



Penn National Gaming's Planned REIT to Be Named "Gaming and Leisure Properties, Inc."

May 1, 2013

Indiana Gaming Commission Grants GLP Capital, L.P., a Subsidiary of Gaming and Leisure Properties, Inc., a Temporary Supplier License as Landlord of Hollywood Casino Lawrenceburg

WYOMISSING, Pa.--(BUSINESS WIRE)--May. 1, 2013-- Penn National Gaming, Inc. (PENN: Nasdaq) (the "Company") announced today that Gaming and Leisure Properties, Inc. ("GLPI") will be the name of the newly formed, publicly traded real estate investment trust (REIT) that would hold substantially all of Penn National's real property assets following the proposed separation of the Company's operating assets from its real property assets. In conjunction with the announcement, the Company also reported that it received notification from the Indiana Gaming Commission ("IGC") that it has granted GLP Capital, L.P. ("GLP"), a subsidiary of GLPI, a temporary supplier license.

GLP was formed in conjunction with the proposed separation of Penn National's gaming operating assets and real property assets, and would be the owner of the real estate at Hollywood Casino Lawrenceburg. Gaming laws in Indiana specify that a landlord for a gaming facility must apply for and receive a supplier license and the temporary license stipulates that it allows GLP to acquire and lease back real estate used in gaming services at Hollywood Casino Lawrenceburg. GLP's temporary license is for one year and is subject to the Commission's final determination on whether Penn National's planned real estate investment trust transaction is approved by a vote of the Commission. Pending final approval by the Commission, the temporary license allows GLP to operate in Indiana with the same ability as if it possessed a permanent license.

Last week, Penn National announced that its subsidiary, Mountainview Thoroughbred Racing Association, received initial approval from the Pennsylvania Gaming Control Board ("PGCB") for a corporate restructuring related to the proposed separation. Mountainview Thoroughbred Racing Association does business as Hollywood Casino at Penn National Race Course. As part of the initial approval, the PGCB indicated that it approved the concept of the corporate restructuring subject to the receipt and review of the usual and customary financing documents, receipt of certain applications for the appropriate entities, officers and directors and other information.

On November 15, 2012, Penn National announced that it intended to pursue a plan to separate its gaming operating assets and real property assets into two publicly traded companies – an operating entity, Penn National Gaming, and a newly formed, publicly traded REIT, GLPI – and that it received a private letter ruling from the Internal Revenue Service related to the treatment of the separation and the qualification of GLPI as a REIT, which is subject to certain qualifications and based on certain representations and statements made by Penn National. The completion of the proposed transaction is contingent on receipt of approvals from gaming regulators in certain states where Penn National has operations as well as other conditions.

Based on Penn National's current real estate portfolio, GLPI is expected to initially own the real estate for 19 casino facilities, which have a total of over 2,900 acres of land and 6.6 million square feet of building space. GLPI would lease back to the operating company 17 of these casino facilities and own and operate two gaming facilities in Baton Rouge, Louisiana and Perryville, Maryland.

About Penn National Gaming

Penn National Gaming owns, operates or has ownership interests in gaming and racing facilities with a focus on slot machine entertainment. The Company presently operates twenty-nine facilities in nineteen jurisdictions, including Colorado, Florida, Illinois, Indiana, Iowa, Kansas, Louisiana, Maine, Maryland, Mississippi, Missouri, Nevada, New Jersey, New Mexico, Ohio, Pennsylvania, Texas, West Virginia, and Ontario. In aggregate, Penn National's operated facilities currently feature approximately 34,800 gaming machines, approximately 850 table games, 2,900 hotel rooms and approximately 1.6 million square feet of gaming floor space.

Forward-looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Actual results may vary materially from expectations. Although Penn National Gaming, Inc. and its subsidiaries (collectively, the "Company" or "PENN") believe that our expectations are based on reasonable assumptions within the bounds of our knowledge of our business and operations, there can be no assurance that actual results will not differ materially from our expectations. Meaningful factors that could cause actual results to differ from expectations include, but are not limited to, risks related to the following: the proposed separation of PropCo (GLPI) from PENN, including our ability to timely receive all necessary consents and approvals, the anticipated timing of the proposed separation, the expected tax treatment of the proposed transaction, the ability of each of the post spin Company and PropCo (GLPI) to conduct and expand their respective businesses following the proposed spin-off, and the diversion of management's attention from traditional business concerns; our ability to raise the capital necessary to finance the spin-off, including the redemption of our existing debt and preferred stock obligations, the anticipated cash portion of our special E&P dividend and transaction costs; our ability to obtain timely regulatory approvals required to own, develop and/or operate our facilities, or other delays or impediments to completing our planned acquisitions or projects, including favorable resolution of any related litigation, including the appeal by the Ohio Roundtable addressing the legality of video lottery terminals in Ohio; our ability to secure state and local permits and approvals (including from the Ohio State Racing Commission) necessary for construction; construction factors, including delays, unexpected remediation costs, local opposition and increased cost of labor and materials; our ability to reach agreements with the thoroughbred and harness horseman in Ohio in connection with the proposed relocations and to otherwise maintain agreements with our horseman, pari-mutuel clerks and other organized labor groups; the impact of terrorism and other international hostilities; and other factors as discussed in the Company's Annual Report on Form 10-K for the year ended December 31, 2012, subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K as filed with the SEC. The Company does not intend to update publicly any forward-looking statements except as required by law.

Source: Penn National Gaming, Inc.

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