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6883.HK - Q4 2013 Melco Crown Entertainment Limited Earnings
Conference Call

EVENT DATE/TIME: FEBRUARY 13, 2014 / 1:30PM GMT



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PRESENTATION

Operator

Good morning, and thank you for participating in Q4 2013 earnings conference call of Melco Crown Entertainment Limited. (Operator Instructions). Today's conference is being recorded.

And I would now like to turn the call over to Geoffrey Davis, Chief Financial Officer of Melco Crown Entertainment Limited. Thank you. Please go ahead.

Geoffrey Davis - Melco Crown Entertainment Limited - CFO

Thank you for joining us today for our fourth quarter 2013 earnings call. On the call with me today are Lawrence Ho, Ted Chan and Ross Dunwoody.

Before we get started, please note that today's discussion may contain forward-looking statements made under the Safe Harbor provision of federal securities laws. Our actual results could differ from our anticipated results.

I will now turn the call over to Lawrence.

Lawrence Ho - Melco Crown Entertainment Limited - Co-Chairman & CEO

Thank you, Geoff. Good morning, everyone. Our record results in fourth Q 2013 concluded a very successful year for our Company. 4Q 2013 property EBITDA increased over 16% sequentially and over 45% on a year-over-year basis to \$394 million.

Our performance continues to be driven by the strength in our mass market table games operations, Tower 3, which once again outperformed the market, both in total mass table GGR growth, and importantly on a GGR per mass table basis.

We're encouraged by the depth in the premium mass segment in Macau which we believe will continue to be supported by the infrastructure and overall development blueprint for the region and continued economic strength in our core feeder market, as well as some new quality supply, particularly additional hotel inventory and other non-gaming amenities.



The competition at the premium end of the mass market does not focus on discounting or excessive promotion, but rather on the quality of product and service, an approach where we hold a significant competitive advantage given our high quality assets, unique entertainment attractions, and best-in-class service.

In addition to focusing on growing our top line, we remain highly committed to managing our cost structure, including the reinvestment back to our players. This Company-wide commitment has enabled us to expand our luck adjusted margins for the tenth quarter in a row. Our fourth quarter 2013 luck-adjusted property EBITDA margin increased almost 400 basis points on a year-over-year basis to 28.6%.

Our development pipeline continues to progress as planned. City of Dreams Manila will open later this year and will include the luxurious Crown Tower Hotel, as well as the recently announced Nobu Hotel and food and beverage concepts.

Our approach at City of Dreams Manila is to offer local and international visitors a diverse selection of unique hotel, food and beverage and entertainment brands and attractions which will essentially all be available upon opening.

We will announce further exciting elements of the property over the coming months which will broaden the appeal of City of Dreams Manila, and Manila in general, as a leading entertainment destination in Asia.

Studio City is on budget and is on track to open in mid-2015. Our clear development progress places us in a position to be the next standalone integrated resort to open in Cotai, delivering an impressive complement to our current operating assets in Macau.

The property's exceptional location directly adjacent to Lotus Bridge ensures the property will be visitors' natural first stop when travelling to Macau from rapidly developing Hengqin Island.

Our fifth tower at City of Dreams in Macau is also making progress towards its late 2016/early 2017 opening timetable. This landmark and truly iconic structure will enable us to further extend our market-leading position at the premium end of the market with its hotel, food and beverage and retail offerings, together with exciting gaming and entertainment areas, expected to appeal to the highly sophisticated and discerning premium visitor to Macau.

Looking beyond our current operations and developments plans in Macau and the Philippines, we continue to be highly focused on positioning ourselves for new gaming markets in Asia, most notably Japan.

We believe our Company's approach in developing and operating high quality integrated resorts, designed to cater to a more sophisticated customer base, combined with our world-class entertainment experience, resonates strongly in this potentially significant market.

