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Melco International Development Limited

(Incorporated in Hong Kong with limited liability)

Website : <http://www.melco-group.com>

(Stock Code : 200)

ANNOUNCEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE THIRD QUARTER OF 2015 AND DECLARATION OF QUARTERLY DIVIDEND BY A LISTED ASSOCIATE — MELCO CROWN ENTERTAINMENT LIMITED

This is not an announcement of financial results of Melco International Development Limited (the “Company”). This announcement is made by the Company pursuant to the requirements of Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions of Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) to provide shareholders of the Company with information of the financial results of a listed associate of the Company, Melco Crown Entertainment Limited, which has announced its unaudited financial results for the third quarter ended 30 September 2015 and declared quarterly dividend on 5 November 2015.

Melco Crown Entertainment Limited, a 34.29% owned associate of the Company, whose shares are listed by way of American Depositary Receipts on the NASDAQ Global Select Market in the United States, has announced its unaudited financial results for the third quarter ended 30 September 2015 and declared quarterly dividend on 5 November 2015.

Melco Crown Entertainment Limited (“**Melco Crown Entertainment**”), a 34.29% owned associate of the Company, whose shares are listed by way of American Depositary Receipts on the NASDAQ Global Select Market in the United States, has announced its unaudited financial results for the third quarter ended 30 September 2015 and declared quarterly dividend on 5 November 2015. Extracts of the unaudited financial results of Melco Crown Entertainment are provided below:

The Third Quarter 2015 Results of Melco Crown Entertainment

Net revenue for the third quarter of 2015 was US\$945.7 million, representing a decrease of approximately 16% from US\$1,124.1 million for the comparable period in 2014. The decline in net revenue was primarily attributable to lower rolling chip revenues and mass market table games revenues in Macau, partially offset by the net revenue generated by City of Dreams Manila, which started operations in December 2014.

Adjusted property EBITDA (i.e. earnings before interest, taxes, depreciation, amortization, pre-opening costs, development costs, property charges and others, share-based compensation, payments to the Philippine parties under the cooperative arrangement (the “**Philippine Parties**”), land rent to Belle Corporation, gain on disposal of assets held for sale, corporate and others expenses and other non-operating income and expenses) was US\$237.3 million for the third quarter of 2015, as compared to Adjusted property EBITDA of US\$305.7 million in the third quarter of 2014. The 22% year-over-year decline in Adjusted property EBITDA was attributable to lower contribution from the group-wide rolling chip segment and mass market table games segment.

On a U.S. GAAP (i.e. generally accepted accounting principles) basis, net income attributable to Melco Crown Entertainment for the third quarter of 2015 was US\$33.2 million, or US\$0.06 per ADS (i.e. American Depositary Share), compared with net income attributable to Melco Crown Entertainment of US\$132.2 million, or US\$0.24 per ADS, in the third quarter of 2014. The net loss attributable to noncontrolling interests during the third quarter of 2015 of US\$34.1 million was related to Studio City and City of Dreams Manila.

Other Factors Affecting Earnings

Total net non-operating expenses for the third quarter of 2015 were US\$34.6 million, which mainly included interest income of US\$4.2 million and interest expenses, net of capitalized interest, of US\$23.2 million, US\$9.5 million of other finance costs and US\$6.5 million of net foreign exchange loss. Melco Crown Entertainment recorded US\$40.3 million of capitalized interest during the third quarter of 2015, primarily relating to Studio City and the fifth hotel tower at City of Dreams.

The year-on-year decrease of US\$4.2 million in net non-operating expenses was primarily due to higher capitalized interest in the current quarter, partially offset by higher interest expenses resulted from the drawdown of the Studio City US\$1.3 billion term loan facility in late July 2014.

Depreciation and amortization costs of US\$114.3 million were recorded in the third quarter of 2015, of which US\$14.3 million was related to the amortization of Melco Crown Entertainment’s gaming subconcession and US\$16.1 million was related to the amortization of land use rights.

Financial Position and Capital Expenditure

Total cash and bank balances as of 30 September 2015 totaled US\$2.8 billion, including US\$0.7 billion of bank deposits with original maturity over three months and US\$1.0 billion of restricted cash, primarily related to Studio City. Total debt at the end of the third quarter of 2015 was US\$4.0 billion.

Capital expenditure for the third quarter of 2015 were US\$400.6 million, which predominantly related to Studio City and various projects at City of Dreams, including the fifth hotel tower.

The Studio City borrowing group issued a letter requesting, among other things, approvals from the lenders of the Studio City US\$1.4 billion term loan and revolving credit facility to amend the loan documentation. The proposed amendments include changing the Studio City project opening date condition from 400 to 250 tables, consequential adjustments to the financial covenants, and rescheduling the commencement of financial covenant testing.

