



GREAT CANADIAN GAMING CORPORATION

GREAT CANADIAN GAMING ANNOUNCES FOURTH QUARTER AND ANNUAL 2008 RESULTS

IMPLEMENTS FURTHER CAPITAL AND EXPENSE REDUCTIONS

March 9, 2009 – Richmond, BC – Great Canadian Gaming Corporation [TSX:GC] (“the Company”) announces its financial results for the three month period (“fourth quarter of 2008”) and twelve month period (“twelve months of 2008”) ended December 31, 2008.

2008 TWELVE MONTHS AND FOURTH QUARTER HIGHLIGHTS

- Revenues increase by 2%, EBITDA decreases by 3% for the twelve months of 2008
- Revenues decrease by 4%, EBITDA by 15% for the fourth quarter of 2008
- Total assets exceed \$1 billion for the first time during 2008
- Company prepares for weakening economy by implementing new capital and expense reduction initiatives

(Amounts presented in \$millions, except for per share information)

	Fourth Quarter			Twelve Months of		
	2008	2007	% Chg	2008	2007	% Chg
Revenues	\$ 96.7	\$ 100.7	(4%)	\$ 403.7	\$ 397.2	2%
EBITDA ⁽¹⁾	\$ 23.6	\$ 27.9	(15%)	\$ 107.7	\$ 111.0	(3%)
Human resources as a % of Revenues before Promotional allowances	42.8%	43.6%		43.1%	44.1%	
EBITDA as a % of Revenues	24.4%	27.7%		26.7%	27.9%	
Net earnings (loss) ⁽²⁾	\$ (1.7)	\$ 13.0		\$ 13.5	\$ 35.8	(62%)
Earnings (loss) per common share:						
Basic	\$ (0.02)	\$ 0.15		\$ 0.16	\$ 0.42	
Diluted	\$ (0.02)	\$ 0.15		\$ 0.16	\$ 0.41	
Total assets				\$ 1,024.0	\$ 957.4	
Long-term debt, excluding current portion				\$ 440.0	\$ 329.4	
Derivative liabilities				\$ 23.4	\$ 62.8	

(1) EBITDA is a non-GAAP measure and is defined in the Disclaimer section of this press release.

- (2) The net earnings (loss) include several items of note that affect the comparability of net earnings (loss) over the periods presented. As a result of these items of note, in aggregate the 2008 fourth quarter and full year periods were lower by \$4.2 million and \$4.3 million, respectively, while the 2007 fourth quarter and full year periods increased by \$8.2 million and \$13.8 million, respectively. Descriptions of these items of note are shown under the "Adjusted Net Earnings" table at the end of this press release. Excluding these items of note, our net earnings decreased \$2.3 (or 49%) in the fourth quarter and \$4.2 (or 19%) in full year 2008 compared to the fourth quarter and full year 2007, respectively.

For the twelve month period ended December 31, 2008 ("twelve months of 2008") Great Canadian Gaming Corporation ("the Company") reported revenues of \$403.7, a 2% increase from the twelve months of 2007, while EBITDA declined to \$107.7, a 3% decrease from the twelve months of 2007. The increase in revenues for the twelve months of 2008 reflects the strong performance of the Company's flagship property, the River Rock Casino Resort ("River Rock"), and the addition of new gaming devices at both Fraser Downs Racetrack and Casino ("Fraser Downs") and Hastings Racecourse ("Hastings").

The EBITDA decline for the twelve months of 2008 was primarily due to challenges experienced during the three month period ended December 31, 2008 ("fourth quarter of 2008"), which generated revenues of \$96.7, a 4% decrease from the fourth quarter of 2007, and EBITDA of \$23.6, a 15% decrease from the fourth quarter of 2007. The fourth quarter of 2008 was impacted by three factors:

Heavy snowfall: British Columbia, where 73% of the Company's 2008 revenues were generated, witnessed heavy snowfall from December 13, 2008 until the end of the year. This snowfall had an adverse impact on visitation during a historically high volume period, and was a major factor in reducing gaming revenues in British Columbia by 18% when compared to December 2007.

Evolving competitive landscape: In November 2008, one of the Company's competitors completed an enhancement of their flagship property. Historically, the completion of a redevelopment generates a temporary increase in visitation, and this enhancement caused the Company's market share within British Columbia to decrease from 49% in October to 45% in November and 44% in December. The Company anticipates that this metric will soon return to prior levels, and preliminary results from the first two months of 2009 support this belief.

