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**美高梅中國控股有限公司**  
**MGM China Holdings Limited**

**MGM CHINA HOLDINGS LIMITED**

**美高梅中國控股有限公司**

*(incorporated in the Cayman Islands with limited liability)*

(Stock Code: 2282)

**INSIDE INFORMATION**

**UNAUDITED RESULTS FOR THE SECOND QUARTER AND THE FIRST  
HALF OF FISCAL 2015 OF MGM RESORTS INTERNATIONAL,  
OUR CONTROLLING SHAREHOLDER**

This is an announcement made pursuant to the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571) and Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Our controlling shareholder, MGM Resorts International has, on or about 4 August 2015 (8:15 a.m., New York time), released its unaudited results for the second quarter and first half of fiscal 2015 which contain financial information about MGM China Holdings Limited prepared and presented herein under Generally Accepted Accounting Principles of the United States.

This is an announcement made by MGM China Holdings Limited (“we” or “MGM China”) pursuant to the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571) and Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“HKSE”).

MGM China’s controlling shareholder, MGM Resorts International, is a company listed on the New York Stock Exchange in the United States. As at the date of this announcement, MGM Resorts International beneficially owns 51% of the issued share capital of MGM China.

MGM Resorts International has, on or about 4 August 2015 (8:15 a.m., New York time), released its unaudited results for the second quarter and the first half of fiscal 2015 (the “Earnings Release”). If you wish to review the Earnings Release prepared by MGM Resorts International and as filed with the United States Securities and Exchange Commission, please visit <http://www.sec.gov/cgi-bin/browse-edgar?action=getcompany&CIK=0000789570&owner=exclude&count=40&hidefilings=0>. The Earnings Release contains financial information about MGM China which is available in the public domain.

The unaudited consolidated financial results of MGM Resorts International, including those contained in the Earnings Release, have been prepared in accordance with the Generally Accepted Accounting Principles of the United States (“US GAAP”), which are different from International Financial Reporting Standards (“IFRS”), which, as a company listed on the Main Board of HKSE, we use to prepare and present the financial information of MGM China.

The unaudited consolidated financial results of MGM Resorts International for the second quarter and the first half of fiscal 2015 included in the Earnings Release include the effect of its consolidation of MGM China, including purchase price adjustments and certain other adjustments to reflect the financial information of MGM China in accordance with US GAAP. As such, the financial information of MGM China in the Earnings Release is not directly comparable to the unaudited consolidated financial results to be disclosed by MGM China prepared in accordance with IFRS. The following table summarizes the reconciliation of the information of MGM China presented in the Earnings Release under US GAAP to the unaudited operating profit of MGM China under IFRS as a result of the abovementioned adjustments. (Note: The amounts are presented here in Hong Kong dollars at the exchange rates at the time of individual transactions during the relevant period.)

	<b>Three Months Ended 30 June 2015 <i>HK\$’000</i> (unaudited)</b>	<b>Six Months Ended 30 June 2015 <i>HK\$’000</i> (unaudited)</b>
<b>Operating income under US GAAP</b>	<b>446,571</b>	<b>1,007,829</b>
Add:		
Purchase price adjustments, net	<b>345,236</b>	<b>713,296</b>
Other adjustments, net	<b>10,623</b>	<b>21,676</b>
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<b>Operating profit under IFRS</b>	<b>802,430</b>	<b>1,742,801</b>
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	Three Months Ended		Six Months Ended	
	30 June 2015 <i>HK\$'000</i> (unaudited)	30 June 2014 <i>HK\$'000</i> (unaudited)	30 June 2015 <i>HK\$'000</i> (unaudited)	30 June 2014 <i>HK\$'000</i> (unaudited)
<b>Total revenue</b>	<b>4,316,804</b>	6,418,967	<b>9,203,600</b>	13,723,878
<b>Adjusted EBITDA <sup>(1)</sup></b>	<b>1,149,057</b>	1,785,602	<b>2,435,753</b>	3,817,633

