



# 2Q'18 RESULTS PRESENTATION

July 2018

# Disclaimer

## Safe Harbor Statement

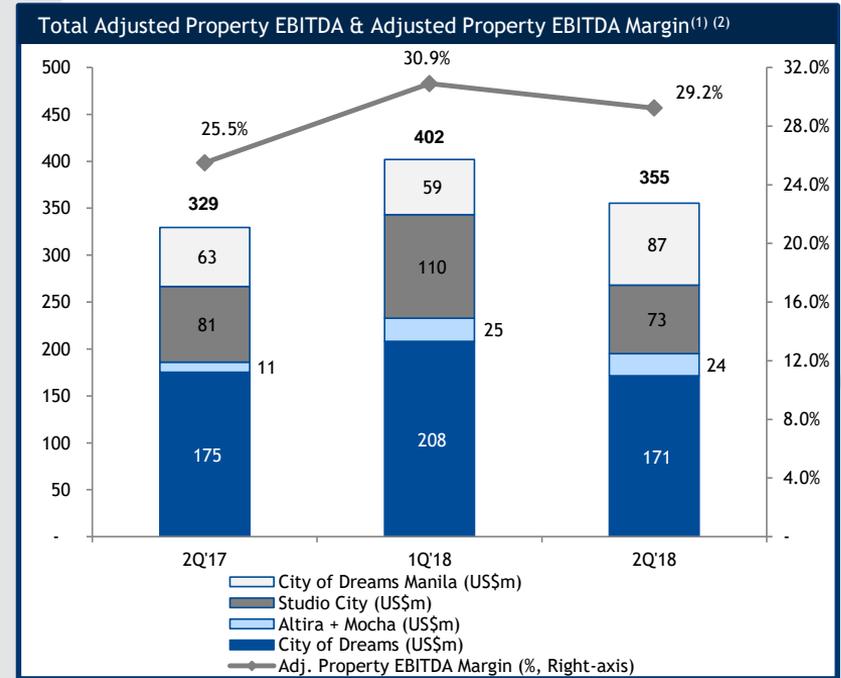
This presentation contains forward-looking statements. These statements are made under the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. The Company may also make written or oral forward-looking statements in its periodic reports to the U.S. Securities and Exchange Commission (the "SEC"), in its annual report to shareholders, in press releases and other written materials and in oral statements made by its officers, directors or employees to third parties. Statements that are not historical facts, including statements about the Company's beliefs and expectations, are forward-looking statements. Forward-looking statements involve inherent risks and uncertainties and a number of factors could cause actual results to differ materially from those contained in any forward-looking statement. These factors include, but are not limited to, (i) growth of the gaming market and visitation in Macau and the Philippines, (ii) capital and credit market volatility, (iii) local and global economic conditions, (iv) our anticipated growth strategies, (v) gaming authority and other governmental approvals and regulations and (vi) our future business development, results of operations and financial condition. In some cases, forward-looking statements can be identified by words or phrases such as "may", "will", "expect", "anticipate", "target", "aim", "estimate", "intend", "plan", "believe", "potential", "continue", "is/are likely to" or other similar expressions. Further information regarding these and other risks, uncertainties or factors is included in the Company's filings with the SEC. All information provided in this presentation is as of the date of this presentation and the Company undertakes no duty to update such information, except as required under applicable law.

This presentation contains non-GAAP financial measures and ratios that are not required by, or presented in accordance with, U.S. GAAP, including Adjusted property EBITDA and Adjusted EBITDA. The non-GAAP financial measures may not be comparable to other similarly titled measures of other companies since they are not uniformly defined and have limitations as analytical tools and should not be considered in isolation or as a substitute for U.S. GAAP measures. Non-GAAP financial measures and ratios are not measurements of our performance under U.S. GAAP and should not be considered as alternatives to any performance measures derived in accordance with U.S. GAAP or any other generally accepted accounting principles. Reconciliations of such non-GAAP financial measures and ratios to their most directly comparable financial measures and ratios are included in our earnings releases that have been furnished with the SEC and are also available on our Investor Relations website at <http://ir.melco-resorts.com>.

# 2Q 2018 Earnings Summary

Group-wide Adjusted Property EBITDA growth underpinned by City of Dreams Manila and Altira Macau

- 2Q Net Revenue of US\$1,229 million, down 5% y-y
- 2Q Adjusted Property EBITDA of US\$355 million, up 8% y-y, mainly attributable to higher contribution from City of Dreams Manila and Altira Macau.
- City of Dreams' adjusted EBITDA declined 2% y-y to US\$171 million
- Studio City's adjusted EBITDA declined 9% y-y to US\$73 million which was primarily a result of poorer performance in the rolling chip segment and lower non-gaming revenue, partially offset by better performance in mass market table games segment.
- City of Dreams Manila's adjusted EBITDA grew 39% y-y to US\$87 million which was primarily a result of better performance in all gaming segments.



Source: Company filings

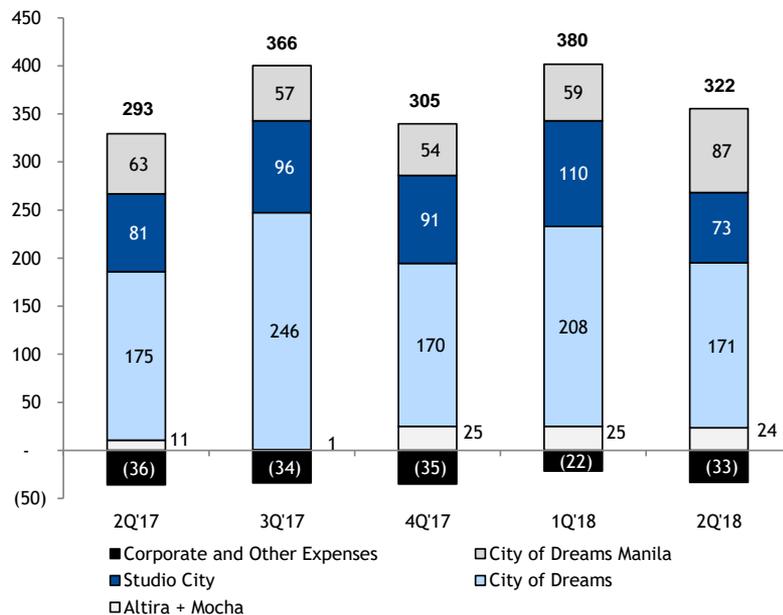
Notes:

