



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)

ANNOUNCEMENT IN RELATION TO CHANGES IN DIRECTORATE

The Board of Directors of Melco International Development Limited (“the Company”) wishes to announce the following changes to the composition of the Board.

RESIGNATIONS OF CHAIRMAN AND INDEPENDENT NON-EXECUTIVE DIRECTOR

With effect from 15th March 2006, Dr. Stanley Ho (“Dr. Ho”) resigned as chairman and as an executive director of the Company and Mr. Robert Kwan resigned as an independent non-executive director of the Company.

Dr. Ho also serves as managing director of Sociedade de Jogos de Macau S.A. (“SJM”), which is contemplating applying for a listing on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) through a listing vehicle. If SJM decides to proceed with this proposal, it is anticipated that Dr. Ho would serve as a director of the listing vehicle and that Mr. Robert Kwan would also serve as an independent non executive director of the listing vehicle. The Company and SJM are both engaged in the gaming and entertainment business in Macau. Accordingly, Dr. Ho and Mr. Kwan have resigned as directors of the Company in order to avoid potential conflicts of interest arising as a result of their serving as directors both of the Company and SJM’s listing vehicle if SJM decides to proceed with this proposal.

The Board would like to extend its sincere gratitude to both Dr. Ho and Mr. Kwan for their invaluable contributions to the Company and its subsidiaries (the “Group”) throughout their respective terms of office. In particular, Dr. Ho has made an immense contribution to the growth and development of the Group’s business during his term of office.

Following the resignation of Mr. Robert Kwan as an independent non executive director of the Company, the Company will temporarily have only two independent non executive directors and will temporarily not be compliant with Rule 3.10(1) and (2) of the Listing Rules. The Company is in the process of identifying a suitable replacement for Mr. Robert Kwan to serve as an independent non executive director of the Company and an appointment will be made and announced as soon as practicable (and in any event not later than the three month period stipulated by Rule 3.11 of the Listing Rules), in order to ensure compliance by the Company with Rule 3.10 of the Listing Rules.

APPOINTMENT OF MR. LAWRENCE HO AS CHAIRMAN AND CHIEF EXECUTIVE OFFICER

With effect from 15th March 2006, Mr. Lawrence Ho was appointed as the chairman and chief executive officer of the Company.

Mr. Lawrence Ho, aged 29, has served as the managing director of the Company since his appointment in November 2001. Mr. Ho also serves as a director of a number of subsidiaries of the Company, including Value Convergence Holdings Limited, which is listed on the Growth Enterprise Market and is the holding company for the financial services business of the Group; Melco PBL Holdings Limited, the Group’s joint venture established with Publishing and Broadcasting Limited of Australia to engage in the business of gaming, entertainment and hospitality in the Asia Pacific and Greater China Regions; Mocha Slot Group Limited which is engaged in the business of leasing gaming machines and the provision of ancillary services to lessees of its gaming machines in Macau; and Aberdeen Restaurant Enterprises Limited which operates the Jumbo Floating Restaurant.

The interests of Mr. Lawrence Ho in the shares of the Company, within the meaning of Part XV of the Securities and Futures Ordinance, comprise a personal interest in 7,232,612 shares (representing approximately 0.62% of the issued share capital of the Company) and a corporate interest in 404,041,630 shares of the Company (representing approximately 34.82% of the issued share capital of the Company) and 117,912,694 shares of the Company falling to be issued on the conversion of certain Convertible Loan Notes. Mr. Lawrence Ho is beneficially interested in the entire issued share capital of Lasting Legend Ltd. which holds approximately 9.95% of the issued share capital of the Company and in 65% of the issued share capital of Better Joy Overseas Ltd., which in turn holds approximately 24.87% of the issued share capital of the Company. Mr. Lawrence Ho is the son of Dr. Stanley Ho, a substantial shareholder of the Company.

As disclosed in the Company's Annual Report 2004, Mr. Lawrence Ho has a service contract with Melco Services Limited, a wholly owned subsidiary of the Company, which commenced on 1st January 2005 and which may be terminated by either party by written notice of not less than three months. Mr. Ho is currently entitled to annual emoluments of HK\$1,729,008. Mr. Ho will not receive any additional emoluments or other remuneration as a result of his appointment as the chairman and chief executive officer of the Company. In common with every other director, Mr. Ho is subject to retirement by rotation at least once every three years. His appointment as chairman and chief executive officer is not for a specific term.

Pursuant to code provision A.2.1 of the Code on Corporate Governance Practices as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange, the roles of chairman and chief executive officer of a listed company should be separate and should not be performed by the same individual. However, in view of the present composition of the Board, the in depth knowledge of Mr. Lawrence Ho of the operations of the Group and of the gaming and entertainment sector in Macau in general, his extensive business network and connections in that sector and the scope of operations of the Group, the Board believes it is in the best interests of the Company for Mr. Lawrence Ho to assume the roles of chairman and chief executive officer at this time and that such arrangement be subject to review by the Board from time to time.

Saved as disclosed in this announcement, there are no other matters that need to be brought to the attention of the shareholders of the Company.

By order of the board of
Melco International Development Limited
Tsang Yuen Wai, Samuel
Company Secretary

Hong Kong, 16th March 2006

Please also refer to the published version of this announcement in South China Morning Post - Classified.