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Wynn Macau, Limited
永利澳門有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1128)

PRICE SENSITIVE INFORMATION

UNAUDITED RESULTS FOR THE THIRD QUARTER AND THE FIRST THREE QUARTERS OF FISCAL 2012 OF OUR CONTROLLING SHAREHOLDER, WYNN RESORTS, LIMITED

This announcement is issued pursuant to Rule 13.09 of the Rules Governing the Listing of the Securities on The Stock Exchange of Hong Kong Limited.

Our controlling shareholder, Wynn Resorts, Limited has, on or about 9 November 2012 (1:30 p.m., Las Vegas time), released its unaudited results for the third quarter and the first three quarters of fiscal 2012.

This announcement is issued by Wynn Macau, Limited (“we” or our “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of the Securities on The Stock Exchange of Hong Kong Limited.

Our Company’s controlling shareholder, Wynn Resorts, Limited, is a company listed on the National Association of Securities Dealers Automated Quotations (“**NASDAQ**”) Global Select Market in the United States. As at the date of this announcement, Wynn Resorts, Limited beneficially owns approximately 72.3% of the issued share capital of our Company.

Reference is made to our announcement on 25 October 2012 (the “**WRL Earnings Release Announcement**”) in respect of the release by our controlling shareholder, Wynn Resorts, Limited, of its unaudited financial results for the third quarter and first three quarters of fiscal 2012. Unless otherwise defined in this announcement, terms defined in the WRL Earnings Release Announcement have the same meaning when used in this announcement.

Further to the WRL Earnings Release Announcement, Wynn Resorts, Limited has, on or about 9 November 2012, 1:30 p.m., Las Vegas time, released its quarterly report with unaudited financial results for the third quarter and the first three quarters of fiscal 2012 (the “**WRL Quarterly Report**”). If you wish to review the WRL Quarterly Report prepared by Wynn Resorts, Limited and as filed with the SEC, please visit <http://www.sec.gov/Archives/edgar/data/1174922/000119312512463380/0001193125-12-463380-index.htm>. The WRL Quarterly Report contains segment financial information about Wynn Resorts, Limited’s Macau operations, which are owned by our Company. The WRL Quarterly Report is also available in the public domain.

The financial results of Wynn Resorts, Limited, including those contained in the WRL Quarterly Report, have been prepared in accordance with the Generally Accepted Accounting Principles of the United States (“**US GAAP**”), which are different from the International Financial Reporting Standards (“**IFRS**”) that we use to prepare and present our financial information. As such, the financial information in the WRL Quarterly Report is not directly comparable to the financial results our Company discloses. In particular, Average Daily Rate (“**ADR**”) and Revenue Per Available Room (“**REVPAR**”) as presented in the WRL Quarterly Report are based on room revenues as reported under US GAAP, which include associated promotional allowances within room revenues. Under US GAAP, promotional allowances are deducted from gross revenues in presenting net revenue. Under IFRS, room revenues exclude such promotional allowances. Consequently, we offer no indication or assurance that the financial results of our Group for the three months and nine months ended 30 September 2012 will be the same as that presented in the WRL Quarterly Report. In the WRL Earnings Release Announcement, we announced our unaudited financial results for the third quarter ended 30 September 2012 prepared in accordance with IFRS.

To ensure that all shareholders and potential investors of our Company have equal and timely access to the information pertaining to our Company, set forth below are the key highlights of financial information published by Wynn Resorts, Limited in the WRL Quarterly Report that relate to our Company and our operations in Macau (unless otherwise provided, all dollar amounts in the WRL Quarterly Report are denominated in United States dollars):

**“QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2012

**PART 1 — FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS**

**WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)**

9. Long-Term Debt

Long-term debt consisted of following (amounts in thousands):

	<u>September 30, 2012</u>	<u>December 31, 2011</u>
<i>Wynn Macau Senior Term Loan Facilities (as amended July 2012), due July 31, 2017 and July 31, 2018; interest at LIBOR or HIBOR plus 1.75%–2.50%, net of original issue discount of \$3,904 at September 30, 2012</i>	\$749,132	\$—
<i>Wynn Macau Senior Term Loan Facilities (as amended June 2007), due June 27, 2014; interest at LIBOR or HIBOR plus 1.25%–1.75%</i>	\$—	\$477,251
<i>Wynn Macau Senior Revolving Credit Facilities, (as amended July 2012) due July 31, 2017; interest at LIBOR or HIBOR plus 1.75%–2.50%</i>	\$—	\$—
<i>Wynn Macau Senior Revolving Credit Facility, due June 27, 2012; interest at LIBOR or HIBOR plus 1.25%</i>	\$—	\$150,400

Wynn Macau Credit Facilities

During the nine months ended September 30, 2012, the Company repaid \$150.4 million of borrowings under the Wynn Macau Senior Revolving Credit Facility. On June 27, 2012, the Wynn Macau Senior Revolving Credit Facility matured with an outstanding balance of \$0.

On July 31, 2012, Wynn Macau, S.A., amended and restated its credit facilities, dated September 14, 2004 (as so amended and restated, the “Amended Wynn Macau Credit Facilities”), and appointed Bank of China Limited, Macau Branch as intercreditor agent, facilities agent and security agent. The Amended Wynn Macau Credit Facilities and related agreements took effect on July 31, 2012 and expand availability under Wynn Macau S.A.’s senior secured bank facility to US\$2.3 billion equivalent, consisting of a US\$750 million equivalent fully funded senior secured term loan facility and a US\$1.55 billion equivalent

senior secured revolving credit facility. Wynn Macau, S.A. also has the ability to upsize the total senior secured facilities by an additional US\$200 million pursuant to the terms and provisions of the Amended Wynn Macau Credit Facilities. Borrowings under the Amended Wynn Macau Credit Facilities, which consist of both Hong Kong Dollar and United States Dollar tranches, were used to refinance Wynn Macau S.A.'s existing indebtedness, and will be used to fund the design, development, construction and pre-opening expenses of Wynn Cotai and for general corporate purposes.

The term loan facility matures in July 2018, and the revolving credit facility matures in July 2017. The principal amount of the term loan is required to be repaid in two equal installments in July 2017 and July 2018. The senior secured facilities bear interest for the first six months after closing at LIBOR or HIBOR plus a margin of 2.50% and thereafter will be subject to LIBOR or HIBOR plus a margin of between 1.75% to 2.50% based on Wynn Macau, S.A.'s leverage ratio.

Borrowings under the Amended Wynn Macau Credit Facilities are guaranteed by Palo Real Estate Company Limited ("Palo"), a subsidiary of Wynn Macau, S.A., and by certain subsidiaries of the Company that own equity interests in Wynn Macau, S.A., and are secured by substantially all of the assets of Wynn Macau, S.A., the equity interests in Wynn Macau, S.A. and substantially all of the assets of Palo.

In connection with amending the Wynn Macau Credit Facilities, the Company expensed \$17.7 million and capitalized \$32.9 million of financing costs.

10. Interest Rate Swaps

The Company has entered into floating-for-fixed interest rate swap arrangements in order to manage interest rate risk relating to certain of its debt facilities. These interest rate swap agreements modify the Company's exposure to interest rate risk by converting a portion of the Company's floating-rate debt to a fixed rate. These interest rate swaps essentially fixed the interest rate at the percentages noted below; however, changes in the fair value of the interest rate swaps for each reporting period have been recorded as an increase/decrease in swap fair value in the accompanying Condensed Consolidated Statements of Income, as the interest rate swaps do not qualify for hedge accounting.

The Company measured the fair value of its interest rate swaps on a recurring basis pursuant to accounting standards for fair value measurements. The Company utilized Level 2 inputs as described in Note 2 to determine fair value. The fair value approximates the amount the Company would pay if these contracts were settled at the respective valuation dates. Fair value is estimated based upon current, and predictions of future, interest rate levels along a yield curve, the remaining duration of the instruments and other market conditions, and therefore, is subject to significant estimation and a high degree of variability and fluctuation between periods. The fair value is adjusted to reflect the impact of credit ratings of the counterparties or the Company, as applicable. These adjustments resulted in a reduction in the fair values as compared to their settlement values. As of December 31, 2011, the interest rate swap liabilities of \$7.3 million were included in other current accrued liabilities.

Wynn Macau Swaps

In June 2012, the Wynn Macau swap matured. As of December 31, 2011, the liability fair value of this interest rate swap was approximately \$2.7 million.

On September 28, 2012, the Company entered into two interest rate swap agreements intended to hedge a portion of the underlying interest rate risk on borrowings under the Amended Wynn Macau Credit Facilities. Under the two swap agreements, the Company pays a fixed interest rate of 0.73% (excluding the applicable interest margin) on notional amounts corresponding to borrowings of HK\$3.95 billion (approximately US\$509.3 million) incurred under the Amended Wynn Macau Credit Facilities in exchange for receipts on the same amount at a variable interest rate based on the applicable HIBOR at the time of payment. These interest rate swaps fix the all-in interest rate on such amounts at 2.48% to 3.23%. These interest rate swap agreements mature in July 2017.

