P&O

Press Release

SALE OF UK INVESTMENT PROPERTY PORTFOLIO

20th January 2000

The Peninsular and Oriental Steam Navigation Company announces that it has agreed terms with a consortium comprising Green Property plc and the Whitehall Fund (the real estate fund managed and sponsored by Goldman, Sachs & Co) for the sale of the major part of its UK investment property portfolio. The portfolio under discussion comprises some 130 properties totalling nearly 6 million square feet located throughout the UK. The book value is in excess of £400 million.

With this announcement, P&O can confirm that it has agreed terms for the sale of substantially all of its remaining investment property portfolio.

Further information:

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Note to Editors

P&O is being advised by J P Morgan, S G Hambros and Healey & Baker.

(ends)