



Penn National Gaming Backs Ohio Jobs and Growth Plan to Bring Gaming and Substantial Investment to Ohio's Four Largest Cities

March 11, 2009

If Approved, Casino Ballot Proposal Will Bring \$1 Billion in Private Investment, 20,000 New Jobs and \$600 Million in Annual Casino Tax Revenues to Ohio

COLUMBUS, Ohio & WYOMISSING, Pa.--(BUSINESS WIRE)--Mar. 11, 2009-- Penn National Gaming, Inc. (NASDAQ: PENN) announced that it was backing the *Ohio Jobs and Growth Plan*, a new casino ballot proposal calling for an amendment to the State's Constitution. Under the proposal, which was submitted today to Ohio's Attorney General, the amendment would authorize casinos in the State's four largest cities and would bring \$1 billion in new private investment, contributing to the revitalization of Cincinnati, Cleveland, Columbus and Toledo. In addition to Penn National (which owns Toledo's Raceway Park horse track) Dan Gilbert, Chairman and Founder of Quicken Loans and majority owner of the Cleveland Cavaliers of the National Basketball Association is also supporting the new proposal.

"We are excited to be supporting what we believe is the best proposal ever to bring casino gaming to Ohio as we believe the *Ohio Jobs and Growth Plan* can generate significant, wide reaching near- and long-term economic benefits for the State," said Peter M. Carlino, Chairman and Chief Executive Officer of Penn National Gaming. "We have worked cooperatively and constructively with supporters of this plan to develop a proposal that can benefit all parties, most importantly the citizens of Ohio through the private investment of a minimum of \$1 billion in the State's major urban areas, the creation of 20,000 new jobs and \$600 million in new annual tax revenues. These investments will help to revitalize struggling Ohio metropolitan areas while providing support for counties, cities and public schools across the state as well as Ohio's horse racing industry. This plan was structured to ensure that developers of casinos in the state would invest appropriately to create first-class gaming facilities."

Once the petition language is approved, the Ohio Jobs and Growth Plan committee will begin collecting signatures to place the amendment on the November 3, 2009 statewide ballot. The proposal would:

- Authorize casinos at designated locations in Cincinnati, Cleveland, Columbus and Toledo.
- Require that each casino operator pay an upfront \$50 million license fee – a total of \$200 million -- to the state, with the revenue designated for job training and workforce development projects statewide.
- Require casino developers to make a minimum investment of \$250 million in each casino facility, resulting in a total minimum investment of \$1 billion.
- Create an estimated 20,000 new Ohio jobs, including construction jobs and permanent casino jobs once the facilities open.
- Impose a permanent 33% tax on gross casino revenues, generating an estimated \$600 million in casino tax revenues each year, with the bulk of the money being distributed to counties and school districts throughout the state.

Mr. Carlino added, "As members of the Ohio business community through our ownership of Raceway Park in Toledo, we are fully aware of the economic challenges facing the state. This proposal offers Ohio help in meeting those challenges, and we believe voters will recognize the benefits of this approach and approve this proposal in November. We are eager to take part in a successful campaign and to be involved in the development of the gaming industry in Ohio for many years to come."

About Penn National Gaming

Penn National Gaming owns and operates gaming and racing facilities with a focus on slot machine entertainment. The Company presently operates nineteen facilities in fifteen jurisdictions, including Colorado, Florida, Illinois, Indiana, Iowa, Louisiana, Maine, Mississippi, Missouri, New Jersey, New Mexico, Ohio, Pennsylvania, West Virginia, and Ontario. In aggregate, Penn National's operated facilities feature over 25,400 slot machines, approximately 400 table games, over 2,000 hotel rooms and more than 930,000 square feet of gaming floor space.

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. Penn describes certain of these risks and uncertainties in its filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the year ended December 31, 2008. Meaningful factors which could cause actual results to differ from expectations described in this press release include, but are not limited to, the passage of state, federal or local legislation that would expand, restrict, further tax or prevent gaming operations in Ohio; and other factors as discussed in the Company's filings with the United States Securities and Exchange Commission. Furthermore, the Company does not intend to update publicly any forward-looking statements except as required by law. The cautionary advice in this paragraph is permitted by the Private Securities Litigation Reform Act of 1995.

Source: Penn National Gaming, Inc.

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