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**GUOCO GROUP LIMITED**  
***(Incorporated in Bermuda with limited liability)***  
(Stock Code: 53)

**OVERSEAS REGULATORY ANNOUNCEMENT**

*(This overseas regulatory announcement is issued pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.)*

Please refer to the attached announcement on the next page.

The board of directors of Guoco Group Limited currently comprises Mr. Quek Leng Chan as Executive Chairman; Mr. Kwek Leng Hai as President, CEO; Mr. Tan Lim Heng and Mr. Ding Wai Chuen as executive directors; Mr. Kwek Leng San as non-executive director and Mr. Sat Pal Khattar, Mr. Volker Stoeckel and Mr. Roderic N. A. Sage as independent non-executive directors.

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## MISCELLANEOUS

*\* Asterisks denote mandatory information*

Name of Announcer *	GUOCOLAND LIMITED
Company Registration No.	197600660W
Announcement submitted on behalf of	GUOCOLAND LIMITED
Announcement is submitted with respect to *	GUOCOLAND LIMITED
Announcement is submitted by *	Dawn Pamela Lum
Designation *	Group Company Secretary
Date & Time of Broadcast	06-Dec-2010 18:17:10
Announcement No.	00101

## &gt;&gt; ANNOUNCEMENT DETAILS


*The details of the announcement start here ...*

Announcement Title \*

Update on Beijing Dongzhimen Project

Description

Attachments

 Announcement6Dec2010.pdf  
 Total size = **19K**  
 (2048K size limit recommended)

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**GUOCOLAND LIMITED (Reg. No. 197600660W)**

**Update on Beijing Dongzhimen Project**

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GuocoLand Limited ("GLL") refers to the disclosure in its Financial Statements for the year ended 30 June 2010 in relation to the legal proceedings by Agricultural Bank of China ("ABC") against Beijing Dong Hua Guang Chang Zhi Ye Co Ltd ("Zhiye"), Beijing Beida Jade Bird Company Limited ("BBJB"), Hainan Jing Hao Asset Limited ("Hainan Co") and Beijing Cheng Jian Dong Hua Real Estate Development Company Limited ("DZM Project Co").

GLL had reported that ABC had claimed that BBJB, Hainan Co and DZM Project Co are guarantors for a loan of Rmb2 billion and interest, owed by Zhiye to ABC ("ABC Loan"). DZM Project Co is the company undertaking the GLL Group's Beijing Dongzhimen Project ("DZM Project"), in which the GLL Group has a 90% interest.

GLL wishes to update as follows:

- (a) GuoSon Investment Company Limited ("GICL"), a wholly-owned subsidiary of GLL, has agreed with ABC to assume the ABC Loan for a sum of approximately Rmb3.1 billion (S\$608 million) (the "sum"). GICL and ABC have signed a Loan Transfer Agreement ("LTA") which is to take effect on 10 December 2010 ("effective date").
- (b) The LTA provides, *inter alia*, that after the effective date:
  - GICL is to deposit the sum of Rmb3.1 billion into an escrow account with Bank of Communications within 30 working days from the opening of the escrow account;
  - GICL and ABC are to apply to The People's Republic of China ("PRC") court for an order to substitute GICL as the creditor of the ABC Loan;
  - If the court order is not obtained within 6 months of the effective date, monies deposited in the escrow account will revert to GICL.

PRC lawyers have advised that:

- (a) As creditor of the ABC Loan, GICL will be able to enforce the debt jointly and severally against the guarantors, including BBJB, the vendor of the DZM Project.
- (b) In connection with the signed agreements in relation to GuocoLand (China) Limited's ("GLC") acquisition of its 90% stake in the DZM Project, GLC has a good case to treat the sum to be paid by GICL to ABC as a set-off against the balance consideration of Rmb2.58 billion which has been withheld by GLC for the acquisition of its 90% stake in the DZM Project.

The sum to be paid by GICL to ABC will be funded from GLL's internal resources and/or borrowings and is not expected to have any material effect on the net tangible assets per share or earnings per share of the GLL Group for the financial year ending 30 June 2011.

Dated this 6<sup>th</sup> day of December 2010

By Order of the Board

Dawn Pamela Lum  
Group Company Secretary