# Investor Presentation

March 2011

BOYDGAMING

# Forward Looking Statements

- This presentation contains statements regarding operating trends, future results, new projects, and other market, business and property trends that are forward-looking. All forward-looking statements in this presentation are made as of the date hereof, based on information available to the Company as of the date hereof, and the Company assumes no obligation to update any forward-looking statements, or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Actual results may differ materially from those projected in any forward-looking statement as a result of certain risks and uncertainties, including but not limited to those noted in our Form 10-K for the year-ended December 31, 2009 and our other filings with the SEC. Please refer to the end of these presentation materials for additional important information regarding forward-looking statements included in these presentation materials.
- **USES OF EBITDA:** The financial information provided in this presentation uses non-GAAP measures, such as Adjusted EBITDA. We use Adjusted EBITDA because it is what we use internally to measure the operating performance of our properties and our company and to evaluate our managers. In addition, please note that our Midwest and South segments' Adjusted EBITDA included in this presentation incorporate the results from Dania Jai-Alai; therefore, this presentation will differ from the segment disclosure included in the Company's periodic reports filed with the SEC. Except as otherwise provided in this presentation, our latest public information provides reconciliations of these measures to financial information prepared in conformity with accounting principles generally accepted in the United States of America. This information is also available in the investor relations section of our website.
- **NOTE:** Adjusted EBITDA reflects EBITDA adjusted for deferred rent, preopening expenses, share-based compensation expense, write-downs and other charges, net, increase in value of derivative instruments, gain on early retirements of debt, other non-operating expenses, and our share of Borgata's non-operating expenses, preopening expenses and other items and write-downs, net. In addition, Adjusted EBITDA includes corporate expense.

# Geographic Diversity

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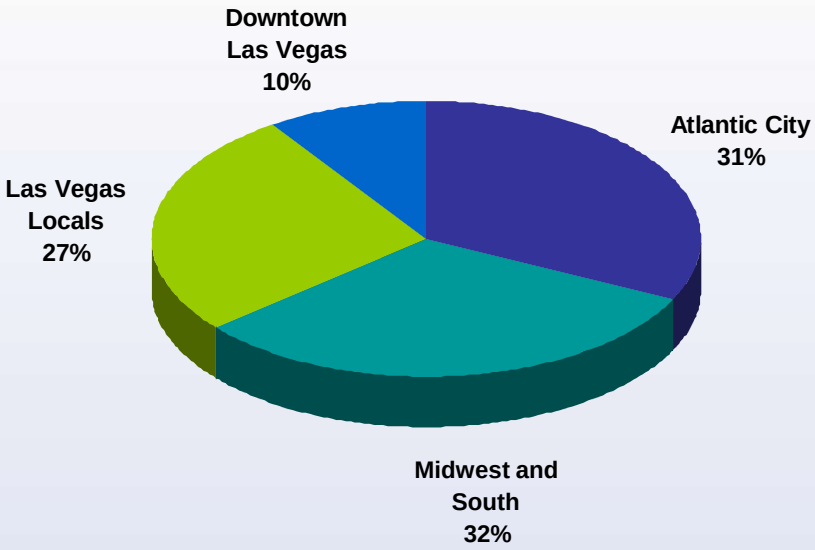
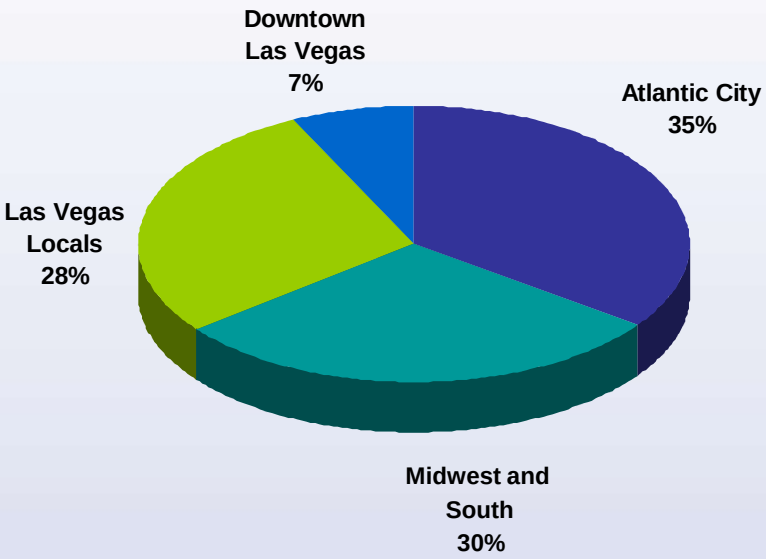
# Diverse Revenue and EBITDA




