



**FOR IMMEDIATE RELEASE**

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**DOVER DOWNS GAMING & ENTERTAINMENT, INC. REPORTS  
RESULTS FOR THE FOURTH QUARTER AND YEAR ENDED DECEMBER 31, 2006**

Dover Downs Gaming & Entertainment, Inc. (NYSE-Symbol: DDE) today reported results for the three months and year ended December 31, 2006.

Net earnings per diluted share for the quarter ended December 31, 2006 improved 18.8% to \$.19 compared with adjusted net earnings, as described below, of \$.16 per diluted share for the same period in 2005. The improvement was a result of both an increase in net earnings and fewer shares outstanding due to the self-tender completed during the first quarter of 2006.

The Company's revenues increased to \$58,667,000 compared with \$54,015,000 for the fourth quarter of 2005. Gaming revenues, which include video lottery win and harness racing commissions, increased 8.7% or \$4,371,000, primarily from increased video lottery win compared with the fourth quarter of 2005.

General and administrative expenses for the quarter increased \$139,000, or 11.3%, primarily from increased stock-based compensation expense.

Interest expense for the quarter increased \$223,000 or 46.9% from higher outstanding borrowings related to the \$35 million self-tender completed during the first quarter of 2006.

Net earnings improved 5.6% to \$6,081,000 compared with adjusted net earnings of \$5,761,000 for the fourth quarter of 2005.

For the year ended December 31, 2006, net earnings per diluted share improved 22.2% to \$.77 from \$.63 on the adjusted basis described below. Net earnings improved 12.2% to \$25,328,000 compared to net earnings of \$22,579,000 on the adjusted basis described below.

The adjusted results for the fourth quarter and year ended 2005 exclude a \$5,837,000 or \$.10 per diluted share gain on the sale of a commercial real estate property in December of 2005. Including the gain on sale in the fourth quarter of 2005, net earnings for the fourth quarter of 2005 were \$9,222,000 or \$.26 per diluted share, and were \$26,040,000 or \$.72 per diluted share for the year ended December 31, 2005.

Denis McGlynn, President and CEO of Dover Downs Gaming & Entertainment, Inc. stated, "We are pleased with our slot win growth of close to 9% for the fourth quarter and for the year as a whole, and are very enthusiastic about our expansion plans."

Construction continues on the expansion to the Dover Downs Hotel, which will increase the total number of available rooms from 232 to 500. The project, which includes the addition of a full service spa, is on schedule and on budget and is expected to open in the fall of 2007.

The Company is finalizing a bid package for the Phase VI expansion of its casino which 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 expects to have final cost numbers by the end of the first quarter of 2007.

The Company announced yesterday that its Board of Directors declared a regular quarterly dividend of \$.045 per share. The dividend is payable on March 10, 2007 to shareholders of record at the close of business on February 10, 2007.

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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.