



Mohegan
Gaming &
Entertainment

Q1 FY19 Supplemental Deck

February 7, 2019



INSPIRE
ENTERTAINMENT RESORT





DISCLOSURES

THIS PRESENTATION CONTAINS “FORWARD-LOOKING STATEMENTS” WITHIN THE MEANING OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995, SECTION 27A OF THE SECURITIES ACT OF 1933, AS AMENDED, AND SECTION 21E OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED. CERTAIN STATEMENTS CONTAINED IN THIS PRESENTATION, INCLUDING THOSE THAT EXPRESS A BELIEF, EXPECTATION OR INTENTION, AS WELL AS THOSE THAT ARE NOT STATEMENTS OF HISTORICAL FACT, ARE FORWARD-LOOKING STATEMENTS WITHIN THE MEANING OF THE FEDERAL SECURITIES LAWS AND AS SUCH ARE BASED UPON THE CURRENT BELIEFS OF MOHEGAN GAMING & ENTERTAINMENT (“MGE”, “WE”, “US”, “OUR”, OR THE “COMPANY”) AS TO THE OUTCOME AND TIMING OF FUTURE EVENTS. THERE CAN BE NO ASSURANCE THAT THE EXPECTATIONS, CONCLUSIONS OR BELIEFS EXPRESSED IN ANY FORWARD-LOOKING STATEMENTS WILL IN FACT OCCUR. EXAMPLES OF FORWARD LOOKING STATEMENTS IN THIS PRESENTATION INCLUDE, BUT ARE NOT LIMITED TO, STATEMENTS REGARDING: (I) THE EARNINGS IMPACT OF OUR INVESTMENTS; (II) IMPROVEMENTS IN OUR NEW BUSINESS PRODUCTION; (III) FUTURE M&A ACTIVITY; (IV) GLOBAL BRAND RECOGNITION; (V) THE LEVERAGING OF INTERNAL RESOURCES ACROSS DIVISIONS; (VI) OUR ABILITY TO STAY IN FRONT OF IMPROVEMENTS IN TECHNOLOGY; (VII) GROWTH DRIVERS AND EXPECTED LEVELS OF OUR ORGANIC GROWTH; (VIII) OUR MANAGEMENT TEAM; (IX) OUR BALANCE SHEET; AND (X) OUR RETURN TO SHAREHOLDERS.

FORWARD-LOOKING STATEMENTS ARE GENERALLY IDENTIFIABLE BY USE OF FORWARD-LOOKING TERMINOLOGY SUCH AS “MAY,” “WILL,” “SHOULD,” “POTENTIAL,” “INTEND” “EXPECT,” “SEEK,” “ANTICIPATE,” “ESTIMATE,” “BELIEVE,” “COULD,” “PROJECT,” “PREDICT,” “HYPOTHETICAL,” “CONTINUE,” “FUTURE” OR OTHER SIMILAR WORDS OR EXPRESSIONS. ALL FORWARD-LOOKING STATEMENTS INCLUDED IN THIS PRESENTATION ARE BASED UPON INFORMATION AVAILABLE TO THE COMPANY ON THE DATE HEREOF AND THE COMPANY IS UNDER NO DUTY TO UPDATE ANY OF THE FORWARD-LOOKING STATEMENTS AFTER THE DATE OF THIS PRESENTATION TO CONFORM THESE STATEMENTS TO ACTUAL RESULTS. THE FORWARD-LOOKING STATEMENTS INVOLVE A NUMBER OF SIGNIFICANT RISKS AND UNCERTAINTIES. FACTORS THAT COULD HAVE A MATERIAL ADVERSE EFFECT ON THE COMPANY’S OPERATIONS AND FUTURE PROSPECTS ARE SET FORTH IN THE COMPANY’S ANNUAL REPORT ON FORM 10-K FOR THE FISCAL YEAR ENDED DECEMBER 31, 2017 INCLUDING THE SECTIONS ENTITLED “RISK FACTORS” CONTAINED THEREIN. THE FACTORS SET FORTH IN THE RISK FACTORS SECTION AND OTHERWISE DESCRIBED IN THE COMPANY’S FILINGS WITH SEC COULD CAUSE THE COMPANY’S ACTUAL RESULTS TO DIFFER SIGNIFICANTLY FROM THOSE CONTAINED IN ANY FORWARD-LOOKING STATEMENT CONTAINED IN THIS PRESENTATION. THE COMPANY DOES NOT GUARANTEE THAT THE ASSUMPTIONS UNDERLYING SUCH FORWARD-LOOKING STATEMENTS ARE FREE FROM ERRORS.

SHOULD ONE OR MORE OF THESE RISKS OR UNCERTAINTIES OCCUR, OR SHOULD UNDERLYING ASSUMPTIONS PROVE INCORRECT, THE COMPANY’S BUSINESS, FINANCIAL CONDITION, LIQUIDITY, CASH FLOWS AND RESULTS COULD DIFFER MATERIALLY FROM THOSE EXPRESSED IN ANY FORWARD-LOOKING STATEMENT. WHILE FORWARD-LOOKING STATEMENTS REFLECT OUR GOOD FAITH BELIEFS, THEY ARE NOT GUARANTEES OF FUTURE PERFORMANCE. ANY FORWARD-LOOKING STATEMENT SPEAKS ONLY AS OF THE DATE ON WHICH IT IS MADE. NEW RISKS AND UNCERTAINTIES ARISE OVER TIME, AND IT IS NOT POSSIBLE FOR US TO PREDICT THE OCCURRENCE OF THOSE MATTERS OR THE MANNER IN WHICH THEY MAY AFFECT US. WE DISCLAIM ANY OBLIGATION TO PUBLICLY UPDATE OR REVISE ANY FORWARD-LOOKING STATEMENT TO REFLECT CHANGES IN UNDERLYING ASSUMPTIONS OR FACTORS, OF NEW INFORMATION, DATA OR METHODS, FUTURE EVENTS OR OTHER CHANGES. USE CAUTION IN RELYING ON PAST FORWARD-LOOKING STATEMENTS, WHICH WERE BASED ON RESULTS AND TRENDS AT THE TIME THEY WERE MADE, TO ANTICIPATE FUTURE RESULTS OR TRENDS.

THIS PRESENTATION INCLUDES ADJUSTED EBITDA AND OTHER NON-GAAP FINANCIAL MEASURES. THE NON-GAAP MEASURES PROVIDED HEREIN MAY NOT BE DIRECTLY COMPARABLE TO SIMILAR MEASURES USED BY OTHER COMPANIES IN MGE'S INDUSTRY, AS OTHER COMPANIES MAY DEFINE SUCH MEASURES DIFFERENTLY. THE NON-GAAP MEASURES PRESENTED HEREIN ARE NOT MEASUREMENTS OF FINANCIAL PERFORMANCE UNDER GAAP, AND SHOULD NOT BE CONSIDERED AS ALTERNATIVES TO, AND SHOULD ONLY BE CONSIDERED TOGETHER WITH, MGE'S FINANCIAL RESULTS IN ACCORDANCE WITH GAAP. THE AUTHORITY DOES NOT CONSIDER THESE NON-GAAP FINANCIAL MEASURES TO BE A SUBSTITUTE FOR, OR SUPERIOR TO, THE INFORMATION PROVIDED BY GAAP FINANCIAL RESULTS.

