

Isle of Capri Casinos, Inc.**Reconciliation of Forward-Looking Adjusted EBITDA to Net Income****For the Quarter Ending October 23, 2005***As Disclosed in the 1st Quarter 2006 Earnings Conference Call on August 12, 2005***(In thousands, except per share amounts)**

	<u>Range of Estimate</u>		
Adjusted EBITDA(1)(2).....	\$ 48,000	\$ 51,000	\$ 54,000
(Add)/deduct:			
Depreciation and amortization.....	26,200	26,200	26,200
Operating income.....	21,800	24,800	27,800
Interest expense, net.....	20,000	20,000	20,000
Minority interest.....	2,200	2,500	2,600
Income before income taxes.....	(400)	2,300	5,200
Income tax expense.....	(184)	1,058	2,392
Net income.....	<u>\$ (216)</u>	<u>\$ 1,242</u>	<u>\$ 2,808</u>
Per share data - diluted:			
Net income.....	\$ (0.01)	\$ 0.04	\$ 0.09
Weighted average diluted common shares.....	31,400	31,400	31,400

(1) EBITDA is "earnings before interest, income taxes, depreciation and amortization." Isle of Capri calculates Adjusted EBITDA by adding depreciation and amortization expense, preopening expense, refinancing costs, and non-recurring items not requiring the expenditure of cash to operating income. Adjusted EBITDA is a supplemental financial measurement used by Isle of Capri's management, as well as industry analysts, in the evaluation of its businesses. Adjusted EBITDA is not presented as an alternative measure of operating results income or cash flow from operations (as determined in accordance with accounting principles generally accepted in the United States (GAAP)), but because it is widely accepted financial indicator of a company's ability to incur and service debt. All companies do not calculate Adjusted EBITDA in the same manner. As a result, Adjusted EBITDA as presented here may not be comparable to similarly titled measures reported by other companies.

(2) Excludes unusual charges, such as impairment of assets, which may arise due to changes in current circumstances.

Isle of Capri Casinos, Inc.

Reconciliation of Net Debt to Adjusted EBITDA Ratio

For the Quarter Ended July 24, 2005

As Disclosed in the 1st Quarter 2006 Earnings Conference Call on August 12, 2005

(In thousands)

Excess Cash of Restricted Subsidiaries:

Consolidated Cash and Cash Equivalents	\$	116,326
Less: Cash and Cash Equivalents of Unrestricted Subsidiaries		25,015
Less: Minimum Cash for Restricted Subsidiaries per Senior Debt Covenants		55,000
Excess Cash of Restricted Subsidiaries	\$	36,311

Net Debt of Restricted Subsidiaries:

Consolidated Debt	\$	1,164,171
Plus: Unsecured Letters of Credit and Bonds of Restricted Subsidiaries		19,356
Less: Unrestricted Subsidiary Debt		205,839
Less: Excess Cash of Restricted Subsidiaries		36,311
Net Debt of Restricted Subsidiaries	\$	941,377

Last Twelve Months (LTM) Adjusted EBITDA Adjusted for Payments from Unrestricted Subsidiaries and Gain on Sale:

Consolidated LTM Adjusted EBITDA	\$	217,668
Less: LTM Adjusted EBITDA of Unrestricted Subsidiaries		28,719
Plus: Management Fees from Unrestricted Subsidiaries		6,264
Plus: Excess Cash Dividends from Unrestricted Subsidiaries		-
Plus: Gain on Sale of Option to Purchase Real Estate in St. Louis, MO		2,277
LTM Adjusted EBITDA Adjusted for Payments from Unrestricted Subsidiaries and Gain on Sale	\$	197,490

Net Debt to Adjusted EBITDA Ratio:

Net Debt of Restricted Subsidiaries	\$	941,377
LTM Adjusted EBITDA Adjusted for Payments from Unrestricted Subsidiaries and Gain on Sale	\$	197,490

Net Debt to Adjusted EBITDA Ratio

4.77x

Isle of Capri Casinos, Inc.

Reconciliation of Adjusted EBITDA to Interest Ratio

For the Quarter Ended July 24, 2005

As Disclosed in the 1st Quarter 2006 Earnings Conference Call on August 12, 2005

(In thousands)

Last Twelve Months (LTM) Adjusted EBITDA Adjusted for Payments from Unrestricted Subsidiaries and Gain on Sale:

Consolidated LTM Adjusted EBITDA	\$	217,668
Less: LTM Adjusted EBITDA of Unrestricted Subsidiaries		28,719
Plus: Management Fees from Unrestricted Subsidiaries		6,264
Plus: Excess Cash Dividends from Unrestricted Subsidiaries		-
Plus: Gain on Sale of Option to Purchase Real Estate in St. Louis, MO		2,277
LTM Adjusted EBITDA Adjusted for Payments from Unrestricted Subsidiaries and Gain on Sale	\$	197,490

Last Twelve Months (LTM) Restricted Subsidiaries Gross Cash Interest Expenditure:

Consolidated Net Interest Expense	\$	75,209
Plus: Consolidated Capitalized Interest		4,298
Plus: Consolidated Interest Income		2,941
Less: Consolidated Amortization of Deferred Financing Costs		3,707
Consolidated Gross Cash Interest Expenditure	\$	78,741

Unrestricted Subsidiaries Net Interest Expense	\$	9,120
Plus: Unrestricted Subsidiaries Capitalized Interest		2,213
Plus: Unrestricted Subsidiaries Interest Income		1,290
Less: Unrestricted Subsidiaries Amortization of Deferred Financing Costs		1,018
Unrestricted Subsidiaries Gross Cash Interest Expenditure	\$	11,605

Consolidated Gross Cash Interest Expenditure	\$	78,741
Less: Unrestricted Subsidiaries Gross Cash Interest Expenditure		11,605
LTM Restricted Subsidiaries Gross Cash Interest Expenditure	\$	67,136

Adjusted EBITDA to Interest Ratio:

LTM Adjusted EBITDA Adjusted for Payments from Unrestricted Subsidiaries and Gain on Sale	\$	197,490
Restricted Subsidiaries Gross Cash Interest Expenditure	\$	67,136

Adjusted EBITDA to Interest Ratio **2.94x**