



MOHEGAN TRIBAL GAMING AUTHORITY

2014 J.P. Morgan Global High Yield &
Leveraged Finance Conference
February 26, 2014



MTGA Overview

- **MTGA: Premier Tribal Gaming Operator**
 - High Quality “Built to Last” Gaming Assets
 - Leading Market Share/Fair Share/Operating Margins in its markets
 - Stable Governance, Transparent and Commercial
 - Mohegan Tribe is a Leader in Indian Country
- **Focused Deleveraging Strategy and Cost Saving Initiatives**
 - Rapid Deleveraging Recently
 - Expiration of Relinquishment Payments in January 2015
 - Strong Corporate Assets compared to Other Tribal Operators
 - Strategic Cost Saving Initiatives and Improved Margins
- **Diversification Through Capital-Light Growth Pipeline**
 - Mohegan Gaming Advisors
 - Resorts Casino
 - Market8 Casino Management
 - Revere Casino Development
 - Cowlitz Casino Development
 - Pocono Downs Hotel
 - Mohegan Sun Hotel & Retail

MTGA: Premier Tribal Gaming Operator

The Mohegan Tribe of Indians of Connecticut

- Widely considered one of the strongest and most stable tribal governments in the United States
- Commercially licensed government with low turnover
 - Elected 9-member Tribal Council governs the Tribe and acts as the Management Board of MTGA
 - Staggered 4 year terms, next elections in August 2015

Mohegan Tribal Gaming Authority (MTGA)

- One of the strongest management teams in Indian Country operating two high-performing casinos
 - Mohegan Sun – on reservation land in Uncasville, CT
 - Pocono Downs – on commercial land in Wilkes-Barre, PA
- SEC filer, values its lender relationships and has always complied with bank and bond covenants
- Mohegan Sun is one of the largest gaming facilities in the U.S. and includes one of the highest grossing arenas in the world of its size (home to the Connecticut Sun WNBA franchise)
- Well-known “Mohegan Sun” brand with 4 million+ high-value customers in Player Database



MTGA: Premier Regional Assets

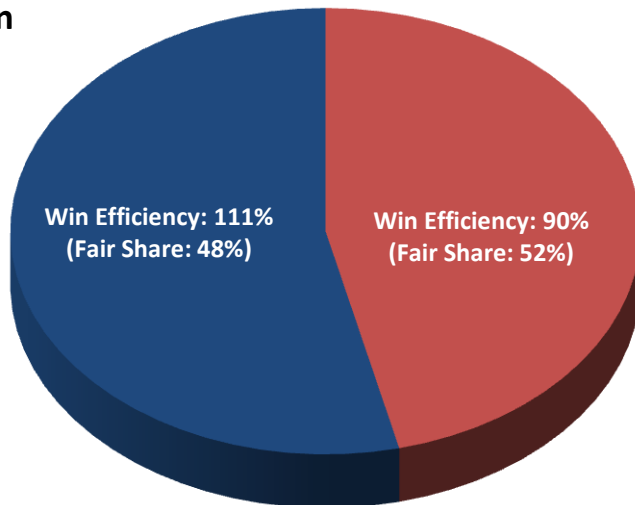


MTGA: Premier Tribal Gaming Operator

- Based on the fair share (number of slot machines offered), Mohegan Sun and Pocono Downs are in line with the competition
- However, both properties outperform the competition by measure of slot win efficiency

