

**New York State Race Tracks
Financial Statements
2004**

| | Batavia Downs Casino | Fairgrounds Gaming & Raceway* | Finger Lakes Gaming & Raceway | Monticello Casino & Raceway | New York Racing Association | Saratoga Gaming & Raceway | Tioga Downs Casino | Vernon Downs Casino & Hotel | Empire City Casino Yonkers Raceway | Total |
|---|----------------------------|-------------------------------------|-------------------------------------|-----------------------------------|-----------------------------------|---------------------------------|-----------------------|--------------------------------------|---|---------------------|
| Revenues | | | | | | | | | | 0 |
| Pari-Mutuel Commissions - Live & Simulcasts | 971,849 | 2,800,241 | | 2,797,583 | 161,334,000 | | | 3,600,359 | | 171,504,032 |
| NYS OTB Commissions | 183,961 | 1,966,490 | | 7,859,127 | 95,217,000 | | | 1,136,163 | | 106,362,741 |
| Other revenues | 73,262 | 2,411,819 | | 1,946,006 | 30,979,000 | | | 3,521,863 | | 38,931,950 |
| Net VGM Track Commission | 0 | 7,973,743 | | 9,362,655 | 0 | | | | | 17,336,398 |
| Less VGM Expenses | 0 | | | 2,857,725 | 0 | | | | | 2,857,725 |
| Net Gaming Revenues | 0 | 7,973,743 | | 6,504,930 | 0 | | 0 | 0 | | 14,478,673 |
| Total Revenues | 1,229,072 | 15,152,293 | | 19,107,646 | 287,530,000 | | 0 | 8,258,385 | | 331,277,396 |
| Expenses | | | | | | | | | | |
| Amounts paid to NYS - Taxes from Racing | 91,448 | 196,801 | | 218,595 | 10,549,000 | | | 179,427 | | 11,235,271 |
| Amounts paid to Breeders from Racing | 35,365 | 444,812 | | 122,743 | 3,175,000 | | | 69,703 | | 3,847,623 |
| Amounts paid for Purses-net | 285,798 | 3,551,968 | | 4,979,682 | 120,863,000 | | | 1,750,206 | | 131,430,654 |
| Pari-Mutuel & Operating Expenses | 0 | 4,408,426 | | 12,766,985 | 0 | | | 10,180,217 | | 27,355,628 |
| General and Admin Expenses | 1,952,817 | 6,492,131 | | 3,489,009 | 157,689,000 | | | 0 | | 169,622,957 |
| Depreciation | 368,751 | 23,963 | | 507,353 | 8,632,000 | | | 385,331 | | 9,917,398 |
| Other Expenses | 136,080 | 365,926 | | 55,500 | | | | 2,575,985 | | 3,133,491 |
| Total Expenses | 2,870,259 | 15,484,027 | | 22,139,867 | 300,908,000 | | 0 | 15,140,869 | | 356,543,022 |
| Income (Loss) before Taxes | (1,641,187) | (331,734) | | (3,032,221) | (13,378,000) | | 0 | (6,882,484) | | (25,265,626) |
| Other expense/(Income) | (90,084) | 0 | | 243,964 | 0 | | | (352,191) | | (198,311) |
| Interest Expense | 126,260 | 57,055 | | 2,374,531 | 2,610,000 | | | 2,186,598 | | 7,354,444 |
| Total Net Income (Loss) Before Taxes | (1,677,363) | (388,789) | | (5,650,716) | (15,988,000) | | 0 | (8,716,891) | | (32,421,759) |
| Provision for Income Taxes, Expense (Benefit) | 0 | 0 | | 0 | 0 | | 0 | 0 | | 0 |
| Net Income (Loss) | (1,677,363) | (388,789) | | (5,650,716) | (15,988,000) | | 0 | (8,716,891) | | (32,421,759) |

| | | | | | | | | | | |
|---------------------------------|----------|-----------|------------|------------|------------|------------|----------|-----------|------------|--------------|
| Number of Live Race Days | 2 | 87 | 157 | 230 | 252 | 165 | 0 | 44 | 207 | 1,144 |
|---------------------------------|----------|-----------|------------|------------|------------|------------|----------|-----------|------------|--------------|

Items blocked out are subject to Freedom of Information issues raised by the track that are currently being addressed.

* VGM operating expenses are not separately reported. Therefore are included in either Pari-mutuel, general operating or other expense.

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2004**

| | Batavia Downs Casino | Fairgrounds Gaming & Raceway* | Finger Lakes Gaming & Raceway | Monticello Casino & Raceway | New York Racing Association | Saratoga Gaming & Raceway | Tioga Downs Casino | Vernon Downs Casino & Hotel | Empire City Casino Yonkers Raceway | Total |
|---|----------------------------|-------------------------------------|-------------------------------------|-----------------------------------|-----------------------------------|---------------------------------|-----------------------|--------------------------------------|---|----------------------|
| Assets | | | | | | | | | | |
| <u>Current Assets</u> | | | | | | | | | | |
| Cash and Cash Equivalents | ^ | 2,175,953 | | 5,247,529 | 10,330,000 | | | 71,578 | | 17,825,060 |
| Investments | | 0 | | 0 | 0 | | | | | 0 |
| Receivables | | 486,167 | | 2,679,637 | 16,244,000 | | | 154,175 | | 19,563,979 |
| Restricted Cash | | 490,028 | | 159,282 | 12,650,000 | | | 259,620 | | 13,558,930 |
| Prepaid Expenses | | 129,512 | | 790,551 | 1,647,000 | | | | | 2,567,063 |
| Other Assets | | 62,829 | | 0 | 0 | | | 366,339 | | 429,168 |
| Total Current Assets | 0 | 3,344,489 | | 8,876,999 | 40,871,000 | | 0 | 851,712 | | 53,944,200 |
| <u>Property Plant and Equipment</u> | | | | | | | | | | |
| Land and Land Improvements | | 294,128 | | 2,251,196 | 32,905,000 | | | | | 35,450,324 |
| Buildings and Building Improvements | | 0 | | 28,530,758 | 196,565,000 | | | | | 225,095,758 |
| Furniture Fixture and Equipment | | 653,832 | | 2,742,908 | 45,465,000 | | | 21,957,102 | | 70,818,842 |
| Construction in progress | | 0 | | 0 | 8,518,000 | | | | | 8,518,000 |
| Other Assets | | 616,131 | | 129,732 | 419,000 | | | 121,671 | | 1,286,534 |
| Less: Accumulated Depreciation | | 1,176,580 | | 507,353 | 208,811,000 | | | 13,130,780 | | 223,625,713 |
| Total Property Plant and Equipment | 0 | 387,511 | | 33,147,241 | 75,061,000 | | 0 | 8,947,993 | | 117,543,745 |
| <u>Other Assets</u> | | | | | | | | | | |
| Intangible Assets | | 0 | | 0 | 10,927,000 | | | | | 10,927,000 |
| Due from affiliated Companies | | 0 | | 0 | 0 | | | | | 0 |
| Loans receivable from shareholders | | 0 | | 0 | 0 | | | | | 0 |
| Other Assets | | 13,393 | | 0 | 5,153,000 | | | 598,156 | | 5,764,549 |
| Total Assets | 0 | 3,745,393 | | 42,024,240 | 132,012,000 | | 0 | 10,397,861 | | 188,179,494 |
| Liabilities and Shareholders Equity | | | | | | | | | | |
| <u>Current liabilities</u> | | | | | | | | | | |
| Current Portion of Long Term Debt & N/P | | 0 | | 0 | 0 | | | 26,847,074 | | 26,847,074 |
| Accounts Payable | | 776,572 | | 1,492,618 | 17,953,000 | | | 4,505,413 | | 24,727,603 |
| Accrued Expenses | | 249,710 | | 1,216,754 | 8,604,000 | | | 0 | | 10,070,464 |
| Purses Payable | | 888,660 | | 2,615,866 | 15,848,000 | | | 461,455 | | 19,813,981 |
| Statutory Payables | | 0 | | 0 | 1,476,000 | | | 0 | | 1,476,000 |
| State Facility | | 0 | | 0 | 0 | | | 0 | | 0 |
| Other Liabilities | | 74,005 | | 1,447,499 | 32,527,000 | | | 384,131 | | 34,432,635 |
| Total Current Liabilities | 0 | 1,988,947 | | 6,772,737 | 76,408,000 | | 0 | 32,198,073 | | 117,367,757 |
| <u>Non Current Liabilities</u> | | | | | | | | | | |
| Long Term accrued expenses | | 0 | | 0 | 72,515,000 | | | 0 | | 72,515,000 |
| Due to Shareholder/Parent | | 1,451,172 | | 40,902,219 | 0 | | | 0 | | 42,353,391 |
| Long Term Debt | | 1,351,000 | | 0 | 0 | | | 26,394 | | 1,377,394 |
| Other LT Liabilities | | 3,724,044 | | 0 | 117,814,000 | | | 0 | | 121,538,044 |
| Total Long Term Liabilities | 0 | 6,526,216 | | 40,902,219 | 190,329,000 | | 0 | 26,394 | | 237,783,829 |
| Minority Interest in consolidated Partnerships | | 0 | | 0 | 0 | | | | | 0 |
| <u>Shareholders Equity</u> | | | | | | | | | | |
| Stock | | 0 | 10,500 | 0 | 1,000 | | | 4,629,236 | | 4,640,736 |
| Less: Treasury Stock | | 0 | 0 | 0 | 0 | | | | | 0 |
| Retained Earnings/(Accumulated Deficit) | | (4,780,270) | | (5,650,716) | (102,155,000) | | | (26,455,842) | | (139,041,828) |
| Accumulated other comprehensive Income/(Loss) | | | | 0 | (32,571,000) | | | | | (32,571,000) |
| Total Stockholder's Equity | 0 | (4,769,770) | | (5,650,716) | (134,725,000) | | 0 | (21,826,606) | | (166,972,092) |
| Total Liabilities and Stockholder's Equity | 0 | 3,745,393 | | 42,024,240 | 132,012,000 | | 0 | 10,397,861 | | 188,179,494 |

^ - Batavia Downs assets, liabilities and equity are combined with Western OTB's balance sheet.

Source: Prepared from information obtained from Audited Financial Statements, NYS Racing Board Annual report and NYS Lottery Video Gaming Reports.

**New York State Race Tracks
Financial Statements
2004**

| Batavia Downs Casino | Fairgrounds Gaming & Raceway* | Finger Lakes Gaming & Raceway | Monticello Casino & Raceway | New York Racing Association | Saratoga Gaming & Raceway | Tioga Downs Casino | Vernon Downs Casino & Hotel | Empire City Casino Yonkers Raceway | Total |
|-------------------------------------|--|--|--|--|--|-------------------------------|--|---|--------------|
|-------------------------------------|--|--|--|--|--|-------------------------------|--|---|--------------|

Note: Tioga Downs Opened in June 2006. Vernon Downs closed from July 2004 to August 2006.

**New York State Race Tracks
Financial Statements
2005**

| | Batavia Downs Casino | Fairgrounds Gaming & Raceway* | Finger Lakes Gaming & Raceway | Monticello Casino & Raceway | New York Racing Association | Saratoga Gaming & Raceway | Tioga Downs Casino | Vernon Downs Casino & Hotel | Empire City Casino Yonkers Raceway** | Total |
|---|----------------------------|-------------------------------------|-------------------------------------|-----------------------------------|-----------------------------------|---------------------------------|-----------------------|--------------------------------------|---|---------------------|
| Revenues | | | | | | | | | | 0 |
| Pari-Mutuel Commissions - Live & Simulcasts | 1,879,674 | 2,846,915 | | 3,946,588 | 144,450,000 | | | | | 153,123,177 |
| NYS OTB Commissions | 1,033,155 | 1,407,605 | | 11,705,030 | 96,719,000 | | | | | 110,864,790 |
| Other revenues | 385,940 | 5,294,243 | | 3,036,823 | 39,726,000 | | | | | 48,443,006 |
| Net VGM Track Commission | 4,697,530 | 11,732,774 | | 21,237,110 | 0 | | | | | 37,667,414 |
| Less VGM Expenses | 3,003,956 | | | 2,510,027 | 0 | | | | | 5,513,983 |
| Net Gaming Revenues | 1,693,574 | 11,732,774 | | 18,727,083 | 0 | | 0 | 0 | | 32,153,431 |
| Total Revenues | 4,992,343 | 21,281,537 | | 37,415,524 | 280,895,000 | | 0 | 0 | | 344,584,404 |
| Expenses | | | | | | | | | | |
| Amounts paid to NYS - Taxes from Racing | 180,460 | 203,062 | | 233,885 | 9,974,000 | | | | | 10,591,407 |
| Amounts paid to Breeders from Racing | 73,164 | 574,064 | | 139,277 | 2,970,000 | | | | | 3,756,505 |
| Amounts paid for Purses-net | 2,080,200 | 4,432,429 | | 5,923,429 | 115,595,000 | | | | | 128,031,058 |
| Pari-Mutuel & Operating Expenses | 3,221,724 | 4,949,426 | | 15,545,405 | | | | | | 23,716,555 |
| General and Admin Expenses | | 9,267,432 | | 4,149,170 | 156,757,000 | | | | | 170,173,602 |
| Depreciation | 937,157 | 61,650 | | 1,118,675 | 7,953,000 | | | | | 10,070,482 |
| Other Expenses | 164,848 | 1,069,400 | | 812,497 | 134,000 | | | | | 2,180,745 |
| Total Expenses | 6,657,553 | 20,557,463 | | 27,922,338 | 293,383,000 | | 0 | 0 | | 348,520,354 |
| Income (Loss) before Taxes | (1,665,210) | 724,074 | | 9,493,186 | (12,488,000) | | 0 | 0 | | (3,935,950) |
| Other expense/(Income) | (95,829) | 0 | | 0 | 0 | | | | | (95,829) |
| Interest Expense | 0 | 52,644 | | 5,200,000 | 2,546,000 | | | | | 7,798,644 |
| Total Net Income (Loss) Before Taxes | (1,569,381) | 671,430 | | 4,293,186 | (15,034,000) | | 0 | 0 | | (11,638,765) |
| Provision for Income Taxes, Expense (Benefit) | 0 | 8,340 | | 0 | 0 | | 0 | 0 | | 8,340 |
| Net Income (Loss) | (1,569,381) | 663,090 | | 4,293,186 | (15,034,000) | | 0 | 0 | | (11,647,105) |

| | | | | | | | | | | |
|---------------------------------|-----------|-----------|------------|------------|------------|------------|----------|----------|------------|--------------|
| Number of Live Race Days | 58 | 84 | 160 | 235 | 254 | 173 | 0 | 0 | 105 | 1,069 |
|---------------------------------|-----------|-----------|------------|------------|------------|------------|----------|----------|------------|--------------|

Items blocked out are subject to Freedom of Information issues raised by the track that are currently being addressed.

