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FAR EAST CONSORTIUM INTERNATIONAL LIMITED

(Incorporated in the Cayman Islands with limited liability)

Website: <http://www.fareastconsortium.com.hk>

(Stock Code: 35)

CLARIFICATION ANNOUNCEMENT

Reference is made to the announcements of the Company dated 13 July 2005 and 20 June 2005 regarding the Riverside South Project ("Project") in Manhattan, the United States. The Company noted the recent articles published in newspapers in relation to the Project stating that the profit before tax to the Company will be approximately between HK\$330 million to HK\$430 million. These estimated figures, subject to change, are based on the agreed selling price of US\$1.76 billion and the Company's effective share of profit after deduction of costs and expenses.

Further the Company would like to clarify the estimated proceeds from sale of overseas assets of approximately HK\$1 billion to HK\$1.1 billion which is the best estimate of the Company based on the prevailing market conditions.

This statement is made at the request of The Stock Exchange of Hong Kong Limited.

Reference is made to the announcements of the Company dated 13 July 2005 and 20 June 2005 regarding the Riverside South Project ("Project") in Manhattan, the United States. The Company noted the recent articles published in newspapers in relation to the Project stating that the profit before tax to the Company will be approximately between HK\$330 million to HK\$430 million. These estimated figures, subject to change, are based on the agreed selling price of US\$1.76 billion and the Company's effective share of profit after deduction of costs and expenses. Due to due diligence process, the completion date of the transaction has been postponed to September, 2005.

Further the Company would like to clarify certain information contained in the newspapers regarding the estimated proceeds from sale of overseas assets. The estimated figures of approximately HK\$1 billion to HK\$1.1 billion which is the best estimate of the Company based on the prevailing market conditions. The Company will continue to streamline our business by disposing non-core business and overseas assets. However, the disposal of overseas properties is a long term strategy and the time frame of progressively disposal will take two to three years.

Further announcement will be made by the Company in accordance with the Listing Rules.

By order of the Board of
Far East Consortium International Ltd
Byron Lee
Company Secretary

Hong Kong, 22 August 2005

As at the date of this announcement, the Board of Directors of the Company comprises executive directors namely Mr. Deacon Te Ken Chiu, Dato' David Chiu, Mr. Craig Grenfell Williams, Mr. Dennis Chiu; non-executive directors namely Mrs. Ching-Lan Ju Chiu, Mr. Dick Tat Sang Chiu, Mr. Daniel Tat Jung Chiu and independent non-executive directors namely Mr. David Kwok Kwei Lo and Mr. Jian Yin Jiang.

Please also refer to the published version of this announcement in South China Morning Post and Hong Kong Economic Times.