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**漢國置業有限公司**

**Hon Kwok Land Investment Company, Limited**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 160)**

## **REPURCHASE OF CONVERTIBLE BONDS DUE 2011**

On 30 September 2009, Hon Kwok Treasury, a wholly-owned subsidiary of the Company, repurchased an aggregate amount of HK\$192 million in face value of the Convertible Bonds in accordance with the terms and conditions of the Convertible Bonds due on 27 June 2011.

This announcement is made pursuant to Rule 13.09(1) of the Listing Rules.

Reference is made to the announcement of Hon Kwok Land Investment Company, Limited (the “Company”) dated 20 June 2006 in relation to the issue of an aggregate principal amount of HK\$280 million 3.5 per cent. guaranteed convertible bonds due on 27 June 2011 (the “Convertible Bonds”) by Hon Kwok Land Treasury IV Limited (“Hon Kwok Treasury”), a wholly-owned subsidiary of the Company. The Convertible Bonds are guaranteed by, and convertible into fully paid shares of the Company of par value of HK\$1.00 each at a current conversion price of HK\$3.90 per share of the Company, subject to adjustment in certain events. The current conversion price of the Convertible Bonds will be adjusted from HK\$3.90 to HK\$3.80 per share of the Company with effect from 6 October 2009, details of which were published in the announcement of the Company dated 18 September 2009.

Unless previously converted, redeemed or repurchased and cancelled, the Convertible Bonds will be redeemed at 124.5481 per cent. of their principal amount in Hong Kong dollars on 27 June 2011 (the “Maturity Date”). Other than the repurchases as mentioned below, there has been no conversion, redemption or repurchase of the Convertible Bonds since issuance.

The Company would like to announce that an aggregate amount of HK\$192 million in face value of the Convertible Bonds, representing approximately 68.57% of the total outstanding principal amount of the Convertible Bonds, was repurchased by Hon Kwok Treasury from third parties. Particulars of the repurchases are as follows:

1. Amount of Convertible Bonds repurchased	:	HK\$145 million
Trade date	:	30 September 2009
Settlement date	:	8 October 2009
Method of repurchase	:	Trading through over-the-counter market
Price payable	:	HK\$10,000 per unit (with a face value of HK\$10,000)
Total cash consideration payable (including accrued interest to the Convertible Bonds)	:	HK\$146,423,819.44

2. Amount of Convertible Bonds repurchased	:	HK\$47 million
Trade date	:	30 September 2009
Settlement date	:	12 October 2009
Method of repurchase	:	Trading through over-the-counter market
Price payable	:	HK\$10,000 per unit (with a face value of HK\$10,000)
Total cash consideration payable (including accrued interest to the Convertible Bonds)	:	HK\$47,479,791.67

The abovementioned Convertible Bonds were repurchased in accordance with condition 8.7 of the terms and conditions of the Convertible Bonds and will be cancelled in due course. After the repurchases, the outstanding principal amount of the Convertible Bonds will be HK\$88 million. The repurchases will be financed by the internal resources of the Company and its subsidiaries (the “Group”).

The Group will save interest charges on the repurchased Convertible Bonds of approximately HK\$3 million for the financial year ending 31 March 2010 and approximately HK\$8 million for the period from 1 April 2010 to 27 June 2011. Together with the savings on the redemption premium of 24.5481 per cent. of approximately HK\$47 million relating to the repurchased Convertible Bonds, total interest charges and redemption premium saved on the repurchased Convertible Bonds will be amounted to approximately HK\$58 million.

The Group may repurchase further Convertible Bonds from the market if the Board of Directors of the Company considers the offered price of the Convertible Bonds is attractive. The Company believes that it is in the best interest of the Group as a whole to repurchase the abovementioned Convertible Bonds and, under the present conditions, to repurchase further Convertible Bonds, when available, at acceptable price.

By order of the Board  
**Hon Kwok Land Investment Company, Limited**  
**Wendy Yuk-Ying Chan**  
*Company Secretary*

Hong Kong, 2 October 2009

*At the date of this announcement, the directors of the Company are Mr. James Sai-Wing Wong, Ms. Madeline May-Lung Wong, Mr. Herman Man-Hei Fung, Mr. Dennis Kwok-Wing Cheung and Mr. Zuric Yuen-Keung Chan and the independent non-executive directors are Dr. Daniel Chi-Wai Tse, Mr. Kenneth Kin-Hing Lam and Prof. Hsin-Kang Chang.*