

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

PRICE SENSITIVE INFORMATION

**UNAUDITED RESULTS FOR THE THIRD QUARTER
ENDED 30 SEPTEMBER 2011 OF**

MGM RESORTS INTERNATIONAL, OUR CONTROLLING SHAREHOLDER

This announcement is issued pursuant to Rule 13.09 of the Rules Governing the Listing of the Securities on The Stock Exchange of Hong Kong Limited.

Our controlling shareholder, MGM Resorts International has, on or about 3 November 2011 (5:30 a.m., Las Vegas time), released its unaudited results for the third quarter ended 30 September 2011.

This announcement is issued by MGM China Holdings Limited (“we” or “MGM China”) pursuant to Rule 13.09 of the Rules Governing the Listing of the Securities on The Stock Exchange of Hong Kong Limited (“HKSE”).

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

MRI has, on or about 3 November 2011 (5:30 a.m., Las Vegas time), released its unaudited results for the third quarter ended 30 September 2011 (the “Earnings Release”). If you wish to review the Earnings Release prepared by MRI and as filed with the SEC, please visit <http://www.sec.gov/Archives/edgar/data/789570/000119312511294145/d249293dex99.htm>. The Earnings Release contains pro forma financial information about MGM China which is available in the public domain.

The financial results of MRI, 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.

Pursuant to the completion of the reorganization of the capital structure of MGM China and the initial public offering of 760 million shares of MGM China on HKSE in June 2011, MRI acquired an additional 1% interest in MGM China, and thereby obtained a controlling interest and began to consolidate our results as of 3 June 2011. The acquisition of the controlling interest by MRI was accounted for as a business combination and MRI recognized 100% of our assets, liabilities, and non-controlling interests at fair value at the date of acquisition. Under the acquisition method, the fair value was allocated to the assets acquired, liabilities assumed and non-controlling interests recorded in the transaction (the “Purchase Price Allocation”). The consolidated financial results of MRI for the third quarter ended 30 September 2011 included in the Earnings Release include the effect of the Purchase Price Allocation and consolidation of MGM China beginning on 3 June 2011. The pro forma information for MGM China presented by MRI in the Earnings Release also includes the effect of the Purchase Price Allocation as if the acquisition occurred at the beginning of each of the periods presented. In addition, certain adjustments have been made for presentation under US GAAP. The following table summarized the reconciliation of the pro forma information of MGM China presented in the Earnings Release under US GAAP to the unaudited net income 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)

	Three Months Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2011	2010	2011	2010
	HKD\$'000	HKD\$'000	HKD\$'000	HKD\$'000
	<i>unaudited</i>	<i>unaudited</i>	<i>unaudited</i>	<i>unaudited</i>
Net income/(Loss) under US GAAP	288,846	(159,881)	1,151,991	(810,507)
Add/(less):				
Purchase Price Allocation, net	518,983	541,392	1,544,696	1,640,084
Other adjustments, net	9,061	(25,955)	26,682	(76,757)
Net income under IFRS	<u>816,890</u>	<u>355,556</u>	<u>2,723,369</u>	<u>752,820</u>
Net revenues	<u>4,855,775</u>	<u>2,869,135</u>	<u>14,718,833</u>	<u>7,931,976</u>
Adjusted EBITDA	<u>1,096,373</u>	<u>663,911</u>	<u>3,568,837</u>	<u>1,709,106</u>
Adjusted EBITDA (pre branding fees under the branding agreement)	<u>1,181,351</u>	<u>663,911</u>	<u>3,680,108</u>	<u>1,709,106</u>

Our shareholders and potential investors are advised that the unaudited net income and net revenues of MGM China for the three and nine months periods ended 30 September 2011 and 2010 under IFRS in the above reconciliation and adjustments herein prepared or presented by MGM China have not been audited or reviewed by MGM China’s auditors.

