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Jacobs Entertainment, Inc. Reports First Quarter Results

GOLDEN, CO--(Marketwire - May 13, 2010) - Jacobs Entertainment, Inc. ("JEI"), an owner and operator of multiple gaming properties, today announced unaudited financial results for its first quarter ended March 31, 2010.

Net revenues for the first quarter of 2010 were \$79.1 million compared to \$78.0 million in the first quarter of the previous year. Net income for the first quarter of 2010 was \$1.4 million compared to \$3.1 million in the same quarter of the previous year.

Jacobs Entertainment, Inc. will host a conference call to discuss its operating results for its first quarter ended March 31, 2010. The conference call will be held at 11:00 a.m. Eastern Time on Friday, May 14, 2010, and will be hosted by Stephen R. Roark, President of Jacobs Entertainment, Inc. and Ian M. Stewart, President of Pari-Mutuel Wagering Operations, along with other members of the JEI management team.

To participate in the JEI conference call on Friday, May 14, 2010 at 11:00 a.m. Eastern Time, please dial (800) 769-8320 and a live operator will put you through. Please call 5-7 minutes before the call is to begin.

If you are unable to join the JEI conference call, you may access a replay of the call starting Friday, May 14, 2010 at 2:00 p.m. Eastern Time. To access the replay, please dial (800) 408-3053 and reference the confirmation code 4655086. The replay will run until midnight Eastern Time, Friday, May 21, 2010.

Based in Golden, CO, Jacobs Entertainment is the owner and operator of The Lodge Casino at Black Hawk and the Gilpin Casino, both located in Black Hawk, Colorado; the Gold Dust West-Reno Casino in Reno, Nevada; the Gold Dust West-Carson City Casino in Carson City, Nevada; the Gold Dust West-Elko Casino in Elko, Nevada (the casino properties); Colonial Downs Racetrack in Virginia and eight related off-track wagering facilities located in Virginia; and 18 truck plaza video gaming facilities located in Louisiana with a share in the gaming revenues of an additional truck plaza located in Louisiana.

Our business and financial performance are subject to a number of risks and uncertainties that might adversely affect our operating results in the future in a material way, such as the intensity of competition, our ability to meet debt obligations, regulatory compliance, taxation levels, effects of national and regional economic and market conditions, labor and marketing costs, success of our diversification plan and the successful integration of our operations.

JACOBS ENTERTAINMENT, INC.
FINANCIAL HIGHLIGHTS (unaudited)
(dollars in thousands)

SELECTED INCOME STATEMENT DATA

	Three Months Ended March 31,	
	2010	2009
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Revenues:		
Total revenues	\$ 87,940	\$ 86,560
Promotional allowances	(8,871)	(8,583)
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Net revenues	79,069	77,977
Costs and expenses	71,382	68,619
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Operating income	7,687	9,358
Interest expense, net	(6,268)	(6,297)
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NET INCOME	\$ 1,419	\$ 3,061
	=====	=====

SELECTED BALANCE SHEET DATA

	March 31,	December 31,
	2010	2009
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Total assets	\$ 338,914	\$ 340,649
Total liabilities	\$ 313,762	\$ 315,916
Stockholder's equity	\$ 25,152	\$ 24,733

EBITDA represents earnings before interest, income taxes, depreciation and amortization and is a non-GAAP financial measure that management believes is useful because it allows holders of our debt and management to evaluate and compare the Company's operating results from continuing operations from period to period

in a meaningful and consistent manner in addition to standard GAAP financial measures. Adjusted EBITDA represents EBITDA plus expenses that we do not consider representative of our ongoing operations and that could result in comparison distortions. Management internally evaluates the performance of its segments using EBITDA and Adjusted EBITDA measures as do most analysts following the gaming industry. EBITDA is also a key component of certain financial covenants in the Company's debt agreements. This information should not be considered as an alternative to any measure of performance as promulgated under accounting principles generally accepted in the United States of America, such as net income (loss), nor should it be considered as an indicator of our overall financial performance. Our calculation of EBITDA and Adjusted EBITDA may be different from the calculation used by other companies and comparability may be limited.

RECONCILIATION OF EBITDA TO NET INCOME
(dollars in thousands)

	Three Months Ended	
	March 31,	
	2010	2009
	-----	-----
Net income	\$ 1,419	\$ 3,061
Add:		
Interest expense, net	6,268	6,297
Depreciation and amortization	5,327	5,258
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EBITDA	\$ 13,014	\$ 14,616
Unrealized (gain) loss on change in fair value of investment in equity securities	(586)	635
Costs incurred for 2010 Credit Agreement Amendment	436	
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ADJUSTED EBITDA	\$ 12,864	\$ 15,251
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