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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 THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2009 BY A LISTED ASSOCIATE – MELCO CROWN ENTERTAINMENT LIMITED**

**This is not the announcement of the financial results of Melco International Development Limited (the “Company”). This announcement is made by the Company pursuant to the requirements of Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) to provide shareholders of the Company and the public with information of the financial results of a listed associate of the Company, Melco Crown Entertainment Limited, which has announced on 17 November 2009 its unaudited financial results for the third quarter and nine months ended 30 September 2009.**

Melco Crown Entertainment Limited, a 33.48% 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 on 17 November 2009 its unaudited financial results for the third quarter and nine months ended 30 September 2009.

This announcement is made by the Company pursuant to the requirements of Rule 13.09(1) of the Listing Rules.

Melco Crown Entertainment Limited (“**Melco Crown Entertainment**”), a 33.48% 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 on 17 November 2009 its unaudited financial results for the third quarter and nine months ended 30 September 2009. Extracts of the unaudited financial results are provided below:

### **The third quarter results of Melco Crown Entertainment**

For the third quarter of 2009, net revenue was US\$500.3 million, an increase of nearly 70% from US\$295.2 million for the comparable period ended 30 September 2008. The increase in net revenue was driven by the opening of City of Dreams in June 2009.

Adjusted EBITDA (i.e. earnings before interest, taxes, depreciation, amortization, pre-opening costs, property charges and other, stock-based compensation costs and other non-operating income and expenses) was US\$55.6 million for the third quarter of 2009, as compared with US\$20.8 million in the third quarter of 2008. The 167% year-over-year increase in adjusted EBITDA in the third quarter of 2009 was primarily attributable to the opening of City of Dreams.

On a GAAP (i.e. generally accepted accounting principles) basis, Melco Crown Entertainment recorded a net loss for the third quarter of 2009 of US\$39.5 million, or US\$0.08 per ADS (i.e. American Depositary Share), compared to a loss of US\$21.1 million, or US\$0.05 per ADS, in the third quarter of 2008. The year-over-year increase in the net loss was primarily due to increased depreciation and amortization expenses and lower capitalized interest following the opening of City of Dreams.

### **Nine months results of Melco Crown Entertainment**

For the nine months ended 30 September 2009, Melco Crown Entertainment reported net revenue of US\$932.7 million versus US\$1,162.6 million in the nine months ended 30 September 2008. The year-over-year decrease in net revenue was driven by lower rolling chip volume and lower rolling chip hold percentage at Altira Macau in the first nine months of 2009 as compared to the same period in 2008.

Melco Crown Entertainment reported a net loss of US\$218.8 million for the first nine months of 2009, compared to net income of US\$16.4 million for the first nine months of 2008. The net loss per ADS for the nine-month period ended 30 September 2009 was US\$0.46 compared to net income per ADS of US\$0.04 for the same period in 2008.

The condensed consolidated statement of operations for the third quarter ended 30 September 2009 and the condensed consolidated balance sheet as at 30 September 2009 of Melco Crown Entertainment are provided below:

**Melco Crown Entertainment Limited**  
**Condensed Consolidated Statements of Operations**  
**(in Thousands of U.S. dollars, except share and per share data)**