* VGM operating expenses are not separately reported. Therefore are included in either Pari-mutuel, general operating or other expense.

** Yonkers closed in July 2005 for construction and renovations relating to beginning VGM operations.

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Financial Statements
2005**

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|---|----------------------------|-------------------------------------|-------------------------------------|-----------------------------------|-----------------------------------|---------------------------------|-----------------------|--------------------------------------|---|----------------------|
| Assets | | | | | | | | | | |
| <u>Current Assets</u> | | | | | | | | | | |
| Cash and Cash Equivalents | | 2,717,947 | | 6,341,550 | 9,672,000 | | | | | 18,731,497 |
| Investments | | 0 | | 0 | 0 | | | | | 0 |
| Receivables | | 263,501 | | 3,358,497 | 12,035,000 | | | | | 15,656,998 |
| Restricted Cash | | 2,242,910 | | 4,304,847 | 14,539,000 | | | | | 21,086,757 |
| Prepaid Expenses | | 108,050 | | 1,026,389 | 2,217,000 | | | | | 3,351,439 |
| Other Assets | | 58,195 | | 0 | 0 | | | | | 58,195 |
| Total Current Assets | 0 | 5,390,603 | | 15,031,283 | 38,463,000 | | 0 | 0 | | 58,884,886 |
| <u>Property Plant and Equipment</u> | | | | | | | | | | |
| Land and Land Improvements | | 294,128 | | 2,265,216 | 33,237,000 | | | | | 35,796,344 |
| Buildings and Building Improvements | | 605,830 | | 29,037,146 | 197,829,000 | | | | | 227,471,976 |
| Furniture Fixture and Equipment | | 830,864 | | 2,724,335 | 46,307,000 | | | | | 49,862,199 |
| Construction in progress | | 0 | | 0 | 9,155,000 | | | | | 9,155,000 |
| Other Assets | | 0 | | 120,384 | 357,000 | | | | | 477,384 |
| Less: Accumulated Depreciation | | 1,111,698 | | 1,621,828 | 216,294,000 | | | | | 219,027,526 |
| Total Property Plant and Equipment | 0 | 619,124 | | 32,525,253 | 70,591,000 | | 0 | 0 | | 103,735,377 |
| <u>Other Assets</u> | | | | | | | | | | |
| Intangible Assets | | 0 | | 0 | 4,901,000 | | | | | 4,901,000 |
| Due from affiliated Companies | | 0 | | 0 | 0 | | | | | 0 |
| Loans receivable from shareholders | | 0 | | 0 | 0 | | | | | 0 |
| Other Assets | | 13,030 | | 0 | 4,056,000 | | | | | 4,069,030 |
| Total Assets | 0 | 6,022,757 | | 47,556,536 | 118,011,000 | | 0 | 0 | | 171,590,293 |
| Liabilities and Shareholders Equity | | | | | | | | | | |
| <u>Current liabilities</u> | | | | | | | | | | |
| Current Portion of Long Term Debt & N/P | | 0 | | 0 | 0 | | | | | 0 |
| Accounts Payable | | 591,468 | | 738,179 | 31,442,000 | | | | | 32,771,647 |
| Accrued Expenses | | 696,431 | | 2,666,951 | 11,770,000 | | | | | 15,133,382 |
| Purses Payable | | 1,593,084 | | 3,327,650 | 14,369,000 | | | | | 19,289,734 |
| Statutory Payables | | 0 | | 0 | 1,284,000 | | | | | 1,284,000 |
| State Facility | | 0 | | 0 | 0 | | | | | 0 |
| Other Liabilities | | 769,206 | | 0 | 26,942,000 | | | | | 27,711,206 |
| Total Current Liabilities | 0 | 3,650,189 | | 6,732,780 | 85,807,000 | | 0 | 0 | | 96,189,969 |
| <u>Non Current Liabilities</u> | | | | | | | | | | |
| Long Term accrued expenses | | 0 | | 0 | 90,558,000 | | | | | 90,558,000 |
| Due to Shareholder/Parent | | 1,846,115 | | 42,181,286 | 0 | | | | | 44,027,401 |
| Long Term Debt | | 1,051,000 | | 0 | 0 | | | | | 1,051,000 |
| Other LT Liabilities | | 3,582,133 | | 0 | 94,937,000 | | | | | 98,519,133 |
| Total Long Term Liabilities | 0 | 6,479,248 | | 42,181,286 | 185,495,000 | | 0 | 0 | | 234,155,534 |
| Minority Interest in consolidated Partnerships | | 0 | | 0 | 0 | | | | | 0 |
| <u>Shareholders Equity</u> | | | | | | | | | | |
| Stock | 0 | 10,500 | | 0 | 1,000 | | | | | 11,500 |
| Less: Treasury Stock | 0 | 0 | | 0 | 0 | | | | | 0 |
| Retained Earnings/(Accumulated Deficit) | | (4,117,180) | | (1,357,530) | (117,189,000) | | | | | (122,663,710) |
| Accumulated other comprehensive Income/(Loss) | | 0 | | 0 | (36,103,000) | | | | | (36,103,000) |
| Total Stockholder's Equity | 0 | (4,106,680) | | (1,357,530) | (153,291,000) | | 0 | 0 | | (158,755,210) |
| Total Liabilities and Stockholder's Equity | 0 | 6,022,757 | | 47,556,536 | 118,011,000 | | 0 | 0 | | 171,590,293 |

^ - Batavia Downs assets, liabilities and equity are combined with Western OTB's balance sheet.

Source: Prepared from information obtained from Audited Financial Statements, NYS Racing Board Annual report and NYS Lottery Video Gaming Reports.

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Financial Statements
2005**

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|-------------------------------------|--|--|--|--|--|-------------------------------|--|---|--------------|
|-------------------------------------|--|--|--|--|--|-------------------------------|--|---|--------------|

Note: Tioga Downs Opened in June 2006. Vernon Downs closed from July 2004 to August 2006.

**New York State Race Tracks
Financial Statements
2006**

| | Batavia Downs Casino* | Fairgrounds Gaming & Raceway | Finger Lakes Gaming & Raceway | Monticello Casino & Raceway | New York Racing Association | Saratoga Gaming & Raceway | Tioga Downs Casino* | Vernon Downs Casino & Hotel* | Empire City Casino Yonkers Raceway** | Total |
|---|-----------------------------|------------------------------------|-------------------------------------|-----------------------------------|-----------------------------------|---------------------------------|------------------------|---------------------------------------|---|---------------------|
| Revenues | | | | | | | | | | 0 |
| Pari-Mutuel Commissions - Live & Simulcasts | 1,617,607 | 2,602,345 | | 3,248,794 | 146,173,000 | | 1,078,691 | 498,411 | | 155,218,848 |
| NYS OTB Commissions | 1,059,192 | 1,315,794 | | 14,748,380 | 95,860,000 | | 578,597 | 880,959 | | 114,442,922 |
| Other revenues | 982,786 | 6,387,070 | | 3,581,448 | 33,462,000 | | 1,776,461 | 1,584,863 | | 47,774,628 |
| Net VGM Track Commission | 7,682,921 | 13,394,801 | | 23,688,000 | 0 | | 6,678,163 | 2,301,906 | | 53,745,791 |
| Less VGM Expenses | 0 | 13,166,843 | | 49,846 | 0 | | 0 | 0 | | 13,216,689 |
| Net Gaming Revenues | 7,682,921 | 227,958 | | 23,638,154 | 0 | | 6,678,163 | 2,301,906 | | 40,529,102 |
| Total Revenues | 11,342,506 | 10,533,167 | | 45,216,776 | 275,495,000 | | 10,111,912 | 5,266,139 | 0 | 357,965,500 |
| Expenses | | | | | | | | | | |
| Amounts paid to NYS - Taxes from Racing | 189,467 | 174,014 | | 236,613 | 9,850,000 | | 45,088 | 80,751 | | 10,575,933 |
| Amounts paid to Breeders from Racing | 65,405 | 618,572 | | 145,011 | 2,883,000 | | 305,311 | 132,281 | | 4,149,580 |
| Amounts paid for Purses-net | 3,397,899 | 4,874,232 | | 8,468,165 | 119,296,000 | | 1,773,887 | 593,460 | | 138,403,643 |
| Pari-Mutuel & Operating Expenses | 5,911,054 | 3,439,794 | | 17,385,246 | | | 2,385,837 | 1,484,414 | | 30,606,345 |
| General and Admin Expenses | | 0 | | 5,815,922 | 149,530,000 | | 8,201,402 | 4,120,454 | | 167,667,778 |
| Depreciation | 1,007,316 | 130,425 | | 1,139,152 | 7,071,000 | | 735,823 | 805,045 | | 10,888,761 |
| Other Expenses | 161,117 | 0 | | 1,950,000 | 0 | | 1,993,462 | 6,494,946 | | 10,599,525 |
| Total Expenses | 10,732,258 | 9,237,037 | | 35,140,109 | 288,630,000 | | 15,440,810 | 13,711,351 | | 372,891,565 |
| Income (Loss) before Taxes | 610,248 | 1,296,130 | | 10,076,667 | (13,135,000) | | (5,328,898) | (8,445,212) | | (14,926,065) |
| Other expense/(Income) | (17,463) | 0 | | 0 | 1,813,000 | | (750,500) | 70,505 | | 1,115,542 |
| Interest Expense | 499,200 | 41,302 | | 2,939,282 | 2,882,000 | | 4,708,484 | 829,478 | | 11,899,746 |
| Total Net Income (Loss) Before Taxes | 128,511 | 1,254,828 | | 7,137,385 | (17,830,000) | | (9,286,882) | (9,345,195) | | (27,941,353) |
| Provision for Income Taxes, Expense (Benefit) | 0 | 9,703 | | 1,965,151 | 0 | | 0 | (2,140,785) | | (165,931) |
| Net Income (Loss) | 128,511 | 1,245,125 | | 5,172,234 | (17,830,000) | | (9,286,882) | (7,204,410) | | (27,775,422) |

| | | | | | | | | | | |
|---------------------------------|-----------|-----------|------------|------------|------------|------------|-----------|-----------|-----------|--------------|
| Number of Live Race Days | 57 | 84 | 156 | 246 | 248 | 171 | 51 | 30 | 32 | 1,075 |
|---------------------------------|-----------|-----------|------------|------------|------------|------------|-----------|-----------|-----------|--------------|

Items blocked out are subject to Freedom of Information issues raised by the track that are currently being addressed.

* VGM operating expenses are not separately reported. Therefore are included in either Pari-mutuel, general operating or other expense.

** Yonkers reopened in the fall of 2006 and raced only 32 days during the year. The OTB commissions are estimated for this year based on past years amounts.

