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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 10-Q**

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

For the quarterly period ended March 31, 2005

OR

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

For the transition period to

Commission File No. 000-50028

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**WYNN RESORTS, LIMITED**

(Exact name of Registrant as specified in its charter)

NEVADA  
(State or other jurisdiction of  
incorporation or organization)

46-0484987  
(I.R.S. Employer  
Identification Number)

3131 Las Vegas Boulevard South - Las Vegas, Nevada 89109  
(Address of principal executive office) (Zip Code)

(702) 770-7555  
(Registrant's telephone number, including area code)

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N/A  
(Former name, former address and former fiscal year, if changed since last report)

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Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days: Yes  No

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). Yes  No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

<u>Class</u>	<u>Outstanding at May 2, 2005</u>
Common stock, \$0.01 par value	99,481,767

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WYNN RESORTS, LIMITED AND SUBSIDIARIES  
(A DEVELOPMENT STAGE COMPANY)

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**WYNN RESORTS, LIMITED AND SUBSIDIARIES**  
**(A DEVELOPMENT STAGE COMPANY)**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(amounts in thousands, except share data)  
(unaudited)

	March 31, 2005	December 31, 2004
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 366,288	\$ 330,261
Restricted cash and investments	197,048	115,301
Receivables, net	802	227
Inventories	5,050	757
Prepaid expenses	5,904	4,683
	<hr/>	<hr/>
Total current assets	575,092	451,229
Restricted cash and investments	759,166	827,066
Property and equipment, net	2,309,432	1,987,032
Water rights	6,400	6,400
Trademark	1,000	1,000
Deferred financing costs	85,342	88,565
Macau gaming concession, net	41,104	41,700
Deposits and other assets	90,840	61,220
	<hr/>	<hr/>
Total assets	<b>\$ 3,868,376</b>	<b>\$ 3,464,212</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Current portion of long-term debt	\$ 728	\$ 718
Current portion of land concession obligation	4,724	9,483
Accounts and construction payable	110,642	86,520
Accrued interest	30,813	12,081
Accrued compensation and benefits	14,174	11,110
Accrued expenses and other current liabilities	17,742	10,924
Construction retention	69,722	39,117
	<hr/>	<hr/>
Total current liabilities	248,545	169,953
Construction retention	2,527	21,140
Long-term debt	1,973,601	1,600,328
Long-term land concession obligation	27,640	27,640
Other long-term liabilities	573	860
	<hr/>	<hr/>
Total liabilities	2,252,886	1,819,921
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, par value \$0.01; authorized 40,000,000 shares; zero shares issued and outstanding	—	—
Common stock, par value \$0.01; authorized 400,000,000 shares; 99,292,044 and 98,983,344 shares issued and outstanding	993	990
Additional paid-in capital	1,970,972	1,951,906
Deferred compensation - restricted stock	(20,820)	(4,079)
Accumulated other comprehensive income	16,505	10,007
Deficit accumulated from inception during the development stage	(352,160)	(314,533)
	<hr/>	<hr/>
Total stockholders' equity	1,615,490	1,644,291
	<hr/>	<hr/>
Total liabilities and stockholders' equity	<b>\$ 3,868,376</b>	<b>\$ 3,464,212</b>

The accompanying notes are an integral part of these consolidated financial statements.

**WYNN RESORTS, LIMITED AND SUBSIDIARIES**  
**(A DEVELOPMENT STAGE COMPANY)**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS**  
(amounts in thousands, except per share data)  
(unaudited)

	Three Months Ended March 31,		From Inception to March 31, 2005
	2005	2004	
<b>Revenues:</b>			
Airplane	\$ —	\$ —	\$ 804
Art gallery	—	70	729
Retail	—	63	668
Water	—	2	51
<b>Total revenues</b>	<b>—</b>	<b>135</b>	<b>2,252</b>
<b>Expenses:</b>			
Pre-opening costs	38,104	14,551	207,899
Depreciation and amortization	3,494	781	37,359
(Gain) / Loss on sale of assets	(12)	(8)	822
Selling, general and administrative	5	183	1,969
Facility closure expenses	—	—	1,577
Cost of water	4	6	342
Cost of retail sales	—	36	342
Loss from incidental operations	65	—	3,230
<b>Total expenses</b>	<b>41,660</b>	<b>15,549</b>	<b>253,540</b>
<b>Operating loss</b>	<b>(41,660)</b>	<b>(15,414)</b>	<b>(251,288)</b>
<b>Other income (expense):</b>			
Interest expense, net	(2,149)	(103)	(15,808)
Interest income	6,182	1,619	32,675
Loss from extinguishment of debt	—	—	(122,788)
<b>Other income (expense), net</b>	<b>4,033</b>	<b>1,516</b>	<b>(105,921)</b>
<b>Minority interest</b>	<b>—</b>	<b>650</b>	<b>5,049</b>
<b>Net loss accumulated during the development stage</b>	<b>(37,627)</b>	<b>(13,248)</b>	<b>(352,160)</b>
<b>Change in fair value of interest rate swaps</b>	<b>7,700</b>	<b>(11,904)</b>	<b>16,505</b>
<b>Comprehensive loss</b>	<b>\$(29,927)</b>	<b>\$(25,152)</b>	<b>\$(335,655)</b>
<b>Basic and diluted earnings per common share:</b>			
Net loss:			
Basic	\$ (0.38)	\$ (0.16)	\$ (5.75)
Diluted	\$ (0.38)	\$ (0.16)	\$ (5.75)
<b>Weighted average common shares outstanding:</b>			
Basic	98,229	80,840	61,210
Diluted	98,229	80,840	61,210

The accompanying notes are an integral part of these consolidated financial statements.

**WYNN RESORTS, LIMITED AND SUBSIDIARIES**  
**(A DEVELOPMENT STAGE COMPANY)**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(amounts in thousands)**  
**(unaudited)**

	Three Months Ended March 31,		From Inception to March 31, 2005
	2005	2004	
<b>Cash flows from operating activities:</b>			
Net loss accumulated during the development stage	\$ (37,627)	\$ (13,248)	\$ (352,160)
Adjustments to reconcile net loss accumulated during the development stage to net cash used in operating activities:			
Depreciation and amortization	3,494	781	37,359
Minority interest	—	(650)	(5,049)
Amortization of deferred compensation	1,256	913	8,146
Amortization and writeoff of deferred financing costs	2,043	3,301	75,486
(Gain) / Loss on sale of assets	(12)	—	822
Incidental operations	—	147	10,943
Increase (decrease) in cash from changes in:			
Receivables, net	(575)	34	7,179
Inventories and prepaid expenses	(5,801)	52	(9,220)
Accounts payable and accrued expenses	31,330	7,752	61,336
Net cash used in operating activities	<u>(5,892)</u>	<u>(918)</u>	<u>(165,158)</u>
<b>Cash flows from investing activities:</b>			
Acquisition of Desert Inn Resort and Casino, net of cash acquired	—	—	(270,718)
Capital expenditures, net of construction payables	(291,969)	(183,360)	(1,865,647)
Restricted cash and investments	(13,847)	161,629	(956,214)
Other assets	(21,323)	(3,416)	(68,296)
Proceeds from sale of equipment	23	—	42,855
Net cash used in investing activities	<u>(327,116)</u>	<u>(25,147)</u>	<u>(3,118,020)</u>
<b>Cash flows from financing activities:</b>			
Equity contributions	—	—	675,077
Equity distributions	—	—	(110,482)
Exercise of stock options	534	—	1,319
Proceeds from issuance of common stock	—	—	1,331,139
Third party fees	—	—	(42,692)
Macau minority contributions	—	—	5,049
Proceeds from issuance of long-term debt	373,436	—	3,090,628
Principal payments of long-term debt	(176)	(10)	(1,186,333)
Payments on long-term leases	(4,759)	—	(4,759)
Payment of deferred financing costs	—	—	(139,480)
Proceeds from issuance of related party loan	—	—	100,000
Principal payments of related party loan	—	—	(70,000)
Net cash provided by (used in) financing activities	<u>369,035</u>	<u>(10)</u>	<u>3,649,466</u>
<b>Cash and cash equivalents:</b>			
Increase (decrease) in cash and cash equivalents	36,027	(26,075)	366,288
Balance, beginning of period	330,261	341,552	—
Balance, end of period	<u>\$ 366,288</u>	<u>\$ 315,477</u>	<u>\$ 366,288</u>

The accompanying notes are an integral part of these consolidated financial statements.

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

**1. Organization and Basis of Presentation**

*Organization*

Wynn Resorts, Limited, a Nevada corporation (together with its subsidiaries, “Wynn Resorts” or the “Company”), was formed in June 2002 and consummated an initial public offering on October 25, 2002. Wynn Resorts’ predecessor, Valvino Lamore, LLC (“Valvino”), was formed on April 21, 2000 (date of inception) as a Nevada limited liability company to acquire land and design, develop and finance the Company’s first casino resort in Las Vegas, Nevada, hereinafter referred to as “Wynn Las Vegas.”

In June 2002, Valvino’s indirect subsidiary, Wynn Resorts (Macau), S.A. (“Wynn Macau, S.A.”), entered into an agreement with the government of the Macau Special Administrative Region of the People’s Republic of China (“Macau”), granting Wynn Macau, S.A. the right to construct and operate one or more casino gaming properties in Macau. Wynn Macau, S.A.’s first casino resort in Macau is hereinafter referred to as “Wynn Macau.”

On September 24, 2002, Wynn Resorts became the parent company of Valvino when all the members of Valvino contributed 100% of their membership interests to Wynn Resorts in exchange for 40,000,000 shares of the common stock of Wynn Resorts (the “Exchange”).

*Basis of Presentation*

For the periods presented through March 31, 2005, the Company had not yet commenced its casino resort operations. Consequently, as was expected and as is customary for a development stage company, the Company incurred increasing losses in each period from inception to March 31, 2005, as the development and construction of the Wynn Las Vegas and Wynn Macau projects progressed. On April 28, 2005, Wynn Las Vegas opened to the public.

The accompanying consolidated financial statements have been prepared by the Company, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted pursuant to such rules and regulations, although the Company believes that the disclosures herein are adequate to make the information presented not misleading. In the opinion of management, all adjustments (which include only normal recurring adjustments) necessary for a fair presentation of the results for the interim periods have been made. The results for the three months ended March 31, 2005 are not necessarily indicative of results to be expected for the full fiscal year. These financial statements should be read in conjunction with the consolidated financial statements and notes thereto of the Company as of and for the year ended December 31, 2004, included in the Company’s Annual Report on Form 10-K.

Certain amounts in the consolidated financial statements for the three months ended March 31, 2004 have been reclassified to conform to the 2005 presentation. During 2004, the Company recorded the amounts reimbursed by executive officers of the Company for use of the corporate aircraft in preopening expenses as a reduction of the cost of operating the aircraft. Previously, such amounts had been recorded as revenues in the Company’s statements of operations and comprehensive loss. Approximately \$63,000 for the first quarter of 2004 was reclassified from revenues to preopening expenses to conform to the 2005 presentation. The reclassification had no effect on the previously reported net loss.

**WYNN RESORTS, LIMITED AND SUBSIDIARIES**  
**(A DEVELOPMENT STAGE COMPANY)**  
**CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)**  
**(Unaudited)**

**2. Earnings Per Share**

Earnings per share are calculated in accordance with Statement of Financial Accounting Standards (“SFAS”) No. 128, “Earnings Per Share.” SFAS No. 128 provides for the reporting of “basic”, or undiluted earnings per share (“EPS”), and “diluted” EPS. Basic EPS is computed by dividing net income by the weighted average number of shares outstanding during the period. Diluted EPS reflects the addition of potentially dilutive securities. For all periods presented, the Company has recorded net losses. As a result, basic EPS is equal to diluted EPS for all periods presented. The calculation of diluted EPS at March 31, 2005 excludes the following anti-dilutive securities: 2,505,550 shares issuable upon exercise of stock options, 1,413,338 shares under restricted stock grants that have not yet vested and 10,869,550 shares issuable upon conversion of the 6% convertible subordinated debentures (the “Debentures”). The calculation of diluted EPS at March 31, 2004 excludes the following anti-dilutive securities: 2,038,000 shares issuable upon exercise of stock options, 1,328,061 shares under restricted stock grants that have not yet vested and 10,869,550 shares issuable upon conversion of the Debentures.

**3. Employee Stock-Based Compensation**

As of March 31, 2005, the Company had a stock-based employee compensation plan to provide incentive compensation for directors, officers, key employees and consultants. As permitted by SFAS No. 148, “Accounting for Stock-Based Compensation – Transition and Disclosure, an amendment of SFAS No. 123,” the Company continues to apply the provisions of Accounting Principles Board (“APB”) Opinion No. 25 and related interpretations in accounting for its employee stock-based compensation. Accordingly, compensation expense is recognized only to the extent that the market value at the date of grant exceeds the exercise price. The following table illustrates the effect on the net loss if the Company had applied the fair value recognition provisions of SFAS No. 123, “Accounting for Stock-Based Compensation” to stock-based employee compensation (amounts in thousands).

	Three Months Ended March 31, 2005	Three Months Ended March 31, 2004	Period from Inception to March 31, 2005
Net loss as reported	\$ (37,627)	\$ (13,248)	\$(352,160)
Less: total stock-based employee compensation expenses determined under the fair-value based method for all awards	(1,817)	(1,264)	(8,848)
Proforma net loss	<u>\$ (39,444)</u>	<u>\$ (14,512)</u>	<u>\$(361,008)</u>
Basic and diluted loss per share:			
As reported	<u>\$ (0.38)</u>	<u>\$ (0.16)</u>	<u>\$ (5.75)</u>
Proforma	<u>\$ (0.40)</u>	<u>\$ (0.18)</u>	<u>\$ (5.90)</u>

**4. Supplemental Disclosure of Cash Flow Information**

Cash paid for interest for the quarters ended March 31, 2005 and 2004, and for the period from inception to March 31, 2005 totaled approximately \$12.6 million, \$16.3 million and \$234.7 million, respectively. Interest capitalized for the quarters ended March 31, 2005 and 2004, and for the period from inception to March 31, 2005 totaled approximately \$30.8 million, \$26.3 million and \$252.9 million, respectively.

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

Amortization of deferred compensation related to employees dedicated to the construction of Wynn Las Vegas that was capitalized into construction in progress for the quarters ended March 31, 2005 and 2004, and for the period from inception to March 31, 2005 totaled approximately \$539,000, \$539,000, and \$5.0 million, respectively.

The increase in the fair value of interest rate swaps accounted for as cash flow hedges for the quarter ended March 31, 2005 totaled approximately \$7.7 million. The fair value decreased \$11.9 million during the quarter ended March 31, 2004. For the period from inception to March 31, 2005, the fair value of interest rate swaps increased \$8.3 million.

Aircraft and equipment purchases financed by debt totaled \$0, \$0 and \$112.6 million for the quarters ended March 31, 2005 and 2004, and the period from inception to March 31, 2005, respectively.

Advances and loans converted to contributed capital amounted to \$0, \$0 and \$32.8 million for the quarters ended March 31, 2005 and 2004, and the period from inception to March 31, 2005, respectively.

During the period from inception to March 31, 2005, the Company issued common stock for the acquisition of the minority interest allocated to the value of the Macau land and casino concessions totaling \$51.4 million.

During the period from inception to March 31, 2005, the Company acquired the Desert Inn Water Company, LLC and \$6.4 million of receivables originally recorded as due from a related party on the balance sheet were reclassified as water rights owned by the Company. No such amounts were recorded during the quarters ended March 31, 2005 and 2004.

During the period from inception to March 31, 2005, the Company reduced the recorded amount of land by approximately \$1.4 million representing the amount of excess liabilities accrued at the date of the Company's purchase of the Desert Inn Resort & Casino (the "Desert Inn") in June 2000. No such amounts were recorded during the quarters ended March 31, 2005 and 2004.

**5. Related Party Transactions**

The Company periodically incurs costs on behalf of Stephen A. Wynn, Chairman of the Board of Directors and Chief Executive Officer ("Mr. Wynn") and certain other officers of the Company, including costs with respect to personal use of the corporate aircraft, household employees, personal legal fees, construction work and other personal purchases. These balances originally had been settled at regular intervals, usually monthly. The last outstanding balance was settled in August 2002, and the Company terminated the arrangements pursuant to which costs were incurred and later reimbursed. Currently, Mr. Wynn and other officers have deposits with the Company to prepay any such items. These deposits are replenished on an ongoing basis as needed. At March 31, 2005 and December 31, 2004, the Company's net liability to Mr. Wynn and other officers was approximately \$77,000 and \$71,000, respectively.

Until it was closed on May 6, 2004, the Company operated an art gallery at the former Desert Inn displaying The Wynn Collection, a collection of fine art owned by Mr. Wynn and his wife, Elaine P. Wynn ("Mrs. Wynn"), who is also a director of Wynn Resorts. Under the terms of the Art Rental and Licensing Agreement (the "Art Agreement") under which The Wynn Collection was exhibited at the time the art gallery was closed, Mr. and Mrs. Wynn leased The Wynn Collection to the Company for an annual fee of one dollar (\$1), and the Company

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

was entitled to retain all revenues from the public display of The Wynn Collection and the related merchandising revenues. The Company was responsible for all expenses incurred in exhibiting and safeguarding The Wynn Collection, including the cost of insurance (including terrorism insurance) and taxes relating to the rental of The Wynn Collection.

On August 6, 2004, the Art Agreement was amended to set forth the terms and conditions under which The Wynn Collection will be exhibited at Wynn Las Vegas effective upon the opening of the new resort. The terms of the amended Art Agreement are substantially the same as the terms under which the Company most recently had displayed The Wynn Collection in the gallery in the former Desert Inn, including an annual rental of one dollar (\$1) for all of the leased works.

On August 6, 2004, the Company also entered into agreements with Mr. Wynn that confirm and clarify the Company's rights to use the "Wynn" name and Mr. Wynn's persona in connection with its casino resorts. Under the parties' Surname Rights Agreement, Mr. Wynn granted the Company an exclusive, fully paid-up, perpetual, worldwide license to use, and to own and register trademarks and service marks incorporating the "Wynn" name for casino resorts and related businesses, together with the right to sublicense the name and marks to its affiliates. Under the parties' Rights of Publicity License, Mr. Wynn granted the Company the exclusive, royalty-free, worldwide right to use his full name, persona and related rights of publicity for casino resorts and related businesses, together with the ability to sublicense the persona and publicity rights to its affiliates, until October 24, 2017.

On August 6, 2004, the Company also extended the term of Mr. Wynn's employment agreement until October 24, 2017. The employment agreement is co-terminus with the Rights of Publicity License described above. The other material terms of Mr. Wynn's employment agreement remain unchanged.

On December 29, 2004, the Company entered into an agreement with Mr. Wynn for the lease of a villa suite in the Wynn Las Vegas resort to Mr. and Mrs. Wynn as their personal residence. The agreement was to become effective on the earlier of the date that Mr. and Mrs. Wynn first occupied the suite or the initial opening of Wynn Las Vegas to the public. On April 21, 2005, the agreement was amended to extend the effective date of the lease agreement to no later than July 1, 2005. The term of the agreement continues from year to year unless terminated on at least 90 days' written notice prior to the end of any lease year, or upon the death of Mr. Wynn. Rent will be determined each year by the Audit Committee of the Board of Directors (the "Audit Committee"), and will be based on the fair market value of the use of the suite accommodations. The Audit Committee has determined, based on a third-party appraisal, that the rental for the first lease year will be \$580,000. All services for, and maintenance of, the suite are included in the rental, with certain exceptions.

During 2003 and 2004, the Company leased or rented office space, automobiles and two apartments, typically on a month-to-month basis, from certain former minority investors in Wynn Macau, S.A. The office space was leased through February 2004 for approximately \$5,500 per month, the apartments were rented for approximately \$3,500 per month and automobiles were rented on an as-needed basis.

**WYNN RESORTS, LIMITED AND SUBSIDIARIES**  
**(A DEVELOPMENT STAGE COMPANY)**  
**CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)**  
**(Unaudited)**

**6. Property and Equipment**

Property and equipment as of March 31, 2005 and December 31, 2004, consist of the following (amounts in thousands):

	March 31, 2005	December 31, 2004
Land	\$ 353,544	\$ 353,544
Parking garage	1,041	1,041
Airplanes	57,336	57,336
Furniture, fixtures and equipment	32,050	14,830
Leasehold interest	67,616	67,616
Construction in progress	1,807,148	1,499,083
	<u>2,318,735</u>	<u>1,993,450</u>
Less: accumulated depreciation	(9,303)	(6,418)
	<u>\$ 2,309,432</u>	<u>\$ 1,987,032</u>

Construction in progress includes interest and other costs capitalized in conjunction with the Wynn Las Vegas and Wynn Macau projects.

**7. Long-Term Debt**

Long-term debt as of March 31, 2005 and December 31, 2004, consists of the following (amounts in thousands):

	March 31, 2005	December 31, 2004
6-5/8% First Mortgage Notes, due December 1, 2014	\$ 1,300,000	\$ 1,300,000
\$400.0 million Delay Draw Term Loan Facility; interest at LIBOR plus 2.125% (approximately 4.98% and 4.575%, respectively)	400,000	26,564
6% Convertible Subordinated Debentures, due July 15, 2015	250,000	250,000
Notes payable - Aircraft; interest at 5.67%	14,494	14,659
12% Second Mortgage Notes, net of original issue discount of approximately \$508,000 and \$531,000, respectively due November 1, 2010; effective interest at approximately 12.9%	9,634	9,611
Other	201	212
	<u>1,974,329</u>	<u>1,601,046</u>
Current portion of long-term debt	(728)	(718)
	<u>\$ 1,973,601</u>	<u>\$ 1,600,328</u>

*Wynn Las Vegas Credit Facilities*

Wynn Las Vegas, LLC borrowed the remaining \$373.4 million available under the delay draw term loan during the first quarter of 2005, as required under the agreements governing its current credit facilities. The total \$400 million of proceeds are being used as part of the financing for the construction of Wynn Las Vegas.

**WYNN RESORTS, LIMITED AND SUBSIDIARIES**  
**(A DEVELOPMENT STAGE COMPANY)**  
**CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)**  
**(Unaudited)**

*Wynn Las Vegas Interest Rate Swaps*

Wynn Las Vegas, LLC was previously required to obtain interest rate protection for at least \$325 million of borrowings under its previous credit facilities, and in May 2003 and June 2003, Wynn Las Vegas, LLC entered into two interest rate swap arrangements to hedge the underlying interest rate risk on a total of \$825 million of expected future borrowings under such credit facilities that were to mature in October 2008 and October 2009. These two interest rate swaps were accounted for as cash flow hedges under the provisions of SFAS No. 133.

On December 14, 2004, concurrent with refinancing Wynn Las Vegas, LLC's indebtedness, the Company terminated the two interest rate swaps. As a result of the termination, Wynn Las Vegas, LLC received approximately \$9.6 million in settlement of the related asset, which is being amortized from accumulated other comprehensive income to reduce interest expense over the original contract life of the two interest rate swaps. Approximately \$1.2 million was amortized against interest expense during the first quarter of 2005.

Also concurrent with the refinancing, Wynn Las Vegas, LLC entered into two new interest rate swap arrangements to hedge the underlying interest rate risk on the \$400.0 million of term loan borrowings outstanding under the new credit facilities, which bear interest at LIBOR plus 2.125%. Under each of these two new interest rate swap arrangements, Wynn Las Vegas, LLC receives payments at a variable rate of LIBOR and pay a fixed rate of 3.793% on \$200 million notional amount set forth in each of the swap instruments through December 2008. The interest rate swaps are expected to be effective as hedging instruments as long as sufficient term loan borrowings are outstanding, and effectively fix the interest rate on these borrowings at approximately 5.918%. Any ineffectiveness will increase the Company's recorded interest expense in the consolidated financial statements.

As of March 31, 2005, the Company recorded in other assets the fair value of the net effect of the two new interest rate swaps of approximately \$8.3 million, an increase of \$7.7 million compared to the value of \$583,000 at December 31, 2004. Because there has been no ineffectiveness in the hedging relationship, the corresponding change in fair value of equal amount is reported in other comprehensive income.

The fair value approximates the amount the Company would receive 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. Therefore, the fair value is subject to significant estimation and a high degree of variability of fluctuation between periods.

#### **8. Stockholders' Equity**

On February 3, 2005, the Company granted an aggregate of 275,000 shares of restricted stock to two of its executive officers. These shares vest in five equal annual installments beginning on December 15, 2005. The market price of the Company's common stock on February 3, 2005 was \$67.40 per share. Consequently, the aggregate value of these grants at the grant date was approximately \$18.5 million. This amount will be amortized to compensation expense over the vesting period.

#### **9. Commitments and Contingencies**

*Wynn Las Vegas*

*Construction.* Through March 31, 2005, the Company funded approximately \$2.4 billion of the estimated total project costs, which are anticipated to be in the range of \$2.7 to \$2.75 billion, primarily from a combination

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of contributed capital, proceeds from the initial public offering of the Company's common stock, proceeds from the issuance of the discharged Second Mortgage Notes, proceeds from the 6-5/8% First Mortgage Notes due 2014 (the "First Mortgage Notes") issued by Wynn Las Vegas in December 2004, and a portion of the borrowings under the previous and current credit facilities. As of March 31, 2005, project costs still to be incurred were estimated at \$335.0 to \$385.0 million.

As of March 31, 2005, the Company had availability under its new credit facilities and long-term restricted cash available for the project, as well as a \$50.0 million completion guarantee balance and a \$30.0 million liquidity reserve, sufficient to complete Wynn Las Vegas. The Company anticipates using its construction contingencies as well as a significant portion of the completion guarantee funds to complete Wynn Las Vegas. As the completion guarantee funds are committed for use, the final cost of the Wynn Las Vegas project will increase correspondingly. Consistent with large-scale construction projects, determination of the final project cost is subject to a complete accounting after the date of final completion (as defined in the contract with the general contractor), which will occur in late 2005.

*Encore.* Due to anticipated demand for Wynn Las Vegas, continued strength in the Las Vegas market, and the Company's desire to maximize the potential of its substantial real estate assets, the Company has refined the scope of Encore, elevating it to the status of a free standing casino resort; one which is fully integrated with Wynn Las Vegas. The current Encore program calls for a hotel tower consisting of approximately 1,100 suites and approximately 1,400 guest rooms. In addition, Encore will have nearly 200,000 square feet of convention and meeting space, a 50,000 square foot casino, additional entertainment venues, restaurants, a spa and salon, swimming pools and retail space. The Company currently anticipates that Encore will open in the first half of 2008.

The Company expects that the remaining proceeds from the First Mortgage Notes, together with availability under its existing credit facilities and cash flow from the operations of Wynn Las Vegas, will be sufficient to pay for expenditures of up to \$1.4 billion on the Encore project without incurring additional debt or receiving additional capital contributions from Wynn Resorts. The availability of notes proceeds and funds under the credit agreement in excess of \$100.0 million is subject to approval of the Encore project's budget, plans and specifications (the "Encore Budget, Plans and Specs") by a majority of arrangers or lenders. Once the Company has finalized the scope and plans for Encore, the Company will seek the necessary consents and approvals from its lenders and noteholders.

*Aircraft Hangar.* During the third quarter of 2004, the Company entered into an agreement to sublease certain land and purchase an approximately 21,000 square foot aircraft hangar to be constructed at the airport facilities in Las Vegas, Nevada. The purchase price of the hangar is approximately \$5.0 million. As of March 31, 2005, \$1.0 million had been delivered in accordance with the terms of the purchase agreement. The remaining approximately \$4.0 million will be due and payable upon completion of the hangar. Upon completion of this new hangar, the Company intends to terminate the lease of its current aircraft hangar.

