

COMMERCIAL GAMING REVENUE TRACKER

AGA's Commercial Gaming Revenue Tracker provides state-by-state and cumulative insight into the U.S. commercial gaming industry's financial performance based on state revenue reports. This issue highlights results for the third quarter of 2023.

Q3 2023 GGR PER GAMING VERTICAL, ANNUAL CHANGE*

	Total GGR	Slot GGR	Table Game GGR	Sports Betting GGR	iGaming GGR
Over Q3 2022	\$16.26B	\$8.98B	\$2.64B	\$2.23B	\$1.52B
	+6.7% ▲	+1.7% ▲	+3.8% ▲	+27.7% ▲	+26.0% ▲

YTD GGR PER GAMING VERTICAL, ANNUAL CHANGE*

	Total GGR	Slot GGR	Table Game GGR	Sports Betting GGR	iGaming GGR
Over Jan-Sep 2022	\$48.78B	\$26.70B	\$7.60B	\$7.20B	\$4.49B
	+10.1% ▲	+3.8% ▲	+2.3% ▲	+52.9% ▲	+23.8% ▲

*Michigan and Louisiana are not included in the separate slot and table game revenue numbers, but combined revenue from the two verticals is included in the total. Tennessee sports betting revenue is no longer publicly disclosed and has consequently been omitted from all historical figures presented in this report. Tennessee data for sports betting handle and tax revenue continue to be published and are included in aggregate numbers.

Source: American Gaming Association

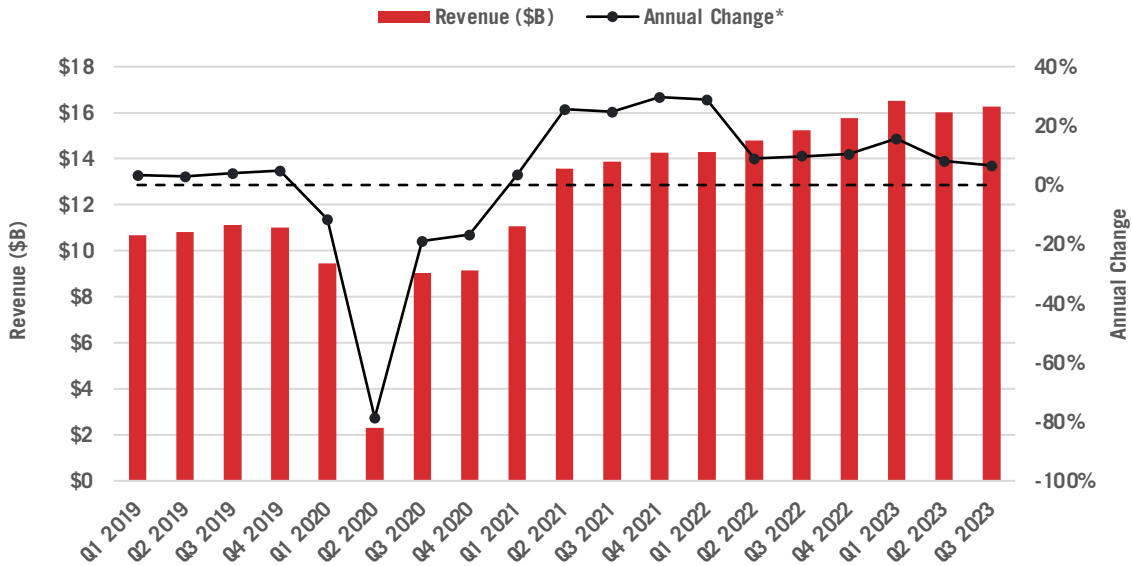
GAMING REVENUE SETS RECORD FOR THE THIRD QUARTER

U.S. commercial gaming revenue grew by 6.7 percent in the third quarter of 2023, the eleventh consecutive quarter of year-over-year growth. Despite a slower pace of growth than in previous quarters, Q3 was the industry's highest-grossing third quarter ever and second-best single quarter for commercial gaming revenue.

State regulatory disclosures, compiled by the American Gaming Association (AGA), show that aggregate commercial gaming revenue generated by land-based casinos, sports betting and iGaming reached \$16.26 billion in the third quarter. Total revenue for the first nine months of 2023 stands at \$48.78 billion, 10.1 percent higher than the same period in 2022. Even with potential softer Q4 revenue this year, 2023 is poised to become the third consecutive record-breaking year for the commercial gaming industry.



