

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

This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of Times Ltd..



**JOINT ANNOUNCEMENT
POSSIBLE VOLUNTARY CONDITIONAL CASH OFFER BY
NOMURA INTERNATIONAL (HONG KONG) LIMITED
ON BEHALF OF LOTTE SHOPPING HOLDINGS (HONG KONG) CO., LIMITED
A WHOLLY-OWNED SUBSIDIARY OF LOTTE SHOPPING CO., LTD.
TO ACQUIRE ALL OF THE ISSUED SHARES IN THE CAPITAL OF
TIMES LTD.
AND RESUMPTION OF TRADING**

Financial adviser to
Lotte Shopping Holdings
(Hong Kong) Co., Limited

NOMURA

Financial adviser to
Times Ltd.

HSBC 

SUMMARY

1. INTRODUCTION

Lotte Hong Kong and Times Ltd. jointly announce that Nomura will, on behalf of Lotte Hong Kong (a wholly-owned subsidiary of Lotte Shopping) and subject to the satisfaction of the Pre-Condition, make a voluntary conditional cash offer to acquire all of the issued shares in the capital of Times Ltd..

All references to the Offer in this announcement are to the possible Offer which will be made if and only if the Pre-Condition is satisfied.

As announced by Times Ltd. on 25 August 2009, Times Ltd. has conducted a strategic review of the full range of options available to it. As a result of the strategic review process, Times Ltd. and Lotte Hong Kong have agreed to the release of this joint announcement in relation to the Offer on the terms and conditions set out herein. As a consequence, the strategic review process of Times Ltd. has come to an end.

2. CONSIDERATION FOR THE OFFER

The Offer will be made on the following basis:

For each Share.....HK\$5.575 in cash

* For identification purpose only

As at the date of this announcement, there are 873,990,000 Shares in issue. Other than the 873,990,000 Shares in issue, Times Ltd. has no other shares, options, warrants, derivatives or other securities that carry a right to subscribe for or which are convertible into Shares or other types of equity interest.

3. PRE-CONDITION TO THE OFFER

The making of the Offer is subject to the satisfaction of the Pre-Condition, namely that any applicable waiting periods for a response from the Relevant Authorities have expired or been terminated and/or any Consents (including without limitation any approval in relation to any PRC Antitrust Filing) in relation to the Offer or the completion thereof have been obtained in terms satisfactory to Lotte Hong Kong or pursuant to the provisions of any laws or regulations in the PRC, in each case where necessary for completion of the Offer.

The Pre-Condition is not waivable.

If the Pre-Condition is satisfied on or before the Long Stop Date, Times Ltd. and Lotte Hong Kong will issue a Further Announcement as soon as practicable thereafter. The Offer, if made, will be made in compliance with the Takeovers Code.

If the Pre-Condition is not satisfied by the Long Stop Date, the Offer may not be made (unless Lotte Hong Kong extends the Long Stop Date with the consent of CS International and Mr. Fang and the Pre-Condition is satisfied by the extended Long Stop Date) and the Times Shareholders will be notified by announcement as soon as practicable.

4. CONDITIONS OF THE OFFER

The Offer will be conditional on the satisfaction or waiver of the following Conditions:

- (a) valid acceptances of the Offer being received (and not, where permitted, withdrawn) at or before 4:00 p.m. (Hong Kong time) on the Closing Date (or such later time or date as Lotte Hong Kong may, subject to the rules of the Takeovers Code, decide) in respect of at least 70% of the issued share capital of Times Ltd. as at the Last Trading Date; and
- (b) save as disclosed in writing to Lotte Hong Kong or its advisers or as otherwise publicly announced through filings by Times Ltd. with the Stock Exchange prior to 16 October 2009 or as disclosed in the annual report and accounts of Times for the year ended 31 December 2008, since 30 June 2009 and prior to satisfaction of Condition (a), there having been no material adverse change in the business, assets, liabilities, financial or trading position or prospects of any member of the Times Group, to an extent which is material in the context of the Times Group taken as a whole (and for this purpose, "material adverse change" shall include, without limitation, the closure, or the happening of any event which will or is reasonably expected to lead to the closure, of an aggregate of more than seven stores operated by any member of the Times Group including the four already disclosed).

Lotte Hong Kong reserves the right to waive Condition (b) in whole or in part. Condition (a) cannot be waived. The Offer will be made in compliance with the Takeovers Code, which is administered by the Executive.

5. IRREVOCABLE UNDERTAKING

On 16 October 2009, CS International and Mr Fang executed an Irrevocable Undertaking in favour of Lotte Hong Kong, pursuant to which CS International and Mr Fang have undertaken to accept, or procure the acceptance of, the Offer in respect of the CSI Shares, no later than 4:00 p.m. (Hong Kong time) on the 4th Business Day following the despatch of the Offer Document.

Assuming the Pre-Condition is satisfied and the Offer proceeds and based on the Offer Price of HK\$5.575 per Share, pursuant to the Irrevocable Undertaking, Lotte Hong Kong shall acquire from CS International the 631,800,000 CSI Shares at a total consideration of HK\$3,522,285,000.

The Irrevocable Undertaking executed by CS International and Mr Fang shall terminate, and their obligations thereunder shall cease, if: (a) the Pre-Condition is not satisfied on or before the Long Stop Date (and the Long Stop Date is not extended by Lotte Hong Kong with the consent of CS International and Mr. Fang); (b) the Offer is not made (by posting of the Offer Document) by the later of 21 days after the date of this announcement and the date which is 30 days after the Pre-Condition is satisfied (or such date as to which the Executive or the Takeovers and Mergers Panel may agree) or such later date as CS International, Mr Fang and Lotte Hong Kong may by mutual agreement determine; (c) the Offer includes any material terms, or is subject to any material conditions, other than those set out in this announcement; or (d) the Offer lapses.

