MGM MIRAGE
Form 424B5
May 15, 2009

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Filed Pursuant to Rule 424(b)(5)
Registration No. 333-158956

CALCULATION OF REGISTRATION FEE (1)

Title of Each Class of Securities to be Registered	Amount to be Registered(2)	Maximum Offering Price per Share	Maximum Aggregate Offering Price(2)	Amount of Registration Fee(3)
Common Stock, $0.01 par value	164,450,000	$7	$1,151,150,000	$64,234

(1) This Calculation of Registration Fee table shall be deemed to update the Calculation of Registration Fee table in the Registration Statement No. 333-158956 on Form S-3.

(2) Includes shares subject to over-allotment option granted to the underwriters.

(3) Calculated in accordance with Rule 457(r) of the Securities Act of 1933.

PROSPECTUS SUPPLEMENT
(To prospectus dated May 1, 2009)

143,000,000 Shares

MGM MIRAGE
Common Stock

We are offering 143,000,000 shares of our common stock to be sold in this offering. We will receive all of the net proceeds from the sale of such common stock.

Concurrently with this offering of our common stock, we are (i) offering in a private placement an aggregate of $1.5 billion of our senior secured notes (the new senior secured notes) and (ii) entering into amendment no. 6 to our senior credit facility to, among other things, allow for this offering and the offering of the new senior secured notes. The completion of our offering of common stock is contingent upon (i) the completion of the placement of the new senior secured notes and (ii) the effectiveness of amendment no. 6 to our senior credit facility. This prospectus supplement shall not be deemed an offer to sell or a solicitation of an offer to buy the new senior secured notes. The new senior secured notes will not be registered under the Securities Act of 1933, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act. There can be no assurance that our concurrent private placement of the new senior secured notes will be completed or, if completed that it will be for the amounts contemplated.

Our common stock is listed on the New York Stock Exchange, or NYSE, under the symbol MGM. On May 13, 2009, the last reported sale price of our common stock on the New York Stock Exchange was $8.70 per share.

Investing in our common stock involves risks that are described in the Risk Factors section beginning on page S-7 of this prospectus supplement.

	Per Share	Total
Public offering price	$7.0000	$ 1,001,000,000
Underwriting discount(1)	$0.2975	$ 38,288,250
Proceeds, before expenses, to us	$6.7025	$ 962,711,750

(1) We have directed the underwriters to reserve up to 14.3 million shares of common stock for sale to Tracinda Corporation which, as of May 11, 2009, beneficially owned approximately 149 million shares, or approximately 54%, of the then outstanding shares of our common stock. No underwriting discount will apply with respect to such shares.

The underwriters may purchase up to an additional 21.45 million shares of common stock from us at the public offering price, less the underwriting discount, within 30 days from the date of this prospectus supplement to cover any overallotments.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

None of the Nevada Gaming Commission, the Nevada State Gaming Control Board, the New Jersey Division of Gaming Enforcement, the New Jersey Casino Control Commission, the Michigan Gaming Control Board, the Mississippi Gaming Commission, the Illinois Gaming Board nor any other gaming authority has passed upon the accuracy or adequacy of this prospectus supplement, or the accompanying prospectus, or the investment merits of the securities offered. Any representation to the contrary is unlawful. The Attorney General of the State of New York has not passed upon or endorsed the merits of this offering. Any representation to the contrary is unlawful.

The shares will be ready for delivery on or about May 19, 2009.

Joint Book-Running Managers

Merrill Lynch & Co.

Deutsche Bank Securities

J.P.Morgan

Morgan Stanley

UBS Investment Bank

ABN AMRO Incorporated	**BNP PARIBAS**	**Daiwa Securities America Inc.**
Barclays Capital	**Citi**	**Wachovia Securities**

The date of this prospectus supplement is May 13, 2009.

