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Unless defined herein, terms in this announcement shall have the same meaning as those defined in the offering circular of GZI Real Estate Investment Trust (“GZI REIT”) dated 12th December, 2005 (the “Offering Circular”).



GZI Real Estate Investment Trust

(a Hong Kong collective investment scheme authorised under section 104
of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong))
(stock code: 405)

**Managed by
GZI REIT Asset Management Limited**

STABILISING ACTIONS AND END OF STABILISATION PERIOD

The Board of GZI REIT Asset Management Limited, being the manager of GZI REIT, announces that the stabilisation period in connection with the Global Offering ended on 14th January, 2006.

The only stabilising actions undertaken during the stabilisation period were: (i) the over-allocation of 87,450,000 Units under the International Offering; and (ii) the exercise in full by Citigroup Global Markets Asia Limited (the “Stabilising Manager”) of the Over-allocation Option on 4th January, 2006 in respect of an aggregate of 87,450,000 Units (representing approximately 15.0% of the Units initially available under the Global Offering). The Units purchased pursuant to the Over-allocation Option were used for the purpose of returning to Dragon Yield Holding Limited (a wholly-owned subsidiary of Guangzhou Investment Company Limited) the 87,450,000 Units borrowed from it by the Stabilising Manager to cover the over-allocation of Units under the International Offering.

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The only stabilising actions undertaken during the stabilisation period were: (i) the over-allocation of 87,450,000 Units under the International Offering; and (ii) the exercise in full of the Over-allocation Option by the Stabilising Manager on 4th January, 2006 in respect of an aggregate of 87,450,000 Units (representing approximately 15.0% of the total number of Units initially available under the Global Offering) purchased pursuant to the Over-allocation Option at HK\$3.075 per Unit, which was the Offer Price per Unit under the International Offering and the Hong Kong Public Offering (the “Over-allocation Units”). The

over-allocation of Units under the International Offering were initially covered by the 87,450,000 Units borrowed by the Stabilising Manager from Dragon Yield Holding Limited (a wholly-owned subsidiary of Guangzhou Investment Company Limited) on 21st December, 2005 pursuant to the unit borrowing arrangements as described in the “Structure of the Offering - Over-allocation Option and Stabilisation” section of the Offering Circular, which were subsequently returned by the Stabilising Manager to Dragon Yield Holding Limited on 6th January, 2006 by using the Over-allocation Units. Details of the exercise of the Over-allocation Option are more particularly described in the announcement dated 4th January, 2006 published by GZI REIT Asset Management Limited, as manager of GZI REIT. Apart from the over-allocation of Units under the International Offering and the exercise in full of the Over-allocation Option, no other stabilising action has been taken during the stabilisation period.

By order of the Board
GZI REIT Asset Management Limited
as manager of **GZI Real Estate Investment Trust**
Mr. Liang Ning Guang
Chairman of the Manager

Hong Kong, 16th January, 2006

As at the date of this announcement, the board of directors of the Manager is comprised as follows:

The Executive Directors of the Manager are Mr. Liang Ning Guang (Chairman) and Mr. Liu Yong Jie. The Non-executive Director is Mr. Liang You Pan. The Independent Non-executive Directors are Mr. Chan Chi On Derek, Mr. Lee Kwan Hung Eddie and Mr. Chan Chi Fai Brian.