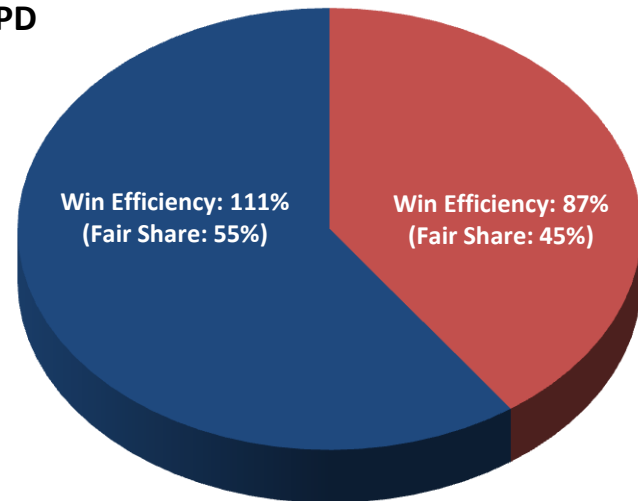
Connecticut

Mohegan Sun



Northeastern PA

MSPD

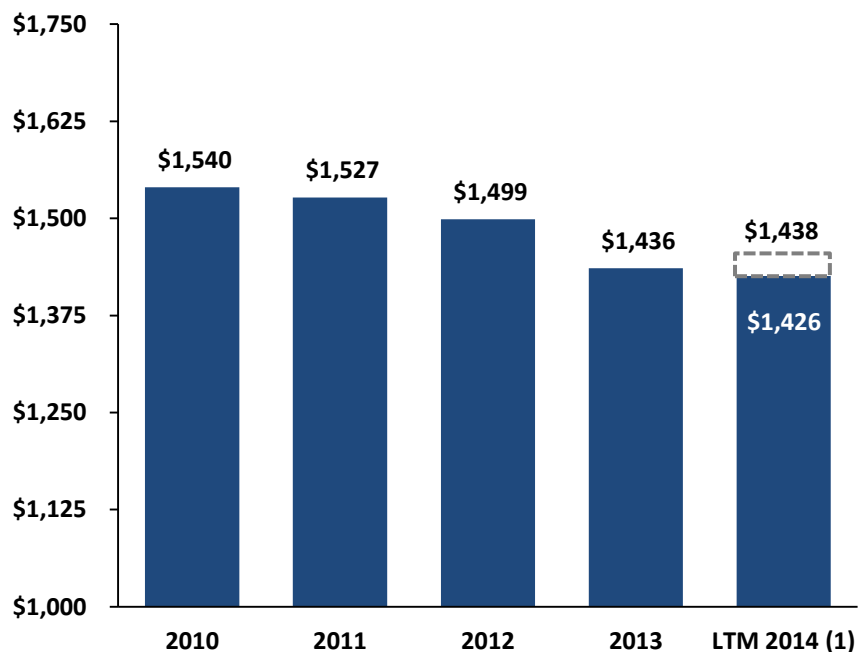


Results for LTM period ended January 31, 2014

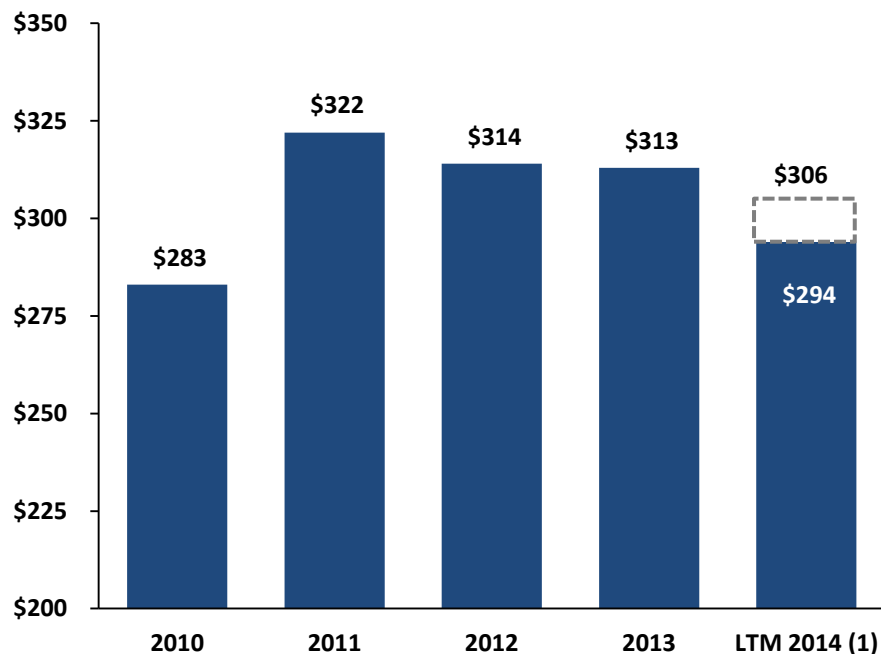
MTGA: Premier Tribal Gaming Operator

- Despite economic and competitive headwinds, MTGA has grown EBITDA over the past five years

