BLACKROCK MUNIHOLDINGS INVESTMENT QUALITY FUND
Form N-CSRS
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

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FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-08349

Name of Fund: BlackRock MuniHoldings Investment Quality Fund (MFL)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

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Date of fiscal year end: 08/31/2013

Date of reporting period: 02/28/2013

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FEBRUARY 28, 2013

SEMI-ANNUAL REPORT (UNAUDITED)

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Dear Shareholder

Despite a number of headwinds, risk assets generated strong returns during the 6- and 12-month periods as investors sought meaningful yields in the ongoing low-interest-rate environment. About this time one year ago, the European debt crisis returned to the headlines as unresolved policy decisions left it unclear as to how troubled peripheral countries would finance their sovereign debt, causing yields to soar. In the second quarter of 2012, political instability in Greece and severe deficit and liquidity problems in Spain raised the specter of a full-blown euro collapse. Alongside the drama in Europe, investors were discouraged by gloomy economic reports from various parts of the world. A slowdown in China, a key powerhouse for global growth, emerged as a particular concern. As the outlook for the global economy worsened, however, investors grew increasingly optimistic that the world s largest central banks would soon intervene to stimulate growth. This theme, along with the announcement of the European Central Bank s (ECB s) firm commitment to preserve the euro currency bloc, drove most asset classes higher through the summer. Policy relief came in early September, when the ECB announced its decision to support the eurozone s debt-laden countries with unlimited purchases of short term sovereign debt. Days later, the US Federal Reserve announced its own much-anticipated stimulus package.

Although financial markets world-wide were buoyed by accommodative monetary policies, risk assets weakened in the fall. Global trade began to slow as many European countries fell into recession and growth continued to decelerate in China, where a once-a-decade leadership change compounded uncertainty. In the United States, stocks slid on lackluster corporate earnings reports and market volatility rose in advance of the US Presidential election. In the post-election environment, investors grew increasingly concerned over the fiscal cliff, the automatic tax increases and spending cuts that had been scheduled to take effect at the beginning of 2013. There was widespread fear that the fiscal cliff would push the United States into recession unless politicians could agree upon alternate measures to reduce the deficit before the end of 2012. Worries that bipartisan gridlock would preclude a timely budget deal triggered higher levels of volatility in financial markets around the world in the months leading up to the last day of the year. Ultimately, the worst of the fiscal cliff was averted with a last-minute tax deal; however, decisions relating to spending cuts and the debt ceiling continued to weigh on investors minds.

Investors shook off the nerve-wracking finale to 2012 and began the New Year with a powerful equity rally. Money that had been pulled to the sidelines amid year-end tax-rate uncertainty poured back into the markets in January. Key indicators signaled modest but broad-based improvements in the world s major economies, particularly in China. Global equities soared through January while rising US Treasury yields pressured high-quality fixed income assets. However, bond markets strengthened in February when economic momentum slowed and investors toned down their risk appetite. US stocks continued to rise, but at a more moderate pace. Uncertainty about how long the Federal Reserve would maintain its easing bias drove high levels of volatility later in the month, but these fears abated as the budget sequester (automatic spending cuts scheduled to take effect March 1) began to appear imminent and was deemed likely to deter any near-term curtailment of monetary easing policies. Outside the United States, equities largely declined as political uncertainty escalated after the Italian presidential election ended in a stalemate.

On the whole, riskier asset classes outperformed lower-risk investments for the 6- and 12-month periods ended February 28, 2013. International, US small cap and emerging market equities were the leading asset classes for the 6-month period, while US stocks and high yield bonds generated the strongest returns for the 12-month period. US Treasury yields remained relatively low overall, but have inched higher in recent months, pressuring Treasuries and investment-grade bonds. Tax-exempt municipal bonds, however, continued to benefit from favorable supply-and-demand dynamics. Near-zero short term interest rates continued to keep yields on money market securities near their all-time lows.

Investors continue to face many of the same risks as in years past. But we see a world of possibilities. BlackRock was built to provide the global market insight, breadth of capabilities, unbiased investment advice and deep risk management expertise these times require. Investors everywhere are asking, *So what do I do with my money?* Visit www.blackrock.com for answers.

Sincerely,

Rob Kapito

President, BlackRock Advisors, LLC

Despite a number of headwinds, risk assets generated strong returns during the 6- and 12-month periods as investors sought meaningful yields in the ongoing low-interest-rate environment.

Rob Kapito

President, BlackRock Advisors, LLC

Total Returns as of February 28, 2013

	6-month	**12-month**
US large cap equities (S&P 500® Index)	8.95%	13.46%
US small cap equities (Russell 2000® Index)	13.02	14.02
International equities (MSCI Europe, Australasia, Far East Index)	14.41	9.84
Emerging market equities (MSCI Emerging Markets Index)	12.06	0.28
3-month Treasury bill (BofA Merrill Lynch 3-Month US Treasury Bill Index)	0.05	0.11
US Treasury securities (BofA Merrill Lynch 10-Year US Treasury Index)	(1.51)	3.66
US investment grade bonds (Barclays US Aggregate Bond Index)	0.15	3.12
Tax-exempt municipal bonds (S&P Municipal Bond Index)	2.40	5.71
US high yield bonds (Barclays US Corporate High Yield 2% Issuer Capped Index)	6.67	11.79

Past performance is no guarantee of future results. Index performance is shown for illustrative purposes only. You cannot invest directly in an index.

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Municipal Market Overview

For the Reporting Period Ended February 28, 2013

Municipal Bonds Performed Well

Market conditions remained favorable even though supply picked up considerably in the past year. Total new issuance for the 12 months ended February 28, 2013 was $383 billion as compared to $303 billion in the prior 12-month period. However, it is important to note that a significant portion (roughly 60%) of the new supply during the most recent 12-month period was attributable to refinancing activity as issuers took advantage of lower interest rates to reduce their borrowing costs.

Increased supply was met with strong demand during the period as investors were starved for yield in the low- rate environment. Investors poured into municipal bond mutual funds, particularly long-duration and high-yield funds as they tend to provide higher levels of income. For the 12 months ended February 28, 2013, municipal bond fund inflows exceeded $46 billion (according to the Investment Company Institute).

S&P Municipal Bond Index

Total Returns as of February 28, 2013

6 months:	2.40%
12 months:	5.71%

A Closer Look at Yields

From February 29, 2012 to February 28, 2013, muni yields declined by 32 basis points (bps) from 3.23% to 2.91% on AAA-rated 30-year municipal bonds, while falling a modest 4 bps from 1.85% to 1.81% on 10-year bonds and rising 9 bps from 0.68% to 0.77% on 5-year bonds (as measured by Thomson Municipal Market Data). (Bond prices rise as yields fall.) Overall, the municipal yield curve remained relatively steep, but flattened over the 12-month period as the spread between 2- and 30-year maturities tightened by 37 bps and the spread between 2- and 10-year maturities tightened by 9 bps.

During the same time period, US Treasury rates fell by 10 bps in both the 5- and 10-year space while rising 1 bp on 30-year bonds. Accordingly, tax-exempt municipal bonds moderately underperformed Treasuries in the 5- and 10-year space, but significantly outperformed Treasury bonds on the long end of the curve. This outperformance was driven largely by a supply/demand imbalance within the municipal market while evidence of a recovering domestic economy pushed interest rates higher. Additionally, as higher US tax rates began to appear imminent late in 2012, municipal bonds benefited from the increased appeal of tax-exempt investing. Municipals have become an appropriate avenue for investors seeking yield in the low-rate environment as the asset class is known for its lower volatility and preservation of earnings as tax rates rise.

Financial Conditions of Municipal Issuers Continue to Improve

Austerity and de-leveraging have been the general themes across the country as states seek to balance their budgets, although a small number of states continue to rely on a kick-the-can approach to close their budget gaps. Broadly speaking, state governments have demonstrated better fiscal health as their revenues have steadily improved in recent years. Many local municipalities, however, continue to face higher costs passed down from the state level. BlackRock maintains the view that municipal bond defaults will be minimal and remain in the periphery, and that the overall market is fundamentally sound. We continue to recognize that careful credit research and security selection remain imperative amid uncertainty in this economic environment.

Past performance is no guarantee of future results. Index performance is shown for illustrative purposes only. You cannot invest directly in an index.

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The Benefits and Risks of Leveraging

The Trusts may utilize leverage to seek to enhance the yield and net asset value (NAV) of their common shares (Common Shares). However, these objectives cannot be achieved in all interest rate environments.

To obtain leverage, the Trusts issue Variable Rate Demand Preferred Shares (VRDP Shares) or Variable Rate Muni Term Preferred Shares (VMTP Shares) (VRDP Shares and VMTP Shares are collectively referred to as Preferred Shares). Preferred Shares pay dividends at prevailing short-term interest rates, and the Trusts invest the proceeds in long-term municipal bonds. In general, the concept of leveraging is based on the premise that the financing cost of assets to be obtained from leverage, which will be based on short-term interest rates, will normally be lower than the income earned by each Trust on its longer-term portfolio investments. To the extent that the total assets of each Trust (including the assets obtained from leverage) are invested in higher-yielding portfolio investments, each Trust s shareholders will benefit from the incremental net income.

The interest earned on securities purchased with the proceeds from leverage is paid to shareholders in the form of dividends, and the value of these portfolio holdings is reflected in the per share NAV. However, in order to benefit shareholders, the yield curve must be positively sloped; that is, short-term interest rates must be lower than long-term interest rates. If the yield curve becomes negatively sloped, meaning short-term interest rates exceed long-term interest rates, income to shareholders will be lower than if the Trusts had not used leverage.

To illustrate these concepts, assume a Trust s Common Shares capitalization is $100 million and it issues Preferred Shares for an additional $50 million, creating a total value of $150 million available for investment in long-term municipal bonds. If prevailing short-term interest rates are 3% and long-term interest rates are 6%, the yield curve has a strongly positive slope. In this case, the Trust pays dividends on the $50 million of Preferred Shares based on the lower short-term interest rates. At the same time, the securities purchased by the Trust with assets received from Preferred Shares issuance earn income based on long-term interest rates. In this case, the dividends paid to holders of Preferred Shares (Preferred Shareholders) are significantly lower than the income earned on the Trust s long-term investments, and therefore the holders of Common Shares (Common Shareholders) are the beneficiaries of the incremental net income.

If short-term interest rates rise, narrowing the differential between short-term and long-term interest rates, the incremental net income pickup will be reduced or eliminated completely. Furthermore, if prevailing short-term interest rates rise above long-term interest rates, the yield curve has a negative slope. In this case, the Trust pays higher short-term interest rates whereas the Trust s total portfolio earns income based on lower long-term interest rates.

Furthermore, the value of the Trusts portfolio investments generally varies inversely with the direction of long-term interest rates, although other factors can influence the value of portfolio investments. In contrast, the redemption value of the Trusts Preferred Shares and/or debt securities does not fluctuate in relation to interest rates. As a result, changes in interest rates can influence the Trusts NAVs positively or negatively in addition to the impact on Trust performance from leverage from Preferred Shares and borrowings discussed above.

The Trusts may also leverage their assets through the use of tender option bond trusts (TOBs), as described in Note 1 of the Notes to Financial Statements. TOB investments generally will provide the Trusts with economic benefits in periods of declining short-term interest rates, but expose the Trusts to risks during periods of rising short-term interest rates similar to those associated with Preferred Shares issued by the Trusts, as described above. Additionally, fluctuations in the market value of municipal bonds deposited into the TOB trust may adversely affect each Trust s NAV per share.

The use of leverage may enhance opportunities for increased income to the Trusts and Common Shareholders, but as described above, it also creates risks as short- or long-term interest rates fluctuate. Leverage also will generally cause greater changes in the Trusts NAVs, market prices and dividend rates than comparable portfolios without leverage. If the income derived from securities purchased with assets received from leverage exceeds the cost of leverage, the Trusts net income will be greater than if leverage had not been used. Conversely, if the income from the securities purchased is not sufficient to cover the cost of leverage, each Trust s net income will be less than if leverage had not been used, and therefore the amount available for distribution to Common Shareholders will be reduced. Each Trust may be required to sell portfolio securities at inopportune times or at distressed values in order to comply with regulatory requirements applicable to the use of leverage or as required by the terms of leverage instruments, which may cause a Trust to incur losses. The use of leverage may limit each Trust s ability to invest in certain types of securities or use certain types of hedging strategies, such as in the case of certain restrictions imposed by rating agencies that rate the Preferred Shares issued by the Trusts. Each Trust will incur expenses in connection with the use of leverage, all of which are borne by Common Shareholders and may reduce income to the Common Shares.

Under the Investment Company Act of 1940, as amended (the 1940 Act), the Trusts are permitted to issue senior securities in the form of equity securities (e.g., Preferred Shares) up to 50% of their total managed assets (each Trust s total assets less the sum of its accrued liabilities). In addition, each Trust with VRDP or VMTP Shares limits its economic leverage to 45% of its total managed assets. As of February 28, 2013, the Trusts had economic leverage from Preferred Shares and/or TOBs as a percentage of their total managed assets as follows:

	Percent of Economic Leverage
BIE	39%
BBK	36%
BAF	36%
BYM	37%
BLE	39%
MFL	40%
MVF	39%

Derivative Financial Instruments

The Trusts may invest in various derivative financial instruments, including financial futures contracts and options, as specified in Note 2 of the Notes to Financial Statements, which may constitute forms of economic leverage. Such derivative financial instruments are used to obtain exposure to a security, index and/or market without owning or taking physical custody of securities or to hedge market and/or interest rate risks. Derivative financial instruments involve risks, including the imperfect correlation between the value of a derivative financial instrument and the underlying asset, possible default of the counterparty to the transaction or illiquidity of the derivative financial instrument. The Trusts ability to use a derivative financial instrument successfully depends on the investment advisor s ability to predict pertinent market movements accurately, which cannot be assured. The use of derivative financial instruments may result in losses greater than if they had not been used, may require a Trust to sell or purchase portfolio investments at inopportune times or for distressed values, may limit the amount of appreciation a Trust can realize on an investment, may result in lower dividends paid to shareholders or may cause a Trust to hold an investment that it might otherwise sell. The Trusts investments in these instruments are discussed in detail in the Notes to Financial Statements.

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Trust Summary as of February 28, 2013

BlackRock Municipal Bond Investment Trust

Trust Overview

BlackRock Municipal Bond Investment Trust s (BIE) (the Trust) investment objective is to provide current income exempt from regular federal income tax and Florida intangible personal property tax. The Trust seeks to achieve its investment objective by investing primarily in municipal bonds exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax). Under normal market conditions, the Trust invests at least 80% of its assets in municipal bonds that are investment grade quality at the time of investment. The Trust may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Trust s investment objective will be achieved.

Performance

For the six months ended February 28, 2013, the Trust returned 4.15% based on market price and 3.94% based on NAV. For the same period, the closed-end Lipper General & Insured Municipal Debt Funds (Leveraged) category posted an average return of 2.51% based on market price and 4.16% based on NAV. All returns reflect reinvestment of dividends. The Trust s discount to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV.

The Trust s holdings in the State of California contributed positively to performance. While federal tax rate increases were supportive of municipal bonds overall, the addition of a state tax rate increase in California made these issues even more compelling on an after-tax basis. Also enhancing results were holdings in the health, education and transportation sectors. Particularly strong returns came from the Trust s lower-quality holdings in those sectors, which benefited from strong demand as investors sought higher-yielding investments in the low interest rate environment.

Conversely, exposure to Puerto Rico sales tax bonds had a negative impact on performance as the continued decline of the local economy and concerns about credit rating downgrades resulted in falling prices across Puerto Rico-issued securities broadly.

The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

Trust Information	
Symbol on New York Stock Exchange (NYSE)	BIE
Initial Offering Date	April 30, 2002
Yield on Closing Market Price as of February 28, 2013 ($16.83)[1]	5.56%
Tax Equivalent Yield[2]	9.82%
Current Monthly Distribution per Common Share[3]	$0.0780
Current Annualized Distribution per Common Share[3]	$0.9360
Economic Leverage as of February 28, 2013[4]	39%

1 Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

[2] Tax equivalent yield assumes the maximum marginal federal tax rate of 43.4%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.

[3] The Monthly Distribution per Common Share, declared on March 1, 2013, was decreased to $0.076 per share. The Yield on Closing Market Price, Current Monthly Distribution per Common Share and Current Annualized Distribution per Common Share do not reflect the new distribution rate. The new distribution rate is not constant and is subject to change in the future.

[4] Represents VRDP Shares and TOBs as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to VRDP Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 5.

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BlackRock Municipal Bond Investment Trust

Market Price and Net Asset Value

The table below summarizes the changes in the Trust s market price and NAV per share:

	2/28/13	8/31/12	Change	High	Low
Market Price	$ 16.83	$ 16.61	1.32%	$ 17.99	$ 16.20
Net Asset Value	$ 17.07	$ 16.88	1.13%	$ 17.70	$ 16.61

The following charts show the sector allocation, credit quality allocation and call/maturity schedule of the Trust s long-term investments:

Sector Allocation

	2/28/13	8/31/12
County/City/Special District/School District	21%	19%
Transportation	21	18
Health	16	17
Utilities	16	16
Education	11	12
State	9	12
Housing	4	4
Corporate	1	1
Tobacco	1	1

Credit Quality Allocation[1]

	2/28/13	8/31/12
AAA/Aaa	13%	15%
AA/Aa	57	60
A	26	20
BBB/Baa	4	5

1 Using the higher of Standard & Poor s (S&P s) or Moody s Investors Service (Moody s) ratings.

Call/Maturity Schedule[2]

Calendar Year Ended December 31,	
2013	
2014	4%
2015	
2016	2
2017	1

2 Scheduled maturity dates and/or bonds that are subject to potential calls by issuers over the next five years.

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Trust Summary as of February 28, 2013

BlackRock Municipal Bond Trust

Trust Overview

BlackRock Municipal Bond Trust s (BBK) (the Trust) investment objective is to provide current income exempt from regular federal income tax. The Trust seeks to achieve its investment objective by investing primarily in municipal bonds exempt from regular federal income taxes (except that the interest may be subject to the federal alternative minimum tax). The Trust invests, under normal market conditions, at least 80% of its assets in municipal bonds that are investment grade quality. The Trust may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Trust s investment objective will be achieved.

Performance

For the six months ended February 28, 2013, the Trust returned 4.98% based on market price and 5.01% based on NAV. For the same period, the closed-end Lipper General & Insured Municipal Debt Funds (Leveraged) category posted an average return of 2.51% based on market price and 4.16% based on NAV. All returns reflect reinvestment of dividends. The Trust s premium to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

The Trust s lower-quality investment grade holdings contributed positively to performance as the tightening of credit spreads drove their outperformance over higher-quality bonds during the period. Additional positive performance came from the Trust s allocations to the higher-yielding health, corporate and school district sectors. Heavy exposure to California credits, the best performing state for the period, boosted returns. The Trust also benefited from the roll-down effect, whereby effective maturities become shorter with the passing of the year and therefore bonds are evaluated at lower yield levels, which, in a steep yield curve environment, results in higher prices.

Detracting from performance was the Trust s neutral-to-long average duration (greater sensitivity to interest rates) as most of the municipal yield curve experienced slightly higher yields and lower bond prices. The Trust s yield curve positioning favoring longer-dated maturities also had a negative effect. Exposure to Puerto Rico credits detracted from results as the commonwealth s deteriorating credit metrics and ratings downgrades led to the underperformance of those issues.

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Trust Information	
Symbol on NYSE	BBK
Initial Offering Date	April 30, 2002
Yield on Closing Market Price as of February 28, 2013 ($17.35)[1]	5.78%
Tax Equivalent Yield[2]	10.21%
Current Monthly Distribution per Common Share[3]	$0.0835
Current Annualized Distribution per Common Share[3]	$1.0020
Economic Leverage as of February 28, 2013[4]	36%

1 Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

[2] Tax equivalent yield assumes the maximum marginal federal tax rate of 43.4%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.

[3] The Monthly Distribution per Common Share, declared on March 1, 2013, was decreased to $0.0785 per share. The Yield on Closing Market Price, Current Monthly Distribution per Common Share and Current Annualized Distribution per Common Share do not reflect the new distribution rate. The new distribution rate is not constant and is subject to change in the future.

[4] Represents VMTP Shares and TOBs as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to VMTP Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 5.

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BlackRock Municipal Bond Trust

Market Price and Net Asset Value

The table below summarizes the changes in the Trust s market price and NAV per share:

	2/28/13	8/31/12	Change	High	Low
Market Price	$ 17.35	$ 17.16	1.11%	$ 18.74	$ 16.85
Net Asset Value.	$ 16.98	$ 16.79	1.13%	$ 17.62	$ 16.56

The following charts show the sector allocation, credit quality allocation and call/maturity schedule of the Trust s long-term investments:

Sector Allocation

	2/28/13	8/31/12
Health	23%	25%
County/City/Special District/School District	14	13
Utilities	14	8
Transportation	13	13
State	12	14
Education	11	11
Housing	6	8
Corporate	6	5
Tobacco	1	3

Credit Quality Allocation[1]

	2/28/13	8/31/12
AAA/Aaa	6%	9%
AA/Aa	40	35
A	30	26
BBB/Baa	12	18
BB/Ba	5	4
B	1	2
Not Rated[2]	6	6

1 Using the higher of S&P s or Moody s ratings.

2 The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of February 28, 2013 and August 31, 2012, the market value of these securities was $4,854,688, representing 2%, and $3,199,110, representing 1%, respectively, of the Trust s long-term investments.