**NET REVENUE**




**ADJUSTED EBITDA**

*Twelve Months Ended December 31, 2010.*
*Borgata results are presented on a pro-forma basis for the trailing 12-month period ended December 31, 2010, to reflect full consolidation of the property, consistent on a GAAP basis. Reconciliations for non-GAAP measures are included in our quarterly earnings releases, as furnished to the SEC during each of the quarters in the twelve months ended December 31, 2010.*



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# Performance Update

# Las Vegas Locals

The Las Vegas Locals segment has seen the greatest impact from the recession, but also has the greatest potential for strong recovery

- The macro-factors of the Las Vegas economy are improving
  - Strip visitor volumes met or exceeded prior year levels in each of the last 16 months through December 2010
  - Strip gaming revenues were up 4.1% year-to-date December 2010
  - Southern Nevada taxable sales were up 3% in December and showed growth in 4 of the last 5 months
  - Q4 convention attendance increased 2.4% over prior year

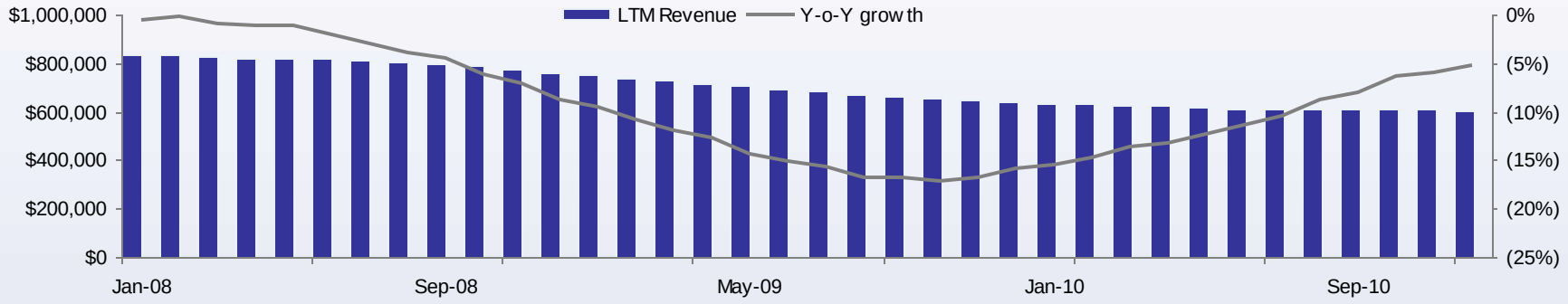
***Consumer confidence drives recovery in the locals business***