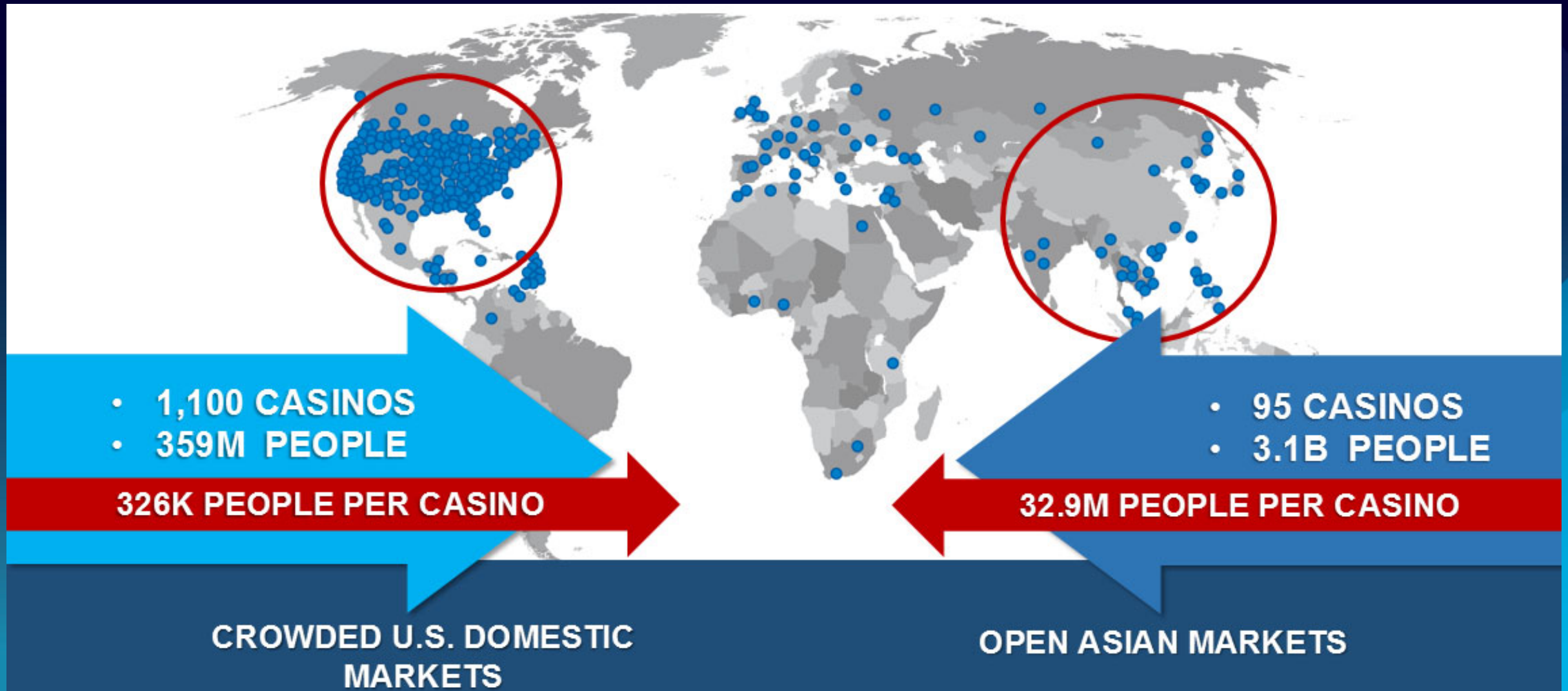
Executive Update

Planning for the Future, Focused on Today

Protecting and enhancing “Fortress Mohegan” is priority #1

- Daily focus on CT cost savings and non-gaming enhancements
 - Entering the “Second Inning”
- Drive “D&D” through identified, high ROI global and local initiatives
 - Diversification: Development pipeline execution (global) + Non-gaming amenity enhancement (local)
 - Deleveraging: Scalable cash flow opportunities (global) + Material cost reduction savings (local)
- Considerable Recent Progress in Korea:
 - MSCT shareholder change approved & predevelopment license affirmed
 - Signed Northern Asia distribution agreement with Live Nation
 - Announced global partnership with Paramount Studios
 - Considerable construction financing progress
 - Preconstruction initiated
- Priority “1B”: Focused on maintaining reasonable leverage through development stage

Seeking Untapped Global Gaming Markets



Identified Path Towards Material EBITDA Growth

Beyond diversification, scale will provide increased cost saving and capital market opportunities





Quarterly Highlights

Revenue Recognition & Accounting Update

As disclosed in our filings, MGE adopted the new revenue recognition standard effective Q1 2019

- The '101' on ASC 606:
 - The gaming industry no longer presents gross revenues less promotional allowances to arrive at net revenue
 - Promotional allowances have been netted against revenue (primarily gaming revenue) to present net revenue by financial statement line item
 - Certain changes, including changes in accounting guidance related to loyalty program accounting, have impacted classification of revenues and expenses, but had immaterial impact to Adjusted EBITDA or net income

Following adoption as of October 1, 2018, this presentation reflects restated financial statements for 2017 to ensure comparative information is available

MGE Corporate

MGE Q1 FY19 Financial Performance

Mohegan Sun:

- Net Revenues -2.7%
- EBITDA -8.9%

Mohegan Sun Pocono:

- Net Revenues -5.1%
- EBITDA -11.1%

Management & Development Fees:

- Cowlitz Management Fees \$4.1M ²
- Resorts Management Fees \$506k
- Paragon Consulting Fees \$138k
- Play 4 Fun Revenue \$435k

Total MGE:

- Net Revenues -2.4%
- EBITDA -8.6%

¹ REFLECTS 606 ACCOUNTING TREATMENT

² REPRESENTS MVNW'S % OF MANAGEMENT FEE

Q1 Financial Performance

<i>(\$ in thousands)</i>	Qtr Ended 12/31/2018 ¹	Qtr Ended 12/31/2017 ¹	y/y chg
<u>Mohegan Sun</u>			
Net Revenues	\$ 252,679	\$ 259,707	-2.7%
Adjusted EBITDA	68,549	75,261	-8.9%
EBITDA Margin	27.1%	29.0%	-1.9%
<u>Mohegan Sun Pocono</u>			
Net Revenues	\$ 60,791	\$ 64,061	-5.1%
Adjusted EBITDA	10,608	11,936	-11.1%
EBITDA Margin	17.4%	18.6%	-1.2%
<u>Corporate</u>			
Net Revenues	\$ 6,090	\$ 3,802	60.2%
Adjusted EBITDA	(7,291)	(8,567)	14.9%
EBITDA Margin	NM	NM	NM
<u>Total MGE</u>			
Net Revenues	\$ 319,500	\$ 327,510	-2.4%
Adjusted EBITDA	71,866	78,630	-8.6%
EBITDA Margin	22.5%	24.0%	-1.5%

Quarterly Highlights – MGE Corporate

Property Performance Commentary

	For the Three Months Ended			
	December 31, 2018	December 31, 2017	Variance	Percentage Variance
(in thousands)				
<u>Corporate</u>				
Net revenues	\$ 6,090	\$ 3,802	\$ 2,288	60.2%
Adjusted EBITDA	\$ (7,291)	\$ (8,567)	\$ 1,276	14.9%

Net Revenues for the quarter ended December 31, 2018, reflects:

- An increase primarily driven by higher management fees at Ilani given the benefit from continued improving trends at the property and the resulting higher management fees earned.

Adjusted EBITDA for the quarter ended December 31, 2018, reflects:

- The increase in Adjusted EBITDA results driven by higher revenues, offset by higher labor costs associated with our various diversification initiatives.

