

BUY: MGM

Price: \$47

PT: \$62

Upside: 31%

MGM Resorts International [NYSE: MGM]

Lead Analyst: Ari Wechsler



MGM RESORTS

Agenda



MGM RESORTS

Industry Overview

Company Overview

Investment Thesis

Valuation

Bear, Base, Bull

Allocation

Industry Overview



Gaming and Resorts

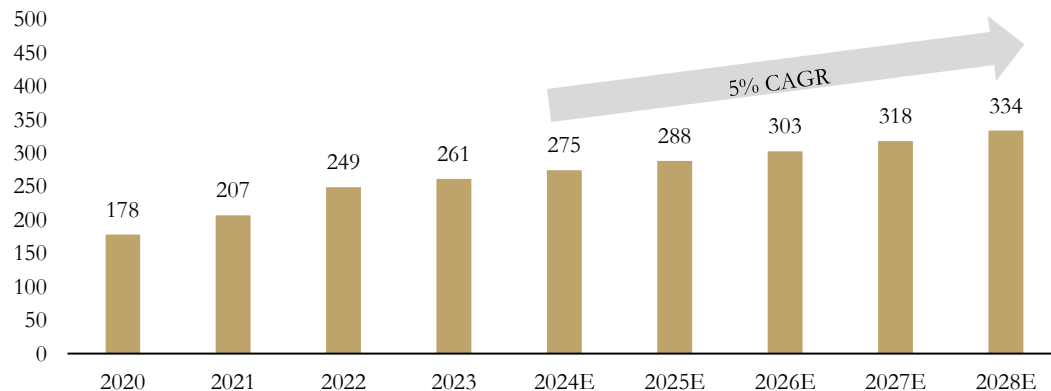
MGM competes in the gaming and resorts industry

Gambling infrastructure, hotels, and entertainment

Geographically concentrated, but has wider penetration

Industry revenue

Casino and Online Gambling Market - USD Billions



Competitors



Key Industry Trends



Online Gambling to grow at 11.7% CAGR



Significant increase in Las Vegas tourism as city garners increased reputation and interest



Consumers are shifting spending more towards experiences versus physical goods.

Company Overview



MGM RESORTS

Operations Overview

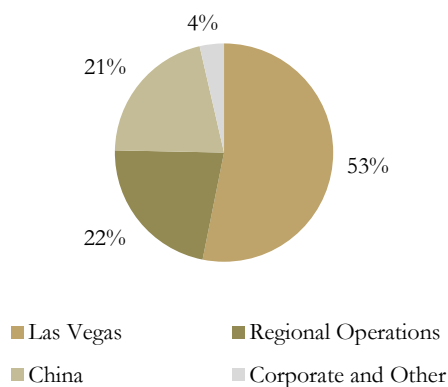
MGM Resorts operates gaming, hospitality, and entertainment resorts throughout the U.S.

MGM owns seventeen resorts, and owns 56% of MGM China

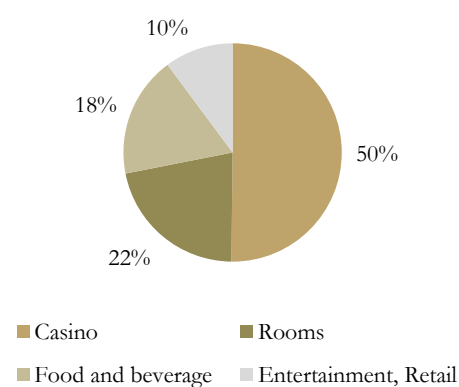
Controls 50% of BetMGM, an online sport betting platform, which is the exclusive sports betting division of MGM

Revenue Breakdown

Revenue Breakdown By Region



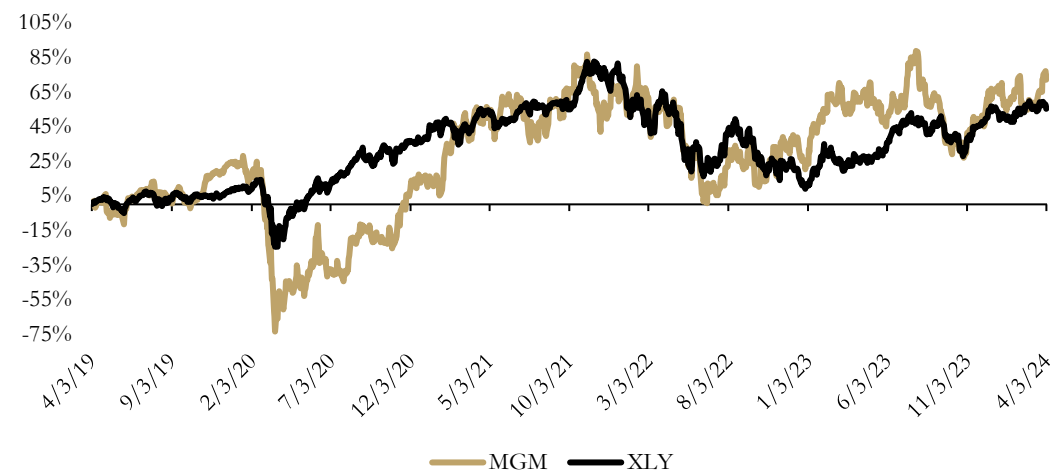
Revenue Breakdown By Segment



Key Statistics

Current Share Price	\$46.37
52 Week Range	\$34.12 – \$51.35
Market Cap.	\$14.70 B
P/E	14.53x
EV/EBITDA	7.40x
IPO	April 1990

MGM vs. XLY





Strategic Partnerships

Recent partnerships with Marriott and X will bolster company revenue

OSB Growth

Proliferation of sports betting will greatly impact MGM's bottom line opportunities

Optimal Market Position

MGM's unique offering mix and financial health will enable it to capitalize on sector tailwinds

Strategic Partnerships



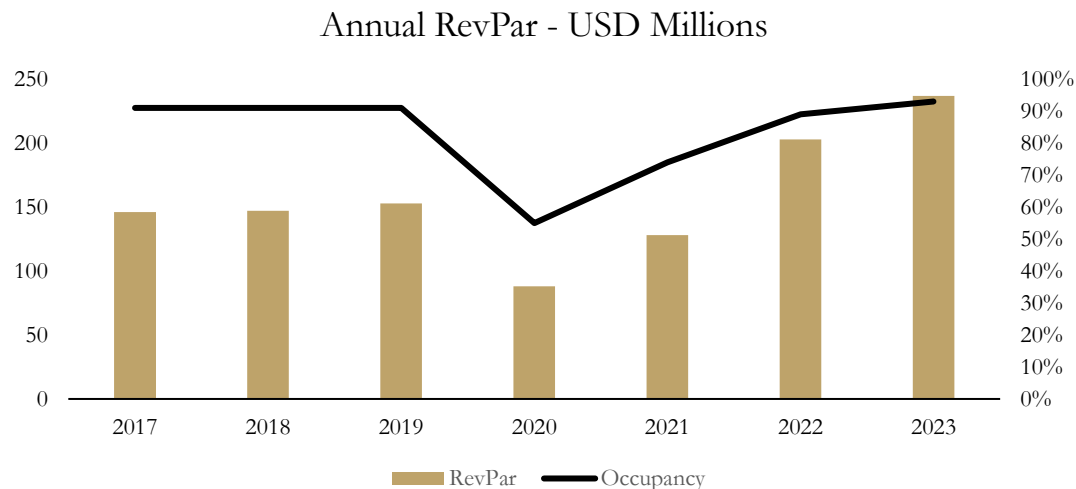
Marriott

Allows users to link Bonvoy & MGM rewards accounts

Helps allocate unsold rooms, increasing other revenues

Increased operational efficiencies and top line growth

Operational Efficiencies



OSB Popularity on X

- 1 70% of sports gamblers are on X
- 2 X bettors spend 15% more than other bettors
- 3 62% of bettors on X bet weekly

