



[For Immediate Release]

Melco Announces 2014 Annual Results

Established Overseas Presence and Satisfactory Progress on Development Plans

Highlights

- Melco International Development Limited (“Melco”) has maintained steady growth with remarkable progress made on its exciting development pipeline in Macau and overseas. Profit attributable to owners of the Company was HK\$1,487.2 million for the year ended 31 December 2014.
- The Board distributed an interim dividend of HK11.6 cents per share (six-month period ended 30 June 2013: Nil) and recommended a final dividend of HK7.5 cents per share for the year ended 31 December 2014. The total dividends for the year amounted to HK19.1cents per share (2013: HK20.8 cents per share), in an aggregate amount of HK\$297.2 million, represents approximately 20% of the profit attributable to the owners of the Company for the year ended 31 December 2014.
- Core Gaming and Macau business units under the Group’s major associate, Melco Crown Entertainment Limited (“Melco Crown Entertainment”), delivered a stable financial performance despite the challenges encountered. Net revenue and Adjusted property EBITDA amounted to US\$4.8 billion and US\$1,285.5 million respectively.
- The successful opening of City of Dreams Manila marks another milestone in the Group’s expansion in Asia and extended the City of Dreams brand overseas for the first time.
- City of Dreams’ world-class leisure and entertainment offerings are to be further enhanced with the addition of the expanded retail area, which is currently under development and set to open in the first half of 2016.
- Studio City, the Hollywood-inspired gaming and entertainment complex, remains on track to open in Macau in the third quarter of 2015. Adding to the excitement, a special short movie set around a Studio City storyline, “The Audition,” was produced in collaboration with acclaimed Hollywood icons.
- The Group is pushing forward with projects in its pipeline, including a gaming and resort development project, in which Melco has an interest, scheduled to open in Russia’s Primorye Region in 2015 and the pursuit of casino projects in Barcelona, Spain as well as the Republic of Georgia.
- Melco maintained a healthy financial position during the year with gearing ratio recorded at 10% as of 31 December 2014 and 2013.

(Hong Kong, 27 March 2015) --- Melco International Development Limited (“Melco” or the “Group”, HKEx Code: 200) today announced its annual results for the year ended 31 December 2014. The Group recorded profit attributable to owners of the Company HK\$1,487.2 million for the year ended 31 December 2014, as compared with HK\$1,596.7 million last year.

The Board distributed an interim dividend of HK11.6 cents per share (six-month period ended 30 June 2013: Nil) and has recommended the payment of a final dividend of HK7.5 cents per share for the year ended 31 December 2014 to the shareholders. The total dividends for the year amounted to HK19.1 cents per share (2013: HK20.8 cents per share), in an aggregate amount of HK\$297.2 million,



represents approximately 20% of profit attributable to the owners of the Company for the year ended 31 December 2014.

During the year, the Group continued to maintain a healthy financial position with gearing ratio recorded at 10% as of 31 December 2014 and 2013.

Mr. Lawrence Ho, Group Chairman and CEO of Melco, said: “Melco Group has achieved stable growth despite the challenging market conditions in 2014. The growth is highlighted by its distinctive and exciting expansion not only in Macau but also in other parts of Asia and Europe including China, the Philippines, Cambodia, Russia, Spain and the Republic of Georgia. The satisfactory results achieved in financial year 2014 have been primarily driven by the success of the premium mass market table games business at City of Dreams operated under our key associate Melco Crown Entertainment, while we have also gained greater market share in mass market and VIP segments. With projects both in Macau and overseas, Melco has further strengthened its industry presence and become an international market-leading operator in the gaming, leisure and entertainment industry.

“In Macau, we have enhanced our portfolio and our expansion plan remains on schedule. The Hollywood-inspired gaming and entertainment complex, Studio City, is due to open in the third quarter of 2015. Adding to the excitement, a special short movie set around a Studio City storyline, “The Audition,” was produced in collaboration with acclaimed Hollywood icons. At our flagship integrated resort City of Dreams, the unique entertainment diversity it offers was further broadened with the launch of SOHO, a contemporary and exclusive street cultural dining experience, and the revamped Kids’ City. City of Dreams is to be further enhanced with the addition of the expanded retail area, which is currently under development and set to open in the first half of 2016. We also proudly announced our partnership with the award-winning and internationally renowned “Queen of the Curve” in architecture, Dame Zaha Hadid for the design of the fifth hotel tower at City of Dreams, which is under development. We are confident that the anticipated additions to our portfolio in Macau will prove popular with our existing and new patrons and add a new dimension to the local leisure and entertainment scene, ultimately maintaining our competitiveness in the challenging market environment.

