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# **Frasers**

PROPERTY GROUP

## **Frasers Property (China) Limited**

## **星獅地產（中國）有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code : 00535)**

### **RESULTS OF THE RIGHTS ISSUE AND ADJUSTMENTS IN RELATION TO THE SHARE OPTIONS**

#### **RESULTS OF THE RIGHTS ISSUE**

The Board is pleased to announce that the Rights Issue has become unconditional at 4:00 p.m. on Tuesday, 12 September 2006.

As at 4:00 p.m. on Thursday, 7 September 2006, being the latest time for acceptance of and payment for the Rights Shares and application for excess Rights Shares, a total of 239 valid acceptances of provisional allotment of Rights Shares have been received for a total of 1,934,294,205 Rights Shares, representing approximately 84.81% of the total number of the Rights Shares available for subscription under the Rights Issue, and a total of 219 valid applications for excess Rights Shares have been received for a total of 249,812,430 Rights Shares, representing approximately 10.95% of the total number of the Rights Shares available for subscription under the Rights Issue. Accordingly, a total of 458 valid applications of 2,184,106,635 Rights Shares have been received. In aggregate, they represent approximately 95.76% of the total number of 2,280,825,860 Rights Shares offered under the Rights Issue.

Based on the results above, the Rights Issue was under-subscribed by 96,719,225 Rights Shares, which were fully taken up by the Underwriter in accordance with the terms of the Underwriting Agreement. Given that the Rights Issue was under-subscribed, the Board has resolved to allot a total of 249,812,430 Rights Shares available for all the excess applications to each of the applicant applying for such Rights Shares and the Directors consider that such allotment is fair and equitable.

It is expected that the share certificates for the Rights Shares in respect of the valid acceptances of the Rights Shares on PALs and successful applications for excess Rights Shares, in their fully-paid form, will be despatched to the addresses (as shown on the register of members of the Company) by ordinary post on or before Thursday, 14 September 2006 at their own risks. Dealings in the Rights Shares, in their fully-paid form, are expected to commence on the Stock Exchange at 9:30 a.m. on Monday, 18 September 2006.

## **ADJUSTMENTS IN RELATION TO THE SHARE OPTIONS**

Pursuant to the provisions of the Share Option Scheme, adjustments are required to be made to the exercise price of and the number of Shares falling to be allotted and issued upon full exercise of the outstanding Share Options as a result of the issue of the Rights Shares.

Based on the written confirmation from the auditors of the Company, the exercise price of the outstanding Share Options has been adjusted from the range of HK\$0.1450 to HK\$0.1706 per Share to HK\$0.1260 to HK\$0.1482 per Share, and the total number of Shares falling to be allotted and issued upon full exercise of all outstanding Share Options will be adjusted from 34,640,000 Shares to 39,877,568 Shares. Separate notification regarding the adjustments will be sent to the holders of the Share Options in due course.

Reference is made to the prospectus issued by the Company dated 22 August 2006 (the "Prospectus") in relation to the Rights Issue. Capitalised terms used herein shall have the same meanings as defined in the Prospectus unless otherwise stated.

## **RESULTS OF THE RIGHTS ISSUE**

The Board is pleased to announce that all of the conditions set out in the Underwriting Agreement have been fulfilled and the Underwriting Agreement has not been terminated in accordance with its terms. The Rights Issue has become unconditional at 4:00 p.m. on Tuesday, 12 September 2006.

As at 4:00 p.m. on Thursday, 7 September 2006, being the latest time for acceptance of and payment for the Rights Shares and application for excess Rights Shares, a total of 239 valid acceptances of provisional allotment of Rights Shares have been received for a total of 1,934,294,205 Rights Shares, representing approximately 84.81% of the total number of the Rights Shares available for subscription under the Rights Issue, and a total of 219 valid applications for excess Rights Shares have been received for a total of 249,812,430 Rights Shares, representing approximately 10.95% of the total number of the Rights Shares available for subscription under the Rights Issue. Accordingly, a total of 458 valid applications of 2,184,106,635 Rights Shares have been received. In aggregate, they represent approximately 95.76% of the total number of 2,280,825,860 Rights Shares offered under the Rights Issue. Such acceptances and applications include: (i) 257,173,330 Rights Shares accepted and paid for and 249,786,121 excess Rights Shares applied and paid for by the Qualifying Shareholders (other than FCL China, VCL, Riverbook, Dr. Fam Yue Onn, Michael and Ms. Chong Siak Ching); (ii) 1,282,503,298 Rights Shares accepted and paid for by FCL China and VCL; and (iii) 391,722,835 Rights Shares, 1,157,897 Rights Shares and 1,736,845 Rights Shares accepted and paid for by Riverbook, Dr. Fam Yue Onn, Michael and Ms. Chong Siak Ching, respectively. In addition, Dr. Fam Yue Onn, Michael has applied for 26,309 excess Rights Shares through EAF. Accordingly, F&N's Undertaking has been fulfilled in full.