12. Property Charges and Other

Property charges and other consisted of the following (amounts in thousands):

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2012	2011	2012	2011
Donation to University of Macau	\$965	\$1,033	\$3,105	\$108,516
Loss on show cancellation	6,056	—	6,056	1,378
Net loss on assets abandoned, retired for remodel or sold	15,700	8,629	27,386	14,176
	<u>\$ 22,721</u>	<u>\$ 9,662</u>	<u>\$ 36,547</u>	<u>\$124,070</u>

Property charges generally include costs related to the retirement of assets for remodels and asset abandonments. Property charges and other for the three and nine months ended September 30, 2012, included a remodel of a Las Vegas restaurant, charges associated with the termination of a Las Vegas show which will end its run in November 2012 and miscellaneous renovations and abandonments at our resorts. Property charges and other for the three and nine months ended September 30, 2011 included the present value of a charitable contribution made by Wynn Macau to the University of Macau Development Foundation. This contribution consists of a \$25 million payment made in May 2011, and a commitment for additional donations of \$10 million each year for the calendar years 2012 through 2022 inclusive, for a total of \$135 million. The amount reflected in the accompanying Condensed Consolidated Statements of Income has been discounted using the Company's then estimated borrowing rate over the time period of the remaining committed payments. In accordance with accounting standards for contributions, subsequent accretion of the discount is being recorded as additional donation expense and included in Property charges and other. Property charges and other for the nine months ended September 30, 2011 also include the write off of certain costs related to a show that ended its run in Las Vegas and miscellaneous renovations and abandonments at our resorts.

13. Noncontrolling Interest

In October 2009, Wynn Macau, Limited, an indirect wholly owned subsidiary of the Company and the developer, owner and operator of Wynn Macau, listed its ordinary shares of common stock on The Stock Exchange of Hong Kong Limited. Through an initial public offering, including the over allotment, Wynn Macau, Limited sold 1,437,500,000 shares (27.7%) of its common stock. The shares of Wynn Macau, Limited were not and will not be registered under the Securities Act and may not be offered or sold in the United States absent a registration under the Securities Act as amended, or an applicable exception from such registration requirements. Net income attributable to noncontrolling interest was \$53.1 million and \$58.1 million for the three months ended September 30, 2012 and 2011, respectively. Net income attributable to noncontrolling interest was \$172.2 million and \$144 million for the nine months ended September 30, 2012 and 2011, respectively.

15. Commitments and Contingencies

Wynn Macau

Cotai Development and Land Concession Contract. In September 2011, Palo Real Estate Company Limited and Wynn Resorts (Macau) S.A., each an indirect subsidiary of Wynn Macau, Limited, formally accepted the terms and conditions of a draft land concession contract from the Macau government for approximately 51 acres of land in the Cotai area of Macau. On May 2, 2012, the land concession contract was gazetted by the government of Macau evidencing the final step in the granting of the land concession. The Company is constructing a full scale integrated resort containing a casino, luxury hotel, convention, retail, entertainment and food and beverage offerings on this land. The Company estimates the project budget to be in the range of \$3.5 billion to \$4.0 billion. The Company expects to establish a guaranteed maximum price for the project in the first half of 2013.

The initial term of the land concession contract is 25 years from May 2, 2012, and it may be renewed with government approval for successive periods. The total land premium payable, including interest as required by the land concession contract, is \$193.4 million. An initial payment of \$62.5 million was paid in December 2011, with eight additional semi-annual payments of approximately \$16.4 million each (including interest at 5%) due beginning November 2012. As of September 30, 2012, the Company has recorded this obligation and related asset with \$27.2 million included as a current liability and \$90.3 million included as a long-term liability. The Company will also be required to make annual lease payments of \$0.8 million during the resort construction period and annual payments of approximately \$1.1 million once the development is completed.

Cotai Land Agreement. On May 10, 2012, the Company made a \$50 million payment to an unrelated third party in consideration of that party's relinquishment of certain rights in and to any future development on the Cotai land noted above.

Litigation

Determination of Unsuitability and Redemption of Aruze USA, Inc. and Affiliates and Related Matters

On February 18, 2012, Wynn Resorts' Gaming Compliance Committee concluded an investigation after receiving an independent report by Freeh, Sporkin & Sullivan, LLP (the "Freeh Report") detailing a pattern of misconduct by Aruze USA, Inc., at the time a stockholder of Wynn Resorts, Universal Entertainment Corporation, Aruze USA, Inc.'s parent company, and Kazuo Okada, the majority shareholder of Universal Entertainment Corporation, who is also a member of Wynn Resorts' Board of Directors and was at the time a director of Wynn Macau, Limited. The factual record presented in the Freeh Report included evidence that Aruze USA, Inc., Universal Entertainment Corporation and Mr. Okada had provided valuable items to certain foreign gaming officials who were responsible for regulating gaming in a jurisdiction in which entities controlled by Mr. Okada were developing a gaming resort. Mr. Okada has denied the impropriety of such conduct to members of the Board of Directors of Wynn Resorts and Mr. Okada has refused to acknowledge or abide by Wynn Resorts' anti-bribery policies and has refused to participate in the training all other directors have received concerning these policies.

Based on the Freeh Report, the Board of Directors of Wynn Resorts determined that Aruze USA, Inc., Universal Entertainment Corporation and Mr. Okada are "unsuitable persons" under Article VII of the Company's articles of incorporation. The Board of Directors was unanimous (other than Mr. Okada) in its determination. The Board of Directors also requested that Mr. Okada resign as a director of Wynn Resorts (under Nevada corporation law, a board of directors does not have the power to remove a director) and recommended that Mr. Okada be removed as a member of the board of directors of Wynn Macau, Limited. In addition, on February 18, 2012, Mr. Okada was removed from the board of directors of Wynn Las Vegas Capital Corp., an indirect wholly owned subsidiary of Wynn Resorts.

Based on the Board of Directors' finding of "unsuitability," on February 18, 2012, Wynn Resorts redeemed and cancelled Aruze USA, Inc.'s 24,549,222 shares of Wynn Resorts' common stock. Following a finding of "unsuitability," Article VII of Wynn Resorts' articles of incorporation authorize redemption at "fair value" of the shares held by unsuitable persons. The Company engaged an independent financial advisor to assist in the fair value calculation and concluded that a discount to the then current trading price was appropriate because of, among other things, restrictions on most of the shares held by Aruze USA, Inc. under the terms of the Stockholders Agreement (as defined below). Pursuant to the articles of incorporation, Wynn Resorts issued the Redemption Note to Aruze USA, Inc. in redemption of the shares. The Redemption Note has a principal amount of \$1.94 billion, matures on February 18, 2022 and bears interest at the rate of 2% per annum, payable annually in arrears on each anniversary of the date of the Redemption Note. The Company may, in its sole and absolute discretion, at any time and from time to time, and without penalty or premium, prepay the whole or any portion of the principal or interest due under the Redemption Note. In no instance shall any payment obligation under the Redemption Note be accelerated except in the sole and absolute discretion of Wynn Resorts or as specifically mandated by law. The indebtedness evidenced by the Redemption Note is and shall be subordinated in right of payment, to the extent and in the manner provided in the Redemption Note, to the prior payment in full of all existing and future obligations of Wynn Resorts or any of its affiliates in respect of indebtedness for borrowed money of any kind or nature. After authorizing the redemption of the Aruze USA, Inc. shares,

the Board of Directors took certain actions to protect the Company and its operations from any influence of an unsuitable person, including placing limitations on the provision of certain operating information to unsuitable persons, evaluating whether to seek the removal of Mr. Okada from the Company's Board of Directors, and formation of an Executive Committee of the Board to manage the business and affairs of the Company during the period between each annual meeting. The Charter of the Executive Committee provides that "Unsuitable Persons" are not permitted to serve on the Committee. All members of the Board, other than Mr. Okada, were appointed to the Executive Committee on February 18, 2012.

On February 19, 2012, Wynn Resorts filed a complaint in the Eighth Judicial District Court, Clark County, Nevada against Mr. Okada, Aruze USA, Inc. and Universal Entertainment Corporation, companies controlled by Mr. Okada (the "Okada Parties"), alleging breaches of fiduciary duty and related claims. The Company is seeking compensatory and special damages as well as a declaration that it acted lawfully and in full compliance with its articles of incorporation, bylaws and other governing documents. On March 12, 2012, Aruze USA, Inc. and Universal Entertainment Corporation removed the action to the United States District Court for the District of Nevada. On that same date, Aruze USA, Inc. and Universal Entertainment Corporation filed an answer denying the claims and a counterclaim that purports to assert claims against the Company, each of the members of the Company's Board of Directors (other than Mr. Okada) and Wynn Resorts' General Counsel. Among other relief, the counterclaim seeks a declaration that the redemption of Aruze USA, Inc.'s shares was void, an injunction restoring Aruze USA, Inc.'s share ownership, damages in an unspecified amount and rescission of the Stockholders Agreement. On March 29, 2012, the Company filed a motion to remand the action to state court and requested an extension to answer the denial of Wynn Resorts' claims and the Okada Parties' counterclaims. The federal district court granted the Company's motion to remand and awarded the Company its related attorneys' fees. This case is now pending in the state court, which has determined that this action will be coordinated with Mr. Okada's inspection action (discussed below). The Okada Parties filed a notice of intent to commence a separate federal securities action for the securities counterclaims previously asserted, but have not done so as of the date of this report.

