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Longfor Properties Co. Ltd.

龍湖地產有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 960

DISCLOSEABLE TRANSACTION

THE ACQUISITION

On 24 February 2010, Beijing Tongrui Wanhua, an indirect 93.48% owned subsidiary of the Company, succeeded in the bid for the Land in Beijing at the Auction at an aggregate price of RMB4.54 billion (equivalent to approximately HK\$5.16 billion).

The Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

THE ACQUISITION

On 24 February 2010, Beijing Tongrui Wanhua, an indirect 93.48% owned subsidiary of the Company, succeeded in the bid for the Land in Beijing at the Auction at an aggregate price of RMB4.54 billion (equivalent to approximately HK\$5.16 billion). Details of the Acquisition are set out below:

Date of the Notice of Successful Bid

24 February 2010

Parties

Purchaser: Beijing Tongrui Wanhua, an indirect 93.48% owned subsidiary of the Company

Vendor: Beijing Land Bureau, a PRC Governmental Bureau in charge of management of the land resources in Beijing, the PRC. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Beijing Land Bureau is a third party independent of the Company and its connected persons

Subject matter

The Land to be acquired by Beijing Tongrui Wanhua in Beijing is the plot of land which has a total site area of 175,669.92 square meters, and is located at Plot A-001 — A-005 under Phase III of the Primary Land Development Project of Changying Great Residential Area in Chaoyang District (朝陽區常營大型居住區三期土地一級開發項目A-001 — A-005 地塊).

The Land shall be used for residential and commercial purposes and the project on the Land shall have a total gross floor area not more than 462,928.5 square meters.

Consideration and payment terms

The consideration for the Land is RMB4.54 billion (equivalent to approximately HK\$5.16 billion), and the consideration of the Land was determined after a public bidding process. A deposit of RMB400 million (equivalent to approximately HK\$454.55 million) was paid by Beijing Tongrui Wanhua and the remaining balance shall be settled in accordance with the Land Use Right Transfer Agreement (國有建設用地使用權出讓合同) and the Reserved Land Development Compensation Agreement (儲備土地開發補償協議) which will be entered into by Beijing Tongrui Wanhua.

The total consideration for the Land will be satisfied by the internal resources of the Company.

Beijing Tongrui Wanhua intend to develop the Land to a residential and commercial area.

REASONS FOR THE ACQUISITION

The Group is principally engaged in the property development, property investment and property management businesses in the PRC and the Acquisition is considered by the Company to be in its ordinary and usual course of business.

In order to enhance its position in the PRC property market, the Board believes that the Acquisition will provide a good opportunity for project development in Beijing. The Directors (including the independent non-executive Directors) consider the Acquisition has been made on normal commercial terms and that such terms are fair and reasonable and that the Acquisition is in the interest of the Company and its Shareholders as a whole.

GENERAL

The Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the following meanings unless the context otherwise requires:

“Acquisition”	the acquisition of land use rights of the Land through public bidding process at the Auction
“Auction”	the public auction held by Beijing Municipal Land Administration and Resources Centre (北京市土地整理儲備中心) on 24 February 2010 at which the Land was offered for sale
“Beijing Land Bureau”	北京市國土資源局 (Beijing Bureau of Land and Resources), a PRC Government Bureau
“Beijing Tongrui Wanhua”	Beijing Tongrui Wanhua Real Estate Co. Ltd. (北京通瑞萬華置業有限公司), a limited liability company established in the PRC and an indirect 93.48% owned subsidiary of the Company
“Board”	the board of Directors
“Company”	Longfor Properties Co. Ltd., a company incorporated in the Cayman Islands with limited liability, whose Shares are listed on the Main Board of the Stock Exchange
“connected persons”	has the meaning ascribed thereto in the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Land”	the plot of land to be acquired by Beijing Tongrui Wanhua which has a total site area of 175,669.92 square meters, and is located at Plot A-001 — A-005 under Phase III of the Primary Land Development Project of Changing Great Residential Area in Chaoyang District (朝陽區常營大型居住區三期土地一級開發項目A-001 — A-005 地塊)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Notice of Successful Bid”	the Notice of Successful Bid (中標通知書) dated 24 February 2010 issued by Beijing Municipal Land Administration and Resources Centre (北京市土地整理儲備中心) to Beijing Tongrui Wanhua
“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
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

For the purpose of this announcement, the exchange rate of HK\$1.00 to RMB0.88 has been used for currency translation, where applicable. Such exchange rate is for illustration purposes only and does not constitute representations that any amount in HK\$ or RMB has been, could have been or may be converted at such rates.

By Order of the Board
Longfor Properties Co. Ltd.
Wu Yajun
Chairperson

Hong Kong, 25 February, 2010

As at the date of this announcement, the Company’s directors are Madam Wu Yajun, Mr. Lin Chu Chang, Mr. Fang Shengtao, Mr. Chen Kai, Mr. Qin Lihong, Mr. Frederick Peter Churchouse, Mr. Chan Chi On, Derek* and Dr. Xiang Bing*.*

** Independent non-executive director*