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ABOUT THIS PROSPECTUS SUPPLEMENT

This prospectus supplement is a supplement to the accompanying base prospectus that is also a part of this document. This prospectus supplement and the accompanying base prospectus are part of a shelf registration statement that we filed with the Securities and Exchange Commission (the Commission). The shelf registration statement was declared effective by the Commission upon filing on May 1, 2009. By using a shelf registration statement, we may sell any combination of the securities described in the base prospectus from time to time in one or more offerings. In this prospectus supplement, we provide you with specific information about the terms of this offering. Both this prospectus supplement and the accompanying base prospectus include important information about us, our common stock and other information you should know before investing in our common stock. You should rely only on the information or representations incorporated by reference or provided in this prospectus supplement and the accompanying prospectus. We have not authorized anyone to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. If the description of this offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information contained in or incorporated by reference in this prospectus supplement. You may obtain copies of the shelf registration, or any document which we have filed as an exhibit to the shelf registration or to any other Commission filing, either from the Commission or from the Secretary of MGM MIRAGE as described under Where You Can Find More Information. We are not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should not assume that the information in this prospectus supplement and the accompanying base prospectus is accurate as of any date other than the date printed on their respective covers.

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Prospectus Supplement

Prospectus

FORWARD-LOOKING STATEMENTS

This prospectus supplement and the accompanying prospectus include forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the Securities Act), and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act), that are subject to risks and uncertainties. In portions of this prospectus supplement and the accompanying prospectus, the words anticipates, believes, estimates, seeks, expects, plans, intends and similar expressions, as they relate to us or our management, a intended to identify forward-looking statements. Although we believe that the expectations reflected in such forward-looking statements are reasonable, and have based these expectations on our beliefs as well as assumptions we have made, such expectations may prove to be incorrect. Important factors that could cause actual results to differ materially from such expectations are disclosed in this prospectus supplement and the accompanying prospectus including, without limitation, those set forth under Risk Factors, beginning on page S-7 and in the documents incorporated by reference herein.

All subsequent written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by our cautionary statements. The forward-looking statements included

or incorporated herein are made only as of the date of this prospectus supplement, or as of the date of the documents incorporated by reference. We do not intend, and undertake no obligation, to update these forward-looking statements to reflect events or circumstances after the date of this prospectus supplement or to reflect the occurrence of unanticipated events.

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PROSPECTUS SUPPLEMENT SUMMARY

This summary is not complete and may not contain all of the information that may be important to you. You should read the entire prospectus supplement and the accompanying prospectus carefully, including the financial data and related notes, as well as the documents incorporated by reference, before making an investment decision. In this prospectus supplement, except where the context otherwise requires, we will collectively refer to MGM MIRAGE and its direct and indirect subsidiaries as MGM MIRAGE, we, our and us.

MGM MIRAGE

We are one of the world s leading development companies with significant gaming and resort operations. We believe the resorts we own, manage, and invest in are among the world s finest casino resorts. We own and operate Bellagio, MGM Grand (including The Signature at MGM Grand, a condominium-hotel with over 1,500 units), Mandalay Bay, The Mirage, Luxor, New York-New York, Excalibur, Monte Carlo, Circus Circus-Las Vegas and Slots-A-Fun located in Las Vegas, Nevada. We also own and operate Circus Circus-Reno, located in Reno, Nevada; Gold Strike, located in Jean, Nevada; Railroad Pass, located in Henderson, Nevada; MGM Grand Detroit, located in Detroit, Michigan; Gold Strike, located in Tunica County, Mississippi; and Beau Rivage, a beachfront resort located in Biloxi, Mississippi. We also own 50% of MGM Grand Macau, located in Macau S.A.R.; 50% of Silver Legacy, located in Reno, Nevada; 50% of Borgata, a destination casino resort on Renaissance Pointe in Atlantic City, New Jersey; and 50% of Grand Victoria, a riverboat casino in Elgin, Illinois. We also own Shadow Creek, an exclusive golf course located approximately ten miles north of our Las Vegas Strip resorts.