On June 19, 2012, Elaine Wynn responded to the Okada Parties' Counterclaim and asserted a cross claim against Steve Wynn and Kazuo Okada seeking a declaration that (1) any and all of Elaine Wynn's duties under the January 2010 Stockholders Agreement (the "Stockholders Agreement") by and among Aruze USA, Inc., Steve Wynn, and Elaine Wynn be discharged; (2) the Stockholders Agreement is subject to rescission and is rescinded; (3) the Stockholders Agreement is an unreasonable restraint on alienation in violation of public policy; and/or (4) the restrictions on sale of shares shall be construed as inapplicable to Elaine Wynn. Mr. Wynn filed his answer to Elaine Wynn's cross claim on September 24, 2012. The indentures for the Wynn Las Vegas, LLC 2022 Notes and Existing Notes (the "Indentures") provide that if Steve Wynn, together with certain related parties, in the aggregate beneficially owns a lesser percentage of the outstanding common stock of the Company than are beneficially owned by any other person, a change of control will have occurred. If Elaine Wynn prevails in her cross claim, Steve Wynn would not beneficially own or control Elaine Wynn's shares and a change in control may result under the Company's debt documents. Under the Indentures, the occurrence of a change of control requires that the Company make an offer (unless the notes have been previously called for redemption) to each holder to repurchase all or any part of such holder's Notes at a purchase price equal to 101% of the aggregate principal amount thereof plus accrued and unpaid interest on the Notes purchased, if any, to the date of repurchase.

On February 24, 2012, the board of directors of Wynn Macau, Limited removed Mr. Kazuo Okada from the board.

The Company provided the Freeh Report to appropriate regulators and law enforcement agencies and is cooperating with related investigations that such regulators and agencies have undertaken. The conduct of the Okada Parties and any resulting regulatory investigations could have adverse consequences to the Company and its subsidiaries. A finding by regulatory authorities that Mr. Okada violated anti-corruption statutes and/or other laws or regulations applicable to persons affiliated with a gaming licensee on Company property and/or otherwise involved the Company in criminal or civil violations could result in actions by regulatory authorities against the Company. Relatedly, as described below, the Salt Lake Regional Office of the U.S. Securities and Exchange Commission (“SEC”) has commenced an informal inquiry into, and other regulators could pursue separate investigations into, the Company’s compliance with applicable laws arising from the allegations in the matters described above and in response to litigation filed by Mr. Okada suggesting improprieties in connection with the Company’s donation to the University of Macau. While the Company believes that it is in full compliance with all applicable laws, any such investigations could result in actions by regulators against the Company.

The Executive Committee continues to monitor such investigations and may decide at some future point to call a special meeting of stockholders for the purpose of removing Mr. Okada, if it considers such action to be desirable and in the best interests of the Company and its stockholders.

On August 28, 2012, Mr. Okada, Universal Entertainment Corporation and Okada Holdings filed a complaint in Tokyo District Court against the Company, all members of the Board (other than Mr. Okada) and the Company’s General Counsel, alleging that the press release issued by the Company with respect to the redemption has damaged plaintiffs’ social evaluation and credibility. The plaintiffs seek damages and legal fees from the defendants.

On August 31, 2012, the Company received a letter from Aruze USA, Inc. purportedly notifying the Company of its intent to nominate two individuals for election as directors pursuant to Section 2.13 of the Company’s Fourth Amended and Restated Bylaws. Section 2.13 provides for nominations by stockholders. As a result of the Board’s determination on February 18, 2012, that all of Mr. Okada, Aruze USA, Inc. and Universal are “unsuitable persons” as defined in the Articles of Incorporation of the Company, and the subsequent redemption of all shares previously owned by Aruze USA, Inc., the Company believes that Aruze USA, Inc. is not eligible to make such nominations. On October 19, 2012, Aruze USA, Inc. publicly announced that it is terminating its efforts to elect such nominees.

On August 31, 2012, Aruze USA, Inc. filed a motion for preliminary injunction with the state court in Nevada. The motion sought a preliminary injunction that would prohibit Wynn Resorts from barring or preventing Aruze USA, Inc. from exercising rights as a stockholder and an order that its purported nominees be presented to Wynn Resorts’ stockholders and voted on (including by Aruze USA, Inc. as a stockholder) at the 2012 Annual Meeting of Stockholders (scheduled for November 2, 2012). At the conclusion of a hearing held on October 2, 2012, the Nevada state court denied Aruze USA, Inc.’s motion for preliminary injunction. On October 19, 2012, Aruze USA, Inc. filed a notice of appeal with the Nevada Supreme Court. The Company intends to vigorously defend against the appeal and to argue that the Nevada Supreme Court should affirm the state court’s decision.

On September 7, 2012, Aruze USA, Inc. and Universal Entertainment Corporation filed a second amended counterclaim in the Nevada state court. Wynn Resorts and the other counter-defendants filed a motion to dismiss that pleading on September 26, 2012. A hearing on the motion is scheduled for November 13, 2012.

In addition, on October 10, 2012, Mr. Okada filed a motion to dismiss the complaint that Wynn Resorts filed in the Nevada state court in February 2012. The Company filed an amended complaint on October 29, 2012.

Litigation Commenced by Kazuo Okada and Related Matters

On January 11, 2012, Mr. Okada, in his role as a Wynn Resorts' director, commenced a writ proceeding in the Eighth Judicial District Court, Clark County, Nevada, seeking to compel the Company to produce certain books and records relating to a donation to the University of Macau, among other things.

In May 2011, Wynn Macau, a majority owned subsidiary of the Company, made a commitment to the University of Macau Development Foundation in support of the new Asia-Pacific Academy of Economics and Management. This contribution consists of a \$25 million payment made in May 2011 and a commitment for additional donations of \$10 million each year for the calendar years 2012 through 2022 inclusive. The pledge was consistent with the Company's long-standing practice of providing philanthropic support for deserving institutions in the markets in which it operates. The pledge was made following an extensive analysis which concluded that the gift was made in accordance with all applicable laws. The pledge was considered by the boards of directors of both the Company and Wynn Macau, Limited and approved by 15 of the 16 directors who serve on those boards. The sole dissenting vote was cast by Mr. Okada whose stated objection was to the length of time over which the donation would occur, not its propriety.

On February 8, 2012, following Mr. Okada's lawsuit, the Company received a letter from the Salt Lake Regional Office of the SEC requesting that, in connection with an informal inquiry by the SEC, the Company preserve information relating to the donation to the University of Macau, any donations by the Company to any other educational charitable institutions, including the University of Macau Development Foundation, and the Company's casino or concession gaming licenses or renewals in Macau. The Company is cooperating with the Salt Lake Regional Office staff.

At a hearing on February 9, 2012, the Nevada state court held that, as a director of the Company, Mr. Okada had the right to make a reasonable inspection of the Company's corporate books and records. Following the hearing, the Company released certain documents to Mr. Okada for his inspection. At a subsequent hearing on March 8, 2012, the court considered Mr. Okada's request that the Company's Board of Directors make additional documents available to him, and ruled that Mr. Okada was entitled to inspect two additional pages of documents. The Company promptly complied with the court's ruling.

On May 25, 2012, Mr. Okada amended his petition to request inspection of additional records. The Nevada state court ordered Mr. Okada to file a supplemental brief addressing how his requests relate to his duties as a director of the Company, and the Company was to respond by filing a supplemental brief on the reasonableness of Mr. Okada's requests. After Mr. Okada filed his supplemental brief, the Company moved to depose Mr. Okada prior to having to file its supplemental brief. At a hearing on June 28, 2012, the state court ordered Mr. Okada to appear for a deposition in Las Vegas, Nevada, which took place on September 18, 2012. Following Mr. Okada's deposition, the parties each submitted supplemental briefs. Following a hearing held on October 2, 2012, the court ruled that Mr. Okada is entitled to review certain additional

Company documents from the 2000 to 2002 time period. The Company has complied with the court's ruling. On November 2, 2012, Mr. Okada filed a motion to compel the production of additional documents and to depose a Company representative. A hearing on this motion is scheduled for November 8, 2012.

Related litigation

Six derivative actions were commenced against the Company and all members of its Board of Directors: four in the United States District Court, District of Nevada, and two in the Eighth Judicial District Court of Clark County, Nevada.

The four federal actions brought by the following plaintiffs have been consolidated: (1) The Louisiana Municipal Police Employees' Retirement System, (2) Maryanne Solak, (3) Excavators Union Local 731 Welfare Fund, and (4) Boilermakers Lodge No. 154 Retirement Fund (collectively, the Federal Plaintiffs").