*Source: Las Vegas Convention and Visitors Authority*

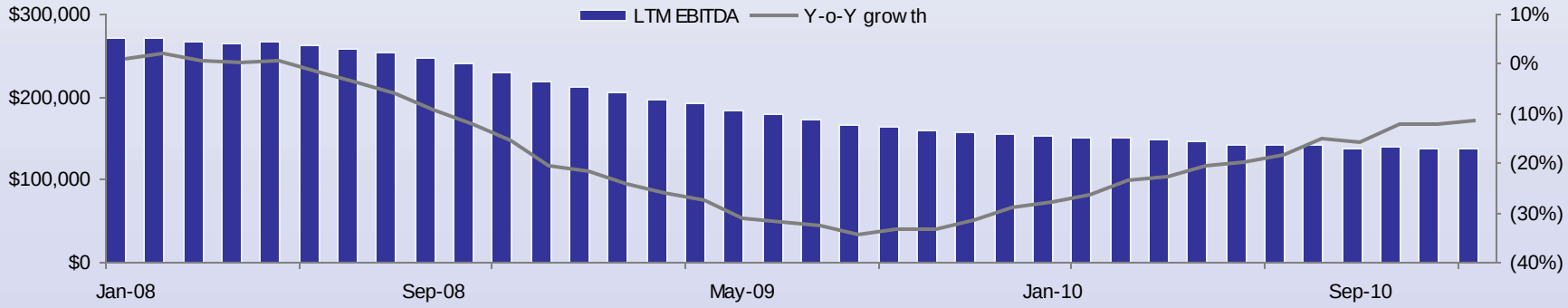
# Las Vegas Locals

## Business is Stabilizing

### Revenue [1] Trends




### EBITDA Trends




*(1) Net Revenues.*



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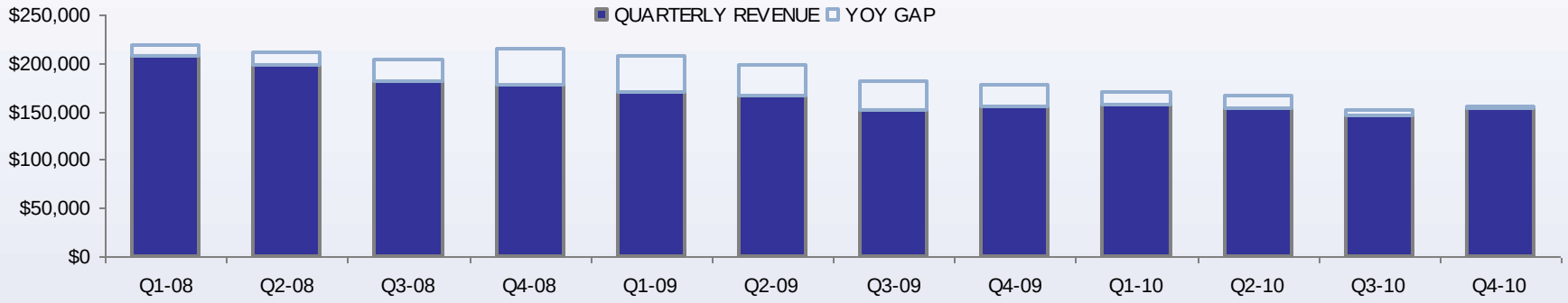
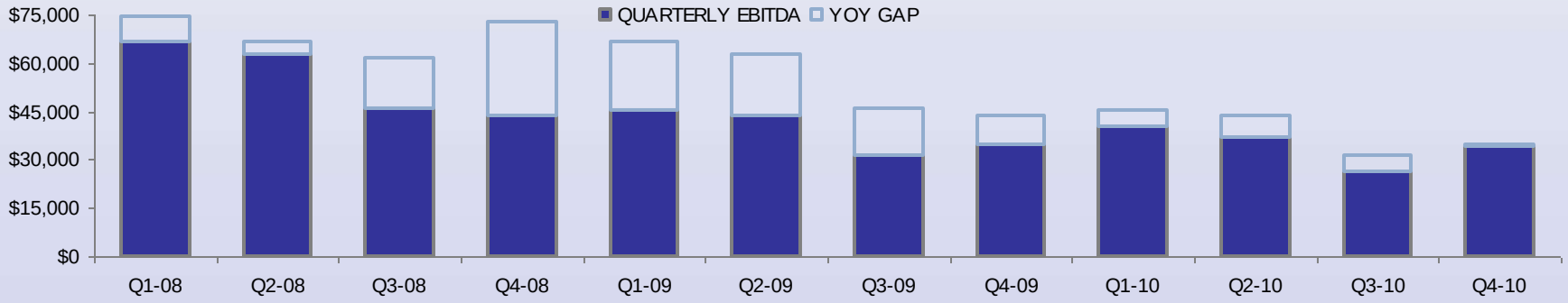
# Las Vegas Locals