*Note:*

<sup>(1)</sup> Adjusted EBITDA is profit before finance costs, taxation, depreciation and amortization, interest income, net foreign currency difference, share-based payments, pre-opening costs, corporate expenses which mainly include administrative expenses of the corporate office and license fee paid to a related company, and property charges and other non-recurring expenses. Adjusted EBITDA is used by management as the primary measure of the Group's operating performance and to compare our operating performance with that of our competitors. During the current period, management included the corporate expenses as one of the reconciliation items and corresponding adjustments were made to the 2014 comparative amounts. Adjusted EBITDA should not be considered in isolation, construed as an alternative to profit or operating profit as reported under IFRS or other combined operations or cash flow data, or interpreted as an alternative to cash flow as a measure of liquidity. Adjusted EBITDA presented in this report may not be comparable to other similarly titled measures of other companies operating in the gaming or other business sectors.

**Our shareholders and potential investors are advised to read the financial information presented herein in conjunction with the announcement of interim results of MGM China for the six months ended 30 June 2015 published on 4 August 2015 which contains the unaudited operating profit and total revenue of MGM China for the six months ended 30 June 2015 and 2014 under IFRS, and are reminded that the financial information has not been audited by MGM China's auditor.**

## Summary Statistics

The following table presents certain selected income statement line items and certain other data of MGM China.

(in thousands, except for number of gaming tables and slot machines, percentage, and REVPAR)	Three months ended		Six months ended	
	30 June		30 June	
	2015	2014	2015	2014
	<i>HK\$'000</i> (Unaudited)	<i>HK\$'000</i> (Unaudited)	<i>HK\$'000</i> (Unaudited)	<i>HK\$'000</i> (Unaudited)
Number of VIP gaming tables	174	225	181	229
VIP table games turnover	90,345,483	195,269,445	200,009,896	419,984,072
VIP gross table games win	2,898,052	5,331,633	6,550,461	12,073,245
VIP table games win percentage	3.2%	2.7%	3.3%	2.9%
Average daily gross win per VIP gaming table	182.5	260.9	199.5	291.0
Number of main floor gaming tables	246	197	241	194
Main floor gross table games win	1,913,651	2,508,053	3,918,944	4,842,369
Average daily gross win per main floor gaming table	85.4	140.1	89.8	137.8
Number of slot machines	1,144	1,205	1,135	1,249
Slot machine handle	9,545,291	11,972,999	19,442,301	24,835,233
Slot machine gross win	427,099	514,872	836,372	1,128,130
Slot hold percentage	4.5%	4.3%	4.3%	4.5%
Average daily win per slot	4.1	4.7	4.1	5.0
Commission and discounts	(1,019,973)	(2,020,314)	(2,312,292)	(4,497,187)
Room occupancy rate	98.4%	98.7%	98.2%	98.6%
REVPAR <sup>(1)</sup>	2,314	2,297	2,343	2,316

*Note:*

- <sup>(1)</sup> Revenue per available room, expressed in Hong Kong dollars, arrived after inclusion of services provided for hotel rooms to certain customers and guests without charges.

With a view to ensuring that all shareholders and potential investors of MGM China have equal and timely access to the information pertaining to MGM China, set forth below are the key highlights of financial information relevant to MGM China published by MGM Resorts International in the Earnings Release. (Unless otherwise provided, all dollars amounts in the Earnings Release are denominated in United States dollars):

## **MGM Resorts International (hereafter the “Company”) Second Quarter Results**

### **MGM China**

On August 4, 2015, MGM China’s Board of Directors announced an interim dividend of \$77 million, which will be paid to shareholders of record as of August 24, 2015 and distributed on or about August 31, 2015. MGM Resorts International will receive \$39 million, representing its 51% share of the dividend.