U.S. QUARTERLY COMMERCIAL GAMING REVENUE 2019–2023



*Q1-Q4 2021 compared to Q1-Q4 2019
Source: American Gaming Association

LAND-BASED CASINOS SET QUARTERLY RECORD

Quarterly gaming revenue grew year-over-year across all verticals, with single-quarter revenue records across both land-based and online casino gaming verticals.

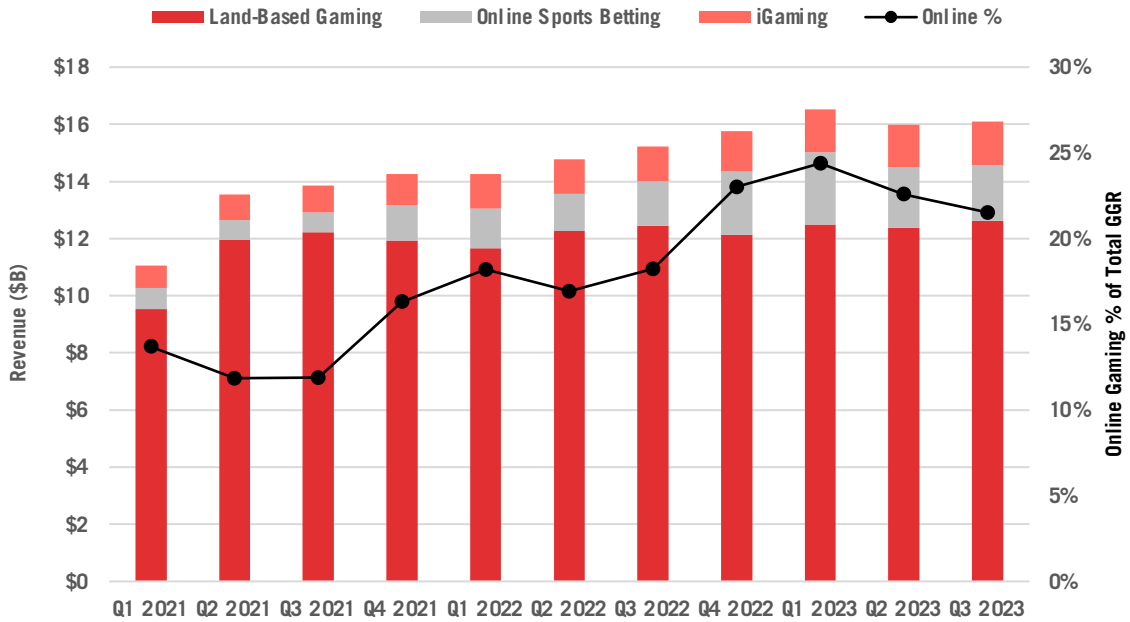
Revenue growth in total land-based gaming—encompassing casino slots, table games and retail sports betting—accelerated from 0.9 percent in the previous quarter to 1.6 percent in Q3, reaching a total of \$12.64 billion. Simultaneously, the annual revenue gains for total online gaming—iGaming and online sports betting—slowed to 29.9 percent in Q3 from 44.4 percent in Q2. Combined revenue from online sports betting and iGaming totaled \$3.61 billion, accounting for 22.2 percent of total commercial gaming revenue in Q3 – the lowest share since Q3 2022.

Only one new market opened during the third quarter with Kentucky launching sports betting at a handful of retail locations (September 7) and online (September 28), though no revenue data had been released by the Bluegrass State at the time of writing.

Beyond Kentucky, commercial gaming expanded in Q3 in Illinois and South Dakota with the opening of new casinos properties in those states. Compared to the same period a year earlier, Q3 also featured new sports betting markets in Maryland (online expansion), Massachusetts, Nebraska (retail only) and Ohio.



U.S. QUARTERLY GGR BY VERTICAL AND ONLINE SHARE 2021–2023



*Land-based gaming encompasses slots, table games and retail sports betting.
Source: American Gaming Association

\$3.42 BILLION IN GAMING TAXES GENERATED FOR STATE AND LOCAL GOVERNMENTS

State and local governments in gaming states saw an influx of direct gaming taxes in the third quarter. Commercial gaming operators paid an estimated \$3.44 billion in taxes tied directly to gaming revenue, an increase of 5.2 percent year-over-year.

