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SOHO CHINA LIMITED

SOHO 中國有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 410)

ANNOUNCEMENT

Reference is made to the Announcement (as defined below) and the Fosun Announcement (as defined below). The Company believes that allegations in the Fosun Announcement are unsubstantiated.

The Company understands that, prior to the Company's discussion with the Vendors regarding the Acquisition, Fosun had discussed with the Vendors to acquire certain equity interest in Haizhimen but could not reach any agreement. The Vendors finally accepted the commercial terms offered by the Company after comparing the commercial terms offered by all potential buyers, including Fosun.

The Company and its PRC legal advisers take the view that, the Proposed Acquisition does not involve a transfer of equity interest in Haizhimen and therefore does not constitute a breach of any pre-emptive rights as alleged in the Fosun Announcement.

Reference is made to the announcement (the "**Announcement**") of SOHO China Limited (the "**Company**", together with its subsidiaries, the "**Group**") dated 29 December 2011 in relation to, among other things, the acquisition of the entire equity interests in 上海証大五道口房地產開發有限公司 (Shanghai Zendai Wudaokou Real Estate Development Co., Ltd.*) ("**Zendai Wudaokou**") and 杭州綠城合升投資公司 (Hangzhou Greentown Hesheng Investment Company*) ("**Greentown Hesheng**") and all the rights and title to the shareholders' loans owed by Zendai Wudaokou and Greentown Hesheng to its respective equity owners (collectively, the "**Acquisition**"). As disclosed in the Announcement, upon completion of the Acquisition, the Company will be indirectly interested in 50% equity interest in 上海海之門房地產投資管理有限公司 (Shanghai Haizhimen Property Investment Management Co. Ltd.*) ("**Haizhimen**").

Reference is also made to the announcement (the “**Fosun Announcement**”) of Fosun International Limited (“**Fosun**”, together with its subsidiaries, the “**Fosun Group**”) dated 30 May 2012 in relation to, among other things, the filing of a civil suit by Zhejiang Fosun Commerce Development Limited (“**Zhejiang Fosun**”) to Shanghai No. 1 Intermediate People’s Court, pursuant to which the Fosun Group has initiated a civil action against the relevant parties to protect its pre-emptive rights in the Acquisition (the “**Court Action**”).

Unless otherwise defined, terms used herein shall have the same meanings as those defined in the Announcement.

As at the date of this Announcement, although the Company has not yet received any formal court documents in relation to the Court Action, the Company believes that certain subsidiaries of the Company that were parties to the Acquisition might be named as one of the defendants in the Court Action.

The Company understands that, prior to the Company’s discussion with the Vendors regarding the Acquisition, Fosun had discussed with the Vendors to acquire certain equity interest in Haizhimen but could not reach any agreement. The Vendors finally accepted the commercial terms offered by the Company after comparing the commercial terms offered by all potential buyers, including Fosun.

The Company and its PRC legal advisers take the view that, the Acquisition does not involve a transfer of equity interest in Haizhimen and therefore, the Company believes that the transfer of the entire equity interests in Zendai Wudaokou and Greentown Hesheng by the Vendors to the Group does not constitute a breach of any pre-emptive rights as alleged in the Fosun Announcement.

The Company will issue a further announcement in the event the Group receives any formal court documents in relation the Court Action.

By order of the Board
SOHO China Limited
Pan Shiyi
Chairman

Beijing, the PRC, 31 May 2012

As at the date of this announcement, the Board comprises Mr. Pan Shiyi, Mrs. Pan Zhang Xin Marita, Ms. Yan Yan and Ms. Tong Ching Mau, being the executive Directors, and Dr. Ramin Khadem, Mr. Cha Mou Zing, Victor and Mr. Yi Xiqun, being the independent non-executive Directors.

* *For identification purpose only*