Call/Maturity Schedule[3]

Calendar Year Ended December 31,	
2013	9%
2014	5
2015	2
2016	3
2017	3

3 Scheduled maturity dates and/or bonds that are subject to potential calls by issuers over the next five years.

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Trust Summary as of February 28, 2013

BlackRock Municipal Income Investment Quality Trust

Trust Overview

BlackRock Municipal Income Investment Quality Trust s (BAF) (the Trust) investment objective is to provide current income exempt from federal income tax, including the alternative minimum tax and Florida intangible property tax. The Trust seeks to achieve its investment objective by investing, under normal circumstances, at least 80% of its assets in municipal bonds exempt from federal income taxes, including the alternative minimum tax. The Trust also invests at least 80% of its assets in municipal bonds that are investment grade quality at the time of investment. The Trust may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Trust s investment objective will be achieved.

Performance

For the six months ended February 28, 2013, the Trust returned 2.83% based on market price and 3.50% based on NAV. For the same period, the closed-end Lipper General & Insured Municipal Debt Funds (Leveraged) category posted an average return of 2.51% based on market price and 4.16% based on NAV. All returns reflect reinvestment of dividends. The Trust s discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

The Trust s holdings in the State of California contributed positively to performance. While federal tax rate increases were supportive of municipal bonds overall, the addition of a state tax rate increase in California made these issues even more compelling on an after-tax basis. Also enhancing results were holdings in the health, education and transportation sectors. Particularly strong returns came from the Trust s lower-quality holdings in those sectors, which benefited from strong demand as investors sought higher-yielding investments in the low interest rate environment.

Conversely, exposure to Puerto Rico sales tax bonds had a negative impact on performance as the continued decline of the local economy and concerns about credit rating downgrades resulted in falling prices across Puerto Rico-issued securities broadly.

The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

Trust Information	
Symbol on NYSE	BAF
Initial Offering Date	October 31, 2002
Yield on Closing Market Price as of February 28, 2013 ($16.29)[1]	5.05%
Tax Equivalent Yield[2]	8.92%
Current Monthly Distribution per Common Share[3]	$0.0685
Current Annualized Distribution per Common Share[3]	$0.8220
Economic Leverage as of February 28, 2013[4]	36%

1 Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

2 Tax equivalent yield assumes the maximum marginal federal tax rate of 43.4%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.

3 The distribution rate is not constant and is subject to change.

4 Represents VMTP Shares and TOBs as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to VMTP Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 5.

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BlackRock Municipal Income Investment Quality Trust

Market Price and Net Asset Value

The table below summarizes the changes in the Trust s market price and NAV per share:

	2/28/13	8/31/12	Change	High	Low
Market Price	$ 16.29	$ 16.24	0.31%	$ 17.49	$ 15.80
Net Asset Value	$ 16.69	$ 16.53	0.97%	$ 17.35	$ 16.26

The following charts show the sector allocation, credit quality allocation and call/maturity schedule of the Trust s long-term investments:

Sector Allocation

	2/28/13	8/31/12
County/City/Special District/School District	31%	29%
Transportation	20	19
Utilities	17	20
Health	11	12
State	10	8
Education	9	10
Housing	1	1
Tobacco	1	1

Credit Quality Allocation[1]

	2/28/13	8/31/12
AAA/Aaa	10%	11%
AA/Aa	69	74
A	19	14
BBB/Baa		1
Not Rated	2	

1 Using the higher of S&P s or Moody s ratings.

Call/Maturity Schedule[2]

Calendar Year Ended December 31,	
2013	
2014	
2015	
2016	1%
2017	1

2 Scheduled maturity dates and/or bonds that are subject to potential calls by issuers over the next five years.

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Trust Summary as of February 28, 2013

BlackRock Municipal Income Quality Trust

Trust Overview

BlackRock Municipal Income Quality Trust s (BYM) (the Trust) investment objective is to provide current income exempt from federal income taxes, including the alternative minimum tax. The Trust seeks to achieve its investment objective by investing, under normal circumstances, at least 80% of its assets in municipal bonds exempt from federal income taxes, including the alternative minimum tax. The Trust also invests at least 80% of its assets in municipal bonds that are investment grade quality at the time of investment. The Trust may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Trust s investment objective will be achieved.

Performance

For the six months ended February 28, 2013, the Trust returned (1.32)% based on market price and 3.62% based on NAV. For the same period, the closed-end Lipper General & Insured Municipal Debt Funds (Leveraged) category posted an average return of 2.51% based on market price and 4.16% based on NAV. All returns reflect reinvestment of dividends. The Trust moved from a premium to NAV to a discount by period end, which accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

The Trust s positive performance was derived largely from income accrual as well as spread compression (price appreciation) in certain sectors, most notably health and transportation. Exposure to capital appreciation bonds (zero coupons) also had a positive impact on results as spreads generally tightened in this segment.

Trust performance was negatively impacted by a slight rise in interest rates during the period (bond prices fall as rates rise). Exposure to certain Puerto Rico credits detracted from performance as concerns about credit rating agency downgrades resulted in wider credit spreads (falling prices) for Puerto Rico municipal securities broadly.

The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

Trust Information

Symbol on NYSE	BYM
Initial Offering Date	October 31, 2002
Yield on Closing Market Price as of February 28, 2013 ($16.04)[1]	5.84%
Tax Equivalent Yield[2]	10.32%
Current Monthly Distribution per Common Share[3]	$0.0780
Current Annualized Distribution per Common Share[3]	$0.9360
Economic Leverage as of February 28, 2013[4]	37%

1 Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

2

Tax equivalent yield assumes the maximum marginal federal tax rate of 43.4%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.

[3] The distribution rate is not constant and is subject to change.

[4] Represents VMTP Shares and TOBs as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to VMTP Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 5.

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BlackRock Municipal Income Quality Trust

Market Price and Net Asset Value

The table below summarizes the changes in the Trust s market price and NAV per share:

	2/28/13	8/31/12	Change	High	Low
Market Price	$ 16.04	$ 16.73	(4.12)%	$ 17.79	$ 15.71
Net Asset Value	$ 16.22	$ 16.11	0.68%	$ 16.64	$ 15.88

The following charts show the sector allocation, credit quality allocation and call/maturity schedule of the Trust s long-term investments:

Sector Allocation

	2/28/13	8/31/12
County/City/Special District/School District	25%	19%
Transportation	19	21
Utilities	19	19
State	16	17
Health	7	9
Tobacco	5	5
Education	4	6
Corporate	4	3
Housing	1	1

Credit Quality Allocation[1]

	2/28/13	8/31/12
AAA/Aaa	22%	17%
AA/Aa	52	55
A	21	19
BBB/Baa	4	7
B	1	1
Not Rated		1 [2]

1 Using the higher of S&P s or Moody s ratings.

2 The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of August 31, 2012, the market value of these securities was $8,360,761, representing 1% of the Trust s long-term investments.

Call/Maturity Schedule[3]

Calendar Year Ended December 31,	
2013	9%
2014	7
2015	5
2016	5
2017	8

[3] Scheduled maturity dates and/or bonds that are subject to potential calls by issuers over the next five years.

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Trust Summary as of February 28, 2013

BlackRock Municipal Income Trust II

Trust Overview

BlackRock Municipal Income Trust II s (BLE) (the Trust) investment objective is to provide current income exempt from regular federal income tax. The Trust seeks to achieve its investment objective by investing primarily in municipal bonds exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax). The Trust invests, under normal market conditions, at least 80% of its assets in municipal bonds that are investment grade quality at the time of investment. The Trust may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Trust s investment objective will be achieved.

Performance

For the six months ended February 28, 2013, the Trust returned 2.29% based on market price and 4.17% based on NAV. For the same period, the closed-end Lipper General & Insured Municipal Debt Funds (Leveraged) category posted an average return of 2.51% based on market price and 4.16% based on NAV. All returns reflect reinvestment of dividends. The Trust s premium to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

The Trust s holdings generated a high distribution yield, which in the aggregate, had a meaningful impact on returns. Credit spread compression drove price appreciation, particularly within the Trust s concentration of holdings in lower-quality investment grade and non-investment grade municipal bonds. Also boosting returns were the Trust s allocations to corporate, health and transportation-related debt. Exposure to capital appreciation bonds (zero coupons) had a positive impact on results as this segment tends to outperform in a spread tightening environment.

Conversely, security selection within the corporate and tax-backed sectors hindered performance. The Trust s long duration (greater sensitivity to interest rate movements) detracted as yields slightly rose during the period. Modest exposure to certain Puerto Rico credits had a negative impact on results as concerns about the commonwealth s deteriorating credit metrics and ratings downgrades led to the underperformance of those issues.

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Trust Information	
Symbol on NYSE MKT	BLE
Initial Offering Date	July 30, 2002
Yield on Closing Market Price as of February 28, 2013 ($16.59)[1]	6.15%
Tax Equivalent Yield[2]	10.87%
Current Monthly Distribution per Common Share[3]	$0.0850
Current Annualized Distribution per Common Share[3]	$1.0200
Economic Leverage as of February 28, 2013[4]	39%

1 Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

[2] Tax equivalent yield assumes the maximum marginal federal tax rate of 43.4%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.

[3] The distribution rate is not constant and is subject to change.

[4] Represents VMTP Shares and TOBs as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to VMTP Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 5.

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BlackRock Municipal Income Trust II

Market Price and Net Asset Value

The table below summarizes the changes in the Trust s market price and NAV per share:

	2/28/13	8/31/12	Change	High	Low
Market Price	$ 16.59	$ 16.74	(0.90)%	$ 17.61	$ 15.85
Net Asset Value	$ 16.25	$ 16.10	0.93%	$ 16.78	$ 15.88

The following charts show the sector allocation, credit quality allocation and call/maturity schedule of the Trust s long-term investments:

Sector Allocation

	2/28/13	8/31/12
Transportation	20%	17%
Health	17	18
Utilities	17	15
State	13	16
County/City/Special District/School District	12	11
Corporate	8	7
Education	8	9
Tobacco	3	4
Housing	2	3

Credit Quality Allocation[1]

	2/28/13	8/31/12
AAA/Aaa	10%	13%
AA/Aa	35	36
A	30	25
BBB/Baa	18	17
BB/Ba		2
B	1	1
Not Rated[2]	6	6

[1] Using the higher of S&P s or Moody s ratings.

[2] The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of February 28, 2013 and August 31, 2012, the market value of these securities was $12,353,604 and $12,361,560, each representing 2%, respectively, of the Trust s long-term investments.

Call/Maturity Schedule[3]

Calendar Year Ended December 31,	
2013	6%
2014	1
2015	6
2016	5
2017	5

[3] Scheduled maturity dates and/or bonds that are subject to potential calls by issuers over the next five years.

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Trust Summary as of February 28, 2013

BlackRock MuniHoldings Investment Quality Fund

Trust Overview

BlackRock MuniHoldings Investment Quality Fund s (MFL) (the Trust) investment objective is to provide shareholders with current income exempt from federal income tax and to provide shareholders with the opportunity to own shares the value of which is exempt from Florida intangible personal property tax. The Trust seeks to achieve its investment objective by investing primarily in long-term, investment grade municipal obligations exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax). Under normal market conditions, the Trust invests at least 80% of its assets in municipal obligations with remaining maturities of one year or more at the time of investment. The Trust may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Trust s investment objective will be achieved.

Performance

For the six months ended February 28, 2013, the Trust returned 0.13% based on market price and 3.97% based on NAV. For the same period, the closed-end Lipper General & Insured Municipal Debt Funds (Leveraged) category posted an average return of 2.51% based on market price and 4.16% based on NAV. All returns reflect reinvestment of dividends. The Trust moved from a premium to NAV to a discount by period end, which accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

The Trust s holdings in the State of California contributed positively to performance. While federal tax rate increases were supportive of municipal bonds overall, the addition of a state tax rate increase in California made these issues even more compelling on an after-tax basis. Also enhancing results were holdings in the health, education and transportation sectors. Particularly strong returns came from the Trust s lower-quality holdings in those sectors, which benefited from strong demand as investors sought higher-yielding investments in the low interest rate environment.

Conversely, exposure to Puerto Rico sales tax bonds had a negative impact on performance as the continued decline of the local economy and concerns about credit rating downgrades resulted in falling prices across Puerto Rico-issued securities broadly.

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Trust Information

Symbol on NYSE	MFL
Initial Offering Date	September 26, 1997
Yield on Closing Market Price as of February 28, 2013 ($15.70)[1]	5.85%
Tax Equivalent Yield[2]	10.34%
Current Monthly Distribution per Common Share[3]	$0.0765
Current Annualized Distribution per Common Share[3]	$0.9180
Economic Leverage as of February 28, 2013[4]	40%

1

Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

2 Tax equivalent yield assumes the maximum marginal federal tax rate of 43.4%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.

3 The distribution rate is not constant and is subject to change.

4 Represents VRDP Shares and TOBs as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to VRDP Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 5.

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BlackRock MuniHoldings Investment Quality Fund

Market Price and Net Asset Value

The table below summarizes the changes in the Trust s market price and NAV per share:

	2/28/13	8/31/12	Change	High	Low
Market Price	$ 15.70	$ 16.13	(2.67)%	$ 17.20	$ 15.52
Net Asset Value	$ 16.13	$ 15.96	1.07%	$ 16.77	$ 15.70

The following charts show the sector allocation, credit quality allocation and call/maturity schedule of the Trust s long-term investments:

Sector Allocation

	2/28/13	8/31/12
Transportation	28%	21%
Utilities	18	18
County/City/Special District/School District	15	16
State	14	16
Health	12	14
Education	10	11
Housing	2	3
Tobacco	1	1

Credit Quality Allocation[1]

	2/28/13	8/31/12
AAA/Aaa	13%	14%
AA/Aa	59	66
A	26	18
BBB/Baa		1
Not Rated[2]	2	1

1 Using the higher of S&P s or Moody s ratings.

2 The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of February 28, 2013 and August 31, 2012, the market value of these securities was $8,585,448 and $4,206,588, each representing less than 1%, respectively, of the Trust s long-term investments.

Call/Maturity Schedule[3]

Calendar Year Ended December 31,	
2013	1%
2014	1
2015	
2016	1
2017	3

3 Scheduled maturity dates and/or bonds that are subject to potential calls by issuers over the next five years.

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Trust Summary as of February 28, 2013

BlackRock MuniVest Fund, Inc.

Trust Overview

BlackRock MuniVest Fund, Inc. s (MVF) (the Trust) investment objective is to provide shareholders with as high a level of current income exempt from federal income taxes as is consistent with its investment policies and prudent investment management. The Trust seeks to achieve its investment objective by investing at least 80% of its assets in municipal obligations exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax). The Trust invests, under normal market conditions, primarily in long term municipal obligations rated investment grade at the time of investment and invests primarily in long term municipal obligations with maturities of more than ten years at the time of investment. The Trust may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Trust s investment objective will be achieved.

Performance

For the six months ended February 28, 2013, the Trust returned 3.39% based on market price and 3.97% based on NAV. For the same period, the closed-end Lipper General & Insured Municipal Debt Funds (Leveraged) category posted an average return of 2.51% based on market price and 4.16% based on NAV. All returns reflect reinvestment of dividends. The Trust s premium to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

The Trust s positive performance was derived mainly from its coupon income component as municipal market performance during the six-month period, although positive, was less robust than it had been in the prior eighteen months. The Trust benefited from its zero-coupon bond holdings due to positive price movement in that segment. Exposure to lower-quality investment grade credits boosted results given strong demand from investors seeking higher-yielding investments in the low interest rate environment.

Interest rates inched higher during the period, which negatively impacted performance (bond prices fall as rates rise). Exposure to Puerto Rico debt detracted from performance as concerns about credit rating agency downgrades resulted in wider credit spreads (falling prices) for Puerto Rico municipal securities broadly.

The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

Trust Information

Symbol on NYSE MKT	MVF
Initial Offering Date	September 29, 1988
Yield on Closing Market Price as of February 28, 2013 ($11.29)[1]	6.27%
Tax Equivalent Yield[2]	11.08%
Current Monthly Distribution per Common Share[3]	$0.0590
Current Annualized Distribution per Common Share[3]	$0.7080
Economic Leverage as of February 28, 2013[4]	39%

1

Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

[2] Tax equivalent yield assumes the maximum marginal federal tax rate of 43.4%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.

[3] The distribution rate is not constant and is subject to change.

[4] Represents VMTP Shares and TOBs as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to VMTP Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 5.

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BlackRock MuniVest Fund, Inc.

Market Price and Net Asset Value

The table below summarizes the changes in the Trust s market price and NAV per share:

	2/28/13	8/31/12	Change	High	Low
Market Price	$ 11.29	$ 11.28	0.09%	$ 12.29	$ 10.87
Net Asset Value	$ 10.75	$ 10.68	0.66%	$ 11.06	$ 10.53

The following charts show the sector allocation, credit quality allocation and call/maturity schedule of the Trust s long-term investments:

Sector Allocation

	2/28/13	8/31/12
Health	23%	28%
Transportation	21	17
Utilities	13	6
Corporate	11	10
County/City/Special District/School District	11	8
Education	8	10
State	6	6
Housing	5	9
Tobacco	2	6

Credit Quality Allocation[1]

	2/28/13	8/31/12
AAA/Aaa	12%	12%
AA/Aa	47	46
A	26	25
BBB/Baa	12	12
BB/Ba		2
B	1	
Not Rated[2]	2	3

[1] Using the higher of S&P s or Moody s ratings.

[2] The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of February 28, 2013 and August 31, 2012, the market value of these securities was $20,449,481, representing 2%, and $30,422,382, representing 3%, respectively, of the Trust s long-term investments.

Call/Maturity Schedule[3]

Calendar Year Ended December 31,	
2013	9%
2014	5
2015	1
2016	6
2017	7

[3] Scheduled maturity dates and/or bonds that are subject to potential calls by issuers over the next five years.

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Schedule of Investments February 28, 2013 (Unaudited)

BlackRock Municipal Bond Investment Trust (BIE)

(Percentages shown are based on Net Assets)

Municipal Bonds	**Par (000)**	**Value**
Alabama 3.3%		
Alabama Incentives Financing Authority, RB, Series A, 5.00%, 9/01/42	$ 1,500	$ 1,700,115
Selma IDB, RB, International Paper Co. Project, Series A, 5.38%, 12/01/35	145	159,938
		1,860,053
Alaska 0.3%		
Northern Tobacco Securitization Corp., Refunding RB, Asset-Backed, Series A, 5.00%, 6/01/46	180	157,910
Arizona 0.5%		
Arizona Board of Regents, Refunding RB, University of Arizona, Series A, 5.00%, 6/01/42	250	284,510
California 8.3%		
California Educational Facilities Authority, RB, University of Southern California, Series A, 5.25%, 10/01/38	700	826,273
California Health Facilities Financing Authority, Refunding RB, Catholic Healthcare West, Series A, 6.00%, 7/01/39	120	142,472
Los Angeles Department of Water & Power, RB, Power System, Sub-Series A-1, 5.25%, 7/01/38	1,660	1,928,339
San Diego Regional Building Authority California, RB, County Operations Center & Annex, Series A, 5.38%, 2/01/36	850	969,714
State of California, GO, Various Purpose, 6.00%, 3/01/33	685	849,688
		4,716,486
Colorado 1.6%		
City & County of Denver Colorado, Refunding ARB, Airport System, Series B, 5.00%, 11/15/37	235	269,221
Colorado Health Facilities Authority, Refunding RB, Catholic Healthcare Initiatives, Series A, 5.50%, 7/01/34	580	662,064
		931,285
Florida 1.1%		
City of Jacksonville Florida, Refunding RB, Better Jacksonville Sale Tax, Series A, 5.00%, 10/01/30	295	344,120
Orlando-Orange County Expressway Authority, Refunding RB, Series A, 5.00%, 7/01/29	250	293,083
		637,203
Georgia 1.2%		
Municipal Electric Authority of Georgia, Refunding RB, Project One, Sub-Series D, 6.00%, 1/01/23	555	678,676
Illinois 13.8%		
Chicago Illinois Board of Education, GO, Series A:		
5.50%, 12/01/39	500	579,340
5.00%, 12/01/42	715	778,285

Municipal Bonds	**Par (000)**	**Value**
Illinois (concluded)		
Chicago Transit Authority, RB, Sales Tax Receipts Revenue, 5.25%, 12/01/36	$ 165	$ 189,697
City of Chicago Illinois, ARB, O Hare International Airport, General, Third Lien, Series C, 6.50%, 1/01/41	1,590	2,056,013
City of Chicago Illinois, Refunding RB, Sales Tax Revenue, Series A, 5.25%, 1/01/38	205	235,430
City of Chicago Illinois Wastewater Transmission, RB, Second Lien, 5.00%, 1/01/42 (a)	310	345,585
Cook County Forest Preserve District, GO, Series C, 5.00%, 12/15/32	150	172,207
Cook County Forest Preserve District, GO, Refunding, Limited Tax Project, Series B, 5.00%, 12/15/32	70	80,364
Illinois Finance Authority, RB, Carle Foundation, Series A, 6.00%, 8/15/41	750	897,855
Illinois Finance Authority, Refunding RB:		
Northwestern Memorial Healthcare, 5.00%, 8/15/37	115	130,879

