



**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-group.com>

(Stock Code: 200)

**Announcement under Rule 13.09 of the Listing Rules**

**APPROVAL OF MACAU GOVERNMENT FOR  
TRANSFER OF INTEREST IN SUBCONCESSION HOLDER  
TO MELCO/PBL JOINT VENTURE**

**AND**

**MELCO/PBL JOINT VENTURE TO BE EIGHTH WONDER'S GAMING  
PARTNER IN ITS PROPOSED SENTOSA INTEGRATED RESORT**

**Approval of Macau Government for Transfer of Interest in Subconcession Holder to Melco/PBL Joint Venture**

The Company is pleased to announce that Macau Government approval has been granted in relation to the reorganisation of shareholdings of PBL Macau as more particularly described in the Shareholder's Circular and that PBL Macau, the holder of a Macau gaming subconcession granted to it pursuant to a gaming subconcession agreement between PBL Macau and Wynn Resorts (Macau), shall be a subsidiary of the Joint Venture as soon as all procedures are completed.

**Melco/PBL Joint Venture to be Eighth Wonder's Gaming Partner in its Proposed Sentosa Integrated Resort**

The Company is also pleased to announce that Melco PBL Singapore, a 50:50 joint venture of the Company and PBL, is participating in the Eighth Wonder Consortium with Eighth Wonder to bid for the casino licence to be issued by the Government of Singapore for a casino/resort on Sentosa Island.

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

**Approval of Macau Government for Transfer of Interest in Subconcession Holder to Melco/PBL Joint Venture**

As announced by the Company on 11th September 2006, PBL Macau executed a subconcession agreement with Wynn Resorts (Macau), with the approval of the Macau Government, in relation to the grant of a gaming subconcession to PBL Macau. PBL Macau was at the time a subsidiary of PBL.

The Company is pleased to announce that Macau Government approval has been granted in relation to the reorganisation of shareholdings of PBL Macau as more particularly described in the Shareholder's Circular and that PBL Macau, the holder of a Macau gaming subconcession granted to it pursuant to a gaming subconcession agreement between PBL Macau and Wynn Resorts (Macau), shall be a subsidiary of the Joint Venture as soon as all procedures are completed.

With effect from 21st September 2006, all Mocha Slot lounges of the Joint Venture will be operated under the Joint Venture's subconcession and the Joint Venture will no longer share a substantial portion of its gaming revenue with a third party. Accordingly, the Joint Venture will be able to enjoy the full economic benefit of its Macau gaming business.

**Melco/PBL Joint Venture to be Eighth Wonder's Gaming Partner in its Proposed Sentosa Integrated Resort**

The Company is pleased to announce that Melco PBL Singapore, a 50:50 joint venture of the Company and PBL, is participating in the Eighth Wonder Consortium with Eighth Wonder to bid for the casino licence to be issued by the Government of Singapore for a casino/resort on Sentosa Island.

The Eighth Wonder Consortium is a consortium led by Eighth Wonder and formed for the purpose of bidding for the casino licence to be issued by the Government of Singapore for a casino/resort on Sentosa Island and the development rights for the Sentosa Integrated Resort. Eighth Wonder is a privately held company based in Las Vegas that conceives, designs and develops entertainment and leisure resorts, retail complexes and casinos.

The Eighth Wonder Consortium has been short listed as one of the three remaining bidders and final bids were lodged in Singapore today. Melco PBL Singapore will be one of three equity participants in the Eighth Wonder Consortium and it is proposed that Melco PBL Singapore will hold a 24.5% interest. If the bid is successful, the Eighth Wonder Consortium will have initial shareholders equity of approximately US\$400 million of which Melco PBL Singapore will, if the bid is successful, contribute approximately US\$135 million. In the event that the Eighth Wonder Consortium wins the bid, Melco PBL Singapore, in addition to being an equity partner in the Eighth Wonder Consortium, will have the management rights to and will operate Crown Casino and the exclusive six star Crown Towers Hotel and will receive a fee of approximately 2% of revenue and 10% of contribution.

This announcement is made pursuant to Rule 13.09 of the Listing Rules. Prior to the acceptance of the Eighth Wonder Consortium's bid, the proposed transaction is not a notifiable transaction for the Company under the Listing Rules. If the Eighth Wonder Consortium's bid is accepted by the Singapore Government, the Company would provide equity and/or debt financing to Melco PBL Singapore and it is anticipated that the provision of financing would constitute a discloseable transaction for the Company under the Listing Rules at that time. A further announcement would be made by the Company under the Listing Rules if the Eighth Wonder Consortium is successful in its bid.

**Definitions**

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

"Company" or "Melco"	Melco International Development Limited, a company incorporated in Hong Kong, the shares of which are listed on the Stock Exchange;
"Eighth Wonder"	Eighth Wonder Asia, LLC;
"Eighth Wonder Consortium"	the consortium led by Eighth Wonder and formed for the purpose of bidding for the casino licence to be issued by the Government of Singapore for a casino/resort on Sentosa Island;
"Joint Venture"	the joint venture established between the Company and PBL to undertake gaming, entertainment and hospitality businesses in Macau and other parts of Asia;

“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange;
“Melco PBL Singapore”	Melco PBL Singapore Pte Limited, a limited liability company incorporated in Singapore and indirectly owned as to 50% by the Company and as to 50% by PBL;
“PBL”	Publishing and Broadcasting Limited, a company incorporated under the laws of Australia, the securities of which are listed on the Australian Stock Exchange;
“PBL Macau”	PBL Entertainment (Macau) Limited, a limited liability company incorporated in Macau initially wholly owned by PBL and its subsidiaries;
“Singapore”	the Republic of Singapore; and
“Shareholder’s Circular”	the Company’s shareholder’s circular dated 30th May 2006.

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

Hong Kong, 10 October 2006

*As at the date of this announcement, the board of directors of the Company comprises three executive directors; namely, Mr. Ho, Lawrence Yau Lung (Chairman and Chief Executive Officer), Mr. Tsui Che Yin, Frank and Mr. Chung Yuk Man, Clarence; one non executive director, namely Mr. Ng Ching Wo; and three independent non executive directors, namely Sir Roger Lobo, Dr. Lo Ka Shui and Mr. Sham Shui Leung, Daniel.*

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