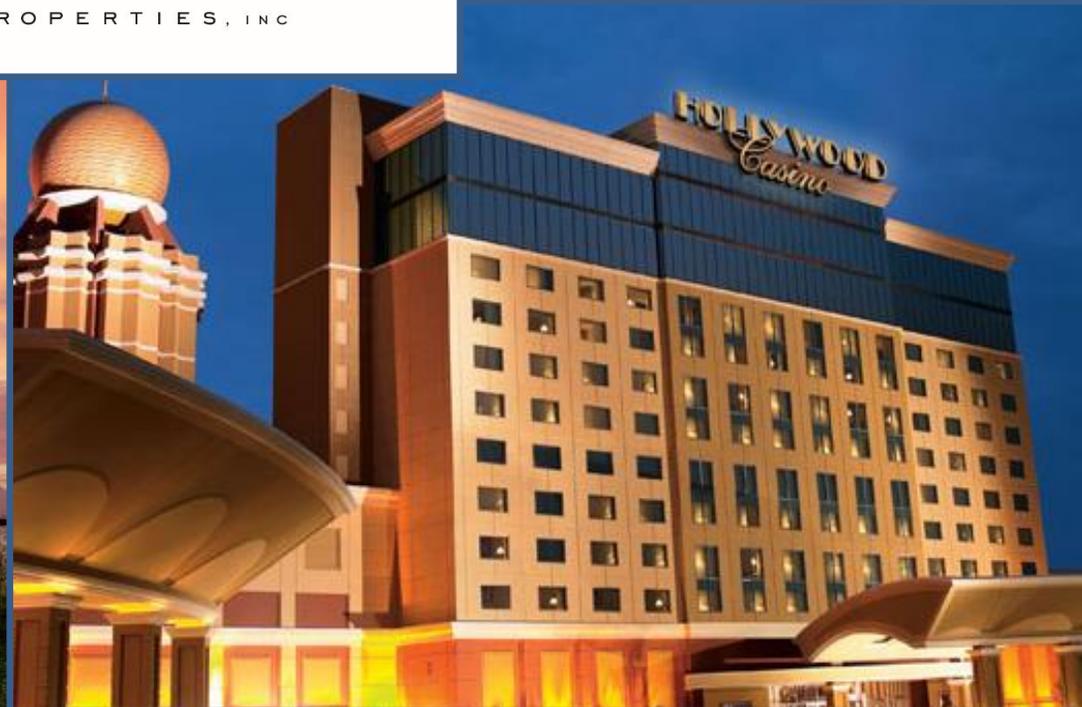


GAMING & LEISURE  
PROPERTIES, INC



**Investor Presentation  
February 2018**

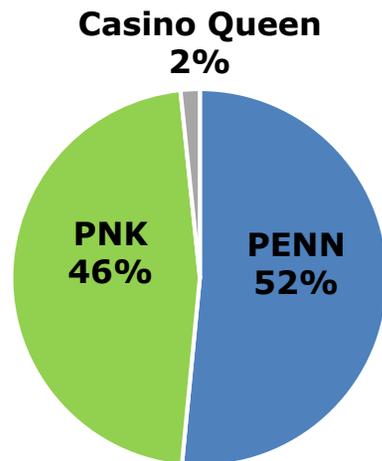
## **Forward Looking Statements**

This press release includes “forward-looking statements” within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended, including statements regarding our financial outlook for the 2018 fiscal year; our expectations regarding future acquisitions and the expected impact of PENN's proposed acquisition of PNK, refinancing of indebtedness and dividend payments. Forward looking statements can be identified by the use of forward looking terminology such as “expects,” “believes,” “estimates,” “intends,” “may,” “will,” “should” or “anticipates” or the negative or other variation of these or similar words, or by discussions of future events, strategies or risks and uncertainties. Such forward looking statements are inherently subject to risks, uncertainties and assumptions about GLPI and its subsidiaries, including risks related to the following: the availability of and the ability to identify suitable and attractive acquisition and development opportunities and the ability to acquire and lease those properties on favorable terms; the ability to receive, or delays in obtaining, the regulatory approvals required to own and/or operate its properties, or other delays or impediments to completing GLPI’s planned acquisitions or projects, including the acquisitions of the physical assets at PENN's Plainridge Park Casino and PNK's Belterra Park and the other transactions contemplated in connection with PENN's proposed acquisition of PNK; the satisfaction of the conditions to closing of each of PENN, PNK, and BYD, including the timely receipt of all necessary regulatory approvals, financing and other matters, in connection with PENN's proposed acquisition of PNK and the related divestitures to BYD; GLPI's ability to maintain its status as a REIT; our ability to access capital through debt and equity markets in amounts and at rates and costs acceptable to GLPI, including through GLPI's existing ATM program; changes in the U.S. tax law and other state, federal or local laws, whether or not specific to REITs or to the gaming or lodging industries; and other factors described in GLPI’s Annual Report on Form 10-K for the year ended December 31, 2017, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, each as filed with the Securities and Exchange Commission. All subsequent written and oral forward-looking statements attributable to GLPI or persons acting on GLPI’s behalf are expressly qualified in their entirety by the cautionary statements included in this press release. GLPI undertakes no obligation to publicly update or revise any forward-looking statements contained or incorporated by reference herein, whether as a result of new information, future events or otherwise, except as required by law. In light of these risks, uncertainties and assumptions, the forward looking events discussed in this press release may not occur.