Northwestern Memorial Hospital, 6.00%, 8/15/39	1,000	1,186,630
Metropolitan Pier & Exposition Authority, Refunding RB, McCormick Place Project, Series B, 5.00%, 12/15/28	530	621,054
Railsplitter Tobacco Settlement Authority, RB:		
5.50%, 6/01/23	365	440,394
6.00%, 6/01/28	105	125,677
		7,839,410
Indiana 2.5%		
Indiana Municipal Power Agency, RB, Series B, 6.00%, 1/01/39	1,190	1,424,311
Kansas 3.4%		
Kansas Development Finance Authority, Refunding RB, Adventist Health System/Sunbelt Obligated Group:		
Series A, 5.00%, 11/15/32	750	871,252
Series C, 5.50%, 11/15/29	900	1,054,359
		1,925,611
Kentucky 2.5%		
Kentucky Economic Development Finance Authority, RB, Owensboro Medical Health System, Series A, 6.38%, 6/01/40	350	420,693
Louisville & Jefferson County Metropolitan Government Parking Authority, RB, Series A, 5.75%, 12/01/34	800	984,808
		1,405,501
Louisiana 0.8%		
Louisiana Local Government Environmental Facilities & Community Development Authority, RB, Westlake Chemical Corp., Series A-1, 6.50%, 11/01/35	380	448,833

Portfolio Abbreviations

To simplify the listings of portfolio holdings in the Schedules of Investments, the names and descriptions of many of the securities have been abbreviated according to the following list:

AGC	Assured Guaranty Corp.	**HRB**	Housing Revenue Bonds
AGM	Assured Guaranty Municipal Corp.	**IDA**	Industrial Development Authority
AMBAC	American Municipal Bond Assurance Corp.	**IDB**	Industrial Development Board
AMT	Alternative Minimum Tax (subject to)	**IDRB**	Industrial Development Revenue Bonds
ARB	Airport Revenue Bonds	**ISD**	Independent School District
BARB	Building Aid Revenue Bonds	**LRB**	Lease Revenue Bonds
BHAC	Berkshire Hathaway Assurance Corp.	**MRB**	Mortgage Revenue Bonds
CAB	Capital Appreciation Bonds	**M/F**	Multi-Family
COP	Certificates of Participation	**NPFGC**	National Public Finance Guarantee Corp.
EDC	Economic Development Corp.	**PSF-GTD**	Permanent School Fund Guaranteed
EDA	Economic Development Authority	**Q-SBLF**	Qualified School Bond Loan Fund
ERB	Education Revenue Bonds	**RB**	Revenue Bonds
GARB	General Airport Revenue Bonds	**SAN**	State Aid Notes
GO	General Obligation Bonds	**SBPA**	Stand-by Bond Purchase Agreements
HDA	Housing Development Authority	**S/F**	Single-Family
HFA	Housing Finance Agency	**VRDN**	Variable Rate Demand Notes

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Municipal Bond Investment Trust (BIE)

(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
Maine 1.5%		
Maine Health & Higher Educational Facilities Authority, RB, Maine General Medical Center, 7.50%, 7/01/32	$ 675	$ 869,387
Massachusetts 0.7%		
Massachusetts Development Finance Agency, Refunding RB, Trustees of Deerfield Academy, 5.00%, 10/01/40	375	430,234
Michigan 3.2%		
Lansing Board of Water & Light Utilities System, RB, Series A, 5.50%, 7/01/41	485	573,478
Michigan State Building Authority, Refunding RB, Facilities Program, Series I, 6.00%, 10/15/38	500	603,235
Royal Oak Hospital Finance Authority Michigan, Refunding RB, William Beaumont Hospital, 8.25%, 9/01/39	530	675,252
		1,851,965
Mississippi 2.4%		
Mississippi Development Bank, Refunding RB:		
Jackson Mississippi Water & Sewer (AGM), 5.00%, 9/01/30	535	623,425
Jackson Public School District Project, Series A, 5.00%, 4/01/28	645	735,474
		1,358,899
Multi-State 5.7%		
Centerline Equity Issuer Trust, 7.20%, 11/15/52 (b)(c)	3,000	3,269,220
Nevada 4.1%		
City of Las Vegas Nevada, GO, Limited Tax, Performing Arts Center, 6.00%, 4/01/34	1,000	1,173,150
County of Clark Nevada, ARB, Series B, 5.75%, 7/01/42	1,000	1,175,670
		2,348,820
New Jersey 5.2%		
New Jersey EDA, Refunding RB, School Facilities Construction, Series AA, 5.50%, 12/15/29	750	871,305
New Jersey State Housing & Mortgage Finance Agency, RB, S/F Housing, Series CC, 5.25%, 10/01/29	610	676,917
New Jersey Transportation Trust Fund Authority, RB, Transportation System:		
5.50%, 6/15/41	500	582,405
5.88%, 12/15/38	695	822,637
		2,953,264
New York 2.0%		
Hudson New York Yards Infrastructure Corp., RB, Series A, 5.75%, 2/15/47	145	172,573
New York Liberty Development Corp., Refunding RB, Second Priority, Bank of America Tower at One Bryant Park Project, 6.38%, 7/15/49	325	386,493
New York State Dormitory Authority, RB, Series B, 5.00%, 3/15/42	500	570,630
		1,129,696
North Carolina 1.1%		
North Carolina Medical Care Commission, RB, Duke University Health System, Series A, 5.00%, 6/01/32	530	618,378
Ohio 1.1%		
Ohio State University, RB, Special Purpose General Receipts, Series A, 5.00%, 6/01/38	545	632,772

Municipal Bonds	Par (000)	Value
Pennsylvania 6.2%		
	$ 300	$ 349,263

Pennsylvania Economic Development Financing Authority, RB, American Water Co. Project, 6.20%, 4/01/39		
Pennsylvania Turnpike Commission, RB:		
Sub-Series A, 5.63%, 12/01/31	750	880,230
Sub-Series A, 6.00%, 12/01/41	1,500	1,708,665
Sub-Series C, (AGC), 6.25%, 6/01/38	500	605,185
		3,543,343
Texas 12.6%		
Central Texas Regional Mobility Authority, Refunding RB, Senior Lien, 6.00%, 1/01/41	890	1,035,417
City of Houston Texas, Refunding RB, Utility System, Series D, 5.00%, 11/15/42	500	574,610
Conroe ISD Texas, GO, School Building, Series A, 5.75%, 2/15/35	470	560,489
Harris County Health Facilities Development Corp., Refunding RB, Memorial Hermann Healthcare System, Series B, 7.13%, 12/01/31	250	319,305
Houston Community College System, GO, 5.00%, 2/15/36 (a)	205	232,798
North Texas Tollway Authority, RB, Special Projects System, Series A, 5.50%, 9/01/41	500	594,080
North Texas Tollway Authority, Refunding RB, First Tier:		
Series B, 5.00%, 1/01/42	750	833,677
Series K-1 (AGC), 5.75%, 1/01/38	250	281,723
Tarrant County Cultural Education Facilities Finance Corp., RB, Scott & White Healthcare, 6.00%, 8/15/45	1,020	1,232,354
Texas Private Activity Bond Surface Transportation Corp., RB, Senior Lien, NTE Mobility Partners LLC, North Tarrant Express Managed Lanes Project, 6.88%, 12/31/39	500	596,450
Texas Transportation Commission, Refunding RB, First Tier, Series A, 5.00%, 8/15/41	175	191,998
University of Texas System, Refunding RB, Financing System Bonds, Series B, 5.00%, 8/15/43	615	718,996
		7,171,897
Utah 2.0%		
Utah Transit Authority, Refunding RB, Subordinated Sales Tax, 5.00%, 6/15/42	1,000	1,128,270
Virginia 3.7%		
Fairfax County IDA, RB, Health Care, Inova Health System, Series A, 5.00%, 5/15/40	275	312,571
Norfolk EDA, Refunding RB, Sentara Healthcare, Series B, 5.00%, 11/01/36	500	571,670
Virginia Public School Authority, RB, School Financing, 6.50%, 12/01/18 (d)	500	657,335
Virginia Resources Authority, RB, Series A-1, 5.00%, 11/01/42	485	561,499
		2,103,075
Washington 2.0%		
Port of Seattle, Refunding RB, Intermediate Lien, Series A, 5.00%, 8/01/32	1,000	1,165,790
Wisconsin 3.2%		
University of Wisconsin Hospitals & Clinics Authority, Refunding RB, Series A, 5.00%, 4/01/38 (a)	145	162,175
Wisconsin Health & Educational Facilities Authority, RB, Ascension Health Alliiance, Series D, 5.00%, 11/15/41	485	545,019

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Municipal Bond Investment Trust (BIE)

(Percentages shown are based on Net Assets)

Municipal Bonds	**Par (000)**	**Value**
Wisconsin (concluded)		
Wisconsin Health & Educational Facilities Authority, Refunding RB, Froedtert Health, Inc.:		
Series A, 5.00%, 4/01/42	$ 125	$ 140,486
Series C, 5.25%, 4/01/39	890	985,560
		1,833,240
Total Municipal Bonds 96.0%		54,718,039

Municipal Bonds Transferred to Tender Option Bond Trusts (e)		
California 19.4%		
California Educational Facilities Authority, RB, University of Southern California, Series B, 5.25%, 10/01/39 (f)	1,005	1,178,121
Grossmont Union High School District, GO, Election of 2008, Series B, 5.00%, 8/01/40	1,300	1,451,710
Los Angeles Community College District California, GO, Election of 2008, Series C, 5.25%, 8/01/39 (f)	1,410	1,705,381
Los Angeles Community College District California, GO, Refunding, Series A, 6.00%, 8/01/33	2,079	2,597,309
Los Angeles Unified School District California, GO, Series I, 5.00%, 1/01/34	200	224,448
San Diego Public Facilities Financing Authority, Refunding RB, Series B, 5.50%, 8/01/39	2,234	2,615,912
University of California, RB, Series O, 5.75%, 5/15/34	810	976,158
University of California, Refunding RB, Limited Project, Series G, 5.00%, 5/15/37	250	288,684
		11,037,723
District of Columbia 3.4%		
District of Columbia, RB, Series A, 5.50%, 12/01/30 (f)	735	893,662
District of Columbia Water & Sewer Authority, Refunding RB, Series A, 5.50%, 10/01/39	899	1,061,426
		1,955,088
Florida 0.5%		
County of Miami-Dade Florida, Refunding RB, Transit System Sales Surtax, 5.00%, 7/01/42	260	292,159
Illinois 8.1%		
City of Chicago Illinois Waterworks, Refunding RB, Second Lien, 5.00%, 11/01/42	400	451,474
Illinois Finance Authority, RB, University of Chicago, Series B, 6.25%, 7/01/38	1,500	1,860,045
Illinois State Toll Highway Authority, RB, Series B, 5.50%, 1/01/33	2,000	2,283,353
		4,594,872
Massachusetts 1.6%		
Massachusetts School Building Authority, Sales Tax RB, Senior Lien, Series B, 5.00%, 10/15/41	790	906,091
Nevada 3.2%		
Clark County Water Reclamation District, GO, Limited Tax, 6.00%, 7/01/38	1,500	1,813,485
New Hampshire 1.2%		
New Hampshire Health & Education Facilities Authority, RB, Dartmouth College, 5.25%, 6/01/39 (f)	585	684,893
New Jersey 3.7%		
New Jersey Transportation Trust Fund Authority, RB, Transportation System:		
Series A (AGM), 5.00%, 12/15/32	1,000	1,138,810
Series B, 5.25%, 6/15/36	840	959,314
		2,098,124
	Par	**Value**

Municipal Bonds Transferred to Tender Option Bond Trusts (e)	**(000)**	
New York 14.3%		
New York City Municipal Water Finance Authority, RB, Fiscal 2009, Series A, 5.75%, 6/15/40	$ 750	$ 894,809
New York City Municipal Water Finance Authority, Refunding RB:		
Series FF, 5.00%, 6/15/45	1,000	1,130,475
Series FF-2, 5.50%, 6/15/40	990	1,172,004
New York City Transitional Finance Authority, BARB, Building Aid, Fiscal 2009, Series S-3, 5.25%, 1/15/39	1,000	1,117,917
New York City Transitional Finance Authority, RB, Future Tax Secured, Fiscal 2012, Series E, 5.00%, 2/01/42	460	524,110
New York Liberty Development Corp., RB, 1 World Trade Center Project, 5.25%, 12/15/43	1,170	1,342,884
New York Liberty Development Corp., Refunding RB, 4 World Trade Center Project, 5.75%, 11/15/51	680	805,800
New York State Dormitory Authority, ERB, Series B, 5.25%, 3/15/38	1,000	1,171,800
		8,159,799
Ohio 1.6%		
County of Allen Ohio, Refunding RB, Catholic Healthcare, Series A, 5.25%, 6/01/38	840	939,170
Puerto Rico 0.9%		
Puerto Rico Sales Tax Financing Corp., Sales Tax, Refunding RB, Sales Tax Revenue, Series C, 5.25%, 8/01/40	460	502,154
Texas 7.2%		
City of San Antonio Texas, Refunding RB, Electric and Gas Systems Revenue, Series A, 5.25%, 2/01/31 (f)	1,050	1,250,462
Harris County Cultural Education Facilities Finance Corp., RB, Texas Children s Hospital Project, 5.50%, 10/01/39	1,450	1,715,713
Waco Educational Finance Corp., Refunding RB, Baylor University, 5.00%, 3/01/43	1,005	1,144,765
		4,110,940
Virginia 0.9%		
Fairfax County IDA Virginia, Refunding RB, Health Care, Inova Health System, Series A, 5.50%, 5/15/35	460	528,879
Washington 1.5%		
University of Washington, Refunding RB, Series A, 5.00%, 7/01/41	735	850,540
Total Municipal Bonds Transferred to Tender Option Bond Trusts 67.5%		38,473,917
Total Long-Term Investments (Cost $82,732,308) 163.5%		93,191,956

Short-Term Securities	**Shares**	
FFI Institutional Tax-Exempt Fund, 0.01% (g)(h)	1,154,435	1,154,435
Total Short-Term Securities (Cost $1,154,435) 2.0%		1,154,435
Total Investments (Cost $83,886,743) 165.5%		94,346,391
Liabilities in Excess of Other Assets (0.4)%		(206,749)
Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable (33.9)%		(19,347,621)
VRDP Shares, at Liquidation Value (31.2)%		(17,800,000)
Net Assets Applicable to Common Shares 100.0%		$ 56,992,021

See Notes to Financial Statements.

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Schedule of Investments (concluded)

BlackRock Municipal Bond Investment Trust (BIE)

Notes to Schedule of investments

(a) When-issued security. Unsettled when-issued transactions were as follows:

Counterparty	Value	Unrealized Appreciation (Depreciation)
Stifel Nicolaus & Co.	$ 345,585	$ (180)
JPMorgan Securities, Inc.	$ 394,973	$ 16

(b) Security represents a beneficial interest in a trust. The collateral deposited into the trust is federally tax-exempt revenue bonds issued by various state or local governments, or their respective agencies or authorities. The security is subject to remarketing prior to its stated maturity.

(c) Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration to qualified institutional investors.

(d) US government securities, held in escrow, are used to pay interest on this security, as well as to retire the bond in full at the date indicated, typically at a premium to par.

(e) Securities represent bonds transferred to a TOB in exchange for which the Trust acquired residual interest certificates. These securities serve as collateral in a financing transaction. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to TOBs.

(f) All or a portion of security is subject to a recourse agreement, which may require the Trust to pay the liquidity provider in the event there is a shortfall between the TOB trust certificates and proceeds received from the sale of the security contributed to the TOB trust. In the case of a shortfall, the aggregate maximum potential amount the Trust could ultimately be required to pay under the agreements is $2,954,469.

(g) Investments in issuers considered to be an affiliate of the Trust during the six months ended February 28, 2013, for purposes of Section 2(a)(3) of the 1940 Act, were as follows:

Affiliate	Shares Held at August 31, 2012	Net Activity	Shares Held at February 28, 2013	Income
FFI Institutional Tax-Exempt Fund	159,677	994,758	1,154,435	$ 94

(h) Represents the current yield as of report date.

Fair Value Measurements Various inputs are used in determining the fair value of investments. These inputs to valuation techniques are categorized into a disclosure hierarchy consisting of three broad levels for financial statement purposes as follows:

Level 1 unadjusted price quotations in active markets/exchanges for identical assets and liabilities that the Trust has the ability to access

Level 2 other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including the Trust s own assumptions used in determining the fair value of investments)

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Changes in valuation techniques may result in transfers into or out of an assigned level within the disclosure hierarchy. In accordance with the Trust s policy, transfers between different levels of the fair value disclosure hierarchy are deemed to have occurred as of the beginning of the reporting period. The categorization of a value determined for investments is based on the pricing transparency of the investment and is not necessarily an indication of the risks associated with investing in those securities. For information about the Trust s policy regarding valuation of investments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements.

The following table summarizes the Trust s investments categorized in the disclosure hierarchy as of February 28, 2013:

	Level 1	Level 2	Level 3	Total
Assets:				
Investments:				
Long-Term Investments[1]		$ 93,191,956		$ 93,191,956
Short-Term Securities	$ 1,154,435			1,154,435
Total	$ 1,154,435	$ 93,191,956		$ 94,346,391

[1] See above Schedule of Investments for values in each state or political subdivision.

Certain of the Trust s liabilities are held at carrying amount, which approximates fair value for financial statement purposes. As of February 28, 2013, such liabilities are categorized within the disclosure hierarchy as follows:

	Level 1	Level 2	Level 3	Total
Liabilities:				
TOB trust certificates		$ (19,340,052)		$ (19,340,052)
VRDP Shares		(17,800,000)		(17,800,000)
Total		$ (37,140,052)		$ (37,140,052)

There were no transfers between levels during the six months ended February 28, 2013.

See Notes to Financial Statements.

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Schedule of Investments February 28, 2013 (Unaudited)

BlackRock Municipal Bond Trust (BBK)

(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
Alabama 4.0%		
Birmingham Special Care Facilities Financing Authority, RB, Children s Hospital (AGC):		
6.00%, 6/01/34	$ 1,150	$ 1,352,940
6.00%, 6/01/39	450	529,547
Birmingham Water Works Board, RB, 4.75%, 1/01/36	2,100	2,295,132
Hoover City Board of Education, Special Tax, Refunding, 4.25%, 2/15/40	2,750	2,930,702
		7,108,321
Arizona 9.4%		
Arizona Health Facilities Authority, Refunding RB, Phoenix Children s Hospital, Series A, 5.00%, 2/01/42	2,200	2,372,260
Arizona Sports & Tourism Authority, RB, Multipurpose Stadium Facilities, Series A (NPFGC), 5.00%, 7/01/13 (a)	1,500	1,524,570
Arizona State University, RB, Series D, 5.50%, 7/01/26	200	241,648
County of Pinal Arizona Election District No. 3, Refunding RB, 4.75%, 7/01/31	3,750	4,106,287
Pima County IDA, Refunding IDRB, Tucson Electric Power, 5.75%, 9/01/29	900	952,470
Salt Verde Financial Corp., RB, Senior:		
5.00%, 12/01/32	1,500	1,737,090
5.00%, 12/01/37	2,065	2,387,512
San Luis Facility Development Corp., RB, Senior Lien, Regional Detention Center Project:		
6.25%, 5/01/15	185	184,273
7.00%, 5/01/20	300	305,130
7.25%, 5/01/27	600	576,858
State of Arizona, COP, Department of Administration, Series A (AGM), 5.00%, 10/01/29	750	851,085
University Medical Center Corp. Arizona, RB, 6.50%, 7/01/39	500	580,915
University Medical Center Corp. Arizona, Refunding RB, 6.00%, 7/01/39	900	1,040,364
		16,860,462
Arkansas 1.2%		
City of Conway Arkansas, RB, Wastewater Revenue Improvement, Series A, 4.20%, 10/01/37	500	534,840
City of Springdale Arkansas, RB, Sales and Tax Use:		
3.00%, 11/01/30	650	628,778
3.00%, 11/01/31	1,010	969,347
		2,132,965
California 19.6%		
California County Tobacco Securitization Agency, RB, CAB, Stanislaus, Sub-Series C, 11.06%, 6/01/55 (b)	4,500	47,655
California Educational Facilities Authority, Refunding RB, Santa Clara University, 5.00%, 2/01/40	1,000	1,114,270
California Health Facilities Financing Authority, RB, Sutter Health, Series B, 5.88%, 8/15/31	1,900	2,322,560
California HFA, RB, Home Mortgage, Series G, AMT, 5.05%, 2/01/29	2,285	2,269,850
Carlsbad Unified School District, GO, Election of 2006, Series B, 4.99%, 5/01/34 (c)	1,000	823,790
City of Manteca California Sewer, Refunding RB, 4.00%, 12/01/33	3,395	3,557,077
City of San Jose California, Refunding ARB, San Jose Airport, Series A1, AMT, 5.75%, 3/01/34	2,000	2,314,940
Dinuba Unified School District, GO, Election of 2006 (AGM):		
5.63%, 8/01/31	250	288,243
5.75%, 8/01/33	500	578,845
Hartnell Community College District California, GO, CAB, Election of 2002, Series D, 4.94%, 8/01/34 (c)	1,650	1,247,945

