



# 3Q'19 RESULTS PRESENTATION

October 2019

# Disclaimer

## Safe Harbor Statement

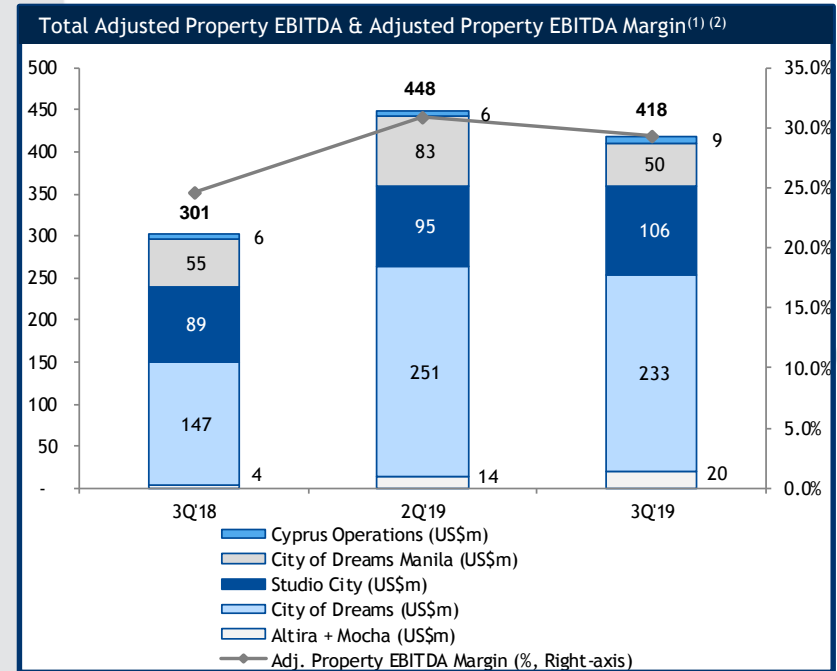
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This presentation contains non-GAAP financial measures and ratios that are not required by, or presented in accordance with, U.S. GAAP, including Adjusted property EBITDA and Adjusted EBITDA. The non-GAAP financial measures may not be comparable to 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>.

# 3Q 2019 Earnings Summary

Group-wide Adjusted Property EBITDA up 39% y-y

- In connection with the Company's acquisition of a 75% interest in ICR Cyprus Holdings Limited ("ICR Cyprus"), from its parent company, Melco International Development Limited, on July 31, 2019, all periods presented have been restated to include the assets and liabilities and financial results of the ICR Cyprus group in accordance with applicable accounting standards.
- 3Q Total Operating Revenues of US\$1,439 million, up 16% y-y.
- 3Q Adjusted Property EBITDA of US\$418 million, up 39% y-y.
- City of Dreams' Adjusted EBITDA increased 58% y-y to US\$233 million, which was primarily a result of better performances in the rolling chip and mass market table games segments.
- Studio City's Adjusted EBITDA increased 19% y-y to US\$106 million, which was primarily a result of better performance in the mass market table games segment, partially offset by a softer performance in the rolling chip segment.



Source: Company filings

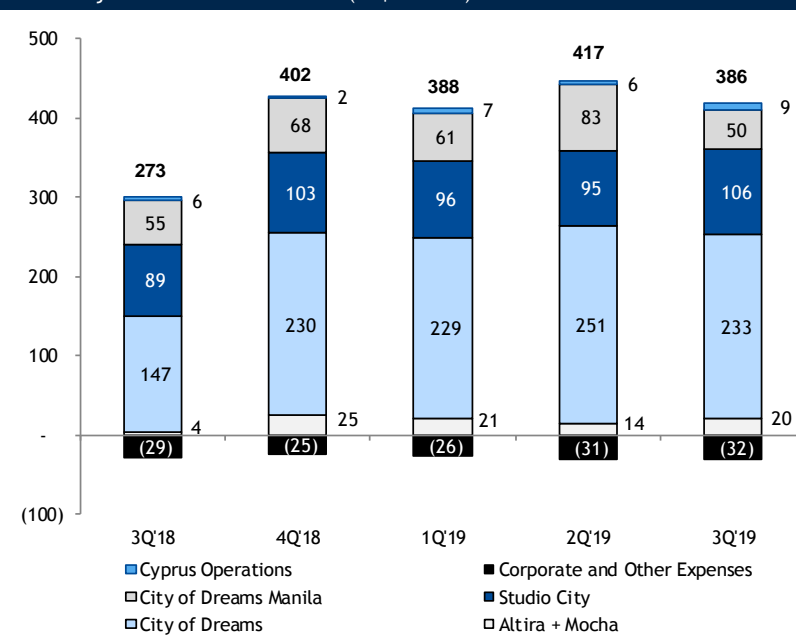
Notes:

- "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
- Adjusted Property EBITDA margin is Adjusted Property EBITDA divided by total operating revenues

# Melco Adjusted EBITDA 3Q 2019

Adjusted EBITDA increased 42% y-y

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



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

	Vs. 2Q 2019	Vs. 3Q 2018
Altira + Mocha	+48%	+457%
City of Dreams	-7%	+58%
Studio City	+12%	+19%
Total Macau Property EBITDA	0%	+50%
City of Dreams Manila	-40%	-10%
Cyprus Operations	+47%	+42%
Corporate and Other Expenses	+2%	+11%
<b>Total Adjusted EBITDA</b>	<b>-7%</b>	<b>+42%</b>

Source: Company filings

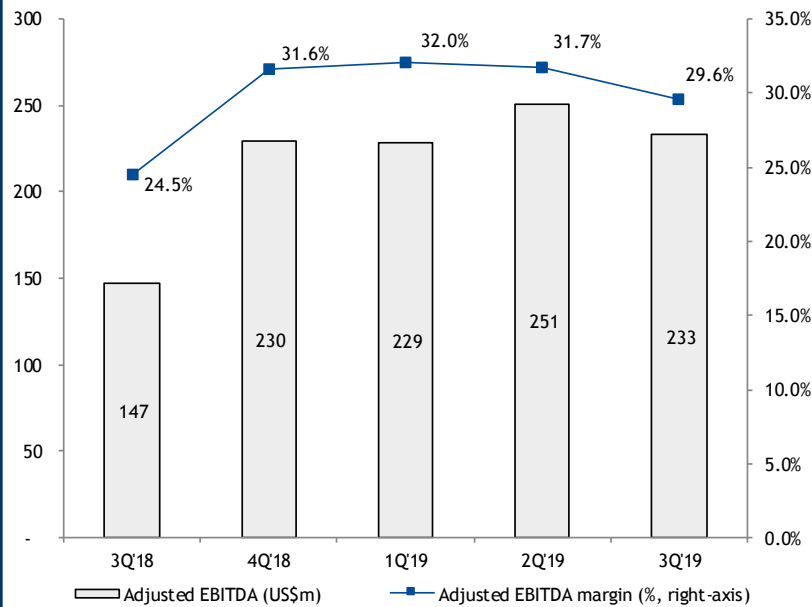
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# City of Dreams 3Q 2019