Owing to the success of our operating performance in Macau, I'm delighted that we have recommended to our Board the payment of approximately \$191 million special dividend reflecting a 30% payout of 2013 net income attributable to MCE. We have also recommended a new quarterly dividend policy which is initially designed to distribute 30% of our net income attributable to Melco Crown Entertainment.

Both the special dividend and dividend policy are subject to Board approval on February 25, and in the case of the special dividend, will also require shareholder approval at a later date.

We believe our recommendation to the Board to distribute capital to shareholders reflects an appropriate mix between supporting our current operations, funding our exciting future growth pipeline, and returning surplus capital to our shareholders, ensuring that we drive long-term shareholder value.

We believe Macau is in a highly privileged position given its vast, yet potentially under-penetrated addressable market, which, together with strong support from local and mainland governments will underpin Macau's long-term success.



Finally, we have just completed what we believe to be a record Chinese New Year for Macau, a period where we have witnessed remarkable strength, particularly in the mass market segment.

With that, I'll turn the call back over to Geoff.

Geoffrey Davis - *Melco Crown Entertainment Limited - CFO*

Thank you, Lawrence. To be consistent with consensus estimates and to be more comparable to our peer group, we will provide commentary on our property level EBITDA and EBITDA margins.

We reported property EBITDA of approximately \$394 million in the fourth quarter of 2013 versus \$271 million in the comparable period in 2012. Our property EBITDA margin in the fourth quarter of 2013 was approximately 28.5% compared to 24.9% in the fourth quarter of 2012, and 27.4% in the third quarter of 2013.

On a luck-adjusted basis, assuming a VIP win rate of 2.85% across our entire rolling chip business, our approximate fourth quarter 2013 property EBITDA was a record \$380 million. This represents an approximately 36% increase over the fourth quarter of 2012, and a 12% sequential increase from the third quarter of 2013.

Driven once again by the strength of our mass market table games business at City of Dreams, where GGR grew over 57% from the comparable period in 2012, our 4Q 2013 luck-adjusted property EBITDA margin increased almost 400 basis points on a year-over-year basis to 28.6%.

The EBITDA contribution from our non-VIP segments represents more than 75% of luck-adjusted EBITDA at City of Dreams, and over 70% of our luck-adjusted EBITDA on a Group-wide basis, demonstrating increasing leverage to the fast-growing and profitable mass market segment.

From a fundraising perspective, we recently completed a PHP15 billion, \$340 million equivalent, 5% senior note offering due 2019 at our majority owned subsidiary, Melco Crown Philippines, which, when combined with the proceeds raised through the top-up placement completed in 2013, provides us with a fully funded plan to complete the construction of City of Dreams Manila, consistent with our current budget.

As mentioned by Lawrence, we have recommended to our Board the payment of a special dividend together with a new dividend policy. This is clear evidence of our Company's success in Macau, our proactive approach to managing our balance sheet, together with a strong commitment to distribute capital, which we believe is surplus to our cash flow needs in Macau and Manila, while also providing us flexibility as it relates to future regional growth opportunities.

As we normally do, we'll give you some guidance on non-operating line items for the upcoming quarter.

Total depreciation and amortization expense is expected to be approximately \$95 million to \$100 million, corporate expense is expected to come in at around \$24 million to \$26 million, and consolidated net interest expense is expected to be approximately \$31 million to \$33 million, which includes finance lease interest of \$11 million relating to City of Dreams Manila, and approximately \$17 million of interest expense associated with Studio City, all net of approximately \$18 million capitalized interest relating primarily to Studio City and City of Dreams Manila.

That concludes our prepared remarks.

Operator, back to you for the Q&A.



QUESTIONS AND ANSWERS

Operator

Thank you. (Operator Instructions). David Bain, Sterne Agee.

David Bain - Sterne Agee - Analyst

First, guys, congrats on the new dividend policy and the results. I was hoping you could maybe expand on the January market rolling chip volume. It seemed a little bit below what we thought. I think it was just up a few percentage points. The mass continues to look strong. But are you guys seeing any new trends there, or can you give any thoughts on that segment in particular? Is it a wholly timing thing, or what do you think?

