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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 and Debt Stock Code: 5983)

INSIDE INFORMATION

UNAUDITED RESULTS FOR THE THIRD QUARTER AND THE FIRST THREE QUARTERS OF FISCAL 2016 OF OUR CONTROLLING SHAREHOLDER, WYNN RESORTS, LIMITED

This announcement is issued pursuant to Rule 13.09 and 37.47B of the Rules Governing the Listing of the Securities on The Stock Exchange of Hong Kong Limited and under Part XIVA of the Securities and Futures Ordinance (Cap. 571).

Our controlling shareholder, Wynn Resorts, Limited has, on or about 4 November 2016 (1:26 p.m., Las Vegas time), released its unaudited results for the third quarter ended 30 September 2016 and the first three quarters of fiscal 2016 ended 30 September 2016.

This announcement is issued by Wynn Macau, Limited (“we” or our “**Company**”) pursuant to Rule 13.09 and 37.47B of the Rules Governing the Listing of the Securities on The Stock Exchange of Hong Kong Limited and under Part XIVA of the Securities and Futures Ordinance (Cap. 571).

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% of the issued share capital of our Company.

Reference is made to our announcement on 3 November 2016 (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 ended 30 September 2016 and the first three quarters of fiscal 2016 ended 30 September 2016. Unless otherwise defined in this announcement, terms defined in the WRL Earnings Release Announcement have the same meaning when used in this announcement.

* For identification purposes only.

Further to the WRL Earnings Release Announcement, Wynn Resorts, Limited has, on or about 4 November 2016, 1:26 p.m., Las Vegas time, released its quarterly report with unaudited financial results for the third quarter ended 30 September 2016 and the first three quarters of fiscal 2016 ended 30 September 2016. (“**WRL Quarterly Report**”). If you wish to review the WRL Quarterly Report prepared by Wynn Resorts, Limited and as filed with the U.S. Securities and Exchange Commission, please visit <https://www.sec.gov/Archives/edgar/data/1174922/000117492216000232/0001174922-16-000232-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 (“**U.S. 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 U.S. GAAP, which include associated promotional allowances within room revenues. Under U.S. 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 third quarter ended 30 September 2016 and the first three quarters of fiscal 2016 ended 30 September 2016 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 2016 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 and other 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), some of which may constitute material inside information of the Company:

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

For the quarterly period ended September 30, 2016

Part I. FINANCIAL INFORMATION

Item 1. Financial Statements

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

Note 1 — Organization and Basis of Presentation

Macau Operations

On August 22, 2016, the Company opened Wynn Palace, an integrated resort in the Cotai area of Macau. Wynn Palace features a luxury hotel tower with 1,706 guest rooms, suites and villas, approximately 500,000 square feet of casino space, 10 food and beverage outlets, approximately 40,000 square feet of lounge and meeting space, approximately 105,000 square feet of retail space, public attractions, including a performance lake and floral art displays, and recreation and leisure facilities.

Note 2 — Summary of Significant Accounting Policies

Restricted Cash

The Company’s restricted cash consists of collateral associated with borrowings under a revolving credit facility and cash held in trust in accordance with the Company’s majority owned subsidiary’s share award plan.

Note 7 — Property and Equipment, net

As of December 31, 2015, construction in progress consists primarily of costs capitalized, including interest, for the construction of Wynn Palace and Wynn Boston Harbor. On August 22, 2016, the Company opened Wynn Palace. Accordingly, amounts relating to Wynn Palace were transferred to the appropriate property and equipment categories.

Note 8 — Long-Term Debt

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

	September 30, 2016	December 31, 2015
Macau Related:		
Wynn Macau Credit Facilities:		
Senior Term Loan Facility (as amended September 2015), due September 2021; interest at LIBOR or HIBOR plus 1.50%–2.25% (2.42% and 2.08% at September 30, 2016 and December 31, 2015), net of debt issuance costs and original issue discount of \$29,840 at September 30, 2016 and \$35,112 at December 31, 2015	\$2,276,796	\$2,272,200
Senior Revolving Credit Facility (as amended September 2015), due September 2020; interest at LIBOR or HIBOR plus 1.50%–2.25% (2.42% and 2.07% at September 30, 2016 and December 31, 2015)	340,827	431,172
5 ¼% Senior Notes, due October 15, 2021, net of debt issuance costs and original issue premium of \$7,012 at September 30, 2016 and \$7,896 at December 31, 2015	1,342,986	1,342,104
WML Finance Revolving Credit Facility, due July 2018; interest at 1.50%	199,623	—

Wynn Macau Credit Facilities

The Company's credit facilities include a \$2.27 billion equivalent fully funded senior secured term loan facility (the "Wynn Macau Senior Term Loan Facility") and a \$750 million equivalent senior secured revolving credit facility (the "Wynn Macau Senior Revolving Credit Facility" and together with the Wynn Macau Senior Term Loan Facility, the "Wynn Macau Credit Facilities"). As of September 30, 2016, the Company had \$409.2 million of available borrowing capacity under the Wynn Macau Senior Revolving Credit Facility.

On September 30, 2015, the Wynn Macau Credit Facilities were amended, to, among other things, increase borrowing capacity and extend maturity dates. In connection with the amendment, the Company expensed \$2.1 million of unamortized deferred financing costs that are included in loss on extinguishment of debt in the accompanying Condensed Consolidated Statement of Operations.

WML Finance Revolving Credit Facility

On July 18, 2016, the Company entered into a HK\$1.55 billion (approximately \$199.6 million) cash-collateralized revolving credit facility (“WML Finance Credit Facility”) under which WML Finance I, Limited, an indirect subsidiary of WML, is the borrower. Borrowings under the WML Finance Credit Facility are in Hong Kong dollars and are used for working capital requirements and general corporate purposes.

The WML Finance Credit Facility matures in July 2018, at which time any outstanding borrowings must be repaid. The WML Finance Credit Facility bears interest initially at 1.50% per annum, such rate calculated as the interest rate paid by the lender as the deposit bank for the cash collateral deposited and pledged with the lender plus a margin of 0.40%. Under terms of the agreement, mandatory repayment is required upon a Change in Control or Material Adverse Effect, as defined in the agreement. As of September 30, 2016, the Company has drawn the full amount under the WML Finance Credit Facility.

