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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 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 second quarter ended 30 June 2015 and declared quarterly dividend on 6 August 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 second quarter ended 30 June 2015 and declared quarterly dividend on 6 August 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 second quarter ended 30 June 2015 and declared quarterly dividend on 6 August 2015. Extracts of the unaudited financial results of Melco Crown Entertainment are provided below:

The Second Quarter 2015 Results of Melco Crown Entertainment

Net revenue for the second quarter of 2015 was US\$916.8 million, representing a decrease of approximately 24% from US\$1,199.5 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\$204.9 million for the second quarter of 2015, as compared to Adjusted property EBITDA of US\$313.6 million in the second quarter of 2014. The 35% year-over-year decline in Adjusted property EBITDA was attributable to lower group-wide rolling chip volumes and rolling chip win rate, together with a lower contribution from the 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 second quarter of 2015 was US\$24.3 million, or US\$0.05 per ADS (i.e. American Depositary Share), compared with net income attributable to Melco Crown Entertainment of US\$143.6 million, or US\$0.26 per ADS, in the second quarter of 2014. The net loss attributable to noncontrolling interests during the second quarter of 2015 of US\$30.0 million was related to Studio City and City of Dreams Manila.

Other Factors Affecting Earnings

Total net non-operating expenses for the second quarter of 2015 were US\$28.0 million, which mainly included interest income of US\$4.7 million and interest expenses, net of capitalized interest, of US\$23.9 million and US\$9.9 million of other finance costs. Melco Crown Entertainment recorded US\$39.1 million of capitalized interest during the second quarter of 2015, primarily relating to Studio City and the fifth hotel tower at City of Dreams.

The year-on-year decrease of US\$7.9 million in net non-operating expenses was primarily due to higher capitalized interest in the current quarter and lower loan commitment fees after the drawdown of the Studio City US\$1.3 billion term loan facility, partially offset by higher interest expenses resulted from the drawdown of the Studio City US\$1.3 billion term loan facility.

Depreciation and amortization costs of US\$115.7 million were recorded in the second 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 June 2015 totaled US\$3.0 billion, including US\$0.3 billion of bank deposits with original maturity over three months and US\$1.2 billion of restricted cash, primarily related to Studio City. Total debt at the end of the second quarter of 2015 was US\$4.0 billion.

Capital expenditures for the second quarter of 2015 were US\$400.8 million, which predominantly related to Studio City, various projects at City of Dreams, including the fifth hotel tower, and City of Dreams Manila.

Dividend Declaration

On 6 August 2015, the Board of Melco Crown Entertainment considered and approved the declaration and payment of a quarterly dividend of US\$0.0134 per ADS of Melco Crown Entertainment for the second quarter of 2015 (the “**Quarterly Dividend**”). The Quarterly Dividend will be paid on or about Friday, 4 September 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 Monday, 17 August 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 six months ended 30 June 2015 and the condensed consolidated balance sheet as at 30 June 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 June		Six Months Ended 30 June	
	<u>2015</u> (Unaudited)	<u>2014</u> (Unaudited)	<u>2015</u> (Unaudited)	<u>2014</u> (Unaudited)
OPERATING REVENUES				
Casino	\$ 874,460	\$ 1,165,349	\$ 1,885,702	\$ 2,485,488
Rooms	48,451	33,565	93,014	66,999
Food and beverage	29,382	19,289	58,889	40,633
Entertainment, retail and others	<u>24,486</u>	<u>25,676</u>	<u>47,703</u>	<u>52,991</u>
Gross revenues	976,779	1,243,879	2,085,308	2,646,111
Less: promotional allowances	<u>(59,991)</u>	<u>(44,344)</u>	<u>(114,268)</u>	<u>(89,257)</u>
Net revenues	<u>916,788</u>	<u>1,199,535</u>	<u>1,971,040</u>	<u>2,556,854</u>
OPERATING COSTS AND EXPENSES				
Casino	(624,027)	(823,450)	(1,340,821)	(1,737,080)
Rooms	(4,611)	(3,016)	(9,866)	(6,142)
Food and beverage	(7,684)	(4,727)	(15,685)	(10,459)
Entertainment, retail and others	(18,169)	(15,143)	(33,291)	(29,437)
General and administrative	(88,930)	(73,601)	(182,360)	(140,066)
Payments to the Philippine Parties	(4,137)	-	(7,273)	-
Pre-opening costs	(28,005)	(20,063)	(69,283)	(28,594)