Lawrence Ho - Melco Crown Entertainment Limited - Co-Chairman & CEO

Hi, David. It's Lawrence. Thanks for your comments. Why don't I hand it off to Ted to give more details?

But I think generally, it's -- we're pleased with the growth and we continue our focus on table optimization and improving margins. At the same time, I think the trickiness of the timing of Chinese New Year this year and -- I think usually, more often than not, the days before Chinese New Year, the week before Chinese New Year, is generally the slowest in the market.

So I'm not surprised by that. I think if you look at the trend from last year, from 2013 and earlier on, the period before Chinese New Year was the same thing. So you really have to look at both January and February in aggregate to get a better year-to-date basis.

But, Ted, are we seeing any new trends?

Ted Chan - Melco Crown Entertainment Limited - COO, Gaming and Non-Gaming

Yes, Lawrence. I think you are right. The calendar on the Chinese New Year falls differently this year than last year. But you also see a similar pattern of last year Chinese New Year post Chinese New Year. I think this year, what we see from our side, the post Chinese New Year rolling chip growth is actually quite sustainable this year, and so does the mass market segment.

David Bain - Sterne Agee - Analyst

Okay, great. And then the tax situation in the Philippines?

Lawrence Ho - Melco Crown Entertainment Limited - Co-Chairman & CEO

Yes. It's Lawrence. What we've participated and have actively engaged the other concessionaires and operators in the Philippines, and like we said on the last call, we're completely unanimous and working very closely with PAGCOR. And we've been a -- we participated in other company settings where PAGCOR's discussing it with BIR and other congressional hearings, and stuff like that.

We are -- PAGCOR seems very motivated to have a good outcome, because ultimately, the agreement that we have with them is -- we were covered on the taxes.

So we're still waiting for the Government to work it through, and at this stage, there's nothing that would worry us, and we're just hoping that it gets resolved sooner rather than later. And the other operators who are already operating are completely in same boat as us.



David Bain - *Sterne Agee - Analyst*

Okay. Thanks, guys.

Lawrence Ho - *Melco Crown Entertainment Limited - Co-Chairman & CEO*

Thanks, David.

Operator

Billy Ng, Bank of America Merrill Lynch.

Billy Ng - *BofA Merrill Lynch - Analyst*

Congratulations on a very strong result. Two questions from me. The first one, actually, just want to follow up with your comment that the Chinese New Year was extremely strong. I just want to ask you about last year, actually, the tail-end of the Chinese New Year was quite long, and so what I mean is the second week, we still see very strong numbers. So what do you see for this year? Do you see in the second week of Chinese New Year was the business still maintained at a very high level?

Lawrence Ho - *Melco Crown Entertainment Limited - Co-Chairman & CEO*

Hi, Billy. It's Lawrence. Yes, business -- I think the good thing about Macau is that it has become a much more sophisticated and mature market and it worked out very well for our hotel room inventory and our resources as well, which is that you don't have -- I don't know, you still have a ton of people coming in for Chinese New Year and Golden Week, but has -- a lot of the real VIPs have figured out that those are times of the year when it's going to be a total jam packed out. And so that's kind of spilled over and has really contributed to a more stable but heavy business flow.

So I think overall, that trend is continuing, and so I'm quite pleased. I don't know, Ted, do you have any supplement to that?

Ted Chan - *Melco Crown Entertainment Limited - COO, Gaming and Non-Gaming*

Yes, Billy, I think I'll give you an example. For instance, this week in the weekday, I think it is actually a little bit stronger than the average (inaudible - microphone inaccessible). So I think the post Chinese New Year, as you said, the second week of Chinese New Year is actually fairly strong. And we see some VIP customers also coming this week and in the weekend. So I think the pattern is actually repeating from last year.

