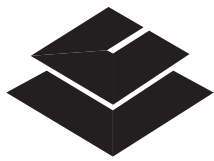


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首創置業股份有限公司

BEIJING CAPITAL LAND LTD.

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2868)

CONNECTED TRANSACTION

ACQUISITION OF INTERESTS IN TIANJIN BANSHAN RENJIA REAL ESTATE DEVELOPMENT COMPANY LIMITED

The Board of Beijing Capital Land Ltd. announces that on 3rd April 2008, the Company entered into the Equity Transfer Agreement with the Seller, a connected person of the Company as defined in the Listing Rules, in respect of the acquisition of 15% interests in Tianjin Banshan Renjia for the Consideration of RMB124,345,200. After the acquisition, the Company shall own the entire equity interests in Tianjin Banshan Renjia.

The Seller is the substantial shareholder of Tianjin Banshan Renjia and accordingly, the Seller is a connected person of the Company pursuant to the Listing Rules. The transactions contemplated under the Equity Transfer Agreement constitute a connected transaction for the Company under the Listing Rules and will be subject to the reporting and announcement requirement but exempt from the independent shareholders' approval requirements as set out in Chapter 14A of the Listing Rules.

The Board announces that on 3rd April 2008, the Company has entered into the Equity Transfer Agreement with the Seller, a connected person of the Company as defined in the Listing Rules, for the acquisition of 15% interests in Tianjin Banshan Renjia.

THE EQUITY TRANSFER AGREEMENT

Date of the Equity Transfer Agreement

3rd April 2008

Parties

The Equity Transfer Agreement was entered into between:

- (A) the Company; and
- (B) the Seller, the substantial shareholder of a subsidiary of the Company, Tianjin Banshan Renjia.

Major Terms of the Agreement

Tianjin Banshan Renjia is a company incorporated on 18th January 2007 and is held as to 85% by the Company and 15% by the Seller prior to the completion of the Equity Transfer Agreement. Tianjin Banshan Renjia is the developer of the Project situated at The New District of Northern Part of Tang Gu, Tianjin, PRC. The Project has a planned gross floor area of 538,000 square meters and comprises residential and ancillary commercial facilities. The Project will be developed in four phases and the first phase is expected to be completed in 2009. Pursuant to the Equity Transfer Agreement, the Seller will sell, and the Company will purchase, 15% of the interest in Tianjin Banshan Renjia for a total Consideration of RMB124,345,200. The Consideration shall be payable by cash by the Company to the escrow account of the China Tianjin Equity Exchange within 2 working days after the Equity Transfer Agreement has been signed, and the same shall be paid to the Seller upon completion of the transfer procedures. As at the date of this announcement, the Consideration has been paid by the Company to the escrow account of the China Tianjin Equity Exchange. The amount of Consideration payable by the Company shall be generated from internal resources of the Company.

As the Seller is a substantial shareholder of Tianjin Banshan Renjia, a subsidiary of the Company, the Seller is a connected person of the Company pursuant to the Listing Rules. The Seller is a PRC state-owned enterprise and according to relevant PRC laws and regulations, the 15% interest in Tianjin Banshan Renjia shall be sold by way of public listing (掛牌) on the China Tianjin Equity Exchange. Equity exchange is a China-owned phenomenon. According to the current law and regulations, each transaction involving state-owned enterprise must be performed in an equity exchange authorized by the government. The China Tianjin Equity Exchange is an equity transaction institution authorized by the Tianjin Municipal Government. For a public listing, the proposed sale of equity interest of a company will be listed on an equity exchange publicly and invite the public to submit their intention to purchase the relevant equity interest.

The base price of the public listing of the 15% interest in Tianjin Banshan Renjia is determined with reference to the appraisal value of Tianjin Banshan Renjia conducted by Tianjin Huaxia Songde Limited Liability Accountants Firm (天津華夏松德有限責任會計師事務所), an independent asset appraisal firm appointed by the Seller with asset appraisal qualification certificate issued by the PRC government. The basis of valuation adopted for the appraisal report is the replacement cost method and the hypothetical development method was adopted for the land development right. As there were no other competitors for the public listing, the 15% interest in Tianjin Banshan Renjia shall therefore be sold to the Company, being the only party which submitted an application in the public listing, at the base price of RMB124,345,200. The Seller was one of the original joint venture partners of Tianjin Banshan Renjia when Tianjin Banshan Renjia was established in 2007 and the amount of registered capital contributed by the Seller for the 15% interest of Tianjin Banshan Renjia was RMB9,500,000.

