CHINESE ESTATES HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 127)

COMPLETION ANNOUNCEMENT

ACQUISITION OF 49% INTEREST IN GRANDDAY GROUP LIMITED

Reference is made to the announcement of the Company dated 16 May 2011 (the "**Announcement**") in relation to the acquisition of 49% interest in Grandday Group Limited (the "**Acquisition**"). Unless otherwise stated in this announcement, capitalized terms used herein have the same meanings as defined in the Announcement.

The Board is pleased to announce that with all the Conditions pursuant to the Agreement having been fulfilled, the Acquisition was completed on 22 June 2011 and the Shareholders' Agreement has been entered into on 22 June 2011.

By Order of the Board
Lam, Kwong-wai
Company Secretary

Hong Kong, 22 June 2011

As at the date of this announcement, the Board comprised Mr. Joseph Lau, Luen-hung as Executive Director, Mr. Lau, Ming-wai and Ms. Amy Lau, Yuk-wai as Non-executive Directors and Mr. Chan, Kwok-wai, Ms. Phillis Loh, Lai-ping and Mr. Ma, Tsz-chun as Independent Non-executive Directors.

Website: http://www.chineseestates.com