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**星 美 國 際**

**SMI CORPORATION LIMITED**

**星美國際集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 198)**

## **FURTHER ANNOUNCEMENT IN RELATION TO MAJOR AND CONNECTED TRANSACTION**

Reference is made to the announcement of the Company dated 26 July 2010 in respect of, among other things, the major and connected transaction of the Company.

The Board would like to provide further particulars of the Building Lease Contracts and to advise the expected date of despatch of the circular.

Reference is made to the announcement of the Company dated 26 July 2010 in respect of, among other things, the major and connected transaction of the Company (the “Announcement”). Unless the context requires otherwise, capitalized terms used in this announcement shall have the same meanings as they are defined in the Announcement.

\* For identification purpose only

## FURTHER PARTICULARS OF THE BUILDING LEASE CONTRACTS

The Board would like to provide the English transliteration of the Leased Properties and the Lessors under the Building Lease Contracts as follows:

|                                                                          |          | 1                                                                                                   |                                                       | 2                                                                                       |                                                     | 3                                                                                                                                                                                     |                                                     |
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|                                                                          |          |                                                                                                     |                                                       |                                                                                         |                                                     |                                                                                                                                                                                       |                                                     |
|                                                                          |          | 財富國際購物中心<br>(Cai Fu International Shopping Centre)                                                  |                                                       | 長春富苑•盛世中華城<br>(Changchun Fu Yuan Sheng Shi Zhong Hua Town)                              |                                                     |                                                                                                                                                                                       |                                                     |
|                                                                          |          | 重慶財富中心<br>(Chongqing Cai Fu Centre)                                                                 |                                                       | 長春盛世中華<br>(Changchun Sheng Shi Zhong Hua)                                               |                                                     | 長沙青和•五一購物中心<br>(Changsha Qing He, Wu Yi Shopping Centre)                                                                                                                              |                                                     |
|                                                                          |          |                                                                                                     |                                                       |                                                                                         |                                                     |                                                                                                                                                                                       |                                                     |
| Lessor                                                                   |          | 重慶香江高科技地產發展有限公司<br>(Chongqing Xiang Jiang Advanced Technology and Real Estate Development Co., Ltd) |                                                       | 吉林省盛世房地產發展有限公司<br>(Jilin Sheng Shi Real Estate Development Co., Ltd.)                   |                                                     | 湖南青和商業資產管理有限公司<br>(Hunan Qing He Commercial Assets Management Co., Ltd.)                                                                                                              |                                                     |
|                                                                          |          |                                                                                                     |                                                       |                                                                                         |                                                     |                                                                                                                                                                                       |                                                     |
| Lease Term                                                               |          | 20 years from 1 Jan 2008                                                                            |                                                       | 10 + 5 + 5 years from 1 May 2009                                                        |                                                     | 20 years from 30 Nov 2007                                                                                                                                                             |                                                     |
| Rent (RMB) payable is the higher of the fixed rent and the variable rent | Fixed    | Year:<br>Year 1-4: 1m<br>Year 5-6: 1.3m<br>Year 7-10: 1.6m<br>Year 11-20: 1.9m                      |                                                       | 2.6m per annum                                                                          |                                                     | 1.3m per annum                                                                                                                                                                        |                                                     |
|                                                                          | Variable | Where the annual box office net revenue exceeds:                                                    | The percentage of the box office net revenue as rent: | Year:                                                                                   | The % of the box office net revenue as rent:        | Where the annual box office net revenue:                                                                                                                                              | The % of the annual box office net revenue as rent: |
|                                                                          |          | 10m<br>15m<br>20m<br>25m<br>30m<br>>35m                                                             | 11%<br>12%<br>13%<br>14%<br>15%<br>16%                | 1-2<br>3<br>4<br>5<br>6<br>7<br>8-10                                                    | 12%<br>12.5%<br>13%<br>13.5%<br>14%<br>14.5%<br>15% | 13m-15m<br>>15m<br>>20m                                                                                                                                                               | 11%<br>12%<br>13%                                   |
| Rent-free Period                                                         |          | 4 months from 1 Jan 2008 to 30 Apr 2008                                                             |                                                       | 4 months from 1 May 2009                                                                |                                                     | 4 months                                                                                                                                                                              |                                                     |
|                                                                          |          |                                                                                                     |                                                       |                                                                                         |                                                     |                                                                                                                                                                                       |                                                     |
| Renovation Undertaking                                                   |          | Lessee shall ensure the renovation has attained the PRC’s Standard for 5 Starred Cinema             |                                                       | Lessee shall ensure the renovation has attained the PRC’s Standard for 5 Starred Cinema |                                                     | Lessee shall ensure the renovation has attained the PRC’s Standard for 5 Starred Cinema in a timely manner.<br><br>Lessee shall submit the renovation plan to Lessor for its approval |                                                     |
|                                                                          |          |                                                                                                     |                                                       |                                                                                         |                                                     |                                                                                                                                                                                       |                                                     |
| Operating Area                                                           |          | 7,148.7 sq. m                                                                                       |                                                       | 3,900 sq. m                                                                             |                                                     | 6,000 sq. m                                                                                                                                                                           |                                                     |
|                                                                          |          |                                                                                                     |                                                       |                                                                                         |                                                     |                                                                                                                                                                                       |                                                     |
| No. of Seats                                                             |          | 1,200                                                                                               |                                                       | 1,000                                                                                   |                                                     | 1,307                                                                                                                                                                                 |                                                     |
|                                                                          |          |                                                                                                     |                                                       |                                                                                         |                                                     |                                                                                                                                                                                       |                                                     |
| No. of Screens                                                           |          | 7                                                                                                   |                                                       | 8                                                                                       |                                                     | 7                                                                                                                                                                                     |                                                     |
|                                                                          |          |                                                                                                     |                                                       |                                                                                         |                                                     |                                                                                                                                                                                       |                                                     |
| Deposit (RMB)                                                            |          | 250,000                                                                                             |                                                       | 300,000                                                                                 |                                                     | 300,000                                                                                                                                                                               |                                                     |

