
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Orient Overseas (International) Limited, you should at once hand this circular and the form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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ORIENT OVERSEAS (INTERNATIONAL) LIMITED

東方海外(國際)有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 316)

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE SECURITIES AND
TO REPURCHASE SECURITIES AND
RE-ELECTION OF DIRECTORS**

The notice convening the Annual General Meeting of Orient Overseas (International) Limited (the “Company”) to be held on 20th April 2007 at 10:00 a.m. at the Concord Room, 8th Floor, Renaissance Harbour View Hotel, 1 Harbour Road, Wanchai, Hong Kong (the “AGM”) is set out in the annual report of the Company for the year ended 31st December 2006 (the “Annual Report”). A form of proxy for use by the shareholders of the Company (the “Shareholders”) at the AGM is enclosed with the Annual Report which were despatched to the Shareholders together with this circular (the “Circular”).

Whether or not you intend to attend the AGM in person, you are requested to complete and return the form of proxy enclosed with the Annual Report in accordance with the instructions printed thereon and deposit the same with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Rooms 1806-07, 18th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as practicable but in any event not later than 48 hours before the time appointed for holding the AGM. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM should you so wish.

** for identification only*

29th March 2007

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LETTER FROM THE BOARD



ORIENT OVERSEAS (INTERNATIONAL) LIMITED

東方海外(國際)有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 316)

Executive Directors:

Mr. Chee Chen TUNG

(Chairman, President and Chief Executive Officer)

Mr. Nicholas David SIMS

(Vice President and Chief Financial Officer)

Mr. Philip Yiu Wah CHOW

Mr. Alan Lieh Sing TUNG

Non-Executive Directors:

Mr. Tsann Rong CHANG

Mr. Roger KING

Independent Non-Executive Directors:

Mr. Simon MURRAY

Dr. Victor Kwok King FUNG

Professor Richard Yue Chim WONG

Principal Office:

33rd Floor

Harbour Centre

25 Harbour Road

Wanchai, Hong Kong

Registered Office:

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

29th March 2007

To the Shareholders of the Company

Dear Sir or Madam,

PROPOSALS FOR GENERAL MANDATES TO ISSUE SECURITIES AND TO REPURCHASE SECURITIES AND RE-ELECTION OF DIRECTORS

INTRODUCTION

At the annual general meeting of the Company held on 21st April 2006, resolutions were passed granting the directors of the Company (the "Directors") general mandates to issue shares and to repurchase shares of the Company. Such general mandates will lapse at the conclusion of the AGM. No shares have been repurchased and no shares have been allotted, issued or otherwise dealt with by the Company pursuant to these mandates. It is proposed that at the AGM, the Directors be granted general mandates to issue shares and to repurchase shares of the Company.

* for identification only

LETTER FROM THE BOARD

The Directors proposed to re-elect Mr. Chee Chen Tung, Mr. Philip Yiu Wah Chow and Professor Richard Yue Chim Wong as Directors according to the bye-laws of the Company (the “Bye-laws”).

The purpose of this Circular is to set out the information and to seek your approval in relation to the general mandates to issue shares and to repurchase shares of the Company, and the re-election of Directors.

GENERAL MANDATES TO ISSUE SECURITIES AND TO REPURCHASE SECURITIES

An ordinary resolution will be proposed at the AGM to give a general and unconditional mandate to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with, at any time until the conclusion of the next annual general meeting following the passing of the relevant resolution or such earlier period as stated in the ordinary resolution of the Shareholders in general meeting, shares of all classes in the capital of the Company and securities convertible into shares and options, warrants or similar rights to subscribe for or purchase any shares in the capital of the Company or such convertible securities (the “Shares”) and to make, issue or grant offers, agreements, options or warrants which will or might require the exercise of such mandate either during or after the Relevant Period, up to 20 percent of the aggregate nominal amount of the issued share capital of the Company in issue on the date of the resolution (the “Securities Issue Mandate”). On the basis that no further ordinary shares are issued prior to the AGM, the Directors would be authorised under the Securities Issue Mandate to issue Shares up to a limit of 125,158,659 ordinary shares of the Company.