1. "Adjusted Property EBITDA" is earnings before interest, taxes, depreciation, amortization, pre-opening costs, development costs, property charges and other, share-based compensation, payments to the Philippine Parties under the cooperative arrangement (the "Philippine Parties"), land rent to Belle Corporation, Corporate and Other expenses and other non-operating income and expenses
2. Adjusted Property EBITDA margin is adjusted Property EBITDA divided by net revenue

# Melco Adjusted EBITDA 2Q 2018

Adjusted EBITDA grew 10% y-y

Melco Adjusted EBITDA Breakdown (US\$ million)<sup>(1)</sup>



Melco Adjusted EBITDA Growth Breakdown<sup>(1)</sup>

	Vs. 1Q 2018	Vs. 2Q 2017
Altira + Mocha	-6%	+120%
City of Dreams	-18%	-2%
Studio City	-33%	-9%
Total Macau Property EBITDA	-22%	+1%
City of Dreams Manila	+48%	+39%
Corporate and Other Expenses	+54%	-8%
Total Adjusted EBITDA	-15%	+10%

Source: Company filings

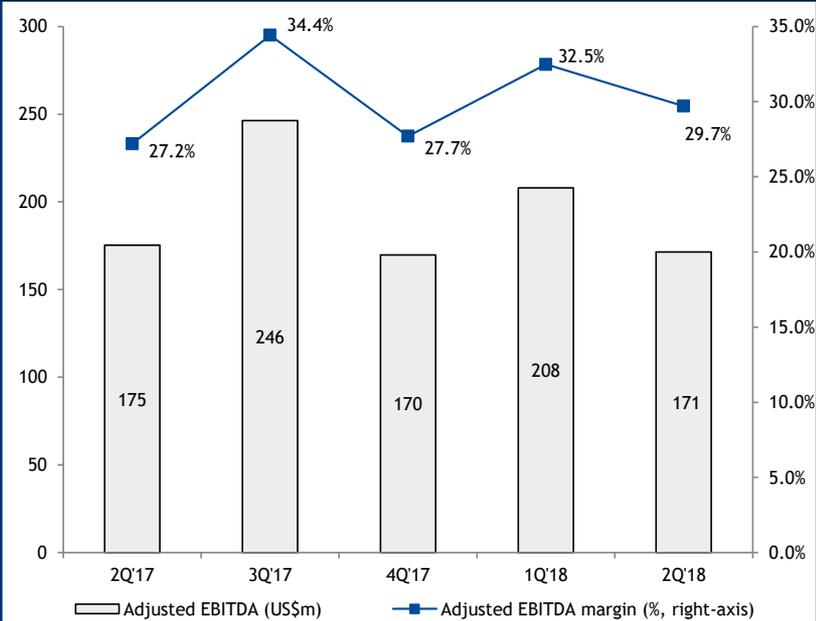
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# City of Dreams 2Q 2018

## Adjusted EBITDA declined 2% y-y

City of Dreams Adjusted EBITDA and Adjusted EBITDA margin<sup>(1) (2)</sup>



City of Dreams Key Operating Metrics

(US\$m, unless otherwise stated)	2Q 2018	Vs. 1Q 2018	Vs. 2Q 2017
VIP Rolling Chip	10,521	-5%	-14%
VIP win rate (%)	2.88%	-14bps	-6bps
Mass Table Drop	1,182	0%	+10%
Mass Table Hold %	28.4%	-375bps	-404bps
VIP GGR	304	-10%	-15%
Mass GGR	335	-12%	-4%
Slots GGR	57	+15%	+53%
Total GGR	696	-9%	-6%
Total Net Revenue	578	-10%	-10%
Adjusted EBITDA	171	-18%	-2%

Source: Company filings

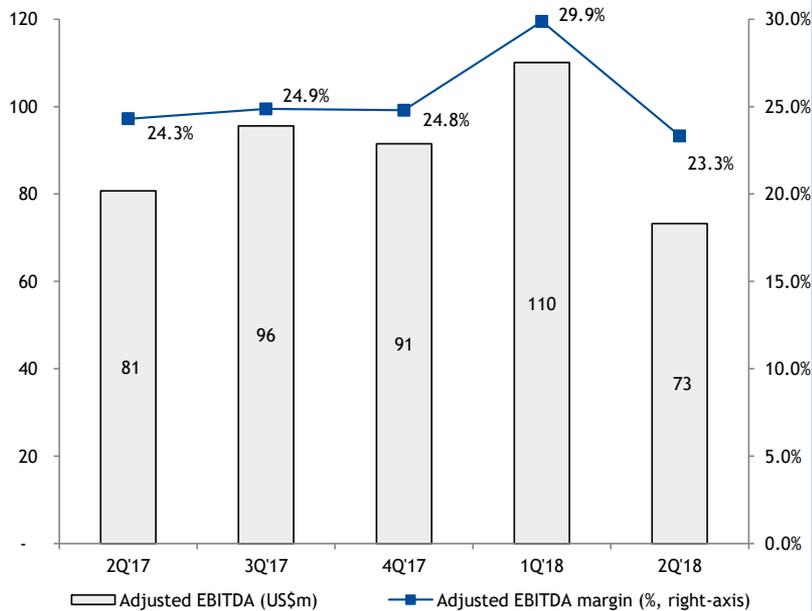
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2. "Adjusted EBITDA margin" is adjusted EBITDA divided by net revenue