On October 25, 2016, the Company amended the WML Finance Credit Facility to increase the principal amount up to HK\$3.87 billion (approximately \$498.9 million). The terms of borrowing for the increased principal amount under the amendment are equivalent to the terms of the original credit agreement, including the requirement for cash collateral to be deposited and pledged with the lender, and interest borne at the same rate as described above. No additional amounts have been borrowed subsequent to September 30, 2016.

Note 9 — Derivative Financial Instruments

These derivative financial instruments include interest rate swaps and foreign currency forward contracts.

The Company seeks to manage its interest rate risk associated with variable rate borrowings, through balancing fixed-rate and variable-rate borrowings with the use of interest rate swaps. The Company currently has three interest rate swap agreements that convert a portion of its variable rate borrowings under the Wynn Macau Senior Term Loan Facility to a fixed rate. Under the agreements, the Company pays a fixed interest rate on notional amounts corresponding to borrowings in exchange for receipts on the same amount at a variable interest rate based on the applicable LIBOR or HIBOR at the time of payment.

Note 12 — Noncontrolling Interest

On April 27, 2016, WML paid a dividend of HK\$0.60 per share for a total of \$401.9 million.

On March 31, 2015, WML paid a dividend of HK\$1.05 per share for a total of \$702.6 million.

Note 13 — Commitments and Contingencies

Cotai Development and Land Concession Contract

In May 2012, the Company finalized the land concession contract entered into by Wynn Resorts (Macau) S.A. (“Wynn Macau SA”), an indirect subsidiary of WML, Palo Real Estate Company Limited (“Palo”) and the Macau government. Under the land concession contract, the Company leases from the Macau government approximately 51 acres of land on which Wynn Palace was built. The term of the land concession was 25 years from May 2, 2012, and it may be renewed with government approval for successive periods. In April 2016, the Company made the final payment on the \$193.4 million land premium, including interest, as required by the land concession contract. With the completion of Wynn Palace, the Company is required to make annual lease payments of \$1.1 million.

In July 2013, Wynn Macau SA and Palo, executed a guaranteed maximum price construction (“GMP”) contract with Leighton Contractors (Asia) Limited, acting as the general contractor. Under the GMP contract, the general contractor is responsible for both the construction and design of the Wynn Palace project. The general contractor was obligated to substantially complete the project in the first half of 2016 for a guaranteed maximum price of HK\$20.6 billion (approximately \$2.7 billion). Substantial completion of the project was achieved on August 22, 2016. As a result of, among other things, modifications to certain aspects of the scope of work and matters relating to sub-contractors engaged by the general contractor, certain differences arose between the parties in relation to their respective rights and obligations under the GMP contract, including with respect to the required date for achieving certain interim milestones and final completion, the Company’s potential entitlement to receive liquidated damages for delay and to recover other costs and expenses incurred by it and the general contractor’s potential entitlements to receive extensions of time for achievement of interim milestones and final completion and to receive additional payments. On October 28, 2016, the Company and the general contractor reached final agreement to resolve their differences and fully settle all claims in existence at the time among the parties under the GMP contract. Among other things, the general contractor agreed to complete all outstanding work necessary to achieve final completion and the Company agreed to an increase of the guaranteed maximum price under the GMP contract to HK\$23.1 billion (approximately \$3.0 billion). The Company’s right to make warranty claims in the future is unaffected by the agreement. The performance of the general contractor continues to be backed by a full completion guarantee given by CIMIC Group Limited (formerly Leighton Holdings Limited), the parent company of the general contractor, as well as performance bonds for approximately 5% of the guaranteed maximum price.

As of September 30, 2016, the total Wynn Palace investment for the Company was \$4.4 billion. This reflects the \$300 million increase to the GMP under the GMP contract, pursuant to the agreement described above.

Litigation

In addition to the actions noted below, the Company and its affiliates are involved in litigation arising in the normal course of business. In the opinion of management, such litigation is not expected to have a material effect on the Company's financial condition, results of operations or cash flows.

Litigation Commenced by Kazuo Okada

Macau Action:

On July 3, 2015, WML announced that the Okada Parties filed a complaint in the Court of First Instance of Macau ("Macau Court") against Wynn Macau SA and certain individuals who are or were directors of Wynn Macau SA and or WML (collectively, the "Wynn Macau Parties"). The principal allegations in the lawsuit are that the redemption of the Okada Parties' shares in Wynn Resorts was improper and undervalued, that the previously disclosed payment by Wynn Macau SA to an unrelated third party in consideration of relinquishment by that party of certain rights in and to any future development on the land in Cotai where Wynn Palace is located was unlawful and that the previously disclosed donation by Wynn Resorts to the University of Macau Development Foundation was unlawful. The plaintiffs seek dissolution of Wynn Macau SA and compensatory damages. The Okada Parties recently released one of the defendants from the lawsuit. The Macau Court has served the complaint on all of the remaining defendants and the Wynn Macau Parties filed their response on May 17, 2016.

The Company believes these actions commenced by the Okada Parties discussed above are without merit and will vigorously defend the Wynn Macau Parties against them. Management has determined that based on proceedings to date, it is currently unable to determine the probability of the outcome of these actions or the range of reasonably possible loss, if any.

Note 14 — Income Taxes

Wynn Macau SA has received a 5-year exemption from Macau's Complementary Tax on casino gaming profits through December 31, 2020. For the three months ended September 30, 2016 and 2015, the Company was exempt from the payment of \$2.2 million and \$8.7 million, respectively, in such taxes. For the nine months ended September 30, 2016 and 2015, the Company was exempt from the payment of such taxes totaling \$23.1 million and \$32.6 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 2011, Wynn Macau SA entered into an agreement with the Macau government that provides for an annual payment of 15.5 million Macau patacas (approximately \$1.9 million) as complementary tax due by shareholders on dividend distributions. This agreement on dividends was effective through December 31, 2015. In August 2016, Wynn Macau SA received an extension of the agreement for an additional five years applicable to tax years 2016 through 2020. The extension agreement provides for an annual payment of 12.8 million Macau patacas (approximately \$1.6 million).