The Irrevocable Undertaking will remain binding even if a higher offer is made for the Shares by or on behalf of parties other than Lotte Hong Kong.

6. NON-COMPETITION UNDERTAKINGS

CS International and Mr Fang have respectively undertaken in favour of Lotte Hong Kong that they shall not, and shall procure that their Affiliates shall not, until the date which is 36 months from the date on which CS International irrevocably accepts the Offer in respect of the CSI Shares, subject to certain exceptions, engage in the operation or management of hypermarkets and/or supermarkets in the PRC, or solicit or engage employees from the Times Group.

7. GENERAL INFORMATION

7.1 Statement by the Executive Directors of Times Ltd.

The executive directors of Times Ltd. believe that the terms of the Offer are fair and reasonable and in the interests of the Times Shareholders as a whole.

7.2 Independent Board Committee of Times Ltd.

Under Rule 2.1 of the Takeovers Code, a board which receives an offer must establish an independent committee of the board to make a recommendation (i) as to whether the offer is, or is not, fair and reasonable and (ii) as to acceptance or voting. Mr Chan Wing Kee, Mr Ting Woo Shou, Kenneth and Mr Lau Yuen Sun, Adrian, all of whom are independent non-executive Times Directors, have been appointed as members of the independent board committee of Times Ltd. in respect of the Offer.

An independent financial adviser will be appointed, subject to approval by the independent board committee of Times Ltd., to advise the independent board committee of Times Ltd. in respect of the Offer in due course. Further announcement will be made by Times Ltd. upon the appointment of the independent financial adviser.

7.3 No dividend or other distribution

Times Ltd. does not intend to declare or pay any dividend or other distribution on the Shares during the Offer Period.

7.4 Lotte Hong Kong's intentions in relation to Times Ltd.

Compulsory acquisition and withdrawal of listing

Lotte Hong Kong intends to exercise the right under section 88 of the Cayman Islands Companies Law to compulsorily acquire those Shares not acquired by Lotte Hong Kong

under the Offer if it, within four months of the posting of the Composite Document, acquires not less than 90% of the Shares (as at the date which is four months of the posting of the Composite Document). On completion of the compulsory acquisition, if exercised, Times Ltd. will become a wholly-owned subsidiary of Lotte Hong Kong and an application will be made for the withdrawal of the listing of the Shares from the Stock Exchange pursuant to Rule 6.15 of the Listing Rules.

Pursuant to Rule 2.11 of the Takeovers Code, except with the consent of the Executive, where Lotte Hong Kong seeks to acquire or privatise Times Ltd. by means of the Offer and the use of compulsory acquisition rights, such rights may only be exercised if, in addition to satisfying any requirement imposed by the Cayman Islands Companies Law, acceptance of the Offer and purchases made by Lotte Hong Kong and its Concert Parties during the period of four months after posting of the Offer Document total 90% of the disinterested Shares (as defined in the Takeovers Code).

WARNING:

If the level of acceptances reaches the prescribed level under the Cayman Islands Companies Law and Rule 2.11 of the Takeovers Code permits a compulsory acquisition and Lotte Hong Kong proceeds with the privatisation of Times Ltd., dealings in the securities of Times Ltd. will be suspended from the Closing Date up to the withdrawal of listing of Times Ltd.'s securities from the Stock Exchange pursuant to Rule 6.15 of the Listing Rules.

Maintaining the listing/public float

In the event that the compulsory acquisition rights are not available to Lotte Hong Kong and the Offer closes with Lotte Hong Kong and its Concert Parties being interested in over 75% of the Shares, Lotte Hong Kong will, together with Times Ltd., use reasonable endeavours to maintain the listing of the Shares on the Stock Exchange and will ensure that not less than 25% of the Shares will be held by the public in compliance with the Listing Rules.

If, at the close of the Offer, less than 25% of the 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 Shares, or
- there are insufficient Shares in public hands to maintain an orderly market,

then the Stock Exchange may exercise its discretion to suspend dealings in the Shares. In this connection, it should be noted that upon completion of the Offer, there may be insufficient public float for the Shares and therefore, trading in the Shares may be suspended until a prescribed level of public float is attained.

7.5 General matters relating to the Offer

Availability of the Offer

Lotte Hong Kong intends to make available the Offer to all Times Shareholders, including those with registered addresses, as shown on the register of members of Times Ltd., outside Hong Kong, to the extent practicable. Lotte Hong Kong will comply with the requirements of the Takeovers Code in respect of overseas shareholders. The availability of the Offer to persons not resident in Hong Kong may be affected by the laws of the relevant overseas jurisdictions. Persons who are not resident in Hong Kong should inform themselves about and observe any applicable requirements in their own jurisdictions.

Composite Document

As the making of the Offer is conditional upon satisfaction of the Pre-Condition, the Composite Document is, subject to the Executive's consent, expected to be despatched to Times Shareholders in accordance with the Takeovers Code within seven (7) days after the

fulfilment of the Pre-Condition. The Composite Document will contain details of, among other things, the Offer, a letter from the independent board committee of Times Ltd. in relation to the Offer and a letter from an independent financial adviser to the independent board committee in respect of the Offer. An expected timetable in relation to the Offer will be included in the Composite Document.