With three quarters of the year complete, the commercial gaming industry is on track to provide a record level of tax support for state and local governments: the industry has paid approximately \$10.69 billion in gaming taxes during the first nine months, 10 percent more than the same period in 2022.

Note that these gaming tax figures only cover specific state and local taxes directly linked to gaming revenue that are reported monthly or quarterly. Fees that are levied on an annual basis are not covered, nor are sports betting excise tax payments to the federal government. The figures also do not encompass the billions of additional tax dollars paid by the industry on income, sales, payroll or various corporate taxes.



TWO LARGEST GAMING MARKETS SEE BEST-EVER QUARTER

Among the 34 commercial gaming jurisdictions operational one year ago, 18 experienced an increase in third quarter revenue from 2022. Five states set new single-quarter records including Nevada and New Jersey, the country's two largest commercial gaming markets.

In Nevada, gaming revenue grew 2.9 percent year-over-year, reaching \$3.88 billion. The surge was propelled by a record-breaking quarter for Strip casinos (\$741.2M) and the highest Baccarat win in state history: \$458.4 million, a 50.1 percent increase year-over-year.

Meanwhile, New Jersey' highest-ever gaming win of \$1.56 billion, up 8.6 percent year-over-year, came as the state noted new quarterly highs for both iGaming (\$469.6M) and sports betting (\$268.2M), while Atlantic City casinos experience their second-best quarter ever for land-based slot machines and table games (\$816.8M).

Among states with year-over-year quarterly declines, most states saw low single digit percentage drops while the sports betting-only markets of Montana (-6.9%), New Hampshire (-18.7%) and Washington, D.C. (-33.2%) experienced the sharpest declines.

Looking ahead to full year results, most states are poised to exceed their 2022 revenue totals. Year-to-date, seven jurisdictions remained flat or experienced changes of less than one percent compared to 2022. Three jurisdictions—Indiana (-2.0%), Mississippi (-3.5%) and Washington, D.C. (-11.1%)—trailed last year's pace through September more significantly.

Q2 2023 COMMERCIAL GAMING REVENUE BY STATE

STATE	Q3 2023 (\$M)	ANNUAL CHANGE	YTD (\$M)	ANNUAL CHANGE
Arizona [†]	N/A		N/A	
Arkansas ^{††}	\$170.2	8.5%	\$516.6	13.0%
Colorado ^{††}	\$383.0	-1.7%	\$1,099.5	6.2%
Connecticut ^{††}	\$134.4	31.7%	\$406.3	42.6%
Delaware ^{†††}	\$114.0	-4.4%	\$372.7	0.7%
District of Columbia [†]	\$4.4	-33.2%	\$13.4	-11.1%
Florida [*]	\$167.2	0.0%	\$524.9	-0.5%
Illinois ^{††}	\$583.4	10.5%	\$1,811.3	19.3%
Indiana ^{††}	\$689.3	-5.3%	\$2,110.2	-2.0%
Iowa ^{††}	\$485.6	-3.2%	\$1,449.3	-0.7%
Kansas ^{††}	\$134.9	8.5%	\$412.7	27.4%
Kentucky ^{†§}	N/A		N/A	
Louisiana ^{††}	\$630.4	-0.8%	\$1,991.4	0.7%
Maine [*]	\$43.9	-2.9%	\$126.8	0.3%
Maryland ^{††}	\$589.4	12.9%	\$1,851.1	20.4%
Massachusetts ^{††}	\$391.6	37.3%	\$1,196.5	42.7%

COMMERCIAL GAMING REVENUE TRACKER



STATE	Q3 2023 (\$M)	ANNUAL CHANGE	YTD (\$M)	ANNUAL CHANGE
Michigan**†	\$875.6	9.9%	\$2,645.9	11.9%
Mississippi**†	\$627.3	-0.6%	\$1,880.3	-3.5%
Missouri*	\$483.4	-1.0%	\$1,440.6	-0.2%
Montana†	\$1.6	-6.9%	\$5.6	17.5%
Nebraska**§	\$23.2	1518.6%	\$64.1	4373.9%
Nevada**†	\$3,883.7	2.9%	\$11,400.0	3.4%
New Hampshire†	\$13.0	-18.7%	\$55.4	24.9%
New Jersey**†	\$1,559.2	8.6%	\$4,286.5	10.8%
New Mexico*	\$67.8	-1.6%	\$207.5	5.0%
New York**†	\$1,140.4	7.5%	\$3,484.3	13.2%
Ohio**†	\$749.9	26.8%	\$2,496.1	41.5%
Oklahoma*	\$36.7	-2.2%	\$115.0	0.9%
Oregon†	\$12.0	27.0%	\$42.9	58.3%
Pennsylvania**†	\$1,432.6	7.7%	\$4,331.4	10.2%
Rhode Island**†	\$173.8	-1.7%	\$534.8	5.6%
South Dakota**†	\$43.4	1.9%	\$113.3	2.1%
Virginia**†	\$283.2	80.2%	\$785.2	116.8%
West Virginia**†	\$196.8	6.4%	\$601.1	7.8%
Wyoming†	\$3.8	-3.2%	\$11.7	23.3%
United States	\$16,256.2	6.7%	\$48,777.5	10.1%