The Federal Plaintiffs filed a consolidated complaint on August 6, 2012, asserting claims for: (1) breach of fiduciary duty; (2) waste of corporate assets; (3) injunctive relief; and (4) unjust enrichment. The claims are against the Company and all Company directors, including Mr. Okada, however, the plaintiffs voluntarily dismissed Mr. Okada as a defendant in this consolidated action on September 27, 2012. The Federal Plaintiffs claim that the individual defendants breached their fiduciary duties and wasted assets by: (a) failing to ensure the Company's officers and directors complied with federal and state laws and the Company's Code of Conduct; (b) voting to allow the Company's subsidiary to make the donation to the University of Macau; and (c) redeeming Aruze USA, Inc.'s stock such that the Company incurs the debt associated with the redemption. The Federal Plaintiffs seek unspecified compensatory damages, restitution in the form of disgorgement, reformation of corporate governance procedures, an injunction against all future payments related to the donation/pledge, and all fees (attorneys, accountants, and experts) and costs. The directors responded to the consolidated complaint by filing a motion to dismiss on September 14, 2012. On October 15, 2012, the Federal Plaintiffs filed an opposition to the motion to dismiss, and the directors filed reply papers on November 5, 2012.

The two state court actions brought by the following plaintiffs have also been consolidated: (1) IBEW Local 98 Pension Fund and (2) Danny Hinson (collectively, the "State Plaintiffs"). Through a coordination of efforts by all parties, the directors and the Company (a nominal defendant) have been served in all of the actions.

The State Plaintiffs filed a consolidated complaint on July 20, 2012 asserting claims for (1) breach of fiduciary duty; (2) abuse of control; (3) gross mismanagement; and (4) unjust enrichment. The claims are against the Company and all Company directors, including Mr. Okada, as well as the Company's Chief Financial Officer, who signs financial disclosures filed with the SEC. The State Plaintiffs claim that the individual defendants failed to disclose to the Company's stockholders the investigation into, and the dispute with director Okada as well as the alleged potential violations of the FCPA related to, the University of Macau Development Foundation donation. The State Plaintiffs seek unspecified monetary damages (compensatory and punitive), disgorgement, reformation of corporate governance procedures, an order directing the Company to internally investigate the donation, as well as attorneys' fees and costs. The parties have entered into a stipulation providing for a stay of the state derivative action for 90 days, subject to the parties' obligation to monitor the progress of the pending litigation, discussed above, between Wynn Resorts (among others) and Mr. Okada (among others). Per the stipulation, Wynn Resorts and the individual defendants will not be required to respond to the consolidated complaint while the stay remains in effect. The state court entered the stipulation on October 25, 2012.

The consolidated actions are in a preliminary stage and management has determined that based on proceedings to date, it is currently unable to determine the probability of the outcome of this matter or the range of reasonably possible loss, if any.

16. Income Taxes

For the three months ended September 30, 2012 and 2011, the Company recorded a tax benefit of \$7.6 million and tax expense of \$4.3 million, respectively. For the nine months ended September 30, 2012 and 2011, the Company recorded a tax benefit of \$12.5 million and tax expense of \$11.6 million, respectively. The Company's income tax benefit is primarily related to a decrease in deferred tax liabilities reduced by foreign taxes assessable on the dividends of Wynn Macau, S.A. and foreign tax provisions related to international marketing offices. Since June 30, 2010, the Company no longer considers its portion of the tax earnings and profits of Wynn Macau, Limited to be permanently invested. No additional U.S. tax provision has been made with respect to amounts not considered permanently invested as the Company anticipates that U.S. foreign tax credits should be sufficient to eliminate any U.S. tax provision relating to such repatriation. The Company has not provided deferred U.S. income taxes or foreign withholding taxes on temporary differences as these amounts are permanently reinvested. For the nine months ended September 30, 2012 and 2011, the Company recognized income tax benefits related to excess tax deductions associated with stock compensation costs of \$1.8 million and \$10.5 million, respectively.

Wynn Macau, S.A. has received a 5-year exemption from Macau's 12% Complementary Tax on casino gaming profits through December 31, 2015. Accordingly, the Company was exempted from the payment of \$20.3 million and \$22.8 million in such taxes during the three months ended September 30, 2012 and 2011, respectively. For the nine months ended September 30, 2012 and 2011, the Company was exempted from the payment of such taxes totaling \$66.9 million and \$57.3 million, respectively. The Company's non-gaming profits remain subject to the Macau Complementary Tax and casino winnings remain subject to the Macau Special Gaming tax and other levies together totaling 39% in accordance with its concession agreement.

In July 2012, the Macau Finance Bureau commenced an examination of the 2008 Macau income tax return of Wynn Macau, S.A. Since the examination is in its initial stages, the Company is unable to determine if it will conclude within the next 12 months. The Company believes that its liability for uncertain tax positions is adequate with respect to the 2008 examination year.

17. Segment Information

The Company monitors its operations and evaluates earnings by reviewing the assets and operations of its Las Vegas Operations and its Macau Operations. The Company's total assets by segment are as follows (amounts in thousands):

	<u>September 30,</u> <u>2012</u>	<u>December 31,</u> <u>2011</u>
Assets		
Macau Operations	\$2,899,741	\$2,202,683

The Company's segment information for its results of operations are as follows (amounts in thousands):

	<u>Three Months Ended</u> <u>September 30,</u>		<u>Nine Months Ended</u> <u>September 30,</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Net revenues				
Macau Operations	\$910,451	\$951,368	\$2,768,795	\$2,793,555
Adjusted Property EBITDA⁽¹⁾				
Macau Operations	\$292,161	\$295,960	\$884,144	\$883,139

(1) "Adjusted Property EBITDA" is earnings before interest, taxes, depreciation, amortization, pre-opening costs, property charges and other, corporate expenses, intercompany golf course and water rights leases, stock-based compensation, and other non-operating income and expenses and includes equity in income from unconsolidated affiliates. Adjusted Property EBITDA is presented exclusively as a supplemental disclosure because management believes that it is widely used to measure the performance, and as a basis for valuation, of gaming companies. Management uses Adjusted Property EBITDA as a measure of the operating performance of its segments and to compare the operating performance of its properties with those of its competitors. The Company also presents Adjusted Property EBITDA because it is used by some investors as a way to measure a company's ability to incur and service debt, make capital expenditures and meet working capital requirements. Gaming companies have historically reported EBITDA as a supplement to financial measures in accordance with U.S. generally accepted accounting principles ("GAAP"). In order to view the operations of their casinos on a more stand-alone basis, gaming companies, including Wynn Resorts, Limited, have historically excluded from their EBITDA calculations pre-opening expenses, property charges, corporate expenses and stock-based compensation, which do not relate to the management of specific casino properties. However, Adjusted Property EBITDA should not be considered as an alternative to operating income as an indicator of the Company's performance, as an alternative to cash flows from operating activities as a measure of liquidity, or as an alternative to any other measure determined in accordance with GAAP. Unlike net income, Adjusted Property EBITDA does not include depreciation or interest expense and therefore does not reflect current or future capital expenditures or the cost of capital. The Company has significant uses of cash flows, including capital expenditures, interest payments, debt principal repayments, taxes and other non-recurring charges, which are not reflected in Adjusted Property EBITDA. Also, Wynn Resorts' calculation of Adjusted Property EBITDA may be different from the calculation methods used by other companies and, therefore, comparability may be limited.

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Overview

We are a developer, owner and operator of destination casino resorts. We currently own and operate two casino resort complexes. In Las Vegas, Nevada, we own and operate Wynn Las Vegas, a destination casino resort which opened on April 28, 2005. In December 2008, we expanded Wynn Las Vegas with the opening of Encore at Wynn Las Vegas. We refer to the fully integrated Wynn Las Vegas and Encore at Wynn Las Vegas resort as our “Las Vegas Operations.” In the Macau Special Administrative Region of the People’s Republic of China (“Macau”), we own and operate Wynn Macau, which opened on September 6, 2006. On April 21, 2010 we opened Encore at Wynn Macau, a further expansion of Wynn Macau. We refer to the fully integrated Wynn Macau and Encore at Wynn Macau resort as our “Macau Operations.”

Our Resorts

The following table sets forth information about our resorts as of October 2012:

	<i>Hotel Rooms & Suites</i>	<i>Approximate Casino Square Footage</i>	<i>Approximate Number of Table Games</i>	<i>Approximate Number of Slots</i>
<i>Macau Operations</i>	1,008	265,000	480	950

Macau Operations

We operate Wynn Macau | Encore under a 20-year casino concession agreement granted by the Macau government in June 2002.

Our Macau resort complex features:

- *Approximately 265,000 square feet of casino space, offering 24-hour gaming and a full range of games, including private gaming salons, sky casinos and a poker pit;*
- *Two luxury hotel towers with a total of 1,008 spacious rooms and suites;*
- *Casual and fine dining in eight restaurants;*
- *Approximately 54,600 square feet of high-end, brand-name retail shopping, including stores and boutiques by Bvlgari, Cartier, Chanel, Dior, Dunhill, Ermenegildo Zegna, Ferrari, Giorgio Armani, Graff, Gucci, Hermes, Hugo Boss, Jaeger LeCoultre, Louis Vuitton, Miu Miu, Piaget, Prada, Rolex, Tiffany, Tudor, Vacheron Constantin, Van Cleef & Arpels, Versace, Vertu, and others;*
- *Recreation and leisure facilities, including two health clubs and spas, a salon, a pool; and*
- *Lounges and meeting facilities.*

In response to our evaluation of our Macau Operations and the reactions of our guests, we have made and expect to continue to make enhancements and refinements to this resort complex.

