Penn National Gaming, Inc.

First Quarter 2021
Earnings Presentation

May 6, 2021

Non-GAAP Financial Measures

In addition to GAAP financial measures, management uses Adjusted EBITDA, Adjusted EBITDAR, Adjusted EBITDAR margin, Combined Revenues, Combined Adjusted EBITDA, Combined Adjusted EBITDAR and Combined Net Income as non-GAAP financial measures. These non-GAAP financial measures should not be considered a substitute for, nor superior to, financial results and measures determined or calculated in accordance with GAAP. Each of these non-GAAP financial measures is not calculated in the same manner by all companies and, accordingly, may not be an appropriate measure of comparing performance among different companies. We define Adjusted EBITDA as earnings before interest expense, net; income taxes; depreciation and amortization; stock-based compensation; debt extinguishment and financing charges; impairment losses; insurance recoveries, net of deductible charges; changes in the estimated fair value of our contingent purchase price obligations; gain or loss on disposal of assets, the difference between budget and actual expense for cash-settled stock-based awards; pre-opening and acquisition costs; and other income or expenses. Adjusted EBITDA is inclusive of income or loss from unconsolidated affiliates, with our share of non-operating items (such as interest expense, net; income taxes; depreciation and amortization; and stock-based compensation expense) added back for Barstool Sports and our Kansas Entertainment joint venture. Adjusted EBITDA is inclusive of rent expense associated with our triple net operating leases (the operating lease components contained within the Penn Master Lease and Pinnacle Master Lease (primarily land), the Meadows Lease, the Margaritaville Lease, the Greektown Lease and the Tropicana Lease). Although Adjusted EBITDA includes rent expense associated with our triple net operating leases, we believe Adjusted EBITDA is useful as a supplemental measure in evaluating the performance of our consolidated results of operations. 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-hotel projects because it provides a perspective on the current effects of operating decisions separated from the substantial non-operational depreciation charges and financing costs of such projects. We 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, and to 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 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 commonly-used measure of performance in the gaming industry and that it is considered by many to be a key indicator of the Company's operating results.

We define Adjusted EBITDAR as Adjusted EBITDA (as defined above) plus rent expense associated with triple net operating leases (which is a normal, recurring cash operating expense necessary to operate our business). Adjusted EBITDAR is presented on a consolidated basis outside the financial statements solely as a valuation metric. Management believes that Adjusted EBITDAR is an additional metric traditionally used by analysts in valuing gaming companies subject to triple net leases since it eliminates the effects of variability in leasing methods and capital structures. This metric is included as supplemental disclosure because (i) we believe Adjusted EBITDAR is traditionally used by gaming operator analysts and investors to determine the equity value of gaming operators and (ii) Adjusted EBITDAR is one of the metrics used by other financial analysts in valuing our business. We believe Adjusted EBITDAR is useful for equity valuation purposes because (i) its calculation isolates the effects of financing real estate; and (ii) using a multiple of Adjusted EBITDAR to calculate enterprise value allows for an adjustment to the balance sheet to recognize estimated liabilities arising from operating leases related to real estate. However, Adjusted EBITDAR, when presented on a consolidated basis, is not a financial measure in accordance with GAAP and should not be viewed as a measure of overall operating performance or considered in isolation or as an alternative to net income because it excludes the rent expense associated with our triple net operating leases and is provided for the limited purposes referenced herein.

Adjusted EBITDAR margin is defined as Adjusted EBITDAR on a consolidated basis divided by revenues on a consolidated basis. Adjusted EBITDAR margin is presented on a consolidated basis outside the financial statements solely as a valuation metric.

The Company defines Combined Revenues as revenues of Penn National and Greektown, assuming that Greektown was a part of Penn National during the historical periods beginning on January 1, 2019; further, Combined Revenues are adjusted to assume that Resorts Casino Tunica was not a part of Penn National during the historical periods beginning on January 1, 2019 as Resorts Casino Tunica ceased operations on June 30, 2019. The Company defines Combined Adjusted EBITDA as Adjusted EBITDA (as defined above) of Penn National and Greektown, assuming that Greektown was a part of Penn National during the historical periods beginning on January 1, 2019; further, Combined Adjusted EBITDA is adjusted to assume that Resorts Casino Tunica was not a part of Penn National during the historical periods beginning on January 1, 2019 as Resorts Casino Tunica ceased operations on June 30, 2019. The Company defines Combined Adjusted EBITDAR as Adjusted EBITDAR (as defined above) of Penn National and Greektown, assuming that Greektown was a part of Penn National during the historical periods beginning on January 1, 2019; further, Combined Adjusted EBITDAR is adjusted to assume that Resorts Casino Tunica was not a part of Penn National during the historical periods beginning on January 1, 2019 as Resorts Casino Tunica ceased operations on June 30, 2019. The Company defines Combined Net Income as net income of Penn National and Greektown, assuming that Greektown was a part of Penn National during the historical periods beginning on January 1, 2019; further, Combined Net Income is adjusted to assume that Resorts Casino Tunica was not a part of Penn National during the historical periods beginning on January 1, 2019 as Resorts Casino Tunica ceased operations on June 30, 2019. Management believes that presenting Combined Revenues, Combined Adjusted EBITDA, Combined Adjusted EBITDAR and Combined Net Income for the quarterly period ended March 31, 2019 is useful for investors to evaluate the Company's performance for the quarterly period ended March 31, 2021. These results do not reflect any cost savings from potential operating efficiencies or associated costs to achieve such savings or synergies that are expected to result from these transactions. The Company does not provide reconciliations of Combined Adjusted EBITDA and Combined Adjusted EBITDAR to net income (loss) on a forward-looking basis because the Company is unable to forecast the amount or significance of certain items required to develop meaningful comparable GAAP financial measures without unreasonable efforts. These items include gains or losses on sale or consolidation transactions, accelerated depreciation, impairment charges, gains or losses on retirement of debt, which are difficult to predict and estimate and are primarily dependent on future events, but which are excluded from the Company's calculations of Adjusted EBITDA and Adjusted EBITDAR.

