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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 reports in Hong Kong Daily News today regarding profit estimates of Great Wonders, Investments, Limited, Mocha Slot Group Limited and the joint venture company established pursuant to the Heads of Agreement entered into between the Company and Publishing and Broadcasting Limited and market value of such joint venture company.

Reference is made to an article in Hong Kong Daily News today which reported that:–

1. it is estimated that Great Wonders, Investments, Limited and Mocha Slot Group Limited will generate a profit of HK\$1.485 billion and HK\$0.157 billion respectively in 2007;
2. the joint venture company which was established pursuant to the Heads of Agreement entered into between the Company and Publishing and Broadcasting Limited on 11 November 2004 will thus share a profit of HK\$0.694 billion;
3. based on the lowest P/E ratio of the comparable stocks listed on NASDAQ, the market value of the joint venture company is estimated to be HK\$13.88 billion.

In connection with the aforesaid reports, the Company wishes to clarify as follows:–

1. the Company is not aware of the source(s) of the information on which the aforesaid reports are based. However, based on their own analyses and projections and not on representations made by the Company, various brokerage houses have written research reports on the Company, and it is possible that the information on which the aforesaid reports are based might come from or be based on the contents of such broker houses' reports;
2. the profit estimates and market value of the joint venture company contained in the aforesaid reports are not estimates of the Company, and do not constitute a profit forecast of the Company.

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.

By order of the board of
Melco International Development Limited
Tsui Che Yin, Frank
Executive Director

Hong Kong, 17th January, 2005

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