*States with legal and operational casino slot and/or table games in Q3 2023.

†States with legal and operational sports betting in Q3 2023.

‡States with legal and operational iGaming in Q3 2023.

§New commercial casino gaming market within the last 12 months. No YoY comparison is available.

Source: American Gaming Association



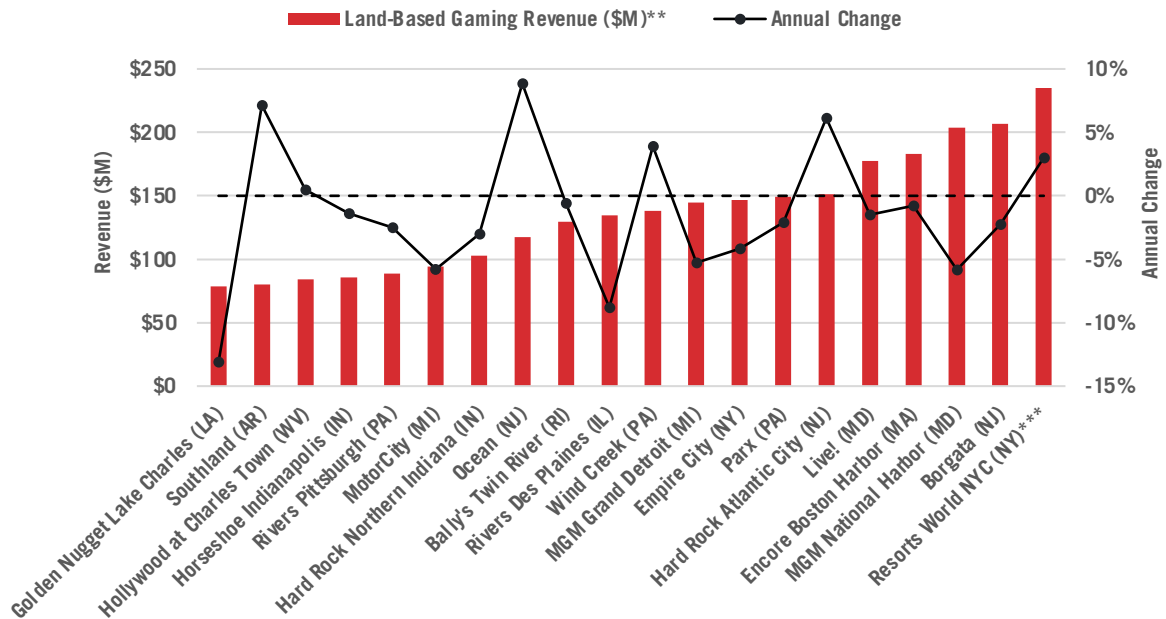
COMMERCIAL GAMING REVENUE TRACKER

RESORTS WORLD NYC LEADS NON-NEVADA CASINOS

At the property level, six out of the top 20 highest grossing commercial casinos outside of Nevada reported higher combined land-based gaming revenue from slot machines, table games and retail sports betting compared to the third quarter of 2022.

Once again, Resorts World NYC was the leading revenue generating property outside of Nevada while the Borgata moved ahead of MGM National Harbor to become the second highest-grossing casino for the quarter. Other noteworthy changes include: Hard Rock Atlantic City (up to 6 from 10), Southland (AR) (19 from 22) and Hollywood at Charles Town (WV) (18 from 21).

TOP 20 COMMERCIAL CASINOS OUTSIDE NEVADA BY REVENUE, Q3 2023*



*Chart excludes casinos in Nevada and Mississippi due to lack of property-level data.