# Company Overview

- Geographically diversified real estate company focused on ownership of gaming facilities
- Stable and predictable cash flow from long-term triple-net master leases with significant fixed components
- Fourth largest publicly traded triple-net REIT <sup>(1)</sup>

## Tenant Rent Diversification <sup>(2)</sup>



## Fast Facts

**38**  
Properties

**14**  
States

**15.4M**  
Property Sq.  
Footage

**5,272**  
Acres Owned or  
Leased

**7,467**  
Hotel Rooms

## Financial Snapshot <sup>(3)</sup>

(\$ in millions)	2018
Adjusted EBITDA	\$887.1
FFO	\$529.6
AFFO	\$674.3
Property EBITDA / Rent <sup>(4)</sup>	1.8X

(1) Based on Total Enterprise Value as of February 13, 2018

(2) 2018 guidance per earnings press release dated February 8, 2018. Excludes property tax and land lease gross ups reported as rental revenue under GAAP. PNK rent includes Master Lease properties and The Meadows

(3) 2018 guidance per earnings press release dated February 8, 2018

(4) Blended property EBITDAR rent coverage before the lease payment to GLPI

# Investment Highlights

## High Quality Geographically Diversified Portfolio

*National portfolio of high quality casino properties across 14 states*

## Strong Operating Company Tenants

*Deep regional operating expertise and market leading brands*

## Multiple Growth Drivers

*Sale leaseback, rent escalators and acquisition of public operator real estate*

## Stable Cash Flows

*Long-term cross-collateralized master leases with strong rent coverage*

## Balance Sheet Positioned For Future Growth

*Ample liquidity and demonstrated access to capital markets*





# High Quality Real Estate Portfolio

- **GLPI owns twelve of the top revenue-producing properties in leading regional gaming markets**
  - **Of these twelve, five properties have no competitor within 60 minutes**
- **An additional six properties are second in their respective markets**
- **Aggregate gaming revenue of the entire portfolio was over \$5.2 billion in 2017, with nine properties over \$200 million each**



## Market Leaders

(\$ in millions)	Revenue
Hollywood Charles Town ←	\$340
L'Auberge Lake Charles	316
Ameristar St. Charles	263
Hollywood Penn National RC ←	245
Hollywood Columbus	221
Hollywood Toledo ←	199
Ameristar Kansas City	191
L'Auberge Baton Rouge	174
Hollywood Bangor ←	50
Ameristar Black Hawk <sup>(1)</sup>	
Zia Park <sup>(1)</sup> ←	
Ameristar Vicksburg <sup>(1)</sup>	

Note: Based on 2017 annual gaming revenues as reported by each respective gaming commission. Market is defined as a 60 minute drive time. Number of gaming positions is used to rank properties in states that do not report property level gaming revenue (MS, NV, CO, NM).

(1) Gaming revenue is not reported by property in these states

★ Denotes #2 ranked casino in respective market

← Denotes a property with no competitor within 60 minutes

## Strong Operating Company Tenants

- Penn National Gaming, Pinnacle Entertainment and Casino Queen are highly respected, experienced operators in regional gaming



**PENN NATIONAL GAMING, INC.**

*Pinnacle*  
Entertainment®

**CASINO  
QUEEN**

- Tenants are expected to maintain sufficient rent coverage and reasonable leverage ratios
  - PENN Adjusted EBITDA / rent coverage ratio of 1.81x <sup>(1)</sup>
  - PNK Adjusted EBITDA / rent coverage ratio of 1.88x <sup>(1)</sup>
- Master Lease payments are due before debt service obligations of tenants
- Long-term, cross-collateralized master leases with large fixed components and escalator provisions



(1) Property EBITDAR rent coverage before the lease payment to GLPI, for the twelve months ended 12/31/17

