

*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.*



**越秀投資有限公司**

**GUANGZHOU INVESTMENT COMPANY LIMITED**

*(Incorporated in Hong Kong with limited liability)*

**(Stock code: 123)**

## **ANNOUNCEMENT**

### **ACQUISITIONS OF LAND**

This announcement is made in accordance with Rule 13.09 of the Listing Rules.

On 17 November 2006, the Company has, through its 95% owned subsidiary and wholly owned subsidiary, acquired the Liwan Property and the Pearl River New City Property, with areas of approximately 254,000 square meters and 10,800 square metres respectively, for considerations of RMB1,700 million (i.e. approximately HK\$1,683 million) and RMB367 million (i.e. approximately HK\$363 million), respectively.

The board of directors (the “**Board**”) of Guangzhou Investment Company Limited (the “**Company**”) is pleased to announce that, on 17 November 2006, the Company has, through its 95% owned subsidiary and wholly owned subsidiary, acquired two plots of land located in the Liwan District of Guangzhou (the “**Liwan Property**”) and the Pearl River New City in Tianhe District of Guangzhou (the “**Pearl River New City**”), respectively.

#### **The Liwan Property**

The Company, through its 95% owned subsidiary, acquired the Liwan Property, which has a total site area of approximately 254,000 square meters and a permissible gross floor area of up to approximately 482,000 square meters, for a consideration of RMB1,700 million (i.e. approximately HK\$1,683 million). The Liwan Property is located on Xiwan Road in the Liwan District of Guangzhou. The Liwan Property is permitted for both commercial and residential usage.

#### **Pearl River New City Property**

The Company, through its wholly owned subsidiary, acquired the Pearl River New City Property, which has a total site area of approximately 10,800 square meters and a permissible gross floor area of up to approximately 106,000 square meters, for a consideration of RMB367 million (i.e. approximately HK\$363 million). The Pearl River New City Property is located in Pearl River New City in the Tianhe District of Guangzhou. The Pearl River New City Property is permitted for commercial office usage.

Given the limited supply of large tracts of land in the urban area of Guangzhou, the Board believes that the acquisition of the Liwan Property, which permits the development of a large scale residential and commercial complex in the old town of Guangzhou fits perfectly well with the Company's business strategy, the latest macro-economic control measures implemented by the Central Government to cool the overheating property market as well as the growing needs of end-users. The Company believes the Pearl River New City Property, which is planned for construction of a grade "A" office building, is expected to benefit from the new metro lines and a significant number of large and mega scale commercial and civic projects currently under construction within the new Central Business District of Guangzhou.

The Company is optimistic about the healthy economic growth of China, and in particular, the healthy growth of the property development industry under the new control measures. The acquisitions of the Liwan Property and the Pearl River New City Property will provide sustainable development to the Company and will reinforce its position as one of the leading property developers in Guangzhou.

This announcement is made in accordance with Rule 13.09 of the Listing Rules.

In this announcement, unless otherwise specified, amounts in RMB are converted to HK\$ at a conversion rate of HK\$1.00 = RMB1.01 for illustration only. No representation is made that any amounts in RMB or HK\$ could have been or could be converted at such rate or any other rates.

By order of the board of  
**Guangzhou Investment Company Limited**  
**OU Bingchang**  
*Chairman*

Hong Kong, 20 November 2006

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

*Executive Directors:*                    *OU Bingchang (Chairman), LIANG Yi, LI Fei, CHEN Guangsong, TANG Shouchun, WANG Hongtao, LI Xinmin and HE Zili*

*Independent Non- executive Directors:*                    *YU Lup Fat Joseph, LEE Ka Lun and LAU Hon Chuen Ambrose*