



March 17, 2015

## Nevada Gold & Casinos Reports Third Quarter Results

LAS VEGAS, March 17, 2015 (GLOBE NEWSWIRE) -- Nevada Gold & Casinos, Inc. (NYSE MKT:UWN) today announced financial results for the third quarter ended January 31, 2015. The company will host a conference call at 4:30PM ET today to discuss the financial results and to provide a corporate update.

For the third quarter of fiscal 2015, the company reported net revenues of \$15.8 million compared to \$14.8 million in the third quarter of fiscal 2014. Operating expenses were \$15.0 million compared to \$14.5 million in the prior year period. Operating income improved to \$0.8 million compared to \$0.3 million in the prior year period. Net income improved to \$0.4 million compared to a net loss of \$0.2 million in the prior year period, which included a pretax charge of \$0.3 related to our debt refinancing.

Net revenues from Washington increased 8% to \$14.4 million, while South Dakota net revenues declined 3% to \$1.4 million. The increase in revenue from Washington was primarily driven by an increase in table game drop (amount wagered), coupled with a slight year over year improvement in the win percentage. Operating expenses in Washington increased approximately \$0.4 million during the third quarter. EBITDA increased to \$2.1 million compared to \$1.5 million in the prior year period. The South Dakota route revenue decline was offset by operating expense reductions, leading to \$10,000 in EBITDA for the quarter, compared to a \$40,000 EBITDA loss in the prior year. Corporate expenses were unchanged from the prior period at \$0.6 million. On a consolidated basis, adjusted EBITDA was \$1.5 million compared to \$0.9 million in the prior year period.

"During the third quarter, our improved Washington volumes, coupled with a normal win percentage drove significant year over year improvement," said President and CEO Michael Shaunnessy. "We paid down an additional \$1.4 million in debt, bringing our total debt repayment to \$3.6 million for the first nine months of the fiscal year. This has reduced our bank debt to \$8.8 million, which coupled with strong operating performance has reduced our leverage ratio below 2.0, further reducing our interest rate."

For the nine month period of fiscal 2015, net revenues were \$48.1 million compared to \$46.8 million in fiscal year 2014. Operating expenses were unchanged from the prior period at \$45.8 million. Operating income was \$2.3 million compared to \$1.0 million in fiscal 2014. Net income increased to \$1.2 million compared to a net loss of \$198,000 in the prior year, which included a pretax charge of \$0.3 related to our debt refinancing.

### Conference Call and Webcast

The company will host a conference call today at 4:30PM ET. The call can be accessed live by dialing (888) 224-1164. International callers can access the call by dialing (913) 312-0719. 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 9688272. The replay will be available through March 24, 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 option grants, exclusion of net income or loss from operations held for sale, 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 nine months ended January 31, 2015 and January 31, 2014 are shown below:

Adjusted EBITDA reconciliation to net income:

	For the three months ended	
	January 31, 2015	January 31, 2014
Net income (loss)	\$ 448,108	\$ (203,038)
Add:		
Net interest expense and change in swap fair value	152,847	270,077
Income tax expense (benefit)	240,301	(72,643)
Depreciation and amortization	553,910	565,030
Loss on extinguishment of debt	--	283,550
Stock options amortization and employee stock purchases	43,794	15,282
Loss on sale of assets	24,613	7,412
Deferred rent amortization	1,870	3,632
Adjusted EBITDA	<u>\$ 1,465,443</u>	<u>\$ 869,302</u>

Adjusted EBITDA reconciliation to net income:

	For the nine months ended	
	January 31, 2015	January 31, 2014
Net income (loss)	\$ 1,218,205	\$ (198,108)
Add:		
Net interest expense and change in swap fair value	461,443	1,066,234
Income tax expense (benefit)	593,131	(116,480)
Depreciation and amortization	1,643,565	1,692,254
Stock options amortization and employee stock purchases	88,937	46,301
Loss on sale of assets	41,700	15,929
Impairments/Write offs	--	56,959
Loss on extinguishment of debt	--	283,550
Deferred rent amortization	4,067	18,072
Write off of marketable securities	7,539	--
Adjusted EBITDA	<u>\$ 4,058,587</u>	<u>\$ 2,864,711</u>

## 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 10 gaming operations in Washington ([wagoldcasinos.com](http://wagoldcasinos.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 Balance Sheets**

