

Yuexiu Property Monthly Update

Issue 9 2013

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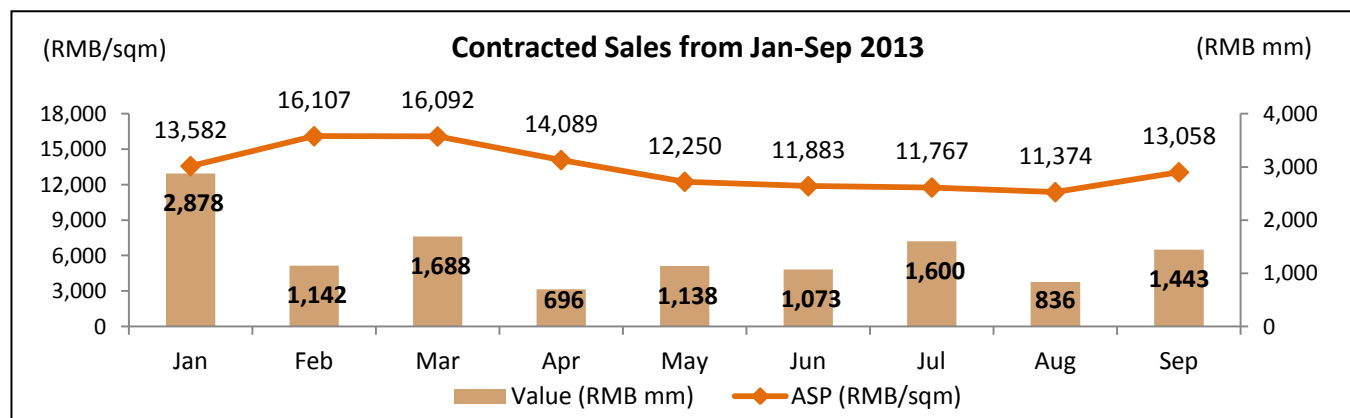
I. Operating Data (Unaudited)

**Contracted Sales Value in September 2013 Surged 73% Month-on-month
Contracted Sales Value Reached RMB12.5 Billion During Jan. to Sep.
Completed 86% of Upgraded Full-year Sales Target**

Yuexiu Property Company Limited (“Yuexiu Property” or the “Company”) (HKEx Stock Code: 00123) announced its unaudited sales statistics for September and for the first nine months of 2013. The Company delivered solid sales performance during September 2013 with contracted sales value amounting to approximately RMB1.443 billion, representing month-on-month growth of 73%. The corresponding contracted sales gross floor area (“GFA”) amounted to approximately 110,500 sq.m., representing month-on-month increase of 50%.

During January to September 2013, aggregate contracted sales value of the Company rose 14% year-on-year to approximately RMB12.496 billion, representing approximately 86% of the upgraded full-year sales target of RMB14.5 billion for 2013. Aggregated contracted sales GFA grew 5% year-on-year to 940,300 sq.m., accounting for 79% of the upgraded full-year target of 1,190,000 sq.m.. The average selling price increased during January to September 2013 to approximately RMB13,289 per sq.m., representing growth of 8.2% compared to the corresponding period in 2012.

The aggregate value of contracted sales and preliminary sales (formal sales contracts which are expected to be entered into soon) for the period from January to September 2013 was approximately RMB13.394 billion and the aggregate GFA of contracted sales and preliminary sales totaled approximately 1,012,300 sq.m..



II. Other News

Yuexiu Property Acquired Commercial and Residential Land Parcel in Jiangnan District, Wuhan City

Yuexiu Property acquired a land parcel located on Jingwu Road in Jiangnan District in Wuhan on 12 September 2013 on a joint bidding basis through its indirect 95.48% owned subsidiary, Guangzhou City Construction & Development Group Nansha Co. Ltd. and investment fund Guangzhou Yuexiu Renda No.4 Business Investment Enterprise. Each will hold 8% and 92% equity interest, respectively. The Wuhan Jiangnan Jingwu Road Land Parcel has a site area of approximately 147,240 sq.m. and a total gross floor area of approximately 956,657 sq.m.. The parcel of land was acquired for a consideration of RMB9.01 billion. Based on the total gross floor area, the average land cost amounted to approximately RMB9,400 per sq.m.. The land parcel will be used for residential and commercial purposes.