# Growth Drivers

## *Multiple Avenues for Growth and Expansion*

### **Sale Leasebacks With Gaming Operators**

- Target assets in domestic regional and destination gaming markets with stable revenue and reliable cash flow
- Completed the Pinnacle and Casino Queen transactions, growing annual rent by \$391M

### **Acquisitions of Gaming Assets**

- Potential to partner with current tenants or expand to additional third party operators
- Completed the Meadows and Tunica acquisitions growing annual rent by \$34M

### **Potential to Expand Outside of Gaming**

- Triple-net lease structure provides flexibility to diversify across tenants
- Proven business model that supports scale across various markets and industries

## *External Drivers*

## *Internal Drivers*

### **Master Leases Have Escalator and Percentage Rent Components**

- Master leases include a fixed building rent component with a 2% annual rent escalator (subject to minimum rent coverage of 1.8x)

### **Development Pipeline**

- Over 500 acres of undeveloped land for future expansion or development opportunities
- Opportunity to partner with gaming operators for new gaming developments

## **Penn National Gaming to Acquire Pinnacle Entertainment**

***Combination of GLPI's two largest tenants results in \$46 million incremental annual rent***

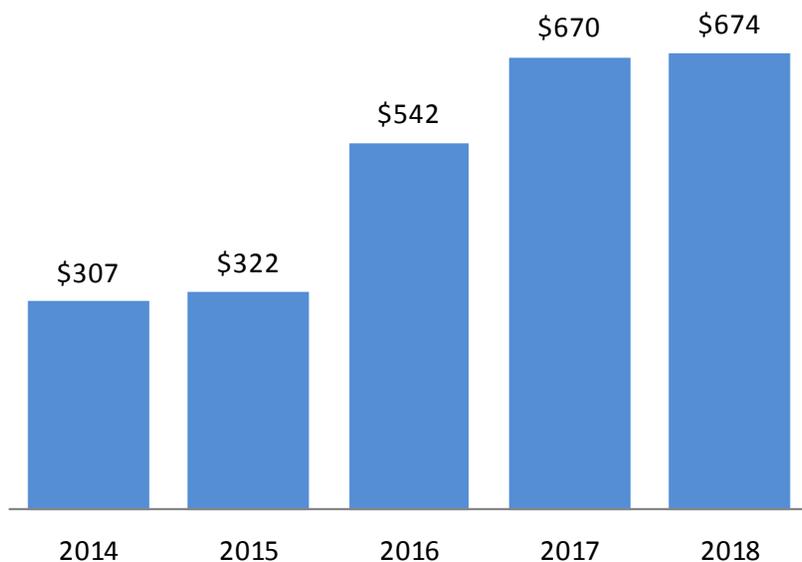
- On December 18, 2017 Penn National Gaming announced that they entered into an agreement to acquire Pinnacle Entertainment
- Concurrently, GLPI announced agreements with PENN, PNK and BYD to facilitate the transaction
  - The Company's Master Lease with PNK will be amended to allow for the sale of the operating assets at Ameristar Kansas City, Ameristar St. Charles and Belterra Casino to Boyd Gaming and GLPI will enter into a new Master Lease with BYD
  - GLPI will acquire the real estate assets of PENN's Plainridge Park Casino and PNK's Belterra Park Casino for a total of approximately \$315 million
  - Plainridge Park will be added to the PNK lease and Belterra Park will be added to the new BYD lease, with total incremental annual rent of approximately \$32.2 million
  - Additionally, the PNK Master Lease will be amended to include an additional \$13.9 million annual fixed rent
- Boyd Gaming is a highly respected multi-jurisdictional owner of 24 gaming entertainment properties with over \$2 billion in annual net revenue
- The BYD Master Lease includes a higher default ratio at rent coverage of 1.4 times and no parent guarantee, otherwise terms are similar to the Company's existing leases
- The company intends to finance the transaction with debt of 5.5 times the \$46.1 million of incremental rent, with the remainder from free cash flow or ATM equity issuances based on market conditions at closing
- The transaction is expected to close in the second half of 2018 and is expected to add approximately \$0.12 of annual AFFO per share