**Property gaming revenue encompasses slots, table games and retail sports betting, but not online sports betting or iGaming. Louisiana and Virginia figures revenue excludes retail sports betting, which is only reported statewide.

***Resorts World NYC includes revenue from Nassau OTB.

Source: American Gaming Association



COMMERCIAL GAMING REVENUE TRACKER

TRADITIONAL GAMING REVENUE SETS QUARTERLY RECORD

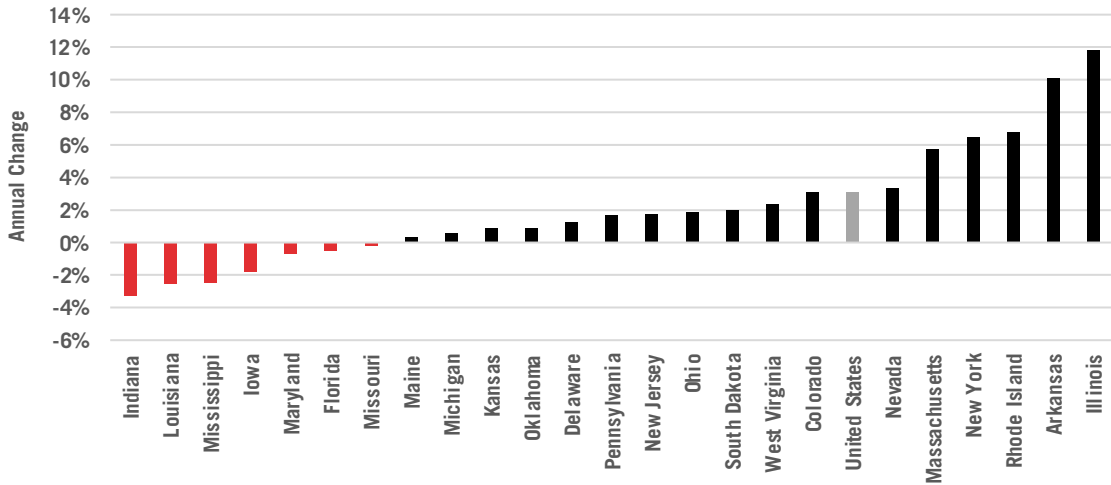
In the third quarter, traditional brick-and-mortar casino gaming continued to deliver robust quarterly revenue growth from slot machines and table games reaching \$12.49 billion, a 1.8 percent increase year-over-year. This surpassed the previous high of \$12.30 billion in Q1 2023, with July setting a single-monthly record with \$4.40 billion. Q3 was boosted by summer holiday travel and new casino openings in Illinois and South Dakota.

Both slot and table revenue set individual quarterly records in Q3, with casino slot machine revenue growing by 1.7 percent year-over-year to \$8.98 billion and table games growing 3.8 percent year-over-year to \$2.64 billion. The separate slot and table game figures do not include data from Louisiana and Michigan, though their aggregates are captured in the combined figure.

On a state level, among the 27 states offering traditional casino gaming a year ago, 11 experienced an increase in combined revenue from slot and table games during the third quarter.

Looking at the first nine months of 2023, traditional revenue is 3.1 percent higher nationwide compared to the same period last year and 20 out of 27 states are tracking ahead of their 2022 performance.

U.S. TRADITIONAL CASINO GGR BY STATE – YTD ANNUAL CHANGE



*Chart excludes the casino markets of Nebraska and Virginia that opened in Q3 2022.
Source: American Gaming Association



In the Midwest, traditional revenue at two of Iowa's three top-grossing casinos in the Council Bluffs market continued to trail last year following the launch of slot gaming in eastern Nebraska in late 2022.

Meanwhile, Indiana experienced a 3.3 percent decline in traditional casino revenue through September, driven by year-to-date dips across markets, including a 5.5 percent decrease in the Cincinnati area and a 5.1 percent drop in the Chicagoland market, likely influenced by continued expansion across the border in Illinois.

Four new casinos have opened in Illinois since the start of the year, including two in the Chicagoland market, propelling traditional casino revenue to the strongest year in a decade. After the first nine months, slot machines and table games at Illinois casinos had generated \$1.12 billion, up 11.8 percent year-over-year. Even still, same-store revenue saw an annual increase of 4.2 percent, reaching the highest level since 2017.

In the South, Mississippi revenue growth continues to be stymied by a 9.2 percent decline in the northern part of the state as activity at Southland Casino across the border in Arkansas continues to grow.