## Adjusted EBITDA increased 58% 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)	3Q 2019	Vs. 2Q 2019	Vs. 3Q 2018
VIP Rolling Chip	17,179	+15%	+39%
VIP win rate (%)	2.69%	-47bps	+24bps
Mass Table Drop	1,406	+2%	+5%
Mass Table Hold %	33.2%	+155bps	+537bps
VIP GGR	462	-2%	+53%
Mass GGR	466	+8%	+25%
Slots GGR	38	-4%	-22%
Total GGR	966	+2%	+34%
Total Operating Revenues	787	0%	+31%
Adjusted EBITDA	233	-7%	+58%

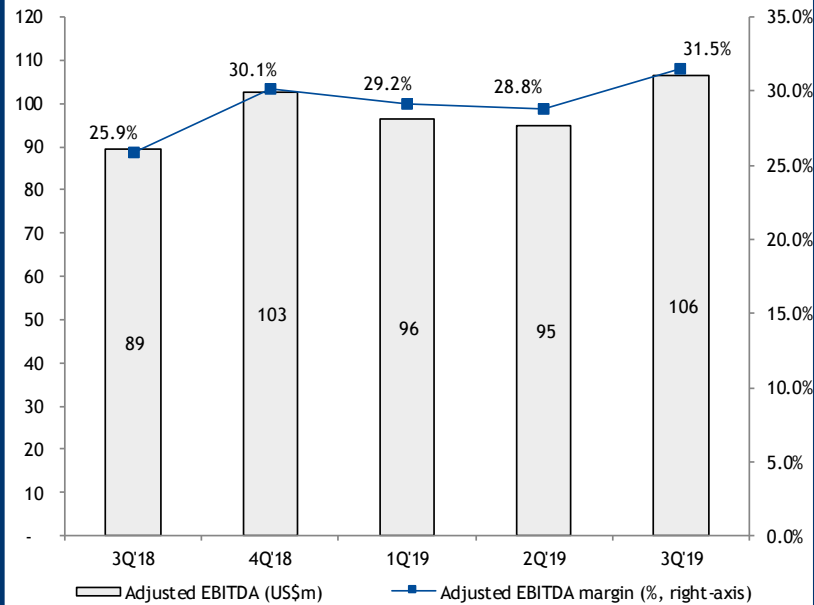
Source: Company filings

- Note:
1. "Adjusted EBITDA" is earnings before interest, taxes, depreciation, amortization, pre-opening costs, development costs, property charges and other, share-based compensation and other non-operating income and expenses
  2. "Adjusted EBITDA margin" is Adjusted EBITDA divided by total operating revenues

# Studio City 3Q 2019

Adjusted EBITDA increased 19% y-y

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



Studio City Key Operating Metrics

(US\$m, unless otherwise stated)	3Q 2019	Vs. 2Q 2019	Vs. 3Q 2018
VIP Rolling Chip	2,775	-11%	-46%
VIP win rate (%)	2.71%	-5bps	-41bps
Mass Table Drop	881	0%	+9%
Mass Table Hold %	28.4%	-75bps	+121bps
VIP GGR	75	-12%	-53%
Mass GGR	250	-2%	+14%
Slots GGR	20	-1%	+6%
Total GGR	346	-4%	-13%
Total Operating Revenues	338	+3%	-2%
Adjusted EBITDA	106	+12%	+19%

Source: Company filings

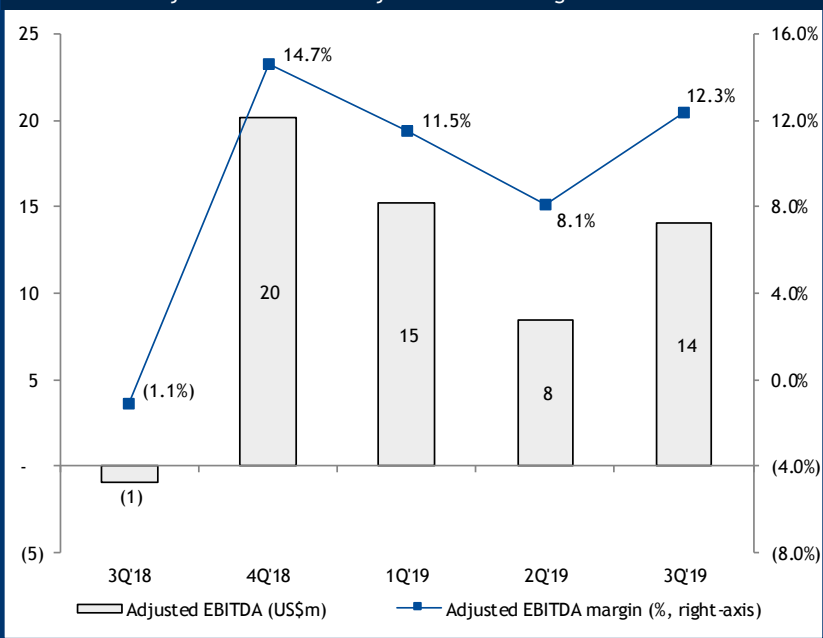
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2. "Adjusted EBITDA margin" is Adjusted EBITDA divided by total operating revenues

# Altira 3Q 2019

Adjusted EBITDA increased 66% q-q

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



Altira Key Operating Metrics

(US\$m, unless otherwise stated)	3Q 2019	Vs. 2Q 2019	Vs. 3Q 2018
VIP Rolling Chip	4,052	-7%	-26%
VIP win rate (%)	3.62%	+67bps	+122bps
Mass Table Drop	154	+3%	+18%
Mass Table Hold %	21.6%	-90bps	+336bps
VIP GGR	147	+14%	+12%
Mass GGR	33	-1%	+40%
Slots GGR	3	-9%	+76%
Total GGR	183	+10%	+17%
Total Operating Revenues	114	+9%	+26%
Adjusted EBITDA	14	+66%	n.a.

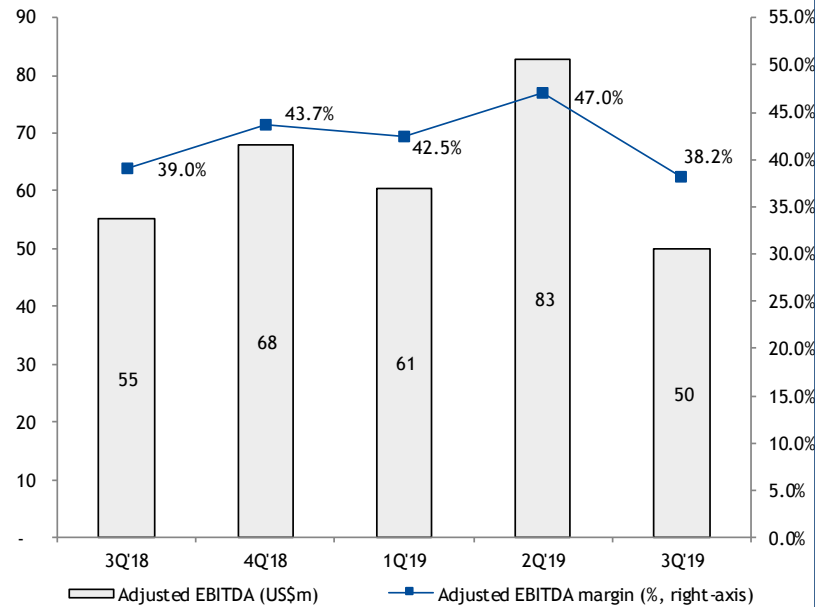
Source: Company filings

- Note:
1. "Adjusted EBITDA" is earnings before interest, taxes, depreciation, amortization, pre-opening costs, development costs, property charges and other, share-based compensation and other non-operating income and expenses
  2. "Adjusted EBITDA margin" is Adjusted EBITDA divided by total operating revenues

