
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 18th April 2008 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 2007 (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 1806-1807, 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.

26th March 2008

* for identification only

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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. Kenneth Gilbert CAMBIE

(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

26th March 2008

To the Shareholders

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 20th April 2007, 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. Kenneth Gilbert Cambie, Mr. Alan Lieh Sing Tung, Mr. Roger King and Mr. Simon Murray 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 (the “Relevant Period”), 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 will be 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 during the Relevant Period 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 86(2), Mr. Kenneth Gilbert Cambie, who was appointed as an Executive Director of the Company on 1st August 2007, will retire at the AGM and, being eligible, will offer himself for re-election. In accordance with Bye-law 87(2), Mr. Alan Lieh Sing Tung, an

LETTER FROM THE BOARD

Executive Director, Mr. Roger King, a Non-Executive Director and Mr. Simon Murray, an Independent Non-Executive Director, will retire by rotation at the AGM and, being eligible, will offer themselves for re-election.

Mr. Simon Murray has been an Independent Non-Executive Director of the Company since 1992 and has served on the Audit Committee of the Company since 1998. The Directors note the positive contribution of Mr. Murray 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. Mr. Murray 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 Mr. Murray 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, determined by the board of Directors (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 scheme determined by reference to the Company's and individual's performance. The Directors confirm that for the financial year ended 31st December 2007, 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

LETTER FROM THE BOARD

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.

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
Orient Overseas (International) Limited
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 19th March 2008, 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 will be 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 2007) in the event that the Securities Repurchase Mandate was 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 Rule 32 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 in accordance with Rules 26 and 32 of the Takeovers Code. As at the Latest Practicable Date, Wharnclyff Limited, Springfield Corporation, Gala Way Company Inc., Monterrey Limited and Fortune Crest Inc., which are, directly or indirectly, wholly owned subsidiaries of Thelma Holdings Limited ("Thelma"), directly owned approximately 44.73, 10.71, 7.74, 4.91 and 0.03 percent respectively of the issued ordinary share capital of the Company. Thelma is owned collectively by Artson International Inc. and Hanberry Worldwide Ltd. as trustees of the trusts under which the descendants of the late Mr. Chao Yung Tung and members of their families, or any of them, are beneficiaries. The Directors are not aware of any 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\$
2007		
March	72.95	62.10
April	77.50	66.35
May	81.40	61.25
June	80.45	73.00
July	98.70	78.00
August	96.80	68.60
September	86.00	71.50
October	83.00	75.05
November	86.00	52.90
December	66.00	53.00
2008		
January	58.10	36.00
February	47.65	40.55
March (upto the Latest Practicable Date)	50.00	39.05

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. Kenneth Gilbert Cambie**, aged 46, has been an Executive Director and the Chief Financial Officer since August 2007. He chairs the Finance Committee and the Share Committee and is a member of the Compliance Committee and the Executive Committee of the Board of the Company and a Director of various subsidiaries of the Company. He is a member of the New Zealand Institute of Chartered Accountants and holds a Master of Commerce degree (first class honours) from Auckland University in New Zealand. Mr. Cambie joined the Company following a 20-year career with Citibank. His last position with Citibank was as Director, Transportation, Asia Pacific Corporate Banking based in Hong Kong. In that role Mr. Cambie was responsible for meeting the banking and financing needs of a range of shipping, port, airline and airport companies in the Asia and Pacific regions. Prior to moving to Hong Kong in mid-2001, Mr. Cambie was the corporate banking head for Citibank, New Zealand for seven years and had also spent several years with the bank in Australia in corporate banking and leveraged finance roles.

Mr. Cambie has not held any directorships in other listed public companies in the last three years and does not have any relationships with any directors, senior management or substantial or controlling shareholders of the Company.

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

Mr. Cambie has a service contract with the Company for a term of three years commencing on 1st August 2007 and is subject to retirement by rotation and re-election in accordance with the Bye-laws of the Company. He received a sum of HK\$3,000,000 per annum, determined by the remuneration committee of the Company by reference to market terms, his experiences, duties and responsibilities within the Company and its subsidiaries, and a performance-based discretionary bonus of at least HK\$1,000,000, with the actual amount to be determined by reference to the Company's and individual's performance.

Save as disclosed above, there is no other information relating to Mr. Cambie 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. Alan Lieh Sing Tung**, aged 40, has been an Executive Director of the Company since 1st May 2005. He is the Managing Director of Orient Overseas Developments Limited, a wholly-owned subsidiary of the Company, which is the holding company for the Group's property investments. Mr. Tung has been with the Group in various capacities for 15 years and is a Director of various subsidiaries of the Company. Mr. Tung graduated from Princeton University, Politics Department with a Bachelor of Arts degree. Mr. Tung is a nephew of Mr. Chee Chen Tung and Mr. Roger King.