In April 2016, the Financial Services Bureau commenced an examination of the 2011 and 2012 Macau income tax returns of Palo. In June 2016, the Financial Services Bureau concluded its examination with no changes.

Note 15 — Segment Information

The Company reviews the results of operations for each of its operating segments. Wynn Macau and Encore at Wynn Macau are managed as a single integrated resort and have been aggregated as one reportable segment ("Wynn Macau"). Wynn Palace is presented as one reportable segment and combined with Wynn Macau (collectively, "Macau Operations") for geographical presentation.

Other Macau primarily represents the Company's Macau holding company. The following tables present the Company's segment information (in thousands):

	<i>Three Months Ended</i>		<i>Nine Months Ended</i>	
	<i>September 30,</i>		<i>September 30,</i>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Net revenues				
<i>Macau Operations:</i>				
Wynn Macau	\$518,094	\$585,116	\$1,765,652	\$1,907,425
Wynn Palace	164,625	—	164,625	—
<i>Total Macau Operations</i>	<u>682,719</u>	<u>585,116</u>	<u>1,930,277</u>	<u>1,907,425</u>
Adjusted Property EBITDA⁽¹⁾				
<i>Macau Operations:</i>				
Wynn Macau	\$151,009	\$162,822	\$532,643	\$548,555
Wynn Palace	25,547	—	25,547	—
<i>Total Macau Operations</i>	<u>176,556</u>	<u>162,822</u>	<u>558,190</u>	<u>548,555</u>

(1) "Adjusted Property EBITDA" is net income (loss) before interest, taxes, depreciation and amortization, pre-opening costs, property charges and other, management and license fees, corporate expenses and other (including intercompany golf course and water rights leases), stock-based compensation, loss on extinguishment of debt, change in interest rate swap fair value, change in Redemption Note fair value and other non-operating income and expenses, and includes equity in income (loss) 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, as well as a basis for determining certain incentive compensation. 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. 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 that 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 measures of net income (loss), 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.

	<u>September 30, 2016</u>	<u>December 31, 2015</u>
Assets		
<i>Macau Operations:</i>		
Wynn Macau	\$1,173,104	\$1,331,312
Wynn Palace	4,346,063	3,439,041
Other Macau	28,886	570,959
<i>Total Macau Operations</i>	<u>5,548,053</u>	<u>5,341,312</u>

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 (integrated resorts). In the Macau Special Administrative Region of the People’s Republic of China (“Macau”), we own approximately 72% of Wynn Macau, Limited (“WML”) and we operate the integrated Wynn Macau and Encore at Wynn Macau resort and the Wynn Palace resort, both of which are owned by an indirect wholly owned subsidiary of WML.

Macau Operations

We operate Wynn Macau \ Encore and Wynn Palace under a 20-year casino concession agreement granted by the Macau government in June 2002. We lease from the Macau government approximately 16 acres of land in downtown Macau’s inner harbor where Wynn Macau \ Encore is located and 51 acres of land in the Cotai area of Macau, where Wynn Palace is located.

Wynn Macau \ Encore features the following as of October 15, 2016:

- Approximately 284,000 square feet of casino space, offering 24-hour gaming and a full range of games with 267 table games and 862 slot machines, private gaming salons, sky casinos and a poker pit;*
- Two luxury hotel towers with a total of 1,008 guest rooms and suites;*
- Eight food and beverage outlets;*
- Approximately 57,000 square feet of high-end, brand-name retail shopping;*
- Approximately 31,000 square feet of lounge and meeting facilities;*
- Recreation and leisure facilities, including two health clubs, spas, a salon and a pool; and*
- A rotunda show featuring a Chinese zodiac-inspired ceiling along with gold “prosperity tree” and “dragon of fortune” attractions.*

Wynn Palace features the following as of October 15, 2016:

- *Approximately 500,000 square feet of casino space, offering 24-hour gaming and a full range of games with 346 table games and 1,082 slot machines, including private gaming salons and sky casinos;*
- *A luxury hotel with a total of 1,706 guest rooms, suites and villas;*
- *10 food and beverage outlets;*
- *Approximately 105,000 square feet of high-end, brand-name retail shopping;*
- *Approximately 40,000 square feet of lounge and meeting facilities;*
- *Recreation and leisure facilities, including a gondola ride, health club, spa, salon and pool; and*
- *Public attractions including a performance lake and floral art displays.*

In response to our evaluation of our Macau Operations and our commitment to creating a unique customer experience, we have made and expect to continue to make enhancements and refinements to these resorts.

Key Operating Measures

Certain key operating measures specific to the gaming industry are included in our discussion of our operational performance for the periods for which Condensed Consolidated Statements of Operations are presented. Below are definitions of these key operating measures discussed:

- *Table drop for our Macau Operations is the amount of cash that is deposited in a gaming table's drop box plus cash chips purchased at the casino cage.*
- *Table drop for our Las Vegas Operations 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 Macau Operations' VIP program.*
- *Table games win is the amount of table drop or turnover that is retained and recorded as casino revenues.*
- *Rolling chips are identifiable chips that are used to track turnover for purposes of calculating incentives.*
- *Slot win is the amount of handle (representing the total amount wagered) that is retained by us and is recorded as casino revenues.*

- *Average daily rate (“ADR”) is calculated by dividing total room revenues, 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 revenues, 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 the total rooms available.*

Below is a discussion of the methodologies used to calculate win percentage at our resorts.

In our VIP operations in Macau, customers primarily purchase non-negotiable chips, commonly referred to as rolling chips, from the casino 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 operations is recorded as turnover and provides a base for calculating VIP win percentage. It is customary in Macau to measure VIP play using this rolling chip method. We expect our win as a percentage of turnover from these operations to be within the range of 2.7% to 3.0%. In our mass market operations in Macau, customers may purchase cash chips at either the gaming tables or at the casino cage.

The measurements from our VIP and mass market operations are not comparable as the measurement method used in our mass market operations tracks the initial purchase of chips at the table while the measurement method from our VIP operations tracks the sum of all losing wagers. Accordingly, the base measurement from the VIP operations is much larger than the base measurement from the mass market operations. As a result, the expected win percentage with the same amount of gaming win is smaller in the VIP operations when compared to the mass market operations.

