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**SENECA GAMING CORPORATION RALLIES AGAINST
STRUGGLING ECONOMY BY INVESTING IN EMPLOYEES
*3,700 employees to get \$500 pay raise***

NIAGARA FALLS, NEW YORK – The current economic slowdown is impacting businesses in every industry and people from every walk of life. Talk of cutbacks, layoffs and other cost-saving measures are emanating from companies across the country as answers to an economy where people are paying more than \$4 for a gallon of gasoline, as well as shouldering increased costs for food and nearly every other necessity.

The gaming industry is also feeling the sting, as operators look for ways to keep guests coming back in light of the economic conditions.

Seneca Gaming Corporation is taking a different approach to addressing the current state of the economy.

At its annual team rally gatherings of Seneca Gaming employees at its three casino properties last week, Brian Hansberry, the company's president and CEO, announced that all employees earning less than \$40,000 will receive a \$500 raise effective June 9.

Given that the annual rallies are meant to keep morale high and to thank employees for their dedication, Hansberry's announcement fit the bill.

"We know that a \$500 raise is not going to change anyone's lifestyle," Hansberry said. "But this was a compassionate decision on behalf of our board of directors to help our employees and let them know that we are going to face these economic challenges together with our team in place."

SGC/PAY RAISES

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In all, approximately 3,700 of Seneca Gaming Corporation's nearly 4,300 employees will receive the raise. Staffers from every corner of the operation, from housekeeping to table games dealers, promotions workers to wardrobe staff, were heartened that the company was investing in its people.

"As a board, we could not be more proud of what our patrons experience when they visit our facilities, and it's all because of the treatment they receive from our employees 24 hours a day," Barry E. Snyder, Sr., Chairman of the Seneca Gaming Corporation board of directors, said. "With expenses increasing, we wanted to do something to reinforce to our employees that they are our most valued asset."

In fiscal terms, the raise translates into a more than \$2 million outlay in increased payroll and associated payroll benefits on the company's behalf. That is no small investment at a time when companies in the gaming and hospitality industries are competing for unsure amounts of discretionary spending on behalf of consumers.

Hansberry remains focused on the long-term picture and the importance of keeping a dedicated, hard-working team together in achieving the company's goals. He used a little bit of history to explain the decision to the Seneca Gaming Corporation team.

"I look at what John Kennedy said when he stated that the United States would put a man on the moon by the end of the 1960s," Hansberry explained. "Kennedy said, 'We choose to go to the moon before the end of this decade and to do other things not because they are easy but because they are hard.' As a company, we have set some lofty goals and very high standards for ourselves which can only be achieved through hard work. We want to keep our team strong and working hard together as we continue to grow."

Over the past six years, Seneca Gaming Corporation has been one of the more dynamic companies in the region.

Seneca Niagara Casino opened in a matter of 100 days in 2002, and was followed by Seneca Allegany Casino in 2004 and the temporary Seneca Buffalo Creek Casino in 2007. In all, the company has completed more than \$800 million in construction projects since 2002.

Today, Seneca Gaming Corporation operates more than more than 6,500 slot machines, 140 table games, 800 hotel rooms, ten restaurants and other related amenities at its three properties.

And there is more on the way.

SGC/PAY RAISES

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Construction is currently underway on a second hotel tower at Seneca Allegany Casino & Hotel, which will add up to 200 hotel rooms at the resort. The \$130 million project, which is scheduled to open in mid-2009, is being built in response to the popularity of the existing 212-room hotel at the property, which has seen regular occupancy rates exceeding 96 percent.

Crews are also working on the \$333 million permanent Seneca Buffalo Creek Casino project. Scheduled to open in 2010, the project will feature a 90,000-square-foot casino with 2,000 slot machines and 45 table games, a 22-story all-suites hotel with 206 suites, four restaurants, a full-service spa and salon, attached parking garage and a three-acre public park. The facility is expected to employ more than 1,000 workers and is the single-largest private development project in the history of the city of Buffalo.

In a short time, Seneca Gaming Corporation has become one of the largest and fastest-growing employers in Western New York. Of the company's almost 4,300 employees, more than 60 percent live in the counties where the casinos are located.

"So many of our employees have lived in this area their entire lives and have committed to staying here and raising their families here," Hansberry explained, noting that some employees travel up to 60 miles one way to get to work. "This is the hardest-working group of people I have been around in my 30 years in the gaming industry. We were not going to change at their expense. Rather, we are going to work hard together to make changes that will make us an even stronger team."

Snyder hopes that Seneca Gaming Corporation's decision echoes beyond the walls of Seneca Niagara Casino & Hotel, Seneca Allegany Casino & Hotel and Seneca Buffalo Creek Casino.

"The Seneca Nation is very proud of its long history in this region and determined to be a significant piece of the puzzle that leads to the economic rebirth of Western New York," Snyder said. "I think in making this commitment to our employees, we are reaffirming our commitment to our company's goals and, just as importantly, reaffirming our commitment to Western New York."