## Business is Stabilizing

### Revenue [1] Trends




### EBITDA Trends




*(1) Net Revenues.*



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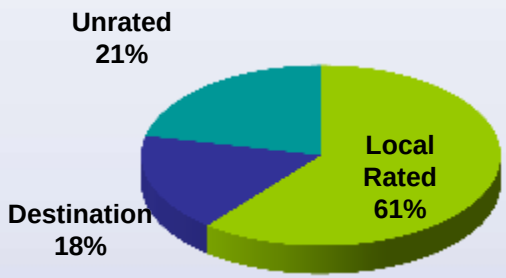
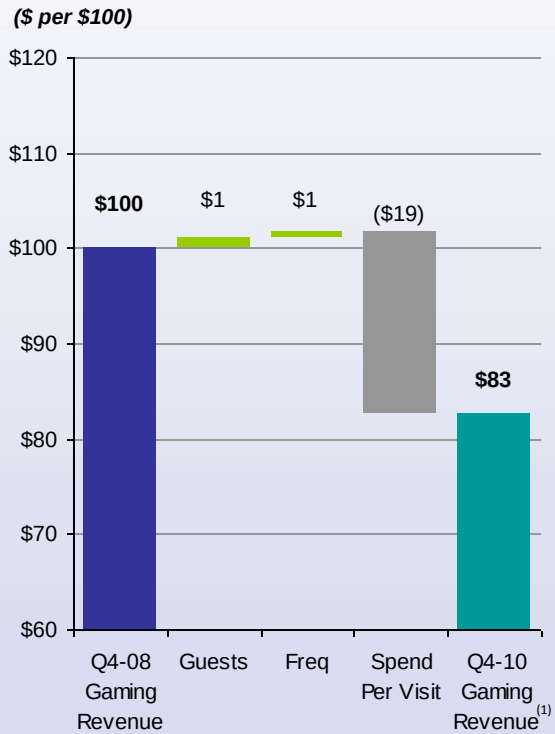
# Las Vegas Locals

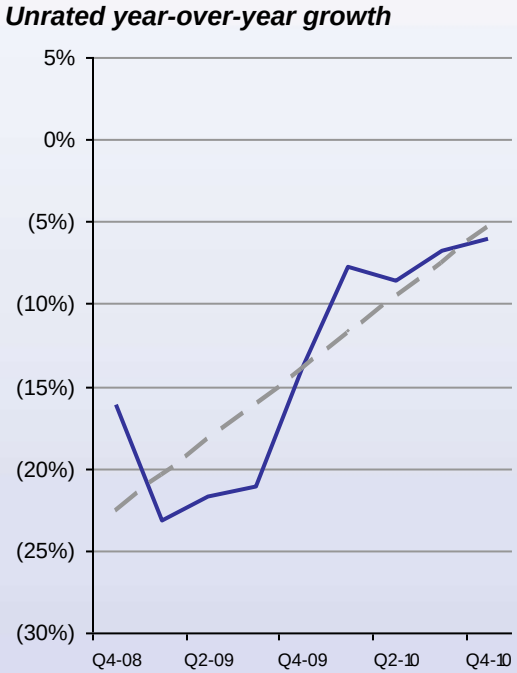
## Las Vegas Locals Customer Composition




