



**BOYDGAMING**  
ANNUAL REPORT

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# 40 YEARS OF EXPERIENCE PROVES THE ONLY WAY TO PREDICT THE FUTURE IS TO CREATE IT.

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As 2014 drew to a close, Boyd Gaming Corporation celebrated a great milestone—the 40th anniversary of the opening of the California Hotel and Casino, the founding property of our Company.

From that single property in Downtown Las Vegas, Boyd Gaming has grown into one of the nation's leading casino entertainment companies. Over that time, we've gained unique perspective on what it takes to successfully build long-term shareholder value. And we continued to put that experience and perspective to work for our shareholders in 2014.

We closed the year with back-to-back quarters of revenue and EBITDA growth. We saw positive momentum in our Las Vegas and Atlantic City operations, and encouraging stabilization throughout our regional markets.

This performance was helped by several strategic actions we took throughout 2014.

***We strengthened our operations.*** We restructured and streamlined our operations management team, improved our cost structure, and refocused marketing initiatives at select properties to drive better results. These efforts are helping us leverage modest revenue gains into solid EBITDA growth.

***We invested in future growth.*** We saw good results from our initial investments in non-gaming amenities, particularly in our hotel business. We will accelerate these efforts in 2015, focusing capital on targeted investments in our hotel and food and beverage products, as we seek to make our properties more relevant and compelling to a broader range of customers.

***We improved our financial position.*** We repaid nearly \$200 million in debt in 2014, bringing our two-year total to about \$725 million. Thanks to this continued financial discipline, our balance sheet is the strongest it has been since the recession, putting us on sound footing to pursue strategic growth initiatives.

These actions are moving our Company in the right direction. And the investment community has taken note of our progress. In 2014, Boyd Gaming stock rose nearly 14%, outperforming both our peer group and broader market indexes.

As we begin our 40th year in business, we remain confident in our ability to increase long-term shareholder value. We have the experience to overcome future challenges, should they emerge, and to build a Company that is able to endure and prosper.

As we have done many times over the decades, we continue to evolve and adapt as a Company, further positioning Boyd Gaming for long-term, sustainable growth.

On behalf of the Board of Directors, thank you for your continued investment in Boyd Gaming.



William S. Boyd



Keith E. Smith

Handwritten signature of William S. Boyd in blue ink.

William S. Boyd  
Executive Chairman of the Board

Handwritten signature of Keith E. Smith in blue ink.

Keith E. Smith  
President and Chief Executive Officer



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## STRENGTHENING OUR OPERATIONS

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Our growth potential begins with our operations.

Through a determined focus on reducing our cost structure, we have built substantial operating leverage into our business. As we clearly demonstrated in 2014, this operating leverage creates significant flow-through potential as revenue grows.

But we know we can always improve. To this end, we restructured our operations leadership team in 2014. We added a new regional operations executive, created the position of Chief Marketing Officer, streamlined our operations leadership team, and simplified the reporting process.

We generated EBITDA growth across the portfolio in the last quarter of 2014, as every operating segment improved operating margins.

We have implemented an operating structure that positions us for further success. And we are committed to maintaining our efficiencies, ensuring our shareholders can realize the full benefits of future revenue growth.







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## INVESTING IN FUTURE GROWTH

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Our long-term success is built on our proven ability to evolve and adapt our product to better meet the needs and wants of our customers. Over the years, from Las Vegas to Atlantic City, we have shown we are able to position our properties to appeal to underserved customers, and realized success by serving new markets.

That evolution continues. And while “Gaming” may be in our name, we are confident there is great potential to create value away from the casino floor.

We will continue our well-received program of hotel room renovations, with projects to modernize rooms at the Suncoast, Orleans, IP and Blue Chip. In all, nearly 25% of our wholly-owned room inventory will be redesigned and updated in 2015, positioning us to continue generating strong hotel revenue growth.

We will refine and refresh our food and beverage offerings as well. The California Noodle House and The Game at Suncoast made successful debuts in late 2014, and will be followed by additional food and beverage projects in 2015.

Through these efforts, we seek to introduce Boyd Gaming to new generations of customers, laying a solid foundation for long-term, sustainable growth.





## IMPROVING OUR FINANCIAL POSITION

Long-term success is built on a solid balance sheet. And we have made great progress strengthening this foundation over the last several years.

In 2014, we reduced long-term debt by \$198 million, bringing our two-year total to approximately \$725 million. And with nearly \$200 million in annual free cash flow, we have the financial resources to further reduce debt while still investing in new experiences for our customers, ensuring our properties stay exciting and competitive over the long term.

The flexibility created by debt reduction has put our Company on a stronger financial footing, improving our ability to pursue initiatives to grow long-term shareholder value.