Quarterly Highlights – MGE Consolidated

FY18 Capital Expenditure Summary

(in millions)

Mohegan Sun:

Maintenance

\$	3.2	\$	25.5
----	-----	----	------

Development

	1.9		10.6
--	-----	--	------

Subtotal

	5.1		36.1
--	-----	--	------

Mohegan Sun Pocono:

Maintenance

	0.4		5.4
--	-----	--	-----

Development

	-		1.2
--	---	--	-----

Subtotal

	0.4		6.6
--	-----	--	-----

Corporate:

Maintenance

	-		8.6
--	---	--	-----

Other - Project Inspire

	7.5		111.8
--	-----	--	-------

Subtotal

	7.5		120.4
--	-----	--	-------

Total

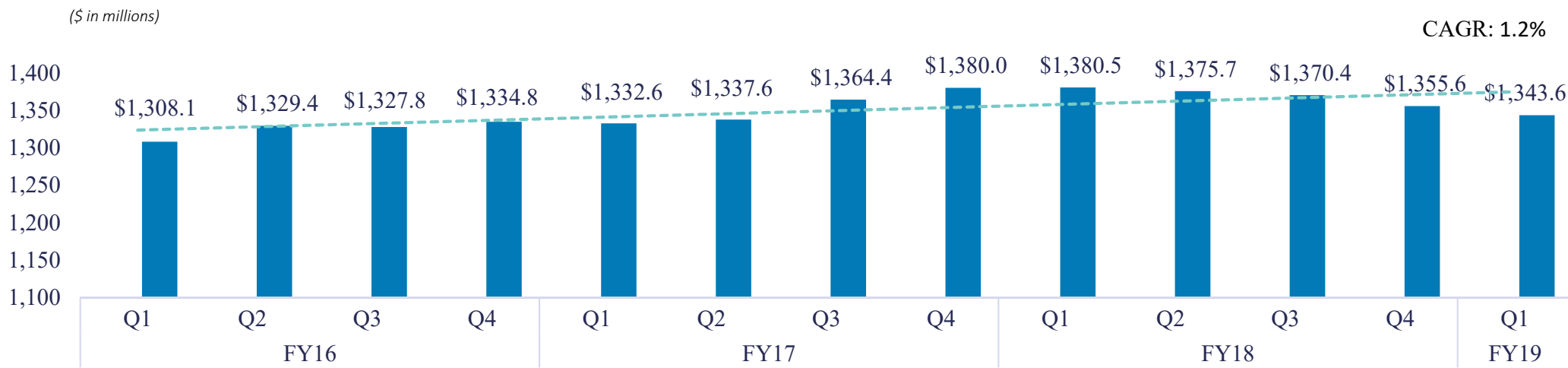
\$	13.0	\$	163.1
----	------	----	-------

Capital Expenditures			
Three Months Ended December 31, 2018		Total Forecasted Fiscal Year 2019	
\$	3.2	\$	25.5
	1.9		10.6
	5.1		36.1
	0.4		5.4
	-		1.2
	0.4		6.6
	-		8.6
	7.5		111.8
	7.5		120.4
\$	13.0	\$	163.1

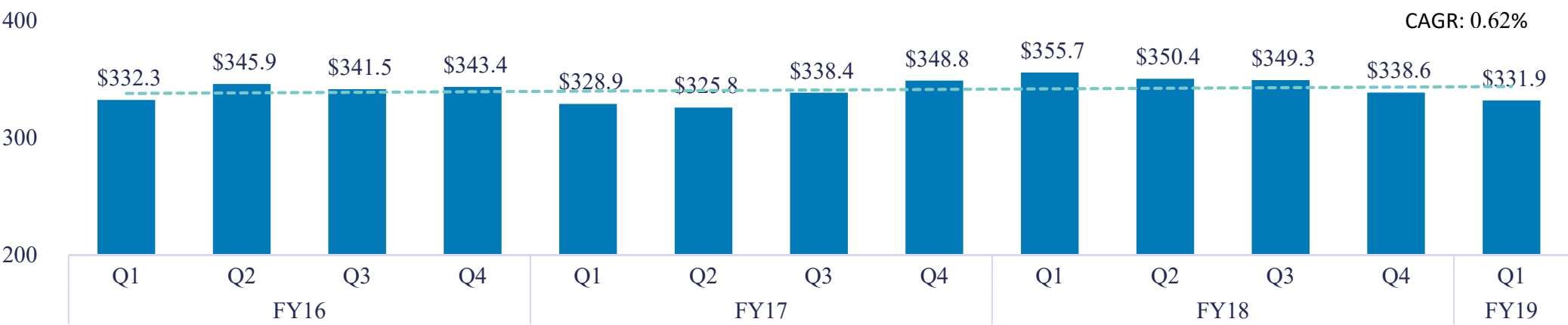
Quarterly Highlights – MGE Consolidated

Operational Performance Remains Stable

Historical Rolling LTM Net Revenue

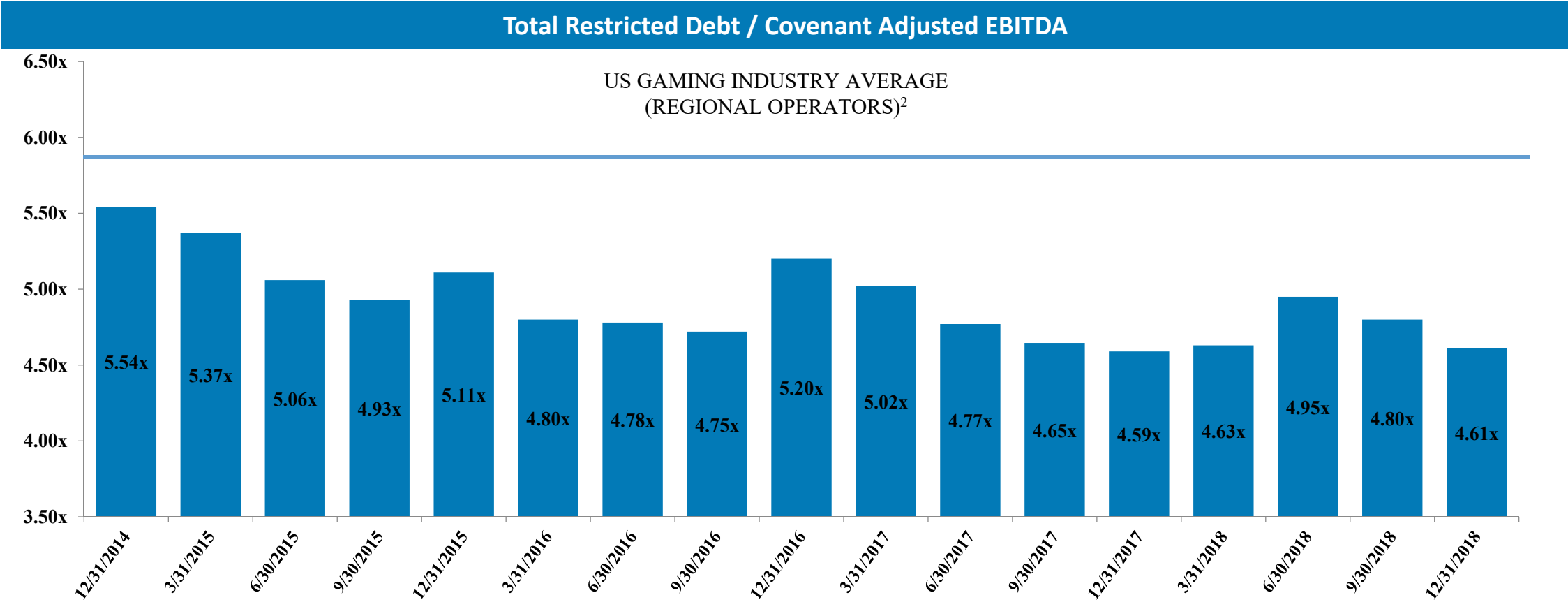


Historical Rolling LTM Adjusted EBITDA



1Q Quarterly Highlights – MGE Consolidated

As of 12/31/18, MGE’s leverage ratio was 4.6x¹, lower than the US regional operators industry average of 5.8x²



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

(2) US Regional Operators Industry Average includes US subsidiaries of Caesars Entertainment Corp., Boyd Gaming, Eldorado, and Red Rock Resorts as of most recent public filings, estimated pro forma for announced acquisitions and divestitures.