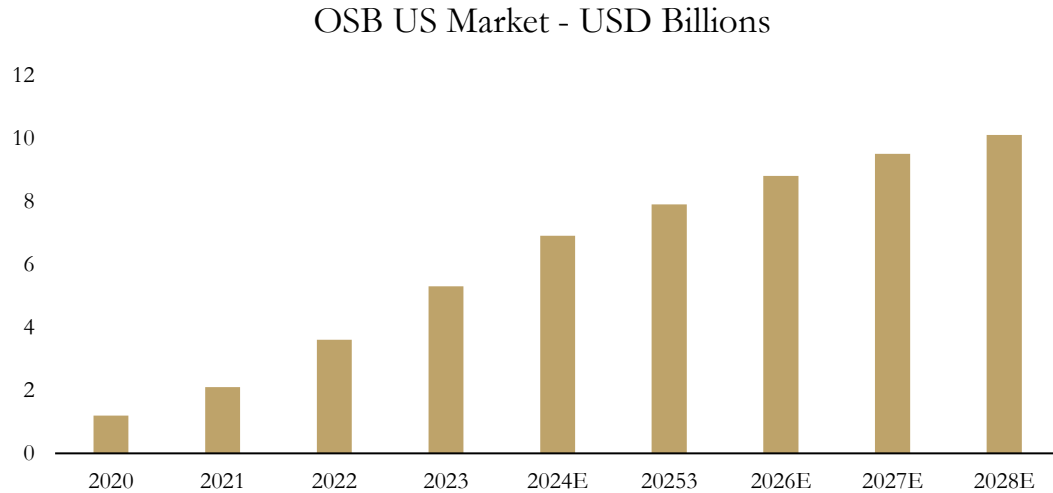
X

- BetMGM platform imbedded into X's user interface, displaying in-game odds, prop bets, and game spreads
- Decrease friction between the sports betting hub of information and the actual betting process
- With 420 million active users, BetMGM will capture market share through mass exposure

Online Sports Betting Growth



Explosion of OSB volume



Jurisdiction Expansion

Legal in 38 state
28 jurisdictions in US
10 in Canada & Europe

Penetration into
additional states and
future international and
domestic legalizations

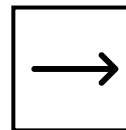
Nevada Launch

Newly obtained license by Entain will enable the launch of BetMGM in Nevada in the near future

Offers increase prop bets and parlay wager options in addition to MGM rewards promotions

Enables users to use the same platform in Vegas and in home state, creating a seamless user experience

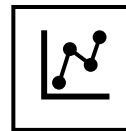
Casino Capitalization



OSB spending will convert into casino revenue



Leverage brick and mortar network to provide additional BetMGM promotions

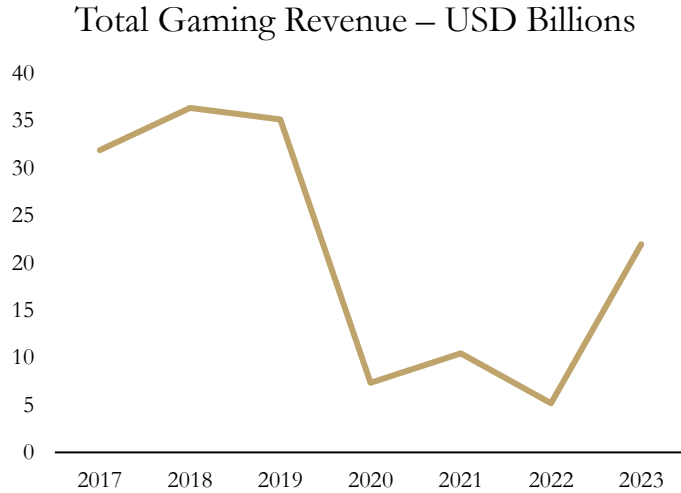


Increased customer data

Strategic Market Position



China



36% increase in table allocation

20% Macau market share

106% visitation vs. 2019

Expansion



Osaka, 2030



New York, 2025



Dubai, 2027

Las Vegas



Growth events of F1, Superbowl, and Oakland A's relocation efforts



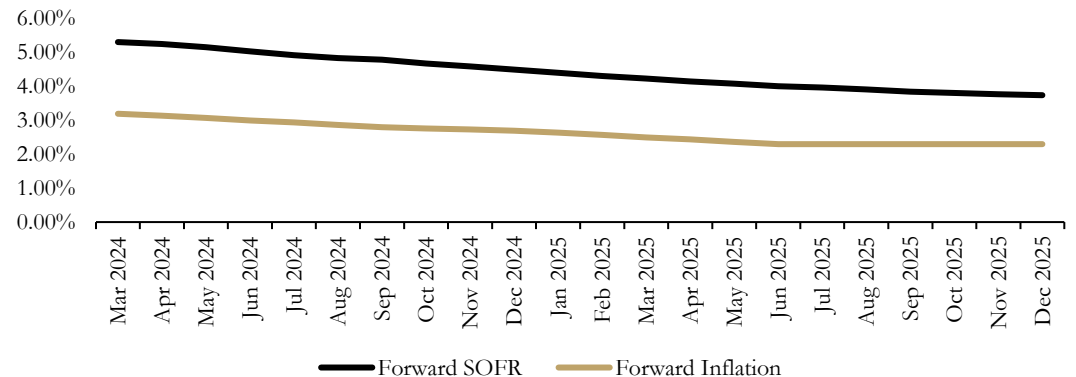
Emphasis on expanding experience offerings synergizes with current trends