# Studio City 2Q 2018

Adjusted EBITDA declined 9% y-y

Studio City Adjusted EBITDA and Adjusted EBITDA margin<sup>(1) (2)</sup>



Studio City Key Operating Metrics

(US\$m, unless otherwise stated)	2Q 2018	Vs. 1Q 2018	Vs. 2Q 2017
VIP Rolling Chip	6,052	-9%	+30%
VIP win rate (%)	2.66%	-2bps	-66bps
Mass Table Drop	814	-1%	+23%
Mass Table Hold %	24.5%	-295bps	-237bps
VIP GGR	161	-10%	+4%
Mass GGR	199	-12%	+12%
Slots GGR	21	-2%	+11%
Total GGR	381	-10%	+9%
Total Net Revenue	314	-15%	-5%
Adjusted EBITDA	73	-33%	-9%

Source: Company filings

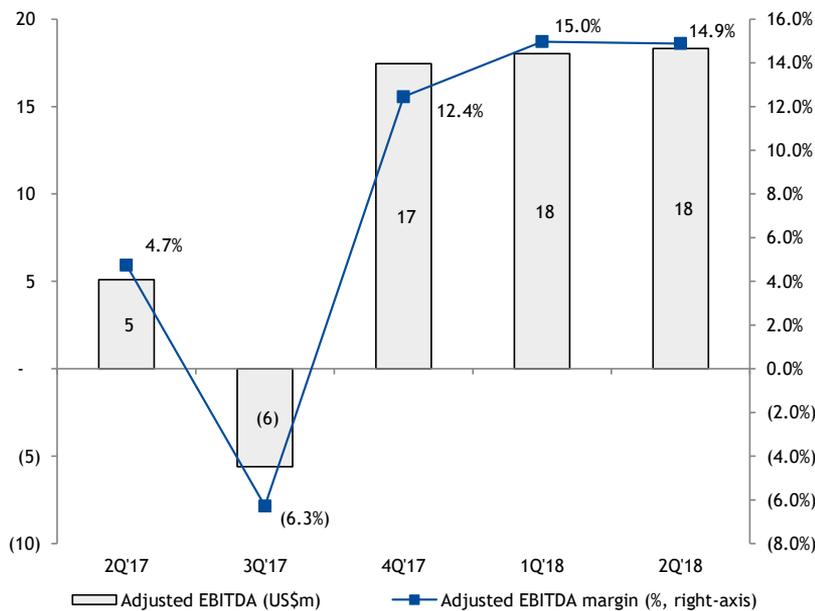
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2. "Adjusted EBITDA margin" is adjusted EBITDA divided by net revenue

# Altira 2Q 2018

Adjusted EBITDA grew 259% y-y

Altira Macau Adjusted EBITDA and Adjusted EBITDA margin<sup>(1) (2)</sup>



Altira Key Operating Metrics

(US\$m, unless otherwise stated)	2Q 2018	Vs. 1Q 2018	Vs. 2Q 2017
VIP Rolling Chip	4,786	-14%	+20%
VIP win rate (%)	3.65%	+60bps	+38bps
Mass Table Drop	132	-5%	+44%
Mass Table Hold %	19.7%	+38bps	+458bps
VIP GGR	174	+3%	+34%
Mass GGR	26	-3%	+87%
Slots GGR	2	+34%	+316%
Total GGR	202	+2%	+40%
Total Net Revenue	123	+2%	+14%
Adjusted EBITDA	18	+2%	+259%

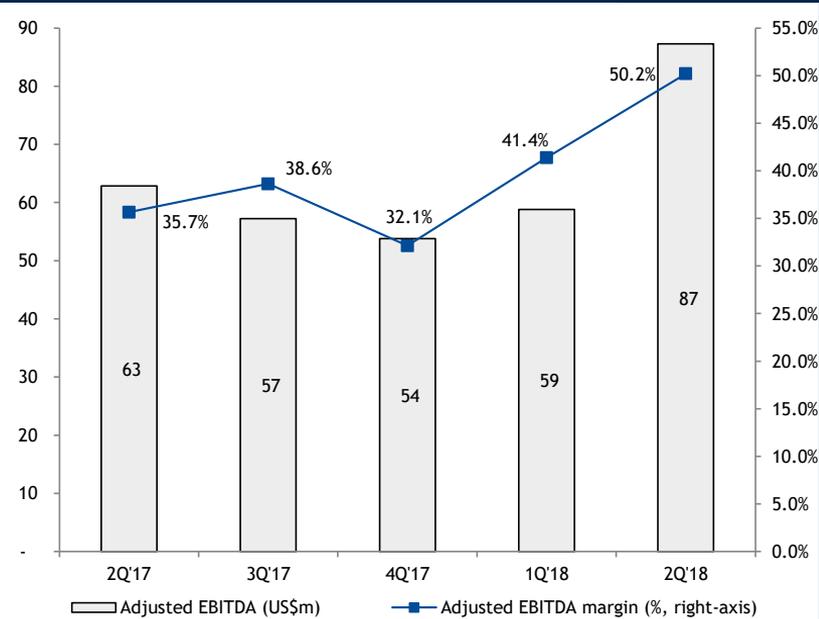
Source: Company filings

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1. "Adjusted EBITDA" is earnings before interest, taxes, depreciation, amortization, pre-opening costs, development costs, property charges and other, share-based compensation, payments to the Philippine parties under the cooperative arrangement (the "Philippine Parties"), land rent to Belle Corporation and other non-operating income and expenses.
  2. "Adjusted EBITDA margin" is adjusted EBITDA divided by net revenue

# City of Dreams Manila 2Q 2018

Adjusted EBITDA grew 39% y-y

City of Dreams Manila Adjusted EBITDA and Adjusted EBITDA margin<sup>(1) (2)</sup>



