

STANTON CASINOS
INC



Quarterly Financial Highlights

STATION CASINOS^{INC.}

Operating Highlights

(in millions)

Major Las Vegas Operations	Q1 '06	Q1 '05	%
Net Revenues	\$ 254.7	\$ 239.4	6%
Adjusted EBITDA	109.1	100.3	9%
EBITDA Margins	42.8%	41.9%	2%

Major Properties - With GVR	Q1 '06	Q1'05	%
Net Revenues	\$ 321.8	\$ 296.8	8%
Adjusted EBITDA	139.1	127.3	9%
EBITDA Margins	43.2%	42.9%	1%

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Operating EBITDA Components

(in millions)

	<u>Q1 '06</u>	<u>Q1 '05</u>	<u>%</u>
Op. Inc. and Earnings from JV	\$ 91.0	\$ 85.3	
Depreciation and Amortization	25.7	24.4	
Development Expense	2.1	2.6	
Preopening Expenses	14.1	0.6	
Gain on Asset Disposals	(0.8)	(0.1)	
Lease Terminations	0.5	8.1	
EBITDA Adjusted	\$ 132.6	\$ 120.9	10%



2006 and 2007 Annual Guidance

Company Totals



EBITDA Guidance

(in millions)

	Actual	Range		Range	
	2005	2006	2006	2007	2007
Steady State EBITDA	\$ 481	\$ 566	\$ 581	\$ 630	\$ 670
Construction Disruption		(16)	(16)		
Disrupted EBITDA	\$ 481	\$ 550	\$ 565	\$ 630	\$ 670

*Excludes Non Recurring Items and Development Costs.

**2006 Assumes 24-27% Revenue Growth and 2007 Assumes 17% Revenue Growth from Midpoint to Midpoint
And No Other Management Fees from Other Native American Operations Other Than Thunder Valley.



EPS Guidance

(in millions, except EPS)

	Actual	Range		Range	
	2005	2006	2006	2007	2007
EBITDA w/ Dis ruption *	\$ 481	\$ 550	\$ 565	\$ 630	\$ 670
Interes t Expens e	87	154	154	196	196
Depreciatio n	101	138	138	168	168
Taxes @ 37.2%	108	96	102	99	114
Net Inc w/Dis ruption	\$ 185	\$ 162	\$ 171	\$ 167	\$ 192
EPS **w/ Dis ruption	\$ 2.74	\$ 2.57	\$ 2.71	\$ 2.65	\$ 3.05

*Management Expects Construction Disruption at the Santa Fe, Fiesta Henderson, and Green Valley Ranch Expansion Sites in 2006.

**2006 and 2007 Assumes 63 Million Shares Outstanding



2006 and 2007 Annual Guidance

Core Operations EBITDA and EPS

**Interest Expense - Core Operations and
Other**



Company Total 2006 EPS Guidance (in millions, except EPS)

	Core		
	Operations	Other**	Total
EBITDA*	\$ 558	\$ -	\$ 558
Interest	121	33	154
Depreciation	138	-	138
Pre-tax Income	299	(33)	266
Income Taxes @37.2%	111	(12)	99
Net Income	\$ 188	\$ (21)	\$ 167
Earnings Per Share***	\$ 2.98	\$ (0.33)	\$ 2.65

* Midpoint of Guidance

** EPS From Core Operations Excludes Interest Expense from Land Held For Development and

***Assumes 63 Million Shares Outstanding



Guidance

2006 Interest On Core Operations and Other Assets

(in millions, except EPS)

	Core Operations	Other*	Total
Interest - Core Operations	\$ 121	\$ -	\$ 121
Interest - Land Held for Development	-	21	21
Interest - Tribal Advances	-	12	12
Total Interest Expense	\$ 121	\$ 33	\$ 154
Impact on EPS**	\$ 1.21	\$ 0.33	\$ 1.54

* Non-Core Assets Defined as Land Held For Development and Advances to Tribes

**Assumes income taxes @37.2% and 63 Million Shares Outstanding



Guidance - Interest on Land Held for Development et al (in millions, except EPS)

	Actual 2005	2006	2007
Land Held for Development	\$ (13)	\$ (21)	\$ (25)
Advances to Tribes	(6)	(12)	(12)
Total Interest	(19)	(33)	(37)
Taxes @37.2%	7	12	14
Impact on Net Income	\$ 12	\$ 21	\$ 23
EPS Impact	\$ 0.18	\$ 0.33	\$ 0.36

