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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
PROPOSED ACQUISITION OF FURTHER EQUITY INTEREST IN
FUXINGLU SOHO**

PROPOSED ACQUISITION

The Board is pleased to announce that on 14 March 2011, SOHO Shanghai, a wholly-owned subsidiary of the Company, and Hua Li, a company established in Shanghai and whose shares are listed on the Shanghai Stock Exchange, entered into the Equity Transfer Agreement, pursuant to which Hua Li agreed to transfer, and SOHO Shanghai agreed to purchase, 31.5239% equity interest in the Project Company for a cash consideration of RMB788,097,500. Upon completion of the Equity Transfer contemplated under the Equity Transfer Agreement, SOHO Shanghai will increase its equity interest in the Project Company that owns the FuxingLu SOHO Project from 48.4761% to 80%.

SOHO Shanghai acquired an initial 48.4761% equity interest in the Project Company pursuant to the Cooperative Framework Agreement. The Equity Transfer is made in furtherance of the acquisition, through SOHO Shanghai, of the remaining 51.5239% equity interest in the Project Company from Hua Li.

The Equity Transfer and the Equity Transfer Agreement are subject to the majority shareholders approval of Hua Li in its annual shareholders general meeting to be held on 25 March 2011. The Company does not contemplate any failure by Hua Li to obtain such majority shareholders approval. In the event Hua Li fails to obtain such majority shareholders approval, a further announcement will be made by the Company.

LISTING RULES IMPLICATIONS

Reference is made to the Announcement in relation to the acquisition of 48.4761% equity interest in the Project Company on 12 October 2010. The prior acquisition was completed on 28 October 2010. The prior acquisition of 48.4761% equity interest in the Project Company and the Equity Transfer form a series of transactions which should be treated as if they were one transaction under Rule 14.22 of the Listing Rules. Upon aggregation, these transactions constitute a discloseable transaction for the Company under Rule 14.06 of the Listing Rules. Accordingly, the Equity Transfer is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

THE EQUITY TRANSFER AGREEMENT

The Board wishes to announce that on 14 March 2011, SOHO Shanghai, a wholly-owned subsidiary of the Company, and Hua Li, a company established in Shanghai and whose shares are listed on the Shanghai Stock Exchange, entered into the Equity Transfer Agreement. The principal terms of the Equity Transfer Agreement are as follows:

Date: 14 March 2011

Parties: (1) Hua Li, as transferor
(2) SOHO Shanghai, as transferee

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

Subject matter: Pursuant to the Equity Transfer Agreement, Hua Li agreed to transfer, and SOHO Shanghai agreed to purchase, 31.5239% equity interest in the Project Company.

Consideration and payment: The consideration payable by SOHO Shanghai for the Equity Transfer shall be RMB788,097,500, which shall be paid in full within two (2) Business Days following the completion of all changes made to the business registrations of the Project Company to reflect the completion of the Equity Transfer.

The above consideration was arrived at after arm's length negotiation between SOHO Shanghai and Hua Li and was determined by reference to the recent market value of comparable land nearby the FuxingLu SOHO Project.

Management of the Project Company: Hua Li shall appoint one director and SOHO Shanghai shall appoint two directors, one of them shall be the chairman of the board and the legal representative of the Project Company. The duties of the board and board meeting procedures shall be governed by the amended articles of association of the Project Company.

The supervisory committee will consist of two members, of which one will be nominated by SOHO Shanghai and one will be nominated by Hua Li.

The Equity Transfer and the Equity Transfer Agreement are subject to the majority shareholders approval of Hua Li in its annual shareholders general meeting to be held on 25 March 2011. The Company does not contemplate any failure by Hua Li to obtain such majority shareholders approval. In the event Hua Li fails to obtain such majority shareholders approval, a further announcement will be made by the Company.

INFORMATION ON THE COMPANY AND SOHO SHANGHAI

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

SOHO Shanghai

SOHO Shanghai is a company established in Shanghai with limited liability and is a wholly-owned subsidiary of the Company as at the date of this announcement. The principal business activity of SOHO Shanghai is real property development and investment management.

INFORMATION ON HUA LI

The Directors are informed that Hua Li is a company established in Shanghai with limited liability whose shares are listed on the Shanghai Stock Exchange. The principal business activity of Hua Li is development, sale, leasing and management of real property, and investment management.

INFORMATION ON THE PROJECT COMPANY

The Project Company is a company established in Shanghai with a registered capital of RMB810,000,000. As at the date of this announcement, the Project Company is owned as to 48.4761% by SOHO Shanghai and 51.5239% by Hua Li.