According to the appraisal report issued by Tianjin Huaxia Songde Limited Liability Accountants Firm (天津華夏松德有限責任會計師事務所) dated 31st January 2008, the net asset value of Tianjin Banshan Renjia as at 30th November 2007 was RMB828,967,500 and the net asset value attributable to 15% interest in Tianjin Banshan Renjia amounted to approximately RMB124,345,125. As at 31st December 2007, the audited net asset value of Tianjin Banshan Renjia was RMB62,907,479 and the net asset value attributable to 15% interest in Tianjin Banshan Renjia amounted to approximately RMB9,436,122. The audited net asset value was based on the registered capital contribution only and part of the registered capital has been utilized as payment of land premium, which represents the cost of the land. There is no revaluation of the land for the purpose of the audited accounts of Tianjin Banshan Renjia.

The audited net loss before and after taxation and extraordinary items attributable to 15% equity interests in Tianjin Banshan Renjia owned by the Seller were RMB84,504 and RMB63,378 for the financial year ended 31st December 2007.

The Equity Transfer Agreement shall be completed when the following conditions have been fulfilled:—

- (a) The parties shall have completed all public listing procedures in relation to the equity transfer under the Equity Transfer Agreement on the China Tianjin Equity Exchange in accordance with relevant laws, regulations and policies;
- (b) the parties shall have obtained all approvals and authorizations for the equity transfer under the Equity Transfer Agreement in accordance with the law and the articles of association of Tianjin Banshan Renjia.

After completion of the Equity Transfer Agreement, the Company shall be interested in 100% of Tianjin Banshan Renjia. Tianjin Banshan Renjia will continue to be treated as a subsidiary of the Company and the financial results will be consolidated into the Group's accounts after the transfer.

Reasons for the acquisition of interests in Tianjin Banshan Renjia

The Company is a large property developer in the PRC, focusing primarily on developing medium to high-end residential properties, quality/high-end office buildings and commercial properties.

The Seller is a state-owned enterprise and principally engaged in real estate development, and is also engaged in property management, construction of infrastructure facilities, construction planning and design, renovation and decoration service and finance investments. It is the substantial shareholder interested in 15% of the registered capital of Tianjin Banshan Renjia, the Company's subsidiary, and accordingly, the Seller is a connected person of the Company pursuant to the Listing Rules and the transaction contemplated under the Equity Transfer Agreement constitute connected transactions for the Company under the Listing Rules.

The Equity Transfer Agreement was made so that the Company could acquire the entire interest in Tianjin Banshan Renjia and thus owning the entire development right in the Project. The Directors (including the independent non-executive Directors) believe that the terms of the Equity Transfer Agreement are made on an arm's length basis and on normal commercial terms, and are made in the ordinary and usual course of business of the Group and are fair and reasonable and in the interest of the Shareholders as a whole.

The Directors (including the independent non-executive Directors) consider that it will be in the interest of the Company to adopt the terms of the Equity Transfer Agreement.

GENERAL

The transaction contemplated under the Equity Transfer Agreement will constitute connected transaction of the Company under Chapter 14A of the Listing Rules and as each of the percentage ratios (other than the profits ratio) is less than 2.5%, the Equity Transfer Agreement will be subject to the reporting and announcement requirement but exempt from the independent shareholders' approval requirements as set out in Chapter 14A of the Listing Rules.

DEFINITIONS

“Board”	the board of Directors
“Company”	Beijing Capital Land Ltd., a joint stock company incorporated in the PRC with limited liability and whose shares are listed on the main board of the Stock Exchange
“Consideration”	RMB124,345,200

“Directors”	the directors of the Company
“Equity Transfer Agreement”	the equity transfer agreement dated 3rd April 2008 entered into between the Company and the Seller in respect of the transfer of 15% in Tianjin Banshan Renjia
“Group”	the Company and its subsidiaries
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Project”	Tianjin Banshan Renjia Project (天津伴山人家項目), the property development project developed by Tianjin Banshan Renjia which is situated in New District of Northern Part of Tang Gu, Tianjin, PRC
“RMB”	Renminbi, the legal currency of the PRC
“Seller”	Tianjin Taida Construction Group Company Limited (天津泰達建設集團有限公司), the substantial shareholder of a subsidiary of the Company, Tianjin Banshan Renjia
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tianjin Banshan Renjia “	Tianjin Banshan Renjia Real Estate Development Company Limited (天津伴山人家置業有限公司), a subsidiary of the Company which is owned as to 85% by the Company and 15% by the Seller prior to completion of the Equity Transfer Agreement
“%”	per cent.

By Order of the Board
Beijing Capital Land Ltd.
Liu Xiaoguang
Chairman

PRC, 10th April 2008

The Board as of the date of this announcement comprises Mr. Liu Xiaoguang (Chairman), Mr. Tang Jun and Mr. He Guang who are the executive Directors, Mr. Feng Chun Qin, Mr. Wang Zhengbin, Ms. Zhu Min and Mr. Muk Kin Yau who are the non-executive Directors, Mr. Benny Kwong Kai Sing, Mr. Ke Jianmin, Mr. Yu Xing Bao and Mr. Li Zhaojie being the independent non-executive Directors.