



December 15, 2015

## **Nevada Gold & Casinos Reports Second Quarter Results**

LAS VEGAS, Dec. 15, 2015 (GLOBE NEWSWIRE) -- Nevada Gold & Casinos, Inc. (NYSE MKT:UWN) today announced financial results for the second quarter ended October 31, 2015.

For the second quarter of fiscal 2016, net revenue increased \$0.4 million on a comparable unit basis. Actual reported net revenue was \$16.1 million compared to \$16.4 million in the second quarter of fiscal 2015. Net revenue from the Washington state gaming operations was \$13.7 million in both periods, but on a comparable unit basis, revenue increased \$0.7 million. Net revenue from the South Dakota slot operation declined \$0.2 million. Operating expenses were \$15.1 million compared to \$15.6 million in the prior-year period. Operating income was \$1.0 million compared to \$0.8 million in the prior-year period. Net income was \$0.6 million, or \$0.04 per share, compared to \$0.4 million, or \$0.03 per share in the prior-year period.

During the second quarter, comparable unit revenues from Washington operations increased 5%. Adjusted EBITDA rose 24% to \$2.0 million, compared to \$1.6 million in the prior-year period. The quarter's performance benefited from the sale of the Golden Nugget property which had generated an EBITDA loss of \$67,000 on revenue of \$670,000 in the prior year period.

South Dakota net revenue was \$2.4 million compared to \$2.6 million in the prior-year period and adjusted EBITDA was \$252,000 compared to \$313,000.

On a consolidated basis, adjusted EBITDA was \$1.7 million, compared to \$1.4 million in the prior-year period. Net interest expense decreased \$0.1 million, and the company expensed \$0.1 million of acquisition costs related to Club Fortune.

The Company paid down \$1.4 million in debt during the quarter. The unrestricted cash balance at October 31, 2015 was \$8.5 million and total outstanding borrowing was \$6.7 million.

CEO, Michael P. Shaunnessy commented, "We continue to drive revenue growth in our Washington portfolio while maintaining strong margins. The addition of Club Fortune Casino will further improve our ability to generate cash flow and increase shareholder value."

For the six month period, net revenues were \$32.1 million compared to \$32.3 million in fiscal year 2015. Operating expenses were \$30.3 million compared to \$30.8 million in the prior year. Operating income was \$1.8 million compared to \$1.4 million in fiscal 2015. Net income was \$1.1 million, or \$0.07 per share compared to \$0.8 million or \$0.05 per share in the prior year.

### **Conference Call and Webcast**

The company will host a conference call at 4:30 PM ET (1:30 PM PT) today to discuss the financial results and to provide a corporate update. The call is for its shareholders and all members of the financial community including analysts, brokers and interested investors.

The call can be accessed live by dialing (888) 417-8516. International callers can access the call by dialing (719) 325-2323. A simultaneous webcast of the call will be available by visiting <http://www.nevadagold.com/>.

A telephone replay of the conference call will be available after 7:30 PM ET and can be accessed by dialing (877) 870-5176. International callers can access the replay by dialing (858) 384-5517; the pin number is 3907480. The replay will be available through December 22, 2015 at 11:59 PM ET. The archived webcast will also be available on the company's website at <http://ir.nevadagold.com/events.cfm>.

#### **(1) Non-GAAP Information**

The term "adjusted EBITDA" is used by us in presentations, quarterly earnings calls, and other instances as appropriate. Adjusted EBITDA is defined as net income before interest, income taxes, depreciation and amortization, non-cash goodwill

and other long-lived asset impairment charges, write-offs of project development costs, litigation charges, non-cash stock grants, non-cash employee stock purchase plan discounts, and net losses/gains from asset dispositions. Adjusted EBITDA does not take into account greater or less than expected hold percentages in the gaming operations. Adjusted EBITDA is presented because it is a required component of financial ratios reported by us to our lenders, and it is also frequently used by securities analysts, investors, and other interested parties, in addition to and not in lieu of, U.S. Generally Accepted Accounting Principles ("GAAP") results to compare to the performance of other companies that also publicize this information. Adjusted EBITDA is not a measurement of financial performance under GAAP and should not be considered as an alternative to net income as an indicator of our operating performance or any other measure of performance derived in accordance with GAAP.