Results of Operations

Summary third quarter 2016 results

Our results for the three and nine months ended September 30, 2016 include 40 days of operations for Wynn Palace, which opened on August 22, 2016.

The net loss attributable to Wynn Resorts, Limited for the three months ended September 30, 2016 was primarily due to an increase in pre-opening costs of \$51.3 million associated with the opening of Wynn Palace and a \$15.3 million exit fee incurred by our Las Vegas Operations for the right to procure energy from the wholesale energy markets instead of from the local public electric utility. Adjusted Property EBITDA increased by \$25.5 million, or 9.1%, for the three months ended September 30, 2016, compared to the same period of 2015, as a result of \$25.5 million from Wynn Palace.

Adjusted Property EBITDA increased by 2.2% for the nine months ended September 30, 2016 when compared to the same period in 2015, mainly due to increased revenues associated with the opening of Wynn Palace and an increase of 3.0% from our Las Vegas Operations, partially offset by a 2.9% decrease from Wynn Macau.

Financial results for the three months ended September 30, 2016 compared to the three months ended September 30, 2015.

Net revenues

The following table presents net revenues from our Macau and Las Vegas Operations (dollars in thousands):

	Three Months Ended		Percent Change
	September 30,		
	<u>2016</u>	<u>2015</u>	
Net revenues			
<i>Macau Operations:</i>			
Wynn Macau	\$518,094	\$585,116	(11.5)
Wynn Palace ⁽¹⁾	164,625	—	—
Total Macau Operations	<u>682,719</u>	<u>585,116</u>	16.7

(1) Wynn Palace opened on August 22, 2016.

The increase is primarily due to \$164.6 million from Wynn Palace and an increase of \$15.9 million from our Las Vegas Operations, partially offset by a decrease of \$67.0 million from Wynn Macau.

Casino revenues

The increase is primarily due to \$146.7 million from Wynn Palace, partially offset by a \$59.5 million decrease from Wynn Macau. The decline in casino revenues from Wynn Macau was driven by a decrease in business volumes from both our VIP and mass market operations, with a decrease in VIP turnover of 10.5%, table drop of 7.6% and slot machine handle of 17.4%. The business volume decrease for Wynn Macau was primarily driven by the continued impact from the current economic and political conditions in Macau and China, as well as impact from recent resort openings in the Cotai area of Macau, including Wynn Palace. We experienced a VIP win as a percentage of turnover of 3.34% for the three months ended September 30, 2016, compared to 3.17% for the same period of 2015, which partially offset the business volume decrease in our VIP operations.

Prior to the opening of Wynn Palace, the Gaming Inspection and Coordination Bureau of Macau authorized 100 new table games for operation at Wynn Palace with 25 additional table games authorized for operation on January 1, 2017 and a further 25 new table games for operation on January 1, 2018 for a total of 150 new table games in the aggregate. In addition, we transferred 250 table games from Wynn Macau for operation at Wynn Palace. The transfer of these tables from Wynn Macau to Wynn Palace resulted in a reduction in the average number of table games for Wynn Macau. As of October 15, 2016, we had a total of 267 table games at Wynn Macau and 346 at Wynn Palace.

The table below sets forth our casino revenues and associated key operating measures for our Macau and Las Vegas Operations (dollars in thousands, except for win per unit per day):

	Three Months Ended		Increase/ (Decrease)	Percent Change
	September 30,			
	2016	2015		
Macau Operations:				
<i>Wynn Macau:</i>				
<i>Total casino revenues</i>	\$488,346	\$547,865	\$(59,519)	(10.9)
VIP:				
<i>Average number of table games</i>	142	228	(86)	(37.7)
<i>VIP turnover</i>	\$10,941,100	\$12,218,445	\$(1,277,345)	(10.5)
<i>Table games win</i>	\$365,047	\$387,082	\$(22,035)	(5.7)
<i>VIP win as a % of turnover</i>	3.34%	3.17%	0.17	
<i>Table games win per unit per day</i>	\$28,003	\$18,422	\$9,581	52.0
Mass market:				
<i>Average number of table games</i>	201	225	(24)	(10.7)
<i>Table drop</i>	\$1,105,938	\$1,196,940	\$(91,002)	(7.6)
<i>Table games win</i>	\$205,179	\$234,697	\$(29,518)	(12.6)
<i>Table games win %</i>	18.6%	19.6%	(1.0)	
<i>Table games win per unit per day</i>	\$11,089	\$11,319	\$(230)	(2.0)
<i>Average number of slot machines</i>	804	738	66	8.9
<i>Slot machine handle</i>	\$681,552	\$824,646	\$(143,094)	(17.4)
<i>Slot machine win</i>	\$29,327	\$41,876	\$(12,549)	(30.0)
<i>Slot machine win per unit per day</i>	\$396	\$617	\$(221)	(35.8)

	<i>Three Months Ended</i>		<i>Increase/ (Decrease)</i>	<i>Percent Change</i>
	<i>September 30,</i>			
	<i>2016</i>	<i>2015</i>		
<i>Wynn Palace⁽¹⁾:</i>				
<i>Total casino revenues</i>	\$146,708	\$—	\$146,708	—
VIP:				
<i>Average number of table games</i>	72	—	72	—
<i>VIP turnover</i>	\$4,150,448	\$—	\$4,150,448	—
<i>Table games win</i>	\$120,455	\$—	\$120,455	—
<i>VIP win as a % of turnover</i>	2.90%	—%	2.90	
<i>Table games win per unit per day</i>	\$42,117	\$—	\$42,117	—
Mass market:				
<i>Average number of table games</i>	274	—	274	—
<i>Table drop</i>	\$275,898	\$—	\$275,898	—
<i>Table games win</i>	\$51,525	\$—	\$51,525	—
<i>Table games win %</i>	18.7%	—%	18.7	
<i>Table games win per unit per day</i>	\$4,702	\$—	\$4,702	—
<i>Average number of slot machines</i>	1,132	—	1,132	—
<i>Slot machine handle</i>	\$204,515	\$—	\$204,515	—
<i>Slot machine win</i>	\$12,610	\$—	\$12,610	—
<i>Slot machine win per unit per day</i>	\$279	\$—	\$279	—

(1) Wynn Palace opened on August 22, 2016.

