

Pennsylvania Gaming Control Board Meeting
August 8, 2007

Mr. Chairman, members of the Gaming Control Board, thank you for the opportunity to come before you today and provide you a little information regarding the status of the development of our permanent casino complex project, which we have deemed Project Sunrise. I have a brief slide presentation, much of which includes conceptual pictures to illustrate our design plans and methodology. Of course, I would be happy to entertain any questions during or after the presentation.

Construction Timetable

I would like to start off by noting our construction schedule, which fortunately, has not been altered thus far. As you probably know, we kicked off the commencement of construction of Project Sunrise with a groundbreaking ceremony on May 4th. We anticipate completion of the project in late Summer of next year—approximately 12 months from now.

Logistically, our goal and plan is to have a seamless transition between the two phases, such that we will open with a full capacity of slot units and non-gaming amenities in the new structure without disturbing the current facility until Project Sunrise is open. Upon opening of Project Sunrise, we likely will make some additional modifications to our Phase I facility to accommodate meeting and event space, though it is likely we will also keep gaming units in the Phase I facility which I will touch upon in a few minutes.

I have included a few photographs of work occurring on site. As you can see, since groundbreaking, we have successfully completed most of the site work, foundations have been poured, and as of last week we have steel being erected.

Planned Amenities

Our planned amenities for Project Sunrise remain the same:

- 2,500 slot units (between both phases)
- 300 seat buffet
- High-end food court
- Retail Shops
- 3 full-service restaurant, one which will convert to a night club venue in the evenings
- Several bars and lounges
- Bus amenities

Here is an illustration of an arial view of the facility, putting in context the size of the facility compared to current building space. Also, I have depicted the floor layout. This distinctive building configuration is hallmark of a Mohegan property as it is defined by multiple points of entry, high ceilings, a circular gaming floor with a signature central feature, and perimeter circulation leading to an array of retail, entertainment, and food and beverage amenities to further expand the comprehensive patron experience.

In regards to design, I would now like to spend a few minutes discussing the interior design concepts and the inspiration behind them.

Design Inspiration and Influences

Mohegan Sun at Pocono Downs draws its inspiration from three important influences.

The Region: The design concept is inspired by its context, the rolling majesty of the Northeast PA Mountains and the furtive richness of the Susquehanna River Valley.

The Mohegan Sun Brand: The design reflects the level of quality, some recognizable iconography, and the associated patron experience established at Mohegan Sun. Mohegan Sun is widely recognized for its rich application of creative and inventive detail – an additional layering of creative detail that not only delights the visitor, but continues to reinforce Mohegan cultural references.

Similarly Mohegan Sun at Pocono Downs pays acute attention to detail, in order to delight, surprise and enrich the patron experience, and also to further enhance the design connection to the natural regional influences.

The Market: The design concept responds to a thorough understanding of the current and future patronage for which we are hosting.

DESIGN CONCEPT

Mohegan Sun at Pocono Downs' design concept is a unique and inventive celebration of the natural images, features and resources that play an important role defining the character of the region. While it is a contemporary design, design inspiration draws directly from the landscape, the flora, the wildlife, the natural resources and the personality of the Pocono Mountain – Susquehanna River Valley. The vehicle used to deliver the design concept is a carefully constructed "journey" to and throughout the

property.... A journey that, at its beginning, creates a sense of arrival and anticipation.... then follows a well orchestrated “woodland path” experience that meanders throughout the property, artfully guiding, revealing and surprising residents and visitors with regionally derived symbolic imagery and features along the way. And finally, like all successful journeys, rewardingly concludes at the ultimate destination.... the sun, bursting through the “clearing” at the center of the experience.

NARRATIVE DESCRIPTION - “The Journey”

Throughout this journey, iconic imagery of Northeast Pennsylvania is observed:

The Exterior: The exterior appearance of the building makes the initial powerful impression about the relationship to the region. In purposeful contrast to the undulating hills of the surrounding landscape, the white, dynamic and sculptural building forms make a statement about its distinctiveness, its uniqueness, and its freshness within the landscape, though the bright sculptural building is accented with horizontal, black quartzite banding referring to stratified layers of coal – the natural resource most singularly important to the history and development of the region.

The Arrival: The points of arrival, or the lobbies, form a transition from the vastness of the great outdoors to the entry to the “woodland path”. This transition is created through the use of:

- Carpet insert designs, colored and textured to recall forest pathway under foot
- The walls feature art glass and mosaic tile panels that depict interpretations of the mountains in one lobby, and the river in the other
- A signature feature in the center of the lobby is a vertically proportioned sculpture growing from the ground, fabricated from coal in natural, free-flowing forms. As the piece grows extends higher it becomes increasingly more refined until it morphs into sparkly, diamond-like crystal forms – creating a direct, but subtle analogy between the natural emergence of diamonds from coal, and the emergence of Mohegan Sun at Pocono Downs.

The Path: Having “arrived” in the complex, the journey continues by way of an abstract “woodland path” that guides visitors throughout the

property. The path is symbolic tour through a gallery of regional images – artistic interpretations of recognizable, natural elements important to defining the character of the region. Guests enter the path from the building lobbies, and are immediately exposed to:

- Heavy, abstract tree form columns and pilasters lining each side of the path, with symbolic “branches” extended overhead to form the tree canopy. The woods used in the fabrication of these elements are combinations local species, birch, beach and oaks.
- Paying homage to the Susquehanna River, the path follows a riverbed abstractly depicted in varying blue hues of streaming terrazzo with sparkling cracked tile highlights. An occasional silhouetted image of the locally coveted Yellow-Speckled Trout can be discovered embedded into the waters.
- Bordering the riverbed is a handrail symbolically representing Mountain Laurel, the state flower and common Pocono woodland ornament. The rail, scaled and articulated to provide an intimate layer of detail, is crafted of iron highlighted with art glass blossoms.
- Ares of special interest along the path are identified by an interruption in the floor pattern below and a large suspended chandeliers, or “nests” overhead. The chandelier nests are home to flocks of idealized flocks of Ruffed Grouse, a local woodland denizen and the State Bird. Points of departure from the path to the casino are further identified by a change to slatted wood flooring, representing a foot-bridge leading across the river.

The Clearing:

All successful journeys culminate at a rewarding destination, and during this journey all paths eventually lead to the “clearing” in the forest, through which the sun is bursting. The dramatic rays of the sun emanate from the physical and essential center of the complex and reach out towards the perimeter before dissipating into the blackness of the night. This is accomplished through a 120 foot diameter acrylic, energetic abstraction of the sun – in three dimensions with back lighting techniques with subtle movement and slowly altering colors to present an endless array of glowing appearances.

MARKET UNDERSTANDING

In addition to the natural beauty of the region (a point of pride for its residents), the concept draws its expression and character from the people who live there, and what will endear the facility to them. Residents of Northeastern Pennsylvania, as well as visitors to the active tourist region, share profiles for preferences and expectations which are at the heart of the development concept: to create a facility that is uniquely distinctive, yet recognizable "of the region" to instill a sense of pride and "ownership" of the facility by those who visit.

These final slides depict some actual images of what we believe certain aspects of the facility will look like incorporating these conceptual designs. Here is an interior view of the high limit slot room, an illustration of the valet porte cochere at one of the entrances, and a few exterior shots of the facility.

That ends the presentation—I will be happy to answer any questions. Once again, thank you for the opportunity to share information about our project.