



Mohegan  
Gaming &  
Entertainment

# Q4 FY19 Supplemental Deck

December 5, 2019



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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.





# Inspire Entertainment Resort





*Secured comprehensive partnership agreement with Hanwha Group for three key requirements to complete the project:*

## **CONSTRUCTION**

General contractor construction agreement

## **FINANCIAL**

Guarantee of completion; providing credit support and up to \$100M investment in the project

## **RESORT OPERATIONS**

Multi-year hotel/resort operations agreement







- Established in 1952; 60+ years of success
- Fortune Global 500 member
- Ranked in top 10 of largest business enterprises in South Korea
- Key Business Areas:
  - Aerospace
  - Chemicals & Materials
  - Construction
  - Financial Services
  - Leisure & Lifestyle
  - Solar Energy







# Hanwha

Engineering&Construction

- Initial construction of foundation pile work with Hyundai Engineering & Construction (HDEC) completed as of September 29th
- Hanwha took over site construction on October 1<sup>st</sup>
- Remain on schedule for 2022 completion of Phase 1A
- Ceremonial ground breaking currently being discussed and to be determined by season and weather







- Secured better project financing rates on loans due to strength of Hanwha’s balance sheet/credit
- Reduced percentage rate equates to significant annual savings
- Hanwha will invest up to \$100M in the project

GLOBAL RANKING	99th
REVENUE (2018)	\$3,172M
PROFITS (2018)	\$244M
ASSETS (2018)	\$4,814M
CREDIT RATING (2018)	
COMMERCIAL PAPER	A2
CORPORATE BOND	A+





# Hanwha Hotels & Resorts

- Multi-year operations agreement providing management in areas including resort operations, marketing and human resources
- Operators of 12 luxury resorts, two leading hotels: The Plaza Hotel and Saipan World; 4,674 hotel rooms, 11 golf courses, 4 theme parks and culture centers including aqua planet Ilsan/Yeosu/Jeju, and 63 Seaworld
- Providers of F&B service to roughly 200 outlets including casual restaurants and banquet halls

JADE PALACE GOLF CLUB



THE PLAZA . SEOUL



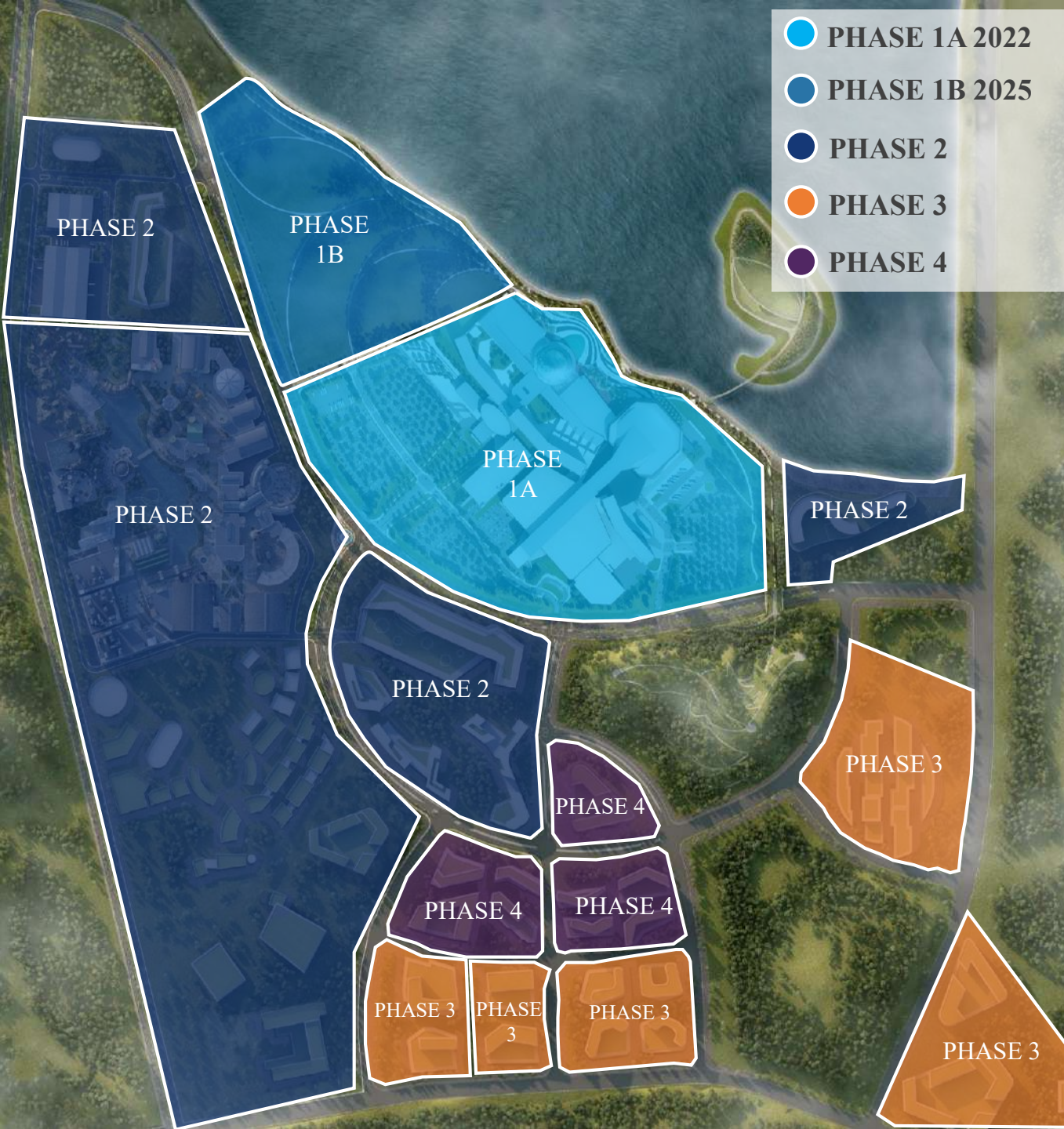
GEOJE BELVEDERE



SEORAK WATERPIA







## A Multi-Phased Project with Vast Site Area for Scalability

- Phase 1A includes a foreigner-only casino, 5-star resort with over 1,248 rooms, suites, and villas, large-scale and unique F&B, retail and entertainment offerings, a 15,000-seat indoor arena, and large meeting/convention facility
- A true destination resort, with a comprehensive set of family-based entertainment offerings to attract and offer an unparalleled experience to both foreign and domestic Korean visitors