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## COMING OUT ON TOP

# Q4

### BORGATA

31% EBITDA growth in 2014, buoyed by gains in local and regional market share



### BLUE CHIP

Outperforms the market in Q3 and Q4; first-in-class amenities spur significant admissions growth



### THE ORLEANS

Strength in non-gaming amenities helps drive 11% EBITDA growth in 2014



### KANSAS STAR

Completes expansion project in Q4; finishes year with solid quarterly revenue and EBITDA gains



### DELTA DOWNS

One of the Company's strongest performers; consistent double-digit EBITDA growth throughout 2014





2.7

Total revenue in 2014  
(in billions of dollars)

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24

Percentage of wholly-owned hotel  
rooms to be renovated in 2015

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22

Properties in the Company

14

Percentage of stock price  
appreciation in 2014

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7

Quarters of EBITDA growth in our Las  
Vegas Locals business in the last two years

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13

Operating margin improvement in  
wholly-owned business in 2014  
(in basis points)

198

Debt paid down in 2014  
(in millions of dollars)

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119

Restaurants companywide

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1.25

Million square feet of casino space

40

Years in business

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8

States where the Company  
currently operates

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30

Average years of experience of  
Boyd Gaming's senior leadership team



# BOYD GAMING

## Executive Leadership Team

**WILLIAM S. BOYD**, *Executive Chairman of the Board*

**MARIANNE JOHNSON**, *Vice Chairman of the Board, Executive Vice President and Chief Diversity Officer*

**KEITH E. SMITH**, *President and Chief Executive Officer*

**ROBERT L. BOUGHNER**, *Executive Vice President and Chief Business Development Officer*

**BRIAN A. LARSON**, *Executive Vice President, General Counsel and Secretary*

**JOSH HIRSBERG**, *Senior Vice President, Chief Financial Officer and Treasurer*

**WILLIAM R. BOYD**, *Vice President*

## Board of Directors

**WILLIAM S. BOYD**, *Executive Chairman of the Board, Boyd Gaming*

**MARIANNE JOHNSON**, *Vice Chairman of the Board, Executive Vice President and Chief Diversity Officer, Boyd Gaming*

**KEITH E. SMITH**, *President and Chief Executive Officer, Boyd Gaming*

**ROBERT L. BOUGHNER**, *Executive Vice President and Chief Business Development Officer, Boyd Gaming*

**WILLIAM R. BOYD**, *Vice President, Boyd Gaming*

**JOHN R. BAILEY**, *Managing Partner, Bailey Kennedy, LLP*

**RICHARD E. FLAHERTY**, *Former Dean of the College of Business, University of Nevada, Las Vegas*

**BILLY G. McCOY**, *Major General, USAF (Ret)*

**CHRISTINE J. SPADAFOR**, *President and Chief Executive Officer, SpadaforClay Group, Inc.*

**PETER M. THOMAS**, *Managing Director, Thomas & Mack Co., LLC*

**PAUL W. WHETSELL**, *Vice Chairman, Loews Hotels & Resorts*

**VERONICA J. WILSON**, *Independent Consultant*

## Investor Information

### STOCK LISTING

The common stock of Boyd Gaming Corporation is listed on the New York Stock Exchange under ticker symbol BYD. As of February 24, 2015, there were 774 stockholders of record.

### ANNUAL MEETING

The annual meeting of stockholders of Boyd Gaming Corporation will be held on Thursday, April 16, 2015 at 11 am Pacific Time at California Hotel and Casino in Las Vegas, Nevada.

The record date for the meeting is the close of business on March 6, 2015.

### NEWS RELEASES

As a service to our stockholders and prospective investors, additional company information, including news releases, earnings announcements and information on corporate governance, is available at [boydgaming.com](http://boydgaming.com).

### COMMON STOCK TRANSFER AGENT AND REGISTRAR

Wells Fargo Shareowner Services  
1110 Centre Pointe Curve, Suite 101  
Mendota Heights, MN 55120

### INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Deloitte & Touche, LLP  
3883 Howard Hughes Parkway  
Fourth Floor  
Las Vegas, NV 89169  
702.893.3100

### BOYD GAMING CORPORATION

3883 Howard Hughes Parkway  
Ninth Floor  
Las Vegas, NV 89169  
702.792.7200

### INVESTOR CONTACT

Josh Hirsberg  
Senior Vice President  
Chief Financial Officer and Treasurer  
702.792.7234  
[joshhirsberg@boydgaming.com](mailto:joshhirsberg@boydgaming.com)

### MEDIA CONTACT

David Strow  
Director, Corporate Communications  
702.792.7386  
[davidstrow@boydgaming.com](mailto:davidstrow@boydgaming.com)