Dividend Declaration

On 5 November 2015, the Board of Melco Crown Entertainment considered and approved the declaration and payment of a quarterly dividend of US\$0.0061 per share (equivalent to US\$0.0183 per ADS) of Melco Crown Entertainment for the third quarter of 2015 (the “**Quarterly Dividend**”). The Quarterly Dividend will be paid on or about Friday, 4 December 2015 to the shareholders of Melco Crown Entertainment whose names appear on the register of members of Melco Crown Entertainment at the close of business on Tuesday, 17 November 2015, being the record date for determination of entitlements to the Quarterly Dividend.

Condensed Consolidated Statements of Operations and Condensed Consolidated Balance Sheet

The condensed consolidated statements of operations for the three months and nine months ended 30 September 2015 and the condensed consolidated balance sheet as at 30 September 2015 of Melco Crown Entertainment and its subsidiaries are provided below:

Melco Crown Entertainment Limited and Subsidiaries
Condensed Consolidated Statements of Operations
(In thousands of U.S. dollars, except share and per share data)

	Three Months Ended 30 September		Nine Months Ended 30 September	
	2015 (Unaudited)	2014 (Unaudited)	2015 (Unaudited)	2014 (Unaudited)
OPERATING REVENUES				
Casino	\$ 900,468	\$ 1,083,955	\$ 2,786,170	\$ 3,569,443
Rooms	45,577	33,901	138,591	100,900
Food and beverage	30,324	20,931	89,213	61,564
Entertainment, retail and others	28,360	30,178	76,063	83,169
Gross revenues	1,004,729	1,168,965	3,090,037	3,815,076
Less: promotional allowances	(58,999)	(44,895)	(173,267)	(134,152)
Net revenues	945,730	1,124,070	2,916,770	3,680,924
OPERATING COSTS AND EXPENSES				
Casino	(621,333)	(740,925)	(1,962,154)	(2,478,005)
Rooms	(5,475)	(3,148)	(15,341)	(9,290)
Food and beverage	(8,339)	(6,603)	(24,024)	(17,062)
Entertainment, retail and others	(18,237)	(17,372)	(51,528)	(46,809)
General and administrative	(91,373)	(84,717)	(273,733)	(224,783)

Payments to the Philippine Parties	(4,721)	-	(11,994)	-
Pre-opening costs	(46,388)	(28,589)	(115,671)	(57,183)
Development costs	(36)	(2,154)	(57)	(8,454)
Amortization of gaming subconcession	(14,309)	(14,309)	(42,928)	(42,928)
Amortization of land use rights	(16,117)	(16,117)	(48,353)	(48,353)
Depreciation and amortization	(83,833)	(58,707)	(249,400)	(184,378)
Property charges and others	(1,500)	(3,742)	(5,339)	(5,689)
Gain on disposal of assets held for sale	-	-	-	22,072
Total operating costs and expenses	<u>(911,661)</u>	<u>(976,383)</u>	<u>(2,800,522)</u>	<u>(3,100,862)</u>
OPERATING INCOME	<u>34,069</u>	<u>147,687</u>	<u>116,248</u>	<u>580,062</u>
NON-OPERATING INCOME (EXPENSES)				
Interest income	4,237	6,098	10,771	13,750
Interest expenses, net of capitalized interest	(23,244)	(34,146)	(74,214)	(94,539)
Other finance costs	(9,547)	(11,330)	(31,839)	(35,198)
Foreign exchange (loss) gain, net	(6,456)	71	(3,537)	(1,680)
Other income, net	501	549	1,582	1,765
Loss on extinguishment of debt	-	-	(481)	-
Costs associated with debt modification	<u>(47)</u>	<u>-</u>	<u>(592)</u>	<u>-</u>
Total non-operating expenses, net	<u>(34,556)</u>	<u>(38,758)</u>	<u>(98,310)</u>	<u>(115,902)</u>
(LOSS) INCOME BEFORE INCOME TAX	(487)	108,929	17,938	464,160
INCOME TAX EXPENSE	<u>(387)</u>	<u>(379)</u>	<u>(765)</u>	<u>(3,372)</u>
NET (LOSS) INCOME	(874)	108,550	17,173	460,788

NET LOSS ATTRIBUTABLE TO NONCONTROLLING INTERESTS	<u>34,077</u>	<u>23,605</u>	<u>100,913</u>	<u>54,548</u>
NET INCOME ATTRIBUTABLE TO MELCO CROWN ENTERTAINMENT LIMITED	\$ <u>33,203</u>	\$ <u>132,155</u>	\$ <u>118,086</u>	\$ <u>515,336</u>
NET INCOME ATTRIBUTABLE TO MELCO CROWN ENTERTAINMENT LIMITED PER SHARE:				
Basic	\$ <u>0.021</u>	\$ <u>0.080</u>	\$ <u>0.073</u>	\$ <u>0.312</u>
Diluted	\$ <u>0.020</u>	\$ <u>0.079</u>	\$ <u>0.073</u>	\$ <u>0.309</u>
NET INCOME ATTRIBUTABLE TO MELCO CROWN ENTERTAINMENT LIMITED PER ADS:				
Basic	\$ <u>0.062</u>	\$ <u>0.240</u>	\$ <u>0.219</u>	\$ <u>0.936</u>
Diluted	\$ <u>0.061</u>	\$ <u>0.238</u>	\$ <u>0.218</u>	\$ <u>0.928</u>
WEIGHTED AVERAGE SHARES USED IN NET INCOME ATTRIBUTABLE TO MELCO CROWN ENTERTAINMENT LIMITED PER SHARE CALCULATION:				
Basic	<u>1,617,905,348</u>	<u>1,652,484,854</u>	<u>1,617,033,893</u>	<u>1,652,090,303</u>
Diluted	<u>1,627,096,350</u>	<u>1,664,642,439</u>	<u>1,627,249,911</u>	<u>1,665,490,874</u>