## Hotel

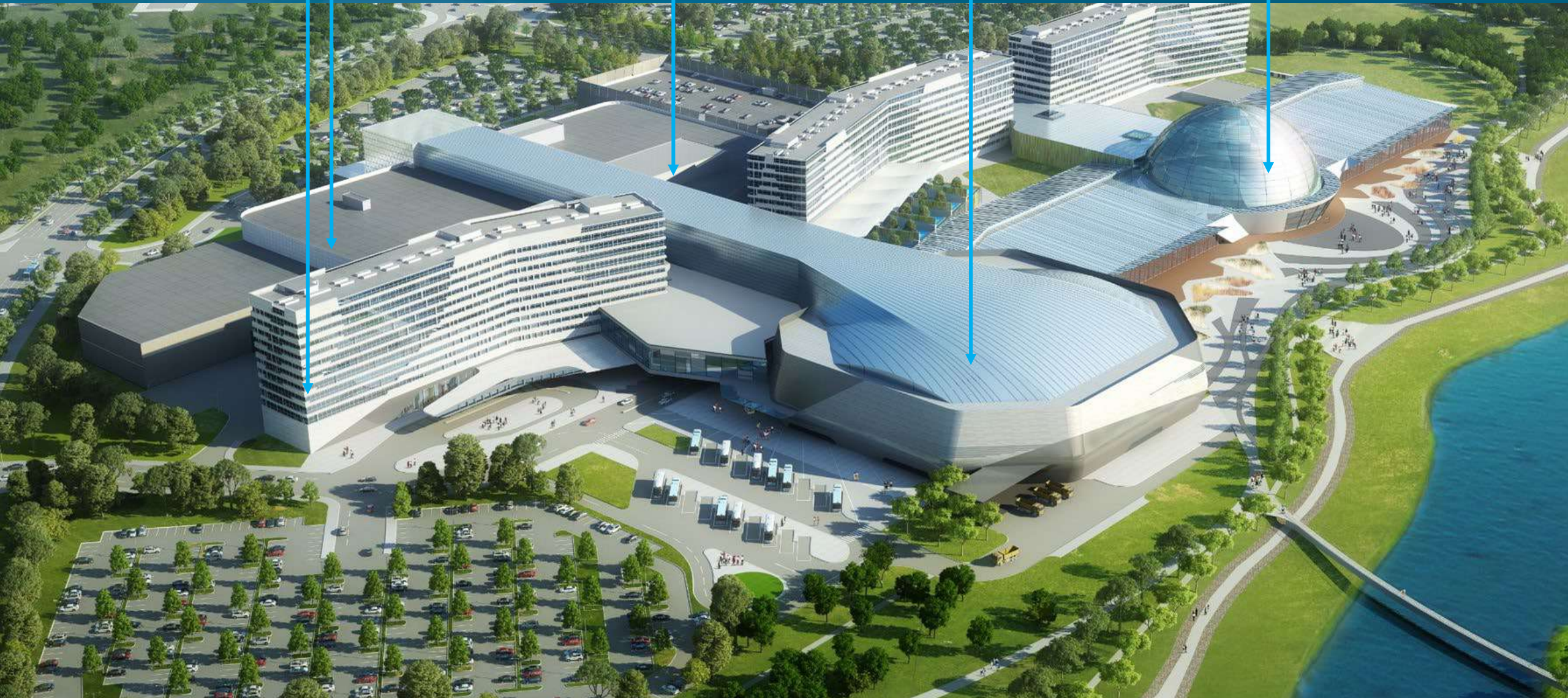
5-star hotel towers with 1,248 rooms

**MICE**  
Meeting & conference facilities with Seoul's largest ballroom

**Casino**  
150 tables, 700 slots and electronic games

**Arena**  
15,000+ seat entertainment arena

**Retail . F&B . Entertainment**  
Luxury shopping mall





# Phase 1B: Paramount Theme Park 2025

- Phase 1B involves the construction of a theme park utilizing intellectual property of Paramount on over 404,659m<sup>2</sup> of land area
- Tremendous local demand for theme park-type offerings – Korea's Everland and Lotte World ranked #47 and #49, respectively, as the most visited attractions globally, and the #6 and #7 most visited theme parks in Asia
- Introduce 40+ branded attractions, integrated retail, dining and entertainment to Korean consumers







- Globally recognized motion picture library
- Given 25M+ Seoul local population, will transform the Incheon area of South Korea into Asia's next major entertainment destination
- Paramount, Live Nation, and others represent both the convergence and evolution of a new kind of global integrated resort, the integrated entertainment resort

**STAR  
TREK**

**TOMB  
RAIDER**



**MISSION: IMPOSSIBLE**

**The  
Godfather**



## Market Highlights

- INSPIRE to be Korea and Northeast Asia's first true Integrated Entertainment Resort
- Ideally positioned within Korea and Northeast Asia to capture growing tourism flows
- Broad appeal to both domestic and foreign visitors
- Partnership with Incheon Airport provides unique support and competitiveness with 70M annual visitors

## Project Timeline

- 2022 Integrated Resort slated to open
- 2025 Paramount Theme Park slated to open





# 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 2018 and beyond to ensure comparative information is available*





Mohegan  
Gaming &  
Entertainment





# MGE Q4 FY19 Financial Performance

## Mohegan Sun

- First full quarter of Encore Boston impact
- Net Revenues -7.8%
- EBITDA -13.0%
- *Table Games Hold lower than anticipated, a \$8.6M EBITDA reduction*

## Mohegan Sun Pocono

- Net Revenues -2.1%
- EBITDA -18.9%
- *FY18 benefitted from \$2M tax credit; PF for tax impact, EBITDA -6.0%*

## MGE Niagara Resorts

- First full quarter under MGE management
- Results inline with expectations

## Management, Development and Other

- Cowlitz Management Fees \$8M
- Resorts Management Fees \$0.9M
- *FY18 benefitted from \$10.3M reversal of Salishan Bad Debt Expense*

## Corporate

- Net Revenues Flat
- EBITDA +68.1%

## Total MGE

- Net Revenues 20.8%
- EBITDA -5.0%

## Q4 Financial Performance

	Quarter Ended 9/30/2019	Quarter Ended 9/30/2018	Year/Year Change
<i>(in thousands)</i>			
<b>Mohegan Sun</b>			
Net Revenues	\$ 249,928	\$ 271,180	(7.8%)
Adjusted EBITDA	64,811	74,509	(13.0%)
EBITDA Margin	25.9%	27.5%	(1.5%)
<b>Mohegan Sun Pocono</b>			
Net Revenues	\$ 63,629	\$ 65,012	(2.1%)
Adjusted EBITDA	11,759	14,494	(18.9%)
EBITDA Margin	18.5%	22.3%	(3.8%)
<b>MGE Niagara Resorts</b>			
Net Revenues	\$ 91,237	\$ -	100.0%
Adjusted EBITDA	10,191	-	100.0%
EBITDA Margin	11.2%	-	100.0%
<b>Management Development and Other</b>			
Net Revenues	\$ 9,961	\$ 6,290	58.4%
Adjusted EBITDA	4,806	9,632	(50.1%)
EBITDA Margin	48.2%	153.1%	(104.9%)
<b>Corporate</b>			
Net Revenues	\$ 20	\$ 364	(94.5%)
Adjusted EBITDA	(1,450)	(4,546)	68.1%
EBITDA Margin	NM	NM	NM
<b>Total MGE <sup>1</sup></b>			
Net Revenues	\$ 414,006	\$ 342,786	20.8%
Adjusted EBITDA	89,412	94,089	(5.0%)
EBITDA Margin	21.6%	27.4%	(5.9%)

<sup>1</sup> Includes inter-segment results



# Quarterly Highlights – Management, Development and Other

*Core management businesses continue to grow, despite one-time comparisons*

	For the Three Months Ended			
<i>(in thousands)</i>	September 30, 2019	September 30, 2018	Variance	Percentage Variance
Net Revenues	\$ 9,961	\$ 6,290	\$ 3,671	58.4%
Income from Operations	\$ 820	\$ 8,410	\$ (7,590)	(90.2%)
Adjusted EBITDA	\$ 4,806	\$ 9,632	\$ (4,826)	(50.1%)

## **Net Revenues for the quarter ended September 30, 2019, reflects:**

- The increase is primarily driven by higher management fees from ilani, as a result of continued revenue and EBITDA growth at the property. MGE recognized \$8M in ilani management fees in the quarter compared to \$4.7M the prior year.

## **Adjusted EBITDA for the quarter ended September 30, 2019 reflects:**

- Prior year results benefitted from the reversal of an approximately \$10.3M bad debt provision related to Salishan-Mohegan, LLC. Excluding this adjustment, Adjusted EBITDA increased approximately \$5.5M over prior year.



# Quarterly Highlights – MGE Corporate

*Improved EBITDA driven by cost initiatives*

	For the Three Months Ended				
<i>(in thousands)</i>	September 30, 2019	September 30, 2018	Variance	Percentage Variance	
Net Revenues	\$ 20	\$ 364	\$ (344)	(94.5%)	
Loss from Operations	\$ (1,468)	\$ (4,570)	\$ 3,102	67.9%	
Adjusted EBITDA	\$ (1,450)	\$ (4,546)	\$ 3,096	68.1%	

**Net Revenues for the quarter ended September 30, 2019, reflects:**

- Corporate revenues remained flat compared to prior year.