Another ordinary resolution will be proposed at the AGM to give a general and unconditional mandate to the Directors to exercise the powers of the Company to repurchase, at any time until the conclusion of the next annual general meeting of the Company following the passing of the relevant resolution or such earlier period as stated in the ordinary resolution of the Shareholders in general meeting, Shares up to a maximum of 10 percent of the aggregate nominal amount of the issued share capital of the Company (the “Securities Repurchase Mandate”).

In addition, an ordinary resolution will be proposed to authorise the extension of the Securities Issue Mandate, if passed, to increase the limit of the Securities Issue Mandate by adding to it any Shares repurchased under the Securities Repurchase Mandate.

To keep in line with current corporate practice, resolutions will be proposed to renew these mandates and the explanatory statement giving certain information regarding the Securities Repurchase Mandate as required by the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”) is set out in Appendix I to this Circular.

RE-ELECTION OF DIRECTORS

In accordance with Bye-law 87(2), Mr. Chee Chen Tung, an Executive Director, Chairman, President and Chief Executive Officer, Mr. Philip Yiu Wah Chow, an Executive Director, and Professor Richard Yue Chim Wong, an Independent Non-Executive Director, will retire by rotation at the AGM and, being eligible, will offer themselves for re-election.

LETTER FROM THE BOARD

Professor Richard Yue Chim Wong has been an Independent Non-Executive Director of the Company since 2003. The Directors note the positive contribution of Professor Wong to the development of the Company's strategy and policies through independent, constructive and informed contributions supported by his skills, expertise and varied backgrounds and qualifications through regular attendance and active participation. Professor Wong has confirmed that he meets the independence requirements of the Listing Rules and that there are no factors that may affect his independence as an Independent Non-Executive Director. Having considered the factors affecting the independence of a non-executive director under the Listing Rules, the Directors believe that Professor Wong would continue to be independent and propose his re-election as an Independent Non-Executive Director of the Company, subject to the approval by a separate resolution at the AGM.

The emoluments of the Directors are, as authorised by the Shareholders of the Company, determined by the board of directors of the Company (the "Board") on recommendations of the Remuneration Committee, by reference to market terms, their individual experience, duties and responsibilities within the Company and its subsidiaries (if applicable) and the Executive Directors also participate in a performance-based discretionary bonus shares determined by reference to the Company's and individual's performance. The Directors confirm that for the financial year ended 31st December 2006, there had not been a change in the basis of determining the emoluments of the Directors.

Biographical details of the retiring Directors who have offered themselves for re-election at the AGM are set out in Appendix II to this Circular.

The re-election of Directors will be individually put to vote by the Shareholders at the AGM.

ANNUAL GENERAL MEETING

A notice of the AGM is set out in the Annual Report accompanying this Circular. A form of proxy is enclosed with the Annual Report. Whether or not you intend to be present at the AGM, you are requested to complete the proxy form and return it in accordance with the instructions printed thereon as soon as possible and in any event so as to be received not less than 48 hours before the time fixed for holding the meeting. The completion and return of the proxy form will not preclude you from attending and voting at the AGM.

RIGHT TO DEMAND A POLL

Pursuant to Bye-law 66, at any general meeting every Shareholder present in person or by proxy or by attorney or (being a corporation) is present by a representative duly authorised under Section 78 of the Bermuda Companies Act 1981 as amended, shall have one vote on a show of hands and every Shareholder present in person or by proxy shall have one vote for every fully paid share of which he is the holder on a poll. A resolution put to the vote of a meeting shall be decided on a show of hands unless voting by way of poll is required by the Listing Rules or is demanded pursuant to the Listing Rules or the provisions of the Bye-laws before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll.

LETTER FROM THE BOARD

Voting by poll may be demanded:

- (a) by the Chairman; or
- (b) by at least three Shareholders present in person or by proxy for the time being entitled to vote at the meeting; or
- (c) by a Shareholder or Shareholders present in person or by proxy and representing not less than one-tenth of the total voting rights of all Shareholders having the right to vote at the meeting; or
- (d) by a Shareholder or Shareholders present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right; or
- (e) if required by the Listing Rules.

