COMPANY UPDATE

BREAN MURRAY CARRET & CO.

Century Casinos, Inc. (CNTY/NASDAQ)

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Sale of Casinos Could Be Positive

Hold

Target Price: NA

Investment Summary

Although we are maintaining a Hold, we believe management's announcement that it is reviewing the potential sale of its South African casinos could lead to a significant positive event for the company.

Price	$2.45
52-Week High/Low	$7.46 - 2.10
Shares Outstanding (mm)	23.88
Market Cap. (mm)	$58.52
Average Daily Volume (mm)	0.08
EBITDA Interest Coverage (LTM)	3.05x
Total Debt (mm)	$53.79
Net Debt (mm)	$44.39
Total Debt/EBITDA	2.80x

EPS	**FY07A**	**FY08E**	**FY09E**
Mar	$0.06	$0.02A	NA
Jun	$0.04	$0.04A	NA
Sep	$0.08	$0.07	NA
Dec	$0.02	$0.05	NA
FY	**$0.21**	**$0.17**	**$0.32**
Consensus	$0.21	$0.18	$0.24
P/E	11.9x	14.1x	7.7x
FY Rev. (mm)	$91.68	$90.41	$96.46
EBITDA (mm)	$21.08	$19.22	$22.11
EV/EBITDA	4.88x	5.35x	4.66x

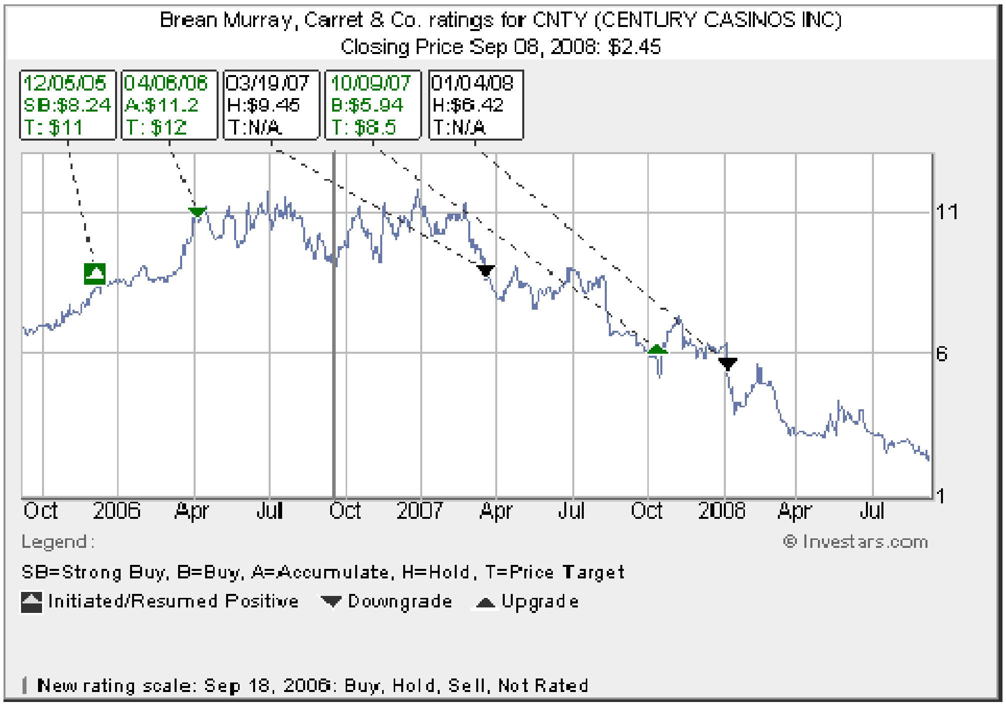
Discussion

- Management announced that following the receipt of a number of verbal indications of interest to buy part or all of its South African casinos it has invited interested parties to submit written expressions of interest.
- Management indicated that due to the limited number of licenses permitted in South Africa, existing operators are looking at consolidation as a means to grow and that if the price is right, CNTY would consider selling its 100% owned property in Caledon and its 60% owned casino in New Castle.
- We are forecasting Caledon and New Castle to generate 2008 EBITDA of $6.2MM and $3.9MM, respectively. It is difficult to estimate selling multiples in South Africa but due to the limited competition and growth prospects we suspect that sale (EV/EBITDA) multiples would be higher than in some US jurisdictions and higher than CNTY's current valuation in order for management to sell the assets.

Valuation

- CNTY currently trades at a 2008E EV/EBITDA multiple of 5.4x. At sales multiples of 6.5x – 8.5x, we believe the sale of both South African casinos could add $0.50 to over $1.00 of value to CNTY shares. At the low end of our expectations, we estimate that the sale of both properties would leave Century Casinos in a net cash position generating approximately $10MM of EBITDA and $0.15 of EPS with approximately 55% of its property level EBITDA derived from its highly profitable casino in Edmonton, Canada.

Important Disclosures



All prices are as of the market close on 9/8/08.

Brean Murray, Carret & Co., LLC makes a market in CNTY.

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	# of Securities	% of Total Securities	# of IB-Related Securities in Past 12 mos.	% of Total Securities
BUY	97	53.89%	13	13.4%
HOLD	46	25.56%	0	0%
SELL	7	3.89%	0	0%
NOT RATED	30	16.67%	2	6.67%
TOTAL	**180**			

Note : Stock price volatility may cause temporary non-alignment of some ratings with some target prices.

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