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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)

MAJOR TRANSACTION CONSTRUCTION OF VESSELS

Reference is made to the announcement dated 23rd March 2011 in relation to the March Transaction contemplated under the Shipbuilding Contracts which constitutes a discloseable transaction for the Company under the Listing Rules.

On 9th May 2011, the Purchasers, four indirect wholly owned subsidiaries of the Company, respectively entered into the Further Shipbuilding Contracts with Samsung for the construction of the Further Vessels for a total consideration of approximately US\$544 million (equivalent to approximately HK\$4,243.2 million).

Each of the relevant percentage ratios under Rule 14.07 of the Listing Rules of the Transaction contemplated under the Further Shipbuilding Contracts is more than 5% but is less than 25% and the Transaction constitutes a discloseable transaction for the Company. The Transaction and the March Transaction, when aggregated, is more than 25% but less than 75% of the applicable percentage ratios under Rule 14.07 of the Listing Rules, and constitutes a major transaction of the Company and is subject to the approval of the Shareholders at a general meeting under Rules 14.08 and 14.33 of the Listing Rules.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, no existing Shareholder has any interest in the Major Transaction and no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Major Transaction. As at the date of this announcement, 426,416,088 Shares, representing approximately 68.14% of the issued share capital of the Company, are held indirectly by Thelma, which in turn is held by Artson (56.36%) and Hanberry (43.64%) as trustees. The voting rights of such 426,416,088 Shares are held by the Company's Chairman, Mr. Tung Chee Chen, through his wholly owned company, THTI. In accordance with Rule 14.44 of the Listing Rules, the Company has obtained a written approval from THTI approving the Major Transaction in lieu of holding a general meeting of the Company. As such, no general meeting of the Company will be required to be convened to approve the Major Transaction.

A circular containing, amongst other things, the information required under the Listing Rules in relation to the Major Transaction will be despatched to the Shareholders on or before 30th May 2011.

* For identification only

Background

Reference is made to the announcement dated 23rd March 2011 in relation to the March Transaction contemplated under the Shipbuilding Contracts which constitutes a discloseable transaction for the Company under the Listing Rules.

On 9th May 2011, the Purchasers respectively entered into the Further Shipbuilding Contracts with Samsung, a Korean shipbuilder, for the construction of the Further Vessels for a consideration of approximately US\$136 million (equivalent to approximately HK\$1,060.8 million) for each Further Vessel and a total consideration of approximately US\$544 million (equivalent to approximately HK\$4,243.2 million) for the Further Vessels.

Finance Terms

The Company is presently arranging bank financing for the Further Vessels and expects that finance for about 70% of the purchase price of each Further Vessel, with the financing guaranteed by the Company, will be finalised in the near future with the balance of the purchase price to be funded from internal resources. Should such bank finance not be arranged, the full purchase price of each Further Vessel would come from internal resources.

Contract Terms

The terms of the Further Shipbuilding Contracts (including the consideration for each Further Vessel) were determined on an arm's length basis and on normal commercial terms (based on price comparable to market price (as published by brokers), payment terms and delivery dates that meet the Company's requirement and agreed between a willing buyer and a willing seller) and the Directors, including the Independent Non-Executive Directors, consider them to be fair and reasonable and to be in the interests of the Company and the Shareholders as a whole based on their experience in the container shipping industry. The contract price of each Further Vessel is payable in cash in five equal instalments. The first instalment is payable within five business days after signing of the respective Further Shipbuilding Contracts and receipt of the respective refundment guarantees and the last instalment is payable upon delivery of each Further Vessel, the other instalments are based on progress intervals on the construction of each Further Vessel. The Further Vessels are expected to be delivered in year 2013 and year 2014 respectively.

General

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Samsung, a public listed company in Korea, is a third party independent of the Company and the connected persons of the Company as defined in the Listing Rules, and the Company and the connected persons of the Company are unaware who Samsung's ultimate beneficial owner is. The principal business activities of Samsung are shipbuilding, offshore facilities construction, wind power facilities construction, engineering & construction.

The principal business of the Group is container transport and logistics services. The Further Shipbuilding Contracts have been entered into for the purposes of improving the quality of service which the Group provides to its customers. It is the view of the Directors that ownership of the Further Vessels will improve both the operating efficiency and profitability of the Group. The Group's fixed assets will increase following delivery of the Further Vessels, whilst current assets will decrease and long-term liabilities will increase depending on the proportion of the purchase price funded from internal resources and external finance.

Listing Rules Implications For The Company

Each of the relevant percentage ratios under Rule 14.07 of the Listing Rules of the Transaction contemplated under the Further Shipbuilding Contracts is more than 5% but is less than 25%. The Transaction constitutes a discloseable transaction for the Company under the Listing Rules.