## Gaming Revenue Decrease by Component




## Unrated Gaming Revenue




*(1) Source: Boyd Gaming customer database. All figures based on slot coin-in.*



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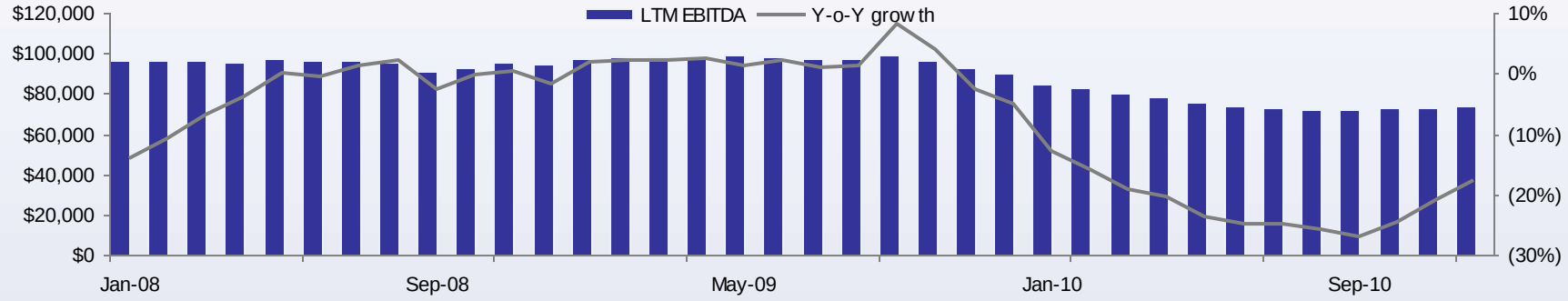
# Midwest and South Overview

- Geographic diversity in the Midwest and South segment helped mitigate the impact of the recession
- Regional markets have proven to be more resilient to the downturn
- No near-term material new competition
- No new material tax legislation

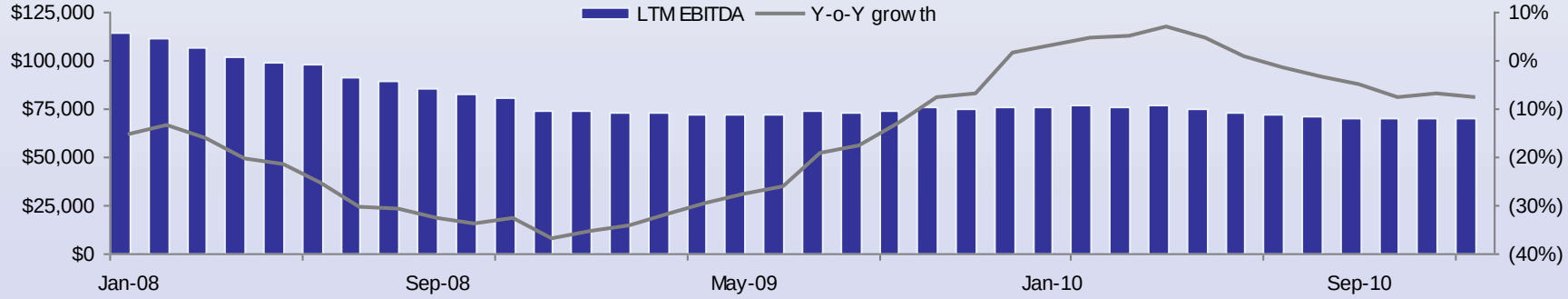
# Midwest and South Overview

## Geographic diversity has produced stable EBITDA results

### Louisiana Property EBITDA




### Other Midwest and South EBITDA




*Note: Louisiana properties include Treasure Chest, Delta Downs and Sam's Town Shreveport*
*Other Midwest and South properties include Sam's Town Tunica, Par-A-Dice and Blue Chip*



