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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 FOURTH QUARTER AND YEAR ENDED 31 DECEMBER 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 22 February 2011 its unaudited financial results for the fourth quarter and year ended 31 December 2010.

Melco Crown Entertainment Limited, a 33.39% 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 22 February 2011 its unaudited financial results for the fourth quarter and year ended 31 December 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 33.39% 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 22 February

2011 its unaudited financial results for the fourth quarter and year ended 31 December 2010. Extracts of the unaudited financial results of Melco Crown Entertainment are provided below:

The fourth quarter 2010 results of Melco Crown Entertainment

Net revenue for the fourth quarter of 2010 was US\$773.7 million, representing an increase of approximately 93% from US\$400.2 million reported in the quarter ended 31 December 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\$133.8 million for the fourth quarter of 2010, as compared to Adjusted EBITDA of US\$2.7 million in the fourth quarter of 2009. The year-over-year improvement in net revenue and Adjusted EBITDA resulted primarily from significantly improved operating performance at City of Dreams and Altira Macau.

On a U.S. GAAP (i.e. generally accepted accounting principles) basis, Melco Crown Entertainment recorded net income for the fourth quarter of 2010 of US\$16.3 million, or US\$0.03 per ADS (i.e. American Depositary Share), compared with a net loss of US\$89.7 million, or a loss of US\$0.17 per ADS, in the fourth quarter of 2009. The improvement in bottom-line results was driven by the year-over-year improvement in the operating performance at City of Dreams and Altira Macau, partially offset by increased depreciation and amortization expense primarily associated with the opening of The House of Dancing Water at City of Dreams and higher net interest expense related to the refinancing of approximately US\$600 million of bank debt through the issuance of a high yield bond in May 2010.

Other factors affecting earnings of Melco Crown Entertainment

Total non-operating expense for the fourth quarter of 2010 was US\$29.9 million, which included US\$27.9 million in net interest expense and other finance costs of US\$4.1 million. There was no capitalized interest during the fourth quarter of 2010.

Depreciation and amortization costs of US\$82.9 million were recorded in the fourth 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. The year-over-year increase in depreciation and amortization costs is primarily related to the opening of The House of Dancing Water in the third quarter of 2010.

Financial position and capital expenditure of Melco Crown Entertainment

Cash and cash equivalents as of 31 December 2010 totaled US\$609.2 million, including US\$167.3 million of restricted cash. Total debt at the end of the fourth quarter of 2010 was US\$1.84 billion, and total net debt to shareholders' equity as of 31 December 2010 was 49%.

Capital expenditures for the fourth quarter of 2010 were US\$34.2 million, primarily attributable to various projects at City of Dreams and Altira Macau.

Full year 2010 results of Melco Crown Entertainment

For the twelve months ended 31 December 2010, Melco Crown Entertainment reported net revenue of US\$2.6 billion versus US\$1.3 billion in the twelve months ended 31 December 2009. Adjusted EBITDA for the twelve months of 2010 was US\$430.4 million, as compared with Adjusted EBITDA of US\$55.8 million in the twelve months of 2009.

The year-over-year improvement in net revenue and Adjusted EBITDA were primarily attributable to significantly improved operating results at both City of Dreams and Altira Macau, as well as from the opening of City of Dreams in June of 2009 and its contribution to results for the entire twelve months of 2010.

Melco Crown Entertainment reported a net loss of US\$10.5 million for the twelve months of 2010 compared to a net loss of US\$308.5 million for the twelve months of 2009. The net loss per ADS for the twelve month period ended 31 December 2010 was US\$0.02 compared to a net loss per ADS of US\$0.63 for the same period in 2009.

The condensed consolidated statement of operations for the fourth quarter ended 31 December 2010 and the condensed consolidated balance sheet as at 31 December 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 31 December		Year Ended 31 December	
	2010	2009	2010	2009
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
OPERATING REVENUES				
Casino	\$ 738,827	\$ 388,977	\$ 2,550,542	\$ 1,304,634
Rooms	23,971	16,358	83,718	41,215
Food and beverage	16,726	10,946	56,679	28,180
Entertainment, retail and others	<u>15,227</u>	<u>3,653</u>	<u>32,679</u>	<u>11,877</u>
Gross revenues	794,751	419,934	2,723,618	1,385,906
Less: promotional allowances	<u>(21,002)</u>	<u>(19,717)</u>	<u>(81,642)</u>	<u>(53,033)</u>
Net revenues	<u>773,749</u>	<u>400,217</u>	<u>2,641,976</u>	<u>1,332,873</u>
OPERATING COSTS AND EXPENSES				
Casino	(561,999)	(350,231)	(1,949,024)	(1,130,302)
Rooms	(5,587)	(2,103)	(16,132)	(6,357)
Food and beverage	(6,344)	(4,564)	(32,898)	(16,853)
Entertainment, retail and others	(10,535)	(582)	(19,776)	(4,004)
General and administrative	(56,679)	(42,406)	(199,830)	(130,986)

