

MGM MIRAGE Reports Third Consecutive Year of Accomplishments in Its Diversity Initiative

4/20/2004

PRNewswire-FirstCall

LAS VEGAS

The gaming industry's first company to launch a formal diversity initiative today reported its latest accomplishments at a meeting attended by more than 400 suppliers, contractors, diversity partners, company executives, business and community leaders. In delivering his third annual diversity address, Terry Lanni, Chairman and CEO of MGM MIRAGE (NYSE: MGG), reported significant incremental progress in the strategic areas of employment, purchasing, construction, sales, diversity relations and philanthropy related to its diversity efforts.

"2003 was another year of steady progress, solid accomplishment and national recognition for our Diversity Initiative," said Mr. Lanni. "We made significant progress in 2003 toward our three key long-term priorities. Leadership across all operational functions is more engaged, focused and accountable, solidifying an infrastructure that will sustain our diversity imperative far into the future. Advancements and refinements to our business systems and processes are now beginning to reinforce and institutionalize our diversity commitment. Finally, and most noteworthy, the men and women of MGM MIRAGE are becoming more engaged and active in our Diversity Initiative."

"The plain fact is, to take our company to even greater heights in our ever-more competitive global industry, we cannot afford to ignore talent in whomever may demonstrate it. Thus, our goal in diversity is to include and accept qualified talent in all of its myriad forms, not to exclude anyone. Applying diverse ideas, diverse opinions and diverse approaches to our many business disciplines can only boost our competitive advantage in the marketplace of the world," added Mr. Lanni.

The following are some of the key results of the Initiative for 2003:

In the area of human resources, the Company's workforce continued to reflect the rich diversity of society, and MGM MIRAGE continues to be an employer of choice for people of all ethnic backgrounds. The Company reported it had

more than 41 thousand employees on December 31, 2003. The representation of minority employees in 2003 rose slightly to 52.52 percent of the total workforce, above the 2002 level of 51.65 percent. In 2003, the number of Hispanic, Asian-American and Native American employees in the Company's ranks increased. "Greater diversity in our management ranks is a significant objective for our company. I am pleased to note that at year-end 2003, our management corps registered almost seven percent more minority managers than in 2002," Mr. Lanni noted.

In the area of recruitment, the Company in 2003 commenced an innovative, long-term recruiting partnership with the University of Nevada Las Vegas College of Hotel Administration to help attract and graduate greater numbers of qualified minority students to prepare them to become the next generation of talent for management positions at MGM MIRAGE. The Company committed \$500,000 for the establishment of a Minority Recruitment Fund and Minority Scholarship Fund, in addition to providing support in the areas of scholarships, student internships, mentoring and professor externships.

In tandem with the Company's expanded recruitment outreach, a new recruitment campaign entitled "The World Works Here" was unveiled. The campaign showcases the broad diversity of the MGM MIRAGE workforce and the breadth of employment opportunities available at the Company. The Company also created a new full-time Human Resources position of College Relations Manager, responsible for developing collaborations with colleges and universities from around the country as a means to enrich the pipeline of qualified employees. In 2003, three new partnerships were initiated with North Carolina Central University in Durham, NC; Fort Valley State University in Fort Valley, GA; and, Northern Arizona University in Flagstaff, AZ to serve as fertile sources of candidates for positions with MGM MIRAGE.

REACH, a groundbreaking collaboration among MGM MIRAGE, Nevada Partners and the Culinary Training Academy, was launched as a six-month professional development program designed to equip high-potential, front-line employees with the skills necessary to compete for the first-level management position of supervisor. Twenty employees graduated in the first REACH class last December, 70 percent of whom were minorities and 60 percent of whom were women, and nine REACH participants successfully vied for promotion during and immediately after completing the program. "We know that taking the first step -- from the front lines into a supervisory position -- can be a challenging transition," said Mr. Lanni. "Our ability to prepare and empower these employees to grow with us will ultimately give us greater bench strength and put us in a stronger position to meet the needs of our continued growth."