We own 50% of CityCenter, currently under development on a 67-acre site on the Las Vegas Strip between Bellagio and Monte Carlo. Infinity World Development Corp (Infinity World), a wholly-owned subsidiary of Dubai World, a Dubai, United Arab Emirates government decree entity, owns the other 50% of CityCenter. CityCenter will feature a 4,000-room casino resort designed by world-famous architect Cesar Pelli; two 400-room non-gaming boutique hotels, one of which will be managed by luxury hotelier Mandarin Oriental; approximately 425,000 square feet of retail shops, dining and entertainment venues; and approximately 2.1 million square feet of residential space in approximately 2,400 luxury condominium and condominium-hotel units in multiple towers. CityCenter is expected to open in late 2009, except the opening of The Harmon Hotel & Spa has been postponed until such time as we and Infinity World, as well as the requisite lenders under City Center s credit facility, each agree to proceed with its completion, and the development of the approximately 200 Harmon residential units has been cancelled. We are serving as the developer of CityCenter and, upon completion of construction, we will manage CityCenter for a fee.

Our principal executive offices are located at 3600 Las Vegas Boulevard South, Las Vegas, Nevada, 89109. The telephone number for our principal executives offices is (702) 693-7120.

Recent Developments

Concurrent Senior Secured Note Offering

Concurrent with this offering of our common stock, we are offering in a private placement an aggregate of $1.5 billion of our senior secured notes (the new secured senior notes). The completion of our offering of common stock is contingent upon the completion of the placement of the new senior secured notes. This prospectus supplement shall not be deemed an offer to sell or a solicitation of an offer to buy the new senior secured notes. The new senior secured notes will not be registered under the Securities Act of 1933, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act. See Use of Proceeds.

Covenant Defeasance and Redemption of the 7.25% Senior Debentures of Mirage Resorts, Incorporated.

Concurrently with the closing of this offering and the new senior secured notes offering, we will deliver a notice of redemption for all $100 million in outstanding 7.25% Senior Debentures of Mirage Resorts,

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Incorporated, our wholly owned subsidiary (the MRI notes). The MRI notes will be redeemed 30 days following the date of such notice of redemption at a redemption price of approximately $1,295 for each $1,000 in principal amount of the MRI notes. In addition, concurrently with the closing of this offering and the new senior secured notes offering, all of the covenants applicable to the MRI notes that may be defeased pursuant to the terms of the indenture governing the MRI notes will be defeased through a deposit of the aggregate redemption price for the MRI notes with the applicable trustee.

Concurrent Tender Offers

We commenced on May 13, 2009 tender offers to purchase all $820.0 million of our outstanding 6.0% senior notes due 2009 and all $226.3 million of outstanding 6.50% senior notes due 2009 of Mandalay Resort Group, our wholly owned subsidiary. Neither this offering nor the new senior notes offering is conditioned upon the consummation of such tender offers. However, because we intend to use the proceeds of the new senior secured notes offering to pay the purchase price for notes purchased in such tender offers, such tender offers are conditioned upon the consummation of the offering of the new senior secured notes. See Use of Proceeds.

May 2009 Senior Credit Facility Amendment

On May 12, 2009, we entered into amendment no. 6 to our senior credit facility, the effectiveness of which is conditioned upon (i) the closing of this offering and our new senior secured notes offering discussed above with the gross proceeds of the offerings not to be less than $2.5 billion, (ii) permanent repayment of $750 million of the credit facility borrowings, allocated between the term loan and the revolving loan on a pro rata basis, (iii) to the extent that the gross proceeds of this offering and the new senior secured notes offering is in excess of $2.5 billion, permanent repayment of the credit facility borrowings allocated between the term loan and the revolving loan on a pro rata basis, equal to 50% of such excess, and (iv) treatment of the $400 million in aggregate repayment of the credit facility borrowings made as a condition to amendment no. 2 and amendment no. 5 to our senior credit facility as a permanent prepayment of the credit facility borrowings. The amendment also provides for the following:

- Amend certain financial and non financial covenants to a) require a quarterly minimum EBITDA test, based on rolling 12-month EBITDA; b) provide for a covenant limiting annual capital expenditures; c) eliminate the total leverage ratio and interest charge coverage ratio tests and permanently waive any prior non-compliance with such ratio tests for the quarter ended March 31, 2009; and d) permanently waive any potential default from the inclusion of a going concern explanatory paragraph in the report of our independent registered public accountants for the years ended or ending December 31, 2008 and December 31, 2009;