Adjusted EBITDA reconciliations for the three months and six months ended October 31, 2015 and October 31, 2014 are shown below:

Adjusted EBITDA reconciliation to net income:

	For the three months ended			
	October 31, 2015		October 31, 2014	
Net income	\$	617,988	\$	416,067
Adjustments:				
Net interest expense and change in swap fair value		91,125		169,095
Income tax expense		301,122		199,802
Depreciation and amortization		488,709		544,620
Acquisition expenses		80,660		-
Stock compensation and employee stock purchases		80,300		30,281
Loss on sale of assets		2,050		25,120
Write off of marketable securities		-		7,539
Deferred rent amortization		4,952		1,098
Adjusted EBITDA	\$	1,666,906	\$	1,393,622

	For the six months ended			
	October 31, 2015		October 31, 2014	
Net income	\$	1,075,985	\$	770,096
Adjustments:				
Net interest expense and change in swap fair value		191,232		308,595
Income tax expense		528,634		352,830
Depreciation and amortization		999,503		1,089,655
Acquisition expenses		260,780		-
Stock compensation and employee stock purchases		110,495		45,145
Loss (gain) on sale of assets		(161,430)		17,087
Write off of marketable securities		-		7,539
Deferred rent amortization		12,863		2,197
Adjusted EBITDA	\$	3,018,062	\$	2,593,144

## Forward-Looking Statements

This release contains forward-looking statements, which are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. We use words such as "anticipate," "believe," "expect," "future," "intend," "plan," and similar expressions to identify forward-looking statements. Forward-looking statements include, without limitation, our ability to increase income streams, to grow revenue and earnings, and to obtain additional gaming and other projects. These statements are only predictions and are subject to certain risks, uncertainties and assumptions, which are identified and described in the Company's public filings with the Securities and Exchange Commission.

## About Nevada Gold & Casinos

Nevada Gold & Casinos, Inc. (NYSE MKT:UWN) of Las Vegas, Nevada is a developer, owner and operator of 9 gaming operations in Washington ([wagoldcasinos.com](http://wagoldcasinos.com)), a locals casino in Henderson, Nevada ([clubfortunecasino.com](http://clubfortunecasino.com)) and a slot route operation in Deadwood, South Dakota ([dakotaplayersclub.com](http://dakotaplayersclub.com)). For more information, visit [www.nevadagold.com](http://www.nevadagold.com).

**Nevada Gold & Casinos, Inc.**  
**Consolidated Statements of Operations**  
(unaudited)

	Three Months Ended		Six Months Ended	
	October 31,	October 31,	October 31,	October 31,
	2015	2014	2015	2014
<b>Revenues:</b>				
Casino	\$ 14,262,197	\$ 14,427,144	\$ 28,360,893	\$ 28,579,135
Food and beverage	2,479,077	2,559,929	4,922,187	4,928,870
Other	455,212	461,780	907,884	901,886
<b>Gross revenues</b>	<b>17,196,486</b>	<b>17,448,853</b>	<b>34,190,964</b>	<b>34,409,891</b>
Less promotional allowances	(1,062,273)	(1,089,023)	(2,113,975)	(2,128,747)
<b>Net revenues</b>	<b>16,134,213</b>	<b>16,359,830</b>	<b>32,076,989</b>	<b>32,281,144</b>
<b>Expenses:</b>				
Casino	8,001,698	8,333,307	16,048,910	16,543,443
Food and beverage	1,295,320	1,371,296	2,608,717	2,642,019
Other	63,000	76,117	128,660	143,927
Marketing and administrative	4,042,140	4,132,066	8,183,095	8,251,038
Facility	492,066	532,848	985,221	1,016,514
Corporate	738,995	551,953	1,488,462	1,138,401
Depreciation and amortization	488,709	544,620	999,503	1,089,655
Loss (gain) on sale of assets	2,050	25,120	(161,430)	17,087
Total operating expenses	15,123,978	15,567,327	30,281,138	30,842,084
<b>Operating income</b>	<b>1,010,235</b>	<b>792,503</b>	<b>1,795,851</b>	<b>1,439,060</b>
<b>Non-operating income (expenses):</b>				
Interest income	24,749	30,362	50,630	61,517
Interest expense and amortization of loan issue costs	(94,027)	(158,538)	(213,620)	(326,601)
Interest rate swap expense	(12,714)	(20,265)	(30,326)	(41,465)
Change in swap fair value	(9,133)	(20,654)	2,084	(2,346)
Write-off of marketable securities	-	(7,539)	-	(7,539)
<b>Income before income tax expense</b>	<b>919,110</b>	<b>615,869</b>	<b>1,604,619</b>	<b>1,122,626</b>
Income tax expense	(301,122)	(199,802)	(528,634)	(352,830)
<b>Net income</b>	<b>\$ 617,988</b>	<b>\$ 416,067</b>	<b>\$ 1,075,985</b>	<b>\$ 769,796</b>
<b>Per share information:</b>				
Net income (loss) per common share - diluted	\$ 0.04	\$ 0.03	\$ 0.07	\$ 0.05

