



## **FAR EAST CONSORTIUM INTERNATIONAL LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

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

(Stock Code: 35)

### **ANNOUNCEMENT**

The Board refers to recent press articles mentioning (among other things) that the Company is planning to spin-off its hotel operations through listing as a real estate investment trust.

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

This announcement is made 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 (the "Board") of Far East Consortium International Limited (the "Company") refers to recent press articles mentioning (among other things) that the Company is planning to spin-off its hotel properties through listing as a real estate investment trust.

The Board wishes to announce that the Company is exploring the possibility of selling certain hotel properties of the Company and its subsidiaries to a unit trust proposed to be established. The possibility of applying for the authorization of the unit trust as a real estate investment trust with units to be listed in Hong Kong is also being explored. The feasibility or otherwise of the proposals would depend on a number of factors, including regulatory requirements, commercial considerations and market factors. No final decision has been made by the Company regarding those proposals, and the choice of properties has not yet been finalized. As of today, no application has been made to the relevant authorities for authorization of the proposed unit trust or for listing of its units.

**Shareholders of the Company and other investors should note that the Company may or may not proceed with the proposals relating to the proposed unit trust and listing of its units. Shareholders of the Company and other investors should exercise caution when dealing in the securities of the Company.**

Further announcements will be made if and when required.

By order of the Board

**Far East Consortium International Limited**  
**Bill, Kwai Pui MOK**

*Chief Financial Officer and Company Secretary*

Hong Kong, 7 August, 2006

*As at the date of this announcement, the Board of Directors of the Company comprises executive directors namely Mr. Deacon Te Ken Chiu, Tan Sri Dato' David Chiu, Mr. Dennis Chiu, Mr. Craig Grenfell Williams; 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, Mr. Jian Yin Jiang and Mr. Kwok Wai Chan.*

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