Following the successful bid of the Hangzhou Jiangnan Land Parcel on 26 June, and Foshan Chancheng Tongji Road Land Parcel on 10 July, the Company again adopted its innovative joint bidding land acquisition model. Through resource consolidation and complementary advantages, such initiative will achieve economies of scale by developing large-scale projects with small but reasonable amount of investment. As of 12 September 2013, the Company's total landbank amounted to approximately 15.71 million sq.m..

Yuexiu Property to Host Nation-wide Ascent Challenge at Guangzhou IFC

On 23 September, Yuexiu Property announced that it and Yuexiu Real Estate Investment Trust (HKEx Stock code: 00405) will jointly host the Guangzhou IFC Nation-wide Ascent Challenge. The competition will take place on 3 November at the Guangzhou International Finance Center ("Guangzhou IFC"), and will be the world's tallest stair climbing race yet. Yuexiu Property's Deputy General Manager Zhu Chen said 2013 marks the 30th anniversary of Yuexiu Property's establishment. Support from different communities has been very important to Yuexiu Property's growth. Through the Guangzhou IFC Nation-wide Ascent Challenge, the Company hopes to encourage clients and citizens alike to make personal breakthroughs. The Challenge will be held annually from this year onwards.

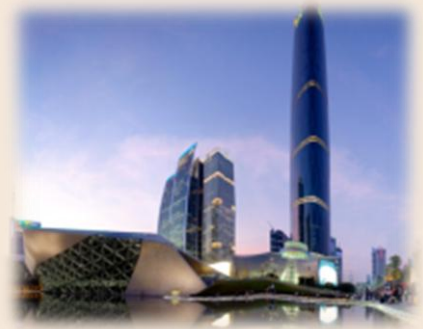
Built by Yuexiu Property, the Guangzhou IFC stands 432 metres tall and is among the top ten tallest buildings in the world. In 2012, it was successfully injected into Yuexiu Real Estate Investment Trust as a move to realize the high-end property model of "Development + Operation + Securitization".

Hangzhou Starry City Hosted Signing Ceremony for the First Round of Major Tenants and the Tenant Recruitment Kick-off Ceremony

On 15 September, Yuexiu Property hosted the signing ceremony for the first round of major tenants and the tenant recruitment kick-off ceremony in Hangzhou. Tenants such as Zhejiang Time Cinema and Shanghai Pudong Development Bank signed contracts to officiate their tenancy.

Hangzhou Starry City is located at the heart of Qinsan Lake Sci-Tech City, west of Hangzhou City in Zhejiang Province. The GFA of the project is 1.8 million sq.m., and will be built into an integrated urban complex which contains high-end residences, villas, five-star hotel, A-grade office towers and a large shopping complex.

Guangzhou IFC Nation-wide Ascent Challenge will be Held on 3 November 2013



Hangzhou Starry City Hosted Signing Ceremony for the First Round of Major Tenants



III. Project Introduction

Guangzhou Ling Nan Villas

Guangzhou Ling Nan Villas (formerly known as: Luogang Kaiyuan Avenue Land) is located in Guangzhou’s Luogang District in Guangdong Province. It has a GFA of 325,000 sq.m. and consists of 15 buildings. Following the Ling Nan Hillside, this is another project of the Company in the Luogang District and will help enhance the Company’s brand presence in the region. The sales center for Ling Nan Villas opened during the National Day Golden Week. The project is expected to be available for sale recently.

The project is conveniently located to the south of Kaiyuan Avenue, and only a 30-minute drive from the central business district of Zhujiang New Town. Surrounded by hills on three sides, the residential project enjoys a natural setting, fresh air and scenic views, making it an ideal place to live.

The apartments are mostly between 82 and 105 sq.m. catered for ‘rigid’ demand. Lifestyle needs are fully met by the project’s comprehensive facilities including commercial street, kindergarten, swimming pool and tennis court.