8. SUSPENSION AND RESUMPTION OF TRADING

At the request of Times Ltd., as a result of press speculation regarding the Offer and unusual movements in the price and trading volume of the Shares, trading of the Shares on the Stock Exchange was suspended from 10:54 a.m. on 12 October 2009 (Hong Kong time), pending the issue of this announcement.

Application has been made by Times Ltd. to the Stock Exchange for the resumption of trading in the shares in Times Ltd. on the Stock Exchange with effect from 9:30 a.m. on 20 October 2009 (Hong Kong time).

WARNING:

Times Shareholders and/or potential investors of Times Ltd. should be aware that the Offer will be made only if the Pre-Condition is satisfied, that the implementation of the Offer is subject to the Conditions being fulfilled or (if permissible) waived, as applicable, and therefore the Offer may or may not be made or implemented. Accordingly, the issue of this announcement does not in any way imply that the Offer will be made. Times Shareholders and/or potential investors of Times Ltd. should therefore exercise caution when dealing in shares and/or options of Times Ltd..

1. INTRODUCTION

Lotte Hong Kong and Times Ltd. jointly announce that Nomura will, on behalf of Lotte Hong Kong (a wholly-owned subsidiary of Lotte Shopping) and subject to the satisfaction of the Pre-Condition, make a voluntary conditional cash offer to acquire all of the issued shares in the capital of Times Ltd..

As at the date of this announcement, CS International is interested in 631,800,000 Shares, representing approximately 72.3% of the total issued share capital of Times Ltd., and is Times Ltd.'s controlling shareholder (as defined in the Listing Rules). Pursuant to an Irrevocable Undertaking dated 16 October 2009, CS International and Mr Fang have irrevocably undertaken to accept or procure the acceptance of the Offer (as and when it is made) in respect of the CSI Shares.

The making of the Offer is subject to the satisfaction of the Pre-Condition. **All references to the Offer in this announcement are to the possible Offer which will be made if and only if the Pre-Condition is satisfied.** A Further Announcement will be made by Lotte Hong Kong and Times Ltd. in relation to the satisfaction of the Pre-Condition. The Pre-Condition is not waivable.

As announced by Times Ltd. on 25 August 2009, Times Ltd. has conducted a strategic review of the full range of options available to it. As a result of the strategic review process, Times Ltd. and Lotte Hong Kong have agreed to the release of this joint announcement in relation to the Offer on the terms and conditions set out herein. As a consequence, the strategic review process of Times Ltd. has come to an end.

2. THE OFFER

2.1 Consideration for the Offer

The Offer will be made on the following basis:

For each ShareHK\$5.575 in cash

As at the date of this announcement, there are 873,990,000 Shares in issue. Other than the 873,990,000 Shares in issue, Times Ltd. has no other shares, options, warrants, derivatives or other securities that carry a right to subscribe for or which are convertible into Shares or other types of equity interest.

2.2 Comparisons of value

The Offer Price represents:

	Share Price of Times Ltd.	Premium of the Offer Price to the Share Price
	<i>HK\$</i>	%
Closing price on the Last Trading Date	\$4.45	25.28%
Average closing price for the last 5 trading days as quoted on the Stock Exchange immediately prior to and including the Last Trading Date	\$4.45	25.28%
Average closing price for the last 10 trading days as quoted on the Stock Exchange immediately prior to and including the Last Trading Date	\$4.30	29.65%
Average closing price for the last 30 trading days as quoted on the Stock Exchange immediately prior to and including the Last Trading Date	\$4.17	33.69%
Average closing price for the last 60 trading days as quoted on the Stock Exchange immediately prior to and including the Last Trading Date	\$3.77	47.88%

2.3 Highest and lowest prices

During the six-month period preceding the Last Trading Date, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$4.55 on 6 October 2009 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$1.58 on 28 April 2009.

2.4 Consideration for the Shares

Based on the Offer Price of HK\$5.575 per Share and 873,990,000 Shares in issue as at the date of this announcement, the maximum amount payable under the Offer (assuming the Offer is accepted in full) is approximately HK\$4,872 million.

The consideration payable under the Offer was determined on the basis of the most recent published financial information of Times Ltd., Lotte Hong Kong's review of Times Ltd.'s business and potential synergies arising from the acquisition of control by Lotte Hong Kong.

2.5 Settlement of consideration

Settlement of the consideration in respect of acceptances of the Offer will be made as soon as possible, but in any event within ten days of the date of receipt of a complete and valid acceptance in respect of the Offer or of the date on which the Offer becomes or is declared unconditional in all respects, whichever is the later.

No fractions of a cent will be payable and the amount of the cash consideration payable to a Times Shareholder who accepts the offer will be rounded down to the nearest cent.

2.6 Confirmation of Financial Resources

The maximum amount of aggregate cash consideration to be paid to Times Shareholders in connection with the Offer (including the compulsory acquisition which may be undertaken in connection with the Offer) is approximately HK\$4,872 million. This amount will be funded by Lotte Hong Kong from funds which have been made available to it by its Affiliates.

Nomura has been appointed as the financial adviser to Lotte Hong Kong in respect of the Offer.

Nomura is satisfied that sufficient financial resources are available to Lotte Hong Kong to implement the Offer in full as described above.

3. PRE-CONDITION TO THE OFFER

The making of the Offer is subject to the satisfaction of the Pre-Condition, namely that any applicable waiting periods for a response from the Relevant Authorities have expired or been terminated and/or any Consents (including without limitation any approval in relation to any PRC Antitrust Filing) in relation to the Offer or the completion thereof have been obtained in terms satisfactory to Lotte Hong Kong or pursuant to the provisions of any laws or regulations in the PRC, in each case where necessary for completion of the Offer.