|                                                                                                  |          | 4                                                                                                                                                                                                                     | 5                                                                                                                                                                                                                                                      |                                                                                       | 6                                                                                  |                                                       |
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|                                                                                                  |          | 瀋陽大悅城<br>(Shenyang Da Yue Town)                                                                                                                                                                                       | 合肥印象城<br>(Hefei Yin Xiang Town)                                                                                                                                                                                                                        |                                                                                       | 常熟虞景文華<br>(Changshu Yu Jing Wen Hua)                                               |                                                       |
| Lessor                                                                                           |          | 瀋陽鵬利廣場房產<br>開發有限公司<br>(Shenyang Peng Li Plaza Real<br>Estate Development Co., Ltd.)                                                                                                                                   | 合肥深國投商用<br>置業有限公司<br>(Hefei Shen Guo Tou Commercial-<br>use Realty Co., Ltd.)                                                                                                                                                                          |                                                                                       | 常熟市虞景文華<br>商業管理有限公司<br>(Changshu Yu Jing Wen Hua<br>Commerce Management Co., Ltd.) |                                                       |
| Lease Term                                                                                       |          | 20 years from 1 Mar 2010                                                                                                                                                                                              | 15 years from 30 Jun 2010                                                                                                                                                                                                                              |                                                                                       | 20 years<br>from 1 Jan 2011 to 31 Dec 2030                                         |                                                       |
| Rent<br>(RMB)<br>payable is<br>the higher<br>of the<br>fixed rent<br>and the<br>variable<br>rent | Fixed    | Per Annum:<br>Year 1-2: 3.2m<br>Year 3-5: 3.5m<br>Year 6-10: 3.8m<br>Year 11-15: 4.1m<br>Year 16-20: 4.4m                                                                                                             |                                                                                                                                                                                                                                                        | Per Month:<br>Year 1-5: 120,247.12<br>Year 6-10: 137,425.28<br>Year 11-15: 154,603.44 |                                                                                    | Per Annum:<br>Year 1-3: 1.2m<br>Year 4-20: 1.3m       |
|                                                                                                  |          |                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                        |                                                                                       |                                                                                    |                                                       |
|                                                                                                  | Variable | Where annual<br>box office<br>net revenue<br>reaches:                                                                                                                                                                 | The % of such<br>revenue as rent:                                                                                                                                                                                                                      | Year:                                                                                 | The % of such<br>revenue as rent:                                                  | Where annual<br>box office<br>net revenue<br>reaches: |
|                                                                                                  |          | 15m                                                                                                                                                                                                                   | 12%                                                                                                                                                                                                                                                    | 1-5                                                                                   | 10%                                                                                | 10m                                                   |
|                                                                                                  |          | 20m                                                                                                                                                                                                                   | 13%                                                                                                                                                                                                                                                    | 6-10                                                                                  | 11%                                                                                | 12m                                                   |
|                                                                                                  |          | 25m                                                                                                                                                                                                                   | 14%                                                                                                                                                                                                                                                    | 11-15                                                                                 | 12%                                                                                | 15m                                                   |
|                                                                                                  |          | 30m                                                                                                                                                                                                                   | 15%                                                                                                                                                                                                                                                    |                                                                                       |                                                                                    | 20m                                                   |
|                                                                                                  |          | 35m                                                                                                                                                                                                                   | 16%                                                                                                                                                                                                                                                    |                                                                                       |                                                                                    |                                                       |
|                                                                                                  |          | 40m                                                                                                                                                                                                                   | 17%                                                                                                                                                                                                                                                    |                                                                                       |                                                                                    |                                                       |
| Rent-free Period                                                                                 |          | 120 days (4 months)                                                                                                                                                                                                   | 5 months from on or before<br>30 Jun 2010                                                                                                                                                                                                              |                                                                                       | 8 months                                                                           |                                                       |
| Renovation<br>Undertaking                                                                        |          | Lessee shall submit the renovation<br>plan to Lessor<br><br>Lessee shall ensure the renovation<br>has attained the PRC's Standard<br>for 5 Starred Cinema in a timely<br>manner and does not affect other<br>Lessees. | Lessee shall submit to Lessor<br>and the relevant Authorities<br>the renovation plan and shall<br>obtain from Lessor the requisite<br>permission.<br><br>Lessee shall pay the renovation<br>deposit before the commencement<br>of the renovation work. |                                                                                       | N/A                                                                                |                                                       |
| Operating Area                                                                                   |          | 7,010 sq. m                                                                                                                                                                                                           | 4,294.54 sq. m                                                                                                                                                                                                                                         |                                                                                       | 3,120.70 sq. m                                                                     |                                                       |
| No. of Seats                                                                                     |          | 1,500                                                                                                                                                                                                                 | 1,100                                                                                                                                                                                                                                                  |                                                                                       | 1,088                                                                              |                                                       |
| No. of Screens                                                                                   |          | 12                                                                                                                                                                                                                    | 8                                                                                                                                                                                                                                                      |                                                                                       | 7                                                                                  |                                                       |
| Deposit (RMB)                                                                                    |          | 1,000,000                                                                                                                                                                                                             | 300,000                                                                                                                                                                                                                                                |                                                                                       | 100,000                                                                            |                                                       |