In addition, this presentation includes estimated operating trends of the Company compared to the same periods in 2019 using monthly property level financials and internally generated daily operating reports. These trends are based on management estimates only using currently available information, which has not been reviewed by the Company's auditors, is not subject to the Company's normal control procedures and has not been prepared in accordance with GAAP. The Company does not prepare monthly or intra-month property level financials on the same basis as its reported GAAP results and, as a result, the trends reported are based on information that may not be indicative of full quarter or full month results, respectively, for the Company's operating segments.

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Forward-Looking Statements

This presentation contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements can be identified by the use of forward-looking terminology such as "expects," "believes," "estimates," "projects," "intends," "plans," "goal," "seeks," "may," "will," "should," or "anticipates" or the negative or other variations of these or similar words, or by discussions of future events, strategies or risks and uncertainties. Specifically, forward looking statements include, but are not limited to, statements regarding: COVID-19; continued demand for the gaming properties that have opened and the possibility that the Company's gaming properties may be required to close again in the future due to COVID-19; the impact of COVID-19 on general economic conditions, capital markets, unemployment, and the Company's liquidity, operations, supply chain and personnel; the potential benefits and expected timing of the Perryville transaction with Gaming and Leisure Properties, Inc.; the Company's estimated cash burn and future liquidity, future revenue and Adjusted EBITDAR, including from the Company's iCasino business in Pennsylvania and Michigan; the continued success of Barstool Sports in Pennsylvania, Michigan, Illinois and in additional states in the future; the expected benefits and potential challenges of the investment in Barstool Sports, including the anticipated benefits for the Company's online and retail sports betting, iCasino and social casino products; the expected financial returns from the transaction with Barstool Sports; the expected launch of the Barstool-branded mobile sports betting product in future states and its future revenue and profit contributions; the impact of shortened or cancelled sports seasons on the Company's results; the Company's expectations of future results of operations and financial condition, including margins; the Company's expectations for its properties, the Company's development projects or its iGaming initiatives; the timing, cost and expected impact of planned capital expenditures on the Company's results of operations; the Company's expectations with regard to the impact of competition; the anticipated opening dates of the Company's retail sportsbooks in future states and its proposed Pennsylvania Category 4 casinos in York and Berks counties; the Company's expectations with regard to acquisitions, potential divestitures and development opportunities, as well as the integration of and synergies related to any companies we have acquired or may acquire; the outcome and financial impact of the litigation in which the Company is or will be periodically involved; the actions of regulatory, legislative, executive or judicial decisions at the federal, state or local level with regard to the Company's business and the impact of any such actions; the Company's ability to maintain regulatory approvals for the Company's existing businesses and to receive regulatory approvals for its new business partners; the Company's expectations with regard to the impact of competition in online sports betting, iGaming and retail/mobile sportsbooks as well as the potential impact of this business line on its existing businesses; the performance of the Company's partners in online sports betting, iGaming and retail/mobile sportsbooks, including the risks associated with any new business, the actions of regulatory, legislative, executive or judicial decisions at the federal, state or local level with regard to online sports betting, iGaming and retail/mobile sportsbooks and the impact of any such actions; and the Company's expectations regarding economic and consumer conditions. Such statements are all subject to risks, uncertainties and changes in circumstances that could significantly affect the Company's future financial results and business.

Accordingly, the Company cautions that the forward-looking statements contained herein are qualified by important factors that could cause actual results to differ materially from those reflected by such statements. Such factors include, but are not limited to: (a) the magnitude and duration of the impact of the COVID-19 pandemic on general economic conditions, capital markets, unemployment, consumer spending and the Company's liquidity, financial condition, supply chain, operations and personnel; (b) industry, market, economic, political, regulatory and health conditions; (c) disruptions in operations from data protection breaches, cyberattacks, extreme weather conditions, medical epidemics or pandemics such as the COVID-19 (and reoccurrences), and other natural or man-made disasters or catastrophic events; (d) the Company's ability to access additional capital on favorable terms or at all; (e) the Company's ability to remain in compliance with the financial covenants of its debt obligations; (f) the consummation of the Perryville transaction with GLPI is subject to various conditions, including third-party agreements and approvals, and accordingly may be delayed or may not occur at all; (g) actions to reduce costs and improve efficiencies to mitigate losses as a result of the COVID-19 pandemic that could negatively impact guest loyalty and the Company's ability to attract and retain employees; (h) the outcome of any legal proceedings that may be instituted against the Company or its directors, officers or employees; (i) the impact of new or changes in current laws, regulations, rules or other industry standards; (j) the ability of the Company's operating teams to drive revenue and margins; (k) the impact of significant competition from other gaming and entertainment operations (including from Native American casinos, historic racing machines, state sponsored i-lottery products and VGTs in or adjacent to states in which the Company's operate); (l) the Company's ability to obtain timely regulatory approvals required to own, develop and/or operate its properties, or other delays, approvals or impediments to completing the Company's planned acquisitions or projects, construction factors, including delays, and increased costs; (m) the passage of state, federal or local legislation (including referenda) that would expand, restrict, further tax, prevent or negatively impact operations in or adjacent to the jurisdictions in which we do or seek to do business (such as a smoking ban at any of the Company's properties or the award of additional gaming licenses proximate to its properties, as recently occurred with legislation in Illinois and Pennsylvania); (n) the effects of local and national economic, credit, capital market, housing, and energy conditions on the economy in general and on the gaming and lodging industries in particular; (o) the activities of the Company's competitors (commercial and tribal) and the rapid emergence of new competitors (traditional, internet, social, sweepstakes based and VGTs in bars and truck stops); (p) increases in the effective rate of taxation for any of the Company's operations or at the corporate level; (q) the Company's ability to identify attractive acquisition and development opportunities (especially in new business lines) and to agree to terms with, and maintain good relationships with partners and municipalities for such transactions; (r) the costs and risks involved in the pursuit of such opportunities and the Company's ability to complete the acquisition or development of, and achieve the expected returns from, such opportunities; (s) the impact of weather, including flooding, hurricanes and tornadoes; (t) changes in accounting standards; (u) the risk of failing to maintain the integrity of the Company's information technology infrastructure and safeguard its business, employee and customer data (particularly as its iGaming division grows); (v) with respect to the Company's iGaming and sports betting endeavors, the impact of significant competition from other companies for online sports betting, iGaming and sportsbooks, the Company's ability to achieve the expected financial returns related to its investment in Barstool Sports, the Company's ability to obtain timely regulatory approvals required to own, develop and/or operate sportsbooks may be delayed and there may be impediments and increased costs to launching the online betting, iGaming and sportsbooks, including delays, and increased costs, intellectual property and legal and regulatory challenges, as well as the Company's ability to successfully develop innovative products that attract and retain a significant number of players in order to grow its revenues and earnings, the Company's ability to establish key partnerships, the Company's ability to generate meaningful returns and the risks inherent in any new business; (w) with respect to the Company's proposed Pennsylvania Category 4 casinos in York and Berks counties, risks relating to construction, and the Company's ability to achieve its expected budgets, timelines and investment returns, including the ultimate location of other gaming properties in the Commonwealth of Pennsylvania; and (x) other factors as discussed in the Company's Annual Report on Form 10-K for the year ended December 31, 2020, subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, each as filed with the U.S. Securities and Exchange Commission. The Company does not intend to update publicly any forward-looking statements except as required by law. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this presentation may not occur.