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Financial Statements
2006**

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|---|-----------------------------|------------------------------------|-------------------------------------|-----------------------------------|-----------------------------------|---------------------------------|------------------------|---------------------------------------|---|----------------------|
| Assets | | | | | | | | | | |
| <u>Current Assets</u> | | | | | | | | | | |
| Cash and Cash Equivalents | | 3,321,421 | | 9,010,194 | 23,351,000 | | 885,316 | 1,975,166 | | 38,543,097 |
| Investments | | 0 | | 0 | 0 | | 0 | 0 | | 0 |
| Receivables | | 149,956 | | 5,253,010 | 32,201,000 | | 578,246 | 322,168 | | 38,504,380 |
| Restricted Cash | | 317,114 | | 1,315,036 | 13,640,000 | | 743,636 | 2,037,169 | | 18,052,955 |
| Prepaid Expenses | | 104,150 | | 1,429,850 | 5,774,000 | | 516,816 | 719,013 | | 8,543,829 |
| Other Assets | | 46,314 | | 0 | 0 | | 81,383 | 92,352 | | 220,049 |
| Total Current Assets | 0 | 3,938,955 | | 17,008,090 | 74,966,000 | | 2,805,397 | 5,145,868 | | 103,864,310 |
| <u>Property Plant and Equipment</u> | | | | | | | | | | |
| Land and Land Improvements | | 294,128 | | 2,280,216 | 33,243,000 | | 1,500,000 | 23,518 | | 37,340,862 |
| Buildings and Building Improvements | | 0 | | 29,095,960 | 198,570,000 | | 0 | 0 | | 227,665,960 |
| Furniture Fixture and Equipment | | 608,750 | | 2,935,400 | 48,719,000 | | 33,092,780 | 39,336,473 | | 124,692,403 |
| Construction in progress | | 0 | | 0 | 9,945,000 | | 0 | 0 | | 9,945,000 |
| Other Assets | | 189,216 | | 139,829 | 297,000 | | 0 | 0 | | 626,045 |
| Less: Accumulated Depreciation | | 255,480 | | 2,754,785 | 223,255,000 | | 735,823 | 805,045 | | 227,806,133 |
| Total Property Plant and Equipment | 0 | 836,614 | | 31,696,620 | 67,519,000 | | 33,856,957 | 38,554,946 | | 172,464,137 |
| <u>Other Assets</u> | | | | | | | | | | |
| Intangible Assets | | 0 | | 0 | 3,998,000 | | 0 | 0 | | 3,998,000 |
| Due from affiliated Companies | | 0 | | 0 | 0 | | 0 | 15,441,341 | | 15,441,341 |
| Loans receivable from shareholders | | 0 | | 0 | 0 | | 0 | 0 | | 0 |
| Other Assets | | 12,250 | | 0 | 3,710,000 | | 395,652 | 0 | | 4,117,902 |
| Total Assets | 0 | 4,787,819 | | 48,704,710 | 150,193,000 | | 37,058,006 | 59,142,155 | | 299,885,690 |
| Liabilities and Shareholders Equity | | | | | | | | | | |
| <u>Current liabilities</u> | | | | | | | | | | |
| Current Portion of Long Term Debt & N/P | | 0 | | 0 | 0 | | 11,726,161 | 4,550,398 | | 16,276,559 |
| Accounts Payable | | 509,856 | | 980,626 | 31,610,000 | | 2,405,240 | 4,244,089 | | 39,749,811 |
| Accrued Expenses | | 457,809 | | 2,760,371 | 6,641,000 | | 378,973 | 259,652 | | 10,497,805 |
| Purses Payable | | 1,362,866 | | 4,861,977 | 1,048,000 | | 0 | 0 | | 7,272,843 |
| Statutory Payables | | 0 | | 0 | 94,166,000 | | 0 | 0 | | 94,166,000 |
| State Facility | | 0 | | 0 | 8,053,000 | | 0 | 0 | | 8,053,000 |
| Other Liabilities | | 467,442 | | 0 | 20,335,000 | | 496,225 | 0 | | 21,298,667 |
| Total Current Liabilities | 0 | 2,797,973 | | 8,602,974 | 161,853,000 | | 15,006,599 | 9,054,139 | | 197,314,685 |
| <u>Non Current Liabilities</u> | | | | | | | | | | |
| Long Term accrued expenses | | 0 | | 0 | 0 | | 0 | 0 | | 0 |
| Due to Shareholder/Parent | | 542,046 | | 36,287,032 | 0 | | 21,177,773 | 29,169,652 | | 87,176,503 |
| Long Term Debt | | 1,051,000 | | 0 | 0 | | 10,054,101 | 33,507,420 | | 44,612,521 |
| Other LT Liabilities | | 3,258,355 | | 0 | 155,160,000 | | 0 | 44,904 | | 158,463,259 |
| Total Long Term Liabilities | 0 | 4,851,401 | | 36,287,032 | 155,160,000 | | 31,231,874 | 62,721,976 | | 290,252,283 |
| Minority Interest in consolidated Partnerships | | 0 | | 0 | 0 | | 106,415 | -15,225 | | 91,190 |
| <u>Shareholders Equity</u> | | | | | | | | | | |
| Stock | | 10,500 | | 0 | 1,000 | | 1,000 | 15,696,685 | | 15,709,185 |
| Less: Treasury Stock | | 0 | | 0 | 0 | | 0 | 0 | | 0 |
| Retained Earnings/(Accumulated Deficit) | | (2,872,055) | | 3,814,704 | (135,019,000) | | (9,287,882) | (28,315,420) | | (171,679,653) |
| Accumulated other comprehensive Income/(Loss) | | 0 | | 0 | (31,802,000) | | 0 | 0 | | (31,802,000) |
| Total Stockholder's Equity | 0 | (2,861,555) | | 3,814,704 | (166,820,000) | | (9,286,882) | (12,618,735) | | (187,772,468) |
| Total Liabilities and Stockholder's Equity | 0 | 4,787,819 | | 48,704,710 | 150,193,000 | | 37,058,006 | 59,142,155 | | 299,885,690 |

^ - Batavia Downs assets, liabilities and equity are combined with Western OTB's balance sheet.

Source: Prepared from information obtained from Audited Financial Statements, NYS Racing Board Annual report and NYS Lottery Video Gaming Reports.

**New York State Race Tracks
Financial Statements
2006**

| Batavia Downs Casino* | Fairgrounds Gaming & Raceway | Finger Lakes Gaming & Raceway | Monticello Casino & Raceway | New York Racing Association | Saratoga Gaming & Raceway | Tioga Downs Casino* | Vernon Downs Casino & Hotel* | Empire City Casino Yonkers Raceway** | Total |
|--------------------------------------|---|--|--|--|--|--------------------------------|---|---|--------------|
|--------------------------------------|---|--|--|--|--|--------------------------------|---|---|--------------|

Note: Tioga Downs Opened in June 2006. Vernon Downs closed from July 2004 to August 2006.

**New York State Race Tracks
Financial Statements
2007**

| | Batavia Downs Casino* | Fairgrounds Gaming & Raceway | Finger Lakes Gaming & Raceway | Monticello Casino & Raceway | New York Racing Association | Saratoga Gaming & Raceway | Tioga Downs Casino | Vernon Downs Casino & Hotel | Empire City Casino Yonkers Raceway | Total |
|---|-----------------------------|------------------------------------|-------------------------------------|-----------------------------------|-----------------------------------|---------------------------------|--------------------------|--------------------------------------|---|---------------------|
| Revenues | | | | | | | | | | |
| Pari-Mutuel Commissions - Live & Simulcasts | 1,595,243 | 2,627,243 | | 2,630,817 | 151,367,000 | | 1,608,686 | 2,980,626 | | 162,809,615 |
| NYS OTB Commissions | 973,259 | 1,217,421 | | 5,649,604 | 92,746,000 | | 305,128 | 1,098,328 | | 101,989,740 |
| Other revenues | 1,227,054 | 6,989,219 | | 3,165,911 | 33,878,000 | | 2,568,051 | 3,213,830 | | 51,042,065 |
| Net VGM Track Commission | 9,039,604 | 14,352,861 | | 20,119,357 | 0 | | 13,259,277 | 10,257,549 | | 67,028,648 |
| Less VGM Expenses | 0 | 14,098,369 | | 852,361 | 0 | | 5,074,277 | 3,990,176 | | 24,015,183 |
| Net Gaming Revenues | 9,039,604 | 254,492 | | 19,266,996 | 0 | | 8,185,000 | 6,267,373 | | 43,013,465 |
| Total Revenues | 12,835,160 | 11,088,375 | | 30,713,328 | 277,991,000 | | 12,666,865 | 13,560,157 | | 358,854,885 |
| Expenses | | | | | | | | | | |
| Amounts paid to NYS - Taxes from Racing | 193,848 | 195,786 | | 209,254 | 9,990,000 | | 125,017 | 265,336 | | 10,979,241 |
| Amounts paid to Breeders from Racing | 59,484 | 639,358 | | 109,432 | 3,015,000 | | 62,788 | 131,555 | | 4,017,617 |
| Amounts paid for Purses-net | 3,735,631 | 5,095,614 | | 3,544,369 | 116,234,000 | | 2,562,049 | 3,901,111 | | 135,072,774 |
| Pari-Mutuel & Operating Expenses | 6,179,279 | 3,553,310 | | 16,875,360 | 0 | | 2,941,858 | 2,785,460 | | 32,335,267 |
| General and Admin Expenses | | 0 | | 5,288,463 | 155,061,000 | | 6,451,069 | 8,929,253 | | 175,729,785 |
| Depreciation | 1,050,752 | 159,267 | | 1,175,718 | 7,074,000 | | 1,527,685 | 2,441,479 | | 13,428,901 |
| Other Expenses | 150,148 | | | 1,950,000 | 7,091,000 | | 310,995 | 808,836 | | 10,310,979 |
| Total Expenses | 11,369,142 | 9,643,335 | | 29,152,596 | 298,465,000 | | 13,981,461 | 19,263,030 | | 381,874,564 |
| Income (Loss) before Taxes | 1,466,018 | 1,445,040 | | 1,560,732 | (20,474,000) | | (1,314,596) | (5,702,873) | | (23,019,679) |
| Other expense/(Income) | (3,992) | 0 | | 0 | 0 | | (10,984) | 7,710,418 | | 7,695,442 |
| Interest Expense | 474,755 | 37,620 | | 2,491,288 | 4,475,000 | | 1,973,278 | 3,367,337 | | 12,819,278 |
| Total Net Income (Loss) Before Taxes | 995,255 | 1,407,420 | | (930,556) | (24,949,000) | | (3,276,890) | (16,780,628) | | (43,534,399) |
| Provision for Income Taxes, Expense (Benefit) | 0 | 31,613 | | 0 | 9,329,000 | | 0 | (566,018) | | 8,794,595 |
| Net Income (Loss) | 995,255 | 1,375,807 | | (930,556) | (34,278,000) | | (3,276,890) | (16,214,610) | | (52,328,994) |

| | | | | | | | | | | |
|---------------------------------|-----------|-----------|------------|------------|------------|------------|-----------|-----------|------------|--------------|
| Number of Live Race Days | 57 | 82 | 158 | 219 | 244 | 169 | 58 | 80 | 307 | 1,374 |
|---------------------------------|-----------|-----------|------------|------------|------------|------------|-----------|-----------|------------|--------------|

Items blocked out are subject to Freedom of Information issues raised by the track that are currently being addressed.

* VGM operating expenses are not separately reported. Therefore are included in either Pari-mutuel, general operating or other expense.

**New York State Race Tracks
Financial Statements
2007**

| | Batavia Downs Casino* | Fairgrounds Gaming & Raceway | Finger Lakes Gaming & Raceway | Monticello Casino & Raceway | New York Racing Association | Saratoga Gaming & Raceway | Tioga Downs Casino | Vernon Downs Casino & Hotel | Empire City Casino Yonkers Raceway | Total |
|---|-----------------------------|------------------------------------|-------------------------------------|-----------------------------------|-----------------------------------|---------------------------------|--------------------------|--------------------------------------|---|-----------------------|
| Assets | | | | | | | | | | |
| <u>Current Assets</u> | | | | | | | | | | |
| Cash and Cash Equivalents | | 3,868,946 | | 3,807,279 | 24,318,000 | | 1,582,729 | 1,842,196 | | 35,419,150 |
| Investments | | 0 | | 0 | 0 | | | | | 0 |
| Receivables | | 392,037 | | 1,401,255 | 26,884,000 | | 217,384 | 423,814 | | 29,318,490 |
| Restricted Cash | | 762,289 | | 811,709 | 14,350,000 | | 375,093 | 551,675 | | 16,850,766 |
| Prepaid Expenses | | 95,020 | | 2,819,049 | 5,176,000 | | 414,498 | 211,615 | | 8,716,182 |
| Other Current Assets | | 52,777 | | 0 | 0 | | 127,071 | 124,087 | | 303,935 |
| Total Current Assets | 0 | 5,171,069 | | 8,839,292 | 70,728,000 | | 2,716,775 | 3,153,387 | | 90,608,523 |
| <u>Property Plant and Equipment</u> | | | | | | | | | | |
| Land and Land Improvements | | 294,128 | | 2,309,055 | 33,243,000 | | 256,000 | 5,831,879 | | 41,934,062 |
| Buildings and Building Improvements | | 0 | | 29,204,183 | 200,658,000 | | | | | 229,862,183 |
| Furniture Fixture and Equipment | | 634,543 | | 3,137,142 | 50,819,000 | | 34,550,509 | 34,648,393 | | 123,789,587 |
| Construction in progress | | 0 | | 0 | 9,902,000 | | | | | 9,902,000 |
| Other Assets | | 346,754 | | 136,749 | 241,000 | | | 724,503 | | 724,503 |
| Less: Accumulated Depreciation | | 414,747 | | 3,928,707 | 230,051,000 | | 1,988,950 | 2,496,539 | | 238,879,943 |
| Total Property Plant and Equipment | 0 | 860,678 | | 30,858,422 | 64,812,000 | | 32,817,559 | 37,983,733 | | 167,332,392 |
| <u>Other Assets</u> | | | | | | | | | | |
| Intangible Assets | | 0 | | 0 | 0 | | | 13,400,000 | | 13,400,000 |
| Due from affiliated Companies | | 0 | | 0 | 0 | | | | | 0 |
| Loans receivable from shareholders | | 0 | | 0 | 0 | | | | | 0 |
| Other Assets | | 0 | | 0 | 3,647,000 | | | 247,500 | | 3,894,500 |
| Total Assets | 0 | 6,031,747 | | 39,697,714 | 139,187,000 | | 35,534,334 | 54,784,620 | | 275,235,415 |
| Liabilities and Shareholders Equity | | | | | | | | | | |
| <u>Current liabilities</u> | | | | | | | | | | |
| Current Portion of Long Term Debt & N/P | | 0 | | 0 | 0 | | 1,689,133 | 21,266,316 | | 22,955,449 |
| Accounts Payable | | 823,239 | | 686,395 | 41,480,000 | | 2,236,741 | 2,617,662 | | 47,844,037 |
| Accrued Expenses | | 511,617 | | 2,625,393 | 3,606,000 | | 98,850 | 91,528 | | 6,933,388 |
| Purses Payable | | 1,340,197 | | 1,112,961 | 20,499,000 | | | | | 22,952,158 |
| Statutory Payables | | 0 | | 0 | 78,800,800 | | | | | 78,800,800 |
| State Facility | | 0 | | 0 | 31,274,000 | | | | | 31,274,000 |
| Other Liabilities | | 585,811 | | 0 | 30,624,200 | | | | | 31,210,011 |
| Total Current Liabilities | 0 | 3,260,864 | | 4,424,749 | 206,284,000 | | 4,024,724 | 23,975,506 | | 241,969,843 |
| <u>Non Current Liabilities</u> | | | | | | | | | | |
| Long Term accrued expenses | | 0 | | | 15,879,000 | | 10,081,289 | 246,878 | | 26,207,167 |
| Due to Shareholder/Parent | | 395,556 | | 32,388,817 | 0 | | 33,884,837 | 44,148,285 | | 110,817,495 |
| Long Term Debt | | 1,051,000 | | | 0 | | 0 | | | 1,051,000 |
| Other LT Liabilities | | 2,810,075 | | 0 | 124,792,000 | | 0 | 9,849,000 | | 137,451,075 |
| Total Long Term Liabilities | 0 | 4,256,631 | | 32,388,817 | 140,671,000 | | 43,966,126 | 54,244,163 | | \$ 275,526,737 |
| Minority Interest in consolidated Partnership | | 0 | | 0 | 0 | | | 0 | | - |
| <u>Shareholders Equity</u> | | | | | | | | | | |
| Stock | | 10,500 | | 0 | 1,000 | | | 15,613,841 | | 15,625,341 |
| Less: Treasury Stock | | 0 | | 0 | 0 | | | | | 0 |
| Retained Earnings/(Accumulated Deficit) | | (1,496,248) | | 2,884,148 | (169,297,000) | | (12,456,516) | (39,048,890) | | (219,414,506) |
| Accumulated other comprehensive Income/(Loss) | | 0 | | 0 | (38,472,000) | | | | | (38,472,000) |
| Total Stockholder's Equity | 0 | (1,485,748) | | 2,884,148 | (207,768,000) | | (12,456,516) | (23,435,049) | | (242,261,165) |
| Total Liabilities and Stockholder's Equity | 0 | 6,031,747 | | 39,697,714 | 139,187,000 | | 35,534,334 | 54,784,620 | | 275,235,415 |

