

MontBleu's parent company writes down quarterly asset values

By Steve Green, Las Vegas Sun

Tropicana Entertainment Inc., investor Carl Icahn's gaming company, on Monday said it took \$20.7 million in noncash accounting charges to write down the value of certain intangible assets in the fourth quarter.



The company, for the period March 8, 2010-Dec. 31, 2010, reported breakeven results when factoring out those expenses.

Tropicana said in its annual report that including the asset-writedown expenses, it lost \$20.9 million on net revenue of \$539 million for the March-December period.

Comparable results for the same period in 2009 aren't available since the company reported results beginning on March 8, 2010, when it acquired the Tropicana in Atlantic City.

Tropicana Entertainment acquired several casinos out of the Tropicana Entertainment Holdings LLC bankruptcy.

The Tropicana Las Vegas hotel-casino was acquired out of the bankruptcy by a different group of investors.

Besides the 2,129-room Tropicana Atlantic City, Icahn's Las Vegas-based Tropicana Entertainment Inc. has smaller properties in Evansville, Ind.; Laughlin and Stateline; Greenville and Vicksburg, Miss.; Baton Rouge, La.; and in

Aruba.

The fourth quarter charges included \$3.7 million to write down the value of the Tropicana trade name, \$10.5 million related to the gaming license at Casino Aztar in Indiana, \$4.8 million related to the gaming license at Belle of Baton Rouge, La., and \$1.7 million related to the impairment of goodwill at Belle of Baton Rouge.

“The trade name and Baton Rouge impairments were primarily due to reduced revenue and cash flow projections while the impairment at Casino Aztar was primarily due to higher capital expenditure assumptions, lower free cash flow amounts and changes in the weighted average cost of capital, which reduced the fair value of the gaming license,” the company said.

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