|                                                                          |                           | 7                                                                                                                                  |            | 8                                                                             |                           | 9                                                                  |                                          |
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|                                                                          |                           | 北京分鐘寺廣場<br>(Beijing Fen Zhong Si Plaza)                                                                                            |            | 青島新城購物廣場<br>(Qingdao Xin Cheng Shopping Plaza)                                |                           | 陽光西安廣場<br>(Yang Guan Xi'an Plaza)                                  |                                          |
| Lessor                                                                   |                           | 北京分鐘寺陽光新生活購物廣場有限公司<br>(Beijing Fen Zhong Si Yang Guan Xin Sheng Huo Shopping Plaza Co., Ltd.)                                      |            | 青島陽光新城市購物廣場有限公司<br>(Qingdao Yang Guan Xin Cheng Shi Shopping Plaza Co., Ltd.) |                           | 陝西友誼新資購物廣場有限公司<br>(Shaanxi You Yi Xin Zi Shopping Plaza Co., Ltd.) |                                          |
| Lease Term                                                               |                           | 15 years<br>From 1 Nov 2009 to 31 Oct 2024                                                                                         |            | 15 years<br>From 18 Aug 2010 to 17 Aug 2025                                   |                           | 15 years<br>From 1 Oct 2010 to 30 Sep 2025                         |                                          |
| Rent (RMB) payable is the higher of the fixed rent and the variable rent | Fixed                     | Year:                                                                                                                              | Per Month: | Year:                                                                         | Per Month:                | Year:                                                              | Per Month:                               |
|                                                                          |                           | 1 Nov 2009 to 31 Oct 2012                                                                                                          | 375,000    | 18 Aug 2010 to 31 Dec 2015                                                    | 224,572.3                 | 1 Oct 2010 to 31 Dec 2013                                          | 27,650.5                                 |
|                                                                          |                           | 1 Nov 2012 to 31 Oct 2015                                                                                                          | 391,666.67 | 1 Jan 2016 to 31 Dec 2020                                                     | 234,780.2                 | 1 Jan 2014 to 31 Dec 2016                                          | 50,415.55                                |
|                                                                          |                           | 1 Nov 2015 to 31 Oct 2018                                                                                                          | 408,333.33 | 1 Jan 2021 to 31 Dec 2025                                                     | 244,988                   | 1 Jan 2017 to 31 Dec 2019                                          | 275,250.15                               |
|                                                                          |                           | 1 Nov 2018 to 31 Oct 2024                                                                                                          | 425,000    |                                                                               |                           | 1 Jan 2020 to 31 Dec 2025                                          | 303,189.08                               |
|                                                                          | Variable                  | The percentage of the box office net revenue as rent:                                                                              |            | N/A                                                                           |                           | Year:                                                              | The % of box office net revenue as rent: |
|                                                                          |                           | 1 Nov 2009 to 31 Oct 2012                                                                                                          | 15%        | N/A                                                                           |                           | 1 Oct 2010 to 31 Dec 2013                                          | 13%                                      |
| 1 Nov 2012 to 31 Oct 2015                                                |                           | 16%                                                                                                                                |            |                                                                               | 1 Jan 2014 to 31 Dec 2016 | 14%                                                                |                                          |
|                                                                          | 1 Nov 2015 to 31 Oct 2024 | 17%                                                                                                                                |            |                                                                               | 1 Jan 2017 to 31 Dec 2025 | 15%                                                                |                                          |
| Rent-free Period                                                         |                           | 4 months from 1 Nov 2009 to 28 Feb 2020                                                                                            |            | 4 months from 18 Aug 2010 to 18 Dec 2010                                      |                           | 4 months from Oct 2010 to 31 Jan 2012                              |                                          |
| Renovation Undertaking                                                   |                           | Lessee shall be responsible for the renovation. The renovation plan shall comply with the PRC's Standard for the 5 Starred Cinema. |            | Lessee shall be responsible for the renovation                                |                           | Lessee shall pay to Lessor RMB20,000 as renovation management fee. |                                          |
| Operating Area                                                           |                           | 3,443 sq. m                                                                                                                        |            | 3,356 sq. m                                                                   |                           | 3,490 sq. m                                                        |                                          |
| No. of Seats                                                             |                           | 1,100                                                                                                                              |            | 1,100                                                                         |                           | 1,250                                                              |                                          |
| No. of Screens                                                           |                           | 9                                                                                                                                  |            | 7                                                                             |                           | 7                                                                  |                                          |
| Deposit (RMB)                                                            |                           | 500,000                                                                                                                            |            | 500,000                                                                       |                           | 500,000                                                            |                                          |

