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INTIME DEPARTMENT STORE (GROUP) COMPANY LIMITED

銀泰百貨(集團)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1833)

HK\$1,941,000,000 1.75 per cent. Convertible Bonds due 2013
convertible into ordinary shares of the Company (the “Convertible Bonds”)
(Stock Code: 4329)

CNY1,000,000,000 4.65 per cent. Guaranteed Bonds due 2014 (the “CNY Bonds”)
(Stock Code: 86007)

**INVESTMENT BY INVESTOR BY WAY OF SUBSCRIPTION
FOR NEW SHARES AND
ACQUISITION OF EXISTING SHARES
FROM CONTROLLING SHAREHOLDER
AND
RESUMPTION OF TRADING**

Financial Adviser to the Controlling Shareholder and the Company



This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

The Board is pleased to announce that, the Investor has agreed to make an investment into the Company by way of subscription for the Subscription Shares pursuant to the Subscription Agreement and acquisition for the Sale Shares pursuant to the Share Purchase Agreement subject to the terms of the relevant agreements.

SUBSCRIPTION AGREEMENT

On 15 November 2011, the Company entered into the Subscription Agreement with the Investor, pursuant to which the Investor has agreed to subscribe for and the Company has agreed to allot and issue the Subscription Shares, being 76,669,653 new Shares, representing approximately 4% of the total number of Shares in issue as at such date, and approximately 3.85% of the total number of Shares in issue as enlarged by the allotment and issuance of the Subscription Shares, at the price of HK\$9.90 per Share. The net proceeds of the Share Subscription, after deduction of expenses, are approximately HK\$747 million, which the Company would use to fund the development and expansion of the department store network of the Group in the PRC.

SHARE PURCHASE AGREEMENT

The Board was informed by the Seller, the controlling shareholder of the Company, that on 15 November 2011, the Seller and the Founder entered into the Share Purchase Agreement with the Investor, pursuant to which, the Seller has agreed to sell and the Investor has agreed to purchase the Sale Shares, being 57,502,240 existing Shares, representing approximately 3% of the total number of Shares in issue as at such date, at the price of HK\$9.90 per Sale Share. The consideration of HK\$9.90 per Sale Share was determined based on arms' length negotiations between the parties.

Immediately upon completion of both the Subscription Agreement and the Share Purchase Agreement, the Seller and other entities controlled by the Founder will hold 662,014,015 Shares, representing approximately 33.21% of the total number of Shares in issue as enlarged by the issuance of the Subscription Shares, and will remain as the controlling shareholder (as defined under the Listing Rules) and the single largest shareholder of the Company, while the Investor, in addition to the 46,801,683 Shares which it currently holds in the Company, will hold an aggregate of 180,973,576 Shares, representing approximately 9.08% of the enlarged issued share capital of the Company.

As completion of the Share Purchase Agreement and the Subscription Agreement is subject to the satisfaction of the various conditions precedent set out in the relevant agreements, the sale of the Sales Shares and the Share Subscription may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

RESUMPTION OF TRADING

At the request of the Company, trading of the Shares, the Convertible Bonds and the CNY Bonds have been suspended with effect from 9:14 a.m. on 15 November 2011 pending the publication of this announcement.

The Company has made an application to the Stock Exchange for the resumption of trading in the Shares, the Convertible Bonds and the CNY Bonds on the Stock Exchange with effect from 9:00 a.m. on 16 November 2011.

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

The Board is pleased to announce that, the Investor has agreed to make an investment into the Company by way of subscription for the Subscription Shares pursuant to the Subscription Agreement and acquisition for the Sale Shares pursuant to the Share Purchase Agreement subject to the terms of the relevant agreements.

Details of the Subscription Agreement and the Share Purchase Agreement are set out below.

SUBSCRIPTION AGREEMENT

Date: 15 November 2011

Parties: (1) the Investor; and
(2) the Company

Subscription Shares: The Investor has agreed to subscribe for and the Company has agreed to allot and issue the Subscription Shares, being 76,669,653 new Shares, representing approximately 4% of the total number of Shares in issue and approximately 3.85% of total number of Shares in issue as enlarged by the allotment and issuance of the Subscription Shares.

Subscription price per Share: HK\$9.90, representing (i) a discount of 7.5% to the closing price of HK\$10.70 per Share on 14 November 2011, being the Last Trading Day; and (ii) a discount of 1.0 % to the volume weighted average price of HK\$10.00 per Share for last thirty trading days up to and including the Last Trading Day. The subscription price was determined based on arms' length negotiations between the parties and arrived at based on the calculation mechanism stated in the Subscription Agreement.