Non-casino revenues

Non-casino revenues increased 8.6%, or \$25.3 million, to \$321.6 million for the three months ended September 30, 2016, from \$296.3 million for the same period of 2015, primarily due to the opening of Wynn Palace during the quarter and an increase of 9.1% in room revenues from our Las Vegas Operations.

Room revenues increased 14.3% or \$19.1 million, to \$152.6 million for the three months ended September 30, 2016, from \$133.5 million for the same period of 2015, primarily attributable to \$14.2 million from Wynn Palace and an increase of \$9.4 million from our Las Vegas Operations, partially offset by a decrease of \$4.5 million from Wynn Macau. The increase experienced by our Las Vegas Operations was driven by an ADR increase of 4.7% and a 1.7 percentage point increase in occupancy while the decrease from Wynn Macau was a result of an ADR decline of 14.8%.

The table below sets forth our room revenues and associated key operating measures for our Macau and Las Vegas Operations:

	<i>Three Months Ended</i>		<i>Percent</i>
	<i>September 30,</i>		
	<i>2016</i>	<i>2015</i>	<i>Change⁽¹⁾</i>
Macau Operations:			
<i>Wynn Macau:</i>			
<i>Total room revenues</i>			
<i>(dollars in thousands)</i>	\$26,184	\$30,674	(14.6)
<i>Occupancy</i>	95.1%	95.9%	(0.8)
<i>ADR</i>	\$270	\$317	(14.8)
<i>REVPAR</i>	\$257	\$304	(15.5)
<i>Wynn Palace⁽²⁾:</i>			
<i>Total room revenues</i>			
<i>(dollars in thousands)</i>	\$14,239	\$—	—
<i>Occupancy</i>	70.8%	—%	—
<i>ADR</i>	\$287	\$—	—
<i>REVPAR</i>	\$203	\$—	—

(1) Except occupancy, which is presented as a percentage point change.

(2) Wynn Palace opened on August 22, 2016.

Food and beverage revenues increased 4.8%, or \$7.7 million, to \$168.0 million for the three months ended September 30, 2016, from \$160.3 million for the same period of 2015, primarily due to \$7.7 million from Wynn Palace.

Entertainment, retail and other revenues increased 7.2%, or \$6.2 million, to \$93.2 million for the three months ended September 30, 2016, from \$87.0 million for the same period of 2015. The increase is primarily due to \$12.0 million from Wynn Palace, partially offset by a decline of \$5.5 million in revenue from retail shops at Wynn Macau.

Operating costs and expenses

Operating costs and expenses increased 22.5%, or \$189.4 million, to \$1.03 billion for the three months ended September 30, 2016, from \$843.5 million for the same period of 2015, driven by an increase in casino expenses of \$60.5 million, pre-opening costs of \$51.3 million, general and administrative expenses of \$27.6 million and depreciation and amortization of \$25.9 million, all primarily related to the opening of Wynn Palace.

Room expenses increased 7.8%, or \$2.9 million, to \$40.2 million for the three months ended September 30, 2016, from \$37.3 million for the same period of 2015. The increase was primarily attributable to \$4.8 million from Wynn Palace and an increase of \$1.6 million from our Las Vegas Operations, partially offset by a decrease of \$3.5 million from Wynn Macau.

Food and beverage expenses increased 8.1%, or \$8.2 million, to \$109.3 million for the three months ended September 30, 2016, from \$101.2 million for the same period of 2015, mainly due to Wynn Palace.

General and administrative expenses increased 23.6%, or \$27.6 million, to \$144.2 million for the three months ended September 30, 2016, from \$116.6 million for the same period of 2015. The increase was primarily due to \$20.5 million in general and administrative expenses from Wynn Palace and an increase of \$7.9 million in corporate related expenses.

Provision for doubtful accounts decreased \$5.3 million to a benefit of \$2.4 million for the three months ended September 30, 2016, from an expense of \$2.9 million for the same period of 2015. We experienced a benefit during the three months ended September 30, 2016 due to increased casino accounts receivable collections, primarily from Wynn Macau.

Pre-opening costs were \$70.8 million for the three months ended September 30, 2016, compared to \$19.5 million for the same period of 2015. During the three months ended September 30, 2016, we incurred pre-opening costs of \$65.5 million and \$5.2 million related to Wynn Palace and Wynn Boston Harbor, respectively. During the three months ended September 30, 2015, we incurred pre-opening costs of \$13.7 million and \$5.8 million related to Wynn Palace and Wynn Boston Harbor, respectively.

Depreciation and amortization increased 32.0%, or \$25.9 million, to \$106.5 million for the three months ended September 30, 2016, from \$80.6 million for the same period of 2015. The increase is primarily attributable to the opening of Wynn Palace with associated building and furniture, fixtures and equipment placed in service.

Property charges and other were \$18.5 million for the three months ended September 30, 2016, compared to \$1.0 million for the same period of 2015. During the three months ended September 30, 2016, our Las Vegas Operations incurred an exit fee of \$15.3 million for the right to procure energy from the wholesale energy markets instead of from the local public electric utility. The majority of the remaining expenses for the three months ended September 30, 2016 were due to asset abandonment charges primarily associated with Wynn Macau and our Las Vegas Operations.

Other non-operating income and expenses

In addition, we incurred a loss of \$2.1 million related to the write-off of unamortized deferred financing costs associated with the amendment of our Wynn Macau credit facilities. We incurred no loss on extinguishment of debt for the three months ended September 30, 2016.

We incurred a gain of \$1.2 million and a loss of \$1.3 million for the three months ended September 30, 2016 and 2015, respectively, from the change in the fair value of our interest rate swaps.

Net income (loss) attributable to noncontrolling interest

We had a net loss attributable to noncontrolling interest of \$1.9 million for the three months ended September 30, 2016, compared to a net income attributable to noncontrolling interest of \$17.2 million for the same period of 2015. These amounts represent the noncontrolling interest's share of net income (loss) from WML.

Financial results for the nine months ended September 30, 2016 compared to the nine months ended September 30, 2015.