**Adjusted EBITDA for the quarter ended September 30, 2019 reflects:**

- The increase in Adjusted EBITDA is primarily due to the reversal of accruals related to employee incentive programs along with lower consulting fees. The improvement was partially offset by higher labor costs, as we prepare for expanded operations outside of North America.



# Quarterly Highlights – MGE Consolidated

*Committed to capital reinvestment in the face of competitive pressure*

<i>(in millions)</i>	Fiscal Year Ended September 30, 2019	Forecasted Fiscal Year 2020
<b>Mohegan Sun</b>		
Maintenance	\$ 17.5	\$ 21.4
Development	11.2	15.3
Subtotal	28.7	36.7
<b>Mohegan Sun Pocono</b>		
Maintenance	5.4	5.3
Development	1.1	1.0
Subtotal	6.5	6.3
<b>Other</b>		
MGE Niagara Casinos	3.4	25.8
Project Inspire	40.1	318.6
Corporate	-	1.9
Subtotal	43.5	346.3
Total	\$ 78.7	\$ 389.3

# Bridge Summary for Normalized EBITDA

<i>(All in 606; \$ in thousands)</i>		Reported Results	Adj for Normalized Table Hold	Salishan Bad Debt Reversal	MSP Tax Credit	Other One-Time Adjustments	Normalized Results
<b>4Q19</b>							
<b>Revenue</b>	Mohegan Sun	\$ 249,928	\$ 8,605	\$ -	\$ -	\$ -	\$ 258,533
	Mohegan Sun Pocono	63,629	473	-	-	-	64,102
	MGE Niagara Casinos	91,237	1,882	-	-	-	93,119
	Management, Development & Other	9,961	-	-	-	-	9,961
	Corporate	20	-	-	-	-	20
	Inter-segment	(769)	-	-	-	-	(769)
	<b>Total</b>	<b>\$ 414,006</b>	<b>\$ 10,960</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 424,966</b>
<b>EBITDA</b>	Mohegan Sun	\$ 64,811	\$ 8,605	\$ -	\$ -	\$ -	\$ 73,416
	Mohegan Sun Pocono	11,759	397	-	-	45	12,201
	MGE Niagara Casinos	10,191	1,882	-	-	-	12,073
	Management, Development & Other	4,806	-	-	-	-	4,806
	Corporate	(1,450)	-	-	-	-	(1,450)
	Inter-segment	(705)	-	-	-	-	(705)
	<b>Total</b>	<b>\$ 89,412</b>	<b>\$ 10,884</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 45</b>	<b>\$ 100,341</b>
	<b>Margin %</b>	<b>21.6%</b>					<b>23.6%</b>
<b>4Q18</b>							
<b>Revenue</b>	Mohegan Sun	\$ 271,180	\$ 3,099	\$ -	\$ -	\$ -	\$ 274,279
	Mohegan Sun Pocono	65,012	528	-	-	-	65,540
	MGE Niagara Casinos	-	-	-	-	-	-
	Management, Development & Other	6,290	-	-	-	-	6,290
	Corporate	364	-	-	-	-	364
	Inter-segment	(60)	-	-	-	-	(60)
	<b>Total</b>	<b>\$ 342,786</b>	<b>\$ 3,627</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 346,413</b>
<b>EBITDA</b>	Mohegan Sun	\$ 74,509	\$ 3,099	\$ -	\$ -	\$ 1,871	\$ 79,479
	Mohegan Sun Pocono	14,494	444	-	(1,980)	101	13,059
	MGE Niagara Casinos	-	-	-	-	-	-
	Management, Development & Other	9,632	-	(10,334)	-	-	(702)
	Corporate	(4,546)	-	-	-	-	(4,546)
	Inter-segment	-	-	-	-	-	-
	<b>Total</b>	<b>\$ 94,089</b>	<b>\$ 3,543</b>	<b>\$ (10,334)</b>	<b>\$ (1,980)</b>	<b>\$ 1,972</b>	<b>\$ 87,290</b>
	<b>Margin %</b>	<b>27.4%</b>					<b>25.2%</b>