Pre-opening costs	(2,449)	242	(18,648)	(91,882)
Amortization of gaming subconcession	(14,309)	(14,309)	(57,237)	(57,237)
Amortization of land use rights	(4,881)	(4,767)	(19,522)	(18,395)
Depreciation and amortization	(63,713)	(52,139)	(236,306)	(141,864)
Property charges and others	-	(2,894)	(91)	(7,040)
Total operating costs and expenses	(726,496)	(473,753)	(2,549,464)	(1,604,920)
OPERATING INCOME (LOSS)	47,253	(73,536)	92,512	(272,047)
NON-OPERATING EXPENSES				
Interest expenses, net	(27,905)	(15,366)	(92,953)	(31,326)
Other finance costs	(4,050)	(2,568)	(10,491)	(8,227)
Foreign exchange gain, net	2,760	605	3,563	491
Other (expense) income, net	(519)	658	1,074	2,516
Costs associated with debt modification	(154)	-	(3,310)	-
Total non-operating expenses	(29,868)	(16,671)	(102,117)	(36,546)
INCOME (LOSS) BEFORE INCOME TAX	17,385	(90,207)	(9,605)	(308,593)
INCOME TAX (EXPENSE) CREDIT	(1,113)	518	(920)	132
NET INCOME (LOSS)	\$ 16,272	\$ (89,689)	\$ (10,525)	\$ (308,461)

INCOME (LOSS) PER
SHARE:

Basic	\$ <u>0.010</u>	\$ <u>(0.056)</u>	\$ <u>(0.007)</u>	\$ <u>(0.210)</u>
Diluted	\$ <u>0.010</u>	\$ <u>(0.056)</u>	\$ <u>(0.007)</u>	\$ <u>(0.210)</u>

INCOME (LOSS) PER
ADS:

Basic	\$ <u>0.031</u>	\$ <u>(0.169)</u>	\$ <u>(0.020)</u>	\$ <u>(0.631)</u>
Diluted	\$ <u>0.030</u>	\$ <u>(0.169)</u>	\$ <u>(0.020)</u>	\$ <u>(0.631)</u>

WEIGHTED AVERAGE
SHARES USED IN
INCOME (LOSS) PER
SHARE CALCULATION:

Basic	<u>1,596,247,553</u>	<u>1,593,360,060</u>	<u>1,595,552,022</u>	<u>1,465,974,019</u>
Diluted	<u>1,605,102,993</u>	<u>1,593,360,060</u>	<u>1,595,552,022</u>	<u>1,465,974,019</u>

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

	31 December, 2010	31 December, 2009
	(Unaudited)	(Audited) ⁽¹⁾
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 441,923	\$ 212,598
Restricted cash	167,286	236,119
Accounts receivable, net	259,521	262,176
Amounts due from affiliated companies	1,528	1
Income tax receivable	198	-
Inventories	10,228	6,534
Prepaid expenses and other current assets	19,788	19,768
Total current assets	900,472	737,196
PROPERTY AND EQUIPMENT, NET	2,671,895	2,786,646
GAMING SUBCONCESSION, NET	656,742	713,979
INTANGIBLE ASSETS, NET	4,220	4,220
GOODWILL	81,915	81,915
LONG-TERM PREPAYMENT, DEPOSITS AND OTHER ASSETS	95,629	52,365

DEFERRED TAX ASSETS	25	-
DEFERRED FINANCING COSTS	45,387	38,948
LAND USE RIGHTS, NET	428,155	447,576
TOTAL	\$ 4,884,440	\$ 4,862,845

LIABILITIES AND SHAREHOLDERS' EQUITY

CURRENT LIABILITIES

Accounts payable	\$ 8,880	\$ 8,719
Accrued expenses and other current liabilities	462,084	460,243
Income tax payable	934	768
Current portion of long-term debt	202,997	44,504
Amounts due to affiliated companies	673	7,384
Amounts due to shareholders	36	25
Total current liabilities	675,604	521,643

LONG-TERM DEBT	1,521,251	1,638,703
OTHER LONG-TERM LIABILITIES	6,496	20,619
DEFERRED TAX LIABILITIES	18,010	17,757
LOANS FROM SHAREHOLDERS	115,647	115,647
LAND USE RIGHT PAYABLE	24,241	39,432

SHAREHOLDERS' EQUITY

Ordinary shares	16,056	15,956
Treasury shares	(84)	(5)
Additional paid-in capital	3,095,730	3,088,768
Accumulated other comprehensive losses	(11,345)	(29,034)
Accumulated losses	<u>(577,166)</u>	<u>(566,641)</u>
Total shareholders' equity	<u>2,523,191</u>	<u>2,509,044</u>
TOTAL	\$ <u><u>4,884,440</u></u>	\$ <u><u>4,862,845</u></u>

⁽¹⁾ The condensed consolidated financial statements for 2009 reflect certain reclassifications, which have no effect on previously reported net loss, to conform to the current year presentation.

The full text of Melco Crown Entertainment's unaudited financial results for the fourth quarter and year ended 31 December 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, 22 February 2011

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.