# City of Dreams Manila 3Q 2019

Adjusted EBITDA declined 10% 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)	3Q 2019	Vs. 2Q 2019	Vs. 3Q 2018
VIP Rolling Chip	2,437	+28%	-18%
VIP win rate (%)	0.89%	-432bps	-178bps
Mass Table Drop	202	+5%	-1%
Mass Table Hold %	31.3%	+86bps	-112bps
VIP GGR	22	-78%	-72%
Mass GGR	63	+8%	-5%
Slots GGR	54	+5%	+9%
Total GGR	139	-33%	-29%
Total Operating Revenues	130	-26%	-8%
Adjusted EBITDA	50	-40%	-10%

Source: Company filings

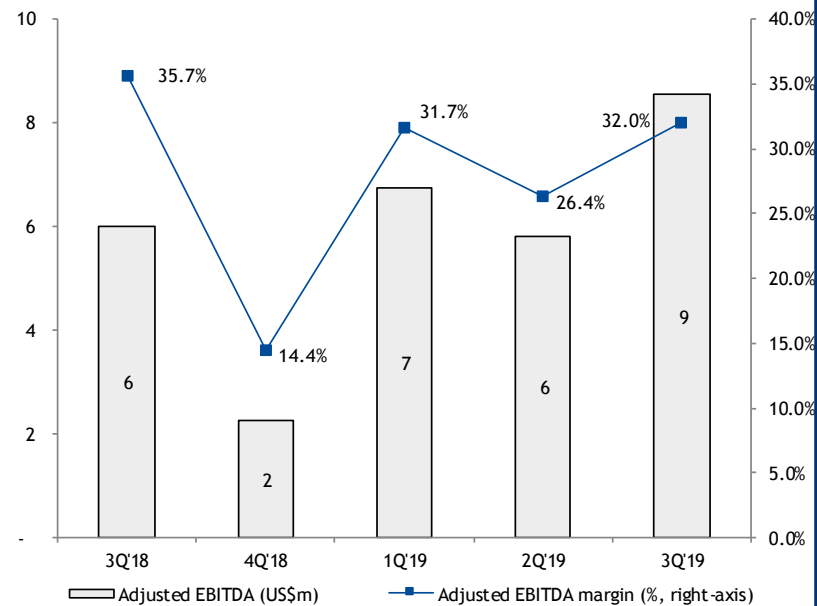
- Note:
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  2. "Adjusted EBITDA margin" is Adjusted EBITDA divided by total operating revenues



# Cyprus Operations 3Q 2019

Adjusted EBITDA grew 42% y-y

Cyprus Operations Adjusted EBITDA and Adjusted EBITDA margin<sup>(1) (2)</sup>



Cyprus Operations Key Operating Metrics

(US\$m, unless otherwise stated)	3Q 2019	Vs. 2Q 2019	Vs. 3Q 2018
VIP Rolling Chip	39	n.a.	n.a.
VIP win rate (%)	8.66%	n.a.	n.a.
Mass Table Drop	36	+3%	-4%
Mass Table Hold %	21.9%	+78bps	+70bps
VIP GGR	3	n.a.	n.a.
Mass GGR	8	+7%	-1%
Slots GGR	16	+7%	+76%
Total GGR	27	+22%	+59%
Total Operating Revenues	27	+21%	+58%
Adjusted EBITDA	9	+47%	+42%

