



FOR IMMEDIATE RELEASE

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**DOVER DOWNS GAMING & ENTERTAINMENT, INC. REPORTS RECORD RESULTS
FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2006**

Dover Downs Gaming & Entertainment, Inc. (NYSE-Symbol: DDE) today reported results for the three months ended September 30, 2006.

Net earnings per diluted share for the quarter ended September 30, 2006 improved 29.4% to \$.22 compared with \$.17 per diluted share for the same period in 2005. The improvement was a result of both an increase in net earnings and a smaller number of shares outstanding due to the self-tender completed during the first quarter of 2006.

Net earnings improved 14.7% to \$7,104,000 compared with \$6,195,000 for the third quarter of 2005.

The Company's revenues increased to \$61,681,000 compared with \$56,072,000 for the third quarter of 2005. Gaming revenues, which include video lottery win and harness racing commissions, increased 10.4% or \$5,436,000, all from increased video lottery win compared with the third quarter of 2005.

For the nine months ended September 30, 2006, net earnings per diluted share improved 25.5% to \$.59 from \$.47 and net earnings improved 14.8% to \$19,311,000.

Denis McGlynn, President and CEO of Dover Downs Gaming & Entertainment, Inc. stated, "With slot win growth in excess of 10% and hotel occupancy levels at almost 99%, this was another strong quarter for the Company. We look forward to the exciting new multi-player products arriving in the fourth quarter and the property expansion plans we have in process."

Construction is underway on the expansion to the Dover Downs Hotel, which will increase the total number of available rooms from 232 to 500. The Company expects to select an operator by year end for the 6,000 square-foot spa that is being added as part of the hotel expansion. The facility is expected to open in the fall of 2007.

The Company has received preliminary approval from the local planning commission for the Phase VI expansion of its casino, and has engaged architects and engineers to develop a bid package. The Phase VI expansion is expected to include additional casino space, as well as restaurant and retail offerings to add to the destination quality of the property.

The Company announced yesterday that its Board of Directors declared a regular quarterly dividend of \$.045 per share. The dividend is payable on December 10, 2006 to shareholders of record at the close of business on November 10, 2006.

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This release contains or may contain forward-looking statements based on management's beliefs and assumptions. Such statements are subject to various risks and uncertainties that could cause results to vary materially. Please refer to the Company's SEC filings for a discussion of such factors.

Dover Downs Gaming & Entertainment, Inc. is a diversified gaming and entertainment company whose operations consist of Dover Downs Slots – a 95,000-square foot video lottery (slots) casino complex; the Dover Downs Hotel and Conference Center – featuring luxury accommodations with conference, banquet, fine dining, ballroom and concert hall facilities; and Dover Downs Raceway – a harness racing track with pari-mutuel wagering on live and simulcast horse races.