Strip tourism numbers are still approaching pre-COVID levels

Regional Turnaround

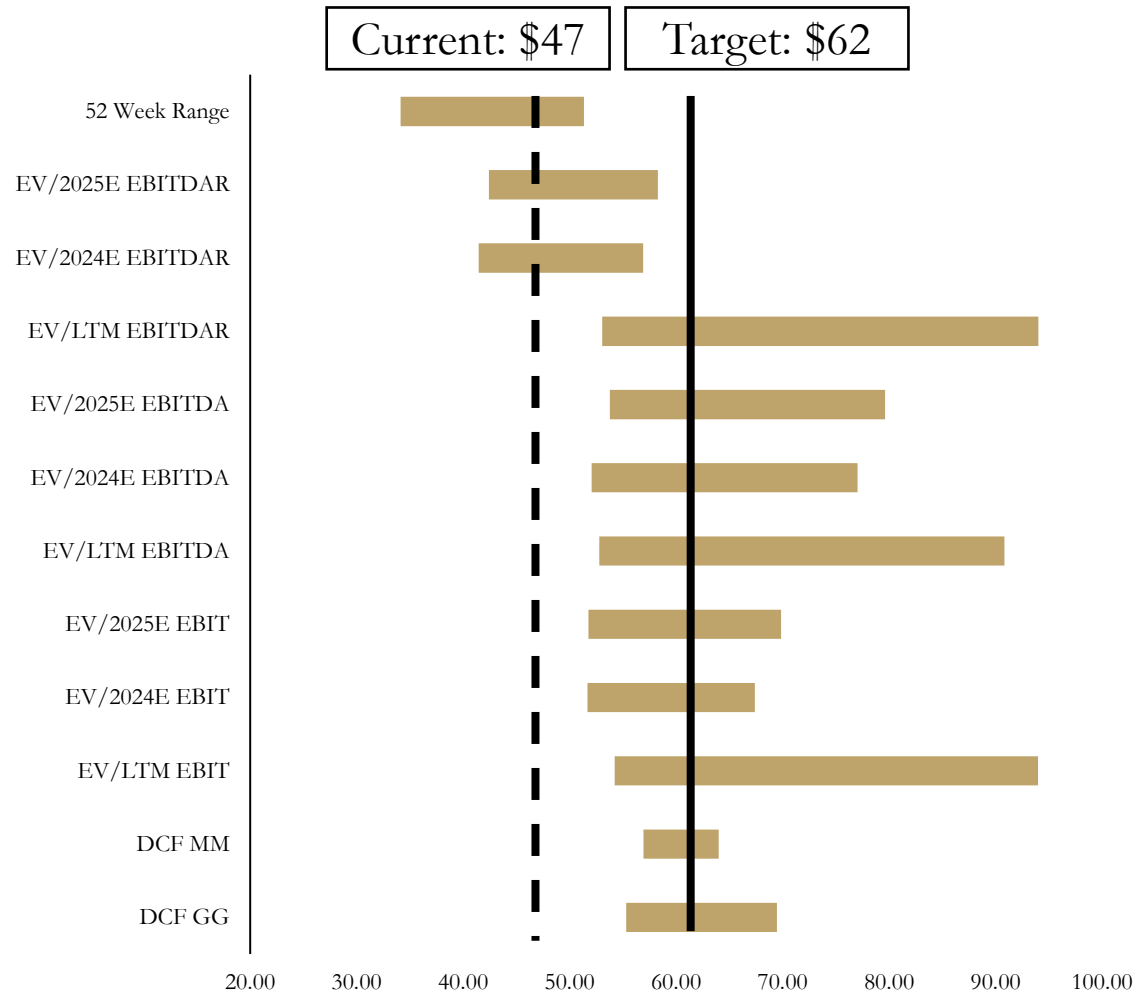
Forward Interest and Inflation Rates



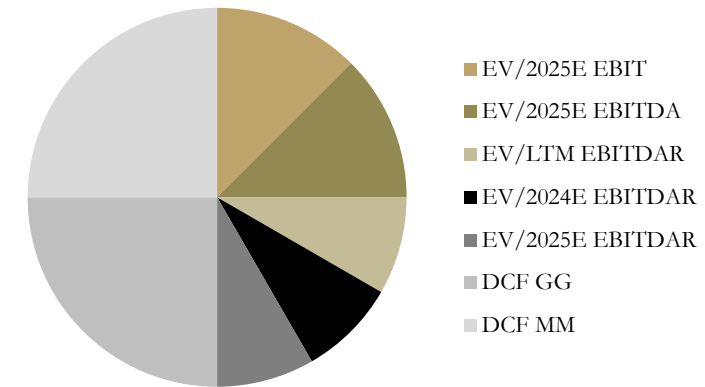
Valuation



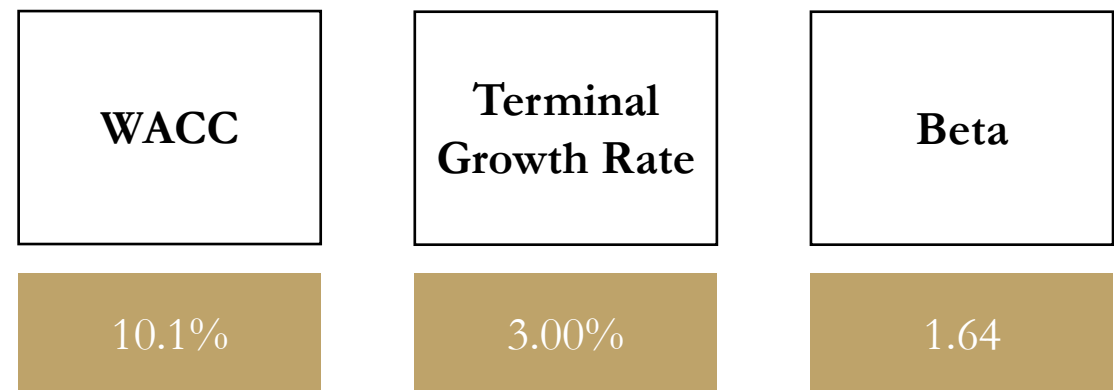
Football Field



Valuation methodology



Assumptions

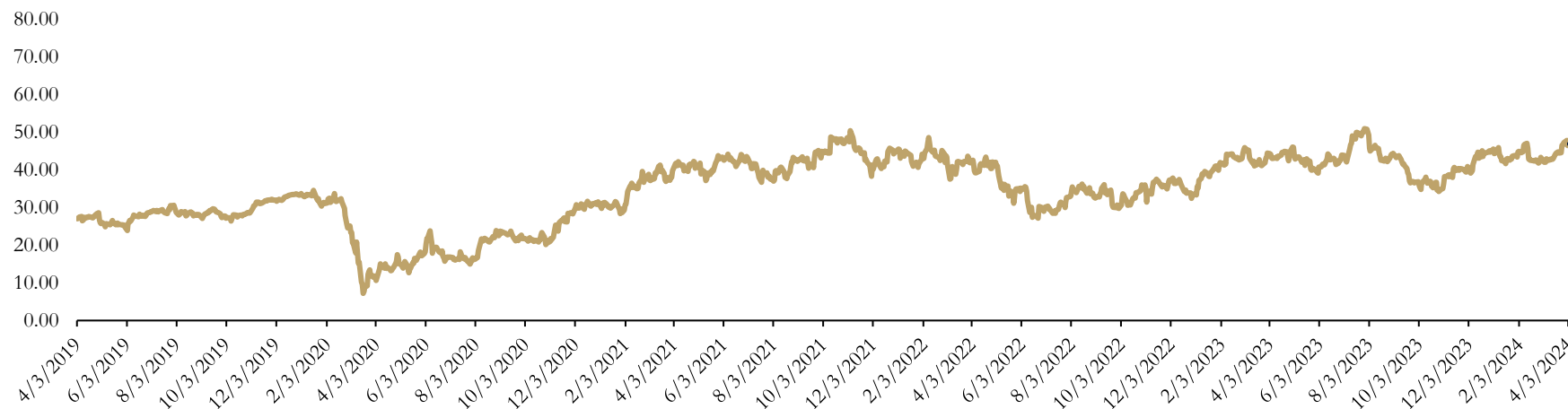


Bear, Base, Bull



