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**恒基兆業地產有限公司**  
**HENDERSON LAND DEVELOPMENT COMPANY LIMITED**  
Incorporated in Hong Kong with limited liability  
(Stock Code : 12)

## ANNOUNCEMENT

The sales of 4 units at 39 Conduit Road were recently completed, and the Group has received in full the amounts of purchase price receivable, together with interest for delayed completion.

In relation to 20 other units in the Development in respect of which sale and purchase agreements were entered into, the Group has received written requests from the purchasers concerned for cancellation of the sale and purchase agreements. In accordance with the terms of the agreements for sale and purchase under the Consent Scheme, the Group forfeited the deposit of 5% of the purchase prices, entered into cancellation agreements to cancel the sale and purchase, and refunded other payments received in respect of the purchase prices.

### INTRODUCTION

The board of directors (the “**Board**”) of Henderson Land Development Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) would like to provide an update in relation to the sale of 24 units at 39 Conduit Road (the “**Development**”) conducted by the Group in October 2009 and scheduled to be completed on or before 16 June 2010.

### COMPLETION OF SALE OF CERTAIN UNITS AND CANCELLATION OF SALE OF CERTAIN OTHER UNITS

The sales of 4 units in the Development were completed from 11 June 2010 to 14 June 2010, and the Group has received in full the amounts of purchase price receivable, together with interest for delayed completion. The units involved are Units A and B on the 30<sup>th</sup> Floor and the 31<sup>st</sup> Floor of the Development. There was no reduction in purchase price, nor did the Group provide any assistance in relation to the financing of the purchase price by the purchasers of those 4 units.

Other than those 4 units in the Development, the Group has received written requests from the purchasers of the remaining 20 units concerned for the cancellation of the sale and purchase agreements. In accordance with the terms of the agreements for sale and purchase, which were in the standard form under the Consent Scheme administered by the Government relating to pre-sale of residential units in uncompleted developments, the Group forfeited the deposit of 5% of the purchase price. Other payments over and above the 5% deposit in respect of the purchase prices received by the Group have been refunded to the purchasers concerned, in

accordance with the terms of the agreements for sale and purchase under the Consent Scheme. The agreements for sale and purchase in respect of those 20 units were cancelled by mutual agreement between the vendor and the respective purchasers. With such cancellation made, the Group would be free to offer the units concerned for sale again immediately if it so wishes, but would have no further claims against the original purchasers for any deficiency in price on resale. Further, legal uncertainties could be avoided.

The total sum of deposit forfeited by the Group in relation to the sale of 20 units cancelled amounted to approximately HK\$133.36 million.

## **GENERAL**

The Group remains confident in the prestigious location and the superior quality of the Development, and intends to continue to be sparing in considering any sale of units in it. Some of the units in the Development would be retained for rental purpose in accordance with the original arrangements with the joint venture partners.

As a result of the cancellation of the sale of 20 units in the Development, a loss on cancellation of approximately HK\$734 million would be charged to the profit and loss account of the Group for the first six months of the current financial year. For the financial year as a whole, such loss on cancellation may be reduced if any of those 20 units are sold again later this year. For comparison purposes, the reported profits attributable to equity shareholders of the Company for the eighteen month period ended 31 December 2009 amounted to HK\$14.32 billion.

By Order of the Board  
**Henderson Land Development Company Limited**  
**Timon LIU Cheung Yuen**  
*Company Secretary*

Hong Kong, 15 June 2010

*As at the date of this announcement, the Board comprises: (1) executive directors: Lee Shau Kee (Chairman), Lee Ka Kit, Colin Lam Ko Yin, Lee Ka Shing, John Yip Ying Chee, Alexander Au Siu Kee, Suen Kwok Lam, Lee King Yue, Fung Lee Woon King, Eddie Lau Yum Chuen, Li Ning and Patrick Kwok Ping Ho; (2) non-executive directors: Woo Po Shing, Leung Hay Man, Angelina Lee Pui Ling, Lee Tat Man and Jackson Woo Ka Biu (as alternate to Woo Po Shing); and (3) independent non-executive directors: Gordon Kwong Che Keung, Ko Ping Keung and Wu King Cheong.*