

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims 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 is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities in Hong Kong or elsewhere nor is it calculated to invite any such offer or invitation. Any public offering of securities would be made by means of an offering circular that may be obtained from the issuer or selling security holder and that would contain detailed information about the company and management, as well as financial statements.



越秀投資有限公司

GUANGZHOU INVESTMENT COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock code: 123)

ANNOUNCEMENT

- 1. POLL RESULT OF EGM**
 - 2. DESPATCH OF CD-ROM CONTAINING AN ELECTRONIC FORMAT OF THE OFFERING CIRCULAR AND FORM OF ELECTION**
 - 3. ARRANGEMENT OF ODD LOT UNITS**
 - 4. INDICATIVE PRICE RANGE OF UNITS**
 - 5. RESIGNATION OF DIRECTOR**
- AND**
- 6. RESUMPTION OF TRADING IN SHARES**

The Board is pleased to announce that the Resolution (as defined below) relating to, the Distribution, the Option, the Separate Listing and other matters related to the Separate Listing was duly passed by the Shareholders by way of a poll at the EGM held on 10 December 2005. The Directors have been advised by the Manager that GZI REIT has obtained the Authorisation from SFC on 8 December 2005 and that GZI REIT will launch its Global Offering on 12 December 2005.

The Directors wish to notify the Qualifying Shareholders that a CD-ROM containing an electronic format of the Offering Circular issued by GZI REIT in relation to the Global Offering together with the Form of Election in relation to the Option will be despatched on 12 December 2005 to each of the Qualifying Shareholders pursuant to the Distribution and the Option. Qualifying Shareholders may also obtain printed copies of the Offering Circular from any of the locations listed in this announcement or by making a telephone or written request to the Registrar.

The Directors also wish to remind the Qualifying Shareholders that the latest time for receipt of the Form of Election by the Registrar is at 12:00 noon on 15 December 2005.

For the purpose of alleviating difficulties that may arise from the existence of odd lots of the Units, the Company has appointed HSBC Securities (Asia) Limited to provide a “matching service” to those Qualifying Shareholders who wish to top-up or sell their holdings of odd lots of Units. HSBC Securities (Asia) Limited will provide a service matching the sale and purchase of odd lots of Units during the period of three weeks from the Listing Date. Further details of the matching facility are set out below.

The Offer Price is expected to be determined by agreement between the Company, the Joint Global Coordinators (on behalf of the underwriters) and the Manager, following the completion of the bookbuilding process for the International Offering and after assessment of the level of market demand for the Global Offering. The Company has been advised by the Manager (acting on behalf of GZI REIT) that the indicative range of the proposed Offer Price per Unit will be not less than HK\$2.850 and not more than HK\$3.075 (in each case, exclusive of brokerage of 1.0%, Hong Kong Stock Exchange trading fee of 0.005% and SFC transaction levy of 0.005%). The final Offer Price is expected to be determined on Thursday, 15 December 2005 and, in any event, not later than Monday, 19 December 2005. The final Offer Price is expected to be announced on or about 20 December 2005.

The Directors wish to draw the attention of the Shareholders and the public to the fact that the Proposed Spin-off and the proposed Separate Listing may or may not proceed, depending on whether the conditions as more particularly described in the Circular are satisfied in full. In the event that any of the conditions specified therein is not satisfied, the Distribution and the Option will lapse absolutely and unconditionally. In this connection, Shareholders and the public are reminded to exercise caution when dealing in the securities of the Company and are recommended to consult their professional advisers if they are in any doubt about their positions.

The Board also wishes to announce that Mr. Liang Ningguang has resigned as an executive Director with effect from 9 December 2005. As mentioned in the Circular, Mr. Liang will resign from the Company before the Separate Listing in order to dedicate more time to the Manager.

At the request of the Company, the Shares were suspended from trading on the Stock Exchange from 9:30 a.m. on Friday, 9 December 2005 pending the release of this announcement. The Company has made an application to the Stock Exchange to resume trading of its Shares on the Stock Exchange with effect from 9:30 a.m. on Monday, 12 December 2005.