*Entertainment Productions.* The Company has entered into long-term agreements with Productions Du Dragon, S.A., a creative production company ("Dragon"), and Calitri Services and Licensing Limited Liability Company, its affiliated production services company ("Calitri"), for the licensing, creation, development and executive production of the water-based production show at Wynn Las Vegas named "Le Rêve, A Small Collection of Imperfect Dreams." Under these agreements the Company is required to pay certain up-front

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creation and licensing fees, production costs and, upon opening of the production, a royalty of 10% of net ticket revenues and gross retail sales, and 50% of the show profits to Dragon and Calitri as calculated in accordance with the terms of the agreements. The term of each of the agreements is ten years after the opening date of the show with one five-year renewal option.

The Company also has an option with Dragon and Calitri for the development of a second production show for Wynn Las Vegas or for another project. The exercise of the option will require the payment of an additional \$1.0 million and any additional project will require additional funds to develop.

In June 2004, the Company purchased the rights to stage "Avenue Q," the Tony Award-winning musical production currently playing on Broadway in New York City. The Company also entered into a Production Services Agreement with Q Las Vegas, LLC, an affiliate of the New York producer, for all production services. The Company will present this show at Wynn Las Vegas' second showroom, the Broadway Theater, which is scheduled for completion in September 2005.

At March 31, 2005 and December 31, 2004, other assets included \$38.6 million and \$32.9 million, respectively, of amounts paid or accrued for production rights and creation and development costs in conjunction with these entertainment agreements.

*Wynn Macau*

Under its casino concession agreement with the government of Macau, Wynn Macau, S.A. is obligated to invest 4.0 billion patacas (approximately US\$500.0 million) in one or more casino projects in Macau by June 2009, and to commence operations of its first permanent casino resort in Macau no later than December 2006. If Wynn Macau, S.A. does not invest 4.0 billion patacas by June 26, 2009, it must invest the remaining amount in projects related to its gaming operations in Macau that the Macau government approves, or in projects of public interest designated by the Macau government. The initial phase of the Wynn Macau project, currently under construction and expected to open in the third quarter of 2006, has a budget of approximately \$704.0 million, including contingencies but excluding up to \$20.5 million of post-opening land concession payments anticipated to be funded from operating cash flows.

In June 2004, Wynn Macau, S.A. entered into a land concession contract for the Wynn Macau project site in Macau's inner harbor area. Under the land concession contract, Wynn Macau, S.A. leases a parcel of approximately 16 acres from the government for an initial term of 25 years, with a right to renew for additional periods. Wynn Macau, S.A. has made two payments to the Macau government under the land concession contract totaling approximately \$7.9 million and is required to make nine additional semi-annual payments (including interest) totaling approximately \$34.8 million. Wynn Macau, S.A. also paid approximately \$17.9 million to an unrelated third party for its relinquishment of rights to a portion of the land. During the term of the land concession contract, Wynn Macau, S.A. is required to make annual lease payments of up to \$400,000.

Construction of Wynn Macau commenced in June 2004 under a guaranteed maximum price construction contract between Wynn Macau, S.A. and Leighton Contractors (Asia) Limited, China State Construction Engineering (Hong Kong) Limited and China Construction Engineering (Macau) Company Limited, acting together as general contractor. Under the construction contract, the general contractor is responsible for both the

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construction and design of the project (other than certain limited portions to be designed by an affiliate of Wynn Macau, S.A.) based on an existing scope of work and design specifications provided by Wynn Macau, S.A. The general contractor is obligated to substantially complete the project by August 27, 2006 for a guaranteed maximum price of approximately \$285.0 million (including the contractors' fee and contingency). The total design and construction costs are estimated to be approximately \$425.0 million. Both the contract time and guaranteed maximum price are subject to further adjustment under the circumstances specified in the contract. The performance of the contractors is backed by a full completion guarantee given jointly and severally by Leighton Holdings Limited and China Overseas Holdings Limited, the parent companies of the contracting entities, as well as a performance bond issued by a bank in an amount equal to \$28.5 million.

Through March 31, 2005, Wynn Macau, S.A. had funded approximately \$156.1 million of the total \$704.0 million of budgeted project costs. As of March 31, 2005, currently approved project costs still to be incurred totaled approximately \$547.9 million. These costs are being and will be funded from the existing cash balances of Wynn Resorts and its subsidiaries in the form of base equity loans and subordinated funding, as well as the available Wynn Macau credit facilities. In addition, the Company has \$30.0 million of long-term restricted cash reserved as contingent equity and a \$30.0 million contingent debt facility.

In September 2004, in connection with the financing of the Wynn Macau project, Wynn Macau, S.A. entered into a Bank Guarantee Reimbursement Agreement with Banco Nacional Ultramarino ("BNU") for a guarantee in the amount of 700.0 million patacas (approximately US\$87.0 million). This guarantee, which is for the benefit of the Macau government, assures Wynn Macau, S.A.'s performance under the casino concession agreement, including the payment of premiums, fines and indemnity for any material failure to perform the concession agreement. To secure the guarantee, Wynn Macau, S.A. has deposited \$50.0 million of the \$230.0 million base equity funding with BNU, which deposit will be drawn upon by Wynn Macau, S.A., after the remainder of its base equity has been spent. The guarantee is further secured by a second priority security interest in the senior lender collateral package. From and after repayment of all indebtedness under the senior bank facilities, Wynn Macau, S.A. is obligated to promptly, upon demand by BNU, repay any claim made on the guarantee by the Macau government. BNU will be paid an annual fee for the guarantee of not to exceed approximately 12.3 million patacas (approximately US\$1.5 million).

At March 31, 2005, the Company, had total assets held in Macau of approximately \$257.9 million, consisting of approximately \$72.5 of design and development work included in construction in progress, \$67.4 million of leasehold interest in land and furniture and equipment, \$41.1 million for the unamortized value allocated to the gaming concession, and cash and certain other assets of approximately 76.9 million. Total liabilities at March 31, 2005 of approximately \$237.0 million consisted of approximately \$11.6 million of accounts and construction payables, \$32.4 million of leasehold payment obligations and approximately \$193.0 million of loans from Wynn Macau, S.A.'s parent company. Total equity of approximately \$20.9 million includes contributed capital of approximately \$71.3 million and an inception to date net loss of approximately \$50.4 million.

*Leases*

The Company is the lessor under leases for five retail outlets and has entered into license and distribution agreements for five additional retail outlets, and joint venture agreements for the operation of one other retail outlet and the Ferrari and Maserati dealership at Wynn Las Vegas. Each of these retail outlets opened concurrently with the opening of Wynn Las Vegas. In connection with these arrangements, Wynn Las Vegas has

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provided some of the retail tenants an allowance for improvements. These improvement allowances are included in the budgeted costs to construct Wynn Las Vegas.

In addition to the above, to accommodate its preopening and casino marketing efforts, the Company is the lessee under several leases for office space, a hangar for its corporate aircraft, warehouse facilities and certain office equipment. The Company also leases land from the government of Macau for the site of Wynn Macau.

*Self-insurance*

The Company's domestic subsidiaries are covered under a self-insured medical plan up to a maximum of \$200,000 per year for each insured person. Amounts in excess of these thresholds are covered by the Company's insurance programs, subject to customary policy limits. The Company's foreign subsidiaries are fully-insured.

*Employment Agreements*

The Company has entered into employment agreements with several executive officers, other members of management and certain key employees. These agreements generally have three- to five-year terms and typically indicate a base salary with specified annual increases, and often contain provisions for guaranteed bonuses. Certain of the executives are also entitled to a separation payment if terminated without "cause" or upon voluntary termination of employment for "good reason" following a "change of control" (as these terms are defined in the employment contracts).

*Litigation*

The Company is occasionally a party to lawsuits. As with all litigation, no assurance can be provided as to the outcome of such matters and we note that litigation inherently involves significant costs.

**10. Subsequent Events**

*Opening of Wynn Las Vegas*

Wynn Las Vegas opened to the public on April 28, 2005.

*Wynn Las Vegas Debt Agreements*

On April 26, 2005, Wynn Las Vegas, LLC amended certain agreements pertaining to its new credit facilities, specifically its Credit Agreement and its Master Disbursement Agreement, to among other things, (i) increase the limitation on expenditures for Encore project costs from \$950 million to \$1.4 billion (net of additional equity contributions); (ii) under certain circumstances, increase the annual limitation on capital expenditures for the year 2008 and each year thereafter from \$120 million to \$160 million; (iii) permit a transfer of up to five acres of the land currently owned by Wynn Golf, LLC, but not being used for the Wynn Las Vegas golf course, to Wynn Las Vegas, LLC for use in connection with Encore; (iv) extend the deadlines for certain deliverables related to Encore from various dates beginning April 15, 2005 to June 15, 2005; and (v) extend the dates for the opening and final completion of Encore to September 30, 2008 and December 31, 2008, respectively.

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*Wynn Macau Expansion*

The Company is currently in the process of finalizing the design for an estimated approximately \$345.0 million expansion of Wynn Macau on the remaining approximately five acres of the Wynn Macau site. The Company intends to expand its current Wynn Macau senior debt facilities to finance the expansion and have engaged several lenders to arrange for the financing of the expansion.

**11. Consolidating Financial Information of Guarantors and Issuers**

The following consolidating financial statements present information related to Wynn Resorts (the “Parent”), which is the issuer of the Debentures, Wynn Resorts Funding, LLC (the “Convertible Debentures Guarantor”) and non-guarantor subsidiaries as of March 31, 2005 and December 31, 2004, for the three months ended March 31, 2005 and 2004 and for the period from inception to March 31, 2005.

The following condensed consolidating financial statements are presented in the provided form because: (i) the Convertible Debentures Guarantor is a wholly owned subsidiary of the Parent; (ii) the guarantee is considered to be full and unconditional, that is, if the Parent fails to make a scheduled payment, the Convertible Debentures Guarantor is obligated to make the scheduled payment immediately and, if it does not, any holder of the Debentures may immediately bring suit directly against this Guarantor for payment of all amounts due and payable; and (iii) the guarantee is joint and several.

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**(unaudited)**

	Parent	Convertible Debtures Guarantor	Non- guarantor Subsidiaries	Eliminating Entries	Total
<b>ASSETS</b>					
Current assets:					
Cash and cash equivalents	\$ 307,348	\$ —	\$ 58,940	\$ —	\$ 366,288
Restricted cash and investments	—	—	197,048	—	197,048
Receivables, net	27	—	775	—	802
Inventories	—	—	5,050	—	5,050
Prepaid expenses	360	—	5,544	—	5,904
	<u>307,735</u>	<u>—</u>	<u>267,357</u>	<u>—</u>	<u>575,092</u>
Restricted cash and investments	668	22,273	736,225	—	759,166
Property and equipment, net	789	—	2,308,643	—	2,309,432
Water rights	—	—	6,400	—	6,400
Trademark	—	—	1,000	—	1,000
Deferred financing costs	7,474	—	77,868	—	85,342
Macau gaming concession, net	—	—	41,104	—	41,104
Deposits and other assets	1,925	—	88,915	—	90,840
Investment in subsidiaries	1,359,692	—	—	(1,359,692)	—
Intercompany balances	193,942	22,504	(216,446)	—	—
	<u>1,872,225</u>	<u>\$ 44,777</u>	<u>\$3,311,066</u>	<u>\$(1,359,692)</u>	<u>\$3,868,376</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>					
Current liabilities:					
Current portion of long-term debt	\$ —	\$ —	\$ 728	\$ —	\$ 728
Current portion of land concession obligation	—	—	4,724	—	4,724
Accounts and construction payable	—	—	110,642	—	110,642
Accrued interest	3,125	—	27,688	—	30,813
Accrued compensation and benefits	2,920	—	11,254	—	14,174
Accrued expenses and other current liabilities	690	—	17,052	—	17,742
Construction retention	—	—	69,722	—	69,722
	<u>6,735</u>	<u>—</u>	<u>241,810</u>	<u>—</u>	<u>248,545</u>
Construction retention	—	—	2,527	—	2,527
Long-term debt	250,000	—	1,723,601	—	1,973,601
Long-term land concession obligation	—	—	27,640	—	27,640
Other long-term liabilities	—	—	573	—	573
	<u>256,735</u>	<u>—</u>	<u>1,996,151</u>	<u>—</u>	<u>2,252,886</u>
Commitments and contingencies					
Stockholders' equity:					
Common stock	993	—	—	—	993
Additional paid-in capital	1,970,972	44,028	1,622,175	(1,666,203)	1,970,972
Deferred compensation - restricted stock	(20,820)	—	(2,573)	2,573	(20,820)
Accumulated other comprehensive income	16,505	—	16,505	(16,505)	16,505
Deficit accumulated from inception during the development stage	(352,160)	749	(321,192)	320,443	(352,160)
	<u>1,615,490</u>	<u>44,777</u>	<u>1,314,915</u>	<u>(1,359,692)</u>	<u>1,615,490</u>
<b>Total liabilities and stockholders' equity</b>	<u>\$1,872,225</u>	<u>\$ 44,777</u>	<u>\$3,311,066</u>	<u>\$(1,359,692)</u>	<u>\$3,868,376</u>

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**(unaudited)**

	Parent	Convertible Debtures Guarantor	Non- guarantor Subsidiaries	Eliminating Entries	Total
<b>ASSETS</b>					
Current assets:					
Cash and cash equivalents	\$ 302,262	\$ —	\$ 27,999	\$ —	\$ 330,261
Restricted cash and investments	—	—	115,301	—	115,301
Receivables, net	19	—	208	—	227
Inventories	—	—	757	—	757
Prepaid expenses	290	—	4,393	—	4,683
<b>Total current assets</b>	<b>302,571</b>	<b>—</b>	<b>148,658</b>	<b>—</b>	<b>451,229</b>
Restricted cash and investments	769	29,691	796,606	—	827,066
Property and equipment, net	809	—	1,986,223	—	1,987,032
Water rights	—	—	6,400	—	6,400
Trademark	—	—	1,000	—	1,000
Deferred financing costs	7,652	—	80,913	—	88,565
Macau gaming concession, net	—	—	41,700	—	41,700
Deposits and other assets	5,674	—	55,546	—	61,220
Investment in subsidiaries	1,395,022	—	—	(1,395,022)	—
Intercompany balances	196,476	15,004	(211,480)	—	—
<b>Total assets</b>	<b>\$1,908,973</b>	<b>\$ 44,695</b>	<b>\$2,905,566</b>	<b>\$(1,395,022)</b>	<b>\$3,464,212</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>					
Current liabilities:					
Current portion of long-term debt	\$ —	\$ —	\$ 718	\$ —	\$ 718
Current portion of land concession obligation	—	—	9,483	—	9,483
Accounts and construction payable	648	—	85,872	—	86,520
Accrued interest	6,875	—	5,206	—	12,081
Accrued compensation and benefits	6,464	—	4,646	—	11,110
Accrued expenses and other current liabilities	695	—	10,229	—	10,924
Construction retention	—	—	39,117	—	39,117
<b>Total current liabilities</b>	<b>14,682</b>	<b>—</b>	<b>155,271</b>	<b>—</b>	<b>169,953</b>
Construction retention	—	—	21,140	—	21,140
Long-term debt	250,000	—	1,350,328	—	1,600,328
Long-term land concession obligation	—	—	27,640	—	27,640
Other long-term liabilities	—	—	860	—	860
<b>Total liabilities</b>	<b>264,682</b>	<b>—</b>	<b>1,555,239</b>	<b>—</b>	<b>1,819,921</b>
Commitments and contingencies					
Stockholders' equity:					
Common stock	990	—	—	—	990
Additional paid-in capital	1,951,906	44,028	1,628,149	(1,672,177)	1,951,906
Deferred compensation - restricted stock	(4,079)	—	(3,111)	3,111	(4,079)
Accumulated other comprehensive income	10,007	—	10,007	(10,007)	10,007
Deficit accumulated from inception during the development stage	(314,533)	667	(284,718)	284,051	(314,533)
<b>Total stockholders' equity</b>	<b>1,644,291</b>	<b>44,695</b>	<b>1,350,327</b>	<b>(1,395,022)</b>	<b>1,644,291</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$1,908,973</b>	<b>\$ 44,695</b>	<b>\$2,905,566</b>	<b>\$(1,395,022)</b>	<b>\$3,464,212</b>

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**(unaudited)**

	<u>Parent</u>	<u>Convertible Debentures Guarantor</u>	<u>Non- guarantor Subsidiaries</u>	<u>Eliminating Entries</u>	<u>Total</u>
<b>Revenues:</b>					
Art gallery	\$ —	\$ —	\$ —	\$ —	\$ —
Retail	—	—	—	—	—
Royalty	1,500	—	—	(1,500)	—
Water	—	—	—	—	—
	<u>1,500</u>	<u>—</u>	<u>—</u>	<u>(1,500)</u>	<u>—</u>
<b>Total revenues</b>	<b>1,500</b>	<b>—</b>	<b>—</b>	<b>(1,500)</b>	<b>—</b>
<b>Expenses:</b>					
Pre-opening costs	6,885	—	32,719	(1,500)	38,104
Depreciation and amortization	20	—	3,474	—	3,494
(Gain) / Loss on sale of assets	—	—	(12)	—	(12)
Selling, general and administrative	5	—	—	—	5
Cost of water	—	—	4	—	4
(Gain) / Loss from incidental operations	—	—	65	—	65
	<u>6,910</u>	<u>—</u>	<u>36,250</u>	<u>(1,500)</u>	<u>41,660</u>
<b>Total expenses</b>	<b>6,910</b>	<b>—</b>	<b>36,250</b>	<b>(1,500)</b>	<b>41,660</b>
<b>Operating loss</b>	<b>(5,410)</b>	<b>—</b>	<b>(36,250)</b>	<b>—</b>	<b>(41,660)</b>
<b>Other income (expense):</b>					
Interest expense, net	—	—	(4,601)	2,452	(2,149)
Interest income	4,175	82	4,377	(2,452)	6,182
Equity in loss from subsidiaries	(36,392)	—	—	36,392	—
	<u>(32,217)</u>	<u>82</u>	<u>(224)</u>	<u>36,392</u>	<u>4,033</u>
<b>Other income (expense), net</b>	<b>(32,217)</b>	<b>82</b>	<b>(224)</b>	<b>36,392</b>	<b>4,033</b>
<b>Net loss accumulated during the development stage</b>	<b>\$ (37,627)</b>	<b>\$ 82</b>	<b>\$ (36,474)</b>	<b>\$ 36,392</b>	<b>\$ (37,627)</b>

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	<u>Parent</u>	<u>Convertible Debtentures Guarantor</u>	<u>Non- guarantor Subsidiaries</u>	<u>Eliminating Entries</u>	<u>Total</u>
<b>Revenues:</b>					
Art gallery	\$ —	\$ —	\$ 70	\$ —	\$ 70
Retail	—	—	63	—	63
Royalty	1,500	—	—	(1,500)	—
Water	—	—	8	(6)	2
	<u>1,500</u>	<u>—</u>	<u>141</u>	<u>(1,506)</u>	<u>135</u>
<b>Expenses:</b>					
Pre-opening costs	4,533	—	9,991	27	14,551
Depreciation and amortization	19	—	762	—	781
Gain on sale of assets	—	—	(8)	—	(8)
Selling, general and administrative	3	—	1,710	(1,530)	183
Cost of water	—	—	9	(3)	6
Cost of retail sales	—	—	36	—	36
	<u>4,555</u>	<u>—</u>	<u>12,500</u>	<u>(1,506)</u>	<u>15,549</u>
Operating loss	<u>(3,055)</u>	<u>—</u>	<u>(12,359)</u>	<u>—</u>	<u>(15,414)</u>
<b>Other income (expense):</b>					
Interest expense, net	—	—	(103)	—	(103)
Interest income	721	120	778	—	1,619
Equity in loss from subsidiaries	(10,914)	—	—	10,914	—
	<u>(10,193)</u>	<u>120</u>	<u>675</u>	<u>10,914</u>	<u>1,516</u>
Minority interest	—	—	650	—	650
Net loss accumulated during the development stage	<u>\$ (13,248)</u>	<u>\$ 120</u>	<u>\$ (11,034)</u>	<u>\$ 10,914</u>	<u>\$ (13,248)</u>

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**CONSOLIDATING STATEMENT OF OPERATIONS INFORMATION**  
**FROM INCEPTION TO MARCH 31, 2005**  
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**(unaudited)**

	Parent	Convertible Debentures Guarantor	Non- guarantor Subsidiaries	Eliminating Entries	Total
<b>Revenues:</b>					
Airplane	\$ —	\$ —	\$ 821	\$ (17)	\$ 804
Art gallery	—	—	729	—	729
Retail	—	—	668	—	668
Royalty	16,567	—	—	(16,567)	—
Water	—	—	238	(187)	51
<b>Total revenues</b>	<b>16,567</b>	<b>—</b>	<b>2,456</b>	<b>(16,771)</b>	<b>2,252</b>
<b>Expenses:</b>					
Pre-opening costs	58,028	4	157,162	(7,295)	207,899
Depreciation and amortization	117	—	37,242	—	37,359
Loss on sale of assets	—	—	822	—	822
Selling, general and administrative	8	—	11,288	(9,327)	1,969
Facility closure	—	—	1,577	—	1,577
Cost of water	—	—	491	(149)	342
Cost of retail sales	—	—	342	—	342
Loss from incidental operations	—	—	3,230	—	3,230
<b>Total expenses</b>	<b>58,153</b>	<b>4</b>	<b>212,154</b>	<b>(16,771)</b>	<b>253,540</b>
<b>Operating loss</b>	<b>(41,586)</b>	<b>(4)</b>	<b>(209,698)</b>	<b>—</b>	<b>(251,288)</b>
<b>Other income (expense):</b>					
Interest expense, net	(3,532)	—	(17,503)	5,227	(15,808)
Interest income	13,401	753	23,748	(5,227)	32,675
Loss on extinguishment of debt	—	—	(122,788)	—	(122,788)
Equity in loss from subsidiaries	(320,443)	—	—	320,443	—
<b>Other income (expense), net</b>	<b>(310,574)</b>	<b>753</b>	<b>(116,543)</b>	<b>320,443</b>	<b>(105,921)</b>
<b>Minority interest</b>	<b>—</b>	<b>—</b>	<b>5,049</b>	<b>—</b>	<b>5,049</b>
<b>Net loss accumulated during the development stage</b>	<b>\$(352,160)</b>	<b>\$ 749</b>	<b>\$(321,192)</b>	<b>\$ 320,443</b>	<b>\$(352,160)</b>

**WYNN RESORTS, LIMITED AND SUBSIDIARIES**  
**(A DEVELOPMENT STAGE COMPANY)**  
**CONSOLIDATING STATEMENTS OF CASH FLOWS INFORMATION**  
**THREE MONTHS ENDED MARCH 31, 2005**  
**(amounts in thousands)**  
**(unaudited)**

	Parent	Convertible Debentures Guarantor	Non-guarantor Subsidiaries	Eliminating Entries	Total
<b>Cash flows from operating activities:</b>					
Net loss accumulated during the development stage	\$ (37,627)	\$ 82	\$ (36,474)	\$ 36,392	\$ (37,627)
Adjustments to reconcile net loss accumulated during the development stage to net cash provided by (used in) operating activities:					
Depreciation and amortization	20	—	3,474	—	3,494
Amortization of deferred compensation	1,256	—	—	—	1,256
Amortization of deferred financing costs	178	—	1,865	—	2,043
(Gain) / loss on sale of fixed assets	—	—	(12)	—	(12)
Equity in loss from subsidiaries	36,392	—	—	(36,392)	—
Increase (decrease) in cash from changes in:					
Receivables, net	(8)	—	(567)	—	(575)
Inventories and prepaid expenses	(70)	—	(5,731)	—	(5,801)
Accounts payable and accrued expenses	(7,947)	—	39,277	—	31,330
<b>Net cash provided by (used in) operating activities</b>	<b>(7,806)</b>	<b>82</b>	<b>1,832</b>	<b>—</b>	<b>(5,892)</b>
<b>Cash flows from investing activities:</b>					
Capital expenditures, net of construction payables	—	—	(291,969)	—	(291,969)
Restricted cash and investments	101	7,418	(21,366)	—	(13,847)
Other assets	—	—	(21,323)	—	(21,323)
Intercompany balances	12,257	(7,500)	(4,757)	—	—
Proceeds from sale of equipment	—	—	23	—	23
<b>Net cash provided by (used in) investing activities</b>	<b>12,358</b>	<b>(82)</b>	<b>(339,392)</b>	<b>—</b>	<b>(327,116)</b>
<b>Cash flows from financing activities:</b>					
Exercise of stock options	534	—	—	—	534
Proceeds from issuance of long-term debt	—	—	373,436	—	373,436
Principal payments of long-term debt	—	—	(176)	—	(176)
Payments on long-term leases	—	—	(4,759)	—	(4,759)
<b>Net cash provided by financing activities</b>	<b>534</b>	<b>—</b>	<b>368,501</b>	<b>—</b>	<b>369,035</b>
<b>Cash and cash equivalents:</b>					
Increase (decrease) in cash and cash equivalents	5,086	—	30,941	—	36,027
Balance, beginning of period	302,262	—	27,999	—	330,261
<b>Balance, end of period</b>	<b>\$307,348</b>	<b>\$ —</b>	<b>\$ 58,940</b>	<b>\$ —</b>	<b>\$ 366,288</b>

**WYNN RESORTS, LIMITED AND SUBSIDIARIES**  
**(A DEVELOPMENT STAGE COMPANY)**  
**CONSOLIDATING STATEMENTS OF CASH FLOWS INFORMATION**  
**THREE MONTHS ENDED MARCH 31, 2004**  
**(amounts in thousands)**  
**(unaudited)**

	<u>Parent</u>	<u>Convertible Debentures Guarantor</u>	<u>Non-guarantor Subsidiaries</u>	<u>Eliminating Entries</u>	<u>Total</u>
<b>Cash flows from operating activities:</b>					
Net loss accumulated during the development stage	\$ (13,248)	\$ 120	\$ (11,034)	\$ 10,914	\$ (13,248)
Adjustments to reconcile net loss accumulated during the development stage to net cash provided by (used in) operating activities:					
Depreciation and amortization	19	—	762	—	781
Minority interest	—	—	(650)	—	(650)
Amortization of deferred compensation	913	—	—	—	913
Amortization of deferred financing costs	180	—	3,121	—	3,301
(Gain) / Loss on sale of assets	—	—	—	—	—
Equity in loss from subsidiaries	10,914	—	—	(10,914)	—
Incidental operations	—	—	147	—	147
Increase (decrease) in cash from changes in:					
Receivables, net	36	—	(2)	—	34
Inventories and prepaid expenses	(5)	—	57	—	52
Accounts payable and accrued expenses	(4,051)	—	11,803	—	7,752
<b>Net cash provided by (used in) operating activities</b>	<b>(5,242)</b>	<b>120</b>	<b>4,204</b>	<b>—</b>	<b>(918)</b>
<b>Cash flows from investing activities:</b>					
Capital expenditures, net of construction payables	—	—	(183,360)	—	(183,360)
Restricted cash and investments	—	7,384	154,245	—	161,629
Other assets	(500)	—	(2,916)	—	(3,416)
Intercompany balances	(20,463)	(7,504)	27,967	—	—
Proceeds from sale of equipment	—	—	—	—	—
<b>Net cash used in investing activities</b>	<b>(20,963)</b>	<b>(120)</b>	<b>(4,064)</b>	<b>—</b>	<b>(25,147)</b>
<b>Cash flows from financing activities:</b>					
Principal payments of long-term debt	—	—	(10)	—	(10)
<b>Net cash provided by financing activities</b>	<b>—</b>	<b>—</b>	<b>(10)</b>	<b>—</b>	<b>(10)</b>
<b>Cash and cash equivalents:</b>					
Increase (decrease) in cash and cash equivalents	(26,205)	—	130	—	(26,075)
Balance, beginning of period	328,745	—	12,807	—	341,552
<b>Balance, end of period</b>	<b>\$302,540</b>	<b>\$ —</b>	<b>\$ 12,937</b>	<b>\$ —</b>	<b>\$ 315,477</b>

