



Mohegan Gaming & Entertainment

**Bank of America Merrill Lynch
2017 Leveraged Finance Conference
November 30, 2017**

Mohegan Gaming & Entertainment (MGE) Overview

- **Premier Integrated Resort Operator**
 - Stable Governance, Transparent and Commercial
 - High Quality “Built to Last” Gaming Assets
 - Rapidly Diversifying Asset Base
- **One of the Strongest Balance Sheets in Regional Gaming**
 - Strong Operating Momentum & Margins
 - Cost Saving Initiatives & Margin Improvement
 - Focus on Deleveraging
- **Diversification Through Capital-Light Growth Pipeline**
 - Resorts Atlantic City & Paragon Management
 - Connecticut Hotel & Non-Gaming Opportunities
 - Cowlitz Casino Development in Portland, Oregon
 - South Korea Development



Premier Integrated Resort Operator

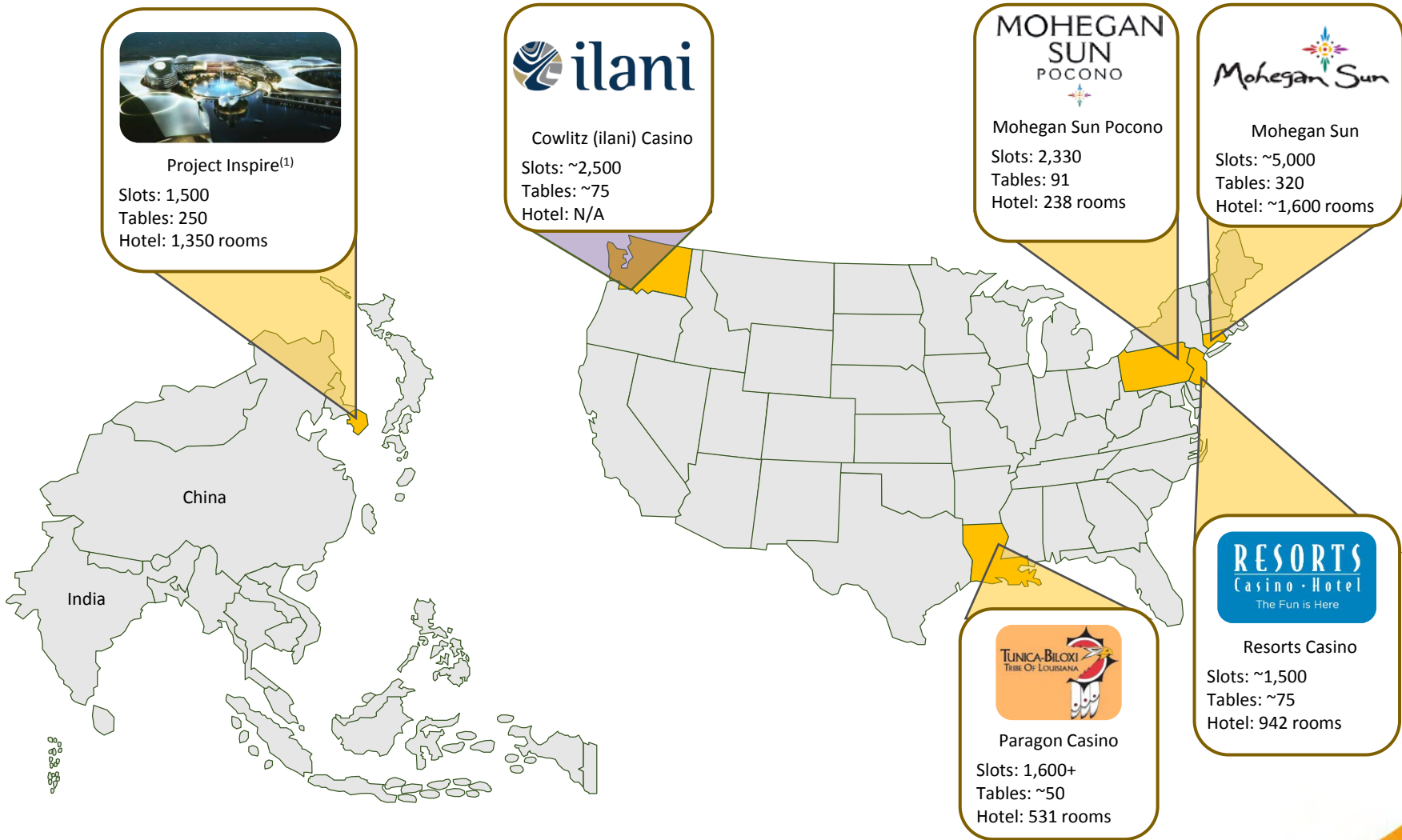
The Mohegan Tribe of Indians of Connecticut

- Widely considered one of the strongest and most stable tribal governments in the United States
- Federally recognized Tribe with experienced leadership
 - Elected 9-member Tribal Council governs the Tribe and acts as the Management Board of MGE
 - Staggered 4 year terms, next elections in August 2019
- SEC filer
- Flagship Mohegan Sun Connecticut:
 - highest grossing casino facility in the Western Hemisphere,
 - world's highest grossing arena for its size,
 - largest casino in terms of slots/tables in the U.S., and
 - home to the Connecticut Sun WNBA and New England Black Wolves NLL franchises
- Well-known “Mohegan Sun” brand with 6 million+ high-value customers in Player Database

