



HONG KONG FERRY (HOLDINGS) COMPANY LIMITED

(Incorporated in Hong Kong under the Companies Ordinance)

(Stock Code: 00050)

ANNOUNCEMENT

Hong Kong Ferry (Holdings) Company Limited (the “Company”) refers to the judgment in High Court Action No.15329 of 1999 delivered on 22 December 2006. The Action relates to a claim from the Hong Kong Government (the “Government”) and the Group’s counterclaim regarding the Group’s development proposal of the Central ferry piers in the 1990s.

The Company is disappointed with the judgment and is awaiting legal advice as to whether to take the case to appeal or not.

The maximum claim from the Government on the Group is about HK\$77 million plus interests and costs, but the quantum has not yet been determined by the Court. When the Court has determined the quantum of the liability of the Group (if any), the profitability of the Group will be affected accordingly.

This announcement is issued pursuant to Rule 13.09 of the Listing Rules.

By Order of the Board
Yuen Wai Kuen
Company Secretary

Hong Kong, 22 December 2006

As at the date of this announcement, the executive directors of the Company are Mr. Lam Ko Yin, Colin (Chairman) and Mr. Li Ning, the non-executive directors are Mr. Au Siu Kee, Alexander, Mr. Lau Yum Chuen, Eddie, Dr. Lee Shau Kee, Mr. Leung Hay Man and Mr. Wong Man Kong, Peter and the independent non-executive directors are Mr. Ho Hau Chong, Norman, Mr. Kan Yuet Loong, Michael and Mr. Wu King Cheong.

“Please also refer to the published version of this announcement in The Standard”