City of Dreams Manila Key Operating Metrics

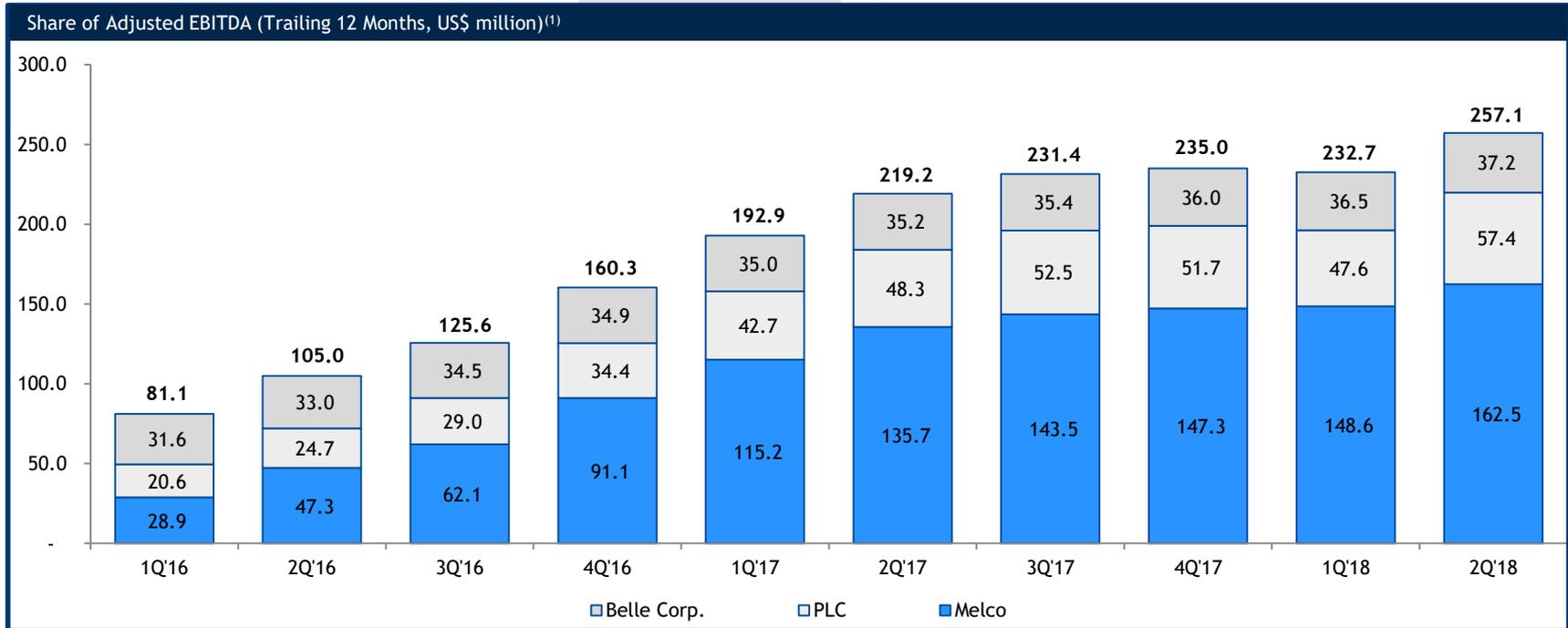
(US\$m, unless otherwise stated)	2Q 2018	Vs. 1Q 2018	Vs. 2Q 2017
VIP Rolling Chip	2,966	+7%	-8%
VIP win rate (%)	3.70%	+82bps	+20bps
Mass Table Drop	197	+5%	+16%
Mass Table Hold %	29.4%	-436bps	+90bps
VIP GGR	110	+37%	-3%
Mass GGR	58	-9%	+20%
Slots GGR	50	+9%	+12%
Total GGR	218	+15%	+6%
Total Net Revenue	174	+22%	-1%
Adjusted EBITDA	87	+48%	+39%

Source: Company filings

- Note:
1. "Adjusted EBITDA" is earnings before interest, taxes, depreciation, amortization, pre-opening costs, development costs, property charges and other, share-based compensation, payments to the Philippine parties under the cooperative arrangement (the "Philippine Parties"), land rent to Belle Corporation and other non-operating income and expenses.
  2. "Adjusted EBITDA margin" is adjusted EBITDA divided by net revenue

# City of Dreams Manila - Adjusted EBITDA breakdown

Growing share of Adjusted EBITDA from City of Dreams Manila



Source: Melco Resorts

Notes:

1. Based on company filings; Premium Leisure Corporation's (PLC) share represents payments made to the Philippine Parties while Belle Corporation's share represents cash payments made to Belle Corporation for building and land rent.

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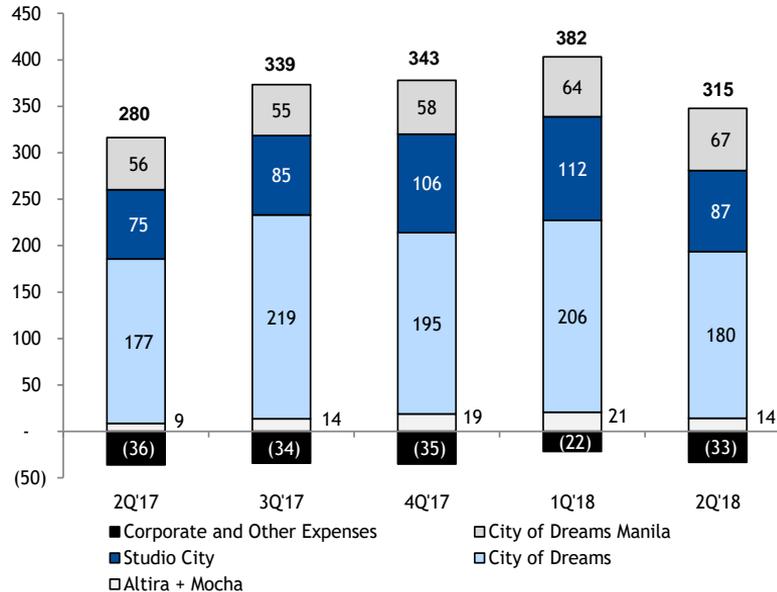
APPENDIX



# Melco Adj. EBITDA (assuming normalized VIP win rate) 2Q 2018

Adjusted EBITDA (Normalized for Hold) grew 12% y-y

Melco Adjusted EBITDA (Normalized for Hold) Breakdown (US\$ million)<sup>(1)(2)</sup>



Melco Adjusted EBITDA (Normalized for Hold) Growth Breakdown<sup>(1)</sup>

	Vs. 1Q 2018	Vs. 2Q 2017
Altira + Mocha	-32%	+62%
City of Dreams	-13%	+1%
Studio City	-22%	+17%
Total Macau Property EBITDA	-17%	+8%
City of Dreams Manila	+4%	+20%
Corporate and Other Expenses	+54%	-8%
<b>Total Hold-Adjusted EBITDA</b>	<b>-18%</b>	<b>+12%</b>