Premier Integrated Resort Assets



Rapidly Diversifying Asset Base



Premier Integrated Resort Properties

Mohegan Sun

- Owned and operated by MGE and 1 of 2 legally authorized gaming operations in southern New England
- Approximately 5.0 million square-foot gaming and entertainment facility centrally located between Boston and NYC on a 196-acre site on the Tribe's reservation in Uncasville, CT
- 3 individually themed casinos making up one of the largest gaming facilities in the U.S. with approximately 350,000 square feet of gaming space
- Approximately 5,000 slot machines, 278 traditional and electronic table games and a 42-table poker room
- Non-gaming offerings include a 10,000-seat arena (highest grossing arena of its size in the world) utilized for concerts, entertainment and home of the Connecticut Sun (WNBA)
- Features a 34-story hotel tower with approximately 1,200 luxury guest rooms and suites, 46 restaurants and lounges with over 5,000 seats and 37 retail outlets
- New 400 room hotel tower opened in November 2016
- For fiscal year ended 9/30/17, generated Net Revenue and Adj. EBITDA of \$1,080 million and \$313 million, respectively



Casino of the Earth	Casino of the Sky	Casino of the Wind
<ul style="list-style-type: none"> • Opened October 1996 • 185,000 sq. ft. • 2,485 slots • 145 table games 	<ul style="list-style-type: none"> • Opened September 2001 • 125,000 sq. ft. • 1,945 slots • 105 table games 	<ul style="list-style-type: none"> • Opened October 2008 • 40,000 sq. ft. • 520 slots • 25 table games; 42 poker tables



Attractive Markets With Leading Market Share

Connecticut

Key highlights

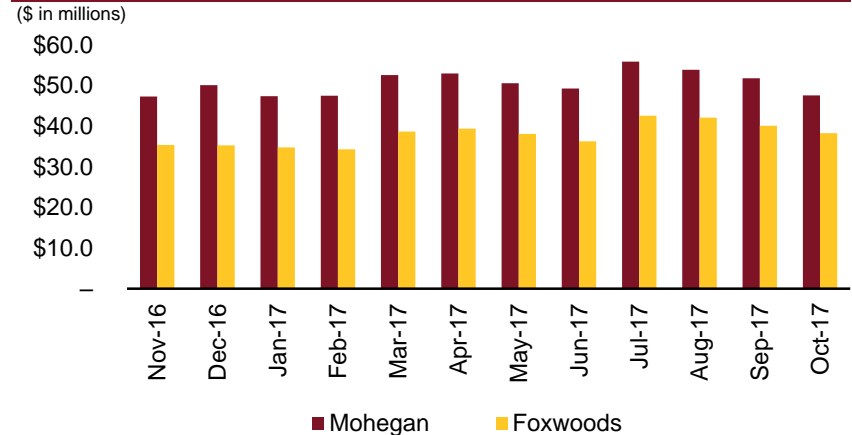
Connecticut is one of the premier gaming markets in the U.S.

- Mohegan Sun captures ~57% of Connecticut's gross slot gaming revenues, outperforming Foxwoods

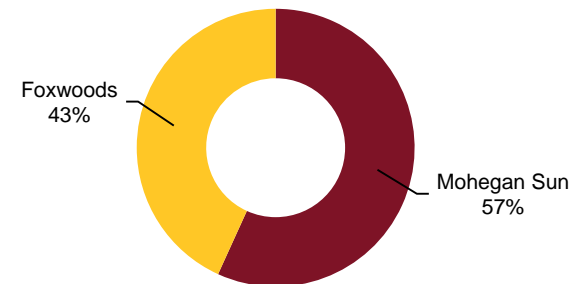
Mohegan Sun is geographically well situated

- Key demographic is the day-trip customer
- Regularly attracts patrons from within a 100-mile radius of Mohegan Sun
 - Over 5.3 million adults in the area
- Average household income of ~\$80,000
- Seamless connection from I-395, a thoroughfare connecting Boston, Providence, and New York City
 - Destination attracts over 20 million adults in the Northeast corridor

Monthly Slot Win – LTM 10/31/2017



% Total CT Slot Win – LTM 10/31/2017



Source: Fantini Research – June 2016 report

Premier Integrated Resort Properties

Mohegan Sun Pocono and Resorts Casino



- Mohegan Sun Pocono is located on 400 acres in Plains Township, Pennsylvania
 - Within easy access of New York, Philadelphia, New Jersey and Delaware
- MGE acquired the property in January 2005
- First facility in Pennsylvania to have slot machines in November 2006
- 90,000 square feet of gaming space with 2,330 slot machines, 73 table games and an 18-table poker room
- Offers live harness racing as well as daily simulcast wagering from premier tracks across the country
- Additional non-gaming features include 19 restaurants and lounges, retail shops and on-site spa
- Facility includes a 238-room hotel and 20,000 square feet of convention space
- For the fiscal year ended 9/30/17, generated Net Revenues and Adj. EBITDA of \$279 million and \$54 million, respectively