- Amend existing restrictions to allow, in connection with this offering and the offering of the new senior secured notes, for the issuance of equity and debt securities of up to $3.0 billion and in connection therewith, amend existing restrictions to allow for the granting of liens to secure indebtedness of up to $1.5 billion;

- Amend existing restrictions to allow the prepayment, redemption, or purchase of indebtedness, including payment of any premium, pursuant to the tender offers described above;

- Amend existing restrictions to allow (i) the redemption, prepayment, repurchase, and/or defeasance of the MRI notes, (ii) repayment of any registered debt securities currently outstanding and maturing through February 28, 2011, (iii) utilization of up to $300 million in cash to prepay, repurchase, or redeem indebtedness with a maturity date following February 28, 2011 at a discount to par; and (iv) exchange of indebtedness for up to $500 million in equity interests as long as a change of control does not occur as a result of such exchange;

Allow us to incur additional indebtedness up to $500 million; provided, however, that, such indebtedness must be unsecured indebtedness with a maturity after the maturity of the senior credit facility with covenants no more restrictive than those contained in the indentures governing our existing senior unsecured indebtedness. Without duplication of the requirements described above, 50% of the net proceeds of such indebtedness must be used to permanently reduce the term loan and revolving portions of the senior credit facility on a pro rata basis;

Provide that 50% of the net proceeds from any future asset sales will be used to permanently reduce the term loan and revolving portions of the senior credit facility on a pro rata basis, subject to any similar requirements in other debt instruments; and

Fix the LIBOR margin at 4.00% and the base rate margin at 3.00%, which margins reflect an increase of 1.00% from the highest corresponding margin previously applicable.

April 2009 Senior Credit Facility Amendment and Waiver

As of March 31, 2009, we were not in compliance with our financial covenants under our senior credit facility. On March 16, 2009, we entered into an amendment and waiver to our senior credit facility, which provided for, among other conditions, a waiver of the requirement that we comply with such financial covenants through May 15, 2009. In addition to the March 16, 2009 amendment and waiver, we entered into certain subsequent amendments to the senior credit facility allowing for additional investments in CityCenter. On April 29, 2009, we entered into amendment no. 5 to our senior credit facility, which provided for an extension of the waiver through June 30, 2009. Pursuant to amendment no. 5, we were permitted to make investments in CityCenter resulting from (i) the fulfillment of our remaining equity commitment through the issuance of an irrevocable letter of credit in the amount of $224 million and (ii) the entry into, and performing our obligations under, a revised completion guarantee. Under amendment no. 5, we agreed to pledge the assets of Gold Strike Tunica and certain undeveloped land on the Las Vegas Strip, subject to gaming and other approvals, to secure indebtedness under the senior credit facility in an amount up to $300 million. Furthermore, MGM Grand Detroit, which is a co-borrower under the senior credit facility, agreed to grant the lenders a security interest in its assets to secure its borrowings under the senior credit facility, subject to gaming and other approvals.

CityCenter Financing

In October 2008, we announced that CityCenter secured a $1.8 billion senior bank credit facility, which required additional equity commitments from us and Dubai World. In April 2009, CityCenter and its lenders entered into an amendment to the bank credit facility. Also in April 2009, we and Dubai World entered into an amended and restated joint venture agreement. The key terms of the amendment to the CityCenter credit facility included the following:

Reduce the maximum amount of the credit facility to $1.8 billion;

Change the maturity date from April 2013 to June 2012 and increase the pricing of the facility;

Require the entire amount of remaining equity contributions to be funded through irrevocable letters of credit at the closing, and require the lenders to fund the remaining $800 million of the credit facility at the closing;

Amend the funding order such that future funding is pro rata between the equity contributions and the amounts available under the credit facility, with the equity contributions drawn from the letters of credit;

Amend the completion guarantees to a) relieve Dubai World of its completion guarantee as amounts are funded from its letter of credit, and b) require an unlimited completion and cost overrun guarantee from us, secured by our interests in the assets of Circus Circus Las Vegas and certain adjacent undeveloped land.

