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ORIENT OVERSEAS (INTERNATIONAL) LIMITED *(Incorporated in Bermuda with limited liability)*

WHARNCLIFF LIMITED *(Incorporated in Liberia with limited liability)*

PLACING OF EXISTING SHARES IN ORIENT OVERSEAS (INTERNATIONAL) LIMITED

Sole Global Coordinator and Sole Bookrunner

UBS Investment Bank

The board of directors of Orient Overseas (International) Limited has been informed by Wharncliff Limited that on 10 September, 2003 the Vendor entered into the Placing Agreement with UBS Investment Bank pursuant to which UBS Investment Bank has procured buyers that have purchased an aggregate of 29,000,000 existing ordinary shares in the capital of the Company from the Vendor at the price of HK$15.00 per Share. The Shares placed represent approximately 5.61 per cent of the existing issued share capital of the Company.

The effect of the Placing is that, assuming completion of the Share Repurchase announced by the Company on 7 August, 2003, at least 25 per cent of the Shares will continue to be held by the public and the Company will therefore be in compliance with the requirements of Rule 8.08 of the Listing Rules immediately after completion of the Share Repurchase.

PLACING UNDER THE PLACING AGREEMENT DATED 10 SEPTEMBER, 2003

Vendor

Wharncliff Limited is one of the Controlling Shareholders of the Company. Immediately prior to the date of the Placing Agreement, it held 258,107,662 Shares, representing approximately 49.91% of the existing issued share capital of the Company.

Placing Agents

UBS Investment Bank was appointed as sole global coordinator and sole bookrunner for the Placing; ING Bank N.V. ("ING") was appointed as selling agent (together with UBS Investment Bank, the "Placing Agents"). The Placing Agents are independent third parties not connected with the Vendor or any of the Directors, chief executive or the substantial shareholders of the Company, its subsidiaries or any of their respective associates (as defined in the Listing Rules) for the purposes of this transaction.

Number of Placing Shares

The number of Placing Shares is 29,000,000, representing approximately 5.61% of the existing issued share capital of the Company.

Placing Price

The terms of the Placing Agreement, including the Placing Price of HK$15.00 per Share, were arrived at after arm's length negotiations between the Vendor and the Placing Agents. The Placing Price represents a discount of approximately 5.06% to the closing price of HK$15.80 per Share as quoted on the Stock Exchange on 10 September, 2003, and a discount of approximately 10.66% to the average closing price of the Shares of approximately HK$16.79 per Share over the last five consecutive trading days up to and including 10 September, 2003.

Rights

The Placing Shares were sold free of any claims, liens, encumbrances, options and third party rights. The placees or their respective beneficial owners (if applicable) under the Placing will receive all dividends (save, for the avoidance of doubt, for the interim dividend for the year 2003) and distributions declared, made or paid after the date of the Placing Agreement.

Independence of placees

The Placing Agents have confirmed that the placees and their respective ultimate beneficial owners under the Placing are independent of and not connected with the Vendor or any of the Directors, chief executive or substantial shareholders of the Company, its subsidiaries or any of their respective associates (as defined in the Listing Rules) and are not and are not deemed to be acting in concert (as defined in The Hong Kong Code on Takeovers and Mergers) with any of such persons. The Placing Agents have confirmed that none of the placees or their respective ultimate beneficial owners under the Placing will become a substantial shareholder of the Company immediately following completion of the Placing. The Placing Agents have further confirmed that all of the placees under the Placing are institutional or professional investors.

Completion of the Placing

Completion of the Placing will take place on 16 September, 2003.

EFFECT OF THE PLACING

The shareholding structure of the Company before and after completion of the Share Repurchase (assuming the Placing had not taken place) is set out below:

Shareholders	Number of Shares prior to the Share Repurchase	% of the Shares in issue prior to the Share Repurchase	Number of Shares after the Share Repurchase and cancellation of Shares being repurchased	% of the Shares in issue after the Share Repurchase
Controlling Shareholders	378,994,456	73.29%	378,994,456	80.61%
Fortwin Investment Limited and Sixpence Holdings Limited	46,957,088	9.08%	nil	nil
T.R. Chang	506,390	0.10%	506,390	0.11%
Nicholas D. Sims	46,000	0.01%	46,000	0.01%
Other Shareholders	90,637,698	17.53%	90,637,698	19.28%
Total	517,141,632	100%	470,184,544	100%

The shareholding structure of the Company before and after completion of the Share Repurchase, but after the Placing, is as follows:

Shareholders	Number of Shares prior to the Share Repurchase	% of the Shares in issue prior to the Share Repurchase	Number of Shares after the Share Repurchase and cancellation of Shares being repurchased	% of the Shares in issue after the Share Repurchase
Controlling Shareholders	349,994,456	67.68%	349,994,456	74.44%
Fortwin Investment Limited and Sixpence Holdings Limited	46,957,088	9.08%	nil	nil
T.R. Chang	506,390	0.10%	506,390	0.11%
Nicholas D. Sims	46,000	0.01%	46,000	0.01%
Other Shareholders	119,637,698	23.13%	119,637,698	25.44%
Total	517,141,632	100%	470,184,544	100%

REASONS FOR THE PLACING

As can be seen from the above tables, if the Placing had not taken place, the interest of the Controlling Shareholders in the Company's share capital would have increased from approximately 73.29% to approximately 80.61% of the Shares in issue as a result of the Share Repurchase.

The Company is obliged in accordance with its Listing Agreement with the Stock Exchange to ensure that at all times at least 25 per cent of the Company's Shares are held by the public. Accordingly, as stated in the Company's announcement dated 7 August, 2003, and confirmed in the Company's circular to shareholders dated 29 August, 2003, the Company obtained a written undertaking from the Controlling Shareholders that they will take appropriate steps to ensure that at least 25 per cent of the Company's Shares are held by the public immediately upon completion of the Share Repurchase.