“Beyond Macau, we continue to expand our presence in other parts of Asia and Continental Europe. The successful opening of City of Dreams Manila in the Philippines marks a milestone in our expansion in Asia. We have leveraged our successful business approach, extending our flagship brand City of Dreams outside of Macau for the first time and introducing it into the Philippines. Our subsidiary Entertainment Gaming Asia Inc. (“EGT”) continues to work on establishing new gaming projects in Asia. Outside Asia, the Group is pushing forward with projects in its pipeline, including a gaming and resort development project, in which Melco has an interest, scheduled to open in Russia’s Primorye Region in 2015 and the pursuit of casino projects in Barcelona, Spain as well as the Republic of Georgia. With our keen efforts in driving expansion overseas, we firmly believe these initiatives can further help us to maintain a leading position on the global stage in the gaming and entertainment industry.

“Looking ahead, we are positive about the overall long-term outlook of the gaming, leisure and entertainment market in Macau. As the world’s biggest gaming hub, the city remains as the most exciting market. We are positive about its development prospects in the long term, as it is bound to become more



diversified. As one of the few gaming operators who have heavily invested in non-gaming entertainment attractions over the years, our diversified and growing portfolio of entertainment offerings will enable us to expand in line with the Central Government's national development pipeline to further enhance a sustainable business environment in Macau. Through our subsidiaries, Melco continues to expand its presence in Asia and identify new opportunities, further diversifying our portfolio and expertise on a global scale.”

Further Expansion in Macau and Overseas Markets

The Group's core gaming and entertainment business in Macau is operated by its 34.23%-owned associate company Melco Crown Entertainment, which delivered a stable financial performance despite challenges encountered throughout the year. Net revenue and Adjusted property EBITDA amounted to US\$4.8 billion and US\$1,285.5 million respectively. The world-class and unique assets, together with market-leading premium-focused amenities and service standards enabled the Group to once again take a greater share in the mass market table games segments during the fourth quarter of 2014.

As a world-class integrated entertainment resort, City of Dreams has capitalized on top-notch facilities and attractions so as to cater to premium mass-market customers. During the year, the internationally acclaimed water-based show, The House of Dancing Water, celebrated its fourth anniversary, while Asia's first cabaret experience TABOO has been continuously thrilling audiences. City of Dreams has also presented a variety of events such as a mega magic show performed by renowned illusion master Franz Harary and the SPLASH poolside party series, to provide a full array of exciting entertainment. In addition, the launch of SOHO brings diverse dining, entertainment and street cultural experience to Macau, and Kids' City has also been revamped to become the largest playground in Macau. Furthermore, City of Dreams' partnership with respected architect Dame Zaha Hadid for its fifth hotel tower sets the blueprint for another new iconic landmark in Macau, offering an exciting array of accommodation options. With diversified non-gaming facilities, City of Dreams represents a focal point for the entertainment of international visitors.

EGT, the Group's 64.81%-owned subsidiary, has an established presence in the gaming markets of Cambodia and the Philippines through its slot operations business. It recorded consolidated revenue of approximately US\$22.4 million for the 2014 fiscal year, up 4% year-on-year due to an increase in gaming chip and plaque sales partially offset by a decrease in gaming operations revenue. Its gaming chips and plaques business generated US\$6.0 million in revenue in the 2014 fiscal year, which included two large orders totalling US\$4.0 million for casinos in the Philippines. EGT has a solid pipeline of confirmed orders for the first quarter of 2015 for gaming chips and plaques. With improved financial flexibility and a focus on expanding its gaming operations combined with its strong customer relationships, on-going product enhancement and diversification efforts for its gaming products business, EGT has the potential to become a meaningful revenue contributor to the Group in the future.

Other Achievements

In 2014, the Group has been honored by Corporate Governance Asia magazine with the “Corporate Governance Asia Annual Recognition Award” for nine consecutive years since 2006 and for “Best Investor Relations” at the Asian Excellence Recognition Awards. Apart from that, FinanceAsia Magazine has named Melco as one of the “Best Managed Companies in Hong Kong,” as well as with “Best



Corporate Governance” and “Best Investor Relations”. Group Chairman and Chief Executive Officer, Mr. Lawrence Ho, has been honored with the “Asian Corporate Director of the Year” award and has also been recognized as “Asia’s Best CEO” by Corporate Governance Asia magazine. He has also been named as “Best CEO” by FinanceAsia magazine. All of these accolades have demonstrated that the Group’s high standard in corporate governance has been widely acknowledged among the business community.

On the social responsibility front, Melco was selected as a constituent of the Hang Seng Corporate Sustainability Benchmark Index since 2013 and this has significantly demonstrated our contributions as a responsible corporate citizen. During 2014, the Group has proudly achieved the “10 Years plus Caring Company Logo” awarded by The Hong Kong Council of Social Service for its continuous engagement in social services since 2005.

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. 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 has been honoured with the “Corporate Governance Asia Annual Recognition Award” by *Corporate Governance Asia* magazine for the ninth year in 2014. It is also the first entertainment company to receive the “Hong Kong Corporate Governance Excellence Awards” by the Chamber of Hong Kong Listed Companies and the Centre for Corporate Governance and Financial Policy of the Hong Kong Baptist University. For more information about Melco, please visit www.melco-group.com.

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