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## **Melco International Development Limited**

*(Incorporated in Hong Kong with limited liability)*

Website : <http://www.melco-group.com>

(Stock Code : 200)

### **EXERCISE OF CALL OPTION**

The Board announces that on 14 July 2010, the Vendor (a wholly-owned subsidiary of the Company) received and, pursuant to the Agreement, is bound to accept a Call Option notice from the Purchaser for the exercise of the Call Option to acquire the Remaining Sale Shares, representing 20% of the issued share capital of iAsia, at an agreed consideration of HK\$3 million.

This announcement is made pursuant to Rule 14.74(2) of the Listing Rules.

Reference is made to the announcement of the Company dated 23 February 2009 (the “**Previous Announcement**”) in relation to the sale of the Sale Shares, representing 80% of the issued share capital of iAsia, to the Purchaser, which constituted a discloseable transaction of the Company under Rule 14.08 of the Listing Rules. Unless the context otherwise requires, the terms used herein shall have the same meanings as defined in the Previous Announcement.

As disclosed in the Previous Announcement, the Vendor has entered into the Agreement with the Purchaser to sell the Sale Shares to the Purchaser for a consideration of HK\$12 million. Completion of the sale and purchase of the Sale Shares took place on 4 June 2009. In the Agreement, the Vendor also grants to the Purchaser the Call Option, by which, if it is exercised during the Call Option Period, the Vendor is bound to sell the Remaining Sale Shares, representing 20% of the issued share capital of iAsia, to the Purchaser at an agreed consideration of HK\$3 million.

As of the date of this Announcement, the Purchaser has paid two installments of the Purchase Price totalling HK\$8 million in accordance with the Agreement. The third instalment of the Purchase Price in the amount of HK\$4 million is due to be paid on or before 3 June 2011.

The Board announces that the Vendor received and, pursuant to the Agreement, is bound to accept a Call Option notice from the Purchaser on 14 July 2010 notifying that the Purchaser exercised the Call Option. As agreed by the parties, completion of the sale and purchase of the Remaining Sale Shares shall take place on 13 October 2010 or such other earlier date as the parties may agree. Pursuant to the Agreement, the Call Option notice, once issued, will be binding on both parties and shall not be withdrawn.

Upon completion of the sale and purchase of the Remaining Sale Shares, the Purchaser shall:-

- (i) pay to the Vendor in cash a sum of HK\$3 million as consideration for the purchase of the Remaining Sale Shares;
- (ii) produce to the Vendor instrument(s) of transfer executed by the Purchaser in respect of the Remaining Sale Shares; and
- (iii) execute the Additional Share Charge in favour of the Vendor to charge the Remaining Sale Shares to the Vendor as additional security for the outstanding payment obligations and liabilities of the Purchaser arising from or under the Agreement. The Additional Share Charge shall be released upon full settlement of all the payment obligations and liabilities arising from or under the Agreement.

Upon completion of the sale and purchase of the Remaining Sale Shares and the Vendor's satisfaction of the performance of the Purchaser's obligations mentioned above, the Vendor shall deliver to the Purchaser:-

- (i) instrument(s) of transfer executed by the Vendor in respect of the Remaining Sale Shares;
- (ii) the original share certificate(s) in respect of the Remaining Sale Shares (subject to the condition of re-delivery and deposit of the same to the Vendor by the Purchaser upon the execution of the Additional Share Charge); and
- (iii) such other documents as may be reasonably required to give to the Purchaser good title to the Remaining Sale Shares and to enable the Purchaser or its nominees to become the registered owner thereof.

The Directors expect that the net proceeds from the disposal of the Remaining Sale Shares of approximately HK\$3 million will be used for general working capital of the Group.

Immediately after completion of the disposal of the Remaining Sale Shares, the Company will no longer hold, directly or indirectly, any shareholding interest in iAsia.

This announcement is made pursuant to Rule 14.74(2) of the Listing Rules.

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

Hong Kong, 14 July 2010

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; one non-executive Director, namely Mr. Ng Ching Wo; and three independent non-executive Directors, namely Sir Roger Lobo, Mr. Sham Sui Leung, Daniel and Dr. Tyen Kan Hee, Anthony.