

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



SOHO CHINA LIMITED

SOHO 中國有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 410)

PROPOSED CHANGE OF AUDITORS

The Board announces that it has been proposed that KPMG will retire as the auditors of the Company with effect from the conclusion of the AGM. The Board has resolved to propose the appointment of PricewaterhouseCoopers as the new auditors of the Company following the retirement of KPMG and to hold office from the conclusion of the AGM until the conclusion of the next annual general meeting of the Company, subject to the approval of the Shareholders at the AGM.

The board (the “**Board**”) of directors (the “**Directors**”) of SOHO China Limited (the “**Company**”) announces that it has been proposed that KPMG will retire as auditors of the Company with effect from the conclusion of the forthcoming annual general meeting of the Company to be held on Tuesday, 14 May 2013 (the “**AGM**”).

The Board further announces that upon the recommendation of the audit committee (the “**Audit Committee**”) of the Board, it has resolved to propose the appointment of PricewaterhouseCoopers (“**PwC**”) as the new auditors of the Company following the retirement of KPMG and to hold office from the conclusion of the AGM until the conclusion of the next annual general meeting of the Company, subject to the approval of the shareholders of the Company (the “**Shareholders**”) at the AGM.

The Board, at its meeting on 6 March 2013, adopted a new corporate governance policy to review its auditors every five years, beginning in 2013. This policy is consistent with best practices among major listed companies. In furtherance of this policy, management distributed a request for proposals to a selected group of international accounting firms, received comprehensive written proposals, and conducted interviews with the proposed teams from each firm. The final selection was based on a careful evaluation of a number of factors, including the qualifications and experience of the firm, the qualifications and experience of the proposed team, understanding of the Company and the Company’s industry in China, experience with real estate development companies, particularly those with a build-to-hold

investment model, listed on The Stock Exchange of Hong Kong Limited, familiarity with accounting and tax issues facing the Company, and the proposed price. Based on these criteria, management unanimously recommended to the Audit Committee that the Company appoint PwC as its new auditors effective from the conclusion of the AGM. The Audit Committee unanimously adopted this recommendation in a resolution to the full Board, and the Board has unanimously proposed this appointment subject to the approval of the Shareholders at the AGM.

Given the longstanding relationship between the Company and KPMG, it was not easy for the Board to arrive at this decision. However, sound corporate governance practices require regular review of auditors and, periodically, rotation of auditors. KPMG has served as auditors of the Company for over twelve years, and therefore it was appropriate to undertake a review. In view of the change in the Company's business model from build-to-sell to build-to-hold, the Board felt it appropriate to undertake a comprehensive evaluation of auditors. On balance, the Board decided to appoint PwC to utilize its industry experience and value-added services to assist the Company with its transition to the build-to-hold business model and to increase cost-efficiency in the provision of audit services. The Board considers that it is in the best interests of the Company and the Shareholders as a whole to appoint PwC as the new auditors of the Company.

The Board would like to take this opportunity to express its sincere gratitude towards KPMG for its professional and quality services rendered to the Company during the past years, and for its understanding of the Board's decision.

KPMG has confirmed that there are no matters in connection with its retirement that need to be brought to the attention of the Shareholders. The Board and the Audit Committee confirm that there are no circumstances in respect of the proposed change of auditors that need to be brought to the attention of the Shareholders.

A resolution for appointing PwC as the new auditors of the Company will be proposed to the Shareholders at the AGM for consideration, and, if thought fit, passage as an ordinary resolution.

Further details in relation to the change of auditors and the proposed appointment of PwC as the new auditors of the Company are set out in the circular of the Company dated 12 April 2013.

By order of the Board
SOHO China Limited
Pan Shiyi
Chairman

Beijing, the PRC, 12 April 2013

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