



ANNOUNCEMENT HOTEL PROJECT IN MACAU

The board of directors of Regal Hotels International Holdings Limited is pleased to announce that on 11th March, 2005, the Company entered into a Memorandum of Agreement with the Venetian Group from Las Vegas, USA in respect of a hotel development project in the Cotai Resort area in Macau.

Shareholders, warrant holders and potential investors of the Company should note that the above hotel development project may or may not proceed. Caution should be exercised when dealing in the securities of the Company.

The board of directors of Regal Hotels International Holdings Limited (the “**Company**”) is pleased to announce that on 11th March, 2005, the Company entered into a Memorandum of Agreement (“**MOA**”) with the Venetian Group (“**Venetian**”) from Las Vegas, USA in respect of a hotel development project in the Cotai Resort area in Macau.

Pursuant to the MOA, the Company together with its subsidiaries (the “**Group**”) plan to develop a hotel project in the Cotai Resort area in Macau with a site area of approximately 618,000 square feet and a total permissible gross floor area of approximately 3.4 million square feet (the “**Project**”).

The Project, comprising of hotel, casino, entertainment and conference facilities, is planned to be developed in two phases. Under the present plan, the first phase of the Project will comprise of a hotel with at least 1,500 guestrooms and suites together with food and beverage outlets and related hotel facilities, a casino and a showroom for large performances, conference and meeting facilities as well as shopping and entertainment areas. The casino/showroom shell will be constructed as part of the Project and will be leased, fitted out and operated by Venetian. The second phase of the Project will be planned to include additionally at least 1,500 guestrooms and suites together with expansion space for the casino, and will house further hotel facilities and a large shopping and entertainment complex. It is scheduled that the construction works for the first phase of the Project will commence later this year, with completion expected by late 2007.

With the generally anticipated significant and exciting economic growth in Macau, the Company believes that the Project will complement the Group’s hotel business in Hong Kong and will enhance the future prospects of the Group.

Except for certain provisions such as those related to exclusivity and confidentiality, the MOA is non-legally binding, and the parties will negotiate in good faith with a view to finalizing and signing the definitive agreements for the Project as soon as practicable. Further announcement regarding the Project will be made when the definitive agreements have been concluded. If the Project proceeds, the Company will comply with the relevant requirements under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and, if applicable, the Gambling Ordinance (Chapter 148) of the Laws of Hong Kong.

Shareholders, warrant holders and potential investors of the Company should note that the Project may or may not proceed. Caution should be exercised when dealing in the securities of the Company.

Board of Directors

Executive Directors:

Mr. LO Yuk Sui
(Chairman and Managing Director)
Mr. Donald FAN Tung
Mr. Tommy LAM Chi Chung
Mr. Jimmy LO Chun To
Miss LO Po Man
Mr. Kenneth NG Kwai Kai
Ms. Belinda YEUNG Bik Yiu

Independent Non-Executive Directors:

Ms. Alice KAN Lai Kuen
Mr. WONG Chi Keung

Non-Executive Directors:

Dr. Francis CHOI Chee Ming
(Vice Chairman)
Mr. Kai Ole RINGENSON

By Order of the Board
Regal Hotels International Holdings Limited
Eliza Lam Sau Fun
Secretary

Hong Kong, 11th March, 2005