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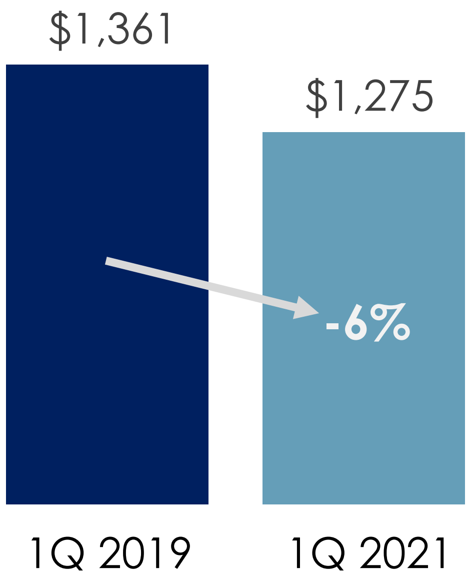
First Quarter Financial Highlights

Despite COVID and weather-related challenges in 1Q 2021, we reported strong revenues and record Adjusted EBITDAR. Spend per visit remains higher than pre-COVID periods while visitation is approaching 2019 levels in most markets. Demographic trends also continue to improve across all age groups.

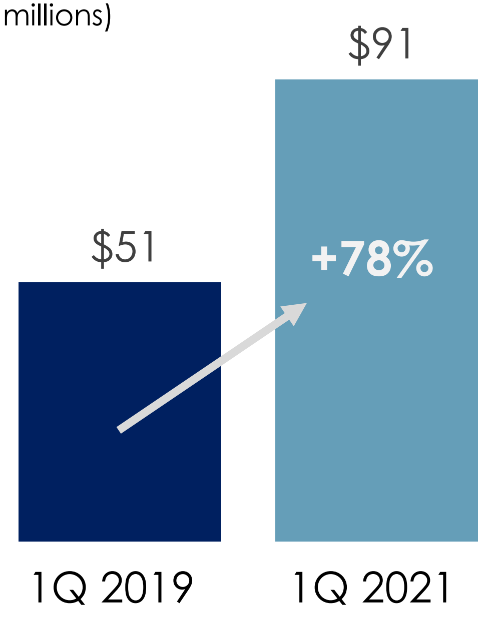
Revenues

($ in millions)



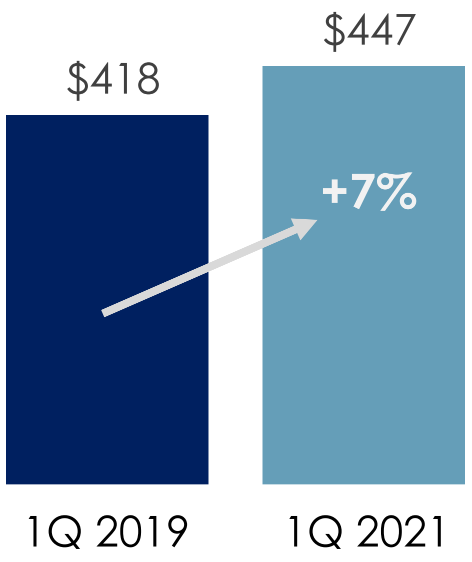
Net Income

($ in millions)



Adj. EBITDAR[1]

($ in millions)



[1] 1Q 2021 Adjusted EBITDA was $337m compared to 1Q 2019 Adjusted EBITDA of $321m

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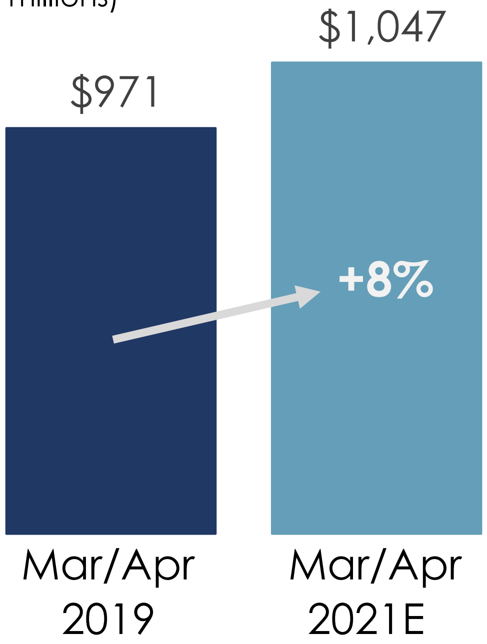
Note: Q1 2019 Revenues, Net Income, Adjusted EBITDA, and Adjusted EBITDAR include proforma adjustments for Greektown and Resorts Casino Tunica. The operating results of Greektown were derived from historical financial information. The operating results were adjusted to conform to Penn's methodology of allocating certain corporate expenses to properties. Additionally, the operating results were adjusted to assume that Resorts Casino Tunica was not a part of Penn during the historical periods beginning on January 1, 2019, as Resorts ceased operations on June 30, 2019. Q1 2019 metrics are referred to as "Combined Revenues," "Combined Net Income," "Combined Adjusted EBITDA," and "Combined Adjusted EBITDAR." 1Q 2021 includes $39.4 million of gross revenue from skin partners.