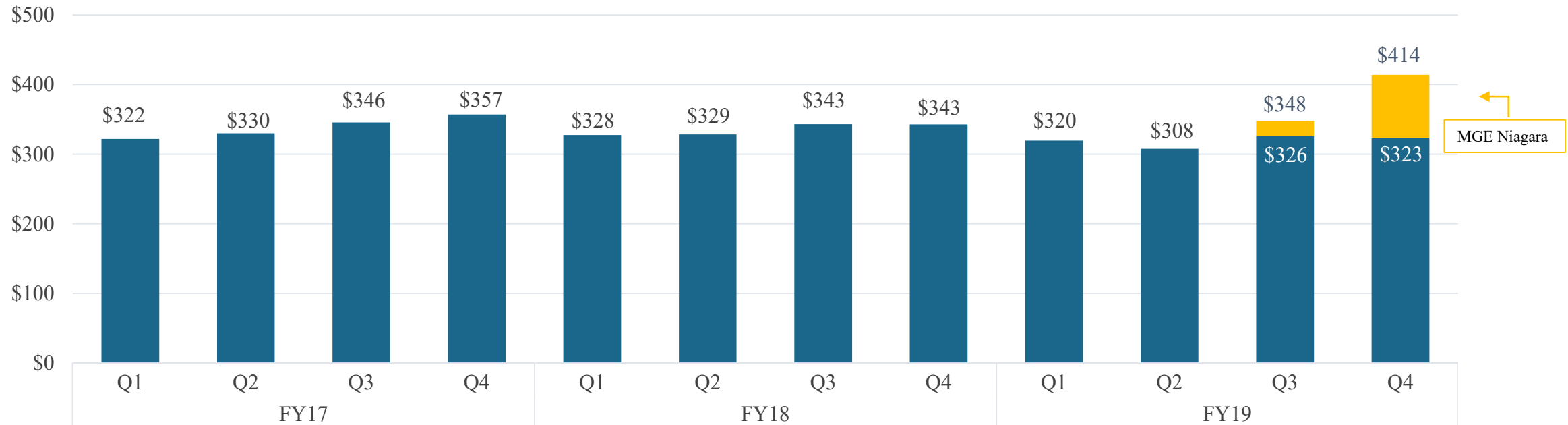


# Quarterly Highlights – MGE Consolidated

*Operational performance remains stable despite incremental competition*

## Historical Net Revenue

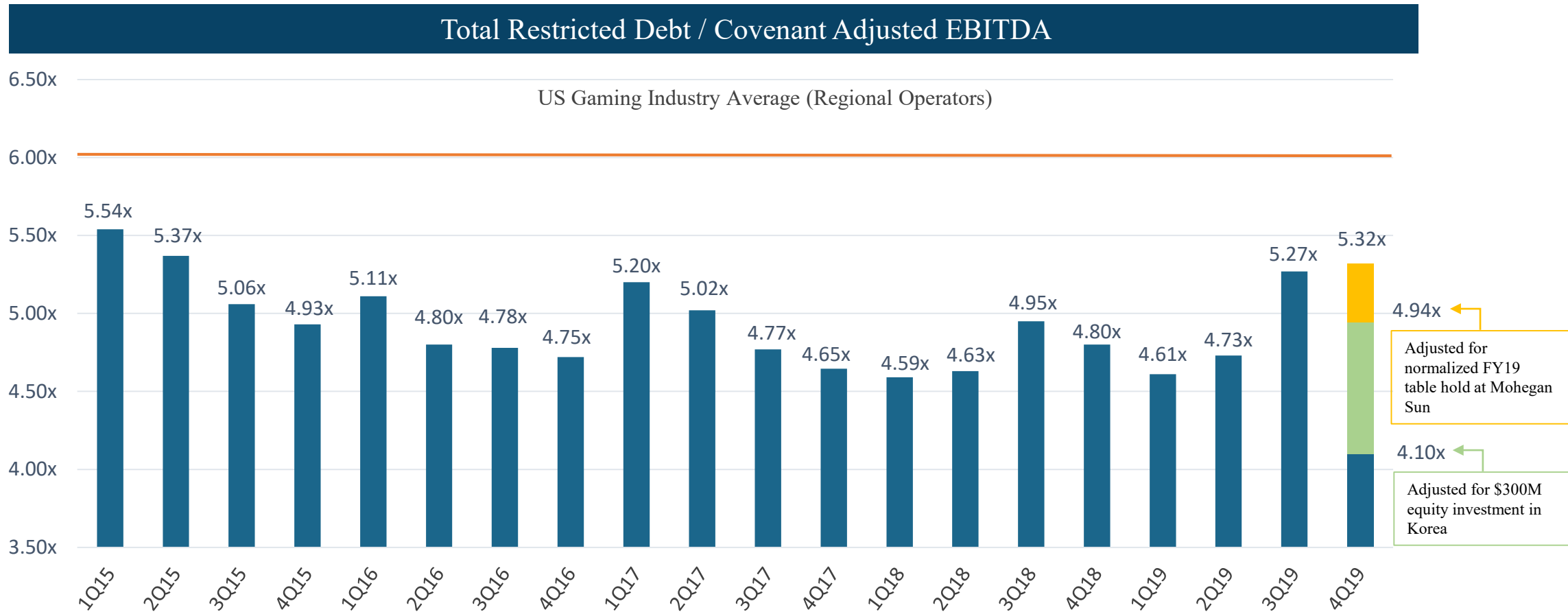
(\$ in millions)



MGE Niagara

# MGE Total Leverage Ratio

*MGE's Debt to EBITDA ratio remains lower than the US regional industry operators average following the addition of Niagara*



1 Restricted group leverage based on 2016 credit facility definition of total recourse debt/covenant adjusted EBITDA

2 US regional operators industry average includes US subsidiaries of Caesars Entertainment Corp., Boyd Gaming, Eldorado Resorts, Penn National and Red Rock Resorts as of the most recent public filings, estimated pro forma for announced acquisitions and divestitures

SOURCE: Company financials and public filings





Mohegan Sun

a world at play



# Quarterly Highlights – Mohegan Sun

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

## **Gaming**

- Highest tier segments continue to perform the best.
- Theoretical win per rated trip increased compared to prior year.

## **Competition**

- Impact from competition in both Springfield and Boston remains better than expected, with affected markets consistent with our original expectations.

## **MICE**

- FY19 saw the highest ever room nights for Mohegan Sun, at 83,300 up 25% from 66,900 in prior year, while maintaining a flat ADR.
- The addition of the Earth Expo & Convention Center drew an additional 500,000 patrons to the property in FY19.
- FY20 demand continues to outpace FY19, with definitive bookings up 9% and prospective and tentative opportunities up 32% compared to STLY.
- We are excited for the opportunity to host the 2020 Miss America Competition at Mohegan Sun Arena on Thursday, December 19th, as event will be televised nationally on NBC. This media exposure will propel Mohegan Sun into the national spotlight at an unprecedented level.
- With the first full year of the expo operations completed, we continue to see repeat bookings and are becoming well known in the industry for our space, amenities, and service we provide, leading to many exciting new bookings for FY20 and beyond.



# Quarterly Highlights – Mohegan Sun

## *Non-Gaming performance and improving expense control remain core to story*

### **Non-Gaming**

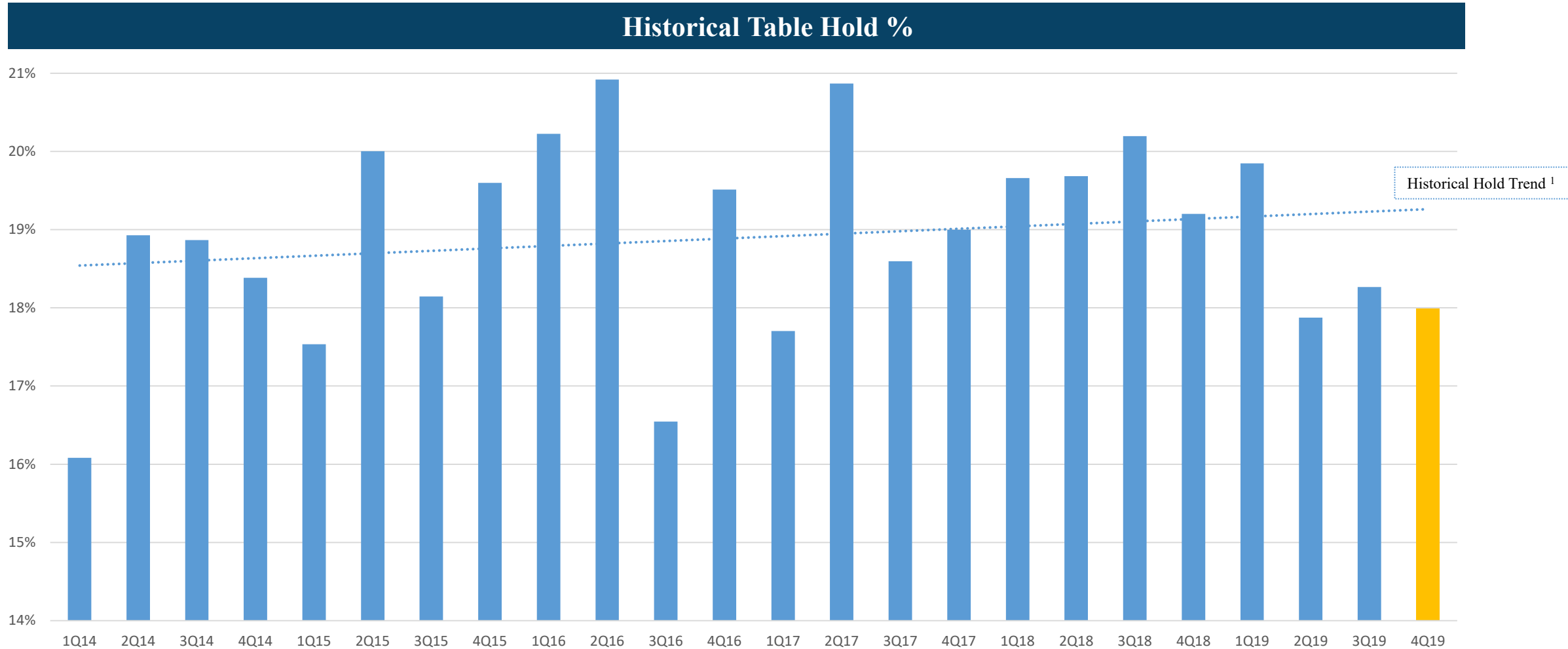
- F&B revenue increased 2.8% compared to Q4 of the prior year. Growth in F&B revenues can be attributed to the addition of nouvelle, along with strategic price changes throughout the property to be in line with the market.
- Hotel revenue increased 5.2% due to improved room inventory yielding as well as the impact of opening the Aspire Hotel concept.
- Entertainment revenue increased by 2.7%, driven by improved ticket yielding along with a 4.2% increase in tickets sold, offset by a slight decline in average ticket price of 2.6%. The decline in ticket price can be attributed to hosting two fewer headliners compared to prior year.

### **Expenses**

- Total operating expenses for Q4 were \$185.4 compared to \$199.1M in the prior year, representing a favorable variance of \$13.7M or 6.9%.
- Labor and Benefits had a favorable variance of \$3.1M, resulting in an 80 basis point decrease in labor margin compared to prior year. This was realized through fewer overall FTEs, while improving our customer service scores. The FTE reductions were strategic in nature and achieved through improved scheduling to better meet customer demand and attrition.
- Marketing expenses declined \$3.8M or 12.7%. Savings were realized in strategic areas such as direct mail, advertising and bus marketing that improved overall profitability, while not impacting our loyal customer base.
- Utility expense declined \$1.1M compared to prior year due to lower usage in both electricity and gas as a result of our continued efforts to lessen our environmental footprint and lower operating costs.