Net revenues

The following table presents net revenues from our Macau and Las Vegas Operations (dollars in thousands):

	<i>Nine Months Ended September 30,</i>		<i>Percent Change</i>
	<i>2016</i>	<i>2015</i>	
<i>Net revenues</i>			
<i>Macau Operations:</i>			
Wynn Macau	\$1,765,652	\$1,907,425	(7.4)
Wynn Palace ⁽¹⁾	164,625	—	—
<i>Total Macau Operations</i>	<i>1,930,277</i>	<i>1,907,425</i>	<i>1.2</i>

(1) Wynn Palace opened on August 22, 2016.

The increase is primarily due to net revenues of \$164.6 million from Wynn Palace and a \$15.6 million increase in non-casino revenues from our Las Vegas Operations, partially offset by a \$121.8 million decrease in casino revenues and a \$20.0 million decrease in entertainment, retail, and other revenues from Wynn Macau.

Casino revenues

The increase is primarily due to casino revenues of \$146.7 million from Wynn Palace, partially offset by a \$121.8 million decrease from Wynn Macau. The decline in casino revenues from Wynn Macau was driven by a decrease in business volumes from both our VIP and mass market operations, with a decrease in VIP turnover of 19.2%, table drop of 5.0% and slot handle of 10.6%. The business volume decrease for Wynn Macau was primarily driven by the continued impact from the current economic and political conditions in Macau and China, as well as impact from recent resort openings in the Cotai area of Macau, including Wynn Palace. We experienced a VIP win as a percentage of turnover of 3.35% for the nine months ended September 30, 2016, compared to 2.94% for the same period of 2015, which partially offset the business volume decrease in our VIP operations.

The table below sets forth our casino revenues and associated key operating measures for our Macau and Las Vegas Operations (dollars in thousands, except for win per unit per day):

	<i>Nine Months Ended</i>		<i>Increase/ (Decrease)</i>	<i>Percent Change</i>
	<i>2016</i>	<i>2015</i>		
Macau Operations:				
Wynn Macau:				
Total casino revenues	\$1,669,871	\$1,791,704	\$(121,833)	(6.8)
VIP:				
Average number of table games	171	243	(72)	(29.6)
VIP turnover	\$36,252,239	\$44,883,114	\$(8,630,875)	(19.2)
Table games win	\$1,214,675	\$1,320,650	\$(105,975)	(8.0)
VIP win as a % of turnover	3.35%	2.94%	0.41	
Table games win per unit per day	\$25,871	\$19,953	\$5,918	29.7
Mass market:				
Average number of table games	228	221	7	3.2
Table drop	\$3,489,272	\$3,672,269	\$(182,997)	(5.0)
Table games win	\$687,876	\$722,877	\$(35,001)	(4.8)
Table games win %	19.7%	19.7%	—	
Table games win per unit per day	\$11,008	\$11,988	\$(980)	(8.2)
Average number of slot machines	787	698	89	12.8
Slot machine handle	\$2,584,342	\$2,891,818	\$(307,476)	(10.6)
Slot machine win	\$113,098	\$140,791	\$(27,693)	(19.7)
Slot machine win per unit per day	\$524	\$739	\$(215)	(29.1)
Wynn Palace⁽¹⁾:				
Total casino revenues	\$146,708	\$—	\$146,708	—
VIP:				
Average number of table games	72	—	72	—
VIP turnover	\$4,150,448	\$—	\$4,150,448	—
Table games win	\$120,455	\$—	\$120,455	—
VIP win as a % of turnover	2.90%	—%	2.90	
Table games win per unit per day	\$42,117	\$—	\$42,117	—
Mass market:				
Average number of table games	274	—	274	—
Table drop	\$275,898	\$—	\$275,898	—
Table games win	\$51,525	\$—	\$51,525	—
Table games win %	18.7%	—%	18.7	
Table games win per unit per day	\$4,702	\$—	\$4,702	—
Average number of slot machines	1,132	—	1,132	—
Slot machine handle	\$204,515	\$—	\$204,515	—
Slot machine win	\$12,610	\$—	\$12,610	—
Slot machine win per unit per day	\$279	\$—	\$279	—

⁽¹⁾ Wynn Palace opened on August 22, 2016.

Non-casino revenues

Non-casino revenues increased 1.5%, or \$13.6 million, to \$902.3 million for the nine months ended September 30, 2016, from \$888.7 million for the same period of 2015, primarily due to the opening of Wynn Palace during the third quarter of 2016 and an increase of 6.3% in room revenues from our Las Vegas Operations, partially offset by a 17.2% decline in non-casino revenues at Wynn Macau.

Room revenues increased 6.3%, or \$25.6 million, to \$431.0 million for the nine months ended September 30, 2016, from \$405.4 million for the same period of 2015, primarily attributable to an increase of \$19.6 million from our Las Vegas Operations and \$14.2 million from Wynn Palace, partially offset by a decrease of \$8.3 million from Wynn Macau. The increase experienced by our Las Vegas Operations was driven by an ADR increase of 5.7% while the decrease from Wynn Macau was a result of an ADR decline of 5.9% and a 2.8 percentage point decrease in occupancy.

The table below sets forth our room revenues and associated key operating measures for our Macau and Las Vegas Operations:

	Nine Months Ended September 30,		Percent Change⁽¹⁾
	2016	2015	
Macau Operations:			
Wynn Macau:			
Total room revenues			
(dollars in thousands)	\$85,915	\$94,167	(8.8)
Occupancy	93.8%	96.6%	(2.8)
ADR	\$304	\$323	(5.9)
REVPAR	\$286	\$312	(8.3)
Wynn Palace⁽²⁾:			
Total room revenues			
(dollars in thousands)	\$14,239	\$—	—
Occupancy	70.8%	—%	—
ADR	\$287	\$—	—
REVPAR	\$203	\$—	—

⁽¹⁾ Except occupancy, which is presented as a percentage point change.

⁽²⁾ Wynn Palace opened on August 22, 2016.

Food and beverage revenues decreased 1.7%, or \$8.2 million, to \$469.1 million for the nine months ended September 30, 2016, from \$477.3 million for the same period of 2015, primarily due to decreases of \$9.1 million and \$6.8 million from our Las Vegas Operations and Wynn Macau, respectively, partially offset by \$7.7 million from Wynn Palace. Our Las Vegas Operations decreased primarily due to a decline in revenues at our nightclubs and the decrease from Wynn Macau was mainly from a decline in revenues at our restaurants.

