

STANTON CASINOS  
INC

# STATION CASINOS<sup>INC.</sup>

## Investor Considerations

- **Market Leader**
- **Large Market**
- **With Excellent Growth Prospects**
- **Barriers to Entry**
- **Ability to Influence Future Market Growth**

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Las Vegas Economy



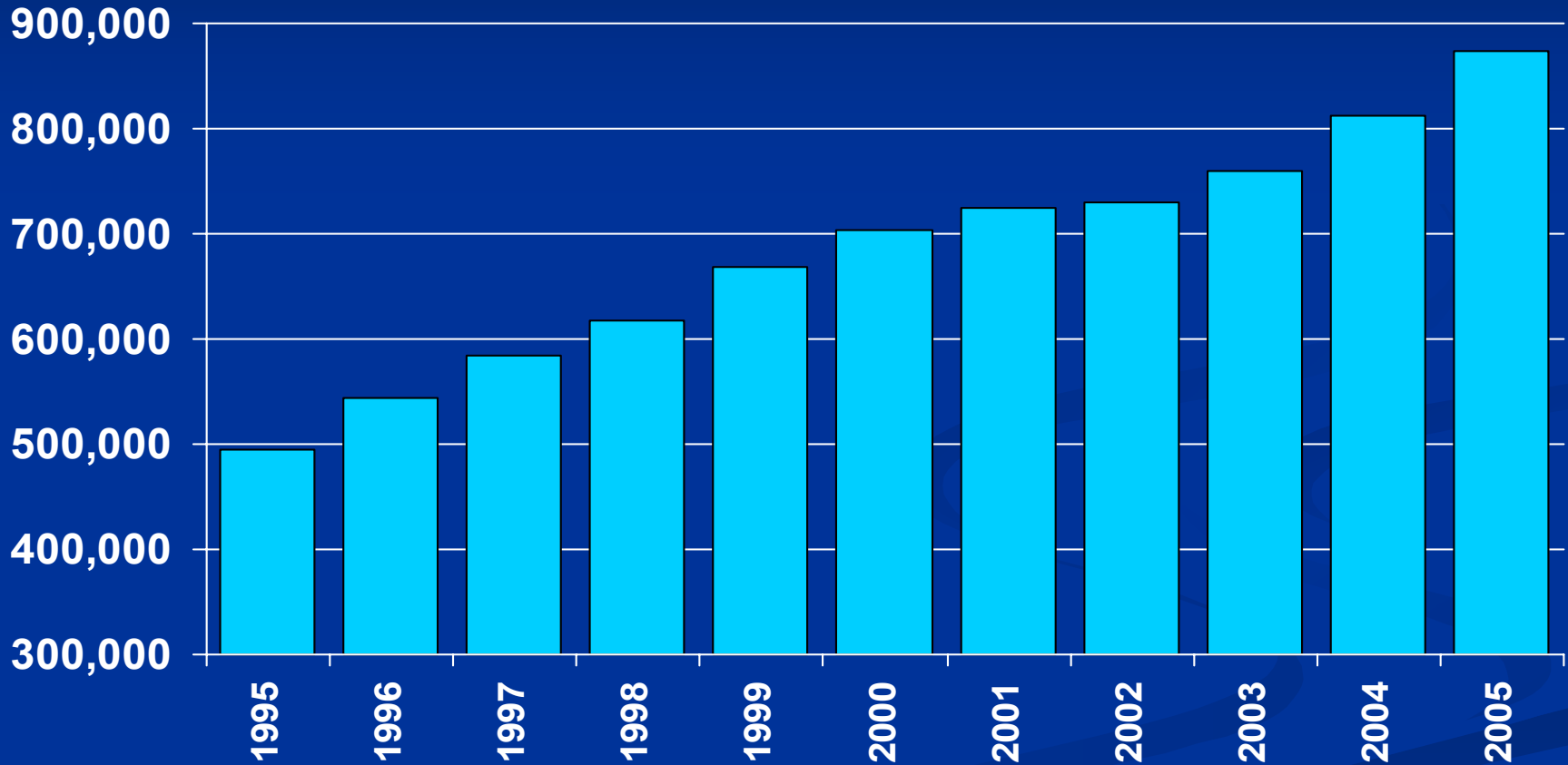
## Clark County Population



Source: UNLV Center for Business and Economic Research



