



Sun Hung Kai Properties

Press Release

Respecting Law and Community Views Change of Hunghom Peninsula Demolition Plan

(10 December 2004 – Hong Kong) NWS Holdings Limited (0659.HK) and Sun Hung Kai Properties Limited (0016.HK) today announced that they would change their plans to demolish Hunghom Peninsula. The decision was made after considering the controversy over the issue, which has caused discord in the community.

A spokesperson explained that both developers are based in Hong Kong, and do not want to see the community divided. More importantly, they do not want to precipitate an assault on private property rights and freedom of contract, as this would impair the business environment in a free economy. The two developers place great emphasis on community harmony, and have therefore decided to change their plans for demolition and explore unit renovation and reconfiguration, as well as the enhancement of estate facilities in general.

The spokesman said: “The two developers have acted entirely within their legal and contractual rights at every stage of their dealings with Hunghom Peninsula. The decision to change the demolition plan was made after taking into account prevailing circumstances and listening to public opinion. We have tried to be understanding and balance all interests with this decision.”

The spokesperson pointed out that as public companies, the developers are accountable to their shareholders. The latest decision also works in their favour, since renovation and reconfiguration, along with facility enhancement, could produce a profit in a shorter period of time and avoid taking an investment risk for three to four years.

The developers offered their sincere thanks to the community, various organizations and shareholders for the views expressed over the last week. They also thanked their supporters for understanding they made a difficult decision to redevelop, but one that was in full accord with the law, and that did everything possible to accommodate the many, often conflicting, priorities of the community.

The developers will continue with their proposed green construction programme and community involvement plans to minimize the impact of any future work on the neighborhood. NWS Holdings Limited and Sun Hung Kai Properties Limited are based in Hong Kong, and they will continue working for the betterment of the territory.

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This press release will be posted to the website of NWS Holdings Limited (www.nwsh.com.hk) and the website of Sun Hung Kai Properties Ltd (www.shkp.com).

NWS Holdings Limited

NWS Holdings Limited (Stock code: 0659.HK), the service flagship of New World Development Company Limited (Stock code: 0017.HK), embraces a diversified range of businesses in Hong Kong, Mainland China and Macau. These businesses can be broadly grouped under three main divisions: Service, Infrastructure and Ports. Its Service division comprises Facilities (Urban Property, General Security and the management of Hong Kong Convention and Exhibition Centre), Contracting (Hip Hing Group and NWS Engineering Group), Transport (New World First Bus, Citybus and New World First Ferry), Financial and Environmental. The Infrastructure portfolio includes energy, water treatment and waste management as well as roads and bridges projects. For Ports, NWS Holdings is principally engaged in container handling as well as logistics and warehousing.

Sun Hung Kai Properties Limited

Sun Hung Kai Properties (Stock code: 0016.HK) was publicly listed in 1972 and is now one of the largest property companies in Hong Kong. It specializes in premium-quality residential and commercial projects for sale and investment. The Group employs over 21,000 people and has In-house expertise in land acquisition, architecture, construction, engineering and property management that allow it to maintain stringent cost controls, while still adhering to the highest standards of quality. The Group's core business is the development of property for sale and investment. The Group also has complementary operations in property related fields such as hotels, financial services, insurance and property management. The Group also has investments in telecommunications, information technology, transportation, infrastructure and logistics.

For further information, please contact:

NWS Holdings Limited

Ms. Maria Cheung (Manager - Corporate Communication)

Tel: (852) 2131 6251

Pager: (852) 7302 3499

E-mail: mariacheung@nwsh.com.hk

Sun Hung Kai Properties Limited

Ms. Brenda Wong (Assistant Corporate Communications Manager)

Tel: (852) 2828 5164

Mobile: (852) 9131 6011

E-mail: shkp@shkp.com