



SING TAO NEWS CORPORATION LIMITED

星島新聞集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code : 1105)

DISCLOSEABLE TRANSACTION

The Board is pleased to announce that on 16 March 2007, after the trading hours, the Purchaser, a wholly-owned subsidiary of the Company, entered into a building contract with the Contractor, pursuant to which the Contractor shall construct a printing factory at a consideration of HK\$117,668,000.

The Construction and the lease of the Land, in aggregate, constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules. A circular containing, among other things, further details of the transaction will be despatched to the Shareholders as soon as practicable.

THE BUILDING CONTRACT

Date:	16 March 2007, after the trading hours
Parties:	
Purchaser:	Global China Properties Holdings Limited, a wholly-owned subsidiary of the Company
Contractor:	Head Fame Company Limited, an independent third party
Asset:	Construction of a printing factory with a total estimated gross floor area of approximately 9,685 square metres located at the Land
Consideration:	HK\$117,668,000
	The consideration shall be paid by the Purchaser after receiving invoices from the Contractor monthly commencing from 16 April 2007.

The Contractor was selected through a tendering process by which several building contractors were short-listed for selection based on their offer prices and their competence. The consideration of the Construction was determined after arm's length negotiations between the parties based on normal commercial terms.

The consideration of the Construction will be funded from internal resources within the Group.

REASONS

In consideration of the Group's expansion of its newspaper business and business strategies and to ensure smooth production of its products in addition to the existing production capacity, the Group decided to lease the Land and construct a printing factory at the Land.

The Directors (including the independent non-executive directors of the Company) consider that the terms of the building contract are arrived at after arm's length negotiations based on normal commercial terms and are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

GENERAL

The Group is principally engaged in (i) media ownership and services which comprise newspaper, magazine and book publishing and the provision of media-related services; (ii) human capital management which comprises recruitment and continuing education media and corporate training services; and (iii) broadband technology and services.

The Contractor is principally engaged in building construction.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries by the Directors, the Contractor and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

There is no previous transaction between the Company and the Contractor which required aggregation of transactions under Rule 14.22 of the Listing Rules.

There is a previous transaction which may be required to be aggregated under Chapter 14 of the Listing Rules. On 28 February 2007, the Purchaser accepted an offer to lease made by Technology Parks, which and the ultimate beneficial owner(s) of which, are third parties independent of the Company and its connected persons (as defined in the Listing Rules). Under the offer, Technology Parks shall lease the Land together with piles currently located at the Land to the Purchaser at the consideration of HK\$31,948,950 from the date of possession of the Land (in around March 2007) until 27 June 2047 and on the terms set out in the agreement for lease to be entered into between the Purchaser and Technology Parks. The consideration shall be paid by the Purchaser in the following manner: (1) a sum of HK\$2,694,895 has been paid upon the acceptance of the offer to lease and (2) the remaining balance is payable upon the execution of the agreement for lease. The consideration was determined after arm's length negotiations between the parties based on normal commercial terms and with reference to the prevailing market prices of land in the neighbouring area. The consideration will be funded from internal resources within the Group. There is no relationship between Technology Parks and the Contractor.

As the percentage ratio for the lease of the Land calculated pursuant to Rule 14.07 of the Listing Rules is less than 5%, the lease of the Land does not, individually, subject to any disclosure requirement under Chapter 14 of the Listing Rules. The Construction and the lease of the Land contemplated under the relevant agreements and contract, in aggregate, constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules. A circular containing, among other things, further details of the transaction will be despatched to the Shareholders as soon as practicable.

DEFINITIONS

In this announcement, unless otherwise defined, terms used herein shall have the following meanings:

“Board”	the board of Directors
“Company”	Sing Tao News Corporation Limited, a company incorporated in Bermuda with limited liability, whose shares are listed on the Stock Exchange
“Construction”	the Construction of a printing factory located at the Land
“Contractor”	Head Fame Company Limited, a company incorporated in Hong Kong with limited liability
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Land”	a piece or parcel of land situated at Subsection 1 of Section H of Tseung Kwan O Town Lot No. 39 and extensions thereto
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Purchaser”	Global China Properties Holdings Limited, a company incorporated in Hong Kong with limited liability, being a wholly-owned subsidiary of the Company
“Shareholder(s)”	holder(s) of the ordinary share(s) of HK\$0.2 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Technology Parks”	Hong Kong Science and Technology Parks Corporation

By order of the Board
Sing Tao News Corporation Limited
Ho Tsu Kwok, Charles
Chairman

Hong Kong, 16 March 2007

As at the date of this announcement, the Board comprises: (1) executive directors: Mr. HO Tsu Kwok, Charles (Chairman), Mr. LO Wing Hung (Chief Executive Officer), Ms. Judy INN, Mr. JIA Hongping, Mr. LAI Ting Yiu, Mr. LAU Chung Man, Louis, Mrs. SY WONG Chor Fong and Mr. YANG Yiu Chong, Ronald Jeffrey; (2) non-executive director: Mr. LEUNG Chun Ying and (3) independent non-executive directors: Mr. Timothy David DATTELS, Ms. HO Chiu King, Pansy Catilina, Mr. KING Richard Yun Zing, Mr. LEE Cho Jat and Mr. TUNG Chee Chen.

** For identification purpose only*

Please also refer to the published version of this announcement in [The Standard].