Source: Melco Resorts

Note:

1. "Adjusted EBITDA" is earnings before interest, taxes, depreciation, amortization, pre-opening costs, development costs, property charges and other, share-based compensation, payments to the Philippine parties under the cooperative arrangement (the "Philippine Parties"), land rent to Belle Corporation and other non-operating income and expenses
2. Normalized VIP win rate is assumed to be 2.85%, which represents the midpoint of our expected rolling chip win rate. Melco Adjusted EBITDA (Normalized for Hold) is an estimate and is for illustrative purpose only

# Melco: Table Yield Analysis

Continue to optimize table allocation across our portfolio of Integrated Resorts

Average number of VIP Gaming Tables					
	2Q'17	3Q'17	4Q'17	1Q'18	2Q'18
Altira	69	62	64	65	64
City of Dreams	147	143	145	145	148
Studio City	39	45	46	46	46
City of Dreams Manila	109	116	115	117	120

Daily Average Win Per VIP Table (US\$)					
	2Q'17	3Q'17	4Q'17	1Q'18	2Q'18
Altira	20,647	19,206	27,280	29,260	30,273
City of Dreams	26,907	30,033	23,287	25,710	22,608
Studio City	43,591	48,841	37,953	43,273	38,716
City of Dreams Manila	11,395	6,921	8,298	7,600	10,037

Source: Melco Resorts

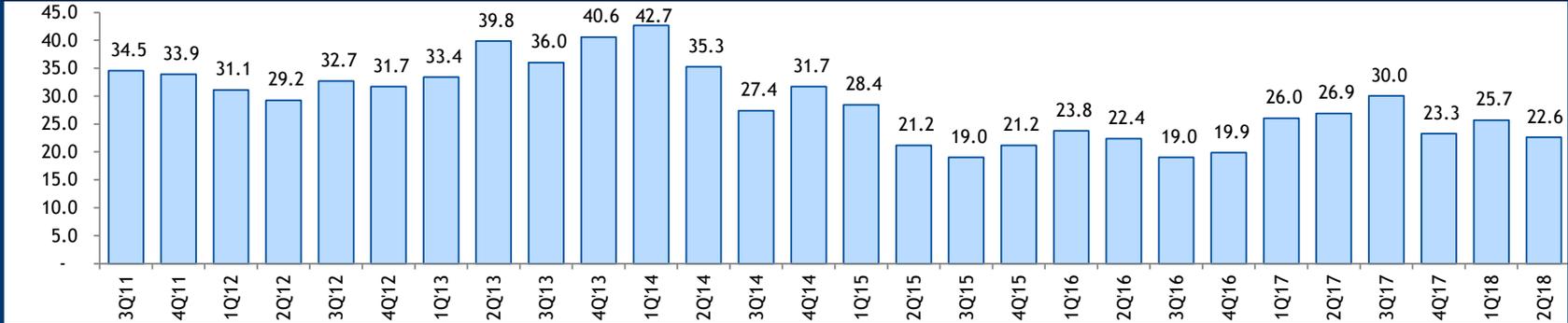
Average number of Mass Gaming Tables					
	2Q'17	3Q'17	4Q'17	1Q'18	2Q'18
Altira	39	39	39	39	39
City of Dreams	334	333	334	333	335
Studio City	248	246	247	248	247
City of Dreams Manila	169	175	176	177	179

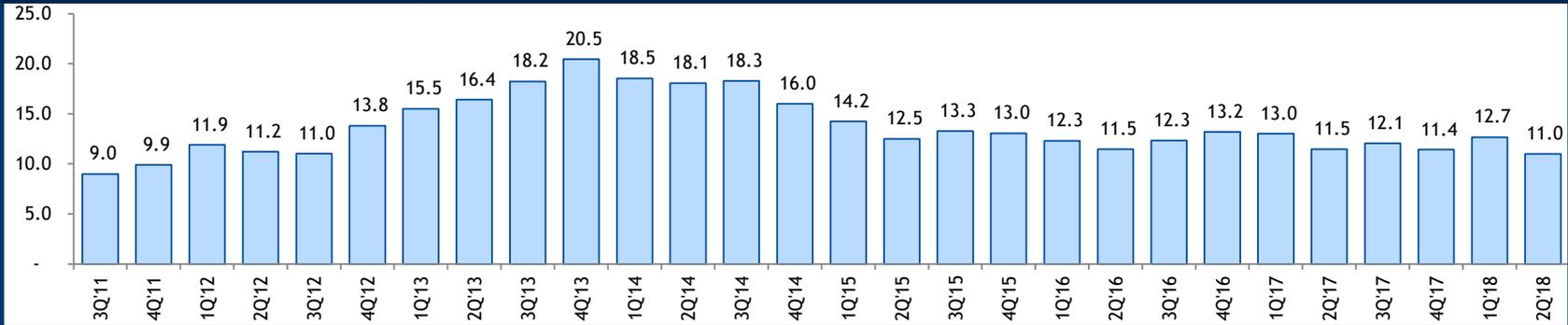
Daily Average Win Per Mass Table (US\$)					
	2Q'17	3Q'17	4Q'17	1Q'18	2Q'18
Altira	3,925	4,924	6,397	7,667	7,301
City of Dreams	11,455	12,054	11,425	12,660	10,994
Studio City	7,875	8,255	9,736	10,141	8,854
City of Dreams Manila	3,148	3,240	3,623	3,983	3,564

# City of Dreams Daily GGR Per Table

City of Dreams: Daily Average GGR per VIP Table (US\$ '000)



City of Dreams: Daily Average GGR per Mass Table (US\$ '000)