Future Development

In September 2011, Palo Real Estate Company Limited and Wynn Resorts (Macau) S.A., each an indirect subsidiary of Wynn Macau, Limited, formally accepted the terms and conditions of a draft land concession contract from the Macau government for approximately 51 acres of land in the Cotai area of Macau. In December 2011, we made a \$62.5 million initial deposit under the draft land concession contract. On May 2, 2012, the land concession contract was gazetted by the government of Macau, evidencing the final step in the granting of the land concession. We are constructing a full scale integrated resort containing a casino, luxury hotel, convention, retail, entertainment and food and beverage offerings on this land. We estimate the project budget to be in the range of \$3.5 billion to \$4.0 billion. We expect to establish a guaranteed maximum price for the project in the first half of 2013.

Results of Operations

The table below presents our net revenues (amounts in thousands):

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2012	2011	2012	2011
Net revenues				
<i>Macau Operations</i>	\$910,451	\$951,368	\$2,768,795	\$2,793,555

Reliance on only two resort complexes (in two geographic regions) for our operating cash flow exposes us to certain risks that competitors, whose operations are more diversified, may be better able to control. In addition to the concentration of operations in two resort complexes, many of our customers are premium gaming customers who wager on credit, thus exposing us to credit risk. High-end gaming also increases the potential for variability in our results.

Operating Measures

Certain key operating statistics specific to the gaming industry are included in our discussion of our operational performance for the periods for which a Condensed Consolidated Statement of Income is presented. There are two methods used to calculate win percentage in the casino industry. In Las Vegas and in the general casino in Macau, customers usually purchase cash chips at the gaming tables. The cash and net markers used to purchase the cash chips are deposited in the gaming table's drop box. This is the base of measurement that we use in the casino at our Las Vegas Operations and in the general casino at our Macau Operations for calculating win percentage.

In our VIP casino in Macau, customers primarily purchase non-negotiable chips, commonly referred to as rolling chips, from the casino cage and there is no deposit into a gaming table drop box from chips purchased from the cage. Non-negotiable chips can only be used to make wagers. Winning wagers are paid in cash chips. The loss of the non-negotiable chips in the VIP casino is recorded as turnover and provides a base for calculating VIP casino win percentage. Because of this difference in chip purchase activity, the measurement base used in the general casino is not the same that is used in the VIP casino. It is customary in Macau to measure VIP casino play using this rolling chip method. We expect our win as a percentage of turnover to be within the range of 2.7% to 3.0%.

The measurement method in Las Vegas and in the general casino in Macau tracks the initial purchase of chips at the table while the measurement method in our VIP casino in Macau tracks the sum of all losing wagers. Accordingly, the base measurement in the VIP casino is much larger than Las Vegas and the general casino in Macau. As a result, the expected win percentage with the same amount of gaming win is smaller in the VIP casino in Macau when compared to Las Vegas and the general casino in Macau.

Even though both use the same measurement method, we experience different table games win percentages in Las Vegas and the general casino in Macau. This difference is primarily due to the difference in the mix of table games and customer playing habits between the two casinos. Each type of table game has its own theoretical win percentage. Our expected table games win percentage in Las Vegas is 21% to 24%. Our expected table games win percentage in the general casino at Wynn Macau, which we have periodically revised based on our experience since the opening of the Encore at Wynn Macau expansion, is 28% to 30%.

Below are definitions of the statistics discussed:

- Drop is the amount of cash and net markers issued that are deposited in a gaming table's drop box.*
- Turnover is the sum of all losing rolling chip wagers within our Wynn Macau VIP program.*
- Rolling chips are identifiable chips that are used to track VIP wagering volume (turnover) for purposes of calculating incentives.*
- Table games win is the amount of drop or turnover that is retained and recorded as casino revenue.*
- Slot win is the amount of handle (representing the total amount wagered) that is retained by us and is recorded as casino revenue.*
- Average Daily Rate ("ADR") is calculated by dividing total room revenue including the retail value of promotional allowances (less service charges, if any) by total rooms occupied including complimentary rooms.*
- Revenue per Available Room ("REVPAR") is calculated by dividing total room revenue including the retail value of promotional allowances (less service charges, if any) by total rooms available.*
- Occupancy is calculated by dividing total occupied rooms including complimentary rooms by total rooms available.*

Financial results for the three months ended September 30, 2012 compared to the three months ended September 30, 2011.

Revenues

Our Macau Operations experienced a \$36.1 million (4%) decrease in casino revenues to \$857.2 million for the three months ended September 30, 2012, compared to the prior year quarter due primarily to lower turnover in the VIP casino and lower slot machine handle associated with our premium customers.

The table below sets forth key gaming statistics related to our Macau operations.

	Three Months Ended September 30,			
	2012	2011	Increase/ (Decrease)	Percent Change
	<i>(amounts in thousands)</i>			
Macau Operations:				
VIP Casino				
VIP turnover	\$27,622,665	\$31,439,153	\$(3,816,488)	(12.1)%
VIP win as a % of turnover	3.08%	2.95%	0.13pts	—
General Casino				
Drop	\$686,122	\$704,274	\$(18,152)	(2.6)%
Table games win %	30.8%	27.7%	3.1pts	—
Slot machine handle	\$983,705	\$1,133,943	\$(150,238)	(13.2)%
Slot machine win	\$54,412	\$64,494	\$(10,082)	(15.6)%

Room revenue at our Macau Operations decreased \$1.8 million (5.7%) to \$28.6 million compared to the prior year quarter due primarily to a decrease in average room rates.

The table below sets forth key operating measures related to room revenue.

	<i>Three Months Ended</i>	
	<i>September 30,</i>	
	<i>2012</i>	<i>2011</i>
<i>Average Daily Rate</i>	<i>\$307</i>	<i>\$315</i>
<i>Macau</i>		
<i>Occupancy</i>		
<i>Macau</i>	<i>94.2%</i>	<i>93.7%</i>
<i>REVPAR</i>		
<i>Macau</i>	<i>\$289</i>	<i>\$295</i>

Food and beverage revenues at our Las Vegas Operations increased \$13.3 million, while our Macau Operations increased \$0.4 million, as compared to the prior year quarter. The increase in Las Vegas is due primarily to strong business in our beach club and nightclubs. Retail revenues at our Macau Operations decreased \$3.9 million due to lower sales in some of our watch stores, while retail revenues at our Las Vegas Operations declined only \$0.1 million despite the reduction in retail square footage from the reconfiguration of the Encore retail area.

Departmental, Administrative and Other Expenses

Casino expenses decreased for the three months ended September 30, 2012, from the prior year quarter due primarily to lower gaming taxes and junket commissions commensurate with the decrease in gaming revenues at our Macau Operations. Food and beverage expenses increased over the prior year quarter primarily due to additional nightclub promotional costs in Las Vegas. The decrease in entertainment, retail and other expenses was driven by the conversion of certain owned retail stores to leased outlets in Macau resulting in a lower cost of sales.

Depreciation and amortization

Depreciation and amortization for the three months ended September 30, 2012, was \$94.3 million compared to \$100.5 million for the three months ended September 30, 2011. This decrease is primarily due to assets with a 5-year life at Wynn Macau being fully depreciated as of September 2011.

During the construction of our properties, costs incurred in the construction of the buildings, improvements to land and the purchases of assets for use in operations were capitalized. Once these properties opened, their assets were placed into service and we began recognizing the associated depreciation expense. Depreciation expenses will continue throughout the estimated useful lives of these assets. In addition, we continually evaluate the useful life of our property and equipment, intangibles and other assets and adjust them when warranted.

The maximum useful life of assets at Wynn Macau is the remaining life of the gaming concession or land concession, which currently expire in June 2022 and August 2029, respectively. Consequently, depreciation related to Wynn Macau is charged on an accelerated basis when compared to our Las Vegas Operations.

Property charges and other

Property charges and other for the three months ended September 30, 2012, were \$22.7 million compared to \$9.7 million for the three months ended September 30, 2011. For the three months ended September 30, 2012, property charges and other related primarily to a remodel of a Las Vegas restaurant, charges related to the termination of a Las Vegas show which will end its run in November 2012, and miscellaneous renovations and abandonments at our resorts. Property charges and other for the three months ended September 30, 2011 primarily include miscellaneous renovations and abandonments at our resorts.

In response to our evaluation of our resorts and the reactions of our guests, we continue to make enhancements and refinements at our resorts.

Other non-operating costs and expenses

Interest income was \$3.8 million for the three months ended September 30, 2012, compared to \$2.7 million for the three months ended September 30, 2011. During 2012 and 2011, our short-term investment strategy has been to preserve capital while retaining sufficient liquidity. While the majority of our short-term investments were primarily in money market accounts and time deposits with a maturity of three months or less, beginning in April 2011, we have invested in certain corporate bond securities and commercial paper.