March + April Operating Trends

Visitation and spend-per-visit across all tiers of our database and unrated play accelerated in March and continued through April. This top-line demand coupled with the structural changes we put in place at the start of the pandemic has resulted in remarkable and sustainable margin improvement even as our interactive business continues to scale.

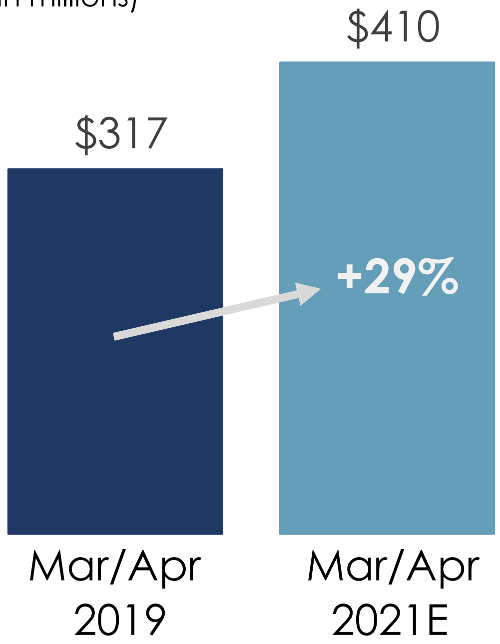
Revenues

($ in millions)

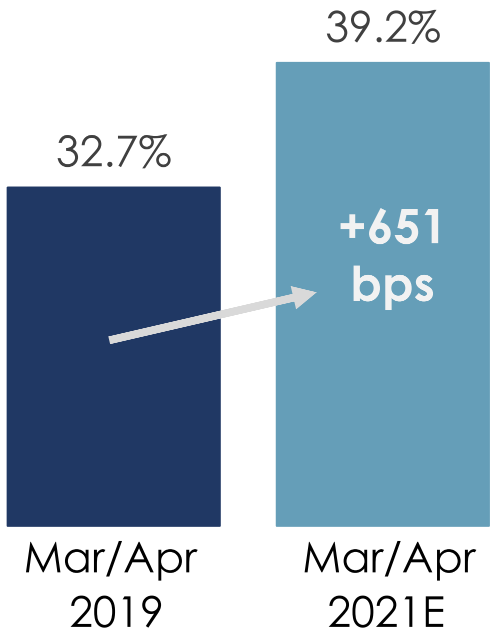


Adj. EBITDAR

($ in millions)



Adj. EBITDAR Margin



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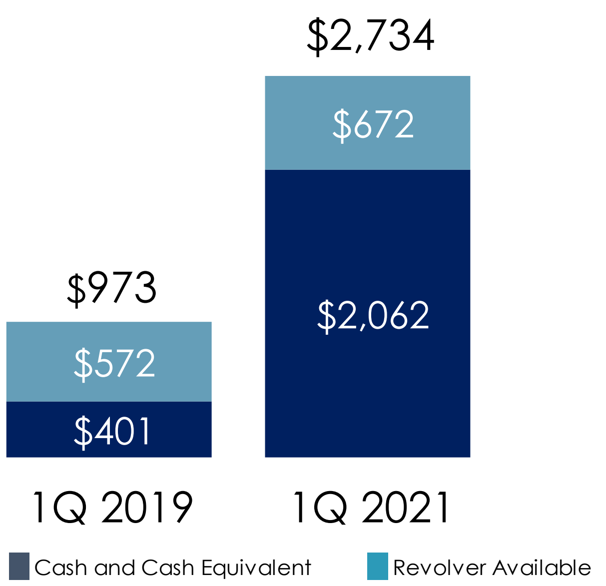
Note: March/ April 2019 Revenues, Adjusted EBITDAR and Adjusted EBITDAR Margin include proforma adjustments for Greektown and Resorts Casino Tunica. The operating results of Greektown were derived from historical financial information. The operating results were adjusted to conform to Penn's methodology of allocating certain corporate expenses to properties. Additionally, the operating results were adjusted to assume that Resorts Casino Tunica was not a part of Penn National during the historical periods beginning on January 1, 2019, as Resorts Casino Tunica ceased operations on June 30, 2019. March/April 2021 revenue estimate includes $30.8 million of gross revenue from skin partners.

Improved Balance Sheet and Liquidity

Our balance sheet and liquidity have improved significantly since pre-pandemic periods, which positions us well to pursue a variety of long-term growth opportunities.

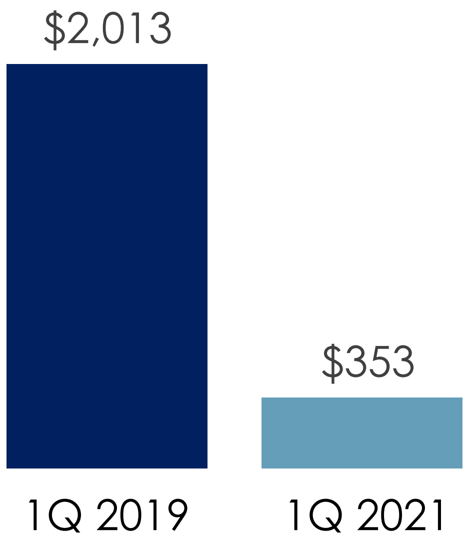
Total Liquidity

($ in millions)

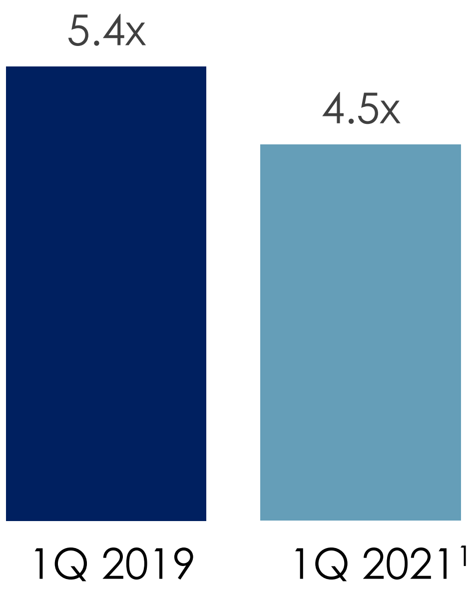


Traditional Net Debt

($ in millions)