Municipal Bonds	Par (000)	Value
California (concluded)		
Norwalk-La Mirada Unified School District California, GO, CAB, Refunding, Election of 2002, Series E (AGC), 4.81%, 8/01/38 (b)	$ 8,000	$ 2,392,240

Palomar Community College District, GO, CAB, Election of 2006, Series B:		
4.36%, 8/01/30 (b)	1,500	707,445
5.53%, 8/01/33 (b)	4,000	1,312,560
4.76%, 8/01/39 (c)	2,000	1,293,800
San Diego Community College District California, GO, CAB, Election of 2002, 4.73%, 8/01/33 (c)	2,800	2,361,240
San Jose Evergreen Community College District, GO, Election of 2010, Series B, 3.50%, 8/01/32	1,200	1,224,948
State of California, GO, Various Purpose:		
5.75%, 4/01/31	2,000	2,390,080
6.00%, 3/01/33	1,000	1,240,420
6.50%, 4/01/33	1,950	2,444,500
5.50%, 3/01/40	2,350	2,779,110
State of California, GO, Refunding, Veterans, AMT, 5.05%, 12/01/36	555	567,549
Val Verde Unified School District California, Special Tax Bonds, Refunding, Junior Lien, 6.25%, 10/01/28	1,585	1,627,953
		34,907,020
Colorado 1.2%		
Colorado Health Facilities Authority, RB, Catholic Health Initiatives, Series D, 6.25%, 10/01/33	1,070	1,293,673
Park Creek Metropolitan District, Refunding RB, Limited Property Tax (AGM), 6.00%, 12/01/38	750	875,272
		2,168,945
Connecticut 1.4%		
Connecticut State Health & Educational Facilities Authority, Refunding RB:		
Hartford Healthcare, Series A, 5.00%, 7/01/32	1,250	1,392,225
Lawrence & Memorial Hospital, Series F, 5.00%, 7/01/36	550	606,700
Sacred Heart University, Series G, 5.38%, 7/01/31	400	444,356
		2,443,281
Delaware 0.9%		
County of Sussex Delaware, RB, NRG Energy, Inc., Indian River Project, 6.00%, 10/01/40	1,200	1,353,948
Florida 1.7%		
County of Lee Florida, Refunding ARB, Lee Airport, Series A, AMT (AGM), 5.00%, 10/01/28	2,000	2,233,620
Orange County Health Facilities Authority, Refunding RB, Mayflower Retirement Center, 5.00%, 6/01/36	125	132,177
Stevens Plantation Community Development District, Special Assessment Bonds, Series A, 7.10%, 5/01/35 (d)(e)	910	682,846
		3,048,643
Hawaii 0.2%		
Hawaii State Department of Budget & Finance Senior Living, Refunding RB, Special Purpose, Kahala Nui, 5.25%, 11/15/37	400	432,528
Idaho 1.2%		
Idaho Health Facilities Authority, Refunding RB, Trinity Health Group, Series B, 6.25%, 12/01/33	1,750	2,097,445
Illinois 8.5%		
Chicago Transit Authority, RB, Sales Tax Receipts Revenue, 5.25%, 12/01/40	665	760,181
City of Chicago, Refunding ARB, O Hare International Airport, Passenger Facility Charge, Series B, AMT, 4.00%, 1/01/29	4,000	4,080,560

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Municipal Bond Trust (BBK)

(Percentages shown are based on Net Assets)

Municipal Bonds	**Par (000)**	**Value**
Illinois (concluded)		
Illinois Finance Authority, RB:		
Navistar International, Recovery Zone, 6.50%, 10/15/40	$ 560	$ 605,438
Rush University Medical Center, Series C, 6.63%, 11/01/39	650	795,594
Illinois Finance Authority, Refunding RB:		
Friendship Village Schaumburg, Series A, 5.63%, 2/15/37	210	211,117
OSF Healthcare System, 6.00%, 5/15/39	1,025	1,189,185
Roosevelt University Project, 6.50%, 4/01/44	1,000	1,136,730
Railsplitter Tobacco Settlement Authority, RB:		
6.25%, 6/01/24	1,000	1,117,890
6.00%, 6/01/28	1,150	1,376,458
Village of Bolingbrook Illinois, GO, Refunding, Series B (NPFGC), 6.25%, 1/01/36 (b)	16,065	3,936,728
		15,209,881
Indiana 0.6%		
Indiana Finance Authority, Refunding RB, Improvement, U.S. Steel Corp., 6.00%, 12/01/26	1,000	1,060,780
Iowa 0.9%		
Iowa Higher Education Loan Authority, Refunding RB, Private College Facility:		
5.75%, 9/01/30	500	566,310
6.00%, 9/01/39	1,000	1,124,680
		1,690,990
Kansas 0.6%		
Pratt County Public Building Commission, RB, 3.25%, 12/01/32	1,000	989,880
Louisiana 2.5%		
Lafayette Public Trust Financing Authority, Refunding RB, Ragin Cajun Facilities Project (AGM), 3.75%, 10/01/32	520	534,264
Louisiana Local Government Environmental Facilities & Community Development Authority, RB:		
Parish of Plaquemines Project (AGM), 4.00%, 9/01/42	480	487,214
Westlake Chemical Corp, Series A-1, 6.50%, 11/01/35	1,050	1,240,197
Louisiana Public Facilities Authority, RB:		
Belle Chasse Educational Foundation Project, 6.50%, 5/01/31	400	466,688
Franciscan Missionaries of Our Lady Health System Project, Series B, 5.00%, 7/01/42	1,600	1,764,272
		4,492,635
Maryland 2.0%		
Maryland EDC, Refunding RB, CNX Marine Terminals, Inc., 5.75%, 9/01/25	250	278,648
Maryland Health & Higher Educational Facilities Authority, Refunding RB, Doctor s Community Hospital, 5.63%, 7/01/30	2,900	3,273,781
		3,552,429
Michigan 3.0%		
Board of Control of Michigan Technological University, Refunding RB, General, Series A, 4.00%, 10/01/30	1,290	1,357,635
Michigan State Building Authority, Refunding RB, Facilities Program, Series I, 6.25%, 10/15/38	1,250	1,524,600
Royal Oak Hospital Finance Authority Michigan, Refunding RB, William Beaumont Hospital, 8.25%, 9/01/39	1,950	2,484,417
		5,366,652

Municipal Bonds	**Par (000)**	**Value**
Minnesota 3.2%		
	$ 4,600	$ 5,667,522

City of Minneapolis Minnesota, Refunding RB, Fairview Health Services, Series B (AGC), 6.50%, 11/15/38		
Mississippi 3.2%		
Mississippi Development Bank, RB, Special Obligation:		
Hinds Community College District, CAB (AGM), 5.00%, 4/01/36	845	943,713
Jackson County Limited Tax Note (AGC), 5.50%, 7/01/32	1,750	1,990,047
University of Southern Mississippi, RB, Campus Facilities Improvements Project, 5.38%, 9/01/36	2,100	2,384,907
Warren County Mississippi, RB, Gulf Opportunity Zone Bonds, International Paper Co. Project, Series A, AMT, 5.38%, 12/01/35	400	441,208
		5,759,875
Missouri 3.1%		
Missouri State Development Finance Board, RB:		
St. Joseph Sewage System Improvements, Series E, 5.25%, 5/01/31	580	623,674
Annual Appropriation Sewer System, Series B, 5.00%, 11/01/41	900	978,435
Missouri State Development Finance Board, Refunding RB, Electric System Projects, Series F, 4.00%, 6/01/32	2,490	2,553,894
Missouri State Health & Educational Facilities Authority, RB:		
A.T. Still University Health Sciences, 5.25%, 10/01/31	500	568,005
Heartland Regional Medical Center, 4.13%, 2/15/43	770	769,330
		5,493,338
Montana 0.8%		
Montana Facility Finance Authority, Refunding RB, Sisters of Leavenworth, Series A, 4.75%, 1/01/40	1,350	1,468,949
Multi-State 6.4%		
Centerline Equity Issuer Trust, 7.20%, 11/15/14 (f)(g)	10,500	11,442,270
Nebraska 3.8%		
Central Plains Energy Project Nebraska, RB, Gas Project No. 3, Gas Project No. 3, 5.00%, 9/01/42	600	655,014
Omaha Nebraska Sanitation Sewer, RB, System:		
3.25%, 11/15/37	2,400	2,294,688
4.25%, 11/15/38	1,440	1,541,678
4.00%, 11/15/42	2,200	2,310,198
		6,801,578
Nevada 1.1%		
City of Las Vegas Nevada, Special Assessment Bonds, Summerlin Area, 5.65%, 6/01/23	1,265	1,252,274
County of Clark Nevada, Refunding RB, Alexander Dawson School Nevada Project, 5.00%, 5/15/29	575	631,287
		1,883,561
New Jersey 10.3%		
Middlesex County Improvement Authority, RB, Subordinate, Heldrich Center Hotel, Series B, 6.25%, 1/01/37 (d)(e)	915	68,094
New Jersey EDA, RB, Continental Airlines, Inc. Project, AMT, 7.25%, 11/15/30 (h)	3,000	3,011,910
New Jersey EDA, Refunding RB:		
First Mortgage, Winchester, Series A, 5.80%, 11/01/31	1,500	1,535,745
Kapkowski Road Landfill Project, 6.50%, 4/01/28	7,500	8,983,275

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Municipal Bond Trust (BBK)

(Percentages shown are based on Net Assets)

Municipal Bonds	**Par (000)**	**Value**
New Jersey (concluded)		
New Jersey Educational Facilities Authority, Refunding RB, University of Medicine & Dentistry, Series B:		
7.13%, 12/01/23	$ 630	$ 805,487
7.50%, 12/01/32	800	1,000,344
New Jersey Health Care Facilities Financing Authority, Refunding RB Barnabas Health, Series A:		
4.63%, 7/01/23	510	577,779
5.63%, 7/01/37	1,700	1,916,036
New Jersey State Housing & Mortgage Finance Agency, RB, Series AA, 6.50%, 10/01/38	485	507,349
		18,406,019
New York 5.8%		
Albany Industrial Development Agency, RB, New Covenant Charter School Project, Series A, 7.00%, 5/01/35 (d)(e)	455	68,218
Hudson New York Yards Infrastructure Corp., RB, Series A (NPFGC), 4.50%, 2/15/47	750	782,242
New York City Industrial Development Agency, RB, American Airlines Inc., JFK International Airport, AMT, 7.75%, 8/01/31 (d)(e)(h)	3,165	3,599,270
New York Liberty Development Corp., Refunding RB, Second Priority, Bank of America Tower at One Bryant Park Project, 6.38%, 7/15/49	800	951,368
New York State Dormitory Authority, RB, Rochester Institute of Technology, Series A, 6.00%, 7/01/18 (a)	1,000	1,258,540
Niagara Area Development Corp., Refunding RB, Covanta Energy Project, Series A, AMT, 5.25%, 11/01/42	400	419,020
Onondaga Civic Development Corp., Refunding RB, Saint Joseph s Hospital Health Center Project:		
4.50%, 7/01/32	1,110	1,093,028
5.00%, 7/01/42	540	553,743
Westchester County Healthcare Corp. New York, Refunding RB, Senior Lien, Series A, Remarketing, 5.00%, 11/01/30	1,500	1,676,535
		10,401,964
North Carolina 3.3%		
Gaston County Industrial Facilities & Pollution Control Financing Authority North Carolina, RB, Exempt Facilities, National Gypsum Co. Project, AMT, 5.75%, 8/01/35	2,945	2,725,126
North Carolina Capital Facilities Finance Agency, Refunding RB, Duke Energy Carolinas, Series B, 4.38%, 10/01/31	1,000	1,074,430
North Carolina Medical Care Commission, Refunding RB:		
South Eastern Regional Medical Center, 3.25%, 6/01/27	300	301,425
South Eastern Regional Medical Center, 5.00%, 6/01/32	660	760,221
University Health System, Series D, 6.25%, 12/01/33	800	962,160
		5,823,362
North Dakota 1.1%		
City of Fargo North Dakota, Refunding RB, University Facilities Development Foundation Project, 3.00%, 12/01/30	400	388,208
City of Grand Forks North Dakota, Refunding RB, Healthcare Systems, 5.00%, 12/01/32	1,415	1,541,515
		1,929,723
Ohio 0.9%		
Kent State University, RB, General Receipts, Series A, 5.00%, 5/01/42	800	901,472

Municipal Bonds	**Par (000)**	**Value**
Ohio (concluded)		

Miami University/Oxford Ohio, RB, General Receipts, 3.25%, 9/01/34	$ 800	$ 770,184
		1,671,656
Oklahoma 1.3%		
Oklahoma Municipal Power Authority, RB, Power Supply System, Series A, 4.00%, 1/01/38	2,250	2,312,663
Oregon 3.5%		
City of Madras Oregon, GO, Refunding, 4.00%, 2/15/33	500	492,550
Clackamas County Housing Authority, RB, M/F Housing, Easton Ridge Apartments Project, Series A (i):		
3.50%, 9/01/33	755	745,193
4.00%, 9/01/43	660	653,103
4.00%, 9/01/49	1,000	981,150
Oregon Health & Science University, RB, Series A, 5.75%, 7/01/39	750	886,552
Oregon Health & Science University, Refunding RB:		
Series A, 3.00%, 7/01/24	1,000	1,016,150
Series E, 5.00%, 7/01/32	750	868,073
Oregon State Facilities Authority, Refunding RB, Limited College Project, Series A, 5.25%, 10/01/40	500	553,310
		6,196,081
Pennsylvania 3.3%		
County of Allegheny Pennsylvania IDA, Refunding RB, U.S. Steel Corp. Project, 6.55%, 12/01/27	1,695	1,880,602
Delaware River Port Authority, RB, Series D (AGM), 5.00%, 1/01/40	2,600	2,897,258
Pennsylvania Higher Educational Facilities Authority, RB, University of the Sciences Philadelphia, 5.00%, 11/01/42	1,000	1,102,300
		5,880,160
Puerto Rico 1.3%		
Puerto Rico Sales Tax Financing Corp., RB, First Sub-Series A, 5.75%, 8/01/37	1,000	1,080,610
Puerto Rico Sales Tax Financing Corp., RB, CAB, Series A, 5.79%, 8/01/35 (b)	1,000	278,110
Puerto Rico Sales Tax Financing Corp., Refunding RB, CAB, Series A (NPFGC), 5.60%, 8/01/41 (b)	5,000	1,040,900
		2,399,620
Rhode Island 1.2%		
Rhode Island Health & Educational Building Corp., RB, Hospital Financing, LifeSpan Obligation, Series A (AGC), 7.00%, 5/15/39	1,000	1,204,150
State of Rhode Island, COP, Series C, School for the Deaf (AGC), 5.38%, 4/01/28	900	1,021,392
		2,225,542
Tennessee 1.4%		
Johnson City Health & Educational Facilities Board, RB, Mountain States Health, 5.00%, 8/15/42	800	874,368
Memphis-Shelby County Sports Authority, Inc., Refunding RB, Memphis Arena Project, Series A, 5.38%, 11/01/28	275	310,415
Shelby County Health Educational & Housing Facilities Board, RB, Methodist Le Bonheur Healthcare, 5.00%, 5/01/42	1,200	1,338,168
		2,522,951
Texas 16.6%		
Harris County Cultural Education Facilities Finance Corp., Refunding RB, Young Men s Christian Association of the Greater Houston Area, Series A, 5.00%, 6/01/38	345	370,468

See Notes to Financial Statements.

Total cost of complimentary services	$74,762	$ 70,138	$66,823

Players Club Awards We provide patrons with rewards based on the amounts wagered on casino games. A liability has been established based on the estimated value of these outstanding rewards, considering the age of the points and prior redemption history.

Advertising Advertising costs are expensed the first time the related advertisement appears. Total advertising costs from continuing operations were $35,480, $32,668, and $32,045 in fiscal years 2014, 2013 and 2012, respectively.

Operating Leases We recognize rent expense for each lease on the straight line basis, aggregating all future minimum rent payments including any predetermined fixed escalations of the minimum rentals. Our liabilities include the aggregate difference between rent expense recorded on the straight-line basis and amounts paid under the leases.

Development Costs We pursue development opportunities for new gaming facilities in an ongoing effort to expand our business. In accordance with ASC Topic 720, Other Expenses ("ASC 720), costs related to projects in the development stage are recorded as a development expense, except for those costs capitalized in accordance with the guidance of ASC 720. Previously capitalized development costs are expensed when the development is deemed less than probable. Total development costs expensed from continuing operations were recorded in the consolidated statements of operations in corporate and development expenses.

Pre-Opening Costs We expense pre-opening costs as incurred. Pre-opening costs include payroll, outside services, advertising, insurance, utilities, travel and various other expenses related to new operations prior to opening.

Income Taxes We account for income taxes in accordance with ASC Topic 740, Income Taxes ("ASC 740"). ASC 740 requires the recognition of deferred income tax liabilities and deferred income tax assets for the difference between the book basis and tax basis of assets and liabilities. We have recorded valuation allowances related to net operating loss carry forwards and certain temporary differences. Recognizable future tax benefits are subject to a valuation allowance, unless such tax benefits are determined to be more likely than not realizable. We recognize accrued interest and penalties related to unrecognized tax benefits in income tax expense.

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ISLE OF CAPRI CASINOS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(amounts in thousands, except share and per share amounts)

2. Summary of Significant Accounting Policies (Continued)

Earnings (Loss) Per Common Share In accordance with the guidance of ASC 260, Earnings Per Share ("ASC 260"), basic earnings (loss) per share ("EPS") is computed by dividing net income (loss) applicable to common stockholders by the weighted average common shares outstanding during the period. Diluted EPS reflects the additional dilution related to all potentially dilutive securities such as restricted stock units and stock options. Any potentially dilutive securities with an exercise price in excess of the average market price of our common stock during the periods presented are not considered when calculating diluted earnings per share calculations as they would be anti-dilutive.

Stock Compensation Our stock based compensation is accounted for in accordance with ASC Topic 718, Compensation Stock Compensation ("ASC 718"). Stock compensation cost is measured at the grant date, based on the estimated fair value of the award and is recognized as expense on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was, in-substance, multiple awards.

Allowance for Doubtful Accounts We reserve for receivables that may not be collected. Methodologies for estimating the allowance for doubtful accounts range from specific reserves to various percentages applied to aged receivables. Historical collection rates are considered, as are customer relationships, in determining specific reserves.

Recently Announced Accounting Standards In April 2014, the FASB issued Update No. 2014-08, "Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity," which changes the definition of a discontinued operation to include only those disposals of components of an entity that represent a strategic shift that has, or will have, a major effect on an entity's operations and financial results. The amendment is effective prospectively for disposals that occur within annual periods beginning on or after December 15, 2014, and interim periods within those annual periods. Early adoption is permitted for disposals that have not been reported in financial statements previously issued. As this accounting standard is prospective, we will apply the provisions to our future financial statements as applicable.

In May 2014, the FASB issued Update No. 2014-09, "Revenue from Contracts with Customers," which converges the FASB's and the International Accounting Standards Board's current standards on revenue recognition. The standard provides companies with a single model to use in accounting for revenue arising from contracts with customers and supersedes current revenue guidance. The standard is effective for annual and interim periods beginning after December 15, 2016. Early adoption is not permitted. The standard permits companies to either apply the adoption to all periods presented, or apply the requirements in the year of adoption through a cumulative adjustment. We are currently evaluating the impact of adopting this accounting standard update on our consolidated financial statements and disclosures.

ISLE OF CAPRI CASINOS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(amounts in thousands, except share and per share amounts)

3. Discontinued Operations

The results of our discontinued operations are summarized as follows:

	Discontinued Operatons Fiscal Year Ended		
	April 27, 2014	**April 28, 2013**	**April 29, 2012**
Net revenues	$ 29,158	$ 77,901	$ 111,881
Valuation charges		(1,500)	(112,564)
Pretax income (loss) from discontinued operations	3,206	4,898	(106,156)
Income tax (provision) benefit from discontinued operations	(1,226)		2,026
Income (loss) from discontinued operations	1,980	4,898	(104,130)

Interest expense of $6, $15, and $21 for the fiscal years 2014, 2013, and 2012, respectively, and interest income of $0, $2, and $6 for fiscal years 2014, 2013, and 2012, respectively, has been allocated to discontinued operations and represents interest expense related to third-party debt at the respective entity.

Davenport, *Iowa* On December 4, 2013, we entered into a definitive asset purchase agreement to sell substantially all of the assets and for the assumption of certain liabilities related to our casino located in Davenport, Iowa, ("Davenport"). We completed the sale on February 3, 2014 for net cash proceeds of $48,727. Including closing costs, we recorded a loss of $459 in discontinued operations. The results of our Davenport casino operations are presented as discontinued operations for all periods presented.

Biloxi, Mississippi In connection with the sale of our Biloxi property in fiscal 2012, we recorded a non-cash pretax valuation charge of $112,564 to reduce the carrying value of Biloxi's net assets held for sale to the expected net realizable value at the time the contract was signed. The income tax benefit of $2,026 recorded in discontinued operations for fiscal 2012 is net of a valuation allowance of $41,029. During fiscal 2013, we recorded a $1,500 charge reflecting a credit against the purchase price to satisfy our obligation to repair the property after Hurricane Isaac, as required by the purchase agreement.

