
NEWS RELEASE

Date: 20 August 2001

**Hysan signs agreement with Sincere to consolidate interests in
Lee Theatre Plaza**

(HONG KONG – 20 August 2001) Hysan Development Company Limited announces that it has entered into an agreement with the Sincere Company, Limited to acquire the latter's 30% interest in the holding company of Lee Theatre Plaza for a total consideration not exceeding HK\$516,000,000.

The acquisition will increase Hysan's interests in Lee Theatre Plaza from 70% to 100%. Completion is expected to take place on or about 15 September 2001. Sincere will also surrender its lease at Lee Theatre Plaza, which has since been taken up by the Esprit Group.

Mrs. Pauline Wong, Director, Property of Hysan Development, said, "The acquisition has reinforced Hysan's dynamic and long-term presence in Causeway Bay, where our core business is based."

"Lee Theatre Plaza is a prime retail property with a strategic location in the heart of Causeway Bay. The deal represents a good opportunity for the Company to consolidate its assets," said Mrs. Wong.

"Our retail portfolio became home to some of Hong Kong's largest 'lifestyle' flagship stores, namely Esprit and G.O.D. houseware store," said Mrs. Wong. "Consumers are increasingly drawn to lifestyle purchases and the enjoyable shopping experience that these large flagship stores provide."

The 25-storey Lee Theatre Plaza is one of the tallest retail centres in Hong Kong, with total gross floor area of 315,749 sq. ft. Located in the heart of Causeway Bay, it was formerly a renowned Chinese Opera House during the early part of the 20th century. Re-developed and re-opened in 1994, it has always been a landmark in Hong Kong with its sophisticated interior

design and a unique dome-shaped ceiling that distinguishes it from other buildings in the area.

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About Hysan Development Company Limited

Hysan Development Company Limited owns, develops and manages some 4.7 million square feet of high quality investment properties. With origins dating back to the 1920s, it is the largest commercial landlord in Hong Kong's prime office and retail Causeway Bay area.

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