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LAS VEGAS, March 1, 2011 / PRNewswire-FirstCall / -- ACME Inc. (NYSE:) today reported financial results for the fourth quarter and full year ended December 31, 2010.

For the fourth quarter 2010, we reported a net loss of \$7.1 million, or \$0.08 per share, compared to a net loss of \$1.0 million, or \$0.01 per share, in the same period last year.

Adjusted Earnings(1) for the fourth quarter 2010 reflect a loss of \$3.9 million, or \$0.05 per share, compared to earnings of \$0.2 million, or less than \$0.01 per share, for the same period in 2009. Certain pre-tax items included in Adjusted Earnings for the fourth quarter of 2010 resulted in a net increase in income of \$4.9 million (\$3.2 million, net of tax, or \$0.03 per share). By comparison, certain pre-tax items included in Adjusted Earnings for the fourth quarter 2009 resulted in a net increase in income of \$2.0 million (\$1.2 million, net of tax, or \$0.01 per share). Pre-tax items included in adjusted earnings are listed in a table at the end of this press release.

Net revenues were \$551.9 million for the fourth quarter 2010, compared to \$560.4 million(2) during the same quarter in 2009, a decrease of 1.5%. Total Adjusted EBITDA was \$100.0 million for the quarter, a decrease of 3.1% from \$103.2 million(2) in the prior year.

Commenting on the quarter, Keith Smith, President and Chief Executive Officer of ACME Inc., said, "As expected, fourth-quarter comparisons were the best of the year, as business conditions and consumer confidence continued to improve. As the economic recovery gains momentum, we anticipate we will see increases in both visitation and spend-per-visit, resulting in a return to consistent growth across our business this year."

Full-Year 2010 Results

We reported net income for the year ended December 31, 2010, of \$10.3 million, or \$0.12 per share. By comparison, we reported net income of \$4.2 million, or \$0.05 per share for the full year ended December 31, 2009.

Adjusted Earnings for the full year 2010 were \$10.6 million, or \$0.12 per share, compared to \$31.6 million, or \$0.37 per share for the full year 2009.

⁽¹⁾ See footnotes at the end of the release for additional information relative to non-GAAP financial measures.

⁽²⁾ See financial schedules at the end of this release for reconciliations relative to the pro forma effect of the consolidation of Borgata as if such consolidation had occurred as of the beginning of the period presented.

Net revenues as reported were \$2.14 billion and \$1.64 billion for the full year ended December 31, 2010 and December 31, 2009, respectively. Total Adjusted EBITDA was \$420.3 million for 2010, as compared to \$389.5 million in 2009. The 2010 results reflect the consolidation of Borgata, effective March 24, 2010.

Consolidating Borgata on a pro forma basis for the full year 2010 and 2009, net revenues were \$2.30 billion and \$2.42 billion, respectively, and Adjusted EBITDA on a comparable basis was \$445.2 million and \$527.7 million for those periods, respectively.

Key Operations Review

Las Vegas Locals

In our Las Vegas Locals segment, fourth-quarter 2010 net revenues were \$152.1 million versus \$155.0 million for the fourth quarter of 2009. Fourth-quarter 2010 Adjusted EBITDA was \$34.1 million, compared to \$34.7 million reported in the same quarter of 2009. These results marked the region's best year-over-year comparison in 12 quarters, as our operating margins remained consistent and local economic conditions began to stabilize.

Downtown

Our Downtown Las Vegas properties generated net revenues of \$57.1 million for the fourth quarter 2010, compared to \$58.0 million in the fourth quarter 2009. Adjusted EBITDA was \$10.9 million, down from \$12.2 million in the fourth quarter 2009. While we continued to expand our leading market share Downtown, business results were impacted by our Hawaiian charter operation.

Midwest and South

In our Midwest and South region, we recorded \$172.5 million in net revenues for the fourth quarter 2010, up from \$170.3 million for the same period in 2009. Adjusted EBITDA for the current period was \$30.4 million, an increase of 3.4% from the \$29.4 million reported in the fourth quarter of 2009. This increase was the region's best year-over-year comparison in five quarters. The gain was primarily driven by strong business volumes at our southern Louisiana properties.

Borgata

Borgata's net revenues for the fourth quarter 2010 were \$168.8 million, versus \$175.4 million in the fourth quarter 2009. Adjusted EBITDA was \$34.1 million, down 6.3% from \$36.4 million in the comparable period in 2009. While we were encouraged by growth in slot win, non-gaming revenue and overall market share, these gains were offset by higher promotional expense, declines in table game hold and volume, and increased regional competition.

Key Financial Statistics

The following is additional information as of December 31, 2010:

- Cash, excluding Borgata: \$103.2 million
- Cash at Borgata: \$42.1 million
- Debt, excluding Borgata: \$2.39 billion (including \$1.43 billion outstanding under ACME Inc.'s bank credit facility)
- Debt at Borgata: \$860.9 million (including \$60.9 million outstanding under Borgata's bank credit facility)

Conference Call Information

We will host our fourth-quarter and full-year 2010 conference call today, March 1, at 12:00 p.m. Eastern. The conference call number is **888.680.0878** and the passcode is **40848173**. Please call up to 15 minutes in advance to ensure you are connected prior to the start of the call.

The conference call will also be available live on the Internet at www.google.com, or:

http://www.google.com/

Following the call's completion, a replay will be available by dialing 888.286.8010 today, March 1, beginning at 3:00 p.m. Eastern and continuing through Tuesday, March 8. The passcode for the replay will be 65093144. The replay will also be available on the Internet at www.google.com.

The results of Borgata for the period from October 1, 2010 through December 31, 2010 are included in our condensed consolidated statement of operations for the three months ended December 31, 2010, and its results for the period from March 24, 2010 through December 31, 2010 are included in our condensed consolidated statement of operations for the year ended December 31, 2010.