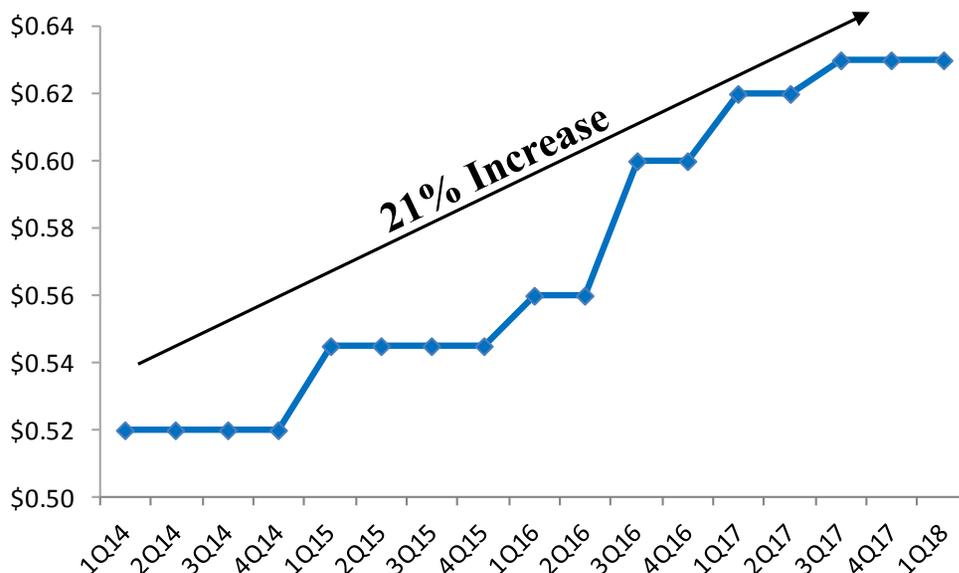
# Cash Flow Strength with Disciplined Financial Approach

- Strong financial performance since spin-off from PENN in 2013
- Increased dividend each year since inception, with consistent AFFO payout ratio
- First quarter dividend of \$0.63 represents an annualized dividend yield of 7.5% <sup>(1)</sup>
- Steady, in-place organic growth
- Master leases include a fixed rent component, representing 83% of projected revenues from rental properties for 2018 <sup>(2, 3)</sup> and protecting from fluctuations in regional gaming

## Adjusted Funds From Operations <sup>(3)</sup> (\$ in MM)



## Historical Regular Dividend



(1) Yield based on GLPI closing price as of February 13, 2018 of \$33.55

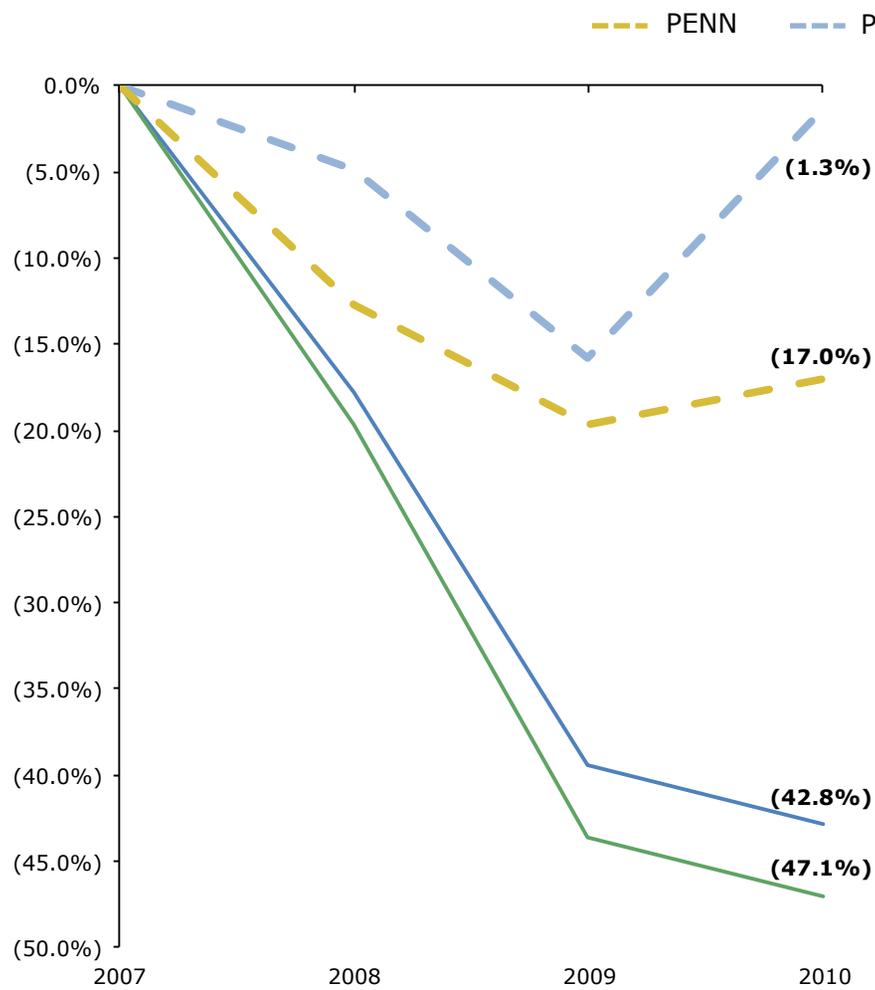
(2) Excludes property tax and land lease gross ups reported as rental revenue under GAAP

