



NEWS RELEASE

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Delaware North to build \$250 million expansion of Southland Gaming & Racing

Global hospitality company continuing investment in popular West Memphis gaming and entertainment destination with new casino complex and high-rise hotel

BUFFALO, N.Y., and WEST MEMPHIS, Ark. (Jan. 24, 2019) – Delaware North, which owns and operates Southland Gaming & Racing, today announced a \$250 million expansion of the West Memphis, Ark., gaming and entertainment destination to include a new casino complex and high-rise hotel.

The project will allow Southland to expand its gaming offerings to 2,400 gaming machines from the current 2,000 and as many as 60 live table games. The new, 113,000-square-foot casino complex will also feature new and expanded dining options, including a larger buffet, larger steakhouse restaurant, new food hall, new coffee shop, new player lounge and new center, lobby and steakhouse bars.

The signature component of the expansion project is a 20-story hotel tower that will feature 300 rooms: 216 standard rooms, 72 corner suites and 12 penthouse suites on the top floor. Onsite parking will be expanded via construction of a new, covered parking garage with 1,250 spaces.

Construction on the project is expected to begin by summer, with completion of the casino complex and parking garage anticipated about 12 months later and hotel tower about six months after that. The project is not expected to interrupt Southland's current gaming and racing operations.

"Delaware North is thrilled to make this historic announcement of a \$250 million expansion of Southland Gaming & Racing, which represents the largest ever investment in a casino in Arkansas and one of the largest for a hospitality project," said Lou Jacobs, Co-CEO of Delaware North, a privately held global hospitality company that also owns and operates a portfolio of regional gaming destinations.

"We have long been committed to Southland, Arkansas and West Memphis, investing more than \$100 million in the venue since 2006, and look forward to creating the state's and Mid-South region's premier casino. On behalf of my father, Delaware North Chairman Jeremy Jacobs, and our family, as well as our Delaware North and Southland associates, we are grateful to the people and leaders of the state of Arkansas for the opportunity to make this new investment," Lou Jacobs said.

The project is expected to create more than 1,500 construction jobs and 400 additional permanent jobs for the new casino complex and hotel, bringing employment at Southland to about 1,200 jobs.

Delaware North is privately financing the project with no use of public funds. Arkansas Gov. Asa Hutchinson, state Sen. Keith Ingram and several other state and local elected leaders attended the announcement today at Southland.

Gov. Hutchinson said: "The state of Arkansas would like to thank Jeremy Jacobs, his family and Delaware North for continuing their decades-long commitment to West Memphis and the state with this privately financed investment in Southland to further enhance it as one of our premiere tourism and entertainment venues, drawing even more visitors from the entire Mid-South region. It's wonderful to see that one of the largest hospitality investments in the history of Arkansas is being made at this time and that it will create hundreds of construction and permanent jobs for our people."

Sen. Ingram added: "Crittenden County has been the home of Southland Gaming for more than 60 years. From the beginning, Southland Gaming has been a strong, faithful community partner and a generous, valued supporter in local business and charity. The last few years have brought major investments and changes to the face of Southland Gaming and now I am looking forward to the exciting new opportunities for our community. I am very much appreciative to Southland Gaming for their participation in so many facets of our life in Eastern Arkansas."

Jacobs also noted the project will allow Delaware North to continue and enhance the positive impact that Southland has on the state's economy and the support it provides to many worthwhile community organizations, including Arkansas State University Mid-South in West Memphis. Currently, Southland is estimated to have a total economic impact – via employment, operational spending, charitable giving and taxes paid to the state, Crittenden County and City of West Memphis – of \$144 million annually.

The space added in Southland's 2013 expansion will be retained, as will the racetrack and its simulcast center, viewing areas and amenities. Southland's current event center will also continue to host banquets and other events. Delaware North is planning to add a major conference and meeting facility in a future development phase.

Southland is also taking steps to expand its gaming offerings at the current gaming facility as permitted under the 2018 gaming expansion amendment approved by Arkansas voters. In April it plans to open 40 live table games, including blackjack, craps and roulette. Sports betting areas are also planned. Surface parking will be added in the coming months to offset spaces lost during construction.

David Wolf, president and general manager of Southland for Delaware North, said the company's gaming division, headed by Brian Hansberry, has been looking at expansion options for Southland as the venue has continued to increase in popularity in recent years.

"We've developed a loyal customer base and can't wait to see more people discover Southland in the coming years and make it an overnight and weekend tourism destination," Wolf said. "It's really going to expand our customer reach for new markets in the Mid-South."

Through its parks and resorts business as well as its gaming division, Delaware North operates more than 25 lodging properties, including internationally acclaimed luxury resorts and historic hotels.

Southland opened in 1956 and became one of the most popular greyhound racetracks in the country. Delaware North purchased Southland in the mid-1970s. Gaming was added in 2006.

About Southland Gaming & Racing

Southland Gaming & Racing has been a major racing venue for more than 60 years and has over 2,000 electronic games of skill -- including video poker and blackjack -- as well as the World Market Buffet, Bourbon St. Steakhouse and the Starting Gate Event Center. Southland has long been a pivotal fixture of the West Memphis community, strongly supporting the community with jobs, business stability, and economic contributions. It has consistently won awards for its outstanding community service, including millions of dollars donated to neighborhood charities and educational institutions. Southland is owned and operated by Delaware North, a global leader in hospitality. More information is available at www.southlandpark.com.

About Delaware North

Delaware North is one of the largest privately held hospitality companies in the world. Founded in 1915 and owned by the Jacobs family for more than 100 years, Delaware North has global operations at high-profile places such as sports and entertainment venues, national and state parks, destination resorts and restaurants, airports, and regional casinos. Our 55,000 employee associates are dedicated to creating special experiences one guest at a time in serving more than a half-billion guests annually. Delaware North operates in the sports, travel hospitality, restaurant and catering, parks, resorts, gaming, and specialty retail industries and has annual revenue of about \$3 billion. Learn more about Delaware North, a global leader in hospitality and food service, at www.DelawareNorth.com.