MGM RESORTS

MGM



\$72



\$62



\$30

Bear Case

Strict OSB regulations
 Poor Macau recovery
 LTE partnership results

Base Case

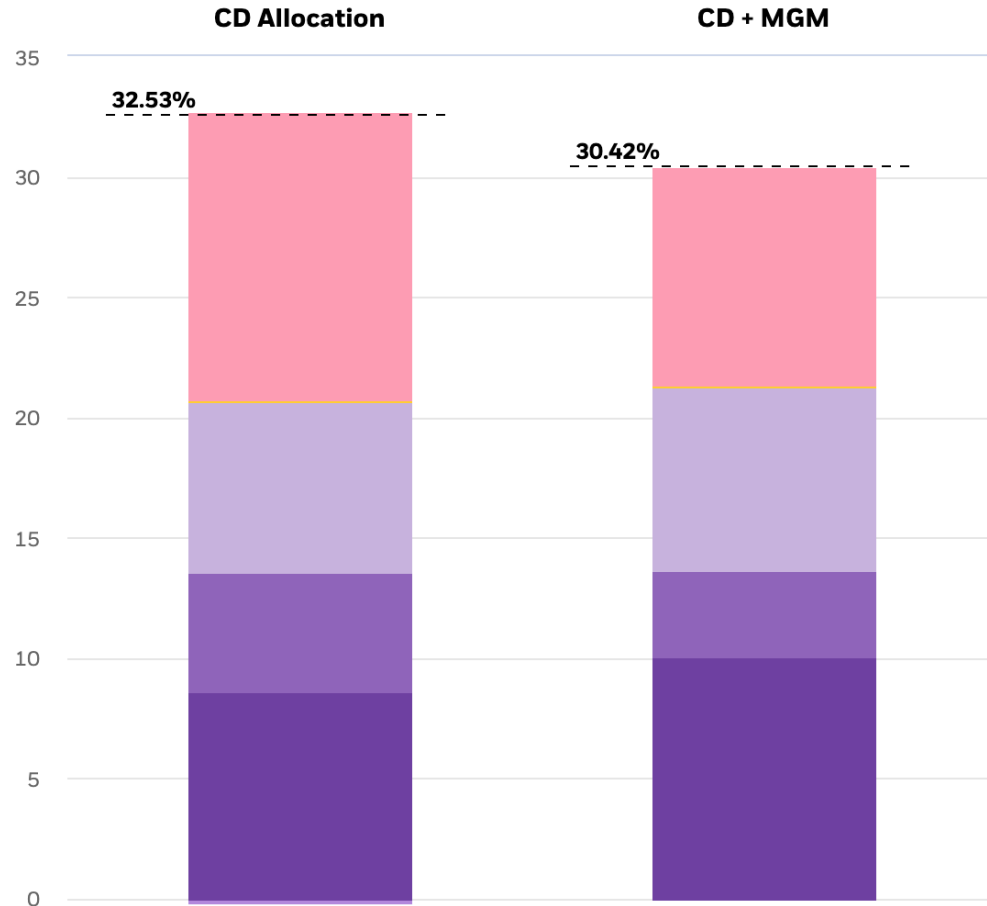
Growth from partnerships
 Speedy Macau recovery
 OSB market share capture

Bull Case

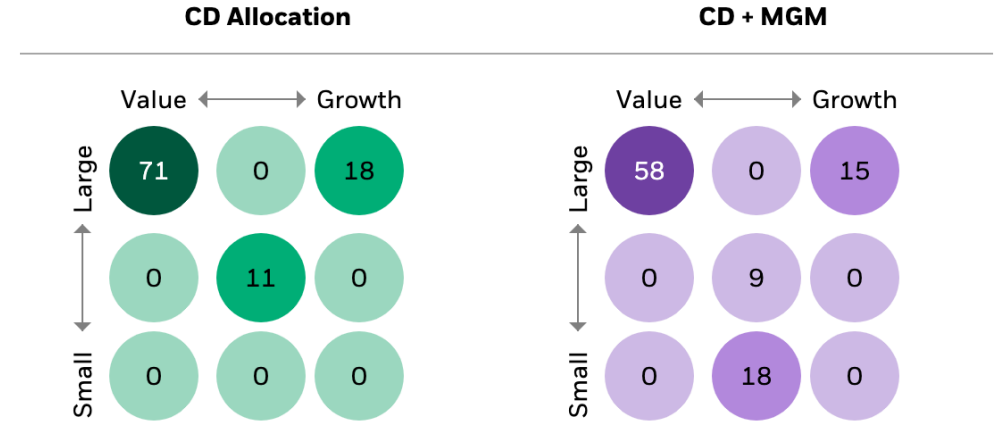
GTE US growth
 Profitable partnerships
 OSB state expansion