**WYNN RESORTS, LIMITED AND SUBSIDIARIES**  
**(A DEVELOPMENT STAGE COMPANY)**  
**CONSOLIDATING STATEMENTS OF CASH FLOWS INFORMATION**  
**FROM INCEPTION TO MARCH 31, 2005**  
**(amounts in thousands)**  
**(unaudited)**

	Parent	Convertible Debentures Guarantor	Non-guarantor Subsidiaries	Eliminating Entries	Total
<b>Cash flows from operating activities:</b>					
Net loss accumulated during the development stage	\$ (352,160)	\$ 749	\$ (321,192)	\$ 320,443	\$ (352,160)
Adjustments to reconcile net loss accumulated during the development stage to net cash used in operating activities:					
Depreciation and amortization	117	—	37,242	—	37,359
Minority interest	—	—	(5,049)	—	(5,049)
Amortization and writeoff of deferred compensation	8,146	—	—	—	8,146
Amortization of deferred financing costs	1,264	—	74,222	—	75,486
Loss on sale of assets	—	—	822	—	822
Equity in loss from subsidiaries	320,443	—	—	(320,443)	—
Incidental operations	—	—	10,943	—	10,943
Increase (decrease) in cash from changes in:					
Receivables, net	(27)	—	7,206	—	7,179
Inventories and prepaid expenses	(360)	—	(8,860)	—	(9,220)
Accounts payable and accrued expenses	6,735	—	54,601	—	61,336
<b>Net cash provided by (used in) operating activities</b>	<b>(15,842)</b>	<b>749</b>	<b>(150,065)</b>	<b>—</b>	<b>(165,158)</b>
<b>Cash flows from investing activities:</b>					
Acquisition of Desert Inn Resort and Casino, net of cash acquired	—	—	(270,718)	—	(270,718)
Capital expenditures, net of construction payables	(448)	—	(1,865,199)	—	(1,865,647)
Restricted cash and investments	(668)	(22,273)	(933,273)	—	(956,214)
Investment in subsidiaries	(1,233,428)	—	—	1,233,428	—
Other assets	(5,674)	—	(62,622)	—	(68,296)
Intercompany balances	(574,540)	(22,500)	597,040	—	—
Proceeds from sale of equipment	—	—	42,855	—	42,855
<b>Net cash used in investing activities</b>	<b>(1,814,758)</b>	<b>(44,773)</b>	<b>(2,491,917)</b>	<b>1,233,428</b>	<b>(3,118,020)</b>
<b>Cash flows from financing activities:</b>					
Equity contributions	596,120	44,024	1,268,361	(1,233,428)	675,077
Equity distributions	—	—	(110,482)	—	(110,482)
Exercise of stock options	1,319	—	—	—	1,319
Proceeds from issuance of common stock	1,331,139	—	—	—	1,331,139
Third party fees	(31,892)	—	(10,800)	—	(42,692)
Macau minority contributions	—	—	5,049	—	5,049
Proceeds from issuance of long-term debt	250,000	—	2,840,628	—	3,090,628
Principal payments of long-term debt	—	—	(1,186,333)	—	(1,186,333)
Payments on long-term leases	—	—	(4,759)	—	(4,759)
Deferred financing costs	(8,738)	—	(130,742)	—	(139,480)
Proceeds from issuance of related party loan	—	—	100,000	—	100,000
Principal payments of related party loan	—	—	(70,000)	—	(70,000)
<b>Net cash provided by financing activities</b>	<b>2,137,948</b>	<b>44,024</b>	<b>2,700,922</b>	<b>(1,233,428)</b>	<b>3,649,466</b>
<b>Cash and cash equivalents:</b>					
Increase (decrease) in cash and cash equivalents	307,348	—	58,940	—	366,288
Balance, beginning of period	—	—	—	—	—
<b>Balance, end of period</b>	<b>\$ 307,348</b>	<b>\$ —</b>	<b>\$ 58,940</b>	<b>\$ —</b>	<b>\$ 366,288</b>

## **Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations**

The following discussion should be read in conjunction with, and is qualified in its entirety by, the consolidated financial statements and the condensed notes thereto included elsewhere in this Quarterly Report on Form 10-Q.

### **Forward-Looking Statements**

The Private Securities Litigation Reform Act of 1995 provides a “safe harbor” for forward-looking statements. Certain information included in this Quarterly Report on Form 10-Q contains statements that are forward-looking, including, but not limited to, statements relating to our business strategy and development activities as well as other capital spending, financing sources, the effects of regulation (including gaming and tax regulations), expectations concerning future operations, margins, profitability and competition. Any statements contained in this report that are not statements of historical fact may be deemed to be forward-looking statements. Without limiting the generality of the foregoing, in some cases, you can identify forward-looking statements by terminology such as “may,” “will,” “should,” “would,” “could,” “believe,” “expect,” “anticipate,” “estimate,” “intend,” “plan,” “continue” or the negative of these terms or other comparable terminology. 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. These risks and uncertainties include, but are not limited to, conditions precedent to funding under the agreement governing the disbursement of the proceeds of certain of our debt and equity offerings and borrowings under our credit facilities, competition in the casino/hotel and resorts industries, completion of our Wynn Macau casino resort on time and within budget, our intention to fund a substantial portion of the development and construction costs of Encore at Wynn Las Vegas (“Encore”) with anticipated cash flows generated at Wynn Las Vegas, doing business in foreign locations such as Macau (including the risks associated with Macau’s developing gaming regulatory framework), new development and construction activities of competitors, our lack of operating history, our dependence on Stephen A. Wynn and existing management, our dependence on a limited number of properties for all of our cash flow, leverage and debt service (including sensitivity to fluctuations in interest rates), levels of travel, leisure and casino spending, general domestic or international economic conditions, pending or future legal proceedings, changes in federal or state tax laws or the administration of such laws, changes in gaming laws or regulations (including the legalization of gaming in certain jurisdictions), applications for licenses and approvals under applicable jurisdictional laws and regulations (including gaming laws and regulations), the impact that an outbreak of an infectious disease, such as severe acute respiratory syndrome (“SARS”) or the impact of a natural disaster, such as the tsunami which struck southeast Asia in December 2004, may have on the travel and leisure industry, and the consequences of the war in Iraq and other military conflicts in the Middle East and any future security alerts and/or terrorist attacks such as the attacks that occurred on September 11, 2001. Further information on potential factors that could affect our financial condition, results of operations and business are included in our filings with the Securities and Exchange Commission. You should not place undue reliance on any forward-looking statements, which are based only on information currently available to us. We undertake no obligation to publicly release any revisions to such forward-looking statements to reflect events or circumstances after the date of this report.

### **Overview**

With the opening of Wynn Las Vegas on April 28, 2005, we have commenced our principal operations. From inception until the opening of Wynn Las Vegas, we had been primarily a casino resort development company. Our efforts had been devoted principally to the development and construction activities described below with respect to Wynn Las Vegas and Wynn Macau, our casino resorts in Las Vegas, Nevada, and in the Macau Special Administrative Region of the Peoples’ Republic of China (“Macau”), respectively.

We commenced construction of Wynn Macau in June 2004, and in September 2004 completed the financing necessary to fund its budgeted development, construction and pre-opening costs. We expect to open Wynn

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Macau in the third quarter of 2006. We also continue to develop the budget plans and specifications for Encore, our second Las Vegas casino resort (the “Encore Budget, Plans and Specifications”), and expect Encore to open in the first half of 2008. There are significant risks associated with any major construction project, and unexpected developments or delays could occur.

Our consolidated financial statements also include results from the ownership and operation of our corporate aircraft and the operation of an art gallery, through May 6, 2004, displaying works from The Wynn Collection, which consists of works of fine art from the personal collection of Stephen A. and Elaine P. Wynn. Through June 2002, we also operated the golf course located on the site of the former Desert Inn Resort and Casino (the “Desert Inn”) in Las Vegas.

### *Wynn Las Vegas*

Wynn Las Vegas, including the resort’s on-site golf course, occupies approximately 192 acres of land fronting the Las Vegas Strip and utilizes an additional 18 acres across Sands Avenue for employee parking. The resort opened on April 28, 2005, offering 2,716 rooms and suites and a full complement of restaurants, nightclubs, bars, lounges and entertainment and recreational venues. Approximately 10,000 employees were recently hired and trained. Management believes it has appropriately staffed Wynn Las Vegas to account for the increased needs at and immediately following its opening. Management expects that natural staffing attrition will occur as operations stabilize.

The total cost of Wynn Las Vegas is estimated to be in the range of \$2.7 to \$2.75 billion, including the cost of acquiring approximately 235 acres of land, costs of design and construction, capitalized interest, pre-opening expenses, financing fees and construction contingencies, but excluding the incremental cost for Encore, other than the land for Encore. Through March 31, 2005, we had funded approximately \$2.4 billion of project costs for Wynn Las Vegas primarily from a combination of contributed capital, proceeds from the initial public offering of our common stock, proceeds from the issuance of our 12% Second Mortgage Notes due 2010 (the “Second Mortgage Notes”) which recently were discharged, the issuance of \$1.3 billion of 6-5/8% First Mortgage Notes due 2014 (the “First Mortgage Notes”) and a portion of the borrowings under our former and current credit facilities. As of March 31, 2005, we estimated that \$335.0 to \$385.0 million would be needed to complete Wynn Las Vegas. However, consistent with large-scale construction projects, determination of the final project cost is subject to a complete accounting after the date of final completion (as defined in the contract with the general contractor), which will occur in late 2005. Remaining work includes completing construction punch lists and the Broadway Theater, which will open in September 2005.

In December 2004, we contributed \$400.0 million to Wynn Las Vegas, LLC from the proceeds of the November 2004 offering of 7.5 million shares of our common stock. Also, on December 14, 2004, we effected a series of transactions to refinance Wynn Las Vegas, LLC’s debt and raise additional funds for Encore at Wynn Las Vegas. These transactions included, among other things, issuance of the First Mortgage Notes, a tender offer for all of the outstanding Second Mortgage Notes, discharge of the remaining Second Mortgage Notes, and replacement of our previous credit facilities with new credit facilities. The new credit facilities bear interest at LIBOR plus 2.25% on the revolving credit facility (the “Revolver”) and LIBOR plus 2.125% on the term loan facility (the “Term Loans”). The refinancing lowered our overall cost of borrowing and provided the financial flexibility to allow for the further development of our real estate assets.

The \$400.0 million contribution from our common stock offering, a portion of the remaining proceeds of the First Mortgage Notes, availability under our new credit facilities, our construction contingencies and our completion guarantee and liquidity reserve are expected to provide sufficient funds to pay for the actual cost of developing Wynn Las Vegas. We anticipate using a significant portion of our \$50.0 million completion guarantee balance for Wynn Las Vegas and to the extent such funds are used, Wynn Las Vegas’ project budget will increase accordingly.

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Wynn Resorts is not a guarantor of Wynn Las Vegas, LLC's debt and is not obligated to apply any of its funds to the Wynn Las Vegas project, although it has more than \$300.0 million in cash that can be made available.

### *Encore at Wynn Las Vegas*

Due to anticipated demand for Wynn Las Vegas, the continued strength in the Las Vegas market, and our desire to maximize the potential of our substantial real estate assets, we have refined the scope of Encore, elevating it to the status of a free standing casino resort; one which is fully integrated with Wynn Las Vegas. The current Encore program calls for a hotel tower consisting of approximately 1,100 suites and approximately 1,400 guest rooms. In addition, Encore will have 200,000 square feet of convention and meeting space, a 50,000 square foot casino, additional entertainment venues, restaurants, a spa and salon, swimming pools and retail space. We currently anticipate that Encore will open in the first half of 2008.

We expect that the remaining proceeds from the First Mortgage Notes, together with availability under our existing credit facilities and cash flow from the operations of Wynn Las Vegas, will be sufficient to pay for expenditures of up to \$1.4 billion on the Encore project without incurring additional debt or receiving additional capital contributions from Wynn Resorts. The availability of notes proceeds and funds under the credit agreement in excess of \$100.0 million is subject to approval of the Encore Budget, Plans and Specifications by a majority of arrangers or lenders. Once we have finalized the scope and plans for Encore, we will seek the necessary consents and approvals from our lenders and noteholders.

### *Wynn Macau*

We are constructing and will own and operate Wynn Macau, our first hotel and casino resort in Macau, under a 20-year casino concession agreement with the government of Macau granted in June 2002 to our indirect subsidiary, Wynn Macau, S.A. The resort will initially utilize approximately 11 acres of the approximately 16 acres of land leased by Wynn Macau, S.A. from the government of Macau in Macau's inner harbor area, opposite the Hotel Lisboa, Macau's largest and best known casino and hotel. Wynn Macau consists of approximately 600 hotel rooms, approximately 100,000 square feet of casino gaming space, seven restaurants, approximately 28,000 square feet of retail space, and a spa, salon and entertainment facilities.

Design and construction of Wynn Macau is progressing on schedule and within budget. Wynn Macau is expected to open in the third quarter of 2006. Detailed interior design work is continuing, with the majority of architectural and structural design work now complete. Construction is progressing well with piling and other in-ground activities substantially complete. Superstructure works are well underway with the hotel tower reaching the tenth floor level. Construction activities since groundbreaking include the following:

- Construction of basement plant and tunnel areas is substantially complete;
- Hotel tower structure has reached the tenth floor level;
- Structural floor slabs for the main casino area are approximately 95% complete;
- Main casino area superstructure (columns and roof slab) is complete; and
- Parking garage ground level structure is 65% complete.

Wynn Macau's project budget is approximately \$704.0 million. This includes construction and design costs of approximately \$425.0 million, land acquisition costs of approximately \$40.6 million, and capitalized interest, preopening expenses, financing fees and construction contingencies totaling in the aggregate approximately 238.4 million. The budget excludes up to \$20.5 million of post-opening land concession payments that are anticipated to be funded from operating cash flows. As of March 31, 2005, we had funded approximately \$156.1 million of project costs and estimated that approximately \$547.9 million would be required to complete Wynn

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Macau. These costs are being, and will continue to be, funded from the existing cash balances of Wynn Resorts and its subsidiaries in the form of capital contributions, intercompany loans (including up to \$122.0 million from Wynn Las Vegas, LLC as provided under its existing indebtedness) and/or subordinated funding, as well as a \$397.0 million senior secured credit facility.

### *Wynn Macau Expansion*

We are currently in the process of finalizing our design for the expansion of Wynn Macau. The current expansion plans include an additional 85,000 square feet of casino space featuring approximately 150 table games, 500 slots and a sports book; two restaurants; a theater; and a dramatic front feature attraction at the entrance of the expansion. The expansion is on the remaining approximately five acres of the Wynn Macau site and is designed to seamlessly integrate into the Wynn Macau property. We intend to begin construction of the expansion in the third quarter of 2005 and open the expansion in the first half of 2007. Our preliminary budget for the expansion is approximately \$345.0 million.

We intend to expand our current Wynn Macau senior debt facilities to finance the expansion and have engaged several lenders to arrange for the financing of the expansion.

### **Critical Accounting Policies and Estimates**

Our consolidated financial statements were prepared in conformity with accounting principles generally accepted in the United States of America. Certain of our accounting policies, including the estimated lives of our depreciable assets, our annual evaluation of assets for impairment and the purchase price allocations made in connection with acquisitions, require that management apply significant judgment in defining the appropriate assumptions integral to financial estimates. Judgments are based on historical experience, terms of existing contracts, industry trends and information available from outside sources, as appropriate. However, by their nature, judgments are subject to an inherent degree of uncertainty, and therefore actual results could differ from our estimates. As of, and for the period from inception to March 31, 2005, management does not believe there are any highly uncertain matters or other underlying assumptions that would have a material effect on the statement of financial position or results of operations of the Company if actual results differ from our estimates.

Critical accounting policies currently reflected in the consolidated financial statements primarily relate to expensing pre-opening costs as incurred, capitalizing construction costs, including portions of interest attributable to certain qualifying assets, and other policies related to our development stage status.

During the period of the construction of Wynn Las Vegas and Wynn Macau, direct costs such as those expected to be incurred for the design and construction of the Wynn Las Vegas and Wynn Macau hotels and casinos, the Wynn Las Vegas golf course and the Wynn Las Vegas water-based entertainment production, including interest, are capitalized. Accordingly, the recorded amounts of property and equipment increase significantly during the construction period. Depreciation expense related to the capitalized construction costs will be recognized when the related assets are put in service. Accordingly, as a result of the completion of construction and the commencement of operations at Wynn Las Vegas on April 28, 2005, significant amounts of depreciation expense will be recognized in the second quarter of 2005 based on the estimated useful life of the corresponding assets. This will have a significant effect on the results of our operations.

### **Results of Operations**

We commenced principal operations on April 28, 2005, when Wynn Las Vegas opened to the public. For the period from inception to March 31, 2005, we were a development stage company. As is customary for a development stage company, revenues were minimal and consequently, we incurred losses in each of these periods. These losses increased commensurate with increased staff salaries and other pre-opening expenses as the Wynn Las Vegas and Wynn Macau projects progressed. The acceleration of these costs was expected and was

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included in the project budgets. We do not expect that our operating results prior to opening Wynn Las Vegas and Wynn Macau will be indicative of operating results thereafter.

Our operations no longer include water sales revenues because the last customers, the remaining homes along the former Desert Inn golf course, were acquired by us in the first quarter of 2004, and our water utility was deregulated and dissolved in the last quarter of 2004. Although we ceased operations of our art gallery and the related retail store as of May 6, 2004, we recommenced these operations when Wynn Las Vegas opened. We expect that the revenues associated with these ancillary businesses will be immaterial compared to the revenues that will be associated with the lodging, gaming, dining, entertainment, retail and other operations of our casino resorts.

### *Results of operations for the three months ended March 31, 2005 compared to the three months ended March 31, 2004.*

The Company's development stage operations resulted in a net loss for the three months ended March 31, 2005, of approximately \$37.6 million, a 184% increase over the net loss of approximately \$13.2 million for the three months ended March 31, 2004, due to increased development activities.

We had no operating revenues during the first quarter of 2005. In the first quarter of 2004, we were operating the art gallery and the associated retail store and had water sales related to the then remaining homes of the Desert Inn Estates, which were all purchased later in 2004. We closed the art gallery in May 2004 and ended the water service to the last homeowners of the former Desert Inn Estates in the third quarter of 2004. We recommenced operation of the art gallery and retail store on April 28, 2005 with the opening of Wynn Las Vegas.

Total expenses for the three months ended March 31, 2005 increased approximately \$26.1 million, or 168%, to \$41.7 million, as compared to \$15.6 million for the three months ended March 31, 2004, primarily due to an approximately \$23.5 million, or 162%, increase in preopening costs to \$38.1 million for the three months ended March 31, 2005, from \$14.6 million for the three months ended March 31, 2004. The increase in pre-opening costs, which consist primarily of salaries and wages and consulting and legal fees, is directly attributable to the increase in preopening activities of Wynn Las Vegas and Wynn Macau as compared to the same period in the prior year.

Other income (expense), net for the three months ended March 31, 2005, increased approximately \$2.5 million to approximately \$4.0 million from \$1.5 million for the three months ended March 31, 2004, primarily as a result of an approximately \$2.0 million increase in interest expense, offset by an approximately \$4.5 million increase in interest income. Interest income increased in the first quarter of 2005 compared to the first quarter of 2004 primarily related to the increased cash available and invested as a result of the proceeds from the First Mortgage Notes that were invested during the first quarter of 2005. Interest expense increased as a result of interest expense related to the Wynn Macau project that cannot be capitalized.

Comprehensive income for the three months ended March 31, 2005 of approximately \$7.7 million increased from a comprehensive loss of \$11.9 million for the three months ended March 31, 2004, due to the change in the fair value of our two interest rate swaps. We seek to manage the interest rate risk associated with our variable rate borrowings, through balancing fixed-rate and variable-rate borrowings and the use of derivative financial instruments. Our interest rate swaps have been designated by us as cash flow hedges in accordance with prevailing accounting regulations. As of March 31, 2005 and December 31, 2004, we recorded approximately \$8.3 million and \$10.0 million in other assets, respectively, to reflect their fair value. These fair value amounts approximate the amount we would pay or receive if these contracts were settled at these dates. The increase in fair value of \$7.7 million recorded as a component of comprehensive income at March 31, 2005, was primarily due to higher short-term interest rates at March 31, 2005, compared to those rates at December 31, 2004. 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. Therefore, the fair value is subject to significant estimation and a high degree of variability of fluctuation between periods.

## Liquidity and Capital Resources

### *Capital Resources*

We have financed each of our projects separately at the subsidiaries that own and will operate them. As of March 31, 2005, we had two projects: Wynn Las Vegas and Wynn Macau. At March 31, 2005, we had approximately \$366.3 million of cash and cash equivalents. In excess of \$300.0 million of these funds are uncommitted and available for general corporate purposes. In addition, we had approximately \$956.2 million in restricted cash and investments from the proceeds of our debt and equity financings. The substantial majority of this amount is restricted for the development and construction of Wynn Las Vegas (including Encore) and Wynn Macau, and certain other specific costs in accordance with agreements governing our debt facilities, including but not limited to approximately \$748.0 million restricted for the construction, development and preopening expenses of Wynn Las Vegas and Encore, \$106.0 million restricted for the development, construction and preopening expenses of Wynn Macau (including a \$50.0 million performance bond collateral deposit), \$80.0 million restricted for a Wynn Las Vegas liquidity reserve and completion guarantee (\$30.0 million of which must be retained for Encore for a completion guarantee if the Encore Budget, Plans and Specifications are approved), approximately \$22.3 million restricted for the semi-annual interest payments through July 15, 2007, on our 6% convertible subordinated debentures due 2015 (the "Debentures") and small amounts committed for certain sales tax and other deposits. Cash equivalents are comprised of investments in overnight money market funds. Restricted investments are kept in money market funds or relatively short-term, government-backed, marketable debt securities as required by agreements governing the Company's debt facilities.

### *Financing for Wynn Las Vegas and Encore*

As of March 31, 2005, approximately \$2.4 billion of the total Wynn Las Vegas project cost, (including the cost of the land, capitalized interest, pre-opening expenses and all financing fees) had been expended or incurred. This was funded primarily from a combination of contributed capital, proceeds from the initial public offering of our common stock, proceeds from the issuance of our recently discharged Second Mortgage Notes, proceeds from our First Mortgage Notes and a portion of the borrowings under our previous and current credit facilities. On December 14, 2004, we completed a series of transactions that refinanced Wynn Las Vegas, LLC's debt structure and raised additional funds we anticipate will be needed to develop Encore. The closing of the refinancing was the culmination of a series of transactions designed to facilitate the development of Encore, lower our overall cost of borrowing, and achieve an enhanced degree of financial maturity. In addition, it provided us with the financial flexibility to continue to develop our real estate assets.

We borrowed the remaining \$373.4 million available under the delay draw term loan facility during the first quarter of 2005, as was required under the agreements governing the credit facilities. The total \$400 million of proceeds are being used to help finance the construction of Wynn Las Vegas.

We will fund the costs to complete Wynn Las Vegas using funds in the following order of priority:

- First by using any remaining proceeds from the First Mortgage Notes, and the proceeds of borrowings under the new credit facilities, until exhaustion of the First Mortgage Notes proceeds, with amounts funded 66.67% from notes proceeds and 33.33% from the new credit facilities;
- Second, by using proceeds of additional borrowings under our new credit facilities; and
- Third, by using the funds made available to us on a gradual basis from the \$50 million completion guarantee deposit account and the \$30 million liquidity reserve account.

We expect to use our construction contingencies and a significant portion of the completion guarantee to complete construction of Wynn Las Vegas. As the completion guarantee funds are committed for use, the final cost of the Wynn Las Vegas project will increase correspondingly. Consistent with large-scale construction

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projects, determination of the final project cost is subject to a complete accounting after the date of final completion (as defined in the contract with the general contractor), which will occur in late 2005.

Through March 31, 2005, we have funded approximately \$36.7 million of costs associated with the design and predevelopment of Encore. Until such time as the Encore Budget, Plans and Specifications have been submitted by us and approved by a majority of the arrangers or a majority of the lenders under the new Wynn Las Vegas, LLC credit facilities pursuant to the terms of the disbursement agreement, the new disbursement agreement will permit disbursements of up to \$100.0 million to pay for development costs for Encore. If the Encore Budget, Plans and Specifications are approved by June 30, 2005, then we expect to fund construction of Encore with remaining proceeds of the First Mortgage Notes, borrowings under the new Wynn Las Vegas, LLC credit facilities and future cash flows from the operations of Wynn Las Vegas. We will fund the costs of development and construction of Encore pursuant to the disbursement agreement, with funds utilized in the same order of priority as indicated above for Wynn Las Vegas. If the Encore Budget, Plans and Specifications are not approved by June 30, 2005, the amount available under the new credit facilities, and the amount of indebtedness that the indenture for the First Mortgage Notes will permit us to incur for this purpose, will be reduced by \$550.0 million.

We seek to manage the interest rate risk associated with our variable rate borrowings, through balancing fixed-rate and variable-rate borrowings and the use of derivative financial instruments. Our two new interest rate swaps have been designated as cash flow hedges of \$400.0 million of term loan borrowings under our new credit facilities in accordance Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities" ("SFAS No. 133"). As of March 31, 2005, we recorded in other assets the fair value of the net effect of the two new interest rate swaps of approximately \$8.3 million, an increase of \$7.7 million compared to the value of \$583,000 at December 31, 2004. Because there has been no ineffectiveness in the hedging relationship, the corresponding change in fair value of equal amount is reported in other comprehensive income for the year ended December 31, 2004. The fair value approximates the amount the Company would receive 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. Therefore, the fair value is subject to significant estimation and a high degree of variability of fluctuation between periods.

### *Financing for Wynn Macau*

As of March 31, 2005, approximately \$156.1 million of the total Wynn Macau project cost, (including the cost of the land payments, capitalized interest, pre-opening expenses and all financing fees) had been funded. This was funded primarily from a combination of our cash on hand from contributed capital and the proceeds from intercompany loans.

On September 14, 2004, we completed the financing for the design, development, construction and pre-opening expenses of Wynn Macau. Wynn Macau, S.A. executed a definitive credit agreement (the "Common Terms Agreement" or "CTA") and related ancillary agreements for a senior secured bank facility of \$397.0 million. The senior secured bank facility consists of term loan facilities in the amount of \$382.0 million (which will be borrowed in a combination of Hong Kong and US dollars) and a revolving working capital facility of HK\$117.0 million (approximately US\$15.0 million).

The term loans will not be drawn until previously funded base equity (in the form of intercompany loans bearing 6.25% annual interest) of \$230.0 million and scheduled subordinated funding (in the form of intercompany loans bearing interest at 7.5%) of \$122.0 million have been expended for the construction and development of Wynn Macau.