Billy Ng - *BofA Merrill Lynch - Analyst*

Thanks. And my second question is regarding to the balance sheet and I think it's a very good news to see special dividend and also a recurring dividend policy. Is there any target leverage ratio, like net debt to EBITDA? Given that there's still a lot of opportunities out there, like Japan or Korea, but how do you want to manage your balance sheet to do overseas opportunities and also keeping some dividend at the same time? So what's the ideal net debt to EBITDA ratio that --? Is there such a thing that you have considered?

Lawrence Ho - *Melco Crown Entertainment Limited - Co-Chairman & CEO*

Geoff, do you want to take that?



Geoffrey Davis - *Melco Crown Entertainment Limited - CFO*

Sure. You're right, Billy. We want to strike a balance between being able to keep enough powder dry to pursue potential growth opportunities, but we've still identified excess capital to also return to shareholders at the same time.

At our stage I suppose in our Company and in this dynamic market with so much growth opportunity going forward, it's less about a target gearing ratio at the moment; it's more about being opportunistic. We don't want to find ourselves at a target gearing ratio and then have a great opportunity in front of that that would take us out of our comfort zone.

So right now, it's more about being opportunistic, but we think we can do both. We can return shareholder capital as well as pursue major growth outside of Macau.

Billy Ng - *BofA Merrill Lynch - Analyst*

Thanks. Thank you.

Operator

Anil Daswani, Citi.

Anil Daswani - *Citi - Analyst*

Congratulations, Lawrence, on a great set of results. A couple of questions from me. The first one is that was a very, very strong hold rate on the premium -- on the mass side of COD. Is that a sustainable type of hold rate? Or should we be assuming that there was a little bit of luck on the mass side this time around?

Lawrence Ho - *Melco Crown Entertainment Limited - Co-Chairman & CEO*

Thanks a lot, Anil. Why don't --? Ted, do you want to follow up on the question?

Ted Chan - *Melco Crown Entertainment Limited - COO, Gaming and Non-Gaming*

Yes, Anil. I think we answered the question a couple of quarters ago. I think you saw that a combination of service and also our floor strategies. I think it's very, very sustainable, especially in a sense that we see a lot of demand from this premium segment. Right now, we are also putting some more tables in the premium side of it. That will sustain the high hold percentage on there.

So I think that the current range in the fourth quarter we believe is very, very sustainable.

Anil Daswani - *Citi - Analyst*

Thank you, Ted. And the second thing I wanted to just touch base on is Altira. We continue to -- is that --? Is there still repositioning taking place, moving tables, etc., from Altira to COD? Because we haven't really seen that property bounce back in the way the COD is doing.

Lawrence Ho - *Melco Crown Entertainment Limited - Co-Chairman & CEO*

Anil, it's Lawrence here. I think ultimately, we are yield-driven and margin-driven. And so naturally, Cotai, as we had predicted years ago, is going to be the main gaming center for Macau and for Asia for years to come, and so we're agnostic to where the business is coming from.

And so we have just continued our table optimization processing, moved more tables from Altira to City of Dreams, and that has obviously yielded significant results, and at the same time given our mass margin and win per table mass that we're seeing.

So I think that both from mass and VIP bases, we have significantly improved our win per table, and we will continue to do that. So I think that's a trend that we will -- I don't think we will be massively moving tables, but we will continue to observe market trends and continue to optimize.

Anil Daswani - *Citi - Analyst*

Thank you, guys, and congrats again.

Lawrence Ho - *Melco Crown Entertainment Limited - Co-Chairman & CEO*

Thanks a lot, Anil.

Operator

Karen Tang, Deutsche Bank.

Karen Tang - *Deutsche Bank Research - Analyst*

Great job on the premium mass. My question is, as mentioned, your win per table on mass is one of the highest in Macau. My question is how much more can this go up. Is there a threshold or ceiling? And are we doing it by getting more number of premium mass people, or are we pushing the average bet limits?

Lawrence Ho - *Melco Crown Entertainment Limited - Co-Chairman & CEO*

Ted, can you get that?