The Pre-Condition is not waivable.

If the Pre-Condition is satisfied on or before the Long Stop Date, Lotte Hong Kong and Times Ltd. will issue the Further Announcement as soon as practicable thereafter. The Offer, if made, will be made in compliance with the Takeovers Code.

If the Pre-Condition is not satisfied by the Long Stop Date, the Offer may not be made (unless Lotte Hong Kong extends the Long Stop Date with the consent of CS International and Mr. Fang and the Pre-Condition is satisfied by the extended Long Stop Date) and the Times Shareholders will be notified by announcement as soon as practicable.

4. CONDITIONS OF THE OFFER

The Offer will be conditional on the satisfaction or waiver of the following Conditions:

- (a) valid acceptances of the Offer being received (and not, where permitted, withdrawn) at or before 4:00 p.m. (Hong Kong time) on the Closing Date (or such later time or date as Lotte Hong Kong may, subject to the rules of the Takeovers Code, decide) in respect of at least 70% of the issued share capital of Times Ltd. as at the Last Trading Date; and
- (b) save as disclosed in writing to Lotte Hong Kong or its advisers or as otherwise publicly announced through filings by Times Ltd. with the Stock Exchange prior to 16 October 2009 or as disclosed in the annual report and accounts of Times for the year ended 31 December 2008, since 30 June 2009 and prior to satisfaction of Condition (a), there having been no material adverse change in the business, assets, liabilities, financial or trading position or prospects of any member of the Times Group, to an extent which is material in the context of the Times Group taken as a whole (and for this purpose, "material adverse change" shall include, without limitation, the closure, or the happening of any event which will or is reasonably expected to lead to the closure, of an aggregate of more than seven stores operated by any member of the Times Group including the four already disclosed).

Lotte Hong Kong reserves the right to waive Condition (b) in whole or in part. Condition (a) cannot be waived.

In addition to the Conditions set out above, the Offer is made on the basis that acceptance of the Offer by any person will constitute a warranty by such person or persons to Lotte Hong

Kong that the Shares acquired under the Offer are sold by such person or persons free from all third party rights, liens, charges, equities, adverse interests and encumbrances whatsoever and together with all rights attaching thereto as at the date of this announcement or subsequently becoming attached to them, including the right to receive all dividends (whether final or interim) and other distributions, if any, declared, made or paid on or after the date of this announcement.

The Offer will be made in compliance with the Takeovers Code, which is administered by the Executive.

WARNING:

Times Shareholders and/or potential investors of Times Ltd. should be aware that the Offer will be made only if the Pre-Condition is satisfied, that the implementation of the Offer is subject to the Conditions being fulfilled or (if permissible) waived, as applicable, and therefore the Offer may or may not be made or implemented. Accordingly, the issue of this announcement does not in any way imply that the Offer will be made. Times Shareholders and/or potential investors of Times Ltd. should therefore exercise caution when dealing in shares and/or options of Times Ltd..

5. IRREVOCABLE UNDERTAKING

On 16 October 2009, CS International and Mr Fang executed an Irrevocable Undertaking in favour of Lotte Hong Kong, pursuant to which CS International and Mr Fang have undertaken to accept or procure the acceptance of the Offer in respect of the CSI Shares, no later than 4:00 p.m. (Hong Kong time) on the 4th Business Day following the despatch of the Offer Document.

The Irrevocable Undertaking given by CS International and Mr Fang also provides that prior to the date CS International accepts the Offer in respect of the 631,800,000 CSI Shares in the manner described above, CS International and Mr Fang shall not, among other things, sell, transfer, charge, encumber, grant any option over or otherwise dispose of or create any encumbrance, interest or right of any kind in respect of any interest in the CSI Shares nor enter into any agreement and/or arrangement to do so, and shall not accept or agree to accept any other offer in respect of all or any of the CSI Shares.

Assuming the Pre-Condition is satisfied and the Offer proceeds and based on the Offer Price of HK\$5.575 per Share, pursuant to the Irrevocable Undertaking, Lotte Hong Kong shall acquire from CS International the 631,800,000 CSI Shares at a total consideration of HK\$3,522,285,000.

The Irrevocable Undertaking also provides for the appointment of such number of directors nominated by Lotte Hong Kong as Lotte Hong Kong shall request to the board of directors of Times Ltd. with effect from the date on which the Offer becomes unconditional in all respects.

The Irrevocable Undertaking executed by CS International and Mr Fang shall terminate and their obligations shall cease if: (a) the Pre-Condition is not satisfied on or before the Long Stop Date (and the Long Stop Date is not extended by Lotte Hong Kong with the consent of CS International and Mr. Fang); (b) the Offer is not made (by posting of the Offer Document) by the later of 21 days after the date of this announcement and the date which is 30 days after the Pre-Condition is satisfied (or such date as to which the Executive or the Takeovers and Mergers Panel may agree) or such later date as CS International, Mr Fang, and Lotte Hong Kong may by mutual agreement determine; (c) the Offer includes any material terms, or is subject to any material conditions, other than those set out in this announcement; or (d) the Offer lapses.

The Irrevocable Undertaking will remain binding even if a higher offer is made for the Shares by or on behalf of parties other than Lotte Hong Kong.