^ - Batavia Downs assets, liabilities and equity are combined with Western OTB's balance sheet.

Source: Prepared from information obtained from Audited Financial Statements, NYS Racing Board Annual report and NYS Lottery Video Gaming Reports.

**New York State Race Tracks
Financial Statements
2007**

| Batavia Downs Casino* | Fairgrounds Gaming & Raceway | Finger Lakes Gaming & Raceway | Monticello Casino & Raceway | New York Racing Association | Saratoga Gaming & Raceway | Tioga Downs Casino | Vernon Downs Casino & Hotel | Empire City Casino Yonkers Raceway | Total |
|--------------------------------------|---|--|--|--|--|-----------------------------------|--|---|--------------|
|--------------------------------------|---|--|--|--|--|-----------------------------------|--|---|--------------|

Items blocked out are subject to Freedom of Information issues raised by the track that are currently being addressed.

**New York State Race Tracks
Financial Statements
2008**

| | Batavia Downs Casino* | Fairgrounds Gaming & Raceway | Finger Lakes Gaming & Raceway* | Monticello Casino & Raceway | New York Racing Association~ | Saratoga Gaming & Raceway | Tioga Downs Casino | Vernon Downs Casino & Hotel | Empire City Casino Yonkers Raceway~* | Total |
|---|-----------------------------|------------------------------------|--------------------------------------|-----------------------------------|------------------------------------|---------------------------------|-----------------------|--------------------------------------|---|-------------------|
| Revenues | | | | | | | | | | |
| Pari-Mutuel Commissions - Live & Simulcasts | 1,402,787 | 2,411,995 | | 1,743,595 | | | 1,512,275 | 3,197,044 | | 10,267,696 |
| NYS OTB Commissions | 1,101,627 | 1,156,361 | | 4,714,000 | | | 290,845 | 1,022,845 | | 8,285,678 |
| Other revenues | 1,525,552 | 8,563,161 | | 2,653,284 | | | 3,131,620 | 3,808,876 | | 19,682,493 |
| Net VGM Track Commission | 11,398,396 | 19,801,161 | | 22,712,703 | | | 18,009,754 | 14,801,859 | | 86,723,873 |
| Less VGM Expenses | 0 | 19,060,363 | | 125,356 | | | 6,754,912 | 5,304,235 | | 31,244,866 |
| Net Gaming Revenues | 11,398,396 | 740,798 | | 22,587,347 | | | 11,254,842 | 9,497,624 | | 55,479,007 |
| Total Revenues | 15,428,362 | 12,872,315 | | 31,698,226 | | | 16,189,582 | 17,526,389 | | 93,714,874 |
| Expenses | | | | | | | | | | |
| Amounts paid to NYS - Taxes from Racing | 177,937 | 178,242 | | 183,793 | | | 128,558 | 267,809 | | 936,339 |
| Amounts paid to Breeders from Racing | 54,488 | 709,509 | | 90,257 | | | 61,282 | 131,000 | | 1,046,536 |
| Amounts paid for Purses-net | 4,195,485 | 5,452,532 | | 2,665,095 | | | 3,246,641 | 5,041,654 | | 20,601,407 |
| Pari-Mutuel & Operating Expenses | 7,484,366 | 3,490,724 | | 16,923,157 | | | 2,916,345 | 2,786,875 | | 33,601,467 |
| General and Admin Expenses | 0 | 0 | | 5,355,352 | | | 6,128,909 | 8,261,953 | | 19,746,214 |
| Depreciation | 1,064,442 | 125,315 | | 1,227,425 | | | 1,694,200 | 2,631,683 | | 6,743,065 |
| Other Expenses | 145,942 | 0 | | 3,200,000 | | | 79,309 | 901,471 | | 4,326,722 |
| Total Expenses | 13,122,660 | 9,956,322 | | 29,645,079 | | | 14,255,244 | 20,022,445 | | 87,001,750 |
| Income (Loss) before Taxes | 2,305,702 | 2,915,993 | | 2,053,147 | | | 1,934,338 | (2,496,056) | | 6,713,124 |
| Other expense/(Income) | 64,494 | 0 | | 0 | | | (1,008,856) | (540,079) | | (1,484,441) |
| Interest Expense | 448,315 | 168,972 | | 2,606,004 | | | 1,284,912 | 2,463,518 | | 6,971,721 |
| Total Net Income (Loss) Before Taxes | 1,792,893 | 2,747,021 | | (552,857) | | | 1,658,282 | (4,419,495) | | 1,225,844 |
| Provision for Income Taxes, Expense (Benefit) | 0 | 436,135 | | 0 | | | (47,075) | 65,075 | | 454,135 |
| Net Income (Loss) | 1,792,893 | 2,310,886 | | (552,857) | | | 1,705,357 | (4,484,570) | | 771,709 |

| | | | | | | | | | | |
|---------------------------------|-----------|-----------|------------|------------|------------|------------|-----------|-----------|------------|--------------|
| Number of Live Race Days | 60 | 83 | 157 | 223 | 249 | 169 | 59 | 90 | 253 | 1,343 |
|---------------------------------|-----------|-----------|------------|------------|------------|------------|-----------|-----------|------------|--------------|

Items blocked out are subject to Freedom of Information issues raised by the track that are currently being addressed.

* VGM operating expenses are not separately reported. Therefore are included in either Pari-mutuel, general operating or other expense.

**New York State Race Tracks
Financial Statements
2008**

| | Batavia Downs Casino* | Fairgrounds Gaming & Raceway | Finger Lakes Gaming & Raceway* | Monticello Casino & Raceway | New York Racing Association~ | Saratoga Gaming & Raceway | Tioga Downs Casino | Vernon Downs Casino & Hotel | Empire City Casino Yonkers Raceway~* | Total |
|---|-----------------------------|------------------------------------|--------------------------------------|-----------------------------------|------------------------------------|---------------------------------|-----------------------|--------------------------------------|---|---------------------|
| Assets | | | | | | | | | | |
| <u>Current Assets</u> | | | | | | | | | | |
| Cash and Cash Equivalents | ^ | 5,826,437 | | 5,760,111 | | | 1,738,208 | 1,522,872 | | 14,847,628 |
| Investments | | 0 | | 0 | | | 0 | 0 | | 0 |
| Receivables | | 433,552 | | 1,284,278 | | | 287,173 | 403,061 | | 2,408,064 |
| Restricted Cash | | 2,394,383 | | 502,076 | | | 2,036,148 | 1,780,649 | | 6,713,256 |
| Prepaid Expenses | | 114,465 | | 2,946,229 | | | 416,455 | 243,771 | | 3,720,920 |
| Other Current Assets | | 71,905 | | 0 | | | 122,469 | 146,240 | | 340,614 |
| Total Current Assets | 0 | 8,840,742 | | 10,492,694 | | | 4,600,453 | 4,096,593 | | 28,030,482 |
| <u>Property Plant and Equipment</u> | | | | | | | | | | |
| Land and Land Improvements | | 294,128 | | 2,309,055 | | | 285,336 | 6,116,664 | | 9,005,183 |
| Buildings and Building Improvements | | 232,323 | | 29,249,420 | | | 0 | 0 | | 29,481,743 |
| Furniture Fixture and Equipment | | 556,665 | | 3,349,836 | | | 35,047,391 | 34,933,248 | | 73,887,140 |
| Construction in progress | | 0 | | 0 | | | 497,382 | 1,310,692 | | 1,808,074 |
| Other Assets | | 695,213 | | 155,625 | | | 0 | 0 | | 850,838 |
| Less: Accumulated Depreciation | | 441,052 | | 5,156,132 | | | 3,864,529 | 5,763,382 | | 15,225,095 |
| Total Property Plant and Equipment | 0 | 1,337,277 | | 29,907,804 | | | 31,965,580 | 36,597,222 | | 99,807,883 |
| <u>Other Assets</u> | | | | | | | | | | |
| Intangible Assets | | 0 | | 0 | | | 0 | 13,400,000 | | 13,400,000 |
| Due from affiliated Companies | | 0 | | 0 | | | 0 | 0 | | 0 |
| Loans receivable from shareholders | | 0 | | 0 | | | 0 | 0 | | 0 |
| Other Assets | | 9,000 | | 1,068,203 | | | 0 | 0 | | 1,077,203 |
| Total Assets | 0 | 10,187,019 | | 41,468,701 | | | 36,566,033 | 54,093,815 | | 142,315,568 |
| Liabilities and Shareholders Equity | | | | | | | | | | |
| <u>Current liabilities</u> | | | | | | | | | | |
| Current Portion of Long Term Debt & N/P | | 1,063 | | 0 | | | 11,274,613 | 1,460,576 | | 12,736,252 |
| Accounts Payable | | 971,454 | | 602,684 | | | 4,107,914 | 3,652,651 | | 9,334,703 |
| Accrued Expenses | | 666,213 | | 2,331,730 | | | 0 | 0 | | 2,997,943 |
| Purses Payable | | 1,833,355 | | 1,138,519 | | | 0 | 0 | | 2,971,874 |
| Statutory Payables | | 0 | | 0 | | | 0 | 0 | | 0 |
| State Facility | | 0 | | 0 | | | 0 | 0 | | 0 |
| Other Liabilities | | 1,264,417 | | 0 | | | 0 | 0 | | 1,264,417 |
| Total Current Liabilities | 0 | 4,736,502 | | 4,072,933 | | | 15,382,527 | 5,113,227 | | 29,305,189 |
| <u>Non Current Liabilities</u> | | | | | | | | | | |
| Long Term accrued expenses | | 1,520,193 | | 0 | | | 73,046 | 165,992 | | 1,759,231 |
| Due to Shareholder/Parent | | 739,421 | | 35,064,477 | | | 31,908,694 | 47,020,140 | | 114,732,732 |
| Long Term Debt | | 529,469 | | 0 | | | 0 | 19,800,000 | | 20,329,469 |
| Other LT Liabilities | | 1,836,296 | | 0 | | | (47,075) | 9,914,075 | | 11,703,296 |
| Total Long Term Liabilities | 0 | 4,625,379 | | 35,064,477 | | | 31,934,665 | 76,900,207 | | 148,524,728 |
| Minority Interest in consolidated Partnership | | 0 | | 0 | | | 0 | 0 | | 0 |
| <u>Shareholders Equity</u> | | | | | | | | | | |
| Stock | | 10,500 | | 0 | | | 0 | 15,613,841 | | 15,624,341 |
| Less: Treasury Stock | | 0 | | 0 | | | 0 | 0 | | 0 |
| Retained Earnings/(Accumulated Deficit) | | 814,638 | | 2,331,291 | | | (10,751,159) | (43,533,460) | | (51,138,690) |
| Accumulated other comprehensive Income/(Loss) | | 0 | | 0 | | | 0 | 0 | | 0 |
| Total Stockholder's Equity | 0 | 825,138 | | 2,331,291 | | | (10,751,159) | (27,919,619) | | (35,514,349) |
| Total Liabilities and Stockholder's Equity | 0 | 10,187,019 | | 41,468,701 | | | 36,566,033 | 54,093,815 | | 142,315,568 |

^ - Batavia Downs assets, liabilities and equity are combined with Western OTB's balance sheet.

Source: Prepared from information obtained from Audited Financial Statements, NYS Racing Board Annual report and NYS Lottery Video Gaming Reports.