MTGA Gross Revenue
(\$ in millions)



MTGA Adjusted EBITDA
(\$ in millions)



(1) Represents last twelve months ended December 31, 2013; Management estimates that period was negatively impacted by unusually low table games hold in Q1 FY14; normalized amounts shown above

Margin Expansion Due to Proactive Cost Saving Initiatives

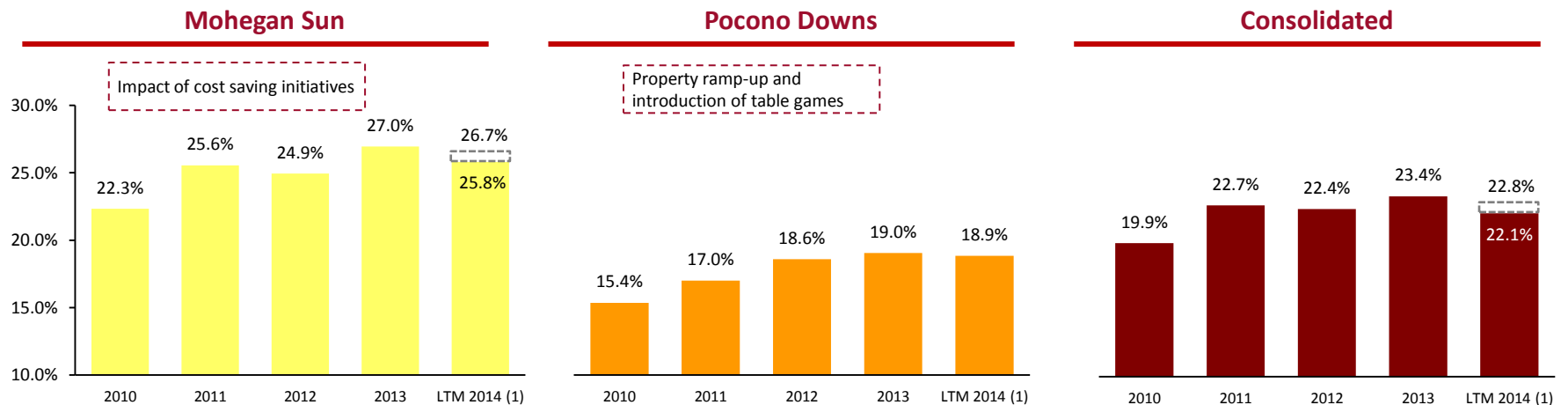
Disciplined approach to cost containment, while maintaining superior service and customer experience

- Workforce reductions at Mohegan Sun and Pocono Downs
- Changes to the slot mix on the gaming floor, increasing slot win with the same overhead costs
- Modification to medical benefits
- Replacement of Mohegan Sun-owned or operated food and beverage outlets with 3rd-party operators

Cost saving initiatives reflect continued focus on increasing Adjusted EBITDA and margins

- September 2012 initiatives at Mohegan Sun resulted in savings of ~\$25 million annually
- March 2013 initiatives at Pocono Downs resulted in savings of ~\$7 million annually

Adjusted EBITDA Margin



(1) Represents last twelve months ended December 31, 2013; Management estimates that period was negatively impacted by unusually low table games hold in Q1 FY14; normalized amounts shown above