# Quarterly Highlights – Mohegan Sun

*Recent table games hold expected to normalize based on historical trends*



<sup>1</sup> Represents trend based on actual hold results



# Quarterly Highlights – Mohegan Sun

	For the Three Months Ended			
<i>(in thousands)</i>	September 30, 2019	September 30, 2018	Variance	Percentage Variance
<b>Revenues:</b>				
Gaming	\$ 157,992	\$ 181,903	\$ (23,911)	(13.1%)
Food and beverage	29,290	28,484	806	2.8%
Hotel	22,449	21,340	1,109	5.2%
Retail, entertainment and other	40,197	39,453	744	1.9%
Net revenues	\$ 249,928	\$ 271,180	\$ (21,252)	(7.8%)
<b>Expenses:</b>				
Gaming	\$ 88,917	\$ 95,681	\$ (6,764)	(7.1%)
Food and beverage	22,754	21,625	1,129	5.2%
Hotel	9,549	9,169	380	4.1%
Retail, entertainment and other	24,785	26,016	(1,231)	(4.7%)
Advertising, general and administrative	39,112	44,441	(5,329)	(12.0%)
Depreciation and amortization	21,065	17,566	3,499	19.9%
Other, net	258	2,404	(2,146)	(89.3%)
Total Expenses	\$ 206,440	\$ 216,902	\$ (10,462)	(4.8%)
Income from Operations	\$ 43,488	\$ 54,278	\$ (10,790)	(19.9%)
Adjusted EBITDA	\$ 64,811	\$ 74,509	\$ (9,698)	(13.0%)

# Quarterly Highlights – Mohegan Sun

	For the Three Months Ended			
(in thousands)	September 30, 2019	September 30, 2018	Variance	Percentage Variance
<b>Slots:</b>				
Handle	\$ 1,703,402	\$ 1,885,009	\$ (181,607)	(9.6%)
Gross revenues	\$ 154,921	\$ 170,429	\$ (15,508)	(9.1%)
Net revenues	\$ 116,125	\$ 129,210	\$ (13,085)	(10.1%)
Free promotional slot plays (1)	\$ 13,672	\$ 14,866	\$ (1,194)	(8.0%)
Weighted average number of machines (in units)	4,102	4,590	(488)	(10.6%)
Hold percentage (gross)	9.1%	9.0%	0.1%	0.6%
Hold percentage (net)	6.8%	6.9%	(0.0%)	(0.4%)
Win per unit per day (gross) (in dollars)	\$ 374	\$ 368	\$ 6	1.6%
Win per unit per day (net) (in dollars)	\$ 308	\$ 306	\$ 2	0.7%
<b>Table Games:</b>				
Drop	\$ 462,347	\$ 478,059	\$ (15,712)	(3.3%)
Revenues	\$ 40,745	\$ 51,340	\$ (10,595)	(20.6%)
Weighted average number of machines (in units)	287	289	(2)	(0.7%)
Hold percentage (2)	18.0%	19.2%	(1.2%)	(6.3%)
Win per unit per day (in dollars)	\$ 3,149	\$ 3,448	\$ (299)	(8.7%)
<b>Poker:</b>				
Revenues	\$ 681	\$ 723	\$ (42)	(5.8%)
Weighted average number of machines (in units)	33	42	(9)	(21.4%)
Revenue per unit per day (in dollars)	\$ 671	\$ 506	\$ 165	32.6%

(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>	September 30, 2019		September 30, 2018		Variance	Percentage Variance	
<b>Food and beverage:</b>							
Revenues	\$	29,290	\$	28,484	\$	806	2.8%
Meals served		980		969		11	1.1%
Average price per meal served (in dollars)	\$	15.48	\$	14.88	\$	0.60	4.0%
<b>Hotel:</b>							
Revenues	\$	22,449	\$	21,340	\$	1,109	5.2%
Rooms occupied		141		139		2	1.4%
Occupancy rate		98.1%		97.0%		1.2%	1.2%
Average daily room rate (in dollars)	\$	141	\$	139	\$	2	1.4%
Revenue per available room (in dollars)	\$	138	\$	134	\$	4	3.0%
<b>Retail, entertainment and other:</b>							
Revenues	\$	40,197	\$	39,453	\$	744	1.9%
Arena events (in events)		46		43		3	7.0%
Arena tickets		294		282		12	4.3%
Average price per arena ticket (in dollars)	\$	53.64	\$	55.09	\$	(1.45)	(2.6%)

OPENING 2020

TAO

RESTAURANT

AT  
Mohegan Sun



TAO CHICAGO

- 10,000 square-foot, 300-seat Pan-Asian restaurant to replace Bar Americain
- TAO at Mohegan Sun is the sixth iteration of the TAO brand since 2000 with well-known and successful locations in New York, Las Vegas, Los Angeles, and Chicago
- Under direction of Chef Ralph Scamardella, the menu will feature offerings from the sea, sky, and land, with signature Tao dishes: *Satay of Chilean Sea Bass*, *Lobster Wontons*, *Peking Duck*, *Crispy Snapper in "Sand"* and highly-lauded *Tuna Sashimi Pringle*
- TAO Restaurant's beverage program caters to Asian tastes with creative, approachable craft cocktails and a robust saki program





# novelle



Recently opened novelle (ultra-lounge) and Game On (interactive restaurant and bar) continue to ramp, taking a large step in upgrading the food and beverage experience at Mohegan Sun, while providing our meetings and conventions business the final critical element for their success.



# Strategic Initiatives

*We continue to evaluate all aspects of our operations for improvement*

- Gaming initiatives:
  - Expanded use of shufflers in key areas
  - Increased use of electronic table games to meet customer demand
- Pricing analysis:
  - Price adjustments in F&B to align with current market conditions
  - Improved hotel yielding with the addition of new technology
  - More strategic entertainment scaling resulting in increased profitability
- Marketing initiatives:
  - Direct mail
  - Bus marketing
  - Advertising



