exception, as the company felt it was appropriate to reinstate marketing programs at a slower pace. That been said, we believe that the impact from these tragic events will be modest in 2018.

With this report, we are reaffirming our BUY rating on the 4.625% Senior Unsecured Notes 2026 ($101.3, 4.4% YTW, 207bps STW). We continue to believe that these bonds are attractive on a relative value basis.

Exhibit 4: MGM Resorts Free Cash Flow Calculations ($Millions)

	2015 (A)	2016 (A)	LTM	2017 (E)	2018 (E)
Consolidated EBITDA	**$1,772**	**$2,079**	**$2,429**	**$2,319**	**$2,481**
Less: MGM China (56%)	$302	$292	$288	$283	$403
Less: MGM Growth Properties (76%)	0	299	473	484	551
Less: Wholly-Owned Capex	888	1,291	1,068	990	800
Less: Share of MGM China Capex (56%)	324	544	562	554	168
Less: Cash interest	762	618	567	629	603
Less: Cash taxes	12	68	163	170	175
Less: Acquisitions	0	659	8	0	0
Less: Dividends	0	0	190	250	250
Less: Share Repurchases	0	0	328	328	100
Less: Investments in affiliates	196	4	7	5	0
Plus: Dispositions	100	19	1	0	0
Plus: Dividends from affiliates	231	559	312	314	90
Plus: Distributions from MGM China	304	52	69	69	125
Plus: Distributions from MGP	0	113	289	294	354
Free Cash Flow	**($77)**	**($953)**	**($554)**	**($697)**	**($1)**
Total Debt	$12,138	$11,421	$11,047	$11,249	$11,250
Cash	1,362	1,161	2,202	2,000	2,000
Leverage	**6.8x**	**5.5x**	**4.5x**	**4.9x**	**4.5x**
Net Leverage	**6.1x**	**4.9x**	**3.6x**	**4.0x**	**3.7x**
Coverage	**2.3x**	**3.4x**	**4.3x**	**3.7x**	**4.1x**

Source: Company Filings and Deutsche Bank.

For 2017, we are projecting MGM Resorts International will generate Adjusted EBITDA of $2.32 billion (+11.5% versus $2.08 billion). Factoring wholly-owned capital expenditures of $990 million, MGM's share of MGM China's capital expenditures of $554 million, cash interest of $629 million, cash taxes of $170 million, dividends from CityCenter and Grand Victoria of $314 million, dividends from MGM China of $69 million, share repurchases of $328 million, $250 million of dividends to shareholders, $5 million of investments in affiliates, and $294 million of distributions from MGM Growth Properties, we project total cash burn of $697 million in 2017. Using our projected total debt of $11.25 billion and cash interest of $629 million, we estimate MGM will end the year with leverage of 4.9x and coverage of 3.7x. Factoring consolidated cash of $2.00 billion, we estimate net leverage at 4.0x.

For 2018, we are projecting MGM Resorts International will generate Adjusted EBITDA of $2.48 billion (+7.0% versus $2.32 billion). Of importance, our projection includes the incremental contribution from MGM Cotai and Springfield. Factoring wholly-owned capital expenditures of $800 million, MGM's share of MGM China's capital expenditures of $168 million, cash interest of $603 million, cash taxes of $175 million, dividends from CityCenter and Grand Victoria of $90 million, dividends from MGM China of $125 million, $250 million of dividends to shareholders, $100 million of share repurchases, and $354 million of distributions from MGM Growth Properties, we project