Balance Sheet: Capital Structure & Liquidity

- Recently completed refinancings will reduce interest expense by \$16M annually

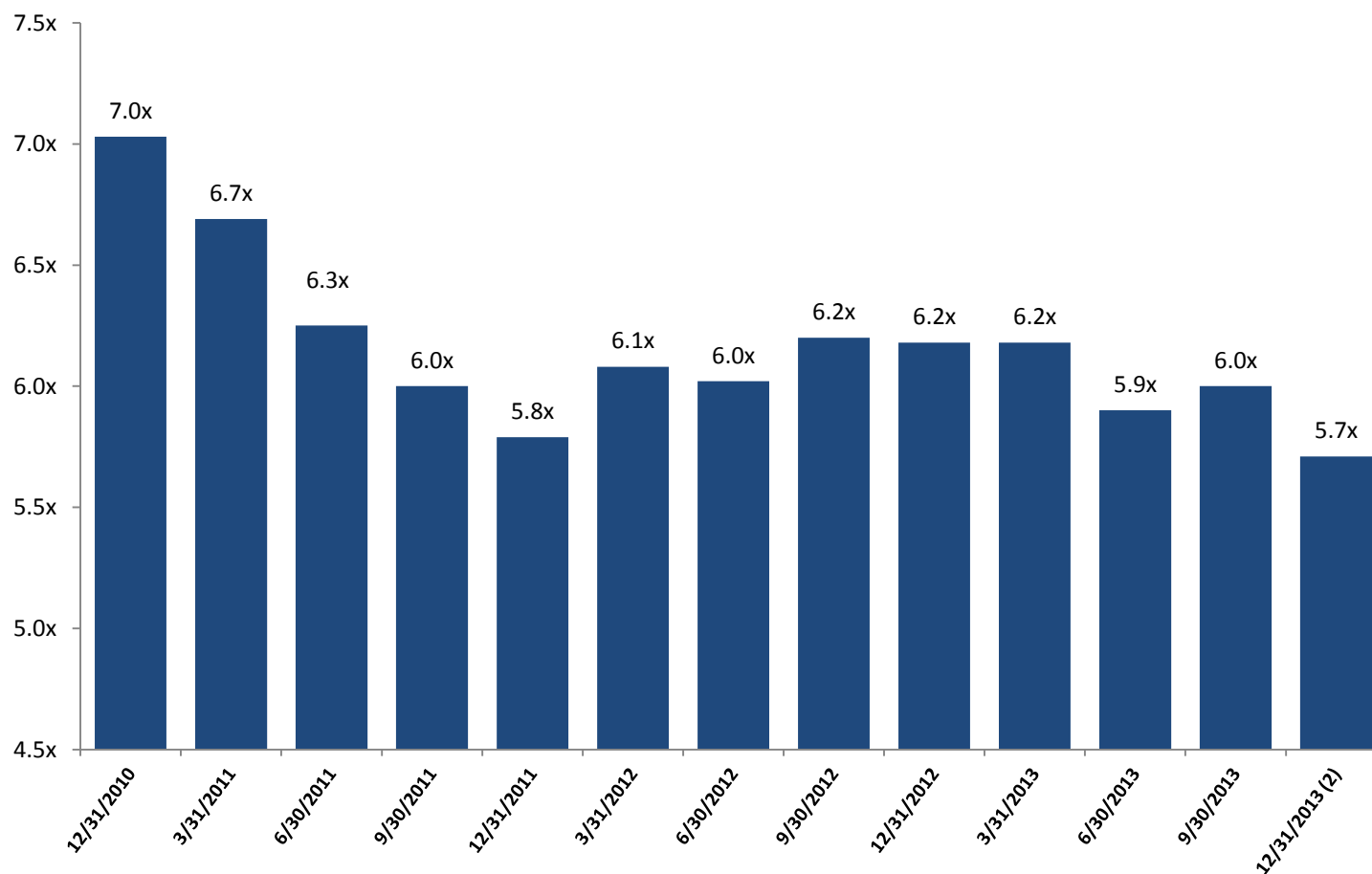
<i>(\$ in millions)</i>	<u>12/31/13</u>	<u>Leverage (2)</u>
Cash	\$ 75.6	
Credit Facility Revolver (\$100M) due 2018 (1)	14.0	
Credit Facility Term Loan A due 2018	125.0	
Credit Facility Term Loan B due 2019	730.0	
Total Secured Debt	869.0	2.8x
9.75% Senior Unsecured Notes due 2021	500.0	
11 % Senior Subordinated Notes due 2018	275.2	
6.875% Senior Subordinated Stub Notes due 2015	9.7	
7.125% Senior Subordinated Stub Notes due 2014	21.1	
Relinquishment Liability	68.3	
Capital Leases	11.5	
Line of Credit	9.4	
Other Liabilities	2.7	
Total Recourse Debt	1,766.9	5.7x
Non-Recourse Debt	73.0	
Total Debt	\$ 1,839.9	5.9x

