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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 LAND LOCATED AT
SHANGHAI SUBWAY LINE 10 SICHUAN NORTH ROAD STATION**

PROPOSED ACQUISITION

The Board wishes to announce that on 31 May 2011, Top Keen, a wholly-owned subsidiary of the Company, as purchaser, entered into the Share Transfer and Assignment of Loan Agreement with the Vendor for the acquisition of the entire issued share capital of the Target Company and the assignment of all the rights and title to the Shareholder's Loan at an aggregate consideration of RMB1.5 billion.

The Target Company is the sole owner of the Project Company which owns the land use rights to the Land situated at 10 Hainan Road, Hongkou District, Shanghai. The Land is situated at Sichuan North Road Station on Subway Line 10 and is only 300 meters away from Baoshan Road Station, the interchange station for Subway Lines 3 and 4. It is located at the most prime and developed area of the Sichuan North Road commercial district, one of the three largest commercial districts in Shanghai.

The Land is of an area of 16,426.6 m² for retail and office uses. Its saleable gross floor area is approximately 66,833 m², including approximately 60,194 m² above ground office area and approximately 6,639 m² above ground and underground retail area.

LISTING RULES IMPLICATIONS

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

PROPOSED ACQUISITION

The Board wishes to announce that on 31 May 2011, Top Keen, a wholly-owned subsidiary of the Company, as purchaser, entered into the Share Transfer and Assignment of Loan Agreement with the Vendor for the acquisition of the entire issued share capital of the Target Company and the assignment of all the rights and title to the Shareholder's Loan. The principal terms of the Share Transfer and Assignment of Loan Agreement are as follows:

Date: 31 May 2011

Parties: (1) Top Keen, as purchaser
(2) Vendor

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

Consideration: The aggregate consideration for the Acquisition is RMB1.5 billion (approximately HKD1,799,640,072), comprising (a) HKD1,403,904,561 being the consideration for the assignment of the Shareholder's Loan; and (b) the remaining balance being the consideration for the acquisition of the entire issued share capital of the Target Company.

Payment: The cash consideration shall be paid by Top Keen in HKD to the Vendor on the Completion Date. The consideration was arrived at after arm's length negotiation between Top Keen and the Vendor and was determined by reference to the recent market value of comparable land nearby the Land.

Delivery Conditions Precedent: The Vendor is obliged to transfer its entire issued share capital of the Target Company and to assign all the rights and title to the Shareholder's Loan to Top Keen on the Completion Date in accordance with the terms of the Share Transfer and Assignment of Loan Agreement, subject to the fulfillment of the conditions precedent set out in the Share Transfer and Assignment of Loan Agreement.

Completion Date: 30 June 2011 or such date as mutually agreed between the Vendor and Top Keen.

INFORMATION ON THE COMPANY AND TOP KEEN

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.

Top Keen

Top Keen 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 Top Keen is investment holding.

INFORMATION ON THE VENDOR AND THE TARGET COMPANY

The Directors are informed that the Vendor is a company incorporated in the British Virgin Islands with limited liability and is the sole shareholder of the Target Company. The Target Company is the sole owner of the Project Company which owns the land use rights to the Land as at the date of this announcement. The Vendor mainly engages in the business of investment holding.

The audited net loss both before and after taxation and extraordinary items of the Target Company for the financial year ended 31 December 2009 were approximately HKD10,520, based on Hong Kong Financial Reporting Standards.

The audited net loss both before and after taxation and extraordinary items of the Target Company for the financial year ended 31 December 2010 were approximately HKD8,922, based on Hong Kong Financial Reporting Standards.

The net asset value of the Target Company as at 31 December 2010 was approximately HKD95,724.

INFORMATION ON THE LAND

The Land is situated at 10 Hainan Road, Hongkou District, Shanghai. It is situated at Sichuan North Road Station on Subway Line 10 and is only 300 meters away from Baoshan Road Station, the interchange station for Subway Lines 3 and 4. It is located in the most prime and developed area of the Sichuan North Road commercial district, one of the three largest commercial districts in Shanghai.

The Land is of an area of 16,426.6 m² for retail and office uses. Its saleable gross floor area is approximately 66,833 m², including approximately 60,194 m² above ground office area and approximately 6,639 m² above ground and underground retail area.

The Directors believe that the terms of the Share Transfer and Assignment of Loan Agreement and the transactions contemplated thereunder are fair and reasonable and in the interests of the Shareholders as a whole.

REASONS FOR ENTERING INTO THE SHARE TRANSFER AND ASSIGNMENT OF LOAN AGREEMENT

The Acquisition is in line with the Group's core strategy of acquiring commercial property projects located at prime locations along major transportation networks in Beijing and Shanghai. This is another successful acquisition that the Group made in the Sichuan North Road commercial district, after the successful bid for the acquisition of the parcel of land situated at Subway Line 10 Hailun Road Station on 13 April 2011. The Board considers the Acquisition will strengthen the Group's presence in Sichuan North Road commercial district, a district in which the Group has great confidence in its future development.

LISTING RULES IMPLICATIONS

As the applicable percentage ratios exceed 5% but are less than 25%, the transactions contemplated under the Share Transfer and Assignment of Loan Agreement 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:

“Acquisition”	the acquisition of the entire issued share capital of the Target Company and the assignment of all the rights and title to the Shareholder's Loan
“Board”	the board of Directors
“Company”	SOHO China Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Main Board of the Stock Exchange
“Completion Date”	the date of completion of the Acquisition, as more particularly set out in the paragraph headed “Proposed Acquisition” in this announcement
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People's Republic of China
“Land”	a parcel of land of 16,426.6 m ² , located at 10 Hainan Road, Hongkou District, Shanghai, the PRC

“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“m ² ”	square meter(s)
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Project Company”	上海旭升置業有限公司 (Shanghai Xusheng Property Co., Ltd*), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Target Company which owns the land use rights to the Land as at the date of this announcement
“RMB”	Renminbi, the lawful currency of the PRC
“Share Transfer and Assignment of Loan Agreement ”	the share transfer and assignment of loan agreement dated 31 May 2011 entered into between the Vendor and Top Keen, in relation to, amongst others, the Acquisition
“Shareholder(s)”	shareholder(s) of the Company
“Shareholder’s Loan”	the unsecured non-interest bearing shareholder’s loan in an amount of HKD1,403,904,561 owed by the Target Company to the Vendor 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
“Target Company”	Ever Jump Investments Limited (昇亮投資有限公司), a company incorporated in Hong Kong with limited liability and is the sole owner of the Project Company
“Top Keen”	Top Keen Investment Limited (高銳投資有限公司), 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
“Vendor”	Mixon Corp. (萬成有限公司), a company incorporated in the British Virgin Islands with limited liability and is the sole shareholder of the Target Company as at the date of this announcement

For the purpose of this announcement, translation of HKD into RMB or vice versa are calculated at an exchange rate of HKD1.00 = RMB0.8335.

By order of the Board
SOHO China Limited
Pan Shiyi
Chairman

Beijing, the PRC, 1 June 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.

* *For identification purpose only*