



[For Immediate Release]

Melco announces 2010 Annual Results

Highlights

- **Melco Crown Entertainment doubled net revenue to US\$2.6 billion from US\$1.3 billion in 2009. Adjusted EBITDA rose sevenfold to US\$430.4 million compared to US\$55.8 million last year. The strong performance has resulted in a positive impact on the Group.**
- **Melco Crown Entertainment reported a sequential improvement in its businesses and set a new record for quarterly consolidated net revenue as well as for quarterly rolling chip volume, mass table drop and slot handle in the fourth quarter 2010.**
- **Strategies in driving operating leverage and in improving the profitability of the Company's core Gaming & Macau business, in particular in ramping up its mass market and VIP business, have been proven effective.**
- **The House of Dancing Water has received overwhelming response, contributing to higher property visitation, hotel occupancies, restaurant covers and gaming spends.**
- **Expects notable improvement in the performance of its core leisure and entertainment businesses with the introduction of additional non-gaming entertainment amenities at City of Dreams.**
- **Performance of Melco significantly improved with a net loss excluding non-controlling interests narrowed by 86% to HK\$209.5 million from HK\$1.45 billion last year.**
- **Maintained a strong balance sheet with a net asset value of HK\$ 6.9 billion where HK\$ 775.8 million were bank deposits, cash and cash equivalents and gearing ratio at a satisfactory 0.19 times as of 31 December 2010.**
- **Entertainment Gaming Asia Inc. achieved record revenue and a positive adjusted EBITDA of approximately US\$8.2 million, compared to US\$33,000 last year.**

(Hong Kong, 31 March, 2011) --- Melco International Development Limited ("Melco" or the "Group", HKEx Code: 200) today announced its annual results for the year ended December 31, 2010. Performance of Melco significantly improved with a net loss excluding non-controlling interests narrowed by 86% to HK\$209.5 million from HK\$1.45 billion last year.



Mr. Lawrence Ho, Group Chairman and CEO of Melco, said: “In 2010, Melco Group celebrated its 100th anniversary with significant progress in its business results, primarily driven by continued improvements in our core business of ‘Gaming and Macau’. Our strategies in driving operating leverage and in improving the profitability of our portfolio of assets in Macau, particularly in ramping up our mass market and VIP business, have been proven effective, resulting in new records in quarterly rolling chip volume, mass table drop and slot handle in the fourth quarter of 2010. The new operating management structure at Melco Crown Entertainment has also shown positive impact on our business within the few months since it has been implemented.”

Ramping up mass market gaming infrastructure to drive growth

During the year, the Group’s business mix continued to shift favorably with greater contribution from the higher-margin mass market segment. One of its key strategies in enhancing mass gaming infrastructure was the opening of The House of Dancing Water in September. The success of the spectacular extravaganza has created a truly phenomenal attraction in the eyes of general public in Hong Kong, Macau and overseas visitors since its opening. It has not only earned plaudits from audiences and critics alike, but also generated significant positive ripple effects throughout the business including additional revenue and collateral visitation.

Through the end of 2010, the Group’s database grew to more than 560,000 members, and it continues to fuel its growth in the mass market. To sustain this upward trend, the Group has implemented strategies to further leverage the success of its world-class production, The House of Dancing Water. The Group is expecting the opening of additional entertainment amenities in 2011, including the largest nightclub across Hong Kong and Macau, Club Cubic; and the world-famous Hard Rock Café, to add significant contributions to the resort’s visitation and mass market revenue.

Positive outlook as Macau’s tourism industry shifts its center of gravity to Cotai

Looking into 2011, Mr. Ho said, “We continue to have a positive outlook as Macau’s tourism industry shifts its center of gravity southwards to Cotai with new resorts opening in the neighborhood, further enhancing the entertainment proposition of this area. The strong economy in mainland China will continue to be the powerhouse propelling significant growth in the coming year. The expansion of the middle class in China will continue to drive wealth and consumer spending, which provides a strong background for long-term, if not, multi-generational growth. This, combined with the proactive stewardship by the Macau SAR Government, has forged a solid framework for the ongoing development and growth of Macau’s tourism and gaming market.”

Going forward, notable improvement is expected in the performance of the core leisure and entertainment business with Melco Crown Entertainment Limited and the full operating results of its comprehensive portfolio comprising City of Dreams, Altira Macau and Mocha Clubs.



Other Achievements

In 2010, Melco was acknowledged by *FinanceAsia* magazine as one of Hong Kong's "Best Managed Companies" for the fourth year running; received the "Best Corporate Governance" award for the second time; and was honored as the "Best Mid-Cap" and "Best in Corporate Social Responsibility". Group Chairman and Chief Executive Officer, Mr. Lawrence Ho, was also 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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