

LDC agrees land premium for joint-venture project with Great Eagle in Mongkok

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Great Eagle Holdings Limited announces that Land Development Corporation, its joint venture partner in the Mongkok Urban Renewal Scheme, has reached an agreement with the Lands Department on the terms for the surrender and regrant for the Project, including a land premium of HK\$196,750,000.

Construction works will commence shortly. The project will include a 51-storey 709,000 sq. ft. Grade-A office tower, a 586,000 sq. ft. retail/entertainment centre and a 752-room hotel. It is scheduled for completion in 2002/2003.

Dr. K.S. Lo, Deputy Chairman and Managing Director of Great Eagle Holdings Limited, commented, "We are very pleased that an agreement has been reached on the land premium for the Mongkok Project. We will now move full speed ahead with construction of this prime development, which will increase the floor area of our Hong Kong-based property portfolio by almost 80%. We are commencing construction at a time when the economic cycle of Hong Kong begins its upturn, offering much improved prospects for all three components of our project, namely office, hotel and retail. Upon completion, the project should significantly enhance our Group's recurrent income base for the future."