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Bank of America
Merrill Lynch

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Safe Harbor

In addition to historical facts or statements of current conditions, this presentation contains forward-looking statements that involve risk and uncertainties within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements reflect the Company's current expectations and beliefs but are not guarantees of future performance. As such, actual results may vary materially from expectations.

The risks and uncertainties associated with the forward-looking statements, including, in particular, those associated with our operations in Ohio (such as litigation addressing the legality of VLTs in Ohio), San Diego, California (such as the risks of financing a project of this type, sovereign immunity, local opposition and building a complex project on a relatively small parcel), and Plainville, Massachusetts (such as the ultimate location of the other gaming facilities in the state), are described in the Company's filings with the Securities and Exchange Commission, including the Company's reports on Form 8-K, Form 10-K and Form 10-Q. Penn National assumes no obligation to publicly update or revise any forward-looking statements.

This presentation includes "Non-GAAP financial measures" within the meaning of SEC Regulation G. A reconciliation of all Non-GAAP financial measures to the most directly comparable financial measure calculated and presented in accordance with GAAP can be found at www.pngaming.com in the Investors section.



Company Overview

- **Leading, diversified, multi-jurisdictional operator of regional gaming and pari-mutuel facilities**
 - 27 properties in 17 jurisdictions at September 30, 2015
 - Approximately 34,000 slot machines, 800 table games and 4,600 hotel rooms
 - LTM 9/30/15 net revenue of \$2.8 billion and regional segment Adjusted EBITDA of \$761.4 million
 - Highly diversified revenue and Adjusted EBITDA composition
- **Disciplined, market-tested management team and expanding development pipeline**
 - Strong property operating margins
 - Disciplined maintenance capex in existing properties
 - Strong development and acquisition track record
 - Project capex calibrated to market size, tax rate and cash return
 - Near-term growth projects: Plainridge Park Casino, Prairie State Gaming, Tropicana Las Vegas, Jamul Indian Village (CA) tribal development/management agreement



Leading Regionally Diversified Gaming Company

East/Midwest

1. Hollywood Casino Bangor
2. Hollywood Casino at Penn National Race Course
3. Hollywood Casino at Charles Town Races
4. Hollywood Gaming at Mahoning Valley
5. Hollywood Casino Columbus
6. Hollywood Casino Toledo
7. Hollywood Gaming at Dayton Raceway
8. Hollywood Casino Lawrenceburg
9. Casino Rama⁽³⁾
10. Plainridge Park Casino

Southern Plains

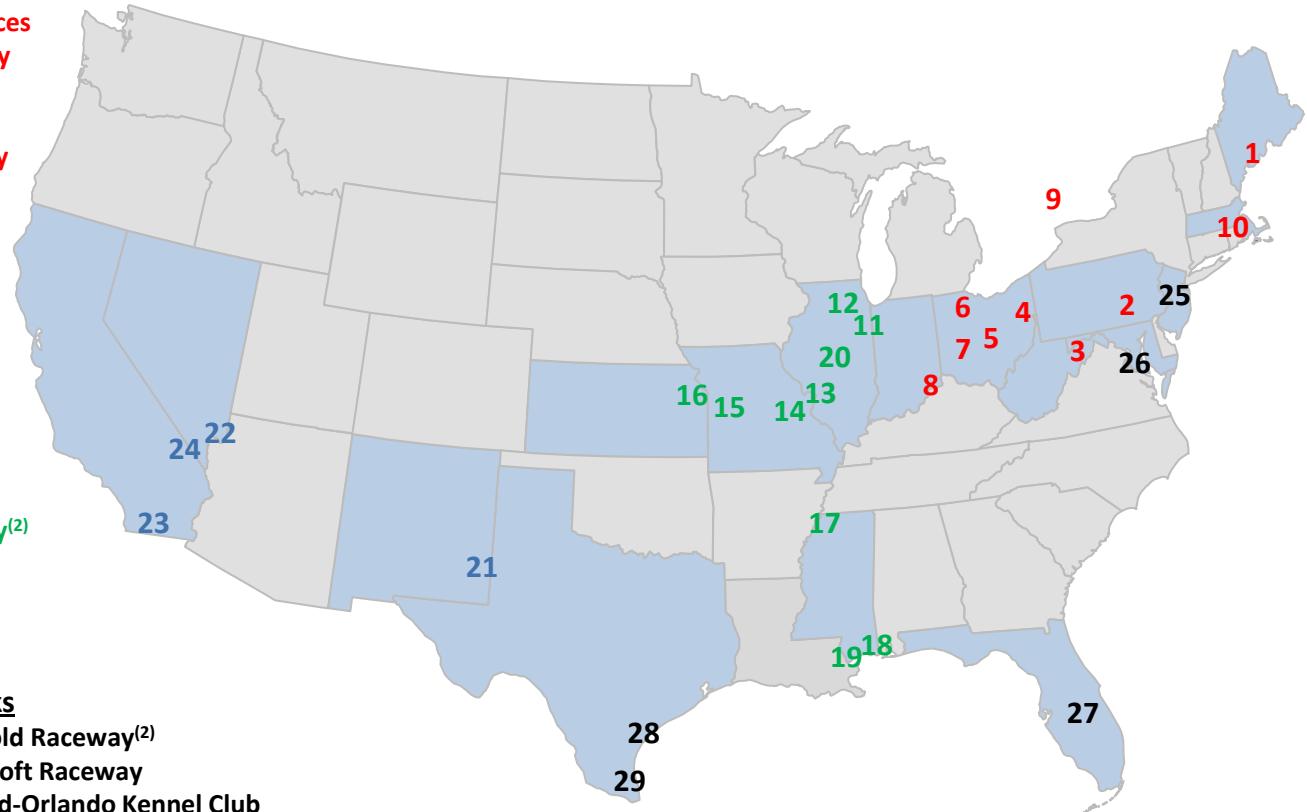
11. Hollywood Casino Joliet
12. Hollywood Casino Aurora
13. Argosy Casino Alton
14. Hollywood Casino St. Louis
15. Argosy Casino Riverside
16. Hollywood Casino at Kansas Speedway⁽²⁾
17. Hollywood Casino Tunica
18. Boomtown Biloxi
19. Hollywood Casino Gulf Coast
20. Prairie State Gaming

