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新世界發展有限公司

New World Development Company Limited

(incorporated in Hong Kong with limited liability)

(Stock Code: 0017)

PROFIT WARNING

This announcement is made by New World Development Company Limited (the “Company”, together with its subsidiaries, the “Group”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board of directors of the Company (the “Board”) wishes to inform the shareholders of the Company and potential investors that it is expected that the Group is likely to incur a loss for the six months ended 31 December 2008. Such loss was mainly attributable to the revaluation deficit due to fair value changes in investment properties as a result of the current adverse financial and economic conditions. In addition, the loss is also attributable to an impairment provision on available-for-sale financial assets of approximately HK\$330 million. Other core businesses are still contributing profit positively to the Group.

As the Company is still in the process of finalizing the interim results for the six months period ended 31 December 2008, the information contained in this announcement is only based on the preliminary assessment by the Company’s management according to the consolidated management accounts of the Group which have not been reviewed by the Company’s auditors. **Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.**

By Order of the Board
Leung Chi-Kin, Stewart
Company Secretary

Hong Kong, 10 March 2009

As at the date of this announcement, (a) the Executive Directors of the Company are Dato’ Dr. Cheng Yu-Tung, Dr. Cheng Kar-Shun, Henry, Dr. Sin Wai-Kin, David, Mr. Liang Chong-Hou, David, Mr. Leung Chi-Kin, Stewart and Mr. Cheng Chi-Kong, Adrian ; (b) the Non-executive Directors of the Company are Mr. Cheng Kar-Shing, Peter, Mr. Chow Kwai-Cheung, Mr. Liang Cheung-Biu, Thomas and Ms. Ki Man-Fung, Leonie; and (c) the Independent Non-executive Directors of the Company are Mr. Yeung Ping-Leung, Howard, Dr. Cha Mou-Sing, Payson (alternate director to Dr. Cha Mou-Sing, Payson: Mr. Cha Mou-Zing, Victor), Mr. Ho Hau-Hay, Hamilton and Mr. Lee Luen-Wai, John.