Interest expense was \$75.1 million, net of capitalized interest of \$0.5 million, for the three months ended September 30, 2012, compared to \$57.5 million for the three months ended September 30, 2011. No interest was capitalized during the three months ended September 30, 2011. Our interest expense increased compared to the prior year quarter primarily due to the issuance of the \$1.94 billion Redemption Note by Wynn Resorts, the Wynn Las Vegas \$900 million 5³/₈% first mortgage notes in March 2012, and the increase in the Wynn Macau term loan offset by the reduction of \$370.9 million in Wynn Las Vegas term loan borrowings, all as described in Notes to Condensed Consolidated Financial Statements, Note 9 — “Long-Term Debt”.

Changes in the fair value of our interest rate swaps are recorded as an increase (decrease) in swap fair value in each period. In June 2012, we terminated the Wynn Las Vegas interest rate swap for a payment of \$2.4 million and the Wynn Macau interest rate swap matured. For the three months ended September 30, 2011, we recorded a gain of \$4.1 million resulting from the increase in the fair value of interest rate swaps between June 30, 2011 and September 30, 2011. For further information on our interest rate swaps, see Item 3 — “Quantitative and Qualitative Disclosures about Market Risk.”

As described in Note 9 of our Notes to Condensed Consolidated Financial Statements, we amended our Wynn Macau Credit Facilities in July 2012 and terminated the Wynn Las Vegas Credit Agreement in September 2012. In connection with amending the Wynn Macau Credit Facilities, we expensed \$17.7 million of deferred financing costs and third party fees. In connection with the termination of the Wynn Las Vegas credit agreement, we expensed \$2 million of deferred financing costs and third party fees.

Income Taxes

For the three months ended September 30, 2012 and 2011, we recorded a tax benefit of \$7.6 million and tax expense of \$4.3 million, respectively. Our income tax benefit is primarily related to a decrease in our deferred tax liabilities reduced by foreign taxes assessable on the dividends of Wynn Macau, S.A. and foreign tax provisions related to our international marketing offices. Since June 30, 2010, we have no longer considered our portion of the tax earnings and profits of Wynn Macau, Limited to be permanently invested. No additional U.S. tax provision has been made with respect to amounts not considered permanently invested as we anticipate that U.S. foreign tax credits should be sufficient to eliminate any U.S. tax provision relating to repatriation. We have not provided deferred U.S. income taxes or foreign withholding taxes on temporary differences as these amounts are permanently reinvested. For the three months ended September 30, 2012 and 2011, we recognized income tax benefits related to excess tax deductions associated with stock compensation costs of \$0.6 million and \$2.8 million, respectively.

Wynn Macau, S.A. has received an exemption from Macau's 12% Complementary Tax on casino gaming profits through December 31, 2015. Accordingly, we were exempt from the payment of \$20.3 million and \$22.8 million in such taxes during the three months ended September 30, 2012 and 2011, respectively. Our non-gaming profits remain subject to the Macau Complementary Tax and casino winnings remain subject to the Macau Special Gaming tax and other levies together totaling 39% in accordance with our concession agreement.

In July 2012, the Macau Finance Bureau commenced an examination of the 2008 Macau income tax return of Wynn Macau, S.A. Since the examination is in its initial stages, we are unable to determine if it will conclude within the next 12 months. We believe that our liability for uncertain tax positions is adequate with respect to the 2008 examination year.

Net income attributable to noncontrolling interests

In October 2009, Wynn Macau, Limited, our indirect wholly owned subsidiary and the developer, owner and operator of Wynn Macau, listed its ordinary shares of common stock on The Stock Exchange of Hong Kong Limited. Wynn Macau, Limited sold 1,437,500,000 shares (27.7%) of its common stock through an initial public offering. We recorded net income attributable to noncontrolling interests of \$53.1 million for the three months ended September 30, 2012, compared to \$58.1 million for the three months ended September 30, 2011. This represents the noncontrolling interests' share of net income from Wynn Macau, Limited during each quarter.

Financial results for the nine months ended September 30, 2012 compared to the nine months ended September 30, 2011.

Revenues

Our Macau Operations experienced a \$25.5 million (1%) decrease in casino revenues to \$2,603.7 million for the nine months ended September 30, 2012, compared to the prior year period due primarily to lower turnover in the VIP casino and lower slot machine handle associated with our premium customers.

The table below sets forth key gaming statistics related to our Macau operations.

	Nine Months Ended September 30,			
	2012	2011	Increase/ (Decrease)	Percent Change
	<i>(amounts in thousands)</i>			
Macau Operations:				
VIP Casino				
VIP turnover	\$91,512,158	\$93,386,297	\$(1,874,139)	(2.0)%
VIP win as a % of turnover	2.81%	2.85%	(0.04)pts	—
General Casino				
Drop	\$2,065,323	\$2,077,029	(11,706)	(0.6)%
Table games win %	30.3%	27.8%	2.5pts	—
Slot machine handle	\$3,610,782	\$4,101,458	\$(490,676)	(12.0)%
Slot machine win	\$191,294	\$212,465	\$(21,171)	(10.0)%

Room revenue at our Macau Operations increased \$0.7 million (0.8%) to \$87.5 million compared to the prior year period due to an increase in occupancy and in the average daily room rate during the first half of 2012.

The table below sets forth key operating measures related to room revenue.

	<i>Nine Months Ended</i>	
	<i>September 30,</i>	
	<u>2012</u>	<u>2011</u>
<i>Average Daily Rate</i>		
<i>Macau</i>	\$316	\$312
<i>Occupancy</i>		
<i>Macau</i>	91.8%	91.0%
<i>REVPAR</i>		
<i>Macau</i>	\$290	\$284

Food and beverage revenues increased primarily due to the strength of our beach club and nightclub business at our Las Vegas Operations. Retail revenues at our Macau Operations increased \$3 million, while retail revenues at our Las Vegas Operations decreased \$1.7 million. The increase at Wynn Macau is due to strong same store sales growth combined with new stores from the first half of 2012.

Departmental, Administrative and Other Expenses

Casino expenses have decreased for the nine months ended September 30, 2012, over the prior year period due primarily to lower gaming taxes and junket commissions commensurate with the decrease in gaming revenues. Food and beverage expenses increased over the prior year period primarily due to additional nightclub promotional costs in Las Vegas. The decrease in entertainment, retail and other expenses was driven by the conversion of certain owned retail stores to leased outlets in Macau resulting in lower cost of sales.

Depreciation and amortization

Depreciation and amortization for the nine months ended September 30, 2012, was \$280.1 million compared to \$303.9 million for the nine months ended September 30, 2011. This decrease is primarily due to assets with a 5-year life at Wynn Macau being fully depreciated as of September 2011.

During the construction of our properties, costs incurred in the construction of the buildings, improvements to land and the purchases of assets for use in operations were capitalized. Once these properties opened, their assets were placed into service and we began recognizing the associated depreciation expense. Depreciation expenses will continue throughout the estimated useful lives of these assets. In addition, we continually evaluate the useful life of our property and equipment, intangibles and other assets and adjust them when warranted.

The maximum useful life of assets at Wynn Macau is the remaining life of the gaming concession or land concession, which currently expire in June 2022 and August 2029, respectively. Consequently, depreciation related to Wynn Macau is charged on an accelerated basis when compared to our Las Vegas Operations.

Property Charges and other

Property charges and other for the nine months ended September 30, 2012, were \$36.5 million compared to \$124.1 million for the nine months ended September 30, 2011. For the nine months ended September 30, 2012, property charges and other related primarily to a remodel of a Las Vegas restaurant, charges related to the cancellation of a Las Vegas show which will end its run in November 2012, and miscellaneous renovations and abandonments at our resorts. Property charges and other for the nine months ended September 30, 2011 includes a charge of \$108.5 million reflecting the present value of a charitable contribution made by Wynn Macau to the University of Macau Development Foundation. This contribution consists of a \$25 million payment made in May 2011, and a commitment for additional donations of \$10 million each year for the calendar years 2012 through 2022 inclusive, for a total of \$135 million. The amount reflected in our accompanying Condensed Consolidated Statements of Income has been discounted using our then estimated borrowing rate over the time period of the remaining committed payments. Property charges and other for the nine months ended September 30, 2011 also include the write off of certain costs related to a show that ended its run in Las Vegas and miscellaneous renovations and abandonments at our resorts.

In response to our evaluation of our resorts and the reactions of our guests, we continue to make enhancements and refinements at our resorts.

Other non-operating costs and expenses

Interest income was \$7.8 million for the nine months ended September 30, 2012, compared to \$4.6 million for the nine months ended September 30, 2011. During 2012 and 2011, our short-term investment strategy has been to preserve capital while retaining sufficient liquidity. While the majority of our short-term investments were primarily in money market accounts and time deposits with a maturity of six months or less, beginning in April 2011, we have invested in certain corporate bond securities and commercial paper which contributed to the increase in interest income.

Interest expense was \$211 million, net of capitalized interest of \$1 million, for the nine months ended September 30, 2012, compared to \$174 million for the nine months ended September 30, 2011. No interest was capitalized during the nine months ended September 30, 2011.