	<u>January 31,</u> <u>2015</u>	<u>April 30,</u> <u>2014</u>
	<u>(unaudited)</u>	
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 7,454,664	\$ 7,738,985
Restricted cash	1,533,842	1,388,995
Accounts receivable, net of allowances of \$42,098 at January 31, 2015 and April 30, 2014	551,680	252,504
Prepaid expenses	876,473	829,228
Deferred tax asset, current portion	75,052	98,643
Notes receivable, current portion	379,093	332,973
Inventory and other current assets	<u>370,799</u>	<u>344,686</u>
<b>Total current assets</b>	<b>11,241,603</b>	<b>10,986,014</b>
Real estate held for sale	1,100,000	1,100,000
Notes receivable, net of current portion	1,413,626	1,730,246
Goodwill	16,103,583	16,103,583
Identifiable intangible assets, net of accumulated amortization of \$6,531,323 and \$5,619,009 at January 31, 2015 and April 30, 2014, respectively	4,841,853	5,754,167
Property and equipment, net of accumulated depreciation of \$4,275,183 and \$3,632,349 at January 31, 2015 and April 30, 2014, respectively	4,181,059	4,289,178
Deferred tax asset, net of current portion	3,787,430	4,356,972
Other assets	<u>415,994</u>	<u>486,466</u>
<b>Total assets</b>	<b><u>\$ 43,085,148</u></b>	<b><u>\$ 44,806,626</u></b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current liabilities:</b>		
Accounts payable and accrued payroll	\$ 1,564,898	\$ 1,427,010
Other accrued liabilities	2,472,448	2,215,787
Long-term debt, current portion	<u>--</u>	<u>1,625,000</u>
<b>Total current liabilities</b>	<b>4,037,346</b>	<b>5,267,797</b>
Long-term debt, net of current portion	8,800,000	10,725,000
Other long-term liabilities	<u>556,358</u>	<u>486,870</u>
<b>Total liabilities</b>	<b><u>13,393,704</u></b>	<b><u>16,479,667</u></b>
<b>Stockholders' equity:</b>		
Common stock, \$0.12 par value per share; 50,000,000 shares authorized; 17,031,293 and 16,980,676 shares issued and 16,248,456 and 16,197,839 shares outstanding at January 31, 2015, and April 30, 2014, respectively	2,043,764	2,037,689
Additional paid-in capital	24,712,783	24,578,117
Retained earnings	9,866,932	8,648,727
Treasury stock, 782,837 shares at January 31, 2015 and April 30, 2014, respectively, at cost	(6,932,035)	(6,932,035)
Accumulated other comprehensive loss	<u>--</u>	<u>(5,539)</u>

Total stockholders' equity

29,691,444 28,326,959

Total liabilities and stockholders' equity

\$ 43,085,148 \$ 44,806,626

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

	Three Months Ended		Nine Months Ended	
	January 31, 2015	January 31, 2014	January 31, 2015	January 31, 2014
<b>Revenues:</b>				
Casino	\$ 13,821,745	\$ 12,810,554	\$ 42,400,880	\$ 41,239,008
Food and beverage	2,672,738	2,606,048	7,601,608	7,476,123
Other	432,329	432,150	1,334,215	1,295,549
<b>Gross revenues</b>	<u>16,926,812</u>	<u>15,848,752</u>	<u>51,336,703</u>	<u>50,010,680</u>
Less promotional allowances	<u>(1,122,522)</u>	<u>(1,087,885)</u>	<u>(3,251,269)</u>	<u>(3,194,646)</u>
<b>Net revenues</b>	<u>15,804,290</u>	<u>14,760,867</u>	<u>48,085,434</u>	<u>46,816,034</u>
<b>Expenses:</b>				
Casino	7,477,300	7,379,668	24,020,673	24,286,561
Food and beverage	1,391,532	1,322,877	4,033,675	3,821,637
Marketing and administrative	4,256,343	4,017,777	12,507,381	12,419,561
Facility	509,723	489,927	1,526,237	1,460,408
Corporate expense	675,846	638,177	1,814,246	1,840,428
Other	73,767	62,053	217,639	187,101
Depreciation and amortization	553,910	565,030	1,643,565	1,692,254
Write downs and other charges	24,613	7,412	41,700	72,888
Total operating expenses	<u>14,963,034</u>	<u>14,482,921</u>	<u>45,805,116</u>	<u>45,780,838</u>
<b>Operating income</b>	<u>841,256</u>	<u>277,946</u>	<u>2,280,318</u>	<u>1,035,196</u>
<b>Non-operating income (expenses):</b>				
Interest income	29,066	33,241	90,583	101,727
Interest expense and amortization of loan issue costs	(146,530)	(303,318)	(514,297)	(1,167,961)
Loss on extinguishment of debt	--	(283,550)	--	(283,550)
Decrease in swap fair value	(35,383)	--	(37,729)	--
Write-off of marketable securities	--	--	(7,539)	--
<b>Income (loss) before income tax benefit (expense)</b>	<u>688,409</u>	<u>(275,681)</u>	<u>1,811,336</u>	<u>(314,588)</u>
<b>Income tax benefit (expense)</b>	<u>(240,301)</u>	<u>72,643</u>	<u>(593,131)</u>	<u>116,480</u>
<b>Net income (loss)</b>	<u>\$ 448,108</u>	<u>\$ (203,038)</u>	<u>\$ 1,218,205</u>	<u>\$ (198,108)</u>
<b>Per share information:</b>				
Net income (loss) per common share - basic	<u>\$ 0.03</u>	<u>\$ (0.01)</u>	<u>\$ 0.08</u>	<u>\$ (0.01)</u>
Net income (loss) per common share - diluted	<u>\$ 0.03</u>	<u>\$ (0.01)</u>	<u>\$ 0.07</u>	<u>\$ (0.01)</u>
Basic weighted average number of shares outstanding	<u>16,225,562</u>	<u>16,136,485</u>	<u>16,212,916</u>	<u>16,115,311</u>
Diluted weighted average number of shares outstanding	<u>16,511,369</u>	<u>16,136,485</u>	<u>16,374,853</u>	<u>16,115,311</u>

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