Declines in consumer spending due to a weakening economy: The presence of the two preceding factors makes it difficult to isolate the impact of the weakening economy on the Company's business during the fourth quarter of 2008. However, during October 2008, a period prior to both the change in competitive environment and the heavy snowfall, the Company recorded same-store sales that were consistent with those recorded in October 2007. The Company believes that consumer spending declined during November and December of 2008, and that that this trend will likely continue in 2009.

The revenues decline created by these three factors had a significant impact on Great Canadian's EBITDA, as it occurred before the recent reductions in the Company's cost structure. The EBITDA decline at the Company's British Columbia properties was somewhat offset by improvements in Ontario and Nova Scotia.

For the fourth quarter of 2008, the Company's EBITDA as a percentage of revenues was 24.4%, a 3.3 percentage point decrease from the fourth quarter of 2007. For the twelve months of 2008, this percentage was 26.7%, a 1.2 percentage point decline from the level achieved in the twelve months of 2007. This metric was also significantly impacted by the factors mentioned above.

"Great Canadian's revenues and EBITDA for the fourth quarter of 2008 reflect the impact of a difficult December, during which British Columbia witnessed an unusually heavy snowfall," stated Ross McLeod, Great Canadian's Chairman and Chief Executive Officer. "This snowfall prevented us from receiving the benefit that the holiday season usually provides our business. However, our properties outside of British Columbia, both in Ontario and Nova Scotia, improved upon their 2007 results. The latter are particularly encouraging, as they again increased their EBITDA despite a decline in revenues. This performance provides evidence of Great Canadian's ability to manage expenses and improve efficiency in a challenging revenue environment.

"This ability is now being employed across our entire property portfolio, where we are implementing significant expense reduction initiatives in preparation for 2009. December's snowfall, in combination with a redevelopment at our major competitor's flagship facility, made it difficult to analyze the impact that a weakening economy has had on our guests. However, we do believe that slot play across our entire portfolio will come under pressure, as will overall gaming levels at our properties located in more rural markets. In anticipation of these trends, Great Canadian has implemented new expense reduction initiatives. Should a severe decline materialize, we will be prepared. Should it not, we will be rewarded.

"The major components of these expense reduction initiatives involved an adjustment of both our operating hours and staffing levels. The latter adjustment took place at every one of our properties, including our head office, and has to date reduced our headcount by 430 positions, or 8%. These changes, in combination with a variety of other cost management strategies - which include a 14% reduction in the cash compensation of our Directors - will help mitigate the impact that any decrease in revenues has on Great Canadian's ability to produce EBITDA.

"The weakening economic environment also requires a capital planning strategy that is both as prudent and as conservative as possible. Accordingly, the Company has chosen to further revise its project pipeline. We will now invest only \$34.0 million in enhancements to the River Rock Casino Resort, deferring a \$17.0 million component of this project until greater visibility is available on future market demand. The \$34.0 million component still includes both space for additional gaming capacity and upgrades to the property's amenities and VIP offerings. These enhancements will allow River Rock to take maximum advantage of the increased traffic generated by the Canada Line, Vancouver's new mass transit system, which we expect to open in the third quarter of 2009. Results for the first two months of this year confirm that, despite an evolving competitive environment, River Rock has maintained its dominant position within the Vancouver market. These enhancements will serve to cement that position."

Mr. McLeod concluded, "The combination of our conservative approach to capital planning and expense reduction initiatives will ensure that our balance sheet maintains its strength during the year ahead. While 2009 will be a challenging year for every business, Great

Canadian's proactive approach to both cost and capital management will ensure that we emerge from this period stronger, more efficient, and in a position to create long-term shareholder value."

Development Projects

The following table summarizes Great Canadian's current facility redevelopment projects:

(\$ in millions)

