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In connection with the global offering of SPHL, the price of the shares of SPHL Shares may be stabilized in accordance with the Securities and Futures (Price Stabilizing) Rules (Chapter 571W of the Laws of Hong Kong). Details of any intended stabilisation and how it will be regulated under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) are contained in the Prospectus.

This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities in Hong Kong or elsewhere nor is it calculated to invite any such offer or invitation. Any public offering of securities would be made by means of an offering circular that may be obtained from the issuer or selling security holder and that would contain detailed information about the company and management, as well as financial statements.



Shimao International Holdings Limited

世茂國際控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 649)

ANNOUNCEMENT

1. DESPATCH OF CD-ROM CONTAINING AN ELECTRONIC FORMAT OF PROSPECTUS AND BLUE APPLICATION FORM AND 2. INDICATIVE PRICE RANGE

The Board wishes to notify the Qualifying SIHL Shareholders that a printed personalised BLUE application form together with a CD-ROM containing an electronic format of the Prospectus issued by SPHL in relation to the SPHL Global Offering have been despatched to each of the Qualifying SIHL Shareholders pursuant to the Preferential Offer. Qualifying SIHL Shareholders may also obtain printed copies of the Prospectus from any of the locations listed in this announcement or by making a telephone or written request to the Registrar within the prescribed times listed in this announcement.

The Board has been advised by SPHL that the indicative range of the proposed Offer Price per SPHL Share will not be more than HK\$8.50 and not less than HK\$6.25 (in each case, exclusive of brokerage of 1.0%, Stock Exchange trading fee of 0.005% and SFC transaction levy of 0.005%). The final Offer Price is expected to be determined on or about Wednesday, 28 June 2006 and expected to be announced on or before Tuesday, 4 July 2006.

The Board wishes to draw the attention of the Shareholders and the public to the fact that the SPHL Global Offering may or may not proceed, depending on whether the conditions as more particularly described in the Prospectus are satisfied in full. In this connection, Shareholders and the public are reminded to exercise caution when dealing in the securities of the Company and are recommended to consult their professional advisers if they are in any doubt about their position.

Reference is made to the Company's announcement dated 6 June 2006.

1. DESPATCH OF BLUE APPLICATION FORM AND CD-ROM CONTAINING AN ELECTRONIC FORMAT OF THE PROSPECTUS

The Board has been advised by SPHL that it will launch the SPHL Global Offering (of which the Preferential Offer forms part) on Thursday, 22 June 2006. In connection with the Preferential Offer, the Company has despatched to each of the Qualifying SIHL Shareholders a printed personalized

BLUE application form containing details of the number of Reserved Shares within the assured entitlement of such Qualifying SIHL Shareholder under the Preferential Offer, together with a CD-ROM containing an electronic format of:

- (i) the Prospectus in both English and Chinese; and
- (ii) a specimen of the BLUE application form (for information purposes only).

The contents of the Prospectus in electronic format on the CD-ROM are identical in all respects with the contents of the Prospectus in printed form.

The electronic format of the Prospectus will also be available on the Stock Exchange's website at www.hkex.com.hk from 9:00 a.m. on Thursday, 22 June 2006.

If Qualifying SIHL Shareholders do not have access to a personal computer and so are unable to view the electronic format of the Prospectus or would rather have a printed copy of the Prospectus, they may send a written request to the offices of the Registrar at 26/F Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, or make a telephone request to the Registrar on telephone number 2980 1333 at any time between 9:00 a.m. and 5:30 p.m. on Thursday, 22 June 2006, Friday, 23 June 2006 and Monday, 26 June 2006 and at any time between 9:00 a.m. and 12:00 noon on Tuesday, 27 June 2006, and the Company will arrange for a printed copy of the Prospectus to be delivered to the relevant Qualifying SIHL Shareholder at its address as shown on the register of members of the Company by ordinary post as soon as practicable. **However, Qualifying SIHL Shareholders should note that should such request be made, they may not be able to receive the printed copy of the Prospectus before the time when the application lists close, i.e. 12:00 noon on Tuesday, 27 June 2006.**

Qualifying SIHL Shareholders may also obtain printed copies of the Prospectus from the Registrar's office at 26/F Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong. In addition, you may obtain copies of the Prospectus in printed form any of the following locations listed below:

any of the following branches of the Bank of China (Hong Kong) Limited:

Hong Kong Island	Bank of China Tower Branch	3/F, 1 Garden Road
	409 Hennessy Road Branch Taikoo Shing Branch	409-415 Hennessy Road, Wan Chai Shop G1006-7, Hoi Sing Mansion, Taikoo Shing
	North Point (Kiu Fai Mansion) Branch	413-415 King's Road, North Point
Kowloon	Hoi Yuen Road Branch	55 Hoi Yuen Road, Kwun Tong
	Mong Kok (President Commercial Centre) Branch	608 Nathan Road, Mong Kok
	Kowloon Plaza Branch	Unit 1, Kowloon Plaza, 485 Castle Peak Road
New Territories	Tuen Mun Town Plaza Branch	Shop 2, Tuen Mun Town Plaza Phase II
	Castle Peak Road (Tsuen Wan) Wealth Management Centre	167 Castle Peak Road, Tsuen Wan
	Lucky Plaza Branch	Lucky Plaza, Wang Pok Street, Shatin

or any of the following branches of Standard Chartered Bank (Hong Kong) Limited:

Hong Kong Island	88 Des Voeux Road Branch	88 Des Voeux Road Central, Central Shop No. 16, G/F and Lower G/F, New World Tower,
	Central Branch	16–18 Queen’s Road Central, Central
	Hennessy Road Branch	399 Hennessy Road, Wanchai
Kowloon	Kwun Tong Branch	88–90 Fu Yan Street, Kwun Tong
	Mongkok Branch	Shop B, G/F, 1/F & 2/F, 617–623 Nathan Road, Mongkok
	Tsimshatsui Branch	G/F, 10 Granville Road, Tsimshatsui
	Yaumati Branch	546–550 Nathan Road, Yaumati
	San Po Kong Branch	Shop A, G/F, Perfect Industrial Building, 31 Tai Yau Street, San Po Kong
New Territories	Metroplaza Branch	Shop No. 186–188, Level 1, Metroplaza, 223 Hing Fong Road, Kwai Fong
	Tsuen Wan Branch	Shop C, G/F & 1/F, Jade Plaza, No. 298 Sha Tsui Road, Tsuen Wan

or any of the following branches of Industrial and Commercial Bank of China (Asia) Limited:

Hong Kong Island	Queen’s Road Central Branch	122–126 Queen’s Road Central, Central
	Wanchai Branch	117–123 Hennessy Road, Wanchai
Kowloon	Tsimshatsui East Branch	Shop B, G/F, Railway Plaza, 39 Chatham Road South, Tsimshatsui
New Territories	Sha Tsui Road Branch	Shop 4, G/F., Chung On Building, 297–313 Sha Tsui Road, Tsuen Wan
	Tseung Kwan O Branch	Shop 2011, Level 2, Metro City, Plaza II, 8 Yan King Road, Tseung Kwan O

The procedure for application under, and the terms and conditions of, the Preferential Offer are set out in the sub-section headed “How to apply for Reserved Shares” in the section headed “How to Apply for Hong Kong Offer Shares and Reserved Shares” in the Prospectus and on the BLUE application form.

Should Qualifying SIHL Shareholders require a replacement personalised BLUE application form and/or printed versions of the Prospectus, or have any queries on the procedures for taking up Reserved Shares under the Preferential Offer or have any problem using the CD-ROM, the Registrar should be contacted on telephone number 2980 1333 at any time between 9:00 a.m. and 5:30 p.m. on Thursday, 22 June 2006, Friday, 23 June 2006 and Monday, 26 June 2006 and at any time between 9:00 a.m. and 12:00 noon on Tuesday, 27 June 2006. Please note, however, that the Registrar cannot advise on the merits of the Preferential Offer or on whether or not you should take up any entitlement under the Preferential Offer.

Please note that the investment involves risk. The price and yield of SPHL Shares may fall as well as rise. The Prospectus (in particular, the sections headed “Risk Factors” which contains detailed discussion of the risk factors associated with investing in SPHL Shares) contains detailed information which Shareholders and potential investors should read and assess carefully before making an investment decision in respect of the Preferential Offer or the SPHL Global Offering.