(3) Based on 2018 guidance per earnings press release dated February 8, 2018

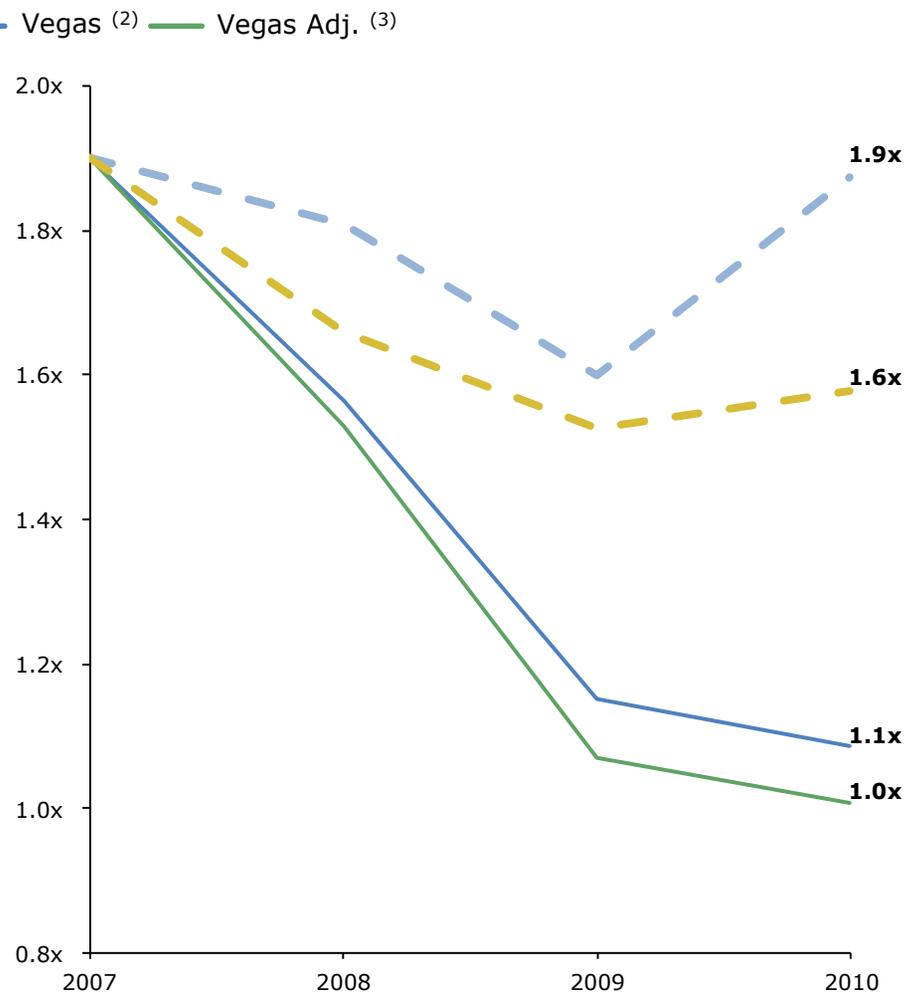
# Demonstrated Durability of Regional Gaming Markets

**GLPI's Regional Markets Have Proven More Profitable And Stable During a Major Downturn Than The Las Vegas Market**

## Gaming Adj. EBITDA Growth (%)



## Rent Coverage



Source: Company filings

Note: Excludes corporate overhead and includes the impact from smoking bans and cannibalization

(1) Excludes St. Louis and Ameristar assets

(2) Includes Las Vegas assets for CZR, LVS, MGM (excluding City Center due to negative Adjusted EBITDA) and WYNN

(3) Same as Vegas, adjusted to account for an assumed 4% cost of capital on \$4.1BN of capital expenditures related to Palazzo and Encore

# Solid Balance Sheet and Substantial Free Cash Flow

- Ample liquidity to fund stable dividend and growth opportunities
- \$700MM available under revolving credit facility <sup>(2)</sup>
- \$29MM in cash <sup>(2)</sup>