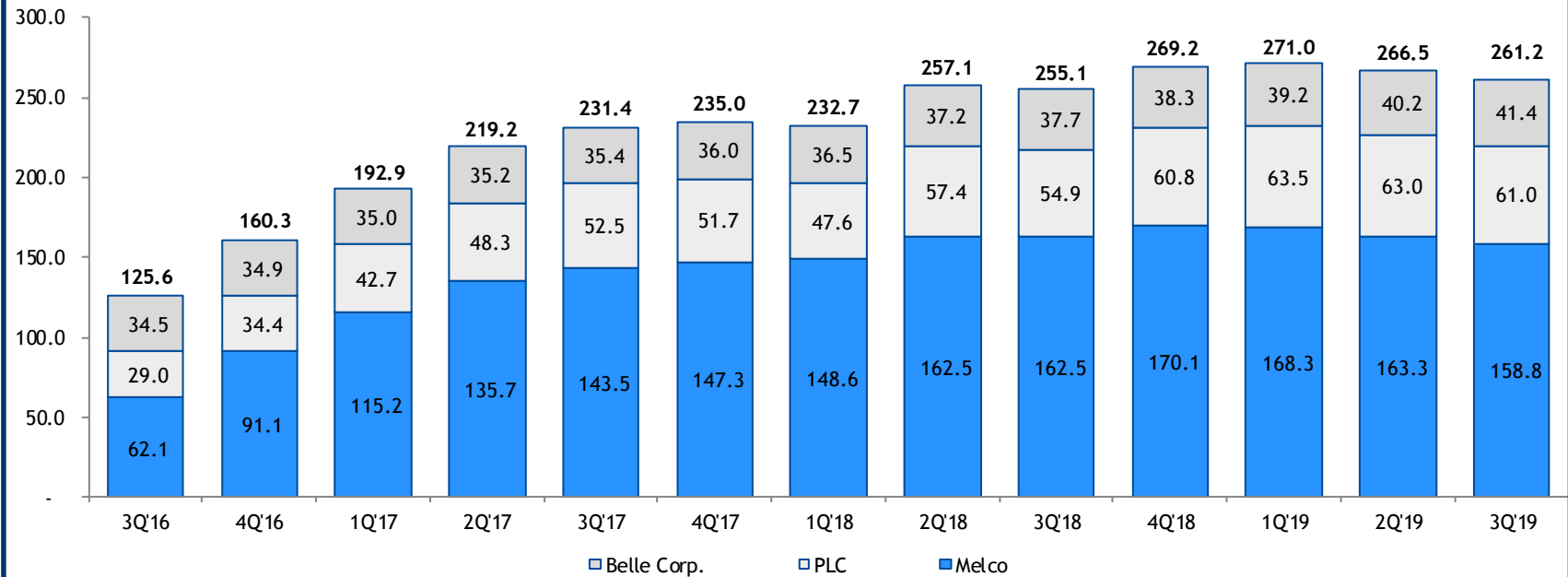
Source: Company filings

- 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 total operating revenues

# City of Dreams Manila - Adjusted EBITDA breakdown

## Share of Adjusted EBITDA from City of Dreams Manila

Share of Adjusted EBITDA (Trailing 12 Months, US\$ million)<sup>(1)</sup>



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

MELCO

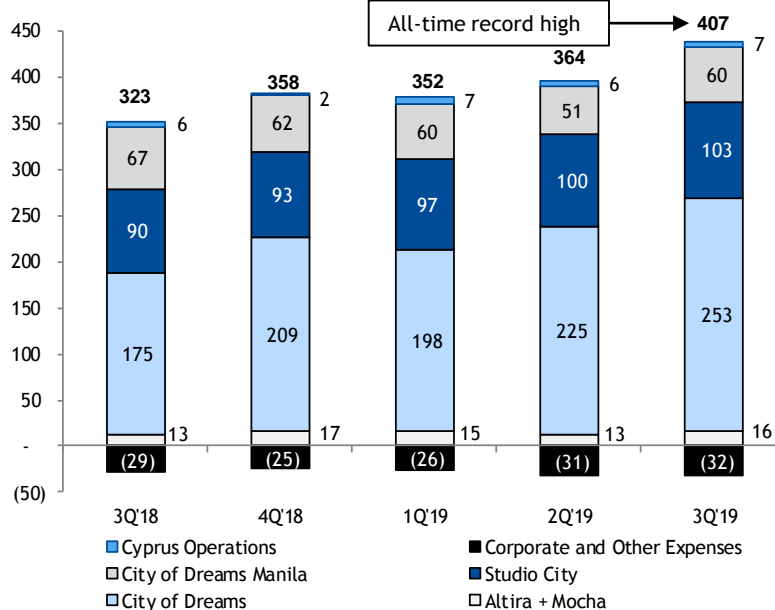
APPENDIX



# Melco Adj. EBITDA (assuming normalized VIP win rate) 3Q 2019

Adjusted EBITDA (Normalized for Hold) increased 26% 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. 2Q 2019	Vs. 3Q 2018
Altira + Mocha	+21%	+24%
City of Dreams	+13%	+44%
Studio City	+3%	+15%
Total Macau Property EBITDA	+10%	+34%
City of Dreams Manila	+16%	-11%
Cyprus Operations	+13%	+11%
Corporate and Other Expenses	+2%	+11%
<b>Total Adjusted EBITDA</b>	<b>+12%</b>	<b>+26%</b>

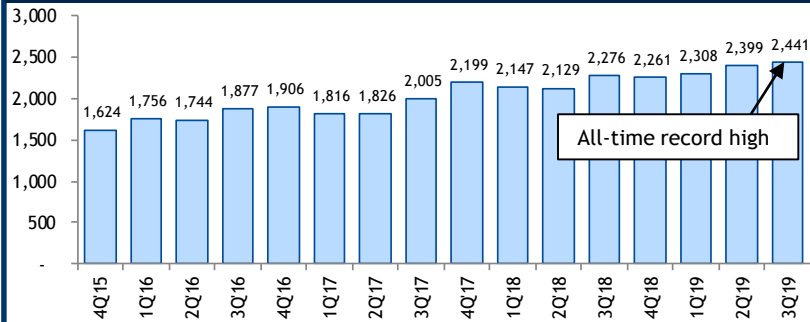
Source: Melco Resorts

- 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. For illustrative purpose only, normalized VIP win rate is assumed to be 3.00% for this chart, which represents the midpoint of our expected rolling chip win rate. Melco Adjusted EBITDA (Normalized for Hold) is an estimate, is not an actual figure, and is for illustrative purpose only

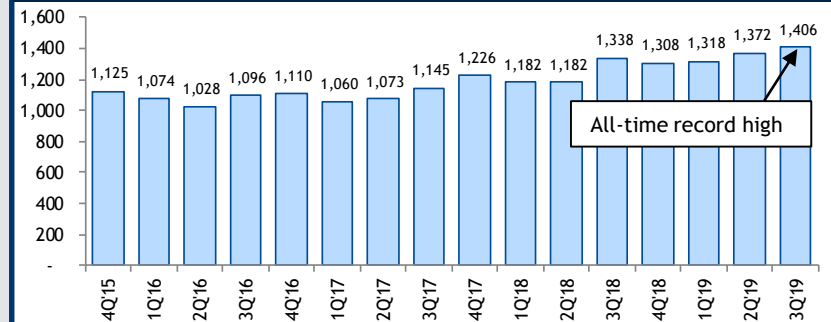
# Melco: Macau Mass Table Drop

COD and Studio City's Mass Table Drop both reached all-time record highs

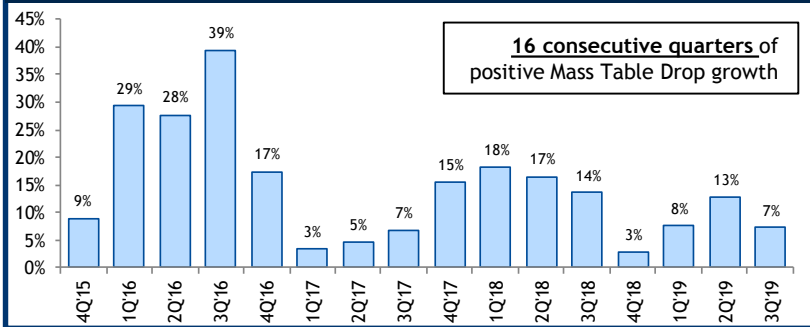
Melco: Macau-only Mass Table Drop (US\$ million)



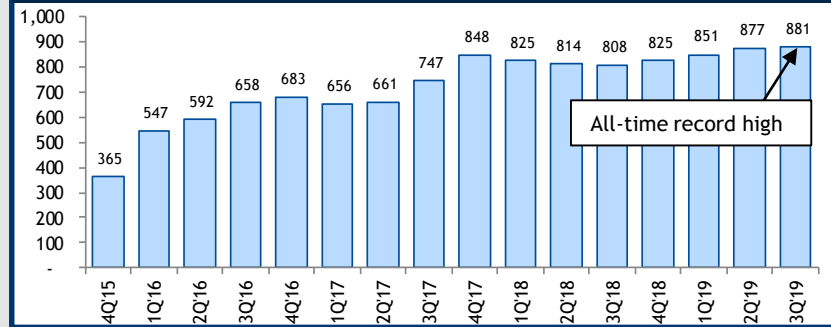
City of Dreams (COD): Mass Table Drop (US\$ million)



Melco: Macau-only Mass Table Drop growth (Y-Y-%)



Studio City: Mass Table Drop (US\$ million)



Source: Company Filings

# Melco: Table Yield Analysis

Continue to optimize table allocation across our portfolio of Integrated Resorts

Average number of VIP Gaming Tables					
	3Q'18	4Q'18	1Q'19	2Q'19	3Q'19
Altira	67	66	67	67	65
City of Dreams	139	151	155	155	157
Studio City	44	46	46	46	45
City of Dreams Manila	125	128	129	131	135
Cyprus Operations	-	-	-	-	3

Daily Average Win Per VIP Table (US\$)					
	3Q'18	4Q'18	1Q'19	2Q'19	3Q'19
Altira	21,122	33,235	31,191	21,103	24,501
City of Dreams	23,680	26,266	25,193	33,288	32,042
Studio City	38,681	31,868	21,574	20,596	18,126
City of Dreams Manila	6,904	7,457	6,290	8,339	1,762
Cyprus Operations	-	-	-	-	14,386