Property	Development Project	Est. Completion Date	Est. Total Budget	Spend (Accrual Basis)		
				To December 31, 2008	In fourth quarter 2008	Est. for 2009
River Rock Casino Resort	Hotel footings and infrastructure; 1,200 stall parking garage; 21,000 sq ft of commercial space; 320 hotel and casino parking spaces (\$90.0)	600 stalls completed in September '08, balance by November '09	\$169.0	\$80.7	\$22.5	\$36.0
	New gaming capacity; upgraded VIP facilities; enhanced F&B offerings; atrium renovation (\$34.0)	Some upgraded VIP facilities complete January '09, balance by January '10				
	Additional new gaming capacity; additional upgraded VIP facilities (\$17.0)	Pending revision				
	5 storey, 191 room hotel tower (\$28.0)	Pending revision				
Georgian Downs	550 slot machines of new gaming capacity	400 new slots installed in Q3/09, balance in Q2/10	\$30.3	\$10.3	\$3.8	\$17.1
Hastings Racecourse	Installation of 600 slot machines and amenity upgrades	All slots installed in Q3/08	\$40.0	\$31.0	\$0.8	\$0.1
View Royal Casino	560 stall parking garage; new gaming capacity (\$25.0)	Parking garage completed in December '08, new gaming capacity in first half of '09	\$50.0	\$22.0	\$7.0	\$3.0
	Further new gaming capacity; amenity upgrades (\$25.0)	Pending revision				

The Company will host a conference call for investors and analysts today, March 9, 2009 at 5:00 PM Eastern Time, or 2:00 PM Pacific Time, to review the financial results for the period ended December 31, 2008. To participate in the conference call, please dial 416-695-6272, or toll free at 800-766-6630. Questions will be reserved for institutional investors and analysts. Interested parties may also access the call on the Internet at www.gcgaming.com; please allow 15 minutes to register and install any necessary software. Following completion of the call, a replay will be available until March 16, 2009 by dialing 416-695-5800, or toll free at 800-408-3053 (Passcode: 3283426). A replay of the call will also be available at www.gcgaming.com.

ABOUT GREAT CANADIAN GAMING CORPORATION

Great Canadian Gaming Corporation is a multi-jurisdictional gaming and entertainment operator with operations in British Columbia, Ontario and Nova Scotia, and Washington State. We operate ten casinos, a thoroughbred racetrack that offers slot machines, four standardbred racetracks (two offer slot machines and one offers both slot machines and table games), a community gaming centre, a bingo hall, a hotel and conference centre, two show theatres and various associated food and beverage and entertainment facilities. As of February 28, 2009 the Company had approximately 4,900 employees. Further information is available on the Company's website, www.gcgaming.com.

Please refer to the Consolidated Annual Financial Statements and Management's Discussion and Analysis at www.gcgaming.com (available on March 9, 2009) or www.sedar.com (available on March 10, 2009) for detailed financial information and analysis.

The financial results on the following pages are unaudited and prepared by management. Amounts are in millions, except for share information.

Consolidated Results of Operations

(Expressed in millions, except for share information)

	Fourth Quarter			Twelve Months of		
	2008	2007	% Chg	2008	2007	% Chg
Gaming revenues	\$ 67.0	\$ 70.5	(5%)	\$ 282.3	\$ 283.0	0%
Racetrack revenues	6.9	7.3	(5%)	31.2	30.7	2%
Facility Development Commission	7.1	6.0	18%	29.4	22.9	28%
Hospitality and other revenues	18.7	19.6	(5%)	72.3	70.9	2%
	99.7	103.4	(4%)	415.2	407.5	2%
Less: Promotional allowances	(3.0)	(2.7)	11%	(11.5)	(10.3)	12%
Revenues	96.7	100.7	(4%)	403.7	397.2	2%
Human resources	42.7	45.1	(5%)	179.0	179.6	0%
Property, marketing and administration	30.4	27.7	10%	117.0	106.6	10%
	73.1	72.8	0%	296.0	286.2	3%
EBITDA	23.6	27.9	(15%)	107.7	111.0	(3%)
Human resources as a % of Revenues before Promotional allowances	42.8%	43.6%		43.1%	44.1%	
EBITDA as a % of Revenues	24.4%	27.7%		26.7%	27.9%	
Amortization	11.5	11.8		43.3	40.1	
Stock-based compensation	6.1	1.8		11.6	7.0	
Restructuring and other	1.4	0.4		3.2	1.0	
Interest and financing costs, net	6.8	5.9		27.7	24.8	
Other expenses	(0.1)	0.1		0.4	1.7	
Income taxes	(0.4)	(5.1)		8.0	0.6	
Net earnings (loss)	\$ (1.7)	\$ 13.0		\$ 13.5	\$ 35.8	
Earnings (loss) per common share:						
Basic	\$ (0.02)	\$ 0.15		\$ 0.16	\$ 0.42	
Diluted	\$ (0.02)	\$ 0.15		\$ 0.16	\$ 0.41	
Weighted average number of common shares (in thousands):						
Basic	82,108	85,410		83,069	86,227	
Diluted	82,108	85,927		83,096	86,642	