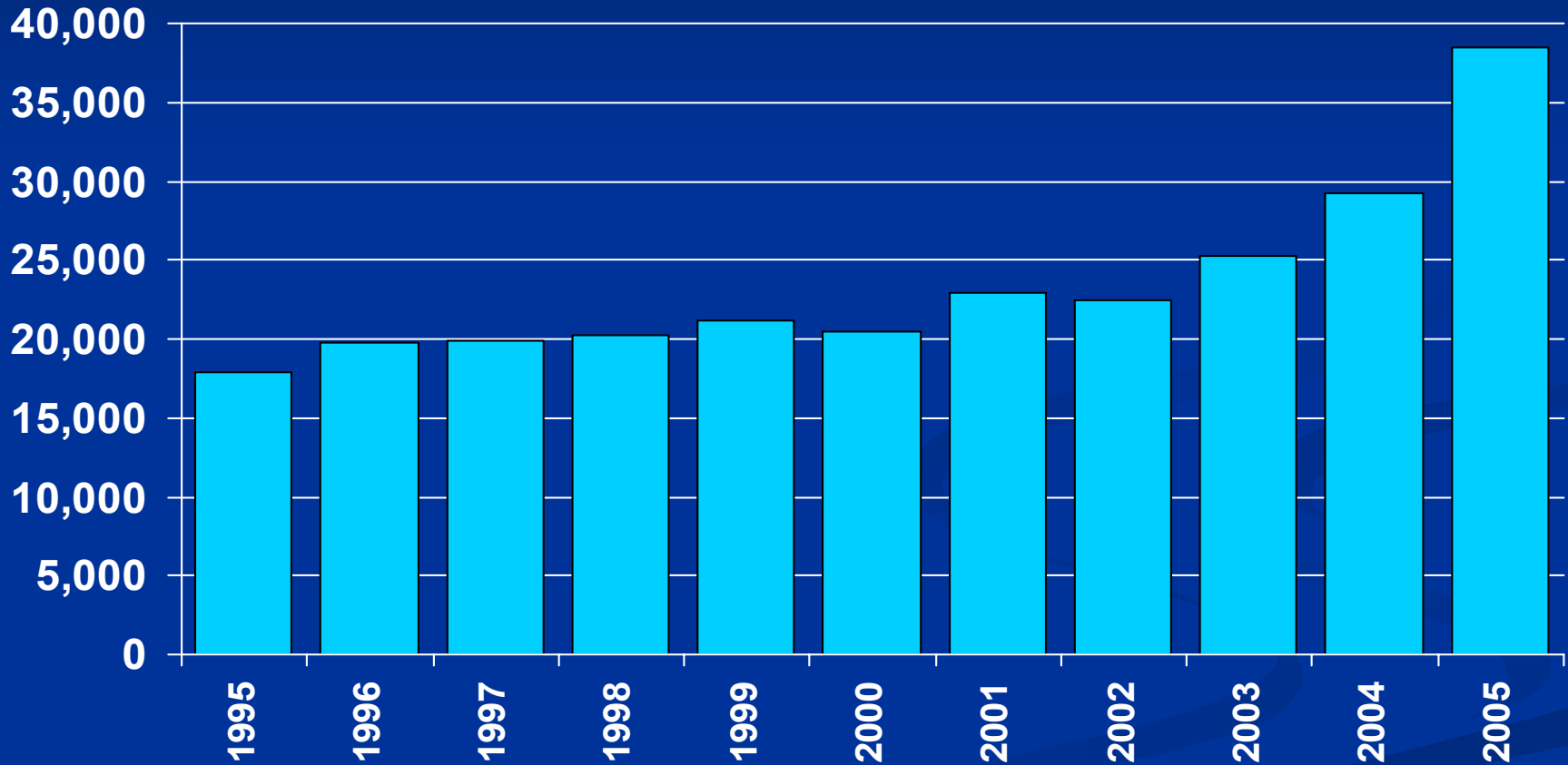
## Las Vegas Employment



Source: Nevada Department of Employment, Training, and Rehabilitation



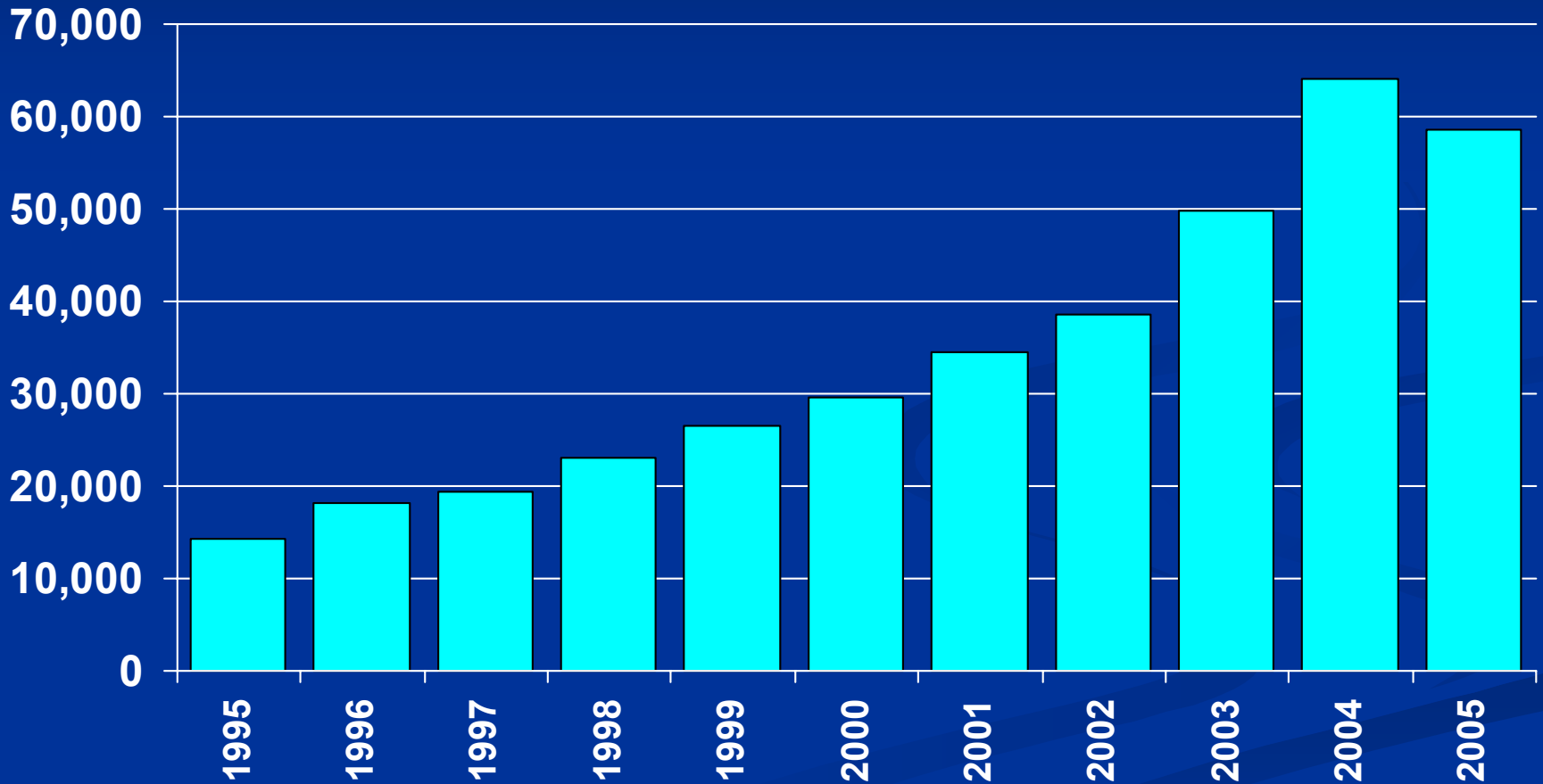
## New Home Sales



Source: Home Builders Research, Inc.