- Resorts Casino Hotel is located on 11 acres of commercial land in Atlantic City, NJ, overlooking the Atlantic City Boardwalk and Atlantic Ocean
- In October 2012, Mohegan Gaming Advisors (“MGA”), a wholly-owned unrestricted sub of MGE, acquired 10% of Resorts Casino Hotel and entered into a 5-year management with a 5-year renewal option
- Over 80,000 square feet of gaming space with 1,486 slot machines and 76 tables games
- Two hotel towers offer a total of 942 rooms and suites, 6 restaurants and a food court, 6 bars, 2 theaters, 24 meeting rooms, retail shops and a 13,000 square foot ballroom
- Since MGE assumed management in fall 2012, revenue has grown at an approximate 13% CAGR from 2013 – 2016

Attractive Markets With Leading Market Share

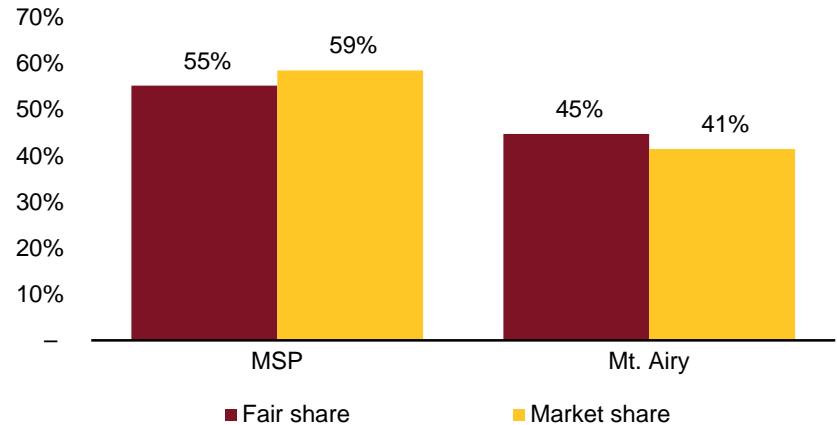
Northern Pennsylvania

Key highlights

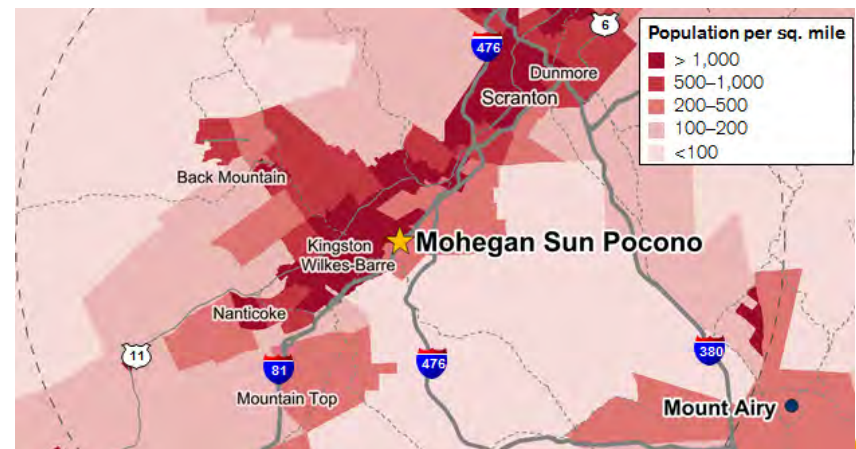
Pennsylvania is the 2nd largest U.S. gaming market

- Pennsylvania generated gross gaming revenues of \$3.2 billion for LTM October 2017
- Trails only Nevada
- Mohegan Sun Pocono is strategically located near Wilkes-Barre, PA
- Within easy access of New York, Philadelphia, New Jersey and Delaware
- In more densely populated region than Mt. Airy Casino
- Regularly attracts patrons who live within 50-mile radius
 - Over 0.9 million adults in the area
 - Average household income of ~\$60,000

Mohegan Sun Pocono Captures More Than Its Fair Share – LTM 10/31/2017



Population Density



Source: Fantini Research – June 2016 report and PGCB website

MGE Q4 FY17 Financial Performance

- Mohegan Sun:
 - Net Revenues ~+7%, highest Q4 since 2011
 - EBITDA ~+4%, highest Q4 since 2007

	9/30/2017	9/30/2016	y/y chg
<u>Mohegan Sun</u>			
Net Revenues	\$ 284,145	\$ 266,684	6.5%
Adjusted EBITDA	87,306	83,600	4.4%
EBITDA Margin	30.7%	31.3%	-0.6%

- Mohegan Sun Pocono:
 - Net Revenues ~-6%
 - EBITDA ~+9%

<u>Mohegan Sun Pocono</u>			
Net Revenues	\$ 71,186	\$ 75,517	-5.7%
Adjusted EBITDA	14,614	13,463	8.5%
EBITDA Margin	20.5%	17.8%	2.7%