GREAT CANADIAN GAMING CORPORATION
Consolidated Statements of Financial Position

(Expressed in millions, except for share information)

As at December 31,

	2008	2007
ASSETS		
CURRENT		
Cash and cash equivalents	\$ 43.6	\$ 107.1
Restricted cash	10.6	3.6
Accounts receivable	14.2	13.3
Income taxes receivable	1.1	-
Due from Nova Scotia Gaming Corporation	3.7	17.2
Prepays, deposits and other assets	9.1	12.0
	82.3	153.2
Property, plant and equipment	704.0	567.3
Intangible assets	180.5	191.5
Goodwill	39.0	37.0
Future income taxes	8.6	3.4
Other assets	9.6	5.0
	\$ 1,024.0	\$ 957.4
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 74.8	\$ 69.5
Income taxes payable	-	3.6
Long-term debt, deferred credits and other liabilities, current	2.3	8.8
	77.1	81.9
Long-term debt	440.0	329.4
Derivative liabilities	23.4	62.8
Deferred credits, other liabilities and non-controlling interests	22.4	2.0
Future income taxes	68.4	71.1
	631.3	547.2
SHAREHOLDERS' EQUITY		
Share capital and contributed surplus	341.7	341.3
Accumulated other comprehensive loss	(22.7)	(9.1)
Retained earnings	73.7	78.0
	392.7	410.2
	\$ 1,024.0	\$ 957.4

GREAT CANADIAN GAMING CORPORATION

Consolidated Statements of Earnings

(Expressed in millions, except for share information)

For the years ended December 31,

	2008	2007
REVENUES	\$ 403.7	\$ 397.2
EXPENSES		
Human resources	179.0	179.6
Property, marketing and administration	117.0	106.6
Amortization	43.3	40.1
Stock-based compensation	11.6	7.0
Restructuring and other	3.2	1.0
	354.1	334.3
EARNINGS FROM OPERATIONS	49.6	62.9
Interest and financing costs, net	27.7	24.8
Foreign exchange (gain) loss	(1.0)	0.3
	26.7	25.1
EARNINGS BEFORE INCOME TAXES	22.9	37.8
Income taxes	8.0	0.6
EARNINGS BEFORE NON-CONTROLLING INTERESTS	14.9	37.2
Non-controlling interests	1.4	1.4
NET EARNINGS	\$ 13.5	\$ 35.8
EARNINGS PER COMMON SHARE		
Basic	\$ 0.16	\$ 0.42
Diluted	\$ 0.16	\$ 0.41
WEIGHTED AVERAGE NUMBER OF COMMON SHARES		
Basic	83,068,996	86,226,888
Diluted	83,096,306	86,642,050

GREAT CANADIAN GAMING CORPORATION

Adjusted Net Earnings

(Expressed in millions, except for share information)

Net earnings decreased \$14.7 in the fourth quarter of 2008 and \$22.3 in the twelve months of 2008 compared to the fourth quarter and twelve months of 2007, respectively. The current and prior year's net earnings included some items of note, the after-tax effects of which are summarized in the following table:

	Fourth quarter			Twelve months of				
	2008	2007	% Chg	2008	2007	% Chg	2006	% Chg
Net earnings (loss)	\$ (1.7)	\$ 13.0		\$ 13.5	\$ 35.8		\$ (18.6)	
Items of note, net of tax								
Stock-based compensation - voluntary								
forfeiture of stock options	5.8	-		5.8	-		-	
Reduction of management bonus accrual	(2.1)	-		(2.1)	-		-	
Restructuring and other expenses	1.0	0.3		2.2	0.7		7.0	
Future income tax recoveries due to								
decreases in enacted statutory tax rates	(0.5)	(10.5)		(1.6)	(11.5)		(5.2)	
Other future tax changes	-	2.0		-	(3.0)		-	
Former debt redemption costs	-	-		-	-		20.4	
Hastings goodwill impairment	-	-		-	-		9.9	
Adjusted net earnings ⁽¹⁾	\$ 2.5	\$ 4.8	(49%)	\$ 17.8	\$ 22.0	(19%)	\$ 13.5	63%

⁽¹⁾ A non-GAAP measure

After adjusting for the above items of note, the Company's adjusted net earnings decreased 49% for the fourth quarter of 2008 and decreased by 19% for the twelve months of 2008 when compared to the fourth quarter and twelve months of 2007.