|                                                                          |          | 10                                                                                     |                                          | 11                                                                                                                                                           |                                                       | 12                                                                    |                                         |
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|                                                                          |          |                                                                                        |                                          |                                                                                                                                                              |                                                       |                                                                       |                                         |
|                                                                          |          | 朝陽區大屯路北京金泉廣場<br>(Chaoyang District Da Tun Road Beijing Jin Quan Plaza)                 |                                          | 合肥綠地海頓公館<br>(Hefei Lü Di Hai Dun Gong Guan)                                                                                                                  |                                                       | 貴陽綠地<br>(Guiyang Lü Di)                                               |                                         |
|                                                                          |          |                                                                                        |                                          |                                                                                                                                                              |                                                       |                                                                       |                                         |
| Lessor                                                                   |          | 北京政泉置業有限公司<br>(Beijing Zheng Quan Realty Co., Ltd.)                                    |                                          | 合肥建鑫房地產開業有限公司<br>(Hefei Jian Xin Real Estate Development Co., Ltd.)                                                                                          |                                                       | 上海綠地集團（貴陽）置業有限公司<br>(Shanghai Lü Di Group (Guiyang) Realty Co., Ltd.) |                                         |
|                                                                          |          |                                                                                        |                                          |                                                                                                                                                              |                                                       |                                                                       |                                         |
| Lease Term                                                               |          | 15 years from 30 Aug 2010                                                              |                                          | 20 years from 31 Dec 2010 to 30 Dec 2030                                                                                                                     |                                                       | 15 + 5 years from 30 Jun 2012                                         |                                         |
|                                                                          |          |                                                                                        |                                          |                                                                                                                                                              |                                                       |                                                                       |                                         |
| Rent (RMB) payable is the higher of the fixed rent and the variable rent | Fixed    | 7.3m per annum together with a yearly increase of 5%                                   |                                          | Per Annum:<br>Year 1-7: 700,000<br>Year 8-13: 800,000<br>Year 14-20: 900,000                                                                                 |                                                       | Year<br>1-3<br>4-6<br>7-9<br>10-15                                    | Per Annum<br>1m<br>1.2m<br>1.4m<br>1.6m |
|                                                                          |          |                                                                                        |                                          |                                                                                                                                                              |                                                       |                                                                       |                                         |
|                                                                          | Variable | Year:                                                                                  | The % of box office net revenue as rent: | Year:                                                                                                                                                        | The percentage of the box office net revenue as rent: | 12% of box office net revenue as rent                                 |                                         |
|                                                                          |          | 1-3<br>4-6<br>7-9<br>10-15<br>16-20                                                    | 12%<br>13%<br>14%<br>15%<br>16%          | 1-5<br>6-10<br>11-15<br>16-20                                                                                                                                | 10%<br>11%<br>12%<br>13%                              |                                                                       |                                         |
|                                                                          |          |                                                                                        |                                          |                                                                                                                                                              |                                                       |                                                                       |                                         |
| Rent-free Period                                                         |          | 4 months                                                                               |                                          | 4 months from 31 Dec 2010 to 30 Apr 2011                                                                                                                     |                                                       | 6 months                                                              |                                         |
|                                                                          |          |                                                                                        |                                          |                                                                                                                                                              |                                                       |                                                                       |                                         |
| Renovation Undertaking                                                   |          | Lessee shall complete the renovation in a timely manner and up to an operable quality. |                                          | Lessee shall pay RMB9,000 to the Lessor as renovation deposit.<br><br>Lessee shall complete the renovation in a timely manner and up to an operable quality. |                                                       | N/A                                                                   |                                         |
|                                                                          |          |                                                                                        |                                          |                                                                                                                                                              |                                                       |                                                                       |                                         |
| Operating Area                                                           |          | 5,000 sq. m                                                                            |                                          | 3,000 sq. m                                                                                                                                                  |                                                       | 3,800 sq. m                                                           |                                         |
|                                                                          |          |                                                                                        |                                          |                                                                                                                                                              |                                                       |                                                                       |                                         |
| No. of Seats                                                             |          | 2,100                                                                                  |                                          | 534                                                                                                                                                          |                                                       | 1,000                                                                 |                                         |
|                                                                          |          |                                                                                        |                                          |                                                                                                                                                              |                                                       |                                                                       |                                         |
| No. of Screens                                                           |          | 10                                                                                     |                                          | 5                                                                                                                                                            |                                                       | 7                                                                     |                                         |
|                                                                          |          |                                                                                        |                                          |                                                                                                                                                              |                                                       |                                                                       |                                         |
| Deposit (RMB)                                                            |          | 1,000,000                                                                              |                                          | 200,000                                                                                                                                                      |                                                       | 100,000 + 200,000                                                     |                                         |

|                                                                          |          | 13                                                               |                                                   | 14                                                                                                                                                                                                                                     |                                                       | 15                                                                                                                                                                                                                                                           |                                                                                        |
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|                                                                          |          | 徐州綠地<br>(Xuzhou Lü Di)                                           |                                                   | 上海百聯金山購物中心<br>(Shanghai Bai Lian Jin Shan Shopping Centre)                                                                                                                                                                             |                                                       | 合肥旺角廣場<br>(Hefei Wang Jiao Plaza)                                                                                                                                                                                                                            |                                                                                        |
| Lessor                                                                   |          | 上海綠地集團徐州置業有限公司<br>(Shanghai Lü Di Group Xuzhou Realty Co., Ltd.) |                                                   | 上海金山百倍購物中心有限公司<br>(Shanghai Jin Shan Bai Pei Shopping Centre Co., Ltd.)                                                                                                                                                                |                                                       | 安徽省迪安房地產開發有限責任公司<br>(Anhui Province Di An Real Estate Development Co., Ltd.)                                                                                                                                                                                 |                                                                                        |
| Lease Term                                                               |          | 15 + 5 years from 31 Jan 2012                                    |                                                   | 20 years from 1 Oct 2010 to 30 Sept 2030                                                                                                                                                                                               |                                                       | 20 years from 1 Jun 2013 to 31 Aug 2032                                                                                                                                                                                                                      |                                                                                        |
| Rent (RMB) payable is the higher of the fixed rent and the variable rent | Fixed    | Year<br>1-2<br>3-6<br>7-10<br>11-15<br>16-20                     | Per Annum<br>1.2m<br>1.4m<br>1.6m<br>1.8m<br>2.0m | Year<br>1<br>2<br>3<br>>3                                                                                                                                                                                                              | Per Annum<br>1.6m<br>1.65m<br>1.69m<br>every year +3% | Year<br>1-3<br>4-6<br>7-9<br>10-12<br>13-15<br>16-18<br>19-20                                                                                                                                                                                                | Per Month<br>169,000<br>201,500<br>214,500<br>240,500<br>266,500<br>292,500<br>325,000 |
|                                                                          | Variable | Year:                                                            | The % of box office net revenue as rent:          | Year:                                                                                                                                                                                                                                  | The % of the box office net revenue as rent:          | Year:                                                                                                                                                                                                                                                        | The % of box office net revenue as rent:                                               |
|                                                                          |          | 1-5<br>6-10<br>11-15<br>16-20                                    | 11%<br>12%<br>13%<br>14%                          | 1-5<br>6-10<br>11-15<br>16-20<br><br>If the annual box office net revenue is (1) in the range of 20m – 30m an extra 2% will be added to the rent or (2) exceeds 30m, an extra 8% will be added to the rent.                            | 12%<br>13%<br>14%<br>15%                              | 1-3<br>4-6<br>7-9<br>10-15<br>16-20                                                                                                                                                                                                                          | 12%<br>13%<br>14%<br>15%<br>16%                                                        |
| Rent-free Period                                                         |          | 6 months from 31 Jul 2011                                        |                                                   | 1 month from 1 Oct 2010 to 31 Oct 2010                                                                                                                                                                                                 |                                                       | 9 months from 31 Aug 2012 to 30 May 2013                                                                                                                                                                                                                     |                                                                                        |
| Renovation Undertaking                                                   |          | N/A                                                              |                                                   | Lessee shall be responsible for the renovation except the fittings stipulated in annex D.<br><br>Lessee shall submit to Lessor the renovation agreement, renovation plan, list of material and financial budget for Lessor's approval. |                                                       | Lessee shall complete the renovation in a timely manner and up to an operable quality.<br><br>Where the renovation work would amount to any structural alteration, Lessee shall obtain Lessor's written consent and shall bear all consequential liabilities |                                                                                        |
| Operating Area                                                           |          | 4,700 sq. m                                                      |                                                   | 3,607 sq. m                                                                                                                                                                                                                            |                                                       | 6,500 sq. m                                                                                                                                                                                                                                                  |                                                                                        |
| No. of Seats                                                             |          | 1,600                                                            |                                                   | 1,000                                                                                                                                                                                                                                  |                                                       | 2,000                                                                                                                                                                                                                                                        |                                                                                        |
| No. of Screens                                                           |          | 9                                                                |                                                   | 7                                                                                                                                                                                                                                      |                                                       | 11                                                                                                                                                                                                                                                           |                                                                                        |
| Deposit (RMB)                                                            |          | 300,000                                                          |                                                   | 300,000                                                                                                                                                                                                                                |                                                       | 800,000                                                                                                                                                                                                                                                      |                                                                                        |