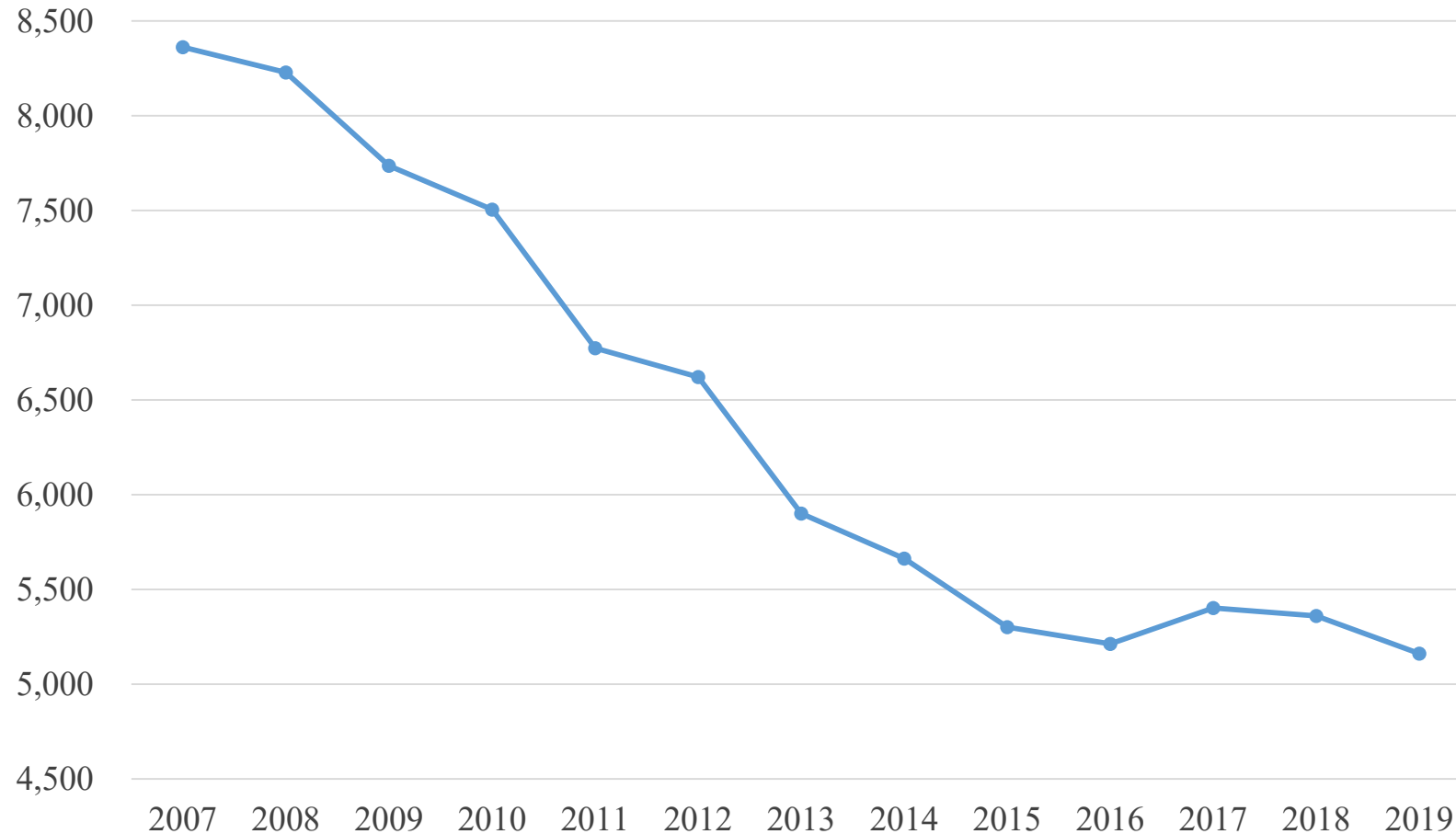
# Strategic Initiatives

*We continue to evaluate all aspects of our operations for improvement*

- Labor efficiencies:
  - FTE reductions achieved through improved data driven scheduling and the addition of new scheduling technology
  - Strategic partnership with world renowned healthcare provider to lower costs overall costs
- Strategic capital deployment:
  - novelle
  - Aspire
  - Clay pipe expansion
  - Poker relocation
- New revenue generating opportunities:
  - VIP parking on weekends and show nights

# FTE's by Fiscal Year – Since FY 2007

*Continuous focus on labor efficiency, helping drive cash flow improvement*







# Mohegan Gaming & Entertainment Properties







MOHEGAN SUN  
POCONO





# Quarterly Highlights – Mohegan Sun Pocono

## *Initial results from sports wagering complement current operations*

- Property EBITDA was \$11.8M for the quarter, down \$2.7M or 18.9%. However, prior year results benefitted from a one-time \$2M tax related credit. Excluding the credit, MSP would be down \$0.8M or 6.4%.
- Slot market share between MSP and Mount Airy at the end of the quarter was 55.5%, up slightly compared to prior year. MSP outperformed the NEPA slot market as the region saw a handle decline of 0.9%, while MSP grew 1.1%.
- Consolidated Labor and Benefits had a favorable variance of \$0.2M compared to prior year. Full time employees have decreased by 44 compared to prior year. The reduction is due to strategic scheduling efficiencies, particularly in the Table Games department.
- Opened Unibet Sportsbook in Q4 featuring:
  - State-of-the-art betting terminals
  - High-definition video wall
  - Full service bar
- Types of Bets & Offers
  - Straight bets, parlays and round robin
  - Fixed odds, Money lines, Prop bets and In-Play betting



# Quarterly Highlights – Mohegan Sun Pocono

	For the Three Months Ended			
<i>(in thousands)</i>	September 30, 2019	September 30, 2018	Variance	Percentage Variance
<b>Revenues:</b>				
Gaming	\$ 53,160	\$ 55,067	\$ (1,907)	(3.5%)
Food and beverage	5,860	5,834	26	0.4%
Hotel	2,308	2,183	125	5.7%
Retail, entertainment and other	2,301	1,928	373	19.3%
Net revenues	\$ 63,629	\$ 65,012	\$ (1,383)	(2.1%)
<b>Expenses:</b>				
Gaming	\$ 39,685	\$ 37,947	\$ 1,738	4.6%
Food and beverage	3,784	3,784	-	0.0%
Hotel	691	686	5	0.7%
Retail, entertainment and other	444	325	119	36.6%
Advertising, general and administrative	7,266	5,776	1,490	25.8%
Depreciation and amortization	3,473	3,486	(13)	(0.4%)
Impairment of goodwill	39,459	-	39,459	100.0%
Other, net	90	2,001	(1,911)	(95.5%)
Total	\$ 94,892	\$ 54,005	\$ 40,887	75.7%
Income from Operations	\$ (31,263)	\$ 11,007	\$ (42,270)	(77.8%)
Adjusted EBITDA	\$ 11,759	\$ 14,494	\$ (2,735)	(18.9%)



# Quarterly Highlights – Mohegan Sun Pocono

	For the Three Months Ended			
(in thousands)	September 30, 2019	September 30, 2018	Variance	Percentage Variance
<b>Slots:</b>				
Handle	\$ 608,157	\$ 601,685	\$ 6,472	1.1%
Gross revenues	\$ 61,652	\$ 60,578	\$ 1,074	1.8%
Net revenues	\$ 45,077	\$ 46,155	\$ (1,078)	(2.3%)
Free promotional slot plays (1)	\$ 12,642	\$ 11,097	\$ 1,545	13.9%
Weighted average number of machines (in units)	2,277	2,317	(40)	(1.7%)
Hold percentage (gross)	10.1%	10.1%	0.1%	0.7%
Hold percentage (net)	7.4%	7.7%	(0.3%)	(3.4%)
Win per unit per day (gross) (in dollars)	\$ 234	\$ 232	\$ 2	0.9%
Win per unit per day (net) (in dollars)	\$ 215	\$ 217	\$ (2)	(0.9%)
<b>Table Games:</b>				
Drop	\$ 42,387	\$ 45,354	\$ (2,967)	(6.5%)
Revenues	\$ 5,451	\$ 6,090	\$ (639)	(10.5%)
Weighted average number of machines (in units)	57	71	(14)	(19.7%)
Hold percentage (2)	12.9%	13.4%	(0.6%)	(4.2%)
Win per unit per day (in dollars)	\$ 1,593	\$ 1,358	\$ 235	17.3%
<b>Poker:</b>				
Revenues	\$ 457	\$ 489	\$ (32)	(6.5%)
Weighted average number of machines (in units)	18	18	-	0.0%
Revenue per unit per day (in dollars)	\$ 288	\$ 333	\$ (45)	(13.5%)

(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

(in thousands)

September 30, 2019

September 30, 2018

Variance

Percentage Variance

### Food and beverage:

Revenues	\$	5,860	\$	5,834	\$	26	0.4%
Meals served		152		146		6	4.1%
Average price per meal served (in dollars)	\$	17.67	\$	17.16	\$	0.51	3.0%

### Hotel:

Revenues	\$	2,308	\$	2,183	\$	125	5.7%
Rooms occupied		19		19		-	0.0%
Occupancy rate		85.8%		89.2%		(3.4%)	(3.8%)
Average daily room rate (in dollars)	\$	110	\$	106	\$	4	3.4%
Revenue per available room (in dollars)	\$	94	\$	95	\$	(1)	(0.6%)

