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ORIENT OVERSEAS (INTERNATIONAL) LIMITED

(incorporated in Bermuda with limited liability)

ANNOUNCEMENT

WAIVER OF THE 25% MONTHLY SHARE REPURCHASES RESTRICTION UNDER RULE 10.06(2)(a) OF THE LISTING RULES

On 2 May, 2003, the Stock Exchange granted the Waiver to the Company subject to the conditions stated in the paragraph headed "Conditions" in the Share Repurchase Announcement. Pursuant to the Waiver and subject to certain principal conditions, the Company may, in any one calendar month, purchase Shares on the Stock Exchange numbering more than 25% of the total number of Shares which were traded on the Stock Exchange in the preceding calendar month. The Waiver will expire on 1 November, 2003.

In order to utilize effectively the Repurchase Mandate to enhance the Company's net asset value and earnings per Share, the Company applied to the Stock Exchange for the Waiver pursuant to Rule 10.06(2)(g) of the Listing Rules from the restriction on listed issuers, in any one calendar month, from repurchasing shares on the Stock Exchange numbering more than 25% of the total number of that kind of shares which were traded on the Stock Exchange in the preceding calendar month.

On 2 May, 2003, the Stock Exchange, subject to the principal conditions set out below, granted the Waiver to the Company for a period of six months commencing from the date of approval and expiring on 1 November, 2003. The Waiver has not been utilized as at the date of this announcement.

CONDITIONS FOR THE WAIVER GRANTED

The principal conditions for the Waiver granted are:

1. *Minimum public float: HK$100 million*

   The expected market capitalization of the Company held by the public throughout the Waiver Period must be at least HK$100 million.

2. *Repurchase up to 10% for each financial year*

The Company can only repurchase, within one financial year, up to 10% of its issued share capital from time to time.

3. *Minimum public float: 25%*

The public float of the Company at any time throughout the Waiver Period must not be less than 25% of the total issued share capital of the Company from time to time.

4. *Price and time restriction*

Price restriction: the repurchase price should not be higher than the latest (or current) independent bid price or the last independent sale (contracted) price quoted or reported on the System (as defined in the Rules of the Stock Exchange), whichever is higher.

Time restriction: if the Company wishes to conduct share repurchases, it shall not make the opening bid nor any bid in the last 30 minutes before the close of the normal trading hours as stipulated in the Rules of the Stock Exchange.

5. *Effective Period*

The Waiver is effective for a period of six months commencing from the date of the approval and accordingly will expire on 1 November, 2003.

The Directors of the Company have undertaken to the Exchange that they will procure the Company to comply with all the conditions as set out in the Share Repurchase Announcement.

INFORMATION FOR SHAREHOLDERS

(i) Pursuant to the Repurchase Mandate granted by the shareholders of the Company at its annual general meeting held on 2 May, 2003, the Directors of the Company are authorized to repurchase up to a maximum of 51,714,163 Shares.

(ii) Throughout the 2002 calendar year, the average monthly turnover in the trading of the Company's shares on the Hong Kong Stock Exchange was 3,923,356 Shares (HK$13,856,056). In the first three months of 2003, this average monthly amount has increased to 5,129,887 Shares (HK$25,814,641).

(iii) The current share price of HK$6.65 (the closing price at 22 April, 2003) represents a discount to the Company's net asset value per Share of 48.45%. The Directors therefore wish to take advantage of the fact that the Company's Shares are trading at a discount to net asset value to repurchase the Company's shares using funds which are surplus to the Company's needs. The Directors consider that to do so would be in the interests of both the Company and the shareholders as a whole, as a repurchase at current prices would enhance the Company's net asset value and earnings per Share.

(iv) Given the restriction under Rule 10.06(2)(a) of the Listing Rules, and the low turnover in the trading of the Company's shares, the Directors are of the view that the Company will not be able effectively to utilize its repurchase mandate to enhance shareholder value unless the Waiver is granted. Based on current turnover, the maximum number of shares which the Company could repurchase over a 6-month period without first obtaining the Waiver is 5,859,293 Shares, representing only 1.13% of the Company's issued share capital.

(v) In repurchasing Shares, the Company may only apply its available cash flow or working capital which is legally available for such purpose in accordance with its Memorandum of Association and Bye-Laws and the Companies Act. The Companies Act provides that the amount of capital repaid in connection with a share repurchase may only be derived from those funds of the Company, legally permitted to be utilized in this connection, including capital paid up on the relevant Shares to be repurchased, or the profits that would otherwise be available for dividend or the proceeds of a fresh issue of Shares made for the purpose. The amount of premium payable on repurchases may only be derived from either the profits that would otherwise be available for dividend or the share premium or contributed surplus accounts of the Company.

(vi) In the event that the Repurchase Mandate were to be exercised in full, the working capital or gearing position of the Company might be materially different from the position disclosed in the audited consolidated accounts for the year ended 31 December, 2002. However, the Directors do not propose to utilize the 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 shall from time to time be appropriate for the Company.

(vii) None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company. No other connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell any Shares to the Company, or have undertaken not to do so.

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

(ix) The Directors are not aware of any consequences which may arise under the Takeover Code as a result of any repurchases made.

PUBLIC FLOAT

At the close of business on 22 April, 2003, 177,625,179 Shares were held by the public (other than substantial shareholders and interests attributable to the Directors and other connected persons), representing approximately 34.34% of the issued share of the Company. Based on the closing price of HK$6.65 per Share quoted on the Stock Exchange on the same date, the market capitalization of the Company attributable to Shares held by the public was HK$1,181.2 million.

REPURCHASE LIMIT

The Directors may or may not, depending on market conditions, exercise the Waiver during the Waiver Period so as to repurchase Shares exceeding the 25% monthly repurchase restriction. If the Directors do exercise the Waiver, they will ensure that the Company will be able to finance such repurchases from its internal available cash flow or working capital in accordance with its Memorandum of Association and Bye-laws and the Companies Act.

The Stock Exchange has the absolute discretion to remove or suspend the Waiver granted or shorten the Waiver Period without giving any prior notice, should circumstances so require.

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise.

"Companies Act"	the Companies Act 1981 of Bermuda (as amended)
"Company"	Orient Overseas (International) Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
"Directors"	the directors including independent non-executive directors of the Company
"Listing Rules"	The Rules Governing the Listing of Securities on the Stock Exchange
"Repurchase Mandate"	the general mandate granted by the shareholders of the Company at its annual general meeting held on 2 May, 2003 pursuant to which the Directors were authorized to repurchase up to a maximum of 51,714,163 Shares for the period commencing from 2 May, 2003 until whichever is the earliest of: (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the bye-laws of the Company to be held; and (iii) the date on which the authority set out in the general mandate is revoked or varied by an ordinary resolution of the shareholders of the Company.
"Shares"	ordinary shares of US$0.10 each of the Company
"Share Repurchase Announcement"	the announcement of the Stock Exchange dated 5 November, 1998 in relation to share repurchases programmes

"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Takeover Code"	The Codes on Takeovers and Mergers and Share Repurchases
"Waiver"	the waiver applied for by the Company pursuant to Rule 10.06(2)(g) of the Listing Rules from the restriction on the Company, in any one calendar month, from purchasing Shares on the Stock Exchange of not more than 25% of the total number of Shares which were traded on the Stock Exchange in the preceding calendar month, in accordance with the Share Repurchase Announcement
"Waiver Period"	the period of six months commencing from 2 May, 2003, the date of approval of the Waiver and expiring on 1 November, 2003

By Order of the Board
Lammy Lee
Company Secretary

Hong Kong, 5 May 2003