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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)

DISCLOSEABLE TRANSACTION

ACQUISITION OF THE BUND 204 LAND

THE SHARE TRANSFER AGREEMENTS

The Board wishes to announce that on 11 June 2010, Sure Fancy, a wholly-owned subsidiary of the Company, Lead Good, a wholly-owned subsidiary of the Company, and the Company entered into: (i) the Share Transfer Agreement A to acquire 55% of the issued share capital of T&T International with Sellers A; and (ii) the Share Transfer Agreement B to acquire 35% of the issued share capital of T&T International with Seller B. The consideration for the 90% shares of T&T International is approximately RMB2.25 billion (inclusive of certain liabilities of T&T International and potential upward adjustments to the consideration). Immediately upon completion of the transactions contemplated under the Share Transfer Agreements, the Company will indirectly own 61.506% equity interest in the Project Company and 90% of T&T International's interest in the Project.

The Bund 204 Land is the last plot of land located on the premium strip of the Bund, Shanghai, PRC, that is available for commercial development. The Project has a total site area of 22,462 square meters, with a total planned gross floor area of approximately 189,000 square meters, including 112,312 square meters above-ground office and commercial areas and 14,700 square meters underground commercial area. T&T International holds 68.34% equity interest in the Project Company, a Sino-foreign cooperative joint venture that holds the legal right to the Project, and is entitled to a total planned gross floor area of approximately 131,000 square meters, including 69,000 square meters above-ground office and commercial areas and 12,000 square meters underground commercial area.

LISTING RULES IMPLICATIONS OF THE SHARE TRANSFER AGREEMENTS

The entering into of the Share Transfer Agreements constitutes a discloseable transaction for the Company under the Listing Rules. Accordingly, the Share Transfer Agreements are subject to the disclosure requirements under the Listing Rules.

THE SHARE TRANSFER AGREEMENT A

The Board wishes to announce that on 11 June 2010, (1) Sure Fancy, a wholly-owned subsidiary of the Company, as purchaser, (2) Lead Good, a wholly-owned subsidiary of the Company, as original purchaser, (3) the Company as purchaser's guarantor, (4) Stonehouse and (5) Silver Stone as sellers entered into the Share Transfer Agreement A, pursuant to which (a) Stonehouse agreed to sell, and Sure Fancy agreed to purchase, the Stonehouse Shares; and (b) Silver Stone agreed to sell, and Sure Fancy agreed to purchase, the Silver Stone Shares.

The principal terms of the Share Transfer Agreement A are as follows:

Date: 11 June 2010

- Parties:
- (1) Sure Fancy, a wholly-owned subsidiary of the Company, as purchaser
 - (2) Lead Good, a wholly-owned subsidiary of the Company, as original purchaser, who entered into a letter of intent with Stonehouse and Silver Stone in respect of the transfer of the Target Shares A on 29 March 2010 (the "**LOI A**") and paid an amount of USD25,000,000 as deposit ("**Deposit A**") under the LOI A
 - (3) the Company, as purchaser's guarantor
 - (4) Stonehouse, as seller of the Stonehouse Shares
 - (5) Silver Stone, as seller of the Silver Stone Shares

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Stonehouse and Silver Stone and their respective ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.

Subject matter: Pursuant to the terms of the Share Transfer Agreement A, (a) Stonehouse agreed to sell, and Sure Fancy agreed to purchase, the Stonehouse Shares; and (b) Silver Stone agreed to sell, and Sure Fancy agreed to purchase, the Silver Stone Shares.

Consideration and adjustment mechanism: The provisional consideration for the Target Shares A is RMB1,193,751,422 ("**Provisional Consideration A**"), being the sum of RMB2,500,000,000 times 55% as adjusted by an amount using the principles and calculations as set out in the Share Transfer Agreement A on a provisional basis. Before the Third Installment

Payment A Date (as defined below), Sure Fancy and Sellers A shall either agree or (in the event they cannot agree by not less than 30 Business Days before the Third Installment Payment A Date) jointly appoint Deloitte Touche Tohmatsu to determine the final consideration (“**Final Consideration A**”) and the adjustment to Provisional Consideration A using the principles and calculations as set out in the Share Transfer Agreement A and adopting the financial statements of T&T International and the Target Group for the period up to the Closing Date A.