Source: Company financials and public filings.

Segment Performance Summary

<i>(in thousands, unaudited)</i>	Net Revenues		Income (Loss) from Operations		Adjusted EBITDA	
	For the Three Months Ended		For the Three Months Ended		For the Three Months Ended	
	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
Mohegan Sun	\$ 252,679	\$ 259,707	\$ 44,063	\$ 58,120	\$ 68,549	\$ 75,261
Mohegan Sun Pocono	60,791	64,061	7,192	8,594	10,608	11,936
Corporate	6,090	3,802	(7,885)	(9,069)	(7,291)	(8,567)
Inter-segment revenues	(60)	(60)	-	-	-	-
Total	\$ 319,500	\$ 327,510	\$ 43,370	\$ 57,645	\$ 71,866	\$ 78,630

Mohegan Sun - CT



Quarterly Highlights – Mohegan Sun

(in thousands)

Revenues:

	For the Three Months Ended			
	December 31, 2018	December 31, 2017	Variance	Percentage Variance
Gaming	\$ 170,482	\$ 184,435	\$ (13,953)	(7.6%)
Food and beverage	29,135	26,248	2,887	11.0%
Hotel	21,220	19,641	1,579	8.0%
Retail, entertainment and other	31,842	29,383	2,459	8.4%
Gross revenues	252,679	259,707	(7,028)	(2.7%)
Less-Promotional allowances	-	-	-	0.0%
Net revenues	\$ 252,679	\$ 259,707	\$ (7,028)	(2.7%)

Expenses:

	For the Three Months Ended			
	December 31, 2018	December 31, 2017	Variance	Percentage Variance
Gaming	\$ 90,455	\$ 91,467	\$ (1,012)	(1.1%)
Food and beverage	22,598	21,211	1,387	6.5%
Hotel	9,152	9,137	15	0.2%
Retail, entertainment and other	20,517	19,869	648	3.3%
Advertising, general and administrative	41,789	43,075	(1,286)	(3.0%)
Depreciation and amortization ¹	23,637	16,844	6,793	40.3%
Other, net	468	(16)	484	NM
Total Expenses	\$ 208,616	\$ 201,587	\$ 7,029	3.5%

1) Current period depreciation contains a catch up adjustment for depreciation relating to a tenant improvement totaling \$6.3M.

Quarterly Highlights – Mohegan Sun

<i>(in thousands)</i>	December 31, 2018	December 31, 2017	Variance	Percentage Variance
Slots:				
Handle	\$ 1,735,057	\$ 1,802,424	\$(67,367)	(3.7%)
Gross revenues	\$ 136,627	\$ 145,164	\$ (8,537)	(5.9%)
Net revenues	\$ 112,147	\$ 122,390	\$(10,243)	(8.4%)
Free promotional slot plays (1)	\$ 15,344	\$ 16,228	\$ (884)	(5.4%)
Weighted average number of machines (in units)	4,420	4,879	(459)	(9.4%)
Hold percentage (gross)	7.87%	8.05%	-0.18%	(2.2%)
Win per unit per day (gross) (in dollars)	\$ 336	\$ 323	\$ 13	4.0%
Table games:				
Drop	\$ 487,825	\$ 492,106	\$ (4,281)	(0.9%)
Revenues	\$ 56,980	\$ 60,016	\$ (3,036)	(5.1%)
Weighted average number of machines (in units)	289	276	13	4.7%
Hold percentage (2)	11.68%	12.20%	-0.52%	(4.3%)
Win per unit per day (in dollars)	\$ 2,145	\$ 2,364	\$ (219)	(9.3%)
Poker:				
Revenues	\$ 744	\$ 1,327	(583)	(43.9%)
Weighted average number of machines (in units)	42	42	-	0.0%
Revenue per unit per day (in dollars)	\$ 193	\$ 343	\$ (150)	(43.7%)

(1) Free promotional slot plays are included in slot handle but not reflected in slot revenues.

(2) Table game hold percentage is relatively predictable over longer periods of time but can significantly fluctuate over shorter periods.

Quarterly Highlights – Mohegan Sun

	For the Three Months Ended			
<i>(in thousands)</i>	December 31, 2018	December 31, 2017	Variance	Percentage Variance
Food and beverage:				
Revenues	\$ 29,135	\$ 26,248	2,887	11.0%
Meals served	956	942	14	1.5%
Average price per meal served	\$ 15.73	\$ 14.76	1	6.6%
Hotel:				
Revenues	\$ 21,220	\$ 19,641	1,579	8.0%
Rooms occupied	137	133	1	0.8%
Occupancy rate	95%	93%	0.02	2.2%
Average daily room rate (in dollars)	\$ 139	\$ 134	5	3.7%
Revenue per available room (in dollars)	\$ 132	\$ 124	8	6.5%
Retail, entertainment and other:				
Revenues	\$ 31,842	\$ 29,383	2,459	8.4%
Arena events (in events)	31	29	2	6.9%
Arena tickets	214	166	48	28.9%
Average price per arena ticket (in dollars)	\$ 44.64	\$ 46.48	(2)	(4.0%)

Quarterly Highlights – Mohegan Sun

Trending better than many expected, with robust non-gaming driving performance

- MSCT net revenues were slightly down -2.7% YoY, at \$252.7M vs. \$259.7M LY.
 - Revenues at MSCT declined modestly, primarily driven by softer gaming volumes and temporary hold pressures, partially offset by accelerating non-gaming performance.
 - Softer gaming revenues for 1QFY19 at MSCT reflect the impact from recent new competition, though remains inline to better than expected.
 - Total non-gaming revenue increased \$6.9M, driven by Food and Beverage, up 8.2% and 14.2%, respectively.
 - Hotel revenue increased by \$1.6M.
 - Arena revenue was up \$2.1M, driven by the increase in shows, particularly the headliners and strong ticket sales per show.
- Adjusted EBITDA was \$68.5M for the quarter, down 8.9% from LY, mainly attributable to softer gaming revenues.
 - Labor was unfavorable by \$1.8M as a result of increased health and insurance costs offset by lower salaries and wages.
 - Fulltime equivalence were down to 5,148 from 5,383 LY.
 - Overall, EBITDA was adversely impacted from lower slot revenue and overall hold. **Adjusting for normalized hold, adjusted EBITDA in the quarter would have been \$1.63M higher.**

January 2019 – Mixed start to the year

While we typically avoid using weather as an excuse... the perfect storm adversely impacted a key long weekend in January

- A Winter Storm hit MSCT on the afternoon of Sunday, January 20th and continued into the MLK holiday, on Monday
 - We believe overall business was adversely impacted, with a \$2.3M impact to revenue and a \$1.7M impact to EBITDA.
- Mohegan Sun has faced an unlucky start to the New Year. While volumes have remained inline to plan (adjusting for the impact of the aforementioned MLK impact), overall table win has been impacted by table hold.