|                                      | Three Months Ended |                            | Nine Months Ended |                            |
|--------------------------------------|--------------------|----------------------------|-------------------|----------------------------|
|                                      | 30 September       |                            | 30 September      |                            |
|                                      | 2009               | 2008                       | 2009              | 2008                       |
|                                      | (Unaudited)        | (Unaudited) <sup>(1)</sup> | (Unaudited)       | (Unaudited) <sup>(1)</sup> |
| <b>OPERATING REVENUES</b>            |                    |                            |                   |                            |
| Casino                               | \$ 491,248         | \$ 292,477                 | \$ 915,657        | \$ 1,154,524               |
| Rooms                                | 13,409             | 4,500                      | 24,857            | 12,741                     |
| Food and beverage                    | 8,843              | 3,966                      | 17,234            | 12,787                     |
| Entertainment, retail and others     | 4,393              | 1,461                      | 8,224             | 4,087                      |
| Gross revenues                       | 517,893            | 302,404                    | 965,972           | 1,184,139                  |
| Less: promotional allowances         | (17,565)           | (7,247)                    | (33,316)          | (21,500)                   |
| Net revenues                         | 500,328            | 295,157                    | 932,656           | 1,162,639                  |
| <b>OPERATING COSTS AND EXPENSES</b>  |                    |                            |                   |                            |
| Casino                               | (396,944)          | (254,072)                  | (780,071)         | (959,001)                  |
| Rooms                                | (2,194)            | (377)                      | (4,254)           | (1,246)                    |
| Food and beverage                    | (5,777)            | (2,922)                    | (12,289)          | (9,887)                    |
| Entertainment, retail and others     | (2,408)            | (309)                      | (3,422)           | (906)                      |
| General and administrative           | (40,228)           | (18,602)                   | (88,580)          | (62,003)                   |
| Pre-opening costs                    | (12,561)           | (6,721)                    | (92,124)          | (12,430)                   |
| Amortization of gaming subconcession | (14,309)           | (14,309)                   | (42,928)          | (42,928)                   |
| Amortization of land use rights      | (4,543)            | (4,593)                    | (13,628)          | (13,767)                   |
| Depreciation and amortization        | (45,888)           | (13,226)                   | (89,725)          | (42,208)                   |
| Property charges and other           | (12)               | (1)                        | (4,146)           | (290)                      |
| Total operating costs and expenses   | (524,864)          | (315,132)                  | (1,131,167)       | (1,144,666)                |
| OPERATING (LOSS) INCOME              | (24,536)           | (19,975)                   | (198,511)         | 17,973                     |
| <b>NON-OPERATING EXPENSES</b>        |                    |                            |                   |                            |
| Interest (expenses) income, net      | (12,230)           | 1,210                      | (15,960)          | 6,268                      |
| Other finance costs                  | (3,039)            | (3,334)                    | (5,659)           | (10,285)                   |
| Foreign exchange (loss) gain, net    | (289)              | 194                        | (114)             | 502                        |
| Other income, net                    | 858                | 335                        | 1,858             | 948                        |
| Total non-operating expenses         | (14,700)           | (1,595)                    | (19,875)          | (2,567)                    |

|  | Three Months Ended<br>30 September |  | Nine Months Ended<br>30 September |  |
|--|------------------------------------|--|-----------------------------------|--|
|  | 2009<br><u>(Unaudited)</u>         | 2008<br><u>(Unaudited)<sup>(1)</sup></u> | 2009<br><u>(Unaudited)</u>        | 2008<br><u>(Unaudited)<sup>(1)</sup></u> |
| (LOSS) INCOME BEFORE INCOME TAX  | <u>(39,236)</u>                    | <u>(21,570)</u>                          | <u>(218,386)</u>                  | <u>15,406</u>                            |
| INCOME TAX (EXPENSE) CREDIT  | <u>(252)</u>                       | <u>445</u>                               | <u>(386)</u>                      | <u>1,016</u>                             |
| NET (LOSS) INCOME  | <u>\$ (39,488)</u>                 | <u>\$ (21,125)</u>                       | <u>\$ (218,772)</u>               | <u>\$ 16,422</u>                         |
| (LOSS) INCOME PER SHARE:   |                                    |  |                                   |  |
| Basic  | <u>\$ (0.026)</u>                  | <u>\$ (0.016)</u>                        | <u>\$ (0.154)</u>                 | <u>\$ 0.012</u>                          |
| Diluted  | <u>\$ (0.026)</u>                  | <u>\$ (0.016)</u>                        | <u>\$ (0.154)</u>                 | <u>\$ 0.012</u>                          |
| (LOSS) INCOME PER ADS:   |                                    |  |                                   |  |
| Basic  | <u>\$ (0.078)</u>                  | <u>\$ (0.048)</u>                        | <u>\$ (0.461)</u>                 | <u>\$ 0.037</u>                          |
| Diluted  | <u>\$ (0.078)</u>                  | <u>\$ (0.048)</u>                        | <u>\$ (0.461)</u>                 | <u>\$ 0.037</u>                          |
| WEIGHTED AVERAGE SHARES USED<br>IN (LOSS) INCOME PER SHARE<br>CALCULATION: |                                    |  |                                   |  |
| Basic  | <u>1,525,550,917</u>               | <u>1,320,938,902</u>                     | <u>1,423,045,390</u>              | <u>1,320,938,902</u>                     |
| Diluted  | <u>1,525,550,917</u>               | <u>1,320,938,902</u>                     | <u>1,423,045,390</u>              | <u>1,323,348,602</u>                     |

- (1) The unaudited condensed consolidated financial statements for 2008 reflect certain reclassifications, which have no effect on previously reported net (loss) income, to conform to current period presentation.