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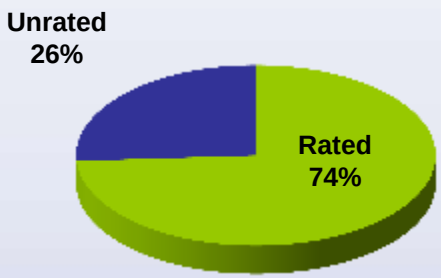
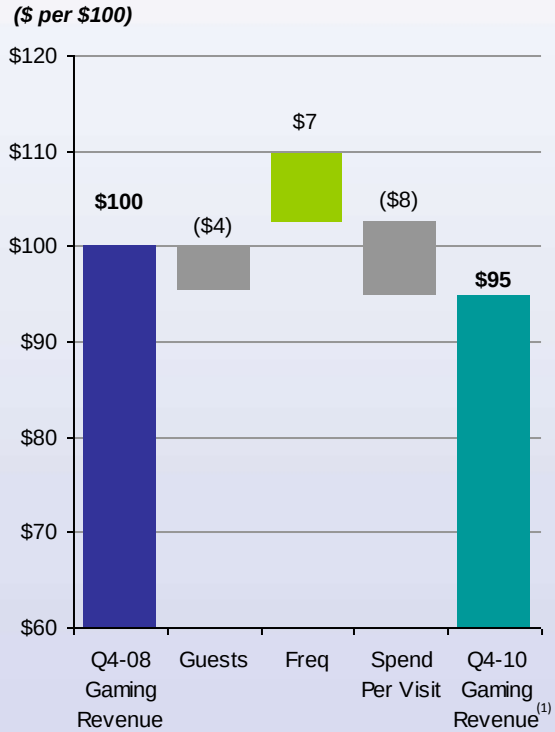
# Midwest and South

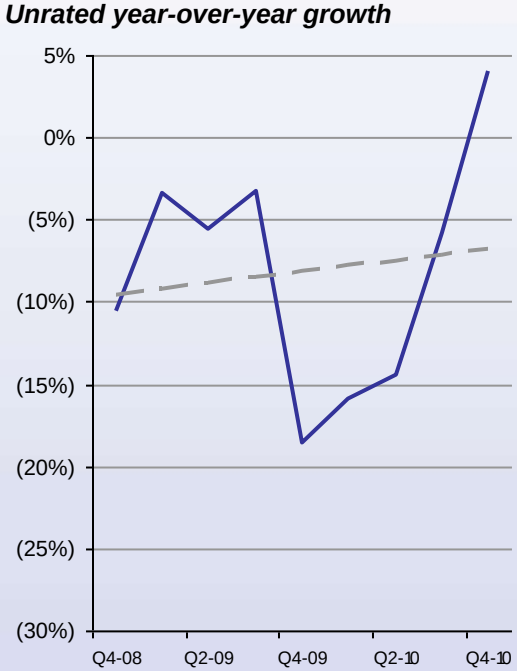
## Midwest and South Customer Composition




## Gaming Revenue Decrease by Component




## Unrated Gaming Revenue




*(1) Source: Boyd Gaming customer database. All figures based on slot coin-in.*



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# Borgata

- Atlantic City has encountered numerous challenges over the past three years
  - Increased competition from Pennsylvania
  - Economic pressures
  - Uncommonly bad weather

***Nonetheless, Borgata remains resilient and in a class of its own***

# Borgata

## Remains the market leader in slots and tables…

### December 2010 YTD Slots

| SLOT WIN RANK: ATLANTIC CITY CASINO INDUSTRY YTD December 2010 ($000's) | | | |
|---|---|---|---|
| **1** | **BORGATA** | **422,853** | **17.1%** |
| 2 | HARRAH'S | 350,536 | 14.1% |
| 3 | BALLY'S | 283,639 | 11.4% |
| 4 | TRUMP TAJ MAHAL | 258,071 | 10.4% |
| 5 | CAESARS | 248,515 | 10.0% |
| 6 | SHOWBOAT | 234,117 | 9.5% |
| 7 | TROPICANA | 205,543 | 8.3% |
| 8 | TRUMP PLAZA | 124,446 | 5.0% |
| 9 | AC HILTON | 121,823 | 4.9% |
| 10 | RESORTS | 114,450 | 4.6% |
| 11 | TRUMP MARINA | 113,359 | 4.6% |
| | **TOTAL MARKET** | **3,571,180** | |