Based on the results above, the Rights Issue was under-subscribed by 96,719,225 Rights Shares, which were fully taken up by the Underwriter in accordance with the terms of the Underwriting Agreement. Given that the Rights Issue was under-subscribed, the Board has resolved to allot a total of 249,812,430 Rights Shares available for all the excess applications to each of the applicant applying for such Rights Shares and the Directors consider that such allotment is fair and equitable.

### Changes in shareholding structure of the Company

The following is a table showing the changes in shareholding structure of the Company immediately prior to and following completion of the Rights Issue:

	Immediately before completion of the Rights Issue		Immediately after completion of the Rights Issue	
	<i>Number of Shares</i> <i>(approximately)</i>	<i>%</i>	<i>Number of Shares</i> <i>(approximately)</i>	<i>%</i>
FCL China	1,781,560,927	39.06	2,672,341,390	39.06
VCL	783,445,670	17.17	1,175,168,505	17.17
<b>Subtotal of interests of F&amp;N</b>	<b>2,565,006,597</b>	<b>56.23</b>	<b>3,847,509,895</b>	<b>56.23</b>
F&N's director	2,315,794	0.05	3,500,000	0.05
<b>Subtotal of interests of F&amp;N and its Concert Parties</b>	<b>2,567,322,391</b>	<b>56.28</b>	<b>3,851,009,895</b>	<b>56.28</b>
Riverbook	783,445,670	17.17	1,175,168,505	17.17
Director	3,473,691	0.08	5,210,536	0.08
The Underwriter	–	–	96,719,225	1.41
Public Shareholders	1,207,409,968	26.47	1,714,369,419	25.06
<b>Total</b>	<b>4,561,651,720</b>	<b>100.00</b>	<b>6,842,477,580</b>	<b>100.00</b>

### Despatch of certificates for Rights Shares and commencement of dealings in Rights Shares in fully-paid form

It is expected that the share certificates for the Rights Shares in respect of the valid acceptances of the Rights Shares on PALs and successful applications for excess Rights Shares, in their fully-paid form, will be despatched to the addresses (as shown on the register of members of the Company) by ordinary post on or before Thursday, 14 September 2006 at their own risks. Dealings in the Rights Shares, in their fully-paid form, are expected to commence on the Stock Exchange at 9:30 a.m. on Monday, 18 September 2006.

## ADJUSTMENTS IN RELATION TO THE SHARE OPTIONS

Pursuant to the provisions of the Share Option Scheme, adjustments are required to be made to the exercise price of and the number of Shares falling to be allotted and issued upon full exercise of the outstanding Share Options as a result of the issue of the Rights Shares.

Based on the written confirmation from the auditors of the Company, the exercise price of and the total number of Shares falling to be allotted and issued upon full exercise of the outstanding Share Options will be adjusted in the following manner:

<b>Date of grant</b>	<b>Number of Shares issuable on the exercise of the outstanding Share Options prior to the Rights Issue</b>	<b>Exercise price per Share (HK\$)</b>	<b>Adjusted number of Shares issuable on the exercise of the outstanding Share Options after the Rights Issue</b>	<b>Adjusted exercise price per Share (HK\$)</b>
31 December 2003	10,540,000	0.1706	12,133,648	0.1482
31 December 2004	11,000,000	0.1670	12,663,200	0.1451
30 December 2005	13,100,000	0.1450	15,080,720	0.1260
Total	<u>34,640,000</u>		<u>39,877,568</u>	

Separate notification regarding the adjustments will be sent to the holders of the Share Options in due course.

By Order of the Board  
**Frasers Property (China) Limited**  
**Ang Ah Lay**

*Executive Director and Chief Executive Officer*

Hong Kong, 12 September 2006

*As at the date hereof, the Board comprises one executive Director, namely Mr. Ang Ah Lay; six non-executive Directors, namely Dr. Han Cheng Fong, Ms. Chong Siak Ching (whose alternate is Mr. Yee Hsien Wee), Mr. Goh Yong Chian, Patrick, Ms. Wang Poey Foon, Angela, Mr. Lim Ee Seng and Mr. Tang Kok Kai, Christopher; and four independent non-executive Directors, namely Mr. Alan Howard Smith, J.P., Mr. Kwong Che Keung, Gordon, Mr. Hui Chiu Chung, J.P. and Mr. Chong Kok Kong.*

\* *For identification purposes only*