Defined, Consistent Strategic Focus

Changes to competitive market are not new; our focus has always been:

Maximize Gaming Profits

- Protection of our most profitable guests

Enhancement of Non-Gaming Offerings

- Diversify revenue streams

Continuous Expense Savings

- Targeted marketing efforts
- Labor efficiency

Strategic Initiatives Already Underway

Continuing our history of success in defending against competition

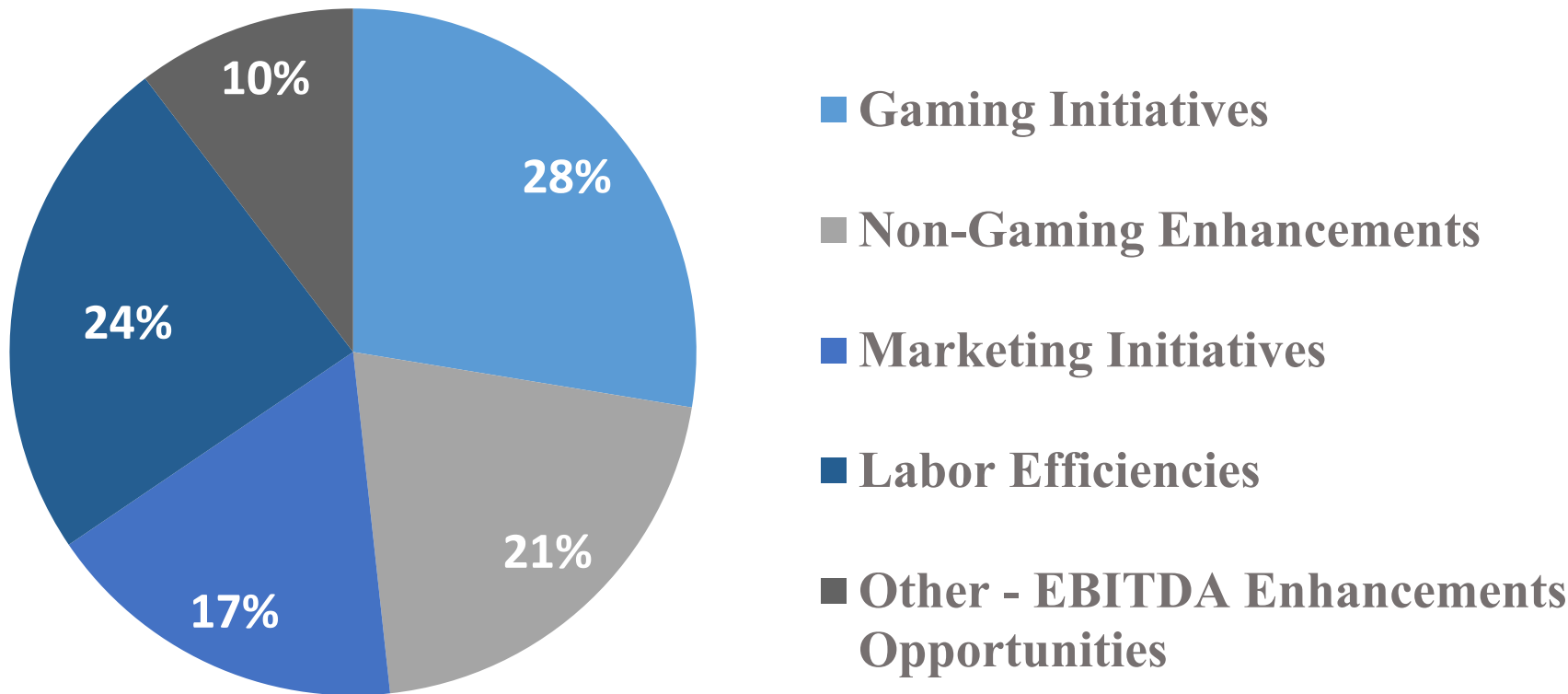
Initiatives	Total
Gaming Initiatives	\$30 - 40M
Non-Gaming Enhancements	20 - 30M
Marketing Initiatives	20 - 25M
Labor Efficiencies	30 - 35M
Other - EBITDA Enhancements Opportunities	7 - 15M
Total	\$107 - 145M

- All figures above exclude volume driven reductions*

1Q Update: We continue to evaluate all aspects for improvement and program acceleration, but we reiterate, overall objectives remain achievable and on schedule

Strategic Initiatives Remain Diverse

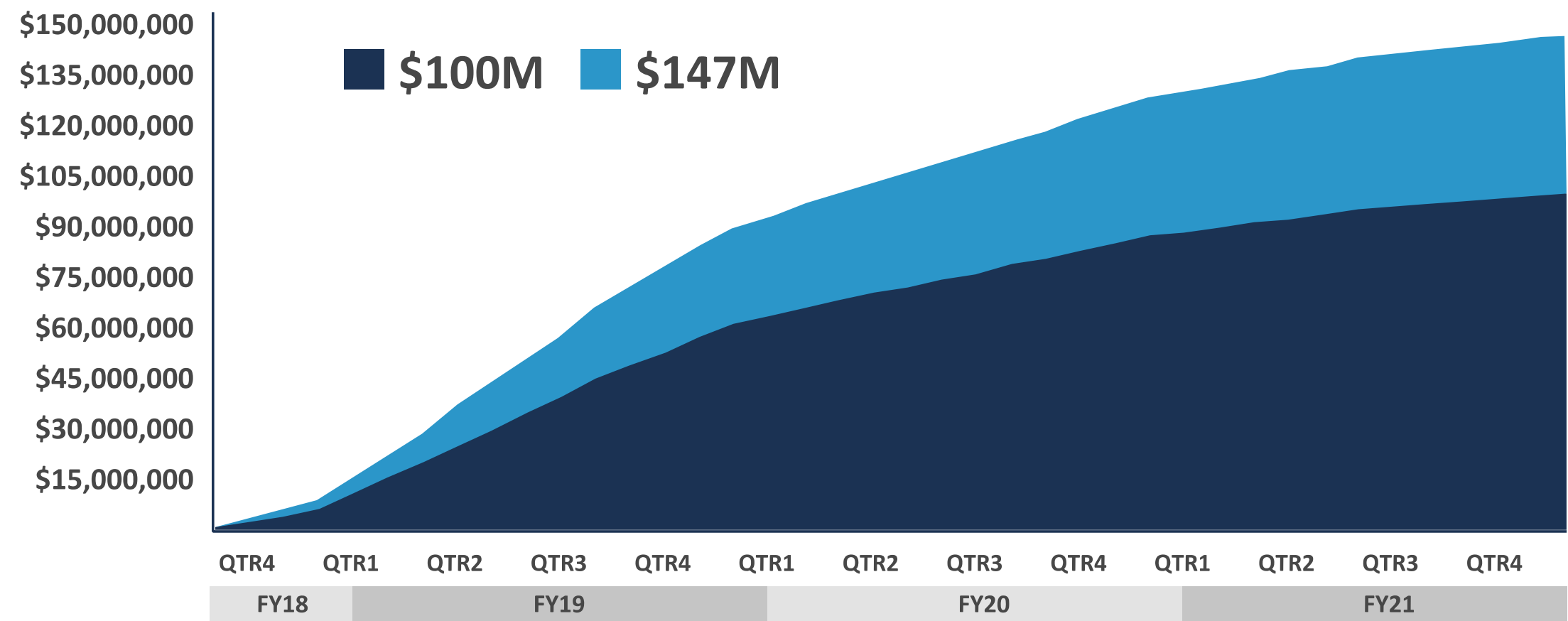
Well defined value drivers across diverse revenue and cost line items



1Q Update: Non-Gaming leading the charge, followed by labor efficiencies; select table gaming programs under evaluation, but too early to objectively assess long-term success

Strategic Initiatives Ramp Up

1Q Update: MGE remains on pace to achieve target cost and revenue improvements



Mohegan Sun - Pocono



Quarterly Highlights – Mohegan Sun Pocono

(in thousands)

Revenues:

