



MGM RESORTS INTERNATIONAL
SUPPLEMENTAL SLIDES – REVENUE RECOGNITION

2018

MGM RESORTS INTERNATIONAL

NEW REVENUE RECOGNITION ACCOUNTING STANDARD

- As disclosed in our filings with the SEC, the FASB has issued a new revenue recognition standard effective for 1Q 2018
- **What changed?**
 - The gaming industry no longer presents gross revenues less promotional allowances to arrive at net revenue
 - Promotional allowances have been netted against revenue (primarily casino revenue) to present net revenue by financial statement line item
 - Certain changes, including changes in accounting guidance related to loyalty program accounting and gaming promoter incentive programs, have impacted classification of revenues and expenses, but had **no material impact to Adjusted EBITDA or net income**
 - RevPAR and related hotel metrics have been impacted by changes related to the classification of hotel revenue
- Following adoption as of January 1, 2018, we restated our annual financial statement for 2017, 2016 and 2015 to ensure comparative information is available, portions of which are included on the slides that follow

NEW REVENUE RECOGNITION – HOTEL STATS

2017 Las Vegas Strip properties hotel stats calculated under new revenue recognition accounting standard

	<u>1Q17</u>		<u>2Q17</u>		<u>3Q17</u>		<u>4Q17</u>	
	<u>Old</u>	<u>New</u>	<u>Old</u>	<u>New</u>	<u>Old</u>	<u>New</u>	<u>Old</u>	<u>New</u>
Occupancy	91.0%	91.0%	94.0%	94.0%	95.5%	95.5%	85.2%	85.2%
ADR	\$176.35	\$172.00	\$160.54	\$155.58	\$163.65	\$159.62	\$157.52	\$152.75
RevPAR	\$160.56	\$156.60	\$150.90	\$146.23	\$156.26	\$152.41	\$134.28	\$130.22

NEW REVENUE RECOGNITION – PROPERTY REVENUES

2017 net revenues under new revenue recognition accounting standard

MGM RESORTS INTERNATIONAL AND SUBSIDIARIES - REV REC RESTATED SUPPLEMENTAL DATA - NET REVENUES (In thousands) (Unaudited)

	Q1 31-Mar-17	Q2 30-Jun-17	Q3 30-Sep-17	Q4 31-Dec-17	YTD 31-Dec-17
Bellagio	\$ 347,418	\$ 318,451	\$ 380,374	\$ 319,328	\$ 1,365,571
MGM Grand Las Vegas	272,986	304,842	311,193	290,660	1,179,681
Mandalay Bay	260,895	252,576	277,205	191,604	982,280
The Mirage	175,986	150,531	162,082	140,898	629,497
Luxor	102,775	102,592	110,838	88,852	405,057
New York-New York	91,067	89,584	92,319	89,994	362,964
Excalibur	79,904	83,791	88,106	73,853	325,654
Monte Carlo	73,412	65,885	57,824	44,457	241,578
Circus Circus Las Vegas	59,245	62,578	75,352	56,666	253,841
MGM Grand Detroit	143,982	142,753	140,191	143,403	570,329
Beau Rivage	91,648	97,125	100,351	92,150	381,274
Gold Strike Tunica	43,437	42,643	44,906	42,065	173,051
Borgata	205,595	213,791	245,930	199,680	864,996
National Harbor	173,615	178,246	180,310	187,899	720,070
Domestic resorts	2,121,965	2,105,388	2,266,981	1,961,509	8,455,843
MGM China	475,416	423,911	442,065	516,768	1,858,160
Management and other operations	120,185	122,834	121,129	119,328	483,476
	\$ 2,717,566	\$ 2,652,133	\$ 2,830,175	\$ 2,597,605	\$ 10,797,479

Quarterly amounts are unaudited

NEW REVENUE RECOGNITION – ADJUSTED PROPERTY EBITDA

2017 adjusted property EBITDA under new revenue recognition accounting standard

MGM RESORTS INTERNATIONAL AND SUBSIDIARIES SUPPLEMENTAL DATA - ADJUSTED PROPERTY EBITDA (In thousands) (Unaudited)