Financial information of the Project Company

The audited net loss both before and after taxation and extraordinary items of the Project Company for the financial year ended 31 December 2009 were approximately RMB-148,185.00 and RMB-155,510.14, respectively, based on the PRC accounting standards.

The audited net loss both before and after taxation and extraordinary items of the Project Company for the financial year ended 31 December 2010 were approximately RMB-97,962.65 and RMB-104,553.07, respectively, based on the PRC accounting standards.

The net asset value of the Project Company as at 31 December 2010 was approximately RMB836,544,775.93.

Upon completion of the Equity Transfer, the Project Company will be held as to 80% by SOHO Shanghai.

INFORMATION ON THE FUXINGLU SOHO PROJECT

The FuxingLu SOHO Project (formerly known as the Fu Xing Tian Di Centre Project) is for commercial and office use. It has a total site area of approximately 20,084 m², with a total planned gross floor area of approximately 137,442 m², including 72,467 m² above ground office and commercial area and 64,975 m² underground commercial area and auxiliary car parks.

REASONS FOR ENTERING INTO THE EQUITY TRANSFER AGREEMENT

Reference is made to the Announcement in which the Company had expressed its intention to acquire the entire equity interest in the Project Company which owns the FuxingLu SOHO Project through SOHO Shanghai, a wholly-owned subsidiary of the Company, at the same consideration calculated under the Cooperative Framework Agreement. The entering into of the Equity Transfer Agreement is in furtherance of such intention. The Company will discuss the possible acquisition of the remaining 20% equity interest in the Project Company from Hua Li at the same consideration calculated under the Cooperative Framework Agreement (“Possible Acquisition”). Further announcement in respect of the Possible Acquisition will be made, if necessary, in compliance with the Listing Rules.

The Directors further consider that the terms of the Equity Transfer Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

Reference is made to the Announcement in relation to the acquisition of 48.4761% equity interest in the Project Company on 12 October 2010. The prior acquisition was completed on 28 October 2010. The prior acquisition of 48.4761% equity interest in the Project Company and the Equity Transfer form a series of transactions which should be treated as if they were one transaction under Rule 14.22 of the Listing Rules. Upon aggregation, these transactions constitute a discloseable transaction for the Company under Rule 14.06 of the Listing Rules. Accordingly, the Equity Transfer is subject to the reporting and announcement requirements 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:

“Announcement”	the announcement published by the Company on 14 October 2010 in relation to the execution of the Cooperative Framework Agreement by SOHO Shanghai and Hua Li for the acquisition of 48.4761% equity interest in the Project Company
“Board”	the board of directors of the Company
“Company”	SOHO China Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Stock Exchange
“Cooperative Framework Agreement”	the cooperative framework agreement dated 12 October 2010 entered into between Hua Li and SOHO Shanghai in relation to, among others, the acquisition of 48.4761% equity interest in the Project Company
“Director(s)”	the director(s) of the Company
“Equity Transfer”	the equity transfer of 31.5239% equity interest in the Project Company from Hua Li to SOHO Shanghai pursuant to the Equity Transfer Agreement
“Equity Transfer Agreement”	the equity transfer agreement dated 14 March 2011 entered into between Hua Li and SOHO Shanghai in relation to, among others, the equity transfer of 31.5239% equity interest in the Project Company
“FuxingLu SOHO Project”	formerly known as the Fu Xing Tian Di Centre Project (復興天地中心項目), it is located at land lot No. 43, Huai Hai Road Central, Lu Wan District, Shanghai, the PRC for commercial and office use
“Group”	the Company and its subsidiaries

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hua Li”	Hua Li Family Stock CO., Ltd.* (華麗家族股份有限公司), a company established in Shanghai with limited liability and whose shares are listed on the Shanghai Stock Exchange
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“m ² ”	square meter
“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 Company”	Shanghai Hong Sheng Real Estate Development Co., Ltd.* (上海弘聖房地產開發有限公司)
“RMB”	Renminbi, the lawful currency of the PRC
“Shanghai Stock Exchange”	the Shanghai Stock Exchange (上海證券交易所)
“Shareholder(s)”	shareholder(s) of the Company
“SOHO Shanghai”	搜候(上海)投資有限公司 (SOHO (Shanghai) Investment Co., Ltd.), a company established in Shanghai with limited liability and a wholly-owned subsidiary of the Company as at the date of this announcement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“%”	per cent.

By order of the Board
SOHO China Limited
Pan Shiyi
Chairman

* For identification purpose only

Beijing, the PRC, 15 March 2011

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.