		Three Mont	hs Ended		Year Ended				
		Decemb	oer 31,			Decemb	er 31,		
		2010	:	2009 2010		2010		2009	
			(I	n thousands, exce	pt per sha	re data)		_	
Revenues									
Gaming	\$	468,204	\$	320,377	\$	1,812,487	\$	1,372,091	
Food and beverage		92,422		55,950		347,588		229,374	
Room		56,799		29,054		211,046		122,305	
Other		32,008		24,253		123,603		100,396	
Gross revenues	·	649,433		429,634		2,494,724		1,824,166	
Less promotional allowances		97,493		44,686		353,825		183,180	
Net revenues		551,940		384,948		2,140,899		1,640,986	
Costs and expenses									
Gaming		224,357		162,710		859,818		664,739	
Food and beverage		48,359		31,306		180,840		125,830	
Room		12,556		9,443		49,323		39,655	
Other		25,125		19,110		99,458		77,840	

Selling, general and administrative		98,576	67,445	369,217	284,937
Maintenance and utilities		35,952	22,185	140,722	92,296
Depreciation and amortization		51,370	39,103	199,275	164,427
Corporate expense		12,225	12,540	48,861	47,617
Preopening expenses		3,415	3,025	8,405	17,798
Write-downs and other items, net		(219)	365	4,713	41,780
Total costs and expenses		511,716	367,232	1,960,632	1,556,919
Operating income from Borgata		-	8,205	8,146	72,126
Operating income		40,224	25,921	188,413	156,193
Other expense (income)					
Interest income		(1)	(1)	(5)	(6)
Interest expense, net of amounts capitalized		55,016	33,024	164,454	146,830
Fair value adjustment of derivative instruments		480	-	480	-
(Gain) loss on early retirements of debt, net		1,191	(3,223)	(2,758)	(15,284)
Gain on equity distribution		-	-	(2,535)	-
Other income		-	-	(10,000)	-
Other non-operating expenses		-	3	-	33
Other non-operating expenses from Borgata, net		-	3,073	3,133	19,303
Total other expense, net		56,686	32,876	152,769	150,876
Income (loss) before income taxes		(16,462)	(6,955)	35,644	5,317
Income taxes		7,296	5,931	(8,236)	(1,076)
Net income (loss)		(9,166)	(1,024)	27,408	4,241
Noncontrolling interest		2,068	-	(17,098)	· -
Net income (loss) attributable to ACME Inc.	\$	(7,098)	\$ (1,024)	\$ 10,310	\$ 4,241
Basic net income (loss) per common share	\$	(0.08)	\$ (0.01)	\$ 0.12	\$ 0.05
Weighted average basic shares outstanding		86,877	86,276	86,601	86,429
Diluted net income (loss) per common share	\$	(0.08)	\$ (0.01)	\$ 0.12	\$ 0.05
Weighted average diluted shares outstanding		86,877	86,276	86,831	86,517
	-		 		

The following table sets forth the consolidation of Borgata from a basis comparable to the historical reporting by ACME Inc.. For purposes of this presentation, and consistent with GAAP, Borgata has been consolidated for the entire period presented, or for the period from October 1, 2010 through December 31, 2010. The historical column reflects equity method accounting for Borgata. The consolidating columns are presented for purposes of additional disclosure and as a reconciliation to the current GAAP presentation of ACME Inc..

		Three Months Ended December 31, 2010									
	AC	ME Inc.					ACI	ME Inc.			
	His	Historical		orgata	Adjustments		Cons	solidated			
			(lı	n thousands, exce	pt per share da	ta)					
Revenues											
Gaming	\$	319,445	\$	148,759	\$	-	\$	468,204			
Food and beverage		58,260		34,162		-		92,422			
Room		29,795		27,004		-		56,799			
Other		22,303		9,705		-		32,008			
Gross revenues		429,803		219,630		-		649,433			
Less promotional allowances		46,649		50,844		-		97,493			
Net revenues		383,154		168,786		-		551,940			
Costs and expenses											
Gaming		162,044		62,313		-		224,357			

Food and beverage	31,963	16,396	-	48,359
Room	9,343	3,213	-	12,556
Other	17,444	7,681	-	25,125
Selling, general and administrative	68,066	30,510	-	98,576
Maintenance and utilities	21,376	14,576	-	35,952
Depreciation and amortization	34,797	16,573	-	51,370
Corporate expense	12,225	-	-	12,225
Preopening expenses	3,415	-	-	3,415
Write-downs and other items, net	(203)	(16)	-	(219)
Total costs and expenses	 360,470	151,246	-	511,716
Operating income from Borgata	8,770	-	(8,770)	-
Operating income	 31,454	17,540	(8,770)	40,224
Other expense (income)				
Interest income	(1)	_	-	(1)
Interest expense, net of amounts capitalized	33,225	21,791	-	55,016
Fair value adjustment of derivative instruments	480	-	-	480
Gain on early retirements of debt	1,191	_	-	1,191
Other income	· -	-	-	· -
Other non-operating expenses from Borgata, net	10,838	-	(10,838)	-
Total other expense, net	 45,733	21,791	(10,838)	56,686
Income (loss) before income taxes	(14,279)	(4,251)	2,068	(16,462)
Income taxes	7,181	115	_,	7,296
Net income (loss)	 (7,098)	(4,136)	2,068	(9,166)
Noncontrolling interest	-	-	2,068	2,068
Net income (loss) attributable to ACME Inc.	\$ (7,098)	\$ (4,136)	\$ 4,136	\$ (7,098)
Basic net income (loss) per common share	\$ (0.08)		_	\$ (0.08)
Weighted average basic shares outstanding	 86,877		-	 86,877
rroigined average basic strates outstanding	 55,077		=	33,077
Diluted net income (loss) per common share	\$ (0.08)		=	\$ (0.08)
Weighted average diluted shares outstanding	 86,877		_	86,877

The following supplemental pro forma information presents the financial results as if the effective control of Borgata had occurred on October 1, 2009 for the three months ended December 31, 2009, to provide a basis of comparability to the three months ended December 31, 2010. This supplemental pro forma information has been prepared for comparative

purposes and does not purport to be indicative of what the actual results would have been had the consolidation of Borgata been completed as of the earlier dates, nor are they indicative of any future results.

		Three Months Ended December 31, 2009									
	AC	ME Inc.					A	CME Inc.			
	His	storical	В	orgata	Adjustr	nents	Pr	ro Forma			
		(In thousands, except per share data)									
Revenues											
Gaming	\$	320,377	\$	153,387	\$	-	\$	473,764			
Food and beverage		55,950		32,297		-		88,247			
Room		29,054		26,087		-		55,141			
Other		24,253		10,124		-		34,377			
Gross revenues		429,634		221,895		-		651,529			
Less promotional allowances		44,686		46,487		-		91,173			
Net revenues		384,948		175,408		-		560,356			

Gaming	162,710	65,352	-	228,062
Food and beverage	31,306	15,395	-	46,701
Room	9,443	2,942	-	12,385
Other	19,110	8,323	-	27,433
Selling, general and administrative	67,445	31,914	-	99,359
Maintenance and utilities	22,185	15,034	-	37,219
Depreciation and amortization	39,103	19,380	324	58,807
Corporate expense	12,540	-	-	12,540
Preopening expenses	3,025	-	-	3,025
Write-downs and other items, net	365	10		 375
Total costs and expenses	367,232	158,350	324	 525,906
Operating income from Borgata	8,205	-	(8,205)	_
Operating income	25,921	17,058	(8,529)	 34,450
Other surrous (income)				
Other expense (income) Interest income	(1)			(1)
	(1)	- - 707	-	(1)
Interest expense, net of amounts capitalized	33,024	5,787	-	38,811
Gain on early retirements of debt	(3,223)	-	-	(3,223)
Other non-operating expenses	3	•	(0.070)	3
Other non-operating expenses from Borgata, net	3,073	5,787	(3,073)	 35,590
Total other expense, net	32,070	5,767	(3,073)	 35,590
Income (loss) before income taxes	(6,955)	11,271	(5,456)	(1,140)
Income taxes	5,931	(359)	-	5,572
Net income (loss)	(1,024)	10,912	(5,456)	 4,432
Noncontrolling interest	-	-	(5,456)	(5,456)
Net income (loss) attributable to ACME Inc.	\$ (1,024)	\$ 10,912	\$ (10,912)	\$ (1,024)
Basic net income (loss) per common share	\$ (0.01)			\$ (0.01)
Weighted average basic shares outstanding	86,276			 86,276
Diluted net income (loss) per common share	\$ (0.01)			\$ (0.01)
Weighted average diluted shares outstanding	86,276			 86,276