Melco Crown Entertainment Limited and Subsidiaries
Condensed Consolidated Balance Sheets
(In thousands of U.S. dollars)

	30 September 2015	31 December 2014
	<u>(Unaudited)</u>	<u>(Audited)</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,141,684	\$ 1,597,655
Bank deposits with original maturity over three months	707,704	110,616
Restricted cash	611,178	1,447,034
Accounts receivable, net	280,002	253,665
Amounts due from affiliated companies	135	1,079
Deferred tax assets	-	532
Income tax receivable	1	15
Inventories	26,136	23,111
Prepaid expenses and other current assets	<u>90,023</u>	<u>69,254</u>
Total current assets	<u>2,856,863</u>	<u>3,502,961</u>
PROPERTY AND EQUIPMENT, NET	5,672,113	4,696,391
GAMING SUBCONCESSION, NET	384,866	427,794
INTANGIBLE ASSETS, NET	4,220	4,220
GOODWILL	81,915	81,915
LONG-TERM PREPAYMENTS, DEPOSITS AND OTHER ASSETS	170,312	287,558
RESTRICTED CASH	350,607	369,549
DEFERRED TAX ASSETS	108	115
DEFERRED FINANCING COSTS, NET	188,259	174,872
LAND USE RIGHTS, NET	<u>838,835</u>	<u>887,188</u>
TOTAL ASSETS	<u>\$ 10,548,098</u>	<u>\$ 10,432,563</u>

LIABILITIES AND SHAREHOLDERS' EQUITY

CURRENT LIABILITIES

Accounts payable	\$	18,038	\$	14,428
Accrued expenses and other current liabilities		1,099,256		1,005,720
Income tax payable		5,630		6,621
Capital lease obligations, due within one year		28,500		23,512
Current portion of long-term debt		17,445		262,750
Amounts due to affiliated companies		<u>1,522</u>		<u>3,626</u>
Total current liabilities		<u>1,170,391</u>		<u>1,316,657</u>

LONG-TERM DEBT		3,948,411		3,640,031
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OTHER LONG-TERM LIABILITIES		88,349		93,441
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DEFERRED TAX LIABILITIES		55,853		58,949
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CAPITAL LEASE OBLIGATIONS, DUE AFTER ONE YEAR		269,909		278,027
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LAND USE RIGHTS PAYABLE		-		3,788
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SHAREHOLDERS' EQUITY

Ordinary shares		16,309		16,337
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Treasury shares		(276)		(33,167)
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Additional paid-in capital		3,074,622		3,092,943
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Accumulated other comprehensive losses		(21,555)		(17,149)
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Retained earnings		<u>1,292,283</u>		<u>1,227,177</u>
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Total Melco Crown Entertainment Limited shareholders' equity		4,361,383		4,286,141
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Noncontrolling interests		<u>653,802</u>		<u>755,529</u>
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Total equity		<u>5,015,185</u>		<u>5,041,670</u>
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TOTAL LIABILITIES AND EQUITY	\$	<u><u>10,548,098</u></u>	\$	<u><u>10,432,563</u></u>
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The full text of Melco Crown Entertainment's unaudited financial results for the third quarter ended 30 September 2015 and declaration of Quarterly Dividend has been posted on the Company's website at <http://www.melco-group.com> and on the website of The Stock Exchange of Hong Kong Limited at <http://www.hkex.com.hk>, as an overseas regulatory announcement, for the information of the Company's shareholders.

By Order of the Board of
Melco International Development Limited
Tsang Yuen Wai, Samuel
Company Secretary

Hong Kong, 5 November 2015

As at the date of this announcement, the board of directors of the Company comprises three Executive Directors, namely Mr. Ho, Lawrence Yau Lung (Chairman and Chief Executive Officer), Mr. Tsui Che Yin, Frank and Mr. Chung Yuk Man, Clarence; one Non-executive Director, namely Mr. Ng Ching Wo; and three Independent Non-executive Directors, namely Mr. Chow Kwong Fai, Edward, Mr. Sham Sui Leung, Daniel and Dr. Tyen Kan Hee, Anthony.