(1) Revolver liquidity was \$73.8M as of 12/31/13

(2) Based on Covenant EBITDA of \$309.5 M for the LTM 12/31/13 period

Balance Sheet: Total Leverage⁽¹⁾

- MTGA Focused on Deleveraging



(1) Restricted Group leverage, based on unannualized covenant EBITDA

(2) Beginning 12/31/2013, Total Leverage is calculated in accordance with the 2013 Credit Facility, which excludes Relinquishment Fees and includes Relinquishment Liability in Total Recourse Debt

Strong Collateral Relative to Tribal Gaming Operators

- MTGA's corporate assets are arguably the strongest in Indian Country and approach that of smaller commercial operators

Typical tribal collateral includes:

Revenue Pledge, Security Agreements, Deposit Accounts

MTGA collateral includes:

Revenue Pledge, Security Agreements, Deposit Accounts

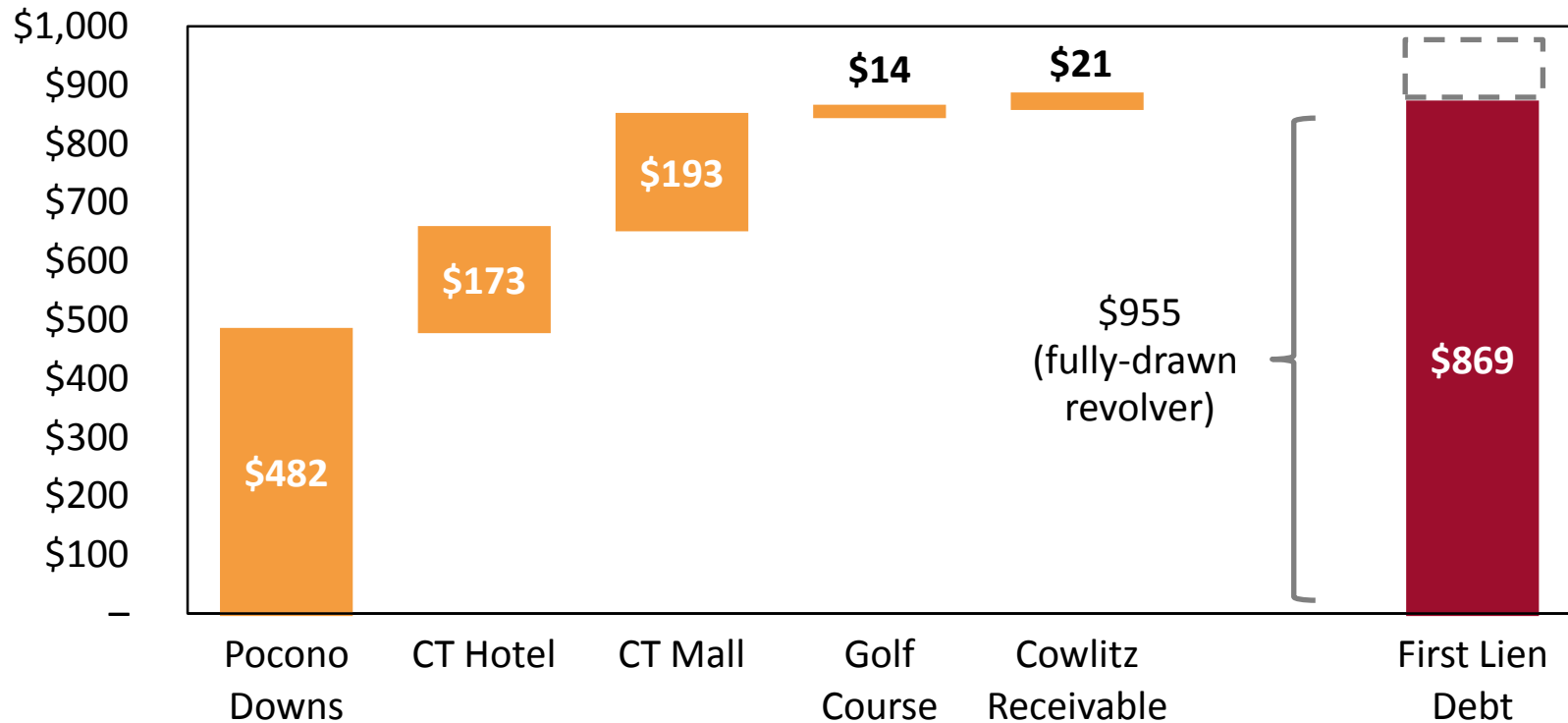
PLUS

- **Pocono Downs**, appraised at \$482 million (August 2011, "as-stabilized" value)
- Equity, certain cash flows and receivables from the **Cowlitz Casino Development**
- Equity in **MGA**, which is pursuing additional capital-light opportunities
- **Leasehold Mortgage** in CT relating to gaming and non-gaming assets (1,200 room hotel, 42 restaurants and lounges, 36-outlet retail mall, 10K seat arena, convention/meeting space)
- **Future interests** in wholly-owned commercial development projects

Estimated First Lien Collateral Coverage

- First lien debt as of December 31, 2013 was covered by MTGA's collateral package, which has an estimated value of \$883 million