## Las Vegas Locals

### GOLD COAST HOTEL AND CASINO

4000 West Flamingo Road  
Las Vegas, NV 89103  
702.367.7111  
[goldcoastcasino.com](http://goldcoastcasino.com)

### THE ORLEANS HOTEL AND CASINO

4500 West Tropicana Avenue  
Las Vegas, NV 89103  
702.365.7111  
[orleanscasino.com](http://orleanscasino.com)

### SAM'S TOWN HOTEL AND GAMBLING HALL

5111 Boulder Highway  
Las Vegas, NV 89122  
702.456.7777  
[samstownlv.com](http://samstownlv.com)

### SUNCOAST HOTEL AND CASINO

9090 Alta Drive  
Las Vegas, NV 89145  
702.636.7111  
[suncoastcasino.com](http://suncoastcasino.com)

### ELDORADO CASINO

140 South Water Street  
Henderson, NV 89015  
702.564.1811  
[eldoradocasino.com](http://eldoradocasino.com)

### JOKERS WILD CASINO

920 North Boulder Highway  
Henderson, NV 89011  
702.564.8100  
[jokerswildcasino.com](http://jokerswildcasino.com)

## Downtown Las Vegas

### CALIFORNIA HOTEL AND CASINO

12 East Ogden Avenue  
Las Vegas, NV 89101  
702.385.1222  
[thecal.com](http://thecal.com)

### FREMONT HOTEL AND CASINO

200 Fremont Street  
Las Vegas, NV 89101  
702.385.3232  
[fremontcasino.com](http://fremontcasino.com)

### MAIN STREET STATION CASINO BREWERY AND HOTEL

200 North Main Street  
Las Vegas, NV 89101  
702.387.1896  
[mainstreetcasino.com](http://mainstreetcasino.com)

## Midwest & South

### AMELIA BELLE CASINO

500 Lake Palourde Road  
Amelia, LA 70340  
985.631.1777  
[ameliablellecasinom.com](http://ameliablellecasinom.com)

### BLUE CHIP CASINO HOTEL SPA

777 Blue Chip Drive  
Michigan City, IN 46360  
219.879.7711  
[bluechipcasino.com](http://bluechipcasino.com)

### DELTA DOWNS RACETRACK CASINO HOTEL

2717 Delta Downs Drive  
Vinton, LA 70668  
337.589.7441  
[deltadowns.com](http://deltadowns.com)

### DIAMOND JO CASINO

301 Bell Street  
Dubuque, IA 52001  
563.690.4800  
[diamondjodubuque.com](http://diamondjodubuque.com)

### DIAMOND JO WORTH

777 Diamond Jo Lane  
Northwood, IA 50459  
641.323.7777  
[diamondjoworth.com](http://diamondjoworth.com)

### EVANGELINE DOWNS RACETRACK CASINO HOTEL

2235 Creswell Lane Extension  
Opelousas, LA 70570  
866.472.2466  
[evangelinedowns.com](http://evangelinedowns.com)

### IP CASINO RESORT SPA

850 Bayview Avenue  
Biloxi, MS 39530  
228.436.3000  
[ipbiloxi.com](http://ipbiloxi.com)

### KANSAS STAR CASINO HOTEL EVENT CENTER

777 Kansas Star Drive  
Mulvane, KS 67110  
316.719.5000  
[kansasstarcasino.com](http://kansasstarcasino.com)

### PAR-A-DICE HOTEL CASINO

21 Blackjack Boulevard  
East Peoria, IL 61611  
309.699.7711  
[paradicecasino.com](http://paradicecasino.com)

### SAM'S TOWN HOTEL AND CASINO

315 Clyde Fant Parkway  
Shreveport, LA 71101  
877.429.0711  
[samstownshreveport.com](http://samstownshreveport.com)

### SAM'S TOWN HOTEL AND GAMBLING HALL

1477 Casino Strip Resorts Boulevard  
Robinsonville, MS 38664  
662.363.0711  
[samstowntunica.com](http://samstowntunica.com)

### TREASURE CHEST CASINO

5050 Williams Boulevard  
Kenner, LA 70065  
504.443.8000  
[treasurechest.com](http://treasurechest.com)

## Atlantic City

### BORGATA HOTEL CASINO & SPA

1 Borgata Way  
Atlantic City, NJ 08401  
609.317.1000  
[theborgata.com](http://theborgata.com)

## Boyd Gaming

### EXECUTIVE OFFICES

3883 Howard Hughes Parkway  
Ninth Floor  
Las Vegas, NV 89169  
702.792.7200  
[boydgaming.com](http://boydgaming.com)

### CORPORATE OFFICES

6465 South Rainbow Boulevard  
Las Vegas, NV 89118  
702.792.7200

600 Star Brewery Drive  
Suite 100  
Dubuque, IA 52001  
563.690.4975

This Annual Report is delivered with, and accompanies, the Company's Annual Report on Form 10-K for the period ended December 31, 2014. This Annual Report contains forward-looking statements within the meaning of the securities laws. Forward-looking statements are estimates and projections reflecting management's judgment based on currently available information and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. You should not place undue reliance on forward-looking statements, which are based on current expectations and speak only as of the date when made. Factors that might cause such differences include, but are not limited to, those discussed in the Company's Annual Report on Form 10-K. Consequently, you should not consider any such list to be a complete set of all potential risks or uncertainties.





**BOYDGAMING**

[boydgaming.com](http://boydgaming.com)