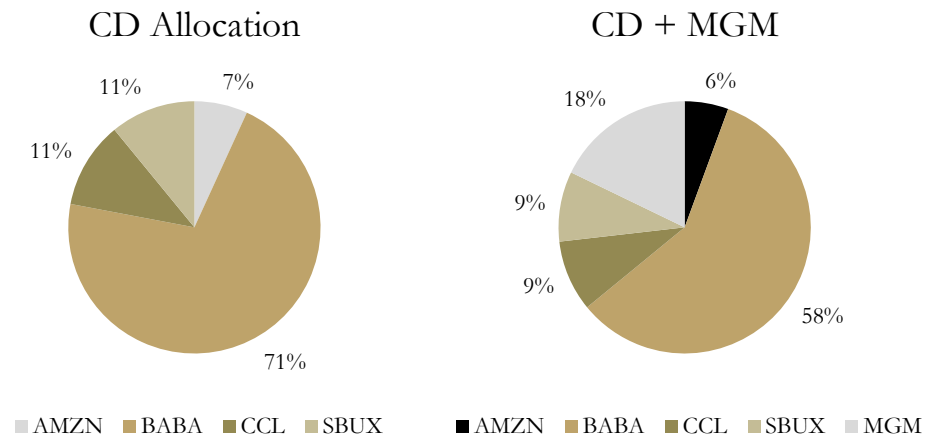
Risk Profile



Growth/Value Assessment



Sector Weighting



Appendix A: Balance Sheet



Consolidated Balance Sheet - (In Thousands)	2020	2021	2022	2023
Cash and cash equivalents	\$ 5,101,637	4,703,059	5,911,893	2,927,833
Restricted cash	0	500,000	0	
Accounts receivable, net	316,502	583,915	852,149	929,135
Inventories	88,323	96,374	126,065	141,678
Income tax receivable	243,415	273,862	73,016	141,444
Prepaid expenses and other	200,782	258,972	583,132	770,503
Assets held for sale	0	0	608,437	0
Total current assets	5,950,659	6,416,182	8,154,692	4,910,593
Property and equipment, net	14,632,091	14,435,493	5,223,928	5,449,544
Investments in and advances to unconsolidated	1,447,043	967,044	173,039	240,803
Goodwill	2,091,278	3,480,997	5,029,312	5,165,694
Other intangible assets, net	3,643,748	3,616,385	1,551,252	1,724,582
Operating lease right-of-use assets, net	8,286,694	11,492,805	24,530,929	24,027,465
Other long-term assets, net	443,421	490,210	1,029,054	849,867
Total other assets	15,912,184	20,047,441	32,313,586	32,008,411
Total assets	36,494,934	40,899,116	45,692,206	42,368,548
Accounts and construction payable	142,523	286,196	369,817	461,718
Current portion of long-term debt	30,149	1,000,000	1,286,473	0
Accrued interest on long-term debt	0	172,624	83,451	60,173
Other accrued liabilities	138,832	1,983,444	2,236,323	2,604,177
Liabilities related to assets held for sale	1,545,079	0	539,828	0
Total current liabilities	1,856,583	3,442,264	4,515,892	3,126,068
Deferred income taxes, net	2,153,016	2,439,364	2,969,443	2,860,997
Long-term debt, net	12,376,684	11,770,797	7,432,817	6,343,810
Operating lease liabilities	8,390,117	11,802,464	25,149,299	25,127,464
Other long-term obligations	472,084	319,914	256,282	542,708
Redeemable noncontrolling interests	66,542	147,547	158,350	33,356
Total Liabilities	25,315,026	29,922,350	40,482,083	38,034,403
Common stock, \$0.01 par value: authorized	4,943	4,538	3,791	3,266
Capital in excess of par value	3,439,453	1,750,135	0	0
Retained earnings	3,091,007	4,340,588	4,794,239	3,664,008
Accumulated other comprehensive income (loss)	(30,677)	(24,616)	33,499	143,896
Total MGM Resorts International stockholders' equity	6,504,726	6,070,645	4,831,529	3,811,170
Noncontrolling interests	4,675,182	4,906,121	378,594	522,975
Total stockholders' equity	11,179,908	10,976,766	5,210,123	4,334,145
Total liabilities and stockholders' equity	36,494,934	40,899,116	45,692,206	42,368,548

Appendix B: Income Statement



Consolidated Statement of Income -									
(In Thousands)	2020	2021	2022	2023	2024E	2025E	2026E	2027E	2028E
Revenue									
Casino	2,871,720	5,362,912	5,734,173	8,087,917	8,620,570	9,022,860	9,461,304	9,874,942	10,263,914
Rooms	830,382	1,690,037	3,057,145	3,500,926	3,640,938	3,817,439	4,002,181	4,193,826	4,394,778
Food and beverage	696,040	1,391,605	2,604,238	2,891,483	2,975,894	3,078,201	3,221,185	3,370,971	3,527,890
Entertainment, retail and other	518,991	1,009,503	1,686,236	1,638,183	1,674,810	1,752,945	1,850,773	1,954,085	2,063,357
Reimbursed Costs	244,949	226,083	45,693	45,740	0	0	0	0	0
Total Revenue	5,162,082	9,680,140	13,127,485	16,164,249	16,912,212	17,671,445	18,535,442	19,393,824	20,249,939
Expenses									
Casino	1,701,783	2,551,169	2,746,576	4,316,547	4,180,976	4,330,973	4,494,119	4,690,597	4,875,359
Rooms	419,156	600,942	937,272	1,017,650	1,055,872	1,107,057	1,160,632	1,205,725	1,263,499
Food and beverage	674,118	1,034,780	1,905,625	2,153,795	2,172,403	2,231,696	2,327,306	2,435,527	2,548,901
Entertainment, retail and other	412,705	617,635	1,017,817	1,019,830	1,013,260	1,060,532	1,110,464	1,172,451	1,238,014
Reimbursed Costs	244,949	226,083	45,693	45,740	0	0	0	0	0
General and administrative	2,122,333	2,507,239	4,226,617	4,700,657	5,665,591	5,919,934	6,116,696	6,399,962	6,581,230
Corporate expense	460,148	422,777	479,118	512,399	676,488	706,858	741,418	775,753	809,998
Preopening and start-up expenses	84	5,094	1,876	415	0	0	0	0	0
Property transactions, net	93,567	(67,736)	(1,036,997)	(370,513)	(422,805)	(441,786)	(463,386)	(484,846)	(506,248)
Gain on REIT transactions, net	(1,491,945)	0	(2,277,747)	0	0	0	0	0	0
Gain on consolidation of CityCenter, net	0	(1,562,329)	0	0	0	0	0	0	0
Depreciation and amortization	1,210,556	1,150,610	3,482,050	814,128	989,364	1,056,752	1,132,515	1,210,175	1,289,921
Total Expenses	5,847,454	7,486,264	11,527,900	14,210,648	15,331,150	15,972,016	16,619,764	17,405,344	18,100,673
Income (loss) from unconsolidated affiliates	42,938	84,823	(160,213)	(62,104)	179,340	215,208	251,793	289,562	324,310
EBIT	(642,434)	2,278,699	1,439,372	1,891,497	1,760,402	1,914,637	2,167,471	2,278,042	2,473,576
Interest expense, net of amounts capitalized	(676,380)	(799,593)	(594,954)	(460,293)	(632,805)	(632,805)	(632,805)	(632,805)	(632,805)
Non-operating items from unconsolidated affiliates	(103,304)	(83,243)	(23,457)	(1,032)	(12,245)	(12,245)	(12,245)	(12,245)	(12,245)
Other, net	(89,361)	65,941	82,838	42,591	63,790	63,790	63,790	63,790	63,790
EBT	(1,511,479)	1,461,804	903,799	1,472,763	1,179,143	1,333,378	1,586,212	1,696,783	1,892,316
Benefit (provision) for income taxes	191,572	(253,415)	(697,068)	(157,839)	247,620	280,009	333,104	356,324	397,386
Net Income	(1,319,907)	1,208,389	206,731	1,314,924	1,426,763	1,613,387	1,919,316	2,053,107	2,289,703
Less: Net loss attributable to noncontrolling interests	287,183	45,981	1,266,362	(172,744)					
Net income (loss) attributable to MGM Resorts International	(1,032,724)	1,254,370	1,473,093	1,142,180					