Changes in the fair value of our interest rate swaps and any applicable termination payments are recorded as an increase (decrease) in swap fair value in each period. We recorded a gain of \$4.9 million for the nine months ended September 30, 2012, resulting from the increase in the fair value of the interest rate swaps that existed during the nine months ended September 30, 2012. In June 2012, we terminated the Wynn Las Vegas interest rate swap for a payment of \$2.4 million and the Wynn Macau interest rate swap matured. For the nine months ended September 30, 2011, we recorded a gain of \$11.5 million resulting from the increase in the fair value of interest rate swaps between December 31, 2010 and September 30, 2011. For further information on our interest rate swaps, see Item 3 — “Quantitative and Qualitative Disclosures about Market Risk.”

As described in Note 9 of our Notes to Condensed Consolidated Financial Statements, we amended our Wynn Macau Credit Facilities in July 2012 and terminated the Wynn Las Vegas Credit Agreement in September 2012. In connection with amending the Wynn Macau Credit Facilities, we expensed \$17.7 million of deferred financing costs and third party fees. In connection with the termination of the Wynn Las Vegas credit agreement, we expensed \$2 million of deferred financing costs and third party fees.

Income Taxes

For the nine months ended September 30, 2012 and 2011, we recorded a tax benefit of \$12.5 million and tax expense of \$11.6 million, respectively. Our income tax benefit is primarily related to a decrease in our deferred tax liabilities reduced by foreign taxes assessable on the dividends of Wynn Macau, S.A. and foreign tax provisions related to our international marketing offices. Since June 30, 2010, we have no longer considered our portion of the tax earnings and profits of Wynn Macau, Limited to be permanently invested. No additional U.S. tax provision has been made with respect to amounts not considered permanently invested as we anticipate that U.S. foreign tax credits should be sufficient to eliminate any U.S. tax provision relating to repatriation. We have not provided deferred U.S. income taxes or foreign withholding taxes on temporary differences as these amounts are permanently reinvested. For the nine months ended September 30, 2012 and 2011, we recognized income tax benefits related to excess tax deductions associated with stock compensation costs of \$1.8 million and \$10.5 million, respectively.

Wynn Macau, S.A. has received an exemption from Macau's 12% Complementary Tax on casino gaming profits through December 31, 2015. Accordingly, we were exempt from the payment of \$66.9 million and \$57.3 million in such taxes during the nine months ended September 30, 2012 and 2011, respectively. Our non-gaming profits remain subject to the Macau Complementary Tax and casino winnings remain subject to the Macau Special Gaming tax and other levies together totaling 39% in accordance with our concession agreement.

In July 2012, the Macau Finance Bureau commenced an examination of the 2008 Macau income tax return of Wynn Macau, S.A. Since the examination is in its initial stages, we are unable to determine if it will conclude within the next 12 months. We believe that our liability for uncertain tax positions is adequate with respect to the 2008 examination year.

Net income attributable to noncontrolling interests

In October 2009, Wynn Macau, Limited, our indirect wholly owned subsidiary and the developer, owner and operator of Wynn Macau, listed its ordinary shares of common stock on The Stock Exchange of Hong Kong Limited. Wynn Macau, Limited sold 1,437,500,000 shares (27.7%) of its common stock through an initial public offering. We recorded net income attributable to noncontrolling interests of \$172.2 million for the nine months ended September 30, 2012, compared to \$144 million for the nine months ended September 30, 2011. This represents the noncontrolling interests' share of net income from Wynn Macau, Limited during each period.

Adjusted Property EBITDA

We use adjusted property EBITDA to manage the operating results of our segments.

The following table summarizes adjusted property EBITDA (amounts in thousands) for our Macau Operations as reviewed by management and summarized in Notes to Condensed Consolidated Financial Statements — Note 17 “Segment Information.” That footnote also presents a reconciliation of adjusted property EBITDA to net income.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2012	2011	2012	2011
<i>Macau Operations</i>	\$292,161	\$295,960	\$884,144	\$883,139

For the three months ended September 30, 2012, our Las Vegas Operations benefitted from stronger operating results primarily in the casino and food and beverage departments, while our Macau Operations were negatively impacted by lower turnover in the VIP casino.

For the nine months ended September 30, 2012, our Las Vegas Operations were negatively impacted by a lower than normal table games win percentage as discussed above. Our Macau Operations were negatively impacted by lower turnover in the VIP casino. Results for the nine months in Las Vegas and Macau were positively impacted by a credit taken to the provision for doubtful accounts as discussed above. Refer to the discussions above regarding the specific details of our results of operations.

Liquidity and Capital Resources

Cash Flow from Operations

Our operating cash flows primarily consist of our operating income generated by our Las Vegas and Macau operations (excluding depreciation and other non-cash charges), interest paid, and changes in working capital accounts such as receivables, inventories, prepaid expenses, and payables. Our table games play both in Macau and Las Vegas is a mix of cash play and credit play, while our slot machine play is conducted primarily on a cash basis. A significant portion of our table games revenue is attributable to the play of a limited number of premium international customers who wager on credit. The ability to collect these gaming receivables may impact our operating cash flow for the period. Our rooms, food and beverage, and entertainment, retail, and other revenue is conducted primarily on a cash basis or as a trade receivable. Accordingly, operating cash flows will be impacted by changes in operating income and accounts receivables.

Net cash provided by operations for the nine months ended September 30, 2012, was \$989.2 million compared to \$1,149.1 million provided by operations for the nine months ended September 30, 2011. Cash flow from operations decreased due to lower casino department profitability and changes in ordinary working capital accounts such as accrued expenses.

Capital Resources

At September 30, 2012, we had approximately \$2.3 billion of cash and cash equivalents and \$240.3 million of available for sale investments in foreign and domestic debt securities with maturities of up to 2 years. Our cash is available for operations, debt service and retirement, development activities, general corporate purposes and enhancements to our resorts. In addition, we have \$151.8 million of restricted cash for Cotai related construction and development costs. Of these amounts, Wynn Macau, Limited and its subsidiaries held \$1,202 million and \$67.1 million in cash and available for sale investments, respectively, of which we own 72.3%. If our portion of this cash was repatriated to the U.S. on September 30, 2012, approximately one-third of this amount would be subject to U.S. tax in the year of repatriation. Wynn Resorts, Limited, which is not a guarantor of the debt of its subsidiaries, held \$1,038.4 million and \$173.2 million of cash and available for sale investments, respectively. Wynn Las Vegas, LLC held cash balances of \$90.5 million.

On July 31, 2012, Wynn Macau expanded its availability under the senior secured bank facility to US\$2.3 billion equivalent, consisting of a US\$750 million equivalent fully funded senior secured term loan facility and a US\$1.55 billion equivalent senior secured revolving credit facility. Wynn Macau also has the ability to upsize the total senior secured facilities by an additional US\$200 million pursuant to the terms and provisions of the Amended Wynn Macau Credit Facilities. These borrowings were used to refinance Wynn Macau's existing indebtedness, and will be used to fund the design, development, construction and pre-opening expenses of Wynn Cotai, and for general corporate purposes.

We believe that cash flow from operations, availability under our bank credit facility and our existing cash balances will be adequate to satisfy our anticipated uses of capital for the remainder of 2012. If any additional financing became necessary, we cannot provide assurance that future borrowings will be available.

Cash and cash equivalents include investments in money market funds, domestic and foreign bank time deposits and commercial paper, all with maturities of less than 90 days.

Investing Activities

Capital expenditures were approximately \$168.3 million for the nine months ended September 30, 2012, which included a one-time payment of \$50 million in consideration of an unrelated third party's relinquishment of certain rights in and to any future development on the Cotai land as well as approximately \$35 million of site preparation costs for our Cotai land and various renovations at our resorts. Capital expenditures for the nine months ended September 30, 2011, were approximately \$85.8 million and related primarily to the room and suite remodel at Wynn Las Vegas.

Financing Activities

Macau Operations

During the nine months ended September 30, 2012, we repaid \$150.4 million of borrowings under the Wynn Macau Revolver.

On July 31, 2012, Wynn Macau, amended and restated its credit facilities, dated September 14, 2004 (as so amended and restated, the “Amended Wynn Macau Credit Facilities”), and appointed Bank of China Limited, Macau Branch as intercreditor agent, facilities agent and security agent. The Amended Wynn Macau Credit Facilities took effect on July 31, 2012 and expand availability under Wynn Macau’s senior secured bank facility to US\$2.3 billion equivalent, consisting of a US\$750 million equivalent fully funded senior secured term loan facility and a US\$1.55 billion equivalent senior secured revolving credit facility. Wynn Macau also has the ability to upsize the total senior secured facilities by an additional US\$200 million pursuant to the terms and provisions of the Amended Wynn Macau Credit Facilities. Borrowings under the Amended Wynn Macau Credit Facilities, which consist of both Hong Kong Dollar and United States Dollar tranches, were used to refinance Wynn Macau’s existing indebtedness, and will be used to fund the design, development, construction and pre-opening expenses of Wynn Cotai, and for general corporate purposes.