Mr. Tung has not held any directorships in other listed public companies in the last three years, and as at the Latest Practicable Date, he did not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

APPENDIX II DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED

Mr. Tung has a letter of appointment with the Company, which is for a term of three years with effect from 1st May 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 2007, Mr. Tung received the sum of HK\$927,000 from the Group and shall receive a performance-based discretionary bonus, determined by reference to Orient Overseas Developments Limited's and individual's performance, payable after approval of the audited financial results of the Company for the year ended 31st December 2007 by the Shareholders of the Company at the AGM. Mr. Tung does not have a service contract with the Company.

Save as disclosed above, there is no other information relating to Mr. 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.

3. **Mr. Roger King**, aged 67, has been a Non-Executive Director of the Company since March 2000 and was an Executive Director from 1992, a member of the Finance Committee of the Company since 4th March 2008 and is also a Director of an associated company. He was the Managing Director and Chief Operating Officer of Orient Overseas (Holdings) Limited ("OOHL") for the period from September 1985 to January 1987 and a Director from 1983 until 1992. Mr. King is a graduate of the University of Michigan, BSEE, New York University, MSEE; Harvard Business School, AMP; and Hong Kong University of Science and Technology, PhD in Finance. Prior to joining OOHL in 1974, he served in the United States Navy and worked in computer research and management consultancy at Bell Telephone Laboratories and John Diebold, respectively. Mr. King is currently a Non-Executive Director of a number of other companies, including Arrow Electronics Corporation, a company listed on the New York Stock Exchange, a Member of the Supervisory Board of TNT, listed in the Netherlands and Sincere Watch (Hong Kong) Limited, listed on the Hong Kong Stock Exchange. He is the former Executive Chairman of System-pro Computers Limited, one of the largest personal computer reseller in Hong Kong and the former Non-Executive Chairman of Pacific Coffee Limited. He is also the former President and Chief Executive of Sa Sa International Holdings Limited and the former Independent Non-Executive Director and a member of Audit Committee of China LotSynergy Holdings Limited, both of which are listed companies in Hong Kong. Mr. King is the Honorary Consul for the Republic of Latvia in Hong Kong, an Adjunct Professor at The Hong Kong University of Science and Technology and was also a member of the Standing Committee of Zhejiang Province People's Political Consultative Conference. Mr. King is the brother-in-law of Mr. Chee Chen Tung and the uncle of Mr. Alan Lieh Sing Tung.

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

APPENDIX II DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED

Mr. King has a letter of appointment with the Company, which is for a term of three years with effect from 1st March 2008 renewable or extendable automatically by three years on the expiry of such 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 2007, Mr. King received a fee determined by the Remuneration Committee and approved by the Board, in the sum of HK\$464,750 from the Company. Mr. King does not have a service contract with the Company.

Save as disclosed above, there is no other information relating to Mr. King 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].

4. **Mr. Simon Murray**, CBE, aged 67, has been an Independent Non-Executive Director of the Company since 1992 and was a Non-Executive Director of Orient Overseas (Holdings) Limited from 1989 until 1992. He serves on the Audit Committee of the Company. He is currently the Chairman of General Enterprise Management Services (International) Limited (GEMS Ltd), a private equity fund management company. He is also a Director of a number of listed public companies, including Cheung Kong Holdings Limited, Arnhold Holdings Limited, Compagnie Financiere Richemont SA, Sino-Forest Corporation, USI Holdings Limited and Vodafone Group Plc. He is a former Independent Non-Executive Director of Hutchison Whampoa Limited, a listed public company in Hong Kong. Mr Murray is a member of the Former Directors Committee of the Community Chest of Hong Kong and has been involved in a number of other charitable organisations, including Save The Children Fund and The China Coast Community Association.

Mr. Murray does not have any relationships with any directors, senior management or substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Murray beneficially held 122,000 Shares of the Company. 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. Murray has a letter of appointment with the Company, which is for a term of three years with effect from 1st March 2008 renewable or extendable automatically by three years on the expiry of such 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 2007, Mr. Murray received a fee determined by the Remuneration Committee and approved by the Board, in the sum of HK\$150,000 from the Company. Mr. Murray does not have a service contract with the Company.

Save as disclosed above, there is no other information relating to Mr. Murray 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.