Ted Chan - *Melco Crown Entertainment Limited - COO, Gaming and Non-Gaming*

Yes, sure, Lawrence. Hi, Karen. Well, we do not really put a threshold on the win per table in the mass area. I think it's a function of the product and the service, as I mentioned a couple of times.

We -- and also, it is also just about last few quarters. We've put more tables onto the casino floor, and it does not really dilute the win per table productivity in the mass area.

So as Lawrence mentioned earlier, the optimization process, that will continue, and we still see a lot of demand from this segment. So I guess we'll continue to sustain the bet hold, and also the position of premium mass segment in Cotai.

Karen Tang - *Deutsche Bank Research - Analyst*

Okay. Great job. Thanks.



Operator

Simon Cheung, Goldman Sachs.

Simon Cheung - *Goldman Sachs & Co. - Analyst*

Congrats on the great set of results. I've two questions. One, when I visit your casino recently, I observed that there's some kind of renovation going on on the ground floor. Perhaps you're adding some high-end slot machine. And also on the upper floor, there seems to be some renovation going on as well. Can you talk to us a bit more about what sort of things that you are planning to do? And also to relay the CapEx.

That's the first question. I have another follow-up after that. Thank you.

Lawrence Ho - *Melco Crown Entertainment Limited - Co-Chairman & CEO*

Simon, it's Lawrence. I'll let Ted give you the details, and also Geoff for the CapEx. But as we have always maintained, we want City of Dreams to be the premier integrated resort in Macau, not just Cotai. And so far, we're very pleased with the various accolades and awards that we've won.

And with the buildup of other integrated resorts in Cotai over the next two or three years, and also with a new corner effectively being built, that will surround City of Dreams, making really City of Dreams the best located property in all the world.

We are committed to continue to invest in our property and deliver new and exciting, both gaming and non-gaming attractions and amenities. So I think on the ground floor there's a great new high-limit slot area, probably best-in-class that we're building. And, Ted, you wanted to talk about that?

And also, as we previously announced, we're building a new mass beverage experience on the second floor as well. So maybe the details, I'll let Ted talk about them.

Ted Chan - *Melco Crown Entertainment Limited - COO, Gaming and Non-Gaming*

Okay, Lawrence. I think after this successful few years, in terms of table optimization and position of premium mass, we also identified similar story for the slot market in City of Dreams, particularly driven by the service quality that's demanded by this segment of customers. So we decided to focus a little bit on this potential. So that's why we're creating a new, high-limit slot area near the Crown Tower area. So that's on the ground floor, casino floor.

On the second floor, we are developing a more like entertainment combined with the F&B concept area, and I think we are trying to put more energy on level 2, expanding a quality area for us to further expand, and also potentially for some more gaming position on level 2 after this energy is brought to level 2.

So in terms of timeline, I think we're shooting for somewhere in the middle of the year, so capturing potential in the summer time.

And then over to Geoff to talk about the CapEx.

Geoffrey Davis - *Melco Crown Entertainment Limited - CFO*

In total, the CapEx is roughly \$30 million for both projects.



Simon Cheung - *Goldman Sachs & Co. - Analyst*

Altogether \$30 million?

Geoffrey Davis - *Melco Crown Entertainment Limited - CFO*

Correct.

Simon Cheung - *Goldman Sachs & Co. - Analyst*

Okay, great. Thanks a lot. The second question's related to your overseas expansions. Just wondering, Lawrence, have you thought about how -- if you were to go to Japan, are you thinking of Osaka versus Tokyo? And are you more interested in majority stakes, in the minority stakes? Just wanted to get a bit more of a sense how you're thinking about your overseas expansion.

Thank you.

Lawrence Ho - *Melco Crown Entertainment Limited - Co-Chairman & CEO*

Sure, Simon. I think like other global operators, we are eagerly anticipating the Government to make the next move, because as you know, they're going to be discussing this in the Diet in this session. And I think most sell side, and also the people with knowledge of the current progress is that the legislation, or at least the first bill, will probably get approved some time in May or June, which will kick start the process for the next year, leading into a request for a proposal, a beauty contest in 1.5 years/2 years.