The key terms of the amendment to the joint venture agreement included the following:

Provide for funding under the letters of credit to be drawn as follows: Infinity World for the first $135 million, us for the next $224 million and Infinity World for the final $359 million.

Amend the provisions for distributions to allow the first $494 million of available distributions to be distributed on a priority basis to Infinity World, with the next $494 million of distributions made to us, and distributions shared equally thereafter.

Sale of Treasure Island Hotel & Casino

On March 20, 2009, we consummated the sale of Treasure Island Hotel & Casino (TI) to Ruffin Acquisition, LLC. At closing, we received $600 million in cash proceeds and a $175 million secured note bearing interest at 10% payable not later than 36 months after closing. Ruffin Acquisition exercised its option, provided for by an amendment to the purchase agreement, to prepay the secured note on or before April 30, 2009 and receive a $20 million discount on the purchase price.

Recent SEC Comment Letter

On April 27, 2009, we received a letter from the Commission regarding their review of our Annual Report on Form 10-K for the year ended December 31, 2008 filed on March 17, 2009 (the 2008 Form 10-K). We submitted our response to the Commission on May 11, 2009. We do not believe that any of the Commission s comments will result in any changes to the 2008 Form 10-K, but we can provide no assurance that the Commission will agree with us.

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The Offering

Issuer	MGM MIRAGE
Common stock offered by us	143,000,000 shares (1), (2)
Common stock authorized	600,000,000 shares
Common stock outstanding prior to completion of the offering	276,557,345 shares (3)
Common stock outstanding after the offering	419,557,345 shares (1), (2), (3)
NYSE symbol	MGM
Concurrent Offering	Concurrently with this offering of our common stock, we are (i) offering in a private placement an aggregate of $1.5 billion of our senior secured notes and (ii) entering into amendment no. 6 to our senior credit facility to, among other things, allow for this offering and the offering of the new senior secured notes. The completion of our offering of common stock is contingent upon (i) the completion of the placement of such new senior secured notes and (ii) the effectiveness of amendment no. 6 to our senior credit facility. This prospectus supplement shall not be deemed an offer to sell or a solicitation of an offer to buy the new senior secured notes. The new senior secured notes will not be registered under the Securities Act of 1933, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act. There can be no assurance that our concurrent private placement of the new senior secured notes will be completed or, if completed that it will be for the amounts contemplated.
Use of proceeds	We plan to use the net proceeds from this offering of our common stock (approximately $960.1 million, or approximately $1,103.9 million if the over-allotment option is fully exercised, after giving effect to discounts, commissions and offering expenses), together with the net proceeds from the concurrent offering of the new senior secured notes (approximately $1,420.1 million after giving effect to discounts, commissions and offering expenses) to (i) repay a portion of the outstanding amount under our $7.0 billion senior credit facility, including a permanent prepayment of at least $750 million; (ii) redeem all of the 7.25% senior debentures due 2017 of Mirage Resorts, Incorporated; (iii) purchase all of our 6.0% senior notes due 2009 and all of the 6.50% senior notes due 2009 of Mandalay Resort Group tendered in the pending tender offers; and (iv) for general corporate purposes.

(1) We have directed the underwriters to reserve up to 14.3 million shares of common stock for sale to Tracinda Corporation who, as of May 11, 2009, beneficially owned approximately 149 million shares, or approximately

54%, of the then outstanding shares of our common stock.

(2) The underwriters may purchase up to an additional 21.45 million shares of common stock from us at the public offering price, less the underwriting discount, within 30 days from the date of this prospectus supplement to cover any overallotments.

(3) Based on the number of shares of common stock outstanding as of May 11, 2009. Excludes 26.8 million shares of our common stock that are subject to outstanding but unexercised options to purchase shares of common stock or to granted but unvested restricted stocks and 16.6 million shares of common stock that are reserved for issuance under our 2005 Omnibus Incentive Plan but not subject to any outstanding equity grants. Excludes 15.5 million shares of common stock that we are under a contractual obligation to sell at the same price as sold by us to Infinity World Investments, LLC, at its option, in order for it to maintain its ownership percentage of our common stock, assuming the underwriters fully exercise their rights under the over-allotment option.