Entertainment, retail and other revenues decreased 2.9%, or \$7.6 million, to \$257.3 million for the nine months ended September 30, 2016, from \$264.8 million for the same period of 2015. The decrease is primarily due to a \$20.0 million decrease in revenue from retail shops at Wynn Macau, partially offset by \$12.0 million from Wynn Palace.

Operating costs and expenses

Operating costs and expenses increased 6.1%, or \$161.1 million, to \$2.78 billion for the nine months ended September 30, 2016, from \$2.62 billion for the same period of 2015, driven by increases in pre-opening costs of \$98.1 million, general and administrative expenses of \$28.6 million and depreciation and amortization of \$18.8 million, all primarily related to the opening of Wynn Palace.

Food and beverage expenses increased 2.1%, or \$6.0 million, to \$294.5 million for the nine months ended September 30, 2016, from \$288.5 million for the same period of 2015, primarily related to Wynn Palace.

General and administrative expenses increased 8.1%, or \$28.6 million, to \$381.2 million for the nine months ended September 30, 2016, compared to \$352.5 million for the same period of 2015. The increase was primarily due to \$20.5 million from Wynn Palace, and increases in general and administrative expenses from our Las Vegas Operations and corporate related expenses.

Provision for doubtful accounts decreased \$12.5 million to \$0.8 million for the nine months ended September 30, 2016, compared to \$13.3 million for the same period of 2015. The change in the provision was primarily due to increased collections of casino accounts receivable at Wynn Macau, which included the collection of an account that resulted in a \$6.7 million reversal of the previously recorded allowance for doubtful accounts.

Pre-opening costs were \$150.5 million for the nine months ended September 30, 2016, compared to \$52.4 million for the same period of 2015. During the nine months ended September 30, 2016, we incurred pre-opening costs of \$131.1 million related to Wynn Palace, \$17.2 million related to Wynn Boston Harbor and \$2.2 million at Wynn Las Vegas. During the nine months ended September 30, 2015, we incurred pre-opening costs of \$34.2 million and \$18.2 million related to Wynn Palace and Wynn Boston Harbor, respectively.

Depreciation and amortization increased 7.6%, or \$18.8 million, to \$264.2 million for the nine months ended September 30, 2016, from \$245.4 million for the same period of 2015. The increase was attributable to \$30.2 million from Wynn Palace primarily from the opening and associated building and furniture, fixtures and equipment placed in service, partially offset by a decrease of \$13.8 million at Wynn Macau. The majority of the Wynn Macau decrease was due to a change in estimated useful lives of buildings and improvements, which was effective September 1, 2015, to more accurately reflect the estimated periods during which these assets are expected to remain in service.

Property charges and other were \$31.4 million for the nine months ended September 30, 2016, compared to \$4.0 million for the same period of 2015. During the nine months ended September 30, 2016, our Las Vegas Operations incurred a \$15.3 million exit fee for the right to leave the public electric utility and \$9.0 million in asset abandonment charges associated with the current construction of more than 75,000 square feet of additional high-end, brand-name retail space. The majority of the remaining expenses for the nine months ended September 30, 2016 were due to losses from the sale of assets and asset abandonment charges at Wynn Macau and our Las Vegas Operations.

Other non-operating income and expenses

In connection with the amendment of the Wynn Macau credit facilities, we expensed \$2.1 million of unamortized deferred financing costs. We incurred no loss on extinguishment of debt for the nine months ended September 30, 2016.

We incurred losses of \$1.7 million and \$7.0 million for the nine months ended September 30, 2016 and 2015, respectively, from the change in the fair value of our interest rate swaps.

Net income attributable to noncontrolling interest

Net income attributable to noncontrolling interest was \$47.7 million for the nine months ended September 30, 2016, compared to \$68.7 million for the nine months ended September 30, 2015. These amounts represent the noncontrolling interest's share of net income from WML.

Adjusted Property EBITDA

We use Adjusted Property EBITDA to manage the operating results of our segments.

The following table summarizes Adjusted Property EBITDA (in thousands) for our Macau and Las Vegas Operations as reviewed by management and summarized in Item 1 — “Notes to Condensed Consolidated Financial Statements,” Note 15 “Segment Information.” That footnote also presents a reconciliation of Adjusted Property EBITDA to net income (loss) attributable to Wynn Resorts, Limited.

	<i>Three Months Ended</i>		<i>Nine Months Ended</i>	
	<i>September 30,</i>		<i>September 30,</i>	
	<i>2016</i>	<i>2015</i>	<i>2016</i>	<i>2015</i>
<i>Wynn Macau</i>	\$151,009	\$162,822	\$532,643	\$548,555
<i>Wynn Palace</i>	\$25,547	\$—	\$25,547	\$—

Adjusted Property EBITDA at Wynn Macau decreased 7.3% for the three months ended September 30, 2016 and decreased 2.9% for the nine months ended September 30, 2016, compared to the same period of 2015, primarily due to casino revenue performance driven by year-over-year declines in VIP turnover, table drop and slot machine handle.

Adjusted Property EBITDA at Wynn Palace was \$25.5 million from 40 days of operations during the three months ended September 30, 2016.

Liquidity and Capital Resources

Operating Activities

Our operating cash flows primarily consist of our operating income generated by our Macau and Las Vegas Operations (excluding depreciation and other non-cash charges), interest paid and earned, 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 that gamble 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.

Investing Activities

Net cash used in investing activities for the nine months ended September 30, 2016 was \$1.02 billion, compared to \$1.43 billion for the same period of 2015 and was primarily attributable to capital expenditures, net of construction payables and retention. Capital expenditures, net of construction payables and retention, were \$954.7 million for the nine months ended September 30, 2016, consisting primarily of \$690.0 million for Wynn Palace and \$121.0 million for Wynn Boston Harbor. For the nine months ended September 30, 2015, capital expenditures, net of construction payables and retention, of \$1.43 billion, were primarily for Wynn Palace.