The Transaction and the March Transaction, when aggregated, is more than 25% but is less than 75% of the applicable percentage ratios under Rule 14.07 of the Listing Rules, and constitutes a major transaction of the Company and is subject to the approval of the Shareholders at a general meeting under Rules 14.08 and 14.33 of the Listing Rules.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, no existing Shareholder has any interest in the Major Transaction and no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Major Transaction. As at the date of this announcement, 426,416,088 Shares, representing approximately 68.14% of the issued share capital of the Company, are held indirectly by Thelma, which in turn is held by Artson (56.36%) and Hanberry (43.64%) as trustees. The voting rights of such 426,416,088 Shares are held by the Company's Chairman, Mr. Tung Chee Chen, through his wholly owned company, THTI. In accordance with Rule 14.44 of the Listing Rules, the Company has obtained a written approval from THTI approving the Major Transaction in lieu of holding a general meeting of the Company. As such, no general meeting of the Company will be required to be convened to approve the Major Transaction.

A circular containing, amongst other things, the information required under the Listing Rules in relation to the Major Transaction will be despatched to the Shareholders on or before 30th May 2011.

Definitions

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“Artson”	Artson Global Limited, a company which is wholly owned by Mr. Tung Chee Chen, holds 56.36% of the shares of Thelma and, accordingly, has an indirect interest in the same Shares in which Thelma has an interest;
“Company”	Orient Overseas (International) Limited, a company incorporated in Bermuda;
“Directors”	the directors of the Company;
“Further Shipbuilding Contracts”	four shipbuilding contracts in relation to the Further Vessels all dated 9 th May 2011, each entered into by Samsung with the respective Purchasers;
“Further Vessels” (individually a “Further Vessel”)	four container vessels of approximately 13,000 TEU each to be constructed under the respective Further Shipbuilding Contracts;
“Group”	the Company and its subsidiaries;

“Hanberry”	Hanberry Global Limited, a company which is wholly owned by Mr. Tung Chee Hwa (brother of Mr. Tung Chee Chen, brother-in-law of Mr. King Roger (a Non-Executive Director of the Company), and father of Mr. Tung Lih Sing Alan (an Executive Director of the Company)), holds 43.64% of the shares of Thelma and, accordingly, has an indirect interest in the same Shares in which Thelma has an interest;
“HK\$”	Hong Kong Dollars, the lawful currency of The Hong Kong Special Administrative Region of the People’s Republic of China;
“Listing Rules”	The Rules Governing the Listing of Securities on the Main Board of the Stock Exchange;
“Major Transaction”	the Transaction and the March Transaction;
“March Transaction”	the discloseable transaction announced on 23 rd March 2011 for the construction of the Vessels of approximately 13,000 TEU each by Samsung for the Group for a total consideration of approximately US\$816 million (equivalent to approximately HK\$6,364.8 million);
“March Purchasers”	Newcontainer No.62 (Marshall Islands) Shipping Inc., Newcontainer No.63 (Marshall Islands) Shipping Inc., Newcontainer No.65 (Marshall Islands) Shipping Inc., Newcontainer No.66 (Marshall Islands) Shipping Inc., Newcontainer No.67 (Marshall Islands) Shipping Inc. and Newcontainer No.68 (Marshall Islands) Shipping Inc., each an indirect wholly owned subsidiary of the Company;
“Purchasers”	Newcontainer No.69 (Marshall Islands) Shipping Inc., Newcontainer No.70 (Marshall Islands) Shipping Inc., Newcontainer No.71 (Marshall Islands) Shipping Inc. and Newcontainer No.72 (Marshall Islands) Shipping Inc., each an indirect wholly owned subsidiary of the Company;
“Samsung”	Samsung Heavy Industries Co., Ltd., a public listed company in Korea;
“Shareholders”	shareholders of the Company;
“Shares”	ordinary shares of US\$0.1 each in the share capital of the Company;
“Shipbuilding Contracts”	six shipbuilding contracts in relation to the Vessels all dated 23 rd March 2011, each entered into by Samsung with the respective March Purchasers;

“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“TEU”	twenty-foot equivalent container unit;
“Thelma”	Thelma Holdings Limited, a company which is owned collectively by Artson and Hanberry;
“THTI”	Tung Holdings (Trustee) Inc., a company wholly owned by Mr. Tung Chee Chen, and which holds the voting rights in respect of 426,416,088 Shares (representing approximately 68.14% of the issued share capital of the Company) held by Thelma;
“Transaction”	the transaction constituted by the Further Shipbuilding Contracts;
“US\$”	United States Dollars, the lawful currency of the United States of America;
“Vessels” (individually a “Vessel”)	six container vessels of approximately 13,000 TEU each to be constructed under the respective Shipbuilding Contracts; and
“%”	per cent.

The exchange rate used for reference purpose in this announcement is US\$1 to HK\$7.8.

By Order of the Board
Orient Overseas (International) Limited
Lammy LEE
Company Secretary

Hong Kong, 9th May 2011

As at the date of this announcement, our Executive Directors are Messrs. TUNG Chee Chen, CHOW Philip Yiu Wah, Kenneth Gilbert CAMBIE and TUNG Lieh Sing Alan; our Non-Executive Director is Mr. KING Roger and our Independent Non-Executive Directors are Mr. Simon MURRAY, Mr. CHANG Tsann Rong Ernest, Professor WONG Yue Chim Richard and Mr. CHENG Wai Sun Edward.

website: <http://www.ooilgroup.com>