|                                                                          |          | 16                                                                                                                                                   |                                                       | 17                                                                                                  |                                              | 18                                                                                                                                                                                                                                                                           |                                              |
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|                                                                          |          | 天津友誼路新城市廣場<br>(Tianjin You Yi Road Xin Cheng Shi Plaza)                                                                                              |                                                       | 蘇州李公提三期<br>(Suzhou Li Gong Ti Phase 3)                                                              |                                              | 天津中山門項目<br>(Tianjin Zhongshan Gate Project)                                                                                                                                                                                                                                  |                                              |
| Lessor                                                                   |          | 天津陽光新城市商業<br>投資有限公司<br>(Tianjin Yang Guan Xin Cheng Shi Commerce and Investment Co., Ltd.)                                                           |                                                       | 蘇州圓融發展<br>集團有限公司<br>(Suzhou Yuan Rong Development Group Co., Ltd.)                                  |                                              | 天津陽光新城市商業<br>投資有限公司<br>(Tianjing Yang Guan Xin Cheng Shi Commerce and Investment Co., Ltd.)                                                                                                                                                                                  |                                              |
| Lease Term                                                               |          | 15 years from 31 May 2012 to 30 May 2027                                                                                                             |                                                       | 15 years from 1 Jan 2012                                                                            |                                              | 15 years from 29 Mar 2010                                                                                                                                                                                                                                                    |                                              |
| Rent (RMB) payable is the higher of the fixed rent and the variable rent | Fixed    | Year:                                                                                                                                                | Per Annum:                                            | Year:                                                                                               | Per Annum:                                   | 2.4m per annum                                                                                                                                                                                                                                                               |                                              |
|                                                                          |          | 31 May 2012 to 30 May 2015                                                                                                                           | 4,064,640                                             | 1-3<br>4-6<br>7-9<br>10-12<br>11-15                                                                 | 2.7m<br>3m<br>3.3m<br>3.6m<br>3.9m           |                                                                                                                                                                                                                                                                              |                                              |
|                                                                          |          | 31 May 2015 to 30 May 2018                                                                                                                           | 4,191,660                                             |                                                                                                     |                                              |                                                                                                                                                                                                                                                                              |                                              |
|                                                                          |          | 31 May 2018 to 30 May 2022                                                                                                                           | 4,318,680                                             |                                                                                                     |                                              |                                                                                                                                                                                                                                                                              |                                              |
|                                                                          |          | 31 May 2022 to 30 May 2027                                                                                                                           | 4,509,210                                             |                                                                                                     |                                              |                                                                                                                                                                                                                                                                              |                                              |
|                                                                          | Variable | Year:                                                                                                                                                | The percentage of the box office net revenue as rent: | Year:                                                                                               | The % of the box office net revenue as rent: | Year:                                                                                                                                                                                                                                                                        | The % of the box office net revenue as rent: |
|                                                                          |          | 31 May 2012 to 30 May 2015                                                                                                                           | 14%                                                   | 1-3<br>4-6<br>7-9<br>10-12<br>13-15                                                                 | 12%<br>13%<br>14%<br>15%<br>16%              | 1-3<br>4-6<br>7-9<br>10-12<br>13-15                                                                                                                                                                                                                                          | 10%<br>11%<br>12%<br>13%<br>14%              |
|                                                                          |          | 31 May 2015 to 30 May 2018                                                                                                                           | 15%                                                   |                                                                                                     |                                              |                                                                                                                                                                                                                                                                              |                                              |
|                                                                          |          | 31 May 2018 to 30 May 2027                                                                                                                           | 16%                                                   |                                                                                                     |                                              |                                                                                                                                                                                                                                                                              |                                              |
| Rent-free Period                                                         |          | 4 months from 31 May 2012 to 27 Sept 2012                                                                                                            |                                                       | 4 months (120 days)                                                                                 |                                              | From the date of possession to Jul 1                                                                                                                                                                                                                                         |                                              |
| Renovation Undertaking                                                   |          | Lessee shall be responsible for the renovation.<br><br>Lessee shall submit to Lessor the renovation plan. Such plan shall be agreed be both Parties. |                                                       | Before the commencement of the renovation work, the renovation plan shall be agreed by both parties |                                              | Lessee shall not commence any renovation design or construction without Lessor’s prior written consent. Without Lessor’s consent, structural renovation work is impermissible.<br><br>Lessee shall conduct the renovation in accordance with the PRC’s standard for cinemas. |                                              |
| Operating Area                                                           |          | 3,480 sq. m                                                                                                                                          |                                                       | 3,700 sq. m                                                                                         |                                              | 4,500 sq. m                                                                                                                                                                                                                                                                  |                                              |
| No. of Seats                                                             |          | 1,250                                                                                                                                                |                                                       | 1,500                                                                                               |                                              | 1,400                                                                                                                                                                                                                                                                        |                                              |
| No. of Screens                                                           |          | 8                                                                                                                                                    |                                                       | 8                                                                                                   |                                              | 7                                                                                                                                                                                                                                                                            |                                              |
| Deposit (RMB)                                                            |          | 500,000                                                                                                                                              |                                                       | 2,500,000                                                                                           |                                              | 100,000 + 200,000                                                                                                                                                                                                                                                            |                                              |