Development costs	(1)	(4,775)	(21)	(6,300)
Amortization of gaming subconcession	(14,310)	(14,310)	(28,619)	(28,619)
Amortization of land use rights	(16,118)	(16,118)	(32,236)	(32,236)
Depreciation and amortization	(85,290)	(61,269)	(165,567)	(125,671)
Property charges and others	(3,538)	(255)	(3,839)	(1,947)
Gain on disposal of assets held for sale	-	-	-	22,072
Total operating costs and expenses	<u>(894,820)</u>	<u>(1,036,727)</u>	<u>(1,888,861)</u>	<u>(2,124,479)</u>
OPERATING INCOME	<u>21,968</u>	<u>162,808</u>	<u>82,179</u>	<u>432,375</u>
NON-OPERATING INCOME (EXPENSES)				
Interest income	4,714	3,777	6,534	7,652
Interest expenses, net of capitalized interest	(23,931)	(28,722)	(50,970)	(60,393)
Other finance costs	(9,910)	(12,014)	(22,292)	(23,868)
Foreign exchange gain (loss), net	1,665	477	2,919	(1,751)
Other income, net	533	658	1,081	1,216
Loss on extinguishment of debt	(481)	-	(481)	-
Costs associated with debt modification	<u>(545)</u>	<u>-</u>	<u>(545)</u>	<u>-</u>
Total non-operating expenses, net	<u>(27,955)</u>	<u>(35,824)</u>	<u>(63,754)</u>	<u>(77,144)</u>
(LOSS) INCOME BEFORE INCOME TAX	(5,987)	126,984	18,425	355,231
INCOME TAX CREDIT (EXPENSE)	<u>196</u>	<u>(304)</u>	<u>(378)</u>	<u>(2,993)</u>
NET (LOSS) INCOME	(5,791)	126,680	18,047	352,238
NET LOSS ATTRIBUTABLE TO NONCONTROLLING INTERESTS	<u>30,045</u>	<u>16,958</u>	<u>66,836</u>	<u>30,943</u>

NET INCOME
ATTRIBUTABLE TO
MELCO CROWN
ENTERTAINMENT
LIMITED

	\$	<u>24,254</u>	\$	<u>143,638</u>	\$	<u>84,883</u>	\$	<u>383,181</u>
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NET INCOME
ATTRIBUTABLE TO
MELCO CROWN
ENTERTAINMENT LIMITED
PER SHARE:

Basic	\$	<u>0.015</u>	\$	<u>0.087</u>	\$	<u>0.053</u>	\$	<u>0.232</u>
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Diluted	\$	<u>0.015</u>	\$	<u>0.086</u>	\$	<u>0.052</u>	\$	<u>0.230</u>
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NET INCOME
ATTRIBUTABLE TO
MELCO CROWN
ENTERTAINMENT LIMITED
PER ADS:

Basic	\$	<u>0.045</u>	\$	<u>0.261</u>	\$	<u>0.158</u>	\$	<u>0.696</u>
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Diluted	\$	<u>0.045</u>	\$	<u>0.259</u>	\$	<u>0.156</u>	\$	<u>0.690</u>
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WEIGHTED AVERAGE
SHARES USED IN NET
INCOME ATTRIBUTABLE
TO MELCO CROWN
ENTERTAINMENT
LIMITED PER SHARE
CALCULATION:

Basic		<u>1,617,144,022</u>		<u>1,652,483,503</u>		<u>1,616,590,943</u>		<u>1,651,889,758</u>
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Diluted		<u>1,627,148,496</u>		<u>1,665,451,572</u>		<u>1,627,319,469</u>		<u>1,665,911,822</u>
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Melco Crown Entertainment Limited and Subsidiaries
Condensed Consolidated Balance Sheets
(In thousands of U.S. dollars)

	30 June 2015	31 December 2014
	(Unaudited)	(Audited)
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,523,443	\$ 1,597,655
Bank deposits with original maturity over three months	274,437	110,616
Restricted cash	849,509	1,447,034
Accounts receivable, net	276,466	253,665
Amounts due from affiliated companies	617	1,079
Deferred tax assets	12	532
Income tax receivable	6	15
Inventories	22,357	23,111
Prepaid expenses and other current assets	69,244	69,254
Total current assets	3,016,091	3,502,961
PROPERTY AND EQUIPMENT, NET	5,381,518	4,696,391
GAMING SUBCONCESSION, NET	399,175	427,794
INTANGIBLE ASSETS, NET	4,220	4,220
GOODWILL	81,915	81,915
LONG-TERM PREPAYMENTS, DEPOSITS AND OTHER ASSETS	199,752	287,558
RESTRICTED CASH	356,979	369,549
DEFERRED TAX ASSETS	153	115
DEFERRED FINANCING COSTS, NET	199,746	174,872
LAND USE RIGHTS, NET	854,952	887,188
TOTAL ASSETS	\$ 10,494,501	\$ 10,432,563

LIABILITIES AND SHAREHOLDERS' EQUITY

CURRENT LIABILITIES

Accounts payable	\$	16,473	\$	14,428
Accrued expenses and other current liabilities		1,009,669		1,005,720
Income tax payable		5,660		6,621
Capital lease obligations, due within one year		27,575		23,512
Current portion of long-term debt		44,989		262,750
Amounts due to affiliated companies		<u>1,648</u>		<u>3,626</u>
Total current liabilities		<u>1,106,014</u>		<u>1,316,657</u>

LONG-TERM DEBT		3,934,583		3,640,031
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OTHER LONG-TERM LIABILITIES		95,458		93,441
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DEFERRED TAX LIABILITIES		56,885		58,949
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CAPITAL LEASE OBLIGATIONS, DUE AFTER ONE YEAR		278,027		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		(277)		(33,167)
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Additional paid-in capital		3,068,950		3,092,943
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Accumulated other comprehensive losses		(18,146)		(17,149)
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Retained earnings		<u>1,266,306</u>		<u>1,227,177</u>
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Total Melco Crown Entertainment Limited shareholders' equity		4,333,142		4,286,141
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Noncontrolling interests		<u>690,392</u>		<u>755,529</u>
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Total equity		<u>5,023,534</u>		<u>5,041,670</u>
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TOTAL LIABILITIES AND EQUITY	\$	<u><u>10,494,501</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 second quarter ended 30 June 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, 6 August 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.