The following table sets forth the consolidation of Borgata from a basis comparable to the historical reporting by ACME Inc.. For purposes of this presentation, and consistent with GAAP, Borgata has been consolidated for the period from March 24, 2010 through December 31, 2010. The historical column reflects the equity method accounting for Borgata. The consolidating columns are presented for purposes of additional disclosure and as a reconciliation to the current GAAP presentation of ACME Inc..

Year Ended December 31, 2010

	Α	CME Inc.		Borgata					ACME Inc.		
	Historical			Stub		Eliminations			Consolidated		
				(In thousands, exc	ept per s	share data)					
Revenues											
Gaming	\$	1,306,414	\$	506,073	\$		-	\$	1,812,487		
Food and beverage		231,054		116,534			-		347,588		
Room		120,000		91,046			-		211,046		
Other		89,851		33,752					123,603		
Gross revenues		1,747,319		747,405			-		2,494,724		
Less promotional allowances		186,561		167,264			-		353,825		

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Net revenues	1,560,758	580,141	-	2,140,899
Costs and expenses				
Gaming	655,856	203,962	_	859,818
Food and beverage	124,851	55,989	_	180,840
Room	37,517	11,806		49,323
Other	72,249	27,209	_	99,458
Selling, general and administrative	274,234	94,983	_	369,217
Maintenance and utilities	90,809	49,913	<u>-</u>	140,722
Depreciation and amortization	146,389	52,886	_	199,275
Corporate expense	48,861	-	-	48,861
Preopening expenses	8,405	-	-	8,405
Write-downs and other items, net	4,721	(8)	-	4,713
Total costs and expenses	1,463,892	496,740	-	1,960,632
Operating income from Borgata	49,846	-	(41,700)	8,146
Operating income	146,712	83,401	(41,700)	188,413
Other evenes (income)				
Other expense (income) Interest income	(5)			(5)
Interest expense, net of amounts capitalized	(5) 119,316	45,138	-	164,454
Fair value adjustment of derivative instruments	480	45,136	-	480
Gain on early retirements of debt	(2,758)	-	-	(2,758)
Gain on equity distribution	(2,535)			(2,535)
Other income	(10,000)			(10,000)
Other non-operating expenses from Borgata, net	27,736	_	(24,603)	3,133
Total other expense, net	132,234	45,138	(24,603)	152,769
Total other expense, her	102,204	40,100	(24,000)	102,700
Income before income taxes	14,478	38,263	(17,097)	35,644
Income taxes	(4,168)	(4,068)	-	(8,236)
Net income	10,310	34,195	(17,097)	27,408
Noncontrolling interest	-	-	(17,098)	(17,098)
Net income attributable to ACME Inc.	\$ 10,310	\$ 34,195	\$ (34,195)	\$ 10,310
Basic net income per common share	\$ 0.12			\$ 0.12
Weighted average basic shares outstanding	86,601			86,601
Diluted net income per common share	\$ 0.12			\$ 0.12
Weighted average diluted shares outstanding	86,831			86,831

The following supplemental pro forma information presents the financial results as if the effective control of Borgata had occurred on January 1, 2010 (as opposed to March 24, 2010) for the year ended December 31, 2010. This supplemental pro forma information has been prepared for comparative purposes and does not purport to be indicative of what the actual results would have been had the consolidation of Borgata been completed as of the earlier dates, nor are they indicative of any future results.

Revenues Gaming

 Year Ended December 31, 2010											
ACME Inc.		Borgata				ACME Inc.					
Historical		Historical	Elimination	s		Pro Forma					
(In thousands, except per share data)											
\$ 1,306,414	\$	643,904	\$	_	\$	1,950,318					

Food and beverage	231,054	147,751	-	378,805
Room	120,000	115,199	-	235,199
Other	89,851	42,931	-	132,782
Gross revenues	1,747,319	949,785	-	2,697,104
Less promotional allowances	186,561	211,356	-	397,917
Net revenues	1,560,758	738,429	-	2,299,187
Costs and expenses				
Gaming	655,856	263,823	-	919,679
Food and beverage	124,851	69,489	-	194,340
Room	37,517	13,992	-	51,509
Other	72,249	34,334	-	106,583
Selling, general and administrative	274,234	123,963	-	398,197
Maintenance and utilities	90,809	63,435	-	154,244
Depreciation and amortization	146,389	69,640	-	216,029
Corporate expense	48,861	-	-	48,861
Preopening expenses	8,405	-	-	8,405
Write-downs and other items, net	4,721	60	-	4,781
Total costs and expenses	1,463,892	638,736	-	2,102,628
Operating income from Borgata	49,846	-	(49,846)	
Operating income	146,712	99,693	(49,846)	196,559
Other expense (income)				
Interest income	(5)	-	-	(5)
Interest expense, net of amounts capitalized	119,316	50,199	-	169,515
Fair value adjustment of derivative instruments	480		-	480
Gain on early retirements of debt	(2,758)	-	-	(2,758)
Gain on controlling interest in Borgata	(2,535)		-	(2,535)
Other income	(10,000)	-	-	(10,000)
Other non-operating expenses from Borgata, net	27,736	-	(27,736)	
Total other expense, net	132,234	50,199	(27,736)	154,697
la como la fora facción de la como	44.470	40.404	(00.110)	44 000
Income before income taxes	14,478	49,494	(22,110)	41,862
Income taxes	(4,168)	(5,273)	- (00.110)	(9,441)
Net income	10,310	44,221	(22,110)	32,421
Noncontrolling interest	- 40.040		(22,111)	(22,111)
Net income attributable to ACME Inc.	\$ 10,310	\$ 44,221	\$ (44,221)	\$ 10,310
Basic net income per common share	\$ 0.12			\$ 0.12
Weighted average basic shares outstanding	86,601			86,601
Diluted net income per common share	\$ 0.12			\$ 0.12
Weighted average diluted shares outstanding	86,831			86,831
-				

The following supplemental pro forma information presents the financial results as if the effective control of Borgata had occurred on January 1, 2009 for the year ended December 31, 2009, to provide a basis of comparability to the year ended December 31, 2010. This supplemental pro forma information has been prepared for comparative purposes and does not purport to be indicative of what the actual results would have been had the consolidation of Borgata been completed as of the earlier dates, nor are they indicative of any future results.