Source: Melco Resorts

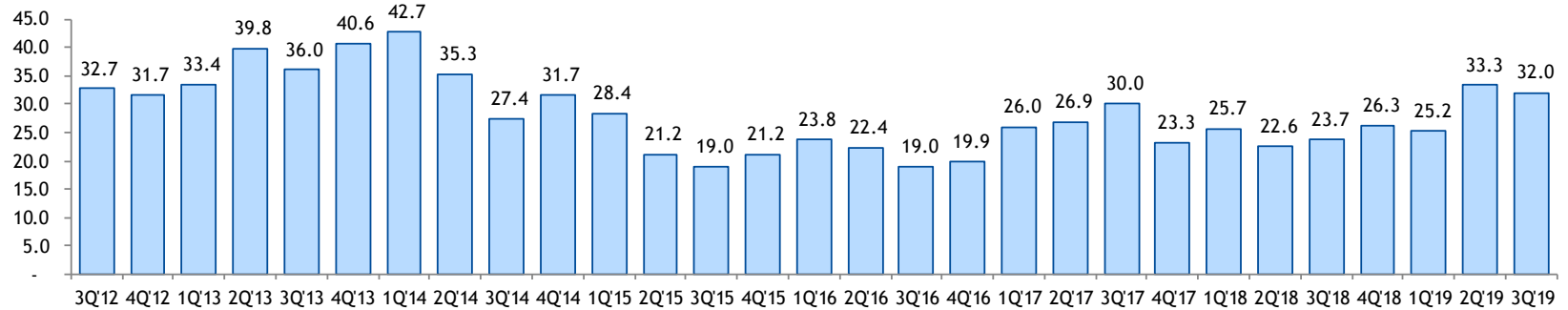
Average number of Mass Gaming Tables					
	3Q'18	4Q'18	1Q'19	2Q'19	3Q'19
Altira	39	37	38	37	37
City of Dreams	328	326	363	363	360
Studio City	244	247	248	247	247
City of Dreams Manila	182	173	173	175	176
Cyprus Operations	33	34	38	38	35

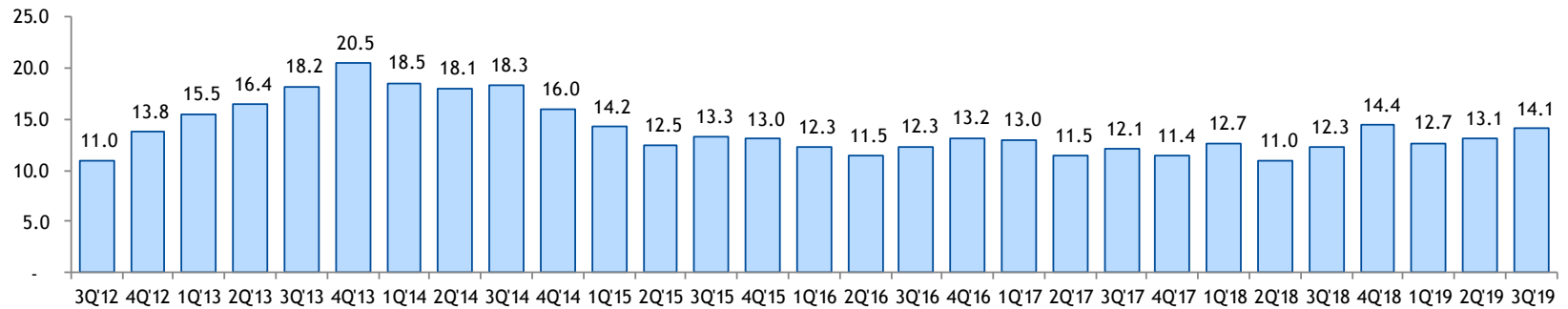
Daily Average Win Per Mass Table (US\$)					
	3Q'18	4Q'18	1Q'19	2Q'19	3Q'19
Altira	6,706	7,282	9,226	9,963	9,768
City of Dreams	12,304	14,433	12,692	13,146	14,072
Studio City	9,815	9,800	10,835	11,374	11,031
City of Dreams Manila	3,967	3,894	3,612	3,679	3,909
Cyprus Operations	2,649	1,780	2,287	2,154	2,452

# City of Dreams Daily GGR Per Table

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



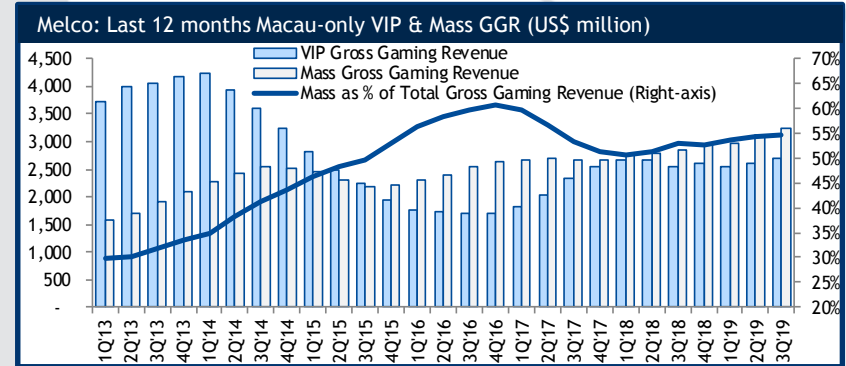
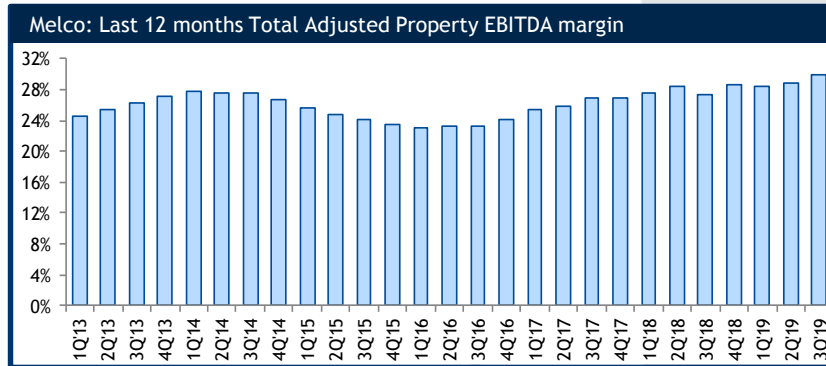
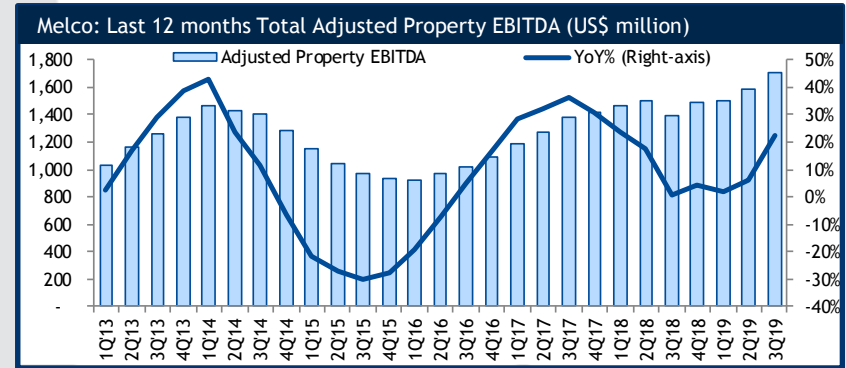
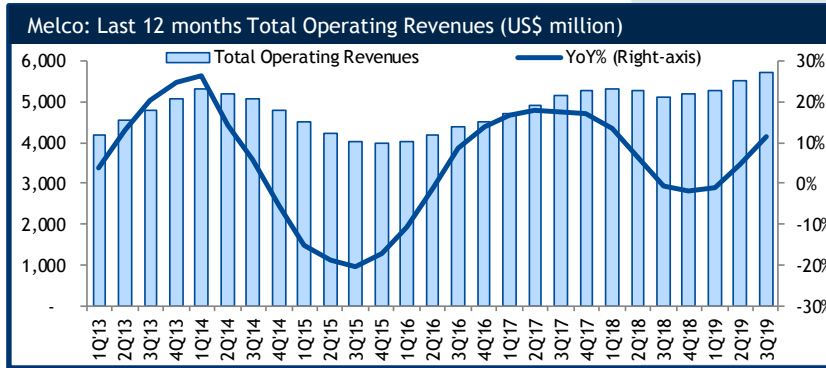
City of Dreams: Daily Average GGR per Mass Table (US\$ '000)