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ISLE OF CAPRI CASINOS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(amounts in thousands, except share and per share amounts)

4. Property and Equipment, Net

Property and equipment, net consists of the following:

	April 27, 2014	April 28, 2013
Property and equipment:		
Land and land improvements	$ 195,478	$ 197,896
Leasehold improvements	144,667	145,708
Buildings and improvements	715,976	709,133
Riverboats and floating pavilions	102,839	124,485
Furniture, fixtures and equipment	523,646	535,132
Construction in progress	6,576	46,413
Total property and equipment	1,689,182	1,758,767
Less accumulated depreciation and amortization	(733,578)	(724,741)
Property and equipment, net	$ 955,604	$ 1,034,026

We recorded depreciation expense of $79,700, $70,326, and $70,011 for our continuing operations for the fiscal years ended 2014, 2013, and 2012, respectively.

5. Goodwill and Other Intangible Assets

A roll forward of goodwill is as follows:

Balance, April 29, 2012	$ 330,903
Impairment charge	(50,100)
Balance, April 28, 2013	280,803
Davenport sale	(38,008)
Impairment charge	(133,825)
Balance, April 27, 2014	$ 108,970

Goodwill includes accumulated impairment losses of $213,125.

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ISLE OF CAPRI CASINOS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(amounts in thousands, except share and per share amounts)

5. Goodwill and Other Intangible Assets (Continued)

Other intangible assets consist of the following:

	April 27, 2014				April 28, 2013		
	Historical Cost	Accumulated Amortization	Impairment Charge	Net Carrying Amount	Historical Cost	Accumulated Amortization	Net Carrying Amount
Indefinite-lived assets							
Gaming licenses	$ 44,342	$	$	$ 44,342	$ 44,342	$	$ 44,342
Trademarks	7,149			7,149	7,149		7,149
Intangible assets subject to amortization							
Gaming licenses	12,500	(347)	(12,153)		5,000		5,000
Customer relationships	6,700	(3,280)		3,420	6,700	(2,443)	4,257
Customer lists	15,393	(15,393)			15,393	(15,393)	
Tradename	544	(544)			544	(544)	
Total	$ 86,628	$ (19,564)	$ (12,153)	$ 54,911	$ 79,128	$ (18,380)	$ 60,748

Our indefinite-lived intangible assets consist primarily of gaming licenses and trademarks for which it is reasonably assured that we will continue to renew indefinitely. Our other finite-lived intangible assets consist of customer relationships amortized over 8 years, customer lists amortized over 2 to 4 years, and a trade name amortized over 1.5 years. The weighted average remaining life of our customer relationships is approximately 4.1 years.

We recorded amortization expense of $1,185, $838, and $3,837 for our intangible assets subject to amortization related to our continuing operations for the fiscal years ended 2014, 2013, and 2012, respectively.

Future amortization expense of our amortizable intangible assets is as follows:

2015	$ 838
2016	838
2017	838
2018	838
2019	70
Total	$ 3,422

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ISLE OF CAPRI CASINOS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(amounts in thousands, except share and per share amounts)

6. Valuation Charges

We recorded valuation charges as follows:

	Fiscal Year Ended April 27, 2014	April 28, 2013	April 29, 2012
Goodwill impairment charges:			
Bettendorf	$ 60,000	$	$
Lake Charles	24,238		
Lula	36,000	34,100	14,400
Natchez	8,587	16,000	
Vicksburg	5,000		
Total goodwill impairment charges	133,825	50,100	14,400
Property and equipment, net impairment charges	16,122		
Intangible asset impairment charge	12,153		16,149
Total impairment valuation charges	$ 162,100	$ 50,100	$ 30,549

Goodwill Our goodwill impairment charges are a result of expected decreases in future cash flows as a result of unfavorable economic conditions and the impact of changes by our competitors. Competitive changes include a proposed land-based casino replacing an existing riverboat casino competing with our Bettendorf property, new casinos competing with our Lake Charles and Natchez properties and expansions by casinos competing with our Lula property.

The fair values used in our determination of the goodwill impairment charges considered discounted cash flows and market based multiple valuation methods.

The remaining goodwill balance by property as of April 27, 2014 is as follows:

	April 27, 2014
Bettendorf	$ 5,713
Black Hawk	30,533
Boonville	2,599
Kansas City	7,182
Lula	6,581
Marquette	29,195
Vicksburg	27,167
Total	$ 108,970

Other Long-Lived Assets During fiscal 2014, we also recorded impairment charges related to property and equipment, net of $14,200 and $1,922 at our Nemacolin and Natchez properties, respectively and $12,153 related to intangible assets at our Nemacolin property as a result of our impairment testing under ASC 360. The fair values used in our determination of the impairment charges considered the cost replacement value of the assets adjusted for an associated risk premium or

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ISLE OF CAPRI CASINOS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(amounts in thousands, except share and per share amounts)

6. Valuation Charges (Continued)

economic obsolescence, and a market based valuation multiple method. The impairments were the result of our current and future expected cash flows at our properties.

During fiscal 2012, in connection with the sale of Grand Palais Riverboat, Inc., including its gaming license, a riverboat gaming vessel and certain other equipment, we recorded a valuation charge of $16,149 to reduce the carrying value of the net assets sold to the net proceeds realized upon sale during fiscal year 2012. This gaming license and riverboat were used as a portion of our Lake Charles, Louisiana gaming operations. We continue to operate a casino riverboat operation in Lake Charles.

7. Long-Term Debt

Long-term debt consists of the following:

	April 27, 2014	April 28, 2013
Senior Secured Credit Facility:		
Revolving line of credit, expires April 19, 2018, interest payable at least quarterly at either LIBOR and/or prime plus a margin	$ 64,700	$ 154,900
5.875% Senior Notes, interest payable semi-annually March 15 and September 15	350,000	350,000
7.75% Senior Notes, interest payable semi-annually March 15 and September 15, net of discount	298,488	298,246
8.875% Senior Subordinated Notes, interest payable semi-annually June 15 and December 15	350,000	350,000
Other	3,113	3,738
	1,066,301	1,156,884
Less current maturities	230	415
Long-term debt	$ 1,066,071	$ 1,156,469

Senior Secured Credit Facility, as amended and restated Our Senior Secured Credit Facility as amended and restated ("Credit Facility") consists of a $300,000 revolving line of credit. The Credit Facility is secured on a first priority basis by substantially all of our assets and guaranteed by all of our restricted subsidiaries.

Our net revolving line of credit availability at April 27, 2014, as limited by our maximum consolidated total leverage ratio, was approximately $184,000, after consideration of $33,000 in outstanding letters of credit. We have an annual commitment fee related to the unused portion of the Credit Facility of up to 0.55% which is included in interest expense in the accompanying consolidated statements of operations. The weighted average effective interest rates of the Credit Facility for fiscal years 2014 and 2013 were 3.95% and 5.21%, respectively.

The Credit Facility includes a number of affirmative and negative covenants, as well as certain financial covenants including maintenance of a total leverage ratio, senior secured leverage ratio and minimum interest coverage ratio. The Credit Facility also restricts our ability to make certain investments or distributions. We were in compliance with the covenants as of April 27, 2014.

ISLE OF CAPRI CASINOS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(amounts in thousands, except share and per share amounts)

7. Long-Term Debt (Continued)

We amended our Credit Facility to modify our maximum allowed leverage and minimum interest coverage ratio covenants in fiscal 2014. This was accounted for in accordance with ASC 470-50, Debt Modifications and Extinguishments and we capitalized new deferred financing costs of $673 during fiscal year 2014.

In connection with a previous amendment, we incurred non-cash charges, included in the statement of operations for the year ended April 28, 2013, of $2,236 related to the write-off of certain unamortized deferred financing costs. In addition, we capitalized new deferred financing costs of $6,288 in fiscal 2013.

5.875% Senior Notes In March 2013, we issued $350,000 of 5.875% Senior Notes due 2021 ("5.875% Senior Notes"). The net proceeds from the issuance were used to repay term loan borrowings under our Credit Facility. The 5.875% Senior Notes are guaranteed, on a joint and several basis, by substantially all of our significant subsidiaries and certain other subsidiaries as described in Note 18. All of the guarantor subsidiaries are wholly owned by us. The 5.875% Senior Notes are general unsecured obligations and rank junior to all of our senior secured indebtedness and senior to our senior subordinated indebtedness. The 5.875% Senior Notes are redeemable, in whole or in part, at our option at any time on or after June 15, 2016, with call premiums as defined in the indenture governing the 5.875% Senior Notes. We received net proceeds of $343,400 for this issuance after deducting underwriting fees. As a result of the issuance, we capitalized deferred financing costs of $7,060 in fiscal 2013.

7.75% Senior Notes In March 2011, we issued $300,000 of 7.75% Senior Notes due 2019 at a price of 99.264% ("7.75% Senior Notes"). The net proceeds from the issuance were used to repay term loan borrowings under our Credit Facility. The 7.75% Senior Notes are guaranteed, on a joint and several basis, by substantially all of our significant subsidiaries and certain other subsidiaries as described in Note 18. All of the guarantor subsidiaries are wholly owned by us. The 7.75% Senior Notes are general unsecured obligations and rank junior to all of our senior secured indebtedness and senior to our senior subordinated indebtedness. The 7.75% Senior Notes are redeemable, in whole or in part, at our option at any time on or after March 15, 2015, with call premiums as defined in the indenture governing the 7.75% Senior Notes.

8.875% Senior Subordinated Notes On August 7, 2012, we completed the issuance and sale of $350,000 of 8.875% Senior Subordinated Notes due 2020 ("8.875% Senior Subordinated Notes"). We received net proceeds of $343,000 for this issuance after deducting underwriting fees. We repurchased and retired $357,275, of previously issued Senior Subordinated Notes with the proceeds from the issuance of the 8.875% Senior Subordinated Notes and cash on hand. As a result of the issuance and retirement, we incurred expenses related to the write-off of deferred financing costs, issuance costs and other related fees of approximately $2,500, including $1,000 in non-cash charges, and capitalized deferred financing costs of $8,137 in fiscal 2013.

The 8.875% Senior Subordinated Notes are guaranteed, on a joint and several basis, by substantially all of our significant subsidiaries and certain other subsidiaries as described in Note 18. All of the guarantor subsidiaries are wholly owned by us. The 8.875% Senior Subordinated Notes are general unsecured obligations and rank junior to all of our senior indebtedness. The 8.875% Senior

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ISLE OF CAPRI CASINOS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(amounts in thousands, except share and per share amounts)

7. Long-Term Debt (Continued)

Subordinated Notes are redeemable, in whole or in part, at our option at any time on or after June 15, 2016, with call premiums as defined in the indenture governing the 8.875% Senior Subordinated Notes.

The indentures governing the 5.875% Senior Notes, 7.75% Senior Notes and 8.875% Senior Subordinated Notes limit, among other things, our ability and our restricted subsidiaries' ability to borrow money, make restricted payments, use assets as security in other transactions, enter into transactions with affiliates, pay dividends, or repurchase stock. The indentures also limit our ability to issue and sell capital stock of subsidiaries, sell assets in excess of specified amounts or merge with or into other companies.

Future Principal Payments of Long-term Debt The aggregate principal payments due on long-term debt as of April 27, 2014 over the next five years and thereafter, are as follows:

Fiscal Years Ending:	
2015	$ 230
2016	169
2017	112
2018	64,816
2019	300,094
Thereafter	702,392
	1,067,813
Unamortized debt discount	(1,512)
	$ 1,066,301

8. Other Long-Term Obligations

Nemacolin Woodlands Resort We entered into agreements with Nemacolin Woodland Resort ("Resort") in Pennsylvania to construct and manage a casino, which we opened in July 2013. Under terms of the agreements, the Resort has provided land, land improvements and a building for the casino property. The Company was deemed, for accounting purposes only, to be the owner of these assets provided by the Resort during the construction and casino operating periods due to our continuing involvement. Therefore, we are accounting for the transaction using the direct financing method. As of April 27, 2014, in accordance with ASC 840, we have recorded property, plant and equipment, net of accumulated depreciation of $6,011, and a liability of $6,100 in other long-term obligations related to the agreement.

Quad-Cities Waterfront Convention Center We entered into agreements with the City of Bettendorf, Iowa under which the City constructed a convention center which opened in January 2009, adjacent to our hotel. We lease, manage, and provide financial and operating support for the convention center. The Company was deemed, for accounting purposes only, to be the owner of the convention center during the construction period. Upon completion of the convention center we were precluded from accounting for the transaction as a sale and leaseback due to our continuing involvement. Therefore, we are accounting for the transaction using the direct financing method. As of April 27, 2014, we have recorded in other long-term obligations $16,291 related to our liability under

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ISLE OF CAPRI CASINOS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(amounts in thousands, except share and per share amounts)

8. Other Long-Term Obligations (Continued)

ASC 840 related to the convention center. Under the terms of our agreements for the convention center, we have guaranteed certain obligations related to $13,815 of notes issued by the City of Bettendorf, Iowa for the convention center.

The other long term obligations will be reflected in our consolidated balance sheets until completion of the applicable management or lease agreement terms, at which time the related fixed assets, net of accumulated depreciation, will be removed from our consolidated financial statements and the net remaining obligation over the net carrying value of the associated fixed asset will be recognized as a gain (loss) on sale of the facility.

Future minimum payments due under other long-term obligations, including interest, as of April 27, 2014 are as follows:

Fiscal Years Ending:	
2015	1,729
2016	1,767
2017	1,767
2018	1,433
2019	1,100
Thereafter	11,470
Total minimum payments	$ 19,266

9. Income Taxes

Income tax benefit (provision) from continuing operations consists of the following:

	Fiscal Year Ended		
	April 27, 2014	**April 28, 2013**	**April 29, 2012**
Current:			
Federal	$	$	$ 415
State	7,352	(1,005)	(2,333)
	7,352	(1,005)	(1,918)
Deferred:			
Federal	10,116	(3,888)	(15,628)
State	1,026	(1,839)	2,427
	11,142	(5,727)	(13,201)
Income tax benefit (provision)	$ 18,494	$ (6,732)	$ (15,119)

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ISLE OF CAPRI CASINOS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(amounts in thousands, except share and per share amounts)

9. Income Taxes (Continued)

A reconciliation of income taxes from continuing operations at the statutory corporate federal tax rate of 35% to the income tax benefit (provision) reported in the accompanying consolidated statements of operations is as follows:

	Fiscal Year Ended		
	April 27, 2014	**April 28, 2013**	**April 29, 2012**
Statutory tax benefit	$ 51,856	$ 16,007	$ 3,676
Effects of :			
State taxes	10,396	(459)	854
Reduction of unrecognized tax benefits	5,010		270
Other			
Lobbying	(607)	(752)	(594)
Employment tax credits	1,112	665	1,082
Fines & Penalties	(26)	(204)	(55)
Meals & Entertainment	(62)	(72)	(64)
Various permanent differences	(16)	(52)	42
Interest	(446)	(161)	163
Bahamas stock loss			727
Debt basis differential			(4,529)
Goodwill impairment	(45,088)	(17,535)	(5,040)
Valuation allowance	(2,668)	(3,985)	(11,623)
Other	(967)	(184)	(28)
Income tax benefit (provision)	$ 18,494	$ (6,732)	$ (15,119)

ISLE OF CAPRI CASINOS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(amounts in thousands, except share and per share amounts)

9. Income Taxes (Continued)

Significant components of our domestic net deferred income tax asset (liability) are as follows:

	Fiscal Year Ended April 27, 2014	April 28, 2013
Deferred tax liabilities:		
Property and equipment	$ (46,867)	$ (50,835)
Goodwill and intangibles	(16,810)	(33,622)
Gain on early extinguishment of debt	(19,673)	(22,131)
Other	64	(1,161)
Total deferred tax liabilities	(83,286)	(107,749)
Deferred tax assets:		
Net operating losses	72,878	80,370
Employment tax credits	22,043	20,318
Accrued expenses	8,415	6,871
Alternative minimum tax credit	1,338	1,338
Other	4,748	13,750
Total deferred tax assets	109,422	122,647
Valuation allowance on deferred tax assets	(57,900)	(56,429)
Net deferred tax asset	51,522	66,218
Net deferred tax liability	$ (31,764)	$ (41,531)

Deferred income tax assets represent amounts available to reduce income taxes payable on taxable income in future years. Such assets arise because of temporary differences between the financial reporting and tax bases of assets and liabilities, as well as from net operating loss and tax credit carryforwards.

At April 27, 2014, we have federal net operating loss carryforwards of $127,206 for income tax purposes, with expiration dates from fiscal 2025 to 2034. Approximately $41,473 of these net operating losses are attributable to our Colorado subsidiaries and can only be used to offset income earned by these entities. The remaining federal net operating losses are subject to limitations under the internal revenue code and underlying treasury regulations, which may limit the amount ultimately utilized. We also have various state income tax net operating loss carryforwards totaling $371,640 with expiration dates from fiscal 2017 to 2034. This includes both consolidated and separate company net operating loss carryforwards. We also have a federal general business and alternative minimum tax credit carryforwards of $23,381 for income tax purposes, with expiration dates from fiscal 2022 to 2034. Deferred income taxes related to NOL carryforwards have been classified as noncurrent to reflect the expected utilization of the carryforwards.

We evaluated the realizability of our deferred tax assets and performed an analysis of all available evidence, both positive and negative, consistent with the provisions of ASC 740. Our current three-year cumulative loss is a significant piece of negative evidence. While it is primarily the result goodwill and intangible asset impairments as well as the fiscal 2013 sale of the Isle Casino Hotel in Biloxi,

ISLE OF CAPRI CASINOS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(amounts in thousands, except share and per share amounts)

9. Income Taxes (Continued)

Mississippi assets, and not an indication of continuing operations, we are required to give objective historical evidence significantly more weight than subjective evidence, such as forecasts of future income. Based on these provisions, we concluded that a valuation allowance should be booked against our deferred tax assets as of April 27, 2014 and April 28, 2013.

A reconciliation of the beginning and ending amounts of valuation allowance is as follows:

	Federal	State	Total
Balance, April 29, 2012	$ 46,805	$ 7,410	$ 54,215
(Benefit) Provision	(4,114)	6,328	2,214
Balance, April 28, 2013	$ 42,691	$ 13,738	$ 56,429
(Benefit) Provision	(10,968)	12,439	1,471
Balance, April 27, 2014	$ 31,723	$ 26,177	$ 57,900

We allocated the income tax provision and valuation allowance between continuing operations and discontinued operations consistent with the provisions of ASC 740.

This allowance does not preclude us from utilizing the deferred tax assets in the future, nor does it reflect a change in our long-term outlook. If or when recognized, the tax benefits relating to any reversal of the valuation allowance on deferred tax assets as of April 27, 2014 will be accounted for as a reduction of income tax expense. During fiscal 2014, an increase to the valuation allowance of $1,471 was recorded as an income tax expense, which was net of a reduction of $11,993 related to the February 3, 2014 sale of Davenport and its goodwill that had previously been treated as indefinite lived.

We account for unrecognized tax benefits in accordance with ASC 740. A reconciliation of the beginning and ending amounts of unrecognized tax benefits as follows:

	April 27, 2014	April 28, 2013	April 29, 2012
Beginning balance	$ 4,072	$ 4,072	$ 11,491
Impact of favorable court ruling	(4,072)		
Lapse of statute of limitations			(7,419)
Ending balance	$	$ 4,072	$ 4,072

On February 13, 2014, the Supreme Court of Mississippi ruled in our favor with regard to positions taken on Mississippi income tax returns for fiscal years ending April 2002 through April 2008. As a result, we recognized a benefit of $4,072 related to principle and $4,025 related to interest. As of April 27, 2014, we do not have any uncertain tax positions.

We recorded interest expense of $390, $466 and $310 in fiscal 2014, 2013 and 2012, respectively, prior to the favorable ruling. We accrued no penalties during fiscal 2014, 2013 or 2012. As of April 28, 2013, we had recognized a liability of $3,635 for interest and no amount for penalties.

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ISLE OF CAPRI CASINOS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(amounts in thousands, except share and per share amounts)

9. Income Taxes (Continued)

In fiscal 2012, the Federal statute of limitation for fiscal 2006 and fiscal 2007 lapsed. Consequently, we recognized approximately $6,704 and $475 of federal and state tax benefits, respectively, and interest income of $404 related to prior periods during the fiscal year ended April 29, 2012.

As of April 27, 2014, we were subject to U.S. federal income tax examination for tax years 2008 - 2012. We are also subject to state and local income tax examinations for various tax years in jurisdictions where we operate.

10. Flooding

Flooding along the Mississippi River caused five of our properties to close for portions of fiscal 2012. A summary of the closure dates and subsequent reopening is as follows:

	Closing Date	Reopening Date	Number Days Closed
Caruthersville, Missouri	May 1, 2011	May 13, 2011	12
Lula, Mississippi	May 3, 2011	June 3, 2011	31
		September 2, 2011	91(A)
Natchez, Mississippi	May 7, 2011	June 17, 2011	41
Vicksburg, Mississippi	May 11, 2011	May 27, 2011	16

(A) The second casino barge reopened on September 2, 2011 after flood damage was remediated.