	Year Ended December 31, 2009							
ACME Inc.			ACME Inc.					
Historical	Borgata	Adjustments	Pro Forma					

_			(In thous	ands, except shar	e and per s	hare data)	
Revenues			_				
Gaming	\$	1,372,091	\$	691,428	\$	-	\$ 2,063,519
Food and beverage		229,374		143,410		-	372,784
Room		122,305		113,143		-	235,448
Other		100,396		42,620			143,016
Gross revenues		1,824,166		990,601		-	2,814,767
Less promotional allowances		183,180		213,193			396,373
Net revenues		1,640,986		777,408			2,418,394
Costs and expenses							
Gaming		664,739		280,620		-	945,359
Food and beverage		125,830		64,217		-	190,047
Room		39,655		11,940		-	51,595
Other		77,840		34,908		-	112,748
Selling, general and administrative		284,937		128,164		-	413,101
Maintenance and utilities		92,296		59,900		-	152,196
Depreciation and amortization		164,427		78,719		1,298	244,444
Corporate expense		47,617		-		-	47,617
Preopening expenses		17,798		699		-	18,497
Write-downs and other items, net		41,780		(28,606)		-	13,174
Total costs and expenses		1,556,919		630,561		1,298	2,188,778
Operating income from Borgata		72,126		_		(72,126)	_
Operating income		156,193		146,847		(73,424)	229,616
Operating income	-	130,193		140,047		(70,424)	229,010
Other expense (income)							
Interest income		(6)		-		-	(6)
Interest expense, net of amounts capitalized		146,830		27,668		-	174,498
Gain on early retirements of debt		(15,284)		-		-	(15,284)
Other non-operating expenses		33		-		-	33
Other non-operating expenses from Borgata, net		19,303		-		(19,303)	-
Total other expense, net		150,876		27,668		(19,303)	159,241
Income before income taxes		5,317		119,179		(54,121)	70,375
Income taxes		(1,076)		(10,938)		-	(12,014)
Net income		4,241		108,241		(54,121)	58,361
Noncontrolling interest		-		-		(54,120)	(54,120)
Net income attributable to ACME Inc.	\$	4,241	\$	108,241	\$	(108,241)	\$ 4,241
Basic net income per common share	\$	0.05				:	\$ 0.05
Weighted average basic shares outstanding		86,429					86,429
Diluted net income per common share	\$	0.05					\$ 0.05
Weighted average diluted shares outstanding		86,517				<u>-</u>	 86,517

The following table reconciles the net income (loss) in accordance with GAAP to adjusted earnings (loss) and adjusted earnings (loss) per share.

Three Mor	ths Ended	Year E	nded			
Decem	ber 31,	December 31,				
2010	2009	2010	2009			

Net income (loss) attributable to ACME Inc.	\$ (7,098)	\$ (1,024)	\$ 10,310	\$ 4,241
Adjustments related to ACME Inc.:				
Preopening expenses	3,415	3,025	8,405	17,798
Loss (gain) on early retirements of debt, net	1,191	(3,223)	(2,758)	(15,284)
Other income	-	-	(10,000)	-
Gain on equity distribution	-	-	(2,535)	-
Change in fair value of derivative instruments	480	-	480	-
Write-downs and other items, net	(203)	365	4,721	41,780
Other non-operating expenses	-	3	-	33
Accelerated interest expense for credit facility recommitment	-	1,813	-	1,813
Prior period interest expense related to the finalization				
of our purchase price for Dania Jai-Alai	-	-	-	8,883
Adjustments related to Borgata:				
Our share of Borgata's preopening expenses	-	-	-	349
Our share of Borgata's write-downs and other items, net	-	5	34	(14,303)
Accelerated amortization of deferred loan fees	-	-	2,012	
Write-downs and other items, net	(16)	-	(8)	-
Impact on noncontrolling interest	8	-	(1,002)	-
Income tax effect for above adjustments	(1,721)	(758)	899	(13,680)
Adjusted earnings (loss)	\$ (3,944)	\$ 206	\$ 10,558	\$ 31,630
Adjusted earnings (loss) per share (Adjusted EPS)	\$ (0.05)	\$ 0.00	\$ 0.12	\$ 0.37
Weighted average shares outstanding	86,877	86,276	86,831	86,517

The following table illustrates the impact of the above adjustments on earnings per share.

		Three Months Ended					Year Ended				
		Decen	nber 31,		Decen	nber 31	,				
	2010		2009		2010		2009				
Net income (loss) attributable to ACME Inc.	\$	(0.08)	\$ (0.01)	\$	0.12	\$	0.05				
Adjustments related to ACME Inc.:											
Preopening expenses		0.04	0.04		0.10		0.22				
Loss (gain) on early retirements of debt		0.01	(0.04)		(0.03)		(0.17)				
Other income		-	-		(0.12)		-				
Gain on equity distribution		-	-		(0.03)		-				
Change in fair value of derivative instruments		-	-		0.01		-				
Write-downs and other items, net		-	-		0.05		0.48				
Other non-operating expenses		-	-		-		-				
Accelerated interest expense for credit facility recommitment		-	0.02		-		0.02				
Prior period interest expense related to the finalization											
of our purchase price for Dania Jai-Alai		-	-		-		0.10				
Adjustments related to Borgata:											
Our share of Borgata's preopening expenses		-	-		-		-				
Our share of Borgata's write-downs and other items, net		-	-		-		(0.17)				
Accelerated amortization of deferred loan fees		-	-		0.02						
Write-downs and other items, net		-	-		-		-				
Impact on noncontrolling interest		-	-		(0.01)		-				
Income tax effect for above adjustments		(0.02)	(0.01)		0.01		(0.16)				
Adjusted earnings (loss) per share	\$	(0.05)	\$0.00	\$	0.12	\$	0.37				

The following table presents Net Revenues and Adjusted EBITDA by operating segment and reconciles Adjusted EBITDA to net income (loss) attributable to ACME Inc. on our condensed consolidated statements of operations for the three months and year ended December 31, 2010 and 2009. Note that the results from Dania Jai-Alai are classified as part of total other operating costs and expenses and are not included in Adjusted EBITDA. Additionally, the results for the three months ended December 31, 2010, as reported in the table below, reflect the consolidation of Borgata for the entire period and the results for the year ended December 31, 2010 reflect the consolidation of Borgata for the period from March 24, 2010 through December 31, 2010. The three months and year ended December 31, 2009 are reported on a historical basis.