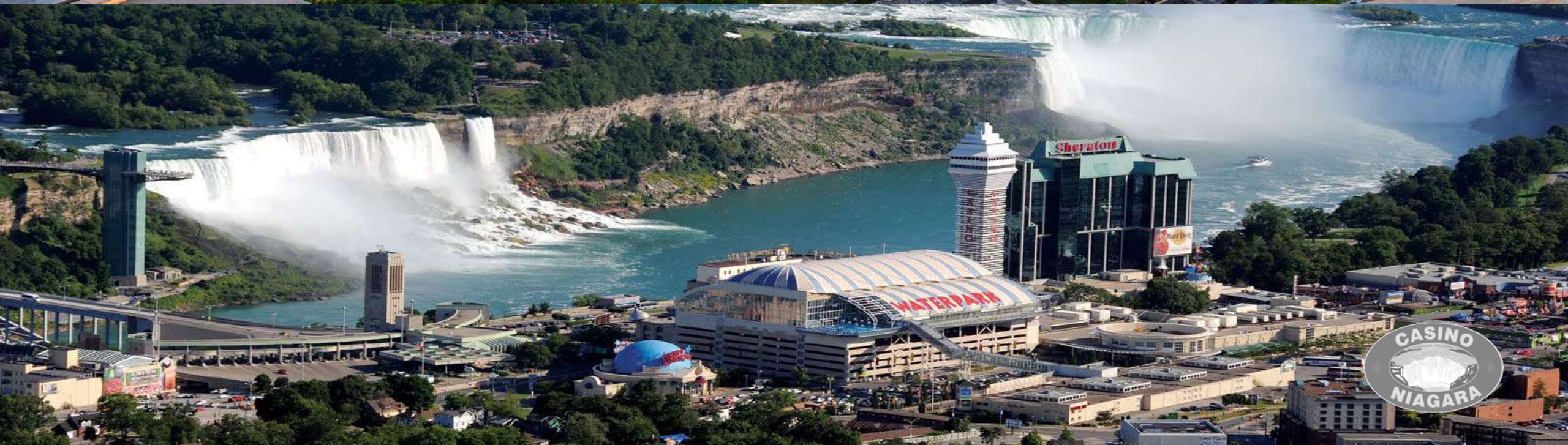
### Retail, entertainment and other:

Revenues	\$	2,301	\$	1,928	\$	373	19.3%
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FALLSVIEW  
CASINO RESORT



CASINO  
NIAGARA



# Quarterly Highlights – Casino Niagara & Fallsview Casino Resort

## *Strategic asset performing inline with expectations*

- MGE assumed control of the Niagara Bundle on June 11<sup>th</sup>, 2019.
- Results were inline with expectations for the first full quarter operating the Niagara casinos.
- Results reflect the impact of new competition offering table games in the Greater Toronto Area (GTA) and GTA West markets, which commenced in calendar Q3 of prior year.
- MGE and the property continue to develop accretive cross marketing initiatives.
- Niagara recently obtained approval from OLG to increase the maximum electronic gaming units by 1,100 at Fallsview Casino Resort.



# Quarterly Highlights – Casino Niagara & Fallsview Casino Resort

*Results remain inline with internal expectations*

<i>(in thousands)</i>	For the Three Months Ended			
	September 30, 2019	September 30, 2018	Variance	Percentage Variance
<b>Revenues:</b>				
Gaming	\$ 56,088	\$ -	\$ -	-
Food and beverage	16,928	-	-	-
Hotel	3,704	-	-	-
Retail, entertainment and other	14,517	-	-	-
Net revenues	\$ 91,237	\$ -	\$ -	-
<b>Expenses:</b>				
Gaming	\$ 33,264	\$ -	\$ -	-
Food and beverage	15,665	-	-	-
Hotel	355	-	-	-
Retail, entertainment and other	4,903	-	-	-
Advertising, general and administrative	26,859	-	-	-
Depreciation and amortization	5,407	-	-	-
Total	\$ 86,453	\$ -	\$ -	-
Income from Operations	\$ 4,784	\$ -	\$ -	-
Adjusted EBITDA	\$ 10,191	\$ -	\$ -	-

# Niagara Falls Entertainment Centre

- 5,000 seat theater
- Pedestrian bridge/walkway connects to Fallsview Casino Resort, driving visitation
- Expected opening 2020







 ilani

  
ilani



# Quarterly Highlights – ilani Casino Resort

## *ilani performance exceeding expectations*

- The property continues to perform above expectations and recorded its highest quarterly net revenue and EBITDA since opening.
- Rated player trips increased by 13.9% year over year, continuing the upward trend in awareness and visitation.
- Recently opened Cowlitz Crossing convenience store and fuel station continues to perform ahead of plan.
- Management Fees increased \$3.4M to \$8.0M.
- Master-planning of ilani is underway, with construction of a 2,700 space structured parking garage ongoing and a hotel expansion in the planning stages.





**RESORTS**  
Casino • Hotel

The Fun is Here



# Quarterly Highlights – Resorts Casino

## *Property performing well despite increased competition*

- Resorts Casino Hotel, EBITDAM was \$9.3M for the quarter, up 1.7% from prior year. The slight increase in EBITDAM is attributed to strong table games revenue and savings in promotional allowances, partially offset by lower than expected slot revenue.
- While the Atlantic City GGR growth was up 1.8% for the quarter, fueled by new properties. Resorts fared much better, down 0.8% compared to a 2.7% decline for the market, excluding new competition.
- Table revenue increased \$1.9M or 19.5% over prior year. Table drop increased 16.1% and table hold increased 0.4% over prior year.
- Slot volume declined 6.9%, resulting in a \$2.2M decrease in slot revenue for the quarter. Increased competition and aggressive marketing are the main drivers of the decline.
- Promotional allowances declined \$1.3M or 7.2% from prior year due to reductions in complementary hotel and cash incentives for direct mail programs.
- Management fees earned by MGE in the quarter were approximately \$0.9M.



# Paragon

CASINO | RESORT



# Quarterly Highlights – Paragon Casino Resort

*Performance is improving despite intense competition*

- The property experienced strong year over year results driven by strong table games results.
- Results were impacted by Hurricane Barry in July, however EBITDA for August and September was ahead of prior year.
- Though the Louisiana market was down 9% for the quarter, the property continues to create efficiencies in labor, marketing, and other operating expenses to help offset market conditions.





# Development Updates



Virgin  
HOTELS

Virgin  
HOTELS  
LAS VEGAS





- 60,000 square-foot casino leased by MGE
- Momentum rewards & loyalty program
- 400 casino employees trained under Spirit of Aquai

Additional property features include:

- 1,504 Chamber, Grand Chamber and Penthouse suites by Hilton's Elite Curio Collection
- New world-class restaurants, lounges and bars
- Over five acres of luxe outdoor spaces and pools
- The Joint: Existing 4,255-capacity venue
- 130,000 square feet of meeting and convention space





# INSPIRE *Athens*







# INSPIRE *Athens*

- Bids submitted October 4th by MGE and Hard Rock
- Decision by Greek government expected in Q1
- Construction could begin 2021 with potential opening 2024
- Partnered with GEK TERNA, 35% equity partner





- The company was formed when GEK and TERNNA merged in 1999.
- Listed on the Athens stock exchange since 1969 and belongs to the 25 companies forming the FTSE/Athex Large Cap index.
- Generated €1.4B in revenues in 2018, with a €2.2B backlog.
- Group currently holds a leading position in the sectors of infrastructure, clean energy, energy production and trade, concessions, mining and real estate development.

