



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

EARLY REDEMPTION OF THE CONVERTIBLE NOTES FOR AN AGGREGATE PRINCIPAL AMOUNT OF HK\$156,000,000

<p>The Company has early redeemed the two Convertible Notes issued to STDM on 30 June 2007.</p>

The Board is pleased to announce that on 30 June 2007, the Company has early redeemed the two Convertible Notes issued to STDM by payment of the principal amounts and the interest accrued in accordance with the respective terms and conditions of the instruments for the Convertible Notes. Such early redemption was made pursuant to the exercise by the Company of the early redemption option contained in the respective instruments for the Convertible Notes.

Reference is made to the announcements and circulars of the Company respectively dated 13 September 2004, 11 October 2004, 23 November 2004 and 5 January 2005 (collectively "Previous Announcements and Circulars"). As disclosed in the Previous Announcements and Circulars, the Company has acquired from STDM an aggregate of 70% interest in the land on which Crown Macau Hotel is situated (which has subsequently been transferred to the gaming joint venture established between the Company and PBL) and as settlement of the relevant acquisition consideration, two convertible notes respectively for the principal amounts of HK\$100 million and HK\$56 million carrying the rights to subscribe for new shares of the Company at the stipulated conversion prices were issued to STDM on 9 November 2004 (the "2004 Note") and 8 February 2005 (the "2005 Note") respectively. Below are the details of the 2004 Note and 2005 Note:

	2004 Note	2005 Note
Principal amount outstanding as at the date hereof	HK\$ 100 million	HK\$ 56 million
Coupon	4% per annum	4% per annum
Maturity date	8 November 2009	7 February 2010
Conversion price (after adjustment following the share subdivision of the Company on 19 May 2005)	HK\$2.00	HK\$4.1
Conversion period	at any time by the note holder after 3 years from the date of issue of the 2004 Note	at any time by the note holder after 3 years from the date of issue of the 2005 Note
Underlying Shares of the Company to be issued upon conversion in full (after adjustment following the share subdivision of the Company on 19 May 2005)	50,000,000 Shares	13,658,536 Shares
Early redemption	the Company has the option to redeem, at its own discretion, the 2004 Note in full on any Interest Payment Date falling on or after the second anniversary of the date of its issue	the Company has the option to redeem, at its own discretion, the 2005 Note in full on any Interest Payment Date falling on or after the second anniversary of the date of its issue

All terms of the Convertible Notes, including the early redemption option exercisable by the Company, had been approved by the Company's shareholders at the extraordinary general meetings respectively held on 2 November 2004 and 20 January 2005.

The redemption moneys were from internal resources of the Company and the early redemption of the Convertible Notes resulted in the elimination of approximately HK\$156.4 million liabilities of the Company as at 30 June 2007. The Company will continue to have sufficient working capital to meet its present requirements after the redemption. The Directors (including the independent non-executive Directors) believe that the early redemption of the Convertible Notes is in the interests of the Company and its shareholders.

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

“Board”	board of directors of the Company
“Convertible Notes”	2004 Note and 2005 Note collectively
“Company”	Melco International Development Limited
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Interest Payment Date”	30th June and 31st December in each year
“PBL”	Publishing and Broadcasting Limited
“STDM”	Sociedade de Turismo e Diversões de Macau, S.A.
“Shares”	ordinary shares of HK\$0.50 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

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

Hong Kong, 30 June 2007

As at the date of this announcement, the Board 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 (Chief Operating Officer); 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 Sui Leung, Daniel.