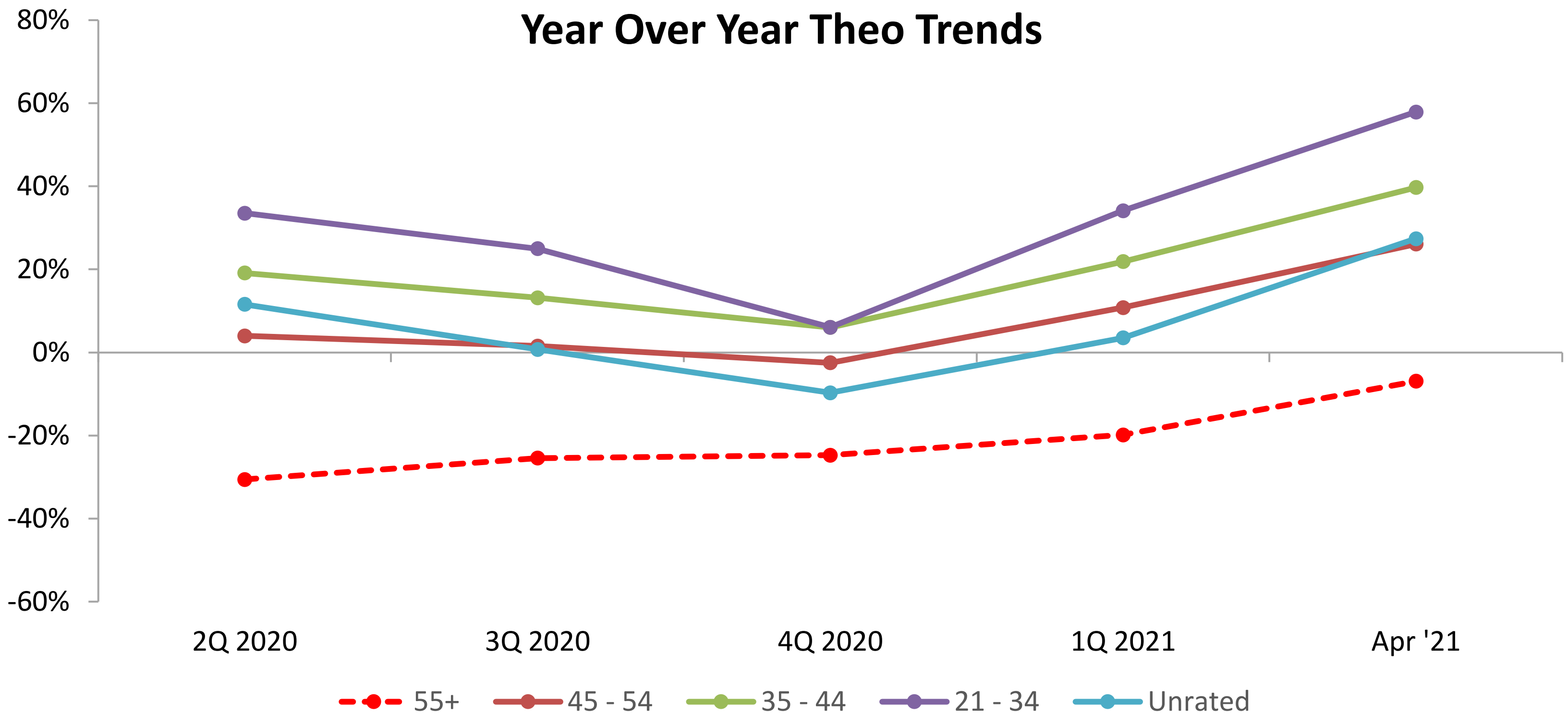
Lease-Adjusted Net Leverage



[1] Lease-Adjusted Net Leverage based on 2019 Adj. EBITDAR

Quarterly Trend By Age Group

The younger demographic continues to choose gaming as a viable entertainment option while the 55+ age group has been returning to our casinos as vaccines continue to roll out. In addition, strength in unrated play mirrors what we have seen from our rated guests.



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The South Leading the Way

Revenue and EBITDAR growth in South Segment accelerated as restrictions were reduced, exceeding pre-Covid levels.

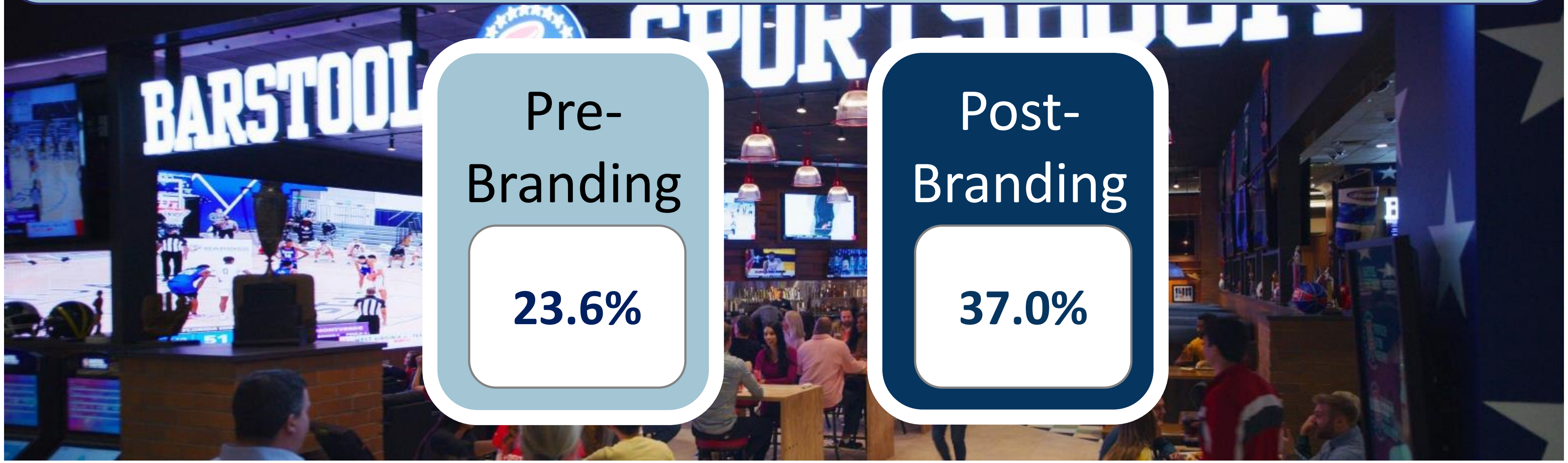
- Revenue at 103% of 2019 revenue*
- Adjusted EBITDAR at 137% of 2019 EBITDAR*
- Margin improvement of >1,100 bps for the region
- Restrictions on gaming position limits were relaxed in Q1, allowing increased capacity at slots and tables
- Alcohol sale restrictions were also relaxed in Q1, allowing enhanced F&B offerings during peak periods

