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WHEELOCK AND COMPANY LIMITED
(Incorporated in Hong Kong with limited liability)
Stock Code: 20



WHEELOCK PROPERTIES LIMITED
(Incorporated in Hong Kong with limited liability)
Stock Code: 49

DISCLOSEABLE TRANSACTION

MAJOR TRANSACTION

JOINT ANNOUNCEMENT

The boards of directors of Wheelock and WPL wish to announce that on 2 March 2010, the Tender Offer submitted by Fast New on behalf of the consortium formed jointly by WPL and NWD was accepted by MTR in respect of the development of the Project. WPL and NWD will, through Fast New, an equally-owned joint venture company, jointly develop the Project.

For Wheelock, since one or more of the applicable percentage ratios in respect of the financial commitment for the Transaction is/are greater than 5% while all such ratios are less than 25% for the purposes of Rule 14.07 of the Listing Rules, the Transaction constitutes a discloseable transaction for Wheelock and is therefore subject to the reporting and announcement requirements as set out in Rule 14.34 to Rule 14.37 of the Listing Rules.

For WPL, since one or more of the applicable percentage ratios in respect of the financial commitment for the Transaction is/are greater than 25% while all such ratios are below 100% for the purposes of Rule 14.07 of the Listing Rules, the Transaction constitutes a major transaction for WPL. According to Rule 14.33A of the Listing Rules, the Transaction is subject to the reporting and announcement requirements while the shareholders' approval requirement is exempted provided that all the conditions as referred to in Rule 14.33A(4) of the Listing Rules are satisfied.

A circular of WPL containing, among other things, details of the Transaction will be dispatched to WPL's shareholders as soon as practicable in compliance with the Listing Rules.

INTRODUCTION

The boards of directors of Wheelock and WPL wish to announce that on 2 March 2010, the Tender Offer submitted by Fast New on behalf of the consortium formed jointly by WPL and NWD was accepted by MTR in respect of the development of the Project. WPL and NWD will, through Fast New, an equally-owned joint venture company, jointly develop the Project.

DETAILS OF THE TENDER

On 24 February 2010, Fast New, as the project company and tenderer, submitted the Tender Offer to MTR on behalf of the consortium formed jointly by WPL and NWD. On 2 March 2010, the Tender Offer was accepted by MTR.

Fast New and MTR will enter into the Development Agreement in relation to the development of the Project on or before 23 March 2010.

Pursuant to the Development Agreement, WPL and NWD as guarantors will, (on a several basis), on the date of execution of the Development Agreement, enter into a guarantee in favour of MTR to guarantee the performance and fulfillment of all obligations of Fast New under or arising out of or in connection with the Development Agreement.

ESTIMATED FINANCIAL COMMITMENT

The WPL Group may in future provide finance, guarantees and/or security in respect of 50% of the development and related costs of the Project as payable by Fast New. The WPL Group's portion of funding is expected to be financed by internal resources, existing corporate banking facilities and project financing as deemed appropriate by WPL.

The total development and related costs of the Project as payable by Fast New are budgeted at approximately HK\$11.7 billion and the total capital commitment of the WPL Group is expected to be approximately HK\$5.8 billion, representing 50% of the aforesaid budgeted development and related costs of approximately HK\$11.7 billion. However, depending on various market and other factors, the final figure for the total development and related costs may vary.

REASONS FOR AND BENEFITS OF THE TRANSACTION

The directors of Wheelock and WPL believe that the Transaction is a viable investment, will broaden the asset and earnings base of and will be beneficial to Wheelock and WPL and their respective shareholders as a whole.

The directors of Wheelock and WPL also consider that the terms of the Transaction are in the respective interests of Wheelock and WPL and their respective shareholders, and the relevant transactions are in the ordinary and usual course of business of the Wheelock Group and the WPL Group, on normal commercial terms, and are fair and reasonable.

REGULATORY ASPECTS

To the best of the knowledge, information and belief of the directors of Wheelock and WPL, and having made all reasonable enquiry, each of NWD and MTR and their respective ultimate beneficial owner(s) are independent third parties and are not connected persons of Wheelock and WPL respectively.