In any event, the subscription price per Share shall not be lower than the minimum price per Share prescribed under Rule 13.36(5) of the Listing Rules.

Conditions for completion: Completion of the Subscription Agreement is conditional upon, among other things, the following conditions precedent having been fulfilled on or before 31 December 2011 or such other date as the Investor and the Company agree in writing:

(1) there has been no material breach of any of the warranties set out in the Subscription Agreement on the date of and as at completion of the Subscription Agreement;

- (2) there has been no material breach by the Company of any provision contained in the Subscription Agreement;
- (3) there has been no material adverse change to the Group taken as a whole since the date of the Subscription Agreement;
- (4) the Listing Committee of the Stock Exchange has approved the listing of, and permission to deal in, the Subscription Shares;
- (5) the passing of a resolution of the Board nominating one Investor Director to the Board with effect from completion of the Subscription Agreement; and
- (6) completion of the sale and purchase of the Sale Shares pursuant to the Share Purchase Agreement, subject only to completion of the allotment and issue of the Subscription Shares pursuant to the Subscription Agreement.

The Company shall make all reasonable efforts to achieve satisfaction of each condition as soon as possible before 30 November 2011.

Payment:

The Investor shall pay the aggregate subscription price equal to the subscription price per Share multiplied by the number of Subscription Shares to the Company in cash.

Nomination of Investor
Director or observer
to the Board:

After completion of the Subscription Agreement and for as long as the Investor and/or its Affiliates hold not less than 5% of the total issued share capital of the Company, the Investor shall be entitled to nominate one Investor Director to the Board provided that the election and re-election of the Investor Director shall be subject to the articles of association of the Company, and, where the Investor has not exercised its right to nominate an Investor Director to the Board, the Investor shall be entitled to appoint an observer to the Board.

Lock-up on Investor:

For a period of six months after completion of the Subscription Agreement, the Investor shall not, directly or indirectly, (i) sell, transfer, charge, encumber, create or grant any option over or otherwise dispose of any Subscription Shares; or (ii) enter into any swap, derivative or other arrangement that passes or transfers to another, in whole or in part, any of the economic interests in or beneficial ownership of any Subscription Shares.

No issue of new equity securities: For a period of six months after completion of the Subscription Agreement, without the prior approval of the Investor in writing, the Company shall not issue any new equity securities.

General Mandate: The Subscription Shares will be issued under the General Mandate, which has not been utilized as at the date of this Announcement. The issue of the Subscription Shares pursuant to the General Mandate is not subject to the approval of Shareholders.

Application for listing: An application will be made by the Company to the Stock Exchange for the granting of the listing of, and the permission to deal in, the Subscription Shares.

Ranking: The Subscription Shares, when allotted and issued at completion of the Subscription Agreement will be fully paid up and rank *pari passu* in all aspects with other Shares (including the right to receive dividends and distributions declared, made or paid from time to time).

SHARE PURCHASE AGREEMENT

Date: 15 November 2011

Parties: (1) the Investor;
(2) the Seller; and
(3) the Founder

Sale Shares: the Seller has agreed to sell and the Investor has agreed to purchase the Sale Shares, being 57,502,240 existing Shares, representing approximately 3% of the total number of Share in issue as at the date of the Share Purchase Agreement.

Purchase price per Share: HK\$9.90, representing (i) a discount of 7.5% to the closing price of HK\$10.70 per Share on 14 November 2011, being the Last Trading Day; and (ii) a discount of 1.0 % to the volume weighted average price of HK\$10.00 per Share for the last thirty trading days up to and including the Last Trading Day. The purchase price was determined based on arms' length negotiations between the parties and arrived at based on the calculation mechanism stated in the Share Purchase Agreement.

- Conditions for completion:
- Completion of the Share Purchase Agreement is conditional upon, among other things, the following conditions precedent having been fulfilled on or before 31 December 2011 or such other date as the Investor and the Seller may agree in writing:
- (1) there has been no material breach of any of the warranties set out in the Share Purchase Agreement on the date of and as at completion of the Share Purchase Agreement;
 - (2) there has been no material breach by the Seller of any provision contained in the Share Purchase Agreement;
 - (3) there has been no material adverse change to the Group taken as a whole since the date of the Share Purchase Agreement; and
 - (4) completion of the allotment and issue of the Subscription Shares pursuant to the Subscription Agreement, subject only to completion of the sale and purchase of the Sale Shares pursuant to the Share Purchase Agreement.