- Corporate:
 - Cowlitz development fees ~\$256k
 - Cowlitz management fees ~\$2.8mm ¹
 - Resorts management fees ~\$1.6mm
 - Paragon consulting fees ~\$995k
 - Play 4 Fun Revenue ~\$473k

<u>Corporate</u>			
Net Revenues	\$ 6,701	\$ 4,191	59.9%
Adjusted EBITDA	3,312	(2,226)	248.8%
EBITDA Margin	NM	NM	NM

- Overall MGE
 - Revenues ~+5%, highest Q4 since 2011
 - EBITDA ~+11%, highest Q4 since 2007

<u>Total MGE</u>			
Net Revenues	\$ 362,032	\$ 346,392	4.5%
Adjusted EBITDA	105,232	94,837	11.0%
EBITDA Margin	29.1%	27.4%	1.7%

¹ Represents MVNW's % of Management Fee

MGE FY17 Financial Performance

- Mohegan Sun:
 - Net Revenues ~+6%, highest since 2012
 - EBITDA ~+4%, highest since 2007

	9/30/2017	9/30/2016	y/y chg
<u>Mohegan Sun</u>			
Net Revenues	\$ 1,079,920	\$ 1,022,076	5.7%
Adjusted EBITDA	313,277	302,181	3.7%
EBITDA Margin	29.0%	29.6%	-0.6%

- Mohegan Sun Pocono:
 - Net Revenues ~-7%
 - EBITDA ~+1%

<u>Mohegan Sun Pocono</u>			
Net Revenues	\$ 278,938	\$ 298,677	-6.6%
Adjusted EBITDA	53,641	53,281	0.7%
EBITDA Margin	19.2%	17.8%	1.4%

- Corporate:
 - Cowlitz development fees ~\$6.8mm
 - Cowlitz management fees ~\$4.2mm ¹
 - Cowlitz consulting fees ~\$967k
 - Resorts management fees ~\$3.8mm
 - Paragon consulting fees ~\$2.7mm
 - Play 4 Fun Revenue ~\$2.1mm

<u>Corporate</u>			
Net Revenues	\$ 21,145	\$ 14,041	50.6%
Adjusted EBITDA	(18,019)	(12,062)	-49.4%
EBITDA Margin	NM	NM	NM

- Overall MGE
 - Revenues ~+3%, highest since 2012
 - EBITDA ~+2%, highest since 2007

<u>Total MGE</u>			
Net Revenues	\$ 1,380,003	\$ 1,334,794	3.4%
Adjusted EBITDA	348,899	343,400	1.6%
EBITDA Margin	25.3%	25.7%	-0.4%

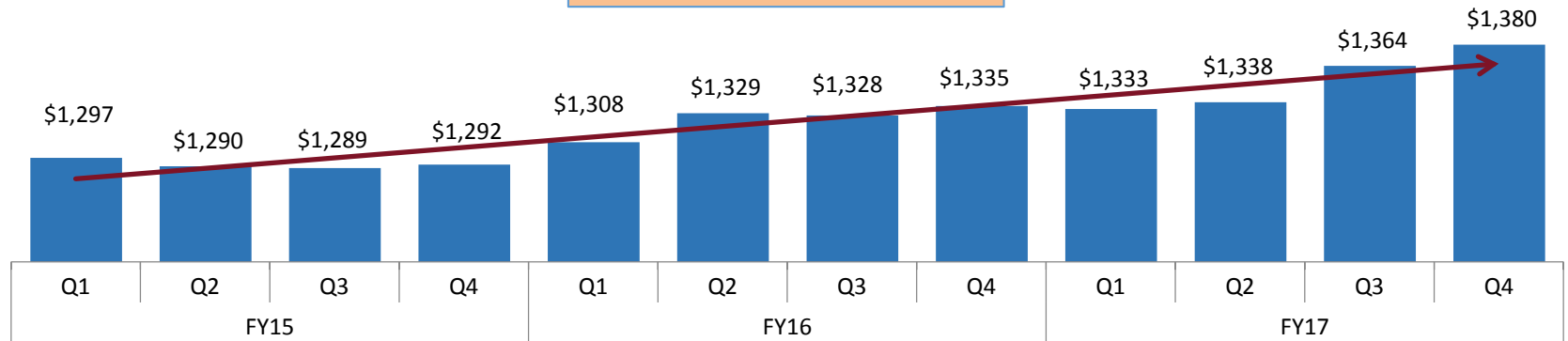
¹ Represents MVNW's % of Management Fee

Strong Operating Momentum

Historical Rolling LTM Net Revenue

(\$ in millions)

