

Melco Partners with STDM to Build 6-Star Hotel and Casino in Macau
Further tapping into the strong growth of leisure and entertainment industry

(Hong Kong, September 13, 2004) Melco International Development Limited (“Melco Group”; HKSE Code: 200) today announced it has reached an agreement with Sociedade de Turismo e Diversoes de Macau (“STDM”) to co-develop and own Macau’s first ever six-star hotel and entertainment complex with the largest casino and electronic gaming machine areas to date, pending government approval.

The six-star hotel complex will be built on a plot of land in Taipa. STDM will own concession rights of this land through a joint venture company. STDM will transfer a 50% stake of the JV Company to Melco at a consideration of HK\$100,000,000 in return for Melco issuing a convertible bond for HK\$100,000,000 to STDM.

The convertible bond will be for a 5-year term bearing a coupon of 4% p.a. from March 1, 2005, payable every six months. The conversion price is HK\$4 per share of Melco International, exercisable within 3 years from the date of issue. Melco has an early redemption option exercisable 2 years from the date of issue. The bond issue contains a forced redemption clause whereby Melco has the option to require STDM to convert the convertible bond into new shares of Melco if the 60-day average Melco share price is over \$4 per share.

If the bond is fully converted by STDM, STDM will be owning a stake of approximately 6.2% of Melco Group.

Commenting on the agreement, Mr. Lawrence Ho, Managing Director of Melco International said, “To our shareholders, the use of convertible bond as the currency of this agreement is most favourable as we do not need to fork out huge financial outlay to be able to participate in this very exciting project.”

Dr. Stanley Ho, Managing Director of STDM and subsidiary SJM also remarked, “This agreement signifies our long term confidence in the growth of Melco in becoming a major player in Macau, in particular in the leisure and entertainment industry. By holding the convertible bond, we look forward to forging an even closer relationship with Melco.”

Pursuant to the agreement, Melco shall be the co-ordinator of the hotel and casino project. To ensure the hotel will be run to the highest industry standards, an agreement has been reached with the renowned Hyatt Hotels Group, to be the manager of the hotel facilities. Pending government approval, it is proposed that the casino will be operated by STDM's subsidiary, SJM, and the electronic gaming machine lounge will be managed by Melco's subsidiary, Mocha Slot Group Limited.

Melco and STDM will inject further capital in equal shares to the building, decorating and fitting out of the hotel complex. Total investments are expected to be no less than HK\$1.5 billion and the hotel complex is planned to be completed by 2006.

“When completed in 2006, this 6 star hotel and casino complex will be one of the most luxurious and the gaming hall will be one of the largest in Macau. This will be our most ambitious and exciting project, allowing us to fully participate and compete in the burgeoning leisure and entertainment industry,” said Dr. Stanley Ho,

“For the past two years, we have been gradually shifting our business emphasis to Macau, making the enclave an important source of revenue to our group. When completed, this hotel and entertainment complex will become our anchor project. We expect substantial income from the hotel and casino operations will contribute significantly to our Group's turnover and profit,” concluded Mr. Lawrence Ho.“

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新濠集團夥澳門旅遊娛樂興建澳門六星級酒店及賭場

新濠國際進軍蓬勃發展的消閒及娛樂市場

(2004年9月13日 --- 香港) 新濠國際發展有限公司 (以下簡稱「集團」或「新濠國際」；股票編號：200) 今天宣佈與澳門旅遊娛樂 (澳娛或“STDM”) 達成協議，於澳門氹仔攜手發展及擁有首間六星級酒店及娛樂設施綜合性計劃，有待澳門特區有關部門批准後，將附設直至目前為止最大面積的賭場及電子博彩機娛樂場。

該六星級酒店將於氹仔興建，而澳娛將透過一家合營公司持有該土地之特許權。新濠國際將以總額一億港元代價入股該合營公司，透過發行可換股債券支付購買代價。澳娛將該合營公司百分之五十股份轉移至新濠國際，以換取新濠國際總值一億港元的可換股債券。

該批可換股債券由發行日期起計算，為期五年，年息四厘，由二零零五年三月一日開始計息，每半年就未償還本金額支付利息。換股價為每股新濠股份4.00港元，行使期為發行日期起計三年。新濠國際擁有提早贖回權，容許其可於可換股債券發行日期起計兩年至可換股債券之到期日期間內選擇贖回可換股債券。是次交易中亦含有一項強制轉換條款，倘聯交所報新濠股份之60日平均收市價超過每股股份4.00港元，新濠可選擇要求澳娛轉換可換股債券為新股份。

假如澳娛按照初步換股價4.00港元計算全數轉換為新濠國際股份，澳娛將持有相當於新濠國際於可換股債券獲行使後之經擴大已發行股本約6.2%。

新濠國際的董事總經理何猷龍先生就今次的協議表示：「今次透過發行可換股債券作為支付代價，毋須動用集團內部的龐大資金，便能參與是項富有潛力的計劃，對股東來說顯然相當有利。」

澳娛及其附屬公司澳門博彩股份(“SJM”或澳博)之行政總裁何鴻燊博士表示：「展望未來，新濠國際將逐步發展成為澳門區內一間舉足輕重的集團，尤其是消閒及娛樂業務方面更是大力發展之重點。今次協議充分引證我們對新濠國際的長遠發展潛力充滿信心。我們持有新濠國際的可換股債券，標誌著雙方將尋求建立更加緊密的合作關係。」

根據該協議，新濠國際將是酒店及賭場發展計劃的主要統籌人。為確保該酒店以最高行業標準來運作，本集團已跟知名的凱悅酒店集團達成協議，委任其作為該酒店設施之管理公司。該協議中亦提議賭場將交由澳娛之附屬公司澳博經營，而電子博彩機娛樂場將交由新濠國際附屬公司摩卡角子集團管理，此安排有待澳門特區有關部門批准。

新濠國際及澳娛將以出資各半方式，進一步挹注資金對酒店進行興建、裝修及裝置成本及費用。總投資額將不少於十五億港元，該酒店預期於二零零六年竣工。

何鴻燊博士續表示：「當其於二零零六年竣工後，我們相信該六星級酒店及娛樂設施將是全澳門最豪華瑰麗的酒店之一，並擁有最大型的娛樂場之一。本集團深表興奮能參與這項雄圖宏業，藉此得以全面發展澳門日益繁榮的消閒及娛樂市場事業。」

何猷龍先生總結時稱：「過去兩年來，我們將集團業務重心逐步轉至澳門，澳門業務成爲本集團的重要收入來源。當該六星級酒店及娛樂設施興建完成後，將是我們的主要業務計劃之砥柱。我們期望酒店及賭場會帶來可觀收入來源，爲集團收入及盈利作出重大貢獻。」

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