

March 6, 2013



Full House Resorts Announces Three Month and Full Year Results for the Period Ended December 31, 2012

LAS VEGAS--(BUSINESS WIRE)-- Full House Resorts (NASDAQ: FLL) today announced results for the full year ended December 31, 2012 with net income of \$27.8 million or \$1.49 per common share compared with net income of \$2.3 million or \$0.13 per common share for the same period in 2011. Net loss attributable to the Company for the three months ended December 31, 2012 was \$0.8 million, or \$0.04 per common share, compared to net income of \$0.5 million, or \$0.03 per common share, in the prior-year period. Excluding acquisition-related costs of \$1.4 million and severance expenses of approximately \$0.3 million in the fourth quarter of 2012, net income attributable to the Company per common share in the fourth quarter of 2012 would have been \$0.02.

Fourth Quarter 2012 Highlights and Subsequent Events

- Adjusted EBITDA, as defined below, for the fourth quarter of 2012 was \$3.1 million versus \$4.8 million in the prior-year period. Prior-year period adjusted EBITDA results include \$2.4 million from the Company's FireKeepers Casino management agreement ("GEM"), which was sold at the end of March 2012; excluding GEM, adjusted EBITDA in the fourth quarter of 2011 would have been \$2.4 million.
- On October 1, 2012, the Company closed on the acquisition of the Silver Slipper Casino in Hancock County, Mississippi. For the fourth quarter 2012, the Company recorded Silver Slipper Casino revenue of \$12.9 million and adjusted EBITDA for the same quarter was \$1.9 million.
- On February 26, 2013, the Company successfully amended the Silver Slipper Casino land lease to extend its term to 2058 and extend the Option to purchase to 2027, providing additional flexibility to the Company.
- At its Rising Star Casino Resort for the fourth quarter 2012, the Company recorded revenue of \$19.1 million compared to revenue of \$21.7 million in the prior-year quarter. Rising Star adjusted EBITDA for the fourth quarter 2012 was \$1.3 million versus \$2.2 million in the prior-year quarter due to increased competition from Ohio and severe weather in December 2012 compared to December 2011.
- Northern Nevada casino revenue for the fourth quarter of 2012 was \$4.8 million compared to \$5.0 million in the prior-year period. Adjusted EBITDA for the fourth quarter 2012 was \$0.6 million, an increase from \$0.5 million in the prior-year period.
- As of December 31, 2012, Full House Resorts had \$20.6 million in cash and \$68.8 million in outstanding debt on its balance sheet.

“Our fourth quarter was challenging on many levels as we were impacted by increased competition, difficult weather conditions compared with last year and continued consumer weakness,” said Andre Hilliou, Chairman and Chief Executive Officer of Full House. “Despite these challenges, we were pleased with our overall operations. We completed our first quarter of operations at the Silver Slipper and thus far we are impressed with the team there. Although results for the quarter were below our internal expectations, due to a weak overall economic environment and increased promotional activity by our Gulf Coast competitors, we are working with our Silver Slipper team to implement operating efficiencies and improve performance in the near-term. We are excited about the new hotel at Rising Star and expect it to greatly enhance the overall profitability of the property when it is expected to open during Q4 this year. Further, we continue to evaluate the opportunity to put a much-needed hotel at our Silver Slipper property and hope to have some news on that in the near future.”

Fourth Quarter 2012 Results

For the quarter ended December 31, 2012, the Company reported casino, food and beverage, and other revenue (other than management fees) of \$36.8 million, up from \$26.7 million in the prior-year period, primarily due to the addition of the Silver Slipper Casino on October 1, 2012 and partially offset by a \$2.6 million decline in revenue from the Rising Star Casino Resort.

Last year’s fourth quarter included approximately \$5.0 million in management fees from GEM, which the Company sold in March 2012, resulting in no contribution to revenue or income from GEM in the fourth quarter of 2012.

Operating expenses for the fourth quarter 2012 were \$38.6 million compared to \$27.6 million in the prior-year period, primarily due to the addition of the Silver Slipper Casino, acquisition-related costs of \$1.4 million and severance costs of \$0.3 million. The Company also recorded \$0.3 million of stock compensation expense during the fourth quarter of 2012 and the prior-year period.