I think we really need to see what the Government decides on. Is it one integrated resort in major cities like Tokyo and Osaka? Or is it two each? And what's the status of the regional casinos and the regional integrated resorts and where are those cities?

Naturally, Melco Crown, being one of the bigger competitors participating in the process would be more interested in the metropolitan, bigger city areas. But as a company, we're very dynamic and open minded what we will see. And we have had early discussions with Japanese partners, and our goal over the last few years has been as part of our lobbying process that we're very open minded to working with partners as long as there's value being added.

And so there's a lot of discussion that we're still waiting for the Government's next move. So I think that's the basis of it.

And from an integrated resort standpoint, I think ultimately, this is about the experience of building these things and operating gaming and non-gaming amenities. So naturally, I think an integrated resort partner, like us, would have a majority stake. But, again, we're very open-minded and we would love to discuss it with the Government.

Simon Cheung - *Goldman Sachs & Co. - Analyst*

Great. Congrats on a great result again. Thank you.

Operator

Praveen Choudhary, Morgan Stanley.



Praveen Choudhary - Morgan Stanley - Analyst

Great results once again, and thanks for announcing the dividend as well, Lawrence. I have two quick questions. One is on Altira. I understand that you are tweaking the business, but I'm still surprised with the performance at Altira if I have to compare that with Galaxy StarWorld. It's not apples-to-apples comparison, but still the EBITDA per table for Altira is dramatically low compared to any of the similar sized hotel casinos.

The point I'm trying to make is do you think there's a huge potential to upgrade it or do something with it so that in the next one year/two years, you can see the transformation?

And I have a follow-up question, please.

Lawrence Ho - Melco Crown Entertainment Limited - Co-Chairman & CEO

Okay, Praveen. Thanks a lot for that. I think we're actively monitoring and managing the businesses Altira. And you're right; from an apples-to-apples basis, it's a hard comparison, because Altira is in a standalone location. It's not in the peninsula cluster and it's also not in the Cotai cluster. I think what we have going for Altira is again it's the longest winning Forbes Five star hotel in Macau and it does have a strong junket following from the early days.

But I think the metric that we continually look at is that the EBITDA generation per table and the VIP segment in Altira continues to go up and is in the right direction. But it's really a business that we'll continue to monitor, and we continue to improve on it as well.

But, Ted, do you have any other thoughts?

Ted Chan - Melco Crown Entertainment Limited - COO, Gaming and Non-Gaming

Yes, Lawrence. In terms of the per-table EBITDA, I think if we divide into mass and the VIP, I think VIP we're doing par with the market in terms of EBITDA per table as well as the sequential and year-on-year growth basis.

The math is really about our process in optimizing table, moving some of the tables from VIP side to COD. And I think we are creating space, and that is also creating opportunity for us to invite some quality operators into Altira in the future quarters.

Praveen Choudhary - Morgan Stanley - Analyst

Great. The second question I have is on City of Dreams. Again, this is a very rough calculation so I could be wrong here. But it seems that your operating expense on City of Dreams on a per-day basis has been rising for the last two quarters sequentially. And while the revenue is growing very fast, so EBITDA margin is obviously fine, what I want to understand is, is there anything else that's going on to increase your cost at such a fast clip, especially because I suppose 20% of your business is direct VIP, where you pay, I suppose again, 1% or 1.1%, and so that's a fixed number. So when you have a good luck, you actually should have a massive operating leverage. I just don't see that much leverage because your cost has gone up in my numbers. So I would love some clarification there, please.

Lawrence Ho - Melco Crown Entertainment Limited - Co-Chairman & CEO

Geoff, can you take that?