West

21. Zia Park Casino
22. M Resort
23. Jamul Indian Village⁽¹⁾⁽³⁾
24. Tropicana Las Vegas

Racetracks

25. Freehold Raceway⁽²⁾
26. Rosecroft Raceway
27. Sanford-Orlando Kennel Club
28. Sam Houston Race Park⁽²⁾
29. Valley Race Park⁽²⁾



- (1) Jamul Indian Village is currently under development
- (2) Hollywood Casino at Kansas Speedway, Freehold Raceway, Sam Houston Race Park and Valley Race Park are joint ventures
- (3) Casino Rama and Jamul Indian Village are management contracts



Property Level Overview

\$ in thousands						LTM 9/30/2015 Net Revenue	LTM 9/30/2015 EBITDA	% of Property EBITDA
	Location	Gaming Machines	Table Games	Hotel Rooms	Parking			
East/ Midwest Segment								
Hollywood Casino at Charles Town Races	Charles Town, WV	2,680	92	153	5,781			
Hollywood Casino at Penn National Race Course	Grantville, PA	2,390	55	-	3,700			
Hollywood Casino Columbus	Columbus, OH	2,281	78	-	4,616			
Hollywood Casino Toledo	Toledo, OH	2,050	59	-	3,300			
Hollywood Casino Lawrenceburg	Lawrenceburg, IN	1,846	60	295	5,290			
Hollywood Casino Bangor	Bangor, ME	787	12	152	1,500			
Hollywood Gaming at Dayton Raceway	Dayton, OH	991	-	-	1,800			
Hollywood Gaming at Mahoning Valley Race Course	Youngstown, OH	940	-	-	1,251			
Plainridge Park Casino	Plainville, MA	1,250	-	-	1,620			
Casino Rama Management Contract	Orillia, Ontario	2,451	98	289	3,642			
Total East/Midwest		17,666	454	889	32,500	\$1,639,191	\$492,208	64.7%
West Segment								
Zia Park Casino	Hobbs, NM	717	-	154	1,500			
Tropicana Las Vegas	Las Vegas, NV	819	37	1,467	2,950			
M Resort	Henderson, NV	1,344	39	390	4,700			
Total West		2,880	76	2,011	9,150	259,909	67,613	8.9%
Southern Plains Segment								
Hollywood Casino St. Louis	Maryland Heights, MO	2,108	57	502	4,600			
Argosy Casino Riverside	Riverside, MO	1,493	35	258	3,000			
Hollywood Casino Aurora	Aurora, IL	1,127	20	-	1,500			
Hollywood Casino Joliet	Joliet, IL	1,100	16	100	2,680			
Hollywood Gulf Coast	Bay St. Louis, MS	1,145	19	291	1,626			
Argosy Casino Alton	Alton, IL	883	12	-	1,341			
Hollywood Casino Tunica	Tunica, MS	1,076	20	494	1,635			
Boomtown Casino	Biloxi, MS	954	16	-	1,450			
Prairie State Gaming	Hinsdale, IL	1,149	-	-	-			
Hollywood Casino at Kansas Speedway JV ⁽¹⁾	Kansas City, KS	1,998	40	-	1,253			
Total Southern Plains		13,033	235	1,645	19,085	835,898	281,951	37.0%
Other Segment						20,755	(80,379)	-10.6%
Total		33,579	765	4,545	60,735	\$2,755,753	\$761,393	100.0%