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 relating to MGM China published by MRI 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”) Third Quarter Results

MGM CHINA (1)
SUPPLEMENTAL PRO FORMA INFORMATION
NET REVENUES AND RECONCILIATION OF ADJUSTED EBITDA
TO NET INCOME (LOSS)
(US dollars in thousands)
(Unaudited)

	Three Months Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2011	2010	2011	2010
Net revenues	\$ 623,049	362,306	1,887,064	1,001,339
Adjusted EBITDA (2)	\$ 139,326	\$ 83,841	\$ 455,755	\$ 215,690
Property transactions, net	(294)	(51)	(804)	(409)
Depreciation and amortization (3)	(89,933)	(93,416)	(268,867)	(280,192)
Operating income (loss)	49,099	(9,626)	186,084	(64,911)
Non-operating income (expense)	(6,889)	(10,541)	(18,616)	(37,454)
Income (loss) before income taxes	42,210	(20,167)	167,468	(102,365)
Provision for income taxes	(5,302)	(11)	(20,383)	(33)
Net income (loss)	\$ 36,908	\$ (20,178)	\$ 147,085	\$ (102,398)

- (1) Supplemental pro forma information for MGM China is presented for the three and nine month periods ended 30 September 2011 and 30 September 2010 as if management control had occurred as of the beginning of each period presented. This information is presented on a US GAAP basis and includes the impact of certain purchase accounting adjustments. This supplemental pro forma information is provided solely for comparative purposes and does not presume to be indicative of what actual results would have been if the change in management control had been completed at the beginning of the periods presented, nor indicative of future results.
- (2) Adjusted EBITDA for the three and nine months ended 30 September 2011 includes expenses related to the branding agreement between MGM China and an entity jointly owned by the Company and Ms. Pansy Ho of \$11 million for the three months ended 30 September 2011 and \$14 million for the period from 3 June 2011 through 30 September 2011. Prior period pro forma information does not include an expense related to the branding agreement.
- (3) Depreciation and amortization for all periods presented includes the pro forma impact of the amortization of certain intangible assets recognized at fair value in purchase accounting.

Certain Items Affecting Third Quarter Results

MGM China

The following are the key results for MGM China on a pro forma basis:

- MGM China earned net revenues of \$623 million for the third quarter of 2011 compared to \$362 million in the third quarter of 2010. The increase was driven by year-over-year increases in volume for VIP table games, main floor table games, and slots of 83%, 13%, and 52%, respectively. VIP table games hold percentage was within our expected range of 2.7% to 3.0% in the current and prior year periods; and
- Adjusted Property EBITDA increased to \$139 million and included approximately \$11 million of expense related to the branding agreement between MGM China and an entity jointly owned by the Company and Ms. Pansy Ho.

MGM China completed its initial public offering of shares on The Stock Exchange of Hong Kong Limited on 3 June 2011 and the Company acquired an additional 1% interest in MGM China, which owns the MGM Macau resort and casino. This acquisition increased the Company's ownership interest to 51% and, as a result, the Company began consolidating MGM China as of 3 June 2011. Prior to 3 June 2011, the results of MGM Macau were accounted for under the equity method of accounting.

The schedules accompanying the Earnings Release provide pro forma information for MGM China, presented for the three and nine month periods ended 30 September 2011 and 2010, as if the acquisition of the Company's controlling interest occurred as of 1 January 2010.

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, and the gain on the MGM China transaction. “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 Property 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 MGM China corporate level. Therefore, management uses Adjusted Property EBITDA as the primary measure of the Company’s operating resorts’ performance.

This announcement contains forward-looking statements. Such forward-looking information involves important risks and uncertainties that could significantly affect anticipated results in the future and, accordingly, such results may differ from those expressed in any forward-looking statements made by us. The risks and uncertainties include, but are not limited to, competition in the casino/hotel and resorts industries, our dependence on existing management, levels of travel, leisure and casino spending, general economic conditions, and changes in gaming laws or regulations. Additional information concerning potential factors that could affect our financial results is included in our prospectus dated 23 May 2011 and our 2011 interim report. We are under no obligation to (and expressly disclaim any such obligation to) update the forward-looking statements as a result of new information, future events or otherwise.

Our shareholders and potential investors are advised not to place undue reliance on the Earnings Release and are reminded that the financial information presented relating to MGM China herein has not been audited. Our shareholders and potential investors are advised to exercise caution in dealing in securities in MGM China.

By order of the Board
MGM China Holdings Limited
Antonio MENANO
Joint Company Secretary

Hong Kong, 3 November 2011

As at the date of this announcement, our directors are Pansy Catilina Chiu King HO, James Joseph MURREN, Chen Yau WONG, William Joseph HORNBUCKLE and Grant R. BOWIE as executive directors, Kenneth A. ROSEVEAR, William M. SCOTT IV and Daniel J. D'ARRIGO as non-executive directors and Zhe SUN, Tommei Mei Kuen TONG and Patricia Sze Wan LAM as independent non-executive directors.