In Louisiana, traditional revenue is down 2.5 percent after nine months. Casinos in the New Orleans market witnessed the sharpest decline through September (-9.3%), followed by Bossier City/Shreveport (-4.8%) and Baton Rouge (-3.9%). The revamped Horseshoe Lake Charles continued to drive overall positive growth for the Lake Charles market (+3.9). While not under pressure from increased cross-border competition, the statewide decline can be traced to a 9.2 percent dip in visitation coupled with a 4.0 percent decline in average casino win per visitor.

SPORTS BETTING ON TRACK FOR RECORD YEAR

In the third quarter, traditionally marked by a slower sports calendar at the height of summer, the pace of sports betting expansion slowed compared to Q2. Despite this, quarterly sports wagering revenue reached \$2.23 billion, a 19.4 percent annual increase over the same period last year. Most of this growth comes from the \$358.7 million in sportsbook winnings in Maryland (online expansion), Massachusetts, Nebraska (retail only) and Ohio - markets that were not operational one year ago. Excluding these new markets, Q3 2023 sports betting revenue was up 7.2 percent year-over-year.

Americans bet \$24.10 billion on sports in the third quarter, 38.9 percent more than the previous year. The acceleration in handle was relatively fast compared to the growth in revenue, reflecting a decrease in the hold rates across several jurisdictions.

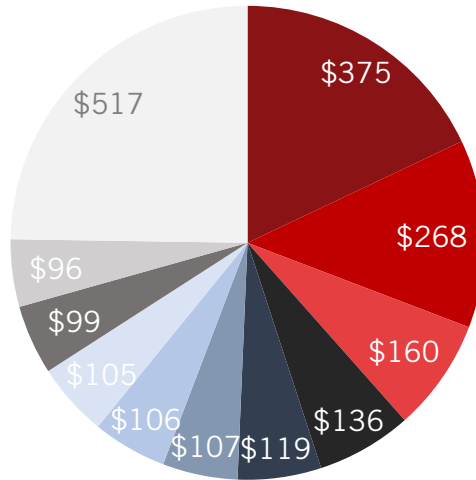
Through September, commercial sports betting remains on a track for another record-setting year. Revenue reached \$7.20 billion through the first nine months, 52.9 percent higher than the same period last year and surpassing the full-year 2022 revenue of \$7.18 billion. Year-to-date handle stands at \$79.76 billion, a 24.5 percent annual increase.

Note that September sports betting data for Arizona, Illinois and Kentucky had not been released at the time of writing.



SPORTS BETTING REVENUE BY STATE – Q3 2023 (\$M)

