



**天津發展** 控股有限公司

**TIANJIN DEVELOPMENT HOLDINGS LIMITED**

*(Incorporated in Hong Kong SAR with limited liability under the  
Companies Ordinance)*

**(Stock Code: 882)**

## **PLACING OF EXISTING SHARES BY CONTROLLING SHAREHOLDER**

**Financial Adviser to the Vendor**



**GUOTAI JUNAN CAPITAL LIMITED**

### **PLACING OF EXISTING SHARES**

The Company has been informed by Tianjin Investment that the Share Placing Agreement has been concluded pursuant to which the Placing Agent will place, subject to the terms and conditions of the Share Placing Agreement, 40,000,000 Shares to independent investors at the placing price of HK\$5.10 per Placing Share.

The Placing Shares represent approximately 4.13% of the existing issued share capital of the Company. Upon completion of the placing, Tianjin Investment's interest in the Company will be reduced from 579,833,143 Shares or approximately 59.80% to 539,833,143 Shares or approximately 55.67% of the existing issued share capital of the Company.

## **PLACING OF EXISTING SHARES**

The Company has been informed by Tianjin Investment that the Share Placing Agreement has been concluded on the terms summarized below.

### **Parties:**

The parties to the Share Placing Agreement are:

- (1) Tianjin Investment; and
- (2) the Placing Agent, Morgan Stanley & Co. International Limited (which is not a connected person of the Company under the Listing Rules).

Tianjin Investment is a substantial shareholder of the Company and holds 579,833,143 Shares representing approximately 59.80% of the existing issued share capital of the Company.

Upon completion of the placing, Tianjin Investment's interest in the Company will be reduced to 539,833,143 Shares (representing approximately 55.67% of the existing issued share capital of the Company).

### **Placees:**

The placees of the placing will be independent investors who are not connected persons of the Company as defined in the Listing Rules.

### **Number of Placing Shares:**

40,000,000 Shares, representing approximately 4.13% of the existing issued share capital of the Company.

### **Placing Price:**

The placing price is HK\$5.10 per Placing Share, representing a discount of approximately 4.14% to the closing price of HK\$5.32 per Share as quoted on the Stock Exchange on 1 November 2006.

### **Conditions of the Placing:**

The placing is conditional upon, inter alia, there having been, prior to completion of the placing, no breach of the representations, warranties and undertakings given by Tianjin Investment and no occurrence of a force majeure event.

### **Lock-up:**

The Vendor has agreed not to, and will procure the Company not to, issue or dispose of any Shares for a period commencing from the date of the Agreement until 180 days after the completion of the placing.

### **Completion of the Placing:**

Completion of the placing is currently expected to take place on 6 November 2006, or such other date as the Vendor and the Placing Agent may agree.

### **DEFINITIONS**

“Board”	the board of directors of the Company
“Company”	Tianjin Development Holdings Limited, a company incorporated in Hong Kong with limited liability on 9 May 1997 and the shares of which are listed on the main board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, except where the context otherwise requires, geographical references in this announcement to the PRC or China exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan

“Placing Agent”	Morgan Stanley & Co. International Limited
“Placing Shares”	40,000,000 Shares legally or beneficially owned by Tianjin Investment
“Share Placing Agreement”	the share placing agreement dated 1 November 2006 between Tianjin Investment and the Placing Agent
“Shares”	ordinary shares of HK\$0.10 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tianjin Government”	Tianjin Municipal Government of the PRC
“Tianjin Investment” or “Vendor”	Tianjin Investment Holdings Limited, a company incorporated in the British Virgin Islands with limited liability on 9 July 1997, a wholly-owned subsidiary of Tsinlien and the immediate holding company of the Company
“Tsinlien”	Tsinlien Group Company Limited, a company incorporated in Hong Kong with limited liability on 19 October 1979 which is controlled by the Tianjin Government of the PRC and the controlling shareholder of the Company

By order of the Board  
**Wang Guanghao**  
*Chairman*

Hong Kong, 1 November 2006

*As at the date of this announcement, the Board consists of Mr. Wang Guanghao, Dr. Ren Xuefeng, Mr. Yu Rumin, Mr. Nie Jiansheng, Mr. Dai Yan, Mr. Hu Chengli, Dr. Wang Jiandong, Mr. Bai Zhisheng, Mr. Zhang Wenli, Mr. Sun Zengyin and Dr. Zong Guoying as executive directors, Mr. Cheung Wing Yui as non-executive director and Mr. Kwong Che Keung, Gordon, Mr. Lau Wai Kit and Dr. Cheng Hon Kwan as independent non-executive directors.*

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