



Announcement on Discloseable Transaction

Irrevocable Undertaking by GLL Holdings Limited regarding the acquisition of Benchmark Group PLC by GE Capital Corporation (Property Company Investments) Limited

GuocoLand, a 61.4% owned subsidiary of Guoco listed on the Singapore Exchange Securities Trading Limited, informed the Company that its 34.5% listed associate, Benchmark, and GE Real Estate have agreed on the terms of a recommended acquisition of Benchmark by GE PCI.

The Proposed Transaction comprises an offer in cash of 280 pence per Benchmark Share and an offer in cash of 103 pence for each 100 pence nominal value of CULS. Pursuant to the terms of the Proposed Transaction, GLL Holdings, which holds 33,655,774 Benchmark Shares and 12,500,000 CULS, had on 2 April 2004, entered into a deed of irrevocable undertaking with GE PCI to irrevocably undertake, among other things, to vote in favour of the Scheme of Arrangement in respect of its entire holdings of the Benchmark Shares and CULS.

The disposal of interests in Benchmark by GLL Holdings pursuant to the Proposed Transaction constitutes a discloseable transaction for Guoco under the Listing Rules. A circular containing further information on the aforesaid disposal will be despatched to the shareholders of the Company as soon as practicable.

Acquisition of Benchmark by GE PCI

GuocoLand, a 61.4% owned subsidiary of Guoco listed on the Singapore Exchange Securities Trading Limited, informed the Company that its 34.5% listed associate, Benchmark, and GE Real Estate has agreed on the terms of a recommended acquisition of Benchmark by GE PCI.

The Proposed Transaction comprises an offer in cash of 280 pence per Benchmark Share and an offer in cash of 103 pence for each 100 pence nominal value of CULS. The Proposed Transaction is intended to be implemented by way of a Scheme of Arrangement. The Proposed Transaction will also be subject to the conditions and further terms set out in the press announcements by GE Real Estate and Benchmark.

Irrevocable Undertaking by GLL Holdings

Pursuant to the terms of the Proposed Transaction, GLL Holdings, which holds 33,655,774 Benchmark Shares and 12,500,000 CULS, had on 2 April 2004, entered into a deed of irrevocable undertaking with GE PCI to irrevocably undertake, among other things, to vote in favour of the Scheme of Arrangement in respect of its entire holdings of the Benchmark Shares and CULS. Under the Scheme of Arrangement, all existing Benchmark Shares and all outstanding CULS would be cancelled, new Benchmark Shares would be issued to GE PCI, and holders of Benchmark Shares and CULS would receive, respectively, 280 pence in cash for each Benchmark Share and 103 pence in cash for each 100 pence nominal value of CULS.

The Proposed Transaction will allow GuocoLand to crystallize immediate and good value for its holding in Benchmark, thus enabling GuocoLand to reduce its borrowings and pursue investment opportunities in its core business of property investment and development. The directors of the Company considered that the disposal of interests in Benchmark by GLL Holdings pursuant to the Proposed Transaction is in the interest of the shareholders of the Company. Based on current exchange rates, GLL Holdings is expected to receive a cash consideration of £107.1 million or approximately S\$329 million (based on the offer of 280 pence per Benchmark Share and 103 pence for each 100 pence nominal value of CULS and 33,655,774 Benchmark Shares and 12,500,000 CULS held by GLL Holdings). It is the current intention of GuocoLand to apply approximately S\$86 million of the total proceeds towards discharging its bank borrowings and the balance to pursue investment opportunities.

The Proposed Transaction is expected to result in a profit of approximately S\$68 million for the GuocoLand Group and the profit attributable to Guoco is approximately S\$41.8 million based on its 61.4% interest in GuocoLand. Subject to the Scheme of Arrangement being approved at Benchmark's extraordinary general meeting, sanctioned by the High Court of Justice in England and Wales and the final court order registered by the Registrar of Companies in England and Wales, the Scheme of Arrangement is expected to be effective on 1 July 2004.

Information on Benchmark

Benchmark is a specialist Central London property investment and development company. Pursuant to the interim results for the six months ended 31 December 2003 of Benchmark, the equity shareholders' funds of Benchmark was £268.8 million as at 31 December 2003. The net profits both before and after taxation and minority interest of Benchmark for the two financial years immediately preceding the Proposed Transaction were as follows:

	For the year ended	
	30 June 2003	30 June 2002
	£'000	£'000
Profit before taxation and minority interest	2,885	13,563
Profit after taxation and minority interest	2,847	11,722

Information on Guoco

The principal activity of the Company is investment holding. The principal activities of its subsidiaries and associated companies encompass treasury

and investment management, stock and commodity broking, investment advisory, insurance, fund management, banking and finance as well as property development and investment.

Information on General Electric Company and GE PCI

General Electric Company is a diversified manufacturing, technology and services company with operations worldwide. GE Real Estate, a wholly owned unit of GE Commercial Finance, itself a division of General Electric Capital Corporation, a wholly owned subsidiary of General Electric Company. GE Real Estate will effect the acquisition through GE PCI, a wholly owned subsidiary of General Electric Capital Corporation.

Other Information

The Company would like to confirm that, to the best of the directors' knowledge, information and belief having made all reasonable enquiry, General Electric Company and GE PCI are independent third parties not connected with the Company and its connected persons.

The disposal of interests in Benchmark by GLL Holdings pursuant to the Proposed Transaction constitutes a discloseable transaction for Guoco under the Listing Rules. A circular containing further information on the aforesaid disposal will be despatched to the shareholders of the Company as soon as practicable.

Definitions

"Benchmark"	Benchmark Group PLC, a company listed on the London Stock Exchange plc
"Benchmark Shares"	ordinary shares of 62.5 pence each in the capital of Benchmark
"CULS"	5.75% Convertible Unsecured Loan Stock 2013 in Benchmark
"GE PCI"	GE Capital Corporation (Property Company Investments) Limited
"GE Real Estate"	a wholly owned unit of General Electric Commercial Finance, itself a division of General Electric Capital Corporation, a wholly owned subsidiary of General Electric Company
"GLL Holdings"	GLL Holdings (UK) Pte. Ltd., a wholly-owned subsidiary of GuocoLand
"GuocoLand"	GuocoLand Limited
"GuocoLand Group"	GuocoLand, its subsidiaries and associated companies from time to time
"Guoco" or the "Company"	Guoco Group Limited
"Listing Rules"	Rules Governing the Listing of Securities on the Stock Exchange
"Proposed Transaction"	a recommended acquisition of Benchmark by GE PCI
"Scheme of Arrangement"	The proposed scheme of arrangement under section 425 of the Companies Act 1985 of the United Kingdom to effect the acquisition between Benchmark, holders of the Benchmark Shares and CULS
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

By order of the Board
Guoco Group Limited
Stella Lo Sze Man
Company Secretary

*Please also refer to the published version of this announcement in
The Standard and Hong Kong Economic Journal.*