|                                                                          |          | 19                                                                        |                                                     | 20                                                                                                                                                                                                                                                                                                                                                                                      |                                              | 21                                                                                           |                                         |
|--------------------------------------------------------------------------|----------|---------------------------------------------------------------------------|-----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|----------------------------------------------------------------------------------------------|-----------------------------------------|
|                                                                          |          |                                                                           |                                                     |                                                                                                                                                                                                                                                                                                                                                                                         |                                              |                                                                                              |                                         |
|                                                                          |          | 南京文鼎廣場<br>(Nanjing Wen Ding Plaza)                                        |                                                     | 昆明金鷹<br>(Kunming Jin Ying)                                                                                                                                                                                                                                                                                                                                                              |                                              | 山東煙臺祥隆購物廣場<br>(Shandong Yantai Xiang Long Shopping Plaza)                                    |                                         |
|                                                                          |          |                                                                           |                                                     |                                                                                                                                                                                                                                                                                                                                                                                         |                                              |                                                                                              |                                         |
| Lessor                                                                   |          | 南京行質建設發展有限公司<br>(Nanjing Hang Zhi Construction and Development Co., Ltd.) |                                                     | 雲南金鷹實業有限公司<br>(Yunnan Jin Ying Industrial Co., Ltd.)                                                                                                                                                                                                                                                                                                                                    |                                              | 山東華都置業有限公司<br>(Shandong Hua Dou Realty Co., Ltd.)                                            |                                         |
|                                                                          |          |                                                                           |                                                     |                                                                                                                                                                                                                                                                                                                                                                                         |                                              |                                                                                              |                                         |
| Lease Term                                                               |          | 15 years from 1 Nov 2011 to 1 Nov 2026                                    |                                                     | 10 years from 1 Aug 2010 to 31 Jul 2021                                                                                                                                                                                                                                                                                                                                                 |                                              | 18 years from 1 May 2012 to 30 Apr 2030                                                      |                                         |
|                                                                          |          |                                                                           |                                                     |                                                                                                                                                                                                                                                                                                                                                                                         |                                              |                                                                                              |                                         |
| Rent (RMB) payable is the higher of the fixed rent and the variable rent | Fixed    | Year:<br>1-3<br>4-6<br>7-9<br>10-12<br>13-15                              | Per Annum:<br>1.5m<br>1.65<br>1.8m<br>1.95m<br>2.1m | Year:<br>1-3<br>4-6<br>7-8<br>9-10                                                                                                                                                                                                                                                                                                                                                      | Per Annum:<br>1.8m<br>2.3m<br>2.4m<br>2.5m   | Year:<br>1-3<br>4-6<br>7-18                                                                  | Per Annum:<br>1.1m<br>1.2m<br>1.3m      |
|                                                                          |          |                                                                           |                                                     |                                                                                                                                                                                                                                                                                                                                                                                         |                                              |                                                                                              |                                         |
|                                                                          | Variable | Year:                                                                     | The % of the box office net revenue as rent:        | Year:                                                                                                                                                                                                                                                                                                                                                                                   | The % of the box office net revenue as rent: | Year:                                                                                        | The percentage of such revenue as rent: |
|                                                                          |          | 1-3<br>4-6<br>7-9<br>10-12<br>13-15                                       | 12%<br>13%<br>14%<br>15%<br>16%                     | 1-3<br>4-6<br>7-8<br>9-10                                                                                                                                                                                                                                                                                                                                                               | 12%<br>13%<br>14%<br>15%                     | 1-3<br>4-6<br>7-18                                                                           | 10%<br>11%<br>12%                       |
|                                                                          |          |                                                                           |                                                     |                                                                                                                                                                                                                                                                                                                                                                                         |                                              |                                                                                              |                                         |
| Rent-free Period                                                         |          | 4 months (120 days)                                                       |                                                     | 4 months from 1 Aug 2010 to 30 Nov 2010                                                                                                                                                                                                                                                                                                                                                 |                                              | 9 months from 1 Aug 2011 to 30 Apr 2012                                                      |                                         |
|                                                                          |          |                                                                           |                                                     |                                                                                                                                                                                                                                                                                                                                                                                         |                                              |                                                                                              |                                         |
| Renovation Undertaking                                                   |          | N/A                                                                       |                                                     | Lessee shall comply with procedure set out by Lessor before commencing the renovation work.<br><br>Lessee shall complete the renovation work in accordance with Lessor's and the relevant Authorities' requirement.<br><br>The renovation plan, list of material and job list shall be submitted to Lessor and the relevant Authorities before the commencement of the renovation work. |                                              | Lessee shall complete the renovation work in a timely manner and up to an operable standard. |                                         |
|                                                                          |          |                                                                           |                                                     |                                                                                                                                                                                                                                                                                                                                                                                         |                                              |                                                                                              |                                         |
| Operating Area                                                           |          | 1,920 sq. m                                                               |                                                     | 3,206 sq. m                                                                                                                                                                                                                                                                                                                                                                             |                                              | 2,682 sq. m                                                                                  |                                         |
|                                                                          |          |                                                                           |                                                     |                                                                                                                                                                                                                                                                                                                                                                                         |                                              |                                                                                              |                                         |
| No. of Seats                                                             |          | 700                                                                       |                                                     | 800                                                                                                                                                                                                                                                                                                                                                                                     |                                              | 1,030                                                                                        |                                         |
|                                                                          |          |                                                                           |                                                     |                                                                                                                                                                                                                                                                                                                                                                                         |                                              |                                                                                              |                                         |
| No. of Screens                                                           |          | 6                                                                         |                                                     | 6                                                                                                                                                                                                                                                                                                                                                                                       |                                              | 8                                                                                            |                                         |
|                                                                          |          |                                                                           |                                                     |                                                                                                                                                                                                                                                                                                                                                                                         |                                              |                                                                                              |                                         |
| Deposit (RMB)                                                            |          | 300,000                                                                   |                                                     | 526,944                                                                                                                                                                                                                                                                                                                                                                                 |                                              | 300,000                                                                                      |                                         |



