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NWD 新世界發展有限公司
New World Development Company Limited
(incorporated in Hong Kong with limited liability)
(stock code: 0017)

新創建集團有限公司 *
NWS Holdings Limited
(incorporated in Bermuda with limited liability)
(stock code: 0659)

FURTHER ANNOUNCEMENT ON DISCLOSEABLE TRANSACTIONS

CRCTC had transferred 8% each of its equity interests in the JV Enterprise to each of AOS, ZISS and DBAG. Subsequent to such transfers, the JV Parties and the New Partners entered into the Supplemental Agreement on 20 November 2006 to amend certain terms of the Joint Venture Agreement.

Save as disclosed in this announcement, the material terms of the Joint Venture Agreement remain substantially unchanged. Moreover, the equity interests in the JV Enterprise to be held by NWS Service and the investment amount to be contributed by it under the Joint Venture Agreement shall remain unchanged.

BACKGROUND

Reference are made to the following announcements and circular in respect of the proposed setting up of the JV Enterprise for carrying on the business of developing, operating and managing a total of 18 large scale pivotal rail container terminals, one in each of the 18 Cities:

- (1) the announcement issued by NWSH on 26 September 2005 in relation to the Investment LoI;
- (2) the announcement issued by NWSH on 10 April 2006 in relation to the Investment Framework Agreement;
- (3) the joint announcement issued by NWD and NWSH on 28 September 2006 in relation to the Joint Venture Agreement; and
- (4) the circular issued by each of NWD and NWSH on 20 October 2006 in relation to the Joint Venture Agreement.

Unless otherwise defined herein, capitalized terms used in this announcement shall have the meaning given to such terms in the Joint Announcement.

CRCTC had transferred 8% each of its equity interests in the JV Enterprise to each of AOS, ZISS and DBAG. Subsequent to such transfers, the JV Parties and the New Partners entered into the Supplemental Agreement on 20 November 2006 to amend certain terms of the Joint Venture Agreement.

THE SUPPLEMENTAL AGREEMENT

Major amendments to the terms of the Joint Venture Agreement as stipulated in the Supplemental Agreement are set forth below:

Equity interests

The equity interests in the JV Enterprise to be held by the JV Parties and the New Partners subsequent to the abovesaid transfers of interests are as follows:

CRCTC	34%
NWS Service	22%
CIMC	10%
Promisky	10%
AOS	8%
ZISS	8%
DBAG	8%
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	100%

Board of directors

The board of directors of the JV Enterprise shall be consisted of eleven directors instead of ten directors as set out in the Joint Venture Agreement. NWS Service shall still be entitled to nominate two directors into this board.

Board of supervisors

The board of supervisors of the JV Enterprise shall be consisted of nine supervisors instead of seven supervisors as set out in the Joint Venture Agreement. NWS Service shall still be entitled to nominate one supervisor into this board.

The Supplemental Agreement is subject to the approval of the relevant PRC government authorities.

Save as disclosed in this announcement, the material terms of the Joint Venture Agreement remain substantially unchanged. Moreover, the equity interests in the JV Enterprise to be held by NWS Service and the investment amount to be contributed by it under the Joint Venture Agreement shall remain unchanged. Each of the NWD Board and the NWSH Board believes that the terms of the Supplemental Agreement are fair and reasonable and in the best interests of both NWD and NWSH and their respective shareholders as a whole.

INFORMATION RELATING TO THE NEW PARTNERS

The principal business of AOS includes investment and operation of rail container and multi-modal transportation, rail terminals and logistics services.

The principal business of ZISS is the provision of international container shipping services.

The principal business of DBAG includes management and operation of transportation and logistics businesses.

To the best knowledge of each of the NWD Board and the NWSH Board, each of the New Partners and its respective ultimate beneficial owners are independent from and not connected with any of the directors, chief executives and substantial shareholders of each of NWD and NWSH or any of their subsidiaries or associates.

TERMS USED IN THE ANNOUNCEMENT

Unless the context otherwise requires, capitalized terms used in this announcement shall have the following meanings:

“AOS”	Adriatic Ocean Shipping Company Limited (to be renamed as Rail Transport (International) Limited), a company incorporated under the laws of Gibraltar
“CIMC”	China International Marine Containers (Group) Co., Ltd., a company incorporated in the PRC with limited liability and whose shares are listed in the Shenzhen Stock Exchange
“CRCTC”	中鐵集裝箱運輸有限公司 (China Railway Container Transport Corp. Ltd., for identification purposes only), a company incorporated in the PRC by the Ministry of Railways
“DBAG”	Deutsche Bahn AG, a company incorporated under the laws of Germany
“Joint Announcement”	the joint announcement issued by NWD and NWSH on 28 September 2006 in relation to the Joint Venture Agreement
“New Partners”	collectively, AOS, ZISS and DBAG
“NWS Service”	NWS Service Management Limited, a company incorporated in the Cayman Islands, and is a direct wholly-owned subsidiary of NWSH
“Promisky”	Promisky Investment Limited, a company incorporated in Hong Kong with limited liability
“Supplemental Agreement”	a supplemental agreement dated 20 November 2006 and made among the JV Parties and the New Partners to amend certain terms of the Joint Venture Agreement
“ZISS”	Zim Integrated Shipping Services Limited, a company incorporated under the laws of Israel

By Order of the Board
New World Development Company Limited
Leung Chi Kin, Stewart
Company Secretary

By Order of the Board
NWS Holdings Limited
Dr. Cheng Kar Shun, Henry
Chairman

Hong Kong, 20 November 2006

As at the date of this announcement: (a) the executive directors of NWD are Dato' Dr. Cheng Yu Tung, Dr. Cheng Kar Shun, Henry, Dr. Sin Wai Kin, David, Mr. Liang Chong Hou, David and Mr. Leung Chi Kin, Stewart; (b) the non-executive directors of NWD are Mr. Cheng Yue Pui, Mr. Cheng Kar Shing, Peter, Mr. Chow Kwai Cheung, Mr. Ho Hau Hay, Hamilton and Mr. Liang Cheung Biu, Thomas; and (c) the independent non-executive directors of NWD are Lord Sandberg, Michael, Mr. Yeung Ping Leung, Howard, Dr. Cha Mou Sing, Payson (alternate director to Dr. Cha Mou Sing, Payson: Mr. Cha Mou Zing, Victor) and Mr. Lee Luen Wai, John.

As at the date of this announcement: (a) the executive directors of NWSH are Dr. Cheng Kar Shun, Henry, Mr. Doo Wai Hoi, William, Mr. Chan Kam Ling, Mr. Tsang Yam Pui, Mr. Wong Kwok Kin, Andrew, Mr. Lam Wai Hon, Patrick, Mr. Cheung Chin Cheung and Mr. William Junior Guilherme Doo; (b) the non-executive directors of NWSH are Mr. Wilfried Ernst Kaffenberger (alternate director to Mr. Wilfried Ernst Kaffenberger: Mr. Yeung Kun Wah, David), Mr. To Hin Tsun, Gerald and Mr. Dominic Lai; and (c) the independent non-executive directors of NWSH are Mr. Kwong Che Keung, Gordon, Mr. Cheng Wai Chee, Christopher and The Honourable Shek Lai Him, Abraham.

* For identification purposes only

Please also refer to the published version of this announcement in The Standard.