The term loan facility matures in July 2018, and the revolving credit facility matures in July 2017. There are no amounts outstanding under the revolving credit facility. The principal amount of the term loan is required to be repaid in two equal installments in July 2017 and July 2018. The senior secured facilities will bear interest for the first six months after closing at LIBOR or HIBOR plus a margin of 2.50% and thereafter will be subject to LIBOR or HIBOR plus a margin of between 1.75% to 2.50% based on Wynn Macau’s leverage ratio.

Borrowings under the Amended Wynn Macau Credit Facilities are guaranteed by Palo Real Estate Company Limited (“Palo”), a subsidiary of Wynn Macau, S.A., and by certain subsidiaries of the Company that own equity interests in Wynn Macau, S.A., and are secured by substantially all of the assets of Wynn Macau, S.A., the equity interests in Wynn Macau, S.A. and substantially all of the assets of Palo.

In connection with amending the Wynn Macau Credit Facilities, we expensed \$17.7 million and capitalized \$32.9 million of financing costs.

Contractual Obligations and Commitments

In March 2012, Wynn Las Vegas, LLC issued \$900 million in 5³/₈% first mortgage notes due 2022, repaid all amounts outstanding under the term loan facilities totaling \$370.9 million, reduced its revolving facilities to \$100 million, and in February 2012, Wynn Resorts issued a \$1.94 billion promissory note payable in 2022, all as described above. Additionally, in June 2012, the Wynn Macau Revolver matured with a zero outstanding balance, the Wynn Macau interest rate swap agreement matured, and the Wynn Las Vegas interest rate swap was terminated, all as described herein. In July 2012, Wynn Macau expanded its credit facilities to US\$2.3 billion equivalent, consisting of a US\$750 million equivalent fully funded senior secured term loan facility and a US\$1.55 billion equivalent senior secured revolving credit facility.

In September 2012, the Wynn Las Vegas Credit agreement was terminated and Wynn Macau entered into two interest rate swap agreements. Other than those transactions, there have been no material changes during the nine months ended September 30, 2012 to our contractual obligations or off balance sheet arrangements as disclosed in our Annual Report on Form 10-K for the year ended December 31, 2011.

Other Liquidity Matters

Wynn Resorts is a holding company and, as a result, our ability to pay dividends is highly dependent on our ability to obtain funds and our subsidiaries' ability to provide funds to us. Restrictions imposed by our Wynn Las Vegas and Wynn Macau debt instruments significantly restrict our ability to pay dividends. Specifically, Wynn Las Vegas, LLC and certain of its subsidiaries are restricted under the indentures governing the Existing Notes and the 2022 Notes from making certain "restricted payments" as defined in the indentures. These restricted payments include the payment of dividends or distributions to any direct or indirect holders of equity interests of Wynn Las Vegas, LLC. These restricted payments may not be made unless certain financial and non-financial criteria have been satisfied. While the Amended Wynn Macau Credit Facilities contains similar restrictions, Wynn Macau is currently in compliance with all requirements, namely satisfaction of its leverage ratio, which must be met in order to pay dividends and is presently able to pay dividends in accordance with the Amended Wynn Macau Credit Facilities.

Wynn Las Vegas, LLC intends to fund its operations and capital requirements from cash on hand and operating cash flow. We cannot assure you however, that our Las Vegas Operations will generate sufficient cash flow from operations or the availability of additional indebtedness will be sufficient to enable us to service and repay Wynn Las Vegas, LLC's indebtedness and to fund its other liquidity needs. Similarly, we expect that Wynn Macau will fund Wynn Macau, S.A.'s debt service obligations with existing cash, operating cash flow and availability under the Amended Wynn Macau Credit Facilities. However, we cannot assure you that operating cash flows will be sufficient to do so. We may refinance all or a portion of our indebtedness on or before maturity. We cannot assure you that we will be able to refinance any of the indebtedness on acceptable terms or at all. Certain legal matters may also impact our liquidity. As described in our Notes to Condensed Consolidated Financial Statements, Note 15 — "Commitments and Contingencies", Elaine Wynn has submitted a cross claim against Steve Wynn and Kazuo Okada. The indentures for the Wynn Las Vegas, LLC 2022 Notes and Existing Notes (the "Indentures") provide that if Steve Wynn,

together with certain related parties, in the aggregate beneficially owns a lesser percentage of the outstanding common stock of Wynn Resorts than are beneficially owned by any other person, a change of control will have occurred. If Elaine Wynn prevails in her cross claim, Steve Wynn would not beneficially own or control Elaine Wynn's shares and a change in control may result under our debt documents.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk is the risk of loss arising from adverse changes in market rates and prices, such as interest rates, foreign currency exchange rates and commodity prices.

Interest Rate Swap Information

In June 2012, the Wynn Macau swap matured and the Company terminated its Wynn Las Vegas swap for a payment of \$2.4 million.

On September 28, 2012, we entered into two interest rate swap agreements intended to hedge a portion of the underlying interest rate risk on borrowings under the Amended Wynn Macau Credit Facilities. Under the two swap agreements, we pay a fixed interest rate (excluding the applicable interest margin) of 0.73% on notional amounts corresponding to borrowings of HK\$3.95 billion (approximately US\$509.3 million) incurred under the Amended Wynn Macau Credit Facilities in exchange for receipts on the same amount at a variable interest rate based on the applicable HIBOR at the time of payment. These interest rate swaps fix the all-in interest rate on such amounts at 2.48% to 3.23%. These interest rate swap agreements mature in July 2017.

We measure the fair value of our interest rate swaps on a recurring basis. Changes in the fair values of these interest rate swaps for each reporting period recorded are recognized as an increase (decrease) in swap fair value in our Condensed Consolidated Statements of Income as the swaps did not qualify for hedge accounting. The fair value approximates the amount the Company would pay if these contracts were settled at the respective valuation dates. Fair value is estimated based upon current, and predictions of future, interest rate levels along a yield curve, the remaining duration of the instruments and other market conditions, and therefore, is subject to significant estimation and a high degree of variability and fluctuation between periods. We adjust this amount by applying a non-performance valuation, considering our creditworthiness or the creditworthiness of our counterparties at each settlement date as applicable. As of December 31, 2011, the interest rate swap liabilities of \$7.3 million were included in other current accrued liabilities.

Foreign Currency Risks

The currency delineated in Wynn Macau's concession agreement with the government of Macau is the Macau pataca. The Macau pataca, which is not a freely convertible currency, is linked to the Hong Kong dollar, and in many cases the two are used interchangeably in Macau. The Hong Kong dollar is linked to the U.S. dollar and the exchange rate between these two currencies has remained relatively stable over the past several years. However, the exchange linkages of the Hong Kong dollar and the Macau pataca, and the Hong Kong dollar and the U.S. dollar, are subject to potential changes due to, among other things, changes in Chinese governmental policies and international economic and political developments.

If the Hong Kong dollar and the Macau pataca are not linked to the U.S. dollar in the future, severe fluctuations in the exchange rate for these currencies may result. We cannot assure you that the current rate of exchange fixed by the applicable monetary authorities for these currencies will remain at the same level.

Because many of Wynn Macau's payment and expenditure obligations are in Macau patacas, in the event of unfavorable Macau pataca or Hong Kong dollar rate changes, Wynn Macau's obligations, as denominated in U.S. dollars, would increase. In addition, because we expect that most of the revenues for any casino that Wynn Macau operates in Macau will be in Hong Kong dollars, we are subject to foreign exchange risk with respect to the exchange rate between the Hong Kong dollar and the U.S. dollar. Also, because our Macau-related entities incur U.S. dollar-denominated debt, fluctuations in the exchange rates of the Macau pataca or the Hong Kong dollar, in relation to the U.S. dollar, could have adverse effects on Wynn Macau's results of operations, financial condition and ability to service its debt.

As of September 30, 2012, in addition to Hong Kong dollars, Wynn Macau also holds other foreign currencies, primarily CNH (offshore renminbi)."

This announcement contains forward-looking statements. Such forward-looking information involves important risks and uncertainties that could significantly affect anticipated results in the future and, accordingly, such results may differ from those expressed in any forward-looking statements made by us. The risks and uncertainties include, but are not limited to, competition in the casino/hotel and resorts industries, our Company's dependence on existing management, levels of travel, leisure and casino spending, general economic conditions, and changes in gaming laws or regulations. Additional information concerning potential factors that could affect our Company's financial results is included in our 2010 interim report, our 2010 annual report, our 2011 interim report, our 2011 annual report and our 2012 interim report. We are under no obligation to (and expressly disclaims any such obligation to) update the forward-looking statements as a result of new information, future events or otherwise.

Our shareholders and potential investors are reminded that the financial results presented herein have not been audited, and are advised not to place undue reliance on the WRL Quarterly Report and to exercise caution in dealing in securities in our Company.

By order of the Board
Wynn Macau, Limited
Stephen A. Wynn
Chairman

Hong Kong, 11 November 2012

As at the date of this announcement, the Board comprises Stephen A. Wynn, Ian Michael Coughlan and Linda Chen (as Executive Directors); Allan Zeman and Marc D. Schorr (as Non-Executive Directors); and Nicholas Sallnow-Smith, Bruce Rockowitz and Jeffrey Kin-fung Lam (as Independent Non-Executive Directors).

* For identification purposes only.