As completion of the Share Repurchase is due to take place 3 Business Days after the holding of the SGM (assuming that Disinterested Shareholders approve the resolution relating to the Share Repurchase at the SGM) there will only be a limited period between the SGM and completion of the Share Repurchase. Therefore, the Vendor considered that it would be preferable to take positive action prior to the holding of the SGM in pursuance of its obligations under the undertaking provided to the Company so as to avoid the possibility of the Company being in breach of its Listing Agreement with the Stock Exchange as a result of the Vendor not being able, for whatever reason, to sell the Placing Shares in the short period between the SGM and completion of the Share Repurchase.

On Completion of the Placing, approximately 25.44 per cent of the Shares in issue will be held by the public after completion of the Share Repurchase (assuming that completion takes place) and therefore the Company will continue to be in compliance with the requirement of Rule 8.08 of the Listing Rules that at least 25 per cent of the Shares be held by the public after completion of the Share Repurchase.

IMPLICATIONS FOR THE SHARE REPURCHASE

The Share Repurchase is required to be approved by a special resolution approved by at least three-fourths of the votes cast on a poll by Disinterested Shareholders at the SGM. As announced in the Company's circular to shareholders dated 29 August, 2003 the SFC have ruled that the Controlling Shareholders are not Disinterested Shareholders for the purposes of the Share Repurchase Code and are not eligible to vote at the SGM in relation to the resolution to approve the Share Repurchase.

As mentioned above, the placees and their respective ultimate beneficial owners under the Placing are independent of and not connected with the Vendor or any of the Directors, chief executive or substantial shareholders of the Company, its subsidiaries or any of their respective associates (as defined in the Listing Rules) and are not and are not deemed to be acting in concert (as defined in The Hong Kong Code on Takeovers and Mergers) with any of such persons. The Company will be seeking confirmation from the SFC that the placees are Disinterested Shareholders for the purposes of the Share Repurchase Code and are therefore eligible to vote at the SGM in relation to the resolution to approve the Share Repurchase.

FURTHER PLACING AND SUBSCRIPTION

Under the Share Repurchase Code the Company shall not, without the consent of the SFC, announce or engage in a distribution of Shares following the announcement of the Share Repurchase for the period beginning on the date of the announcement and ending on 31st day immediately following completion or withdrawal of the Share Repurchase. The Controlling Shareholders have also agreed with the Placing Agents that they will not make a further placing of existing Shares until the Company is permitted to issue Shares in accordance with the Listing Rules and the Share Repurchase Code. A further announcement will be made as and when appropriate.

DEFINITIONS USED IN THIS ANNOUNCEMENT

"associates"	has the meaning ascribed to it in the Listing Rules
"Company"	Orient Overseas (International) Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
"Controlling Shareholders"	Gala Way, Springfield, Monterrey and the Vendor
"Director(s)"	the director(s) of the Company, including the non-executive Directors
"Disinterested Shareholders"	Shareholders of the Company who are eligible to vote at the SGM on the Share Repurchase
"Discretionary Trust"	a discretionary trust founded by Mrs. Shirley S.P. Peng
"Gala Way"	Gala Way Company Inc., a company owned by the Discretionary Trust, which holds approximately 7.74% of the existing issued Shares
"HK$"	Hong Kong dollars, the lawful currency in Hong Kong
"ING Bank N.V."	a registered securities dealer under the Securities and Futures Ordinance
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Monterrey"	Monterrey Limited, a company owned by Springfield, which holds approximately 4.92% of the existing issued Shares

"Placing"	the placing of the Placing Shares pursuant to the Placing Agreement
"Placing Agents"	UBS Investment Bank and ING
"Placing Agreement"	the placing agreement entered into on 10 September 2003 between the Vendor and UBS Investment Bank in relation to the Placing
"Placing Price"	HK$15.00 per Placing Share
"Placing Shares"	the 29,000,000 Shares currently owned by the Vendor and to be placed under the Placing
"SFC"	the Securities and Futures Commission
"SGM"	a special general meeting of the Company to be held at the Concord Room, 8th Floor, Renaissance Harbour View Hotel, 1 Harbour Road, Wanchai, Hong Kong at 11:00 a.m. on 22 September, 2003, to consider, among other things, the Share Repurchase
"Share Repurchase Code"	the Hong Kong Code on Share Repurchases
"Shares"	ordinary share(s) of US$0.10 each in the share capital of the Company
"Share Repurchase"	the proposed purchase of an aggregate of 46,957,088 Shares by the Company from Fortwin Investment Limited and Sixpence Holdings Limited at HK$9.80 per Share for a total cash consideration of HK$460,179,462 as described in the circular of the Company dated 29 August, 2003
"Springfield"	Springfield Corporation, a company owned by the Trust, which holds approximately 10.71% of the existing issued Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"substantial shareholders"	has the meaning ascribed to it in the Listing Rules

"Trust"	a trust under which the descendants of the late Mr. C.Y. Tung and members of their families, or any of them, are beneficiaries
"UBS Investment Bank"	UBS AG, Hong Kong branch, an authorised institution under the Banking Ordinance
"Vendor"	Wharncliff Limited, a company owned by the Discretionary Trust, which holds approximately 49.91% of the existing issued Shares

By order of the Board of
Orient Overseas (International) Limited
Lammy Lee
Company Secretary

By order of the Board of
Wharncliff Limited
Ester Wong
Company Secretary

Hong Kong, 10 September, 2003

The Directors jointly and severally accept fully responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.