**New York State Race Tracks
Financial Statements
2008**

| Batavia Downs Casino* | Fairgrounds Gaming & Raceway | Finger Lakes Gaming & Raceway* | Monticello Casino & Raceway | New York Racing Association~ | Saratoga Gaming & Raceway | Tioga Downs Casino | Vernon Downs Casino & Hotel | Empire City Casino Yonkers Raceway~* | Total |
|--------------------------------------|---|---|--|---|--|-------------------------------|--|---|--------------|
|--------------------------------------|---|---|--|---|--|-------------------------------|--|---|--------------|

~ - Financial statetments for this year are unaudited.

Batavia Downs Casino
 [Linked to 2004 - 2008]

Income Statement

| | 2004 | 2005 | 2006 | 2007 | 2008 |
|---|--------------------|--------------------|-------------------|-------------------|-------------------|
| Revenues | | | | | |
| Pari-Mutuel Commissions - Live & Simulcast | 971,849 | 1,879,674 | 1,617,607 | 1,595,243 | 1,402,787 |
| NYS OTB Commissions | 183,961 | 1,033,155 | 1,059,192 | 973,259 | 1,101,627 |
| Other revenues | 73,262 | 385,940 | 982,786 | 1,227,054 | 1,525,552 |
| Net VGM Track Commission | 0 | 4,697,530 | 7,682,921 | 9,039,604 | 11,398,396 |
| Less VGM Expenses | 0 | 3,003,956 | 0 | 0 | 0 |
| Net Gaming Revenues | 0 | 1,693,574 | 7,682,921 | 9,039,604 | 11,398,396 |
| Total Revenues | 1,229,072 | 4,992,343 | 11,342,506 | 12,835,160 | 15,428,362 |
| Expenses | | | | | |
| Amounts paid to NYS - Taxes from Racing | 91,448 | 180,460 | 189,467 | 193,848 | 177,937 |
| Amounts paid to Breeders from Racing | 35,365 | 73,164 | 65,405 | 59,484 | 54,488 |
| Amounts paid for Purses - net | 285,798 | 2,080,200 | 3,397,899 | 3,735,631 | 4,195,485 |
| Pari-Mutuel & Operating Expenses | 0 | 3,221,724 | 5,911,054 | 6,179,279 | 7,484,366 |
| General and Admin Expenses | 1,952,817 | 0 | 0 | 0 | 0 |
| Depreciation | 368,751 | 937,157 | 1,007,316 | 1,050,752 | 1,064,442 |
| Other Expenses | 136,080 | 164,848 | 161,117 | 150,148 | 145,942 |
| Total Expenses | 2,870,259 | 6,657,553 | 10,732,258 | 11,369,142 | 13,122,660 |
| Income / (Loss) before Taxes | (1,641,187) | (1,665,210) | 610,248 | 1,466,018 | 2,305,702 |
| Other expense/(Income) | (90,084) | (95,829) | (17,463) | (3,992) | 64,494 |
| Interest (Earned)/Expense | 126,260 | 0 | 499,200 | 474,755 | 448,315 |
| Total Net Income / (Loss) Before Taxes | (1,677,363) | (1,569,381) | 128,511 | 995,255 | 1,792,893 |
| Provision for Income Taxes, Expense (Benefit) | 0 | 0 | 0 | 0 | 0 |
| Net Income / (Loss) | (1,677,363) | (1,569,381) | 128,511 | 995,255 | 1,792,893 |

| | | | | | |
|---------------------------------|---|----|----|----|----|
| Number of Live Race Days | 2 | 58 | 57 | 57 | 60 |
|---------------------------------|---|----|----|----|----|

* VGM operating expenses are not separately reported. Therefore are included in either Pari-mutuel, general operating or other expense
 ^ - Batavia Downs assets, liabilities and equity are combined with Western OTB's balance sheet.

| | 2004 | 2005 | 2006 | 2007 | 2008 |
|---|----------|----------|----------|----------|----------|
| Batavia Downs Casino | | | | | |
| Balance Sheet | | | | | |
| Assets | | | | | |
| <u>Current Assets</u> | | | | | |
| Cash and Cash Equivalents | 0 | 0 | 0 | 0 | 0 |
| Investments | 0 | 0 | 0 | 0 | 0 |
| Receivables | 0 | 0 | 0 | 0 | 0 |
| Restricted Cash | 0 | 0 | 0 | 0 | 0 |
| Prepaid Expenses | 0 | 0 | 0 | 0 | 0 |
| Other Assets | 0 | 0 | 0 | 0 | 0 |
| Total Current Assets | 0 | 0 | 0 | 0 | 0 |
| <u>Property Plant and Equipment</u> | | | | | |
| Land and Land Improvements | 0 | 0 | 0 | 0 | 0 |
| Buildings and Building Improvements | 0 | 0 | 0 | 0 | 0 |
| Furniture Fixture and Equipment | 0 | 0 | 0 | 0 | 0 |
| Construction in progress | 0 | 0 | 0 | 0 | 0 |
| Other Assets | 0 | 0 | 0 | 0 | 0 |
| Less Accumulated Depreciation | 0 | 0 | 0 | 0 | 0 |
| Total Property Plant and Equipment | 0 | 0 | 0 | 0 | 0 |
| Intangible Assets | 0 | 0 | 0 | 0 | 0 |
| Due from affiliated Companies | 0 | 0 | 0 | 0 | 0 |
| Loans receivable from shareholders | 0 | 0 | 0 | 0 | 0 |
| Other Assets | 0 | 0 | 0 | 0 | 0 |
| Total Assets | 0 | 0 | 0 | 0 | 0 |
| Liabilities and Shareholders Equity | | | | | |
| <u>Current liabilities</u> | | | | | |
| Current Portion of Long Term Debt/Notes Payable | 0 | 0 | 0 | 0 | 0 |
| Accounts Payable | 0 | 0 | 0 | 0 | 0 |
| Accrued Expenses | 0 | 0 | 0 | 0 | 0 |
| Purses Payable | 0 | 0 | 0 | 0 | 0 |
| Statutory Payables | 0 | 0 | 0 | 0 | 0 |
| State Facility | 0 | 0 | 0 | 0 | 0 |
| Other Liabilities | 0 | 0 | 0 | 0 | 0 |
| Total Current Liabilities | 0 | 0 | 0 | 0 | 0 |
| <u>Non Current Liabilities</u> | | | | | |
| Long Term accrued expenses | 0 | 0 | 0 | 0 | 0 |
| Due to Shareholder/Parent | 0 | 0 | 0 | 0 | 0 |
| Long Term Debt | 0 | 0 | 0 | 0 | 0 |
| Other LT Liabilities | 0 | 0 | 0 | 0 | 0 |
| Total Long Term Liabilities | 0 | 0 | 0 | 0 | 0 |
| Minority Interest in consolidated Partnerships | 0 | 0 | 0 | 0 | 0 |
| <u>Shareholders Equity</u> | | | | | |
| Stock | 0 | 0 | 0 | 0 | 0 |
| Less: Treasury Stock | 0 | 0 | 0 | 0 | 0 |
| Retained Earnings/(Accumulated Deficit) | 0 | 0 | 0 | 0 | 0 |
| Accumulated other comprehensive Income/(Loss) | 0 | 0 | 0 | 0 | 0 |
| Total Stockholder's Equity | 0 | 0 | 0 | 0 | 0 |
| Total Liabilities and Stockholder's Equity | 0 | 0 | 0 | 0 | 0 |

Fairgrounds Gaming & Raceway*[\[Linked to 2004 - 2008\]](#)**Income Statement**

| | 2004 | 2005 | 2006 | 2007 | 2008 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| Revenues | | | | | |
| Pari-Mutuel Commissions - Live & Simulcast | 2,800,241 | 2,846,915 | 2,602,345 | 2,627,243 | 2,411,995 |
| NYS OTB Commissions | 1,966,490 | 1,407,605 | 1,315,794 | 1,217,421 | 1,156,361 |
| Other revenues | 2,411,819 | 5,294,243 | 6,387,070 | 6,989,219 | 8,563,161 |
| Net VGM Track Commission | 7,973,743 | 11,732,774 | 13,394,801 | 14,352,861 | 19,801,161 |
| Less VGM Expenses | 0 | 0 | 13,166,843 | 14,098,369 | 19,060,363 |
| Net Gaming Revenues | 7,973,743 | 11,732,774 | 227,958 | 254,492 | 740,798 |
| Total Revenues | 15,152,293 | 21,281,537 | 10,533,167 | 11,088,375 | 12,872,315 |
| Expenses | | | | | |
| Amounts paid to NYS - Taxes from Racing | 196,801 | 203,062 | 174,014 | 195,786 | 178,242 |
| Amounts paid to Breeders from Racing | 444,812 | 574,064 | 618,572 | 639,358 | 709,509 |
| Amounts paid for Purses - net | 3,551,968 | 4,432,429 | 4,874,232 | 5,095,614 | 5,452,532 |
| Pari-Mutuel & Operating Expenses | 4,408,426 | 4,949,426 | 3,439,794 | 3,553,310 | 3,490,724 |
| General and Admin Expenses | 6,492,131 | 9,267,432 | 0 | 0 | 0 |
| Depreciation | 23,963 | 61,650 | 130,425 | 159,267 | 125,315 |
| Other Expenses | 365,926 | 1,069,400 | 0 | 0 | 0 |
| Total Expenses | 15,484,027 | 20,557,463 | 9,237,037 | 9,643,335 | 9,956,322 |
| Income / (Loss) before Taxes | (331,734) | 724,074 | 1,296,130 | 1,445,040 | 2,915,993 |
| Other expense/(Income) | 0 | 0 | 0 | 0 | 0 |
| Interest (Earned)/Expense | 57,055 | 52,644 | 41,302 | 37,620 | 168,972 |
| Total Net Income / (Loss) Before Taxes | (388,789) | 671,430 | 1,254,828 | 1,407,420 | 2,747,021 |
| Provision for Income Taxes, Expense (Benefit) | 0 | 8,340 | 9,703 | 31,613 | 436,135 |
| Net Income / (Loss) | (388,789) | 663,090 | 1,245,125 | 1,375,807 | 2,310,886 |
| Number of Live Race Days | 87 | 84 | 84 | 82 | 83 |

| | 2004 | 2005 | 2006 | 2007 | 2008 |
|---|--------------------|--------------------|--------------------|--------------------|-------------------|
| Fairgrounds Gaming & Raceway* | | | | | |
| Balance Sheet | | | | | |
| Assets | | | | | |
| <u>Current Assets</u> | | | | | |
| Cash and Cash Equivalents | 2,175,953 | 2,717,947 | 3,321,421 | 3,868,946 | 5,826,437 |
| Investments | 0 | 0 | 0 | 0 | 0 |
| Receivables | 486,167 | 263,501 | 149,956 | 392,037 | 433,552 |
| Restricted Cash | 490,028 | 2,242,910 | 317,114 | 762,289 | 2,394,383 |
| Prepaid Expenses | 129,512 | 108,050 | 104,150 | 95,020 | 114,465 |
| Other Assets | 62,829 | 58,195 | 46,314 | 52,777 | 71,905 |
| Total Current Assets | 3,344,489 | 5,390,603 | 3,938,955 | 5,171,069 | 8,840,742 |
| <u>Property Plant and Equipment</u> | | | | | |
| Land and Land Improvements | 294,128 | 294,128 | 294,128 | 294,128 | 294,128 |
| Buildings and Building Improvements | 0 | 605,830 | 0 | 0 | 232,323 |
| Furniture Fixture and Equipment | 653,832 | 830,864 | 608,750 | 634,543 | 556,665 |
| Construction in progress | 0 | 0 | 0 | 0 | 0 |
| Other Assets | 616,131 | 0 | 189,216 | 346,754 | 695,213 |
| Less Accumulated Depreciation | 1,176,580 | 1,111,698 | 255,480 | 414,747 | 441,052 |
| Total Property Plant and Equipment | 387,511 | 619,124 | 836,614 | 860,678 | 1,337,277 |
| Intangible Assets | 0 | 0 | 0 | 0 | 0 |
| Due from affiliated Companies | 0 | 0 | 0 | 0 | 0 |
| Loans receivable from shareholders | 0 | 0 | 0 | 0 | 0 |
| Other Assets | 13,393 | 13,030 | 12,250 | 0 | 9,000 |
| Total Assets | 3,745,393 | 6,022,757 | 4,787,819 | 6,031,747 | 10,187,019 |
| Liabilities and Shareholders Equity | | | | | |
| <u>Current liabilities</u> | | | | | |
| Current Portion of Long Term Debt/Notes Payable | 0 | 0 | 0 | 0 | 1,063 |
| Accounts Payable | 776,572 | 591,468 | 509,856 | 823,239 | 971,454 |
| Accrued Expenses | 249,710 | 696,431 | 457,809 | 511,617 | 666,213 |
| Purses Payable | 888,660 | 1,593,084 | 1,362,866 | 1,340,197 | 1,833,355 |
| Statutory Payables | 0 | 0 | 0 | 0 | 0 |
| State Facility | 0 | 0 | 0 | 0 | 0 |
| Other Liabilities | 74,005 | 769,206 | 467,442 | 585,811 | 1,264,417 |
| Total Current Liabilities | 1,988,947 | 3,650,189 | 2,797,973 | 3,260,864 | 4,736,502 |
| <u>Non Current Liabilities</u> | | | | | |
| Long Term accrued expenses | 0 | 0 | 0 | 0 | 1,520,193 |
| Due to Shareholder/Parent | 1,451,172 | 1,846,115 | 542,046 | 395,556 | 739,421 |
| Long Term Debt | 1,351,000 | 1,051,000 | 1,051,000 | 1,051,000 | 529,469 |
| Other LT Liabilities | 3,724,044 | 3,582,133 | 3,258,355 | 2,810,075 | 1,836,296 |
| Total Long Term Liabilities | 6,526,216 | 6,479,248 | 4,851,401 | 4,256,631 | 4,625,379 |
| Minority Interest in consolidated Partnerships | 0 | 0 | 0 | 0 | 0 |
| <u>Shareholders Equity</u> | | | | | |
| Stock | 10,500 | 10,500 | 10,500 | 10,500 | 10,500 |
| Less: Treasury Stock | 0 | 0 | 0 | 0 | 0 |
| Retained Earnings/(Accumulated Deficit) | (4,780,270) | (4,117,180) | (2,872,055) | (1,496,248) | 814,638 |
| Accumulated other comprehensive Income/(Loss) | 0 | 0 | 0 | 0 | 0 |
| Total Stockholder's Equity | (4,769,770) | (4,106,680) | (2,861,555) | (1,485,748) | 825,138 |
| Total Liabilities and Stockholder's Equity | 3,745,393 | 6,022,757 | 4,787,819 | 6,031,747 | 10,187,019 |

Source: Prepared from information obtained from Audited Financial Statements, NYS Racing Board Annual report and NYS Lottery Video Gaming Reports.