Guangzhou Ling Nan Villas



IV. Latest Research Reports on Yuexiu Property

Date of Report	Broker
2013-09-16	DBS Vickers
2013-09-13	Standard Chartered
2013-08-23	ICBC International
2013-08-23	First Shanghai
2013-08-22	Standard Chartered
2013-08-22	Morgan Stanley
2013-08-22	BOCOM
2013-08-22	DBS Vickers
2013-08-22	Citi
2013-08-22	Kim Eng
2013-08-22	Mizuho
2013-08-22	Sunwah Kingsway
2013-08-21	CIMB
2013-08-21	Bank of America Merrill Lynch
2013-08-02	BOCOM
2013-07-29	Bank of America Merrill Lynch
2013-07-23	Core Pacific Yamaichi

Research Report on Yuexiu Property Issued by Standard Chartered

Standard Chartered
 | Equity Research |
 China / Real Estate Investment & Services
 13 September 2013

Yuexiu Property
 Innovation strategy paving way for growth

OUTPERFORM (unchanged)
HKD 2.15 (HKD 2.35)
 Target price: HKD 2.15 (HKD 2.35)
 Upside: 10.7% (12.8%)
 Dividend yield: 3.3% (3.7%)

Key Data

Item	2013E	2014E	2015E
Revenue (RMB bn)	1,200	1,300	1,400
EBITDA (RMB bn)	200	220	240
EBIT (RMB bn)	150	160	170
Net Income (RMB bn)	100	110	120
EPS (RMB)	0.80	0.88	0.96
Dividend (RMB)	0.25	0.27	0.29
Dividend Yield (%)	3.1%	3.1%	3.1%
Market Cap (RMB bn)	1,000	1,000	1,000
EV/EBITDA	5.0x	4.5x	4.2x
P/E	12.0x	11.5x	11.0x
ROE (%)	10.0%	10.5%	11.0%

Call option provided flexibility with low execution risk, although not optimal definition and based on 1P setting a 7.8% return on the new site, including only a minimal change in 1P, the call option could allow 1P to attempt a well-timed advance before sending it to fully executing the site, and (2) reduce the 1P financial burden and improve the return rate of return. The results on the preliminary transaction with the SCF fund, see our report 1P's innovation strategy, released 12 August 2013.

Analyst: Huo, CFA
Responsible Analyst: Huo, CFA
HKD 2.15 (HKD 2.35)
HKD 2.15 (HKD 2.35)

Standard Chartered may be found in the Disclosure Appendix
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V. Recent Investor and Media Events

Event	Date	Location
Daiwa Property and REIT Conference	2013-09-18	Hong Kong
Yuexiu Property 2013 Interim Results Roadshow	2013-09-17	Taiwan
Mizuho Securities Investment Conference	2013-09-09~10	Tokyo
Yuexiu Property "279 Prince Edward Road West" Project Groundbreaking Ceremony and Media Interview	2013-09-09	Hong Kong
Nomura China Investor Forum	2013-09-05	Shanghai
Guangzhou Fortune World Plaza Media Tour and Management Interview	2013-08-29	Guangzhou
Yuexiu Property 2013 Interim Results Roadshow	2013-08-22~09-03	Hong Kong, Singapore, Beijing, Shanghai
Yuexiu Property 2013 Interim Results – Europe and US Investor Conference Call	2013-08-22	Hong Kong
Yuexiu Property 2013 Interim Results Announcement	2013-08-21	Hong Kong
Economic Digest – 2013 China's Outstanding Property Developers Award Ceremony	2013-07-26	Hong Kong

VI. Upcoming Investor and Media Events

Event	Date	Location
Morgan Stanley 12th Annual Asia Pacific Summit	2013-11-14	Singapore
Citi China Investor Conference	2013-11-12	Macau
Bank of America Merrill Lynch China Conference	2013-11-07	Beijing
Goldman Sachs Greater China CEO Summit 2013	2013-11-05	Hong Kong
Standard Chartered Asia Pacific Emerging Corporate Conference	2013-10-28	Hong Kong

About Yuexiu Property

Yuexiu Property Company Limited (HKEx Stock Code: 00123) was listed in Hong Kong in 1992. The Company's main business is property development with its operations mainly concentrated in the Guangzhou area. Its business is gradually expanding to Pearl River Delta, and branching out to selective locations in the Yangtze River Delta, Bohai Rim Economic Zone and Central China. As of 30 June 2013, the Company's combined GFA of properties under development and undeveloped properties was approximately 14.45 million sq.m..

Disclaimer

The Company wishes to remind investors that the above operational statistics are based on the Group's internal records which are unaudited. Differences may arise between such statistics and the data disclosed in subsequent audited financial statements. Such statistics are provisional and for reference purposes only. Investors are cautioned not to rely unduly on such statistics.

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