



[For Immediate Release]

Melco announces 2010 Interim Results

Highlights

- Performance of Melco significantly improved with net loss excluding non-controlling interests narrowed down 73% to HK\$218.2 million as compared to HK\$811.9 million for the same period last year.
- Maintained strong balance sheet with a net asset value of HK\$6.8 billion where HK\$840.8 million were bank deposits, cash and cash equivalents and gearing ratio at a low level of 0.17 time as of 30 June 2010.
- Core Gaming & Macau business units under the Group's major associate, Melco Crown Entertainment, achieved significant year-on-year improvement in its results through good VIP performance at both City of Dreams and Altira Macau; the continued ramp-up of the mass market business at City of Dreams; and Mocha Clubs' stable slot revenue, as well as prudent cost management.
- Melco Crown Entertainment reported a very favorable Adjusted EBITDA of US\$160.3 million for the first half of the year, compared with the negative Adjusted EBITDA of US\$2.5 million for the corresponding period of year 2009.
- "The House of Dancing Water", scheduled to open on 17 September 2010, is expected to extend the brand awareness of City of Dreams, especially in Mainland China and, in turn help boost its market share in both the gaming and non-gaming entertainment segments.
- Expect notable improvement in the performance of its core leisure and entertainment businesses as the loyal customer base of its gaming assets continues to grow and with the introduction of additional non-gaming entertainment amenities at City of Dreams.

(Hong Kong, 30 August 2010) --- Melco International Development Limited ("Melco" or the "Group", HKEx Code: 200) today announced its interim results for the six months ended 30 June 2010. Performance of Melco significantly improved with net loss excluding non-controlling interests narrowed down 73% to HK\$218.2 million as compared to HK\$811.9 million for the corresponding period last year.

Mr Lawrence Ho, Group Chairman and CEO of Melco, said: "Melco has made a good start in the year of 2010, thanks to the steady global economic recovery and the surge in Macau gaming industry revenue. We have grown with the overall market and progressed significantly in the first half of 2010, particularly within our core business of leisure, gaming and entertainment."

For the period under review, the Group continued to maintain a healthy balance sheet with a net asset value of HK\$6.8 billion where HK\$840.8 million were bank deposits, cash and cash equivalents as of 30 June 2010. The gearing ratio, expressed as a percentage of total borrowings (including bank borrowings, convertible loan notes and long term payable) over shareholders' funds, was at a low level of 0.17 time.



Significant progress of Core Leisure, Gaming and Entertainment Portfolio

Melco Crown Entertainment Limited (“Melco Crown Entertainment”) has achieved significant year-on-year improvement in its results and reported Adjusted EBITDA of US\$160.3 million for the first half of 2010, compared with negative Adjusted EBITDA of US\$2.5 million in the corresponding period of year 2009, resulting from good VIP performance at both City of Dreams and Altira Macau; the continued ramp-up of the mass market business at City of Dreams; Mocha Clubs’ stable slot revenue as well as prudent cost management.

With City of Dreams’ continued enhancements on its mass gaming infrastructure and ongoing initiatives in brand-building, its business mix continued to shift favorably with a greater contribution from the higher-margin mass market segment. VIP gaming volume and mass market gaming volume at City of Dreams continued to show meaningful sequential growth in the second quarter of 2010, with a 24% increase in rolling chip volume and a 9% increase in mass market table gaming revenue. Its customer base continued to show encouraging expansion, with approximately 6 million visitors or an average of approximately 33,300 visitors per day recorded during the period, validating the enhancements made to City of Dreams’ mass gaming infrastructure.

Regarding City of Dreams’ outlook for the second half of 2010, Mr. Ho shared: “It is our vision to develop City of Dreams as ‘A World of Firsts’, conceived and built on a grand scale to be one of the world’s most innovative and creative gaming, entertainment and leisure destinations. ‘The House of Dancing Water’, to be opened on 17 September 2010 is expected to embellish the brand of City of Dreams, and in turn help boost its market share in both the gaming and non-gaming entertainment segments, especially in Mainland China.”

Turning to Altira Macau, it has had a smooth transition into a traditional VIP gaming business model last year. It has continued to record encouraging performance, with rolling chip turnover exceeding pre-commission cap levels. By dealing with junkets directly, the profitability of its VIP business has enjoyed sustained improvement.

After a thorough review of its management structure and business needs, Melco Crown Entertainment has reorganized its operations and management structure to maximize efficiency in the pursuit of improved return on investment and expansion of its margins.

“Looking into the second half of 2010, as the loyal customer base of our gaming assets continues to grow and with the introduction of additional non-gaming entertainment amenities at City of Dreams, we are confident the future will bring notable improvement in the performance of our core leisure and entertainment businesses. We will continue to advance our VIP business and to further penetrate the more profitable mass market.” Mr Ho concluded.



Other Achievements

In 2010, Melco won the “Best Corporate Governance” award for the second consecutive year by *FinanceAsia* magazine. Melco was acknowledged as one of Hong Kong’s “Best Managed Companies” for the fourth year running. It was also honored as the “Best Mid-Cap” and “Best in Corporate Social Responsibility”, with Chairman and Chief Executive Officer, Mr. Lawrence Ho selected as one of the “Best CEOs in Hong Kong”.

About Melco International Development Limited

Founded in 1910 and listed on the Hong Kong Stock Exchange in 1927, Melco was among the first one hundred companies established in the city. 2010 marks the 100th anniversary of Melco. Today, under the leadership of its Chairman and Chief Executive Officer, Mr. Lawrence Ho, Melco is a dynamic New Generation Asian leisure and entertainment company focused on Gaming and Macau. Its promising performance and distinctive leadership in the industry are also well recognized worldwide. Melco was recognized by *FinanceAsia* magazine as one of Hong Kong's Best Managed Companies for the fourth year in 2010. It is also the first entertainment company to receive the “Hong Kong Corporate Governance Excellence Awards 2009” by the Chamber of Hong Kong Listed Companies and the Centre for Corporate Governance and Financial Policy, Hong Kong Baptist University. For more information about Melco, please visit www.melco-group.com.

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