

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **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 FOURTH QUARTER AND TWELVE MONTHS  
ENDED 31 DECEMBER 2009  
BY A LISTED ASSOCIATE  
— MELCO CROWN ENTERTAINMENT LIMITED**

**This is not the announcement of the financial results of Melco International Development Limited (the “Company”). This announcement is made by the Company pursuant to the requirements of Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) to provide shareholders of the Company and the public with information of the financial results of a listed associate of the Company, Melco Crown Entertainment Limited, which has announced on 2 February 2010 its unaudited financial results for the fourth quarter and twelve months ended 31 December 2009.**

<p>Melco Crown Entertainment Limited, a 33.45% 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 on 2 February 2010 its unaudited financial results for the fourth quarter and twelve months ended 31 December 2009.</p>
--

This announcement is made by the Company pursuant to the requirements of Rule 13.09(1) of the Listing Rules.

Melco Crown Entertainment Limited (“**Melco Crown Entertainment**”), a 33.45% 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 on 2 February

2010 its unaudited financial results for the fourth quarter and twelve months ended 31 December 2009. Extracts of the unaudited financial results are provided below:

### **The fourth quarter results of Melco Crown Entertainment**

For the fourth quarter of 2009, net revenue was US\$400.2 million, an increase of approximately 60% from US\$253.5 million for the comparable period ended 31 December 2008. The increase in net revenue was as a result of the opening of City of Dreams in June 2009.

Adjusted EBITDA (i.e. earnings before interest, taxes, depreciation, amortization, pre-opening costs, property charges and other, stock-based compensation costs, and other non-operating income and expenses) was US\$2.7 million for the fourth quarter of 2009, as compared with US\$22.4 million in the fourth quarter of 2008. The year-over-year decrease in EBITDA in the fourth quarter of 2009 was primarily attributable to low table hold in Melco Crown Entertainment's rolling chip operations and a temporary slowdown in rolling chip volume at Altira Macau.

The company-wide mass market table games hold percentage (non rolling chip) in the fourth quarter of 2009 was 17.5%, which is in-line with our target hold percentage range of 16.0% to 18.0%.

The combined rolling chip table games hold percentage (calculated before discounts and commissions) across City of Dreams and Altira Macau in the fourth quarter of 2009 was 2.4%, below Melco Crown Entertainment's expected rolling chip hold percentage range of 2.7% to 3.0%.

If Melco Crown Entertainment normalizes fourth quarter EBITDA using 2.85%, the mid-point of the commonly expected rolling chip hold range, it would have reported Adjusted EBITDA of US\$56 million in the fourth quarter.

On a GAAP (i.e. generally accepted accounting principles) basis, Melco Crown Entertainment recorded a net loss for the fourth quarter of 2009 of US\$89.7 million, or US\$0.17 per ADS (i.e. American Depositary Share), compared to a loss of US\$18.9 million, or US\$0.04 per ADS, in the fourth quarter of 2008. The year-over-year increase in the net loss was due to increased depreciation and amortization expenses and lower capitalized interest following the opening of City of Dreams, as well as the aforementioned lower than expected rolling chip hold percentage in the fourth quarter of 2009.

## **Full Year Results of Melco Crown Entertainment**

For the full year ended 31 December 2009, Melco Crown Entertainment reported net revenue of US\$1.33 billion versus US\$1.42 billion in the full year ending 31 December 2008. The year-over-year decrease in net revenue was driven primarily by lower rolling chip volume and lower rolling chip hold percentage as compared to 2008.

Melco Crown Entertainment reported a net loss of US\$308.5 million for the twelve months of 2009, compared to a net loss of US\$2.5 million for the twelve months of 2008. The net loss per ADS for the twelve months period ended 31 December 2009 was US\$0.63 compared to a net loss per ADS of US\$0.01 for the same period in 2008.

The condensed consolidated statement of operations for the fourth quarter ended 31 December 2009 and the condensed consolidated balance sheet as at 31 December 2009 of Melco Crown Entertainment are provided below:

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

	Three Months Ended		For The Years Ended	
	31 December		31 December	
	2009	2008	2009	2008
	(Unaudited)	(Unaudited) <sup>(1)</sup>	(Unaudited)	(Unaudited) <sup>(1)</sup>
<b>OPERATING REVENUES</b>				
Casino	\$ 388,977	\$ 251,408	\$ 1,304,634	\$ 1,405,932
Rooms	16,358	4,343	41,215	17,084
Food and beverage	10,946	3,320	28,180	16,107
Entertainment, retail and others	3,653	1,309	11,877	5,396
Gross revenues	419,934	260,380	1,385,906	1,444,519
Less: promotional allowances	(19,717)	(6,885)	(53,033)	(28,385)
Net revenues	400,217	253,495	1,332,873	1,416,134
<b>OPERATING COSTS AND EXPENSES</b>				
Casino	(350,231)	(200,929)	(1,130,302)	(1,159,930)
Rooms	(2,103)	(96)	(6,357)	(1,342)
Food and beverage	(4,564)	(2,858)	(16,853)	(12,745)
Entertainment, retail and others	(582)	(334)	(4,004)	(1,240)
General and administrative	(42,406)	(28,704)	(130,986)	(90,707)
Pre-opening costs	242	(9,391)	(91,882)	(21,821)
Amortization of gaming subconcession	(14,309)	(14,309)	(57,237)	(57,237)
Amortization of land use rights	(4,767)	(4,502)	(18,395)	(18,269)
Depreciation and amortization	(52,139)	(9,171)	(141,864)	(51,379)
Property charges and others	(2,894)	-	(7,040)	(290)
Total operating costs and expenses	(473,753)	(270,294)	(1,604,920)	(1,414,960)
<b>OPERATING (LOSS) INCOME</b>	<b>(73,536)</b>	<b>(16,799)</b>	<b>(272,047)</b>	<b>1,174</b>

