

OMB APPROVAL  
EXPIRES: October 31, 1994  
ESTIMATED AVERAGE BURDEN  
HOURS PER RESPONSE 14.90

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

SCHEDULE 13G

Under the Securities Exchange Act of 1934

(Amendment No. 5)\*

Creative Technology, Limited

-----  
(Name of Issuer)

Common Stock

-----  
(Title of Class of Securities)

Y1775U10

-----  
(CUSIP NUMBER)

Check the following box if a fee is being paid with this statement. [ ] (A fee is not required only if the filing person: (1) has a previous statement on file reporting beneficial ownership of more than five percent of the class of securities described in Item 1; and (2) has filed no amendment subsequent thereto reporting beneficial ownership of five percent or less of such class.) (See Rule 13d-7).

\*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 (the "1934 Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

Page 2 of 8

CUSIP NO. Y1775U10 13G

1. NAME OF REPORTING PERSON  
S.S. or I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Merrill Lynch & Co., Inc.  
(on behalf of Merrill Lynch Asset Management Group ("AMG"))\*\*

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\* Joint Filing

(a) [ ]  
(b) [ ]

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

5. SOLE VOTING POWER

NONE

6. SHARED VOTING POWER

3,269,280

7. SOLE DISPOSITIVE POWER

NONE

8. SHARED DISPOSITIVE POWER

3,269,280

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,269,280 (ownership disclaimed pursuant to Section 13d-4 of the 1934 Act)

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES\*

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

3.64%

12. TYPE OF REPORTING PERSON\*

HC, CO

\*SEE INSTRUCTION BEFORE FILING OUT!

\*\*SEE EXHIBIT A

Page 3 of 8

SCHEDULE 13G

ITEM 1 (a) Name of Issuer:

-----

Creative Technology, Limited (the "Company")

ITEM 1 (b) Address of Issuer's Principal Executive Offices:

-----

31 International Business Park  
Creative Resource  
Singapore, 609921  
Singapore

ITEM 2 (a) Name of Persons Filing:

-----

Merrill Lynch & Co., Inc.  
(on behalf of Merrill Lynch Asset Management Group ("AMG"))

ITEM 2 (b) Address of Principal Business Office or, if none, Residence:

-----

Merrill Lynch & Co., Inc.  
(on behalf of Merrill Lynch Asset Management Group ("AMG"))  
World Financial Center, North Tower  
250 Vesey Street  
New York, NY 10381

ITEM 2 (c) Citizenship:

-----

See Item 4 of Cover Pages

ITEM 2 (d) Title of Class of Securities:

-----

Common Stock

ITEM 2 (e) CUSIP NUMBER:

See Cover Page

ITEM 3

If this statement is filed pursuant to Rules 13d-1(b), or 13d-2(b), check whether the person filing is a:

- (a)  Broker or dealer registered under Section 15 of the Act,
- (b)  Bank as defined in Section 3(a)(6) of the Act,
- (c)  Insurance Company as defined in Section 3(a)(19) of the Act,
- (d)  Investment Company registered under Section 8 of the Investment Company Act,
- (e)  Investment Adviser registered under Section 203 of the Investment Advisers Act of 1940,
- (f)  Employee Benefit Plan, Pension Fund which is subject to the provisions of the Employee Retirement Income Security Act of 1974 or Endowment Fund; see 13d-1(b)(1)(ii)(F),
- (g)  Parent Holding Company, in accordance with Rule 13d-1(b)(ii)(G); see Item 7,
- (h)  Group, in accordance with Rule 13d-1(b)(1)(ii)(H).

ITEM 4 Ownership

-----

- (a) Amount Beneficially Owned:

See Item 9 of Cover Pages.

- (b) Percent of Class:

See Item 11 of Cover Pages

- (c) Number of shares as to which such person has:

- (i) sole power to vote or to direct the vote:

See Item 5 of Cover Pages

- (ii) shared power to vote or to direct the vote:

See Item 6 of the Cover Pages

- (iii) sole power to dispose of or to direct the disposition of:

See Item 7 of Cover Pages

- (iv) shared power to dispose of or direct the disposition of:

See Item 8 of Cover Pages

ITEM 5 Ownership of Five Percent or Less of a Class.

-----

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than five percent of the class of securities, check the following: [X].

ITEM 6 Ownership of More than Five Percent on Behalf of Another Person.

-----

Not Applicable.

ITEM 7 Identification and Classification of the Subsidiary Which

-----

Acquired the Security Being Reported on by the Parent Holding Company.

-----

Merrill Lynch & Co., Inc. ("ML&Co.") is a parent holding company. The Merrill Lynch Asset Management Group ("AMG") is an operating division of ML&Co. consisting of ML&Co.'s indirectly-owned asset management subsidiaries. The following asset management subsidiaries hold certain shares of the common stock, which is the subject of this 13G filing:

Merrill Lynch Asset Management, L.P.  
Hotchkis and Wiley, A Division of Merrill Lynch Asset Management, L.P.  
Merrill Lynch Global Asset Management, L.P.  
Mercury Asset Management, Ltd.  
Mercury Fund Managers, Ltd.  
Mercury Asset Management Pte, Ltd.  
Merrill Lynch Mercury Asset Management Japan Ltd.