1) EBITDAR excludes PENN's share of the impact of non-operating items (such as depreciation and amortization expense)



2016 Growth Drivers

Project/Scope	Project/Acquisition Cost	Gross Gaming Revenue Tax Rate	Completion Date
Plainridge Park Casino⁽¹⁾ Plainville, MA	\$266	49.0%	Opened June 24, 2015
Tropicana Las Vegas Las Vegas, NV	\$360	6.75%	Acquired August 25, 2015
Prairie State Gaming Hinsdale, IL	N/A	30.0%	Acquired September 1, 2015
Jamul Indian Village⁽²⁾ Jamul, CA	\$390	<2.0%	Mid-2016

(1) Total cost includes the purchase of the real estate of the existing race track and the \$25 million gaming license fee.

(2) Penn earns management and license fee; gaming tax is a device fee.

\$ in millions



Plainridge Park Casino

- **Opened on June 24, 2015**
- **Sole Category 2 license in Massachusetts**
- **\$266 million fully integrated racing and gaming operation**
- **106,000 square foot facility with ~44,000 square foot gaming floor and 1,250 gaming devices (1,500 gaming positions)**
- **High-end casual dining restaurant, Doug Flutie Sports Bar, four-venue food court, multi-purpose banquet room, entertainment lounge and casino bar**
- **1,620 structured and surface parking spaces**
- **On pace to achieve adjusted EBITDA returns of approximately 20% on invested capital**