The material adjustment items to the Provisional Consideration A as set out in the Share Transfer Agreement A are as follows:

- (1) The capital shortfall of T&T International to the Project Company of an amount of approximately RMB102,875,522 (of which Sellers A’s share shall be 55%) will be deducted in determining the Provisional Consideration A and shall become an upward adjustment item (being the capital shortfall times 55%) in determining the Final Consideration A upon fulfillment of certain conditions as described below.
- (2) Sure Fancy shall assume account payables of approximately RMB204,300,000 of T&T International upon completion of the transactions contemplated under the Share Transfer Agreement A. 55% of such account payable sum is already deducted in determining the Provisional Consideration A and will not be an adjustment item in determining the Final Consideration A.
- (3) The amount of demolition and removal costs of approximately RMB7,000,000 paid by the Project Company on behalf of Bailian Group Co. Ltd.* (百聯集團有限公司) (“**Bailian**”) shall become an upward adjustment item (being 55% of such amount) in determining the Final Consideration A upon collection of such amount from Bailian.
- (4) The adjustment amount of 37.587% of the difference between the demolition and removal costs actually incurred in respect of the Bund 204 Land (the “**Actual Demolition and Removal Costs**”) and the estimated demolition and removal costs as set out in the Share Transfer Agreement A.

It is currently contemplated that any adjustment to the Provisional Consideration A, together with any adjustment to the Provisional Consideration B (as defined below), will not result in a change in

the classification of the transaction. However, the Company will comply with the relevant requirements of the Listing Rules if there is an upward change in the classification of the transaction after the Final Consideration A and Final Consideration B (as defined below) are determined.

The above consideration was arrived at after arm's length negotiation between Sure Fancy and Sellers A, and was determined by reference to the recent market value of comparable land nearby the Bund 204 Land.

Conditions precedent:

The obligations of Sure Fancy and Sellers A to consummate the transactions contemplated under the Share Transfer Agreement A are subject to the satisfaction or written waiver on or prior to the Closing Date A of certain conditions including:

- (1) a PRC legal opinion issued by Sellers A's PRC legal counsels regarding the Project Company, the Bund 204 Land and the Project;
- (2) the delivery of certified copy of directors' resolutions of T&T International approving the resignation of three original directors of T&T International and the appointment of three directors nominated by Sure Fancy with effect from Closing Date A;
- (3) the delivery by Silver Stone and Stonehouse to Sure Fancy of their respective sole director's resolutions and shareholders' resolutions, each approving the Share Transfer Agreement A and the transactions contemplated thereunder; and
- (4) the delivery by Sure Fancy and the Company to Sellers A of their respective directors' resolutions, each approving the Share Transfer Agreement A and the transactions contemplated thereunder.

Sure Fancy and Sellers A may by written notice to each other to postpone the long stop date (the "**Long Stop Date**") for the fulfillment of the above conditions until a date that is within 28 days from the date of the Share Transfer Agreement A or such later date as may be agreed by the parties. If the conditions precedent are fulfilled before the Closing Date A, the Long Stop Date shall not be postponed.

Payment:

The Final Consideration A shall be paid in USD by way of cash in three installments as follows:

- (1) On Closing Date A, Sellers A shall transfer 80% of the Target Shares A to Sure Fancy and Sure Fancy shall pay 80% of Provisional Consideration A (the “**First Installment Payment A**”) to Sellers A and Sellers A shall charge the remaining 20% of the Target Shares A in favour of Sure Fancy. It is agreed that Deposit A paid by Lead Good under the LOI A shall be deemed part of the First Installment Payment A.
- (2) On the fifth Business Day after satisfaction or a written waiver of the following conditions by Sure Fancy, Sure Fancy shall pay 14% of Provisional Consideration A (the “**First Part of the Second Installment Payment A**”) to Sellers A. Sellers A shall transfer 17% of the Target Shares A to Sure Fancy and shall continue to charge the remaining 3% of the Target Shares A in favour of Sure Fancy:
 - (i) Sellers A having obtained the audited report on the demolition and removal costs of the Bund 204 Land (the “**Audited Settlement Report**”) and having provided a tax invoice or other evidence recognised by the tax authorities in respect of the demolition and removal costs of the Bund 204 Land.
 - (ii) Within one month after Closing Date A, T&T International having passed directors’ resolutions and having procured the Project Company to pass directors’ resolutions to approve the appointment of the three persons nominated by Sure Fancy as directors of the Project Company and the appointment of one of them as the chairman and legal representative of the Project Company; and resignation of the three original directors of the Project Company appointed by T&T International as directors of the Project Company (the “**Change of Senior Management of Project Company**”).
 - (iii) Sellers A having provided or procured others to provide termination agreements satisfactory to Sure Fancy in respect of: (a) the design services agreement between the Project Company and RTKL Associates Inc.; and (b) the consultancy and agency agreement between the Project Company and Huang Pu District Foreign Investors

Investment Services Centre. Sellers A shall be responsible for 55% of any termination expenses or fees incurred as a result of such terminations.

- (iv) Sellers A having supplied Sure Fancy with documents evidencing the proper closing of the bank account of T&T International within one month after Closing Date A.

The parties agree that the First Part of the Second Installment Payment A shall be adjusted based on the Actual Demolition and Removal Costs as stated in the Audited Settlement Report. The adjustment amount is 37.587% of the difference between the Actual Demolition and Removal Costs and the estimated demolition and removal costs as set out in the Share Transfer Agreement A, and the adjustment amount shall be reflected in the First Part of the Second Installment Payment A.

- (3) On the fifth Business Day after the satisfaction or a written waiver of the following conditions by Sure Fancy, Sure Fancy shall pay 3% of the Provisional Consideration A (the “**Second Part of the Second Installment Payment A**”) to Sellers A:
 - (i) Sellers A having provided Sure Fancy with such document that permits the booking of the demolition and removal costs in respect of the self-demolished and removed areas of Shanghai Yi Dian Holdings (Group) Co., Ltd.* (上海儀電控股(集團)有限公司) (“**Yi Dian Holdings**”) and Bailian respectively;
 - (ii) Sellers A having provided or procured others to provide Sure Fancy with the following documents that are satisfactory to Sure Fancy for the resolution of the capital shortfall of T&T International:
 - (a) acknowledgement issued by Yi Dian Holdings and Shanghai Rural Commercial Bank (上海農村商業銀行) or directors’ resolution of the Project Company acknowledging the due completion of all capital injection obligations, including contribution to demolition and removal costs of the Bund 204 Land, by T&T International in compliance with the co-operative joint venture contract and articles of association (as revised) of the Project Company; or

- (b) other documents evidencing that the capital shortfall of T&T International has been resolved by booking the demolition and removal costs for the extra self-demolished and removed areas of Bailian that are borne by T&T International,

Provided that, where condition 3(ii) above is satisfied, even if condition 3(i) above is only partially satisfied by booking the self-demolished and removed areas of either Yi Dian Holdings or Bailian (each of them a “**Condition Satisfying Party**”), Sure Fancy shall, on the fifth Business Day after the partial satisfaction of condition 3(i) above, pay to Sellers A such portion of the Second Part of the Second Installment Payment A on a pro-rata basis that reflects the self-demolished and removed area of the Condition Satisfying Party (the “**Condition Satisfying Party’s Portion**”).

On the second anniversary of the Closing Date A, irrespective of whether condition (3)(i) above and/or condition (3)(ii) above have been satisfied, Sure Fancy shall pay the Second Part of the Second Installment Payment A to Sellers A in full or the remaining balance after deducting the Condition Satisfying Party’s Portion (depending on the circumstances).

