

*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)**

**UNAUDITED RESULTS FOR THE FOURTH QUARTER AND  
YEAR ENDED 31 DECEMBER 2012 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 the Securities on The Stock Exchange of Hong Kong Limited.

Our controlling shareholder, MGM Resorts International has, on or about 20 February 2013 (8:30 a.m., New York time), released its unaudited results for the fourth quarter and year ended 31 December 2012 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 the 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 20 February 2013 (8:30 a.m., New York time), released its unaudited results for the fourth quarter and year ended 31 December 2012 (the “Earnings Release”). If you wish to review the Earnings Release prepared by MGM Resorts International and as filed with the SEC, please visit <http://www.sec.gov/cgi-bin/browse-edgar?action=getcompany&CIK=0000789570&owner=exclude&count=40>. The Earnings Release contains financial information about MGM China which is available in the public domain.

The 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.

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, MGM Resorts International 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 MGM Resorts International was accounted for as a business combination and MGM Resorts International 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 MGM Resorts International for the fourth quarter ended 31 December 2012 included in the Earnings Release include the effect of the Purchase Price Allocation and consolidation of MGM China and certain adjustments have been made for presentation under US GAAP. As such, the financial information of MGM China in the Earnings Release is not directly comparable to the relevant audited consolidated financial results to be disclosed by MGM China prepared in accordance with IFRS. The following table summarized the reconciliation of the information of MGM China presented in the Earnings Release under US GAAP to the unaudited operating 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).

	<b>Three Months Ended 31 December 2012 <i>HK\$'000</i> unaudited</b>	<b>Twelve Months Ended 31 December 2012 <i>HK\$'000</i> unaudited</b>
<b>Operating income under US GAAP</b>	<b>644,848</b>	<b>2,343,161</b>
Add/(less):		
Purchase Price Allocation, net	<b>510,354</b>	<b>2,115,155</b>
Other adjustments, net	<b>(4,325)</b>	<b>(26,547)</b>
<b>Operating income under IFRS</b>	<b><u>1,150,877</u></b>	<b><u>4,431,769</u></b>

	<b>Three Months Ended</b>		<b>Twelve Months Ended</b>	
	<b>31 December 2012 <i>HK\$'000</i> unaudited</b>	<b>31 December 2011 <i>HK\$'000</i> unaudited</b>	<b>31 December 2012 <i>HK\$'000</i> unaudited</b>	<b>31 December 2011 <i>HK\$'000</i> unaudited</b>
<b>Net revenue</b>	<b><u>5,666,257</u></b>	<b><u>5,574,794</u></b>	<b><u>21,773,592</u></b>	<b><u>20,293,627</u></b>
<b>Adjusted EBITDA (before the license fee under the branding agreement)</b>	<b><u>1,371,010</u></b>	<b><u>1,365,861</u></b>	<b><u>5,543,235</u></b>	<b><u>5,045,969</u></b>
<b>Adjusted EBITDA</b>	<b><u>1,371,010</u></b>	<b><u>1,364,125</u></b>	<b><u>5,310,434</u></b>	<b><u>4,932,962</u></b>

**Our shareholders and potential investors are advised to read the financial information presented herein in conjunction with the announcement of annual results of MGM China for the year ended 31 December 2012 published on 20 February 2013 which contains the audited operating income and net revenue of MGM China for the year ended 31 December 2012 and 2011 under IFRS.**