Three Months Ended

Year Ended

	December 31,			December 31,				
		2010		2009		2010		2009
				(In thou	ısands)			
Net Revenues								
Las Vegas Locals	\$	152,123	\$	154,966	\$	607,366	\$	641,941
Downtown Las Vegas		57,133		58,049		218,221		229,149
Midwest and South		172,546		170,251		728,767		762,336
Atlantic City		168,786		-		580,140		-
Reportable Segment Net revenues		550,588		383,266		2,134,494		1,633,426
Other		1,352		1,682		6,405		7,560
Net revenues	\$	551,940	\$	384,948	\$	2,140,899	\$	1,640,986
Adjusted EBITDA								
Las Vegas Locals	\$	34,125	\$	34,736	\$	137,464	\$	155,336
Downtown Las Vegas		10,866		12,247		34,227		46,102
Midwest and South		30,423		29,369		143,699		165,534
Wholly-owned property Adjusted EBITDA		75,414		76,352		315,390		366,972
Corporate expense		(9,500)		(9,581)		(39,565)		(36,934)
Wholly-owned Adjusted EBITDA		65,914		66,771		275,825		330,038
Atlantic City		34,096		-		136,278		-
Our share of Borgata's operating income before net								
amortization, preopening and other items		-		8,535		8,180		59,470
Adjusted EBITDA	\$	100,010	\$	75,306	\$	420,283	\$	389,508
Other operating costs and expenses								
Deferred rent		1,067		1,088		4,271		4,354
Depreciation and amortization		51,370		39,428		199,275		165,725
Preopening expenses		3,415		3,025		8,405		17,798
Our share of Borgata's preopening expenses		-		-		-		349
Our share of Borgata's write-downs and other items, net		-		5		34		(14,303)
Share-based compensation expense		3,200		4,186		11,324		13,970
Write-downs and other items, net		(219)		365		4,713		41,780
Other		953		1,288		3,848		3,642
Total other operating costs and expenses		59,786		49,385		231,870		233,315
Operating income		40,224		25,921		188,413		156,193
Other non-operating items								
Interest expense, net		55,015		33,023		164,449		146,824
Fair value adjustment of derivative instruments		480		-		480		-
Gain on early retirements of debt, net		1,191		(3,223)		(2,758)		(15,284)
Gain on equity distribution		-		-		(2,535)		-
Other income		-		-		(10,000)		-
Other non-operating expenses		-		3		-		33
Our share of Borgata's non-operating expenses, net		-		3,073		3,133		19,303
Total other non-operating costs and expenses, net	_	56,686		32,876		152,769		150,876
Income (loss) before income taxes	_	(16,462)		(6,955)		35,644		5,317
Income taxes		7,296		5,931		(8,236)		(1,076)
Net income (loss)		(9,166)		(1,024)		27,408		4,241
Noncontrolling interest		2,068		-		(17,098)		-
Net income loss) attributable to ACME Inc.	\$	(7,098)	\$	(1,024)	\$	10,310	\$	4,241

The following table sets forth the consolidation of Borgata from a basis comparable to the historical reporting by ACME Inc.. For purposes of this presentation, and consistent with GAAP, Borgata has been consolidated for the entire period presented, or for the period from October 1, 2010 through December 31, 2010. The historical column reflects equity method accounting for Borgata. The consolidating columns are presented for purposes of additional disclosure and as a reconciliation to the current GAAP presentation of ACME Inc..

			Th	ree Months Ende					
	A	CME Inc.					AC	CME Inc.	
	н	istorical	E	Borgata	Adju	ıstments	Consolida		
Not Bernard				(In thou	usands)				
Net Revenues	•	150 100	•		•		•	150 100	
Las Vegas Locals	\$	152,123	\$	-	\$	-	\$	152,123	
Downtown Las Vegas		57,133		-		-		57,133	
Midwest and South		172,546		-		-		172,546	
Atlantic City		-		168,786				168,786	
Reportable Segment Net revenues		381,802		168,786		-		550,588	
Other		1,352						1,352	
Net revenues	\$	383,154	\$	168,786	\$	-	\$	551,940	
Adjusted EBITDA									
Las Vegas Locals	\$	34,125	\$	-	\$	-	\$	34,125	
Downtown Las Vegas		10,866		-		-		10,866	
Midwest and South		30,423		-		-		30,423	
Wholly-owned property Adjusted EBITDA		75,414		-		-		75,414	
Corporate expense		(9,500)		-		-		(9,500	
Wholly-owned Adjusted EBITDA		65,914		-		-		65,914	
Atlantic City		-		34,096		-		34,096	
Our share of Borgata's operating income before net									
amortization, preopening and other items		8,770		-		(8,770)			
Adjusted EBITDA	\$	74,684	\$	34,096	\$	(8,770)	\$	100,010	
Other operating costs and expenses									
Deferred rent		1,067		-		-		1,067	
Depreciation and amortization		34,797		16,573		-		51,370	
Preopening expenses		3,415		-		-		3,41	
Our share of Borgata's write-downs and other items, net		-		-		-			
Share-based compensation expense		3,200		-		-		3,200	
Write-downs and other items, net		(203)		(16)		_		(219	
Other		954		-		-		954	
Total other operating costs and expenses		43,230		16,557				59,787	
Operating income		31,454		17,540		(8,770)		40,224	
Other non-operating items									
Interest expense, net		33,224		21,791				55,015	
Fair value adjustment of derivative instruments		480				_		480	
Gain on early retirements of debt		1,191		-		-		1,19	
Gain on controlling interest in Borgata		-		_				, -	
Other income		-		-		-			
Our share of Borgata's non-operating expenses, net		10,838		-		(10,838)			
Total other non-operating costs and expenses, net		45,733		21,791		(10,838)		56,686	
. •		· · · · · · · · · · · · · · · · · · ·		· · · · · · · · · · · · · · · · · · ·		. , ,		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	
Income (loss) before income taxes		(14,279)		(4,251)		2,068		(16,462	
Income taxes		7,181		115		-		7,296	
Net income (loss)		(7,098)	_	(4,136)	_	2,068		(9,166	
Noncontrolling interest		-		-		2,068		2,068	
Net income (loss) attributable to ACME Inc.	\$	(7,098)	\$	(4,136)	\$	4,136	\$	(7,09	

The following supplemental pro forma information presents the financial results as if the effective control of Borgata had occurred on October 1, 2009 for the period through December 31, 2009. This supplemental pro forma information has been prepared for comparative purposes and does not purport to be indicative of what the actual results would have been had the consolidation of Borgata been completed as of the earlier dates, nor are they indicative of any future results.