A demand for voting by poll by a person as proxy for a Shareholder shall be deemed to be the same as a demand by the Shareholder concerned.

On a poll, votes may be given either personally or by proxy and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way pursuant to Bye-laws 71 and 72.

RECOMMENDATION

The Directors believe that the granting of the Securities Issue Mandate and the Securities Repurchase Mandate, and the re-election of Directors are in the best interests of the Company and its Shareholders as a whole and recommend you to vote in favour of the relevant resolutions to be proposed at the AGM. The Directors intend to vote in favour of the resolutions in respect of their shareholdings (if any) in the Company.

Yours faithfully,
By order of the Board
Chee Chen Tung
Chairman

This Appendix I serves as the explanatory statement required to be sent to the Shareholders of the Company by the Listing Rules to provide requisite information to you for your consideration of the Securities Repurchase Mandate.

1. LISTING RULES

The Listing Rules permit companies whose listings are on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) to repurchase their securities on the Stock Exchange subject to certain restrictions, inter alia, source of funds required for any repurchases must be funded out of funds legally available for the purpose in accordance with the memorandum of association and bye-laws of the company and the laws of the jurisdiction in which the company is incorporated.

2. SHARE CAPITAL

The Securities Repurchase Mandate relates to the granting of a general mandate to the Directors of the Company to repurchase on the Stock Exchange Shares of the Company representing up to 10 percent of the Shares in issue at the date of the resolution granting the general mandate.

As at 23rd March 2007, the latest practicable date before printing of this Circular (the “Latest Practicable Date”), the issued share capital of the Company comprised 625,793,297 ordinary shares of US\$0.10 each.

On the basis that no further ordinary shares are issued prior to the AGM, the Directors would be authorised under the Securities Repurchase Mandate to repurchase Shares up to a limit of 62,579,329 ordinary shares of the Company.

3. REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and its Shareholders to have a general authority from Shareholders to enable the Directors to repurchase Shares on the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net value of the Company and its assets and/or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders.

4. FUNDING OF REPURCHASES

It is envisaged that the funds required for any repurchase would be derived from the funds of the Company, legally available for such purposes in accordance with the Company’s memorandum of association and bye-laws and the applicable laws of Bermuda, including capital paid up on the Shares to be repurchased, funds of the Company otherwise available for dividend or distribution or out of the proceeds of a new issue of Shares made for purposes of the repurchase, and any premium payable on repurchase shall be provided out of funds of the Company otherwise available for dividend or distribution or sums standing to the share premium account of the Company.

5. IMPACT ON WORKING CAPITAL

The Directors do not propose to exercise the Securities Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company. However, there might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the most recently published audited financial statements contained in the annual report for the year ended 31st December 2006) in the event that the Securities Repurchase Mandate were exercised in full at any time during the proposed repurchase period.

6. DIRECTORS' INTENTION TO SELL SHARES TO THE COMPANY

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, their associates have any present intention to sell any Shares to the Company or its subsidiaries under the Securities Repurchase Mandate if such Securities Repurchase Mandate is approved by the Shareholders.

7. EXERCISE OF POWER IN ACCORDANCE WITH LAW

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Securities Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Bermuda.

8. CONSEQUENCES OF REPURCHASE UNDER THE TAKEOVERS CODE

If on the exercise of the power to repurchase Shares pursuant to the Securities Repurchase Mandate, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Hong Kong Code on Takeovers and Mergers (the "Takeovers Code"). As a result, a Shareholder, or a group of Shareholders acting in concert, depending on the level of increase of Shareholders interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer under the Takeover Code. As at the Latest Practicable Date, Wharnclyff Limited ("Wharnclyff", a company owned by a discretionary trust established by Mrs. Shirley Shiao Ping Peng, sister of Mr. Chee Chen Tung, sister-in-law of Mr. Roger King, aunt of Mr. Alan Lieh Sing Tung and the substantial shareholder of the Company), Springfield Corporation ("Springfield", a company owned by a trust under which the descendants of the late Mr. Chao Yung Tung and members of their families, or any of them, are beneficiaries), Gala Way Company Inc. ("Gala Way", a company wholly owned by the discretionary trust established by Mrs. Shirley Shiao Ping Peng) and Monterrey Limited ("Monterrey", a company wholly owned by Springfield) directly owned approximately 44.45, 10.71, 7.74 and 4.91 percent respectively of the issued ordinary share capital of the Company. In the opinion of the Directors, if the Securities Repurchase Mandate were exercised in full at any time during the proposed repurchase period, this may give rise to an obligation to make a mandatory offer under the Takeovers Code.