Geoffrey Davis - *Melco Crown Entertainment Limited - CFO*

I guess one thing to note that on premium direct, we actually didn't hold well in either one of those quarters. But generally, there's really nothing unusual to speak of in operating expense at City of Dreams. Revenue growth has obviously outpaced cost growth. We've seen margin expansion. So generally, we've been very pleased with overall on how things are trending and how we're able to maintain costs.

One thing to note I suppose is that given the strength of the year, particularly in the very strong fourth quarter that we've had that the bonus provision for the fourth quarter was modestly higher than what it had been trending in previous quarters. But those are relatively small numbers but it might explain some of the variance you're talking about, Praveen.

Praveen Choudhary - *Morgan Stanley - Analyst*

Thanks, Geoff. And despite me searching for issues here, I must say this is a great quarter, and you've done that for the last three years, every quarter. So congratulations once again. Well done.

Lawrence Ho - *Melco Crown Entertainment Limited - Co-Chairman & CEO*

Thanks a lot, Praveen.

Operator

Bryan Maher, Craig-Hallum Capital.

Bryan Maher - *Craig-Hallum Capital - Analyst*

Great quarter. Can we get a couple of housekeeping items, such as City of Dreams, Manila? Do you have an opening month yet on that?

Lawrence Ho - *Melco Crown Entertainment Limited - Co-Chairman & CEO*

It's Lawrence here. Again, we were targeting later this year and around the middle of the year. I think the important thing here is that we really want to open it right, and I think we've seen some of our competitors rushing their openings and that's never a good thing. And since City of Dreams, Manila, will be the first integrated resort to open in Manila, we really want to ensure that Melco Crown Entertainment, when we open our facility, we really deliver a fantastic experience on day 1. And so we really do want most of the amenities and attractions to be ready and open.

And so we will continue to monitor the construction phases, but so far we're pleased with it. So all we can say is it's going to be around the middle, in the second half of the year.

Bryan Maher - *Craig-Hallum Capital - Analyst*

And then as it relates to Tower 5 at City of Dreams, is there any more color you can give us other than what we're seeing, costs, schematics, that we could look at, more focused opening date, that type of stuff?

Lawrence Ho - *Melco Crown Entertainment Limited - Co-Chairman & CEO*

Yes. We are planning a big PR event for some time within the first quarter to unveil the various designs, budget and details of Tower Five, or the fifth Tower at City of Dreams. We continue to be very excited about it. We've started enabling work on site so there's activity there. So we will be announcing more as part of that PR event some time within the first quarter.

Bryan Maher - *Craig-Hallum Capital - Analyst*

Okay, thanks. And then lastly on Studio City. Has there been any changes with respect to your thoughts on the budget, the timing of that, increases in tables, or decreases in outlook per table? And are you running into any labor problems at all?

And that's my last question.

Lawrence Ho - *Melco Crown Entertainment Limited - Co-Chairman & CEO*

Well, for Studio City, we're extremely pleased with the progress. The podium is effectively -- the concrete work is effectively completed. I think for people in Macau, and you can see -- if you're in Cotai, you can see the significant progress that Studio City has made. We couldn't be more pleased with it. And there's a transfer slab; the tower is going up as we speak. And we're targeting a topping out of the entire property and the hotel tower around late summer/early September.

And so everything is going according to plan, is on time, on budget, and it's a very significant and substantial structure. And so we're happy for it to be the next standalone integrated resort open in Cotai.

In terms of budget, I don't know if, Geoff, you have any additional color?

Geoffrey Davis - *Melco Crown Entertainment Limited - CFO*

Very simply, on time, on budget.

Bryan Maher - *Craig-Hallum Capital - Analyst*

Great. Thanks so much, guys.

Operator

Thank you. There are no further questions at this time. I would now like to turn the conference back to today's presenters. Please continue.

Lawrence Ho - *Melco Crown Entertainment Limited - Co-Chairman & CEO*

Thank you, operator, and thank you all for joining us. We'll see you in three months' time.

Operator

Ladies and gentlemen, that does conclude our conference for today. Thank you for your participation. You may all now disconnect.



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