

MGM MIRAGE to Take Strategic Steps to Actively Pursue Growth Opportunities

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LAS VEGAS

MGM MIRAGE (NYSE: MGG) today announced that as a result of anticipated expansion of gaming in numerous jurisdictions, it was stepping up its strategic efforts to be positioned to take advantage of such opportunities.

The Board of Directors of MGM MIRAGE has decided to direct its considerable excess free cash flow to improve its market leading position at its resorts in Las Vegas, Detroit and Biloxi as well as to employ greater emphasis in achieving the company's objective of strengthening its balance sheet and repurchasing shares. The company will temporarily suspend development activities on a yet-to-be-named resort on land it owns at Renaissance Pointe in Atlantic City. The reduction in projected capital expenditures in Atlantic City should result in a material increase in free cash flow for debt reduction and share repurchases and to actively pursue growth opportunities as they materialize.

"We remain extremely excited about Borgata, our 50%-owned resort in Atlantic City and its financial potential," said MGM MIRAGE Chairman and CEO Terry Lanni. "This exquisite resort continues to remain on schedule and on budget for a summer 2003 opening. Atlantic City is a vibrant market with an assured path for growth. Over the next few years more than 3,000 new rooms (including Borgata's 2,010 luxurious guestrooms) with exciting new amenities will improve the market as Atlantic City makes the transition, with Borgata, to a destination resort," Lanni said.

"Our Company has a very disciplined approach to decision-making. In light of a very dynamic near term outlook, it is essential that MGM MIRAGE have the ability to move aggressively when the right opportunities arise. Now that the extremely successful merger of MGM Grand and Mirage Resorts is well behind us, we have expanded MGM MIRAGE Development and recently formed MGM MIRAGE Online as corporate vehicles to explore this growth," Lanni noted.

"Gaming is likely to expand overseas, as well as in several U.S. states and on Native American lands. As the highest

quality company with substantial management and financial resources, we intend to participate in this growth," Lanni said.

As a result of this action, MGM MIRAGE also announced that effective immediately it is suspending the capitalization of interest associated with the development of its wholly-owned project at Renaissance Pointe in Atlantic City and will expense such interest until the development process for this project recommences. This action will have no impact on operating cash flow (EBITDA) but will reduce net earnings. The capitalization of such interest has benefited earnings per share by \$.05 per quarter during the first nine months of 2002.

MGM MIRAGE is an entertainment, hotel and gaming company headquartered in Las Vegas, Nevada, which owns and/or operates through subsidiaries 15 casino properties. Its U.S. holdings include: Bellagio, the MGM Grand Hotel and Casino - The City of Entertainment, The Mirage, Treasure Island, New York - New York Hotel and Casino, the Boardwalk Hotel and Casino and 50% of Monte Carlo, all located on the Las Vegas Strip; the Golden Nugget in Downtown Las Vegas; Whiskey Pete's, Buffalo Bill's, the Primm Valley Resort and two championship golf courses at the California/Nevada state line; the exclusive Shadow Creek golf course in North Las Vegas; the Golden Nugget in Laughlin, Nevada; the Beau Rivage resort on the Mississippi Gulf Coast; and the MGM Grand Detroit Casino in Detroit, Michigan. The Company is a joint venture partner in Borgata at Renaissance Pointe, a resort under development in Atlantic City, New Jersey. Internationally, MGM MIRAGE owns and operates the MGM Grand Hotel and Casino in Darwin, Australia.

For more information on MGM MIRAGE and its operating subsidiaries, visit our website at www.mgmmirage.com.

Statements in this release which are not historical facts are "forward looking" statements and "safe harbor statements" under the Private Securities Litigation Reform Act of 1995 that involve risks and/or uncertainties, including risks and/or uncertainties as described in the company's public filings with the Securities and Exchange Commission.

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