Adjusted EBITDA, as defined below, was \$3.1 million for the fourth quarter of 2012 versus \$4.8 million in the prior-year period; excluding GEM, adjusted EBITDA in the prior-year period would have been \$2.4 million.

Net loss for the fourth quarter 2012 was \$0.8 million, or \$0.04 per share, compared to net income of \$0.5 million, or \$0.03 per common share, in the prior-year period. The decline in the fourth quarter 2012 was primarily due to lack of contributions from GEM due to its sale in March 2012 and acquisition-related costs, partially offset by the addition of operating profits from the Silver Slipper Casino. Excluding Silver Slipper Casino acquisition-related costs of \$1.4 million and severance expenses of approximately \$0.3 million in the fourth quarter of 2012, net income attributable to the Company per common share in the fourth quarter of 2012 would have been \$0.02.

Full Year 2012 Results

For the full year ended December 31, 2012, the Company reported casino, food and beverage, and other revenue (other than management fees) of \$121.6 million, an increase from \$81.3 million in the prior year, primarily due to a full year contribution from Rising Star Casino Resort and the Grand Lodge Casino and the addition of the Silver Slipper on October

1, 2012. In addition, during the full year ended December 31, 2012, the Company recorded GEM management fees of \$5.3 million for FireKeepers Casino, compared to management fees of \$23.3 million for the prior year. The Company also recorded equity in net income in the prior year from its Delaware management agreement, which expired in August 2011, of \$3.3 million.

Operating expenses for the full year ended December 31, 2012 were \$120.3 million compared to \$84.7 million in the prior year, primarily due to the addition of the Rising Star Casino Resort, Grand Lodge Casino and Silver Slipper Casino. The Company also recorded \$1.2 million of stock compensation expense for the full year ended December 31, 2012, compared to \$0.7 million in the prior year.

Operating income for the full year ended December 31, 2012 was \$49.6 million, compared to operating income of \$19.2 million in the prior year, due to a \$41.2 million gain on sale of joint venture related to the sale of the Company's interest in GEM. Excluding the gain on sale, operating income for the full year ended December 31, 2012 was \$8.4 million. Adjusted EBITDA, as defined below, was \$15.9 million for the full year ended December 31, 2012, versus \$21.2 million in the prior year.

The Company reported net income attributable to the Company per common share of \$1.49 and \$0.13 for the full years ended December 31, 2012 and 2011, respectively. Excluding the \$41.2 million gain on sale of joint venture, a \$1.7 million pre-tax loss on debt extinguishment, \$1.8 million of Silver Slipper Casino transaction-related costs, \$0.3 million of severance costs for the full year ended December 31, 2012, \$4.9 million in non-cash impairment charges, and \$0.7 million in acquisition costs and other one-time expenses for the full year ended December 31, 2011, net income attributable to the Company per common share would have been \$0.19 and \$0.31 for the full years ended December 31, 2012 and 2011, respectively.

Liquidity and Capital Resources

As of December 31, 2012, Full House had \$20.6 million in cash and \$68.8 million in outstanding debt on its balance sheet.

Conference Call Information

The Company will host a conference call and webcast today at 11:00 AM EST. Both the call and webcast are open to the general public.

The conference call can be accessed live over the phone by dialing 888-244-2414 or for international callers by dialing 1-913-312-0733. A replay will be available two hours after the call and can be accessed by dialing 877-870-5176 or for international callers by dialing 1-858-384-5517; the passcode is 6452562. The replay will be available until Wednesday, March 13, 2013. The conference call can also be accessed live by webcast from the Company's website at www.fullhouseresorsts.com under the investor relations section.