## 2018 Financial Projections <sup>(1)</sup>

(\$ in millions)	Guidance
Net Revenue	\$1,019.0
Adjusted EBITDA	887.1
Net Income	431.0
Funds From Operations	529.6
Adj. Funds From Operations	674.3
Net Income, Per Share	2.00

(1) Based on 2018 guidance per earnings press release dated February 8, 2018

(2) As of December 31, 2017

## Debt as of December 31, 2017 <sup>(1)</sup>

Unsecured \$700M Revolver	\$0
Unsecured Term Loan A	230
Unsecured Term Loan A-1	825
4.375% Senior Unsecured Notes Due 2018	550
4.875% Senior Unsecured Notes Due 2020	1,000
4.375% Senior Unsecured Notes Due 2021	400
5.375% Senior Unsecured Notes Due 2023	500
5.375% Senior Unsecured Notes Due 2026	975
Capital Lease	1
<b>Total Debt</b>	<b>\$4,481</b>
Cash & Cash Equivalents	29
<b>Net Debt</b>	<b>\$4,452</b>
2018 Projected EBITDA	\$887
<b>Net Debt / EBITDA</b>	<b>5.0x</b>

- Well laddered maturity schedule:

2018	780
2019	0
2020	1,000
2021	1,225
2022	0
Thereafter	1,475

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*Long-term cross-collateralized master leases with strong rent coverage*

## Balance Sheet Positioned For Future Growth

*Ample liquidity and demonstrated access to capital markets*



# PENN & PNK Master Lease Summary

		PENN	PNK
<b>Lease Structure:</b>	<ul style="list-style-type: none"> <li>Triple-Net Master Lease: Operator is responsible for maintenance capital expenditures, property taxes, insurance and other expenses</li> <li>All properties subject to the lease are cross-defaulted / guaranteed</li> <li>Operator is responsible for acquisition, maintenance, operation and disposition of all (including gaming) FF&amp;E and personal property required for operations</li> </ul>	✓	✓
<b>Term and Termination:</b>	<ul style="list-style-type: none"> <li>Causes for termination by lessor include lease payment default, bankruptcy and/or loss of gaming licenses</li> <li>At the end of lease term, Operator will be required to transfer the gaming assets (including the gaming licenses) to successor tenant for fair market value, subject to regulatory approval</li> <li>Provisions for orderly auction-based transition to new Operator at the end of the lease term if not extended</li> </ul>	✓	✓
	<ul style="list-style-type: none"> <li>35 year term, including extensions at Operator's option</li> </ul>	<ul style="list-style-type: none"> <li>15 years with four 5-year extensions</li> </ul>	<ul style="list-style-type: none"> <li>10 years with five 5-year extensions</li> </ul>
<b>Rent:</b>	<ul style="list-style-type: none"> <li>Fixed building rent component with annual 2% escalator (subject to minimum rent coverage of 1.8x)</li> </ul>	✓	✓
	<ul style="list-style-type: none"> <li>Land rent reset to equal 4% of the average annual net revenue for such facilities for the trailing period</li> </ul>	<ul style="list-style-type: none"> <li>Reset every 5 years</li> </ul>	<ul style="list-style-type: none"> <li>Reset every 2 years</li> </ul>
	<ul style="list-style-type: none"> <li>PENN's Ohio (Toledo and Columbus) performance components are determined monthly with land rent set at 20% of monthly net revenues</li> </ul>	✓	

# PENN & PNK Master Lease Summary

		PENN	PNK
<b>Capital Expenditures:</b>	<ul style="list-style-type: none"> <li>■ Operator required to maintain properties and spend a minimum of 1% of net revenues on maintenance capital (including FF&amp;E and capitalized personal property required for operations) annually</li> <li>■ Structural projects generally require GLPI consent, not to be unreasonably withheld</li> <li>■ Opportunity to provide financing for future capital projects at terms mutually agreeable to both parties</li> </ul>	✓	✓
<b>Other:</b>	<ul style="list-style-type: none"> <li>■ Obligations under the Master Lease are guaranteed by Operator and certain of its subsidiaries</li> <li>■ Certain rights of first offer as well as radius restrictions on competition</li> </ul>	✓	✓