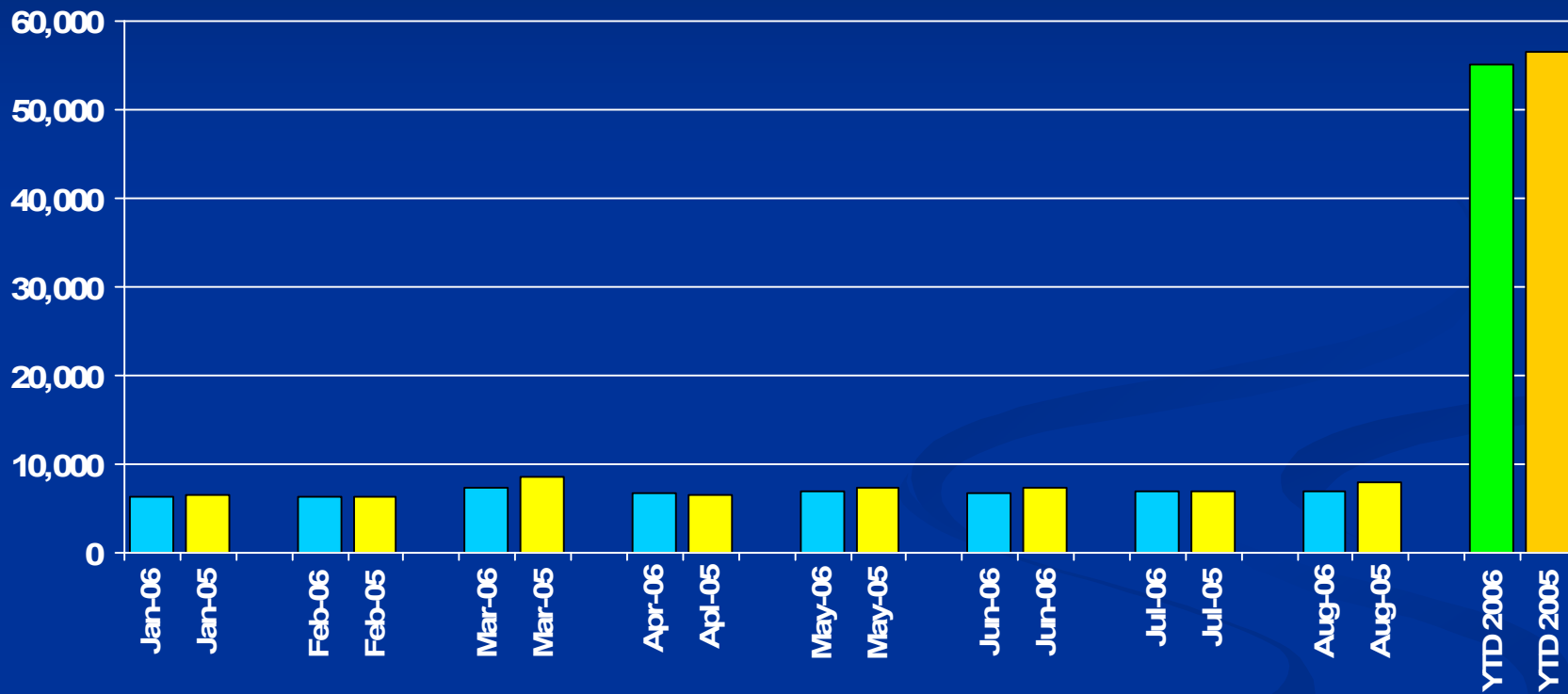
## Annual Existing Home Sales



Source: University of Nevada Las Vegas Center for Business and Economic Research



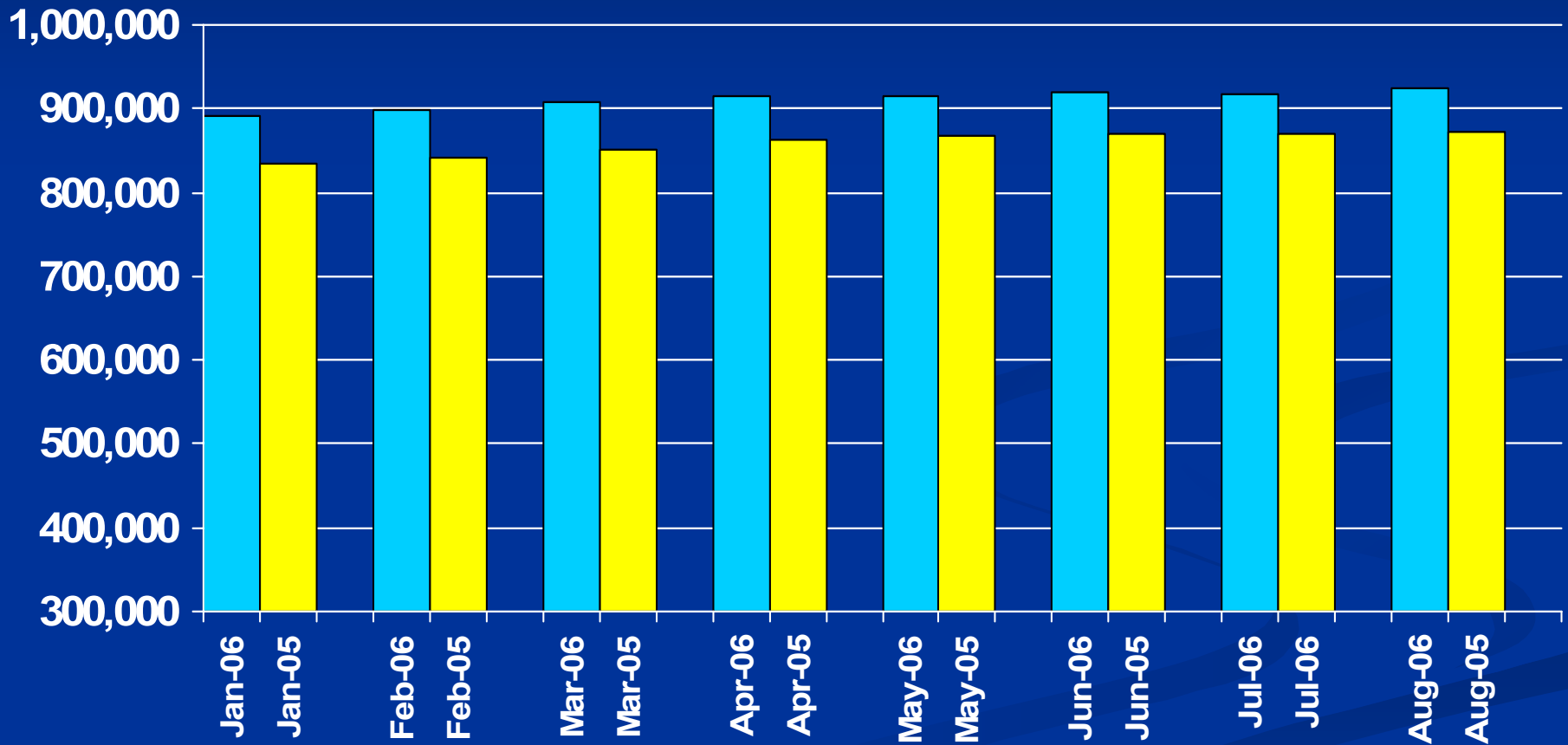
## Population Growth



Source: University of Nevada Las Vegas Center for Business and Economic Research



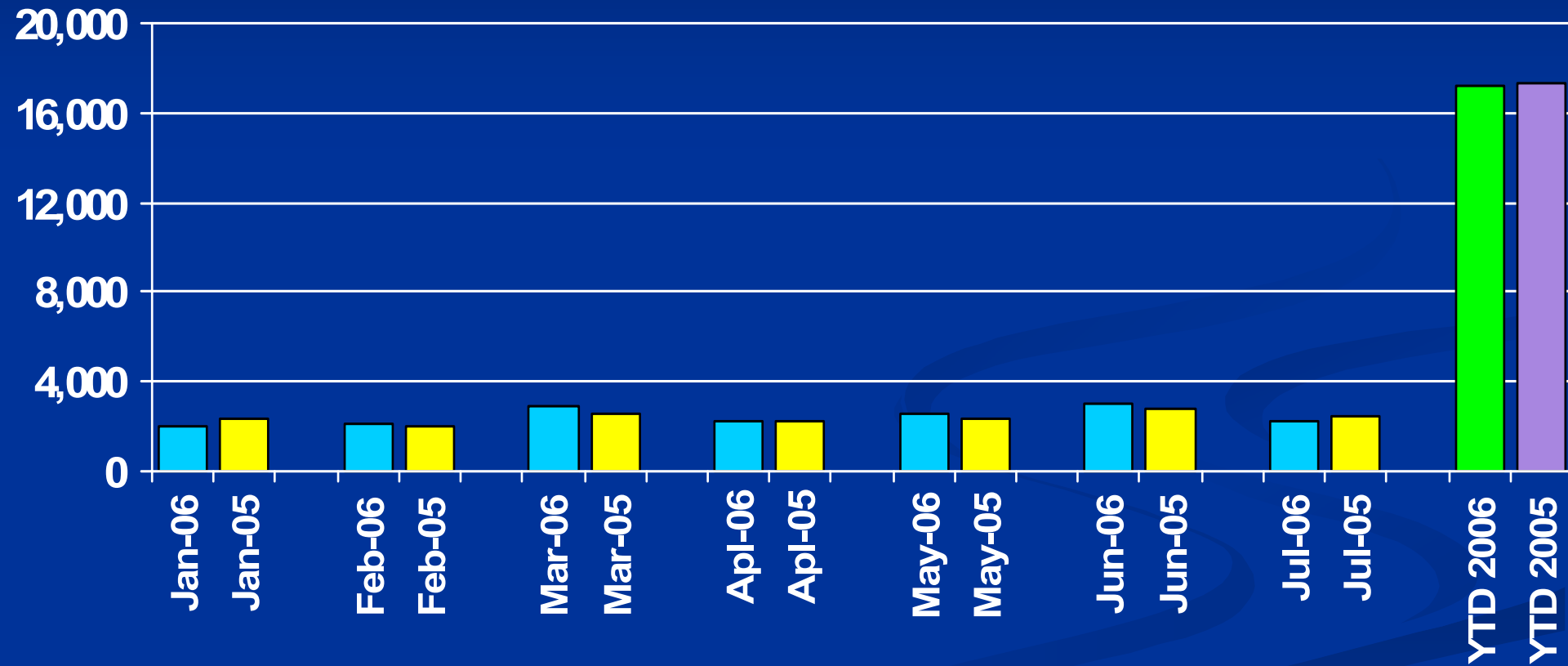
## Employment



Source: University of Nevada Las Vegas Center for Business and Economic Research



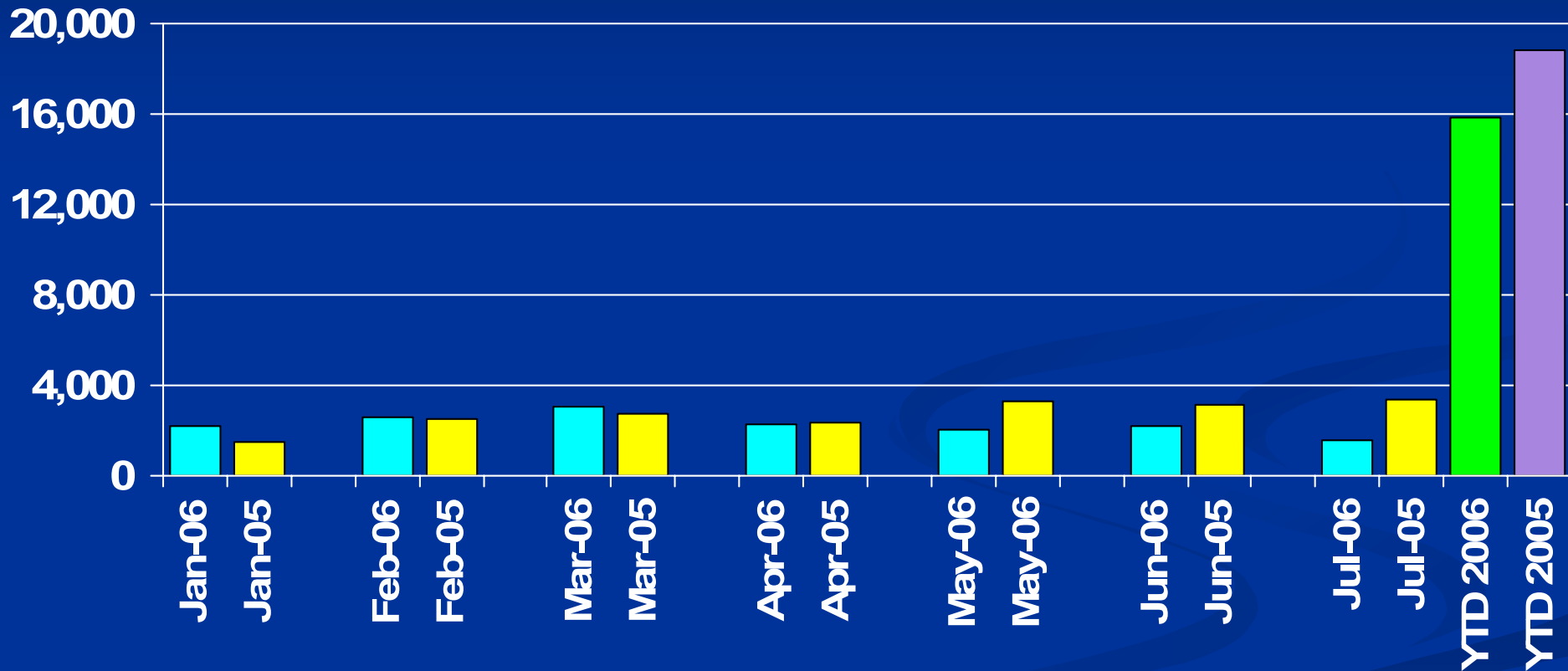
## New Home Sales



Source: University of Nevada Las Vegas Center for Business and Economic Research



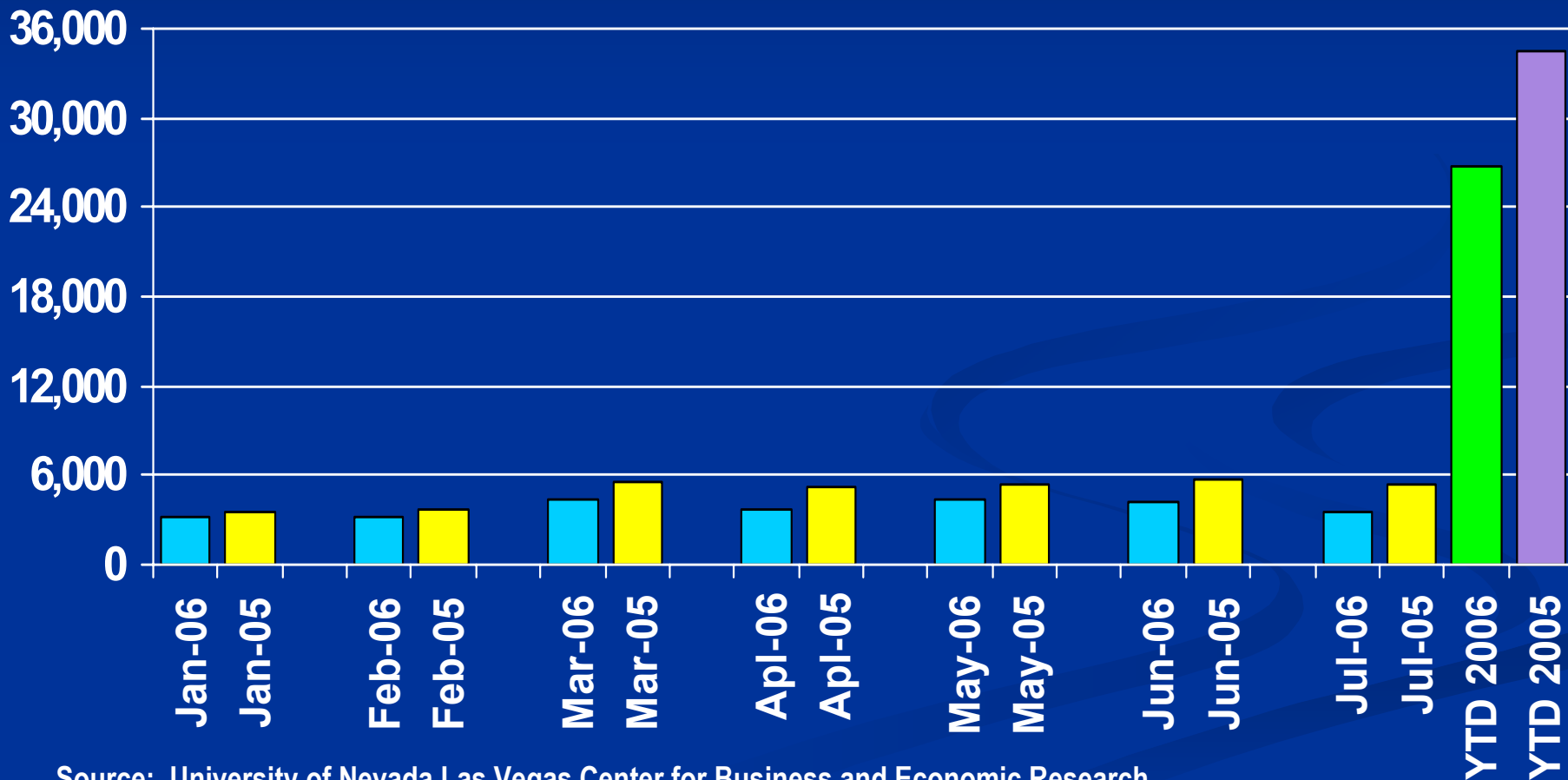
## New Home Permits



Source: University of Nevada Las Vegas Center for Business and Economic Research



## Existing Home Sales



Source: University of Nevada Las Vegas Center for Business and Economic Research

