0.2%*	*0.4%*	*0.0%*	*0.4%*	*n/a*	*n/a*	*n/a*	*n/a*
Total Class III	*61,981*	*62,547*	*62,113*	*63,041*	*64,852*	*64,842*	*65,017*	*65,608*	*65,717*	*66,120*	*66,120*	*66,980*	*68,540*	*70,711*
Total VLT	*34,357*	*34,506*	*34,202*	*34,644*	*34,865*	*34,518*	*34,140*	*33,940*	*33,840*	*33,811*	*33,811*	*33,311*	*32,811*	*32,411*

Source: Eilers & Krejcik Gaming, LLC., Provincial Gaming Agencies, Casinocity.com

Total Table Game Install Base by Market

Market	CY11	CY12	CY13	CY14	CY15	CY16	Mar-17	Jun-17	Sep-17	Dec-17	CY17	CY18E	CY19E	CY20E
U.S. Commercial	**13,718**	**14,107**	**14,341**	**14,184**	**14,202**	**14,206**	**14,403**	**14,586**	**14,404**	**14,262**	**14,262**	**14,628**	**14,921**	**15,040**
% change y/y	*1.7%*	*2.8%*	*1.7%*	*-1.1%*	*0.1%*	*0.0%*	*1.1%*	*1.2%*	*1.5%*	*0.4%*	*0.4%*	*2.6%*	*2.0%*	*0.8%*
U.S. Tribal	**7,810**	**7,789**	**7,741**	**7,795**	**7,652**	**7,847**	**7,851**	**7,965**	**8,005**	**8,023**	**8,023**	**8,194**	**8,386**	**8,592**
% change y/y	*-1.6%*	*-0.3%*	*-0.6%*	*0.7%*	*-1.8%*	*2.5%*	*1.9%*	*2.5%*	*2.3%*	*2.2%*	*2.2%*	*2.1%*	*2.3%*	*2.5%*
U.S. Card Rooms	**4,445**	**4,351**	**4,379**	**4,418**	**4,453**	**4,626**	**4,544**	**4,533**	**4,544**	**4,549**	**4,549**	**4,603**	**4,665**	**4,720**
% change y/y	*-0.2%*	*-2.1%*	*0.6%*	*0.9%*	*0.8%*	*3.9%*	*-0.3%*	*1.0%*	*-0.8%*	*-1.7%*	*-1.7%*	*1.2%*	*1.3%*	*1.2%*
Cruise Ship	**1,253**	**1,284**	**1,324**	**1,396**	**1,425**	**1,450**	**1,459**	**1,464**	**1,469**	**1,479**	**1,479**	**1,509**	**1,539**	**1,570**
% change y/y	*0.8%*	*2.5%*	*3.1%*	*5.4%*	*2.1%*	*1.8%*	*2.0%*	*2.0%*	*2.0%*	*2.0%*	*2.0%*	*2.0%*	*2.0%*	*2.0%*
Canada	**2,420**	**2,440**	**2,504**	**2,775**	**2,890**	**2,935**	**2,973**	**2,992**	**3,009**	**3,050**	**3,050**	**3,126**	**3,175**	**3,422**
% change y/y	*0.0%*	*0.8%*	*2.6%*	*10.8%*	*4.1%*	*1.5%*	*1.8%*	*2.4%*	*2.7%*	*3.9%*	*3.9%*	*2.5%*	*1.6%*	*7.8%*
Total U.S. & Canada Table Games	**29,646**	**29,971**	**30,289**	**30,568**	**30,622**	**31,064**	**31,229**	**31,540**	**31,431**	**31,363**	**31,363**	**32,059**	**32,686**	**33,343**
% change y/y	*0.3%*	*1.1%*	*1.1%*	*0.9%*	*0.2%*	*1.4%*	*1.2%*	*1.6%*	*1.5%*	*1.0%*	*1.0%*	*2.2%*	*2.0%*	*2.0%*
% change q/q	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*0.5%*	*1.0%*	*-0.3%*	*-0.2%*	*n/a*	*n/a*	*n/a*	*n/a*

Source: Eilers & Krejcik Gaming, LLC., State, Provincial, & Tribal Gaming Agencies, Casinocity.com

Appendix D – Key Definitions & Assumptions

Slot Machine: We define slot machines and equivalent gaming devices to include any electronic gaming machine where the outcome of the game is random, winning outcomes are paid in cash, and the operation of the game is legal and regulated either by federal or state law. Examples include the following: Class III Slot Machines, Class II Slot Machines, Video Lottery Terminals (VLTs), Video Poker machines, Electronic Table Game Terminals / seats, and Instant Racing Machines. All of these types of games are tracked in our Slot Machine install base count.

Table Game. We define table games to include both house banked and non-house banked live table games. All of these games are tracked in our Table Game count. Note, we do not include electronic table games in this segment. The individual e-table terminals are tracked in our Slot Machine count.

Gray Market Games. We define a grey market game as any gaming device that plays similar to the games listed above but are not regulated by either federal or state law. Examples include 8 Liners, Internet café terminals, etc.

Amusement with Price (AWP) Games. We define an AWP game as a gaming device where the winning outcome is paid in the form of a non-cash prize or an insignificant cash value. While these games are typically legal, we do not include them in our tracking.