The capital shortfall of T&T International to the Project Company of an amount of approximately RMB102,875,522 (of which Sellers A’s share shall be 55%) under condition (3)(ii) above will be deducted in determining the Provisional Consideration A and shall become an upward adjustment item (being the capital shortfall times 55%) in determining the Final Consideration A after condition (3)(ii) above is satisfied.

- (4) On the expiry of nine months after the Closing Date A or two months after payment of the First Part of the Second Installment Payment A (whichever is later) (the “**Third Installment Payment A Date**”), Sure Fancy shall pay the Final Consideration A to Sellers A after deducting the First Installment Payment A, the First Part of the Second Installment Payment A, the Second Part of the Second Installment Payment A, and any amounts deducted or retained by Sure Fancy pursuant to the Share Transfer Agreement A in respect of any breach of obligations, undertakings or representations and warranties of Sellers A.

Post-Closing Undertakings: Sellers A undertake, during the period from the Closing Date A to the Third Installment Payment A Date, to use their reasonable endeavours to assist Sure Fancy and the Project Company to obtain certain approvals and permits related to the development of the Project; complete registration procedures for the Change of Senior Management of the Project Company; and terminate certain existing design contracts of the Project Company.

Sure Fancy undertakes to procure the Project Company to continue to employ the existing employees of the Project Company for at least six months after the Closing Date A, to pay for an agreed compensation amount in respect of each employee upon termination of his/her employment (Sellers A shall bear 55% of any amount in excess of the agreed compensation amount) and, where the Huang Pu District People's Government returns the demolition and removal subsidy to the Project Company in any form, Sure Fancy shall return 37.587% of such subsidy to Sellers A.

Guarantee: The Company as a guarantor of Sure Fancy had irrevocably given a guarantee in favour of Sellers A in respect of the payment obligations of Sure Fancy under the Share Transfer Agreement A.

Termination: The Share Transfer Agreement A may be terminated at any time prior to the Closing Date A:

- (a) by Sellers A, if Sure Fancy fails to pay the Final Consideration A according to the terms of the Share Transfer Agreement A and the Company fails to procure the due and timely payment of the Final Consideration A according to the terms of the Share Transfer Agreement A; and
- (b) by Sure Fancy, if Sellers A fail to deliver the required items or perform the required obligations at Closing A or, at or before Closing A, Sure Fancy knows of any facts, items or events that causes: (i) material breach of the Share Transfer Agreement A by Sellers A and Sellers A fail to rectify or remedy the material breach to the satisfaction of Sellers A within seven Business Days after receipt of the written notice by Sure Fancy; (ii) breach of any warranty (save for matters already disclosed); or (iii) material adverse change or effect on the Bund 204 Land in the amount of RMB100,000,000 or above (save for events and amounts already disclosed).

THE SHARE TRANSFER AGREEMENT B

On 11 June 2010, (1) Sure Fancy as purchaser, (2) Lead Good as original purchaser, (3) the Company as purchaser's guarantor, and (4) Formosa as the seller entered into Share Transfer Agreement B pursuant to which Formosa agreed to sell, and Sure Fancy agreed to purchase the Formosa Shares.

The principal terms of the Share Transfer Agreement B are as follows:

Date: 11 June 2010

- Parties:
- (1) Sure Fancy, a wholly-owned subsidiary of the Company, as purchaser
 - (2) Lead Good, a wholly-owned subsidiary of the Company, as the original purchaser who entered into a letter of intent with Formosa in respect of the transfer of the Formosa Shares on 23 April 2010 (the "**LOI B**") pursuant to which Formosa had transferred 24,476,740 shares of T&T International (constituting approximately 20% of the issued share capital of T&T International) and Lead Good had paid an amount of USD16,940,195 as part payment of the consideration for such shares under the LOI B
 - (3) the Company, as the purchaser's guarantor
 - (4) Formosa, as the seller

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Formosa and its ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.

Subject matter: Pursuant to the terms of the Share Transfer Agreement B, Formosa agreed to sell and Sure Fancy agreed to purchase, the Formosa Shares.