6. NON-COMPETITION UNDERTAKINGS

CS International and Mr Fang have respectively undertaken in favour of Lotte Hong Kong that they shall not, and shall procure that their Affiliates shall not, until the date which is 36 months from the date on which CS International irrevocably accepts the Offer in respect of the CSI Shares, subject to certain exceptions, engage in the operation or management of hypermarkets and/or supermarkets in the PRC, or solicit or engage employees from the Times Group.

7. GENERAL INFORMATION

7.1 Information on the Lotte Group, Lotte Shopping and Lotte Hong Kong

Lotte Hong Kong, a wholly-owned subsidiary of Lotte Shopping, was incorporated in Hong Kong on 12 August 2008, under the Hong Kong Companies Ordinance.

Lotte Shopping was incorporated in Korea on 2 July 1970 and is one of the principal entities of the Lotte group, a leading conglomerate in Korea and designated *chaebol* under the Korea Fair Trade Commission. As at 31 December 2008, Lotte Shopping was the largest entity by sales and equity value of the Lotte group, which is one of Korea's largest consumer goods and retail conglomerates. Lotte Shopping is a leading retail operator in Korea, and also has operations in several international markets. Lotte Shopping is listed on the Stock Market Division of the Korea Exchange, with a market capitalization of over KRW9.2 trillion (approximately over HK\$56.7 billion) as at 30 September 2009. Lotte Shopping's principal activities include the operation of department stores, discount stores, supermarkets, movie theaters, and branded donut shops in Korea. Lotte Shopping also has retail operations in the PRC, Indonesia, Vietnam and Russia.

The audited non-consolidated net asset value of Lotte Shopping was approximately KRW8.8 trillion (approximately HK\$54.3 billion), as of 31 December 2008. For the year ended 31 December 2008, audited non-consolidated profit before tax was approximately KRW927.0 billion (approximately HK\$5.7 billion) and audited non-consolidated net income was approximately KRW742.8 billion (approximately HK\$4.6 billion).

The Lotte group operates businesses in food and beverage, retail, industrials, engineering and leisure. Aside from the eight listed entities of the Lotte group, there are also a number of additional private unlisted entities engaged in property, engineering, logistics and other businesses.

7.2 Information on the Times Group and CS International

Times Ltd. was incorporated in the Cayman Islands on 15 March 2007 as an exempted company with limited liability under the Cayman Islands Companies Law. Times Ltd. was listed on the Main Board of the Stock Exchange on 16 July 2007, trading under the stock code 1832. The Times Group is one of the leading operators of hypermarkets and supermarkets in the PRC.

The audited consolidated net asset value of Times Ltd. was approximately RMB1,271,689,000 (approximately HK\$1,443,461,000) as at 31 December 2008. Times Ltd. recorded an audited and unaudited consolidated profit before taxation and extraordinary items of approximately RMB198,023,000 (approximately HK\$224,771,000) and RMB111,710,000 (approximately HK\$126,799,000) for the year ended 31 December 2008 and the six months ended 30 June 2009, respectively. Times Ltd. recorded an audited and unaudited consolidated net profit after taxation and extraordinary items attributable to Times Shareholders of approximately RMB137,306,000 (approximately HK\$155,852,000) and RMB77,541,000 (approximately HK\$88,015,000) for the year ended 31 December 2008 and the six months ended 30 June 2009, respectively.

HSBC has been appointed as the financial adviser to Times Ltd. in respect of the Offer.

CS International, being the controlling shareholder of Times Ltd., is an investment company incorporated in the BVI. Mr Fang is the largest single shareholder of CS International.

7.3 Statement by the Executive Directors of Times Ltd.

The executive directors of Times Ltd. believe that the terms of the Offer are fair and reasonable and in the interests of the Times Shareholders as a whole.

7.4 Independent Board Committee of Times Ltd.

Under Rule 2.1 of the Takeovers Code, a board which receives an offer must establish an independent committee of the board to make a recommendation (i) as to whether the offer is, or is not, fair and reasonable and (ii) as to acceptance or voting. Mr Chan Wing Kee, Mr Ting Woo Shou, Kenneth and Mr Lau Yuen Sun, Adrian, all of whom are independent non-executive Times Directors, have been appointed as members of the independent board committee of Times Ltd. in respect of the Offer.

An independent financial adviser will be appointed, subject to approval by the independent board committee of Times Ltd., to advise the independent board committee of Times Ltd. in respect of the Offer in due course. Further announcement will be made by Times Ltd. upon the appointment of the independent financial adviser.

7.5 No dividend or other distribution

Times Ltd. does not intend to declare or pay any dividend or other distribution on the Shares during the Offer Period.

7.6 Reasons for the Offer

Lotte Hong Kong believes that the acquisition of a controlling stake in Times Ltd. results in various commercial and strategic benefits to Lotte Shopping's international retail operations.

Lotte Shopping is in the process of growing its retail presence in the PRC and the acquisition of Times Ltd. will greatly accelerate Lotte Shopping's growth in terms of sales, number of stores, distributor relationships and others. The acquisition of Times Ltd. also provides Lotte Shopping with access to prime store locations in top tier cities in the PRC, an experienced management team and well-trained workforce, as well as a powerful retail brand known for its strong hypermarket retail offering. Lastly, Times Ltd. will provide a platform and potential consolidation vehicle for the future growth of Lotte Shopping's retail operations in the PRC.

7.7 Lotte Hong Kong's intentions in relation to Times Ltd.

Compulsory acquisition and withdrawal of listing

Lotte Hong Kong intends to exercise the right under section 88 of the Cayman Islands Companies Law to compulsorily acquire those Shares not acquired by Lotte Hong Kong under the Offer if it, within four months of the posting of the Composite Document, acquires not less than 90% of the Shares (as at the date which is four months of the posting of the Composite Document). On completion of the compulsory acquisition, if exercised, Times Ltd. will become a wholly-owned subsidiary of Lotte Hong Kong and an application will be made for the withdrawal of the listing of the Shares from the Stock Exchange pursuant to Rule 6.15 of the Listing Rules.