Existing cash balances from Wynn Resorts, including amounts spent to date on Wynn Macau and \$50 million deposited with Banco National Ultramarino, S.A. ("BNU") as collateral for a bank guarantee as discussed

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further below, provide the \$230.0 million of base equity to Wynn Macau, S.A. required under the financing documents. Simultaneously with the loan signing, Wynn Group, Asia, Inc. (“Wynn Asia”), a subsidiary of Wynn Resorts, entered into a Note Purchase Agreement with Wynn Macau, S.A. pursuant to which Wynn Asia will purchase \$122.0 million in subordinated notes to be issued by Wynn Macau, S.A. In addition, Wynn Resorts provided \$30.0 million of contingent funds that is available to pay additional costs of construction, if necessary.

In September 2004, in connection with the financing of the Wynn Macau project, Wynn Macau, S.A. entered into a Bank Guarantee Reimbursement Agreement with BNU for a guarantee in the amount of 700.0 million patacas (approximately US\$87.5 million). This guarantee, which is for the benefit of the Macau government, assures Wynn Macau, S.A.’s performance under the casino concession agreement, including the payment of premiums, fines and indemnity for any material failure to perform the concession agreement. To secure the guarantee, Wynn Macau, S.A. has deposited \$50.0 million of the \$230.0 million base equity funding with BNU, which deposit will be drawn upon by Wynn Macau, S.A. after the remainder of its base equity has been spent. From and after repayment of all indebtedness under the senior bank facilities, Wynn Macau, S.A. is obligated, upon demand by BNU, to promptly repay any claim made on the guarantee by the Macau government. The guarantee is further secured by a second priority security interest in the senior lender collateral package. BNU will be paid an annual fee for the guarantee of not to exceed approximately 12.3 million patacas (approximately US\$1.5 million).

In addition we have engaged several lenders to arrange for the financing for our Wynn Macau expansion.

### *Other Liquidity Matters*

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 Las Vegas or other international or domestic markets, whether through acquisition, investment or development. For example, On April 25, 2005, we were notified by the Singapore Tourism Board that we have been qualified to participate in the Request for Proposal for an Integrated Resort that will be issued by the Singapore Government in the second quarter of 2005. There can be no assurances regarding the business prospects with respect to this or any other opportunity. This or any other development would require us to obtain additional financing. We may decide to conduct any such development through Wynn Resorts or through a line of subsidiaries separate from the Las Vegas or Macau-related entities. In addition, Wynn Resorts’ articles of incorporation provide that Wynn Resorts may redeem shares of its capital stock, including its common stock, that are owned or controlled by an unsuitable person or its affiliates to the extent a gaming authority makes a determination of unsuitability and orders the redemption, or to the extent deemed necessary or advisable by the board of directors. The redemption price may be paid in cash, by promissory note or both, as required by the applicable gaming authority and, if not, as we elect. Any promissory note that we issue to an unsuitable person or its affiliate in exchange for its shares could increase our debt to equity ratio and will increase our leverage ratio.

Furthermore, if completion of the Encore or the Wynn Macau projects is delayed, then our debt service obligations accruing prior to the actual opening of those respective resorts will increase correspondingly. With the opening of Wynn Las Vegas, Wynn Las Vegas will fund its operations and capital requirements from operating cash flow and remaining availability under the new Wynn Las Vegas, LLC credit facilities. We cannot assure you, however, that Wynn Las Vegas will generate sufficient cash flow from operations or that future borrowings available to us under the new Wynn Las Vegas credit facilities 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, upon opening, will fund Wynn Macau, S.A.’s debt service obligations with operating cash flow and remaining availability under its senior secured bank facility. However, we cannot assure you that operating cash flows and available borrowings 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.

**Item 3. Quantitative and Qualitative Disclosures About Market Risk**

*Interest Rate Risks*

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. Our primary exposure to market risk is interest rate risk associated with our debt facilities that bear interest based on floating rates. We attempt to manage interest rate risk by managing the mix of long-term fixed rate borrowings and variable rate borrowings supplemented by hedging activities as considered necessary. We cannot assure you that these risk management strategies will have the desired effect, and interest rate fluctuations could have a negative impact on our results of operations.

The Company was previously required to obtain interest rate protection for at least \$325 million of borrowings under the Company's previous credit facilities, and in May 2003 and June 2003, the Company entered into two interest rate swap arrangements to hedge the underlying interest rate risk on a total of \$825 million of expected future borrowings under such credit facilities that were to mature in October 2008 and October 2009. These two interest rate swaps were accounted for as cash flow hedges under the provisions of SFAS No. 133.

On December 14, 2004, concurrent with refinancing Wynn Las Vegas, LLC's indebtedness, the Company terminated the two interest rate swaps. As a result of the termination, the Company received approximately \$9.6 million in settlement of the related asset, which is being amortized from accumulated other comprehensive income to reduce interest expense over the original contract life of the two interest rate swaps. Approximately \$1.2 million was amortized against interest expense during the first quarter of 2005.

Also concurrent with the refinancing, the Company entered into two new interest rate swap arrangements to hedge the underlying interest rate risk on the \$400.0 million of term loan borrowings outstanding under the new credit facilities, which bear interest at LIBOR plus 2.125%. Under each of these two new interest rate swap arrangements, the Company receives payments at a variable rate of LIBOR and pay a fixed rate of 3.793% on \$200 million notional amount set forth in each of the swap instruments through December 2008. The interest rate swaps are expected to be effective as hedging instruments as long as sufficient term loan borrowings are outstanding, and effectively fix the interest rate on these borrowings at approximately 5.918%. Any ineffectiveness will increase the Company's recorded interest expense in the consolidated financial statements.

As of March 31, 2005, the Company recorded in other assets the fair value of the net effect of the two new interest rate swaps of approximately \$8.3 million, an increase of \$7.7 million compared to the value of \$583,000 at December 31, 2004. Because there has been no ineffectiveness in the hedging relationship, the corresponding change in fair value of equal amount is reported in other comprehensive income for the year ended December 31, 2004.

The fair value approximates the amount the Company would receive 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. Therefore, the fair value is subject to significant estimation and a high degree of variability of fluctuation between periods.

We do not use derivative financial instruments, other financial instruments or derivative commodity instruments for trading or speculative purposes.

For the three months ended March 31, 2005, we incurred approximately \$33.0 million in interest. Approximately \$400.0 million of our outstanding indebtedness at March 31, 2005 was based upon a variable, LIBOR rate plus a premium. As such, a 1% increase in the LIBOR would have increased our interest cost by approximately \$394,000, based upon the average amounts outstanding over the quarter.

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### *Foreign Currency Risks*

The currency used 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.

Certain Asian countries have publicly asserted their desire to eliminate the linkage of the Hong Kong dollar and the Chinese renminbi to the U.S. dollar. As a result, we cannot assure you that the Hong Kong dollar, the Chinese renminbi and the Macau pataca will continue to be linked to the U.S. dollar, which may result in severe fluctuations in the exchange rate for these currencies. We also cannot assure you that the current peg rate 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 revenue 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 ability to service its debt, its results of operations and its financial condition. We have not yet determined whether we will engage in hedging activities to protect against foreign currency risk.

### **Item 4. Controls and Procedures**

(a) *Disclosure Controls and Procedures.* The Company's management, with the participation of the Company's Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of the end of the period covered by this report. Based on such evaluation, the Company's Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of such period, the Company's disclosure controls and procedures are effective in recording, processing, summarizing and reporting, on a timely basis, information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act and are effective in ensuring that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

(b) *Internal Control Over Financial Reporting.* There have not been any changes in the Company's internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the fiscal quarter to which this report relates that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

**Part II—OTHER INFORMATION**

**Item 1. Legal Proceedings**

The Company is occasionally a party to lawsuits. As with all litigation, no assurance can be provided as to the outcome of such matters and we note that litigation inherently involves significant costs.

**Item 6. Exhibits**

(a) Exhibits

**EXHIBIT INDEX**

<u>Exhibit No.</u>	<u>Description</u>
3.1	Second Amended and Restated Articles of Incorporation of the Registrant. (1)
3.2	Third Amended and Restated Bylaws of the Registrant, as amended. (2)
*10.1	Agreement of Lease, dated January 10, 2005, by and between Stephen A. Wynn and Wynn Las Vegas, LLC.
*10.2	Amendment No. 1 to Agreement of Lease, dated April 21, 2005, by and between Stephen A. Wynn and Wynn Las Vegas, LLC.
10.3	Description of Performance Based Incentive Plan Bonus Criteria for Fiscal Year 2005. (3)
*10.4	Employment Agreement, dated as of July 18, 2003, by and between Wynn Resorts (Macau), S.A. and Grant Bowie.
*10.5	Employment Agreement, dated as of May 2002, by and between Wynn Resorts, Limited and Linda Chen.
*10.6	Employment Agreement, dated as of March 2003, by and between Worldwide Wynn, LLC and Matt Maddox.
*10.7	First Amendment to Employment Agreement, dated as of September 1, 2004, by and between Worldwide Wynn, LLC and Matt Maddox.
*10.8	Employment Agreement, dated as of September 16, 2003 by and between Wynn Las Vegas, LLC and David Sisk.
*10.9	First Amendment to Employment Agreement, dated as of October 20, 2003 by and between Wynn Las Vegas, LLC and David Sisk.
*10.10	Employment Agreement, dated as of January 1, 2005, by and between Wynn Resorts, Limited and Karen Bozich.
*31.1	Certification of Chief Executive Officer of Periodic Report Pursuant to Rule 13a – 14(a) and Rule 15d – 14(a).
*31.2	Certification of Chief Financial Officer of Periodic Report Pursuant to Rule 13a – 14(a) and Rule 15d – 14(a).
*32.1	Certification of CEO and CFO Pursuant to 18 U.S.C. Section 1350.

\* Filed herewith.

- (1) Previously filed with Amendment No. 4 to the Form S-1 filed by the Registrant on October 7, 2002 (File No. 333-90600) and incorporated herein by reference.
- (2) Previously filed with the Quarterly Report on Form 10-Q filed by the Registrant on December 9, 2002 and incorporated herein by reference.
- (3) Previously filed with the Current Report on Form 8-K filed by the Registrant on March 24, 2005 and incorporated herein by reference.



AGREEMENT OF LEASE

THIS AGREEMENT OF LEASE (this "Lease") is made as of the 29th day of December, 2004, by and between Wynn Las Vegas, LLC, a Nevada limited liability company, having its principal place of business at 3131 Las Vegas Boulevard South, Las Vegas, Nevada 89109, Attention: Legal Department, as lessor ("Lessor"), and Stephen A. Wynn, an individual, having his current residence at 1 Shadow Creek Drive, North Las Vegas, Nevada 89031, as lessee ("Lessee").

## RECITALS:

A. Lessor is a wholly-owned subsidiary of Wynn Resorts, Limited, and the developer, owner and operator of the world-class luxury casino and resort hotel located at 3131 Las Vegas Boulevard South, Las Vegas, Nevada, commonly known as Wynn Las Vegas (the "Resort").

B. Lessee is the principal shareholder, Chairman of the Board of Directors and Chief Executive Officer of Wynn Resorts, Limited

C. Lessor and Lessee believe it is in Lessor's best interests for Lessee to live in the Resort, beginning at or about the time of its public opening, and that Lessee pay fair market value for his accommodations as set forth herein.

D. Lessor desires to lease to Lessee, and Lessee desires to lease from Lessor, a luxury suite located in the Resort on the terms and conditions contained herein.

NOW, THEREFORE, it is agreed as follows:

1. Demise. Subject to the terms and conditions that follow, Lessor leases to Lessee, and Lessee leases from Lessor, the luxury suite located in the Resort known as Villa Suite No. 3, as depicted on Exhibit A attached hereto and, at Lessee's option, all furniture and furnishings contained therein (the "Suite").

2. Term. The initial term of this Lease shall be for the twelve month period commencing on the earlier of the date Lessee occupies the Suite or the date the Resort opens to the public, and continuing for consecutive twelve month periods thereafter from year to year unless terminated by (i) either party giving notice of that party's intent to terminate, in a signed writing to the other party at the address set forth after its or his name in the preamble to this Lease, at least 90 days prior to the last day of the initial term or renewal term, as applicable, or (ii) Lessee's death.

3. Rental.

(a) Lessee shall pay to Lessor for his use of the Suite during the term of this Lease a monthly rent in an amount determined in accordance with this

Section 3, which rent, shall be due and payable in advance on the first day of each month.

(b) It is the intention of the parties that the amount paid by Lessee to Lessor for the rental of the Suite be determined by the Audit Committee of the Board of Directors of Wynn Resorts, Limited (the "Audit Committee") based on the value of the use of the Suite accommodations or in accordance with such other concepts as may from time to time be adopted by the Audit Committee.

(c) The value of the use of the Suite accommodations shall be determined annually, no later than thirty (30) days after the commencement of the initial term and prior to the commencement of any renewal term, based upon an appraisal completed by an independent real estate appraiser practicing in the greater Las Vegas area or other qualified independent expert approved by the Audit Committee.

(d) It is the intention of the parties that Lessee be deemed a "permanent resident" of the Resort for the purpose of exempting the rental of the Suite hereunder from the transient lodging tax imposed by state and local law in Clark County, Nevada. Lessor agrees to dispute the imposition or attempted imposition of any transient lodging tax on Lessee's rental of the Suite. Lessee agrees, however, to pay any transient lodging tax that ultimately may be imposed on his rental of the Suite, notwithstanding the parties' intention or any unsuccessful dispute initiated by Lessor.

(e) The parties further agree that the provisions of Chapter 651 of the Nevada Revised Statutes, regarding the posting of daily room rates, the maintenance of a registration card, and the furnishing of rental receipts, shall not apply to this Lease.

4. Maintenance and Services. Lessor shall maintain the Suite and provide all services and utilities with respect thereto in a manner consistent with the Resort's standards. All taxes and utilities with respect to the Suite, other than personal long distance telephone charges, shall be paid by Lessor and deemed included in the rent payable by Lessee pursuant to Section 3 above. Lessee shall be responsible for payment of all personal long distance telephone charges, which shall be billed to him separately by the Resort in accordance with its customary practices.

5. Alterations. Lessee shall not make any alterations to the Suite without the approval of the Audit Committee. All alterations to the Suite shall remain upon the premises and become the property of Lessor. Upon termination of this Lease, Lessee shall remove all of his personal property and vacate the Suite.

6. No Assignment or Subletting. Lessee shall have no right to assign his interest in this Lease or to sublet all or any portion of the Suite for any period.

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first written above. This Lease is subject to and shall become effective only upon approval by the Audit Committee.

LESSOR:

WYNN LAS VEGAS, LLC,  
a Nevada limited liability company,

By: Wynn Resorts Holdings, LLC,  
a Nevada limited liability company, its sole member

By: Valvino Lamore, LLC,  
a Nevada limited liability company, its sole member

By: Wynn Resorts, Limited,  
a Nevada corporation, its sole member

By: /s/ Marc D. Schorr  
Name: Marc D. Schorr  
Title: President

LESSEE:

/s/ Stephen A. Wynn  
Stephen A. Wynn

FIRST AMENDMENT TO AGREEMENT OF LEASE

THIS FIRST AMENDMENT TO AGREEMENT OF LEASE (this "First Amendment") is made as of the 21st day of April, 2005, by and between Wynn Las Vegas, LLC ("Lessor") and Stephen A. Wynn ("Lessee" and, together with Lessor, the "Parties").

## RECITALS:

A. The Parties have entered into an Agreement of Lease dated as of January 10, 2005 (the "Lease"), under which Lessee is to lease a luxury suite (the "Suite") in Lessor's Wynn Las Vegas luxury casino and resort hotel (the "Resort"). By its terms, the Lease is to commence on the earlier of the date Lessee occupies the Suite or the date the Resort opens to the public.

B. Because of the time and effort being expended in connection with the opening of the Resort, Lessee is not prepared and will not be able to move out of his current residence and into the Suite until on or about July 1, 2005. The Parties therefore mutually desire to postpone the commencement date of the Lease to the earlier of the date Lessee occupies the Suite or July 1, 2005.

NOW, THEREFORE, the Parties agree as follows:

1. Section 2 of the Lease is hereby amended and restated to read in its entirety as follows:

"2. Term. The initial term of this Lease shall be for the twelve month period commencing on the earlier of the date Lessee occupies the suite or July 1, 2005, and continuing for consecutive twelve month periods thereafter from year to year unless terminated by (i) either party giving notice of that party's intent to terminate, in a signed writing to the other party at the address set forth after its or his name in the preamble to this Lease, at least 90 days prior to the last day of the initial term or renewal term, as applicable, or (ii) Lessee's death."

2. Except as modified by this First Amendment, all of the terms and conditions of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this First Amendment as of the day and year first written above. This First Amendment is subject to and shall become effective only upon approval by the Audit Committee of Wynn Resorts, Limited.

WYNN LAS VEGAS, LLC,  
a Nevada limited liability company,

By: /s/ Marc D. Schorr

Name: Marc. D. Schorr

Title: President

/s/ Stephen A. Wynn

STEPHEN A. WYNN

**EMPLOYMENT AGREEMENT**

**(“Agreement”)**

- by and between -

**WYNN RESORTS (MACAU), S.A.**

**(“Employer”)**

- and -

**GRANT R. BOWIE**

**(“Employee”)**

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**DATED:** as of July 18, 2003

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**EMPLOYMENT AGREEMENT**

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**THIS EMPLOYMENT AGREEMENT (“Agreement”)** is made and entered into the 18th day of July 2003, by and between **WYNN RESORTS (MACAU), S.A. (“Employer”)** and **GRANT R. BOWIE (“Employee”)**.

**WITNESSETH:**

**WHEREAS**, Employer is a limited liability company duly organized and existing under the laws of Macau, Special Administrative Region, China (“**Macau**”), maintains its headquarters at Avenida da Praia Grande, 429-21 andar, Centro Comercial da Praia Grande, Macau, and is engaged in the business of developing, owning and operating casino resorts in Macau of business; and,

**WHEREAS**, in furtherance of its business, Employer has need of qualified, experienced personnel; and,

**WHEREAS**, Employee is an adult individual currently residing at 3 Claymore Cres Sorrento Qld 4217, Australia; and,

**WHEREAS**, Employee has represented and warranted to Employer that Employee possesses sufficient qualifications, expertise and experience in order to fulfill the terms of the employment stated in this Agreement; and,

**WHEREAS**, Employer is willing to employ Employee, and Employee is desirous of accepting employment from Employer under the terms and pursuant to the conditions set forth herein;

**NOW, THEREFORE**, for and in consideration of the foregoing recitals, and in consideration of the mutual covenants, agreements, understandings, undertakings, representations, warranties and promises hereinafter set forth, and intending to be legally bound thereby, Employer and Employee do hereby covenant and agree as follows:

**1. DEFINITIONS.** As used in this Agreement, the words and terms hereinafter defined have the respective meanings ascribed to them, unless a different meaning clearly appears from the context:

(a) “**Affiliate**” - means with respect to a specified Person, any other Person who or which is (i) directly or indirectly controlling, controlled by or under common control with the specified Person, or (ii) any member, director, officer or manager of the specified Person. For purposes of this definition, only, “control”, “controlling”, and “controlled” mean the right to exercise, directly or indirectly, more than fifty percent (50%) of the voting

power of the stockholders, members or owners and, with respect to any individual, partnership, trust or other entity or association, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of the controlled entity.

(b) "**Anniversary**" - means each anniversary date of the Effective Date during the Term (as defined in Paragraph 6 hereof).

(c) "**Cause**" - - means

(i) the willful destruction by Employee of the property of Employer or an Affiliate having a material value to Employer or such Affiliate;

(ii) fraud, embezzlement, theft, or comparable dishonest activity committed by Employee (excluding acts involving a *de minimis* dollar value and not related to Employer or an Affiliate);

(iii) Employee's conviction of or entering a plea of guilty or *nolo contendere* to any crime constituting a felony or any misdemeanor involving fraud, dishonesty or moral turpitude (excluding acts involving a *de minimis* dollar value and not related to Employer or an Affiliate);

(iv) Employee's breach, neglect, refusal, or failure to materially discharge his duties (other than due to physical or mental illness) commensurate with his title and function, or Employee's failure to comply with the lawful directions of Employer, that is not cured within fifteen (15) days after Employee has received written notice thereof from Employer;

(v) a willful and knowing material misrepresentation to Employer's or an Affiliate's Board of Directors;

(vi) a willful violation of a material policy of Employer or an Affiliate, which does or could result in material harm to Employer or to Employer's reputation, or that of an Affiliate; or

(vii) Employee's material violation of a statutory or common law duty of loyalty or fiduciary duty to Employer or an Affiliate,

*provided, however,* that Employee's disability due to illness or accident or any other mental or physical incapacity shall not constitute "Cause" as defined herein.

(d) "**Complete Disability**" - means the inability of Employee, due to illness or accident or other mental or physical incapacity, to perform his obligations under this Agreement for a period as defined by Employer's local disability plan or plans.

(e) "**Effective Date**" - means July 18, 2003.

**2. BASIC EMPLOYMENT AGREEMENT.** Subject to the terms and pursuant to the conditions hereinafter set forth, Employer hereby employs Employee during the Term hereinafter specified to serve in a capacity, under a title, and with such duties not inconsistent with those set forth in Section 3 of this Agreement, as the same may be modified and/or assigned to Employee by Employer from time to time; provided, however, that no change in Employee's duties shall be permitted if it would result in a material reduction in the level of Employee's duties as in effect prior to the change, it being further understood that a change in Employee's reporting responsibilities is not itself a basis for finding a material reduction in the level of duties.

**3. DUTIES OF EMPLOYEE.** Employee shall perform such duties assigned to Employee by Employer as are generally associated with the duties of **President & General Manager** of Wynn Macau, or such similar duties as may be assigned to Employee as Employer may reasonably determine. Employee's duties shall include, but not be limited to: (i) the preparation of relevant budgets and allocation of relevant funds; (ii) the selection and delegation of duties and responsibilities of subordinates; (iii) the direction, review and oversight of all matters under Employee's supervision; and (iv) such other and further duties as are consistent with his position and which may be assigned by Employer to Employee from time to time. The foregoing notwithstanding, Employee shall devote such time to Employer's Affiliates as may be required by Employer or its Affiliates, provided such duties are not inconsistent with Employee's primary duties hereunder.

**4. ACCEPTANCE OF EMPLOYMENT.** Employee hereby unconditionally accepts the employment set forth hereunder, under the terms and pursuant to the conditions set forth in this Agreement. Employee hereby covenants and agrees that, during the Term, Employee will devote the whole of Employee's normal and customary working time and best efforts solely to the performance of Employee's duties under this Agreement, and will not perform any services for any casino, hotel/casino or other similar gaming or gambling operation which is not owned by Employer or any of Employer's Affiliates.

**5. TERM.** Unless sooner terminated as provided in this Agreement, the term of this Agreement (the "**Term**") shall consist of five (5) years commencing on the Effective Date of this Agreement and terminating on the fifth Anniversary of the Effective Date.

**6. SPECIAL TERMINATION PROVISIONS.** Notwithstanding the provisions of Section 5 of this Agreement, this Agreement shall terminate upon the occurrence of any of the following events:

- (a) the death of Employee;
- (b) the giving of written notice from Employer to Employee of the termination of this Agreement upon the Complete Disability of Employee;
- (c) the giving of written notice by Employer to Employee of the termination of this Agreement upon the discharge of Employee for Cause;
- (d) the giving of written notice by Employer to Employee of the termination of this Agreement following a disapproval of this Agreement or the denial, suspension, limitation or revocation of Employee's License (as defined in Subsection 8(b) of this Agreement); or
- (e) the giving of written notice by Employee to Employer upon a material breach of this Agreement by Employer, which material breach remains uncured for a period of thirty (30) days after the giving of such notice.

In the event of a termination of this Agreement pursuant to the provisions of Subsection 6(a), (b), (c), or (d), Employer shall not be required to make any payments to Employee other than payment of Base Salary and vacation pay accrued but unpaid and expenses incurred but not reimbursed through the termination date; specifically, in such event, Employee shall not be entitled to any benefits pursuant to any severance plan in effect by Employer or any of its Affiliates.

**7. COMPENSATION TO EMPLOYEE.** For and in complete consideration of Employee's full and faithful performance of Employee's duties under this Agreement, Employer hereby covenants and agrees to pay to Employee, and Employee hereby covenants and agrees to accept from Employer, the following items of compensation:

- (a) **Base Salary.** Employer hereby covenants and agrees to pay to Employee, and Employee hereby covenants and agrees to accept from Employer, a base salary at the rate of Five Hundred Seventy Five Thousand United States Dollars (US\$575,000.00) per annum during the Term, payable in such installments as shall be convenient to Employer (the "Base Salary"). Such Base Salary shall be subject to periodic merit reviews and may be increased, but not decreased, as a result of any such review. Such Base Salary shall be exclusive of and in addition to any other benefits which Employer, in its sole discretion, may make available to Employee, including, but not limited to, any discretionary bonus, executive stock option plan, profit sharing plan, pension plan, retirement plan, disability or life insurance plan,

medical and/or hospitalization plan, or any and all other benefit plans which may be in effect during the Term.

(b) **Bonus Compensation.** Employee also will be eligible to receive a bonus at such times and in such amounts as Employer, in its sole and exclusive discretion, may determine, until such time as Employer may adopt a performance-based bonus plan, and thereafter in accordance with such plan. Subject to and effective upon the approval of the Compensation Committee of Wynn Resorts, Limited, Employee shall at the earliest possible time after the Effective Date be granted 60,000 options of Wynn Resorts, Limited common stock under the Wynn Resorts, Limited 2002 Stock Incentive Plan. Nothing in this Agreement shall limit Employer's discretion to adopt, amend or terminate any bonus plan at any time.

(c) **Employee Benefit Plans.** Employer hereby covenants and agrees that it shall include Employee, if otherwise eligible, in any profit sharing plan, pension plan, executive stock option plan, retirement plan, disability or life insurance plan, medical and/or hospitalization plan, and/or any and all other benefit plans that may be placed in effect by Employer or any of its Affiliates for the benefit of Employer's employees during the Term. Nothing in this Agreement shall limit Employer's or any of its Affiliates' ability to (i) exercise the discretion provided to it under any employee benefit plan, or (ii) adopt, amend or terminate any such benefit plan at any time.

(d) **Expense Reimbursement.** During the Term and provided the same are authorized in advance by Employer, Employer shall either pay directly or reimburse Employee for Employee's reasonable expenses incurred for the benefit of Employer in accordance with Employer's general policy regarding expense reimbursement, as the same may be modified from time to time.

(e) **Vacations and Holidays.** Commencing as of the Effective Date, Employee shall be entitled to annual paid vacation and paid holidays (or, at Employer's option, an equivalent number of paid days off) in accordance with Employer's respective standard policies, but in no event shall Employee receive fewer than three (3) weeks of paid vacation in any full year of the Term.

(f) **Expatriate Benefits.** As additional compensation for, and only for the duration of, Employee relocating his primary residence to Macau, Employer also shall provide Employee with the following:

- (i) Rental housing or an apartment reasonably satisfactory to Employee;

(ii) Up to six (6) round-trip, business class airline tickets per year from Hong Kong or Macau to Australia for Employee that may be used by Employee or Employee's spouse.

(g) **Withholdings.** All compensation provided to Employee by Employer under this Section 7 shall be subject to applicable withholdings taxes and fees.