Finger Lakes Gaming & Raceway
 [Linked to 2004 - 2008]

Income Statement

| | 2004 | 2005 | 2006 | 2007 | 2008 |
|---|------|------|------|------|------|
| <u>Revenues</u> | | | | | |
| Pari-Mutuel Commissions - Live & Simulcast | | | | | |
| NYS OTB Commissions | | | | | |
| Other revenues | | | | | |
| Net VGM Track Commission | | | | | |
| Less VGM Expenses | | | | | |
| Net Gaming Revenues | | | | | |
| Total Revenues | | | | | |
| <u>Expenses</u> | | | | | |
| Amounts paid to NYS - Taxes from Racing | | | | | |
| Amounts paid to Breeders from Racing | | | | | |
| Amounts paid for Purses - net | | | | | |
| Pari-Mutuel & Operating Expenses | | | | | |
| General and Admin Expenses | | | | | |
| Depreciation | | | | | |
| Other Expenses | | | | | |
| Total Expenses | | | | | |
| Income / (Loss) before Taxes | | | | | |
| Other expense/(Income) | | | | | |
| Interest (Earned)/Expense | | | | | |
| Total Net Income / (Loss) Before Taxes | | | | | |
| Provision for Income Taxes, Expense (Benefit) | | | | | |
| Net Income / (Loss) | | | | | |
| Number of Live Race Days | 157 | 160 | 156 | 158 | 157 |

* VGM operating expenses are not separately reported. Therefore are included in either Pari-mutuel, general operating or other expense
 Items blocked out are subject to Freedom of Information issues raised by the track that are currently being addressed

| | 2004 | 2005 | 2006 | 2007 | 2008 |
|---|------|------|------|------|------|
| Finger Lakes Gaming & Raceway | | | | | |
| <u>Balance Sheet</u> | | | | | |
| Assets | | | | | |
| <u>Current Assets</u> | | | | | |
| Cash and Cash Equivalents | | | | | |
| Investments | | | | | |
| Receivables | | | | | |
| Restricted Cash | | | | | |
| Prepaid Expenses | | | | | |
| Other Assets | | | | | |
| Total Current Assets | | | | | |
| <u>Property Plant and Equipment</u> | | | | | |
| Land and Land Improvements | | | | | |
| Buildings and Building Improvements | | | | | |
| Furniture Fixture and Equipment | | | | | |
| Construction in progress | | | | | |
| Other Assets | | | | | |
| Less Accumulated Depreciation | | | | | |
| Total Property Plant and Equipment | | | | | |
| <u>Intangible Assets</u> | | | | | |
| Due from affiliated Companies | | | | | |
| Loans receivable from shareholders | | | | | |
| Other Assets | | | | | |
| Total Assets | | | | | |
| Liabilities and Shareholders Equity | | | | | |
| <u>Current liabilities</u> | | | | | |
| Current Portion of Long Term Debt/Notes Payable | | | | | |
| Accounts Payable | | | | | |
| Accrued Expenses | | | | | |
| Purses Payable | | | | | |
| Statutory Payables | | | | | |
| State Facility | | | | | |
| Other Liabilities | | | | | |
| Total Current Liabilities | | | | | |
| <u>Non Current Liabilities</u> | | | | | |
| Long Term accrued expenses | | | | | |
| Due to Shareholder/Parent | | | | | |
| Long Term Debt | | | | | |
| Other LT Liabilities | | | | | |
| Total Long Term Liabilities | | | | | |
| Minority Interest in consolidated Partnerships | | | | | |
| <u>Shareholders Equity</u> | | | | | |
| Stock | | | | | |
| Less: Treasury Stock | | | | | |
| Retained Earnings/(Accumulated Deficit) | | | | | |
| Accumulated other comprehensive Income/(Loss) | | | | | |
| Total Stockholder's Equity | | | | | |
| Total Liabilities and Stockholder's Equity | | | | | |

Items blocked out are subject to Freedom of Information issues raised by the track that are currently being addressed

Monticello Casino & Raceway
 [Linked to 2004 - 2008]

Income Statement

| | 2004 | 2005 | 2006 | 2007 | 2008 |
|---|--------------------|-------------------|-------------------|-------------------|-------------------|
| Revenues | | | | | |
| Pari-Mutuel Commissions - Live & Simulcast | 2,797,583 | 3,946,588 | 3,248,794 | 2,630,817 | 1,743,595 |
| NYS OTB Commissions | 7,859,127 | 11,705,030 | 14,748,380 | 5,649,604 | 4,714,000 |
| Other revenues | 1,946,006 | 3,036,823 | 3,581,448 | 3,165,911 | 2,653,284 |
| Net VGM Track Commission | 9,362,655 | 21,237,110 | 23,688,000 | 20,119,357 | 22,712,703 |
| Less VGM Expenses | 2,857,725 | 2,510,027 | 49,846 | 852,361 | 125,356 |
| Net Gaming Revenues | 6,504,930 | 18,727,083 | 23,638,154 | 19,266,996 | 22,587,347 |
| Total Revenues | 19,107,646 | 37,415,524 | 45,216,776 | 30,713,328 | 31,698,226 |
| Expenses | | | | | |
| Amounts paid to NYS - Taxes from Racing | 218,595 | 233,885 | 236,613 | 209,254 | 183,793 |
| Amounts paid to Breeders from Racing | 122,743 | 139,277 | 145,011 | 109,432 | 90,257 |
| Amounts paid for Purses - net | 4,979,682 | 5,923,429 | 8,468,165 | 3,544,369 | 2,665,095 |
| Pari-Mutuel & Operating Expenses | 12,766,985 | 15,545,405 | 17,385,246 | 16,875,360 | 16,923,157 |
| General and Admin Expenses | 3,489,009 | 4,149,170 | 5,815,922 | 5,288,463 | 5,355,352 |
| Depreciation | 507,353 | 1,118,675 | 1,139,152 | 1,175,718 | 1,227,425 |
| Other Expenses | 55,500 | 812,497 | 1,950,000 | 1,950,000 | 3,200,000 |
| Total Expenses | 22,139,867 | 27,922,338 | 35,140,109 | 29,152,596 | 29,645,079 |
| Income / (Loss) before Taxes | (3,032,221) | 9,493,186 | 10,076,667 | 1,560,732 | 2,053,147 |
| Other expense/(Income) | 243,964 | 0 | 0 | 0 | 0 |
| Interest (Earned)/Expense | 2,374,531 | 5,200,000 | 2,939,282 | 2,491,288 | 2,606,004 |
| Total Net Income / (Loss) Before Taxes | (5,650,716) | 4,293,186 | 7,137,385 | (930,556) | (552,857) |
| Provision for Income Taxes, Expense (Benefit) | 0 | 0 | 1,965,151 | 0 | 0 |
| Net Income / (Loss) | (5,650,716) | 4,293,186 | 5,172,234 | (930,556) | (552,857) |
| Number of Live Race Days | 230 | 235 | 246 | 219 | 223 |

| | 2004 | 2005 | 2006 | 2007 | 2008 |
|---|--------------------|--------------------|-------------------|-------------------|-------------------|
| Monticello Casino & Raceway | | | | | |
| Balance Sheet | | | | | |
| Assets | | | | | |
| <u>Current Assets</u> | | | | | |
| Cash and Cash Equivalents | 5,247,529 | 6,341,550 | 9,010,194 | 3,807,279 | 5,760,111 |
| Investments | 0 | 0 | 0 | 0 | 0 |
| Receivables | 2,679,637 | 3,358,497 | 5,253,010 | 1,401,255 | 1,284,278 |
| Restricted Cash | 159,282 | 4,304,847 | 1,315,036 | 811,709 | 502,076 |
| Prepaid Expenses | 790,551 | 1,026,389 | 1,429,850 | 2,819,049 | 2,946,229 |
| Other Assets | 0 | 0 | 0 | 0 | 0 |
| Total Current Assets | 8,876,999 | 15,031,283 | 17,008,090 | 8,839,292 | 10,492,694 |
| <u>Property Plant and Equipment</u> | | | | | |
| Land and Land Improvements | 2,251,196 | 2,265,216 | 2,280,216 | 2,309,055 | 2,309,055 |
| Buildings and Building Improvements | 28,530,758 | 29,037,146 | 29,095,960 | 29,204,183 | 29,249,420 |
| Furniture Fixture and Equipment | 2,742,908 | 2,724,335 | 2,935,400 | 3,137,142 | 3,349,836 |
| Construction in progress | 0 | 0 | 0 | 0 | 0 |
| Other Assets | 129,732 | 120,384 | 139,829 | 136,749 | 155,625 |
| Less Accumulated Depreciation | 507,353 | 1,621,828 | 2,754,785 | 3,928,707 | 5,156,132 |
| Total Property Plant and Equipment | 33,147,241 | 32,525,253 | 31,696,620 | 30,858,422 | 29,907,804 |
| Intangible Assets | 0 | 0 | 0 | 0 | 0 |
| Due from affiliated Companies | 0 | 0 | 0 | 0 | 0 |
| Loans receivable from shareholders | 0 | 0 | 0 | 0 | 0 |
| Other Assets | 0 | 0 | 0 | 0 | 1,068,203 |
| Total Assets | 42,024,240 | 47,556,536 | 48,704,710 | 39,697,714 | 41,468,701 |
| Liabilities and Shareholders Equity | | | | | |
| <u>Current liabilities</u> | | | | | |
| Current Portion of Long Term Debt/Notes Payable | 0 | 0 | 0 | 0 | 0 |
| Accounts Payable | 1,492,618 | 738,179 | 980,626 | 686,395 | 602,684 |
| Accrued Expenses | 1,216,754 | 2,666,951 | 2,760,371 | 2,625,393 | 2,331,730 |
| Purses Payable | 2,615,866 | 3,327,650 | 4,861,977 | 1,112,961 | 1,138,519 |
| Statutory Payables | 0 | 0 | 0 | 0 | 0 |
| State Facility | 0 | 0 | 0 | 0 | 0 |
| Other Liabilities | 1,447,499 | 0 | 0 | 0 | 0 |
| Total Current Liabilities | 6,772,737 | 6,732,780 | 8,602,974 | 4,424,749 | 4,072,933 |
| <u>Non Current Liabilities</u> | | | | | |
| Long Term accrued expenses | 0 | 0 | 0 | 0 | 0 |
| Due to Shareholder/Parent | 40,902,219 | 42,181,286 | 36,287,032 | 32,388,817 | 35,064,477 |
| Long Term Debt | 0 | 0 | 0 | 0 | 0 |
| Other LT Liabilities | 0 | 0 | 0 | 0 | 0 |
| Total Long Term Liabilities | 40,902,219 | 42,181,286 | 36,287,032 | 32,388,817 | 35,064,477 |
| Minority Interest in consolidated Partnerships | 0 | 0 | 0 | 0 | 0 |
| <u>Shareholders Equity</u> | | | | | |
| Stock | 0 | 0 | 0 | 0 | 0 |
| Less: Treasury Stock | 0 | 0 | 0 | 0 | 0 |
| Retained Earnings/(Accumulated Deficit) | (5,650,716) | (1,357,530) | 3,814,704 | 2,884,148 | 2,331,291 |
| Accumulated other comprehensive Income/(Loss) | 0 | 0 | 0 | 0 | 0 |
| Total Stockholder's Equity | (5,650,716) | (1,357,530) | 3,814,704 | 2,884,148 | 2,331,291 |
| Total Liabilities and Stockholder's Equity | 42,024,240 | 47,556,536 | 48,704,710 | 39,697,714 | 41,468,701 |

New York Racing Association
[\[Linked to 2004 - 2008\]](#)