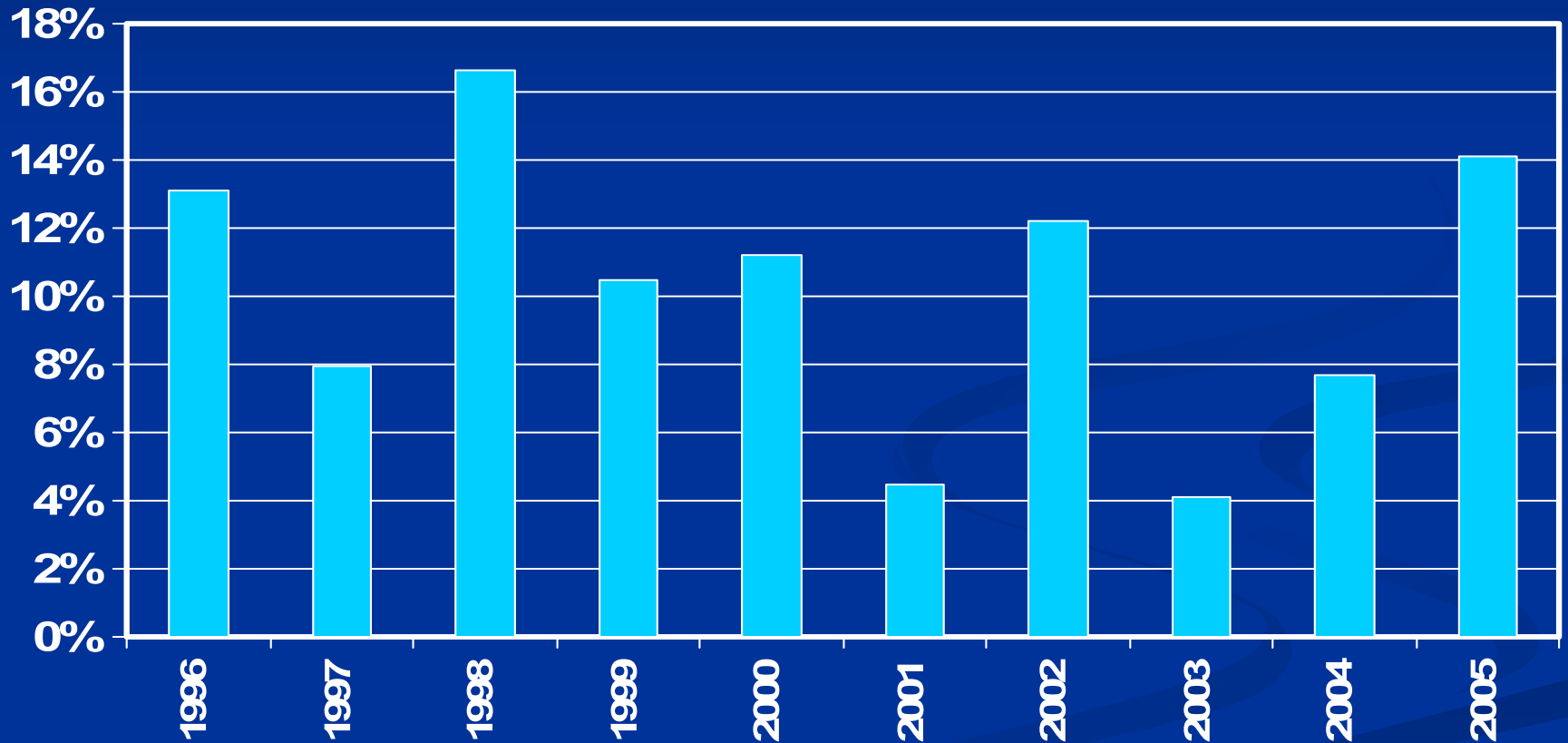


## Quality of the LV Local's Market

- **Barriers to Entry**
- **Growing Market**
- **Conditions in Place for Further Growth**
- **Business Model Lends Itself to Predictability**
- **Arguably Best Market Visibility in Industry**
- **Less Regulatory, Political and Tax Risk**



## LV Local's Market – Gaming Revenue Growth Rates Last 10 Years – CAGR 10%





## Known Development on the Strip Through 2010 (In Millions)

<u>Company</u>	<u>Project</u>	<u>Cost</u>	<u>Multiplier Effect</u>
<b>MGM</b>	<b>MGM City Center</b>	\$ 7.0	
<b>BYD</b>	<b>Echelon</b>	4.0	
<b>WYNN</b>	<b>Encore</b>	1.7	
<b>Private</b>	<b>Cosmopolitan</b>	1.5	
<b>LVS</b>	<b>Palazzo</b>	1.7	
	<b>Total Investment</b>	<u>\$ 15.9</u>	<u>\$ 31.8</u>

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## Other Known Development