■ NY ■ NJ ■ OH ■ PA ■ VA ■ IL ■ NV ■ MA ■ MD ■ CO ■ Others

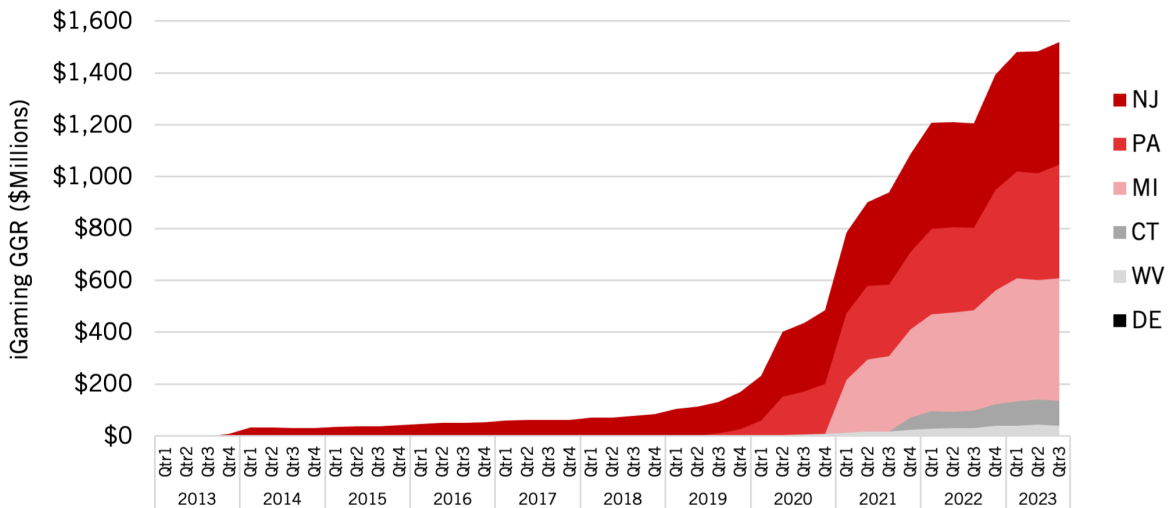


Source: American Gaming Association

IGAMING SETS QUARTERLY RECORD ONE DECADE AFTER ITS INCEPTION

The iGaming vertical continued its robust growth with \$1.52 billion in third quarter revenue, up 22.6 percent compared to Q3 2022 and a new single-quarter record. At the state level, iGaming set new quarterly revenue records in Connecticut, New Jersey and Pennsylvania. After three strong quarters, iGaming is on track for another record year with year-to-date revenue of \$4.49 billion, 23.8 percent ahead of the same period last year.

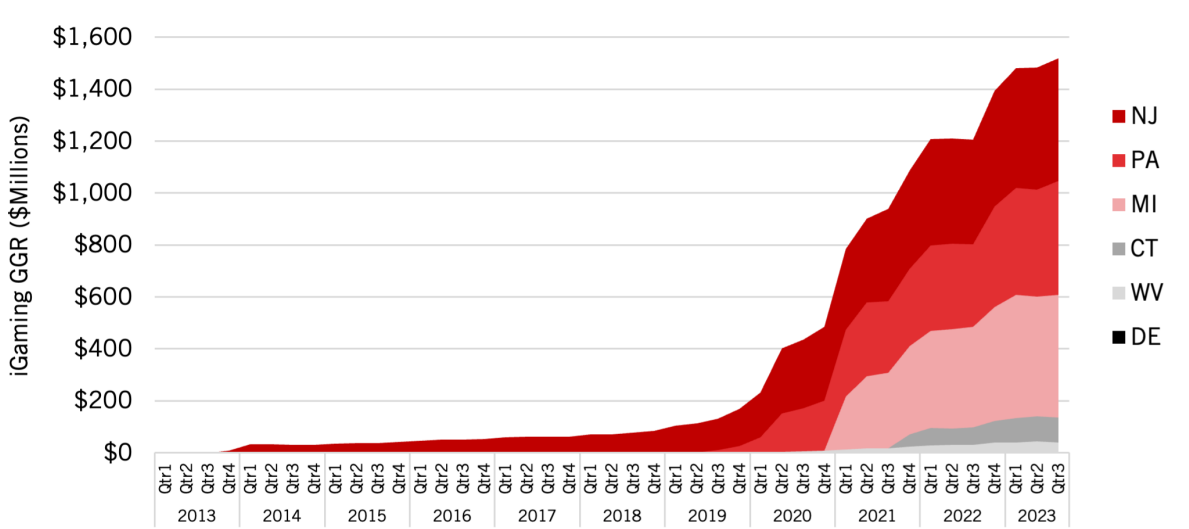
IGAMING REVENUE BY STATE – 2013-2023



SOURCE: AMERICAN GAMING ASSOCIATION

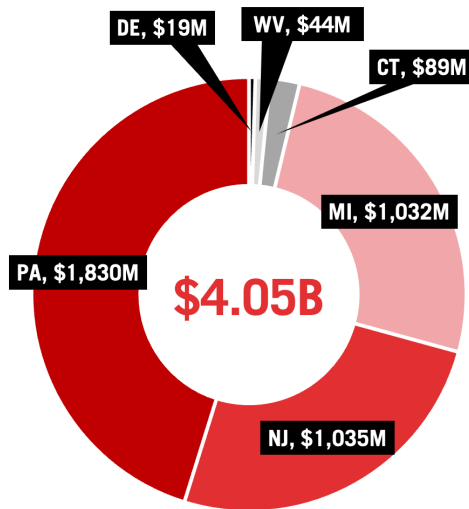


iGAMING REVENUE BY STATE – 2013-2023



SOURCE: AMERICAN GAMING ASSOCIATION

The quarterly record nationwide came on the cusp of the ten-year anniversary of full-scale iGaming operations, with Delaware and New Jersey having accepted the first online casino wagers in November 2013. Since then, America’s six full-scale iGaming markets have generated a combined \$16.32 billion in iGaming revenue. Despite only being legal in six states, iGaming revenue has translated into more than \$4 billion in state and local taxes.



SOURCE: AMERICAN GAMING ASSOCIATION