NON-OPERATING EXPENSES

Interest (expenses) income, net	(15,366)	1,947	(31,326)	8,215
Other finance costs	(2,568)	(5,445)	(8,227)	(15,730)
Foreign exchange gain, net	605	934	491	1,436
Other income, net	<u>658</u>	<u>24</u>	<u>2,516</u>	<u>972</u>
Total non-operating expenses	<u>(16,671)</u>	<u>(2,540)</u>	<u>(36,546)</u>	<u>(5,107)</u>
LOSS BEFORE INCOME TAX	(90,207)	(19,339)	(308,593)	(3,933)
INCOME TAX CREDIT	<u>518</u>	<u>454</u>	<u>132</u>	<u>1,470</u>
NET LOSS	<u>\$ (89,689)</u>	<u>\$ (18,885)</u>	<u>\$ (308,461)</u>	<u>\$ (2,463)</u>

LOSS PER SHARE:

Basic and diluted	<u>\$ (0.056)</u>	<u>\$ (0.014)</u>	<u>\$ (0.210)</u>	<u>\$ (0.002)</u>
-------------------	-------------------	-------------------	-------------------	-------------------

LOSS PER ADS:

Basic and diluted	<u>\$ (0.169)</u>	<u>\$ (0.043)</u>	<u>\$ (0.631)</u>	<u>\$ (0.006)</u>
-------------------	-------------------	-------------------	-------------------	-------------------

WEIGHTED AVERAGE  
SHARES USED IN LOSS PER  
SHARE CALCULATION:

Basic and diluted	<u>1,593,360,060</u>	<u>1,320,970,882</u>	<u>1,465,974,019</u>	<u>1,320,946,941</u>
-------------------	----------------------	----------------------	----------------------	----------------------

(1) The unaudited condensed consolidated financial statements for 2008 reflect certain reclassifications, which have no effect on previously reported net loss, to conform to current period presentation.

**Melco Crown Entertainment Limited**  
**Condensed Consolidated Balance Sheets**  
(In Thousands of U.S. dollars)

	<u>31 December 2009</u>		<u>31 December 2008</u>
	(Unaudited)		(Audited)
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	\$ 212,598		\$ 815,144
Restricted cash	236,119		67,977
Accounts receivable, net	299,700		72,755
Amounts due from affiliated companies	1		650
Inventories	6,534		2,170
Prepaid expenses and other current assets	<u>19,768</u>		<u>17,556</u>
Total current assets	<u>774,720</u>		<u>976,252</u>
PROPERTY AND EQUIPMENT, NET	2,786,646		2,107,722
GAMING SUBCONCESSION, NET	713,978		771,216
INTANGIBLE ASSETS, NET	4,220		4,220
GOODWILL	81,915		81,915
LONG-TERM PREPAYMENT AND DEPOSITS	52,366		60,894
DEFERRED TAX ASSETS	-		28
DEFERRED FINANCING COST	38,948		49,336
DEPOSIT FOR ACQUISITION OF LAND INTEREST	-		12,853
LAND USE RIGHTS, NET	<u>447,576</u>		<u>433,853</u>
TOTAL	<u>\$ 4,900,369</u>		<u>\$ 4,498,289</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable	\$ 8,719		\$ 2,494
Accrued expenses and other current liabilities	497,767		442,671

Income tax payable	768	1,954
Current portion of long-term debt	44,504	-
Amounts due to affiliated companies	7,384	1,985
Amounts due to shareholders	25	1,032
Total current liabilities	559,167	450,136
<b>LONG-TERM DEBT</b>	1,638,703	1,412,516
<b>OTHER LONG-TERM LIABILITIES</b>	20,619	38,304
<b>DEFERRED TAX LIABILITIES</b>	17,757	19,191
<b>LOANS FROM SHAREHOLDERS</b>	115,647	115,647
<b>LAND USE RIGHT PAYABLE</b>	39,432	53,891
<b>SHAREHOLDERS' EQUITY</b>		
Ordinary shares	15,956	13,216
Treasury shares	(5)	(4)
Additional paid-in capital	3,088,768	2,689,257
Accumulated other comprehensive losses	(29,034)	(35,685)
Accumulated losses	(566,641)	(258,180)
Total shareholders' equity	2,509,044	2,408,604
<b>TOTAL</b>	<b>\$ 4,900,369</b>	<b>\$ 4,498,289</b>

The full text of Melco Crown Entertainment's unaudited financial results for the fourth quarter ended 31 December 2009 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, 2 February 2010

As at the date of this announcement, the Board 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 Sir Roger Lobo, Dr. Lo Ka Shui and Mr. Sham Sui Leung, Daniel.