Source: Melco Resorts

# Melco: Historic Revenue and Adjusted Property EBITDA

Over the past 6 years, mass as % of Total GGR increased from 30% to 55%



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, land rent to Belle Corporation, net gain on disposal of property and equipment 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 total operating revenues



# Balance Sheet

Maturity Profile as of Sept 30, 2019 (US\$ million)					
Debt Instrument	2019	2020	2021	2022	>2022
Melco Resorts Macau Facility	11	585	296		
Melco Resorts Finance 4.875% Notes					1,000
Melco Resorts Finance 5.250% Notes					500
Melco Resorts Finance 5.625% Notes					600
Studio City Company 5.875% Notes	350				
Studio City Company 7.250% Notes			850		
Studio City Finance 7.250% Notes					600
<b>Total</b>	<b>361</b>	<b>585</b>	<b>1,146</b>	<b>-</b>	<b>2,700</b>

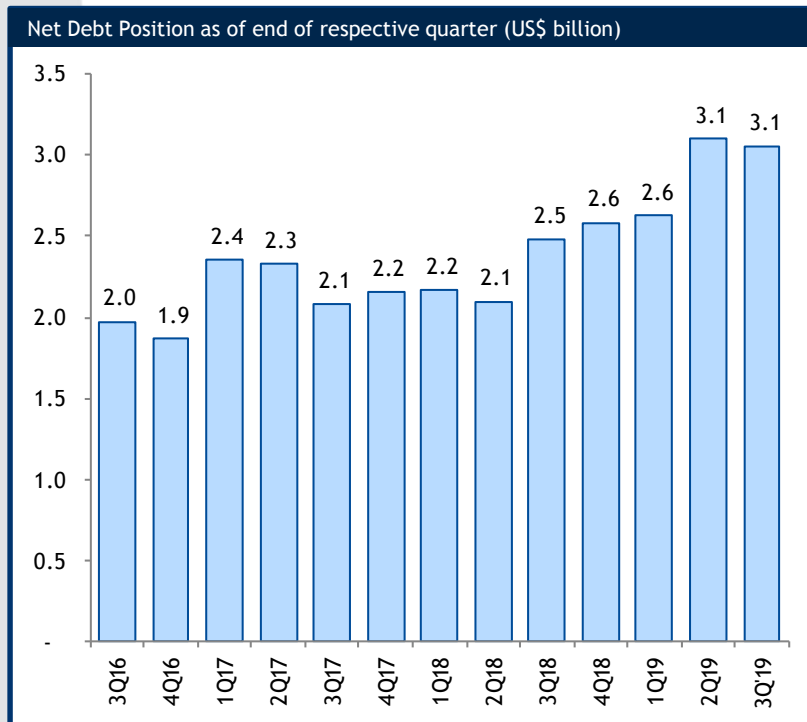
  

Liquidity and Capital Resources	
Melco Group as of Sept 30, 2019 (US\$ million)	
Cash	1,735
Debt	4,792
Last 12 Months Adjusted EBITDA	1,491 <sup>(1)</sup>
Net Debt to Adjusted EBITDA	2.0x <sup>(2)</sup>

Source: Company filings

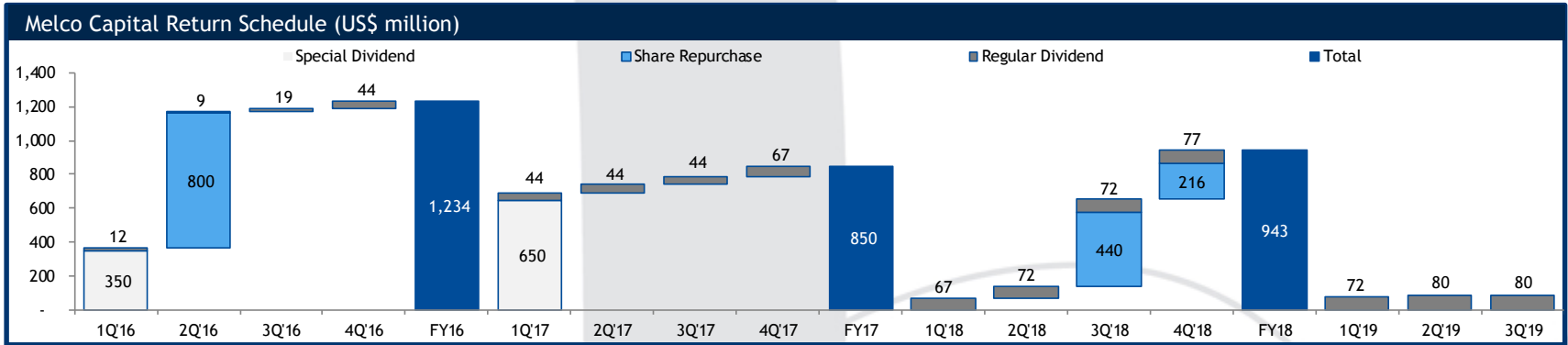
Notes:

- Adjusted EBITDA after Payments to the Philippine Parties, and building and land rent to Belle Corp.
- Net Debt is calculated by deducting cash, cash equivalents and restricted cash from total debt