Plainridge Park Casino



Plainridge Park Casino



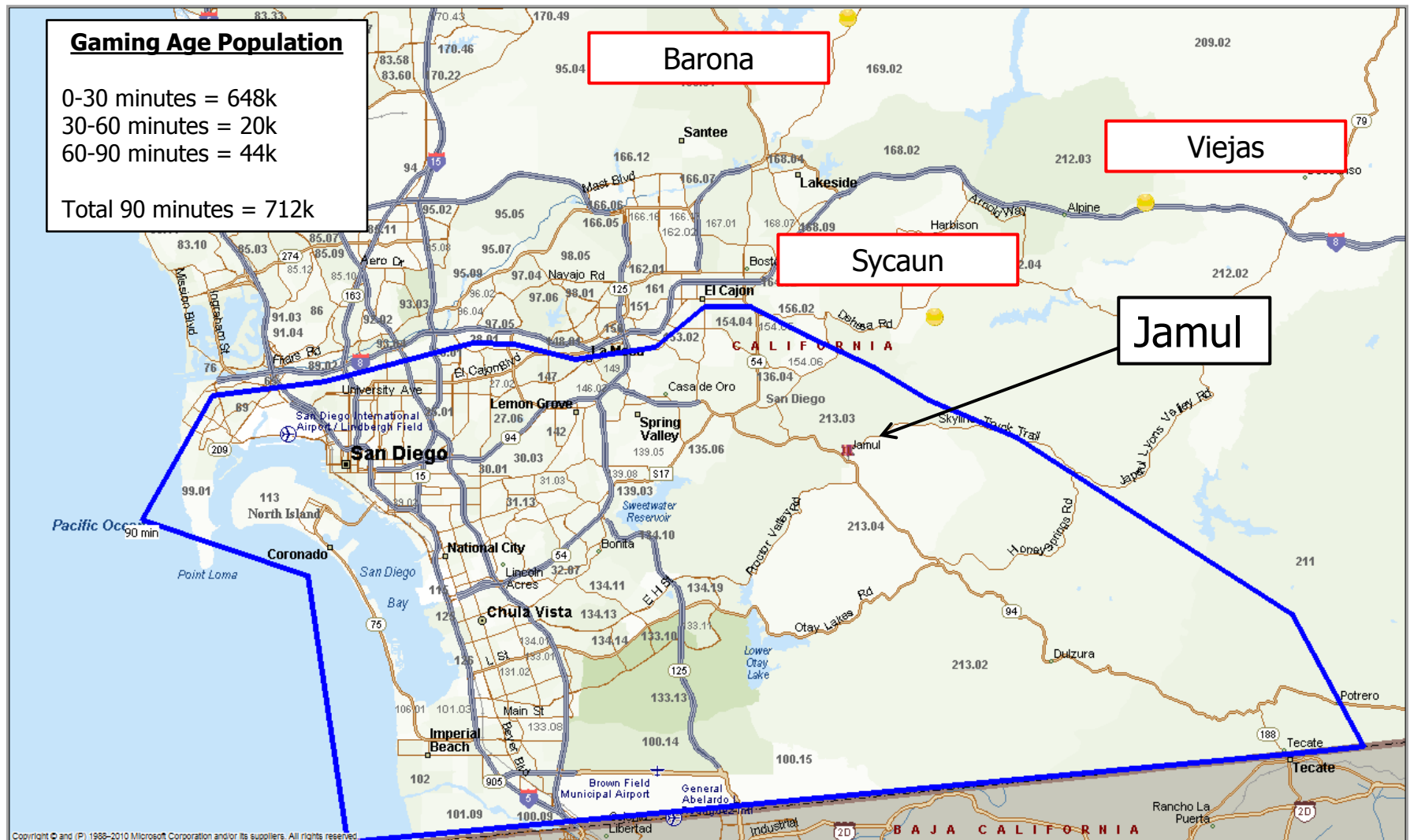
Jamul Indian Village

- **\$390 million development located seven miles east of San Diego beltway**
- **Hollywood-branded, 200,000 square foot, three-story gaming and entertainment facility**
- **1,715 slot machines and 43 live table games (including poker)**
- **Multiple restaurants, bars and lounges**
- **Structured parking with over 1,800 spaces**
- **Penn construction financing commitment**
 - Refinancing activities related to loan began in November 2015
- **Penn expected to participate in property's success through⁽¹⁾:**
 - Seven year management contract with fee equal to 30% of the casino's pretax income
 - Licensing fee of 1.5% of gross gaming revenues for the Hollywood Brand
 - Interest on funds advanced by PENN to develop the project
- **Property expected to open in mid-2016**

(1) Subject to final regulatory approval



Jamul Indian Village



Jamul Indian Village



Jamul Indian Village



Jamul Indian Village



Tropicana Las Vegas

- **\$360 million acquisition completed on August 25, 2015**
- **Marquee resort with 35 acres of land on the LV Strip**
 - 50,000 square foot casino with over 1,000 gaming positions and sports book
 - Approximately 1,500 guest rooms including 181 suites
 - Three full service restaurants and a food court
 - 1,200-seat theater and 300 seat Laugh Factory comedy club
 - Over 100,000 square feet of exhibition and meeting space
 - 5-acre tropical beach event area and spa
- **Over \$200 million of property upgrades in the last four years**
- **Initiatives underway to leverage Penn National's database of nearly 3 million active regional gaming customers beginning in 2016**
- **Well-defined plan to realize near-term cost and operating synergies**
 - New local leadership appointed with significant Las Vegas market and large resort experience



Tropicana Las Vegas



Tropicana Las Vegas



Tropicana Las Vegas



Prairie State Gaming

- **Penn acquired Prairie State Gaming (“PSG”) in immediately accretive, all-cash transaction on September 1, 2015**
- **PSG is one of Illinois’ largest VGT route operators**
- **PSG operates more than 1,100 terminals across a network of 270 bar and retail gaming establishments**
- **Business generated \$10 million in EBITDA in the twelve months ended June 30, 2015**
- **PSG establishes platform for future growth in Illinois VGT market and potentially other states where this form of gaming is authorized**



Capital Structure (Pro-forma)

(\$ in millions)	
	As of 9/30/15
Cash	\$223.5
Bank Debt	\$1,214.6
Notes	\$296.1
Other long-term obligations ⁽¹⁾	\$164.2
Net Debt⁽²⁾⁽³⁾⁽⁴⁾	\$1,451.4