Pursuant to Rule 2.11 of the Takeovers Code, except with the consent of the Executive, where Lotte Hong Kong seeks to acquire or privatise Times Ltd. by means of the Offer and the use of compulsory acquisition rights, such rights may only be exercised if, in addition to satisfying any requirement imposed by the Cayman Islands Companies Law, acceptance of the Offer and purchases made by Lotte Hong Kong and its Concert Parties during the period of four months after posting of the Offer Document total 90% of the disinterested Shares (as defined in the Takeovers Code).

WARNING:

If the level of acceptances reaches the prescribed level under the Cayman Islands Companies Law and Rule 2.11 of the Takeovers Code permits a compulsory acquisition and Lotte Hong Kong proceeds with the privatisation of Times Ltd., dealings in the securities of Times Ltd. will be suspended from the Closing Date up to the withdrawal of listing of Times Ltd.'s securities from the Stock Exchange pursuant to Rule 6.15 of the Listing Rules.

Maintaining the listing/public float

In the event that the compulsory acquisition rights are not available to Lotte Hong Kong and the Offer closes with Lotte Hong Kong and its Concert Parties being interested in over 75% of the Shares, Lotte Hong Kong will, together with Times Ltd., use reasonable endeavours to maintain the listing of the Shares on the Stock Exchange and will ensure that not less than 25% of the Shares will be held by the public in compliance with the Listing Rules.

If, at the close of the Offer, less than 25% of the 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 Shares, or
- there are insufficient Shares in public hands to maintain an orderly market,

then the Stock Exchange may exercise its discretion to suspend dealings in the Shares. In this connection, it should be noted that upon completion of the Offer, there may be insufficient public float for the Shares and therefore, trading in the Shares may be suspended until a prescribed level of public float is attained.

7.8 Further terms of the Offer

Shares

Under the terms of the Offer, the Shares will be acquired with all rights attached thereto as at the date of this announcement or which subsequently become attached thereto, including the right to receive in full all dividends and other distributions, if any, declared, made or paid, on or after the date of this announcement, and free from all rights of pre-emption, options, liens, claims, equities, charges, encumbrances and third party rights.

Hong Kong stamp duty

Sellers' ad valorem stamp duty arising in connection with acceptance of the Offer will be payable by each Times Shareholder at the rate of HK\$1.00 for every HK\$1,000 or part thereof of the consideration payable by Lotte Hong Kong for such person's Shares and will be deducted from the cash amount due to such accepting Times Shareholder. Lotte Hong Kong will pay the buyer's ad valorem stamp duty on its own behalf and, subject to such deduction aforesaid will be responsible to account to the Stamp Office of Hong Kong for all the stamp duty payable for the sale and purchase of the Shares which are validly tendered for acceptance under the Offer.

7.9 General matters relating to the Offer

Availability of the Offer

Lotte Hong Kong intends to make available the Offer to all Times Shareholders, including those with registered addresses, as shown on the register of members of Times Ltd., outside Hong Kong, to the extent practicable. The availability of the Offer to persons not resident in Hong Kong may be affected by the laws of the relevant overseas jurisdictions. Persons who are not resident in Hong Kong should inform themselves about and observe any applicable requirements in their own jurisdictions.

Lotte Hong Kong reserves the right to make special arrangements regarding the terms of the Offer in relation to Times Shareholders whose receipt of the Offer or the Composite Document is subject to the laws of an overseas jurisdiction. Lotte Hong Kong will comply with the requirements of the Takeovers Code in respect of overseas shareholders.

In addition, Times Ltd. also reserves the right to notify any matter, including the making of the Offer, to the Times Shareholders having a registered overseas address by announcement or by advertisement in a newspaper which may or may not be circulated in the jurisdiction of which such persons are resident. The notice will be deemed to have been sufficiently given, despite any failure by such shareholders to receive or see that notice.

In the event that the receipt of the Composite Document by overseas Times Shareholders is prohibited by any relevant law or may only be effected after compliance with conditions or requirements that the directors of Lotte Hong Kong regard as unduly onerous or burdensome or otherwise not in the best interests of Lotte Hong Kong or the shareholders of Lotte Shopping as a whole, the Composite Document, subject to the Executive's consent, will not be despatched to such overseas Times Shareholders. Times Ltd. will apply for any waivers as may be required by the Executive pursuant to Note 3 to Rule 8 of the Takeovers Code at such time.

Any arrangements for overseas Times Shareholders to collect the Composite Document will be set out in a further announcement.

Composite Document

As the making of the Offer is conditional upon satisfaction of the Pre-Condition, the Composite Document is, subject to the Executive's consent, expected to be despatched to the Times Shareholders in accordance with the Takeovers Code within seven (7) days after the fulfilment of the Pre-Condition. Lotte Hong Kong and Times Ltd. will apply to the Executive for consent pursuant to Note 2 to Rule 8.2 of the Takeovers Code for the despatch of the Composite Document within seven (7) days after the Pre-Condition is satisfied (or such later date as the Executive, at the request of Lotte Hong Kong, may consent).

The Composite Document will contain details of, among other things, the Offer, a letter from the independent board committee of Times Ltd. in relation to the Offer and a letter from an independent financial adviser to the independent board committee in respect of the Offer. An expected timetable in relation to the Offer will be included in the Composite Document.