			Th	ree Months Ende	d December	31, 2009		
	A	CME Inc.	E	Borgata			AC	CME Inc.
	Hi	storical		Stub	Adju	stments	Pr	o Forma
				(In thou	usands)			
Net Revenues								
Las Vegas Locals	\$	154,966	\$	-	\$	-	\$	154,966
Downtown Las Vegas		58,049		-		-		58,049
Midwest and South		170,251		-		-		170,251
Atlantic City		-		175,408		-		175,408
Reportable Segment Net revenues		383,266		175,408		-		558,674
Other		1,682		-		-		1,682
Net revenues	\$	384,948	\$	175,408	\$	-	\$	560,356
Adjusted EBITDA								
Las Vegas Locals	\$	34,736	\$	-	\$	-	\$	34,736
Downtown Las Vegas		12,247		-		-		12,247
Midwest and South		29,369		-		-		29,369
Wholly-owned property Adjusted EBITDA		76,352		-		-		76,352
Corporate expense		(9,581)		-		-		(9,581)
Wholly-owned Adjusted EBITDA		66,771		-		-		66,771
Atlantic City		-		36,448		-		36,448
Our share of Borgata's operating income before net								
amortization, preopening and other items		8,535		-		(8,535)		-
Adjusted EBITDA	\$	75,306	\$	36,448	\$	(8,535)	\$	103,219
Other operating costs and expenses								
Deferred rent		1,088		-		-		1,088
Depreciation and amortization		39,428		19,380		-		58,808
Preopening expenses		3,025		-		-		3,025
Our share of Borgata's preopening expenses		-		-		-		-
Our share of Borgata's write-downs and other items, net		5		-		(5)		-
Share-based compensation expense		4,186		-		-		4,186
Write-downs and other items, net		365		10		-		375
Other		1,288		_		_		1,288
Total other operating costs and expenses		49,385		19,390		(5)		68,770
Operating income		25,921		17,058		(8,530)		34,449
Other non-operating items								
Interest expense, net		33,023		5,787		-		38,810
Gain on early retirements of debt		(3,223)		-		-		(3,223)
Other non-operating expenses		3		-		-		3
Our share of Borgata's non-operating expenses, net		3,073		-		(3,073)		-
Total other non-operating costs and expenses, net		32,876		5,787		(3,073)		35,590
Income (loss) before income taxes		(6,955)		11,271		(5,457)		(1,141)
Income taxes		5,931		(359)		-		5,572
Net income (loss)		(1,024)	-	10,912		(5,457)		4,431
Noncontrolling interest		- (. , 0 = .)				(5,455)		(5,455)
	\$	(1,024)	\$	10,912	\$	(10,912)	\$	(1,024)
Net income (loss) attributable to ACME Inc.	\$	(1,024)	\$	10,912	\$	(10,912)	\$	(1,0

The following supplemental pro forma information presents the financial results as if the effective control of Borgata had occurred on January 1, 2010, for the year ended December 31, 2010. This supplemental pro forma information has been prepared for comparative purposes and does not purport to be indicative of what the actual results would have been had the consolidation of Borgata been completed as of the earlier dates, nor are they indicative of any future results.

				Year Ended Dec	cember 31, 2	2010		
	А	CME Inc.	В	Borgata			A	CME Inc.
	Co	nsolidated		Stub	Adju	stments	P	ro Forma
				(In thou	ısands)			
Net Revenues								
Las Vegas Locals	\$	607,366	\$	-	\$	-	\$	607,366
Downtown Las Vegas		218,221		-		-		218,221
Midwest and South		728,767		-		-		728,767
Atlantic City		580,140		158,290				738,430
Reportable Segment Net revenues		2,134,494		158,290		-		2,292,784
Other		6,405		-		-		6,405
Net revenues	\$	2,140,899	\$	158,290	\$	-	\$	2,299,189
Adjusted EBITDA								
Las Vegas Locals	\$	137,464	\$	-	\$	-	\$	137,464
Downtown Las Vegas		34,227		-		-		34,227
Midwest and South		143,699		-		-		143,699
Wholly-owned property Adjusted EBITDA		315,390		-		-		315,390
Corporate expense		(39,565)		-		-		(39,565)
Wholly-owned Adjusted EBITDA	-	275,825		_		-		275,825
Atlantic City		136,278		33,115		-		169,393
Our share of Borgata's operating income before net								
amortization, preopening and other items		8,180		-		(8,180)		_
Adjusted EBITDA	\$	420,283	\$	33,115	\$	(8,180)	\$	445,218
Other operating costs and expenses				-		-		
Deferred rent		4,271		-		-		4,271
Depreciation and amortization		199,275		16,753		-		216,028
Preopening expenses		8,405		-		-		8,405
Our share of Borgata's preopening expenses		-		-		-		-
Our share of Borgata's write-downs and other items, net		34		-		(34)		-
Share-based compensation expense		11,324		-		-		11,324
Write-downs and other items, net		4,713		68		-		4,781
Other		3,848		-		-		3,848
Total other operating costs and expenses		231,870		16,821		(34)		248,657
Operating income		188,413		16,294		(8,146)		196,561
Other non-operating items								
Interest expense, net		164,449		5,063		-		169,512
Fair value adjustment of derivative instruments		480		-		_		480
Gain on early retirements of debt		(2,758)		-		_		(2,758)
Gain on equity distribution		(2,535)		-		_		(2,535)
Other income		(10,000)		-		_		(10,000)
Our share of Borgata's non-operating expenses, net		3,133		_		(3,133)		-
Total other non-operating costs and expenses, net		152,769		5,063		(3,133)		154,699
Income before income taxes		35,644		11,231		(5,013)		41,862
Income taxes		(8,236)		(1,206)		(0,010)		(9,442)
Net income		27,408		10,025		(5,013)		32,420
Noncontrolling interest		(17,098)		10,020		(5,013)		(22,110)
Net income attributable to ACME Inc.	\$	10,310	\$	10,025	\$	(10,025)	\$	10,310
NET INCOME AUTOURABLE TO ACIVIE ITIC.	φ	10,310	Ψ	10,025	Ψ	(10,023)	φ	10,510

The following supplemental pro forma information presents the financial results as if the effective control of Borgata had occurred on January 1, 2009, for the year ended December 31, 2009. This supplemental pro forma information has been prepared for comparative purposes and does not purport to be indicative of what the actual results would have been had the consolidation of Borgata been completed as of the earlier dates, nor are they indicative of any future results.

