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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 SECOND QUARTER ENDED 30 JUNE 2010
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 28 July 2010 its unaudited financial results for the second quarter ended 30 June 2010.

Melco Crown Entertainment Limited, a 33.43% 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 28 July 2010 its unaudited financial results for the second quarter ended 30 June 2010.

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 33.43% 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 28 July 2010

its unaudited financial results for the second quarter ended 30 June 2010. Extracts of the unaudited financial results of Melco Crown Entertainment are provided below:

The second quarter 2010 results of Melco Crown Entertainment

For the second quarter of 2010, net revenue was US\$573.6 million, representing an increase of approximately 166% from US\$215.8 million for the comparable period ended 30 June 2009. Adjusted EBITDA (i.e. earnings before interest, taxes, depreciation, amortization, pre-opening costs, property charges and other, share-based compensation costs, and other non-operating income and expenses) was US\$73.4 million for the second quarter of 2010, as compared with an Adjusted EBITDA loss of US\$23.8 million in the second quarter of 2009. The year-over-year improvements in net revenue and Adjusted EBITDA resulted primarily from the opening of City of Dreams in June 2009, providing only a limited contribution to the prior year comparable.

The combined rolling chip table games hold percentage (calculated before discounts and commissions) across City of Dreams and Altira Macau in the second quarter of 2010 was 2.7%. On a theoretical adjusted basis, using the mid-point in Melco Crown Entertainment's expected rolling chip hold percentage range of 2.7% to 3.0%, sequential quarterly Adjusted EBITDA improved by 11% from US\$80 million in the first quarter of this year, to US\$89 million in the second quarter of this year. The combined mass market (or non rolling chip) table games hold percentage in the second quarter of 2010 improved further to 21.5%.

On a U.S. GAAP (i.e. generally accepted accounting principles) basis, Melco Crown Entertainment recorded a net loss for the second quarter of 2010 of US\$30.1 million, or a loss of US\$0.06 per ADS (i.e. American Depositary Share), compared with a net loss of US\$144.0 million, or a loss of US\$0.30 per ADS, in the second quarter of 2009. The reduction in the net loss resulted from a significant year-over-year improvement in the operating performance of Altira Macau and from having a full quarter of earnings contribution from City of Dreams, partially offset by increased depreciation and amortization expenses and lower capitalized interest expenses following the opening of City of Dreams, together with certain non-recurring expenses related to the refinancing of approximately US\$600 million of bank debt through the issuance of a high yield bond completed in the current reporting quarter. The second quarter 2009 net loss was also negatively affected by non-recurring costs associated with the opening of City of Dreams.

Other factors affecting earnings of Melco Crown Entertainment

Total non-operating expenses for the second quarter of 2010 were US\$22.7 million, which included US\$21.3 million in net interest expense and costs associated with debt modification of US\$3.2 million. Capitalized interest during the second quarter of 2010 totaled US\$4.5 million.

Depreciation and amortization costs of US\$76.0 million were booked in the second quarter of 2010, of which US\$14.3 million was related to the amortization of Melco Crown Entertainment's gaming sub-concession and US\$4.9 million was related to the amortization of land use rights.

Financial position and capital expenditure of Melco Crown Entertainment

Cash and cash equivalents as of 30 June 2010 totaled US\$489.5 million, including US\$194.3 million of restricted cash. Total senior debt at the end of the second quarter of 2010 was US\$1.831 billion. Total net debt to shareholders' equity as of 30 June 2010 was 59%.

Capital expenditures for the second quarter of 2010 were US\$28.1 million, primarily attributable to City of Dreams.

Six months results of Melco Crown Entertainment

For the six months ending 30 June 2010, Melco Crown Entertainment reported net revenue of US\$1.141 billion versus US\$432.3 million in the six months ending 30 June 2009. The year-over-year increase in net revenue was driven by the opening of City of Dreams in June of 2009.

Adjusted EBITDA for the first six months of 2010 was US\$160.3 million, as compared with an Adjusted EBITDA loss of US\$2.5 million in the first six months of 2009. The year-over-year improvements in net revenue and Adjusted EBITDA were primarily attributable to the opening of City of Dreams in June 2009, along with a significant improvement in the operating performance of Altira Macau.

Melco Crown Entertainment reported a net loss of US\$42.6 million for the first six months of 2010, compared to a net loss of US\$179.3 million for the first six months of 2009. The net loss per ADS for the six month period ending 30 June 2010 was US\$0.08 compared to a net loss per ADS of US\$0.39 for the same period in 2009.

The condensed consolidated statement of operations for the second quarter ended 30 June 2010 and the condensed consolidated balance sheet as at 30 June 2010 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 30 June		Six Months Ended 30 June	
	2010	2009	2010	2009
	(Unaudited)	(Unaudited) ⁽¹⁾	(Unaudited)	(Unaudited) ⁽¹⁾
OPERATING REVENUES				
Casino	\$ 555,571	\$ 211,408	\$ 1,104,839	\$ 424,409
Rooms	20,325	6,997	39,335	11,448
Food and beverage	14,201	4,817	27,406	8,391
Entertainment, retail and others	5,391	1,508	10,761	3,831
Gross revenues	595,488	224,730	1,182,341	448,079
Less: promotional allowances	(21,848)	(8,893)	(41,096)	(15,751)
Net revenues	573,640	215,837	1,141,245	432,328
OPERATING COSTS AND EXPENSES				
Casino	(442,925)	(206,602)	(865,830)	(383,127)
Rooms	(3,455)	(1,473)	(6,767)	(2,060)
Food and beverage	(5,841)	(3,787)	(15,330)	(6,512)