Further agreements or arrangements

As at the date of this announcement, there are no arrangements (whether by way of option, indemnity or otherwise) in relation to the Shares or the shares of Lotte Hong Kong which might be material to the Offer.

As at the date of this announcement and save as disclosed in the sections headed "3. Pre-Condition to the Offer", "4. Conditions of the Offer" and "5. Irrevocable Undertaking", there are no agreements or arrangements to which Lotte Hong Kong or Lotte Shopping is a party which relate to the circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Offer.

Completion of the Offer

If the Conditions are not satisfied (or, if permissible, waived) on or before the Closing Date in the case of Condition (a), or on or before the date of satisfaction of Condition (a) in the case of Condition (b), the Offer will lapse unless Condition (a) is extended by Lotte Hong Kong. In that case, Lotte Hong Kong will issue an announcement in relation to the revision, extension, expiry or unconditionality of the Offer in accordance with the Takeovers Code and Listing Rules by 7:00 p.m. (Hong Kong time) on the Closing Date. The latest date on which Lotte Hong Kong can declare the Offer unconditional as to acceptances is 7:00 p.m. (Hong Kong time) on the 60th day after the posting of the Composite Document (or such later date to which the Executive may consent).

If the Conditions are satisfied (or, if permissible, waived), Times Shareholders will be notified by an announcement in accordance with the Takeovers Code and Listing Rules as soon as practicable thereafter.

Interest of Lotte Hong Kong and its Concert Parties in Times Ltd.

As at the date of this announcement, none of Lotte Hong Kong nor any of its Concert Parties owns or controls any Shares or any convertible securities, warrants or options (or other outstanding derivatives) in respect of the Shares.

As at the date of this announcement, none of Lotte Hong Kong nor any of its Concert Parties has borrowed or lent any Shares, save for any borrowed Shares which have been either on-lent or sold.

8. SUSPENSION AND RESUMPTION OF TRADING

At the request of Times Ltd., as a result of press speculation regarding the Offer and unusual movements in the price and trading volume of the Shares, trading in the Shares on the Stock Exchange was suspended from 10:54 a.m. on 12 October 2009 (Hong Kong time), pending the issue of this announcement.

Application has been made by Times Ltd. to the Stock Exchange for the resumption of trading in the shares in Times Ltd. on the Stock Exchange with effect from 9:30 a.m. on 20 October 2009 (Hong Kong time).

9. DEFINITIONS

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

“Affiliates”	a person that directly or indirectly controls, is controlled by or is under common control with such specified person and “control” means in relation to any person at any time, the power (whether directly or indirectly and whether by ownership of share capital, possession of voting power, contract or otherwise) to appoint the majority of the members of the governing body or management, or otherwise to control the affairs and policies of that other person;
“associates”	has the meaning ascribed to it in the Listing Rules;
“Business Days”	means a day on which securities listed on the Stock Exchange are traded;
“BVI”	means the British Virgin Islands;
“Cayman Islands Companies Law”	means the Companies Law Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands;
“Closing Date”	means the date to be stated in the Composite Document as the first closing date of the Offer or any subsequent closing date as may be announced by Lotte Hong Kong and approved by the Executive;
“Companies Ordinance”	means the Companies Ordinance (Cap. 32 of the Laws of Hong Kong);
“Composite Document”	means the Offer Document and the Response Document to be issued jointly by Lotte Hong Kong and Times Ltd. in connection with the Offer;

“Concert Parties”	means parties acting in concert with Lotte Hong Kong, as determined in accordance with the Takeovers Code;
“Conditions”	means the conditions of the Offer, as set out under the paragraph headed “Conditions of the Offer” of this announcement;
“Consent(s)”	means any consent, approval, authorisation, qualification, waiver, permit, grant, franchise, concession, agreement, licence, exemption or order of, registration, certificate, declaration or permission from, or filing with, or report or notice to, any Relevant Authority;
“CS International”	means CS International Investment Limited, a limited company incorporated in the British Virgin Islands with limited liability, of which Mr Fang is the largest single shareholder;
“CSI Shares”	means 631,800,000 Shares held by CS International as at the date of the Irrevocable Undertaking (representing approximately 72.3% of the issued share capital of Times Ltd. as at the Last Trading Date);
“Executive”	means the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director;
“Further Announcement”	means the further announcement to be issued by Lotte Hong Kong and Times Ltd. if the Pre-Condition is satisfied on or before the Long Stop Date;
“HK\$”	means Hong Kong dollar(s), the lawful currency of Hong Kong;
“Hong Kong”	means the Hong Kong SAR;
“HSBC”	means The Hongkong and Shanghai Banking Corporation Limited, a registered institution under the SFO, licensed to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 5 (advising on futures contracts) and Type 6 (advising on corporate finance) regulated activities under the SFO, and a licensed bank under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong);
“Irrevocable Undertaking”	means the irrevocable undertaking dated 16 October 2009 given by CS International and Mr Fang in favour of Lotte Hong Kong;
“Korea”	means the Republic of Korea;
“KRW”	means Korean Won, the lawful currency of Korea;
“Last Trading Date”	means 9 October 2009, being the last full trading day prior to the suspension of trading in the Shares pending the publication of this announcement;
“Listing Rules”	means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Long Stop Date”	means the date which is 90 calendar days after the date of this announcement, unless the date has been extended by Lotte Hong Kong with the consent of CS International and Mr. Fang;
“Lotte Shopping”	means Lotte Shopping Co., Ltd., a company incorporated in Korea with limited liability and whose shares are listed on the Stock Market Division of the Korea Exchange;