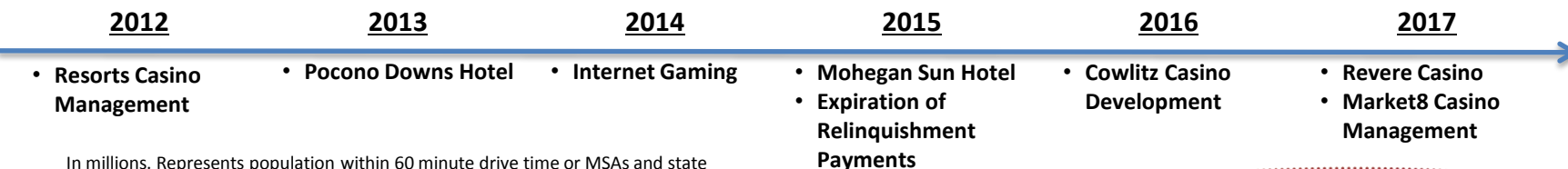
(\$ in millions)



Capital-Light Growth Strategy

Project / Expansion	Location	Primary Market Population ⁽¹⁾	Ownership Structure	Status	Est. Opening	Benefit to Credit Group
Resorts Casino Management	Atlantic City, NJ	1.4	10% equity	Completed	Open	Through MGA ⁽²⁾
Pocono Downs Hotel	Wilkes-Barre, PA	NA	100% equity, Non-recourse debt	Completed	Open	<ul style="list-style-type: none"> Profits after lease payment 100% of equity
Internet Gaming	<ul style="list-style-type: none"> NJ – TBD CT – Proprietary PA – Proprietary 	<ul style="list-style-type: none"> NJ – 8.8 CT – 3.6 PA – 12.7 	<ul style="list-style-type: none"> NJ – 10% equity CT – 100% equity PA – 100% equity 	In development	<ul style="list-style-type: none"> NJ – 2014 CT – 2015/16 PA – 2015/16 	<ul style="list-style-type: none"> NJ – through MGA CT – credit group PA – credit group
Mohegan Sun Hotel / Retail	Uncasville, CT	NA	Third-party financing	Planning stage	2015	Profits after lease payment
Cowlitz Casino Development	La Center, WA	2.3	49% of management company	Pending litigation	2016/17	<ul style="list-style-type: none"> Development fee Management fee >\$20m receivable 49% equity
Market8 Casino Management	Philadelphia, PA	5.9	JV, TBD	Pending RFP application	2016/17	Through MGA ⁽²⁾
Revere Casino Development	Revere, MA	4.5	JV, TBD	Pending RFP application	2016/17	Through MGA ⁽²⁾

• Illustrative 5-year Timeline (Estimated)



(1) In millions. Represents population within 60 minute drive time or MSAs and state population from US Census.