Consideration and adjustment mechanism: The provisional consideration for the Formosa Shares is RMB759,659,996 (the "**Provisional Consideration B**"), being the sum of RMB2,500,000,000 times 35% as adjusted by an amount using the principles and calculations set out in the Share Transfer Agreement B (which are substantially the same as that contained in the Share Transfer Agreement A) on a provisional basis. The final consideration ("**Final Consideration B**") shall be determined before payment of the Fourth Installment Payment B (as defined below) in the same way as that provided under the Share Transfer Agreement A.

The material adjustment items to the Provisional Consideration B as set out in the Share Transfer Agreement B are as follows:

- (1) The capital shortfall of T&T International to the Project Company of an amount of approximately RMB102,875,522 (of which Seller B's share shall be 35%) will be deducted in determining the Provisional Consideration B and shall become an upward adjustment item (being the capital shortfall times 35%) in determining the Final Consideration B upon fulfillment of certain conditions that are substantially the same as the conditions under the Share Transfer Agreement A.
- (2) Sure Fancy shall assume account payables of approximately RMB204,300,000 of T&T International upon completion of the transactions contemplated under the Share Transfer Agreement B. 35% of such account payable sum is already deducted in determining the Provisional Consideration B and will not be an adjustment item in determining the Final Consideration B.
- (3) The amount of demolition and removal costs of approximately RMB7,000,000 paid by the Project Company on behalf of Bailian shall become an upward adjustment item (being 35% of such amount) in determining the Final Consideration B upon collection of such amount from Bailian.
- (4) The adjustment amount of 23.919% of the difference between the Actual Demolition and Removal Costs and the estimated demolition and removal costs as set out in the Share Transfer Agreement B.

The above consideration was arrived at after arm's length negotiation between Sure Fancy and Seller B and was determined by reference to the recent market value of comparable land nearby the Bund 204 Land.

Conditions precedent:

The obligations of Sure Fancy and Seller B to consummate the transactions contemplated under the Share Transfer Agreement B are subject to the satisfaction or written waiver on or prior to the Closing Date B of conditions that are substantially the same as that of the Share Transfer Agreement A save for the following:

- (1) delivery by Seller B to Sure Fancy of certified copy of directors' resolutions of T&T International approving the appointment of one person nominated by Sure Fancy as director of T&T International immediately after Closing B and the resignation of the existing director appointed by Seller B as director of T&T International.

Sure Fancy and Seller B shall have the same right as that under the Share Transfer Agreement A to extend the long stop date for fulfillment of the conditions to Closing B.

Payment:

The Final Consideration B shall be paid in USD by way of cash in four installments as follows:

- (1) Within three Business Days of signing the Share Transfer Agreement B, Lead Good as the original purchaser shall pay 57% of the Provisional Consideration B as consideration for 20% shares of T&T International that had been transferred to Lead Good under the LOI B (“**First Installment Payment B**”) to Seller B. It is agreed that the part payment paid by Lead Good under the LOI B shall be deemed part of the First Installment Payment B.
- (2) On Closing Date B, Seller B shall transfer 8% shares of T&T International to Sure Fancy and Sure Fancy shall pay 23% of the Provisional Consideration B (“**Second Installment Payment B**”) to Seller B and Seller B shall charge the remaining 20% Formosa Shares in favor of Sure Fancy.
- (3) On the fifth Business Day after satisfaction or a written waiver by Sure Fancy of the same conditions required under the Share Transfer Agreement A for payment of the First Part of the Second Installment Payment A, Sure Fancy shall pay 14% of the Provisional Consideration B (the “**First Part of the Third Installment Payment B**”) to Seller B. Seller B shall transfer 17% Formosa Shares to Sure Fancy and shall continue to charge the remaining 3% Formosa Shares in favour of Sure Fancy.

The First Part of the Third Installment Payment B shall be adjusted based on the Actual Demolition and Removal Costs as stated in the Audited Settlement Report. The adjustment amount is 23.919% of the difference between the Actual Demolition and Removal Costs and the estimated demolition and removal costs as set out in the Share Transfer Agreement B, and the adjustment amount shall be reflected in the First Part of the Third Installment Payment B.