A substantial number of minority and women participants graduated in 2003 from other management development programs, including the company-wide Management Associate Program (MAP), Primm Valley's Take Flight Program, the Leadership Institute at MGM Grand and New York-New York, and the Mirage Resorts Executive Leadership Program. "We are confident that, over time, the combination of our vigorous external recruitment and

internal development initiatives will increase the pipeline of qualified candidates, of all types, who are eligible for leadership positions within our Company," Mr. Lanni noted.

In 2003, the MGM MIRAGE crossed another threshold in Human Resources with the continued implementation of its company-wide diversity education plan. Four thousand supervisors and managers representing the Company's Nevada, Mississippi and Michigan properties completed diversity management training, which began in 2002, and additionally 85 employees completed 40-hour sessions to be certified as "diversity champions," which expands the internal team to more than 200 employees responsible for championing diversity through education to all supervisory and up employees. In addition, more than 850 employees representing corporate retail, security and purchasing departments completed customized diversity training tailored to particular job functions.

In the areas of advertising, sales and public relations functions, the Company in 2003 saw significant research and exploration of ways of achieving the ultimate objective of branding MGM MIRAGE hotel-casinos as the destinations of choice for minority, ethnic, women and gay-lesbian travelers across the U.S. and abroad. All of the Company's properties initiated the process of reaching out to these emerging markets.

The MGM Grand Las Vegas marketed its hotel and conference facilities to meeting and convention groups in multicultural market segments. In another gaming-industry first, MGM Grand pioneered a collaboration with the Multicultural Advisory Council (MAC), a voluntary cross-cultural group of association executives and business leaders representing a wide spectrum of associations and ethnic media outlets aimed at exploring new approaches to meet the demands of multicultural convention and leisure group consumers. These efforts resulted in MGM Grand contracting almost 9,000 room nights by more than 40 target groups, including the 100 Black Men of America National Convention and the U.S. Hispanic Chamber of Commerce Executive Committee. Currently, the MGM Grand is preparing for the 47th Annual Convention this July of Delta Sigma Theta, the largest African-American sorority in the nation. This will mark the Delta's first meeting in Las Vegas, with an anticipated record registration of 15,000 attendees.

In purchasing, the Company in 2003 focused on further internal infrastructure and process improvements related to the usage of goods and services from qualified minority, women and disadvantaged-owned business enterprises (MBEs, WBEs, DBEs). Significant among these was the enhancement of the Company's supplier diversity website, www.mgmmiragediversity.com, making it easier for MBEs, WBEs and DBEs to register and gain access to bid solicitations by corporate and hotel-casino purchasing departments. MGM MIRAGE also redoubled efforts to expand MBE, WBE and DBE business participation with the supplier base. Aside from attending conferences and trade shows of minority trade organizations, the Company adopted a formal policy requiring that company buyers include such businesses among candidates for all commodity purchases over \$1,000.

As a result, MGM MIRAGE purchasing results continue with an upward trend. In 2003, the company spent \$766.1

million in biddable goods, services and commodities. Of this, almost \$66 million was spent with MBEs, WBEs and DBEs, a slight increase over the comparable spend of \$65 million in 2002. The distribution of dollars included 47.3 percent with Asian-owned firms; 30.4 percent with African-American-owned companies; 19.0 percent with Hispanic enterprises; and, 3.3 percent with firms owned by Native Americans.

MGM MIRAGE in 2003 implemented a historic policy in its construction operation in which no construction bid would be accepted without an MBE, WBE or DBE component. As a result, general contractors working on MGM MIRAGE projects have identified, included and mentored smaller MBE, WBE and DBE firms working on these projects. Thus, construction results last year demonstrated a dramatic increase over 2002 expenditures. In 2003, the Company reported its total spend on projects was \$308.6 million, of which \$37 million was spent with MBEs, WBEs, DBEs on projects compared to under \$13 million in 2002. Two factors accounting for this upswing included the Company work on several major construction projects, including the new Bellagio Spa Tower, and second, a greater number of MBE, WBE and DBE businesses participating in projects.

The Company's construction expenditures by ethnicity represented 65.77 percent was spent with Hispanic firms; 25.75 percent with African-American; 2.95 percent with Native American; and 1.78 percent with Asian-American businesses.

