

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



CAPITAL ESTATE LIMITED

冠中地產有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code : 193)

ANNOUNCEMENT

The Company has been informed by Capital Strategic Investment Limited, a substantial shareholder that is interested in approximately 21.13% in the issued share capital of the Company, that it has been approached for the possibility of the sale of its interest in the Company (the “**Possible Disposal**”). In accordance with Rule 13.09 of the Listing Rules, the Company wishes to inform the public of the Possible Disposal.

As the Possible Disposal may or may not take place, shareholders of the Company and public investors are advised to exercise extreme caution when dealing in the shares of the Company.

The Company noted the recent increase in the price of the shares of the Company and wish to state that the Company is not aware of any reasons for such increases.

The Company has been informed by Capital Strategic Investment Limited, a substantial shareholder that is interested in approximately 21.13% in the issued share capital of the Company, that it has been approached today by an intermediary representing an unidentified investor which enquired the possibility of the sale of its interest in the Company.

The Company has been advised by Capital Strategic Investment Limited that no substantive contemplation, discussions or negotiations in respect of the Possible Disposal has taken place and no material terms or timetable have been agreed for the Possible Disposal.

As the Possible Disposal may or may not take place, shareholders of the Company and public investors are advised to exercise extreme caution when dealing in the shares of the Company.

The directors of the Company will keep the market informed by way of announcement as and when they have been notified of the progress of the Possible Disposal in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Save as disclosed above, the Company is not aware of any negotiations or agreements relating to intended acquisitions or realisations which are discloseable under Rule 13.23 of the Listing Rules, nor is the board of directors of the Company aware of any matter discloseable under the general obligation imposed by Rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

By Order of the Board of
Capital Estate Limited
Ma Wai Man, Catherine
Company Secretary

Hong Kong, 11 April 2005

As at the date of this announcement, Mr. Choo Yeow Ming, Mr. Ng Kai Man, Luke, Ms. Ma Wai Man, Catherine, Mr. Chow Hou Man are the executive directors of the Company and Mr. Miu, Frank H., Mr. Sin Chi Fai and Ms. Ng Yuk Yee, Feona, are the independent non-executive directors of the Company.

Please also refer to the published version of this announcement in the The Standard.