The Seller shall make all reasonable efforts to achieve satisfaction of each condition as soon as possible before 30 November 2011.

Nomination of Investor
Director or observer
to the Board:

After completion of the Share Purchase Agreement and for as long as the Investor and/or its Affiliates hold not less than 5% of the total issued share capital of the Company, each of the Seller and the Founder undertakes to vote in favour of any resolutions that may from time to time be put forward at any general meeting of the Company for the appointment or re-election (as the case may be) of one Investor Director to the Board, and, where the Investor has not exercised its right to nominate an Investor Director to the Board, to use its best endeavours to procure that the Investor shall be entitled to appoint an observer to the Board.

Payment:

The Investor shall pay the aggregate purchase price to the Seller in cash.

Lock-up on Seller and Founder:

For a period of six months after completion of the Share Purchase Agreement, without the prior approval of the Investor in writing, each of the Seller and the Founder shall not, directly or indirectly, (i) sell, transfer, charge, encumber, create or grant

any option over or otherwise dispose of any Shares held by it; or (ii) enter into any swap, derivative or other arrangement that passes or transfers to another, in whole or in part, any of the economic interests in or beneficial ownership of any such Shares.

CHANGES IN SHAREHOLDING OF THE COMPANY FOLLOWING COMPLETION OF THE SHARE PURCHASE AGREEMENT AND SUBSCRIPTION AGREEMENT

Immediately upon completion of both the Subscription Agreement and the Share Purchase Agreement, the Seller and other entities controlled by the Founder will hold 662,014,015 Shares in aggregate, representing approximately 33.21% of the total number of Shares in issue as enlarged by the issuance of the Subscription Shares, and will remain as the controlling shareholder (as defined under the Listing Rules) and the single largest shareholder of the Company, while the Investor, in addition to the 46,801,683 Shares which it currently holds in the Company, will hold an aggregate of 180,973,576 Shares, representing approximately 9.08% of the enlarged issued share capital of the Company.

The table below sets out the shareholdings in the Company as at the date hereof and immediately after completion of the Share Purchase Agreement and the Subscription Agreement:

The Shareholders	Shareholding as at the date hereof		Shareholding immediately after completion of the Share Purchase Agreement and the Subscription Agreement	
	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>
The Seller and other entities controlled by the Founder	719,516,255	37.54	662,014,015	33.21
The Investor (<i>Note</i>)	46,801,683	2.44	180,973,576	9.08
Other Shareholders	1,150,423,397	60.02	1,150,423,397	57.71
In aggregate	1,916,741,335	100	1,993,410,988	100

Note: As at the date of this announcement, the Investor also holds certain convertible bonds of the Company with a nominal value of HK\$75,000,000, which carry interest of 1.75% per annum and expiring on 27 October 2013 and convertible into 5,729,565 Shares at a conversion price of HK\$13.09 per Share. As at the date of this announcement, none of such convertible bonds has been converted by the Investor. Assuming there is no conversion of any convertible bonds held by the Investor up to completion of the Share Purchase Agreement and the Subscription Agreement, the Investor will hold 180,973,576 Shares immediately upon completion of the Share Purchase Agreement and the Subscription Agreement.

REASONS FOR THE INTRODUCTION OF INVESTOR

The Directors consider that the proceeds from the Subscription Agreement will enable the Company to further increase its working capital and solidify its shareholder base and believe that the introduction of the Investor as a Shareholder, which is one of the world's leading sovereign wealth funds, and the introduction of the Investor Director to the Board, will bring rich investment experience to enhance the profile and growth of the Company.

Both the Directors and the Seller consider that introducing the Investor as a Shareholder by a combination of the transfer of a small proportion of existing Shares held by the Seller pursuant to the Share Purchase Agreement and the subscription of a small proportion of new Shares by the Investor pursuant to the Subscription Agreement enables the Investor to make a meaningful investment into the Company while at the same time minimizing dilution to existing Shareholders.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Subscription Agreement are fair and reasonable and the Share Subscription is in the interests of the Company and the Shareholders as a whole.