	For the Three Months Ended			
	December 31, 2018	December 31, 2018	Variance	Percentage Variance
Gaming	\$ 51,453	\$ 54,607	\$ (3,154)	(5.8%)
Food and beverage	5,713	5,461	252	4.6%
Hotel	1,758	1,820	(62)	(3.4%)
Retail, entertainment and other	1,867	2,173	(306)	(14.1%)
Gross revenues	60,791	64,061	(3,270)	(5.1%)
Less-Promotional allowances	-	-	-	-
Net revenues	\$ 60,791	\$ 64,061	\$ (3,270)	(5.1%)

(in thousands)

Expenses:

	For the Three Months Ended			
	December 31, 2018	December 31, 2018	Variance	Percentage Variance
Gaming	\$ 38,209	\$ 39,655	\$ (1,446)	(3.6%)
Food and beverage	3,849	3,643	206	5.7%
Hotel	651	750	(99)	(13.2%)
Retail, entertainment and other	245	415	(170)	(41.0%)
Advertising, general and administrative	7,229	7,662	(433)	(5.7%)
Depreciation and amortization	3,416	3,325	91	2.7%
Other, net	-	17	(17)	(100.0%)
Total	\$ 53,599	\$ 55,467	\$ (1,868)	(3.4%)

Quarterly Highlights – Mohegan Sun Pocono

(in thousands)	For the Three Months Ended			
	December 31, 2018	December 31, 2017	Variance	Percentage Variance
Slots:				
Handle	\$ 574,862	\$ 592,667	\$ (17,805)	(3.0%)
Gross revenues	\$ 57,270	\$ 59,894	\$ (2,624)	(4.4%)
Net revenues	\$ 43,620	\$ 45,002	\$ (1,382)	(3.1%)
Free promotional slot plays (1)	\$ 10,435	\$ 11,393	\$ (958)	(8.4%)
Weighted average number of machines (in units)	2,324	2,330	(6)	(0.3%)
Hold percentage (gross)	7.6%	7.6%	0.0%	0.0%
Win per unit per day (gross) (in dollars)	\$ 204	\$ 210	\$ (6)	(2.9%)
Table games:				
Drop	\$ 40,982	\$ 49,098	\$ (8,116)	(16.5%)
Revenues	\$ 5,680	\$ 7,210	\$ (1,530)	(21.2%)
Weighted average number of machines (in units)	71	73	(2)	(2.7%)
Hold percentage (2)	13.9%	14.7%	(0.8%)	(5.4%)
Win per unit per day (in dollars)	870	1,074	(204)	(19.0%)
Poker:				
Revenues	\$ 428	\$ 509	\$ (81)	(15.9%)
Weighted average number of machines (in units)	18	18	-	0.0%
Revenue per unit per day (in dollars)	\$ 259	\$ 308	\$ (49)	(15.9%)

(1) Free promotional slot plays are included in slot handle but not reflected in slot revenues.

(2) Table game hold percentage is relatively predictable over longer periods of time but can significantly fluctuate over shorter periods.

Quarterly Highlights – Mohegan Sun Pocono

	For the Three Months Ended			
<i>(in thousands)</i>	December 31, 2018	December 31, 2017	Variance	Percentage Variance
Food and beverage:				
Revenues	\$ 5,713	\$ 5,461	\$ 252	4.6%
Meals served	115	107	8	7.5%
Average price per meal served	\$ 21.59	\$ 21.10	\$ 0.49	2.3%
Hotel:				
Revenues	\$ 1,758	\$ 1,820	\$ (62)	(3.4%)
Rooms occupied	17	18	(1)	(5.6%)
Occupancy rate	78.8%	83.4%	(4.6%)	(5.5%)
Average daily room rate (in dollars)	\$ 98	\$ 96	\$ 2	2.1%
Revenue per available room (in dollars)	\$ 77	\$ 80	\$ (3)	(3.8%)
Retail, entertainment and other:				
Revenues	\$ 1,867	\$ 2,173	\$ (306)	(14.1%)

Quarterly Highlights – Mohegan Sun Pocono

Property Performance Commentary

- Revenues were down 5.1% YoY, at \$60.8M vs \$64.1M LY, while Adjusted EBITDA for the quarter was \$10.6M, down 11.1% from LY, mainly attributable to softer gaming revenues.
- Table drop decreased YoY by 16.5% and net table hold was down YoY at 13.9% compared to 14.7% LY. This was a result of lower volumes compared to LY, as well as, higher hold LY.
- Gross slot revenue was down 4.4% YoY, at \$57.3M vs \$59.9M. Net slot hold was 7.6% same as 7.6% LY, a significant improvement related to an FY18 initiative of refreshing the assets on the slot floor but as a whole, performance was impacted by the 1% slot tax, which will anniversary on January 1, 2019.
- The property continued to face an aggressive promotional environment in the quarter that impacted volumes and as a result, marketing spend increases where primarily to combat Mt. Airy's reinvestment marketing approach. However, these promotional pressures abated towards the end of the quarter and have returned to more historic norms in the current period.
- Additionally, overall trends improved sequentially throughout the quarter, with momentum carrying over into the current. However volumes were adversely impacted by winter storms during the long MLK weekend.
- Overall, EBITDA was adversely impacted from lower revenue, lower table hold and higher slot taxes, given a 1% increase in slot taxes assessed by the Commonwealth of Pennsylvania effective January 1, 2018. **Adjusting for normalized table hold and the 1% slot tax, adjusted EBITDA in the quarter would have been \$767k higher.**

ilani Casino Resort



Quarterly Highlights – ilani Casino Resort

Property Performance Commentary

- The upward trend in gaming performance continues for awareness and visitation. Spend per Trip increased by 16.7% while Trips overall Increased by 33.8% on a YoY basis.
- Net revenues up 31% in the quarter vs. LY mainly due to the growth in the database of almost 45% year over year. This was driven by a 32% increase in net gaming revenue, and 20.6% in net non-gaming revenue.
- The database is currently at 275,000 and growing, up 15.6% from September
- Management Fees increased \$3.9 million, netting to an impact of \$8.1 million increase to EBITDA, or 30% year over year for the quarter.
- Completed a successful refinancing and expanded revolver on December 4th, with \$625M in proceeds, of which \$109M came back to MGE, to repay outstanding loans to the development..
- Master-planning of ilani is nearly complete, with elements such as hotel, expanded casino, and structured parking, all being evaluated.

Resorts – Atlantic City



Quarterly Highlights – Resorts Casino

Property Performance Commentary

- Resorts was the only operator in Atlantic City that had YoY growth in GGR. GGR for the quarter was \$44.4M, up \$589k or 1.3%.
 - Slot handle market share at Resorts was 7.2%, down from 7.8%, in Q4 2017.
 - Table drop market share was 6.8%, down from 7.1%, in Q4 2017 (up from 5.3%, 3Q18)
- Resorts forth quarter reflects the direct impact of two new competitors, Hard Rock and Ocean Resorts, in the market, as there was a shift by consumers who gave trial to the new properties in terms of play days and share of wallet but positively, the new competition has attracted critical mass to the Resorts area of Atlantic City. Both the new competitors continue to have very aggressive marketing programs
- Growth in non-gaming revenues YoY was up 4.9% and can be primarily attributed to the demand derived from the larger number of customers visiting from the opening of the two new competitors near Resorts. Resulted in higher cash and comp revenues. Food up 9.2% and Beverage up 5.2%. Hotel revenues down a modest 0.5%, as the market continues to absorb new/updated room produced, from highly promotional operators.
- Management fees earned by MGE in the quarter were approximately \$506k.
- January performance has been promising so far, with good table and slot volume and stable hold, contributing to better results YoY. Our table play is solid, led by strong Asian business and the slot business has been steady.