## Properties Operated by Penn

	Location	Approx. Property Sq. Footage <sup>(1)</sup>	Owned Acreage	Leased Acreage <sup>(2)</sup>	Hotel Rooms
Hollywood Casino Lawrenceburg	Lawrenceburg, IN	634,000	73.1	32.1	295
Hollywood Casino Aurora	Aurora, IL	222,189	0.4	1.7	
Hollywood Casino Joliet	Joliet, IL	322,446	276.4		100
Argosy Casino Alton	Alton, IL	124,569	0.2	3.6	
Hollywood Casino Toledo	Toledo, OH	285,335	43.8		
Hollywood Casino Columbus	Columbus, OH	354,075	116.2		
Hollywood Casino at Charles Town Races	Charles Town, WV	511,249	298.6		153
Hollywood Casino at Penn National Race Course	Grantville, PA	451,758	573.7		
M Resort	Henderson, NV	910,173	83.5		390
Hollywood Casino Bangor	Bangor, ME	257,085	6.4	37.9	152
Zia Park Casino <sup>(3)</sup>	Hobbs, NM	109,067	317.4		
Hollywood Casino Gulf Coast	Bay St. Louis, MS	425,920	578.7		291
Argosy Casino Riverside	Riverside, MO	450,397	37.9		258
Hollywood Casino Tunica	Tunica, MS	315,831		67.7	494
Boomtown Biloxi	Biloxi, MS	134,800	1.5	1.0	
Hollywood Casino St. Louis	Maryland Heights, MO	645,270	247.8		502
Hollywood Gaming at Dayton Raceway	Dayton, OH	191,037	119.7		
Hollywood Gaming at Mahoning Valley Race Course	Youngstown, OH	177,448	193.4		
1st Jackpot Casino (Formerly Bally's Casino Tunica)	Tunica, MS	78,941	52.9	93.8	
Resorts Casino Tunica	Tunica, MS	319,823		86.6	201
<b>Total PENN</b>		<b>6,921,413</b>	<b>3,021.6</b>	<b>324.4</b>	<b>2,836</b>

(1) Square footage includes air conditioned space and excludes parking garages and barns.

(2) Leased acreage reflects land subject to leases with third parties and includes land on which certain of the current facilities and ancillary supporting structures are located as well as parking lots and access rights.

(3) This property includes a hotel not owned by the Company. Square footage and rooms for properties not owned by GLPI are excluded from the table.

# Properties Operated by Pinnacle & Other

	Location	Approx. Property Sq. Footage <sup>(1)</sup>	Owned Acreage	Leased Acreage <sup>(2)</sup>	Hotel Rooms
Ameristar Black Hawk	Black Hawk, CO	775,744	104.1		535
Ameristar East Chicago	East Chicago, IN	509,867		21.6	288
Belterra Casino Resort <sup>(3)</sup>	Florence, IN	733,751	167.1	148.5	608
Ameristar Council Bluffs <sup>(3)</sup>	Council Bluffs, IA	312,047	36.2	22.6	160
L'Auberge Baton Rouge	Baton Rouge, LA	436,461	99.1		205
Boomtown Bossier City	Bossier City, LA	281,747	21.8		187
L'Auberge Lake Charles	Lake Charles, LA	1,014,497		234.5	995
Boomtown New Orleans	New Orleans, LA	278,227	53.6		150
Ameristar Vicksburg	Vicksburg, MS	298,006	74.1		149
Ameristar Kansas City	Kansas City, MO	763,939	224.5	31.4	184
Ameristar St. Charles	St. Charles, MO	1,272,938	241.2		397
River City Casino and Hotel	St. Louis, MO	431,226		83.4	200
Jackpot Properties <sup>(4)</sup>	Jackpot, NV	419,800	79.5		416
The Meadows Racetrack and Casino <sup>(3)</sup>	Washington, PA	417,921	155.5		
<b>Total PNK</b>		<b>7,946,171</b>	<b>1,256.7</b>	<b>542.0</b>	<b>4,474</b>
Casino Queen	East St. Louis, IL	330,502	67.2		157
TRS Properties					
Hollywood Casino Baton Rouge	Baton Rouge, LA	120,517	24.1		
Hollywood Casino Perryville	Perryville, MD	97,961	36.4		
<b>Total - All Properties</b>		<b>15,416,564</b>	<b>4,406.0</b>	<b>866.4</b>	<b>7,467</b>

(1) Square footage includes air conditioned space and excludes parking garages and barns.

(2) Leased acreage reflects land subject to leases with third parties and includes land on which certain of the current facilities and ancillary supporting structures are located as well as parking lots and access rights.

(3) These properties include hotels not owned by the Company. Square footage and rooms for properties not owned by GLPI are excluded from the table.

(4) Encompasses two gaming properties in Jackpot, Nevada; Cactus Pete's and The Horseshu.