|                                                                          |          | 22                                                                                           |                                                 | 23                                                                                   |                                                                                                     | 24                                                                                                                |                                                    |
|--------------------------------------------------------------------------|----------|----------------------------------------------------------------------------------------------|-------------------------------------------------|--------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|
|                                                                          |          |                                                                                              |                                                 |                                                                                      |                                                                                                     |                                                                                                                   |                                                    |
|                                                                          |          | 山東龍口博商購物廣場<br>(Shandong Longkou Bo Shang Shopping Centre)                                    |                                                 | 無錫站前商貿<br>(Wuxi Zhan Qian Commerce and Trading)                                      |                                                                                                     | 哈爾濱盛基購物中心<br>(Harbin Sheng Ji Shopping Centre)                                                                    |                                                    |
|                                                                          |          |                                                                                              |                                                 |                                                                                      |                                                                                                     |                                                                                                                   |                                                    |
| Lessor                                                                   |          | 山東龍口博商商業股份有限公司<br>(Shandong Longkou Bo Shang Commerce Shareholding Co., Ltd.)                |                                                 | 無錫仲城房地產開發有限公司<br>(Wuxi Zhong Cheng Real Estate Development Co., Ltd.)                |                                                                                                     | 哈爾濱盛基購物廣場有限責任公司<br>(Harbin Sheng Ji Shopping Plaza Co., Ltd.)                                                     |                                                    |
|                                                                          |          |                                                                                              |                                                 |                                                                                      |                                                                                                     |                                                                                                                   |                                                    |
| Lease Term                                                               |          | 18 years from 1 Feb 2011 to 31 Mar 2029                                                      |                                                 | 20 years from 1 Aug 2010                                                             |                                                                                                     | 20 years from 1 Nov 2011 to 31 Oct 2031                                                                           |                                                    |
|                                                                          |          |                                                                                              |                                                 |                                                                                      |                                                                                                     |                                                                                                                   |                                                    |
| Rent (RMB) payable is the higher of the fixed rent and the variable rent | Fixed    | Year:<br>1-3<br>4-6<br>7-18                                                                  | Per Annum:<br>934,400<br>1,134,400<br>1,234,400 | Year:<br>1-3<br>4-5<br>6-7<br>8-9<br>10-11<br>12-13<br>14-15<br>16-17<br>18-19<br>20 | Per Day:<br>6,426<br>6,750<br>7,101<br>7,452<br>7,830<br>8,235<br>8,640<br>9,072<br>9,531<br>10,017 | Year:<br>1-3<br>4-6<br>7-10<br>11-15<br>16-20                                                                     | Per Annum:<br>1.1m<br>1.2m<br>1.3m<br>1.4m<br>1.5m |
|                                                                          |          |                                                                                              |                                                 |                                                                                      |                                                                                                     |                                                                                                                   |                                                    |
|                                                                          | Variable | Year:                                                                                        | The % of the box office net revenue as rent:    | Year:                                                                                | The % of box office net revenue as rent:                                                            | Year:                                                                                                             | The % of box office net revenue as rent:           |
|                                                                          |          | 1-3<br>4-6<br>7-18                                                                           | 10%<br>11%<br>13%                               | 1-5<br>6-10<br>11-15<br>16-17                                                        | 10%<br>11%<br>12%<br>13%                                                                            | 1-3<br>4-6<br>7-10<br>11-15<br>16-20                                                                              | 10%<br>11%<br>12%<br>13%<br>14%                    |
|                                                                          |          |                                                                                              |                                                 |                                                                                      |                                                                                                     |                                                                                                                   |                                                    |
|                                                                          |          |                                                                                              |                                                 |                                                                                      |                                                                                                     |                                                                                                                   |                                                    |
| Rent-free Period                                                         |          | 4 months (120 days)                                                                          |                                                 | 7 months                                                                             |                                                                                                     | 6 months                                                                                                          |                                                    |
|                                                                          |          |                                                                                              |                                                 |                                                                                      |                                                                                                     |                                                                                                                   |                                                    |
| Renovation Undertaking                                                   |          | Lessee shall complete the renovation work up to a operable standard on or before 28 Dec 2010 |                                                 | N/A                                                                                  |                                                                                                     | Lessee shall complete the renovation work up to an operable standard within 6 months from the date of possession. |                                                    |
|                                                                          |          |                                                                                              |                                                 |                                                                                      |                                                                                                     |                                                                                                                   |                                                    |
| Operating Area                                                           |          | 2,560 sq. m                                                                                  |                                                 | 2,700 sq. m                                                                          |                                                                                                     | 3,633 sq. m                                                                                                       |                                                    |
|                                                                          |          |                                                                                              |                                                 |                                                                                      |                                                                                                     |                                                                                                                   |                                                    |
| No. of Seats                                                             |          | 758                                                                                          |                                                 | 1,100                                                                                |                                                                                                     | 1,130                                                                                                             |                                                    |
|                                                                          |          |                                                                                              |                                                 |                                                                                      |                                                                                                     |                                                                                                                   |                                                    |
| No. of Screens                                                           |          | 7                                                                                            |                                                 | 7                                                                                    |                                                                                                     | 6                                                                                                                 |                                                    |
|                                                                          |          |                                                                                              |                                                 |                                                                                      |                                                                                                     |                                                                                                                   |                                                    |
| Deposit (RMB)                                                            |          | 100,000                                                                                      |                                                 | 1,000,000                                                                            |                                                                                                     | 300,000                                                                                                           |                                                    |

