

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.



SRE GROUP LTD.

SRE GROUP LIMITED

上置集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1207)

CONVERSION OF CONVERTIBLE BONDS

The Directors are pleased to announce that the Subscribers, holding the Convertible Bonds in an aggregate principal amount of HK\$82,500,000, have given notices to the Company on 30 June 2009 to convert all outstanding Convertible Bonds at the conversion price of HK\$0.55 per Share.

Reference is made to the announcement of the Company dated 15 December 2008. Unless the context herein otherwise requires, terms used in this announcement shall have the same meanings as defined in the announcement.

Conversion of Convertible Bonds

The Directors are pleased to announce that the Subscribers, holding the Convertible Bonds in an aggregate principal outstanding amount of HK\$82,500,000, have given notices to the Company on 30 June 2009 to convert all these Convertible Bonds at the conversion price of HK\$0.55 per Share (the "Conversion"). As a result of the Conversion, a total of 149,999,999 Shares of HK\$0.10 each (the "Conversion Shares"), representing approximately 5.113% of the issued share capital of the Company as at 30 June 2009 and approximately 4.864% of the issued share capital of the Company as enlarged by the issue of the Conversion Shares, will be allotted and issued. The Conversion Shares will be issued and allotted by the Company pursuant to the general mandate granted to the Directors at the annual general meeting of the Company held on 21 May 2008.

* For identification purpose only

The Subscribers are Well Fortune Investments Limited and CITIC Capital China Access Fund Limited. CITIC Capital Holdings Limited, CITIC International Financial Holdings Limited, Gloryshare Investments Limited, Forever Glory Holdings Limited, Golden Gateway Enterprises Inc, CITIC Pacific Limited and CITIC Group are deemed to be interested in the issued share capital of SRE Group, while CITIC Capital China Real Estate Investment Fund III, L.P., CITIC Capital Real Estate GP Limited, CITIC Capital Global Services Holdings Limited are deemed to be interested in the issued share capital of SRE.

By Order of the Board
SRE GROUP LIMITED
Shi Jian
Chairman

Hong Kong, 2 July 2009

As at the date hereof, the Board comprises of five executive directors, namely Mr. Shi Jian, Mr. Li Yao Min, Mr. Yu Hai Sheng, Mr. Jiang Xu Dong and Mr. Yue Wai Leung, Stan; two non-executive directors, namely Mr. Cheung Wing Yui and Mr. Jin Bing Rong; and three independent non-executive directors, namely Mr. Jiang Xie Fu, Mr. E Hock Yap and Mr. Pan Long Qing.