**Stavros Niarchos Foundation Cultural Centre, Athens**



**Grand Resort Lagonisi**





# Capitalization Summary

# Q4 FY19 Current Debt Summary

*MGE and Mohegan Tribe remain committed to deleveraging while strategically diversifying*

<i>(in thousands)</i>	9/30/2019	Coupon/Spread	Maturity	Rating <sup>1</sup>
Credit Facility - Revolving	\$ 102,000	L + 3.75%	10/13/21	-
Credit Facility - Term Loan A	268,065	L + 3.75%	10/13/21	B1/B-
Credit Facility - Term Loan B	822,319	L + 4.00%	10/13/23	B1/B-
Mohegan Expo Credit Facility	30,282	L + 4.50%	4/1/22	-
Other	3,369	-	-	-
<b>Total Senior Secured Debt</b>	<b>1,226,035</b>			
2016 7 7/8% Senior Unsecured Notes	500,000	7.875%	10/15/24	B3/CCC+
BIA Loans	33,031	L + 2.75%	10/1/23	-
<b>Total Restricted Debt</b>	<b>1,759,066</b>			
Redemption Note Payable	105,233	-	4/1/2024	-
Niagara Debt <sup>2</sup>	132,300	BA +2.75%	-	-
<b>Total Debt</b>	<b>\$ 1,996,599</b>			

<sup>1</sup> Corporate Rating: B2/B-

<sup>2</sup> Niagara Debt in USD; USD/CAD = 1.3242



# Supplemental Data

# Consolidated Financial Results

*FY18 results restated in 606 for comparison*

<i>(in thousands)</i>	Quarter Ended December 31, 2017	Quarter Ended March 31, 2018	Quarter Ended June 30, 2018	Quarter Ended September 30, 2018	Year Ended September 30, 2018
<b>Revenues:</b>					
Gaming	\$ 239,042	\$ 242,708	\$ 250,182	\$ 236,970	\$ 969,064
Food and beverage	31,783	31,684	32,547	34,264	130,278
Hotel	21,460	21,644	22,373	23,522	88,837
Retail, entertainment and other	35,325	32,488	37,895	48,030	153,738
Net revenues	\$ 327,610	\$ 328,524	\$ 342,997	\$ 342,786	\$ 1,341,917
<b>Expenses:</b>					
Gaming	\$ 131,122	\$ 134,372	\$ 135,472	\$ 133,628	\$ 534,594
Food and beverage	24,854	24,908	25,293	25,409	100,464
Hotel	9,887	9,413	9,754	9,855	38,909
Retail, entertainment and other	20,284	16,072	19,042	26,341	81,739
Advertising, general and administrative	50,737	49,969	49,503	50,217	200,426
Corporate	12,153	14,090	13,008	(1,164)	38,087
Depreciation and amortization	20,207	19,828	20,664	21,090	81,789
Other, net	621	4,216	4,099	6,285	15,220
Total	\$ 269,865	\$ 272,868	\$ 276,835	\$ 271,661	\$ 1,091,228
Income from Operations	\$ 57,745	\$ 55,656	\$ 66,162	\$ 71,125	\$ 250,689
Adjusted EBITDA	\$ 78,730	\$ 79,439	\$ 90,497	\$ 94,089	\$ 342,755
Adjusted EBITDA Margin	24.0%	24.2%	26.4%	27.4%	25.7%



# Mohegan Sun Financial Results

*FY18 results restated in 606 for comparison*

<i>(in thousands)</i>	Quarter Ended December 31, 2017		Quarter Ended March 31, 2018		Quarter Ended June 30, 2018		Quarter Ended September 30, 2018		Year Ended September 30, 2018	
<b>Revenues:</b>										
Gaming	\$	184,435	\$	185,612	\$	192,225	\$	181,903	\$	744,175
Food and beverage		26,248		26,172		26,607		28,484		107,511
Hotel		19,641		19,773		20,357		21,340		81,111
Retail, entertainment and other		29,383		25,798		29,645		39,453		124,279
Net revenues	\$	259,707	\$	257,355	\$	268,834	\$	271,180	\$	1,057,076
<b>Expenses:</b>										
Gaming	\$	91,467	\$	92,918	\$	94,192	\$	95,681	\$	374,258
Food and beverage		21,211		21,175		21,329		21,625		85,340
Hotel		9,137		8,691		9,059		9,169		36,056
Retail, entertainment and other		19,869		15,738		18,753		26,016		80,376
Advertising, general and administrative		43,075		42,489		42,246		44,441		172,251
Depreciation and amortization		16,844		16,424		17,163		17,566		67,997
Other, net		(16)		3,239		2,572		2,404		8,199
Total	\$	201,587	\$	200,674	\$	205,314	\$	216,902	\$	824,477
Income from Operations	\$	58,120	\$	56,681	\$	63,520	\$	54,278	\$	232,599
Adjusted EBITDA	\$	75,261	\$	76,648	\$	83,524	\$	74,509	\$	309,942
Adjusted EBITDA Margin		29.0%		29.8%		31.1%		27.5%		29.3%

# Mohegan Sun Pocono Financial Results

*FY18 results restated in 606 for comparison*

<i>(in thousands)</i>	Quarter Ended December 31, 2017	Quarter Ended March 31, 2018	Quarter Ended June 30, 2018	Quarter Ended September 30, 2018	Year Ended September 30, 2018
<b>Revenues:</b>					
Gaming	\$ 54,607	\$ 57,096	\$ 57,957	\$ 55,067	\$ 224,889
Food and beverage	5,561	5,535	5,973	5,834	22,903
Hotel	1,820	1,872	2,017	2,183	7,730
Retail, entertainment and other	2,173	2,133	2,037	1,928	8,271
Net revenues	\$ 64,161	\$ 66,636	\$ 67,984	\$ 65,012	\$ 263,793
<b>Expenses:</b>					
Gaming	\$ 39,655	\$ 41,454	\$ 41,280	\$ 37,947	\$ 160,336
Food and beverage	3,643	3,733	3,964	3,784	15,124
Hotel	750	722	695	686	2,853
Retail, entertainment and other	415	334	289	325	1,363
Advertising, general and administrative	7,662	7,480	7,257	5,776	28,175
Depreciation and amortization	3,325	3,366	3,463	3,486	13,640
Other, net	17	(7)	304	2,001	2,315
Total	\$ 55,467	\$ 57,082	\$ 57,252	\$ 54,005	\$ 223,806
Income from Operations	\$ 8,694	\$ 9,554	\$ 10,732	\$ 11,007	\$ 39,987
Adjusted EBITDA	\$ 12,036	\$ 12,913	\$ 14,499	\$ 14,494	\$ 53,942
Adjusted EBITDA Margin	18.8%	19.4%	21.3%	22.3%	21.2%



# Corporate Consolidated Financial Results

*FY18 results restated in 606 for comparison*

<i>(in thousands)</i>	Quarter Ended December 31, 2017		Quarter Ended March 31, 2018		Quarter Ended June 30, 2018		Quarter Ended September 30, 2018		Year Ended September 30, 2018	
<b>Revenues:</b>										
Gaming	\$	-	\$	-	\$	-	\$	-	\$	-
Food and beverage		(26)		(23)		(33)		(54)		(136)
Hotel		(1)		(1)		(1)		(1)		(4)
Retail, entertainment and other		3,829		4,557		6,213		6,649		21,248
Net revenues	\$	3,802	\$	4,533	\$	6,179	\$	6,594	\$	21,108
<b>Expenses:</b>										
Gaming	\$	-	\$	-	\$	-	\$	-	\$	-
Food and beverage		-		-		-		-		-
Hotel		-		-		-		-		-
Retail, entertainment and other		-		-		-		-		-
Advertising, general and administrative		60		-		-		-		60
Corporate		12,153		14,090		13,008		(1,164)		38,087
Depreciation and amortization		38		38		38		38		152
Other, net		620		984		1,222		1,880		4,706
Total	\$	12,871	\$	15,112	\$	14,268	\$	754	\$	43,005
Income from Operations	\$	(9,069)	\$	(10,579)	\$	(8,089)	\$	5,840	\$	(21,897)
Adjusted EBITDA	\$	(8,567)	\$	(10,122)	\$	(7,526)	\$	5,086	\$	(21,129)
Adjusted EBITDA Margin		NM		NM		NM		NM		NM