



**FOR IMMEDIATE RELEASE**

## **Melco International Announces 2018 Interim Results**

***Diversified Revenue Streams across Segments  
Continue to Expand Footprint in Local and Global Markets***

### **Highlights**

- For the six months ended 30 June 2018:
  - Net revenues amounted to HK\$19.8 billion
  - Profit for the period increased over 200% to HK\$1.1 billion
  - Adjusted EDITDA grew 16.7% to HK\$5.5 billion
  - The Board has declared the payment of an interim dividend of HK4.5 cents per share
- The US\$1.1 billion Morpheus officially opened at City of Dreams in June, offering sophisticated travelers the most remarkable experiences that go beyond gaming and raising the bar in global luxury hospitality.
- Japan remains a pivotal focus of the Group's long-term plan. Melco International is now fully engaged to build a strong consortium to support business development efforts, and will continue to engage with the national and local governments, communities and local companies for potential partnerships and collaborations.
- In Cyprus, while City of Dreams Mediterranean is in development, all eyes turned to another milestone with the soft opening of Cyprus Casinos (C2) in June. Also on the horizon are three C2 satellite casinos scheduled to commence operations in Nicosia, Larnaca and Paphos during 2018, while the satellite casino in free Famagousta is scheduled to commence operations in the spring of 2019.

**Hong Kong, Monday, August 27, 2018** – Melco International Development Limited (“Melco International” or the “Company”, together with its subsidiaries (collectively the “Group”), HKEx Code: 200) today announced its interim results for the six months ended 30 June 2018.

Despite the ongoing challenges in the Macau gaming market, Melco International managed to achieve positive operating and financial results in the first half of 2018. With net revenues of approximately HK\$19.8 billion (corresponding period in 2017: HK\$20.1 billion), profit for the period went beyond threefold to approximately HK\$1.1 billion (corresponding period in 2017: HK\$355.4 million), while Adjusted EBITDA grew 16.7% to HK\$5.5 billion (corresponding period in 2017: HK\$4.7 billion).



The Board has declared the payment of an interim dividend of HK4.5 cents per share (2017 interim dividend: HK2.2 cents per share).

**Mr. Lawrence Ho, Group Chairman and Chief Executive Officer of Melco International**, said, “In the first half of 2018, Melco International continued to achieve milestones in global market expansion and in launching innovative concepts in integrated resorts. These developments help Melco International to further its goals to be a pioneer in premium travel, leisure and entertainment and to deliver world-class premium offerings that go beyond gaming to satisfy tomorrow’s most sophisticated international travelers.

“A notable highlight this year was the grand opening of Morpheus that took place in June 2018 as the latest addition to the Phase 3 development of City of Dreams in Macau. Morpheus, the new flagship hotel for City of Dreams, is the world’s first ever free-form exoskeleton high-rise architectural structure designed by legendary architect the late Dame Zaha Hadid, DBE. This US\$1.1 billion iconic landmark offers sophisticated travelers the most remarkable experiences that go beyond gaming and raises the bar in global luxury hospitality.

“Our long-term growth strategy for Macau remains to focus on the premium-mass and mass segments, which we believe will drive sustainable growth and profit for our industry. We will continue to invest in balancing our exposure to both VIP and mass gaming patrons and to further grow a diversified portfolio to attract the broader tourism market through our world-class non-gaming entertainment and leisure offers.

“Internationally, we remain bullish on our exposure to an expanding network of global operations and business development opportunities beyond Macau. In Cyprus, we have opened Cyprus Casinos (C2) earlier in June and we are also excited with the development of our integrated resort City of Dreams Mediterranean which is going to be the first in the country upon its completion in 2021.

“Japan remains a pivotal focus of the Group’s long-term plan. We view Japan as a market with the potential to rank among the largest global gaming destinations in Asia, second only to Macau. With the successful passage of the Integrated Resorts Implementation Bill at Japan’s National Diet, our goal is to become a trusted partner in Japan’s integrated casino resorts industry and we have been dedicating the necessary resources and investments for the development of this potential market. We are confident that these projects will further enhance our exposure in the global market.”