(In Millions)

<b>Project</b>	<b>Cost</b>	<b>Effect</b>
<b>Signature at MGM</b>	\$ 1.2	
Red Rock Resort	0.9	
<b>Town Square</b>	<b>0.8</b>	
Turnberry Towers	0.5	
<b>US 95 Widening</b>	<b>0.5</b>	
Trump Tower	0.4	
<b>World Market Phase II</b>	<b>0.4</b>	
Centennial Transmission	0.3	
Other	2.2	
<b>Total Investment</b>	<b>\$ 7.2</b>	<b>\$ 14.4</b>

Source: In Business Las Vegas - January 27-February 2, 1996



## Land and Other Assets – Basket of Value

( in millions, Except per Share Data)

6/30/06

Location	Est. FMV Range	
	Low	High
Land Held for Development	\$ 997	\$ 1,419
Advances to Tribes	175	175
<b>Total</b>	<b>\$ 1,172</b>	<b>\$ 1,594</b>
<b>Per Share</b>	<b>\$ 19.03</b>	<b>\$ 25.88</b>

Assumes 61.6 Million Shares Outstanding. FMV Determined by 3rd Parties

Excludes Two Parcels in Escrow Located in Reno, Nevada.

Wild Wild West Land Includes 19 Acres From Pending Lease Buyout



## Announced Growth Through 2008

**2006 Red Rock Phase I for 8.5 Months**

**Portions of the Master Plans**

**Construction Disruption from MP Gone Q4**

**2007 Red Rock Phase II for 11 Months**

**All of MP at Fiesta Henderson for 5 Months**

**All of MP at Santa Fe for 4 Months**

**All of MP at Green Valley Ranch for 5 Months**

**2008 Aliante JV Opens in Latter Half of the Year**



## Flexibility In Capital Structure

### Long-Term Debt (Proforma):

Reducing Revolver	\$	722
Senior Notes		849
Subordinated Notes		1,456
Other		17
<b>Total LT Debt at 6/30/06</b>	<b>\$</b>	<b>3,044</b>

- **Next Maturity** 2010
- **Weighted Average Cost- Pretax** 6.8%
- **Weighted Average Maturity** 8 Years
- **Fixed Rate Debt** 80%
- **Incremental Borrowing Rate – 175 bps over Libor**



## Proforma Debt Maturities In Millions 6/30/06





## Operating Results Plus Financial Strategy

**Strong ROI – Guidance for 2006 and 2007**

**High Teens/Low 20%**

**Low Cost of Capital – WAC of Debt – 6.8%**

**2007 FCF \$275 - \$300 Million**

## “Safe Harbor Provision”

Statements within this presentation which are not historical facts are “forward looking” statements and “safe harbor statements” under the Private Securities Litigation Reform Act of 1995 that involve risks and/or uncertainties, including but not limited to financial projections, state and federal regulations, construction activities and other risks described in the Company’s public filings with the Securities Exchange Commission.

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