Appendix C: Income Statement (Con't)



Expenses									
Casino expense as a % of Casino Revenue	59.3%	47.6%	47.9%	53.4%	48.5%	48.0%	47.5%	47.5%	47.5%
Rooms expense as a % of Rooms Revenue	50.5%	35.6%	30.7%	29.1%	29.0%	29.0%	29.0%	28.8%	28.8%
Food and beverage expense as a % of Food and beverage Revenue	96.9%	74.4%	73.2%	74.5%	73.0%	72.5%	72.3%	72.3%	72.3%
Entertainment, retail and other expense as a % of Entertainment, retail and other Revenue	79.5%	61.2%	60.4%	60.5%	60.5%	60.5%	60.0%	60.0%	60.0%
Reimbursed Costs expense as a % of Reimbursed Costs Revenue	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
General and administrative as a % of Revenue	41.1%	25.9%	32.2%	32.5%	33.5%	33.5%	33.0%	33.0%	32.5%
Corporate expense as a % of Revenue	8.9%	4.4%	3.6%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Preopening and start-up expenses as a % of Revenue	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Property transactions, net as a % of Revenue	1.8%	-0.7%	-7.9%	-2.3%	-2.5%	-2.5%	-2.5%	-2.5%	-2.5%
Gain on REIT transactions, net as a % of Revenue	-28.9%	0.0%	-17.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Gain on consolidation of CityCenter, net as a % of Revenue	0.0%	-16.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Depreciation and amortization as a % of CapEx	447%	234%	455%	87%	90%	92%	94%	96%	98%

Appendix E: Statement of Cash Flows (Con't)



Proceeds from sale of operating resorts	0	0	1,054,313	460,392
Proceeds from repayment of principal on note receivable	0	0	0	152,518
Proceeds from real estate transactions	2,455,839	3,888,431	4,373,820	0
Acquisitions, net of cash acquired	0	(1,789,604)	(1,889,118)	(122,058)
Investments in unconsolidated affiliates	(96,925)	(226,889)	(254,786)	(161,040)
Distributions from unconsolidated affiliates	63,960	9,694	10,361	8,342
Investments and other	873	46,110	(523,361)	(125,947)
Net cash provided by investing activities	2,159,304	1,543,645	2,118,181	(714,175)
Cash flows from financing activities				
Net borrowings (repayments) under bank credit facilities – maturities of 90 days or less	(1,595,089)	(2,096,217)	1,148,276	(1,097,306)
Issuance of long-term debt	3,550,000	749,775	0	0
Repayment of long-term debt	(846,815)	0	(1,070,340)	(1,285,600)
Debt issuance costs	(62,348)	(18,726)	(1,367)	(21,535)
Proceeds from issuance of bridge loan facility	1,304,625	0	0	0
Issuance of MGM Growth Properties Class A shares, net	524,704	792,851	0	0
Dividends paid to common shareholders	(77,606)	(4,789)	(4,048)	0
Distributions to noncontrolling interest owners	(286,385)	(324,190)	(210,699)	(177,093)
Repurchases of common stock	(353,720)	(1,753,509)	(2,775,217)	(2,291,917)
Other	(53,939)	(159,290)	(110,907)	(131,180)
Net cash provided by (used in) financing activities	2,103,427	(2,814,095)	(3,024,302)	(5,004,631)
Effect of exchange rate on cash, cash equivalents, and restricted cash	2,345	(1,551)	8,926	(19,401)
Change in cash and cash equivalents classified as assets held for sale	0	0	(25,938)	25,938
Cash, cash equivalents, and restricted cash				
Net increase for the period	2,772,033	101,422	833,329	(3,021,492)
Balance, beginning of period	2,329,604	5,101,637	5,203,059	6,036,388
Balance, end of period	5,101,637	5,203,059	6,036,388	3,014,896

Capex as a % of Revenue	5.24%	5.07%	5.83%	5.76%	7%	7%	7%	7%	7%
D&A as a % of CapEX	447%	234%	455%	87%	90%	92%	94%	96%	98%

Appendix F: NWC



Net Working Capital - (In Thousands)	2020	2021	2022	2023	2024E	2025E	2026E	2027E	2028E
Current Assets									
Accounts receivable, net	316,502	583,915	852,149	929,135	1,019,366	1,065,128	1,104,509	1,155,659	1,203,900
<i>D/SO</i>	22.38	22.02	23.69	20.98	22.0	22.0	21.8	21.8	21.7
Inventories	88,323	96,374	126,065	141,678	143,067	148,295	149,466	156,235	163,163
<i>DIH</i>	9.34	6.99	6.92	6.05	6.2	6.2	6.0	6.0	6.0
Prepaid expenses and other	200,782	258,972	583,132	770,503	761,050	795,215	787,756	824,238	854,547
<i>As a % of Revenue</i>	3.89%	2.68%	4.44%	4.77%	4.50%	4.50%	4.25%	4.25%	4.22%
Total Current Assets	605,607	939,261	1,561,346	1,841,316	1,923,483	2,008,638	2,041,732	2,136,132	2,221,611
Current Liabilities									
Accounts and construction payable	142,523	286,196	369,817	461,718	461,507	478,370	493,238	514,274	537,079
<i>DPO</i>	15.07	20.77	20.29	19.70	20	20	19.8	19.75	19.75
Other accrued liabilities	138,832	1,983,444	2,236,323	2,604,177	2,790,515	2,915,788	3,012,009	3,151,496	3,280,490
<i>As a % of Revenue</i>	2.69%	20.49%	17.04%	16.11%	16.5%	16.5%	16.3%	16.3%	16.2%
Total Current Liabilities	281,355	2,269,640	2,606,140	3,065,895	3,252,022	3,394,159	3,505,247	3,665,770	3,817,570
NWC	324,252	(1,330,379)	(1,044,794)	(1,224,579)	(1,328,539)	(1,385,521)	(1,463,516)	(1,529,638)	(1,595,958)
Change NWC		(1,654,631)	285,585	(179,785)	(103,960)	(56,981)	(77,995)	(66,122)	(66,320)

