

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



EATON HOLDING II S.A.R.L.

(Incorporated in Luxembourg with limited liability)

senyuan

SENYUAN INTERNATIONAL HOLDINGS LIMITED

森源國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3333)

**VOLUNTARY CONDITIONAL CASH OFFER BY
DBS ASIA CAPITAL LIMITED, ON BEHALF OF
EATON HOLDING II S.A.R.L.,
A WHOLLY-OWNED INDIRECT SUBSIDIARY OF
EATON CORPORATION,
FOR ALL OF THE ISSUED SHARES IN THE SHARE CAPITAL OF
SENYUAN INTERNATIONAL HOLDINGS LIMITED
SATISFACTION OF CONDITION AS TO ACCEPTANCES**

Financial adviser to Eaton Holding II S.a.r.l.



**Financial adviser to
Senyuan International Holdings Limited**



Quam Capital Limited

The Offer has been declared unconditional as to acceptances on 6 September 2006. The Offer will remain open for acceptance until further notice.

The Offeror will issue an announcement when the Offer has become unconditional in all respects.

Reference is made to the joint announcements made by the Offeror and SIH on 22 August 2006 and 31 August 2006 respectively, and to the composite offer and response document dated 1 September 2006 (the “**Composite Document**”) issued jointly by the Offeror and SIH, in relation to the Offer. Unless otherwise stated, capitalised terms used in this announcement will have the same meanings as those defined in the Composite Document.

ACCEPTANCES

The Directors of the Offeror are pleased to announce that, at the close of business on 6 September 2006, pursuant to the Irrevocable Undertakings, Senyuan International Limited has tendered and the Offeror has received a valid acceptance of the Offer in respect of 228,750,000 SIH Shares (representing 75% of the issued share capital of SIH). In addition to the acceptance by Senyuan International Limited, valid acceptances have also been received in respect of a further 8,591,000 SIH Shares (representing approximately 2.8% of the issued share capital of SIH) as at the close of business on 6 September 2006. Therefore Condition (a) (as set out on page 13 of the letter from DBS Asia Capital, and on page 88 of Appendix II, in the Composite Document) has been satisfied and the Offer is now unconditional as to acceptances.

OTHER CONDITIONS

Apart from the Condition as to acceptances, the other Conditions of the Offer have not been fulfilled or waived by the Offeror as at 6 September 2006. The Offeror will issue an announcement when the Offer has become unconditional in all respects.

OFFER REMAINS OPEN

SIH Shareholders are advised that the Offer remains open for acceptances until further notice. The Offeror would like to encourage the SIH Shareholders to accept the Offer in accordance with the recommendation of the SIH Independent Board Committee.

SIH Shareholders who wish to accept the Offer must submit their duly completed Form of Acceptance, together with the relevant SIH Share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof), to the Receiving Agent, Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Hong Kong, as soon as possible.

The Stock Exchange has stated that if, at the close of the Offer, less than 25% of the SIH Shares are held by the public or if the Stock Exchange believes that:

- a false market exists or may exist in the trading of the SIH Shares, or
- there are insufficient SIH Shares in public hands to maintain an orderly market,

then it will consider exercising its discretion to suspend dealings in the SIH Shares.

All time references contained in this announcement are to Hong Kong time.

By order of the Board of
Eaton Holding II S.a.r.l.
Carlo Schlessler
Director

By order of the Board of
Senyuan International Holdings Limited
Tsang Shui Ching, Patrick
Chairman

Hong Kong, 6 September 2006

The Offeror Directors, the Chairman and Chief Executive Officer of Eaton Corporation and the Executive Vice President and Chief Financial and Planning Officer of Eaton Corporation jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the SIH Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those relating to the SIH Group) have been arrived at after due and careful consideration and there are no other facts (other than those relating to the SIH Group) not contained in this announcement, the omission of which would make any statements in this announcement misleading.

The SIH Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement in respect of the SIH Group and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement in respect of the SIH Group have been arrived at after due and careful consideration and there are no other facts not contained in this announcement in respect of the SIH Group, the omission of which would make any statements in this announcement in respect of the SIH Group misleading.

As at the date of this announcement, the board of directors of the Offeror comprises Mr. Carlo Schlessler, Mr. Robert Parmenter and Mr. David Otto.

As at the date of this announcement, the Chairman and Chief Executive Officer of Eaton Corporation is Mr. Alexander Cutler and the Executive Vice President and Chief Financial and Planning Officer of Eaton Corporation is Mr. Richard Fearon.

As at the date of this announcement, the SIH Board comprises Mr. Tsang, Mr. Zhou, Mr. Lou Chong Wei, Mr. Shu Yi Jin, Mr. Keung Ping Yin, Raymond, Mr. Wong Yiu Sun, Peter and Mr. Lu Yan Sun.

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