**Melco Crown Entertainment Limited**  
**Condensed Consolidated Balance Sheets**  
(in Thousands of U.S. dollars)

|  | <b>30 September</b> | <b>31 December</b>  |
|--|---------------------|---------------------|
|  | <b>2009</b>         | <b>2008</b>         |
|  | <u>(Unaudited)</u>  | <u>(Audited)</u>    |
| <b>ASSETS</b>                                  |                     |                     |
| <b>CURRENT ASSETS</b>                          |                     |                     |
| Cash and cash equivalents                      | \$ 435,343          | \$ 815,144          |
| Restricted cash                                | 250,157             | 67,977              |
| Accounts receivable, net                       | 201,742             | 72,755              |
| Amounts due from affiliated companies          | 1                   | 650                 |
| Inventories                                    | 5,444               | 2,170               |
| Prepaid expenses and other current assets      | 38,147              | 17,556              |
|  | <hr/>               | <hr/>               |
| Total current assets                           | <b>930,834</b>      | 976,252             |
|  | <hr/>               | <hr/>               |
| PROPERTY AND EQUIPMENT, NET                    | 2,797,656           | 2,107,722           |
| GAMING SUBCONCESSION, NET                      | 728,288             | 771,216             |
| INTANGIBLE ASSETS, NET                         | 4,220               | 4,220               |
| GOODWILL                                       | 81,915              | 81,915              |
| LONG-TERM PREPAYMENT AND DEPOSITS              | 43,832              | 60,894              |
| DEFERRED TAX ASSETS                            | -                   | 28                  |
| DEFERRED FINANCING COST                        | 41,163              | 49,336              |
| DEPOSIT FOR ACQUISITION OF<br>LAND INTEREST    | -                   | 12,853              |
| LAND USE RIGHTS, NET                           | 420,225             | 433,853             |
|  | <hr/>               | <hr/>               |
| TOTAL  | <b>\$ 5,048,133</b> | <b>\$ 4,498,289</b> |
|  | <hr/> <hr/>         | <hr/> <hr/>         |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>    |                     |                     |
| <b>CURRENT LIABILITIES</b>                     |                     |                     |
| Accounts payable                               | \$ 6,939            | \$ 2,494            |
| Accrued expenses and other current liabilities | 556,618             | 442,671             |
| Income tax payable                             | 1,149               | 1,954               |
| Amounts due to affiliated companies            | 8,871               | 1,985               |
| Amounts due to shareholders                    | 35                  | 1,032               |
|  | <hr/>               | <hr/>               |
| Total current liabilities                      | <b>573,612</b>      | 450,136             |
|  | <hr/>               | <hr/>               |

|  | <b>30 September<br/>2009</b> | 31 December<br>2008 |
|--|------------------------------|---------------------|
|  | <u>(Unaudited)</u>           | <u>(Audited)</u>    |
| LONG-TERM DEBT                         | <b>1,683,207</b>             | 1,412,516           |
| OTHER LONG-TERM LIABILITIES            | <b>25,113</b>                | 38,304              |
| DEFERRED TAX LIABILITIES               | <b>18,311</b>                | 19,191              |
| LOANS FROM SHAREHOLDERS                | <b>115,647</b>               | 115,647             |
| LAND USE RIGHT PAYABLE                 | <b>39,432</b>                | 53,891              |
| <b>SHAREHOLDERS' EQUITY</b>            |                              |                     |
| Ordinary shares                        | <b>15,945</b>                | 13,216              |
| Treasury shares                        | <b>(13)</b>                  | (4)                 |
| Additional paid-in capital             | <b>3,086,534</b>             | 2,689,257           |
| Accumulated other comprehensive losses | <b>(32,703)</b>              | (35,685)            |
| Accumulated losses                     | <b>(476,952)</b>             | (258,180)           |
| Total shareholders' equity             | <b>2,592,811</b>             | 2,408,604           |
| TOTAL                                  | <b>\$ 5,048,133</b>          | <b>\$ 4,498,289</b> |

The full text of Melco Crown Entertainment's unaudited financial results for the third quarter and nine months ended 30 September 2009 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, 17 November 2009

*As at the date of this announcement, the Board 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 Sir Roger Lobo, Dr. Lo Ka Shui and Mr. Sham Sui Leung, Daniel.*