| TABLE GAMES WIN RANK: ATLANTIC CITY CASINO INDUSTRY YTD December 2010 ($000's) | | | |
|---|---|---|---|
| **1** | **BORGATA** | **199,915** | **19.6%** |
| 2 | CAESARS | 154,191 | 15.1% |
| 3 | BALLY'S | 137,802 | 13.5% |
| 4 | TRUMP TAJ MAHAL | 128,985 | 12.6% |
| 5 | HARRAH'S | 95,224 | 9.3% |
| 6 | TROPICANA | 89,357 | 8.8% |
| 7 | TRUMP PLAZA | 50,611 | 5.0% |
| 8 | SHOWBOAT | 47,752 | 4.7% |
| 9 | AC HILTON | 41,616 | 4.1% |
| 10 | RESORTS | 40,759 | 4.0% |
| 11 | TRUMP MARINA | 34,027 | 3.3% |
| | **TOTAL MARKET** | **1,020,238** | |

| TABLE GAMES DROP RANK: ATLANTIC CITY CASINO INDUSTRY YTD December 2010 ($000's) | | | |
|---|---|---|---|
| **1** | **BORGATA** | **1,502,808** | **21.6%** |
| 2 | CAESARS | 1,027,780 | 14.8% |
| 3 | TRUMP TAJ MAHAL | 878,185 | 12.6% |
| 4 | BALLY'S | 821,161 | 11.8% |
| 5 | HARRAH'S | 634,327 | 9.1% |
| 6 | TROPICANA | 565,700 | 8.1% |
| 7 | AC HILTON | 352,325 | 5.1% |
| 8 | TRUMP PLAZA | 345,292 | 5.0% |
| 9 | SHOWBOAT | 311,453 | 4.5% |
| 10 | RESORTS | 302,365 | 4.3% |
| 11 | TRUMP MARINA | 221,118 | 3.2% |
| | **TOTAL MARKET** | **6,962,513** | |

# Borgata

## Is unmatched in non-gaming revenue…

### LTM 9/30/10 Non-gaming

| CASH ROOM REVENUE RANK: ATLANTIC CITY CASINO INDUSTRY LTM 9/30/10 ($000's) | | | |
|---|---|---|---|
| | | | |
| **1** | **BORGATA** | **41,339** | **20.1%** |
| 2 | TROPICANA | 38,146 | 18.6% |
| 3 | HARRAH'S | 30,758 | 15.0% |
| 4 | TRUMP TAJ | 23,732 | 11.6% |
| 5 | BALLY'S | 19,404 | 9.5% |
| 6 | SHOWBOAT | 13,833 | 6.7% |
| 7 | CAESARS | 12,380 | 6.0% |
| 8 | TRUMP PLAZA | 10,202 | 5.0% |
| 9 | TRUMP MARINA | 6,858 | 3.3% |
| 10 | AC HILTON | 5,225 | 2.5% |
| 11 | RESORTS | 3,390 | 1.7% |
| | | | |
| | **TOTAL MARKET** | **205,268** | |

| CASH F&B REVENUE RANK: ATLANTIC CITY CASINO INDUSTRY LTM 9/30/10 ($000'S) | | | |
|---|---|---|---|
| | | | |
| **1** | **BORGATA** | **87,208** | **34.5%** |
| 2 | HARRAH'S | 35,911 | 14.2% |
| 3 | BALLY'S | 26,596 | 10.5% |
| 4 | TRUMP TAJ | 25,264 | 10.0% |
| 5 | SHOBOAT | 17,171 | 6.8% |
| 6 | TROPICANA | 16,141 | 6.4% |
| 7 | CAESARS | 15,707 | 6.2% |
| 8 | TRUMP PLAZA | 9,106 | 3.6% |
| 9 | RESORTS | 6,718 | 2.7% |
| 10 | TRUMP MARINA | 6,532 | 2.6% |
| 11 | AC HILTON | 6,234 | 2.5% |
| | | | |
| | **TOTAL MARKET** | **252,588** | |