USE OF PROCEEDS

The net proceeds from the Share Subscription Agreement, after costs and expenses, is estimated to be approximately HK\$747 million, representing approximately HK\$9.75 raised per Subscription Share.

The Company intends to use the net proceeds of the Share Subscription to fund the development and expansion of the department store network of the Group in the PRC.

EQUITY FUND RAISING ACTIVITIES IN THE PAST 12 MONTHS

The Company has not conducted any equity fund raising activity during the 12-month period preceding the date of this announcement.

INFORMATION ABOUT THE INVESTOR

The Investor is a global investment management company established in 1981 to manage Singapore's foreign reserves. With a network of offices in nine cities worldwide and headquartered in Singapore, the Investor invests internationally in equities, fixed income, natural resources, treasury and currencies, real estate, private equity and infrastructure. Since its inception, the Investor has grown from managing a few billion dollars, to well above US\$100 billion today. With a portfolio this size, the Investor is amongst the world's largest fund management companies. The Investor strives to achieve good long-term returns on assets under its management, to preserve and enhance Singapore's reserves.

INFORMATION ON THE GROUP

The Group is principally engaged in the business of operation and management of department stores. The Group is the largest department store chain in Zhejiang province in terms of sales.

RESUMPTION OF TRADING

At the request of the Company, trading of the Shares, the Convertible Bonds and the CNY Bonds have been suspended with effect from 9:14 a.m. on 15 November 2011 pending the publication of this announcement.

The Company has made an application to the Stock Exchange for the resumption of trading in the Shares, the Convertible Bonds and the CNY Bonds on the Stock Exchange with effect from 9:00 a.m. on 16 November 2011.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context requires otherwise:

“Affiliate”	in relation to a person, any other person which, directly or indirectly, controls, is controlled by or is under the common control of the first mentioned person. For this purpose, “control” means, in relation to any person, having the power to direct the management or policies of such person, whether through the ownership of more than 50% of the voting power of such person, through the power to appoint a majority of the members of the board of directors or similar governing body of such person, or through contractual arrangements or otherwise
“Board”	the board of directors of the Company
“Company”	Intime Department Store (Group) Company Limited, a limited liability company incorporated in the Cayman Islands, the shares of which are listed on the Stock Exchange
“Director(s)”	the director(s) of the Company
“Founder”	Mr. Shen Guojun (沈國軍), a citizen and resident of the PRC, the sole shareholder of the Seller
“General Mandate”	the general mandate to allot and issue up to a maximum of 382,858,167 Shares granted to the Directors by the Company’s annual general meeting held on 7 June 2011

“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Investor”	Government of Singapore Investment Corporation Private Limited, a company incorporated with limited liability in Singapore
“Investor Director”	a representative that the Investor is entitled to nominate to the Board as a Director pursuant to the Share Purchase Agreement and the Subscription Agreement
“Last Trading Date”	the last trading day of the Shares on the Stock Exchange immediately prior to the execution of the Share Purchase Agreement and the Subscription Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China
“Sale Shares”	57,502,240 existing Shares to be sold by the Seller pursuant to the Share Purchase Agreement
“Seller”	Intime International Holdings Limited, a company incorporated under the laws of the Cayman Islands
“Share(s)”	the ordinary share(s) of the Company of US dollars 0.00001 each
“Shareholder(s)”	the shareholder(s) of the Company
“Share Purchase Agreement”	the share purchase agreement dated 15 November 2011 entered into between the Investor, the Seller and the Founder
“Share Subscription”	the subscription for the Subscription Shares by the Investor pursuant to the Subscription Agreement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Agreement”	the subscription agreement dated 15 November 2011 entered into between the Company and the Investor

“Subscription Shares” 76,669,653 new Shares to be subscribed for by the Investor pursuant to the Subscription Agreement

“%” per cent.

As completion of the Share Purchase Agreement and the Subscription Agreement is subject to the satisfaction of the various conditions precedent set out in the relevant agreements, the sale of the Sales Shares and the Share Subscription may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

As at the date of this announcement, the executive Directors of the Company are Mr. Shen Guojun and Mr. Chen Xiaodong, the non-executive Directors of the Company are Mr. Xin Xiangdong and Mr. Lee Ka Kit, and the independent non-executive Directors of the Company are Mr. Shi Chungui, Mr. Yu Ning and Mr. Chow Joseph.

By Order of the Board
Intime Department Store (Group) Company Limited
Shen Guojun
Chairman

Beijing, 15 November 2011