



# Yuexiu Property Monthly Update

Issue 11, 2016

## I. Operating Data (Unaudited)

### Contracted Sales Value Reached RMB 2.35 billion in October 2016

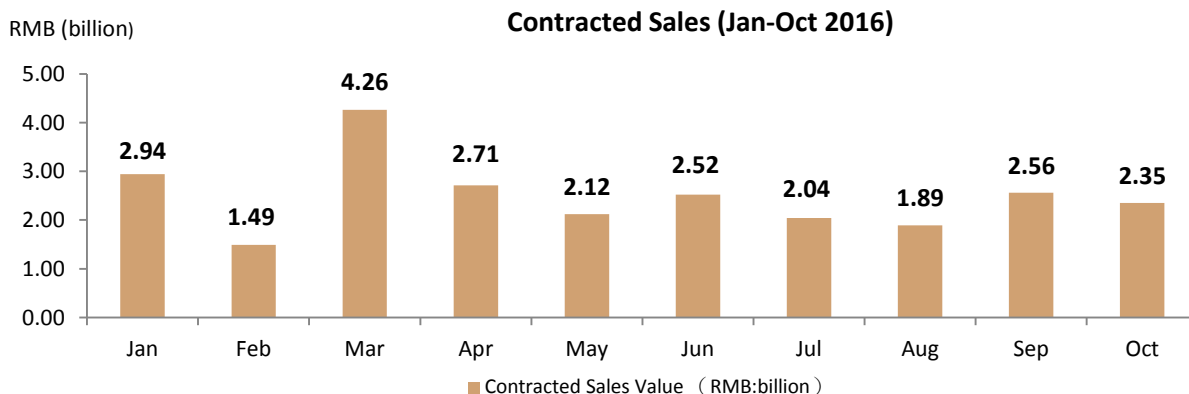
Yuexiu Property Company Limited (“Yuexiu Property” or the “Company”) (HKEx Stock Code: 00123) registered contracted sales value of approximately RMB2.35 billion for the month of October 2016. The corresponding gross floor area (“GFA”) sold amounted to approximately 111,000 sq.m.,

The value of the aggregate contracted sales of the Company for the period from January to October 2016 amounted to approximately RMB24.86 billion, representing a year-on-year increase of approximately 26%. The corresponding GFA of aggregate contracted sales amounted to approximately 2,041,000 sq.m., representing a year-on-year increase of approximately 13%. The value of the aggregate contracted sales accounted for approximately 96% of the 2016 contracted sales target of RMB25.8 billion.

As at 31 October 2016, the value of preliminary sales (the formal sales contracts to be entered into soon) was approximately RMB1.02 billion and the GFA of the preliminary sales was approximately 74,000 sq.m.

If the contracted sales are aggregated with the preliminary sales, the total value of sales and the total corresponding GFA sold was approximately RMB25.88 billion and approximately 2,115,000 sq.m. respectively.

### Guangzhou Starry Haizhu Bay



## II. Other News

### Yuexiu Property Acquired High-quality Project from its Parent Adds to High-quality Landbank And Demonstrates Advantage of Synergy with Parent Company

Yuexiu Property announced that on 7 November 2016, the Company acquired a company which owns a high-quality land parcel for development of residential properties in Nansha District in Guangzhou City from its parent company Guangzhou Yue Xiu Holdings Limited for the total consideration of approximately RMB2.588 billion. Meanwhile, the Company announced that it would sell its subsidiary company which owns the South China Hotel in Hong Kong to Guangzhou Yue Xiu Holdings Limited for a total consideration of approximately HK\$644 million. The directors of the Company consider that the conditions of the two transactions are fair and reasonable, and the deals are in line with the interests of the Company and its shareholders.

The land parcel acquired by the Company in Nansha has a total gross floor area of approximately 929,000 sq.m., of which the permissible gross floor area is approximately 693,000 sq.m. The land parcel will be used for residential property development. After the completion of the acquisition, the landbank of the Company in the Nansha District of Guangzhou City will increase to approximately 2.86 million sq.m.. The land parcel is located at the Jiaomen River city centre area in the heart of the Nansha District. This area focuses on the development of the urban comprehensive service functions, and its development plans include large urban support facilities such as hotels, hospitals and schools. The land parcel is also close to Jinzhou, which is a developed business district, and therefore has substantial potential for appreciation in value.

The Nansha land parcel is located in the Nansha District of Guangzhou City, which is now a state free trade zone and a state new district. In 2016, the Nansha District was designated as the "Secondary City Centre" by the Guangzhou municipal government, and thus has vast potential for future development. The land parcel in Nansha is large in size and enjoys obvious geographical advantages. The transaction will further increase the Company's high-quality land bank, strengthen its core business of property development and solidify its leading position in Guangzhou's property market. The Company persistently increases its land bank in various ways to strategically accelerate its business development. This acquisition of the high-quality land from the Company's controlling shareholder has also demonstrated a unique advantage of resource synergy between the Company and its parent company.

Meanwhile, disposing of the South China Hotel to the Company's controlling shareholder at fair value will enable the Company to realize reasonable profit and incorporate the cash received from such disposal into the Company's working capital, which will also be beneficial to the Company in potential acquisitions of other quality projects in the future, which will increase the efficiency of utilization of financial resources of the Company. Therefore the Company considers that the transactions are beneficial to the overall development of the Company's business and will create value for its shareholders.

### Yuexiu Property Acquires Partial Stake in Property Project in Suzhou, Jiangsu A Move to Focus Development on Yangtze River Delta Region

On 23 October 2016, Yuexiu Property announced that it entered into an equity transfer agreement to acquire a 50% equity interest in a company which owned a property project in Suzhou City, Jiangsu Province for a consideration of approximately RMB1.733 billion. The project is adjacent to the Jiading District of Shanghai, enjoying a geographical advantage and convenient transportation with a good prospect. The acquisition is in line with the Company's strategy for focusing its development on the regions of Pearl River Delta, Yangtze River Delta and the central region of China, and it will consolidate the Company's market position in the Yangtze River Delta. The Company will also pursue the strategy for maintaining stable growth of its business by obtaining land reserve by diverse means. The acquisition is a major step forward in that strategy as it serves to speed up the Company's business development through mergers and acquisitions.

### Yuexiu Property successfully developed the project of Nansha Southern Le Sand



### III. Recent Research Reports on Yuexiu Property

Date of Report	Broker	Date of Report	Broker
2016-11-15	BOCOM International	2016-08-23	Morgan Stanley
2016-11-04	China Merchants Securities	2016-08-22	Macquarie
2016-10-11	Guangfa Securities	2016-08-22	Citi
2016-09-15	Mizuho Securities	2016-08-22	BOCI

### IV. Recent Investor and Media Events

Event	Date	Location
Morgan Stanley Asia-Pacific Investment Conference	2016-11-16	Singapore
Citi China Investor Conference 2016	2016-11-04	Macau
BAML 2016 China Conference	2016-11-02	Beijing
Mizuho Investment Conference 2016	2016-09-12	Tokyo

### V. Future investor and Media Events

Event	Date	Location
Analysts Meeting with Management	2016-11-28	Hong Kong

#### About Yuexiu Property

Yuexiu Property Company Limited (HKEx Stock Code: 00123) was listed in Hong Kong in December 1992. The company's main business is property development and investment with its operations mainly concentrated in the Greater Guangzhou area, the Pearl River Delta, the Yangtze River Delta, the Bohai Rim and the Central Region. As of 30 June 2016, the company's landbank was approximately 13.25 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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