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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 FIRST QUARTER ENDED 31 MARCH 2011
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 19 May 2011 its unaudited financial results for the first quarter ended 31 March 2011.

Melco Crown Entertainment Limited, a 33.36% 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 19 May 2011 its unaudited financial results for the first quarter ended 31 March 2011.

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 33.36% 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 19 May 2011

its unaudited financial results for the first quarter ended 31 March 2011. Extracts of the unaudited financial results of Melco Crown Entertainment are provided below:

The first quarter 2011 results of Melco Crown Entertainment

Net revenue for the first quarter of 2011 was US\$806.6 million, representing an increase of approximately 42% from US\$567.6 million for the comparable period ended 31 March, 2010. The increase in net revenue resulted primarily from the continuing ramp up of the rolling chip, mass market and hotel operations at City of Dreams, contribution from The House of Dancing Water, as well as significant improvement in Altira Macau's rolling chip volume.

Adjusted EBITDA (i.e. earnings before interest, taxes, depreciation, amortization, pre-opening costs, property charges and others, share-based compensation, and other non-operating income and expenses) was US\$121.3 million for the first quarter of 2011, as compared to Adjusted EBITDA of US\$86.9 million in the first quarter of 2010. The year-over-year increase in Adjusted EBITDA in the first quarter of 2011 was attributable to the significant increase in gaming volumes, combined with strict cost controls that drove operating leverage.

On a U.S. GAAP (i.e. generally accepted accounting principles) basis, Melco Crown Entertainment recorded net income for the first quarter of 2011 of US\$7.2 million, or US\$0.01 per ADS (i.e. American Depositary Share), compared with a net loss of US\$12.5 million, or a loss of US\$0.02 per ADS, in the first quarter of 2010. The continuing year-on-year improvement in bottom-line profitability was primarily driven by the significant improvement in both gaming and non-gaming fundamental 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 first quarter of 2011 was US\$29.1 million, which included US\$26.6 million in net interest expense and other finance costs of US\$4.2 million. There was no capitalized interest during the first quarter of 2011. The year-on-year increase in non-operating expenses of US\$10.3 million primarily relates to increased net interest charges due to the US\$600 million Senior Notes.

Depreciation and amortization costs of US\$83.0 million were recorded in the first quarter of 2011, 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 March 2011 totaled US\$704.3 million, including US\$145.5 million of restricted cash. Total debt at the end of the first quarter of 2011 was US\$1.80 billion, and total net debt to shareholders' equity as of 31 March 2011 was 43%.

Capital expenditures for the first quarter of 2011 were US\$7.3 million, primarily attributable to various projects at City of Dreams and Altira Macau.

The condensed consolidated statement of operations for the first quarter ended 31 March 2011 and the condensed consolidated balance sheet as at 31 March 2011 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 March | |
| | 2011 | 2010 |
| | (Unaudited) | (Unaudited) |
| OPERATING REVENUES | | |
| Casino | \$ 770,873 | \$ 549,268 |
| Rooms | 23,982 | 19,010 |
| Food and beverage | 14,843 | 13,205 |
| Entertainment, retail and others | 18,225 | 5,370 |
| Gross revenues | <u>827,923</u> | <u>586,853</u> |
| Less: promotional allowances | <u>(21,336)</u> | <u>(19,248)</u> |
| Net revenues | <u>806,587</u> | <u>567,605</u> |
| OPERATING COSTS AND EXPENSES | | |
| Casino | (611,169) | (422,905) |
| Rooms | (4,585) | (3,312) |
| Food and beverage | (9,007) | (9,489) |
| Entertainment, retail and others | (13,034) | (2,096) |
| General and administrative | (48,756) | (43,972) |
| Pre-opening costs | (603) | (4,072) |
| Amortization of gaming subconcession | (14,309) | (14,309) |
| Amortization of land use rights | (4,881) | (4,880) |
| Depreciation and amortization | (63,773) | (56,909) |
| Property charges and others | (25) | 508 |
| Total operating costs and expenses | <u>(770,142)</u> | <u>(561,436)</u> |
| OPERATING INCOME | <u>36,445</u> | <u>6,169</u> |
| NON-OPERATING EXPENSES | | |
| Interest expenses, net | (26,606) | (15,483) |
| Other finance costs | (4,156) | (3,400) |
| Foreign exchange gain (loss), net | 156 | (411) |
| Other income, net | 1,464 | 490 |
| Total non-operating expenses | <u>(29,142)</u> | <u>(18,804)</u> |
| INCOME (LOSS) BEFORE INCOME TAX | 7,303 | (12,635) |
| INCOME TAX (EXPENSE) CREDIT | (151) | 161 |
| NET INCOME (LOSS) | <u>\$ 7,152</u> | <u>\$ (12,474)</u> |

