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Kingdee International Software Group Company Limited

金蝶國際軟件集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code : 268)

DISCLOSEABLE TRANSACTION: PROPOSED ACQUISITION OF LAND-USE RIGHTS

The Board wishes to announce that the Company, through Kingdee China, entered into the Project Agreement on 3 April 2008 with the Regulatory Commission. Pursuant to the Project Agreement, Kingdee China will enter into a Land-use Rights Transfer Agreement under which Kingdee China will acquire the Land-use Rights of the Land with an area of approximately 213.6725 Mu (142,434.0885 square meters) from the Owner in consideration of RMB70,511,809.95 in cash by Kingdee China. The Land is currently vacant.

Kingdee China is a wholly-owned subsidiary of the Company. The Project Agreement constitutes a discloseable transaction for the Company pursuant to Rule 14.06(2) of the Listing Rules. A circular containing further information on the Project Agreement will be despatched to the Shareholders as soon as practicable in accordance with the Listing Rules.

Project Agreement

Date: 3 April 2008

Parties: The Regulatory Commission and Kingdee China (to the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Regulatory Commission is an Independent Third Party.)

Assets to be acquired

The Land-use Rights

General

The Board wishes to announce that the Company, through Kingdee China, entered into a Project Agreement on 3 April 2008 with the Regulatory Commission. Pursuant to the Project Agreement, Kingdee China will enter into a Land-use Rights Transfer Agreement under which Kingdee China will acquire the Land-use Rights of the Land with an approximate area of 213.6725 Mu (142,434.0885 square meter) from the Owner in consideration of RMB70,511,809.95 in cash by Kingdee China. The Land is currently vacant.

Payment Terms and Consideration

The consideration for the transfer of the Land-use Rights is RMB70,511,809.95 (the "**Consideration**") and is payable by Kingdee China in accordance with the terms set forth in the Land-use Rights Transfer Agreement.

The Consideration was set by the Regulatory Committee and the Owner and was arrived at after arm's length negotiations between Kingdee China, the Regulatory Commission and the Owner. Having considered various quotations of land of similar size in the vicinity and the incentives offered by the Regulatory Commission, including assisting and facilitating reallocation of professionals and existing offices of the Group in central Beijing to Shunyi District, the Board is of the view that the Consideration is fair and reasonable and is to the benefit of the Group and its shareholders. The Board intends to finance the Consideration by internal resources.

Reasons for and benefits of the Acquisition

The Group is mainly engaged in the development and marketing of enterprise management software and e-commerce application software, and in providing middleware for the management software, e-business and e-government platforms of enterprises and government departments. The Group also provides management consultation, implementation and technical support services in relation to software products for its customers around the world.

The acquisition of the Land-use Rights will enable the Group to establish "Beijing Kingdee Software Park (北京金蝶軟件園)" on the Land. The construction of Beijing Kingdee Software Park has been the core part of the Group's long term strategic development plan. As Beijing is the political, economic, cultural and high quality talent centre of the PRC, the new Beijing Kingdee Software Park will allow the Group to provide a workplace which is, in terms of location, more convenient to our staff and thus the Group can attract and retain professionals specializing in high-end software development and application management consultation around Beijing. This avails the Group to have closer and more frequent interaction with our business partners in the northern part of China. Meanwhile, Beijing Kingdee Software Park will be for the Group's own use and it will integrate the Group's existing branches, divisions and resources in Beijing and lower our existing leasing and operating cost. To conclude, the Beijing Kingdee Software Park will create more value to our customers and shareholders.

The directors of the Company consider that the terms of the Project Agreement are on normal commercial terms, fair and reasonable and in the interests of the Group.

The Regulatory Commission is under the direct jurisdiction of the government of Shunyi District, Beijing and is responsible for the development and construction management of New City of Shunyi District, and attracting investment into Shunyi District.

Discloseable Transaction

As at the date of this announcement, Kingdee China is a wholly-owned subsidiary of the Company.

Since (i) the value of the total assets to be acquired represents more than 5% but less than 25% of the consolidated total assets of the Company, and (ii) the value of the Consideration represents more than 5% but less than 25% of the market capitalisation of the Company, the Project Agreement constitutes a discloseable transaction for the Company pursuant to Rule 14.06(2) of the Listing Rules. A circular containing further information on the Project Agreement will be despatched to the Shareholders as soon as practicable in accordance with the Listing Rules

Definitions

Unless the context requires otherwise, the following words and phrases used in this announcement have the following meanings:

"Board"	: the board of Directors
"Company"	: Kingdee International Software Group Company Limited (金蝶國際軟件集團有限公司), a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the main board of the Stock Exchange
"Regulatory Commission"	: Beijing Shunyi New City Regulatory Commission (北京市順義區新城建設管理委員會), was set up by the government of Shunyi District, Beijing (北京市順義區人民政府)
"Directors"	: the directors of the Company
"Group"	: the Company and its subsidiaries;
"HK\$"	: Hong Kong dollars, the lawful currency of Hong Kong;
"Independent Third Party"	: A person who is independent of and not connected with the Company and the connected persons of the Company
"Kingdee China"	: Kingdee Software (China) Co., Ltd, a company incorporated in the PRC with limited liability
"Land"	: The parcel of land located at Mapo Area, Shunyi District, Beijing (北京市順義區新城馬坡組團)
"Land-use Rights"	: The land-use rights in respect of the Land for a term of 40 years, from the date of the Land-use Rights Transfer Agreement
"Land-use Rights Transfer Agreement:"	: The land-use rights transfer agreement to be entered into between the Beijing Shun'ao Investment Centre (北京順奧投資中心) and the Company in relation to the transfer of the Land-use Rights
"Listing Rules"	: Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (as amended from time to time)
"Mu"	: Chinese Mu, the measurement unit for area of land, 1 Mu approximately equals 666.6 square meters.
"Owner"	: Beijing Shun'ao Investment Centre (北京順奧投資中心), owner of the Land-use Rights, an entity set up by the Beijing Shunyi Management Committee of Olympic Venues (北京市順義區奧運場館管理委員會), which in turn was set up by the government of Shunyi District, Beijing (北京市順義區人

民政府) . To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Owner is an Independent Third Party

"Project Agreement" : the Project Agreement dated 3 April, 2008 entered into between the Regulatory Commission and the Company.

"PRC" : the People's Republic of China

"RMB" : Renminbi, the lawful currency of the PRC

"Stock Exchange" : The Stock Exchange of Hong Kong Limited

By order of the Board
**Kingdee International Software Group
Company Limited.**
Xu Shao Chun
Chairman

Hong Kong, 3 April, 2008

As at the date of this announcement, the Board comprises Mr. Xu Shao Chun (Chairman of the Board), Mr. Ho Ching-hua (Chief Executive Officer) and Mr. Chen Deng Kun as executive directors; Mr. James Ming King and Mr. Charles Po-Shun Wu as non-executive directors; and Ms. Yang Zhou Nan, Mr. Wu Cheng, Mr. Yeung Kwok On and Mr. Gary Clark Biddle as independent non-executive directors.