# Financial Overview

# Capitalization

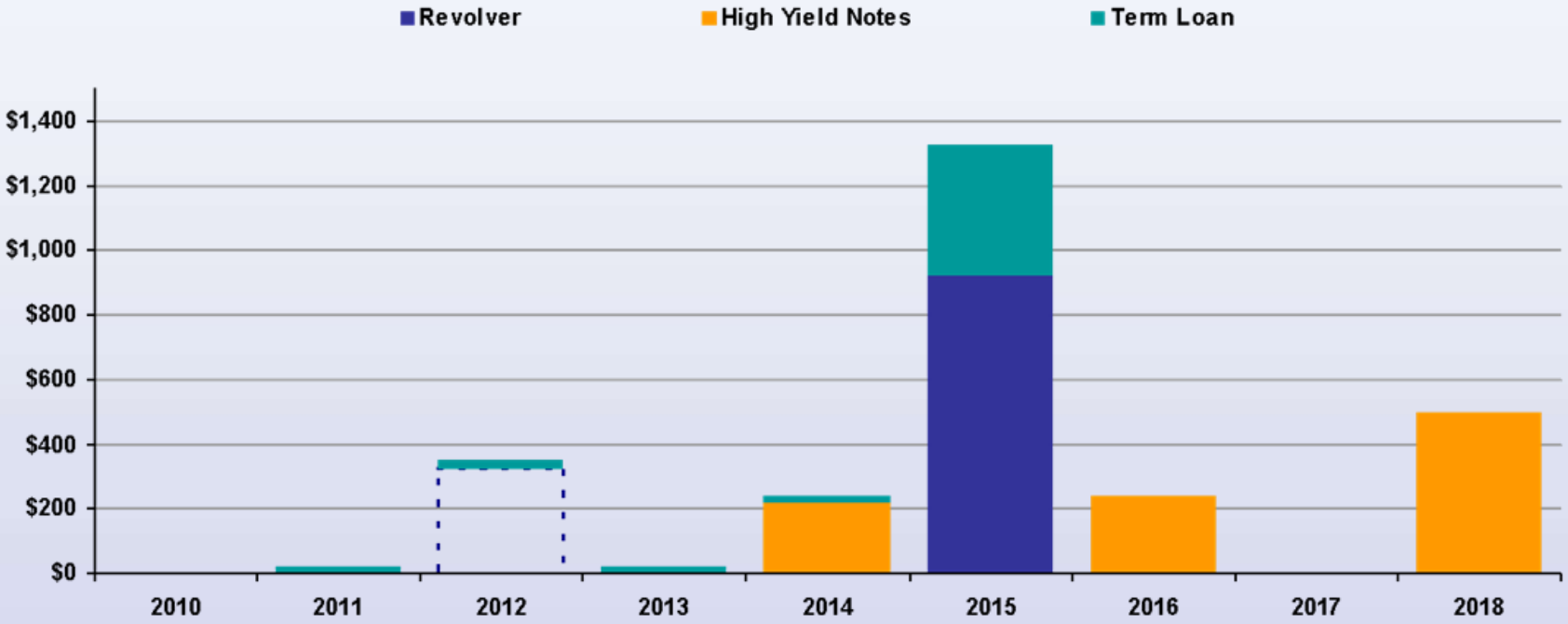
**($ in millions)**

| As of December 31, 2010 | Amount | Rate | Maturity |
|---|---|---|---|
| Non-Extended Revolver | $ 327 | L + 1.625% | May-12 |
| Extended Revolver | 598 | L + 3.500% | Dec-15 |
| Term Loan | 500 | L + 3.500% | Dec-15 |
| Senior Subordinated Note | 216 | 6.750% | Apr-14 |
| Senior Subordinated Note | 241 | 7.125% | Feb-16 |
| Senior Note | 500 | 9.125% | Nov-18 |
| Other Debt | 12 | | |
| **Total Debt** | **$ 2,393** | | |

# Debt Maturity Schedule

**Current as of 12/31/10**

($ in millions)



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# Summary

- High quality and well-positioned assets in key markets
- Strong cash flows from diverse operations
- Business has stabilized
- Refinancing clears maturities through 2014
- Poised to take advantage of recovery, *and it doesn't take much*

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