

FINANCIAL REPORT

The tribal government caption includes the tribe's general fund and the tribe's BIA trust funds. The Chickasaw Businesses include all of the businesses and operations of the Chickasaw Enterprises. Not included in the financial statements are federally or state funded programs and/or grants and the financial statements of Bank 2 and Chickasaw Industries, Inc.

The growing needs of the businesses are taken into account when determining the transfers from the businesses to the general fund. It is vital to the long range mission of the Chickasaw Nation that the businesses continue to grow and diversify.

Revenues of the tribal operation, other than the transfer from businesses, include motor fuel settlement funds and investment income. Chickasaw Businesses revenues include gaming revenues net of prizes, sales revenue at convenience, travel plazas and tobacco stores, rent and investment income.

Tribal expenditures are classified by function. General government includes the maintenance and operations of tribal property, Chickasaw Times and governor's and Lt. governor's offices. Expenditure for education includes education scholarship as well as the tribe's division of education. Health expenditures include senior citizens sites, eye glasses, hearing aids, prescription drugs, wellness center, community health clinics, catastrophic medical assistance and other similar programs not covered by federal programs or grants.

The businesses' expenditures are classified as to expenses associated with gaming operation of the tribe and the other businesses of the tribe.

Executive Summary of the Financial Statements of the period ending September 30, 2011

Tribal Government

Revenues and transfers from the businesses for operations and fixed assets totaled \$20.0 million for the month and \$164.3 million year-to-date. Expenditures were \$10.6 million for the month and \$99.8 million year-to-date.

Chickasaw Businesses

Revenue net of gaming prizes for September totaled \$85.4 million and \$1.008 billion year-to-date. Net income before the transfers to the Tribal Government was \$261.2 million year-to-date. After transfers to the Tribal Government for capital projects and tribal program operations the net income was \$105.3 million year-to-date. The net income includes all revenue, including amounts reserved for business growth and expansion.

Statement of Net Assets

At September 30, 2011, the tribal government funds had \$154.0 million in cash and investments. Of this amount, \$19.1 million is in the BIA Trust funds. This total does not include any federal program funds.

The businesses had \$201.1 million in cash and investments which is reserved for accounts payable and business operations.

As of September 30, 2011, tribal operations, excluding federal program funding, had net assets of \$1.269 billion compared to \$1.223 billion at June 30, 2011 or an increase of \$46 million.