Appendix G: Revenue Build



Revenue Build - (In Thousands)	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E	2027E	2028E
Las Vegas												
Casino	1,436,830	1,407,733	1,296,170	728,254	1,549,419	2,104,096	2,127,612	2,191,440	2,268,141	2,358,866	2,453,221	2,551,350
Rooms	1,778,869	1,776,029	1,863,512	662,813	1,402,712	2,729,715	3,027,668	3,148,775	3,306,213	3,471,524	3,645,100	3,827,355
Food and Beverage	1,410,496	1,402,378	1,517,745	471,529	1,015,366	2,125,738	2,289,812	2,358,506	2,441,054	2,563,107	2,691,262	2,825,825
Entertainment, Retail, and other	1,119,928	1,130,532	1,153,615	383,189	769,688	1,438,823	1,354,054	1,421,757	1,492,845	1,582,415	1,677,360	1,778,002
Total Las Vegas	5,746,123	5,716,672	5,831,042	2,245,785	4,737,185	8,398,372	8,799,146	9,120,478	9,508,253	9,975,913	10,466,944	10,982,532
<i>Total Las Vegas as a % of Revenue</i>	53%	49%	45%	44%	49%	64%	54%	54%	54%	54%	54%	54%
<i>Total Las Vegas Growth</i>		-1%	2%	-61%	111%	77%	5%	4%	4%	5%	5%	5%
Regional Operations												
Casino	1,834,803	2,026,925	2,537,780	1,569,193	2,721,515	2,901,072	2,712,205	2,739,327	2,807,810	2,892,045	2,978,806	3,068,170
Rooms	319,049	318,017	316,753	130,945	220,828	284,213	296,100	299,061	306,538	315,734	325,206	334,962
Food and Beverage	410,143	428,934	494,243	184,153	307,750	429,188	440,002	444,402	455,512	469,177	483,253	497,750
Entertainment, Retail, and other	145,725	160,645	201,008	82,880	142,270	201,412	222,002	224,222	229,828	236,722	243,824	251,139
Total Regional Operations	2,709,720	2,934,521	3,549,784	1,967,171	3,392,363	3,815,885	3,670,309	3,707,012	3,799,687	3,913,678	4,031,088	4,152,021
<i>Total Regional Operations as a % of Revenue</i>	25%	25%	28%	38%	35%	29%	23%	22%	22%	21%	21%	21%
<i>Total Regional Operations Growth</i>		8%	21%	-45%	72%	12%	-4%	1%	2%	3%	3%	3%
MGM China												
Casino	1,741,635	2,195,144	2,609,806	565,671	1,057,962	567,573	2,787,837	3,094,499	3,280,169	3,476,979	3,650,828	3,796,861
Rooms	54,824	118,527	142,306	36,624	66,498	43,216	177,158	193,102	204,688	214,923	223,520	232,460
Food and Beverage	51,330	114,862	127,152	40,284	68,489	49,312	161,669	172,986	181,635	188,901	196,457	204,315
Entertainment, Retail, and other	10,371	21,424	26,158	14,124	17,812	13,492	26,945	28,831	30,273	31,635	32,900	34,216
Total MGM China	1,858,160	2,449,957	2,905,422	656,703	1,210,761	673,593	3,153,609	3,489,418	3,696,765	3,912,437	4,103,705	4,267,853
<i>Total MGM China As a % of Revenue</i>	17%	21%	23%	13%	13%	5%	20%	21%	21%	21%	21%	21%
<i>Total MGM China Growth</i>		32%	19%	-77%	84%	-44%	368%	11%	6%	6%	5%	4%
Corporate and Other	483,476	661,946	613,415	292,423	339,831	239,635	541,185	595,304	666,740	733,414	792,087	847,533
<i>Corporate and Other as a % of Revenue</i>	4%	6%	5%	6%	4%	2%	3%	4%	4%	4%	4%	4%
<i>Corporate and Other Growth</i>		37%	-7%	-52%	16%	-29%	126%	10%	12%	10%	8%	7%
Total Revenue	10,797,479	11,763,096	12,899,663	5,162,082	9,680,140	13,127,485	16,164,249	16,912,212	17,671,445	18,535,442	19,393,824	20,249,939
<i>Revenue Growth</i>		9%	10%	-60%	88%	36%	23%	5%	4%	5%	5%	4%

Appendix H: Revenue Build (Con't)



Las Vegas

<i>Casino Growth</i>	-2.0%	-7.9%	-43.8%	112.8%	35.8%	1.1%	3%	4%	4%	4%
<i>Rooms Growth</i>	-0.2%	4.9%	-64.4%	111.6%	94.6%	10.9%	4%	5%	5%	5%
<i>Food and Beverage Growth</i>	-0.6%	8.2%	-68.9%	115.3%	109.4%	7.7%	3%	4%	5%	5%
<i>Entertainment, Retail, and other Growth</i>	0.9%	2.0%	-66.8%	100.9%	86.9%	-5.9%	5%	5%	6%	6%

Regional Operations

<i>Casino Growth</i>	10.5%	25.2%	-38.2%	73.4%	6.6%	-6.5%	1%	3%	3%	3%
<i>Rooms Growth</i>	-0.3%	-0.4%	-58.7%	68.6%	28.7%	4.2%	1%	3%	3%	3%
<i>Food and Beverage Growth</i>	4.6%	15.2%	-62.7%	67.1%	39.5%	2.5%	1%	3%	3%	3%
<i>Entertainment, Retail, and other Growth</i>	10.2%	25.1%	-58.8%	71.7%	41.6%	10.2%	1%	3%	3%	3%

MGM China

<i>Casino Growth</i>	26.0%	18.9%	-78.3%	87.0%	-46.4%	391.2%	11%	6%	6%	5%
<i>Rooms Growth</i>	116.2%	20.1%	-74.3%	81.6%	-35.0%	309.9%	9%	6%	5%	4%
<i>Food and Beverage Growth</i>	123.8%	10.7%	-68.3%	70.0%	-28.0%	227.8%	7%	5%	4%	4%
<i>Entertainment, Retail, and other Growth</i>	106.6%	22.1%	-46.0%	26.1%	-24.3%	99.7%	7%	5%	5%	4%

Appendix I: Beta & WACC



Covariance	0.00028634
Variance	0.00017457
Beta	1.64028325

WACC	
Market cap	16,677,973
Outstanding shares	354,926
Share price	46.99
Debt	6,343,810
Damodoran Spread	2.21%
Risk free rate	4.25%
tax rate	0.21
Pre-Tax Cxost of Debt	6.46%
Market return	9%
market risk premium	5%
Beta	1.64
Cost of equity	12.04%
After tax cost of debt	5%
weight of debt	0.28
weight of equity	0.72
WACC	10.1%

Appendix J: EBITDAR & BetMGM



Ebitdar Projections	2021	2022	2023	2024E	2025E	2026E	2027E	2028E
Rent Expense	833,158	1,950,566	2,263,649	1,800,000	1,836,000	1,872,720	1,910,174	1,948,378
Property Transactions	(67,736)	(1,036,997)	(370,513)	(422,805)	(441,786)	(463,386)	(484,846)	(506,248)
EBITDA	3,429,309	4,921,422	2,705,625	2,749,767	2,971,390	3,299,987	3,488,217	3,763,497
EBITDAR	4,194,731	5,834,991	4,598,761	4,126,961	4,365,604	4,709,320	4,913,546	5,205,626