Selected unaudited Statements of Operations data for the three months ended December 31 (in thousands),

2012	Casino Operations			Development/ Management	Corporate	Consolidated
	Nevada	Midwest	Gulf Coast			
Revenues	\$ 4,805	\$ 19,147	\$ 12,861	\$ 646	\$ -	\$ 37,459
Selling, general & administrative expense	1,631	4,651	4,669	-	1,888	12,839
Depreciation & amortization	202	733	1,211	-	2	2,148
Operating gains (losses)*	-	-	-	(11)	-	(11)
Operating income (loss)	388	555	663	(790)	(1,949)	(1,133)
Net income (loss) attributable to the Company	256	245	456	185	(1,973)	(831)

2011	Casino Operations			Development/ Management	Corporate	Consolidated
	Nevada	Midwest	Gulf Coast			
Revenues	\$ 4,971	\$ 21,706	\$ -	\$ 5,843	\$ -	\$ 32,520
Selling, general & administrative expense	1,699	5,326	-	164	1,350	8,539
Depreciation & amortization	327	1,092	-	593	3	2,015
Operating gains	-	-	-	-	-	-
Operating income (loss)	175	1,091	-	4,356	(690)	4,932
Net income (loss) attributable to the Company	116	37	-	1,534	(1,208)	479

Selected unaudited Statements of Operations data for the full year ended December 31 (in thousands),

2012	Casino Operations			Development/ Management	Corporate	Consolidated
	Nevada	Midwest	Gulf Coast			
Revenues	\$22,313	\$ 86,291	\$ 12,861	\$ 7,295	\$ -	\$ 128,760
Selling, general & administrative expense	6,292	19,398	4,670	136	6,507	37,003
Depreciation & amortization	909	4,163	1,211	592	9	6,884
Operating gains*	-	-	-	41,189	-	41,189
Operating income (loss)	3,851	5,746	663	46,196	(6,818)	49,638
Net income (loss) attributable to the Company	2,539	2,158	456	30,108	(7,427)	27,834

2011	Casino Operations			Development/ Management	Corporate	Consolidated
	Nevada	Midwest	Gulf Coast			
Revenues	\$12,313	\$ 68,957	\$ -	\$ 24,186	\$ 5	\$ 105,461
Selling, general & administrative expense	3,541	16,378	-	610	4,900	25,429
Depreciation & amortization	1,051	3,550	-	2,372	28	7,001
Operating gains (losses)*	(4,500)	-	-	2,878	-	(1,622)
Operating income (loss)	(3,433)	4,240	-	23,556	(5,190)	19,173
Net income (loss) attributable to the Company	(2,266)	1,250	-	9,079	(5,720)	2,343

*Operating gains (losses) include impairment losses.

Reconciliation of adjusted EBITDA before unrealized gains/losses on notes receivable from tribal governments, and other items for the three months ended December 31 (in thousands),

(in thousands)

2012	Casino Operations Nevada	Casino Operations Midwest	Casino Operations Gulf Coast	Development/ Management	Corporate	Consolidated	Net of Non Inte		
							GEM	50%	Development Management
Operating income (loss)	\$ 388	\$ 555	\$ 663	\$ (790)	\$ (1,949)	\$ (1,133)	\$ -	\$ -	\$ (790)
Add Back:									
Stock Compensation	-	-	-	-	310	310	-	-	-
Severance	-	-	-	-	330	330	-	-	-
Silver Slipper acquisition costs expensed	-	-	-	1,425	-	1,425	-	-	1,425
Depreciation and amortization	202	733	1,211	-	2	2,148	-	-	-
Gain (Loss) on sale of joint venture	-	-	-	11	-	11	-	-	11
Adjusted EBITDA	\$ 590	\$ 1,288	\$ 1,874	\$ 646	\$ (1,307)	\$ 3,091	\$ -	\$ -	\$ 646

2011*	Casino Operations Nevada	Casino Operations Midwest	Casino Operations Gulf Coast	Development/ Management	Corporate	Consolidated	Net of Non Inte		
							GEM	50%	Development Management
Operating income (loss)	\$ 175	\$ 1,091	\$ -	\$ 4,356	\$ (690)	\$ 4,932	\$4,385	\$2,192	\$ 2,165
Add Back:									
Rising Star re- branding costs	-	(3)	-	-	-	(3)	-	-	-
Rising Star acquisition costs	-	-	-	0	-	0	-	-	0
Grand Lodge acquisition costs expensed	-	-	-	0	-	0	-	-	0
Stock Compensation	-	-	-	-	310	310	-	-	-
Depreciation and amortization	328	1,092	-	593	3	2,016	431	216	377
Adjusted EBITDA	\$ 503	\$ 2,180	\$ -	\$ 4,949	\$ (377)	\$ 7,255	\$4,816	\$2,408	\$ 2,542

*Certain minor reclassifications in prior year balances have been made to conform to the current presentation, which had no effect on previously reported net income.

