

FIRST QUARTER HIGHLIGHTS

The Saskatchewan Gaming Corporation (SGC) is a Treasury Board Crown Corporation established by *The Saskatchewan Gaming Corporation Act, 1994*. SGC was created to operate Casinos Regina and Moose Jaw in partnership with the Federation of Saskatchewan Indian Nations.

Casino Regina opened to the public in January, 1996 and is a full-service entertainment facility employing over 650 people. Casino Regina offers 780 slot machines and 33 table games, a Show Lounge, restaurant, gift shop, and on-site parking.

Casino Moose Jaw opened to the public in September 6, 2002 and employs over 100 people. Casino Moose Jaw offers 215 slot machines and seven table games.

The following information provides details of the corporation's financial performance for the period April 1 to June 30, 2005, with comparable figures for the same period last year.

As a result of the implementation of a smoking ban net income was down \$3.6 million, resulting in a 32.8% decrease in net income. Also, in an effort to offset this reduction in revenues additional operational staff was required due to increased marketing activities which results in increased attendance. Therefore total revenues decreased 5.9% and expenses, including promotional allowances, increased 13.9%

The average attendance figures for the first three months increased 25% over the previous year at Casino Regina and 21% at Casino Moose Jaw. Slot revenues decreased 7.6%, while table revenues decreased 1.2%. The pay-out percentage on slot machines has remained stable at 93%.