



For immediate release

SOHO China buys commercial building in ZhongGuanCun hi-tech zone in central Beijing for RMB 890 million

- The acquisition of this development, to be renamed ZhongGuanCun SOHO, is SOHO China's fourth since listing and marks the Company's expansion into another dynamic, fast-growing commercial business district of Beijing.
- ZhongGuanCun SOHO's prime location and leading design and construction quality fits well to the effective application of the Company's branding and sales/marketing expertise.
- SOHO China's strong cash position enables the continuing execution of the Company's acquisition strategy during the downturn in the property market.

(Hong Kong, August 31, 2008) – **SOHO China Limited** ("SOHO China"; "The Company"; Stock Code: 410), a leading Chinese commercial property developer, today announced that it has entered into an acquisition agreement of a strategically-located commercial project in Beijing's ZhongGuanCun District. To be renamed ZhongGuanCun SOHO, this project is an office and retail complex with total GFA of 58,850.44 sq.m. and office and retail saleable area of 44,208 sq.m. Upon fulfillment of the terms of the contract, the project will be acquired by SOHO China from Zhong Ye Xin Ao Zheng Cheng Real Estate Development Company Limited ("Zhong Ye") for a total consideration of RMB 890 million.



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The acquisition of this development, SOHO China's fourth since listing, marks the Group's expansion into another dynamic, fast-growing commercial center of Beijing. The Group has previously developed most of its projects in East Beijing, in particular the city's central business district (CBD). ZhongGuanCun SOHO will be the Company's first project in a prime location in West Beijing and complements the existing SOHO China portfolio well. ZhongGuanCun, often referred to as the "Silicon Valley of China" with many IT corporate headquarters and research centers based there such as Microsoft, Lenovo, Sina.com and Baidu.com. The commercial atmosphere of ZhongGuanCun is mature and vibrant, with buildings that possess modern design qualities, high rental income and great price appreciation potential.

Construction on the building itself is scheduled for completion by year end. ZhongGuanCun SOHO is German designed and stands 50 meters tall with 13 storeys above ground and 4 storeys underground. Like our other SOHO China developments, it boasts great accessibility and is within walking distance of two subway lines (Number 10 and the planned Number 4).

CEO of SOHO China Ms. Zhang Xin said: "Our strong financial balance sheet enabled us to secure this agreement with Zhong Ye, who was looking for an established brand to bring the product to market. We were able to step in quickly and take control of this highly desirable project, which we will be able to add value to once we integrate it under the SOHO umbrella. I think of ZhongGuanCun as Beijing CBD West, a very logical direction to extend our footprint and our vision of serving China's up-and-coming small and medium-sized enterprises.

Chairman of SOHO China Mr. Pan Shiyi commented, "The ZhongGuanCun SOHO Project is in line with the business strategies and activities of our Company. The key features of the project - prime location, leading design and construction quality and its product uniqueness - meets the Company's acquisition criteria and suits the effective application of our branding and sales/marketing expertise. I am confident that our sales and marketing teams can translate the skills they have demonstrated in our great recent success at Sanlitun SOHO to ZhongGuanCun SOHO."

SOHO China will upgrade the interior design and decoration of the project, with the intention of converting it into one of the landmark buildings of ZhongGuanCun. Upon the rights transfer and attainment of relevant licenses, SOHO China plans to launch a sales campaign for ZhongGuanCun SOHO in the first quarter of 2009, with revenue to be booked in 2009. ZhongGuanCun SOHO will become SOHO's tenth commercial project in central Beijing.

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About SOHO China

Founded in 1995, SOHO China is the industry leader in developing high-profile branded commercial properties in central Beijing. The company collaborates with internationally-recognized architects, translating their innovative designs into iconic real estate which possesses strong appeal to property investors and the local businesses and customer bases which they serve.

On October 8, 2007, SOHO China was successfully listed on the Stock Exchange of Hong Kong as the largest IPO from China's private sector and the largest IPO for commercial real estate developers in Asia. The company was named as one of the "Most Admired Companies" in China by Fortune (China) Magazine in both 2006 and 2007.

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