Assumes 63 Million Shares Outstanding in 2006 and 2007



Quarterly Guidance

Q2 2006 Core Operations

Interest Expense on Non-Core Assets

Company Totals



EBITDA Guidance Q2 2006

(in millions)

EBITDA, Before Development
and Non-Recurring Items*

Range Q2 2006**	Actual Q2 2005
\$ 131 \$ 136	\$ 118.3

*Excludes Non-Recurring Items and Projected Development Expense
Includes Management Fees

** Guidance Assumes \$7 Million in Construction Disruption at Fiesta Henderson,
Green Valley Ranch and Santa Fe Station

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EPS Guidance – Q2 2006

(in millions, except EPS)

	Actual	Range	
	2005	2006	2006
EBITDA** w/ Disruptio n	\$ 118	\$ 131	\$ 136
Interest Expense	21	38	38
Depreciation	25	34	34
Taxes @ 37.2%	27	22	24
Net Inc w/Disruptio n	\$ 45	\$ 37	\$ 40
EPS***w/ Disruptio n	\$ 0.65	\$ 0.60	\$ 0.65

Management Expects Construction Disruption of \$7 million at the Santa Fe, Fiesta Henderson, and Green Valley Ranch Expansion Sites.

**See Previous Assumptions Regarding EBITDA and EPS on Previous Slides.

***Assumes 62 Million Shares Outstanding



EPS Guidance - Core Operations Q2 2006

(in millions, except EPS)

	Core Op	Range	
	2005	2006	2006
EBITDA**w/ Dis ruption	\$ 118	\$ 131	\$ 136
Interest Expense	17	30	30
Depreciation	25	34	34
Taxes @ 37.2%	29	25	27
Net Inc w/Dis ruption	\$ 47	\$ 42	\$ 45
EPS***w/ Dis ruption	\$ 0.68	\$ 0.68	\$ 0.73

Management Expects Construction Disruption of \$7 Million at the Santa Fe, Fiesta Henderson, and Green Valley Ranch Expansion Sites.

**See Previous Assumptions Regarding EBITDA and EPS on Previous Slides.

***Assumes 62 Million Shares Outstanding



Guidance

Q2 2006 Interest On Core Operations and Other Assets

(in millions, except EPS)

	Core Operations	Other*	Total
Interest - Core Operations	\$ 30	\$ -	\$ 30
Interest - Land Held for Development	-	5	5
Interest - Tribal Advances	-	3	3
Total Interest Expense	\$ 30	\$ 8	\$ 38
Impact on EPS	\$ 0.30	\$ 0.08	\$ 0.38

* Non-Core Assets Defined as Land Held For Development and Advances to Tribes

** Assumes Income Taxes @37.2% and 62 Million Shares Outstanding

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2006 Quarterly Guidance (in millions)

	Range	
Q1	\$ 133	\$ 133
Q2	131	136
Q3	135	140
Q4	151	156
2006 Total	\$ 550	\$ 565



Other Financial Information



Projected Development Cap EX (in millions)

	<u>2006</u>	<u>2007</u>
Red Rock Resort	\$337	\$ 20
Santa Fe Expansion - Phase III	70	30
Fiesta Henderson Exp. Phase- II	48	15
Land	122	
Total	\$577	\$ 65

Amounts are Expected Cash Expenditures



'06 Free Cash Flow Sensitivity
Analysis
(in millions)

EBITDA	\$ 550	\$ 565
Less:		
Interest (including cap interest)	183	183
Cash Taxes Paid	55	60
Maintenance Capital Expenditures	45	45
Free Cash Available for Capital Needs	\$ 267	\$ 277

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Projected Y/E Debt Balance (in millions) 3/31/06

Balance at 3/31/06	\$ 2,389
Midpoint Cash Flow Guidance	(425)
Development Expenses/Preopening Exp.	11
Development Cap Ex and Advances	400
Maintenance Cap Ex	30
Interest	115
Dividends	47
Share Repurchase	272
Other	61
EST. LT Debt Balance 12/31/06	<u><u>\$2,900</u></u>

* Assumes no Purchase of Land, Additional Stock Acquisition, Acquisitions, or Other Capital Expenditures Beyond That Currently Disclosed.