*Excludes Resorts Tunica, which closed in mid-2019

Retail Sportsbook Drives Share - Greektown

The introduction of Barstool-branded retail sportsbooks has re-energized our properties and introduced new customers into our ecosystem. We expect to have 10 Barstool-branded sportsbooks by the end of 2021.

Greektown Casino
Retail Sportsbook GGR Market Share [1]



Pre-Branding	Post-Branding
23.6%	37.0%

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[1] Pre-branding market share as of 4Q 2020 and post-branding market share as of 1Q 2021

Retail Sportsbook Drives Share - Indiana

Our Indiana properties continue to gain meaningful casino revenue market share as compared to 2019, demonstrating the power of our best-in-class, Barstool-branded sportsbooks.

HOLLYWOOD Casino LAWRENCEBURG

#1
Sportsbook in Indiana*

+141 bps
Casino GGR Market Share**

AMERISTAR CASINO ★ HOTEL EAST CHICAGO

#2
Sportsbook in Indiana*

+362 bps
Casino GGR Market Share**

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* By revenue in 1Q 2021

**1Q 2021 vs. 1Q 2019

Source: Indiana Gaming Commission

Investment in Technology

We continue to invest in technology that will increase efficiency while also enhancing customer engagement, including the my**choice** loyalty app.

We have approximately 333K downloads since launch with 183K downloads in Q1.

Contactless, cardless, cashless (3Cs) technology should be introduced beginning in late Q2 in Pennsylvania (pending regulatory approval), which we anticipate will be very well received, particularly among younger customers.

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Successful Launch in Illinois

On March 11, 2021, we successfully introduced our Barstool Sportsbook app to Illinois. Barstool's loyal audience in the state has led to high acceptance and our strongest first-time deposit conversions yet.

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Key Metrics through 4/9
(first 30 days of operation)

54.7k Registrations	**38.9k** First Time Depositors
$6.5m Gross Gaming Revenue	**54%** of customers bet on Barstool exclusives

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“Last Chance” Registration in Illinois

Illinois re-instated in-person registration for mobile sports betting on April 4. With only 36 hours notice, Penn and Barstool quickly launched a social media campaign to promote registrations before the deadline. The results highlight the power of Barstool’s unique approach to marketing.