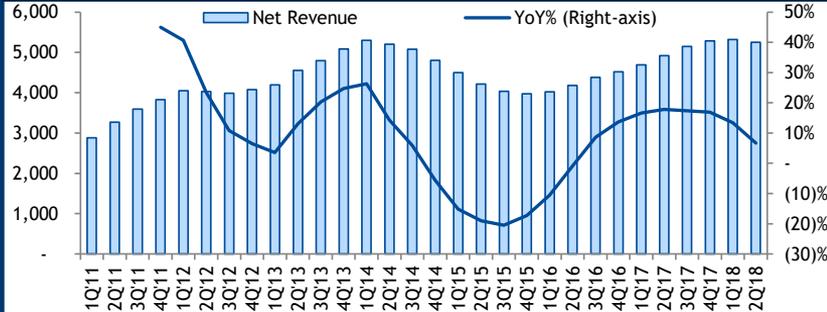


Source: Melco Resorts

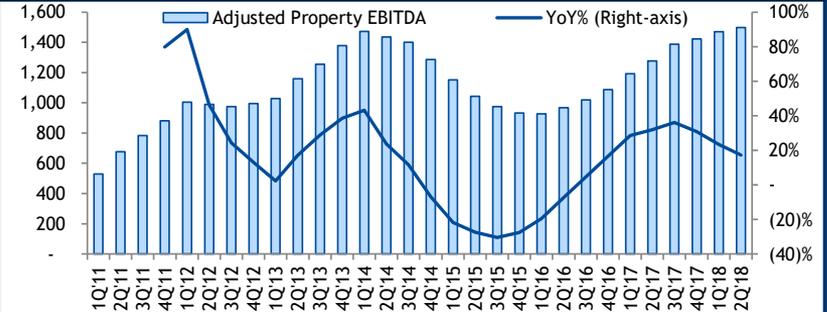
# Melco: Historic Revenue and Adjusted Property EBITDA

Melco's Macau Mass GGR has already surpassed the previous peak level in 3Q'14

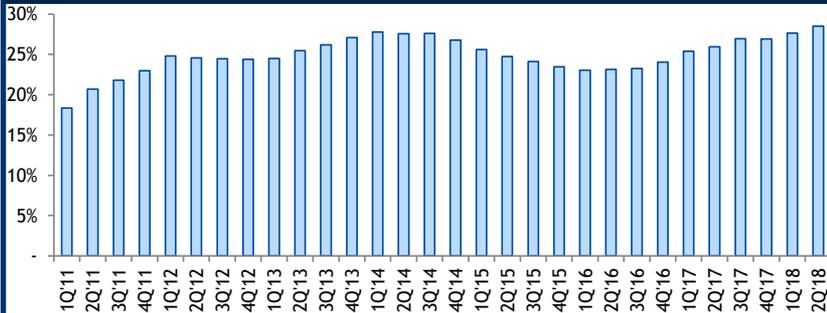
Melco: Last 12 months Total Net Revenue (US\$ million)



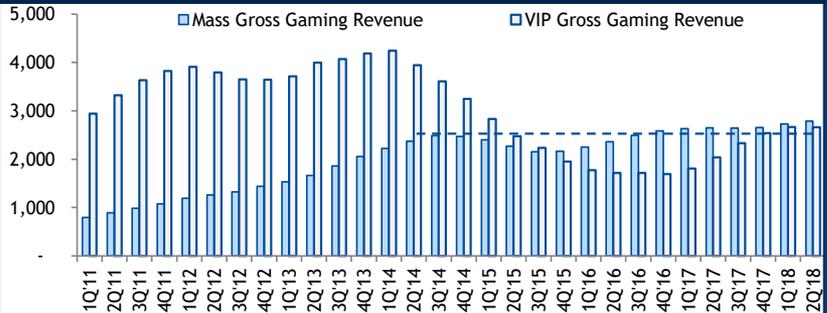
Melco: Last 12 months Total Adjusted Property EBITDA (US\$ million)



Melco: Last 12 months Total Adjusted Property EBITDA margin



Melco: Last 12 months Macau-only VIP & Mass GGR (US\$ million)



Source: Company Filings

Notes:

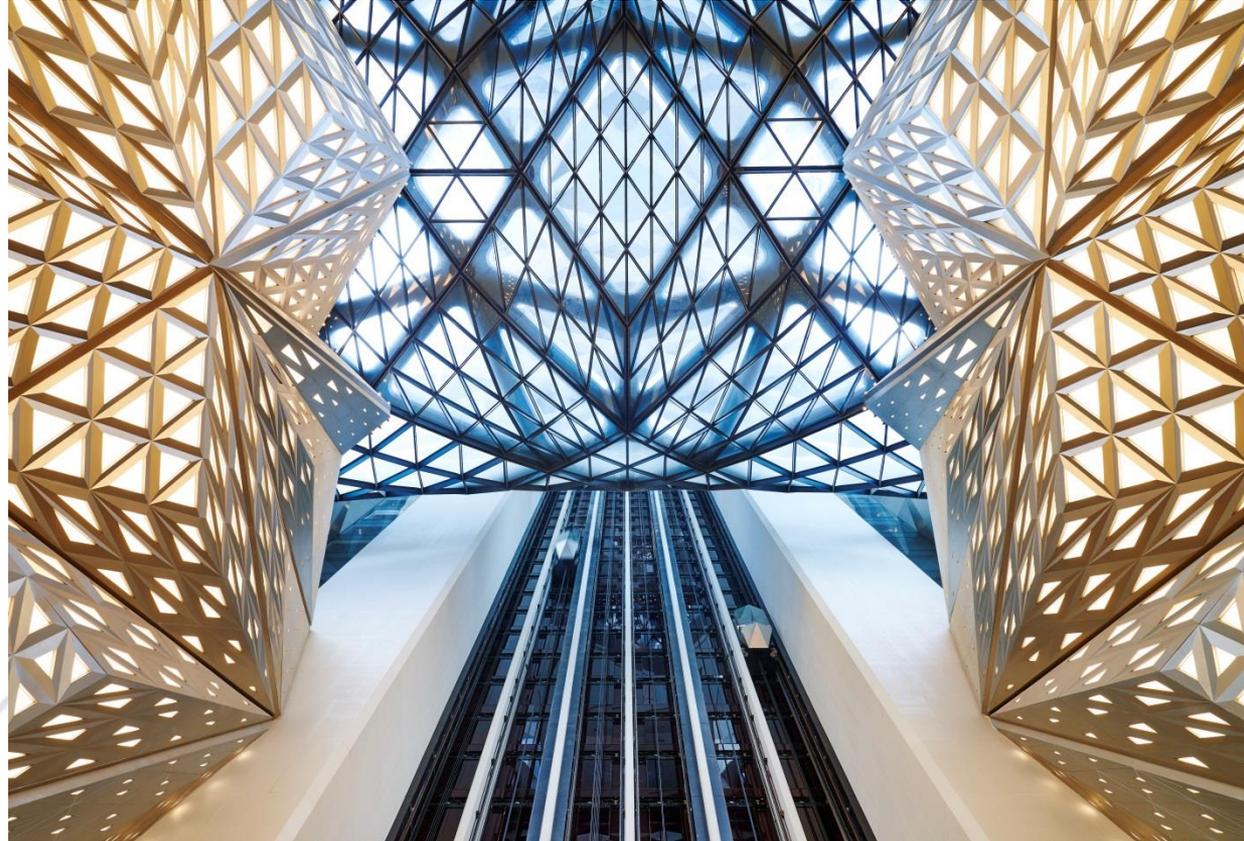
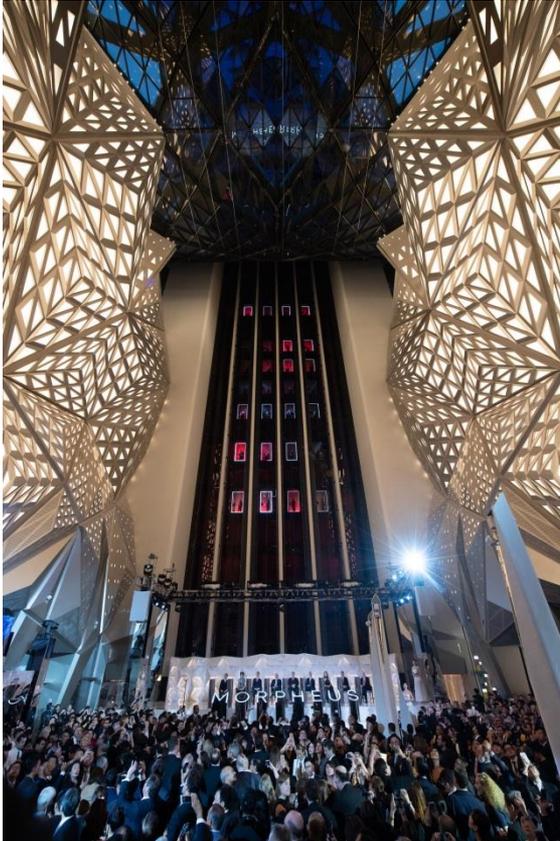
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# Morpheus: Exterior