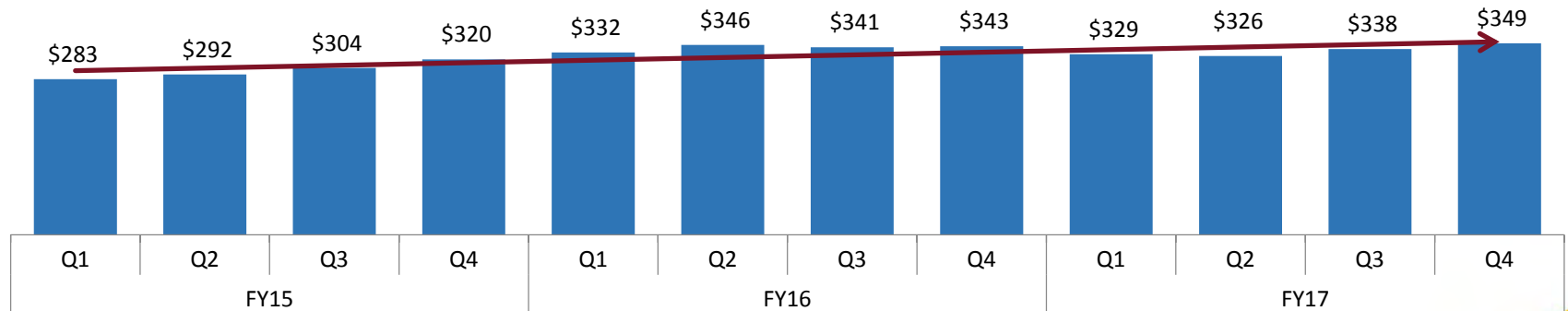
Revenue continues to improve



Historical Rolling LTM Adjusted EBITDA

(\$ in millions)

EBITDA trends are consistently positive



Margin Expansion due to Proactive Cost Saving Initiatives

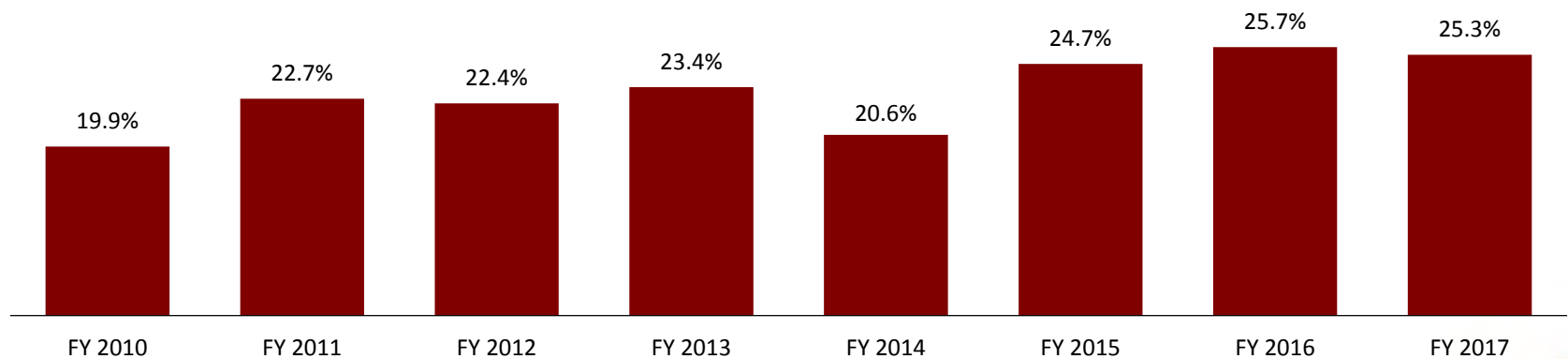
Consistent cost discipline, while maintaining superior service and customer experience

- ~\$100 million in reduced expenses through programs in Connecticut from 2010-2015
- Adjusted EBITDA margin has increased from 19.9% in FY10 to 25.3% in FY17
- Guest service scores are highest they have been in over a decade

Another ~\$100 million of cost savings potential remains

- CT EBITDA before slot contribution margin of 43% in FY17 compared to top regional peers at 50%-60%
- Initiatives are ongoing and expected to continue over the next few years

Adjusted EBITDA Margin



MGE Financial Summary Overview

- Growing Adjusted EBITDA and margins have helped drive strong free cash flow generation
- Cash Flow for Financial Debt Service in FY17 of \$246 million was the highest level ever

(\$ in millions)	FYE September 30,			
	2014	2015	2016	2017
Net Revenues:				
Mohegan Sun	\$995	\$994	\$1,022	\$1,080
Mohegan Sun Pocono	297	295	299	279
Corporate	1	3	14	21
Net Revenues	\$1,293	\$1,292	\$1,335	\$1,380
Adjusted EBITDA:				
Mohegan Sun	\$251	\$284	\$302	\$313
Mohegan Sun Pocono	51	58	53	54
Corporate	(36)	(22)	(12)	(18)
Adjusted EBITDA	\$266	\$320	\$343	\$349
<i>Adjusted EBITDA % Margin</i>	20.6%	24.7%	25.7%	25.3%
Maintenance and Development Capex	(33)	(30)	(49)	(43)
Distributions to the Tribe	(50)	(50)	(53)	(60)
Relinquishment Payments	(49)	(25)	–	–
Cash Flow for Financial Debt Service⁽¹⁾	\$134	\$215	\$241	\$246

(1) Cash flow for Financial Debt Service defined as Adj. EBITDA minus relinquishment payments, maintenance and development capital expenditures and distributions to the Tribe