20K+

Total registrations on the platform in 36 hours

13K+

Total first-time depositors on the platform in 36 hours

10K+

Total users who opted into the promotion for 4 free $100 bets

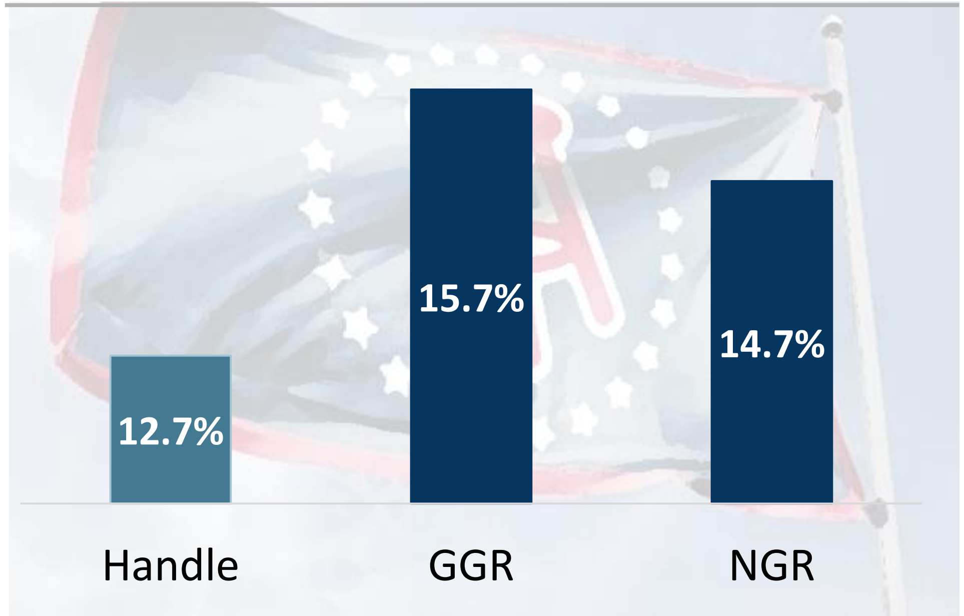
#1

App store ranking among sports betting apps

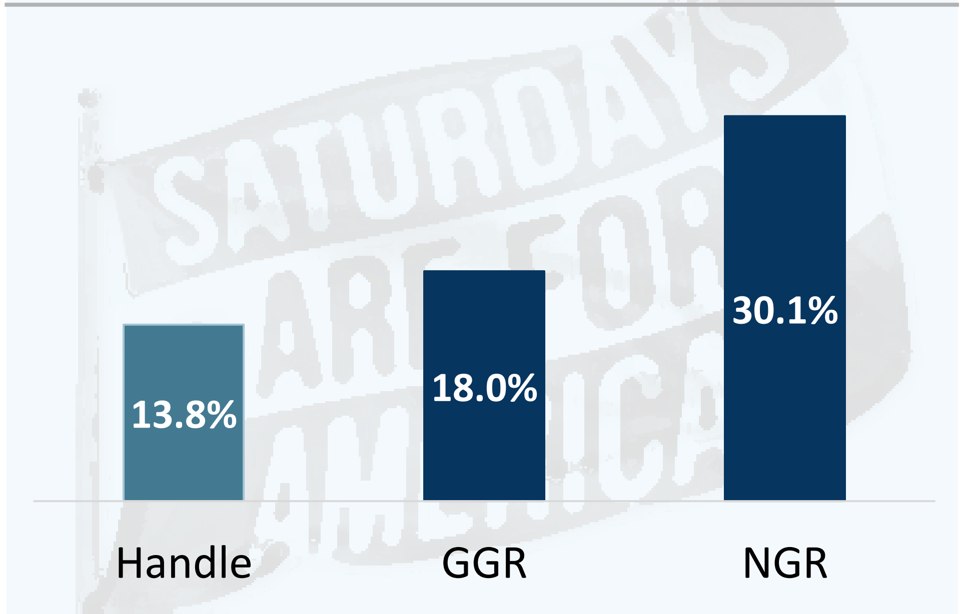
Strong Market Position

Barstool's creative promotions, exclusive bets and custom parlays have led to a leading position based on handle, GGR and NGR market share, despite limited external marketing spend. We expect our low customer acquisition cost, strong retention rates and high adoption among casual bettors to drive outsized profitability.

Market Share – Pennsylvania



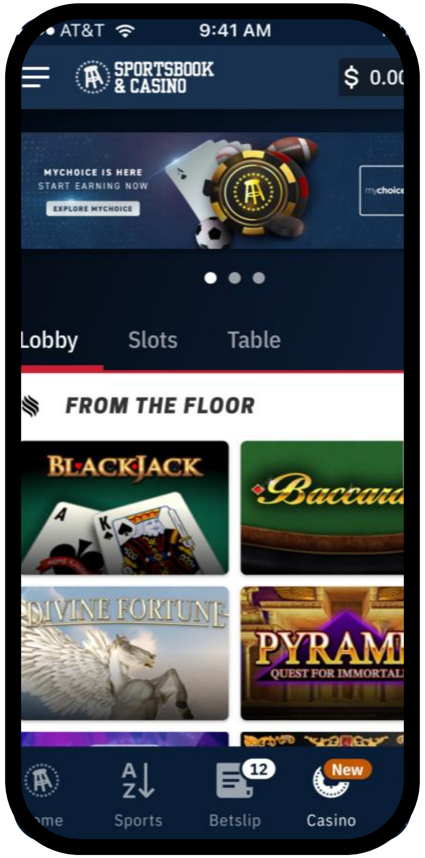
Market Share – Michigan



Note: All data shown is launch-to-date through March 2021; Pennsylvania launch excludes September; Michigan net gaming revenue market share excludes peers with negative NGR

iCasino Opportunity – 3rd Party Content

We are encouraged by the initial results of our Barstool iCasino in Michigan, which has generated solid market share despite limited game selection or marketing spend.



Number of Games at Launch in Michigan*

BETMGM	SPORTSBOOK & CASINO
315	**70**

We will be adding significantly more **third-party casino content** to the app in the next few months, which will help increase conversion of our my**choice** database in Michigan and Pennsylvania

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Michigan games data as per Eilers & Krejcik Gaming

iCasino Opportunity – Content Studio

We recently announced the creation of Penn Games Studio, an in-house content studio anchored by our recently announced acquisition of HitPoint Studios.

Over 50% of our sports betting average monthly users in Michigan have placed a bet on iCasino

Our in-house content studio will further **maximize cross-sell** through customized Barstool-branded content

PENN GAME STUDIOS

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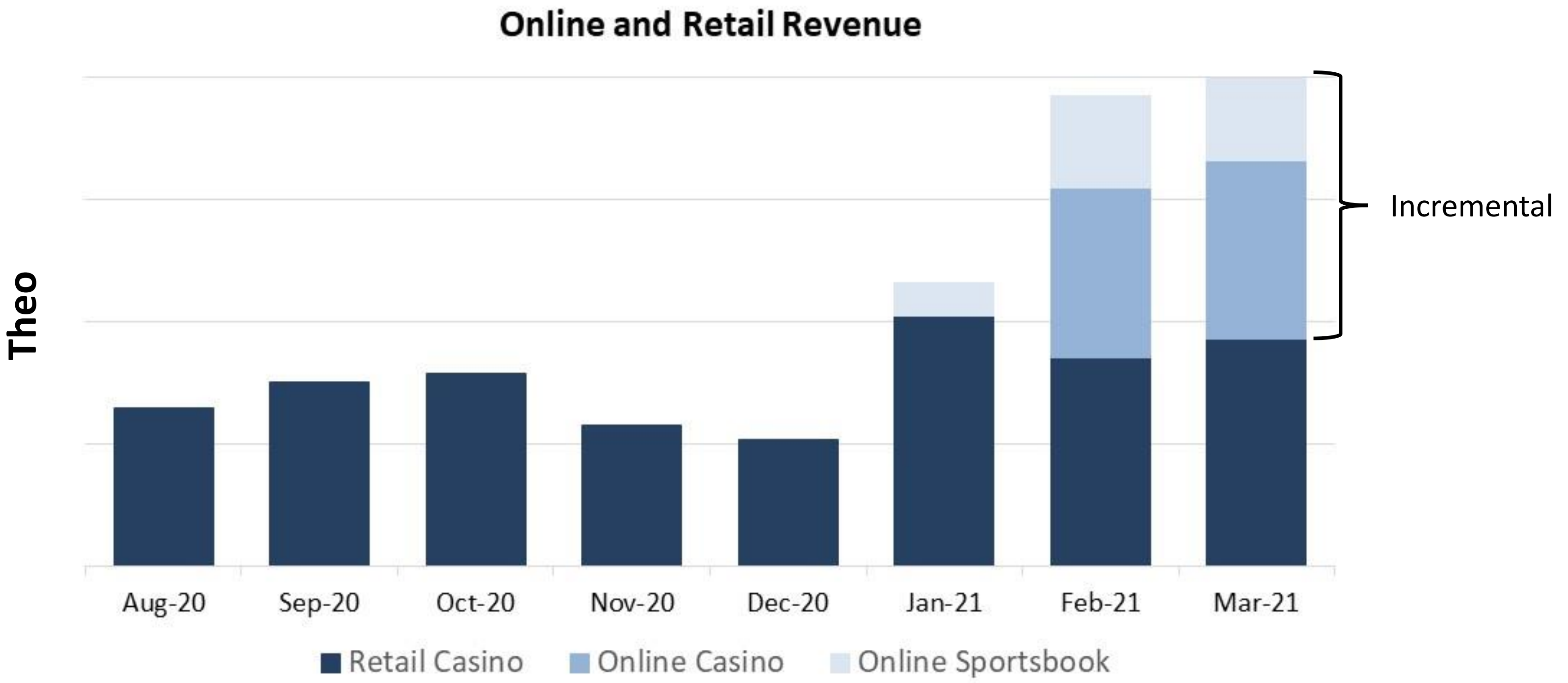
Differentiated Omni-channel Approach

Our experience in Michigan has shown that a customer's value increases significantly when they play on multiple channels, which highlights the benefits of our unique, 100% owned and controlled omni-channel strategy.