Reference is made to the announcements dated 24 November 2005 and 8 December 2005, and the shareholders’ circular dated 25 November 2005 issued by the Company (the “**Circular**”). Terms used in this announcement shall have the same meanings as terms used in the Circular unless otherwise defined.

1. RESULT OF THE EGM

The Board is pleased to announce that the ordinary resolution (the “Resolution”) relating to the Distribution, the Option, the Separate Listing and other matters related to the Separate Listing was duly passed by the Shareholders by way of a poll at the EGM held on 10 December 2005 (the “EGM Date”). The result of the Resolution in respect of the poll taken at the EGM is as follows:

Ordinary Resolution	Number of votes (%)	
	For	Against
To approve the Separate Listing (including the approval of the Distribution, the Option, the deed of right of first refusal, the deed of indemnity and the deed of undertaking) and to authorise the directors of the Company to effect the foregoing	3,879,270,201 (100%)	0 (0%)

The Resolution was duly passed as an ordinary resolution.

As at the EGM Date, the issued share capital of the Company was 6,507,805,914 Shares. As stated in the Circular, no shareholder is required to be abstained from voting on the resolution at the EGM and the total number of Shares entitling the Shareholders to attend and vote for or against the resolution was 6,507,805,914.

The Registrar acted as the scrutineer for the poll at the EGM.

2. DESPATCH OF CD-ROM CONTAINING AN ELECTRONIC FORMAT OF THE OFFERING CIRCULAR AND FORM OF ELECTION

The Directors have been advised by the Manager that GZI REIT has obtained the Authorisation from SFC on 8 December 2005 and that GZI REIT will launch its Global Offering on 12 December 2005. In connection with the Distribution and the Option, the Company will despatch to each of the Qualifying Shareholders a printed personalised Form of Election containing details of the number of Units which such Qualifying Shareholder is entitled to receive pursuant to the Distribution (representing the maximum number of Units in respect of which the Option may be exercised by such Qualifying Shareholder) and a CD-ROM containing an electronic format of:

- (i) the Offering Circular of GZI REIT dated 12 December 2005 in English; and
- (ii) the Offering Circular of GZI REIT dated 12 December 2005 in Chinese.

The contents of the Offering Circular in electronic format on the CD-ROM are identical in all respects with the contents of the Offering Circular in printed form.

The electronic format of the Offering Circular will also be available on the Stock Exchange’s website at www.hkex.com.hk from 12 December 2005

If Qualifying Shareholders do not have access to a personal computer and so are unable to view the electronic format of the Offering Circular or would rather have a printed copy of

the Offering Circular, they may make a telephone request to the Registrar on telephone number (+852) 2980 1333 or send a written request to the offices of the Registrar, at Abacus Share Registrars Limited of Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong during normal business hours from 9:00a.m. on Monday, 12 December 2005 to 12:00 noon on Thursday, 15 December 2005, and the Registrar will arrange for a printed copy of the Offering Circular to be delivered to the relevant Qualifying Shareholder at its address as shown in the register of members of the Company by ordinary post as soon as practicable. However, Qualifying Shareholders should note that should such a request be made, they may not be able to receive the printed copy of the Offering Circular before 12:00 noon on 15 December 2005 (i.e., the date and time before which the Form of Election should be returned, if Qualifying Shareholders elect to exercise the Option).

Qualifying Shareholders may also obtain printed copies of the Offering Circular from the offices of the Registrar and any of the following locations listed below:

1. The following designated branches of receiving banks during normal business hours from 9:00 a.m. on Monday, 12 December 2005 to 4:30 p.m. on Wednesday, 14 December 2005 and from 9:00 a.m. until 12:00 noon on Thursday, 15 December 2005:

The Hongkong and Shanghai Banking Corporation Limited

Hong Kong Island:	Aberdeen Centre Branch	Shop 2 G/F Site I, Aberdeen Centre, Aberdeen, Hong Kong
	Cityplaza Branch	Unit 065, Cityplaza I, Taikoo Shing, Hong Kong
	Des Voeux Road West Branch	Western Centre, 40-50 Des Voeux Road West, Hong Kong
	Happy Valley Branch	G/F, Sun & Moon Building, 45 Sing Woo Road, Happy Valley, Hong Kong
	Hopewell Centre Branch	Shop No.1-2, G/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong
	Pacific Place Branch	Shop 401, Pacific Place, 88 Queensway, Hong Kong
Kowloon:	Festival Walk Branch	Shop LG1-37, Festival Walk, 80 Tat Chee Avenue, Kowloon Tong, Kowloon
	Kwun Tong Branch	1 Yue Man Square, Kwun Tong, Kowloon