ITEM 8 Identification and Classification of Members of the Group.  
-----

Not Applicable

ITEM 9 Notice of Dissolution of Group.  
-----

Not Applicable

Page 6 of 8

ITEM 10 Certification  
-----

By signing below each of the undersigned certifies that, to the best of their knowledge and belief, the securities referred to above were acquired and are held in the ordinary course of business and were not acquired and are not held for the purpose of and do not have the effect of changing or influencing the control of the issuer of such securities and were not acquired and are not held in connection with or as a participant in any transaction having such purpose or effect.

Signature.  
- -----

After reasonable inquiry and to the best of my knowledge and belief, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

Date: January 28, 1999

Merrill Lynch & Co, Inc.  
(on behalf of Merrill Lynch Asset Management Group ("AMG"))

/s/ Jerry Weiss  
-----  
Name: Jerry Weiss  
Title: Attorney-In-Fact\*

-----  
\*Signed pursuant to a power of attorney, dated January 25, 1999, included as Exhibit B to this Schedule 13G.

Merrill Lynch Asset Management Group of ML&Co. ("AMG") is comprised of the following legal entities: Merrill Lynch Asset Management, L.P. doing business as Merrill Lynch Asset Management ("MLAM") including the Merrill Lynch Capital Management Group and Hotchkis and Wiley divisions thereof; Fund Asset Management, L.P., doing business as Fund Asset Management ("FAM"); Merrill Lynch Asset Management U.K. Limited ("MLAM UK"); Merrill Lynch (Suisse) Investment Management Limited ("MLS"); Mercury Asset Management International Limited ("MAMI"); Mercury Asset Management, Ltd.; Mercury Asset Management, Ltd. in Australia; Mercury Asset Management, Ltd. in the Isle of Man; Mercury Asset Management Channel Islands, Ltd.; Mercury Asset Management Pte, Ltd.; Mercury Asset Management Asia Limited; Mercury Asset Management KAG; Munich London Investment Management, Ltd.; Merrill Lynch Asset Management (Hong Kong) Limited; Merrill Lynch Mercury Asset Management Japan Limited; Atlas Asset Management, Inc.; Merrill Lynch Investment Management Canada, Inc.; Merrill Lynch Asset Management (India) Limited; PT Merrill Lynch Indonesia; Merrill Lynch Phatra Securities Co., Ltd.; Merrill Lynch Global Asset Management, Limited; Mercury Asset Management Channel Islands, Limited; Mercury Asset Management International Channel Islands Limited; Grosvenor Venture Managers, Limited; Mercury Fund Managers, Limited; and N.B.K. Investment Management, Limited. Each of MLAM, FAM, MLAM UK, MLS, and MAMI is an investment adviser registered under Section 203 of the Investment Advisers Act of 1940, which acts as investment adviser to various investment companies registered under Section 8 of the Investment Company Act of 1940. Each other firm constituting part of AMG is an investment adviser operating under the laws of a jurisdiction other than the United States. The investment advisers that comprise AMG exercise voting and investment powers over portfolio securities independently from other direct and indirect subsidiaries of ML&Co.

#### POWER OF ATTORNEY

The undersigned, Merrill Lynch & Co., Inc. (the "Corporation"), a corporation duly organized under the laws of the State of Delaware, with its principal place of business at World Financial Center, North Tower, New York, New York, 10281, does hereby make, constitute and appoint Michael J. Hennewinkel, Jerry Weiss and Thomas D. Jones, III, acting severally, each of whose address is Merrill Lynch Asset Management, L.P., 800 Scudders Mill Road, Plainsboro, NJ, 08536, as its true and lawful attorneys-in-fact, for it and in its name, place and stead (i) to execute on behalf of the Corporation and cause to be filed and/or delivered, as required under Section 13(d) of the Securities Exchange Act of 1934 (the "Act") and the regulations thereunder, any number, as appropriate, of original, copies, or electronic filings of the Securities and Exchange Commission Schedule 13D or Schedule 13G Beneficial Ownership Reports (together with any amendments and joint filing agreements under Rule 13d-1(f)(1) of the Act, as may be required thereto) to be filed and/or delivered with respect to any equity security (as defined in Rule 13d-1(d) under the Act) beneficially owned by the undersigned and which must be reported by the undersigned pursuant to Section 13(d) of the Act and the regulations thereunder, and generally to take such other actions and perform such other things necessary to effectuate the foregoing as fully in all respects as if the undersigned could do if personally present. This Power of Attorney shall remain in effect until revoked, in writing, by the undersigned.

IN WITNESS WHEREOF, the undersigned has executed this Power of Attorney this 25th day of January, 1999.

MERRILL LYNCH & CO., INC.

By:

- - - - -

Name: Stephen L. Hammerman

Title: Vice Chairman and General Counsel