



CAPITAL ESTATE LIMITED
冠中地產有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 193)

ADJUSTMENTS TO THE SHARE OPTIONS

Pursuant to the terms of the Share Option Scheme, adjustments are required to be made to the exercise price of and the number of Shares falling to be allotted and issued upon full exercise of the outstanding Share Options as a result of the Share Consolidation and the Rights Issue.

Reference is made to (i) the prospectus of the Company dated 30 September 2005 (“Prospectus”) in respect of the Rights Issue; and (ii) the announcement of the Company dated 19 October 2005 in respect of the results of the Rights Issue (the “Announcement”). Capitalised terms used herein have the meanings ascribed to them in the Prospectus, unless otherwise defined.

ADJUSTMENTS TO THE SHARE OPTIONS

As disclosed in the Announcement, pursuant to the terms of the Company’s share option scheme adopted on 30 December 2002 (the “Share Option Scheme”), adjustments are required to be made to the exercise price of and the number of Shares falling to be allotted and issued upon full exercise of the outstanding Share Options as a result of the Share Consolidation and the Rights Issue.

In accordance with the terms of the Share Option Scheme and the supplementary guidance issued by the Stock Exchange on 5 September 2005 regarding adjustment of share options under Rule 17.03(13) of the Listing Rules (the “Supplementary Guidance”), the exercise price of and the number of Shares falling to be allotted and issued upon full exercise of the outstanding Share Options have been adjusted (the “Adjustments”) in the following manner as a result of the Share Consolidation and the Rights Issue.

Date of grant	Number of Old Shares issuable on the exercise of the outstanding Share Options prior to the Share Consolidation and the Rights Issue	Exercise price per Old Share prior to the Share Consolidation and the Rights Issue <i>(HK\$)</i>	Number of Shares issuable on the exercise of the outstanding Share Options after the Share Consolidation but prior to the Rights Issue	Exercise price per Share after Share Consolidation but prior to the Rights Issue <i>(HK\$)</i>	Adjusted number of Shares issuable on the exercise of the outstanding Share Options after the Share Consolidation and the Rights Issue	Adjusted exercise price per Share after the Share Consolidation and the Rights Issue <i>(HK\$)</i>
20 November 2003	41,600,000	0.0234	416,000	2.34	416,000	2.34
17 March 2004	<u>82,600,000</u>	0.0240	<u>826,000</u>	2.40	<u>826,000</u>	2.40
Total	<u>124,200,000</u>		<u>1,242,000</u>		<u>1,242,000</u>	

The Company's independent financial adviser has checked the accuracy of the computation of the Adjustments by reference to the terms of the Share Option Scheme and the Supplementary Guidance and it has come to a conclusion that the Adjustments are fair and reasonable. Separate notification regarding the Adjustments will be sent to the holders of the Share Options.

By order of the board of
Capital Estate Limited
Chu Nin Yiu, Stephen
Executive Chairman

Hong Kong, 7 November 2005

As at the date of this announcement, the Board comprises Mr. Chu Nin Yiu, Stephen, Mr. Chu Nin Wai, David, Mr. Lau Chi Kan, Michael as executive Directors and Mr. Li Sze Kuen, Billy, Mr. Wong Kwong Fat and Mr. Leung Kam Fai as independent non-executive Directors.

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