	Peninsula Centre Branch	Peninsula Centre, 67 Mody Road, Tsim Sha Tsui East, Kowloon
	Pioneer Centre Branch	Shop 115, 1/F, Pioneer Centre, 750 Nathan Road, Kowloon
New Territories:	Citylink Plaza Branch	Shops 38-46, Citylink Plaza, Shatin Station Circuit, Shatin, New Territories
	Tuen Mun Town Plaza Branch	Shop 1, UG/F, Shopping Arcade Phase II, Tuen Mun Town Plaza, New Territories

Bank of China (Hong Kong) Limited

Hong Kong Island:	Bank of China Tower Branch	3/F, 1 Garden Road, Central, Hong Kong
	Central District (Wing On House) Branch	71 Des Voeux Road, Central, Hong Kong
	Shek Tong Tsui Branch	534 Queen's Road West, Shek Tong Tsui, Hong Kong
	Taikoo Shing Branch	Shop G1006-7, Hoi Sing Mansion, Taikoo Shing, Hong Kong
	North Point (Kiu Fai Mansion) Branch	413-415 King's Road, North Point, Hong Kong
Kowloon:	Kwun Tong Branch	20-24 Yue Man Square, Kwun Tong, Kowloon
	Mong Kok (President Commercial Centre) Branch	608 Nathan Road, Mong Kok, Kowloon
	Mei Foo Mount Sterling Mall Branch	Shop N47-49 Mount Sterling Mall, Mei Foo Sun Chuen, Kowloon
	Diamond Hill Branch	G107, Plaza Hollywood, Diamond Hill, Kowloon
	Tsim Sha Tsui East Branch	Shop G02-03, Inter-Continental Plaza, 94 Granville Road, Tsim Sha Tsui, Kowloon
New Territories:	Castle Peak Road (Tsuen Wan) Wealth Management Centre	167 Castle Peak Road, Tsuen Wan, New Territories
	Lucky Plaza Branch	Lucky Plaza, Wang Pok Street, Shatin, New Territories

Bank of Communications Co., Ltd., Hong Kong Branch

Hong Kong Island:	Hong Kong Branch	20 Pedder Street, Central, Hong Kong
	Central District Sub-Branch	125A Des Voeux Road, Central, Hong Kong
	King's Road Sub-Branch	67-71 King's Road, North Point, Hong Kong
Kowloon:	Kowloon Sub-Branch	563 Nathan Road, Kowloon
	Cheung Sha Wan Plaza Sub-Branch	Unit G04, Cheung Sha Wan Plaza, 833 Cheung Sha Wan Road, Kowloon
	Hunghom Sub-Branch	1-3A Tak Man Street, Whampoa Estate, Hunghom, Kowloon
	Ngau Tau Kok Sub-Branch	Shop G1, G/F, Phase I, Amoy Plaza, 77 Ngau Tau Kok Road, Kowloon
	Wong Tai Sin Sub-Branch	Shops 127-129, 1/F Lung Cheung Mall, 136 Lung Cheung Road, Wong Tai Sin, Kowloon
New Territories:	Tseung Kwan O Sub-Branch	Shops 253-255, Metro City Shopping Arcade, Phase I, Tseung Kwan O, New Territories
	Tsuen Wan Sub-Branch	Shop G10-11, Pacific Commercial Plaza, Bo Shek Mansion, 328 Sha Tsui Road, Tsuen Wan, New Territories
	Shatin Sub-Branch	Shop No. 193, Level 3, Lucky Plaza, 1-15 Wang Pok Street, Shatin, New Territories
	Sheung Shui Sub-Branch	Shops 10-14, G/F., Sheung Shui Centre Shopping Arcade, Sheung Shui, New Territories

2. The following offices of the Joint Global Coordinators during normal business hours from 9:00 a.m. on Monday, 12 December 2005 to 12:00 noon on Thursday, 15 December 2005:

The Hongkong and Shanghai Banking Corporation Limited	1 Queen's Road Central, Central, Hong Kong
Citigroup Global Markets Asia Limited	50th Floor, Citibank Tower, Citibank Plaza, 3 Garden Road, Central, Hong Kong
DBS Bank Ltd.	22nd Floor, The Center, 99 Queen's Road Central, Central, Hong Kong

3. The following two locations designated by Goldbond Capital (Asia) Limited during normal business hours from 9:00 a.m. on Monday, 12 December 2005 to 12:00 noon on Thursday, 15 December 2005:

Hong Kong: 3902B, 39th Floor, Tower 1, Lippo Centre, 89 Queensway, Hong Kong

New Territories: Units 2305-06, 23rd Floor, City Landmark 1, 68 Chung On Street, Tsuen Wan, New Territories, Hong Kong

4. The registered office of the Company located at 24th Floor, Yue Xiu Building, 160 Lockhart Road, Wanchai, Hong Kong during normal business hours from 9:00 a.m. on Monday, 12 December 2005 to 12:00 noon on Thursday, 15 December 2005.

Qualifying Shareholders who wish to exercise the Option (either in whole or part) will be required to complete the Form of Election in accordance with the terms and conditions set out therein and in the letter from the Board and the board of directors of the Manager (in its capacity as manager of GZI REIT) to the Qualifying Shareholders, which will be despatched to Qualifying Shareholders together with their personalised Forms of Election. **Please note that investment involves risk. The price and yield of Units may fall as well as rise. The Offering Circular (in particular, the section headed "Risk Factor" which contains detailed discussion of the risk factors associated with investing in GZI REIT) which Shareholders and potential investors should read carefully before making an investment decision in respect of the Distribution or the public offering in Hong Kong. Authorisation of GZI REIT as a collective investment scheme under Section 104 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) by the Securities and Futures Commission of Hong Kong does not signify its official recommendation of investment in GZI REIT.**

To be valid, the Form of Election, together with the power of attorney (where applicable) or other authority under which it is signed (where applicable) or a notarially certified copy thereof, must be returned, either in person or by post, to either of the offices of the Registrar, Abacus Share Registrars Limited of Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong or Tricor Group Processing Centre of Workshop 14, 10th Floor, Honour Industrial Centre, 6 Sun Yip Street, Chai Wan, Hong Kong so as to arrive no later than 12:00 noon on 15 December 2005. No acknowledgement of receipt of the Form of Election will be issued.

If the Registrar does not receive the Form of Election from the Qualifying Shareholders who wish to exercise the Option by the aforesaid date and time or if the Form of Election is not completed in accordance with the instructions therein, the relevant Qualifying Shareholders will be deemed not to have elected to receive a Cash Payment instead of the Units proposed to be transferred to such Qualifying Shareholders pursuant to the Distribution and hence not to receive a Cash Payment.

If Qualifying Shareholders choose to return the Form of Election and make the election without the benefit of the information set out in the Offering Circular, the returned and completed Form of Election will nonetheless be valid and binding on such Qualifying Shareholders.

3. ARRANGEMENT OF ODD LOT UNITS

The Units proposed to be transferred to the Qualifying Shareholders pursuant to the Distribution may not represent a multiple of a board lot of 1,000 Units, and dealings in odd lot Units may be at a price below their prevailing market price. Entitlements to Units pursuant to the Special Dividend are not transferable and there will be no trading in nil-paid entitlements on the Stock Exchange.

For the purpose of alleviating difficulties that may arise from the existence of odd lots of the Units, the Company has appointed HSBC Securities (Asia) Limited to provide a “matching service” to those Qualifying Shareholders who wish to top-up or sell their holdings of odd lots of Units. HSBC Securities (Asia) Limited will provide a service for matching the sale and purchase of odd lots of Units during the period of three weeks from the Listing Date. Holders of Units in odd lots who wish to take advantage of this facility either to dispose of or top-up their odd lots to a board lot of 1,000 Units should directly, or through their brokers, contact Mr. Thomas Ngai of HSBC Securities (Asia) Limited, 1 Queen’s Road Central, Hong Kong, at telephone number (+852) 2996 6992 or at fax number (+852) 2810 7673 during the period from 21 December 2005 to 10 January 2006. Qualifying Shareholders should note that the matching service will be on a “best effort” basis only and successful matching the sale and purchase of odd lots of Units is not guaranteed and will depend on there being adequate amounts of odd lots of Units available for such matching. If Qualifying Shareholders do not elect to take advantage of the “matching service” provided by HSBC Securities (Asia) Limited (as described above), they may also make their own arrangements to top-up or sell their holdings of odd lots of Units (if any), if they so wish.