Reconciliation of adjusted EBITDA before unrealized gains/losses on notes receivable from tribal governments, and other items for the full year ended December 31 (in thousands),

(in thousands)

2012								Net of		
	Casino Operations Nevada	Casino Operations Midwest	Casino Operations Gulf Coast	Development/ Management	Corporate	Consolidated	GEM	50%	Developme Managem	
Operating income (loss)	\$ 3,851	\$ 5,746	\$ 663	\$ 46,196	\$ (6,818)	\$ 49,638	\$ 4,773	\$ 2,387	\$ 43,800	
Add Back:										
Stock Compensation	-	-	-	-	1,242	1,242	-	-	-	
Severance costs	-	-	-	-	330	330	-	-	-	
Silver Slipper acquisition costs expensed	-	-	-	1,558	-	1,558	-	-	1,558	
Depreciation and amortization	909	4,163	1,211	594	8	6,885	431	215	37	
Deduct:										
Gain (Loss) on sale of joint venture	-	-	-	(41,189)	-	(41,189)	-	-	(41,189)	
Adjusted EBITDA	\$ 4,760	\$ 9,909	\$ 1,874	\$ 7,159	\$ (5,238)	\$ 18,464	\$ 5,204	\$ 2,602	\$ 4,506	

2011*								Net of		
	Casino Operations Nevada	Casino Operations Midwest	Casino Operations Gulf Coast	Development/ Management	Corporate	Consolidated	GEM	50%	Developme Managem	
Operating income (loss)	\$ (3,433)	\$ 4,240	\$ -	\$ 23,556	\$ (5,190)	\$ 19,173	\$20,930	10,465	\$ 13,000	
Add Back:										
Rising Star acquisition costs expensed	-	-	-	482	-	482	-	-	482	
Rising Star re- branding costs	-	209	-	-	-	209	-	-	-	
Grand Lodge acquisition costs expensed	-	-	-	44	-	44	-	-	44	
Impairment	4,500	-	-	-	-	4,500	-	-	-	
Stock Compensation	-	-	-	-	724	724	-	-	-	
Depreciation and amortization	1,051	3,551	-	2,372	28	7,002	1,724	862	1,506	
Nambé note impairment	-	-	-	420	-	420	-	-	420	
Unrealized loss on notes receivable, tribal governments	-	-	-	8	-	8	-	-	-	
Adjusted EBITDA	\$ 2,118	\$ 8,000	\$ -	\$ 26,882	\$ (4,438)	\$ 32,562	\$22,654	\$11,327	\$ 15,506	

*Certain minor reclassifications in prior year balances have been made to conform to the current presentation, which had no effect on previously reported net income.

FULL HOUSE RESORTS, INC. AND SUBSIDIARIES
UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands)