Income Statement

**UNAUDITED
2008**

| | 2004 | 2005 | 2006 | 2007 | UNAUDITED 2008 |
|---|---------------------|---------------------|---------------------|---------------------|-------------------|
| Revenues | | | | | |
| Pari-Mutuel Commissions - Live & Simulcast | 161,334,000 | 144,450,000 | 146,173,000 | 151,367,000 | |
| NYS OTB Commissions | 95,217,000 | 96,719,000 | 95,860,000 | 92,746,000 | |
| Other revenues | 30,979,000 | 39,726,000 | 33,462,000 | 33,878,000 | |
| Net VGM Track Commission | 0 | 0 | 0 | 0 | |
| Less VGM Expenses | 0 | 0 | 0 | 0 | |
| Net Gaming Revenues | 0 | 0 | 0 | 0 | |
| Total Revenues | 287,530,000 | 280,895,000 | 275,495,000 | 277,991,000 | |
| Expenses | | | | | |
| Amounts paid to NYS - Taxes from Racing | 10,549,000 | 9,974,000 | 9,850,000 | 9,990,000 | |
| Amounts paid to Breeders from Racing | 3,175,000 | 2,970,000 | 2,883,000 | 3,015,000 | |
| Amounts paid for Purses - net | 120,863,000 | 115,595,000 | 119,296,000 | 116,234,000 | |
| Pari-Mutuel & Operating Expenses | 0 | 0 | 0 | 0 | |
| General and Admin Expenses | 157,689,000 | 156,757,000 | 149,530,000 | 155,061,000 | |
| Depreciation | 8,632,000 | 7,953,000 | 7,071,000 | 7,074,000 | |
| Other Expenses | 0 | 134,000 | 0 | 7,091,000 | |
| Total Expenses | 300,908,000 | 293,383,000 | 288,630,000 | 298,465,000 | |
| Income / (Loss) before Taxes | (13,378,000) | (12,488,000) | (13,135,000) | (20,474,000) | |
| Other expense/(Income) | 0 | 0 | 1,813,000 | 0 | |
| Interest (Earned)/Expense | 2,610,000 | 2,546,000 | 2,882,000 | 4,475,000 | |
| Total Net Income / (Loss) Before Taxes | (15,988,000) | (15,034,000) | (17,830,000) | (24,949,000) | |
| Provision for Income Taxes, Expense (Benefit) | 0 | 0 | 0 | 9,329,000 | |
| Net Income / (Loss) | (15,988,000) | (15,034,000) | (17,830,000) | (34,278,000) | |

| | | | | | |
|---------------------------------|-----|-----|-----|-----|-----|
| Number of Live Race Days | 252 | 254 | 248 | 244 | 249 |
|---------------------------------|-----|-----|-----|-----|-----|

| | 2004 | 2005 | 2006 | 2007 | 2008 |
|---|----------------------|----------------------|----------------------|----------------------|------|
| New York Racing Association | | | | | |
| Balance Sheet | | | | | |
| Assets | | | | | |
| <u>Current Assets</u> | | | | | |
| Cash and Cash Equivalents | 10,330,000 | 9,672,000 | 23,351,000 | 24,318,000 | |
| Investments | 0 | 0 | 0 | 0 | |
| Receivables | 16,244,000 | 12,035,000 | 32,201,000 | 26,884,000 | |
| Restricted Cash | 12,650,000 | 14,539,000 | 13,640,000 | 14,350,000 | |
| Prepaid Expenses | 1,647,000 | 2,217,000 | 5,774,000 | 5,176,000 | |
| Other Assets | 0 | 0 | 0 | 0 | |
| Total Current Assets | 40,871,000 | 38,463,000 | 74,966,000 | 70,728,000 | |
| <u>Property Plant and Equipment</u> | | | | | |
| Land and Land Improvements | 32,905,000 | 33,237,000 | 33,243,000 | 33,243,000 | |
| Buildings and Building Improvements | 196,565,000 | 197,829,000 | 198,570,000 | 200,658,000 | |
| Furniture Fixture and Equipment | 45,465,000 | 46,307,000 | 48,719,000 | 50,819,000 | |
| Construction in progress | 8,518,000 | 9,155,000 | 9,945,000 | 9,902,000 | |
| Other Assets | 419,000 | 357,000 | 297,000 | 241,000 | |
| Less Accumulated Depreciation | 208,811,000 | 216,294,000 | 223,255,000 | 230,051,000 | |
| Total Property Plant and Equipment | 75,061,000 | 70,591,000 | 67,519,000 | 64,812,000 | |
| Intangible Assets | 10,927,000 | 4,901,000 | 3,998,000 | 0 | |
| Due from affiliated Companies | 0 | 0 | 0 | 0 | |
| Loans receivable from shareholders | 0 | 0 | 0 | 0 | |
| Other Assets | 5,153,000 | 4,056,000 | 3,710,000 | 3,647,000 | |
| Total Assets | 132,012,000 | 118,011,000 | 150,193,000 | 139,187,000 | |
| Liabilities and Shareholders Equity | | | | | |
| <u>Current liabilities</u> | | | | | |
| Current Portion of Long Term Debt/Notes Payable | 0 | 0 | 0 | 0 | |
| Accounts Payable | 17,953,000 | 31,442,000 | 31,610,000 | 41,480,000 | |
| Accrued Expenses | 8,604,000 | 11,770,000 | 6,641,000 | 3,606,000 | |
| Purses Payable | 15,848,000 | 14,369,000 | 1,048,000 | 20,499,000 | |
| Statutory Payables | 1,476,000 | 1,284,000 | 94,166,000 | 78,800,800 | |
| State Facility | 0 | 0 | 8,053,000 | 31,274,000 | |
| Other Liabilities | 32,527,000 | 26,942,000 | 20,335,000 | 30,624,200 | |
| Total Current Liabilities | 76,408,000 | 85,807,000 | 161,853,000 | 206,284,000 | |
| <u>Non Current Liabilities</u> | | | | | |
| Long Term accrued expenses | 72,515,000 | 90,558,000 | 0 | 15,879,000 | |
| Due to Shareholder/Parent | 0 | 0 | 0 | 0 | |
| Long Term Debt | 0 | 0 | 0 | 0 | |
| Other LT Liabilities | 117,814,000 | 94,937,000 | 155,160,000 | 124,792,000 | |
| Total Long Term Liabilities | 190,329,000 | 185,495,000 | 155,160,000 | 140,671,000 | |
| Minority Interest in consolidated Partnerships | 0 | 0 | 0 | 0 | |
| <u>Shareholders Equity</u> | | | | | |
| Stock | 1,000 | 1,000 | 1,000 | 1,000 | |
| Less: Treasury Stock | 0 | 0 | 0 | 0 | |
| Retained Earnings/(Accumulated Deficit) | (102,155,000) | (117,189,000) | (135,019,000) | (169,297,000) | |
| Accumulated other comprehensive Income/(Loss) | (32,571,000) | (36,103,000) | (31,802,000) | (38,472,000) | |
| Total Stockholder's Equity | (134,725,000) | (153,291,000) | (166,820,000) | (207,768,000) | |
| Total Liabilities and Stockholder's Equity | 132,012,000 | 118,011,000 | 150,193,000 | 139,187,000 | |

Saratoga Gaming & Raceway
[\[Linked to 2004 - 2008\]](#)

Income Statement

| | 2004 | 2005 | 2006 | 2007 | 2008 |
|---|------|------|------|------|------|
| <u>Revenues</u> | | | | | |
| Pari-Mutuel Commissions - Live & Simulcast | | | | | |
| NYS OTB Commissions | | | | | |
| Other revenues | | | | | |
| Net VGM Track Commission | | | | | |
| Less VGM Expenses | | | | | |
| Net Gaming Revenues | | | | | |
| Total Revenues | | | | | |
| <u>Expenses</u> | | | | | |
| Amounts paid to NYS - Taxes from Racing | | | | | |
| Amounts paid to Breeders from Racing | | | | | |
| Amounts paid for Purses - net | | | | | |
| Pari-Mutuel & Operating Expenses | | | | | |
| General and Admin Expenses | | | | | |
| Depreciation | | | | | |
| Other Expenses | | | | | |
| Total Expenses | | | | | |
| Income / (Loss) before Taxes | | | | | |
| Other expense/(Income) | | | | | |
| Interest (Earned)/Expense | | | | | |
| Total Net Income / (Loss) Before Taxes | | | | | |
| Provision for Income Taxes, Expense (Benefit) | | | | | |
| Net Income / (Loss) | | | | | |
| Number of Live Race Days | 165 | 173 | 171 | 169 | 169 |

Saratoga Gaming & Raceway

Balance Sheet

Assets

Current Assets

Cash and Cash Equivalents
 Investments
 Receivables
 Restricted Cash
 Prepaid Expenses
 Other Assets

Total Current Assets

Property Plant and Equipment

Land and Land Improvements
 Buildings and Building Improvements
 Furniture Fixture and Equipment
 Construction in progress
 Other Assets
 Less Accumulated Depreciation

Total Property Plant and Equipment

Intangible Assets

Due from affiliated Companies
 Loans receivable from shareholders
 Other Assets

Total Assets

Liabilities and Shareholders Equity

Current liabilities

Current Portion of Long Term Debt/Notes Payable
 Accounts Payable
 Accrued Expenses
 Purses Payable
 Statutory Payables
 State Facility
 Other Liabilities

Total Current Liabilities

Non Current Liabilities

Long Term accrued expenses
 Due to Shareholder/Parent
 Long Term Debt
 Other LT Liabilities

Total Long Term Liabilities

Minority Interest in consolidated Partnerships

Shareholders Equity

Stock
 Less: Treasury Stock
 Retained Earnings/(Accumulated Deficit)
 Accumulated other comprehensive Income/(Loss)

Total Stockholder's Equity

Total Liabilities and Stockholder's Equity

Tioga Downs Casino[\[Linked to 2004 - 2008\]](#)**Income Statement**

| | 2004 | 2005 | 2006 | 2007 | 2008 |
|---|----------|----------|--------------------|--------------------|-------------------|
| Revenues | | | | | |
| Pari-Mutuel Commissions - Live & Simulcast | 0 | 0 | 1,078,691 | 1,608,686 | 1,512,275 |
| NYS OTB Commissions | 0 | 0 | 578,597 | 305,128 | 290,845 |
| Other revenues | 0 | 0 | 1,776,461 | 2,568,051 | 3,131,620 |
| Net VGM Track Commission | 0 | 0 | 6,678,163 | 13,259,277 | 18,009,754 |
| Less VGM Expenses | 0 | 0 | 0 | 5,074,277 | 6,754,912 |
| Net Gaming Revenues | 0 | 0 | 6,678,163 | 8,185,000 | 11,254,842 |
| Total Revenues | 0 | 0 | 10,111,912 | 12,666,865 | 16,189,582 |
| Expenses | | | | | |
| Amounts paid to NYS - Taxes from Racing | 0 | 0 | 45,088 | 125,017 | 128,558 |
| Amounts paid to Breeders from Racing | 0 | 0 | 305,311 | 62,788 | 61,282 |
| Amounts paid for Purses - net | 0 | 0 | 1,773,887 | 2,562,049 | 3,246,641 |
| Pari-Mutuel & Operating Expenses | 0 | 0 | 2,385,837 | 2,941,858 | 2,916,345 |
| General and Admin Expenses | 0 | 0 | 8,201,402 | 6,451,069 | 6,128,909 |
| Depreciation | 0 | 0 | 735,823 | 1,527,685 | 1,694,200 |
| Other Expenses | 0 | 0 | 1,993,462 | 310,995 | 79,309 |
| Total Expenses | 0 | 0 | 15,440,810 | 13,981,461 | 14,255,244 |
| Income / (Loss) before Taxes | 0 | 0 | (5,328,898) | (1,314,596) | 1,934,338 |
| Other expense/(Income) | 0 | 0 | (750,500) | (10,984) | (1,008,856) |
| Interest (Earned)/Expense | 0 | 0 | 4,708,484 | 1,973,278 | 1,284,912 |
| Total Net Income / (Loss) Before Taxes | 0 | 0 | (9,286,882) | (3,276,890) | 1,658,282 |
| Provision for Income Taxes, Expense (Benefit) | 0 | 0 | 0 | 0 | (47,075) |
| Net Income / (Loss) | 0 | 0 | (9,286,882) | (3,276,890) | 1,705,357 |
| Number of Live Race Days | 0 | 0 | 51 | 58 | 59 |

Note: Tioga Downs Opened in June 2006.