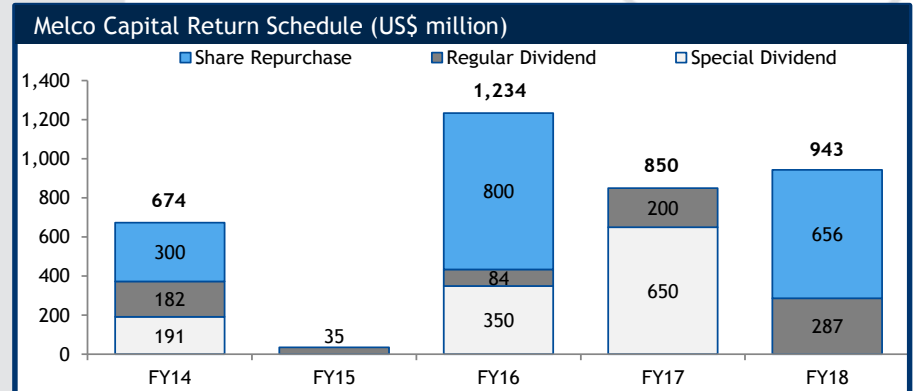


# Shareholder return

Returned over US\$3.0bn to shareholders from 2016 to 2018

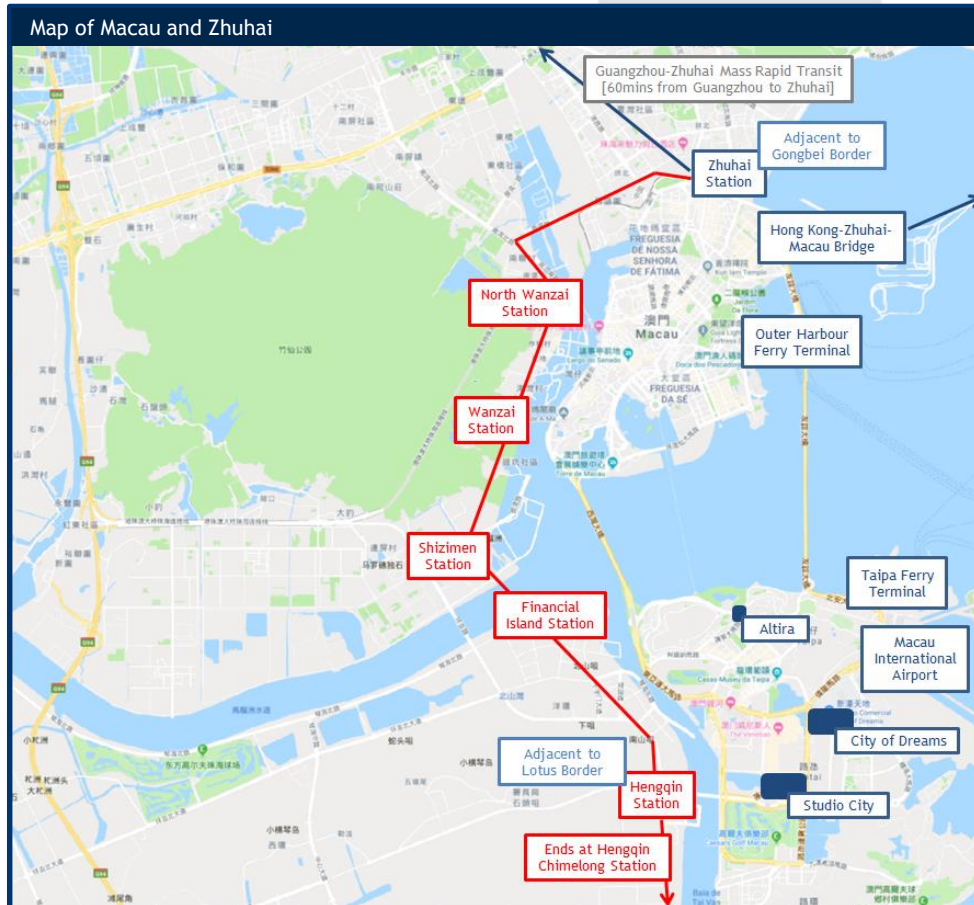


- From 2016-2018, over US\$3.0 billion has been returned to shareholders in the form of dividends and share repurchases
- The company declared another quarterly dividend of US\$0.16512 per ADS for 3Q'19
- Special dividends and share repurchases will be considered by the Board in consideration of the Company's earnings and financial condition, cash availability, future commitments and other matters as determined by the Board



Source: Company filings

# Map of Macau and Zhuhai



## New Taipa Ferry Terminal

- Opened on 1<sup>st</sup> June 2017
- Has annual capacity of 30 million visitors
- 16 berths for passenger ferries, 3 berths for larger ferries and cruise ships
- Heliport with space for 5 helicopters

## Hong Kong-Zhuhai-Macau Bridge

- Opened on 24<sup>th</sup> October 2018
- The 55-km Hong Kong-Zhuhai-Macao Bridge (HZMB), comprising the 12km Hong Kong Link Road, 29.6km Main Bridge and 13.4km Zhuhai Link Road, is the longest bridge-cum-tunnel sea crossing in the world
- Take only 40 minutes to travel the distance of approximately 42km from Hong Kong Port to Zhuhai Port and Macao Port

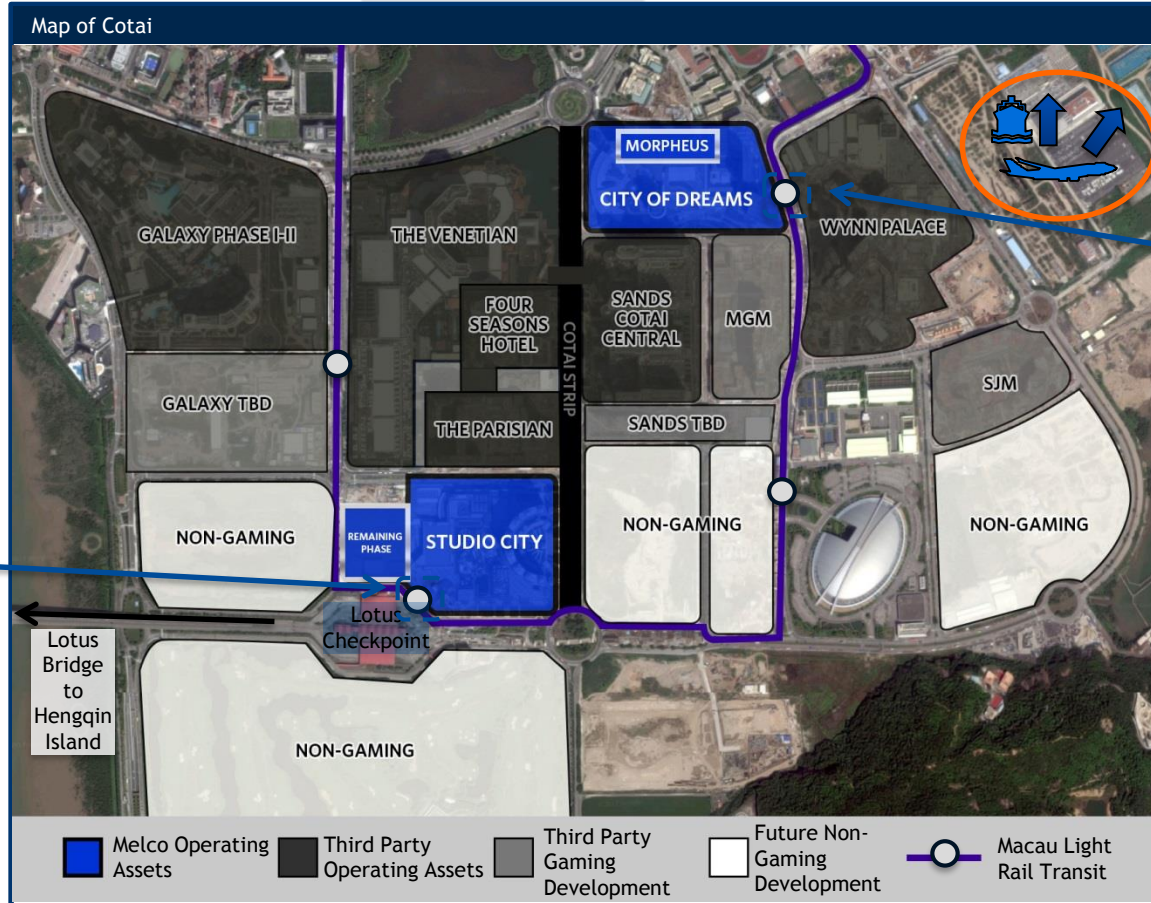
## Macau Light Rapid Transit (LRT) Taipa Line