	Q1 31-Mar-17	Q2 30-Jun-17	Q3 30-Sep-17	Q4 31-Dec-17	YTD 31-Dec-17
Bellagio	\$ 129,341	\$ 111,221	\$ 157,289	\$ 107,885	\$ 505,736
MGM Grand Las Vegas	73,742	94,342	85,930	90,671	344,685
Mandalay Bay	78,172	68,332	84,012	27,955	258,471
The Mirage	62,178	38,814	45,988	30,016	176,996
Luxor	32,815	32,932	36,958	23,945	126,650
New York-New York	33,910	33,166	35,734	32,226	135,036
Excalibur	28,792	28,685	33,095	22,989	113,561
Monte Carlo	22,435	16,762	9,419	575	49,191
Circus Circus Las Vegas	15,947	16,236	25,537	12,554	70,274
MGM Grand Detroit	43,820	45,183	42,189	45,088	176,280
Beau Rivage	20,286	21,210	27,530	18,752	87,778
Gold Strike Tunica	14,478	13,070	13,540	11,794	52,882
Borgata	59,417	100,087	77,746	43,920	281,170
National Harbor	31,864	36,859	37,408	27,675	133,806
Domestic resorts	647,197	656,899	712,375	496,045	2,512,516
MGM China	145,197	118,906	121,116	150,305	535,524
Unconsolidated resorts (2)	39,766	40,639	37,790	28,027	146,222
Management and other operations	10,718	8,693	4,340	3,087	26,838
	\$ 842,878	\$ 825,137	\$ 875,621	\$ 677,464	\$ 3,221,100

Quarterly amounts are unaudited

NEW REVENUE RECOGNITION- STATEMENT OF OPERATIONS

MGM RESORTS INTERNATIONAL AND SUBSIDIARIES - REV REC RESTATED
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share data)
(Unaudited)

	Q1 31-Mar-17	Q2 30-Jun-17	Q3 30-Sep-17	Q4 31-Dec-17	YTD 31-Dec-17
Revenues:					
Casino	\$ 1,271,474	\$ 1,172,758	\$ 1,283,049	\$ 1,289,145	\$ 5,016,426
Rooms	558,812	541,755	572,994	479,180	2,152,741
Food and beverage	469,336	485,098	503,623	413,912	1,871,969
Entertainment, retail and other	317,729	353,230	368,128	315,214	1,354,301
Reimbursed costs	100,215	99,292	102,381	100,154	402,042
	<u>2,717,566</u>	<u>2,652,133</u>	<u>2,830,175</u>	<u>2,597,605</u>	<u>10,797,479</u>
Expenses:					
Casino	666,935	627,361	674,959	704,142	2,673,397
Rooms	188,669	187,116	192,663	180,499	748,947
Food and beverage	353,162	363,011	373,956	324,482	1,414,611
Entertainment, retail and other	223,389	243,836	254,113	232,787	954,125
Reimbursed costs	100,215	99,292	102,381	100,154	402,042
General and administrative	388,788	354,349	402,023	414,415	1,559,575
Corporate expense	73,132	79,448	88,506	115,786	356,872
NV Energy exit expense	-	(40,629)	-	-	(40,629)
Preopening and start-up expenses	15,066	21,093	29,349	52,967	118,475
Property transactions, net	1,696	13,243	7,711	27,629	50,279
Depreciation and amortization	249,769	244,754	249,600	249,357	993,480
	<u>2,260,821</u>	<u>2,192,874</u>	<u>2,375,261</u>	<u>2,402,218</u>	<u>9,231,174</u>
Income from unconsolidated affiliates	<u>39,766</u>	<u>40,639</u>	<u>37,790</u>	<u>28,027</u>	<u>146,222</u>
Operating income	<u>496,511</u>	<u>499,898</u>	<u>492,704</u>	<u>223,414</u>	<u>1,712,527</u>
Non-operating income (expense):					
Interest expense, net of amounts capitalized	(174,059)	(174,058)	(163,287)	(157,341)	(668,745)
Non-operating items from unconsolidated affiliates	(6,921)	(10,556)	(8,825)	(8,449)	(34,751)
Other, net	(817)	(751)	(30,138)	(16,535)	(48,241)
	<u>(181,797)</u>	<u>(185,365)</u>	<u>(202,250)</u>	<u>(182,325)</u>	<u>(751,737)</u>
Income before income taxes	<u>314,714</u>	<u>314,533</u>	<u>290,454</u>	<u>41,089</u>	<u>960,790</u>
Benefit (provision) for income taxes	<u>(62,140)</u>	<u>(73,660)</u>	<u>(114,710)</u>	<u>1,377,904</u>	<u>1,127,394</u>
Net income	<u>252,574</u>	<u>240,873</u>	<u>175,744</u>	<u>1,418,993</u>	<u>2,088,184</u>
Less: Net income attributable to noncontrolling interests	<u>(46,162)</u>	<u>(31,009)</u>	<u>(27,381)</u>	<u>(31,580)</u>	<u>(136,132)</u>
Net income attributable to MGM Resorts International	<u>\$ 206,412</u>	<u>\$ 209,864</u>	<u>\$ 148,363</u>	<u>\$ 1,387,413</u>	<u>\$ 1,952,052</u>
Earnings per share:					
Basic	\$ 0.36	\$ 0.36	\$ 0.26	\$ 2.42	\$ 3.38
Diluted	\$ 0.36	\$ 0.36	\$ 0.26	\$ 2.39	\$ 3.34
Weighted average common shares outstanding:					
Basic	574,403	574,931	573,527	566,289	572,253
Diluted	580,165	582,056	580,676	572,420	578,795