“Lotte Shopping Directors”	means the directors for the time being of Lotte Shopping;
“Lotte Hong Kong”	means Lotte Shopping Holdings (Hong Kong) Co., Limited, a company incorporated in Hong Kong with limited liability;
“Lotte Hong Kong Directors”	means the directors for the time being of Lotte Hong Kong;
“Mr Fang”	means Mr Fang Hung Kenneth;
“Nomura”	means Nomura International (Hong Kong) Limited, a corporation limited under the SFO to conduct Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts) and Type 6 (advising on corporate finance) of the regulated activities;
“Offer”	means the voluntary conditional cash offer by Nomura, on behalf of Lotte Hong Kong, at the Offer Price to acquire all of the Shares;
“Offer Document”	means the document required to be issued by, or on behalf of Lotte Hong Kong to all Times Shareholders in accordance with the Takeovers Code containing, inter alia, details of the Offer and the terms and conditions of the Offer and forming part of the Composite Document;
“Offer Period”	has the meaning ascribed to it in the Takeovers Code;
“Offer Price”	means the cash amount of HK\$5.575 payable by Lotte Hong Kong to Times Shareholders for each Share accepted under the Offer;
“PRC”	means the People’s Republic of China (excluding Hong Kong, Macau and Taiwan);
“PRC Antitrust Filing”	means the submission of a formal notification pursuant to The Anti-Monopoly Law of the PRC to the Anti-Monopoly Bureau of the Ministry of Commerce of the PRC, in connection with the Offer;
“Pre-Condition”	means the pre-condition to the making of the Offer as described under the paragraph headed “Pre-Condition to the Offer” of this Announcement;
“RMB”	means Renminbi, the lawful currency of the PRC;
“Relevant Authorities”	means any government, governmental, quasi-governmental, statutory or regulatory authority, body, agency, tribunal, court or institution in the PRC;
“Response Document”	means the document required to be issued by Times Ltd. to Times Shareholders in accordance with the Takeovers Code containing, inter alia, the board circular of Times Ltd. and forming part of the Composite Document;
“SFC”	means the Securities and Futures Commission of Hong Kong;
“SFO”	means the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong);
“Shares”	means ordinary shares of HK\$0.01 each in the issued share capital of Times Ltd.;

“Stock Exchange”	means The Stock Exchange of Hong Kong Limited;
“subsidiaries”	has the meaning ascribed to it in the Listing Rules;
“Takeovers Code”	means the Code on Takeovers and Mergers published by the SFC;
“Times Ltd.”	means Times Ltd., a company incorporated in the Cayman Islands whose shares are listed on the main board of the Stock Exchange (Stock Code: 1832);
“Times Director(s)”	means the director(s) for the time being of Times Ltd.;
“Times Group”	means Times Ltd. and its subsidiaries;
“Times Shareholders”	means registered holders for the time being of the Shares; and
“%”	means per cent.

In this announcement, unless otherwise stated, certain amounts denominated in one currency have been translated into another currency at the exchange rates set out below, in each case for illustration purposes only. Such conversions shall not be construed as representations that amounts in one currency were or may have been converted into another currency at such rates or any other exchange rates.

US\$1 = KRW1,260

US\$1 = HK\$7.75

HK\$1 = KRW162.6

HK\$1 = RMB0.881

Certain amounts and percentage figures in this announcement have been subject to rounding adjustments.

By order of the board of
Lotte Shopping Holdings (Hong Kong) Co., Limited
NOH Byung Yong
Director

By order of the board of
Times Ltd.
FANG Hung, Kenneth
Chairman

Hong Kong, 19 October 2009

The Lotte Hong Kong Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Times Group, CS International and Mr Fang) and confirm, having made all reasonable enquires, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the Times Group, CS International and Mr Fang) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.

As at the date of this announcement, the board of directors of Lotte Hong Kong comprises of Mr Lee Chul Woo, Mr Noh Byung Yong and Mr Kim Hyun Soo.

The Times Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to Lotte Hong Kong and its Concert Parties and Nomura) and confirm, having made all reasonable enquires, that to the best of their knowledge, opinions expressed in this announcement (other than that expressed by Lotte Hong Kong and its Concert Parties and Nomura) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.

As at the date of this announcement, the executive directors of Times Ltd. are Mr Fang Hung, Kenneth, Mr Gao Chunhe, Mr Fang Yan Tak, Douglas and Mr Wong See Leung; and the independent non-executive directors of the Company are Mr Chan Wing Kee, Mr Ting Woo Shou, Kenneth and Mr Lau Yuen Sun, Adrian.

The Lotte Shopping Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Times Group, CS International and Mr Fang) and confirm, having made all reasonable enquires, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the Times Group, CS International and Mr Fang) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.

As at the date of this announcement, the board of directors of Lotte Shopping comprises of Mr Shin Kyuk Ho, Mr Shin Dong Bin, Mr Lee Inwon, Mr Lee Chul Woo, Mdm Shin Young Ja, Mr Kim Se Ho, Mr Yun Sai Ree, Mr Sohn Sung Kyu, Mr Jwa Sung Hee, Mr Kang Jeon Woong and Mr Lim Jong In.

In accordance with Rule 3.8 of the Takeovers Code, reproduced below is the full text of Note 11 to Rule 22 of the Takeovers Code:

“Responsibilities of stockbrokers, banks and other intermediaries Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.

This dispensation does not alter the obligations of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that cooperation.”