During fiscal 2012 we settled all of our insurance claims with our insurance carrier and recognized $9,266 of revenue, included in insurance recoveries in the consolidated statement of operations, as reimbursement under our business interruption insurance policies. We collected the insurance receivable recorded at April 29, 2012 during fiscal 2013.

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ISLE OF CAPRI CASINOS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(amounts in thousands, except share and per share amounts)

11. Earnings Per Share

The following table sets forth the computation of basic and diluted earnings (loss) per share (in thousands, except share and per share amounts):

	Fiscal Year Ended April 27, 2014	April 28, 2013	April 29, 2012
Numerator:			
Income (loss) applicable to common shares:			
Loss from continuing operations attributable to common stockholders	$ (129,666)	$ (52,467)	$ (25,623)
Income (loss) from discontinued operations	1,980	4,898	(104,130)
Net loss attributable to the common stockholders	$ (127,686)	$ (47,569)	$ (129,753)
Denominator:			
Denominator for basic income (loss) per share weighted average shares	39,731,766	39,340,325	38,753,098
Effect of dilutive securities			
Denominator for diluted income (loss) per share adjusted weighted average shares and assumed conversions	39,731,766	39,340,325	38,753,098
Basic and Diluted income (loss) per share attributable to common stockholders			
Loss from continuing operations	$ (3.26)	$ (1.33)	$ (0.66)
Income (loss) from discontinued operations	0.05	0.12	(2.69)
Net loss attributable to common stockholders	$ (3.21)	$ (1.21)	$ (3.35)

Our basic earnings (loss) per share are computed by dividing net income (loss) by the weighted average number of shares outstanding for the period. Due to the loss from continuing operations, stock options representing 52,501 shares, which are potentially dilutive and 753,860 stock options, which were anti-dilutive, were excluded from the calculation of common shares for diluted earnings per share for fiscal 2014. Restricted stock units representing 48,362 shares, which were potentially dilutive, and 1,254,413 restricted stock units whose minimum market performance conditions had not been achieved, were also excluded from the calculation of diluted earnings per share for fiscal 2014.

Due to the loss from continuing operations, stock options representing 25,367 shares, which are potentially dilutive and 904,660 stock options, which were anti-dilutive, were excluded from the calculation of common shares for diluted earnings per share for fiscal 2013. As the minimum market performance conditions related to our restricted stock units had not been achieved as of April 28, 2013, 1,714,286 units were excluded from the calculation of diluted earnings per share for fiscal 2013.

Due to the loss from continuing operations, stock options representing 21,845 shares, which are potentially dilutive and 1,161,710 stock options, which were anti-dilutive, were excluded from the calculation of common shares for diluted earnings per share for fiscal 2012.

ISLE OF CAPRI CASINOS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(amounts in thousands, except share and per share amounts)

12. Stock Based Compensation

Under our amended and restated Long Term Incentive Plan, we have issued restricted stock units, restricted stock and stock options.

Restricted Stock Units During fiscal 2013 we granted restricted stock units ("RSUs") containing market performance conditions which will determine the ultimate amount of RSUs, if any, to be awarded up to 1,714,286 units. Any RSUs earned will vest 50% on April 26, 2015 and 50% on April 26, 2016. The fair value of these RSUs is determined utilizing a lattice pricing model which considers a range of assumptions including volatility and risk-free interest rates. The aggregate compensation cost related to these RSUs is $4,932 to be recognized over the vesting periods. As of April 27, 2014, our unrecognized compensation cost for these RSUs is $2,241.

Restricted Stock We have issued shares of restricted common stock to employees and directors under our Long Term Incentive Plan. Restricted stock awarded to employees primarily vests one-third on each of the first three anniversaries of the grant date and for directors' vests one-half on the grant date and one-half on the first anniversary of the grant date. Our aggregate estimate of forfeitures for restricted stock for employees and directors is 8% and 0%, respectively.

Stock Options We have issued incentive stock options and nonqualified stock options which have a maximum term of 10 years and are, generally, exercisable in yearly installments of 20% commencing one year after the date of grant. There were no stock options granted in fiscal 2014, 2013 or 2012.

Stock Compensation Expense Total stock compensation expense from continuing operations in the accompanying consolidated statements of operations was $4,399, $5,058, and $7,616 for the fiscal years 2014, 2013, and 2012, respectively. We recognize compensation expense for these awards on a straight-line basis over the requisite service period for each separately vesting portion of the award.

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ISLE OF CAPRI CASINOS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(amounts in thousands, except share and per share amounts)

12. Stock Based Compensation (Continued)

Activity Under Our Share Based Plans A summary of restricted stock and option activity for fiscal 2014 is presented below:

	Restricted Stock	Weighted Average Grant-Date Fair Value	Options	Weighted Average Exercise Price
Outstanding at April 28, 2013	804,698	$ 7.32	1,014,660	$ 10.71
Granted	276,243	7.69		
Exercised				
Vested	(484,171)	7.56		
Forfeited and expired	(43,086)	6.88	(56,800)	20.68
Outstanding at April 27, 2014	553,684	$ 7.33	957,860	$ 10.12
As of April 27, 2014:				
Outstanding exercisable options	n/a		937,860	$ 10.09
Weighted average remaining contractual term	0.7 years		3.8 years	
Aggregate intrinsic value:				
Outstanding exercisable	n/a		$239	
Outstanding	$3,762		$239	
Nonvested:				
Unrecognized compensation cost	$1,205		$12	
Weighted average remaining vesting period	0.7 years		0.4 years	

Additional information relating to our share based plans is as follows:

	April 27, 2014	April 28, 2013	April 29, 2012
Restricted Stock:			
Fair value of restricted stock vested during the year	$ 3,660	$ 5,272	$ 7,317
Stock Options:			
Intrinsic value of stock options exercised		41	5
Proceeds from stock option exercises		668	13

We have 645,914, shares available for future issuance under our equity compensation plan as of April 27, 2014, assuming the maximum number of RSUs is awarded upon vesting. Upon issuance of restricted shares or exercise of stock options, shares may be issued from available treasury or common shares.

Tax effect of Stock Based Compensation Upon the exercise of stock options, vested restricted stock and vested RSUs, the tax benefit (provision) related to stock compensation, subject to certain limitations, is recognized as an addition to or deduction from additional paid-in capital. During fiscal year 2014, there was no impact to additional paid-in capital related to the vesting of restricted stock. At April 27, 2014, we have deferred $1,433 of tax benefits associated with stock exercises and restricted stock vesting due to our net operating loss position.

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ISLE OF CAPRI CASINOS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(amounts in thousands, except share and per share amounts)

12. Stock Based Compensation (Continued)

Stock Repurchase Our Board of Directors has approved a stock repurchase program, as amended, allowing up to 6,000,000 shares of our common stock to be repurchased. As of April 27, 2014, we have repurchased 4,895,792 shares of common stock, and retired 553,800 shares of common stock under this stock repurchase program. No shares were repurchased in fiscal years 2014, 2013 or 2012.

13. Deferred Compensation Plans

2005 Deferred Compensation Plan Our 2005 Deferred Compensation Plan (the "Plan"), as amended and restated, is an unfunded deferred compensation arrangement for the benefit of key management officers and employees of the Company and its subsidiaries. The terms of the Plan include the ability of the participants to defer, on a pre-tax basis, salary, and bonus payments in excess of the amount permitted under IRS Code Section 401(k). The terms also allow for a discretionary annual matching contribution by the Company. The Plan allows for the aggregation and investment of deferred amounts in notional investment alternatives, including units representing shares of our common stock. The liability related to the Plan as of April 27, 2014 and April 28, 2013 was $3,765 and $3,545, respectively, and is included in long-term other accrued liabilities in the consolidated balance sheets. Expense from continuing operations for our contributions related to the Plan was $79, $100, and $69 in fiscal years 2014, 2013 and 2012, respectively.

14. Supplemental Disclosure of Cash Flow Information

For the fiscal years 2014, 2013 and 2012, we made cash payments for interest, net of capitalized interest, of $85,472, $76,235, and $83,004, respectively. We received income tax refunds, net of payments, of $4,354 in fiscal 2014 and made income tax payments, net of refunds, of $3,293 and $1,547 for fiscal 2013 and 2012, respectively.

For fiscal 2014, 2013, and 2012, the change in accrued purchase of property and equipment in accounts payable decreased by $7,149 and $2,667 and increased by $8,315, respectively.

For fiscal 2014, 2013 and 2012, we capitalized interest of $185, $2,647, and $1,105, respectively, primarily related to construction of our casinos at the Nemacolin Woodland Resort in Pennsylvania and in Cape Girardeau, Missouri.

15. Employee Benefit Plan

401(k) Plan We have a 401(k) plan covering substantially all of our employees who have completed 90 days of service. Expense for our contributions for continuing operations related to the 401(k) plan was $1,450, $1,443, and $1,430 in fiscal years 2014, 2013, and 2012, respectively. Our contribution is based on a percentage of employee contributions and may include an additional discretionary amount.

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ISLE OF CAPRI CASINOS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(amounts in thousands, except share and per share amounts)

16. Interest Rate Derivatives

We previously had interest rate derivative agreements in order to manage market risk on variable rate loans outstanding. We had an interest rate swap agreement with an aggregate notional value of $50,000 that matured in September 2013. The fair value of our interest rate swap contract as of April 28, 2013 was $794 and was included in accrued interest. We had entered into interest rate cap contracts, which matured in fiscal 2013.

During fiscal 2010, our interest rate swaps no longer met the criteria for hedge effectiveness and changes in the fair value of the swaps since that date were recorded in derivative income in the consolidated statements of operations. The cumulative loss recorded in other comprehensive income (loss), through the date of ineffectiveness, was amortized into derivative expense over the remaining term of the individual interest rate swap agreements.

The loss recorded in accumulated other comprehensive income (loss) of our interest rate swap contracts is recorded net of deferred income tax benefits of $149 and $357, as of April 27, 2014 and April 28, 2013, respectively.

Derivative income related to the change in fair value of interest rate swap contracts is as follows:

	Fiscal Year Ended		
	April 27, 2014	April 28, 2013	April 29, 2012
Derivative income	$ 794	$ 1,699	$ 2,540

Derivative income realized associated with the amortization of cumulative loss recorded in other comprehensive income (loss) for the interest rate swaps through the date of ineffectiveness is as follows:

	Fiscal Year Ended		
	April 27, 2014	April 28, 2013	April 29, 2012
Accumulated OCI amortization	$ 247	$ 594	$ 1,312
Change in deferred taxes	149	357	789
Derivative income (expense)	(396)	(951)	(2,101)

The interest rate cap agreements met the criteria for hedge accounting for cash flow hedges. As a result, there was no impact on our consolidated statement of operations from changes in fair value of the interest rate cap agreements. The change in unrealized gain (loss) on our derivatives qualifying for hedge accounting was $14 and $68 for fiscal year 2013 and 2012, respectively.

ISLE OF CAPRI CASINOS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(amounts in thousands, except share and per share amounts)

17. Fair Value

ASC Topic 820, Fair Value Measurements and Disclosures ("ASC 820") establishes a hierarchy that prioritizes fair value measurements based on the types of inputs used for the various valuation techniques (market approach, income approach, and cost approach). The levels of hierarchy are described below:

Level 1: Inputs such as quoted prices in active markets for identical assets or liabilities that can be accessed at the measurement date.

Level 2: Inputs other than quoted prices included within Level1 that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets in active markets, quoted prices from identical or similar assets in inactive markets and observable inputs such as interest rate and yield curves.

Level 3: Inputs that are not observable in the market and that include management's judgments about assumptions market participants would use.

Items Measured at Fair Value on a Recurring Basis The following table sets forth the assets measured at fair value on a recurring basis, by input level, in the consolidated balance sheets at April 27, 2014 and April 28, 2013:

	April 27, 2014			
	Level 1	Level 2	Level 3	Total
Assets:				
Marketable securities	$ 10,074	$ 17,215	$	$ 27,289
Restricted cash and investments	4,459	5,348		9,807

	April 28, 2013			
	Level 1	Level 2	Level 3	Total
Assets:				
Marketable securities	$ 9,433	$ 16,087	$	$ 25,520
Restricted cash and investments	3,978	7,438		11,416
Liabilities:				
Interest rate derivatives			794	794

Marketable securities The estimated fair values of our marketable securities are determined on an individual asset basis based upon quoted prices of identical assets available in active markets (Level 1), quoted prices of identical assets in inactive markets, or quoted prices for similar assets in active and inactive markets (Level 2), and represent the amounts we would expect to receive if we sold these marketable securities.

Restricted cash and investments The estimated fair values of our restricted cash and investments are based upon quoted prices available in active markets (Level 1), or quoted prices for similar assets in active and inactive markets (Level 2), and represent the amounts we would expect to receive if we sold our restricted cash and investments.

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ISLE OF CAPRI CASINOS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(amounts in thousands, except share and per share amounts)

17. Fair Value (Continued)

Interest rate derivatives The fair value of our interest swap contract, which matured in September 2013, was previously recorded using Level 3 inputs at the present value of all expected future cash flows based on the LIBOR-based yield curve as of the date of the valuation. The following table presents the changes in Level 3 assets measured at fair value on a recurring basis for the fiscal years ended April 27, 2014 and April 28, 2013:

	Fiscal Year Ended	
Interest Rate Derivatives	**April 27, 2014**	**April 28, 2013**
Beginning balance	$ (794)	$ (2,493)
Realized gain	794	1,699
Ending balance	$	$ (794)

Items Measured at Fair Value on a Non-recurring Basis The following table sets forth the assets measured at fair value on a non-recurring basis, by input level, in the consolidated balance sheets at April 27, 2014 as well as the valuation charge recorded during fiscal 2014 associated with each category:

	April 27, 2014 Level 3	Valuation Charge
Assets:		
Property and equipment, net	$ 33,796	$ 16,122
Goodwill	39,461	133,825
Intangible assets subject to amortization		12,153

Property and equipment, net The cost and market approaches were used to value the property and equipment, net using various Level 2 and Level 3 inputs. Inputs included were future cash flow estimates, contractual transaction multiples, estimated replacement cost values, estimates for economic obsolescence and estimated risk premiums.

Goodwill The market and income approaches were used to value the goodwill utilizing various Level 2 and Level 3 inputs. Inputs included were discounted cash flow estimates, weighted average cost of capital, and transaction and valuation multiples for similar companies.

Other intangible assets, net The market approach was used to value other intangible assets, net utilizing various Level 2 and Level 3 inputs. Inputs included were future cash flow estimates and contractual transaction multiples.

See Note 2 "Summary of Significant Accounting Policies" for further discussion over the model and inputs utilized.

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ISLE OF CAPRI CASINOS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(amounts in thousands, except share and per share amounts)

17. Fair Value (Continued)

Other Financial Instruments The estimated carrying amounts and fair values of our other financial instruments are as follows:

	April 27, 2014		April 28, 2013	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial liabilities:				
Revolving line of credit	$ 64,700	$ 63,083	$ 154,900	$ 151,802
5.875% Senior notes	350,000	351,750	350,000	357,000
7.75% Senior notes	298,488	318,576	298,246	327,698
8.875% Senior subordinated notes	350,000	373,520	350,000	381,535
Other long-term debt	3,113	3,113	3,738	3,738
Other long-term obligations	22,391	22,391	22,514	22,514

The fair value of our long-term debt or other long-term obligations is estimated based on the quoted market price of the underlying debt issue (Level 1) or, when a quoted market price is not available, the discounted cash flow of future payments utilizing current rates available to us for debt of similar remaining maturities (Level 3). Debt obligations with a short remaining maturity have a carrying amount that approximates fair value.

18. Consolidating Condensed Financial Information

Certain of our wholly owned subsidiaries have fully and unconditionally guaranteed on a joint and several basis, the payment of all obligations under our 5.875% Senior Notes, 7.75% Senior Notes and 8.875% Senior Subordinated Notes.

The following wholly owned subsidiaries of the Company are guarantors, on a joint and several basis, under the 5.875% Senior Notes, 7.75% Senior Notes and 8.875% Senior Subordinated Notes: Black Hawk Holdings, L.L.C.; CCSC/Blackhawk, Inc.; IC Holdings Colorado, Inc.; IOC-Black Hawk Distribution Company, L.L.C.; IOC-Boonville, Inc.; IOC-Caruthersville, L.L.C.; IOC-Kansas City, Inc.; IOC-Lula, Inc.; IOC-Natchez, Inc.; IOC-Black Hawk County, Inc.; IOC-Davenport, Inc.; IOC Holdings, L.L.C.; IOC-Vicksburg, Inc.; IOC-Vicksburg, LLC; Rainbow Casino- Vicksburg Partnership, L.P.; IOC Cape Girardeau, LLC; Isle of Capri Bettendorf, L.C; Isle of Capri Black Hawk, L.L.C.; Isle of Capri Marquette, Inc.; PPI, Inc.; and St. Charles Gaming Company, L.L.C. Each of the subsidiaries' guarantees is joint and several with the guarantees of the other subsidiaries.

During fiscal 2014, the IOC-PA, L.L.C. subsidiary changed designations from a Guarantor Subsidiary to a Non-Guarantor Subsidiary. All periods presented below reflect the operations of IOC-PA, L.L.C as a Non-Guarantor Subsidiary.

ISLE OF CAPRI CASINOS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(amounts in thousands, except share and per share amounts)

18. Consolidating Condensed Financial Information (Continued)

Consolidating condensed balance sheets as of April 27, 2014 and April 28, 2013 are as follows:

	As of April 27, 2014				
Balance Sheet	Isle of Capri Casinos, Inc. (Parent Obligor)	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating and Eliminating Entries	Isle of Capri Casinos, Inc. Consolidated
Current assets	$ 16,131	$ 80,918	$ 35,589	$ (199)	$ 132,439
Intercompany receivables	530,886			(530,886)	
Investments in subsidiaries	535,662	3,358		(539,020)	
Property and equipment, net	6,693	907,175	41,736		955,604
Other assets	35,837	151,044	20,236	(5,086)	202,031
Total assets	$ 1,125,209	$ 1,142,495	$ 97,561	$ (1,075,191)	$ 1,290,074
Current liabilities	$ 33,447	$ 67,899	$ 26,716	$ (199)	$ 127,863
Intercompany payables		495,416	35,470	(530,886)	
Long-term debt, less current maturities	1,065,913		158		1,066,071
Other accrued liabilities	6,465	68,002	7,375	(5,086)	76,756
Stockholders' equity	19,384	511,178	27,842	(539,020)	19,384
Total liabilities and stockholders' equity	$ 1,125,209	$ 1,142,495	$ 97,561	$ (1,075,191)	$ 1,290,074

	As of April 28, 2013				
Balance Sheet	Isle of Capri Casinos, Inc. (Parent Obligor)	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating and Eliminating Entries	Isle of Capri Casinos, Inc. Consolidated
Current assets	$ 19,176	$ 84,251	$ 28,922	$ (49)	$ 132,300
Intercompany receivables	626,444		11,803	(638,247)	
Investments in subsidiaries	643,257			(643,257)	
Property and equipment, net	7,831	977,423	48,772		1,034,026
Other assets	50,958	317,800	23,955	(5,440)	387,273

Total assets	$ 1,347,666	$ 1,379,474	$ 113,452	$ (1,286,993)	$ 1,553,599
Current liabilities	$ 43,139	$ 77,340	$ 35,368	$ (48)	$ 155,799
Intercompany payables		613,248	25,000	(638,248)	
Long-term debt, less current maturities	1,155,939	210	320		1,156,469
Other accrued liabilities	6,178	76,401	21,782	(5,440)	98,921
Stockholders' equity	142,410	612,275	30,982	(643,257)	142,410
Total liabilities and stockholders' equity	$ 1,347,666	$ 1,379,474	$ 113,452	$ (1,286,993)	$ 1,553,599

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ISLE OF CAPRI CASINOS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(amounts in thousands, except share and per share amounts)

18. Consolidating Condensed Financial Information (Continued)

Consolidating condensed statements of operations for the fiscal years ended April 27, 2014, April 28, 2013, and April 29, 2012 are as follows:

	For the Fiscal Year Ended April 28, 2014				
Statement of Operations	**Isle of Capri Casinos, Inc. (Parent Obligor)**	**Guarantor Subsidiaries**	**Non-Guarantor Subsidiaries**	**Consolidating and Eliminating Entries**	**Isle of Capri Casinos, Inc. Consolidated**
Revenues:					
Casino	$	$ 977,551	$ 26,704	$	$ 1,004,255
Rooms, food, beverage, pari-mutuel and other	688	164,014	12,237	(9,185)	167,754
Management fee revenue	33,307			(33,307)	
Gross revenues	33,995	1,141,565	38,941	(42,492)	1,172,009
Less promotional allowances		(211,253)	(6,156)		(217,409)
Net revenues	33,995	930,312	32,785	(42,492)	954,600
Operating expenses:					
Casino		152,271	5,748		158,019
Gaming taxes		244,017	10,668		254,685
Rooms, food, beverage, pari-mutuel and other	31,737	331,991	21,263	(9,185)	375,806
Valuation charges		135,747	26,353		162,100
Litigation accrual reversals	(1,979)		(7,351)		(9,330)
Management fee expense		32,499	808	(33,307)	
Depreciation and amortization	1,709	73,733	5,443		80,885
Total operating expenses	31,467	970,258	62,932	(42,492)	1,022,165
Operating income (loss)	2,528	(39,946)	(30,147)		(67,565)
Interest (expense) income, net	(45,829)	(39,894)	4,730		(80,993)
Derivative income	398				398
Equity in income (loss) of subsidiaries	(125,290)			125,290	
Income (loss) from continuing operations before income taxes	(168,193)	(79,840)	(25,417)	125,290	(148,160)
Income tax (provision) benefit	32,327	(22,439)	8,606		18,494
Income (loss) from continuining operations	(135,866)	(102,279)	(16,811)	125,290	(129,666)
Income of discontinued operations	1,980	916		(916)	1,980