Financing Activities

Net cash used in financing activities for the nine months ended September 30, 2016 was \$234.4 million, compared to net cash provided by financing activities of \$798.1 million for the same the period of 2015. During the nine months ended September 30, 2016, we used cash in financing activities of \$263.7 million for the payment of dividends and \$240.4 million for the repayment of our Wynn Macau senior secured revolving credit facility. In addition, \$200.8 million of cash was restricted as collateral associated with our WML Finance revolving credit facility. These uses of cash were partially offset by \$505.5 million proceeds provided from borrowings under our credit facilities. Net cash provided by financing activities for the nine months ended September 30, 2015 consisted primarily of \$2.3 billion in proceeds received in connection with the amendment of our Wynn Macau credit facilities and \$1.8 billion provided upon issuance of 5 1/2% Senior Notes due 2025, offset by the purchase of \$3.34 billion of our 2020 Notes pursuant to a cash tender offer and subsequent redemption of the untendered 7 7/8% 2020 Notes, dividends paid of \$447.5 million, and payments of \$178.9 million in financing costs.

Capital Resources

As of September 30, 2016, we had \$1.51 billion of cash and cash equivalents and \$303.5 million of available-for-sale investments in corporate bonds, commercial paper and U.S. governmental agency bonds. Of these amounts, WML (of which we own approximately 72%) and its subsidiaries held \$325.5 million in cash.

The Wynn Macau credit facilities consist of a \$2.27 billion equivalent fully funded senior secured term loan facility and a \$750 million equivalent senior secured revolving credit facility. Borrowings under the Wynn Macau credit facilities consist of both United States dollar and Hong Kong dollar tranches and were used to refinance Wynn Macau SA's existing indebtedness, and will be used to fund the construction and development of Wynn Palace and for general corporate purposes. As of September 30, 2016, we had \$409.2 million of available borrowing capacity under the senior secured revolving credit facility.

The WML Finance I, Limited credit facility consists of a HK\$1.55 billion (approximately \$199.6 million) cash-collateralized revolving credit facility (“WML Finance Credit Facility”). Borrowings under the WML Finance Credit Facility are in Hong Kong dollars and are used for working capital requirements and general corporate purposes. On October 25, 2016, we amended the WML Finance Credit Facility to increase the principal amount up to HK\$3.87 billion (approximately \$498.9 million). The terms of the borrowing for the increased principal amount under the amendment are equivalent to the terms of the original credit agreement, including the requirement for cash collateral to be deposited and pledged with the lender, and interest borne at the same rate. As of September 30, 2016, the Company has drawn the full amount of the original credit agreement. No additional amounts have been borrowed subsequent to September 30, 2016.

Other Factors Affecting Liquidity

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. Wynn Las Vegas, LLC, Wynn America, LLC and Wynn Macau SA debt instruments contain customary negative covenants and financial covenants, including, but not limited to, covenants that restrict our ability to pay dividends or distributions to any direct or indirect subsidiaries.

Similarly, we expect that our Macau Operations will fund Wynn Macau SA and WML’s debt service obligations with existing cash, operating cash flow and availability under the 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.

Legal proceedings in which we are involved also may impact our liquidity. No assurance can be provided as to the outcome of such proceedings.

New business developments or other unforeseen events may occur, resulting in the need to raise additional funds. We continue to explore opportunities to develop additional gaming or related businesses in domestic and international markets. There can be no assurances regarding the business prospects with respect to any other opportunity. Any new development would require us to obtain additional financing. We may decide to conduct any such development through Wynn Resorts or through subsidiaries separate from the Las Vegas or Macau-related entities.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Interest Rate Swap Information

We currently have three interest rate swap agreements intended to hedge a portion of the underlying interest rate risk on borrowings under our Wynn Macau Credit Facilities. Under two of the 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 \$509.4 million) incurred under the Wynn Macau Senior Term Loan Facility 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 2.23% to 2.98%. These interest rate swap agreements mature in July 2017.

Under the third swap agreement, we pay a fixed interest rate (excluding the applicable interest margin) of 0.68% on notional amounts corresponding to borrowings of \$243.8 million incurred under the Wynn Macau Senior Term Loan Facility in exchange for receipts on the same amount at a variable-rate based on the applicable LIBOR at the time of payment. This interest rate swap fixes the all-in interest rate on such amounts at 2.18% to 2.93%. This interest rate swap agreement matures in July 2017.

As of September 30, 2016, interest rate swaps of \$1.1 million were included in current other accrued liabilities in the accompanying Condensed Consolidated Balance Sheet. As of December 31, 2015, interest rate swaps of \$0.7 million were included in other assets and \$0.1 million were included in other long-term liabilities in the accompanying Condensed Consolidated Balance Sheet.

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 also cannot assure you that the current rate of exchange fixed by the applicable monetary authorities for these currencies will remain at the same level.

We manage exposure to foreign currency risks associated with future scheduled interest payments through the use of foreign currency forward contracts. These contracts involve the exchange of one currency for a second currency at a future date and are with a counter-party, which is a major international financial institution.

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, if any of 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. Based on our balances at September 30, 2016, an assumed 1% change in the dollar/Hong Kong dollar exchange rate would cause a foreign currency transaction gain/loss of approximately \$30.0 million.

Item 4. Controls and Procedures

(b) Internal Control Over Financial Reporting. The only change in the Company's internal control over financial reporting that occurred during the fiscal quarter covered by this Quarterly Report on Form 10-Q that had a material effect, or was reasonably likely to have a material effect on the Company's internal control over financial reporting, related to the opening of Wynn Palace on August 22, 2016. We have implemented controls and procedures at Wynn Palace similar to those in effect at our other properties.

Part II. OTHER INFORMATION

Item 1. Legal Proceedings

CCAC Information Request

In July 2014, Wynn Resorts (Macau) S.A. ("Wynn Macau SA"), an indirect subsidiary of Wynn Macau, Limited, was contacted by the Commission Against Corruption of Macau ("CCAC") requesting certain information related to its land in the Cotai area of Macau. Wynn Macau SA is cooperating with CCAC's request."

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 are included in our published interim and annual reports. We are under no obligation to (and expressly disclaim 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 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, 6 November 2016

As at the date of this announcement, the Board comprises Stephen A. Wynn, Ian Michael Coughlan and Linda Chen (as executive directors); Matthew O. Maddox (as non-executive director); and Allan Zeman, Nicholas Sallnow-Smith, Bruce Rockowitz and Jeffrey Kin-fung Lam (as independent non-executive directors).