



AFFINITY GAMING ANNOUNCES FULL-YEAR 2016 FINANCIAL RESULTS

Full-Year Covenant Adjusted EBITDA Increases 17.1% to \$80.3 Million

Las Vegas, NV - February 22, 2017 - Affinity Gaming (“Affinity” or “the Company”) today announced operating results for the full-year ended December 31, 2016. Affinity’s strong financial results mark the conclusion of a year of significant growth for the Company.

On January 31, 2017, Z Capital Partners, L.L.C. (“Z Capital”), the private equity management arm of Z Capital Group, L.L.C. (“Z Capital Group”), closed its acquisition of Affinity. With Z Capital’s backing, Affinity delivered record Adjusted EBITDA and prudently managed its capital structure and balance sheet, further solidifying its financial foundation.

“This was a record year for Affinity, and I am extremely proud of the outstanding performance the team has had to date,” said Michael Silberling, Chief Executive Officer of Affinity. “Since our management team joined the Company in 2014, we have been focused on enhancing the value of our 11 casinos while improving the guest and player experience, and we are pleased with the results Affinity has delivered over the past two years. As we enter 2017, we look forward to our partnership with Z Capital and are confident that Affinity is poised to deliver consistent financial growth as a private company.”

James Zenni, Affinity Gaming’s Chairman of the Board and President and Chief Executive Officer of Z Capital Group added, “Since our joining the Board of Directors, Affinity has delivered the fastest-growing adjusted EBITDA in the United States gaming sector and consistently executed on its strategic initiatives, including rebuilding its executive team and implementing a new set of operating principles. I have strong conviction that Affinity will continue to drive profitability through operating improvements, enhanced efficiencies and acquisitions that further scale its impressive platform.”

Full-Year 2016 Results

For the 12 months ended December 31, 2016, net revenue was \$375.5 million. Covenant Adjusted EBITDA for the 12 months ended December 31, 2016 was \$80.3 million, an increase of \$11.7 million, or 17.1%, compared to Covenant Adjusted EBITDA for the full-year 2015. Covenant Adjusted EBITDA margin for the full-year 2016 increased to 21.4%, an improvement of approximately 400 basis points compared to a year ago. The fourth quarter Covenant EBITDA increased 38.3%.

Liquidity and Capital Expenditures

As of December 31, 2016, cash and cash equivalents were \$93.6 million, of which approximately \$50.0 million is not used in day-to-day operations. The face value of long-term debt was \$298.5 million as of December 31, 2016. Capital expenditures during the full-year 2016 totaled \$19.7 million, an increase of \$2.4 million from the prior year.

Subsequent to the end of the fourth quarter of 2016, the Company announced that it had successfully repriced its existing \$300 million Term Loan B, which was originally issued when the Company refinanced its capital structure in July 2016. The transaction reduced the interest rate spread on the term loan by 50 basis points to Eurodollar rate +350 basis points.

About Affinity Gaming

Affinity Gaming is a diversified casino gaming company headquartered in Las Vegas, Nevada. The Company's casino operations consist of 11 casinos, five of which are located in Nevada, three in Colorado, two in Missouri and one in Iowa. For more information about Affinity Gaming, please visit its website: www.affinitygaming.com.

About Z Capital Partners

Z Capital Partners, L.L.C. is the private equity management arm of Z Capital Group, L.L.C, a leading global alternative investment manager with approximately \$2.3 billion of regulatory assets under management with offices in New York, NY; Lake Forest, IL; and Zurich, Switzerland. Z Capital Group manages opportunistic, value-oriented private equity and credit funds. Its investors include prominent global sovereign wealth funds, endowments, pension funds, insurance companies, foundations, family offices, and other institutions in North America, Europe, Asia, Africa and the Middle East. For more information, please visit www.zcapgroup.net.

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