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Caring for our People, Communities and Planet

- In March, we launched a new $1 million annual Diversity Scholarship program, extending up to 65 scholarships this year to the children of our team members, which reflects our commitment to equity in post-secondary education opportunities for students.
- From April 22-24, we held companywide "Days of Listening" to gather feedback from team members on all matters of diversity and inclusion.
- We have integrated Historically Black Colleges and Universities and universities that promote diversity into our LEAP program which provides hands-on-training, mentoring and real-world experience to new or recent college graduates.
- On May 15, we will launch a new initiative to honor active-duty military, veterans and first responders. The "my**heroes**" program will provide our nation's heroes access to exclusive discounts and offers at Penn National's 41 properties in 19 States.
- At our two newest casinos in Pennsylvania in York and Morgantown, which are scheduled to open later this year, we have implemented new energy efficiencies, including: LED lighting; EV charging stations; water conserving toilets; water bottle refilling stations; HVAC improvements to maximize efficiencies and AER-DEC® integrated sinks, which are the future of sustainable restroom design.

PENN DIVERSITY

CELEBRATE DIVERSITY DAYS OF LISTENING

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Appendix

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GAAP to Non-GAAP Reconciliation

($ in millions)	For the three months ended March 31, 2021	2020	2019
Net income (loss)	**$90.9**	**($608.6)**	**$41.0**
Income tax expense (benefit)	20.6	(99.5)	14.8
Income from unconsolidated affiliates	(9.6)	(4.1)	(5.7)
Interest expense, net	135.7	129.8	132.3
Other (income) expense	(21.1)	21.8	-
Operating income (loss)	**$216.5**	**($560.6)**	**$182.4**
Stock-based compensation	4.2	6.0	3.4
Cash-settled stock-based awards variance	21.5	(8.9)	0.4
(Gain) loss on disposal of assets	(0.1)	0.6	0.5
Contingent purchase price	0.1	(2.2)	4.7
Pre-opening and acquisition costs	1.6	3.2	4.4
Depreciation and amortization	81.3	95.7	104.1
Impairment losses	-	616.1	-
Insurance recoveries, net of deductible charges	-	(0.1)	-
Income from unconsolidated affiliates	9.6	4.1	5.7
Non-operating items of equity method investments (1)	1.6	0.9	1.1
Other expenses (2)	0.3	-	-
Adjusted EBITDA (3)	**$336.6**	**$154.8**	**$306.7**
Rent expense associated with triple net operating leases	110.4	97.5	84.7
Adjusted EBITDAR (3)	**$447.0**	**$252.3**	**$391.4**
Net income (loss) margin	7.1%	(54.5%)	3.2%
Adjusted EBITDAR margin	35.1%	22.6%	30.5%

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(1) Consists principally of interest expense, net; income taxes; depreciation and amortization; and stock-based compensation expense associated with Barstool Sports and our Kansas Entertainment joint venture. We record our portion of Barstool Sports' net income or loss, including adjustments to arrive at Adjusted EBITDAR, one quarter in arrears. (2) Consists of non-recurring restructuring charges (primarily severance) associated with a company-wide initiative, triggered by the COVID-19 pandemic, designed to (i) improve the operational effectiveness across our property portfolio; and (ii) improve the effectiveness and efficiency of our Corporate functional support areas. (3) See "Non GAAP Financial Measures" section above for more information, including the definition of Adjusted EBITDAR and Adjusted EBITDA.

GAAP to Non-GAAP Reconciliation

Reconciliation of Comparable GAAP Financial Measure to Combined Adjusted EBITDA and Combined Adjusted EBITDAR

(in millions, unaudited)	**For the three months ended March 31, 2019**
Net income	**$41.0**
Income tax expense	14.8
Income from unconsolidated affiliates	(5.7)
Interest expense, net	132.3
Operating income	**$182.4**
Greektown Adjusted EBITDAR, pre-acquisition	14.2
Resorts Casino Tunica	(0.2)
Stock-based compensation	3.4
Cash-settled stock-based awards variance	0.4
Loss on disposal of assets	0.5
Contingent purchase price	4.7
Pre-opening and acquisition costs	4.4
Depreciation and amortization	104.1
Income from unconsolidated affiliates	5.7
Non-operating items of joint ventures	1.1
Combined Adjusted EBITDA (1)	**$320.7**
Rent expense associated with triple net operating leases	97.2
Combined Adjusted EBITDAR (1)	**$417.9**

(1) See the "Non-GAAP Financial Measures" section above for more information, including the definition of Combined Adjusted EBITDA and Combined Adjusted EBITDAR.

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GAAP to Non-GAAP Reconciliation

Reconciliation of Comparable GAAP Financial Measure to Combined Revenues and Combined Net Income

	Penn National, as Reported	Greektown Pre-Acquisition (1)	Resorts Casino Tunica (2)	Combined (3)
(in millions, unaudited)	For the three months ended March 31, 2019			
Revenues	$1,282.6	$83.7	($5.8)	$1,360.5
Net Income	$41.0	$10.4	-	$51.4

(1) The operating results of Greektown were derived from historical financial information. In addition, the operating results were adjusted to conform to Penn National's methodology of allocating certain corporate expenses to properties. (2) The operating results were adjusted to assume that Resorts Casino Tunica was not a part of Penn National during the historical periods beginning on January 1, 2019, as Resorts Casino Tunica ceased operations on June 30, 2019. (3) See "Non GAAP Financial Measures" section above for more information, including the definition of Combined Revenues and Combined Net Income.

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