#### **8. LICENSING REQUIREMENTS.**

(a) Employer and Employee hereby covenant and agree that this Agreement may be subject to the approval of one or more gaming regulatory authorities (the "**Authorities**") pursuant to the provisions of the relevant gaming regulatory statutes (the "**Gaming Acts**") and the regulations promulgated thereunder (the "**Gaming Regulations**"), as well as Employer's concession agreement with the government of Macau. Employer and Employee hereby covenant and agree to use their best efforts to obtain any and all approvals required by the Gaming Acts, Gaming Regulations, or the concession agreement. In the event that (i) an approval of this Agreement by the Authorities is required for Employee to carry out his duties and responsibilities set forth in Section 3 of this Agreement, (ii) Employer and Employee have used their best efforts to obtain such approval, and (iii) this Agreement is not so approved by the Authorities, then this Agreement shall immediately terminate and shall be null and void.

(b) If applicable, Employer and Employee hereby covenant and agree that, in order for Employee to discharge the duties required under this Agreement, Employee must apply for or hold a license, registration, permit or other approval (the "**License**") as issued by the Authorities pursuant to the terms of the relevant Gaming Act, Gaming Regulations or the concession agreement, and as otherwise required by this Agreement. In the event Employee fails to apply for and secure, or the Authorities refuse to issue or renew Employee's License, Employee, at Employer's sole cost and expense, shall promptly defend such action and shall take such reasonable steps as may be required to either remove the objections or secure or reinstate the Authorities' approval, respectively. The foregoing notwithstanding, if the source of the objections or the Authorities' refusal to renew or maintain Employee's License arise as a result of any of the events described in Subsection 1(c) of this Agreement, then Employer's obligations under this Section 8 also shall not be operative and Employee shall promptly reimburse Employer upon demand for any expenses incurred by Employer pursuant to this Section 8.

(c) Employer and Employee hereby covenant and agree that the provisions of this Section 8 shall apply in the event Employee's duties

require that Employee also be licensed by governmental agencies other than the Authorities.

**9. CONFIDENTIALITY.** Employee hereby warrants, covenants and agrees that, without the prior express written approval of Employer, Employee shall hold in the strictest confidence, and shall not disclose to any person, firm, corporation or other entity, any and all of Employer's confidential data, including but not limited to (a) information, drawings, sketches, plans or other documents concerning Employer's business or development plans, customers or suppliers or those of Employer's Affiliates; (b) Employer's or its Affiliates' development, design, construction or sales and marketing methods or techniques; or (c) Employer's or its Affiliates' trade secrets and other "know-how" or information not of a public nature, regardless of how such information came to the custody of Employee. For purposes of this Agreement, such confidential information shall include but not be limited to the terms and conditions of this Agreement, and any other information, including a formula, pattern, compilation, program, device, method, technique or process, that (x) derives independent economic value, present or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, and (y) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. The warranty, covenant and agreement set forth in this Section 9 shall not expire, shall survive this Agreement, and shall be binding upon Employee without regard to the passage of time or other events.

**10. RESTRICTIVE COVENANT/NO SOLICITATION.**

(a) Employee hereby covenants and agrees that, during the Term or for such longer period that Employer pays to Employee the compensation set forth in Subsection 7(a) of this Agreement, Employee shall not directly or indirectly, either as a principal, agent, employee, employer, consultant, partner, member of a limited liability company, shareholder of a closely held corporation, or shareholder in excess of two (2%) per cent of a publicly traded corporation, corporate officer or director, manager, or in any other individual or representative capacity, engage or otherwise participate in any manner or fashion in any business that is in competition in any manner whatsoever with the principal business activity of Employer or Employer's Affiliates, in or about any market in which Employer or Employer's Affiliates have or plan to have hotel or gaming operations. Employee hereby further covenants and agrees that the restrictive covenant contained in this Subsection 10(a) is reasonable as to duration, terms and geographical area and that the same protects the legitimate interests of Employer, imposes no undue hardship on Employee, and is not injurious to the public.

(b) Employee hereby further covenants and agrees that, during the Term and for a period of one (1) year following the scheduled expiration of the Term, Employee shall not directly or indirectly, and Employee shall not suffer others to, solicit or attempt to solicit for employment any management

level employee of Employer or Employer's Affiliates with or on behalf of any business that is in competition in any manner whatsoever with the principal business activity of Employer or Employer's Affiliates, in or about any market in which Employer or Employer's Affiliates have or plan to have hotel or gaming operations.

**11. BEST EVIDENCE.** This Agreement shall be executed in original and "Xerox" or photostatic copies and each copy bearing original signatures in ink shall be deemed an original.

**12. SUCCESSION.** This Agreement shall be binding upon and inure to the benefit of Employer and Employee and their respective successors and assigns.

**13. ASSIGNMENT.** Employee shall not assign this Agreement or delegate his duties hereunder without the prior express written consent of Employer thereto. Any purported assignment by Employee in violation of this Section 13 shall be null and void and of no force or effect. Employer shall have the right to assign this Agreement freely.

**14. AMENDMENT OR MODIFICATION.** This Agreement may not be amended, modified, changed or altered except by a writing signed by both Employer and Employee.

**15. GOVERNING LAW.** This Agreement shall be governed by and construed in accordance with the laws of Macau, without regard to conflicts of law principles.

**16. NOTICES.** Any and all notices required under this Agreement shall be in writing and shall be either hand-delivered or mailed, certified mail, return receipt requested, addressed to:

TO EMPLOYER: Wynn Resorts (Macau), S.A.  
Avenida da Praia Grande, 429-21 andar  
Centro Comercial da Praia Grande  
Macau

WITH A COPY  
THAT SHALL NOT BE  
NOTICE TO: Wynn Resorts, Limited  
3145 Las Vegas Boulevard South  
Las Vegas, Nevada 89109  
Attn: Legal Department

TO EMPLOYEE: Grant R. Bowie  
3 Claymore  
Cres Sorrento, Qld 4217  
Australia

All notices hand-delivered shall be deemed delivered as of the date actually delivered. All notices mailed shall be deemed delivered as of three (3) business days after the date postmarked. Any changes in any of the addresses listed herein shall be made by notice as provided in this Section 16.

**17. INTERPRETATION.** The preamble recitals to this Agreement are incorporated into and made a part of this Agreement; titles of paragraphs are for convenience only and are not to be considered a part of this Agreement; and, this Agreement is not to be construed either for or against Employer or Employee, but shall be interpreted in accordance with the general tenor of its language.

**18. SEVERABILITY.** In the event any one or more provisions of this Agreement is declared judicially void or otherwise unenforceable, the remainder of this Agreement shall survive and such provision(s) shall be deemed modified or amended so as to fulfill the intent of the parties hereto.

**19. DISPUTE RESOLUTION.** Except for equitable actions seeking to enforce the provisions of Sections 9 and 10 of this Agreement, jurisdiction and venue for which is hereby granted to the court of general trial jurisdiction in Macau, any and all claims, disputes, or controversies arising between the parties hereto regarding any of the terms of this Agreement or the breach thereof, on the written demand of either of the parties hereto, shall be submitted to and be determined by final and binding arbitration held in accordance with Employer's or Employer's Affiliates' arbitration policy governing employment disputes, or, in the absence of any such policy, as conducted by and in accordance with the labor arbitration rules of the American Arbitration Association. This agreement to arbitrate shall be specifically enforceable in any court of competent jurisdiction.

**20. WAIVER.** None of the terms of this Agreement, including this Section 20, or any term, right or remedy hereunder shall be deemed waived unless such waiver is in writing and signed by the party to be charged therewith and in no event by reason of any failure to assert or delay in asserting any such term, right or remedy or similar term, right or remedy hereunder.

**21. PAROL.** This Agreement constitutes the entire agreement between Employer and Employee with respect to the subject matter hereto and supersedes any prior understandings, agreements, undertakings or severance policies or plans by and between Employer or Employer's Affiliates, on the one side, and Employee, on the other side, with respect to the subject matter hereof or Employee's employment with Employer or Employer's Affiliates.

**IN WITNESS WHEREOF AND INTENDING TO BE LEGALLY BOUND THEREBY,** the parties hereto have executed and delivered this Agreement as of the year and date first above written.

**WYNN RESORTS (MACAU), S.A.**

**EMPLOYEE**

By: /s/ Stephen A. Wynn  
Stephen A. Wynn  
Director

/s/ Grant R. Bowie  
Grant R. Bowie

**EMPLOYMENT AGREEMENT  
("Agreement")**

- by and between -

**WYNN RESORTS, LLC  
("Employer")**

- and -

**LINDA C. CHEN  
("Employee")**

\_\_\_\_\_  
**DATED:** as of May \_\_\_\_, 2002

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**EMPLOYMENT AGREEMENT**

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**THIS EMPLOYMENT AGREEMENT (“Agreement”)** is made and entered into as of the \_\_\_\_ day of May 2002, by and between **WYNN RESORTS, LLC (“Employer”)** and **LINDA C. CHEN (“Employee”)**.

**WITNESSETH:**

**WHEREAS**, Employer is a limited liability company duly organized and existing under the laws of the State of Nevada, maintains its principal place of business at 3145 Las Vegas Blvd. South, Las Vegas, Nevada, and is engaged in the business of developing, constructing and operating a casino/hotel complex at such principal place of business; and,

**WHEREAS**, in furtherance of its business, Employer has need of qualified, experienced personnel; and,

**WHEREAS**, Employee is an adult individual residing at 2309 Whispering Hills Circle, Las Vegas, Nevada 89117; and,

**WHEREAS**, Employee has represented and warranted to Employer that Employee possesses sufficient qualifications and expertise in order to fulfill the terms of the employment stated in this Agreement; and,

**WHEREAS**, Employer is willing to employ Employee, and Employee is desirous of accepting employment from Employer under the terms and pursuant to the conditions set forth herein;

**NOW, THEREFORE**, for and in consideration of the foregoing recitals, and in consideration of the mutual covenants, agreements, understandings, undertakings, representations, warranties and promises hereinafter set forth, and intending to be legally bound thereby, Employer and Employee do hereby covenant and agree as follows:

**1. DEFINITIONS.** As used in this Agreement, the words and terms hereinafter defined have the respective meanings ascribed to them herein, unless a different meaning clearly appears from the context:

(a) "**Affiliate**" – means with respect to a specified Person, any other Person who or which is (i) a principal of the specified Person, (ii) directly or indirectly controlling, controlled by or under common control with the specified Person, or (iii) any member, director, officer or manager of the specified Person. For purposes of this definition, "control", "controlling", and "controlled" mean the right to exercise, directly or indirectly, more than fifty percent (50%) of the voting power of the stockholders, members or owners and, with respect to any individual, partnership, trust or other entity or association, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of the controlled entity.

(b) "**Anniversary**" - means each anniversary date of the Effective Date during the Term of this Agreement (as defined in Paragraph 6 hereof).

(c) "**Cause**" - means

(i) the conviction of Employee of a felony by a court of competent jurisdiction;

(ii) the indictment of Employee by a state or federal grand jury of competent jurisdiction for embezzlement or misappropriation of Employer's funds or for any act of dishonesty or lack of fidelity towards Employer;

(iii) a decree of a court of competent jurisdiction that Employee is not mentally competent or is unable to handle her own affairs;

- (iv) the written confession by Employee of any act of dishonesty towards Employer or any embezzlement or misappropriation of Employer's funds;
- (v) the payment (or, by the operation solely of the effect of a deductible, the failure of payment) by a surety or insurer of a claim under a fidelity bond issued to the benefit of Employer reimbursing Employer for a loss due the wrongful act or wrongful omission to act of Employee (the occurrence of which shall cause Employee to be indebted to Employer for the lesser of either (A) the loss incurred by Employer or (B) the sums paid by Employer to Employee pursuant to this Agreement);
- (vi) Employee's breach of the restrictive covenant set forth in Paragraph 11 of this Agreement;
- (vii) Employee's failure to maintain in force and in good standing any and all licenses, permits and/or approvals required of Employee by the relevant governmental authorities for the discharge of the obligations of Employee under this Agreement; or
- (viii) Employer's material violation of any statutory or common law duty of loyalty to Employer or its Affiliates;

**provided, however,** that Employee's disability due to illness or accident or any other mental or physical incapacity shall not constitute "Cause" as defined herein.

(d) "**Change of Control**" - means the occurrence, after the effective date of this Agreement, of any of the following events:

- (i) acquisition of Employer, Valvino, or Employer's publicly-traded parent corporation ("Parent") by any natural person, any form of business or social organization and any other nongovernmental legal entity including, but not limited to, a corporation, partnership, association, trust, unincorporated organization, estate or limited-liability company (collectively, a "Person"), other than an Affiliate of Employer;
- (ii) the right by any Person other than Valvino or Stephen A. Wynn, to exercise, directly or indirectly, more than fifty percent of the voting rights (collectively "Control") of Parent or Valvino, respectively, or the possession, directly or indirectly, of the power to direct or cause the direction of the

management or policies of the Parent or Valvino, other than an Affiliate of the Employer;

(iii) a change in the majority of the officers of Parent or Valvino; or

(iv) the sale or other transfer or disposition to an unaffiliated third party of all or substantially all of Employer's or Parent's or Valvino's assets.

(e) "**Complete Disability**" - means the inability of Employee, due to illness or accident or other mental or physical incapacity, to perform her obligations under this Agreement for a period as defined by Employer's local disability plan or plans.

(f) "**Effective Date**" - means June 3, 2002.

(g) "**Good Reason**" - means

(i) without Employee's express written consent and excluding for this purpose an isolated, insubstantial and inadvertent action not taken in bad faith and which is remedied by Employer or Employer's Affiliate promptly after receipt of notice thereof given by Employee, (A) a reduction in Employee's annual base salary or any reduction in material compensation or benefits arrangements, (B) the assignment to Employee of any duties inconsistent in any respect with Employee's position (including status, offices, titles and reporting requirements), authority, duties or responsibilities, or (C) any other action by Employer or Employer's Affiliate which results in a diminution in such position, authority, duties or responsibilities;

(ii) without Employee's express written consent, and except for a change in location from Las Vegas to Macau or vice-versa, requiring Employee's work location to be other than within twenty-five (25) miles of the location where Employee was principally working immediately prior to a Change of Control; or,

(iii) any failure by Employer to obtain the express written assumption of this Agreement from any successor to Employer that is not an Affiliate of Employer.

For purposes of this Agreement, a determination by Employee that Employee has “Good Reason” under this Agreement shall be final and binding on Employer and Employee absent a showing of bad faith on Employee’s part.

(h) “**Prior Employment**” - means any prior employment Employee has had with either Employer or Employer’s Affiliate.

(i) “**Separation Payment**” – means a lump sum equal to Employee’s compensation as set forth in Subparagraphs 8(a), (d) and (e) of this Agreement for the remainder of the Term, and a pro-rated amount of any bonuses that might otherwise have been paid to Employee under Subparagraph 8(b) for any bonus periods that would have concluded during the remainder of the Term.

(j) “**Valvino**” – means Valvino Lamore, LLC, a Nevada limited liability company.

**2. PRIOR EMPLOYMENT.** This Agreement supersedes and replaces any and all prior employment agreements, change in control agreements and severance plans or agreements, whether written or oral, by and between Employee, on the one side, and Employer or any of Employer’s Affiliates, on the other side, or under which Employee is a participant. From and after the Effective Date, Employee shall be the employee of Employer under the terms and pursuant to the conditions set forth in this Agreement.

**3. BASIC EMPLOYMENT AGREEMENT.** Subject to the terms and pursuant to the conditions hereinafter set forth, Employer hereby employs Employee during the Term hereinafter specified to serve in a managerial or executive capacity, under a title and with such duties not inconsistent with those set forth in Paragraph 4 of this Agreement, as the same may be modified and/or assigned to Employee by Employer from time to time; provided, however, that no change in Employee’s duties shall be permitted if it would result in a material reduction in the level of Employee’s duties as in effect prior to the change, it

being understood that, prior to a Change in Control, no change in Employee's titles or reporting responsibilities shall in itself be a basis for finding a material reduction in the level of duties.

**4. DUTIES OF EMPLOYEE.** Employee shall perform such duties assigned to Employee by Employer as are generally associated with the duties of **Executive Vice President** of Employer or such similar duties as may be assigned to Employee by Employer as Employer may determine, including, but not limited to (i) the efficient and continuous operation of Employer and Employer's Affiliates, (ii) the preparation of relevant budgets and allocation or relevant funds, (iii) the selection and delegation of duties and responsibilities of subordinates, (iv) the direction, review and oversight of all programs and projects under Employee's supervision, (v) and such other and further duties specifically related to such duties as assigned by Employer to Employee. The foregoing notwithstanding, Employee shall devote such time to Employer's Affiliates as may be required by Employer, provided such duties are not inconsistent with Employee's primary duties to Employer hereunder. Specifically, Employee shall in the alternative perform such duties assigned to her as are generally associated with the position of (a) Chief Operating Officer of Wynn Resorts (Macau) SA, and shall relocate to Macau, SAR, China, upon request of Employer or that entity, or (b) Executive Vice President of Hotel A, LLC, dba Le Rêve.

**5. ACCEPTANCE OF EMPLOYMENT.** Employee hereby unconditionally accepts the employment set forth hereunder, under the terms and pursuant to the conditions set forth in this Agreement. Employee hereby covenants and agrees that, during the Term of this Agreement, Employee will devote the whole of Employee's normal

and customary working time and best efforts solely to the performance of Employee's duties under this Agreement and that, except upon Employer's prior express written authorization to that effect, Employee shall not perform any services for any casino, hotel/casino or other similar gaming or gambling operation not owned by Employer or any of Employer's Affiliates.

**6. TERM.** Unless sooner terminated as provided in this Agreement, the term of this Agreement (the "**Term**") shall consist of five (5) years commencing as of the Effective Date of this Agreement and terminating on the fifth Anniversary Date of the Effective Date.

**7. SPECIAL TERMINATION PROVISIONS.** Notwithstanding the provisions of Paragraph 6 of this Agreement, this Agreement shall terminate upon the occurrence of any of the following events:

- (a) the death of Employee;
- (b) the giving of written notice from Employer to Employee of the termination of this Agreement upon the Complete Disability of Employee;
- (c) the giving of written notice by Employer to Employee of the termination of this Agreement upon the discharge of Employee for Cause;
- (d) the giving of written notice by Employer to Employee of the termination of this Agreement without Cause, ***provided, however,*** that, within ten (10) calendar days after such notice, Employer must tender the Separation Payment to Employee;
- (e) the giving of written notice by Employee to Employer upon a material breach of this Agreement by Employer, which material breach remains uncured for a period of thirty (30) days after the giving of such notice, ***provided, however,*** that, within ten (10) days after the expiration of such cure period without the cure having been effected, Employer must tender the Separation Payment to Employee;

(f) at Employee's sole election in writing as provided in Paragraph 17 of this Agreement, after both a Change of Control and as a result of Good Reason, **provided, however**, that, within ten (10) calendar days after Employer's receipt of Employee's written election, Employer must tender the Separation Payment to Employee; or

(g) the giving of written notice by Employer to Employee of the termination of this Agreement following a termination of Employee's License (as defined in Subparagraph 9(b) of this Agreement).

In the event of a termination of this Agreement pursuant to the provisions of Subparagraph 7(a), (b), (c) or (g), Employer shall not be required to make any payments to Employee other than payment of Base Salary and vacation pay accrued but unpaid through the termination date. In the event of a termination of this Agreement pursuant to any of the provisions of this Paragraph 7, Employee shall not be entitled to any benefits pursuant to any severance plan in effect by Employer or any of Employer's Affiliates.

**8. COMPENSATION TO EMPLOYEE.** For and in complete consideration of Employee's full and faithful performance of Employee's duties under this Agreement, Employer hereby covenants and agrees to pay to Employee, and Employee hereby covenants and agrees to accept from Employer, the following items of compensation:

(a) **BASE SALARY.** Employer hereby covenants and agrees to pay to Employee, and Employee hereby covenants and agrees to accept from Employer, a base salary at the rate of Five Hundred Thousand Dollars (\$500,000.00) per annum during the Term, payable in such weekly, bi-weekly or semi-monthly installments as shall be convenient to Employer (the "**Base Salary**"). Such Base Salary shall be exclusive of and in addition to any other benefits which Employer, in its sole discretion, may make available to Employee, including, but not limited to, those benefits described in Subparagraphs 8(b)

through (f) of this Agreement. Employee's Base Salary shall be subject to merit reviews on each Anniversary Date of this Agreement and may be increased, but not decreased, as a result of such merit reviews.

**(b) BONUS COMPENSATION.** Employee also will be eligible to receive a bonus at such times and in such amounts as Employer, in its sole, exclusive and unreviewable discretion, may determine, but in no event shall Employee's bonus be less than Two Hundred Fifty Thousand Dollars (\$250,000.00) during any full calendar year of the Term of this Agreement.

**(c) EMPLOYEE BENEFIT PLANS.** Employer hereby covenants and agrees that it shall include Employee, if otherwise eligible, in any profit sharing plan, stock option plan, pension plan, retirement plan, disability or life insurance plan, medical and/or hospitalization plan, and/or any and all other benefit plans which may be placed in effect by Employer or any of its Affiliates for the benefit of Employer's executives during the Term. Unless prohibited by law or the terms of the applicable plan, Employee's eligibility for medical and/or hospitalization benefits shall commence on the Effective Date of this Agreement. Nothing in this Agreement shall limit Employer's or its Affiliates' ability to adopt, amend or terminate any such benefit plans at any time prior to a Change of Control.

**(d) EXPENSE REIMBURSEMENT.** During the Term and provided the same are authorized by Employer, Employer shall either pay directly or reimburse Employee for Employee's reasonable expenses incurred for the benefit of Employer in accordance with Employer's general policy regarding expense reimbursement, as the same may be amended, modified or changed from time to time. Such reimbursable expenses shall include, but are not limited to, (i) reasonable entertainment and

promotional expenses, (ii) gift and travel expenses, (iii) dues and expenses of membership in clubs, professional societies and fraternal organizations (upon Employer's prior written approval), and (iv) the like. Prior to reimbursement, Employee shall provide Employer with sufficient detailed invoices of such expenses in accordance with the then applicable guidelines of the Internal Revenue Service so as to entitle Employer to a deduction for such expenses.

**(e) VACATIONS AND HOLIDAYS.** Commencing as of the Effective Date of this Agreement, Employee shall be entitled to (i) annual paid vacation leave in accordance with Employer's standard policy therefor, but in no event less than three (3) weeks each year of the Term, to be taken at such times as selected by Employee and approved by Employer, and (ii) paid holidays (or, at Employer's option, an equivalent number of paid days off) in accordance with Employer's standard policy therefor.

**(f) SPECIAL PROVISIONS FOR MACAU.** Should Employer or its Affiliate exercise its right under Paragraph 4 of this Agreement to assign Employee to its Affiliate in Macau, Employer agrees to provide Employee at Employer's sole cost and expense housing for Employee and her immediate family and the use of one luxury automobile in Macau, at a standard that is suitable for a person holding Employee's position. Furthermore, Employer shall pay the reasonable relocation expenses incurred by Employee in moving Employee and her immediate family from Las Vegas to Macau.

**(g) RIGHT OF RENEGOTIATION.** Employer and Employee shall renegotiate Employee's base salary and bonus compensation for the remainder of the Term upon the earlier of the opening of the Le Rêve resort in Las Vegas or the first resort developed by Employer's Affiliate in Macau. In no event shall Employee's overall

compensation package be less favorable than the compensation package set forth in Subparagraphs 8(a) – (e).

**(h) WITHHOLDINGS.** All compensation to Employee identified in Subparagraphs 8(a), (b) and (e) shall be subject to applicable withholdings for federal, state or local income or other taxes, Social Security Tax, Medicare Tax, State Unemployment Insurance, State Disability Insurance, charitable contributions and the like.

**9. LICENSING REQUIREMENTS.**

(a) Employer and Employee hereby covenant and agree that this Agreement may be subject to the approval of one or more gaming regulatory authorities (the “**Gaming Authorities**”) pursuant to the provisions of the applicable gaming regulatory statutes and the regulations promulgated thereunder (the “**Gaming Laws**”). Employer and Employee hereby covenant and agree to use their best efforts, at Employer’s sole cost and expense, to obtain any and all approvals required by the Gaming Laws. In the event that (i) an approval of this Agreement by the Gaming Authorities is required for Employee to carry out her duties and responsibilities set forth in Paragraph 4 of this Agreement, (ii) Employer and Employee have used their best efforts to obtain such approval, and (iii) this Agreement is not so approved by the Gaming Authorities, then this Agreement shall immediately terminate and shall be null and void.

(b) Employer and Employee hereby covenant and agree that, in order for Employee to discharge the duties required under this Agreement, Employee may be required to apply for or hold a license, registration, permit or other approval as issued by the Gaming Authorities pursuant to the terms of the applicable Gaming Laws and as otherwise required by this Agreement (the “**License**”). In the event Employee fails to

apply for and secure, or the Gaming Authorities refuse to issue or renew, or revoke or suspend any required License, then Employee, at Employer's sole cost and expense, shall promptly defend such action and shall take such reasonable steps as may be required to either remove the objections, secure the Gaming Authorities' approval, or reinstate the License, respectively. The foregoing notwithstanding, if the source of the objections or the Gaming Authorities' refusal to renew the License or their imposition of disciplinary action against Employee is any of the events described in Subparagraph 1(c) of this Agreement, then Employer's obligations under this Paragraph 9 shall not be operative and Employee shall promptly reimburse Employer upon demand for any expenses incurred by Employer pursuant to this Paragraph 9.

(c) Employer and Employee hereby covenant and agree that the provisions of this Paragraph 9 shall apply in the event Employee's duties require that Employee also be licensed by such relevant governmental agencies other than the Gaming Authorities.

**10. CONFIDENTIALITY.** Employee hereby warrants, covenants and agrees that, without the prior express written approval of Employer, Employee shall hold in the strictest confidence, and shall not disclose to any person, firm, corporation or other entity, any and all of Employer's confidential data, including but not limited to (i) information, drawings, sketches, plans or other documents concerning Employer's business or development plans, customers or suppliers or those of Employer's Affiliates, (ii) Employer's or its Affiliates' development, design, construction or sales and marketing methods or techniques, or (iii) Employer's trade secrets and other "know-how" or information not of a public nature, regardless of how such information came to the custody

of Employee. For purposes of this Agreement, such confidential information shall include, but not be limited to, information, including a formula, pattern, compilation, program, device, method, technique or process, that (a) derives independent economic value, present or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, and (b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. The warranty, covenant and agreement set forth in this Paragraph 10 shall not expire, shall survive this Agreement and shall be binding upon Employee without regard to the passage of time or other events.

**11. RESTRICTIVE COVENANT/NO SOLICITATION.**

(a) Employee hereby covenants and agrees that, during the remainder of the Term, notwithstanding a termination of this Agreement under Paragraph 7, Employee shall not directly or indirectly, either as a principal, agent, employee, employer, consultant, partner, member of a limited liability company, shareholder of a closely held corporation, or shareholder in excess of two percent (2%) of a publicly traded corporation, corporate officer or director, or in any other individual or representative capacity, engage or otherwise participate in any manner or fashion in any gaming or hotel business that is in competition in any manner whatsoever with the principal business activity of Employer or Employer's Affiliates, in or about any market in which Employer or Employer's Affiliates have or have publicly announced a plan for gaming or hotel operations. Employee hereby further covenants and agrees that the restrictive covenant contained in this Paragraph 11 is reasonable as to duration, terms and geographical area and that the same protects the

legitimate interests of Employer, imposes no undue hardship on Employee, and is not injurious to the public.

(b) Employee hereby further covenants and agrees that, for the period described in Subparagraph 11(a), Employee shall not directly or indirectly, and Employee shall not suffer others to, solicit or attempt to solicit for employment any management level employee of Employer or Employer's Affiliates with or on behalf of any business that is in competition in any manner whatsoever with the principal business activity of Employer or Employer's Affiliates, in or about any market in which Employer or Employer's Affiliates have or plan gaming or hotel operations.