For Wheelock, since one or more of the applicable percentage ratios in respect of the financial commitment for the Transaction is/are greater than 5% while all such ratios are less than 25% for the purposes of Rule 14.07 of the Listing Rules, the Transaction constitutes a

discloseable transaction for Wheelock and is therefore subject to the reporting and announcement requirements as set out in Rule 14.34 to Rule 14.37 of the Listing Rules.

For WPL, since one or more of the applicable percentage ratios in respect of the financial commitment for the Transaction is/are greater than 25% while all such ratios are below 100% for the purposes of Rule 14.07 of the Listing Rules, the Transaction constitutes a major transaction for WPL. According to Rule 14.33A of the Listing Rules, the Transaction is subject to the reporting and announcement requirements while the shareholders' approval requirement is exempted provided that all the conditions as referred to in Rule 14.33A(4) of the Listing Rules are satisfied.

A circular of WPL containing, among other things, details of the Transaction will be dispatched to WPL's shareholders as soon as practicable in compliance with the Listing Rules.

GENERAL

The principal business activities of the Wheelock Group are ownership of properties for development and letting, investment holding, container terminals as well as communications, media and entertainment and those of the WPL Group are ownership of properties for development and letting as well as investment holding.

The NWD Group is principally engaged in investments in the areas of property, infrastructure, hotel operation, department store operation, services as well as telecommunications and technology.

As at the date of this announcement, the board of directors of Wheelock comprises Mr. Peter K. C. Woo, Mr. Gonzaga W. J. Li, Mr. Stephen T. H. Ng and Mr. Paul Y. C. Tsui, together with three independent non-executive directors, namely, Mr. Alexander S. K. Au, Mr. B. M. Chang and Mr. Kenneth W. S. Ting, and the board of directors of WPL comprises Mr. Peter K. C. Woo, Dr. Joseph M. K. Chow, Mr. Gonzaga W. J. Li, Mr. T. Y. Ng, Mr. Paul Y. C. Tsui and Mr. Ricky K. Y. Wong, together with three independent non-executive directors, namely, Mr. Herald L. F. Lau, Mr. Roger K. H. Luk and Mr. Glenn S. Yee.

TERMS USED IN THIS ANNOUNCEMENT

Unless the context otherwise requires, capitalised terms used in this announcement shall have the following meanings: -

“connected person(s)”	shall have the same meaning ascribed to the Listing Rules
“Development Agreement”	a development agreement to be entered into by Fast New, WPL, NWD and MTR in relation to the development of the Project on or before 23 March 2010
“Fast New”	Fast New Limited, a company incorporated in Hong Kong with limited liability

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MTR”	MTR Corporation Limited (stock code: 66), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange
“NWD”	New World Development Company Limited (stock code: 17), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange
“NWD Group”	NWD together with its subsidiaries
“Project”	the Austin Station Property Developments Site C and Site D
“Site C”	to be known as Kowloon Inland Lot No. 11126 bound by Jordan Road, Canton Road, Wui Cheung Road and a future extension of Wui Man Road
“Site D”	to be known as Kowloon Inland Lot No. 11129 bound by Wui Cheung Road, Canton Road, Austin Road West and Wui Man Road
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tender Offer”	the tender offer submitted by Fast New on 24 February 2010 for the development of the Project
“Transaction”	the formation of a joint venture for the development of the Project by WPL through its 50% shareholding in Fast New
“Wheelock”	Wheelock and Company Limited (stock code: 20), a company incorporated in Hong Kong with limited liability with its shares listed on the Stock Exchange
“Wheelock Group”	Wheelock together with its subsidiaries
“WPL”	Wheelock Properties Limited (stock code: 49), a 74%-owned subsidiary of Wheelock, incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange
“WPL Group”	WPL together with its subsidiaries

“HK\$”

Hong Kong dollar, the lawful currency of Hong Kong

“%”

per cent.

By order of the directors of
WHEELOCK AND COMPANY LIMITED
Wilson W. S. Chan
Company Secretary

By order of the directors of
WHEELOCK PROPERTIES LIMITED
Wilson W. S. Chan
Company Secretary

Hong Kong, 2 March 2010