- (4) On the fifth Business Day after the satisfaction or a written waiver by Sure Fancy of the same conditions required under the Share Transfer Agreement A for payment of the Second Part of the Second Installment Payment A, Sure Fancy shall pay 3% of the Provisional Consideration B (the “**Second Part of the Third Installment Payment B**”) to Seller B. Payment of the Second Part of the Third Installment Payment B shall be subject to the same terms and conditions for payment of the Second Part of the Second Installment Payment A.
- (5) On the expiry of nine months after the Closing Date B or two months after payment of the First Part of the Third Installment Payment B (whichever is later), Sure Fancy shall pay Seller B the Final Consideration B after deducting the First Installment Payment B, the Second Installment Payment B, the First Part of the Third Installment Payment B, the Second Part of the Third Installment Payment B, and any amounts deducted or retained by Sure Fancy pursuant to the Share Transfer Agreement B in respect of any breach of obligations, undertakings or representations and warranties of Seller B (the “**Fourth Installment Payment B**”).

Post-Closing Undertakings: Seller B gives post-Closing undertakings that are substantially the same as the undertakings given by Sellers A in the Share Transfer Agreement A and Sure Fancy gives post-Closing undertakings that are substantially the same as the undertakings given by Sure Fancy in the Share Transfer Agreement A.

Guarantee: The Company as a guarantor of Sure Fancy had irrevocably given a guarantee in favour of Seller B in respect of the payment obligation of Sure Fancy under Share Transfer Agreement B.

Termination: Termination provisions of Share Transfer Agreement B are substantially the same as the termination provisions of Share Transfer Agreement A.

INFORMATION ON THE COMPANY, LEAD GOOD AND SURE FANCY

The Company

The Company is a company incorporated in the Cayman Islands with limited liability. Its shares are listed on the Main Board of the Stock Exchange.

The principal business activity of the Company is investment holding. The principal business activities of its major subsidiaries are development and sale of commercial properties in central Beijing and Shanghai.

Lead Good

Lead Good is a company incorporated in the BVI with limited liability and is a wholly-owned subsidiary of the Company as at the date of this announcement. The principal business activity of Lead Good is investment holding.

Sure Fancy

Sure Fancy is a company incorporated in Hong Kong with limited liability and is a wholly-owned subsidiary of the Company as at the date of this announcement. The principal business activity of Sure Fancy is investment holding.

INFORMATION ON STONEHOUSE, SILVER STONE, FORMOSA, T&T INTERNATIONAL AND THE TARGET GROUP

The Directors are informed that:

Stonehouse

Stonehouse is a company incorporated in the BVI with limited liability. Stonehouse is principally engaged in investment holding.

Silver Stone

Silver Stone is a company incorporated in the BVI with limited liability. Silver Stone is principally engaged in investment holding.

Formosa

Formosa is a company incorporated in the BVI with limited liability. Formosa is principally engaged in investment holding.

T&T International

T&T International is a company incorporated in the BVI with limited liability, which is owned as to 45% by Stonehouse, 10% by Silver Stone, 15% by Formosa, 20% by Lead Good and 10% by Prosperous City Holdings Co., Ltd. as at the date of this announcement. T&T International is principally engaged in investment holding.

Project Company

The Project Company is a Sino-foreign co-operative joint venture established in the PRC, which is owned as to 68.34% by T&T International, 15.83% by Yi Dian Holdings and 15.83% by Shanghai Rural Commercial Bank as at the date of this announcement. It owns the land use rights to the Bund 204 Land and the legal rights to develop and construct the Project.

The unaudited net loss both before and after taxation and extraordinary items of T&T International for the financial year ended 31 December 2008 was approximately USD4.5 million (equivalent to approximately RMB30.7 million) based on the Hong Kong generally accepted accounting principles. The unaudited net loss both before and after taxation and extraordinary items of T&T International for the financial year ended 31 December 2009 was approximately USD5.1 million (equivalent to approximately RMB34.8 million) based on the Hong Kong generally accepted accounting principles. The net asset value of T&T International as at 31 December 2009 was USD25.9 million (equivalent to approximately RMB176.8 million).