	Three months ended December 31,		Twelve months ended December 31,	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Revenues				
Casino	\$ 33,905	\$ 24,880	\$ 112,649	\$ 74,708
Food and beverage	2,149	1,249	6,223	4,517
Management fees	631	5,838	7,180	24,186
Other operations	774	553	2,708	2,050
	<u>37,459</u>	<u>32,520</u>	<u>128,760</u>	<u>105,461</u>
Operating costs and expenses				
Casino	18,548	14,310	62,976	42,509
Food and beverage	2,166	1,198	5,973	4,469
Other operations	1,396	1,459	5,614	4,465
Project development and acquisition costs	1,484	67	1,861	793
Selling, general and administrative	12,839	8,539	37,003	25,429
Depreciation and amortization	2,148	2,015	6,884	7,001
	<u>38,581</u>	<u>27,588</u>	<u>120,311</u>	<u>84,666</u>
Operating gain (loss)				
Gain on sale of joint venture	(11)	--	41,189	--
Equity in net income of unconsolidated joint venture, and related guaranteed payments	--	--	--	3,306
Impairment losses	--	--	--	(4,920)
Unrealized losses on notes receivable, tribal governments	--	--	--	(8)
	<u>(11)</u>	<u>--</u>	<u>41,189</u>	<u>(1,622)</u>
Operating income (loss)	<u>(1,133)</u>	<u>4,932</u>	<u>49,638</u>	<u>19,173</u>
Other income (expense)				
Interest expense	(1,926)	(822)	(2,731)	(2,838)
Gain (loss) on derivative instrument	--	50	8	(513)
Other income (expense)	(15)	1	(6)	8
Loss on extinguishment of debt	--	--	(1,719)	--
	<u>(1,941)</u>	<u>(771)</u>	<u>(4,448)</u>	<u>(3,343)</u>
Income before income taxes	<u>(3,074)</u>	<u>4,161</u>	<u>45,190</u>	<u>15,830</u>
Income tax expense (benefit)	(2,243)	(1,372)	15,175	3,240
Net income (loss)	<u>(831)</u>	<u>2,789</u>	<u>30,015</u>	<u>12,590</u>
Income attributable to non-controlling interest in consolidated joint venture	--	(2,310)	(2,181)	(10,247)
Net income (loss) attributable to the Company	<u>\$ (831)</u>	<u>\$ 479</u>	<u>\$ 27,834</u>	<u>\$ 2,343</u>
Net income (loss) attributable to the Company per common share	<u>\$ (0.04)</u>	<u>\$ 0.03</u>	<u>\$ 1.49</u>	<u>\$ 0.13</u>
Weighted-average number of common shares outstanding	<u>18,679,681</u>	<u>18,673,681</u>	<u>18,677,544</u>	<u>18,397,599</u>

About Full House Resorts, Inc.

Full House owns, develops and manages gaming facilities. The Company owns the Rising Star Casino Resort in Rising Sun, Indiana. The Rising Star Casino has 40,000 square feet of gaming space with almost 1,300 slot and video poker machines and 37 table games. The property includes a 190-room hotel, a pavilion with five food and beverage outlets, an 18-

hole Scottish links golf course and a large, multi-purpose Grand Theater for concerts and performance events as well as meetings and conventions. The Company acquired the Silver Slipper Casino in Hancock County, Mississippi on October 1, 2012, which has 37,000 square feet of gaming space with almost 1,000 slot and video poker machines, 26 table games, a poker room and the only live Keno game on the Gulf Coast. The property includes a fine dining restaurant, buffet, quick service restaurant and two casino bars. Full House also owns Stockman's Casino in Fallon, Nevada and operates the Grand Lodge Casino at the Hyatt Regency Lake Tahoe Resort, Spa and Casino in Incline Village, Nevada on the north shore of Lake Tahoe under a five-year lease agreement with the Hyatt organization. In addition, the Company has a management agreement with the Pueblo of Pojoaque for the operations of the Buffalo Thunder Casino and Resort in Santa Fe, New Mexico along with the Pueblo's Cities of Gold and Sports Bar casino facilities.

Further information about Full House Resorts can be viewed on its website at www.fullhouseresorsts.com.

Forward-looking Statements

Some of the statements made in this release are forward-looking statements. These forward-looking statements are based upon Full House's current expectations and projections about future events and generally relate to Full House's plans, objectives and expectations for Full House's business. Although Full House's management believes that the plans and objectives expressed in these forward-looking statements are reasonable, the outcome of such plans, objectives and expectations involve risks and uncertainties including without limitation, regulatory approvals, including the ability to maintain a gaming license in Indiana, Nevada and Mississippi, financing sources and terms, integration of acquisitions, competition and business conditions in the gaming industry, including competition from Ohio casinos and any possible authorization of gaming in Kentucky. Additional information concerning potential factors that could affect Full House's financial condition and results of operations is included in the reports Full House files with the Securities and Exchange Commission, including, but not limited to, its Form 10-K for the most recently ended fiscal year.

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