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NEW ISLAND PRINTING HOLDINGS LIMITED

新洲印刷集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 377)

**DISCLOSEABLE TRANSACTION
ACQUISITION OF PROPERTIES**

The Board announces that on 19 April 2011, the Purchaser, a wholly-owned subsidiary of the Company, entered into the Memorandum with the Vendor for the acquisition of the Property at a total cash consideration of HK\$74,664,480.

As the applicable percentage ratios in relation to the Acquisition exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the notification and announcement requirements under the Listing Rules.

** for identification purposes only*

THE MEMORANDUM

Date:

19 April 2011

Parties:

Purchaser: New Island Property Limited (新洲置業有限公司), a company incorporated in Hong Kong with limited liability and is a wholly-owned subsidiary of the Company. The principal activity of the Purchaser is investment holding.

Vendor: Jetcrown Properties Limited, a company incorporated in the British Virgin Islands with limited liability. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendor and its ultimate beneficial owner are third parties independent of the Company and Connected Persons of the Company.

To the best of the Directors' knowledge, the principal activity of the Vendor is investment holding.

Property: Office units on 23rd and 25th Floors (the "Office") and Car Parking Spaces Nos. P26, P27, P28, P29, P30, P31, P32 and P33 on 7th Floor, Excel Centre, No.483A Castle Peak Road, Cheung Sha Wan, Kowloon, Hong Kong.

Information on the Property:

The Property is a non-residential property and the Office has a total gross floor area of about 11,922 square feet. The Property is situated at the prime location in Kowloon, with thriving business atmosphere in the surrounding areas and favourable geographical location.

Consideration:

The Consideration for the sale and purchase of the Property payable by the Purchaser is HK\$74,664,480 in cash. The Consideration has been arrived at after arm's length negotiations between the Purchaser and the Vendor by reference to the market prices of similar properties in nearby areas.

A preliminary deposit of HK\$3,733,224 had been paid by the Purchaser upon signing of the Memorandum. Under the Memorandum, the Purchaser is required to pay a further deposit of HK\$3,733,224 on or before 27 April 2011. The remaining balance of the Consideration, in the amount of HK\$67,198,032, shall be paid by the Purchaser to the Vendor upon completion of the Acquisition, which is required to take place on or before 30 June 2011.

Completion:

Pursuant to the Memorandum, a formal agreement for sale and purchase of the Property will be entered into between the Purchaser and the Vendor on or before 27 April 2011. Completion of the Acquisition shall take place on or before 30 June 2011.

Under the Memorandum, if the Purchaser fails to comply with any of the terms and conditions of the Memorandum including the failure to sign the formal agreement and/or to pay further deposits or further payments of purchase price or balance of purchase price in accordance with the above-mentioned payment terms, the preliminary deposit(s) shall be absolutely forfeited to the Vendor and the Vendor shall then be entitled at its absolute discretion to cancel the Memorandum and to sell the Property to anyone it thinks fit without further notice to the Purchaser. The Purchaser shall bear all damages, costs, charges, disbursements incurred by the Vendor including stamp duty, if any, in connection with or arising from the Purchaser's failure to comply with the terms and conditions of the Memorandum.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group is principally engaged in the printing and manufacturing of high quality multi-colour packaging products, carton boxes, books, brochures and other paper products.

The Board is of the view that the Property is strategically located at the heart of Kowloon in an easily accessible region and along a major transportation passageway, making it an ideal location for the office premises of the Group.

The Board considers that the terms of the Memorandum are fair and reasonable and in the interests of the Company and its shareholders as a whole. The Board also believes that the acquisition of the Property for the office premises of the Group is in line with the long-term development strategy of the Company and will strengthen the Company's position and business development.

GENERAL

As the applicable percentage ratios in relation to the Acquisition exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the notification and announcement requirements under the Listing Rules.

DEFINITIONS

The following expressions in this announcement have the meanings set out below unless the context requires otherwise:

“Acquisition”	the acquisition of the Property by the Purchaser from the Vendor at a total consideration of HK\$74,664,480 pursuant to the Memorandum
“Associates”	shall have the meanings as prescribed under the Listing Rules
“Board”	The Board of Directors
“Company”	New Island Printing Holdings Limited, a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the Stock Exchange with stock code 377
“Connected Person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	HK\$74,664,480 in cash
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Memorandum”	the memorandum for sale dated 19 April 2011 entered into between the Vendor and the Purchaser in relation to the Acquisition
“Property”	Office Units on 23 rd and 25 th Floors and Car Parking Spaces Nos. P26, P27, P28, P29, P30, P31, P32 and P33 on 7 th Floor, Excel Centre, No.483A Castle Peak Road, Cheung Sha Wan, Kowloon, Hong Kong
“Purchaser”	New Island Property Limited (“新洲置業有限公司”), a company incorporated in Hong Kong with limited liability and is a wholly-owned subsidiary of the Company

“Vendor” Jetcrown Properties Limited, a company incorporated in the British Virgin Islands with limited liability

“%” Per cent.

By Order of the Board
Lo Ming Chi, Charles
Chairman and Chief Executive Officer

Hong Kong, 19 April 2011

As at the date of this announcement, the Board comprises Mr. Lo Ming Chi, Charles (Chairman and Chief Executive Officer), Ms. Chan Yuk Yee and Mr. Dai Zhongcheng as Executive Directors; and Dr. Wong Yun Kuen, Mr. Pun Chi Ping and Mr. Ip Man Tin, David as Independent Non-executive Directors.