



SALE OF CHELSEA HARBOUR LIMITED

27th January 2000

Further to the announcement on 7 December 1999, The Peninsular and Oriental Steam Navigation Company confirms that its subsidiary P&O Property Holdings Limited has entered into an unconditional contract for the sale of all of the issued share capital of Chelsea Harbour Limited for £59m. The sale price is in excess of book value.

The group of purchasers comprises The Berkeley Group PLC and Mansford Holdings PLC, who together are acquiring 50% of the shares, and Compco Holdings PLC and Chelsfield PLC who are each acquiring 25%.

Further information:

Victoria Moth P&O Corporate Communications
Tel: 0207 930 4343

Note to Editors

Chelsea Harbour is a unique commercial and residential development and the leading centre for interior design in Europe. Situated on the north bank of the Thames, the freehold site of approximately 17 acres has three principal commercial buildings totalling 261,000 sq. ft., 310 residential units and the five star Conrad Hotel, all located around a 50 berth marina. The site benefits from 1,350 underground car parking spaces.

(ends)