## Definitions of Non-GAAP Financial Measures

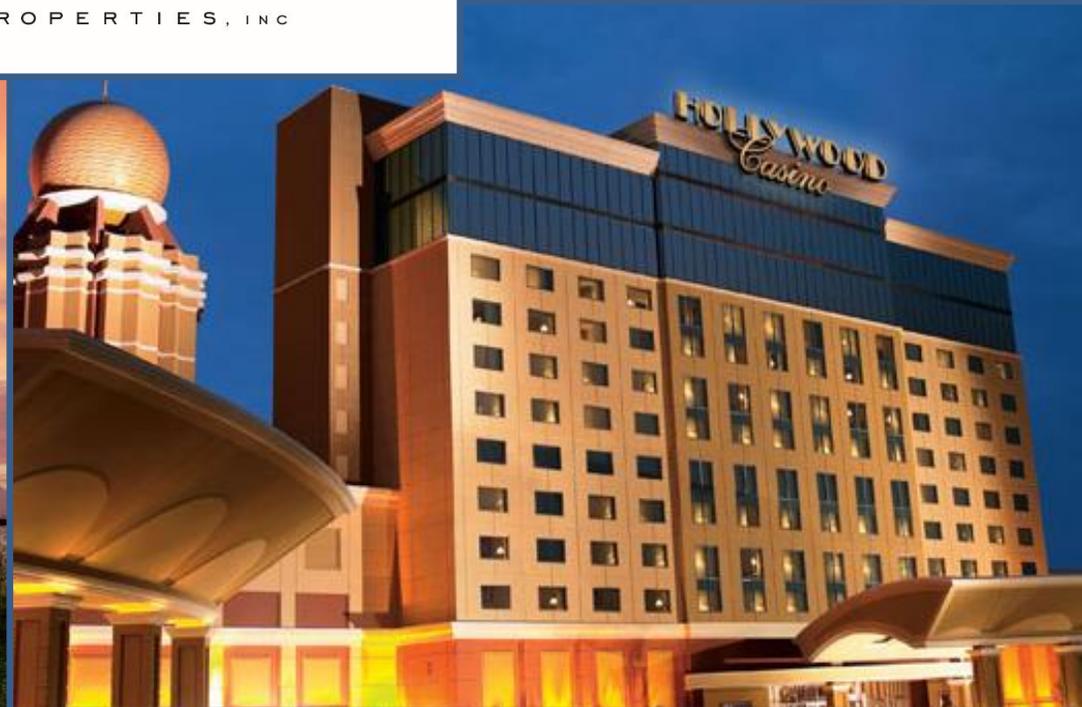
Funds From Operations ("FFO"), Adjusted Funds From Operations ("AFFO") and Adjusted EBITDA, which are detailed in the reconciliation tables that accompany this release, are used by the Company as performance measures for benchmarking against the Company's peers and as internal measures of business operating performance, which is used for a bonus metric. The Company believes FFO, AFFO, and Adjusted EBITDA provide a meaningful perspective of the underlying operating performance of the Company's current business. This is especially true since these measures exclude real estate depreciation, and we believe that real estate values fluctuate based on market conditions rather than depreciating in value ratably on a straight-line basis over time. In addition, in order for the Company to qualify as a REIT, it must distribute 90% of its REIT taxable income annually. The Company adjusts AFFO accordingly to provide our investors an estimate of taxable income for this distribution requirement. Direct financing lease adjustments represent the portion of cash rent we receive from tenants that is applied against our lease receivable and thus not recorded as revenue and the amortization of land rights represents the non-cash amortization of the value assigned to the Company's assumed ground leases.

FFO, AFFO and Adjusted EBITDA are non-GAAP financial measures, that are considered a supplemental measure for the real estate industry and a supplement to GAAP measures. NAREIT defines FFO as net income (computed in accordance with generally accepted accounting principles), excluding (gains) or losses from sales of property and real estate depreciation. We have defined AFFO as FFO excluding stock based compensation expense, debt issuance costs amortization, other depreciation, amortization of land rights, straight-line rent adjustments and direct financing lease adjustments, reduced by capital maintenance expenditures. Finally, we have defined Adjusted EBITDA as net income excluding interest, taxes on income, depreciation, (gains) or losses from sales of property, stock based compensation expense, straight-line rent adjustments, direct financing lease adjustments and the amortization of land rights.

FFO, AFFO and Adjusted EBITDA are not recognized terms under GAAP. Because certain companies do not calculate FFO, AFFO, and Adjusted EBITDA in the same way and certain other companies may not perform such calculation, those measures as used by other companies may not be consistent with the way the Company calculates such measures and should not be considered as alternative measures of operating profit or net income. The Company's presentation of these measures does not replace the presentation of the Company's financial results in accordance with GAAP.



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