9. SHARE PURCHASES MADE BY THE COMPANY

The Company had not repurchased any of its ordinary shares (whether on the Stock Exchange or otherwise) in the six months preceding the date of this Circular.

10. CONNECTED PERSONS

No connected persons (as defined in the Listing Rules) of the Company have notified it that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Securities Repurchase Mandate is approved by the Shareholders.

11. ORDINARY SHARE PRICES

The highest and lowest prices at which the ordinary shares of the Company have traded on the Stock Exchange during each of the previous twelve months were as follows:-

	Ordinary Shares	
	Highest HK\$	Lowest HK\$
2006		
March	29.600	25.550
April	29.350	26.000
May	32.300	27.850
June	29.000	25.900
July	31.500	27.300
August	32.400	29.400
September	32.900	30.250
October	34.500	31.300
November	52.850	33.500
December	51.000	47.050
2007		
January	53.700	48.100
February	68.700	51.400

APPENDIX II DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED

The following are the particulars of the Directors proposed to be re-elected at the AGM:

1. **Mr. Chee Chen Tung**, aged 64, has been appointed as an Executive Director, Chairman, President and Chief Executive Officer of the Company since October 1996. Mr. Tung chairs the Executive Committee and the Remuneration Committee of the Company. He is also the Chairman and/or a Director of various subsidiaries of the Company. Mr. Tung graduated from the University of Liverpool, England where he received his Bachelor of Science degree and acquired a Master's degree in Mechanical Engineering at the Massachusetts Institute of Technology in the United States. Mr. Tung is an Independent Non-Executive Director of BOC Hong Kong (Holdings) Limited, Cathay Pacific Airways Limited, Wing Hang Bank, Limited, Sing Tao News Corporation Limited, PetroChina Company Limited, Zhejiang Expressway Co. Ltd., and U-Ming Marine Transport Corp., which are all listed public companies.

Mr. Chee Chen Tung is the brother of Mr. Chee Hwa Tung and Mrs. Shirley Shiao Ping Peng, the substantial shareholders of the Company, and is the brother-in-law of Mr. Roger King and uncle of Mr. Alan Lieh Sing Tung, the Non-Executive Director and Executive Director of the Company respectively.

As at the Latest Practicable Date, Mr. Chee Chen Tung had the following interest in the Shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO"):

Beneficial Interest	Voting Interest	Total Number of Shares Interested (in Long Position)
97,811,011 (<i>Note 1</i>)	326,627,577 (<i>Notes 2 & 3</i>)	424,438,588

Notes:

1. Mr. Chee Chen Tung has an interest in a trust which, through Springfield, holds 97,811,011 Shares. Of such Shares, Springfield has an indirect interest in 30,765,425 Shares in which Monterrey has a direct interest, and Springfield has a direct interest in 67,045,586 Shares.
2. Wharncliff holds 278,165,570 Shares and the voting rights in respect of such holdings are held by Mr. Chee Chen Tung through Tung Holdings (Trustee) Inc. ("THTI"). Gala Way holds 48,462,007 Shares and the voting rights in respect of such holdings are held by Mr. Chee Chen Tung through THTI.
3. Wharncliff, Gala Way, Springfield and Monterrey together are referred to as the controlling shareholders.

Save as disclosed above, as at the Latest Practicable Date, Mr. Chee Chen Tung did not have any other interests in the Shares of the Company within the meaning of Part XV of the SFO.