The Preferential Offer will remain open from 9:00 a.m. on Thursday, 22 June 2006 until 12:00 noon on Tuesday, 27 June 2006. For further information, Shareholders and potential investors should refer to the formal notice relating to the SPHL Global Offering and the Preferential Offer to be issued by SPHL on Thursday, 22 June 2006 and to be published in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese).

2. INDICATIVE PRICE RANGE OF SHARES

The Offer Price is expected to be determined by agreement between SPHL and the Joint Global Coordinators following completion of the book-building process for the international placing of SPHL Shares and after assessment of the level of market demand for the SPHL Global Offering. The Board has been advised by SPHL that the indicative range of the proposed Offer Price per Share will not be more than HK\$8.50 and not less than HK\$6.25 (in each case, exclusive of a brokerage of 1.0%, a Stock Exchange trading fee of 0.005% and a SFC transaction levy of 0.005%).

On the basis of the current timetable, the Offer Price for the SPHL Global Offering is expected to be determined on or about Wednesday, 28 June 2006 and published in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese) on or before Tuesday, 4 July 2006.

The Directors wish to draw the attention of the Shareholders and the public to the fact that the SPHL Global Offering may or may not proceed, depending on whether the conditions as more particularly described in the Prospectus are satisfied in full. In this connection, Shareholders and the public are reminded to exercise caution when dealing in the securities of the Company and are recommended to consult their professional advisers if they are in any doubt about their positions.

TERMS USED IN THIS ANNOUNCEMENT

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

“Assured Entitlement” the entitlement of Qualifying SIHL Shareholders to apply for the Reserved Shares under the Preferential Offer on the basis of an assured entitlement of one Reserved Share for every whole multiple of six Shares

“Board” the board of directors of the Company

“Company”	Shimao International Holdings Limited, a company incorporated in Bermuda with limited liability, the securities of which are currently listed and dealt in on the Stock Exchange
“Director(s)”	the director(s), including the independent non-executive directors, of the Company
“Joint Global Coordinators”	Goldman Sachs (Asia) L.L.C. and Morgan Stanley Dean Witter Asia Limited, together joint global coordinators for the SPHL Global Offering
“Offer Price”	the final Hong Kong dollar price per SPHL Share (exclusive of brokerage fee, Stock Exchange trading fee and SFC transaction levy) at which the SPHL Shares are to be subscribed pursuant to the SPHL Global Offering (of which the Preferential Offer forms part)
“Overseas Shareholders”	registered holder(s) of the Shares, whose addresses on the register of members of the Company at 9:00 a.m. on the Record Date are outside Hong Kong
“Preferential Offer”	the preferential offering to Qualifying SIHL Shareholders to subscribe for Reserved Shares
“Prospectus”	the prospectus to be issued by SPHL in relation to the public offer and the Preferential Offer
“Qualifying SIHL Shareholder”	Shareholders whose names appear on the register of members of the Company at 9:00 a.m. on the Record Date, other than Overseas Shareholders
“Record Date”	20 June 2006
“Registrar”	Tengis Limited, share registrar of the Company in Hong Kong
“Reserved Shares”	the SPHL Shares to be offered pursuant to the Preferential Offer
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“SPHL”	Shimao Property Holdings Limited, a company which is 84.02% owned by Mr. Hui Wing Mau, and which is proposed to be the holding company of mainland China property development and investment interests
“SPHL Global Offering”	the proposed (i) public offer to the public in Hong Kong and (ii) conditional placing to institutional, professional and other investors (of which the Preferential Offer forms part) of SPHL Shares
“SPHL Share(s)”	the ordinary share(s) of HK\$0.10 each in the share capital of SPHL
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“SFC”	The Securities and Futures Commission of Hong Kong

By Order of the Board
Shimao International Holdings Limited
Hui Wing Mau
Chairman

Hong Kong, 22 June 2006

As at the date of this announcement, the Board comprises:

Directors:

Hui Wing Mau (*Chairman and Non-executive Director*)

Hui Mei Mei, Carol (*Deputy Chairman and Executive Director*)

Tung Chi Shing (*Executive Director*)

Chan Loo Shya (*Executive Director*)

Independent Non-executive Directors:

Lee Chack Fan

Liu Hing Hung

Zhu Wenhui

*Please also refer to the published version of this announcement in **The Standard**.*