* Note: 1Q17 not adjusted for ~\$8M abnormally low table hold percentage

MGE Balance Sheet: Capital Structure & Liquidity

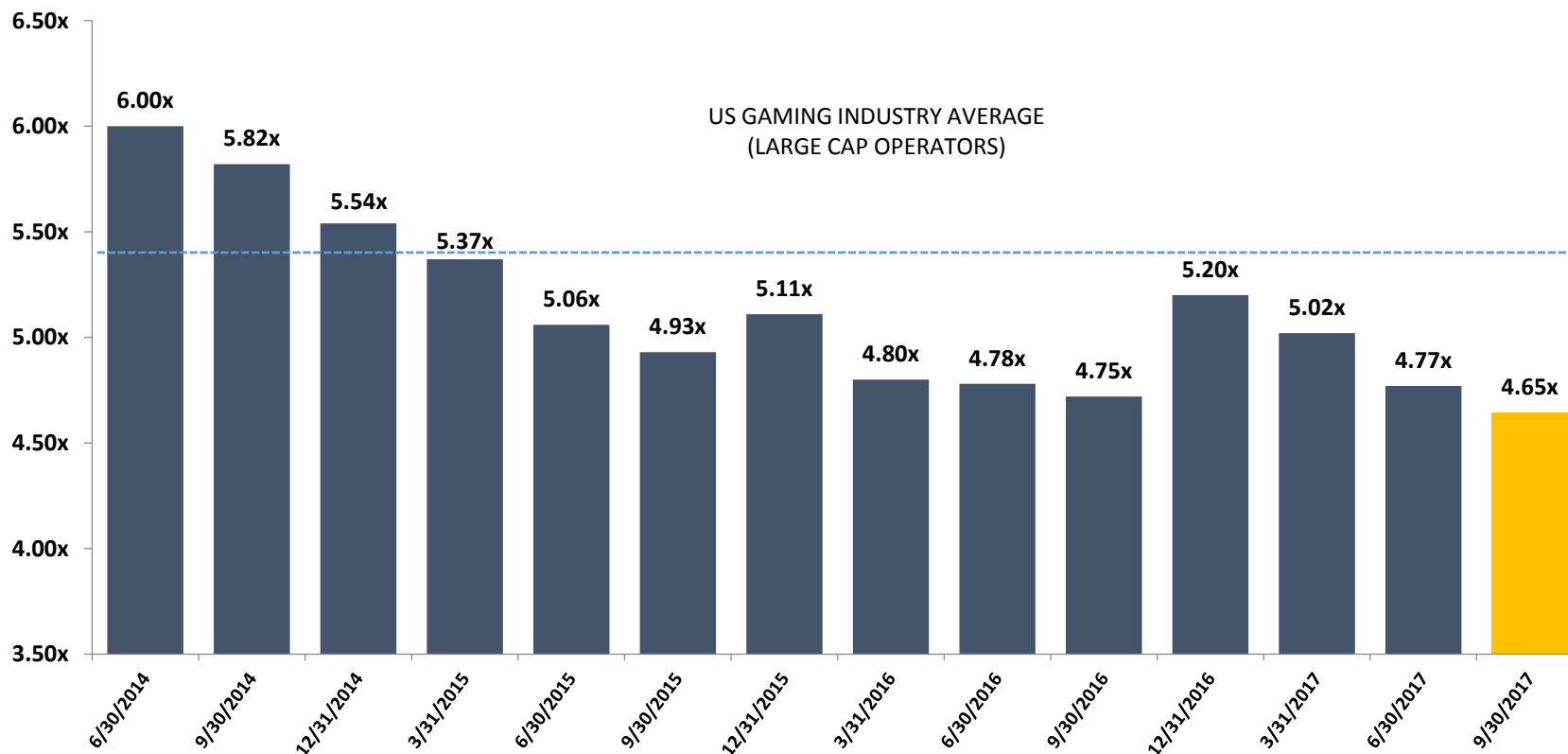
- Ample liquidity of \$89M at 9/30/17, excluding cash held by Inspire Integrated Resort (S. Korea)
- October 2016 comprehensive refinancing and April 2017 credit facility re-pricing reduced annual interest expense by ~\$23 million
- Majority pre-payable debt; significant up-front weighted mandatory and voluntary amortization
- No significant maturities until 2021, extending until 2024

<i>(\$ in millions)</i>	9/30/2017
Cash and Cash Equivalents	\$ 89.0
Senior Secured Credit Facility – Revolving	-
Senior Secured Credit Facility – Term Loan A	394.9
Senior Secured Credit Facility – Term Loan B	779.1
Other	1.7
Total Senior Secured Debt	\$ 1,175.7
Mohegan Expo Center Loan	14.7
2016 7.875% Senior Unsecured Notes due 2024	500.0
Total Debt	\$ 1,690.4
Senior Secured Leverage Ratio	3.2x
Total Leverage Ratio	4.6x

*Leverage ratios based on Covenant EBITDA of \$363.8mm for the fiscal year ending September 30, 2017
Total Leverage Ratio represents Total Recourse Debt / Covenant EBITDA*

MGE Total Leverage Ratio

- MGE's ratio of debt to cash flow was 4.65x at 9/30/17, lowest since 12/31/07, much lower than the US large cap industry average of ~5.4x



(1) Restricted Group leverage, based on 2016 Credit Facility definition of Total Recourse Debt / Covenant Adjusted EBITDA

(2) US Gaming Industry Average includes US subsidiaries of Caesars Entertainment, Las Vegas Sands, Wynn Resorts, Penn National Gaming, Boyd Gaming, MGM Resorts, Pinnacle Entertainment, Eldorado Resorts, MGE, and Red Rock Resorts; with ratios as of their most recent public filing.