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Summary Consolidated Financial Data

Our summary consolidated financial and other data presented below as of and for the three years ended December 31, 2008 have been derived from our audited consolidated financial statements. Our consolidated financial statements as of December 31, 2006, 2007 and 2008 and for the years then ended, were audited by Deloitte & Touche LLP, an independent registered public accounting firm. The summary consolidated financial data as of and for the three months ended March 31, 2009 and March 31, 2008 has been derived from our unaudited consolidated financial statements for those periods, which, in the opinion of management, include all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of the results of operations and financial position. The results for the three months ended March 31, 2009 are not necessarily indicative of results that may be expected for the entire year.

	For the Years Ended December 31,			Three Months Ended March 31,	
	2006	2007	2008	2008	2009
	(in thousands, except per share and other data)				
Statement of Operations Data:					
Net revenues	$ 7,175,956	$ 7,691,637	$ 7,208,767	$ 1,883,633	$ 1,498,795
Operating income (loss)	1,758,248	2,863,930	(129,603)	341,288	355,099
Income (loss) from continuing operations	635,996	1,400,545	(855,286)	118,346	105,199
Net income (loss)	648,264	1,584,419	(855,286)	118,346	105,199
Basic earnings per share:					
Income (loss) from continuing operations	$ 2.25	$ 4.88	$ (3.06)	$ 0.41	$ 0.38
Net income (loss) per share	2.29	5.52	(3.06)	0.41	0.38
Weighted average number of shares	283,140	286,809	279,815	288,943	276,556
Diluted earnings per share:					
Income (loss) from continuing operations	$ 2.18	$ 4.70	$ (3.06)	$ 0.40	$ 0.38
Net income (loss) per share	2.22	5.31	(3.06)	0.40	0.38
Weighted average number of shares	291,747	298,284	279,815	298,400	276,770
Balance Sheet Data (end of period):					
Total assets	$ 22,146,238	$ 22,727,686	$ 23,274,716	$ 22,895,879	$ 23,841,649
Total debt, including capital leases	12,997,927	11,182,003	13,470,618	12,783,480	14,366,543
Stockholders equity	3,849,549	6,060,703	3,974,361	5,095,718	4,090,166
Stockholders equity per share	$ 13.56	$ 20.63	$ 14.37	$ 18.28	$ 14.79
	283,909	293,769	276,507	278,721	276,557

Number of shares outstanding

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RISK FACTORS

Before you decide to invest, you should be aware that investment in our common stock carries various risks, including those described that could have a material adverse effect on our business, financial position, results of operations and cash flows. We urge you to carefully consider these risk factors, together with all of the other information included and incorporated by reference in this prospectus supplement, before you decide to invest. In addition, in our Form 10-K incorporated herein by reference we identify other factors that could affect our business.

Risks Relating to our Indebtedness

Our substantial indebtedness and significant financial commitments could adversely affect our operations and financial results and impact our ability to satisfy our obligations.

As of March 31, 2009, we had approximately $14.4 billion of indebtedness. After giving effect to this offering and the offering of the new senior secured notes and the use of proceeds here from and therefrom as described under Use of Proceeds (assuming the tender offers described therein are fully subscribed) as if they had occurred on March 31, 2009, we would have had approximately $13.4 billion of indebtedness. Other than the amounts used to repay temporarily the outstanding balance of the senior credit facility from the proceeds of this offering and the new senior secured notes offering, we have no other existing sources of borrowing availability.

As of December 31, 2008, we had approximately $2.8 billion of financial commitments and estimated capital expenditures in 2009, excluding commitments under employment, entertainment and other operational agreements. Our substantial indebtedness and significant financial commitments could have important negative consequences, including:

- increasing our exposure to general adverse economic and industry conditions;
- limiting our flexibility in planning for, or reacting to, changes in our business and industry;
- limiting our ability to borrow additional funds; and
- placing us at a competitive disadvantage compared to other less leveraged competitors.