|                                                                          |                                                                                      |       |                                          |
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|                                                                          | 25                                                                                   |       |                                          |
|                                                                          |                                                                                      |       |                                          |
|                                                                          | 吳江盛澤新生商業廣場<br>(Wujiang Sheng Ze Xin Sheng Commerce Plaza)                            |       |                                          |
|                                                                          |                                                                                      |       |                                          |
| Lessor                                                                   | 吳江春之聲瑞地<br>商業管理有限公司<br>(Wujiang Chun Zhi Sheng Rui Di Commerce Management Co., Ltd.) |       |                                          |
|                                                                          |                                                                                      |       |                                          |
| Lease Term                                                               | 15 years from 18 Dec 2011                                                            |       |                                          |
|                                                                          |                                                                                      |       |                                          |
| Rent (RMB) payable is the higher of the fixed rent and the variable rent | Fixed                                                                                | Year: | Per Day:                                 |
|                                                                          |                                                                                      | 1-2   | 3,510                                    |
|                                                                          |                                                                                      | 3-4   | 4,050                                    |
|                                                                          |                                                                                      | 5-6   | 4,455                                    |
|                                                                          |                                                                                      | 7-8   | 4,860                                    |
|                                                                          |                                                                                      | 9-10  | 5,346                                    |
|                                                                          |                                                                                      | 11-12 | 5,886                                    |
|                                                                          |                                                                                      | 13-15 | 6,750                                    |
|                                                                          |                                                                                      |       |                                          |
|                                                                          | Variable                                                                             | Year: | The % of box office net revenue as rent: |
|                                                                          |                                                                                      | 1-4   | 9%                                       |
|                                                                          |                                                                                      | 5-8   | 10%                                      |
|                                                                          |                                                                                      | 9-12  | 11%                                      |
|                                                                          |                                                                                      | 13-15 | 12%                                      |
|                                                                          |                                                                                      |       |                                          |
| Rent-free Period                                                         | 2 months from 18 Dec 2011 to 17 Feb 2012                                             |       |                                          |
|                                                                          |                                                                                      |       |                                          |
| Renovation Undertaking                                                   | N/A                                                                                  |       |                                          |
|                                                                          |                                                                                      |       |                                          |
| Operating Area                                                           | 2,700 sq. m                                                                          |       |                                          |
|                                                                          |                                                                                      |       |                                          |
| No. of Seats                                                             | 830                                                                                  |       |                                          |
|                                                                          |                                                                                      |       |                                          |
| No. of Screens                                                           | 7                                                                                    |       |                                          |
|                                                                          |                                                                                      |       |                                          |
| Deposit (RMB)                                                            | 300,000                                                                              |       |                                          |

For reference purposes only, the Chinese names of the PRC entities have been translated into English in this announcement. In the event of any discrepancies between the Chinese names of these PRC entities and their respective English translations, the Chinese version shall prevail.

## **EXPECTED DATE OF DESPATCH OF THE CIRCULAR**

A circular containing, among other things, further details of the Transfer of Leases, a letter from the independent board committee and a letter of advice from the independent financial adviser to the independent board committee together with a notice of the Special General Meeting and other information as required under the Listing Rules is expected to be despatched to the Shareholders on or before 16 August 2010 in accordance with the Listing Rules. If there is expected to be delay in despatch of the circular, a further announcement will be published in accordance with the Listing Rules stating the reason for the delay and the new expected date of despatch of the circular.

By Order of the Board  
**SMI Corporation Limited**  
**Hu Yidong**  
*Executive Director*

Hong Kong, 27 July 2010

*As at the date of this announcement, the Board comprises four executive Directors, namely Mr. QIN Hong (Chairman), Ms. XIAO Ping, Mr. HU Yidong, and Mr. LI Kai; and three independent non-executive Directors, namely Mr. HE Peigang, Mr. PANG Hong and Mr. CHAN Sek Nin, Jackey.*