The audited net profit and loss both before and after taxation and extraordinary items of the Project Company for both the financial years ended 31 December 2008 and 31 December 2009 were zero based on the PRC accounting standards. The net asset value of the Project Company as at 31 December 2009 was approximately USD83.6 million (equivalent to approximately RMB570.8 million).

Project Introduction

Situated on the banks of the Huangpu River, the Bund is the cradle of Shanghai's financial industry. Since the beginning of the 19th century, buildings of Gothic, Roman, Baroque, and east and west hybrid styles were continuously constructed on the Bund, the diversity of the 52 eclectic buildings earned the nickname "The International Architectural Exposition". In 1847, the first English Capital bank, Oriental Bank, was established on the Bund, and, in 1897, the first modern Chinese bank, The Commercial Bank of China, was also set up there. By 1949, 476 financial institutions had been established on the Bund and the scale of the financial market was second only to London and New York. The Bund became the first financial street in the Far East and the world's third international financial center.

Up until March 2010, the Bund underwent 33 months of renovation to give it an all new appearance and renewed brilliance. Today the Bund is Shanghai's most visited attraction among tourists and locals alike, and it is the convergence point of world class commercial brands and fine dining locales. The area's commercial property possesses especially high rental returns and sizeable investment potential. The Bund

204 Land is located in the Bund's southern core. It is the only completely new real estate development project in the last 60 years and will also be the last new development project on the Bund.

The Bund 204 Land is framed by Yong'an Road to the east, Xin Yong'an Road to the south, with East Second Zhong Shan Road to the west, and Xinkaihe North Road and Renmin Road to the north. It is located on the premium strip of the Bund, and is right next to the Bund's transportation hub and ancient city park with strikingly beautiful scenery and an especially mature and lively commercial atmosphere. The Project is easily accessible to traffic and convenient for public transportation. It is located only 400 meters away from subway line 10 and the surrounding infrastructure is especially ideal. The Bund 204 Land has already been completely cleared, and has obtained the State-Owned Land Use Rights Certificate.

The Project has a total site area of approximately 22,462 square meters. Its land use rights are for commercial, financial and office use with a tenure of 50 years. It has a planned total gross floor area of approximately 189,000 square meters, of which 112,312 square meters are above-ground office and commercial areas and the remaining is underground commercial area and ancillary car parks.

According to the co-operative joint venture contract and articles of association of the Project Company, T&T International is entitled to a total gross floor area of approximately 131,000 square meters, of which approximately 69,000 square meters are above-ground gross floor area, approximately 12,000 square meters are underground commercial space and the remaining 50,000 square meters are storage space and car parks.

Reasons for the Acquisition

In August 2009, the Company acquired The Exchange SOHO, representing the first successful step into Shanghai, and the successful application of the SOHO model to a Shanghai commercial real estate project. The success of The Exchange SOHO demonstrated the market size and potential for commercial real estate investment in Shanghai and especially in the outstanding value of commercial real estate in Shanghai's city center. Therefore, the Company intends to take a step forward to expand its real estate business in Shanghai's city center, and increase its involvement in the continuous growth of the Chinese real estate market.

This acquisition legally makes the Company the controlling shareholder of the Project Company that develops the Bund 204 Land, and grants the Company the legal rights and benefits to the development of the Bund 204 Land. The Company's role in development and construction of the Bund 204 Land is in line with the Group's core strategy of developing large scale commercial properties in the most vibrant and prime locations in Beijing and Shanghai.

The Directors consider the unique location of the Bund 204 Land and its easy accessibility as compelling attributes for the acquisition. The Directors also consider this further acquisition in Shanghai as the means to broaden the investment project portfolio for the Company's clients.

The Board considers the terms of the Share Transfer Agreements to be fair and reasonable and in the overall interests of the Company and the Shareholders.

