



CHINESE ESTATES HOLDINGS LIMITED
(Incorporated in Bermuda with limited liability)
(the "Issuer")

Notice to the Bondholders of "HK\$1,810,000,000 Zero Coupon Convertible Bonds due 2010" (the "Bonds")

The Issuer hereby gives notice to the Bondholders that in accordance with Condition 8 of the Terms and Conditions of the Bonds, the Bonds will be redeemed at the option of the Issuer on 21st May, 2007 at 100 per cent. of the principal amount. The closing price of the shares of the Issuer for each of the 30 consecutive trading days, the last day of such 30-trading day period falls within five trading days prior to 20th April, 2007, was at least 130 per cent. of the conversion price at HK\$6.97. Any conversion of the Bonds shall be made on a date no later than seven business days prior to 21st May, 2007.

The ISIN of the Bonds is XS0215013441 and the Common Code is 021501344.

The principal amount of the Bonds outstanding as at 18th April, 2007 is HK\$318,500,000.

This notice is given by CHINESE ESTATES HOLDINGS LIMITED.

Hong Kong, 20th April, 2007