Paragon – Louisiana



Quarterly Highlights – Paragon Casino Resort

Property Performance Commentary

- Seasonally, Oct-Dec is the softest quarter for Paragon, though win per guest was still up, YoY. Additionally, seeing a better quality customer, following changes to marketing efforts
- Performance was in line with the state and our nearest competitors with the exception of Baton Rouge which continues to see dramatic decreases as the result of the smoking ban that was implemented in June 2018.
- Headcount at 840 FTE's at end of quarter, down from 905 in prior year quarter

Development Updates



Inspire Entertainment Resort

Project Inspire Overview

Location	Incheon Airport Development Zone IBC-III
Operator	Mohegan Gaming & Entertainment LLC (U.S.)
Shareholder	MGE through its wholly-owned subsidiary, Mohegan Gaming Advisors LLC
Site Area	<ul style="list-style-type: none">• Phase 1 Parcel Area: 507,320m²• Gross Floor Area (excl. parking): 340,858m²
Land Lease	<ul style="list-style-type: none">• Total Site Area: 2,674,000m² total (excl. 1,500,000m² reservoir)• Owner: Incheon International Airport Corp.• Lease Period: 99 years
Phase I Features	<ul style="list-style-type: none">• 15,000+ seat indoor entertainment arena• Three 5-star hotel towers with 1,256 total keys• 19,000m² of meeting & convention space• Over 63,000m² of luxury, retail, entertainment offerings and world-class F&B• 150 table casino with 700 slots/electronic games
Future Phase Offerings	<ul style="list-style-type: none">• Phase 2 (already committed) : 100 acre+ branded theme park and connecting entertainment/retail village• Future Development Phases: To be determined
Expected Opening	4Q 2021–1Q 2022



Project Inspire Overview

INSPIRE Offerings

Retail / F&B/ Entertainment



Future Phase



Hotel



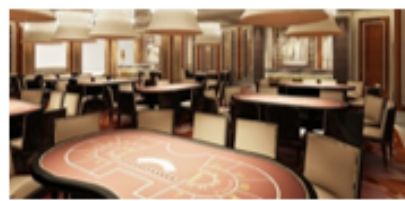
Splash Bay



Arena



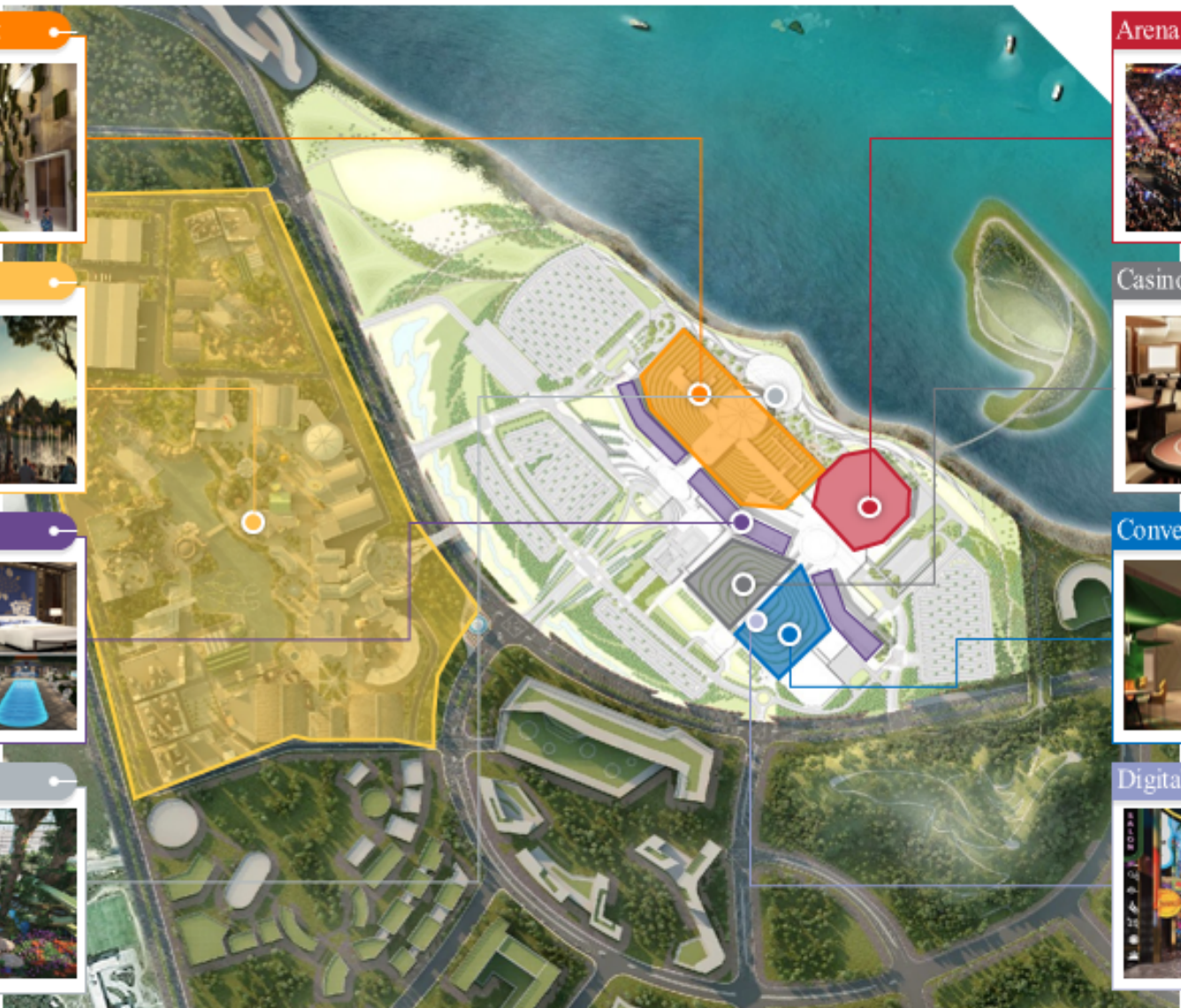
Casino



Convention



Digital Street



Project Inspire Overview

Geographical Location

Destination from Seoul	Flight Time
Beijing	2 hrs
Shanghai	2 hrs
Chengdu	4 hrs
Hong Kong	3 hrs 50 min
Taipei	2 hrs 30 min
Tokyo	2 hrs 30 min
Osaka	1 hr 50 min



Source: Incheon International Airport Authority

Project Inspire Overview

Site Location



To / From Seoul



- ICN Expressway to Incheon and Western Seoul
- Within 1 hour to/from Seoul



- Airport railroad station located adjacent to Airport Terminal
- Within 1.5 hours to/from Seoul

To / From Incheon Airport



- 5 Minutes from IIC Terminal 2
- 10 Minutes from IIC Terminal 1

Quarterly Highlights – Inspire

World Leading Live Entertainment Partnership

On October 10, 2018, Mohegan Gaming & Entertainment (MGE) and Live Nation Entertainment, the world's leading live entertainment company, announced a multi-year partnership to acquire talent for Project Inspire.

“Mohegan Gaming & Entertainment and Live Nation have been long-time partners in creating one of the most successful arena venues in the world for its size, the Mohegan Sun Arena in Uncasville, CT,” said Mario Kontomerkos, Chief Executive Officer, Mohegan Gaming & Entertainment. “Now, we are partnering again to do the same, only this time it will be at the Inspire Super Arena at the Incheon International Airport, right in the heart of the burgeoning Asia entertainment market. The move further solidifies MGE’s position as the premier global gaming and entertainment resort developer and operator.”

“We have been thrilled by the success of what Live Nation and Mohegan Gaming & Entertainment have built together through the Mohegan Sun Arena in Uncasville and are excited to continue this partnership through Project Inspire,” said Alan Ridgeway, Live Nation’s President, International and Emerging Markets. “Touring throughout Northern Asia has grown significantly over the last few years, and the addition of the Inspire Super Arena can only continue to enhance that growth,” concluded Ridgeway.