LISTING RULES IMPLICATIONS

As the applicable percentage ratios exceed 5% but are less than 25%, the transactions contemplated under the Share Transfer Agreements constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the meanings as set out below unless the context requires otherwise:

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of directors of the Company
“Bund 204 Land”	a plot of land of an area of approximately 22,462 square meters located at No. 204, the Bund, Huang Pu District, Shanghai, the PRC
“Business Day(s)”	any day other than Saturday, Sunday, public holiday in the PRC or Hong Kong or any other day in which banks in the PRC and Hong Kong are not required to open
“BVI”	the British Virgin Islands
“Closing A”	the closing of the transfer of each of the Stonehouse Shares and the Silver Stone Shares under the Share Transfer Agreement A
“Closing B”	the closing of the transfer of the Formosa Shares under the Share Transfer Agreement B
“Closing Date A”	the date on which Closing A takes place
“Closing Date B”	the date on which Closing B takes place
“Company”	SOHO China Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Formosa” or “Seller B”	Formosa International Development Limited, a company incorporated in the BVI with limited liability

“Formosa Shares”	42,834,295 shares of USD1.00 each in T&T International held by Formosa (including 24,476,740 shares transferred to Lead Good pursuant to the LOI B), representing 35% of the entire issued share capital of T&T International
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Lead Good”	Lead Good International Limited, a company incorporated in the BVI with limited liability
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Project”	the office and commercial development project of a planned total gross floor area of approximately 189,000 square meters located at the Bund 204 Land
“Project Company”	Shanghai Ding Ding Real Estate Development Co., Ltd.*(上海鼎鼎房地產開發有限公司)
“RMB”	Renminbi, the lawful currency of the PRC
“Sellers A”	collectively, Silver Stone and Stonehouse
“Share Transfer Agreement A”	the share transfer agreement dated 11 June 2010 entered into among Sure Fancy, Lead Good, the Company, Stonehouse and Silver Stone in relation to, among others, the proposed acquisition of 55% of the issued share capital of T&T International by Sure Fancy from Stonehouse and Silver Stone
“Share Transfer Agreement B”	the share transfer agreement dated 11 June 2010 entered into among Sure Fancy, Lead Good, the Company and Formosa in relation to, among others, the proposed acquisition of 35% of the issued share capital of T&T International by Sure Fancy from Formosa

“Share Transfer Agreements”	collectively, Share Transfer Agreement A and Share Transfer Agreement B
“Shareholder(s)”	shareholder(s) of the Company
“Silver Stone”	Silver Stone International Holding Limited, a company incorporated in BVI with limited liability
“Silver Stone Shares”	12,238,370 shares of USD1.00 each in T&T International held by Silver Stone, representing 10% of the entire issued share capital of T&T International
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Stonehouse”	Stonehouse Properties Ltd., a company incorporated in the BVI with limited liability
“Stonehouse Shares”	55,072,665 shares of USD1.00 each in T&T International held by Stonehouse, representing 45% of the entire issued share capital of T&T International
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“Sure Fancy”	Sure Fancy Investment Limited, a company incorporated in Hong Kong with limited liability and is a wholly-owned subsidiary of the Company as at the date of this announcement
“Target Group”	collectively, T&T International and the Project Company
“Target Shares A”	collectively, Silver Stone Shares and Stonehouse Shares
“T&T International”	T&T International Investment Corporation, a company incorporated in the BVI with limited liability, and is owned as to 45% by Stonehouse, 15% by Formosa, 10% by Silver Stone, 20% by Lead Good and 10% by Prosperous City Holdings Co., Ltd. as at the date of this announcement

“USD” United States dollars, the lawful currency of the United States of America

“%” per cent.

By order of the Board
SOHO China Limited
Pan Shiyi
Chairman

Beijing, the PRC, 11 June 2010

As at the date of this announcement, the Board comprises Mr. Pan Shiyi, Mrs. Pan Zhang Xin Marita and Ms. Yan Yan, 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*