- The 9.3km Taipa Line will serve 11 stations
- Expected to commence service in 2019

## Guangzhou-Zhuhai Intercity Mass Rapid Transit (Hengqin extension)

- A 16.9km rail connecting Gongbei and the Hengqin New Area
- There will be six stations including North Wanzai, Wanzai, Shizimen, Financial Island, Hengqin and Hengqin Chimelong
- Hengqin Station will be the second largest underground train station in China, after Futian station in Shenzhen
- The Hengqin station will be connected to the Lotus Border and Macau LRT

# Map of Cotai



The planned Lotus Checkpoint Light Rail Station is expected to offer direct access to Studio City.

The planned Cotai East Light Rail Station is expected to be located in front of the Grand Hyatt Macau at City of Dreams.

# City of Dreams Mediterranean

Scheduled to open in 2021

- City of Dreams Mediterranean, upon completion, will become Europe's largest premier integrated resort.
- The integrated resort comprises over 100 gaming tables, over 1,000 slot machines, a five-star 500-room hotel, large recreation and wellness facilities, high-end luxury retail, a 1,500-seat outdoor amphitheatre, 9,600 square meters of MICE facilities and Expo Center.

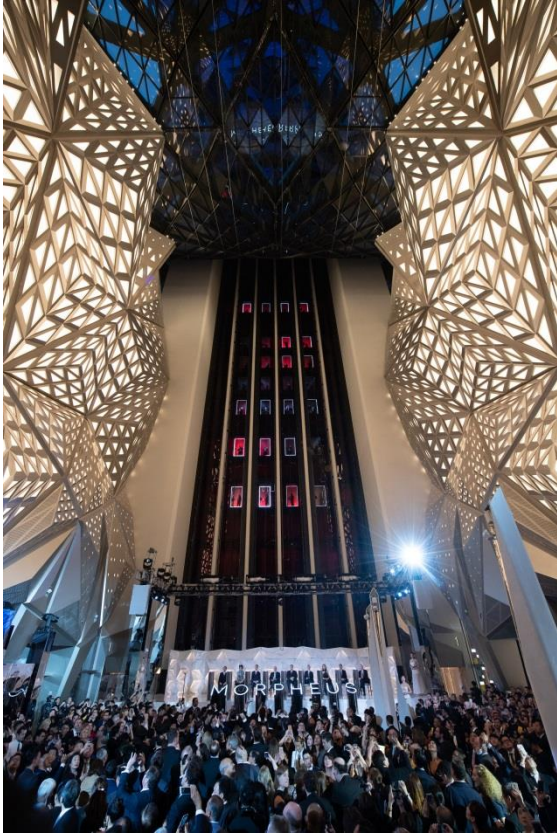


# Morpheus: Exterior



Source: Melco Resorts

# Morpheus: Lobby



Source: Melco Resorts

# Morpheus: Sky Pool

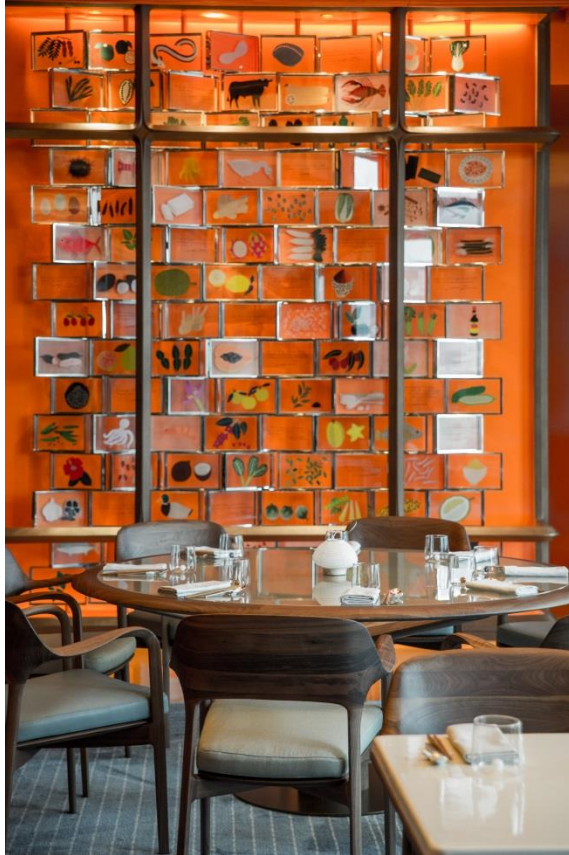




# Morpheus: Alain Ducasse at Morpheus



# Morpheus: Other restaurants



Voyages by Alain Ducasse

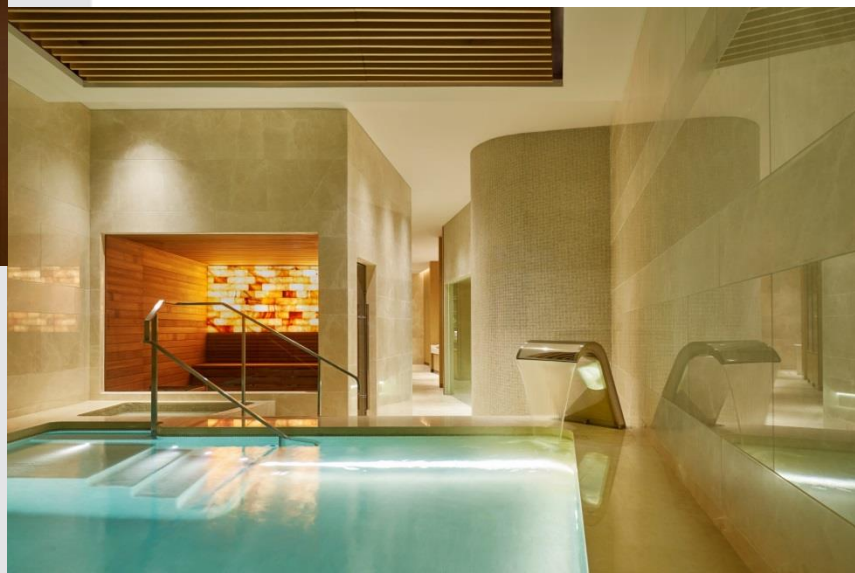


Club Lounge



Yi

# Morpheus: Spa



## 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

*A* MELCO

THANK YOU