Mr. Chee Chen Tung has a letter of appointment with the Company, which is for a term of three years with effect from 1st March 2005, renewable or extendable automatically by three years on the expiry of such initial term and every successive period of three years thereafter unless either party gives six (6) months written notice to the other to terminate the letter of appointment before expiry of the existing term, and is subject to retirement by rotation in accordance with the Bye-laws of the Company. For the financial year ended 31st December 2006, Mr. Tung received the sum of US\$1,772,921 from the Company. Mr. Tung does not have a service contract with the Company.

Save as disclosed above, there is no other information relating to Mr. Chee Chen Tung required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules, nor are there any other matters that need to be brought to the attention of the Shareholders of the Company.

2. **Mr. Philip Yiu Wah Chow**, aged 59, has been an Executive Director of the Company since December 2003. He is a member of the Executive Committee, the Finance Committee and the Share Committee and a Director of various subsidiary companies of the Company. Mr. Chow holds a Bachelor of Science degree in chemistry and physics from the University of Hong Kong and a Master of Business Administration degree from the Chinese University of Hong Kong. He has served the Company and its subsidiaries (the “Group”) in various capacities for 31 years and is the Chief Executive Officer of Orient Overseas Container Line Limited. He did not hold directorships in any other listed public companies in the last three years.

Mr. Chow does not have any relationship with any other directors, senior management or substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Chow had interests in 79,600 Shares of the Company, of which 72,600 Shares were directly held by him and 7,000 Shares were held by his spouse. Save as disclosed above, he did not have any other interests in the Shares of the Company within the meaning of Part XV of the SFO.

Mr. Chow has a letter of appointment with the Company, which is for a term of three years, renewable or extendable automatically by three years on the expiry of the initial term and every successive period of three years thereafter unless either party gives six (6) months written notice to the other to terminate the letter of appointment before expiry of the existing term, and is subject to retirement by rotation in accordance with the Bye-laws of the Company. Mr. Chow’s initial term of appointment commenced on 1st December 2003 and was automatically renewed on 1st December 2006. For the financial year ended 31st December 2006, Mr. Chow received the sum of US\$3,061,902 from the Group. Mr. Chow does not have a service contract with the Company.

Save as disclosed above, there is no other information relating to Mr. Chow required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules, nor are there any other matters that need to be brought to the attention of the Shareholders of the Company.

3. **Professor Richard Yue Chim Wong**, aged 54, has been an Independent Non-executive Director of the Company since December 2003. He serves on the Audit Committee and Remuneration Committee of the Company. He graduated from University of Chicago with Bachelor's, Master's and Ph D degrees in Economics and is Deputy Vice-Chancellor and Chair of Economics at The University of Hong Kong. He has been active in advancing economic research on policy issues in Hong Kong and China. He was awarded the Silver Bauhinia Star in 1999 by the Government of the Hong Kong Special Administrative Region for his contributions to education, housing, industry and technology development. He was appointed a Justice of the Peace in July 2000. He is also an Independent Non-Executive Director of CK Life Sciences Int'l., (Holdings) Inc., Great Eagle Holdings Limited, Industrial and Commercial Bank of China (Asia) Limited, Pacific Century Insurance Holdings Limited, Pacific Century Premium Developments Limited and Sun Hung Kai Properties Limited, which are all listed public companies, and is also a member of the Managing Board of the Kowloon-Canton Railway Corporation.

Professor Wong does not have any relationship with any other directors, senior management or substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Professor Wong did not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

Professor Wong has a letter of appointment with the Company, which is for a term of three years with effect from 1st March 2005 renewable or extendable automatically by three years on the expiry of such initial term and every successive period of three years thereafter unless either party gives six (6) months written notice to the other to terminate the letter of appointment before expiry of the existing term, and is subject to retirement by rotation in accordance with the Bye-laws of the Company. For the financial year ended 31st December 2006, Professor Wong received the sum of HK\$200,000 from the Company. Professor Wong does not have a service contract with the Company.

Save as disclosed above, there is no other information relating to Professor Wong required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules, nor are there any other matters that need to be brought to the attention of the Shareholders of the Company.