Current economic conditions adversely impact our ability to service or refinance our indebtedness and to make planned expenditures.

Our ability to make payments on, and to refinance, our indebtedness and to fund planned or committed capital expenditures and investments in joint ventures, such as CityCenter, depends on our ability to generate cash flow in the future and our ability to borrow under our senior credit facility to the extent of available borrowings. If adverse regional and national economic conditions persist, worsen, or fail to improve significantly, we could experience decreased revenues from our operations attributable to decreases in consumer spending levels and could fail to generate sufficient cash to fund our liquidity needs or fail to satisfy the financial and other restrictive covenants which we are subject to under our indebtedness. We cannot provide assurance that our business will generate sufficient cash flow from operations or that future borrowings will be available to us under our senior credit facility in an amount sufficient to enable us to pay our indebtedness or to fund our other liquidity needs.

In addition, our senior credit facility matures in October 2011. Our ability to timely refinance and replace that facility will depend upon the foregoing as well on continued and sustained improvements in financing markets. If we are unable to refinance our debt on a timely basis we might be forced to seek additional financing, dispose of certain assets, minimize capital expenditures or seek to refinance some or all of our debt. There is no assurance that any of these alternatives would be available to us, if at all, on satisfactory terms, on terms that would not be disadvantageous to common stock holders or on terms that would not require us to breach the terms and conditions of our existing or future debt agreements.

Our new senior secured notes will be, and our 13% senior secured notes due 2013 are, subject to a change of control provision, and we may not have the ability to raise the funds necessary to fulfill our obligations under the notes following a change of control.

We may not have the ability to raise the funds necessary to fulfill our obligations under our new senior secured notes and our 13% Senior Secured Notes due 2013 following a change of control, as defined in the indentures governing those respective series of notes. Under such indentures, upon the occurrence of a change of control , we are required to offer to repurchase all of the notes. However, we may not have sufficient funds at the time of the change of control to make the required repurchase of the notes. Our failure to make or complete a change of control offer would place us in default under the indenture governing such notes and if not otherwise waived or cured, could result in a cross-default under our outstanding debt and could accelerate the maturity of such outstanding debt. In addition, if a change of control, as defined in the senior credit facility, occurs, then our ability to borrow under the senior credit facility may be terminated at the election of the lenders under the senior credit facility. As we have historically relied on access to credit facilities to fund capital expenditures and for other general corporate purposes, any termination of commitments under our senior credit facility could adversely affect our financial situation and our ability to conduct our business.

The definitions of a change of control in the applicable indentures and our senior credit facility are tied in large part to Tracinda s ownership of our common stock, all of which is pledged as collateral to the lenders under Tracinda s bank credit facility. We cannot assure you that Tracinda will continue to maintain the requisite level of ownership in the future not to trigger the change of control provisions.

Risks Related to the Offering

The price at which our common stock may trade in the public market after this offering may be lower than the offering price, and our stock price may be volatile.

The price at which the shares of our common stock may trade in the public market after this offering may be lower than the price at which they are sold in this offering. The market price of our common stock may fluctuate based on a number of factors, including: general macroeconomic conditions; tourism trends, particularly in light of the current global economic downturn; our operating performance and the performance of our competitors and other similar companies; the public s reaction to our press releases, our other public announcements and our filings with the Commission; changes in earnings estimates or recommendations by research analysts who track our common stock or the stocks of other companies in our industry; changes in the capital markets or actual or perceived general economic conditions; the number of our publicly traded shares; the arrival or departure of key personnel; our leverage and debt service obligations and our perceived ability to meet those obligations; matters affecting, or actions taken by, our principal stockholder, Tracinda Corporation; changes in gaming laws or regulations; the impact that a terrorist attack, a natural disaster or an outbreak of an infectious disease, such as avian flu or swine flu, may have on the travel and leisure industry; acquisitions, strategic alliances or joint ventures involving us or our competitors; and other developments affecting us, our industry or our competitors.

