

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

| OMB APPROVAL                                 |                   |
|--|-------------------|
| OMB Number:                                  | 3235-0287         |
| Expires:                                     | December 31, 2014 |
| Estimated average burden hours per response: | 0.5               |

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

|  |   |  |
|--|---|--|
| 1. Name and Address of Reporting Person*<br><u>JACQUEMIN JOHN M</u><br><br>(Last) (First) (Middle)<br><br>(Street)<br><br>(City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol<br><u>PENN NATIONAL GAMING INC [ PENN ]</u> | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable)<br><input checked="" type="checkbox"/> Director 10% Owner<br><br>Officer (give title below) Other (specify below)                      |
|  | 3. Date of Earliest Transaction (Month/Day/Year)<br><u>05/06/2003</u>                   |  |
|  | 4. If Amendment, Date of Original Filed (Month/Day/Year)                                | 6. Individual or Joint/Group Filing (Check Applicable Line)<br><input checked="" type="checkbox"/> Form filed by One Reporting Person<br><input type="checkbox"/> Form filed by More than One Reporting Person |

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) |   | 4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5) |            |       | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|------------|-------|---|--|---|
|                                 |                                      |  | Code                           | V | Amount  | (A) or (D) | Price |   |  |   |
| Common Stock                    | 05/06/2003                           |  | M                              |   | 7,500   | A          | 3.22  | \$0   | D  |   |
| Common Stock                    | 05/06/2003                           |  | M                              |   | 7,500   | A          | 5.16  | \$0   | D  |   |
| Common Stock                    | 05/06/2003                           |  | M                              |   | 7,500   | A          | 14.84 | \$0   | D  |   |
| Common Stock                    | 05/06/2003                           |  | S                              |   | 22,500  | D          | 23.35 | \$1,200   | D  |   |

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) |   | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) |       | 6. Date Exercisable and Expiration Date (Month/Day/Year) |                 | 7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |       |
|--|--|--------------------------------------|--|--------------------------------|---|--|-------|--|-----------------|---|--|--|---|--|-------|
|  |  |                                      |  | Code                           | V | (A)  | (D)   | Date Exercisable   | Expiration Date |   |  |  |   |  | Title |
| Non-Qualified Stock Option (right to buy)  | 3.22   | 05/06/2003                           |  | M                              |   |  | 7,500 | 08/06/1999   | 08/06/2005      | Common Stock  | 7,500                                      | \$0  | 0   | D  |       |
| Non-Qualified Stock Option (right to buy)  | 5.16   | 05/06/2003                           |  | M                              |   |  | 7,500 | 01/02/2002   | 01/02/2008      | Common Stock  | 7,500                                      | \$0  | 15,000  | D  |       |
| Non-Qualified Stock Option (right to buy)  | 14.84  | 05/06/2003                           |  | M                              |   |  | 7,500 | 01/02/2003   | 01/02/2009      | Common Stock  | 7,500                                      | \$0  | 22,500  | D  |       |

**Explanation of Responses:**

Robert Ippolito as attorney-in-fact for John J. Jacquemin 05/07/2003

\*\* Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

\* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.