Net income (loss)	$	(133,886)	$	(101,363)	$	(16,811)	$	124,374	$	(127,686)

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ISLE OF CAPRI CASINOS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(amounts in thousands, except share and per share amounts)

18. Consolidating Condensed Financial Information (Continued)

	For the Fiscal Year Ended April 28, 2013				
Statement of Operations	**Isle of Capri Casinos, Inc. (Parent Obligor)**	**Guarantor Subsidiaries**	**Non-Guarantor Subsidiaries**	**Consolidating and Eliminating Entries**	**Isle of Capri Casinos, Inc. Consolidated**
Revenues:					
Casino	$	$ 967,142	$	$	$ 967,142
Rooms, food, beverage, pari-mutuel and other	735	159,412	8,978	(8,955)	160,170
Management fee revenue	32,474			(32,474)	
Gross revenues	33,209	1,126,554	8,978	(41,429)	1,127,312
Less promotional allowances		(203,907)			(203,907)
Net revenues	33,209	922,647	8,978	(41,429)	923,405
Operating expenses:					
Casino		150,075			150,075
Gaming taxes		241,038			241,038
Rooms, food, beverage, pari-mutuel and other	37,769	332,904	6,849	(8,955)	368,567
Valuation charges		50,100			50,100
Management fee expense		32,474		(32,474)	
Depreciation and amortization	2,020	68,825	319		71,164
Total operating expenses	39,789	875,416	7,168	(41,429)	880,944
Operating income (loss)	(6,580)	47,231	1,810		42,461
Interest (expense) income, net	(51,810)	(36,146)	(988)		(88,944)
Derivative income	748				748
Equity in income (loss) of subsidiaries	(14,801)			14,801	
Income (loss) from continuing operations before income taxes	(72,443)	11,085	822	14,801	(45,735)
Income tax (provision) benefit	19,976	(26,011)	(697)		(6,732)
Income (loss) from continuining operations	(52,467)	(14,926)	125	14,801	(52,467)
Income (loss) of discontinued operations	4,898	2,382		(2,382)	4,898
Net income (loss)	$ (47,569)	$ (12,544)	$ 125	$ 12,419	$ (47,569)

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ISLE OF CAPRI CASINOS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(amounts in thousands, except share and per share amounts)

18. Consolidating Condensed Financial Information (Continued)

	For the Fiscal Year Ended April 29, 2012				
Statement of Operations	**Isle of Capri Casinos, Inc. (Parent Obligor)**	**Guarantor Subsidiaries**	**Non-Guarantor Subsidiaries**	**Consolidating and Eliminating Entries**	**Isle of Capri Casinos, Inc. Consolidated**
Revenues:					
Casino	$	$ 955,897	$	$	$ 955,897
Rooms, food, beverage, pari-mutuel and other	1,088	163,244	9,645	(9,290)	164,687
Management fee revenue	33,074			(33,074)	
Gross revenues	34,162	1,119,141	9,645	(42,364)	1,120,584
Less promotional allowances		(187,640)			(187,640)
Net revenues	34,162	931,501	9,645	(42,364)	932,944
Operating expenses:					
Casino		147,205			147,205
Gaming taxes		237,135			237,135
Rooms, food, beverage, pari-mutuel and other	41,502	327,837	8,036	(9,290)	368,085
Valuation charges		30,549			30,549
Management fee expense		33,074		(33,074)	
Depreciation and amortization	1,960	71,336	552		73,848
Total operating expenses	43,462	847,136	8,588	(42,364)	856,822
Operating income (loss)	(9,300)	84,365	1,057		76,122
Interest (expense) income, net	(28,384)	(58,025)	(656)		(87,065)
Derivative income	439				439
Equity in income (loss) of subsidiaries	47,899			(47,899)	
Income (loss) from continuing operations before income taxes	10,654	26,340	401	(47,899)	(10,504)
Income tax (provision) benefit	(36,277)	21,279	(121)		(15,119)
Income (loss) from continuining operations	(25,623)	47,619	280	(47,899)	(25,623)
Income (loss) of discontinued operations	(104,130)	(107,562)		107,562	(104,130)
Net income (loss)	$ (129,753)	$ (59,943)	$ 280	$ 59,663	$ (129,753)

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ISLE OF CAPRI CASINOS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(amounts in thousands, except share and per share amounts)

18. Consolidating Condensed Financial Information (Continued)

Consolidating condensed statements of cash flows for the fiscal years ended April 27, 2014, April 28, 2013, and April 29, 2012 are as follows:

	For the Fiscal Year Ended April 27, 2014				
Statement of Cash Flows	**Isle of Capri Casinos, Inc. (Parent Obligor)**	**Guarantor Subsidiaries**	**Non-Guarantor Subsidiaries**	**Consolidating and Eliminating Entries**	**Isle of Capri Casinos, Inc. Consolidated**
Net cash provided by (used in) operating activities	$ 5,431	$ 88,579	$ (7,261)	$	$ 86,749
Investing Activities:					
Purchases of property and equipment	(580)	(19,243)	(18,326)		(38,149)
Proceeds from sales of assets, net		48,759	1,122		49,881
Payments towards gaming license			(7,500)		(7,500)
Restricted cash and investments			1,879		1,879
Parent company investment in subsidiaries	85,222			(85,222)	
Net cash provided by (used in) investing activities	84,642	29,516	(22,825)	(85,222)	6,111
Financing Activities:					
Net repayments on line of credit	(90,200)				(90,200)
Principal payments on debt	(63)	(410)	(153)		(626)
Payments of deferred financing costs	(673)				(673)
Net proceeds from (payments to) related parties		(121,166)	35,944	85,222	
Net cash provided by (used in) financing activities	(90,936)	(121,576)	35,791	85,222	(91,499)
Net increase (decrease) in cash and cash equivalents	(863)	(3,481)	5,705		1,361
Cash and cash equivalents at beginning of period	6,914	57,268	4,287		68,469
Cash and cash equivalents at end of the period	$ 6,051	$ 53,787	$ 9,992		$ 69,830

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ISLE OF CAPRI CASINOS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(amounts in thousands, except share and per share amounts)

18. Consolidating Condensed Financial Information (Continued)

	For the Fiscal Year Ended April 28, 2013				
Statement of Cash Flows	**Isle of Capri Casinos, Inc. (Parent Obligor)**	**Guarantor Subsidiaries**	**Non-Guarantor Subsidiaries**	**Consolidating and Eliminating Entries**	**Isle of Capri Casinos, Inc. Consolidated**
Net cash provided by (used in) operating activities	$ (48,218)	$ 165,168	$ (908)	$	$ 116,042
Investing Activities:					
Purchases of property and equipment	(598)	(128,915)	(23,732)		(153,245)
Proceeds from sales of assets, net		33,253			33,253
Payments towards gaming license			(5,000)		(5,000)
Restricted cash and investments	500	1,085	(42)		1,543
Parent company investment in subsidiaries	34,072			(34,072)	
Net cash provided by (used in) investing activities	33,974	(94,577)	(28,774)	(34,072)	(123,449)
Financing Activities:					
Proceeds from the issuance of long-term debt	700,000				700,000
Net borrowings on line of credit	154,900				154,900
Principal payments on debt	(852,289)	(237)	(141)		(852,667)
Payments of deferred financing costs	(21,486)				(21,486)
Proceeds from exercise of stock options	668				668
Net proceeds from (payments to) related parties		(63,835)	29,763	34,072	
Net cash provided by (used in) financing activities	(18,207)	(64,072)	29,622	34,072	(18,585)
Net increase (decrease) in cash and cash equivalents	(32,451)	6,519	(60)		(25,992)
Cash and cash equivalents at beginning of period	39,365	50,749	4,347		94,461
Cash and cash equivalents at end of the period	$ 6,914	$ 57,268	$ 4,287	$	$ 68,469

ISLE OF CAPRI CASINOS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(amounts in thousands, except share and per share amounts)

18. Consolidating Condensed Financial Information (Continued)

	For Fiscal Year Ended April 29, 2012				
Statement of Cash Flows	**Isle of Capri Casinos, Inc. (Parent Obligor)**	**Guarantor Subsidiaries**	**Non-Guarantor Subsidiaries**	**Consolidating and Eliminating Entries**	**Isle of Capri Casinos, Inc. Consolidated**
Net cash provided by (used in) operating activities	$ 12,960	$ 99,588	$ 5,511	$	$ 118,059
Investing Activities:					
Purchases of property and equipment	(1,082)	(73,530)	(721)		(75,333)
Proceeds from asset sales, net		14,940			14,940
Restricted cash and investments	24	635	(315)		344
Parent company investment in subsidiaries	61,864			(61,864)	
Net cash provided by (used in) investing activities	60,806	(57,955)	(1,036)	(61,864)	(60,049)
Financing Activities:					
Net repayments on line of credit	(33,000)				(33,000)
Principal payments on debt	(5,000)	(244)	(130)		(5,374)
Payments of deferred financing costs	(366)				(366)
Proceeds from exercise of stock options	13				13
Net proceeds from (payments to) related parties		(52,745)	(9,119)	61,864	
Net cash provided by (used in) financing activities	(38,353)	(52,989)	(9,249)	61,864	(38,727)
Net increase (decrease) in cash and cash equivalents	35,413	(11,356)	(4,774)		19,283
Cash and cash equivalents at beginning of period	3,952	62,105	9,121		75,178
Cash and cash equivalents at end of the period	$ 39,365	$ 50,749	$ 4,347		$ 94,461

ISLE OF CAPRI CASINOS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(amounts in thousands, except share and per share amounts)

19. Selected Quarterly Financial Information (unaudited)

Our selected quarterly financial information includes new casino operations in Cape Girardeau and Nemacolin on October 30, 2012 and July 1, 2013, respectively, and includes reclassifications for amounts shown in our previously filed reports on Forms 10-Q to reflect the discontinued operations presentation for our Davenport, Iowa property which was classified as discontinued operations during the quarter ended January 26, 2014.

	July 28, 2013	October 27, 2013	January 26, 2014	April 27, 2014
Net revenues	$ 238,013	$ 231,621	$ 224,190	$ 260,776
Operating income	18,097	22,611	17,947	(126,220)
Income (loss) from continuing operations	(5,648)	6,311	9,391	(139,720)
Income (loss) from discontinued operations, net of income taxes	786	1,726	1,266	(1,798)
Net income (loss)	(4,862)	8,037	10,657	(141,518)
Earnings (loss) per common share basic:				
Income (loss) from continuing operations	$ (0.14)	$ 0.16	$ 0.24	$ (3.51)
Income (loss) from discontinued operations, net of income taxes	0.02	0.04	0.03	(0.04)
Net income (loss)	$ (0.12)	$ 0.20	$ 0.27	$ (3.55)
Earnings (loss) per common share diluted:				
Income (loss) from continuing operations	$ (0.14)	$ 0.16	$ 0.24	$ (3.51)
Income (loss) from discontinued operations, net of income taxes	0.02	0.04	0.03	(0.04)
Net income (loss)	$ (0.12)	$ 0.20	$ 0.27	$ (3.55)
Weighted average basic shares	39,582,928	39,686,217	39,828,740	39,829,177
Weighted average dilutive shares	39,582,928	39,731,193	39,911,715	39,829,177

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ISLE OF CAPRI CASINOS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(amounts in thousands, except share and per share amounts)

19. Selected Quarterly Financial Information (unaudited) (Continued)

	Fiscal Quarters Ended			
	July 29, 2012	October 28, 2012	January 27, 2013	April 28, 2013
Net revenues	$ 225,177	$ 212,817	$ 228,017	$ 257,394
Operating income	24,583	14,589	18,931	(15,642)
Income (loss) from continuing operations	3,147	(5,904)	(2,450)	(47,260)
Income (loss) from discontinued operations, net of income taxes	3,514	(749)	264	1,869
Net income (loss)	6,661	(6,653)	(2,186)	(45,391)
Earnings (loss) per common share basic:				
Income (loss) from continuing operations	$ 0.08	$ (0.15)	$ (0.06)	$ (1.20)
Income (loss) from discontinued operations, net of income taxes	0.09	(0.02)		0.05
Net income (loss)	$ 0.17	$ (0.17)	$ (0.06)	$ (1.15)
Earnings (loss) per common share diluted:				
Income (loss) from continuing operations	$ 0.08	$ (0.15)	$ (0.06)	$ (1.20)
Income (loss) from discontinued operations, net of income taxes	0.09	(0.02)		0.05
Net income (loss)	$ 0.17	$ (0.17)	$ (0.06)	$ (1.15)
Weighted average basic shares	39,018,281	39,336,134	39,488,480	39,518,406
Weighted average dilutive shares	39,035,280	39,336,134	39,488,480	39,518,406

A summary of certain revenues and expenses from our continuing operations impacting our quarterly financial results is as follows:

(1) During the second quarter of fiscal 2014, we recorded litigation accrual recoveries of $7,351 in operating income and a reduction to interest expense of $7,379 related to the favorable outcome of our Greece gaming license legal proceedings.

(2) During the third quarter of fiscal 2014, we recorded litigation accrual recoveries of $1,979 in operating income and a reduction to interest expense of $244 related to the favorable outcome of our Silver Land legal proceedings.

(3) During the fourth quarter of fiscal 2014, we recorded goodwill impairment charges of $133,825. The charges consist of $60,000 at our Bettendorf property, $24,238 at our Lake Charles property, $36,000 at our Lula property, $8,587 at our Natchez property, and $5,000 at our Vicksburg property. We also recorded impairment charges of $28,275 related to the long-lived assets at our Nemacolin and Natchez properties.

(4) During the fourth quarter of fiscal 2013, we recorded goodwill impairment charges of $16,000 related to our Natchez property and $34,100 related to our Lula property.

ISLE OF CAPRI CASINOS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(amounts in thousands, except share and per share amounts)

20. Commitments and Contingencies

Operating Leases The Company leases real estate and various equipment under operating lease agreements. Future minimum payments over the lease term of non-cancelable operating leases with initial terms of one year or more consisted of the following at April 27, 2014:

Fiscal Years Ending:		
2015	$	11,250
2016		11,189
2017		10,985
2018		10,822
2019		10,813
Therafter		154,809
Total minimum lease payments	$	209,868

Rent expense related to continuing operations was $27,721, $27,363, and $27,578 in fiscal years 2014, 2013, and 2012, respectively. Such amounts include contingent rentals of $2,926, $3,315, and $3,654 in fiscal years 2014, 2013 and 2012, respectively. Contingent rent is based upon casino revenues or other metrics as defined in our lease agreements. Certain of our leases are subject to renewals and may contain escalation clauses.

Legal and Regulatory Proceedings We and our wholly-owned subsidiary, Riverboat Corporation of Mississippi Vicksburg, were defendants in a lawsuit filed in the Circuit Court of Adams County, Mississippi by Silver Land, Inc., alleging breach of contract in connection with our 2006 sale of casino operations in Vicksburg, Mississippi. The court originally ruled in favor of Silver Land and awarded damages of $1,979, which we accrued. We appealed the decision and in June 2013 the court of appeals reversed the trial court and ruled in our favor. Silver Land filed a Petition for Writ of Certiorari in November 2013 requesting review by the Mississippi Supreme Court. On February 20, 2014, the Mississippi Supreme Court denied Silver Land's request, which effectively disposed of this matter in its entirety. As a result, during fiscal 2014, we reversed a litigation accrual of $2,223, of which $1,979 was recorded as a reduction to operating expenses and $244 was recorded as a reduction to interest expense.

Our wholly owned subsidiary, Lady Luck Gaming Corporation, and several joint venture partners were defendants in the Greek Civil Courts and the Greek Administrative Courts in similar lawsuits brought by the country of Greece. The actions alleged that the defendants failed to make specified payments in connection with the gaming license bid process for Patras, Greece. In the Civil Court lawsuit, the Civil Court of First Instance ruled in our favor and dismissed the lawsuit in 2001. The lawsuits continued through the appeals process and in October 2013, the Supreme Administrative Court rejected both lawsuits which disposed of this matter completely. As a result, during fiscal 2014, we reversed a litigation accrual of $14,730, of which $7,351 was recorded as a reduction to operating expenses and $7,379 was recorded as a reduction to interest expense.

We were named as a defendant in a complaint filed in the Circuit Court for Broward County, Florida. The complaint alleged we sent unsolicited fax advertisements in violation of the Telephone Consumer Protection Act of 1991, as amended by the Junk Fax Prevention Act of 2005 (the "TCPA"), and sought to certify a class action. The complaint sought statutory damages for alleged negligent and

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ISLE OF CAPRI CASINOS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(amounts in thousands, except share and per share amounts)

20. Commitments and Contingencies (Continued)

willful violations of the TCPA, attorneys' fees, costs and injunction relief. In fiscal 2014 we reached a settlement of this matter and the resulting payments were within the Company's reserves for this lawsuit.

In October 2012, we opened our new casino in Cape Girardeau, Missouri. A subcontractor filed a mechanics' lien against our property resulting from a dispute between the subcontractor and our general contractor for the construction project. We demanded that the general contractor cause the lien to be bonded against or satisfied, however the general contractor refused to do so and asserted that a portion of the subcontractor's claim results from additional work directly requested by us. In October 2013, the subcontractor filed suit against our wholly-owned subsidiary IOC-Cape Girardeau, LLC, the general contractor and two other defendants alleging various contract and equitable claims and seeking damages of approximately $4,600. The outcome of this matter is still in doubt and cannot be predicted with any degree of certainty. In the event that we incur any costs in connection with this matter, we do not believe that any such costs would be material, and if incurred, the settlement of construction costs would be capitalized.

We are subject to certain federal, state and local environmental protection, health and safety laws, regulations and ordinances that apply to businesses generally, and are subject to cleanup requirements at certain of our facilities as a result thereof. We have not made, and do not anticipate making material expenditures, nor do we anticipate incurring delays with respect to environmental remediation or protection. However, in part because our present and future development sites have, in some cases, been used as manufacturing facilities or other facilities that generate materials that are required to be remediated under environmental laws and regulations, there can be no guarantee that additional pre-existing conditions will not be discovered and we will not experience material liabilities or delays.

We are subject to various contingencies and litigation matters and have a number of unresolved claims. Although the ultimate liability of these contingencies, this litigation and these claims cannot be determined at this time, we believe they will not have a material adverse effect on our consolidated financial position, results of operations or cash flows.

Development Projects On February 1, 2013, we signed an agreement with Tower Investments, Inc. to manage The Provence, the resort and casino on North Broad Street, Philadelphia, proposed by Tower Entertainment, LLC (the "Tower JV"), if the project is selected by the Pennsylvania Gaming Control Board. The Tower JV is one of five applicants for the final gaming license in Philadelphia. As part of our agreement with the Tower JV, we committed to loan $25 million to the Tower JV for the purpose of securing the Pennsylvania gaming license fee relating to the project. The commitment for the loan is secured by a stand by letter of credit, which can only be drawn upon if the Tower JV is awarded the license. If the Tower JV is selected, we have the option to either 1) be repaid from the proceeds of permanent financing, or 2) convert the $25 million loan into a minority investment in the Tower JV.

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ISLE OF CAPRI CASINOS, INC.

SCHEDULE II VALUATION AND QUALIFYING ACCOUNTS
(In thousands)

Period	Accounts Receivable Reserve Balance at Beginning of Year	Charged to Costs and Expenses	Deductions from Reserves	Balance at End of Year
Year Ended April 27, 2014	$ 2,086	$ 388	$ (354)	$ 2,120
Year Ended April 28, 2013	2,502	522	(938)	2,086
Year Ended April 29, 2012	1,010	1,711	(219)	2,502

Period	Other Receivables Reserve Balance at Beginning of Year	Charged to Costs and Expenses	Deductions from Reserves	Balance at End of Year
Year Ended April 27, 2014	$ 1,882	$	$	$ 1,882
Year Ended April 28, 2013	1,882			1,882
Year Ended April 29, 2012	1,882			1,882

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures Based on their evaluation as of April 27, 2014, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) were effective to ensure that the information required to be disclosed by us in this Annual Report was recorded, processed, summarized and reported within the time periods specified in the SEC's rules and instructions for Form 10-K.

Management's Report on Internal Control over Financial Reporting Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act). Our management, including our Chief Executive Officer and Chief Financial Officer, assessed the effectiveness of our internal control over financial reporting as of April 27, 2014. In making this assessment, our management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in Internal Control Integrated Framework (1992 Framework). Our management has concluded that, as of April 27, 2014, our internal control over financial reporting is effective based on these criteria. Ernst & Young LLP, an independent registered public accounting firm, who audited and reported on the consolidated financial statements included in this Annual Report on Form 10-K, has issued an attestation report on the effectiveness of the Company's internal control over financial reporting as stated in their report which is included in Item 8.