Year Ended December 31, 2009 ACME Inc. ACME Inc. Pro Forma Historical Borgata Adjustments (In thousands) Net Revenues Las Vegas Locals \$ 641.941 \$ \$ 641.941 Downtown Las Vegas 229.149 229.149 Midwest and South 762.336 762.336 Atlantic City 777,408 777,408 Reportable Segment Net revenues 1,633,426 777,408 2,410,834 7.560 7,560 Other Net revenues \$ 1,640,986 \$ 777,408 \$ \$ 2,418,394 Adjusted EBITDA Las Vegas Locals \$ 155,336 155,336 Downtown Las Vegas 46,102 46.102 Midwest and South 165,534 165,534 Wholly-owned property Adjusted EBITDA 366,972 366,972 Corporate expense (36,934)(36,934)Wholly-owned Adjusted EBITDA 330,038 330,038 Atlantic City 197,659 197.659 Our share of Borgata's operating income before net amortization, preopening and other items 59,470 (59,470)Adjusted EBITDA \$ 389,508 \$ 197,659 \$ (59,470)\$ 527,697 Other operating costs and expenses 4,354 Deferred rent 4,354 Depreciation and amortization 165,725 78,719 244,444 17,798 Preopening expenses 699 18,497 Our share of Borgata's preopening expenses 349 (349)14,303 Our share of Borgata's write-downs and other items, net (14,303)13,970 Share-based compensation expense 13.970 Write-downs and other items, net 41,780 (28,606)13,174 Other 3,642 3,642 Total other operating costs and expenses 233,315 50.812 13.954 298.081 Operating income 156,193 146,847 (73,424)229,616 Other non-operating items Interest expense, net 146,824 27,668 174,492 Gain on early retirements of debt (15,284)(15,284)Other non-operating expenses 33 33 Our share of Borgata's non-operating expenses, net 19,303 (19.303)Total other non-operating costs and expenses, net 150,876 27,668 159,241 (19,303)Income before income taxes 5,317 119,179 (54,121)70,375 Income taxes (1,076)(10,938)(12,014)Net income 4,241 108,241 (54,121)58,361 Noncontrolling interest (54,120)(54,120)Net income attributable to ACME Inc. \$ 4,241 \$ 108,241 \$ (108, 241)\$ 4,241

		Tillee Mol						
		Decem		r 31,				
	2010 2009				20	2009		
				nds)				
Corporate expense as reported on our								
consolidated statements of operations	\$	12,225	\$	12,540	\$	48,861	\$	47,617
Corporate share-based compensation expense		(2,725)		(2,959)		(9,296)		(10,683)
Corporate expense as reported on the accompanying table	\$	9,500	\$	9,581	\$	39,565	\$	36,934

The following table reconciles the presentation of our share of Borgata's operating income on our consolidated statements of operations to the presentation of our share of Borgata's results on the accompanying table.

	Three Months Ended					Year Ended			
	December 31,					December 31,			
	2010		200	9	201	0	20	09	
				(In tho	usands)				
Operating income from Borgata, as reported on our									
consolidated statements of operations	\$	-	\$	8,205	\$	8,146	\$	72,126	
Add back:									
Net amortization expense related to our									
investment in Borgata		-		325		-		1,298	
Our share of preopening expenses		-		-		-		349	
Our share of write-downs and other items, net		-		5		34		(14,303)	
Our share of Borgata's operating income before net									
amortization, preopening and other items									
as reported on the accompanying table	\$	-	\$	8,535	\$	8,180	\$	59,470	

The following table reconciles the presentation of depreciation and amortization on our condensed consolidated statements of operations to the presentation on the accompanying table.

		Three Month			Year Ended December 31,				
	2010 2009				2	010		009	
				(In thous	ands)			<u> </u>	
Depreciation and amortization as reported on our									
condensed consolidated statements of operations	\$	51,370	\$	39,103	\$	199,275	\$	164,427	
Net amortization expense related to our investment in Borgata		-		325		-		1,298	
Depreciation and amortization as reported on									
the accompanying table	\$	51,370	\$	39,428	\$	199,275	\$	165,725	

The following table presents Borgata's condensed consolidated statements of operations.

Three Mon	ths Ended	Year E	Ended		
Decem	ber 31,	December 31,			
2010	2009	2010	2009		

			(In tho	usands)		
Revenues						
Gaming	\$	148,759	\$ 153,387	\$	643,904	\$ 691,428
Food and beverage		34,162	32,297		147,751	143,410
Room		27,004	26,087		115,199	113,143
Other		9,705	10,124		42,931	42,620
Gross revenues		219,630	221,895		949,785	990,601
Less promotional allowances		50,844	 46,487		211,356	213,193
Net revenues		168,786	175,408		738,429	777,408
Costs and expenses						
Gaming		62,313	65,352		263,823	280,620
Food and beverage		16,396	15,395		69,489	64,217
Room		3,213	2,942		13,992	11,940
Other		7,681	8,323		34,334	34,908
Selling, general and administrative		30,510	31,914		123,963	128,164
Maintenance and utilities		14,576	15,034		63,435	59,900
Depreciation and amortization		16,573	19,380		69,640	78,719
Preopening expenses		-	-		-	699
Write-downs and other items, net		(16)	10		60	(28,606)
Total costs and expenses		151,246	158,350		638,736	630,561
Operating income		17,540	 17,058		99,693	 146,847
Other expense (income)						
Interest expense, net of amounts capitalize	d	21,791	5,787		50,199	27,668
Income (loss) before state income taxes		(4,251)	 11,271		49,494	119,179
State income taxes		115	(359)		(5,273)	(10,938)
			(000)		(3,270)	(.0,000)

The following table reconciles operating income to Adjusted EBITDA for Borgata.

	Three Months Ended				Year Ended				
		December 31,				December 31,			
		2010		2009		2010		2009	
	(In thousands)								
Operating income	\$	17,540	\$	17,058	\$	99,693	\$	146,847	
Depreciation and amortization		16,573		19,380		69,640		78,719	
Preopening expenses		-		-		-		699	
Write-downs and other items, net		(16)		10		60		(28,606)	
Adjusted EBITDA	\$	34,096	\$	36,448	\$	169,393	\$	197,659	

Footnotes and Safe Harbor Statements

Non-GAAP Financial Measures

Regulation G, "Conditions for Use of Non-GAAP Financial Measures," prescribes the conditions for use of non-GAAP financial information in public disclosures. We believe that our presentations of the following non-GAAP financial measures are important supplemental measures of operating

performance to investors: earnings before interest, taxes, depreciation and amortization (EBITDA), Adjusted EBITDA, Adjusted Earnings, Adjusted Earnings Per Share (Adjusted EPS) and net revenues (excluding the 8 days of consolidation for Borgata). The following discussion defines these terms and why we believe they are useful measures of our performance.

In the accompanying release, and the Company's periodic reports filed with the Securities and Exchange Commission, Dania Jai-Alai's results are included as part of total other operating costs and expenses. In addition, as of the same date, we reclassified the reporting of corporate expense to exclude it from our subtotal for Reportable Segment Adjusted EBITDA and include it as part of total other operating costs and expenses. Furthermore, in the Company's periodic reports, corporate expense is presented to include its portion of share-based compensation expense.