## 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		Twelve months ended	
	31 December		31 December	
	2012	2011	2012	2011
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Number of VIP gaming tables	<b>225</b>	210	<b>218</b>	200
VIP table games turnover	<b>195,079,100</b>	184,200,318	<b>701,917,457</b>	701,305,426
VIP gross table games win	<b>5,574,055</b>	5,905,164	<b>21,491,682</b>	21,244,065
VIP table games win percentage	<b>2.9%</b>	3.2%	<b>3.1%</b>	3.0%
Average daily gross win per gaming table	<b>269.5</b>	305.6	<b>269.0</b>	291.5
Number of main floor gaming tables	<b>194</b>	214	<b>201</b>	220
Main floor table games drop	<b>4,974,926</b>	4,401,166	<b>18,944,454</b>	17,095,457
Main floor gross table games win	<b>1,594,661</b>	1,171,072	<b>5,666,379</b>	4,566,208
Main floor table games win percentage	<b>32.1%</b>	26.6%	<b>29.9%</b>	26.7%
Average daily gross win per gaming table	<b>89.2</b>	59.4	<b>77.0</b>	56.8
Number of slot machines	<b>1,331</b>	1,267	<b>1,272</b>	1,184
Slot machine handle	<b>10,478,198</b>	7,675,642	<b>38,222,534</b>	28,353,743
Slot machine gross win	<b>540,442</b>	448,655	<b>2,098,901</b>	1,589,602
Slot hold percentage	<b>5.2%</b>	5.9%	<b>5.5%</b>	5.6%
Average daily win per slot	<b>4.4</b>	3.8	<b>4.5</b>	3.7
Commission and discounts	<b>(2,140,469)</b>	(2,029,037)	<b>(7,825,148)</b>	(7,434,992)
Room occupancy rate	<b>98.4%</b>	97.7%	<b>97.8%</b>	96.5%
REVPAR <sup>(1)</sup>	<b>2,134</b>	2,212	<b>2,097</b>	2,149

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”) Fourth Quarter Results**

### **MGM China**

On February 20, 2013, MGM China’s Board of Directors announced a special dividend of \$500 million, which will be paid to shareholders of record as of March 11, 2013 and distributed on or about March 18, 2013. MGM Resorts International will receive \$255 million, representing 51% of the dividend.

Key fourth quarter results for MGM China include the following:

- MGM China earned net revenue of \$731 million, a 2% increase over the prior year quarter driven by increases in volume for main floor table games and slots of 13% and 37%, respectively. VIP table games turnover increased 6% from the prior year quarter, while hold percentage was 2.9% in the current year quarter compared to 3.2% in the prior year quarter; and
- MGM China’s operating income was \$83 million, an 8% increase over the prior year quarter and Adjusted EBITDA was \$176 million compared to \$174 million in the prior year quarter.

As previously announced, MGM China, through its wholly owned subsidiary MGM Grand Paradise S.A. (“MGM Grand Paradise”), formally accepted a land concession contract with the Macau government in October 2012 and received approval to develop a five-star luxury resort and casino in Cotai, Macau. The contract became effective on January 9, 2013 when the Macau government published it in the Official Gazette of Macau.

In October 2012, MGM China and MGM Grand Paradise, as co-borrowers, entered into an amended and restated credit facility agreement which consists of \$550 million of term loans and a \$1.45 billion revolving credit facility due October 2017. The interest rate fluctuates based on HIBOR plus a margin, set at 2.5% for the first six months of the agreement and ranging between 1.75% and 2.5% thereafter based on MGM China’s leverage ratio. The credit facility is being used for general corporate purposes and for the development of the Cotai project.

“We have made significant progress in the design and development of our Cotai resort and casino. With the recent approval of our general building plan, we look forward to our groundbreaking ceremony next week. We remain on track for an early to mid-2016 opening of what will be our most stunning resort and casino yet,” said Jim Murren, MGM Resorts International Chairman and CEO.

## **Full Year 2012 Results**

MGM China reported record results for 2012 with net revenues of \$2.8 billion and Adjusted EBITDA of \$679 million. Excluding branding fees of \$30 million in 2012 and \$15 million in 2011, Adjusted EBITDA increased by 10% year over year.

### **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, 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 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.

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, our

2011 interim and annual report, and our 2012 interim report. We are under no obligation to (and expressly disclaims 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 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 annual results of MGM China for the year ended 31 December 2012 published on 20 February 2013 which contains audited consolidated financial results of MGM China under IFRS. Our shareholders and potential investors are advised to read this announcement in conjunction with the announcement of annual results of MGM China for the year ended 31 December 2012 and 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, 20 February 2013

*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, William M. SCOTT IV, Daniel J. D'ARRIGO and Kenneth A. ROSEVEAR as non-executive directors and Zhe SUN, Tommei Mei Kuen TONG, Sze Wan Patricia LAM and Peter Man Kong WONG as independent non-executive directors.*