Changes in Internal Controls over Financial Reporting There have been no changes in our internal controls over financial reporting during the quarter ended April 27, 2014 that have materially affected, or are reasonably likely to materially affect our internal controls over financial reporting.

Inherent Limitations on Effectiveness of Controls Our management, including our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures or our internal controls will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within our company have been detected.

ITEM 9B. OTHER INFORMATION

None.

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PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

This item has been omitted from this report and is incorporated by reference to Isle of Capri's definitive proxy statement to be filed with the U.S. Securities and Exchange Commission within 120 days after the end of the fiscal year covered by this report.

ITEM 11. EXECUTIVE COMPENSATION

This item has been omitted from this report and is incorporated by reference to Isle of Capri's definitive proxy statement to be filed with the U.S. Securities and Exchange Commission within 120 days after the end of the fiscal year covered by this report.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required by this item relating to security ownership of management has been omitted from this report and is incorporated by reference to Isle of Capri's definitive proxy statement to be filed with the U.S. Securities and Exchange Commission within 120 days after the end of the fiscal year covered by this report.

Equity Compensation Plans. The following table provides information about securities authorized for issuance under our 2009 Long-Term Stock Incentive Plan for fiscal 2014.

Plan category	(a) Number of securities to be issued upon exercise of outstanding options, warrants and rights	(b) Weighted-average exercise price of outstanding options, warrants and rights	(c) Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by security holders(1)	2,672,146	$ 10.12	645,914
Equity compensation plans not approved by security holders			
Total	2,672,146	$ 10.12	645,914

(1) As of April 27, 2014, we had 1,714,286 performance-based restricted stock units outstanding that do not have an exercise price; therefore the weighted-average per share exercise price only relates to outstanding stock options. The amount included in the securities outstanding above for performance-based restricted share units assumes that the performance conditions will be achieved.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

This item has been omitted from this report and is incorporated by reference to Isle of Capri's definitive proxy statement to be filed with the U.S. Securities and Exchange Commission within 120 days after the end of the fiscal year covered by this report.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

This item has been omitted from this report and is incorporated by reference to Isle of Capri's definitive proxy statement to be filed with the U.S. Securities and Exchange Commission within 120 days after the end of the fiscal year covered by this report.

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PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

The following documents are filed as part of this Form 10-K.

(a) Consolidated financial statements filed as part of this report are listed under Part II, Item 8.

(b) The exhibits listed on the "Index to Exhibits" are filed with this report or incorporated by reference as set forth below.

All other schedules are omitted because they are not applicable or not required, or because the required information is included in the consolidated financial statement or notes thereto.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ISLE OF CAPRI CASINOS, INC.

Dated: June 23, 2014	/s/ VIRGINIA M. MCDOWELL Virginia M. McDowell, *Chief Executive Officer, President and Director*

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Dated: June 23, 2014	/s/ VIRGINIA M. MCDOWELL Virginia M. McDowell, *Chief Executive Officer, President and Director* *(Principal Executive Officer)*
Dated: June 23, 2014	/s/ DALE R. BLACK Dale R. Black, *Chief Financial Officer* *(Principal Financial and Accounting Officer)*
Dated: June 23, 2014	/s/ JAMES B. PERRY James B. Perry, *Executive Chairman of the Board*
Dated: June 23, 2014	/s/ ROBERT S. GOLDSTEIN Robert S. Goldstein, *Vice Chairman of the Board*
Dated: June 23, 2014	/s/ BONNIE BIUMI Bonnie Biumi, *Director*
Dated: June 23, 2014	/s/ ALAN J. GLAZER Alan J. Glazer, *Director*

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Dated: June 23, 2014	/s/ JEFFREY D. GOLDSTEIN
	Jeffrey D. Goldstein, *Director*
Dated: June 23, 2014	/s/ RICHARD A. GOLDSTEIN
	Richard A. Goldstein, *Director*
Dated: June 23, 2014	/s/ GREGORY J. KOZICZ
	Gregory J. Kozicz, *Director*
Dated: June 23, 2014	/s/ SCOTT E. SCHUBERT
	Scott E. Schubert, *Director*
Dated: June 23, 2014	/s/ LEE S. WIELANSKY
	Lee S. Wielansky, *Director*

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INDEX TO EXHIBITS

EXHIBIT NUMBER	DESCRIPTION
2.1	Asset Purchase Agreement, dated December 4, 2013, by and among Isle of Capri Casinos, Inc., IOC Davenport, Inc., Scott County Casino, LLC and Kehl Development Corporation (Incorporated by reference to Exhibit 2.1 to the Current Report on Form 8-K filed on December 4, 2013)
3.1	Amended and Restated Certificate of Incorporation of Isle of Capri Casinos, Inc. (Incorporated by reference to Exhibit 3.1 to the Annual Report on Form 10-K filed on June 16, 2011)
3.2	Bylaws, as amended (Incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K filed on June 25, 2010)
4.1	Indenture, dated as of March 7, 2011, among the Company, the guarantors named therein and U.S. Bank National Association, as trustee (Incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K filed on March 8, 2011)
4.2	Indenture, dated as of August 7, 2012, among the Company, the guarantors named therein and U.S. Bank National Association, as trustee (Incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K filed on August 9, 2012)
4.3	Indenture, dated as of March 5, 2013, among the Company, the guarantors named therein and U.S. Bank National Association, as trustee (Incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K filed on March 6, 2013)
4.4	Supplemental Indenture, dated as of April 19, 2013, among the Company, the guarantors named therein and U.S. Bank National Association, as trustee (Incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K filed on April 24, 2013)
4.5	Supplemental Indenture, dated as of April 19, 2013, among the Company, the guarantors named therein and U.S. Bank National Association, as trustee (Incorporated by reference to Exhibit 4.2 to the Current Report on Form 8-K filed on April 24, 2013)
4.6	Supplemental Indenture, dated as of April 19, 2013, among the Company, the guarantors named therein and U.S. Bank National Association, as trustee (Incorporated by reference to Exhibit 4.3 to the Current Report on Form 8-K filed on April 24, 2013)
10.1	Agreement, dated January 19, 2011, by and among Isle of Capri Casinos, Inc., and Mr. Jeffrey D. Goldstein, Mr. Robert S. Goldstein, Richard A. Goldstein and GFIL Holdings, LLC (Incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-k filed on January 19, 2011)
10.2	Amendment Number One to Governance Agreement, dated February 23, 2011, by and among Isle of Capri Casinos, Inc., GFIL Holdings, LLC, Jeffrey D. Goldstein, Robert S. Goldstein and Richard A. Goldstein (Incorporated by reference to Exhibit 10.1 to the Quarterly Report on Form 10-Q filed on February 28, 2011)
10.3	Isle of Capri Casinos, Inc. Amended and Restated 2009 Long-Term Stock Incentive Plan (Incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on October 19, 2012)
10.4	Isle of Capri Casinos, Inc. Corporate Level Incentive Compensation Plan (Incorporated by reference to Exhibit 10.1 to the Quarterly Report on Form 10-Q filed on December 3, 2010)

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EXHIBIT NUMBER		DESCRIPTION
10.5		Isle of Capri Casinos, Inc. Deferred Bonus Plan (Incorporated by reference to the Proxy Statement filed on August 15, 2000)
10.6		Isle of Capri Casinos, Inc. Deferred Bonus Plan Code Section 409A Compliance Amendment (Incorporated by reference to Exhibit 10.4 to the Annual Report on Form 10-K filed on June 25, 2009)
10.7		Isle of Capri Casinos, Inc.'s Amended and Restated Deferred Compensation Plan (Incorporated by reference to Exhibit 10.5 to the Annual Report on Form 10-K filed on June 25, 2009)
10.8		Isle of Capri Casino, Inc. Amended and Restated Deferred Compensation Plan Adoption Agreement (Incorporated by reference to Exhibit 10.6 to the Annual Report on Form 10-K filed on June 25, 2009)
10.9		Isle of Capri Casinos, Inc.'s 2005 Non-employee Director Deferred Compensation Plan (Incorporated by reference to Exhibit 10.33 to the Quarterly Report Form 10-Q filed on March 1, 2005)
10.10		Isle of Capri Casinos, Inc. Non-employee Director Deferred Compensation Plan (Incorporated by reference to Exhibit 10.9 to the Annual Report on Form 10-K filed on June 25, 2009)
10.11		Isle of Capri Casinos, Inc. Medical Expense Reimbursement Plan (MERP) (Incorporated by reference to Exhibit 10.10 to the Annual Report on Form 10-K filed on June 25, 2009)
10.12		Amended and Restated Employment Agreement, dated January 18, 2011, between Virginia M. McDowell and Isle of Capri Casinos, Inc. (Incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K filed on January 18, 2011)
10.13		Employment Agreement dated as of December 3, 2007, between Isle of Capri Casinos, Inc. and Dale R. Black (Incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on December 7, 2007)
10.14		Amended and Restated Employment Agreement, dated January 18, 2011, between James B. Perry and Isle of Capri Casinos, Inc. (Incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on January 18, 2011)
10.15		Employment Agreement, dated as of July 1, 2008, between Isle of Capri Casinos, Inc. and Edmund L. Quatmann, Jr. (Incorporated by reference to Exhibit 10.18 to the Annual Report on Form 10-K filed on July 11, 2008)
10.16	*	First Amendment to Employment Agreement, dated as of January 9, 2014, between Isle of Capri Casinos, Inc. and Edmund L. Quatmann, Jr.
10.17		Isle of Capri Casinos, Inc. Employment Agreement Compliance Addendum Dale R. Black (Incorporated by reference to Exhibit 10.3 to the Quarterly Report on Form 10-Q filed on March 6, 2009)
10.18		Isle of Capri Casinos, Inc. Employment Agreement Compliance Addendum Edmund L. Quatmann, Jr. (Incorporated by reference to Exhibit 10.4 to the Quarterly Report on Form 10-Q filed on March 6, 2009)
10.19		Employment Agreement dated as of August 6, 2009, between Isle of Capri Casinos, Inc. and Eric Hausler (Incorporated by reference to Exhibit 10.19 to the Annual Report on Form 10-K/A filed on June 8, 2010)

EXHIBIT NUMBER	DESCRIPTION
10.20	First Amendment to Employment Agreement, dated as of June 28, 2011, between Isle of Capri Casinos, Inc. and Arnold Block (Incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on June 29, 2011)
10.21	Employment Agreement, dated as of January 7, 2013, between Isle of Capri Casinos, Inc. and John Wilson (Incorporated by reference to Exhibit 10.1 to the Quarterly Report on Form 10-Q filed on February 20, 2013)
10.22	Form Employment Agreement for Senior Vice Presidents of Isle of Capri Casinos, Inc. (Incorporated by reference to Exhibit 10.21 to the Annual Report on Form 10-K filed on July 2, 2013)
10.23	Form Stock Option Award Agreement (Incorporated by reference to Exhibit 10.20 to the Annual Report on Form 10-K filed on July 11, 2008)
10.24	Form of Restricted Stock Award Agreement (Incorporated by reference to Exhibit 10.22 to the Annual Report on Form 10-K filed on June 25, 2009)
10.25	Form of Performance Based Restricted Stock Unit Agreement (Incorporated by reference to Exhibit 10.25 to the Annual Report on Form 10-K filed on June 14, 2012)
10.26	Credit Agreement, dated as of July 26, 2007 among Isle of Capri Casinos, Inc., the Lenders listed herein, Credit Suisse, Cayman Island Branch, as administrative agent, issuing bank and swing line lender, Credit Suisse Securities (USA) LLC, as lead arranger and bookrunner, Deutsche Bank Securities Inc. and CIBC World Markets Corp., as co-syndication agents and U.S. Bank, N.A. and Wachovia Bank, National Association, as co-documentation agents (Incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on July 31, 2007)
10.27	Security Agreement, dated as of July 26, 2007, among Isle of Capri Casinos, Inc., its material subsidiaries party thereto, and Credit Suisse, Cayman Islands Branch, as Administrative Agent for and representative of the financial institutions party to the Credit Agreement and any Hedge Providers (as defined therein) (Incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on July 31, 2007)
10.28	First Amendment to Credit Agreement, dated as of February 17, 2010, among the Company, as borrower, the financial institutions listed therein, as lenders, Credit Suisse AG, Cayman Islands Branch, as administrative agent and the other agents referred to therein among Isle of Capri Casinos, Inc., the Lenders listed therein (Incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on February 29, 2010)
10.29	Second Amendment to Credit Agreement, dated as of March, 25, 2011, among Isle of Capri Casinos, Inc., as borrower, certain subsidiaries of Isle of Capri Casinos, Inc., the financial institutions listed therein, as lenders, Wells Fargo Bank, National Association, as administrative agent (as successor to Credit Suisse AG, Cayman Islands Branch (f/k/a Credit Suisse, Cayman Islands Branch)), and the other agents referred to therein (Incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on March 31, 2011)
10.30	Third Amendment to Credit Agreement, dated as of November 21, 2012, among Isle of Capri Casinos, Inc., as borrower, certain subsidiaries of isle of Capri casinos, Inc., the financial institutions listed therein, as lenders, Wells Fargo Bank, National Association, as administrative agent (as successor to Credit Suisse AG, Cayman Islands Branch (f/k/a Credit Suisse, Cayman Islands Branch)), and the other agents referred to therein (Incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on November 27, 2012)

EXHIBIT NUMBER	DESCRIPTION
10.31	Fourth Amendment Documents to Credit Agreement and Amendments to Loan Documents, dated as of April 19, 2013 among the Company, the financial institutions listed therein as Lenders and Wells Fargo Bank, National Association (as successor to Credit Suisse AG, Cayman Islands Branch (f/k/a Credit Suisse, Cayman Islands Branch)), as administrative agent to the Lenders, Issuing Bank and Swing Line Lender (Incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on April 24, 2013)
10.32	Fifth Amendment to Credit Agreement, dated as of July 2, 2013, among Isle of Capri Casinos, Inc., as borrower, certain subsidiaries of Isle of Capri Casinos, Inc., the financial institutions listed therein, as lenders, Wells Fargo Bank, National Association, as administrative agent, and the other agents referred to therein (Incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on July 2, 2013)
10.33	Amended and Restated Lease, dated as of April 19, 1999, among Port Resources, Inc. and CRU, Inc., as landlords and St. Charles Gaming Company, Inc., as tenant (St. Charles) (Incorporated by reference to Exhibit 10.28 to the Annual Report on Form 10-K filed on July 02, 1999)
10.34	Lease of property in Coahoma, Mississippi dated as of November 16, 1993 by and among Roger Allen Johnson, Jr., Charles Bryant Johnson and Magnolia Lady, Inc. (Incorporated by reference to the Registration Statement on Form S-4/A filed June 19, 2002)
10.35	Addendum to Lease dated as of June 22, 1994 by and among Roger Allen Johnson, Jr., Charles Bryant Johnson and Magnolia Lady, Inc. (Incorporated by reference to Exhibit 10.46 to the Annual Report on Form 10-K filed on July 28, 2000)
10.36	Second addendum to Lease dated as of October 17, 1995 by and among Roger Allen Johnson, Jr., Charles Bryant Johnson and Magnolia Lady, Inc. (Incorporated by reference to Exhibit 10.47 to the Annual Report on Form 10-K filed on July 28, 2000)
10.37	Master Lease between The City of Boonville, Missouri and IOC-Boonville, Inc. formally known as Davis Gaming Boonville, Inc. dated as of July 18, 1997. (Incorporated by reference to Exhibit 10.40 to the Annual Report on Form 10-K filed on July 11, 2008)
10.38	Amendment to Master Lease between The City of Boonville, Missouri and IOC-Boonville, Inc. formally known as Davis Gaming Boonville, Inc. dated as of April 19, 1999. (Incorporated by reference to Exhibit 10.41 to the Annual Report on Form 10-K filed on July 11, 2008)
10.39	Second Amendment to Master Lease between The City of Boonville, Missouri and IOC-Boonville, Inc. formerly known as Davis Gaming Boonville, Inc. dated as of September 17, 2001. (Incorporated by reference to Exhibit 10.42 to the Annual Report on Form 10-K filed on July 11, 2008)
10.40	Third Amendment to Master Lease between The City of Boonville, Missouri and IOC-Boonville, Inc. formerly known as Gold River's Boonville Resort, Inc. and Davis Gaming Boonville, Inc. dated as of November 19, 2001. (Incorporated by reference to Exhibit 10.43 to the Annual Report on Form 10-K filed on July 11, 2008)
10.41	Amended and Restated Lease Agreement by and between the Port Authority of Kansas City, Missouri and Tenant dated as of August 21, 1995 (Incorporated by reference to Exhibit 10.44 to the Annual Report on Form 10-K filed June 25, 2009)

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EXHIBIT NUMBER	DESCRIPTION
10.42	First Amendment to Amended and Restated Lease Agreement by and between the Port Authority of Kansas City, Missouri and Tenant dated as of October 31, 1995 (Incorporated by reference to Exhibit 10.45 to the Annual Report on Form 10-K filed June 25, 2009)
10.43	Second Amendment to Amended and Restated Lease Agreement by and between the Port Authority of Kansas City, Missouri and Tenant dated as of June 10, 1996. (Incorporated by reference to Exhibit 10.46 to the Annual Report on Form 10-K filed June 25, 2009)
10.44	Assignment and Assumption Agreement (Lease Agreement) between Flamingo Hilton Riverboat Casino, LP, Isle of Capri Casinos, Inc. and IOC-Kansas City, Inc. dated as of June 6, 2000. (Incorporated by reference to Exhibit 10.44 to the Annual Report on Form 10-K filed on July 11, 2008)
10.45	Lease and Agreement-Spring 1995 between Andrianakos Limited Liability Company and Isle of Capri Black Hawk, LLC. dated as of August 15, 1995. (Incorporated by reference to Exhibit 10.45 to the Annual Report on Form 10-K filed on July 11, 2008)
10.46	Addendum to the Lease and Agreement-Spring 1995 between Andrianakos Limited Liability Company and Isle of Capri Black Hawk, LLC. dated as of April 4, 1996. (Incorporated by reference to Exhibit 10.46 to the Annual Report on Form 10-K filed on July 11, 2008)
10.47	Second Addendum to the Lease and Agreement-Spring 1995 between Andrianakos Limited Liability Company and Isle of Capri Black Hawk, LLC. dated as of March 21, 2003. (Incorporated by reference to Exhibit 10.47 to the Annual Report on Form 10-K filed on July 11, 2008)
10.48	Third Addendum to the Lease and Agreement-Spring 1995 between Andrianakos Limited Liability Company and Isle of Capri Black Hawk, LLC. dated as of April 22, 2003. (Incorporated by reference to Exhibit 10.48 to the Annual Report on Form 10-K filed on July 11, 2008)
10.49*	Fourth Addendum to the Lease and Agreement-Spring 1995 between Andrinakos Limited Liability Company and Isle of Capri Black Hawk, LLC. Dated as of December 11, 2013.
10.50	Development Agreement by and between IOC-Cape Girardeau, LLC and the City of Cape Girardeau, Missouri dated as of October 4, 2010. (Incorporated by reference to Exhibit 10.2 to the Quarterly Report on Form 10-Q filed on December 3, 2010)
10.51*	Amended and Restated Operator's Contract by and between Black Hawk County Gaming Association and IOC Black Hawk County, Inc. dated as of November 9, 2004.
10.52*	Management Agreement by and between Gamblers Supply Management Company and the Marquette Gaming Corporation dated as of June 10, 1994.
10.53*	Operator's Contract by and between the Riverbend Regional Authority, Green Bridge Company, Bettendorf Riverfront Development Company, L.C., Lady Luck Gaming Corporation and Lady Luck Bettendorf, L.C., dated as of August 11, 1994.
10.54*	Amendment to Operator's Contract by and among Green Bridge Company, Bettendorf Riverfront Development Company, L.C., Lady Luck Gaming Corporation, Lady Luck Bettendorf, L.C. and Riverbend Regional Authority, dated as of August 27, 1998.
10.55*	Second Amendment to Operator's Contract by and between Isle of Capri Bettendorf, L.C. and Scott County Regional Authority dated as of June 30, 2004.

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EXHIBIT NUMBER	DESCRIPTION
10.56*	Third Amendment to Operator's Contract by and between Isle of Capri Bettendorf, L.C. and Scott County Regional Authority dated as of October 30, 2007.
21.1*	Significant Subsidiaries of Isle of Capri Casinos, Inc.
23.1*	Consent of Ernst & Young LLP
31.1*	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934
31.2*	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934
32.1*	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350
32.2*	Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350
99.1*	Description of Governmental Regulation.
101*	The following financial statements and notes from the Isle of Capri Casinos, Inc. Annual Report on Form 10-K for the year ended April 27, 2014, filed on June 23, 2014, formatted in XBRL: (i) Consolidated Balance Sheets; (ii) Consolidated Statements of Operations; (iii) Consolidated Statement of Comprehensive Income (Loss); (iv) Consolidated Statements of Stockholders' Equity; (v) Consolidated Statements of Cash Flows; and (vi) Notes to Consolidated Financial Statements.

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* Filed herewith.

Management contract or compensatory plan or arrangement.