Key second quarter results for MGM China include the following:

- MGM China earned net revenue of \$557 million, a 33% decrease compared to the prior year quarter;
- Main floor table games revenue decreased 23% compared to the prior year quarter;
- VIP table games revenue decreased 43% due to a decrease in VIP table games turnover of 54% compared to the prior year quarter, while hold percentage increased to 3.2% in the current year quarter compared to 2.7% in the prior year quarter;
- MGM China’s Adjusted EBITDA was \$132 million, a decrease of 37% compared to the prior year quarter, including \$10 million of license fee expense in the current year quarter compared to \$14 million in the prior year quarter;
- Adjusted EBITDA margin declined 168 basis points to 23.7% in the current year quarter; and
- Operating income was \$58 million compared to \$134 million in the prior year quarter.

MGM China paid a \$120 million final dividend in June 2015, of which \$61 million was distributed to MGM Resorts and \$59 million was distributed to noncontrolling interests.

## **Non-GAAP financial measures**

“Adjusted EBITDA” is earnings before interest and other non-operating income (expense), taxes, depreciation and amortization, preopening and start-up expenses, and property transactions, net. “Adjusted Property EBITDA” is Adjusted EBITDA before corporate expense and stock compensation expense related to the MGM Resorts stock option plan, which is not allocated to each property. MGM China recognizes stock compensation expense related to its stock compensation plan which is included in the calculation of Adjusted EBITDA for MGM China. Adjusted EBITDA information is presented solely as a supplemental disclosure to reported GAAP measures because management believes these measures are 1) widely used measures of operating performance in the gaming industry, and 2) a principal basis for valuation of gaming companies.

Management believes that while items excluded from Adjusted EBITDA and Adjusted Property EBITDA may be recurring in nature and should not be disregarded in evaluation of the Company’s earnings performance, it is useful to exclude such items when analyzing current results and trends compared to other periods because these items can vary significantly depending on specific underlying transactions or events that may not be comparable between the periods being presented. Also, management believes excluded items may not relate specifically to current operating trends or be indicative of future results. For example, pre-opening and start-up expenses will be significantly different in periods when the Company is developing and constructing a major expansion project and will depend on where the current period lies within the development cycle, as well as the size and scope of the project(s). Property transactions, net includes normal recurring disposals, gains and losses on sales of assets related to specific assets within the Company’s resorts, but also includes gains or losses on sales of an entire operating resort or a group of resorts and impairment charges on entire asset groups or investments in unconsolidated affiliates, which may not be comparable period over period.

In addition, capital allocation, tax planning, financing and stock compensation awards are all managed at the corporate level. Therefore, management uses Adjusted Property EBITDA as the primary measure of the Company’s operating resorts’ performance.

**Our shareholders and potential investors are advised not to place undue reliance on the Earnings Release and are reminded that certain financial information of MGM China presented herein has been prepared in accordance with US GAAP and is not the same as that presented in the announcement of interim results of MGM China for the six months ended 30 June 2015 published on 4 August 2015 which contains unaudited consolidated financial results of MGM China under IFRS, and are reminded that the interim results has not been audited by MGM China’s auditor. Our shareholders and potential investors are advised to read this announcement in conjunction with the announcement of interim results of MGM China for the six months ended 30 June 2015 and exercise caution in dealing in securities in MGM China.**

By Order of the Board  
**MGM China Holdings Limited**  
**Antonio MENANO**  
*Company Secretary*

Hong Kong, 4 August 2015

*As at the date of this announcement, our directors are James Joseph MURREN, Pansy Catilina Chiu King HO, Chen Yau WONG, William Joseph HORNBUCKLE and Grant R. BOWIE as executive directors, William M. SCOTT IV, Daniel J. D’ARRIGO and Kenneth A. ROSEVEAR as non-executive directors and Zhe SUN, Sze Wan Patricia LAM, Peter Man Kong WONG and Russell Francis BANHAM as independent non-executive directors.*