"In 2004, we plan to take another leap in the integration of MBEs, WBEs and DBEs into our construction projects," Mr. Lanni said. "On selected projects, we plan to team up a minority general contractor with a majority general contractor through all phases of the project -- from concept and design through completion of construction. By partnering such companies together, we believe MBE, WBE and DBE contractors will more rapidly develop expertise in managing larger projects for our Company."

At MGM MIRAGE, diversity relations with local and national organizations and constituencies across the country are paramount to extending the network of external relationships with many different types of organizations nationwide. In 2003, the Company built new relationships and worked to fortify those already in existence. To that end, MGM MIRAGE attended and sponsored more than 25 conventions, conferences and trade shows. These included the League of Latin American Citizens, NAACP, National Urban League, Organization of Chinese Americans, U.S. Hispanic Chamber of Commerce, Women's Business Enterprise Council and the National Minority Supplier Development Council. In mid-September of this year, Lanni will serve as co-chair of the U.S. Hispanic Chamber of Commerce's 25th Annual Convention to be held in Austin, Texas.

In philanthropy, MGM MIRAGE continues to make diversity an essential criterion of the MGM MIRAGE Charitable Giving Program, the Company's primary philanthropic fund. The program concentrates on support of the communities where the Company's employees live, work and care for their families. MGM MIRAGE's three primary

funding priorities are childhood development, community development and education, inherently supporting minority and disadvantaged communities. In 2003, MGM MIRAGE donated almost \$3.3 million to charitable organizations and projects in the communities where the Company operates. Thirty-five percent of its corporate philanthropic contributions supported programs and organizations that also advanced diversity initiatives, compared with 25 percent in 2002.

In addition, MGM MIRAGE employees contributed \$2.9 million to the MGM MIRAGE Voice Foundation, a non-profit entity that disburses employee donations to charitable organizations in Nevada, Michigan and Mississippi. Employees also made the decisions as to which charities to fund, and 56 percent of the money granted supported programs and organizations in minority and disadvantaged communities. "Strengthening the communities in which we do business strengthens our employees and their families and, in turn, strengthens our Company," Mr. Lanni noted.

About MGM MIRAGE:

MGM MIRAGE (NYSE: MGG), one of the world's leading and most respected hotel and gaming companies, owns and operates 12 casino resorts located in Nevada, Mississippi, Michigan and Australia, and has investments in two other casino resorts in Nevada and New Jersey. The company is headquartered in Las Vegas, Nevada, and offers an unmatched collection of casino resorts with a limitless range of choices for guests. Guest satisfaction is paramount, and the company has approximately 40,000 employees committed to that result. Its portfolio of brands include AAA Five Diamond award winner Bellagio, MGM Grand Las Vegas - The City of Entertainment, The Mirage, Treasure Island ("TI"), New York - New York, Boardwalk Hotel and Casino and 50 percent of Monte Carlo, all located on the Las Vegas Strip; Whiskey Pete's, Buffalo Bill's, Primm Valley Resort and two championship golf courses at the California/Nevada state line; the exclusive Shadow Creek golf course in North Las Vegas; Beau Rivage on the Mississippi Gulf Coast; and MGM Grand Detroit Casino in Detroit, Michigan. The Company is a 50-percent owner of Borgata, a destination casino resort at Renaissance Pointe in Atlantic City, New Jersey. Internationally, MGM MIRAGE also owns a 25 percent interest in Triangle Casino, a local casino in Bristol, UK. The Company has entered an agreement to sell MGM Grand Australia in Darwin, Australia pending finalization. For more information about MGM MIRAGE, please visit the company's website at <http://www.mgmmirage.com/>.

SOURCE: MGM MIRAGE

CONTACT: Shelley Mansholt, VP of Corporate Communications, MGM MIRAGE,
+1-702-650-7409, smansholt@mgmmirage.com

Web site: <http://www.mgmmiragediversity.com/>

Web site: <http://www.mgmmirage.com/>

Company News On-Call: <http://www.prnewswire.com/comp/000725.html>