Entertainment, retail and others	(2,047)	(835)	(4,143)	(1,014)
General and administrative	(47,377)	(30,151)	(91,349)	(48,352)
Pre-opening costs	(2,910)	(61,277)	(6,982)	(79,563)
Amortization of gaming subconcession	(14,310)	(14,310)	(28,619)	(28,619)
Amortization of land use rights	(4,880)	(4,542)	(9,760)	(9,085)
Depreciation and amortization	(56,824)	(29,128)	(113,733)	(43,837)
Property charges and others	<u>(474)</u>	<u>(4,134)</u>	<u>34</u>	<u>(4,134)</u>
Total operating costs and expenses	<u>(581,043)</u>	<u>(356,239)</u>	<u>(1,142,479)</u>	<u>(606,303)</u>
OPERATING LOSS	<u>(7,403)</u>	<u>(140,402)</u>	<u>(1,234)</u>	<u>(173,975)</u>
NON-OPERATING EXPENSES				
Interest expenses, net	(21,283)	(3,851)	(36,766)	(3,730)
Other finance costs	780	(1,424)	(2,620)	(2,620)
Foreign exchange gain, net	428	628	17	175
Other income, net	551	1,000	1,041	1,000
Costs associated with debt modification	<u>(3,156)</u>	<u>-</u>	<u>(3,156)</u>	<u>-</u>
Total non-operating expenses	<u>(22,680)</u>	<u>(3,647)</u>	<u>(41,484)</u>	<u>(5,175)</u>
LOSS BEFORE INCOME TAX	(30,083)	(144,049)	(42,718)	(179,150)
INCOME TAX (EXPENSE) CREDIT	<u>(18)</u>	<u>88</u>	<u>143</u>	<u>(134)</u>
NET LOSS	<u>\$ (30,101)</u>	<u>\$ (143,961)</u>	<u>\$ (42,575)</u>	<u>\$ (179,284)</u>

LOSS PER SHARE:

Basic and diluted	\$	<u>(0.019)</u>	\$	<u>(0.101)</u>	\$	<u>(0.027)</u>	\$	<u>(0.131)</u>
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LOSS PER ADS:

Basic and diluted	\$	<u>(0.057)</u>	\$	<u>(0.304)</u>	\$	<u>(0.080)</u>	\$	<u>(0.392)</u>
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WEIGHTED AVERAGE
SHARES USED IN LOSS
PER SHARE
CALCULATION:

Basic and diluted	<u>1,595,385,813</u>	<u>1,418,841,637</u>	<u>1,595,281,416</u>	<u>1,370,943,132</u>
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⁽¹⁾ The unaudited condensed consolidated financial statements for 2009 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)

	30 June	31 December
	2010	2009
	(Unaudited)	(Audited)
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 295,232	\$ 212,598
Restricted cash	194,274	236,119
Accounts receivable, net	327,109	299,700
Amounts due from an affiliated company	-	1
Amounts due from a shareholder	8	-
Inventories	7,881	6,534
Prepaid expenses and other current assets	19,623	19,768
Total current assets	844,127	774,720
PROPERTY AND EQUIPMENT, NET	2,736,580	2,786,646
GAMING SUBCONCESSION, NET	685,360	713,979
INTANGIBLE ASSETS, NET	4,220	4,220
GOODWILL	81,915	81,915
LONG-TERM PREPAYMENT AND DEPOSITS	67,195	52,365

DEFERRED TAX ASSETS	171	-
DEFERRED FINANCING COST	52,389	38,948
LAND USE RIGHTS, NET	<u>437,816</u>	<u>447,576</u>
TOTAL	<u>\$ 4,909,773</u>	<u>\$ 4,900,369</u>

LIABILITIES AND SHAREHOLDERS' EQUITY

CURRENT LIABILITIES

Accounts payable	\$ 9,273	\$ 8,719
Accrued expenses and other current liabilities	402,995	497,767
Income tax payable	989	768
Current portion of long-term debt	130,873	44,504
Amounts due to affiliated companies	3,009	7,384
Amounts due to shareholders	<u>11</u>	<u>25</u>
Total current liabilities	<u>547,150</u>	<u>559,167</u>

LONG-TERM DEBT	1,700,376	1,638,703
OTHER LONG-TERM LIABILITIES	18,715	20,619
DEFERRED TAX LIABILITIES	17,430	17,757
LOANS FROM SHAREHOLDERS	115,647	115,647
LAND USE RIGHT PAYABLE	31,930	39,432

SHAREHOLDERS' EQUITY

Ordinary shares	15,968	15,956
Treasury shares	(14)	(5)
Additional paid-in capital	3,091,268	3,088,768
Accumulated other comprehensive losses	(19,481)	(29,034)
Accumulated losses	<u>(609,216)</u>	<u>(566,641)</u>
Total shareholders' equity	<u>2,478,525</u>	<u>2,509,044</u>
TOTAL	<u>\$ 4,909,773</u>	<u>\$ 4,900,369</u>

The full text of Melco Crown Entertainment's unaudited financial results for the second quarter ended 30 June 2010 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, 28 July 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, Mr. Sham Sui Leung, Daniel and Dr. Tyen Kan Hee, Anthony.