In addition, as has recently been evident in the current turmoil in the global financial markets, the present economic slowdown and the uncertainty over its breadth, depth and duration, the entire public equity market can experience sudden and sharp price swings. The trading price of our common stock has been, and may continue to be, subject to wide fluctuations. Furthermore, the recent stock market volatility may not correlate in a predictable way with the operating performance of traded companies. These broad market fluctuations may adversely affect the price of our common stock, regardless of our operating performance, and such fluctuations may be as a result of factors that are beyond our control.

Tracinda Corporation owns a significant amount of our common stock and may have interests that differ from those of other holders of our common stock.

Tracinda Corporation beneficially owned approximately 54% of our outstanding common stock as of May 11, 2009. Following the consummation of this offering, assuming Tracinda purchases the entire amount made available to it, Tracinda will beneficially own approximately 39% of our outstanding common stock (without taking into account the underwriters over-allotment option). In addition to the pledge of all of the shares it owned prior to this offering under its bank credit facility, Tracinda will pledge all of the shares of our common stock it purchases in this offering under its bank credit facility, subject to gaming and regulatory approval. In addition, Tracinda may be required in the future under its bank credit facility to liquidate some or all of such pledged shares if the value of the collateral falls below a specified level. See Underwriting. Any such liquidation could adversely affect the price at which shares of our common stock trades in the public market. Additionally, such a liquidation may trigger a change of control under certain of the instruments governing our outstanding indebtedness, including the new senior secured notes. Upon a change of control, the lenders obligation to make advances under our senior credit facility may be terminated at the option of the lenders.

In light of Tracinda s ownership, it currently has had the ability to elect our entire board of directors and, except as otherwise provided by law, to approve or disapprove other matters that may be submitted to a vote of the stockholders. Even after the completion of this offering, Tracinda will continue to exercise significant influence over the Company as a result of its significant ownership of our outstanding common stock. As a result, actions requiring stockholder approval that may be supported by the other stockholders, including a merger or sale of our assets or the issuance of a significant number of additional shares of our common stock to finance acquisitions or other growth opportunities or to retire indebtedness, could be effectively blocked by Tracinda Corporation.

Future sales of our common stock by us, or by Tracinda, may depress the price of our common stock.

We cannot predict whether future sales of our common stock or the availability of shares for resale in the public market will decrease the market price of our common stock. Any direct or indirect sales of a substantial number of shares of common stock in the public market or otherwise by us or by Tracinda (including any sale of the shares pledged by Tracinda to the lenders under its bank credit facility pursuant to the terms of such bank credit facility) or the perception that such sales might occur may cause the market price of our shares to decline. The exercise by Infinity World Investments, LLC of its contractual right to purchase such number of shares from the Company needed for it to maintain its ownership percentage of our outstanding common stock, and other issuances of our common stock could have an adverse effect on the market price of our common stock and may adversely affect the terms upon which we may be able to obtain additional capital through the sale of equity securities. In addition, future sales of our common stock by us may be dilutive to existing stockholders.

Risks Related to our Common Stock

You may not receive dividends on the common stock.

Holders of our common stock are only entitled to receive such dividends as our board of directors may declare out of funds legally available for such payments. We have not paid dividends on our common stock since March 1, 2000. In addition, the indenture governing our 13% senior secured notes due 2013 as well as the senior credit agreement for our senior credit facility limit, and the indenture governing our new senior secured notes will limit, our ability to pay dividends on our common stock. Although our board of directors periodically reviews our policy with respect to dividends, we intend to retain our earnings to fund the operation of our business, to service and repay our debt, and to fund our other liquidity needs.

The common stock is equity and is subordinate to our existing and future indebtedness.

Shares of common stock are equity interests in us and do not constitute indebtedness. As such, shares of the common stock will rank junior to all of our indebtedness, any preferred stock we may issue and to other non-equity claims against us and our assets available to satisfy claims against us, including in our liquidation.

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Risks Related to our Business

There is substantial doubt about our ability to continue as a going concern.

Our independent registered public accounting firm issued an opinion on our December 31, 2008 consolidated financial statements that states that the consolidated financial statements were prepared assuming we will continue as a going concern and further states that our belief at the time that we would not be in compliance with the financial covenants under our senior credit facility during 2009 and the uncertai