Land Held for Development

(in millions, Except per Share Data)

3/31/2006

<u>Acres</u>	<u>Location</u>	<u>Cost</u>	<u>Cost Per Share</u>
508	Total Held for Development	\$ 232.0	
54	Land In Aliante JV	47.3	
67	Wild Wild West (in PPE)	149.6	
<u>629</u>	<u>Total</u>	<u>\$ 428.9</u>	<u>\$ 6.92</u>

Assumes 62 Million Shares Outstanding

Excludes Two Parcels in Escrow Located in Reno, Nevada.

Wild Wild West Land Includes 19 Acres From Pending Lease Buyout

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Land – Basket of Value

(in millions, Except per Share Data)

3/31/2006

Acres	Location	Est. FMV Range	
		Low	High
208	Las Vegas Sites	\$ 480	\$ 635
54	Land In Aliante JV	47	47
40	Excess Land	60	81
300	Reno and Other	70	115
67	Wild Wild West	334	534
669	Total	\$ 991	\$ 1,412
		Per Share \$ 15.98	\$ 22.77

Assumes 62 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



Land and Other Assets – Basket of Value

(in millions, Except per Share Data)

3/31/06

Location	Est. FMV Range	
	Low	High
Land Held for Development	\$ 991	\$ 1,412
Advances to Tribes	171	171
Total	\$ 1,162	\$ 1,583
Per Share	\$ 18.74	\$ 25.53

Assumes 62 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



Flexibility In Capital Structure

Long-Term Debt:

Reducing Revolver	\$ 467
Senior Notes	449
Subordinated Notes	1,456
Other	17
Total LT Debt at 3/31/06	\$ 2,389

- **Next Maturity** 2010
- **Weighted Average Cost- Pretax** 6.48%
- **Fixed Rate Debt** 89%
- **Incremental Borrowing Rate – 100 bps over Libor**

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Las Vegas Franchise



Growth Opportunities – LV Operations

Organic Growth

- Population Growth Generally
- LV Fastest Growing Community in the Country
- Growth in Retirees – Baby Boomers
- Investment on the Strip – Est. \$25 B Thru 2010



Positioned for the Future Growth

- Aliante Joint Venture
- Land Portfolio:
 - Durango and I-215
 - Flamingo and I-215
 - Cactus and I-15
 - Boulder Highway
 - South Reno
 - Reno Convention Center
- Master Planned Expansions
- Wild Wild West



**Ramp Up of Operations From
Current Development Projects**



Red Rock Resort – Phase In Schedule

Phase I :

- 415 Rooms
- Convention Space
- Spa
- Will Be Open 8 ½ Months in 2006
- Cost \$760 Million
- Ramp -Up of Operational Efficiencies



Red Rock Resort – Phase In Schedule

Phase II:

- More Rooms
- More Convention Space
- More Spa Space
- Will Be Open 11 Months in 2007
- Cost \$165 Million
- Ramp-Up of Operational Efficiencies



GVR EBITDA - Following a Typical Pattern (in millions)



December 2004 a \$120 Million Expansion Was Added to Green Valley Ranch



Fiesta Henderson Phase In Schedule

- **September 06**
 - **Garage**
 - **Additional Casino**
 - **Remodeled Race and Sports Book**
- **July 07**
 - **New Movie Theaters**
- **Cost \$70 Million**
- **Ramp-Up of Operational Efficiencies**



Santa Fe Station Phase In Schedule

- September
 - Garage – Initial phase
- December
 - Garage Complete
- January 07
 - Additional Casino Space
- May 07
 - New Poker Room
- August 07
 - New Center Bar
- Cost \$130 Million
- Ramp-Up of Operational Efficiencies



Green Valley Ranch Phase In Schedule

- September
 - Garage
 - Additional Casino and Convention Space
- December
 - New Race and Sports
- July 07
 - New Entertainment Lounge
- Cost \$110 Million
- Ramp-Up of Operational Efficiencies

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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 I Ramp Up

Red Rock Phase II for 11 Months

Red Rock Phase II Ramp UP

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

Ramp Up at MP Expansions

2008 Aliante JV Opens Mid Year

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Management Contracts



Native American Gaming Contracts

	<u>Location</u>	<u>Current Contract Length</u>	<u>Mgt Fee %</u>
In Operation:			
Thunder Valley	California	4.25 Years	24%

In Various Stages of Development:

Gun Lake	Michigan	7 Years	Variable
Chico	California	7 Years	24%
Graton	California	7 Years	24%
North Fork	California	7 Years	24%

“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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