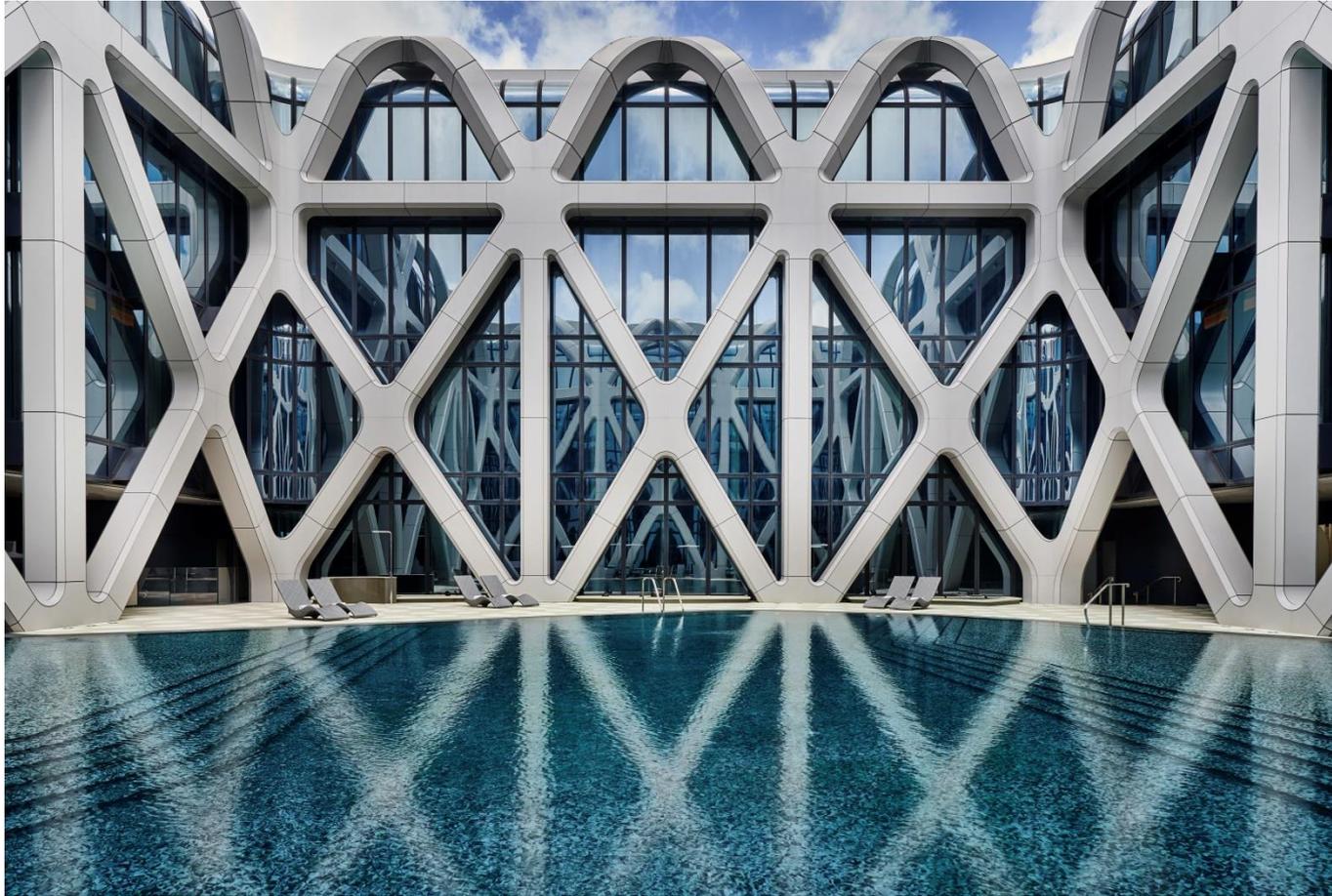
Source: Melco Resorts

# Morpheus: Lobby



Source: Melco Resorts

# Morpheus: Sky Pool



# Morpheus: Alain Ducasse at Morpheus



# Morpheus: Other restaurants



Voyages by Alain Ducasse

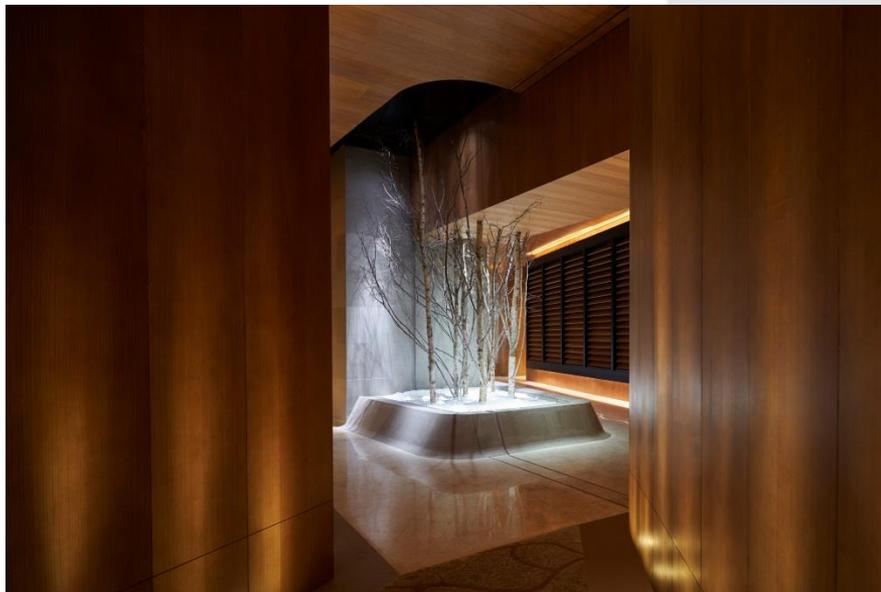


Club Lounge



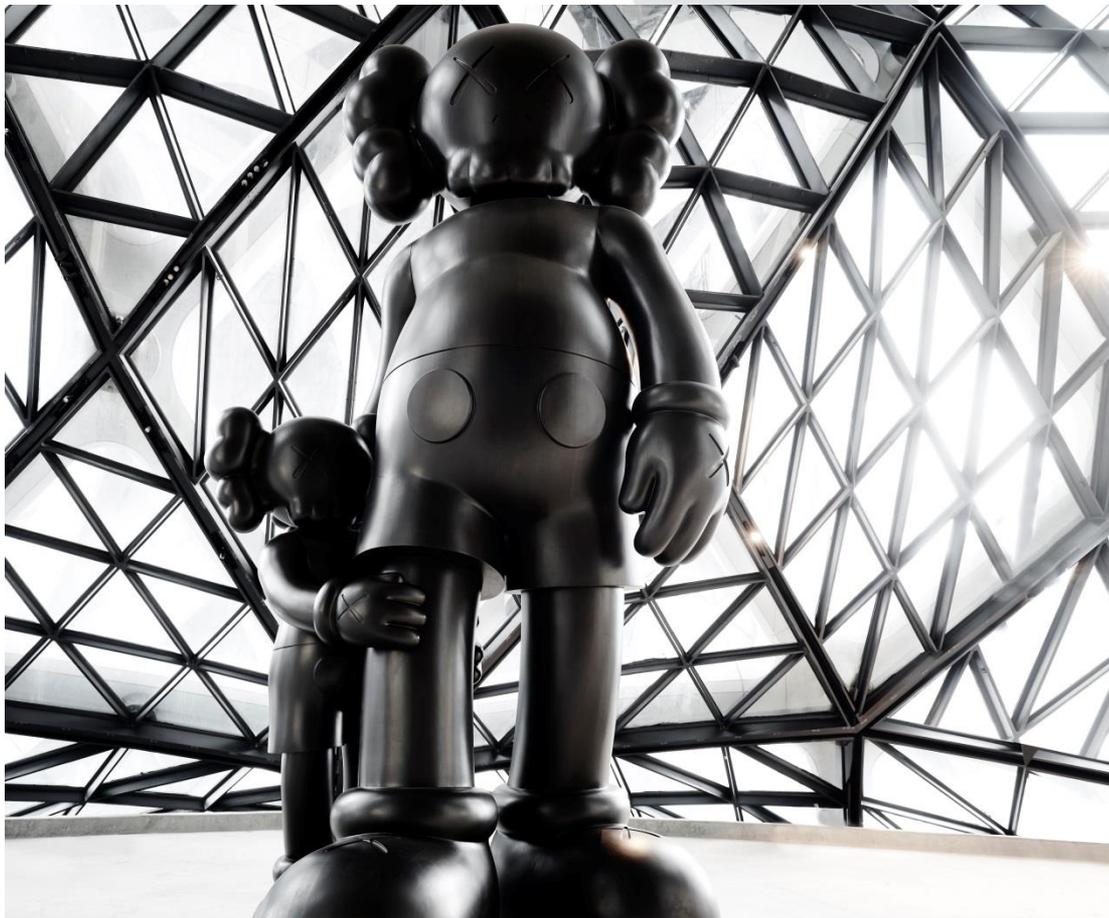
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# Morpheus: Spa



Source: Melco Resorts

## Morpheus: Art on 23



Source: KAWS, Melco Resorts

# Morpheus: Standard room (58 square meters)



# Morpheus: Prestige Suite (106 square meters)



# Morpheus: Villas (510 to 582 square meters)



Duplex Villa



Pool Villa

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THANK YOU