

MGM Resorts International Announces Closing Of MGM Growth Properties LLC Formation And Related Financing Transactions

4/25/2016

LAS VEGAS, April 25, 2016 /PRNewswire/ -- MGM Resorts International (NYSE: MGM) (the "Company") today announced that it has completed the formation transactions to establish its subsidiary, MGM Growth Properties LLC (NYSE: MGP, "MGP"), as a publicly traded real estate investment trust, or REIT (the "Formation Transactions").

In connection with the Formation Transactions, the Company entered into a new amended and restated credit agreement and notified holders that it will redeem for cash all \$1.23 billion aggregate principal amount of its outstanding 7.50% Senior Notes due 2016 and its 10% Senior Notes due 2016 in accordance with the terms of the applicable indenture. The Company's new credit facility is comprised of a \$1.2 billion revolving credit facility and a \$250 million term loan A facility and replaces in its entirety its prior credit agreement.

"The successful completion of creating this publicly traded premier triple-net lease REIT has allowed MGM Resorts to highlight the significant long term value in our real estate assets, strengthen our balance sheet and financial flexibility, and ultimately create sustainable shareholder value," said Jim Murren, Chairman and Chief Executive Officer of MGM Resorts International. "We have achieved a historic milestone at MGM Resorts, and we look forward to working with MGP to further solidify our position as the leader in entertainment, gaming, and hospitality.

MGP closed its initial public offering of 57,500,000 Class A common shares representing limited liability company interests (the "Class A shares") (inclusive of the full exercise by the underwriters of their option to purchase 7,500,000 Class A shares) at a public offering price of \$21.00 per share (the "IPO") for proceeds of approximately \$1.1 billion, after deducting underwriting discounts and estimated offering expenses, which were used to purchase operating partnership units in a newly formed operating partnership (the "Operating Partnership") that acquired the real estate associated with Mandalay Bay, The Mirage, New York-New York, Luxor, Monte Carlo, Excalibur, The Park, MGM Grand Detroit, Beau Rivage and Gold Strike Tunica from the Company (the "Contributed Properties"). The Company will hold a 73% economic interest in the Operating Partnership and the single Class B share of MGP, which represents a majority of the total voting power of MGP's shares.

In connection with the Formation Transactions, the Operating Partnership assumed approximately \$4.0 billion of bridge facility indebtedness from the Company, which the Operating Partnership repaid with the proceeds of the IPO and certain debt financings that were entered into by the Operating Partnership on April 25, 2016. Also in connection with the Formation Transactions, a subsidiary of the Company entered into a master lease with MGP with respect to the Contributed Properties. In addition, the Company entered into a corporate services agreement and other related agreements to provide MGP with financial, administrative and operational services and a royalty-free intellectual property license agreement with respect to the use of the "MGM" name, trademark and logo.

BofA Merrill Lynch, J.P. Morgan, Morgan Stanley and Evercore ISI acted as joint lead book-running managers in MGP's IPO. Barclays, Citigroup and Deutsche Bank Securities Inc. acted as book-running managers in the IPO. BNP Paribas, Fifth Third Securities, SMBC Nikko, SunTrust Robinson Humphrey, Credit Agricole CIB, Union Gaming, Scotiabank and Oppenheimer & Co. Inc. acted as co-managers in the IPO.

A registration statement relating to MGP's Class A shares was declared effective by the Securities and Exchange Commission. This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

The offering was made only by means of a prospectus. A copy of the final prospectus related to the IPO may be obtained from: BofA Merrill Lynch, 222 Broadway, New York, NY 10038, Attn: Prospectus Department, E-mail: dg.prospectus_requests@bamf.com; J.P. Morgan Securities LLC, c/o Broadridge Financial Solutions, 1155 Long Island Avenue, Edgewood, New York 11717, Telephone: (888) 803-9204; Morgan Stanley & Co. LLC, 180 Varick Street, 2nd Floor, New York, NY 10014, Attn: Prospectus Department; and Evercore Group L.L.C., 55 East 52nd Street, 36th Floor, New York, New York 10055, Attention: Equity Capital Markets. Toll-free: 1-888-387-3135, E-mail: ecm.prospectus@evercore.com.

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Statements in this release that are not historical facts are "forward-looking" statements and "safe harbor statements" within the meaning of the Private Securities Litigation Reform Act of 1995 that involve risks and/or uncertainties, including those described in the Company's public filings with the Securities and Exchange Commission. The Company has based forward-looking statements on management's current expectations and assumptions and not on historical facts. These forward-looking statements involve a number of risks and uncertainties. Among the important factors that could cause actual results to differ materially from those indicated in such forward-looking statements include effects of economic conditions and market conditions in the markets in which the Company operates and competition with other destination travel locations throughout the United States

and the world, the design, timing and costs of expansion projects, risks relating to international operations, permits, licenses, financings, approvals and other contingencies in connection with growth in new or existing jurisdictions and additional risks and uncertainties described in the Company's Form 10-K, Form 10-Q and Form 8-K reports (including all amendments to those reports). In providing forward-looking statements, the Company is not undertaking any duty or obligation to update these statements publicly as a result of new information, future events or otherwise, except as required by law. If the Company updates one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those other forward-looking statements.

SOURCE MGM Resorts International

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