### **Sustainable Growth Contributed by Asian Gaming Operations**

Melco International is the majority shareholder of Melco Resorts & Entertainment Limited (“Melco Resorts”; Nasdaq: MLCO), a developer, owner and operator of casino gaming and entertainment casino resort facilities in Asia, which is the Group’s core gaming and entertainment arm and also the key revenue driver.

Under the United States generally accepted accounting principles (“U.S. GAAP”), net revenue from Melco Resorts for the six months ended 30 June 2018 amounted to US\$2.5 billion (corresponding period in 2017: US\$2.6 million). Adjusted Property EBITDA increased by 11% to US\$757.3 million (corresponding period in 2017: US\$682.8 million). The increase was mainly attributable to the better group-wide performance in all gaming segments and recovery of previously provided doubtful debt.

The new, ultra-luxury hotel Morpheus has officially opened at City of Dreams earlier in June, exemplifying the Group’s position as a pioneer and innovator in premium travel, leisure and entertainment. In addition, Nüwa will be undergoing renovation after the Chinese New Year in 2019, with the rolling refurbishment of the hotel anticipated to conclude before the Chinese New Year in 2020. The Countdown hotel will also be redeveloped in the second half of 2019 and will be rebranded Libertine, a funky rebel branded hotel, and will complement our City of Dreams portfolio with guestrooms that are luxurious yet ultra-cool.

The cinematically-themed Studio City has also completed a series of property upgrades recently to refine its entertainment offerings and improve accessibility to the resort.

### **Continued Developments Beyond Macau**

Melco International has been working diligently on exploring the Japanese market and will continue to engage with the national and local governments, communities and local partner companies for potential partnerships and collaborations. Following the establishment of a Japanese subsidiary, opening an office in Tokyo and appointing a local leadership team in 2017, the Group has opened an Osaka office in the first half of 2018 and is now fully engaged to build a strong consortium to support business development efforts.

Beyond Asia, Melco International not only took another major step in its global expansion with the development of City of Dreams Mediterranean, but also set the stage for the transformation of Cyprus into a must-visit international tourism destination. Set to open in 2021, City of Dreams Mediterranean will become the first integrated resort in Cyprus and Europe’s largest and premier integrated



destination resort. The five-star resort will elevate Cyprus to a leadership role for leisure and business travel in the region and internationally.

While City of Dreams Mediterranean is in development, all eyes turned to another milestone with the opening of Cyprus Casinos (C2), a mere 5 kilometres away in Limassol, Cyprus. Also on the horizon are three C2 satellite casinos scheduled to commence operations in Nicosia, Larnaca and Paphos during 2018, while the satellite casino in free Famagousta is scheduled to commence operations in the spring of 2019.

### ***Entertaining Possibilities • Achieving Growth***

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#### **About Melco International Development Limited**

Founded in 1910 and listed on the Hong Kong Stock Exchange since 1927, Melco International Development Limited (“Melco International”, HKEx Code: 200) was among the first one hundred companies established in Hong Kong. Today, under the leadership of its Chairman and Chief Executive Officer, Mr. Lawrence Ho, Melco International has become a world leader in the leisure and entertainment sector with operations in China, Philippines and Cyprus. Its promising performance and distinctive leadership in the industry are also well recognized worldwide.

Melco International holds a majority stake in Melco Resorts & Entertainment Limited (Nasdaq: MLCO), a leading developer, owner and operator of casino gaming and entertainment casino resort facilities in Asia. The recent acquisition in 2017 further bolsters the Group’s financial position and enables its growth opportunities in Macau, Asia and around the world. The Group has also secured the first casino resort license in Cyprus and is currently operating Cyprus Casino (C2) in the country.

As a dynamic enterprise, Melco International has garnered numerous accolades for excellence in corporate governance and contribution to CSR. Melco has been honoured with the “Corporate Governance Asia Annual Recognition Award” by Corporate Governance Asia magazine for the twelfth year in 2017. 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 International, please visit [www.melco-group.com](http://www.melco-group.com).

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