**12. BEST EVIDENCE.** This Agreement shall be executed in original and "Xerox" or photostatic copies and each copy bearing original signatures in ink shall be deemed an original.

**13. SUCCESSION.** This Agreement shall be binding upon and inure to the benefit of Employer and Employee and their respective successors and assigns.

**14. ASSIGNMENT.** Employee shall not assign this Agreement or delegate his duties hereunder without the express written prior consent of Employer thereto. Any purported assignment by Employee in violation of this Paragraph 14 shall be null and void and of no force or effect. Employer shall have the right to assign this Agreement to any of its Affiliates, provided that this agreement shall be reassigned to Employer upon a sale of that Affiliate or substantially all of that Affiliate's assets to an unaffiliated third party, provided further that, in any event, Employer shall have the right to assign this Agreement to any successor of Employer that is not an affiliate of Employer.

**15. AMENDMENT OR MODIFICATION.** This Agreement may not be amended, modified, changed or altered except by a writing signed by both Employer and Employee.

**16. GOVERNING LAW.** This Agreement shall be governed by and construed in accordance with the laws of the jurisdiction where Employer's principal place of business is located in effect on the Effective Date of this Agreement.

**17. NOTICES.** Any and all notices required under this Agreement shall be in writing and shall be either hand-delivered or mailed, certified mail, return receipt requested, addressed to:

**TO EMPLOYER:** Wynn Resorts, LLC  
3145 Las Vegas Boulevard South  
Las Vegas, Nevada 89109

**WITH A COPY  
THAT SHALL NOT BE  
NOTICE TO:** Wynn Resorts, LLC  
3145 Las Vegas Boulevard South  
Las Vegas, Nevada 89109  
Attn: Legal Department

**TO EMPLOYEE:** Linda C. Chen  
2309 Whispering Hills Circle  
Las Vegas, NV 89117

All notices hand-delivered shall be deemed delivered as of the date actually delivered. All notices mailed shall be deemed delivered as of three (3) business days after the date postmarked. Any changes in any of the addresses listed herein shall be made by notice as provided in this Paragraph 17.

**18. INTERPRETATION.** The preamble recitals to this Agreement are incorporated into and made a part of this Agreement; titles of paragraphs are for convenience only and are not to be considered a part of this Agreement.

**19. SEVERABILITY.** In the event any one or more provisions of this Agreement is declared judicially void or otherwise unenforceable, the remainder of this Agreement

shall survive and such provision(s) shall be deemed modified or amended so as to fulfill the intent of the parties hereto.

**20. DISPUTE RESOLUTION.** Except for equitable actions seeking to enforce the covenants in Paragraph 10 or 11 of this Agreement, jurisdiction and venue for which is hereby granted to the court of general trial jurisdiction in the state and county where Employer's or its applicable Affiliate's principal place of business is located, any and all claims, disputes, or controversies arising between the parties regarding any of the terms of this Agreement or the breach thereof, shall, on the written demand of either of the parties, be submitted to and be determined by final and binding arbitration held in the local jurisdiction where Employer's or Employer's Affiliate's principal place of business is located, in accordance with Employer's or Employer's Affiliate's arbitration policy governing employment disputes. This agreement to arbitrate shall be specifically enforceable in any court of competent jurisdiction.

**21. WAIVER.** None of the terms of this Agreement, including this Paragraph 21, or any term, right or remedy hereunder shall be deemed waived unless such waiver is in writing and signed by the party to be charged therewith and in no event by reason of any failure to assert or delay in asserting any such term, right or remedy or similar term, right or remedy hereunder.

**22. PAROL.** This Agreement constitutes the entire agreement between Employer and Employee with respect to the subject matter hereto and this Agreement supersedes any prior understandings, agreements, undertakings or severance policies or

plans by and between Employer or Employer's Affiliates, on the one side, and Employee, on the other side, with respect to the subject matter hereof or Employee's employment with Employer or Employer's Affiliates.

**IN WITNESS WHEREOF AND INTENDING TO BE LEGALLY BOUND THEREBY**, the parties hereto have executed and delivered this Agreement as of the year and date first above written.

**WYNN RESORTS, LLC**

**EMPLOYEE**

By: /s/ Marc Schorr  
Marc Schorr  
Chief Operating Officer

/s/ Linda C. Chen  
Linda C. Chen

**EMPLOYMENT AGREEMENT**

**(“Agreement”)**

- by and between -

**WORLDWIDE WYNN, LLC,**

**(“Employer”)**

- and -

**MATT MADDOX**

**(“Employee”)**

\_\_\_\_\_

**DATED:** as of March \_\_\_\_, 2003

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**EMPLOYMENT AGREEMENT**

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**THIS EMPLOYMENT AGREEMENT (“Agreement”)** is made and entered into the \_\_\_\_\_ day of March 2003, by and between **WORLDWIDE WYNN, LLC (“Employer”)** and **MATT MADDOX (“Employee”)**.

**WITNESSETH:**

**WHEREAS**, Employer is a limited liability company duly organized and existing under the laws of the State of Nevada, and engaged in the business of furnishing management personnel to affiliated casino resort enterprises outside the United States; and,

**WHEREAS**, Employer is in the process of negotiating a management agreement with an affiliate in Macau, Special Administrative Region, China that will require Employer to provide qualified and experienced casino and resort management executives to that affiliate; and,

**WHEREAS**, in furtherance of this arrangement, Employer has need of executive personnel who are qualified and experienced managers in the international resort business, including without limitation an executive to perform the duties generally associated with the position of Chief Financial Officer in Macau; and,

**WHEREAS**, Employee is an adult individual currently residing at 10164 Birch Bluff Lane, Las Vegas, Nevada 89145; and,

**WHEREAS**, Employee has represented and warranted to Employer that Employee possesses sufficient qualifications, expertise and experience in order to fulfill the terms of the employment stated in this Agreement; and,

**WHEREAS**, Employer is willing to employ Employee, and Employee is desirous of accepting employment from Employer under the terms and pursuant to the conditions set forth herein;

**NOW, THEREFORE**, for and in consideration of the foregoing recitals, and in consideration of the mutual covenants, agreements, understandings, undertakings, representations, warranties and promises hereinafter set forth, and intending to be legally bound thereby, Employer and Employee do hereby covenant and agree as follows:

**1. DEFINITIONS.** As used in this Agreement, the words and terms hereinafter defined have the respective meanings ascribed to them, unless a different meaning clearly appears from the context:

(a) **“Affiliate”** - means with respect to a specified Person, any other Person who or which is (i) directly or indirectly controlling, controlled by or under common control with the specified Person, or (ii) any member, director, officer or manager of the specified Person. For purposes of this definition, only, “control”, “controlling”, and “controlled” mean the right to exercise, directly or indirectly, more than fifty percent (50%) of the voting power of the stockholders, members or owners and, with respect to any individual, partnership, trust or other entity or association, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of the controlled entity.

(b) "**Anniversary**" - means each anniversary date of the Effective Date during the Term (as defined in Paragraph 6 hereof).

(c) "**Cause**" - means

(i) the willful destruction by Employee of the property of Employer or an Affiliate having a material value to Employer or such Affiliate;

(ii) fraud, embezzlement, theft, or comparable dishonest activity committed by Employee (excluding acts involving a *de minimis* dollar value and not related to Employer or an Affiliate);

(iii) Employee's conviction of or entering a plea of guilty or *nolo contendere* to any crime constituting a felony or any misdemeanor involving fraud, dishonesty or moral turpitude (excluding acts involving a *de minimis* dollar value and not related to Employer or an Affiliate);

(iv) Employee's breach, neglect, refusal, or failure to materially discharge his duties (other than due to physical or mental illness) commensurate with his title and function, or Employee's failure to comply with the lawful directions of Employer, that is not cured within fifteen (15) days after Employee has received written notice thereof from Employer;

(v) a willful and knowing material misrepresentation to Employer's or an Affiliate's Board of Directors;

(vi) a willful violation of a material policy of Employer or an Affiliate, which does or could result in material harm to Employer or to Employer's reputation, or that of an Affiliate; or

(vii) Employee's material violation of a statutory or common law duty of loyalty or fiduciary duty to Employer or an Affiliate, *provided, however*, that Employee's disability due to illness or accident or any other mental or physical incapacity shall not constitute "Cause" as defined herein.

(d) "**Complete Disability**" - means the inability of Employee, due to illness or accident or other mental or physical incapacity, to perform his obligations under this Agreement for a period as defined by Employer's local disability plan or plans.

(e) "**Effective Date**" - means March 17, 2003.

(f) "**Wynn Macau**" - means Wynn Resorts (Macau) S.A., a limited liability company organized and existing under the laws of the SAR, and which has entered into an exclusive concession agreement with the SAR to develop and operate one or more casino resorts in the SAR.

(g) "**SAR**" - means Macau, Special Administrative Region, China.

**2. BASIC EMPLOYMENT AGREEMENT.** Subject to the terms and pursuant to the conditions hereinafter set forth, Employer hereby employs Employee during the Term hereinafter specified to serve in a capacity, under a title, and with such duties not inconsistent with those set forth in Section 3 of this Agreement, as the same may be modified and/or assigned to Employee by Employer or Wynn Macau from time to time; provided, however, that no change in Employee's duties shall be permitted if it would result in a material reduction in the level of Employee's duties as in effect prior to the change, it being further understood that a change in Employee's reporting responsibilities is not itself a basis for finding a material reduction in the level of duties.

**3. DUTIES OF EMPLOYEE.** Employee shall perform such duties assigned to Employee by Employer as are generally associated with the duties of **Vice President – Chief Financial Officer** of Wynn Macau, or such similar duties as may be assigned to Employee as Employer or Wynn Macau may reasonably determine. Employee's duties shall include, but not be limited to: (i) the preparation of relevant budgets and allocation of relevant funds; (ii) the selection and delegation of duties and responsibilities of subordinates; (iii) the direction, review and oversight of all matters under Employee's supervision; and (iv) such other and further duties as are consistent with his position and which may be assigned by Employer or Wynn Macau to Employee from time to time. The foregoing notwithstanding, Employee shall devote such time to Employer's Affiliates as may be required by Employer or its Affiliates, provided such duties are not inconsistent with Employee's primary duties hereunder.

**4. ACCEPTANCE OF EMPLOYMENT.** Employee hereby unconditionally accepts the employment set forth hereunder, under the terms and pursuant to the conditions set forth in this Agreement. Employee hereby covenants and agrees that, during the Term, Employee will devote the whole of Employee's normal and customary working time and best efforts solely to the performance of Employee's duties under this Agreement, and will not perform any services for any casino, hotel/casino or other similar gaming or gambling operation which is not owned by Employer or any of Employer's Affiliates.

**5. TERM.** Unless sooner terminated as provided in this Agreement, the term of this Agreement (the "Term") shall consist of four (4) years commencing on the Effective Date of this Agreement and terminating on the fourth Anniversary of the Effective Date.

**6. SPECIAL TERMINATION PROVISIONS.** Notwithstanding the provisions of Section 5 of this Agreement, this Agreement shall terminate upon the occurrence of any of the following events:

- (a) the death of Employee;
- (b) the giving of written notice from Employer to Employee of the termination of this Agreement upon the Complete Disability of Employee;
- (c) the giving of written notice by Employer to Employee of the termination of this Agreement upon the discharge of Employee for Cause;
- (d) the giving of written notice by Employer to Employee of the termination of this Agreement following a disapproval of this Agreement or the denial, suspension, limitation or revocation of Employee's License (as defined in Subsection 8(b) of this Agreement); or
- (e) the giving of written notice by Employee to Employer upon a material breach of this Agreement by Employer, which material breach remains uncured for a period of thirty (30) days after the giving of such notice.

In the event of a termination of this Agreement pursuant to the provisions of Subsection 6(a), (b), (c), or (d), Employer shall not be required to make any payments to Employee other than payment of Base Salary and vacation pay accrued but unpaid and expenses incurred but not reimbursed through the termination date; specifically, in such event, Employee shall not be entitled to any benefits pursuant to any severance plan in effect by Employer or any of its Affiliates.

**7. COMPENSATION TO EMPLOYEE.** For and in complete consideration of Employee's full and faithful performance of Employee's duties under this Agreement, Employer hereby covenants and agrees to pay to Employee, and Employee hereby covenants and agrees to accept from Employer, the following items of compensation:

(a) **Base Salary.** Employer hereby covenants and agrees to pay to Employee, and Employee hereby covenants and agrees to accept from Employer, a base salary at the rate of Three Hundred Thousand Dollars (\$300,000.00) per annum during the Term, payable in such installments as shall be convenient to Employer (the "Base Salary"). Such Base Salary shall be subject to periodic merit reviews and may be increased, but not decreased, as a result of any such review. Such Base Salary shall be exclusive of and in addition to any other benefits which Employer, in its sole discretion, may make available to Employee, including, but not limited to, any discretionary bonus, executive stock option plan, profit sharing plan, pension plan, retirement plan, disability or life insurance plan, medical and/or hospitalization plan, or any and all other benefit plans which may be in effect during the Term.

(b) **Bonus Compensation.** Employee also will be eligible to receive a bonus at such times and in such amounts as Employer, in its sole and exclusive discretion, may determine, until such time as Employer may adopt a performance-based bonus plan, and thereafter in accordance with such plan, provided, however, that Employee's bonus potential under any such plan (as a percentage of base salary) shall not be less than any vice president of Wynn Resorts, Limited or any of its Affiliates. Subject to and effective upon the approval of the Compensation Committee of Wynn Resorts, Limited, Employee shall at the earliest possible time after the Effective Date be granted 25,000 options of Wynn Resorts, Limited common stock under the Wynn Resorts, Limited 2002 Stock Incentive Plan. Nothing in this Agreement shall limit Employer's discretion to adopt, amend or terminate any bonus plan at any time.

(c) **Employee Benefit Plans.** Employer hereby covenants and agrees that it shall include Employee, if otherwise eligible, in any profit sharing plan, pension plan, executive stock option plan, retirement plan, disability or life insurance plan, medical and/or hospitalization plan, and/or any and all other benefit plans that may be placed in effect by Employer or any of its Affiliates for the benefit of Employer's employees during the Term. Nothing in this Agreement shall limit Employer's or any of its Affiliates' ability to (i) exercise the discretion provided to it under any employee benefit plan, or (ii) adopt, amend or terminate any such benefit plan at any time.

(d) **Expense Reimbursement.** During the Term and provided the same are authorized in advance by Employer, Employer shall either pay directly or reimburse Employee for Employee's reasonable expenses incurred for the benefit of Employer in accordance with Employer's general policy regarding expense reimbursement, as the same may be modified from time to time. Additionally, Employer shall reimburse Employee for the reasonable cost of relocating from Las Vegas to Hong Kong or Macau. Prior

to such payment or reimbursement, Employee shall provide Employer with sufficient detailed invoices of such expenses as may be required by Employer's policy.

(e) **Vacations and Holidays.** Commencing as of the Effective Date, Employee shall be entitled to annual paid vacation and paid holidays (or, at Employer's option, an equivalent number of paid days off) in accordance with Employer's respective standard policies, but in no event shall Employee receive fewer than two (2) weeks of paid vacation in any full year of the Term.

(f) **Expatriate Benefits.** As additional compensation for, and only for the duration of, Employee and Employee's spouse relocating their primary residence to Hong Kong or Macau, Employer also shall provide Employee with the following:

(i) Housing or a housing allowance of up to \$4,000 per month, non-cumulative, net of income taxes (if applicable), to be applied only to the cost of renting or purchasing a residence;

(ii) A company car or rental car for use in Macau, including insurance and maintenance for such vehicle;

(iii) Membership in a private social club in Hong Kong, such as the Hong Kong Club or the American Club, at a cost not to exceed Five Thousand Dollars (\$5,000.00) per year;

(iv) Up to four (4) round-trip, business class airline tickets per year from Hong Kong or Macau to the U.S. for each of Employee and Employee's spouse; and

(v) Lessons in speaking Cantonese or Mandarin no less often than once per week.

(g) **Withholdings.** All compensation provided to Employee by Employer under this Section 7 shall be subject to applicable withholdings for federal, state or local income or other taxes, Social Security Tax, Medicare Tax, State Unemployment Insurance, State Disability Insurance, charitable contributions and the like. However, Employer covenants and agrees that Employee shall not be required to pay any more income tax for the duration of his employment in Macau than he would have been required to pay on the same amount of compensation had Employee been employed in Las Vegas, Nevada, and Employer shall either pay any additional tax or "gross up" as

much of Employee's compensation as may be necessary to enforce this covenant.

**8. LICENSING REQUIREMENTS.**

(a) Employer and Employee hereby covenant and agree that this Agreement may be subject to the approval of one or more gaming regulatory authorities (the "**Authorities**") pursuant to the provisions of the relevant gaming regulatory statutes (the "**Gaming Acts**") and the regulations promulgated thereunder (the "**Gaming Regulations**"), as well as Wynn Macau's concession agreement with the SAR. Employer and Employee hereby covenant and agree to use their best efforts to obtain any and all approvals required by the Gaming Acts, Gaming Regulations, or the concession agreement. In the event that (i) an approval of this Agreement by the Authorities is required for Employee to carry out his duties and responsibilities set forth in Section 3 of this Agreement, (ii) Employer and Employee have used their best efforts to obtain such approval, and (iii) this Agreement is not so approved by the Authorities, then this Agreement shall immediately terminate and shall be null and void.

(b) If applicable, Employer and Employee hereby covenant and agree that, in order for Employee to discharge the duties required under this Agreement, Employee must apply for or hold a license, registration, permit or other approval (the "**License**") as issued by the Authorities pursuant to the terms of the relevant Gaming Act, Gaming Regulations or the concession agreement, and as otherwise required by this Agreement. In the event Employee fails to apply for and secure, or the Authorities refuse to issue or renew Employee's License, Employee, at Employer's sole cost and expense, shall promptly defend such action and shall take such reasonable steps as may be required to either remove the objections or secure or reinstate the Authorities' approval, respectively. The foregoing notwithstanding, if the source of the objections or the Authorities' refusal to renew or maintain Employee's License arise as a result of any of the events described in Subsection 1(c) of this Agreement, then Employer's obligations under this Section 8 also shall not be operative and Employee shall promptly reimburse Employer upon demand for any expenses incurred by Employer pursuant to this Section 8.

(c) Employer and Employee hereby covenant and agree that the provisions of this Section 8 shall apply in the event Employee's duties require that Employee also be licensed by governmental agencies other than the Authorities.

**9. CONFIDENTIALITY.** Employee hereby warrants, covenants and agrees that, without the prior express written approval of Employer, Employee shall hold in the strictest confidence, and shall not disclose to any person, firm, corporation or

other entity, any and all of Employer's confidential data, including but not limited to (a) information, drawings, sketches, plans or other documents concerning Employer's business or development plans, customers or suppliers or those of Employer's Affiliates, including without limitation Wynn Macau; (b) Employer's or its Affiliates' development, design, construction or sales and marketing methods or techniques; or (c) Employer's or its Affiliates' trade secrets and other "know-how" or information not of a public nature, regardless of how such information came to the custody of Employee. For purposes of this Agreement, such confidential information shall include but not be limited to the terms and conditions of this Agreement, and any other information, including a formula, pattern, compilation, program, device, method, technique or process, that (x) derives independent economic value, present or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, and (y) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. The warranty, covenant and agreement set forth in this Section 9 shall not expire, shall survive this Agreement, and shall be binding upon Employee without regard to the passage of time or other events.

**10. RESTRICTIVE COVENANT/NO SOLICITATION.**

(a) Employee hereby covenants and agrees that, during the Term or for such longer period so long as Employer pays to Employee the compensation set forth in Subsection 7(a) of this Agreement, Employee shall not directly or indirectly, either as a principal, agent, employee, employer, consultant, partner, member of a limited liability company, shareholder of a closely held corporation, or shareholder in excess of two (2%) per cent of a publicly traded corporation, corporate officer or director, manager, or in any other individual or representative capacity, engage or otherwise participate in any manner or fashion in any business that is in competition in any manner whatsoever with the principal business activity of Employer or Employer's Affiliates, in or about any market in which Employer or Employer's Affiliates have or plan to have hotel or gaming operations. Employee hereby further covenants and agrees that the restrictive covenant contained in this Subsection 10(a) is reasonable as to duration, terms and geographical area and that the same protects the legitimate interests of Employer, imposes no undue hardship on Employee, and is not injurious to the public.

(b) Employee hereby further covenants and agrees that, during the Term and for a period of one (1) year following the scheduled expiration of the Term, Employee shall not directly or indirectly, and Employee shall not suffer others to, solicit or attempt to solicit for employment any management level employee of Employer or Employer's Affiliates with or on behalf of any business that is in competition in any manner whatsoever with the principal business activity of Employer or Employer's Affiliates, in or about any market

in which Employer or Employer's Affiliates have or plan to have hotel or gaming operations.

**11. BEST EVIDENCE.** This Agreement shall be executed in original and "Xerox" or photostatic copies and each copy bearing original signatures in ink shall be deemed an original.

**12. SUCCESSION.** This Agreement shall be binding upon and inure to the benefit of Employer and Employee and their respective successors and assigns.

**13. ASSIGNMENT.** Employee shall not assign this Agreement or delegate his duties hereunder without the prior express written consent of Employer thereto. Any purported assignment by Employee in violation of this Section 13 shall be null and void and of no force or effect. Employer shall have the right to assign this Agreement freely.

**14. AMENDMENT OR MODIFICATION.** This Agreement may not be amended, modified, changed or altered except by a writing signed by both Employer and Employee.

**15. GOVERNING LAW.** This Agreement shall be governed by and construed in accordance with the laws of the State of Nevada, without regard to conflicts of law principles.

**16. NOTICES.** Any and all notices required under this Agreement shall be in writing and shall be either hand-delivered or mailed, certified mail, return receipt requested, addressed to:

TO EMPLOYER: Worldwide Wynn, LLC  
3145 Las Vegas Boulevard South  
Las Vegas, Nevada 89109

WITH A COPY  
THAT SHALL NOT BE  
NOTICE TO: Wynn Resorts, Limited  
3145 Las Vegas Boulevard South  
Las Vegas, Nevada 89109  
Attn: Legal Department

TO EMPLOYEE: Matt Maddox  
10164 Birch Bluff Lane  
Las Vegas, Nevada 89145

All notices hand-delivered shall be deemed delivered as of the date actually delivered. All notices mailed shall be deemed delivered as of three (3) business days after the date postmarked. Any changes in any of the addresses listed herein shall be made by notice as provided in this Section 16.

**17. INTERPRETATION.** The preamble recitals to this Agreement are incorporated into and made a part of this Agreement; titles of paragraphs are for

convenience only and are not to be considered a part of this Agreement; and, this Agreement is not to be construed either for or against Employer or Employee, but shall be interpreted in accordance with the general tenor of its language.

**18. SEVERABILITY.** In the event any one or more provisions of this Agreement is declared judicially void or otherwise unenforceable, the remainder of this Agreement shall survive and such provision(s) shall be deemed modified or amended so as to fulfill the intent of the parties hereto.

**19. DISPUTE RESOLUTION.** Except for equitable actions seeking to enforce the provisions of Sections 9 and 10 of this Agreement, jurisdiction and venue for which is hereby granted to the court of general trial jurisdiction in Las Vegas, Nevada, any and all claims, disputes, or controversies arising between the parties hereto regarding any of the terms of this Agreement or the breach thereof, on the written demand of either of the parties hereto, shall be submitted to and be determined by final and binding arbitration held in Las Vegas, Nevada, in accordance with Employer's or Employer's Affiliates' arbitration policy governing employment disputes, or, in the absence of any such policy, as conducted by and in accordance with the labor arbitration rules of the American Arbitration Association. This agreement to arbitrate shall be specifically enforceable in any court of competent jurisdiction.

**20. WAIVER.** None of the terms of this Agreement, including this Section 20, or any term, right or remedy hereunder shall be deemed waived unless such waiver is in writing and signed by the party to be charged therewith and in no event by reason of any failure to assert or delay in asserting any such term, right or remedy or similar term, right or remedy hereunder.

*[the remainder of this page intentionally left blank]*

**21. PAROL.** This Agreement constitutes the entire agreement between Employer and Employee with respect to the subject matter hereto and supersedes any prior understandings, agreements, undertakings or severance policies or plans by and between Employer or Employer's Affiliates, on the one side, and Employee, on the other side, with respect to the subject matter hereof or Employee's employment with Employer or Employer's Affiliates, including without limitation that certain Employment Agreement dated as of May 31, 2002, between Employee and Valvino Lamore, LLC, which, as of the Effective Date, shall be of no further force or effect.

**IN WITNESS WHEREOF AND INTENDING TO BE LEGALLY BOUND THEREBY,** the parties hereto have executed and delivered this Agreement as of the year and date first above written.

**WORLDWIDE WYNN, LLC,  
By Wynn Resorts, Limited  
Its Sole Member**

**EMPLOYEE**

By: /s/ Stephen A. Wynn  
Stephen A. Wynn  
Chief Executive Officer

/s/ Matt Maddox  
Matt Maddox

**FIRST AMENDMENT TO  
EMPLOYMENT AGREEMENT**

This FIRST AMENDMENT TO EMPLOYMENT AGREEMENT (this "**Amendment**") is entered into as of September 1, 2004, by and between Worldwide Wynn, LLC ("**Employer**") and Matt Maddox ("**Employee**"). Capitalized terms that are not defined herein shall have the meanings ascribed to them in the Agreement (as defined below).

**RECITALS**

WHEREAS, Employer and Employee have entered into that certain Employment Agreement, dated as of March 14, 2003 (the "**Agreement**"); and

WHEREAS, Employer is willing and Employee desires to modify certain terms and conditions to the Agreement as more fully set forth herein;

NOW, THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants and agreements set forth in this Amendment, the parties hereto agree as follows:

1. Amendment. The Employer and Employee desire to extend the Term of the Agreement by an additional two years. Accordingly, Section 5 of the Agreement is hereby amended in its entirety to read as follows:

"5. TERM. Unless sooner terminated as provided in this Agreement, the term of this Agreement (the "**Term**") shall consist of six (6) years commencing on the Effective Date of this Agreement and terminating on the sixth Anniversary of the Effective Date."

Employer and Employee acknowledge and agree that the extension of the Term of the Agreement does not constitute a commitment by Employee or a requirement of Employer that Employee continue to be based in SAR after March 14, 2007.

2. Salary. Effective September 1, 2004, the term "Base Salary" shall mean Three Hundred Fifty Thousand Dollars (\$350,000.00) per annum. Employee's Base Salary shall be increase to Four Hundred Thousand Dollars (\$400,000.00) per annum concurrent with the opening to the public of the resort and casino to be known as "Wynn Macau" and operated by Wynn Macau in SAR.

3. Stock Option Grant. Subject to and effective upon the approval of the Compensation Committee of Wynn Resorts, Limited, Employee shall, at the earliest possible time after the date of the Amendment, be granted 50,000 options of Wynn Resorts, Limited common stock under the Wynn Resorts, Limited 2002 Stock Incentive Plan. The option grant described herein is in addition to any other option grants previously granted by the Company to the Employee.

4. Other Provisions of Agreement. The parties acknowledge that the Agreement is being modified only as stated herein, and agree that nothing else in the Agreement shall be affected by this Amendment.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed as of the date first written above.