For the twelve months of 2007, net earnings increased to \$35.8 from a net loss of \$18.6 recorded for the twelve months of 2006. This increase is mainly the result of the \$32.1 after-tax affect of the items of note from 2006 and the \$13.8 after-tax effect of the items of note from 2007 summarized in the table above, as well as improved operating results driven by revenue growth and operational efficiencies. For the twelve months of 2007, our revenues increased 3% to \$397.2 and EBITDA increased 13% to \$111.0 compared to the twelve months of 2006. The \$12.0 revenue increase resulted primarily from our B.C. casino and Racino properties that included the introduction of table games at Fraser Downs and slot machines at Hastings. The \$12.8 EBITDA increase resulted primarily from the same reasons revenues increased and a continued focus on improving operating efficiencies.

DISCLAIMER

This news release contains certain “forward-looking information” within the meaning of applicable securities legislation. Forward-looking information is based on the Company’s current expectations, estimates, projections and assumptions that were made by the Company in light of its historical trends. All information that addresses expectations or projections about the future, including information about the Company’s strategy for growth, expected future expenditures, costs, operating and financial results and expected impact of future commitments, is forward-looking information. Such information is not a guarantee of future performance and involves a number of risks and uncertainties. Although forward-looking information is based on information and assumptions which the Company believes are current, reasonable and complete, these statements are subject to a number of factors that could cause actual results to vary materially from those expressed or implied by its forward-looking information. Such factors may include, but are not limited to: terms of operational service agreements with lottery corporations; pending, proposed or unanticipated regulatory or policy changes; competition from established competitors and new entrants in the gaming business; dependence on key personnel; no assurance that systems, procedures and controls will be adequate to support expanding operations; potential undisclosed liabilities and capital expenditures associated with acquisitions; negative connotations linked to the gaming industry; First Nations claims with respect to some Crown land on which we conduct our operations; future or current legal proceedings; construction disruptions; financial covenants associated with credit facilities and long-term debt; credit, liquidity and market risks associated with our financial instruments; interest and exchange rate fluctuations; non-realization of cost reductions and synergies; demand for new products and services; fluctuations in operating results; and economic uncertainty and financial market volatility. These factors and other risks and uncertainties are discussed in the Company’s continuous disclosure documents filed with the Canadian securities regulatory authorities from time to time, including in the “Risk Factors” section of the Company’s Annual Information Form for fiscal 2008, and as identified in the Company’s disclosure record on SEDAR at www.sedar.com. The forward-looking information in documents incorporated by reference speak only as of the date of those documents. Readers are cautioned not to place undue reliance on the forward-looking information, as there can be no assurance that the plans, intentions, or expectations upon which they are based will occur. The Company undertakes no obligation to publicly revise forward-looking information to reflect subsequent events or circumstances. The forward-looking information contained herein is made as of the date hereof and is expressly qualified in its entirety by cautionary statements in this news release.

The Company has included non-generally accepted accounting principles (“non-GAAP”) measures in this news release. EBITDA as defined by the Company means Earnings Before Interest and financing costs (net of interest income), Income Taxes, Depreciation and Amortization, stock-based compensation, restructuring and other costs, foreign exchange gain (loss), and non-controlling interests. EBITDA is derived from the consolidated statements of earnings, and can be computed as revenues less human resources expenses and property, marketing and administration expenses.

To arrive at adjusted net earnings, the Company removes items of note, net of income taxes, from net earnings. The items of note relate to items that management does not believe are indicative of underlying business performance. Items of note may vary from time to time and may include: the effect of voluntary forfeitures of employee stock options, the reduction of management bonus accruals, future income tax recoveries due to changes in statutory tax rates, restructuring and other expenses, former debt redemption costs and significant asset impairments. We believe adjusted net earnings provides the reader with a better understanding of the Company’s underlying business performance.

Readers are cautioned that these non-GAAP definitions are not recognized measures under Canadian GAAP, do not have standardized meanings prescribed by GAAP, and should not be construed to be alternatives to net earnings determined in accordance with GAAP or as indicators of performance or liquidity or cash flows. The Company’s method of calculating these measures may differ from methods used by other entities and accordingly our measures may not be comparable to similarly titled measures used by other entities or in other jurisdictions. The Company uses these measures because it believes they provide useful information to both management and investors with respect to the operating and financial performance of the Company.

ON BEHALF OF

GREAT CANADIAN GAMING CORPORATION

“Original Signed By Milton Woensdregt”

Milton Woensdregt, CA
Chief Financial Officer

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