

NEWS

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Jacobs Entertainment, Inc. Reports First Quarter Results

Golden, Colorado – May 13, 2009 – Jacobs Entertainment, Inc. (“JEI”), an owner and operator of multiple gaming properties, today announced unaudited financial results for its first quarter ended March 31, 2009.

Net revenues for the first quarter of 2009 were \$78.0 million compared to \$87.2 million in the first quarter of the previous year. Net income attributable to JEI for the first quarter of 2009 was \$3.1 million compared to \$921 thousand 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, 2009. The conference call will be held at 11:00 a.m. Eastern Time on Thursday, May 14, 2009, 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 Thursday, May 14, 2009 at 11:00 a.m. Eastern Time, please dial (866) 550-6338 and give confirmation code #3891804. 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 Thursday, May 14, 2009 at 2:00 p.m. Eastern Time. To access the replay, please dial (888) 203-1112 and reference the confirmation code #3891804. The replay will run until midnight Eastern Time, Thursday, May 21, 2009.

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,	
	<u>2009</u>	<u>2008</u>
Revenues:		
Total revenues	\$86,560	\$95,693
Promotional allowances	<u>(8,583)</u>	<u>(8,515)</u>
Net revenues	77,977	87,178
Costs and expenses	<u>68,619</u>	<u>79,271</u>
Operating income	9,358	7,907
Interest expense, net	(6,297)	(6,991)
Noncontrolling interest	<u>(--)</u>	<u>5</u>
NET INCOME ATTRIBUTABLE TO JEI	<u>\$3,061</u>	<u>\$921</u>

SELECTED BALANCE SHEET DATA

	March 31,	December 31,
	<u>2009</u>	<u>2008</u>
Total assets	\$345,386	\$344,477
Total liabilities	\$319,297	\$318,941
Stockholder's equity	\$26,089	\$25,536

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,	
	<u>2009</u>	<u>2008</u>
Net income attributable to JEI as reported above	\$3,061	\$921
Add:		
Interest expense, net	6,297	6,991
Depreciation and amortization	5,258	4,936
Noncontrolling interest	--	(5)
EBITDA	<u>\$14,616</u>	<u>\$12,843</u>
Unrealized loss on change in fair value of investment in equity securities	635	--
Colorado Constitutional amendment costs	--	39
ADJUSTED EBITDA	<u><u>\$15,251</u></u>	<u><u>\$12,882</u></u>

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