Source: Company financials and public filings.

Capital-Light Growth Strategy

	Project / Expansion	Location	Primary Market Population ⁽¹⁾	Ownership Structure	Status	Estimated Opening	Current or Anticipated Benefit to MGE
Completed	Resorts Casino Management	Atlantic City, NJ	1.4	10% Equity	Completed	Open	• Through MGA ⁽²⁾
	Mohegan Sun Pocono Hotel	Wilkes-Barre, PA	0.9	100% Equity	Completed	Open	• 100% of Equity
	Internet Gaming	Atlantic City, NJ	8.8	10% Equity	Completed	Open	• Through MGA ⁽²⁾
	Paragon Casino Resort	Marksville, LA	0.5	Consulting/ Management Contracts	Completed / Pending Approval	Open	• Consulting Fee • Management Fee
	Mohegan Sun Earth Hotel	Uncasville, CT	5.3	Net Lease from Instrumentality of the Tribe	Completed	Open	• Profits after lease payment
	Cowlitz (ilani) Casino	La Center, WA	2.7	Management / Development Contracts	Completed	Open	• Development Fee • Management Fee • Repayment of Receivable
Ongoing	Mohegan Sun Expo Center	Uncasville, CT	5.3	100% Equity, Non- recourse Debt	Under Construction	Summer 2018	• Rental Income • Ancillary Income
	South Korea Development	Incheon, S. Korea	700	JV with KCC Corp	Advanced Planning Stages	2020/2021	• Development Fee • Management Fee • Equity Distributions
	Northern Connecticut Development	East Windsor, CT	TBD	50/50 JV with Mashantucket Pequot Tribe	Planning Stages	TBD	• Equity Distributions

(1) In millions. Represents population within 60 minute drive time of MSAs and state population from US Census. Mohegan Sun and Paragon estimates based on 90 minute drive time. Cowlitz Casino estimated based on 120 minute drive time. Korea market based on 2.5 hour flight time

(2) Mohegan Gaming Advisors, LLC ("MGA") is an unrestricted subsidiary that is wholly-owned by MGE

Connecticut Non-Gaming: New Earth Hotel & Expo

Earth Hotel

- The ~\$130 million 400-room Earth Hotel opened November 10, 2016
- In its first year of operation, the Earth Hotel has exceeded expectations
- Hotel Revenue has increased ~\$12 million or ~25% YoY
- Combined occupancy % for both the Earth and Sky Hotels was over 96% for fiscal year, while ADR has increased ~3%

Mohegan Sun Expo Center

- The ~\$80 million Conference & Exposition Center is scheduled to open in Summer 2018
- Existing meeting space turning away ~85K room nights annually; 78% of the turnaways due to lack of space
- Significant benefits for meeting/expo planners vs. other locations
- Highly successful Barrett-Jackson auto auctions in 2016 and 2017 validate the proposition
- Forecast at least \$14 million of incremental profit growth
- Significant portion of targeted group room nights have already been booked