Qualifying Shareholders are recommended to consult their stockbroker, other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser if they are in any doubt about the matching facility described above.

4. INDICATIVE PRICE RANGE OF UNITS

The Offer Price is expected to be determined by agreement between the Company, the Joint Global Coordinators (on behalf of the underwriters) and the Manager, following the completion of the bookbuilding process for the International Offering and after assessment of the level of market demand for the Global Offering. The Company has been advised by the Manager (acting on behalf of GZI REIT) that the indicative price range of the Units per Unit will be not less than HK\$2.850 and not more than HK\$3.075 (in each case, exclusive of brokerage of 1.0%, Stock Exchange trading fee of 0.005% and SFC transaction levy of 0.005%).

As discussed in the Circular, the amount of Cash Payment in respect of each Unit shall be calculated by deducting applicable taxes (if any) and applicable stamp duty payable on the Offer Price (being 0.1% of the Offer Price representing half of the amount of Hong Kong stamp duty payable by a Qualifying Shareholder who elects to exercise the Option on the transfer of the Units that would otherwise have been transferred to the relevant Qualifying Shareholder pursuant to the Special Dividend). The Company will bear the other half of the applicable stamp duty being 0.1% of the Offer Price.

On the basis of the current timetable, the final Offer Price for the Global Offering is expected to be determined on or about 15 December 2005 and published in South China Morning Post (in English) and Hong Kong Economic Times (in Chinese) on or about 20 December 2005. Cheques for the Cash Payment are expected to be despatched to those Qualifying Shareholders who file valid Forms of Election by ordinary post to the address specified in their respective personalised Forms of Election on or about 29 December 2005 at their own risk.

The Directors wish to draw the attention of the Shareholders and the public to the fact that the Proposed Spin-off and the proposed Separate Listing may or may not proceed, depending on whether the conditions as more particularly described in the Circular are satisfied in full. In the event that any of the conditions specified therein is not satisfied, the Distribution and the Option will lapse absolutely and unconditionally. In this connection, Shareholders and the public are reminded to exercise caution when dealing in the securities of the Company and are recommended to consult their professional advisers if they are in any doubt about their positions.

5. RESIGNATION OF A DIRECTOR

The Board also wishes to announce that Mr. Liang Ningguang has resigned as an executive Director with effect from 9 December 2005. As mentioned in the Circular, Mr. Liang will resign from the Company before the proposed Separate Listing in order to dedicate more time to the Manager.

Mr. Liang has become the chairman and executive director of the Manager, which is wholly-owned by the Company and is the manager of GZI REIT.

Mr. Liang confirmed that there are no other matters relating to his resignation that need to be brought to the attention of the Shareholders. Further, the Board and Mr. Liang confirmed that they have no disagreements with each other. The Board would take this opportunity to express its gratitude to Mr. Liang for his valuable contribution to the GZI Group during his tenure of service.

6. RESUMPTION OF TRADING IN SHARES

At the request of the Company, the Shares were suspended from trading on the Stock Exchange from 9:30 a.m. on Friday, 9 December 2005 pending the release of this announcement. The Company has made an application to the Stock Exchange to resume trading of its Shares on the Stock Exchange with effect from 9:30 a.m. on Monday, 12 December 2005.

By order of the Board of
Guangzhou Investment Company Limited
Ou Bingchang
Chairman

Hong Kong, 10 December 2005

As at the date of this announcement, the Board comprises of:

Executive Directors:	Ou Bingchang, Liang Yi, Chen Guangsong and Li Fei
Independent non-executive Directors:	Yu Lup Fat Joseph, Lee Ka Lun and Lau Hon Chuen Ambrose.

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