

Half-Year Results

Melco experienced significant gains in turnover and profitability for the period ended 30th June 2005. Combined turnover from all business sectors continued to rise following an upward trend that began midway through 2004. Turnover was up 19% from the corresponding period a year prior to HK\$250.7 million as of 30th June 2005. Profit attributable to shareholders surged 770% from HK\$61.4 million for the corresponding period last year to HK\$534.2 million. Earnings per share were 54.66 HK cents (2004: 12.69 HK cents).

All of the Group's business divisions achieved segmental profitability during the period in review. Primary amongst the divisions was Melco's core leisure, gaming and entertainment business, which saw turnover and profitability soar in comparison to the same period last year. Melco's exclusive pan-Asian partnership with Publishing and Broadcasting Limited (PBL) of Australia has facilitated the introduction of new projects in Macau that target all market segments from novice gamers to high rollers. Inspired by the success of recent endeavors and the prospects for leisure activity growth in Asia, the joint venture is exploring further opportunities for development in other Asian countries.

Melco's recent achievements have not gone unnoticed. The Group received honorable recognition for its endeavors in the form of the High Flyer's Corporate Achiever Award (Leisure, Gaming and Entertainment) from HK Business Magazine and the Top Performer Award from South China Morning Post.

Dividends

The directors declared the payment of an interim dividend of HK\$0.01 per ordinary share for the six months ended 30th June 2005 (2004: HK\$0.005 (adjusted as a result of share sub-division on 19th May 2005)).

Closure of Register of Members

The register of members of the Company will be closed from Wednesday, 5th October 2005 to Monday, 10th October 2005, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the interim dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrars, Standard Registrars Limited of Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong, for registration not later than 4:00 p.m. on 4th October 2005.