Construction Begins

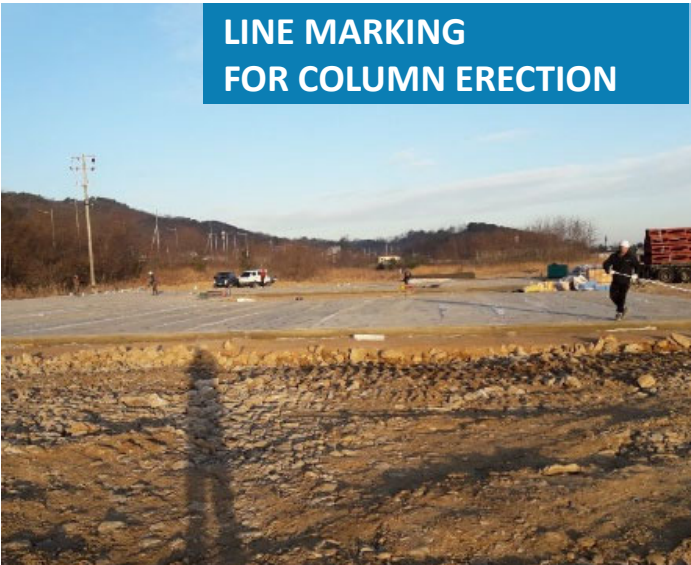
Contractor and building site offices are on site



EMBANKING AND
COMPACTING OF SOIL



STEEL COLUMN DELIVERY



LINE MARKING
FOR COLUMN ERECTION



UTILITY POLE ERECTION

Construction Begins

Contractor and building site offices are on site





Niagara Opportunity Overview



Niagara Acquisition Overview

Mohegan's entry into the highly attractive Niagara local- and tourist-oriented gaming market solidifies our position as the leader in the greater northeast gaming region

- On July 27th, 2018, Mohegan Gaming & Entertainment (“MGE”) was selected as the Service Provider for the Niagara Bundle, part of the Ontario Lottery & Gaming Commission’s (“OLG”) modernization program
 - Includes two integrated casino resorts located within ~1 mile of each other in Niagara Falls, ON
 - MGE will also operate Niagara Falls Entertainment Centre (“NFEC”), a theatre-style arena with 5,000 seats
- Initial contract ends March 31, 2040
 - Unlimited 10 year renewals (available at MGE’s option)
- The ‘turn-key’ properties are well-appointed and maintained, and are of sizeable scale, producing (CAD) \$650+ million in annual gross gaming revenue

MGE expects to drive significant incremental revenue through the combination of existing player databases—MGE-established operational efficiency strategies should also drive material operational and cash flow improvements

Attractive Niagara Market Demographics

Existing globally recognized tourism market with robust opportunity for expansion

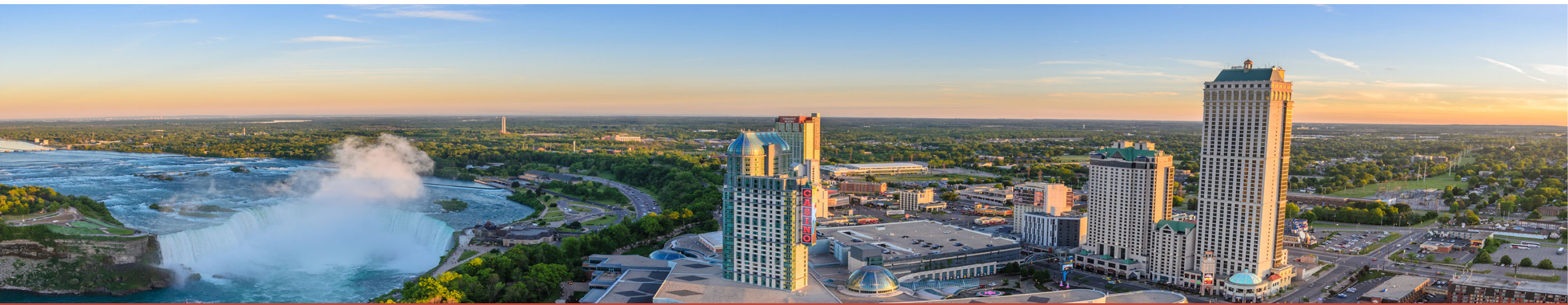
- Population of ~14.2 million within 150 minute drive time
 - Average household income of (CAD) \$100,000+
 - Asian population is one of the fastest growing segments with Chinese making up over 10% of the greater Toronto area (“GTA”) population
- Top Ten Global Destination: 14.5 million+ annual visitors to Canadian side of Niagara Falls with 6.5 million+ overnight visitors
 - 4.5 million+ annual US visitors with the significant concentrations from 'MGE markets' (e.g. New York, Pennsylvania, and Ohio)
 - 1.5 million+ annual international visitors with Chinese, Korean, and Japanese as largest visitation segments

MGE will control all casino assets within the 16,000-hotel room Niagara market

Significant Revenue & Margin Improvement Opportunity

Material cross-property and operational efficiency opportunities

- Property previously operated by single market operator; provides MGE with the opportunity to exploit its multi-property presence in the greater northeast region
 - 6 million+ potential new Niagara customers via MGE databases
 - Ability to market Niagara beyond the GTA—MGE will extend range to New York City and beyond
- Significant non-gaming revenue improvement opportunity
 - MGE targets at ~30% non-gaming revenue contribution (Currently ~15% at Fallsview)
 - Previous management less incentivized to prioritize non-gaming, leaving considerable low hanging fruit within retail and F&B
 - MGE, in partnership with Live Nation, will draw on its vast experience and relationships to drive incremental visitation, while benefiting from new 5,000-seat state-of-the-art arena



Niagara Property Overview



Fallsview Resort Hotel

The Diamond of Niagara



- Opened in 2004
- 3,082 slots
- 136 gaming tables
- 374 room hotel
- 1,500 seat theatre
- 22 food and beverage outlets



World Class Gaming Facilities

*Solidifies MGE as the
Premier Gaming
Operator in the
Northeast*





VIP Gaming Experience

*True High End Gaming;
Attractive to Existing
MGE Clientele*





Casino Niagara



Unique Integrated Entertainment Partnership Experience



- Opened in 1996
- 1,418 slots
- 32 gaming tables
- 4 food and beverage outlets

Niagara Falls Entertainment Centre

LIVE NATION

Unique Offering in the GTA

LIVE NATION

Rendering:



Construction :



- 5,000 seats
- Pedestrian Bridge/Walkway Connects to Fallsview
- Opens in September of 2019

Capitalization Summary

Q1 FY19 Current Debt Summary

MGE and Mohegan Tribe remain committed to deleveraging

(\$ in thousands)

	12/31/2018	Coupon/Spread	Maturity	Rating¹
Credit Facility - Revolving	\$ 66,000	L + 3.75%	10/13/21	-
Credit Facility - Term Loan A	301,440	L + 3.75%	10/13/21	B1/B-
Credit Facility - Term Loan B	828,830	L + 4.00%	10/13/23	B1/B-
Mohegan Expo Credit Facility	32,155	L + 4.50%	4/1/22	-
Other	1,364	-	-	-
Total Senior Secured Debt	1,229,789			
2016 7 7/8% Senior Unsecured Notes	500,000	7.875%	10/15/24	B3/CCC+
BIA Loans	35,000	L + 2.75%	10/1/23	-
Total Restricted Debt	1,764,789			
Redemption Note Payable	114,800	-	4/14/2024	-
Niagara Debt (USD)	-	-	-	-
Total Debt	\$ 1,879,589			

¹ Corporate Rating: B2/B-