INCOME (LOSS) PER SHARE:

| | | |
|---------|-----------------|-------------------|
| Basic | \$ <u>0.004</u> | \$ <u>(0.008)</u> |
| Diluted | \$ <u>0.004</u> | \$ <u>(0.008)</u> |

INCOME (LOSS) PER ADS:

| | | |
|---------|-----------------|-------------------|
| Basic | \$ <u>0.013</u> | \$ <u>(0.023)</u> |
| Diluted | \$ <u>0.013</u> | \$ <u>(0.023)</u> |

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

| | | |
|---------|----------------------|----------------------|
| Basic | <u>1,598,421,886</u> | <u>1,595,175,859</u> |
| Diluted | <u>1,608,280,976</u> | <u>1,595,175,859</u> |

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

| | 31 March | 31 December |
|--|-----------------|--------------------------|
| | 2011 | 2010 |
| | (Unaudited) | (Audited) ⁽¹⁾ |
| ASSETS | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | \$ 558,837 | \$ 441,923 |
| Restricted cash | 145,498 | 167,286 |
| Accounts receivable, net | 250,898 | 259,521 |
| Amounts due from affiliated companies | 1,663 | 1,528 |
| Income tax receivable | 74 | 198 |
| Inventories | 15,329 | 14,990 |
| Prepaid expenses and other current assets | 21,029 | 15,026 |
| Total current assets | 993,328 | 900,472 |
| PROPERTY AND EQUIPMENT, NET | 2,617,067 | 2,671,895 |
| GAMING SUBCONCESSION, NET | 642,433 | 656,742 |
| INTANGIBLE ASSETS, NET | 4,220 | 4,220 |
| GOODWILL | 81,915 | 81,915 |
| LONG-TERM PREPAYMENT, DEPOSITS AND OTHER ASSETS | 91,839 | 95,629 |
| DEFERRED TAX ASSETS | - | 25 |
| DEFERRED FINANCING COSTS | 41,482 | 45,387 |
| LAND USE RIGHTS, NET | 423,274 | 428,155 |
| TOTAL | \$ 4,895,558 | \$ 4,884,440 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | |
| CURRENT LIABILITIES | | |
| Accounts payable | \$ 8,803 | \$ 8,880 |
| Accrued expenses and other current liabilities | 504,652 | 462,084 |
| Income tax payable | 1,057 | 934 |
| Current portion of long-term debt | 238,884 | 202,997 |
| Amounts due to affiliated companies | 523 | 673 |
| Amounts due to shareholders | 28 | 36 |
| Total current liabilities | 753,947 | 675,604 |

| | | |
|--|---------------------|---------------------|
| LONG-TERM DEBT | 1,449,920 | 1,521,251 |
| OTHER LONG-TERM LIABILITIES | 4,419 | 6,496 |
| DEFERRED TAX LIABILITIES | 17,761 | 18,010 |
| LOANS FROM SHAREHOLDERS | 115,647 | 115,647 |
| LAND USE RIGHT PAYABLE | 16,359 | 24,241 |
| SHAREHOLDERS' EQUITY | | |
| Ordinary shares | 16,069 | 16,056 |
| Treasury shares | (63) | (84) |
| Additional paid-in capital | 3,099,980 | 3,095,730 |
| Accumulated other comprehensive losses | (8,467) | (11,345) |
| Accumulated losses | (570,014) | (577,166) |
| Total shareholders' equity | 2,537,505 | 2,523,191 |
| TOTAL | \$ 4,895,558 | \$ 4,884,440 |

- (1) The condensed consolidated financial statements for 2010 reflect certain reclassifications, which have no effect on previously reported net loss, to conform to the current period presentation.

The full text of Melco Crown Entertainment's unaudited financial results for the first quarter ended 31 March 2011 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, 19 May 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.