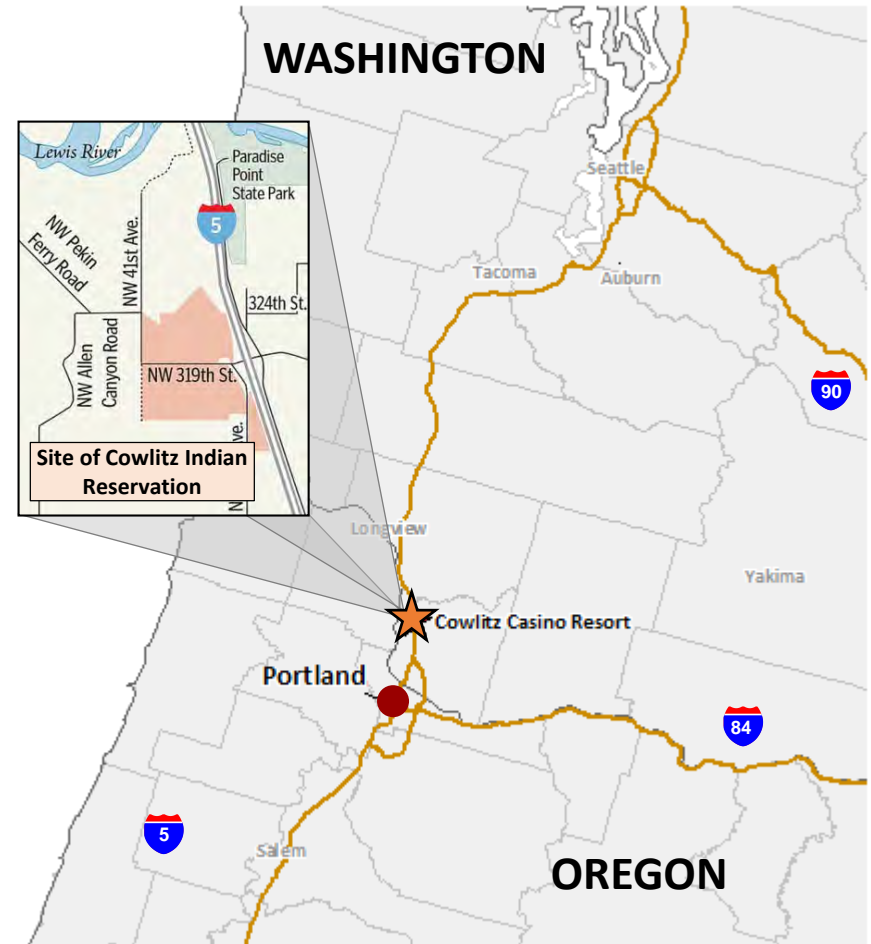
Cowlitz (ilani) Project Update

Recent Project Updates

- MGE is developer/manager of the Cowlitz (ilani) Casino outside of Portland, Oregon
- Casino opened in April 2017
 - 2,500 Class III slot machines
 - 75 table games, including blackjack, craps, roulette and baccarat
 - 15 food and beverage outlets
 - 2,500 seat entertainment venue
- US Supreme Court appeal – DENIED
- 2.7 million population within two hour drive, ~2% all-in state revenue share

Economic Summary

- ~\$45M invested since 2004
- ~\$215M projected returns over the next 4-7 years
 - Reimbursement of advances: ~\$19.4mm received at close, ~\$100M+ additional reimbursements over 4 years
 - Development Fee: ~\$15M over 4 yrs
 - Management Fee: \$100M+ over 7 years



Cowlitz (ilani) Project



Project Inspire Overview

- Multi-phase development with exclusive rights on over 1,000 acres next to Incheon Airport, one of world's busiest
- Joint venture w/ KCC Corp. MGE will be developer, manager and ~70% owner
- \$1.6 billion Phase 1 investment
 - Las Vegas-style casino, ~1,300 hotel rooms, 15,000 seat arena, over 200,000 sq. ft. retail/F&B, convention space, a theme park and nearby private air terminal
- World-class team execution
- Ground breaking expected 1H18
- KCC family of companies: Construction Manager and completion guarantee provider
- Opening scheduled for 2020/2021
- MGE investment of ~\$100 million already made in November 2015



Excellent Location With Strong Demographics

Demographics

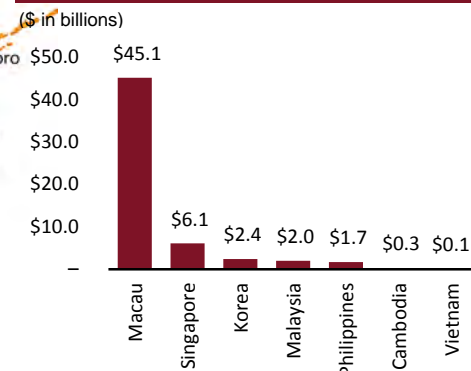
South Korea, one of the world's top 10 economies, is an untapped leisure destination for North Asia

- Significant locals/non-gaming business – 25 million people within a two hour drive
- 700 million people within a 2.5 hour flight
- 3 of the 4 largest MSAs in the world are less than 2 hours away
- Seoul is a popular destination for Chinese travelers, ~3x more visitation than Singapore⁽³⁾
- 45.5 million passengers travel through IIC annually (one of the busiest in the world); ranked world's best airport 10 years⁽⁴⁾

Korea is the closest gaming hub for North Asia



Largest Gaming Markets In Asia (2013)⁽¹⁾



Comparison Of Flight Times To Asian Gaming Hubs

	Seoul	Macau ⁽²⁾	Singapore	Manila
Osaka	1h 40m	3h 45m	6h 35m	3h 50m
Shanghai	1h 55m	2h 30m	5h 10m	3h 25m
Beijing	2h 10m	3h 25m	6h 10m	4h 35m
Tokyo	2h 15m	4h 15m	7h 00m	4h 15m
Taipei	2h 30m	1h 45m	4h 45m	2h 00m
Hong Kong	3h 45m	NM	3h 55m	2h 10m

Anticipated Revenue Mix

- More balanced mix of gaming and non-gaming than currently seen in other Asian resorts
- Gaming primarily from premium mass segment, helped by airport proximity, only ~20% anticipated from VIP
- VIP potential significant: ~1.5 million millionaires w/in 3-hour flight, 2x+ the amount of NYC/Boston combined

(1) Wall Street research
 (2) Hong Kong used as a proxy for travel time to Macau
 (3) Website: China Internet Watch
 (4) Source: IICAC

Inspire Project Renderings

View from Sea



View from Front



View from Eco Park



Porte Cochere Arrival



Thank You and Q & A