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Melco International Development Limited

新 濠 國 際 發 展 有 限 公 司

(Incorporated in Hong Kong with limited liability)

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

(Stock Code: 200)

**MAJOR AND CONNECTED TRANSACTION
ACQUISITION OF THE REMAINING INTEREST IN THE LAND
AND DISCLOSEABLE TRANSACTION
INJECTION OF INTEREST IN THE LAND
INTO THE JOINT VENTURE GROUP**

DESPATCH OF CIRCULAR

SUMMARY

On 2 June 2005, the Circular containing details in relation to (i) the major and connected transaction; and (ii) the discloseable transaction will be despatched to the Shareholders together with the notice of the EGM which is to be convened on 17 June 2005.

References are made to (i) the announcements of the Company dated 22 March 2005, 12 April 2005, 29 April 2005, and 13 May 2005 respectively; and (ii) the circular of the Company relating to the Third Agreement and the Great Wonders Agreement (the "Circular"). Unless the context otherwise, terms used herein shall have the same meanings as defined in the Circular.

In the announcement of the Company dated 22 March 2005, it was stated that based on the preliminary valuation of the Land for hotel use of not less than HK\$1,100 million as at 17 March 2005, the Connected Transaction might constitute a very substantial acquisition of the Company under Rule 14.08 of the Listing Rules by reason of the fact that the asset ratio as specified in Rule 14.07 of the Listing Rules might be 100% or more in case the ultimate valuation of the Land exceeds HK\$1,100 million. According to the valuation report as mentioned in Appendix III to the Circular, the open market value of the Land for hotel use as at 17 March 2005 was equal to and did not exceed HK\$1,100 million, and thus the Connected Transaction was then considered as a major transaction of the Company under the Listing Rules.

The Circular containing details in relation to (i) the major and connected transaction; and (ii) the discloseable transaction will be despatched to the Shareholders on 2 June 2005 together with the notice of the EGM which is to be convened on 17 June 2005.

As at the date of this announcement, the Board comprises three Executive Directors, namely, Dr. Stanley Ho, Mr. Lawrence Ho and Mr. Frank Tsui, two Non-executive Directors, namely, Mr. Ng Ching Wo and Mr. Ho Cheuk Yuet 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
Ho, Lawrence Yau Lung
Managing Director

Hong Kong, 1 June 2005

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