



New World Development Company Limited

(incorporated with limited liability in Hong Kong)

(stock code: 0017)

OVERSEAS REGULATORY ANNOUNCEMENT

This overseas regulatory announcement is issued pursuant to rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Please refer to the attached notice released by Sherson Limited, a wholly-owned subsidiary of New World Development Company Limited, to Singapore Exchange Securities Trading Limited.

Hong Kong, 25 June 2007

As at the date hereof, (a) the executive directors of New World Development Company Limited (the "Company") are Dato' Dr. CHENG Yu-Tung, Dr. CHENG Kar-Shun, Henry, Dr. SIN Wai-Kin, David, Mr. LIANG Chong-Hou, David, Mr. LEUNG Chi-Kin, Stewart and Mr. CHENG Chi-Kong, Adrian; (b) the non-executive directors of the Company are Mr. CHENG Yue-Pui, Mr. CHENG Kar-Shing, Peter, Mr. CHOW Kwai-Cheung, Mr. HO Hau-Hay, Hamilton and Mr. LIANG Cheung-Biu, Thomas and (c) the independent non-executive directors of the Company are Lord SANDBERG, Michael, Mr. YEUNG Ping-Leung, Howard, Dr. CHA Mou-Sing, Payson, Mr. CHA Mou-Zing, Victor (as alternate director to Dr. CHA Mou-Sing, Payson) and Mr. LEE Luen-Wai, John.



New World Development Company Limited

(incorporated with limited liability in Hong Kong)

**NOTICE TO BONDHOLDERS OF
NO ADJUSTMENT TO CONVERSION PRICE**

Sherson Limited

(incorporated with limited liability in the British Virgin Islands)

HK\$6,000,000,000

Zero Coupon Guaranteed Convertible Bonds due 2014

(subject to an option of up to an additional HK\$1,000,000,000 in aggregate
principal amount of Zero Coupon Guaranteed Convertible Bonds due 2014)
(the "Bonds")

Guaranteed by

New World Development Company Limited
(the "Company")

(ISIN: XS0301648738)

NOTICE IS HEREBY GIVEN that, with reference to the notice given to the Bondholders on 14 June 2007 ("Previous Notice"), Commerzbank AG, Hong Kong Branch, an independent investment bank, has been appointed to determine the fair market value ("Fair Market Value") of the portion of the right to the proposed grant of entitlements to shareholders of the Company to subscribe on an assured basis for shares of New World Department Store China Limited (as referred to in the Previous Notice) attributable to one ordinary share of the Company. The Fair Market Value as determined by Commerzbank AG, Hong Kong Branch is HK\$0.000274. Based on the applicable adjustment formula provided in the terms and conditions of the Bonds, the adjusted Conversion Price is HK\$26.7836 (rounded down to 4 decimal places). However, since the adjustment amount of HK\$0.0004 (rounded down to 4 decimal places) is less than one per cent. of the current Conversion Price of HK\$26.784, no adjustment shall be made to the Conversion Price according to the terms and conditions of the Bonds, but such adjustment amount shall be carried forward and taken into account in any subsequent adjustment.

By Order of the Board
New World Development Company Limited
Leung Chi Kin, Stewart
Company Secretary

Hong Kong, 25 June 2007