

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

**Part I Reporting Issuer**

<b>1</b> Issuer's name		<b>2</b> Issuer's employer identification number (EIN)	
MGM Resorts International, as successor to Yonkers Racing Corporation		88-0215232	
<b>3</b> Name of contact for additional information	<b>4</b> Telephone No. of contact	<b>5</b> Email address of contact	
Shawn Sani	702-632-9810	ssani@mgmresorts.com	
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact		<b>7</b> City, town, or post office, state, and ZIP code of contact	
3950 Las Vegas Blvd South		Las Vegas, NV 89119	
<b>8</b> Date of action		<b>9</b> Classification and description	
1/29/19		Yonkers Racing Corporation Common Stock - Class A and B	
<b>10</b> CUSIP number	<b>11</b> Serial number(s)	<b>12</b> Ticker symbol	<b>13</b> Account number(s)

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

**14** Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ On January 29, 2019, pursuant to the Agreement and Plan of Merger, dated as of May 28, 2018, by and among, but not limited to, MGM Resorts International ("MGM") and Yonkers Racing Corporation ("YRC"), YRC merged with and into MGM Yonkers, Inc. ("MGM Yonkers"), a wholly owned subsidiary of MGM, with MGM Yonkers surviving. Each outstanding share of YRC common stock, par value \$1.00 per share ("YRC common stock") was converted into the right to receive shares of MGM common stock, par value \$0.01 per share ("MGM common stock") plus cash consideration including cash in lieu of fractional shares. Pursuant to the terms of the Agreement, upon closing MGM issued 9,372,336 shares of MGM common stock valued at \$262,054,263 based on a 10-day VWAP of \$27.9604 and paid cash consideration in the amount of \$270,234,973. Total consideration per share of YRC stock was \$4,156.25. Holders of YRC common stock received consideration in the form of MGM common stock and/or cash based upon election procedures and subject to limitations based on the aggregate minimum amount of MGM common stock to be issued as set forth in the Agreement and Plan of Merger.

**15** Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ See attached

**16** Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ The calculation of the change in basis is described in detail in Part II, Box 15 above. The number of shares of MGM common stock that were delivered to holders of YRC common stock was determined using the 10-day VWAP of \$27.9604 per share. The fair market value of each full share of MGM common stock, determined based on an average of the highest and lowest quoted prices on the New York Stock Exchange on January 29, 2019 (\$28.78 and \$28.28, respectively) was \$28.53 as of the effective time of the Merger.

**Part II Organizational Action** (continued)

**17** List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ \_\_\_\_\_  
IRC Sections 354(a), 358(a), 368(a) and 1001.

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**18** Can any resulting loss be recognized? ▶ A holder of YRC common stock that elected to and did actually receive all cash consideration could recognize loss to the extent that such holder's basis in the YRC common stock surrendered exceeded the amount of cash received. The Merger was intended to qualify as a "reorganization" within the meaning of Section 368(a) of the Code. As described in the response to Box 15, if the Merger is respected as a "reorganization" within the meaning of Section 368(a) of the Code, a U.S. holder of YRC Common Stock that elected to and did actually receive some portion or all of the consideration in MGM common stock will not recognize any loss upon receipt of MGM common stock in the Merger, except with respect to cash received in lieu of fractional shares of MGM common stock. A U.S. holder of YRC common stock who receives cash in lieu of a fractional share of MGM common stock in the Merger generally will be treated as having received such fractional share in the Merger and then as having received cash in redemption of such fractional share and may recognize loss as a result of such redemption.

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**19** Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ \_\_\_\_\_  
The Merger (as defined in the attached response to Box 14) was consummated on January 29, 2019. Consequently, the reportable taxable years of holders of Yonkers Racing Corporation ("YRC") Common Stock (as defined in the attached response to Box 14) for reporting the tax effect of the Merger is the taxable year that includes the January 29, 2019 date.

THE INFORMATION CONTAINED HEREIN DOES NOT CONSTITUTE TAX ADVICE AND DOES NOT PURPORT TO BE COMPLETE OR TO DESCRIBE THE CONSEQUENCES THAT MAY APPLY TO CERTAIN CATEGORIES OF SHAREHOLDERS. FORMER HOLDERS OF YRC COMMON STOCK ARE URGED TO CONSULT WITH THEIR OWN TAX ADVISORS WITH RESPECT TO THEIR INDIVIDUAL TAX CONSEQUENCES OF THE MERGER.

PROTECTIVE FILING, ISSUER UNCERTAIN WHETHER THE MERGER "AFFECTS" HOLDERS' BASIS IN SHARES OF YRC COMMON STOCK SINCE BASIS CARRIED OVER TO SHARES OF MGM RESORTS INTERNATIONAL COMMON STOCK.

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Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here** Signature ▶  Date ▶ 3/15/2019

<b>Paid Preparer Use Only</b>	Print your name ▶ <u>Shawn Sani</u>	Preparer's signature	Title ▶ <u>Senior Vice President - Taxes</u>	Check <input type="checkbox"/> if self-employed	PTIN
	Print/Type preparer's name		Date	Firm's EIN ▶	
	Firm's name ▶			Phone no.	

**MGM Resorts International, as successor to Yonkers Racing Corporation**  
**EIN 88-0215232**  
**Attachment to Form 8937**

**Form 8937, Part II, Box 15:**

The information contained herein does not constitute tax advice and does not purport to be complete or to describe the consequences that may apply to certain categories of shareholders.

The Merger was intended to qualify as a “reorganization” within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the “Code”). No ruling from the Internal Revenue Service has been requested or is intended to be obtained as to the United States federal income tax consequences of the Merger. Assuming the Merger constitutes a reorganization, with respect to holders of YRC common stock that are U.S. taxpayers not in a special class of holders subject to special rules:

- A U.S. holder of YRC common stock that elected to and did actually receive some portion or all of the consideration in MGM common stock will recognize gain (but not loss) in an amount equal to the lesser of (1) the amount by which the sum of the fair market value of the MGM common stock and cash received by a holder of YRC common stock exceeds such holder’s tax basis in its YRC common stock, and (2) the amount of cash received by such holder of YRC common stock, in each case excluding any cash received in lieu of fractional share interests in MGM common stock, which shall be treated as described below; and
- The aggregate tax basis of the MGM common stock received in the Merger (including any fractional share interests in MGM common stock deemed received and exchanged for cash, as discussed below) will be the same as the aggregate tax basis of the YRC common stock for which it is exchanged, decreased by the amount of cash received in the Merger (excluding any cash received instead of fractional share interests in MGM common stock), and increased by the amount of gain recognized on the exchange (regardless of whether such gain is classified as capital gain or dividend income), excluding any gain recognized with respect to fractional share interests in MGM common stock for which cash is received, as discussed below.

If holders of YRC common stock acquired different blocks of YRC common stock at different times or at different prices, any gain will be determined separately with respect to each block of YRC common stock and such holders’ basis in their shares of MGM common stock may be determined with reference to each block of YRC common stock.

A holder of YRC common stock who receives cash instead of a fractional share of MGM common stock will generally be treated as having received the fractional share pursuant to the Merger and then as having sold to MGM that fractional share of MGM common stock for cash. As a result, a holder of YRC common stock will generally recognize gain or loss equal to the difference between the amount of cash received and the tax basis allocated to such fractional share of MGM common stock.

A holder of YRC common stock that elected to and did actually receive all cash consideration will recognize gain or loss equal to the difference between the fair market value of the cash consideration received and the tax basis of the YRC common stock surrendered.