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## **CHINESE ESTATES HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 127)

### **PROFIT WARNING PRICE SENSITIVE INFORMATION**

This announcement is made by the Company pursuant to Rule 13.09(1) of the Listing Rules.

The Board wishes to inform the shareholders of the Company and potential investors that the Group is expected to record a loss for the year ended 31st December, 2010 as compared to a profit for the year ended 31st December, 2009.

**Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.**

This announcement is made by Chinese Estates Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The board of directors of the Company (the “Board”) wishes to inform the shareholders of the Company and potential investors that the Group is expected to record a loss for the year ended 31st December, 2010 as compared to a profit for the year ended 31st December, 2009. Investment properties of the Group will be revalued as at 31st December, 2010 and any decrease in fair value will be recognized in the statement of comprehensive income. The Board attributes such loss to unrealized valuation loss on certain investment properties of the Group as a result of fluctuations in fair value of the properties in Hong Kong and Mainland China. The Board believes that such loss will not have any material adverse impact on the business operation of the Group. The Group’s cash flow will not be affected and the financial position of the Group remains sound. The Board is of the view that the Company is well positioned to meet the challenges ahead.

The Company is in the process of preparing annual results of the Group for the year ended 31st December, 2010. The information contained in this announcement is only based on information currently available to the Company and is not based on any figures or information that has been audited or reviewed by the Company’s auditors. Details of the Group’s performance will be disclosed as and when the annual results for the year ended 31st December, 2010 are announced.

**Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By order of the Board  
**Lam, Kwong-wai**  
Company Secretary

Hong Kong, 14th March, 2011

*As at the date of this announcement, the Board comprised Mr. Joseph Lau, Luen-hung as Executive Director, Mr. Lau, Ming-wai and Ms. Amy Lau, Yuk-wai as Non-executive Directors and Mr. Chan, Kwok-wai, Ms. Phillis Loh, Lai-ping and Mr. Ma, Tsz-chun as Independent Non-executive Directors.*

*Website: <http://www.chineseestates.com>*