▪ Covenants measured on Net Debt less Project Cap-ex

- (1) Other long term obligations (excluding the financing obligation with GLPI) include \$131.7 million for the present value of the relocation fees due for both Hollywood Gaming at Dayton Raceway and Hollywood Gaming at Mahoning Valley Race Course, \$13.2 million based on the estimated fair value of contingent purchase price consideration that is payable over ten years to the previous owners of Plainridge Racecourse, \$15.3 million related to our repayment obligation on a hotel and event center located near Hollywood Casino Lawrenceburg, and \$4.0 million related to capital lease obligations which were primarily attributable to our acquisition of Tropicana Las Vegas.
- (2) Although our joint venture in Kansas Entertainment is accounted for as an equity method investment and is not consolidated, this joint venture had no debt outstanding at September 30, 2015 or December 31, 2014.
- (3) In accordance with new accounting guidance issued and early adopted by the Company in the first quarter of 2015, debt issuance costs are now classified as a direct reduction to our debt balances rather than in other assets. Debt issuance costs were \$24.9 million at September 30, 2015.
- (4) The amount above excludes \$3.5 billion of financing obligations which represents the net present value of future minimum lease payments to GLPI under the Master Lease. These lease payments are not included for covenant purposes.



Balance Sheet and Credit Profile

	Net Debt: EBITDA	EBITDA: Interest Expense
Gaming Industry ⁽¹⁾	5.3x	2.6x
Penn National Gaming⁽²⁾	4.2x	6.0x

(1) Source: Company Reports/gaming industry research. Gaming industry peer group comprised of BYD, ISLE, MGM, PNK

(2) Based on the Company's full year 2015 guidance as provided on October 22, 2015



Investment Considerations

- **Leading, geographically diversified gaming company**
- **Robust domestic growth pipeline**
 - Plainridge Park Casino opened on June 24, 2015
 - Tropicana Las Vegas – \$360mm acquisition closed on August 25, 2015
 - Prairie State Gaming – acquisition closed on September 1, 2015
 - Jamul – expected to open in mid-2016
 - Capital spend matched to market size, tax rate and ROI criteria
- **Strong, liquid balance sheet**
 - Attractive cost of capital
- **Management team with established track record of capital and operational discipline**
 - Accretive M&A
 - Leading property operating margins





APPENDIX



Definitions and Reconciliation of Non-GAAP Measures to GAAP

- **Penn National defines adjusted EBITDA as earnings before interest, taxes, stock compensation, debt extinguishment charges, impairment charges, insurance recoveries and deductible charges, depreciation and amortization, gain or loss on disposal of assets, and other income or expenses. Adjusted EBITDA is also inclusive of income or loss from unconsolidated affiliates, with our share of non-operating items (such as depreciation and amortization) added back for our joint venture in Kansas Entertainment. Adjusted EBITDA excludes rent payments associated with our Master Lease agreement with GLPI as it was determined that this transaction should have been accounted for as a financing transaction.**
 - Adjusted EBITDA has economic substance because it is used by management as a performance measure to analyze the performance of our business, and is especially relevant in evaluating large, long lived casino projects because they provide a perspective on the current effects of operating decisions separated from the substantial non operational depreciation charges and financing costs of such projects. We also present adjusted EBITDA because it is used by some investors and creditors as an indicator of the strength and performance of ongoing business operations, including our ability to service debt, fund capital expenditures, acquisitions and operations. These calculations are commonly used as a basis for investors, analysts and credit rating agencies to evaluate and compare operating performance and value companies within our industry. In addition, gaming companies have historically reported adjusted EBITDA as a supplement to financial measures in accordance with GAAP.
 - In order to view the operations of their casinos on a more stand alone basis, gaming companies, including us, have historically excluded from their adjusted EBITDA calculations certain corporate expenses that do not relate to the management of specific casino properties. However, adjusted EBITDA is not a measure of performance or liquidity calculated in accordance with GAAP.
 - Adjusted EBITDA information is presented as a supplemental disclosure, as management believes that it is a widely used measure of performance in the gaming industry, is the principal basis for the valuation of gaming companies, and that it is considered by many to be a better indicator of the Company's operating results than net income (loss) per GAAP.
 - Management uses adjusted EBITDA as the primary measures of the operating performance of its segments, including the evaluation of operating personnel. Adjusted EBITDA should not be construed as alternatives to operating income, as indicators of the Company's operating performance, as alternatives to cash flows from operating activities, as measures of liquidity, or as any other measures of performance determined in accordance with GAAP. The Company has significant uses of cash flows, including capital expenditures, interest payments, taxes and debt principal repayments, which are not reflected in adjusted EBITDA. It should also be noted that other gaming companies that report adjusted EBITDA information may calculate adjusted EBITDA in a different manner than the Company and therefore, comparability may be limited.



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