| | 2004 | 2005 | 2006 | 2007 | 2008 |
|---|----------|----------|--------------------|---------------------|---------------------|
| Tioga Downs Casino | | | | | |
| Balance Sheet | | | | | |
| Assets | | | | | |
| <u>Current Assets</u> | | | | | |
| Cash and Cash Equivalents | 0 | 0 | 885,316 | 1,582,729 | 1,738,208 |
| Investments | 0 | 0 | 0 | 0 | 0 |
| Receivables | 0 | 0 | 578,246 | 217,384 | 287,173 |
| Restricted Cash | 0 | 0 | 743,636 | 375,093 | 2,036,148 |
| Prepaid Expenses | 0 | 0 | 516,816 | 414,498 | 416,455 |
| Other Assets | 0 | 0 | 81,383 | 127,071 | 122,469 |
| Total Current Assets | 0 | 0 | 2,805,397 | 2,716,775 | 4,600,453 |
| <u>Property Plant and Equipment</u> | | | | | |
| Land and Land Improvements | 0 | 0 | 1,500,000 | 256,000 | 285,336 |
| Buildings and Building Improvements | 0 | 0 | 0 | 0 | 0 |
| Furniture Fixture and Equipment | 0 | 0 | 33,092,780 | 34,550,509 | 35,047,391 |
| Construction in progress | 0 | 0 | 0 | 0 | 497,382 |
| Other Assets | 0 | 0 | 0 | 0 | 0 |
| Less Accumulated Depreciation | 0 | 0 | 735,823 | 1,988,950 | 3,864,529 |
| Total Property Plant and Equipment | 0 | 0 | 33,856,957 | 32,817,559 | 31,965,580 |
| Intangible Assets | 0 | 0 | 0 | 0 | 0 |
| Due from affiliated Companies | 0 | 0 | 0 | 0 | 0 |
| Loans receivable from shareholders | 0 | 0 | 0 | 0 | 0 |
| Other Assets | 0 | 0 | 395,652 | 0 | 0 |
| Total Assets | 0 | 0 | 37,058,006 | 35,534,334 | 36,566,033 |
| Liabilities and Shareholders Equity | | | | | |
| <u>Current liabilities</u> | | | | | |
| Current Portion of Long Term Debt/Notes Payable | 0 | 0 | 11,726,161 | 1,689,133 | 11,274,613 |
| Accounts Payable | 0 | 0 | 2,405,240 | 2,236,741 | 4,107,914 |
| Accrued Expenses | 0 | 0 | 378,973 | 98,850 | 0 |
| Purses Payable | 0 | 0 | 0 | 0 | 0 |
| Statutory Payables | 0 | 0 | 0 | 0 | 0 |
| State Facility | 0 | 0 | 0 | 0 | 0 |
| Other Liabilities | 0 | 0 | 496,225 | 0 | 0 |
| Total Current Liabilities | 0 | 0 | 15,006,599 | 4,024,724 | 15,382,527 |
| <u>Non Current Liabilities</u> | | | | | |
| Long Term accrued expenses | 0 | 0 | 0 | 10,081,289 | 73,046 |
| Due to Shareholder/Parent | 0 | 0 | 21,177,773 | 33,884,837 | 31,908,694 |
| Long Term Debt | 0 | 0 | 10,054,101 | 0 | 0 |
| Other LT Liabilities | 0 | 0 | 0 | 0 | (47,075) |
| Total Long Term Liabilities | 0 | 0 | 31,231,874 | 43,966,126 | 31,934,665 |
| Minority Interest in consolidated Partnerships | 0 | 0 | 106,415 | 0 | 0 |
| <u>Shareholders Equity</u> | | | | | |
| Stock | 0 | 0 | 1,000 | 0 | 0 |
| Less: Treasury Stock | 0 | 0 | 0 | 0 | 0 |
| Retained Earnings/(Accumulated Deficit) | 0 | 0 | (9,287,882) | (12,456,516) | (10,751,159) |
| Accumulated other comprehensive Income/(Loss) | 0 | 0 | 0 | 0 | 0 |
| Total Stockholder's Equity | 0 | 0 | (9,286,882) | (12,456,516) | (10,751,159) |
| Total Liabilities and Stockholder's Equity | 0 | 0 | 37,058,006 | 35,534,334 | 36,566,033 |

| Vernon Downs Casino & Hotel | | Income Statement | | | | |
|---|--|-------------------------|-------------|--------------------|---------------------|--------------------|
| [Linked to 2004 - 2008] | | 2004 | 2005 | 2006 | 2007 | 2008 |
| Revenues | | | | | | |
| Pari-Mutuel Commissions - Live & Simulcast | | 3,600,359 | 0 | 498,411 | 2,980,626 | 3,197,044 |
| NYS OTB Commissions | | 1,136,163 | 0 | 880,959 | 1,098,328 | 1,022,845 |
| Other revenues | | 3,521,863 | 0 | 1,584,863 | 3,213,830 | 3,808,876 |
| Net VGM Track Commission | | 0 | 0 | 2,301,906 | 10,257,549 | 14,801,859 |
| Less VGM Expenses | | 0 | 0 | 0 | 3,990,176 | 5,304,235 |
| Net Gaming Revenues | | 0 | 0 | 2,301,906 | 6,267,373 | 9,497,624 |
| Total Revenues | | 8,258,385 | 0 | 5,266,139 | 13,560,157 | 17,526,389 |
| Expenses | | | | | | |
| Amounts paid to NYS - Taxes from Racing | | 179,427 | 0 | 80,751 | 265,336 | 267,809 |
| Amounts paid to Breeders from Racing | | 69,703 | 0 | 132,281 | 131,555 | 131,000 |
| Amounts paid for Purses - net | | 1,750,206 | 0 | 593,460 | 3,901,111 | 5,041,654 |
| Pari-Mutuel & Operating Expenses | | 10,180,217 | 0 | 1,484,414 | 2,785,460 | 2,786,875 |
| General and Admin Expenses | | 0 | 0 | 4,120,454 | 8,929,253 | 8,261,953 |
| Depreciation | | 385,331 | 0 | 805,045 | 2,441,479 | 2,631,683 |
| Other Expenses | | 2,575,985 | 0 | 6,494,946 | 808,836 | 901,471 |
| Total Expenses | | 15,140,869 | 0 | 13,711,351 | 19,263,030 | 20,022,445 |
| Income / (Loss) before Taxes | | (6,882,484) | 0 | (8,445,212) | (5,702,873) | (2,496,056) |
| Other expense/(Income) | | (352,191) | 0 | 70,505 | 7,710,418 | (540,079) |
| Interest (Earned)/Expense | | 2,186,598 | 0 | 829,478 | 3,367,337 | 2,463,518 |
| Total Net Income / (Loss) Before Taxes | | (8,716,891) | 0 | (9,345,195) | (16,780,628) | (4,419,495) |
| Provision for Income Taxes, Expense (Benefit) | | 0 | 0 | (2,140,785) | (566,018) | 65,075 |
| Net Income / (Loss) | | (8,716,891) | 0 | (7,204,410) | (16,214,610) | (4,484,570) |
| Number of Live Race Days | | 44 | 0 | 30 | 80 | 90 |

Note: Vernon Downs closed from July 2004 to August 2006.

| | 2004 | 2005 | 2006 | 2007 | 2008 |
|---|---------------------|----------|---------------------|---------------------|---------------------|
| Vernon Downs Casino & Hotel | | | | | |
| Balance Sheet | | | | | |
| Assets | | | | | |
| <u>Current Assets</u> | | | | | |
| Cash and Cash Equivalents | 71,578 | 0 | 1,975,166 | 1,842,196 | 1,522,872 |
| Investments | 0 | 0 | 0 | 0 | 0 |
| Receivables | 154,175 | 0 | 322,168 | 423,814 | 403,061 |
| Restricted Cash | 259,620 | 0 | 2,037,169 | 551,675 | 1,780,649 |
| Prepaid Expenses | 0 | 0 | 719,013 | 211,615 | 243,771 |
| Other Assets | 366,339 | 0 | 92,352 | 124,087 | 146,240 |
| Total Current Assets | 851,712 | 0 | 5,145,868 | 3,153,387 | 4,096,593 |
| <u>Property Plant and Equipment</u> | | | | | |
| Land and Land Improvements | 0 | 0 | 23,518 | 5,831,879 | 6,116,664 |
| Buildings and Building Improvements | 0 | 0 | 0 | 0 | 0 |
| Furniture Fixture and Equipment | 21,957,102 | 0 | 39,336,473 | 34,648,393 | 34,933,248 |
| Construction in progress | 0 | 0 | 0 | 0 | 1,310,692 |
| Other Assets | 121,671 | 0 | 0 | 0 | 0 |
| Less Accumulated Depreciation | 13,130,780 | 0 | 805,045 | 2,496,539 | 5,763,382 |
| Total Property Plant and Equipment | 8,947,993 | 0 | 38,554,946 | 37,983,733 | 36,597,222 |
| Intangible Assets | 0 | 0 | 0 | 13,400,000 | 13,400,000 |
| Due from affiliated Companies | 0 | 0 | 15,441,341 | 0 | 0 |
| Loans receivable from shareholders | 0 | 0 | 0 | 0 | 0 |
| Other Assets | 598,156 | 0 | 0 | 247,500 | 0 |
| Total Assets | 10,397,861 | 0 | 59,142,155 | 54,784,620 | 54,093,815 |
| Liabilities and Shareholders Equity | | | | | |
| <u>Current liabilities</u> | | | | | |
| Current Portion of Long Term Debt/Notes Payable | 26,847,074 | 0 | 4,550,398 | 21,266,316 | 1,460,576 |
| Accounts Payable | 4,505,413 | 0 | 4,244,089 | 2,617,662 | 3,652,651 |
| Accrued Expenses | 0 | 0 | 259,652 | 91,528 | 0 |
| Purses Payable | 461,455 | 0 | 0 | 0 | 0 |
| Statutory Payables | 0 | 0 | 0 | 0 | 0 |
| State Facility | 0 | 0 | 0 | 0 | 0 |
| Other Liabilities | 384,131 | 0 | 0 | 0 | 0 |
| Total Current Liabilities | 32,198,073 | 0 | 9,054,139 | 23,975,506 | 5,113,227 |
| <u>Non Current Liabilities</u> | | | | | |
| Long Term accrued expenses | 0 | 0 | 0 | 246,878 | 165,992 |
| Due to Shareholder/Parent | 0 | 0 | 29,169,652 | 44,148,285 | 47,020,140 |
| Long Term Debt | 26,394 | 0 | 33,507,420 | 0 | 19,800,000 |
| Other LT Liabilities | 0 | 0 | 44,904 | 9,849,000 | 9,914,075 |
| Total Long Term Liabilities | 26,394 | 0 | 62,721,976 | 54,244,163 | 76,900,207 |
| Minority Interest in consolidated Partnerships | 0 | 0 | (15,225) | 0 | 0 |
| <u>Shareholders Equity</u> | | | | | |
| Stock | 4,629,236 | 0 | 15,696,685 | 15,613,841 | 15,613,841 |
| Less: Treasury Stock | 0 | 0 | 0 | 0 | 0 |
| Retained Earnings/(Accumulated Deficit) | (26,455,842) | 0 | (28,315,420) | (39,048,890) | (43,533,460) |
| Accumulated other comprehensive Income/(Loss) | 0 | 0 | 0 | 0 | 0 |
| Total Stockholder's Equity | (21,826,606) | 0 | (12,618,735) | (23,435,049) | (27,919,619) |
| Total Liabilities and Stockholder's Equity | 10,397,861 | 0 | 59,142,155 | 54,784,620 | 54,093,815 |

Empire City Casino Yonkers Raceway
[\[Linked to 2004 - 2008\]](#)

Income Statement

UNAUDITED

| | 2004 | 2005 | 2006 | 2007 | 2008 |
|---|------|------|------|------|------|
| Revenues | | | | | |
| Pari-Mutuel Commissions - Live & Simulcast | | | | | |
| NYS OTB Commissions | | | | | |
| Other revenues | | | | | |
| Net VGM Track Commission | | | | | |
| Less VGM Expenses | | | | | |
| Net Gaming Revenues | | | | | |
| Total Revenues | | | | | |
| Expenses | | | | | |
| Amounts paid to NYS - Taxes from Racing | | | | | |
| Amounts paid to Breeders from Racing | | | | | |
| Amounts paid for Purses - net | | | | | |
| Pari-Mutuel & Operating Expenses | | | | | |
| General and Admin Expenses | | | | | |
| Depreciation | | | | | |
| Other Expenses | | | | | |
| Total Expenses | | | | | |
| Income / (Loss) before Taxes | | | | | |
| Other expense/(Income) | | | | | |
| Interest (Earned)/Expense | | | | | |
| Total Net Income / (Loss) Before Taxes | | | | | |
| Provision for Income Taxes, Expense (Benefit) | | | | | |
| Net Income / (Loss) | | | | | |

| Number of Live Race Days | 2004 | 2005 | 2006 | 2007 | 2008 |
|--------------------------|------|------|------|------|------|
| | 207 | 105 | 32 | 307 | 253 |

* VGM operating expenses are not separately reported. Therefore are included in either Pari-mutuel, general operating or other expense.

** Yonkers closed in July 2005 for construction and renovations relating to beginning VGM operations. They reopened in the fall of 2006 and raced only 32 days during the year. The OTB commissions are estimated for this year based on past years amounts.

| | 2004 | 2005 | 2006 | 2007 | 2008 |
|---|------|------|------|------|------|
| Empire City Casino Yonkers Raceway | | | | | |
| <u>Balance Sheet</u> | | | | | |
| Assets | | | | | |
| <u>Current Assets</u> | | | | | |
| Cash and Cash Equivalents | | | | | |
| Investments | | | | | |
| Receivables | | | | | |
| Restricted Cash | | | | | |
| Prepaid Expenses | | | | | |
| Other Assets | | | | | |
| Total Current Assets | | | | | |
| <u>Property Plant and Equipment</u> | | | | | |
| Land and Land Improvements | | | | | |
| Buildings and Building Improvements | | | | | |
| Furniture Fixture and Equipment | | | | | |
| Construction in progress | | | | | |
| Other Assets | | | | | |
| Less Accumulated Depreciation | | | | | |
| Total Property Plant and Equipment | | | | | |
| <u>Intangible Assets</u> | | | | | |
| Due from affiliated Companies | | | | | |
| Loans receivable from shareholders | | | | | |
| Other Assets | | | | | |
| Total Assets | | | | | |
| Liabilities and Shareholders Equity | | | | | |
| <u>Current liabilities</u> | | | | | |
| Current Portion of Long Term Debt/Notes Payable | | | | | |
| Accounts Payable | | | | | |
| Accrued Expenses | | | | | |
| Purses Payable | | | | | |
| Statutory Payables | | | | | |
| State Facility | | | | | |
| Other Liabilities | | | | | |
| Total Current Liabilities | | | | | |
| <u>Non Current Liabilities</u> | | | | | |
| Long Term accrued expenses | | | | | |
| Due to Shareholder/Parent | | | | | |
| Long Term Debt | | | | | |
| Other LT Liabilities | | | | | |
| Total Long Term Liabilities | | | | | |
| Minority Interest in consolidated Partnerships | | | | | |
| <u>Shareholders Equity</u> | | | | | |
| Stock | | | | | |
| Less: Treasury Stock | | | | | |
| Retained Earnings/(Accumulated Deficit) | | | | | |
| Accumulated other comprehensive Income/(Loss) | | | | | |
| Total Stockholder's Equity | | | | | |
| Total Liabilities and Stockholder's Equity | | | | | |