(2) Mohegan Gaming Advisors, LLC ("MGA") are unrestricted subsidiaries that are wholly-owned by the credit group.

Mohegan Gaming Advisors: Resorts Atlantic City

- In October 2012, MGA acquired 10% of Resorts Atlantic City for \$5 million and entered into management agreement
- MGA directed \$60M+ expansion:
 - May 2013 – Room remodel complete
 - Memorial Day/June 2013 –
 - Jimmy Buffett’s Margaritaville
 - LandShark Bar & Grill (AC’s only year-round beach bar)
 - 5 O’Clock Somewhere Bar
 - Spring 2014 - Food Court will be fully opened
- Drive significant additional revenue to Resorts by moving thousands of Mohegan customer Atlantic City trips to Resorts from other Atlantic City casinos
- Since May 2013, Resorts has consistently outpaced the market



Pocono Downs Hotel Project

Pocono Downs Hotel

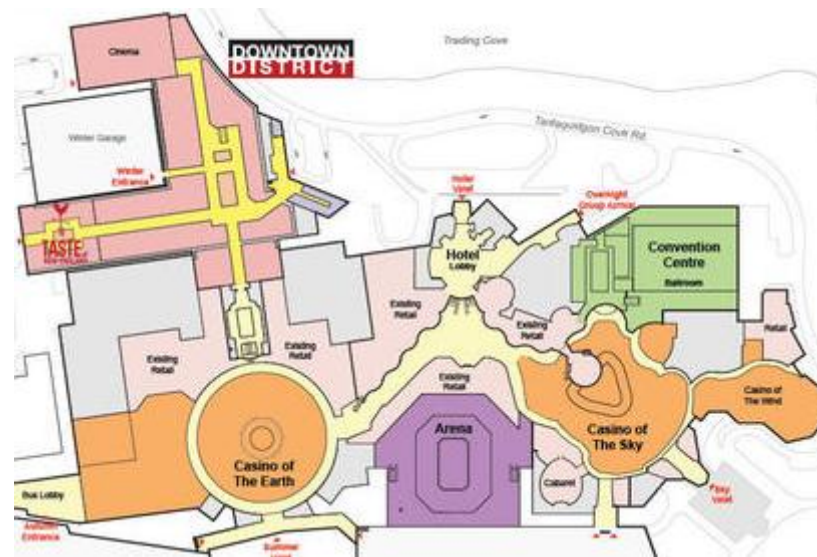
- 238-room midscale hotel & 20,000 square foot event and meeting space
- Opened on time on November 15, 2013
- On budget of \$50 million including construction period interest and fees
- Non-Recourse Debt financed outside the restricted group
- Elevate the status of the property, attract the highest value gaming patrons for longer stays and capitalize on the lack of quality hotel product in the local area



Mohegan Sun Expansion Projects

Mohegan Sun Expansion

- Negotiations ongoing on third-party financed hotel and retail expansion
- Anticipated groundbreaking in 2014
- 93%+ occupancy at existing 1,175 room AAA Four-Diamond luxury hotel over each of the last 8 years; additional rooms necessary to satisfy unmet hotel demand
- Non-gaming orientation of new hotel will create less dependence on casino guests and insulate against competition



Cowlitz Project Overview

Project Background

- Cowlitz Tribe has received a Record of Decision from the BIA to place land in trust, challenged by litigation
- Project financing and development efforts will ramp-up following the finalization of the land-into-trust process
- Proposed casino would be closest large-scale gaming facility to Portland, Oregon
- Underserved market with approximately 2.3 million people within a 60 minute drive
- Full gaming (slots, tables and poker), effective gaming tax rate of approximately 4%

Economic Summary

- MTGA is a 49% equity partner in Salishan-Mohegan, the management company for the Cowlitz casino
 - Reimbursement of all MTGA invested capital, over \$20 million to date, plus interest
 - Development Fee – 3% of Project Costs (MTGA will receive 100%)
 - Management Fee – 24% of net revenues (as defined by the NIGC) for 7 years to credit group



Cowlitz Project Proposed Site