EBITDA and Adjusted EBITDA

EBITDA is a commonly used measure of performance in our industry which we believe, when considered with measures calculated in accordance with GAAP, gives investors a more complete understanding of operating results before the impact of investing and financing transactions and income taxes and facilitates comparisons between us and our competitors. Management has historically adjusted EBITDA when evaluating operating performance because we believe that the inclusion or exclusion of certain recurring and non-recurring items is necessary to provide the most accurate measure of our core operating results and as a means to evaluate period-to-period results. We have chosen to provide this information to investors to enable them to perform more meaningful comparisons of past, present and future operating results and as a means to evaluate the results of core on-going operations. We do not reflect such items when calculating EBITDA; however, we adjust for these items and refer to this measure as Adjusted EBITDA. We have historically reported this measure to our investors and believe that the continued inclusion of Adjusted EBITDA provides consistency in our financial reporting. We use Adjusted EBITDA in this press release because we believe it is useful to investors in allowing greater transparency related to a significant measure used by management in its financial and operational decision-making. Adjusted EBITDA is among the more significant factors in management's internal evaluation of total company and individual property performance and in the evaluation of incentive compensation related to property management. Management also uses Adjusted EBITDA as a measure in determining the value of acquisitions and dispositions. Adjusted EBITDA is also widely used by management in the annual budget process. Externally, we believe these measures continue to be used by investors in their assessment of our operating performance and the valuation of our company. Adjusted EBITDA reflects EBITDA adjusted for deferred rent, preopening expenses, share-based compensation expense, write-downs and other charges, net, increase in value of derivative instruments, gain on early retirements of debt, other non-operating expenses, and our share of Borgata's non-operating expenses, preopening expenses and other

items and write-downs, net. In addition, Adjusted EBITDA includes corporate expense. A reconciliation of Adjusted EBITDA to net income (loss), based upon GAAP, is included in the financial schedules accompanying this release.

Adjusted Earnings and Adjusted EPS

Adjusted Earnings is net income (loss) before preopening expenses, increase in value of derivative instruments, write-downs and other charges, net, gain on early retirements of debt, prior period interest expense related to the finalization of our purchase price for Dania Jai-Alai, accelerated interest expense related to our bank credit facility amendment, certain one-time permanent tax readjustments, other non-operating expenses, and our share of Borgata's preopening expenses and other items and write-downs, net. Adjusted Earnings and Adjusted EPS are presented solely as supplemental disclosures because management believes that they are widely used measures of performance in the gaming industry. A reconciliation of net loss based upon GAAP to Adjusted Earnings and Adjusted EPS are included in the financial schedules accompanying this release.

Pro Forma Effect of Consolidation of Borgata

The effective change in control of Borgata was triggered at the end of the first quarter 2010. For purposes of comparability throughout this release, when such results are reported on a consolidated basis, the results of the prior year are retroactively recast to present such results on a consolidated basis, comparable to the current period. Additionally, for further purposes of comparability, certain year to date amounts have been presented on a pro forma basis, as if the consolidation of Borgata had occurred as of the beginning of the period presented (i.e. January 1, for the year ended September 30, 2010, or September 30, 2009, as applicable).

Limitations on the Use of Non-GAAP Measures

The use of EBITDA, Adjusted EBITDA, Adjusted Earnings, Adjusted EPS and certain other non-GAAP financial measures has certain limitations. Our presentation of EBITDA, Adjusted EBITDA, Adjusted Earnings, Adjusted EPS or certain other non-GAAP financial measures may be different from the presentation used by other companies and therefore comparability may be limited. Depreciation and amortization expense, interest expense, income taxes and other items have been and will be incurred and are not reflected in the presentation of EBITDA or Adjusted EBITDA. Each of these items should also be considered in the overall evaluation of our results. Additionally, EBITDA and Adjusted EBITDA do not consider capital expenditures and other investing activities and should not be considered as a measure of our liquidity. We compensate for these limitations by providing the relevant disclosure of our depreciation and amortization, interest and income taxes, capital expenditures and other items both in our reconciliations to the GAAP financial measures and in our consolidated financial statements, all of which should be

considered when evaluating our performance.

EBITDA, Adjusted EBITDA, Adjusted Earnings, Adjusted EPS and certain other non-GAAP financial measures are used in addition to and in conjunction with results presented in accordance with GAAP. EBITDA, Adjusted EBITDA, Adjusted Earnings, Adjusted EPS and certain other non-GAAP financial measures should not be considered as an alternative to net income, operating income, or any other operating performance measure prescribed by GAAP, nor should these measures be relied upon to the exclusion of GAAP financial measures. EBITDA, Adjusted EBITDA, Adjusted Earnings, Adjusted EPS and certain other non-GAAP financial measures reflect additional ways of viewing our operations that we believe, when viewed with our GAAP results and the reconciliations to the corresponding GAAP financial measures, provide a more complete understanding of factors and trends affecting our business than could be obtained absent this disclosure. Management strongly encourages investors to review our financial information in its entirety and not to rely on a single financial measure.

Forward Looking Statements and Company Information

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements contain words such as "may," "will," "might," "expect," "believe," "anticipate," "could," "would," "estimate," "continue," "pursue," or the negative thereof or comparable terminology, and may include (without limitation) information regarding the Company's expectations, goals or intentions regarding the economic recovery, increases in both visitation and spend-per-visit, and returning to consistent year-over-year growth in the business. Forward-looking statements involve certain risks and uncertainties, and actual results may differ materially from those discussed in any such statement. These risks and uncertainties include, but are not limited to: fluctuations in our operating results; recovery of our properties in various markets; the state of the economy and its effect on consumer spending and our results of operations; the timing for the economic recovery, its effect on our business and the local economies where our properties are located; consumer reaction to fluctuations in the stock market and economic factors; the fact that our expansion, development and renovation projects (including enhancements to improve property performance) are subject to many risks inherent in expansion, development or construction of a new or existing project; the effects of events adversely impacting the economy or the regions from which we draw a significant percentage of our customers; competition; litigation; financial community and rating agency perceptions of the Company; changes in laws and regulations, including increased taxes; the availability and price of energy, weather, regulation, economic, credit and capital market conditions; and the effects of war, terrorist or similar activity. Additional factors that could cause actual results to differ are discussed under the heading "Risk Factors" and in other sections of the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2010, filed with the SEC, and in the

Company's other current and periodic reports filed from time to time with the SEC. All forward-looking statements in this press release are made as of the date hereof, based on information available to the Company as of the date hereof, and the Company assumes no obligation to update any forward-looking statement.

About ACME Inc.

Headquartered in Las Vegas, ACME Inc. **(NYSE: ACME)** is a leading diversified owner and operator of 16 gaming entertainment properties located in Nevada, New Jersey, Mississippi, Illinois, Indiana, and Louisiana. ACME Inc. press releases are available at www.prnewswire.com. Additional news and information on ACME Inc. can be found at www.google.com.

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