**WORLDWIDE WYNN, LLC**

**EMPLOYEE**

By: /s/ Marc D. Schorr  
Marc D. Schorr  
President

/s/ Matt Maddox  
Matt Maddox

**EMPLOYMENT AGREEMENT  
("Agreement")**

- by and between -

**WYNN LAS VEGAS, LLC  
("Employer")**

- and -

**DAVID SISK  
("Employee")**

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**DATED:** as of September 16, 2003

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**EMPLOYMENT AGREEMENT**

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**THIS EMPLOYMENT AGREEMENT (“Agreement”)** is made and entered into as of the 16th day of September 2003, by and between **WYNN LAS VEGAS, LLC (“Employer”)** and **DAVID SISK (“Employee”)**.

**WITNESSETH:**

**WHEREAS**, Employer is a limited liability company duly organized and existing under the laws of the State of Nevada, maintains its principal place of business at 3145 Las Vegas Blvd. South, Las Vegas, Nevada, and is engaged in the business of developing and operating a casino resort at such place of business; and,

**WHEREAS**, in furtherance of its business, Employer has need of qualified, experienced personnel; and,

**WHEREAS**, Employee is an adult individual residing at 10008 Laurel Springs, Las Vegas, Nevada 89134; and,

**WHEREAS**, Employee has represented and warranted to Employer that Employee possesses sufficient qualifications and expertise in order to fulfill the terms of the employment stated in this Agreement; and,

**WHEREAS**, Employer is willing to employ Employee, and Employee is desirous of accepting employment from Employer under the terms and pursuant to the conditions set forth herein;

**NOW, THEREFORE**, for and in consideration of the foregoing recitals, and in consideration of the mutual covenants, agreements, understandings, undertakings, representations, warranties and promises hereinafter set forth, and intending to be legally bound thereby, Employer and Employee do hereby covenant and agree as follows:

**1. DEFINITIONS.** As used in this Agreement, the words and terms hereinafter defined have the respective meanings ascribed to them, unless a different meaning clearly appears from the context:

(a) “**Affiliate**” - means with respect to a specified Person, any other Person who or which is (i) directly or indirectly controlling, controlled by or under common control with the specified Person, or (ii) any member, director, officer or manager of the specified Person. For purposes of this definition, only, “control”, “controlling”, and “controlled” mean the right to exercise, directly or indirectly, more than fifty percent (50%) of the voting power of the stockholders, members or owners and, with respect to any

individual, partnership, trust or other entity or association, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of the controlled entity.

(b) “**Anniversary**” - means each anniversary date of the Effective Date during the Term (as defined in Paragraph 5 hereof).

(c) “**Cause**” - means

(i) the willful destruction by Employee of the property of Employer or an Affiliate having a material value to Employer or such Affiliate;

(ii) fraud, embezzlement, theft, or comparable dishonest activity committed by Employee (excluding acts involving a *de minimis* dollar value and/or not related to Employer or an Affiliate);

(iii) Employee’s conviction of or entering a plea of guilty or *nolo contendere* to any crime constituting a felony or any misdemeanor involving fraud, dishonesty or moral turpitude (excluding acts involving a *de minimis* dollar value and/or not related to Employer or an Affiliate);

(iv) Employee’s breach, neglect, refusal, or failure to materially discharge his duties (other than due to physical or mental illness) commensurate with his title and function, or Employee’s failure to comply with the lawful directions of Employer, that is not cured within fifteen (15) days after Employee has received written notice thereof from Employer;

(v) a willful and knowing material misrepresentation to Employer’s or an Affiliate’s Board of Directors;

(vi) a willful violation of a material policy of Employer or an Affiliate, which does or could result in material harm to Employer or to Employer’s reputation, or that of an Affiliate; or

(vii) Employee’s material violation of a statutory or common law duty of loyalty or fiduciary duty to Employer or an Affiliate,

*provided, however*, that Employee's disability due to illness or accident or any other mental or physical incapacity shall not constitute "Cause" as defined herein.

(d) "**Change of Control**" - means the occurrence, after the Effective Date, of any of the following events:

(i) any "Person" or "Group" (as such terms are defined in Section 13(d) of the Securities Exchange Act of 1934 (the "Exchange Act") and the rules and regulations promulgated thereunder), excluding any Excluded Stockholder, is or becomes the "Beneficial Owner" (within the meaning of Rule 13d-3 promulgated under the Exchange Act), directly or indirectly, of securities of Employer, or of any entity resulting from a merger or consolidation involving Employer, representing more than fifty percent (50%) of the combined voting power of the then outstanding securities of Employer or such entity;

(ii) the individuals who, as of the time immediately following the closing of Employer's initial public offering, are members of Employer's Board of Directors (the "Existing Directors") cease, for any reason, to constitute more than fifty percent (50%) of the number of authorized directors of Employer as determined in the manner prescribed in Employer's Articles of Incorporation and Bylaws; *provided, however*, that if the election, or nomination for election, by Employer's stockholders of any new director was approved by a vote of at least fifty percent (50%) of the Existing Directors, such new director shall be considered an Existing Director; *provided further, however*, that no individual shall be considered an Existing Director if such individual initially assumed office as a result of either an actual or threatened "Election Contest" (as described in Rule 14a-11 promulgated under the Exchange Act) or other actual or threatened solicitation of proxies by or on behalf of anyone other than the Board (a "Proxy Contest"), including by reason of any agreement intended to avoid or settle any Election Contest or Proxy Contest; or

(iii) the consummation of (x) a merger, consolidation or reorganization to which Employer is a party, whether or not Employer is the Person surviving or resulting therefrom, or (y) a sale, assignment, lease, conveyance or other disposition of all or substantially all of the assets of Employer, in one transaction or a series of related transactions, to any Person other than Employer, where any

such transaction or series of related transactions as is referred to in clause (x) or clause (y) above in this subparagraph (iii) (singly or collectively, a "Transaction") does not otherwise result in a "Change of Control" pursuant to subparagraph (i) of this definition of "Change of Control"; *provided, however*, that no such Transaction shall constitute a "Change of Control" under this subparagraph (iii) if the Persons who were the stockholders of Employer immediately before the consummation of such Transaction are the Beneficial Owners, immediately following the consummation of such Transaction, of fifty percent (50%) or more of the combined voting power of the then outstanding voting securities of the Person surviving or resulting from any merger, consolidation or reorganization referred to in clause (x) above in this subparagraph (iii) or the Person to whom the assets of Employer are sold, assigned, leased, conveyed or disposed of in any transaction or series of related transactions referred in clause (y) above in this subparagraph (iii), in substantially the same proportions in which such Beneficial Owners held voting stock in Employer immediately before such Transaction.

For purposes of the foregoing definition of "Change of Control," the term "Excluded Stockholder" means Stephen A. Wynn, the spouse, siblings, children, grandchildren or great grandchildren of Stephen A. Wynn, any trust primarily for the benefit of the foregoing persons, or any Affiliate of any of the foregoing persons.

(e) "**Complete Disability**" - means the inability of Employee, due to illness or accident or other mental or physical incapacity, to perform his obligations under this Agreement for a period as defined by Employer's local disability plan or plans.

(f) "**Effective Date**" - means October 20, 2003.

(g) "**Good Reason**" - means the occurrence, of any of the following (except with Employee's written consent or resulting from an isolated, insubstantial and inadvertent action not taken in bad faith and which is remedied by Employer or its Affiliate promptly after receipt of notice thereof from Employee):

(i) Employer or an Affiliate reduces Employee's Base Salary (as defined in Subparagraph 7(a) below);

(ii) Employer discontinues its bonus plan in which Employee participates as in effect without immediately replacing such bonus plan with a plan that is the substantial

economic equivalent of such bonus plan, or amends such bonus plan so as to materially reduce Employee's potential bonus at any given level of economic performance of Employer or its successor entity;

(iii) Employer materially reduces the aggregate benefits and perquisites to Employee from those being provided;

(iv) Employer or any of its Affiliates requires Employee to change the location of Employee's job or office, so that Employee will be based at a location more than 25 miles from the location of Employee's job or office;

(v) Employer or any of its Affiliates reduces Employee's responsibilities or directs Employee to report to a person of lower rank or responsibilities than the person to whom Employee reported; or

(vi) the successor to Employer fails or refuses expressly to assume in writing the obligations of Employer under this Agreement.

For purposes of this Agreement, a determination by Employee that Employee has "Good Reason" shall be final and binding on Employer and Employee absent a showing of bad faith on Employee's part.

(h) "**Separation Payment**" - means a sum equal to (A) Employee's Base Salary (as defined in Subparagraph 7(a) of this Agreement) for the twelve (12) months following termination, plus (B) the bonus that was paid to Employee under Subparagraph 7(b) for the preceding bonus period, projected over the twelve (12) months following that bonus period, plus (C) any accrued but unpaid vacation pay, plus (D) any Gross-Up Payment required by Exhibit 1 to this Agreement, which is incorporated herein by reference, said sum to be paid out over twelve (12) months in such weekly, bi-weekly or semi-monthly installments as shall be convenient to Employer.

**2. BASIC EMPLOYMENT AGREEMENT.** Subject to the terms and pursuant to the conditions hereinafter set forth, Employer hereby employs Employee during the Term hereinafter specified to serve in a capacity, under a title, and with such duties not inconsistent with those set forth in Section 3 of this Agreement, as the same may be modified and/or assigned to Employee by Employer from time to time; provided, however, that no change in Employee's duties shall be permitted if it would result in a material reduction in the level of Employee's duties as in effect prior to the change, it being understood, however, that a change in Employee's reporting responsibilities is not, itself, a basis for finding a material reduction in the level of duties.

**3. DUTIES OF EMPLOYEE.** Employee shall perform such duties assigned to Employee by Employer as are generally associated with the duties of **Sr. Vice President & Chief Financial Officer** for Employer or such similar duties as may be assigned to Employee by Employer as Employer may determine. Employee's duties shall include, but not be limited to: (i) the efficient and continuous operation of Employer and its Affiliates; (ii) the preparation of relevant budgets and allocation of relevant funds; (iii) the selection and delegation of duties and responsibilities of subordinates; (iv) the direction, review and oversight of all programs under Employee's supervision; and (v) such other and further duties as may be assigned by Employer to Employee from time to time. The foregoing notwithstanding, Employee shall devote such time to Employer's Affiliates as may be required by Employer, provided such duties are not inconsistent with Employee's primary duties to Employer hereunder.

**4. ACCEPTANCE OF EMPLOYMENT.** Employee hereby unconditionally accepts the employment set forth hereunder, under the terms and pursuant to the conditions set forth in this Agreement. Employee hereby covenants and agrees that, during the Term, Employee will devote the whole of Employee's normal and customary working time and best efforts solely to the performance of Employee's duties under this Agreement and that, except upon Employer's prior express written authorization to that effect, Employee shall not perform any services for any casino, hotel/casino or other similar gaming or gambling operation not owned by Employer or any of Employer's Affiliates. Employer hereby authorizes Employee to provide assistance to his former employer on litigation matters that are pending as of the Effective Date and involve that former employer, provided such assistance does not interfere with the performance of Employee's duties under this Agreement.

**5. TERM.** Unless sooner terminated as provided in this Agreement, the term of this Agreement (the "**Term**") shall consist of four (4) years commencing on the Effective Date of this Agreement and terminating on the fourth Anniversary of the Effective Date.

**6. SPECIAL TERMINATION PROVISIONS.** Notwithstanding the provisions of Section 5 of this Agreement, this Agreement shall terminate upon the occurrence of any of the following events:

- (a) the death of Employee;
- (b) the giving of written notice from Employer to Employee of the termination of this Agreement upon the Complete Disability of Employee;
- (c) the giving of written notice by Employer to Employee of the termination of this Agreement upon the discharge of Employee for Cause;
- (d) the giving of written notice by Employer to Employee of the termination of this Agreement following a disapproval of this Agreement or

the denial, suspension, limitation or revocation of Employee's License (as defined in Subsection 8(b) of this Agreement);

(e) the giving of written notice by Employer to Employee of the termination of this Agreement without Cause, provided, however, that after such notice, Employer must make the Separation Payment to Employee;

(f) the giving of written notice by Employee to Employer upon a material breach of this Agreement by Employer, which material breach remains uncured for a period of thirty (30) days after the giving of such notice, provided, however, that after the expiration of such cure period without the cure having been effected, Employer must make the Separation Payment to Employee; or

(g) at Employee's sole election in writing as provided in Paragraph 17 of this Agreement, within ten (10) days after both a Change of Control and as a result of Good Reason, provided, however, that after Employer's receipt of Employee's written election, Employer must make the Separation Payment to Employee.

In the event of a termination of this Agreement pursuant to the provisions of Subparagraph 6(a), (b), (c) or (d), Employer shall not be required to make any payments to Employee other than payment of Base Salary and vacation pay accrued but unpaid through the termination date. In the event of a termination of this Agreement pursuant to the provisions of Subparagraph 6(e), (f) or (g), Employee will also be entitled to receive health benefits coverage for Employee and Employee's dependents under the same plan(s) or arrangement(s) under which Employee was covered immediately before Employee's termination, or plan(s) established or arrangement(s) provided by Employer or any of its Affiliates thereafter. Such health benefits coverage shall be paid for by Employer to the same extent as if Employee were still employed by Employer, and Employee will be required to make such payments as Employee would be required to make if Employee were still employed by Employer. The health benefits provided under this Paragraph 6 shall continue until the earlier of (x) the expiration of the period for which the Separation Payment is paid, (y) the date Employee becomes covered under any other group health plan not maintained by Employer or any of its Affiliates; provided, however, that if such other group health plan excludes any pre-existing condition that Employee or Employee's dependents may have when coverage under such group health plan would otherwise begin, coverage under this Paragraph 6 shall continue (but not beyond the period described in clause (x) of this sentence) with respect to such pre-existing condition until such exclusion under such other group health plan lapses or expires. In the event Employee is required to make an election under Sections 601 through 607 of the Employee Retirement Income Security Act of 1974, as amended (commonly known as COBRA) to qualify for the health benefits described in this Paragraph 6, the obligations of Employer and its Affiliates under this Paragraph 6 shall be conditioned upon Employee's timely making such an election. In the event of a termination of this Agreement pursuant

to any of the provisions of this Paragraph 6, Employee shall not be entitled to any benefits pursuant to any severance plan in effect by Employer or any of Employer's Affiliates.

**7. COMPENSATION TO EMPLOYEE.** For and in complete consideration of Employee's full and faithful performance of Employee's duties under this Agreement, Employer hereby covenants and agrees to pay to Employee, and Employee hereby covenants and agrees to accept from Employer, the following items of compensation:

(a) **Base Salary.** Employer hereby covenants and agrees to pay to Employee, and Employee hereby covenants and agrees to accept from Employer, a base salary at the rate of Three Hundred Fifty Thousand Dollars (\$350,000.00) per annum, payable in such weekly, bi-weekly or semi-monthly installments as shall be convenient to Employer (the "**Base Salary**"). Such Base Salary shall be subject to periodic merit reviews and may be increased, but not decreased, as a result of any such review. Such Base Salary shall be exclusive of and in addition to any other benefits which Employer, in its sole discretion, may make available to Employee including, but not limited to any bonus plan, stock incentive plan, profit sharing plan, pension plan, retirement plan, disability or life insurance plan, medical and/or hospitalization plan, or any other benefit plan which may be in effect during the Term.

(b) **Bonus Compensation.** Employee also will be eligible to receive a bonus as follows:

(i) Fifty Thousand Dollars (\$50,000.00) for the period ending December 31, 2003;

(ii) One Hundred Thousand Dollars (\$100,000.00) for the period of January 1 through December 31, 2004;

(iii) For periods thereafter, at such times and in such amounts as Employer, in its sole and exclusive discretion, may determine, until such time as Employer adopts a performance-based bonus plan, and thereafter in accordance with such plan.

Nothing in this Agreement shall limit Employer's discretion to adopt, amend or terminate any bonus plan at any time.

(c) **Employee Benefit Plans.** Employer hereby covenants and agrees that it shall include Employee, if otherwise eligible, in any profit sharing plan, stock incentive plan, pension plan, retirement plan, disability or life insurance plan, medical and/or hospitalization plan, and any other benefit plan which may be placed in effect by Employer or any of its Affiliates for the benefit of Employer's executives during the Term. Subject to and effective

upon the approval of the Compensation Committee of Wynn Resorts, Limited, Employee shall be granted 75,000 stock options of Wynn Resorts, Limited common stock under the Wynn Resorts, Limited 2002 Stock Incentive Plan. Nothing in this Agreement shall limit Employer's or any of its Affiliates' ability to exercise the discretion provided to it under any employee benefit plan, or to adopt, amend or terminate any benefit plan at any time.

(d) **Expense Reimbursement.** During the Term and provided the same are authorized in advance by Employer, Employer shall either pay directly or reimburse Employee for Employee's reasonable expenses incurred for the benefit of Employer in accordance with Employer's general policy regarding expense reimbursement, as the same may be modified from time to time. Employer specifically agrees to reimburse Employee for his professional dues and continuing professional education expenses, up to a total of One Thousand Five Hundred Dollars (\$1,500.00) per year of the Term, non-cumulative. Prior to such any payment or reimbursement of expenses, Employee shall provide Employer with sufficient detailed invoices of such expenses as may be required by Employer's policy.

(e) **Vacations and Holidays.** Commencing as of the Effective Date, Employee shall be entitled to annual paid vacation and paid holidays (or, at Employer's option, an equivalent number of paid days off) in accordance with Employer's respective standard policies, however, in no event shall Employee receive less than two (2) weeks' paid vacation during any full year of the Term.

(f) **Withholdings.** All compensation provided to Employee by Employer under this Section 7 shall be subject to applicable withholdings for federal, state or local income or other taxes, Social Security Tax, Medicare Tax, State Unemployment Insurance, State Disability Insurance, charitable contributions and the like.

#### **8. LICENSING REQUIREMENTS.**

(a) Employer and Employee hereby covenant and agree that this Agreement may be subject to the approval of one or more gaming regulatory authorities (the "**Authorities**") pursuant to the provisions of the relevant gaming regulatory statutes (the "**Gaming Acts**") and the regulations promulgated thereunder (the "**Gaming Regulations**"). Employer and Employee hereby covenant and agree to use their best efforts to obtain any and all approvals required by the Gaming Acts and/or Gaming Regulations. In the event that (i) an approval of this Agreement by the Authorities is required for Employee to carry out his duties and responsibilities set forth in Section 3 of this Agreement, (ii) Employer and Employee have used their best efforts to obtain such approval, and (iii) this Agreement is not so

approved by the Authorities, then this Agreement shall immediately terminate and shall be null and void.

(b) If applicable, Employer and Employee hereby covenant and agree that, in order for Employee to discharge the duties required under this Agreement, Employee must apply for or hold a license, registration, permit or other approval (the "**License**") as issued by the Authorities pursuant to the terms of the relevant Gaming Act and as otherwise required by this Agreement. In the event Employee fails to apply for and secure, or the Authorities refuse to issue or renew Employee's License, Employee, at Employer's sole cost and expense, shall promptly defend such action and shall take such reasonable steps as may be required to either remove the objections or secure or reinstate the Authorities' approval, respectively. The foregoing notwithstanding, if the source of the objections or the Authorities' refusal to renew or maintain Employee's License arise as a result of any of the events described in Subsection 1(c) of this Agreement, then Employer's obligations under this Section 8 also shall not be operative and Employee shall promptly reimburse Employer upon demand for any expenses incurred by Employer pursuant to this Section 8.

(c) Employer and Employee hereby covenant and agree that the provisions of this Section 8 shall apply in the event Employee's duties require that Employee also be licensed by governmental agencies other than the Authorities.

**9. CONFIDENTIALITY.** Employee hereby warrants, covenants and agrees that, without the prior express written approval of Employer, Employee shall hold in the strictest confidence, and shall not disclose to any person, firm, corporation or other entity, any and all of Employer's confidential data, including but not limited to (a) information, drawings, sketches, plans or other documents concerning Employer's business or development plans, customers or suppliers or those of Employer's Affiliates; (b) Employer's or its Affiliates' development, design, construction or sales and marketing methods or techniques; or (c) Employer's trade secrets and other "know-how" or information not of a public nature, regardless of how such information came to the custody of Employee. For purposes of this Agreement, such confidential information shall include, but not be limited to, information, including a formula, pattern, compilation, program, device, method, technique or process, that (x) derives independent economic value, present or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use and (y) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. The warranty, covenant and agreement set forth in this Section 9 shall not expire, shall survive this Agreement, and shall be binding upon Employee without regard to the passage of time or other events.

**10. RESTRICTIVE COVENANT/NO SOLICITATION.**

(a) Employee hereby covenants and agrees that, during the Term or for such longer period so long as Employer pays to Employee the compensation set forth in Subsection 7(a) of this Agreement, Employee shall not directly or indirectly, either as a principal, agent, employee, employer, consultant, partner, member of a limited liability company, shareholder of a closely held corporation, or shareholder in excess of two (2%) per cent of a publicly traded corporation, corporate officer or director, manager, or in any other individual or representative capacity, engage or otherwise participate in any manner or fashion in any business that is in competition in any manner whatsoever with the principal business activity of Employer or Employer's Affiliates, in or about any market in which Employer or Employer's Affiliates have or have announced a plan to have hotel or gaming operations. Employee hereby further covenants and agrees that the restrictive covenant contained in this Section 10 is reasonable as to duration, terms and geographical area and that the same protects the legitimate interests of Employer, imposes no undue hardship on Employee, and is not injurious to the public.

(b) Employee hereby further covenants and agrees that, during the Term and for a period of one (1) year following the expiration of the Term, Employee shall not directly or indirectly, and Employee shall not suffer others to, solicit or attempt to solicit for employment any management level employee of Employer or Employer's Affiliates with or on behalf of any business that is in competition in any manner whatsoever with the principal business activity of Employer or Employer's Affiliates, in or about any market in which Employer or Employer's Affiliates have or have announced a plan hotel or gaming operations.

**11. BEST EVIDENCE.** This Agreement shall be executed in original and "Xerox" or photostatic copies and each copy bearing original signatures in ink shall be deemed an original.

**12. SUCCESSION.** This Agreement shall be binding upon and inure to the benefit of Employer and Employee and their respective successors and assigns.

**13. ASSIGNMENT.** Employee shall not assign this Agreement or delegate his duties hereunder without the express written prior consent of Employer thereto. Any purported assignment by Employee in violation of this Section 13 shall be null and void and of no force or effect. Employer shall have the right to assign this Agreement freely.

**14. AMENDMENT OR MODIFICATION.** This Agreement may not be amended, modified, changed or altered except by a writing signed by both Employer and Employee.

**15. GOVERNING LAW.** This Agreement shall be governed by and construed in accordance with the laws of the State of Nevada, without regard to conflict of laws principles.

**16. NOTICES.** Any and all notices required under this Agreement shall be in writing and shall be either hand-delivered or mailed, certified mail, return receipt requested, addressed to:

TO EMPLOYER: Wynn Las Vegas, LLC  
3145 Las Vegas Boulevard South  
Las Vegas, Nevada 89109

WITH A COPY THAT SHALL NOT BE NOTICE TO: Wynn Resorts, Limited  
3145 Las Vegas Boulevard South  
Las Vegas, Nevada 89109  
Attn: Legal Department

TO EMPLOYEE: David Sisk  
10008 Laurel Springs  
Las Vegas, Nevada 89134

All notices hand-delivered shall be deemed delivered as of the date actually delivered. All notices mailed shall be deemed delivered as of three (3) business days after the date postmarked. Any changes in any of the addresses listed herein shall be made by notice as provided in this Section 16.

**17. INTERPRETATION.** The preamble recitals to this Agreement are incorporated into and made a part of this Agreement; titles of paragraphs are for convenience only and are not to be considered a part of this Agreement.

**18. SEVERABILITY.** In the event any one or more provisions of this Agreement is declared judicially void or otherwise unenforceable, the remainder of this Agreement shall survive and such provision(s) shall be deemed modified or amended so as to fulfill the intent of the parties hereto.

**19. DISPUTE RESOLUTION.** Except for equitable actions seeking to enforce the provisions of Sections 9 and 10 of this Agreement, jurisdiction and venue for which is hereby granted to the court of general trial jurisdiction in Las Vegas, Nevada, any and all claims, disputes, or controversies arising between the parties hereto regarding any of the terms of this Agreement or the breach thereof, on the written demand of either of the parties hereto, shall be submitted to and be determined by final and binding arbitration held in Las Vegas, Nevada, in accordance with Employer's or Employer's Affiliates' arbitration policy governing employment disputes, or, in the absence of any such policy, as conducted by and in accordance with the employment dispute resolution rules of the American Arbitration Association. This agreement to arbitrate shall be specifically enforceable in any court of competent jurisdiction.



**FIRST AMENDMENT TO  
EMPLOYMENT AGREEMENT**

This FIRST AMENDMENT TO EMPLOYMENT AGREEMENT (this “**Amendment**”) is entered into as of October 20, 2003, by and between Wynn Las Vegas, LLC (“**Employer**”) and David Sisk (“**Employee**”). Capitalized terms that are not defined herein shall have the meanings ascribed to them in the Agreement (as defined below).

**RECITALS**

WHEREAS, Employer and Employee have entered into that certain Employment Agreement, dated as of September 16, 2003 (the “**Agreement**”); and

WHEREAS, the Agreement provides for the Effective Date of Employee’s employment with Employer to be October 20, 2003; and

WHEREAS, Employer is willing and Employee desires to change the Effective Date of the Agreement on the terms and pursuant to the conditions set forth herein;

NOW, THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants and agreements set forth in this Amendment, the parties hereto agree as follows:

1. Amendment. Section 1(e) of the Agreement is hereby amended to read as follows:

“(e) “**Effective Date**” – means October 27, 2003.”

2. Other Provisions of Agreement. The parties acknowledge that the Agreement is being modified only as stated herein, and agree that nothing else in the Agreement shall be affected by this Amendment.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed as of the date first written above.

**WYNN LAS VEGAS, LLC**

**EMPLOYEE**

By: /s/ Marc Schorr

/s/ David Sisk

\_\_\_\_\_  
Marc Schorr

\_\_\_\_\_  
David Sisk

CEO & President

**EMPLOYMENT AGREEMENT**  
**("Agreement")**

- by and between -

**WYNN RESORTS, LIMITED**  
**("Employer")**

- and -

**KAREN B. BOZICH**  
**("Employee")**

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**DATED:** as of January 1, 2005

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**EMPLOYMENT AGREEMENT**

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**THIS EMPLOYMENT AGREEMENT (“Agreement”)** is made and entered into as of the 1<sup>st</sup> day of January 2005, by and between **WYNN RESORTS, LIMITED (“Employer”)** and **KAREN B. BOZICH (“Employee”)**.

**WITNESSETH:**

**WHEREAS**, Employer is a corporation duly organized and existing under the laws of the State of Nevada, maintains its principal place of business at 3131 Las Vegas Blvd. South, Las Vegas, Nevada, and is engaged in the business of developing, owning and operating casino resorts; and,

**WHEREAS**, Employee is an adult individual residing at 9108 Eagle Ridge Drive, Las Vegas Nevada 89131; and,

**WHEREAS**, Employee is a party to that certain Employment Agreement dated as of March 8, 2001 with Employer which Employer subsequently transferred and assigned to Wynn Las Vegas, LLC (the “2001 Employment Agreement”);

**WHEREAS**, the 2001 Employment Agreement will expire by its terms on June 4, 2005 and Employer and Employee desire to terminate the 2001 Employment Agreement prior to such agreement expiration and enter into a new employment agreement

**WHEREAS**, Employee has represented and warranted to Employer that Employee possesses sufficient qualifications and expertise in order to fulfill the terms of the employment stated in this Agreement; and,

**WHEREAS**, Employer is willing to employ Employee, and Employee is desirous of accepting employment from Employer under the terms and pursuant to the conditions set forth herein;

**NOW, THEREFORE**, for and in consideration of the foregoing recitals, and in consideration of the mutual covenants, agreements, understandings, undertakings, representations, warranties and promises hereinafter set forth, and intending to be legally bound thereby, Employer and Employee do hereby covenant and agree as follows:

**1. DEFINITIONS.** As used in this Agreement, the words and terms hereinafter defined have the respective meanings ascribed to them, unless a different meaning clearly appears from the context:

- (a) “**Affiliate**” - means with respect to a specified Person, any other Person who or which is (i) directly or indirectly controlling, controlled by

or under common control with the specified Person, or (ii) any member, director, officer or manager of the specified Person. For purposes of this definition, only, "control", "controlling", and "controlled" mean the right to exercise, directly or indirectly, more than fifty percent (50%) of the voting power of the stockholders, members or owners and, with respect to any individual, partnership, trust or other entity or association, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of the controlled entity. For purposes hereof, "Person" shall mean an individual, partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture or other entity of whatever nature.

