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CAPITAL ESTATE LIMITED

冠中地產有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 193)

COMPLETION OF PLACING OF HK\$135,000,000 AGGREGATE PRINCIPAL AMOUNT CONVERTIBLE NOTES DUE 2013

The Directors are pleased to announce that the conditions for the placing of the Convertible Notes under the Placing Agreement were fulfilled, and that the placing of the Convertible Notes was completed on 8 November 2010. Pursuant to the Placing Agreement, HK\$135,000,000 aggregate principal amount of 4 per cent. Convertible Notes of the Company due in 2013 were placed to seven Subscribers, who, and whose ultimate beneficial owners, are Independent Third Parties.

Reference is made to the Company's announcement dated 14 October 2010 (the "Announcement") in relation to the placing of the Convertible Notes. Terms defined in the Announcement are used in this announcement with these defined meanings.

COMPLETION OF PLACING OF THE CONVERTIBLE BONDS

The Directors are pleased to announce that the conditions for the placing of the Convertible Notes under the Placing Agreement were fulfilled, and that the placing of the Convertible Notes was completed on 8 November 2010. Pursuant to the Placing Agreement, HK\$135,000,000 aggregate principal amount of 4 per cent. Convertible Notes of the Company due in 2013 were placed by the Placing Agent to seven Subscribers. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Subscribers and, where applicable, their ultimate beneficial owners, are Independent Third Parties. Upon full conversion of the Convertible Notes, none of the Subscribers will become a substantial shareholder (as defined in the Listing Rules) of the Company by reason only of the Convertible Notes taken up by that Subscriber.

Based on the Conversion Price of HK\$0.36 per Conversion Share (which is subject to adjustment), a maximum of 375,000,000 Conversion Shares will be allotted and issued upon exercise of the Conversion Rights attached to the Convertible Notes in full, representing approximately 17.5% of the existing issued share capital of the Company or approximately 14.9% of the issued share capital of the Company as enlarged by the issue of these 375,000,000 Conversion Shares.

USE OF PROCEEDS

The net proceeds from the placing of the Convertible Notes were approximately HK\$131,200,000. The Company intends to apply the net proceeds for general working capital of the Group.

By Order of the Board
Capital Estate Limited
Sio Tak Hong
Chairman

8 November 2010

As at the date of this announcement, the directors of the Company are Mr. Sio Tak Hong, Mr. Chu Nin Yiu, Stephen, Mr. Chu Nin Wai, David, Mr. Lau Chi Kan, Michael, Mr. Li Sze Kuen, Billy, Mr. Wong Kwong Fat and Mr. Leung Kwam Fai.