

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Melco International Development Limited

新 濠 國 際 發 展 有 限 公 司

(the "Company")

(Incorporated in Hong Kong with limited liability)

Website: <http://www.melco.hk.cn>

Stock Code : 200

CLARIFICATION ANNOUNCEMENT

The purpose of this announcement is to clarify certain press articles published on 11th November 2004, which reported that the Chairman of the Company, Dr. Stanley Ho, had denied comments previously attributed to him, to the effect that he planned to inject Sociedade de Jogos de Macau's ("SJM") gaming business into the Company in order to turn the Company into the listed flagship of his "gaming empire".

At the Company's request, trading in its shares has been suspended with effect from 9:30am on 12th November 2004 pending the publication of an announcement regarding a major transaction and a major and connected transaction of the Company. The Company has now published this announcement on 24th November 2004 and has applied for resumption of trading of its shares on 25th November 2004.

The purpose of this announcement is to clarify certain press articles published on 11th November 2004, which reported that the Chairman of the Company, Dr. Stanley Ho, had denied comments previously attributed to him, to the effect that he planned to inject SJM's gaming business into the Company in order to turn the Company into the listed flagship of his "gaming empire".

At the request of the Stock Exchange of Hong Kong Limited, the Company wishes to clarify as follows.

On 2nd November, Dr. Ho was approached by a number of journalists concerning, amongst other issues, whether he would consider making the Company the "flagship" of his gaming empire. In response to such questions, Dr. Ho responded to the effect that he would not rule out any possibility.

On 3rd November, certain press reports incorrectly attributed various comments to Dr. Ho, which suggested that there may have been an intention or plan to inject SJM's gaming business into the Company to make it SJM's listed gaming flagship.

The Company's 3rd November announcement, published in the press on 4th November, sought to clarify those articles. The announcement states that Dr. Ho **did not rule out the possibility of considering** the injection of gaming business into the Company, or considering making the Company the listed flagship of his gaming empire. Importantly, the announcement stated that **there was then no negotiation, agreement or intention relating to those matters.**

Dr. Ho was again later approached by journalists concerning whether he had any intention or plan to inject SJM's gaming business into the Company to make it his listed flagship notwithstanding that the announcement had made it clear that there were no intentions in this regard. With a view to clarifying the matter and in an effort to dampen further speculation, Dr. Ho explained that he did not say he had planned or intended that eventuality, as reported in press reports on 11th November 2004. Dr. Ho was further reported to have said words to the effect that it was "not possible" to make the Company his gaming flagship since the prospect was highly unlikely in his view, citing the fact that the gambling assets were key assets of Macau. On any view, the chance of such an injection occurring remains very unlikely although it is not possible to rule it out completely.

Dr. Ho confirms therefore that on no occasion has he stated, whether in answers to questions put to him by the press or otherwise, that he **plans or intends** to inject SJM's gaming business into the Company in order for the Company to become his listed gaming flagship.

For the avoidance of doubt, and in order to eliminate further speculation and uncertainty, the Company confirms and reiterates that there are currently no negotiations or agreements concerning these matters which are discloseable under Rule 13.09 or 13.23 of the Listing Rules. We further confirm that there are no intentions on the part of Dr. Ho or the Company in this regard.

Shareholders and potential investors should be aware that, in any event, any decision to effect a transfer of SJM's gaming business to the Company (which, for the reason stated above, remain very unlikely) would be subject to, amongst other matters, a decision of the Board of SJM and Sociedade de Turismo e Diversoes de Macau, and require the consent of the Government of the Macau Special Administrative Region.

Shareholders and potential investors should exercise caution when dealing in the Company's shares. Investors should rely only on official Company announcements when making investment decisions.

The Exchange is liaising with the Company concerning recent statements made by the Company and its directors. The Exchange has informed the Company that it reserves the right to take action against the Company and its directors if it is established there has been a breach of the Listing Rules.

As at the date of this announcement, the Board comprises three executive directors, namely, Dr. Stanley Ho (Chairman), Mr. Lawrence Ho (Managing Director) and Mr. Frank Tsui, two non-executive directors, namely, Mr. Ho Cheuk Yuet and Mr. Ng Ching Wo, and three independent non-executive directors, namely, Sir Roger Lobo, Mr. Robert Kwan and Dr. Lo Ka Shui.

At the Company's request, trading in its shares has been suspended with effect from 9:30am on 12th November 2004 pending the publication of an announcement regarding a major transaction and a major and connected transaction of the Company. The Company has now published this announcement on 24th November 2004 and has applied for resumption of trading of its shares on 25th November 2004.

By order of the board of
Melco International Development Limited
Ho, Lawrence Yau Lung
Managing Director

Hong Kong, 24th November 2004

Please also refer to the published version of this announcement in The Standard.