BetMGM Incom - (In Millions)	2023	2024E	2025E	2026E	2027E	2028E
Revenue	1960	2,391	2,869	3,357	3,861	4,324
Operating expenses	2,027	2,033	2,439	2,854	3,282	3,676
Operating Income	(67)	358.68	430.42	503.59	579.12	648.62
<i>Revenue Growth</i>		22%	20%	17%	15%	12%
<i>EBIT Margin</i>	-3%	15%	15%	15%	15%	15%

Appendix K: Comps



Comparable Companies																
Analysis	Price	Shares Outstanding	Market Cap	Debt	Cash	Net Debt	Enterprise Value	LTM EBIT	2024E EBIT	2025E EBIT	LTM EBITDA	2024E EBITDA	2025E EBITDA	LTM EBITDAR	2024E EBITDAR	2025E EBITDAR
MGM	46.99	354,926	16,677,973	6,343,810	2,927,833	3,415,977	20,093,950	1,891,497	1,760,402	1,914,637	2,705,625	2,749,767	2,971,390	4,598,761	4,126,961	4,365,604
CZR	43.74	216	9,461	25,799	1,005	24,794	34,255	2,567	2,575	2,792	3,828	3,974	4,084	3,938	3,983	4,175
WYNN	102.23	112	11,456	13,393	3,724	9,669	21,125	1,069	1,345	1,413	1,756	2,100	2,154	2,115	2,276	2,369
LVS	51.70	754	38,962	14,309	5,105	9,204	48,166	2,518	3,270	3,641	3,762	4,673	5,020	3,480	4,247	4,604
RRR	62.48	105.19	6,572.00	3,363.00	138.00	3,225.00	9,797.00	590.00	638.00	675.00	723.00	812.00	851.00	753.00	842.00	881.00

2025E EBITDAR	EV/LTM EBIT	EV/2024E EBIT	EV/2025E EBIT	EV/LTM EBITDA	EV/2024E EBITDA	EV/2025E EBITDA	EV/LTM EBITDAR	EV/2024E EBITDAR	EV/2025E EBITDAR
4,365,604	10.62	11.41	10.49	7.43	7.31	6.76	9.83	10.96	10.36
4,175	13.34	13.30	12.27	8.95	8.62	8.39	12.12	11.99	11.44
2,369	19.76	15.71	14.95	12.03	10.06	9.81	10.77	10.01	9.62
4,604	19.13	14.73	13.23	12.80	10.31	9.59	13.92	11.40	10.52
881.00	16.61	15.36	14.51	13.55	12.07	11.51	13.01	11.64	11.12

Min	10.62	11.41	10.49	7.43	7.31	6.76	9.83	10.01	9.62
Q1	11.98	12.36	11.38	8.19	7.96	7.58	10.30	10.48	9.99
Med	16.61	14.73	13.23	12.03	10.06	9.59	12.12	11.40	10.52
Q3	19.45	15.53	14.73	13.18	11.19	10.66	13.46	11.81	11.28
Max	19.76	15.71	14.95	13.55	12.07	11.51	13.92	11.99	11.44
Average	15.89	14.10	13.09	10.95	9.67	9.21	11.93	11.20	10.61

Min	46.99	46.99	46.99	46.99	46.99	46.99	46.99	35.96	37.85
Q1	54.24	51.67	51.78	52.79	52.07	53.79	53.06	41.47	42.42
Med	78.87	63.43	61.74	82.08	68.31	70.70	76.66	52.17	48.96
Q3	94.00	67.41	69.85	90.82	77.04	79.62	94.02	56.91	58.30
Max	95.69	68.28	71.03	93.67	83.85	86.76	99.89	58.95	60.23
Average	75.07	60.32	61.00	73.86	65.31	67.50	74.17	49.79	50.08

Appendix L: DCF



Discounted Cash Flow Analysis - (In Thousands)	2020	2021	2022	2023	2024E	2025E	2026E	2027E	2028E
EBIT	(642,434)	2,278,699	1,439,372	1,891,497	1,760,402	1,914,637	2,167,471	2,278,042	2,473,576
NOPAT	(507,523)	1,800,172	1,137,104	1,494,283	1,390,718	1,512,563	1,712,302	1,799,653	1,954,125
Add: D&A	1,210,556	1,150,610	3,482,050	814,128	989,364	1,056,752	1,132,515	1,210,175	1,289,921
Less: CapEx	270,579	490,697	765,067	931,813	1,099,294	1,148,644	1,204,804	1,260,599	1,316,246
Less: Change NWC		(1,654,631)	285,585	(179,785)	(103,960)	(56,981)	(77,995)	(66,122)	(66,320)
FCFF	432,454	4,114,716	3,568,502	1,556,383	1,384,749	1,477,653	1,718,009	1,815,352	1,994,120
Discount Factor					0.5	1.5	2.5	3.5	4.5
PV of FCFF					1,319,534	1,278,560	1,349,811	1,295,113	1,291,805

WACC	10.1%
TGR	3%
Terminal EV/EBIT	11.98

Gordon Growth	
Terminal Value	28,811,879
PV of Terminal Value	18,664,543
Enterprise Value	25,199,366
Less: Debt	6,343,810
Add: Cash	2,927,833
Equity Value	21,783,389
Share Price	61.37

Multiples Method	
Terminal Value	29,642,932
PV of Terminal Value	18,298,540
Enterprise Value	24,833,364
Less: Debt	6,343,810
Add: Cash	2,927,833
Equity Value	21,417,387
Share Price	60.34

WACC	TGR					
	61.37	3%	2.75%	3%	3.25%	3.50%
9.10%	68.18838165	70.6592478	73.3326439	76.2345355	79.3955245	
9.60%	62.70481394	64.8002173	67.0543634	69.4860013	72.1169538	
10.1%	57.94450195	59.7400497	61.6620445	63.7243308	65.942851	
10.60%	53.77347043	55.3260572	56.9807879	58.7480852	60.6398402	
11.10%	50.08890218	51.4421252	52.8788805	54.4071488	56.0359612	

WACC	Terminal EV/EBITDA					
	60.34	10.98	11.48	11.98	12.48	12.98
9.1%	58.73197546	60.9863894	63.2408033	65.4952173	67.7496312	
9.6%	57.39802442	59.6014817	61.8049391	64.0083964	66.2118537	
10.1%	56.098463	58.2523396	60.4062162	62.5600928	64.7139694	
10.6%	54.83223839	56.937867	59.0434957	61.1491243	63.2547529	
11.1%	53.59833475	55.6570066	57.7156784	59.7743502	61.833022	

Appendix M: China Stats



MGM RESORTS

Late last year, when Macau's concessionaires signed their new 10-year concessions with the Macau SAR Government, MGM China emerged as the biggest winner of all when granted an allocation of 750 gaming tables under the table cap

MGM China had a 15.2% market share in FY 2023, jumping to ~20% in the start of 2024

MGM China is increasing their dividend, and as MGM owns 56%, they are entitled to \$95 million

Appendix N: OSB Age Demographics



MGM RESORTS

OSB Breakdown By Age

