

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



GOME ELECTRICAL APPLIANCES HOLDING LIMITED

國美電器控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 493)

RENMINBI DENOMINATED US DOLLARS SETTLED ZERO COUPON CONVERTIBLE BONDS DUE 2014

(THE “CONVERTIBLE BONDS”)

REDEMPTION OF CONVERTIBLE BONDS

This announcement is made pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The Company would like to announce the redemption of the Convertible Bonds, particulars of which are set out in this announcement.

This announcement is made pursuant to Rule 13.09(1) of the Listing Rules.

Reference is made to the announcements of GOME Electrical Appliances Holding Limited (the “**Company**”) dated 11 May 2007 (the “**May 2007 Announcement**”), 23 May 2008, 5 July 2009 and 3 August 2009. Capitalised terms used herein have the same meaning as those defined in the May 2007 Announcement, unless otherwise defined.

The Company wishes to announce that it would on 18 May 2010 redeem Convertible Bonds having an aggregate principal amount of RMB2,625,900,000 (the “**Redemption Bonds**”) pursuant to redemption notices received from the Bondholders in accordance with the terms of the Convertible Bonds.

- (1) The settlement of the Redemption Bonds would take place on 18 May 2010.
- (2) The Redemption Bonds would be cancelled upon the settlement of the Redemption Bonds. The aggregate principal amount of Convertible Bonds remaining outstanding following cancellation of the Redemption Bonds would be RMB149,400,000.

Based on the current cash position of the Company, the board of directors of the Company do not consider the redemption of the Redemption Bonds would have any adverse effect on the financial position of the Group.

By Order of the Board of
GOME Electrical Appliances Holding Limited
Chen Xiao
Chairman and President

18 May 2010

As at the date of this announcement, the Board of the Company comprises Mr. Chen Xiao, Mr. Ng Kin Wah, Mr. Wang Jun Zhou, Ms. Wei Qiu Li and Mr. Sun Yi Ding as executive directors; Mr. Zhu Jia, Mr. Ian Andrew Reynolds and Ms. Wang Li Hong as non-executive directors; and Mr. Sze Tsai Ping, Michael, Mr. Chan Yuk Sang and Mr. Thomas Joseph Manning as independent non-executive directors.

* *For identification purpose only*