(b) "**Anniversary**" - means each anniversary date of the Effective Date during the Term (as defined in Section 5 hereof).

(c) "**Cause**" - means

(i) the willful destruction by Employee of the property of Employer or its Affiliate having a material value to Employer or such Affiliate;

(ii) fraud, embezzlement, theft, or comparable dishonest activity committed by Employee (excluding acts involving a *de minimis* dollar value and not related to Employer or its Affiliate);

(iii) Employee's conviction of or entering a plea of guilty or *nolo contendere* to any crime constituting a felony or any misdemeanor involving fraud, dishonesty or moral turpitude (excluding acts involving a *de minimis* dollar value and not related to Employer or its Affiliate);

(iv) Employee's breach, neglect, refusal, or failure to materially discharge his duties (other than due to physical or mental illness) commensurate with his title and function, or Employee's failure to comply with the lawful directions of Employer;

(v) a willful and knowing material misrepresentation to Employer's or its Affiliate's Board of Directors;

(vi) a willful violation of a material policy of Employer or its Affiliate, which does or could result in material harm to Employer or to Employer's reputation, or that of its Affiliate; or

(vii) Employee's material violation of a statutory or common law duty of loyalty or fiduciary duty to Employer or its Affiliate, *provided, however,* that Employee's disability due to illness or accident or any other mental or physical incapacity shall not constitute "Cause" as defined herein.

(d) "**Complete Disability**" - means the inability of Employee, due to illness or accident or other mental or physical incapacity, to perform his obligations under this Agreement for a period as defined by Employer's local disability plan or plans.

(e) "**Confidential Information**" - means any information that is possessed or developed by or for Employer or its Affiliate and which relates to the Employer's or Affiliate's existing or potential business or technology, which is not generally known to the public or to persons engaged in business similar to that conducted or contemplated by Employer or Affiliate during the entire tenure of her employment with Employer, or which Employer or Affiliate seeks to protect from disclosure to its existing or potential competitors (known to Employee during the entire tenure of her employment with Employer or its Affiliates) or others, and includes without limitation business and technical plans, strategies, existing and proposed bids, technical developments, existing and proposed research projects, copyrights, inventions, patents, intellectual property, data, business operational processes, process parameters, practices, products, product design information, research and development data, financial records, operational manuals, computer programs and information stored or developed for use in or with computers, customer information, customer lists, marketing plans, financial information, financial or business projections, and all other compilations of information which relate to the business of Employer or Affiliate, and any other proprietary material of Employer or Affiliate, which have not been released to the general public. Confidential Information also includes information received by Employer or any of its Affiliates from others that the Employer or Affiliate has an obligation to treat as confidential. Confidential Information shall not include (a) information known to by Employee prior to the commencement of her employment with the Employer (or its Affiliates) or (b) information that is or becomes generally publicly known through authorized disclosure.

(e) "**Effective Date**" - means January 1, 2005.

(f) "**Trade Secrets**" - means unpublished inventions or works of authorship, as well as all information possessed by or developed by or for Employer or its Affiliate, including without limitation any formula, pattern,

compilation, program device, method, technique, product, system, process, design, prototype, procedure, computer programming or code that (i) derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by the public or other persons who can obtain economic value from its disclosure or use; and (ii) is the subject of efforts that are reasonable to maintain its secrecy.

(g) "**Work of Authorship**" - means any computer program, code or system as well as any literary, pictorial, sculptural, graphic or audio visual work, whether published or unpublished, and whether copyrightable or not, in whatever form and jointly with others that (i) relates to any of Employer's or its Affiliate's existing products or potential products developed during the Term of this Agreement, practices, processes, formulations, manufacturing, engineering, research, equipment, applications or other business or technical activities or investigations; or (ii) relates to ideas, work or investigations conceived or carried on by Employer or its Affiliate or by Employee in connection with or because of performing services for Employer or its Affiliate. Work of Authorship shall not include (a) information known by Employee prior to the commencement of her employment with the Employer (or its Affiliates) or (b) information that is or becomes generally publicly known through authorized disclosure.

**2. BASIC EMPLOYMENT AGREEMENT.** Subject to the terms and pursuant to the conditions hereinafter set forth, Employer hereby employs Employee during the Term hereinafter specified to serve in a capacity, under a title, and with such duties not inconsistent with those set forth in Section 3 of this Agreement, as the same may be modified and/or assigned to Employee by Employer from time to time; provided, however, that no change in Employee's duties shall be permitted if it would result in a material reduction in the level of Employee's duties as in effect prior to the change, it being understood, however, that a change in Employee's reporting responsibilities is not, itself, a basis for finding a material reduction in the level of duties.

**3. DUTIES OF EMPLOYEE.** Employee shall perform such duties assigned to Employee by Employer as are generally associated with the duties of **Senior Vice President and Chief Information Officer** for Employer or such similar duties as may be assigned to Employee by Employer as Employer may determine. Employee's duties shall include, but not be limited to: (i) the efficient and continuous operation of Employer and its Affiliates; (ii) the preparation of relevant budgets and allocation of relevant funds; (iii) the selection and delegation of duties and responsibilities of subordinates; (iv) the direction, review and oversight of all programs under Employee's supervision; and (v) such other and further duties as may be assigned by Employer to Employee from time to time. The foregoing notwithstanding, Employee shall devote such time to Employer's Affiliates as may be required by Employer, provided such duties are not inconsistent with Employee's primary duties to Employer hereunder.

**4. ACCEPTANCE OF EMPLOYMENT/ TERMINATION 2001 EMPLOYMENT AGREEMENT.** Employee hereby unconditionally accepts the employment set forth hereunder, under the terms and pursuant to the conditions set forth in this Agreement. Employee hereby covenants and agrees that, during the Term, Employee will devote the whole of Employee's normal and customary working time and best efforts solely to the performance of Employee's duties under this Agreement and that, except upon Employer's prior express written authorization to that effect, Employee shall not perform any services for any casino, hotel/casino or other similar gaming or gambling operation not owned by Employer or any of Employer's Affiliates.

As a condition to the acceptance of the employment hereunder and concurrent the execution of this Agreement, Employee agrees that as of the Effective Date and concurrent with the effectiveness of this Agreement Employee agrees to terminate the 2001 Employment Agreement by executing and delivering the Termination Agreement attached hereto as Exhibit A.

**5. TERM.** Unless sooner terminated as provided in this Agreement, the term of this Agreement (the "**Term**") shall commence on the Effective Date of this Agreement and terminate at 11.59 p.m. (Las Vegas time) on January 4, 2008, at which time the terms and conditions of this Agreement shall expire and shall not apply to any continued employment of Employee by Employer, except for those obligations under Paragraphs 9 and 10. Following the Term, unless the parties enter into a new written contract of employment, (a) any continued employment of Employee shall be at-will, (b) any or all of the other terms and conditions of Employee's employment may be changed by Employer at its discretion, with or without notice, and (c) the employment relationship may be terminated at any time by either party, with or without cause or notice.

**6. SPECIAL TERMINATION PROVISIONS.** Notwithstanding the provisions of Section 5 of this Agreement, this Agreement shall terminate upon the occurrence of any of the following events:

- (a) the death of Employee;
- (b) the giving of written notice from Employer to Employee of the termination of this Agreement upon the Complete Disability of Employee;
- (c) the giving of written notice by Employer to Employee of the termination of this Agreement upon the discharge of Employee for Cause;
- (d) the giving of written notice by Employer to Employee of the termination of this Agreement following a disapproval of this Agreement or the denial, suspension, limitation or revocation of Employee's License (as defined in Subsection 8(b) of this Agreement); or

(e) the giving of written notice by Employee to Employer upon a material breach of this Agreement by Employer, which material breach remains uncured for a period of thirty (30) days after the giving of such notice, or

(f) the giving of six (6) month prior written notice by Employee to Employer that Employee is electing to terminate this Agreement without cause; provided that Section 9 and Section 10 shall survive any termination pursuant this Section 6(f).

In the event of a termination of this Agreement pursuant to the provisions of Subsection 6(a), (b), (c), (d) or (f), Employer shall not be required to make any payments to Employee other than payment of Base Salary and vacation pay accrued but unpaid and expenses incurred but not reimbursed through the termination date; specifically, in such event, Employee shall not be entitled to any benefits pursuant to any severance plan in effect by Employer or any of its Affiliates.

**7. COMPENSATION TO EMPLOYEE.** For and in complete consideration of Employee's full and faithful performance of Employee's duties under this Agreement, Employer hereby covenants and agrees to pay to Employee, and Employee hereby covenants and agrees to accept from Employer, the following items of compensation:

(a) **Base Salary.** Employer hereby covenants and agrees to pay to Employee, and Employee hereby covenants and agrees to accept from Employer, a base salary at the rate of i) Two Hundred Fifty Thousand Dollars (\$250,000) per annum during the period from the Effective Date through June 30, 2006, and ii) Two Hundred Sixty Five Thousand (\$265,000) per annum during the period from July 1, 2006 through January 4, 2008, payable in such weekly, bi-weekly or semi-monthly installments as shall be convenient to Employer (the "**Base Salary**"). Such Base Salary shall be subject to periodic merit reviews and may be increased, but not decreased, as a result of any such review. Such Base Salary shall be exclusive of and in addition to any other benefits which Employer, in its sole discretion, may make available to Employee, including but not limited to any bonus plan, stock incentive plan, profit sharing plan, pension plan, retirement plan, disability or life insurance plan, medical and/or hospitalization plan, or any other benefit plan which may be in effect during the Term.

(b) **Bonus Compensation.** Employee will be eligible to receive an annual bonus at such times and in such amounts as Employer, in its sole and exclusive discretion, may determine, until such time as Employer adopts a performance-based bonus plan, and thereafter in accordance with such plan, but in no event would such annual bonus be less than Thirty Thousand Dollars (\$30,000.00) (the "**Minimum Bonus**"). With the exception of the Minimum Bonus, Employer retains the discretion to adopt, amend or terminate any bonus plan at any time.

(c) **Employee Benefit Plans.** Employer hereby covenants and agrees that it shall include Employee, if otherwise eligible, in any profit sharing plan, pension plan, retirement plan, disability or life insurance plan, medical and/or hospitalization plan, and/or any and all other benefit plans that may be placed in effect by Employer or any of its Affiliates for the benefit of Employer's employees during the Term. Unless prohibited by law or the terms of the applicable plan, Employee's eligibility for medical and/or hospitalization benefits shall begin on the Effective Date. Subject to and effective upon the approval of the Compensation Committee of Wynn Resorts, Limited, Employee shall at the earliest possible time after the Effective Date be granted 20,000 stock options of Wynn Resorts, Limited common stock under the Wynn Resorts, Limited 2002 Stock Incentive Plan. Nothing in this Agreement shall limit Employer's or any of its Affiliates' ability to exercise the discretion provided to it under any employee benefit plan, or to adopt, amend or terminate any benefit plan at any time.

(d) **Expense Reimbursement.** During the Term and provided the same are authorized in advance by Employer, Employer shall either pay directly or reimburse Employee for Employee's reasonable expenses incurred for the benefit of Employer in accordance with Employer's general policy regarding expense reimbursement, as the same may be modified from time to time. Prior to such payment or reimbursement, Employee shall provide Employer with sufficient detailed invoices of such expenses as may be required by Employer's policy.

(e) **Vacations and Holidays.** Commencing as of the Effective Date, Employee shall be entitled to annual paid vacation and paid holidays in accordance with Employer's respective standard policies which shall be no less than four (4) week per each year of the Term.

(f) **Withholdings.** All compensation provided to Employee by Employer under this Section 7 shall be subject to applicable withholdings for federal, state or local income or other taxes, Social Security Tax, Medicare Tax, State Unemployment Insurance, State Disability Insurance, charitable contributions and the like.

#### **8. LICENSING REQUIREMENTS.**

(a) Employer and Employee hereby covenant and agree that this Agreement may be subject to the approval of one or more gaming regulatory authorities (the "**Authorities**") pursuant to the provisions of the relevant gaming regulatory statutes (the "**Gaming Acts**") and the regulations promulgated thereunder (the "**Gaming Regulations**"). Employer and Employee hereby covenant and agree to use their best efforts to obtain any

and all approvals required by the Gaming Acts and/or Gaming Regulations. In the event that (i) an approval of this Agreement by the Authorities is required for Employee to carry out his duties and responsibilities set forth in Section 3 of this Agreement, (ii) Employer and Employee have used their best efforts to obtain such approval, and (iii) this Agreement is not so approved by the Authorities, then this Agreement shall immediately terminate and shall be null and void.

(b) If applicable, Employer and Employee hereby covenant and agree that, in order for Employee to discharge the duties required under this Agreement, Employee must apply for or hold a license, registration, permit or other approval (the "**License**") as issued by the Authorities pursuant to the terms of the relevant Gaming Act and as otherwise required by this Agreement. In the event Employee fails to apply for and secure, or the Authorities refuse to issue or renew Employee's License, Employee, at Employer's sole cost and expense, shall promptly defend such action and shall take such reasonable steps as may be required to either remove the objections or secure or reinstate the Authorities' approval, respectively. The foregoing notwithstanding, if the source of the objections or the Authorities' refusal to renew or maintain Employee's License arise as a result of any of the events described in Subsection 1(c) of this Agreement, then Employer's obligations under this Section 8 also shall not be operative and Employee shall promptly reimburse Employer upon demand for any expenses incurred by Employer pursuant to this Section 8.

(c) Employer and Employee hereby covenant and agree that the provisions of this Section 8 shall apply in the event Employee's duties require that Employee also be licensed by governmental agencies other than the Authorities.

**9. CONFIDENTIALITY.**

(a) Employee hereby warrants, covenants and agrees that Employee shall not directly or indirectly use or disclose any Confidential Information, Trade Secrets, or Works of Authorship, whether in written, verbal, or model form, at any time or in any manner, except as required in the conduct of Employer's business or as expressly authorized by Employer in writing. Employee shall take all necessary and available precautions to protect against the unauthorized disclosure of Confidential Information, Trade Secrets, or Works of Authorship. Employee acknowledges and agrees that such Confidential Information, Trade Secrets, or Works of Authorship are the sole and exclusive property of Employer or its Affiliate.

(b) Employee shall not remove from Employer's premises any Confidential Information, Trade Secrets, Works of Authorship, or any other

documents pertaining to Employer's or its Affiliate's business, unless expressly authorized by Employer in writing. Furthermore, Employee specifically covenants and agrees not to make any duplicates, copies, or reconstructions of such materials and that, if any such duplicates, copies, or reconstructions are made, they shall become the property of Employer or its Affiliate upon their creation.

(c) Upon termination of Employee's employment with Employer, Employee shall turn over to Employer the originals and all copies of any and all papers, documents and things, including information stored for use in or with computers and software, all files, Rolodex cards, phone books, notes, price lists, customer contracts, bids, customer lists, notebooks, books, memoranda, drawings, or other documents: (i) made, compiled by, or delivered to Employee concerning any customer served by Employer or its Affiliate or any product, apparatus, or process manufactured, used, developed or investigated by Employer; (ii) containing any Confidential Information, Trade Secret or Work of Authorship; or (iii) otherwise relating to Employee's performance of duties under this Agreement. Employee further acknowledges and agrees that all such documents are the sole and exclusive property of Employer or its Affiliate.

(d) Employee hereby warrants, covenants and agrees that Employee shall not disclose to Employer, or any Affiliate, officer, director, employee or agent of Employer, any proprietary or confidential information or property, including but not limited to any trade secret, formula, pattern, compilation, program, device, method, technique or process, which Employee is prohibited by contract, or otherwise, to disclose to Employer (the "Restricted Information"). In the event, Employer requests Restricted Information from Employee, Employee shall advise Employer that the information requested is Restricted Information and may not be disclosed by Employee.

(e) The obligations of this Section 9 are continuing and shall survive the termination of Employee's employment with Employer.

**10. RESTRICTIVE COVENANT/NO SOLICITATION.**

(a) Employee hereby covenants and agrees that during the Term set forth in Section 5, or for such period as Employer continues to employ or compensate Employee, whichever is longer, Employee shall not directly or indirectly, either as a principal, agent, employee, employer, consultant, partner, member of a limited liability company, shareholder of a closely held corporation, or shareholder in excess of two (2%) per cent of a publicly traded corporation, corporate officer or director, manager, or in any other individual or representative capacity, engage or otherwise participate in any manner or fashion in any business that is in competition in any manner

whatsoever with the principal business activity of Employer or its Affiliates, in or about any market in which Employer or its Affiliates have or have publicly announced a plan to have hotel or gaming operations. Notwithstanding the foregoing, Employee shall have the right to provide consulting services to a business that is in competition with the principal business activity of Employer or its Affiliates if i) Employee is no longer employed by Employer or its Affiliates and ii) Employer has declined to engage Employee as a consultant at an hourly rate equal to the lesser of x) the hourly rate offered by Employee to other potential clients of Employee and y) an hourly rate having the same economic equivalent (taking into account salary, bonus, and medical benefits, but excluding stock option or other stock based compensation) as Employee's compensation with Employer at the time of her termination of employment with Employer.

(b) Employee hereby further covenants and agrees that, during the Term and for a period of one (1) year following the expiration of the Term, Employee shall not directly or indirectly solicit or attempt to solicit for employment any management level employee of Employer or its Affiliates with or on behalf of any business that is in competition in any manner whatsoever with the principal business activity of Employer or its Affiliates, in or about any market in which Employer or its Affiliates have or have publicly announced a plan to have hotel or gaming operations.

(c) Employee hereby further covenants and agrees that the restrictive covenants contained in this Section 10 are reasonable as to duration, terms and geographical area and that they protect the legitimate interests of Employer, impose no undue hardship on Employee, and are not injurious to the public. In the event that any of the restrictions and limitations contained in this Section 10 are deemed to exceed the time, geographic or other limitations permitted by Nevada law, the parties agree that a court of competent jurisdiction shall revise any offending provisions so as to bring this Section 10 within the maximum time, geographical or other limitations permitted by Nevada law.

**11. REMEDIES.** Employee acknowledges that Employer has and will continue to deliver, provide and expose Employee to certain knowledge, information, practices, and procedures possessed or developed by or for Employer at a considerable investment of time and expense, which are protected as confidential and which are essential for carrying out Employer's business in a highly competitive market. Employee also acknowledges that Employee has and will be exposed to Confidential Information, Trade Secrets, Works of Authorship, inventions and business relationships possessed or developed by or for Employer or its Affiliates, and that Employer or its Affiliates would be irreparably harmed if Employee were to improperly use or disclose such items to competitors, potential competitors or other parties. Employee further acknowledges that the protection of Employer's and its Affiliates' customers and businesses is essential, and understands and agrees that Employer's and its Affiliates'

relationships with its customers, vendors and employees are special and unique and have required a considerable investment of time and funds to develop, and that any loss of or damage to any such relationship will result in irreparable harm. Consequently, Employee covenants and agrees that any violation by Employee of Section 10 or 11 shall entitle Employer to immediate injunctive relief in a court of competent jurisdiction. Employee further agrees that no cause of action for recovery of materials or for breach of any of Employee's representations, warranties or covenants shall accrue until Employer or its Affiliate has actual notice of such breach. Employer agrees (without prejudice to Employer's right to seek the immediate injunctive relief described above) that prior to seeking monetary damages for a breach of Employee's obligations under this Agreement, Employer shall notify Employee of such breach and Employee shall be have fifteen days from the date of such notice to cure any such breach to the extent that a cure is possible.

**12. BEST EVIDENCE.** This Agreement shall be executed in original and "Xerox" or photostatic copies and each copy bearing original signatures in ink shall be deemed an original.

**13. SUCCESSION.** This Agreement shall be binding upon and inure to the benefit of Employer and Employee and their respective successors and assigns.

**14. ASSIGNMENT.** Employee shall not assign this Agreement or delegate his duties hereunder without the express written prior consent of Employer thereto. Any purported assignment by Employee in violation of this Section 14 shall be null and void and of no force or effect. Employer shall have the right to assign this Agreement to any Affiliate or successor, including without limitation Employee's obligations under Section 10, and Employee hereby acknowledges receipt of consideration in exchange for Employee's consent to the assignability of Employee's obligations under Section 10 that is additional to and separate from the consideration provided to Employee exchange for the other covenants in this Agreement.

**15. AMENDMENT OR MODIFICATION.** This Agreement may not be amended, modified, changed or altered except by a writing signed by both Employer and Employee.

**16. GOVERNING LAW.** This Agreement shall be governed by and construed in accordance with the laws of the State of Nevada, without regard to conflict of laws principles.

**17. NOTICES.** Any and all notices required under this Agreement shall be in writing and shall be either hand-delivered or mailed, certified mail, return receipt requested, addressed to:

TO EMPLOYER:

Wynn Resorts, Limited  
3131 Las Vegas Boulevard South  
Las Vegas, Nevada 89109  
Attn: Chief Financial Officer

WITH A COPY  
THAT SHALL NOT BE  
NOTICE TO:

Wynn Resorts, Limited  
3131 Las Vegas Boulevard South  
Las Vegas, Nevada 89109  
Attn: Legal Department

TO EMPLOYEE:

Karen Bozich  
9108 Eagle Ridge Drive  
Las Vegas, NV 89131

All notices hand-delivered shall be deemed delivered as of the date actually delivered. All notices mailed shall be deemed delivered as of three (3) business days after the date postmarked. Any changes in any of the addresses listed herein shall be made by notice as provided in this Section 17.

**18. INTERPRETATION.** The preamble recitals to this Agreement are incorporated into and made a part of this Agreement; titles of paragraphs are for convenience only and are not to be considered a part of this Agreement.

**19. SEVERABILITY.** In the event any one or more provisions of this Agreement is declared judicially void or otherwise unenforceable, the remainder of this Agreement shall survive and such provision(s) shall be deemed modified or amended so as to fulfill the intent of the parties hereto.

**20. DISPUTE RESOLUTION.** Except for equitable actions seeking to enforce the provisions of Sections 9, 10 and 11 of this Agreement, jurisdiction and venue for which is hereby granted to the court of general trial jurisdiction in Las Vegas, Nevada, any and all claims, disputes, or controversies arising between the parties hereto regarding any of the terms of this Agreement or the breach thereof, on the written demand of either of the parties hereto, shall be submitted to and be determined by final and binding arbitration held in Las Vegas, Nevada, in accordance with Employer's or its Affiliates' arbitration policy governing employment disputes, or, in the absence of any such policy, as conducted by and in accordance with the employment dispute rules of the American Arbitration Association. This agreement to arbitrate shall be specifically enforceable in any court of competent jurisdiction.

**21. WAIVER.** None of the terms of this Agreement, including this Section 21, or any term, right or remedy hereunder shall be deemed waived unless such waiver is in writing and signed by the party to be charged therewith and in no event by reason of any failure to assert or delay in asserting any such term, right or remedy or similar term, right or remedy hereunder.

**22. PAROL.** This Agreement constitutes the entire agreement between Employer and Employee, and supersedes any prior understandings, agreements, undertakings or severance policies or plans by and between Employer or its Affiliates,

on the one side, and Employee, on the other side, with respect to its subject matter or Employee's employment with Employer or its Affiliates.

**IN WITNESS WHEREOF AND INTENDING TO BE LEGALLY BOUND THEREBY**, the parties hereto have executed and delivered this Agreement as of the year and date first above written.

**WYNN RESORT, LIMITED**

**EMPLOYEE**

By: /s/ Marc D. Schorr  
MARC D. SCHORR  
Chief Operating Officer

/s/ Karen B. Bozich  
KAREN B. BOZICH

**EXHIBIT A**

**TERMINATION AGREEMENT**

This Termination Agreement ("Termination Agreement") is made and entered into as of the 1<sup>st</sup> day of January 2005, by and between Karen B. Bozich ("Employee") and Wynn Las Vegas, LLC ("WLV").

**WHEREAS**, Employee has entered into that certain Employment Agreement dated as of March 8, 2001 (the "2001 Employment Agreement") with Wynn Resorts, Limited ("Limited") which was assigned by Limited to WLV effective September 30, 2002; and

**WHEREAS**, Employee has agreed to enter into an employment agreement with Limited (the "2005 Employment Agreement") subject to and concurrent with the termination of the 2001 Employment Agreement; and

**WHEREAS**, Employee and WLV have agreed to terminate the 2001 Employment Agreement concurrent with the effectiveness of the 2005 Employment Agreement.

**NOW, THEREFORE**, for and in consideration of the foregoing recitals, and in consideration of the mutual covenants, agreements, understandings, undertakings, representations, warranties and promises hereinafter set forth, and intending to be legally bound thereby, WLV and Employee do hereby covenant and agree as follows:

1. **TERMINATION OF AGREEMENT.** Employee and WLV agree that the 2001 Employment Agreement shall terminated and be of no further force or effect concurrent with the effectiveness of the 2005 Employment Agreement which is scheduled to be come effective as of January 1, 2005.

**IN WITNESS WHEREOF AND INTENDING TO BE LEGALLY BOUND THEREBY**, the parties hereto have executed and delivered this Agreement as of the year and date first above written.

**WYNN LAS VEGAS, LLC**

**EMPLOYEE**

By: /s/ Marc D. Schorr  
MARC D. SCHORR  
Chief Executive Officer

/s/ Karen B. Bozich  
KAREN B. BOZICH

**Certification of the Chief Executive Officer  
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Stephen A. Wynn, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Wynn Resorts, Limited;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 3, 2005

/s/ Stephen A. Wynn  
Stephen A. Wynn  
Chairman of the Board and  
Chief Executive Officer  
(Principal Executive Officer)

**Certification of the Chief Financial Officer  
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, John Strzemp, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Wynn Resorts, Limited;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 3, 2005

/s/ John Strzemp

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John Strzemp  
Executive Vice President, Chief  
Financial Officer and Treasurer  
(Principal Financial Officer and  
Principal Accounting Officer)

**Certification of CEO and CFO Pursuant to  
18 U.S.C. Section 1350, as Adopted Pursuant to  
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report on Form 10-Q of Wynn Resorts, Limited (the "Company") for the quarter ended March 31, 2005 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Stephen A. Wynn, as Chief Executive Officer of the Company and John Strzemp, as Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Stephen A. Wynn

Name: Stephen A. Wynn

Title: Chairman and Chief Executive Officer  
(Principal Executive Officer)

Date: May 3, 2005

/s/ John Strzemp

Name: John Strzemp

Title: Executive Vice President, Chief  
Financial Officer and Treasurer  
(Principal Financial and Accounting Officer)

Date: May 3, 2005

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Wynn Resorts, Limited and will be retained by Wynn Resorts, Limited and furnished to the Securities and Exchange Commission or its staff upon request.