**Nevada Gold & Casinos, Inc.**  
**Consolidated Balance Sheets**

	October 31,	April 30,
	2015	2015
	(unaudited)	
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 8,513,482	\$ 8,541,670
Restricted cash	1,441,007	1,724,439
Accounts receivable, net of allowances	639,219	297,316
Prepaid expenses	1,109,355	845,505
Deferred tax asset, current portion	267,594	863,366
Notes receivable, current portion	301,221	384,464
Inventory and other current assets	330,264	377,625
<b>Total current assets</b>	<b>12,602,142</b>	<b>13,034,385</b>

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Real estate held for sale		Â	Â 1,100,000 Â	Â 1,100,000 Â
Notes receivable, net of current portion		Â	Â 1,107,670 Â	Â 1,314,467 Â
Goodwill		Â	Â 16,028,625 Â	Â 16,103,583 Â
Identifiable intangible assets, net of accumulated amortization of \$7,372,751 and \$6,811,799 at October 31, 2015 and April 30, 2015, respectively		Â	Â 4,077,359 Â	Â 4,561,377 Â
Property and equipment, net of accumulated depreciation of \$4,715,093 and \$4,451,553 at October 31, 2015 and April 30, 2015, respectively		Â	Â 3,794,401 Â	Â 3,990,791 Â
Deferred tax asset, net of current portion		Â	Â 2,773,568 Â	Â 2,706,430 Â
Other assets		Â	Â 1,925,690 Â	Â 331,980 Â
<b>Total assets</b>			<b>\$ Â Â 43,409,455 Â</b>	<b>\$ Â Â 43,143,013 Â</b>
Â		Â	Â Â	Â Â
	<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>	Â	Â Â	Â Â
<b>Current liabilities:</b>		Â	Â Â	Â Â
Accounts payable and accrued liabilities		\$	Â 1,172,598 Â	\$ Â 1,222,139 Â
Accrued payroll and related		Â	Â 1,613,286 Â	Â 1,581,557 Â
Accrued player's club points and progressive jackpots		Â	Â 1,530,605 Â	Â 1,993,537 Â
<b>Total current liabilities</b>		Â	4,316,489 Â	4,797,233 Â
Long-term debt		Â	Â 6,740,000 Â	Â 7,350,000 Â
Other long-term liabilities		Â	Â 556,993 Â	Â 570,717 Â
<b>Total liabilities</b>		Â	11,613,482 Â	12,717,950 Â
Â		Â	Â Â	Â Â
<b>Stockholders' equity:</b>		Â	Â Â	Â Â
Common stock, \$0.12 par value per share; 50,000,000 shares authorized; 17,307,706 and 17,134,928 shares issued and 16,524,869 and 16,352,091 shares outstanding at October 31, 2015, and April 30, 2015, respectively		Â	2,076,933 Â	2,056,200 Â
Additional paid-in capital		Â	25,119,286 Â	24,845,094 Â
Retained earnings		Â	11,531,789 Â	10,455,804 Â
Treasury stock, 782,837 shares at October 31, 2015 and April 30, 2015, respectively, at cost		Â	Â (6,932,035) Â	Â (6,932,035) Â
<b>Total stockholders' equity</b>		Â	31,795,973 Â	30,425,063 Â
<b>Total liabilities and stockholders' equity</b>			<b>\$ Â Â 43,409,455 Â</b>	<b>\$ Â Â 43,143,013 Â</b>
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