



ANNUAL RESULTS 2011

1 March 2012

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Performance Review

- **Record High Revenue**

2011 Total Revenue: RMB10.27bn (+47%)
Revenue Growth 2009-2011: CAGR 44%

- **Improving Profitability**

2011 ROE: 25% (+ 18ppt); 9.6% (+5ppt.) if exclude fair value gains
ROE Growth 2009-2011: CAGR 118% and 61% respectively

- **Rising Contracted Sales**

2011 Contracted Sales: RMB9.05bn (101% of the sales target)
Contracted Sales Growth 2009-2011: CAGR 22%

- **Guangzhou International Finance Center**

2011 July: GZ IFC office became fully operational
RMB4.70bn fair value gains recorded in 2011

- **Healthy Cash Flow**

Cash on Hand: RMB6.13bn
Undrawn committed bank facilities: RMB2.8bn



1. Financial Highlights



Income Statement

RMB bn.	2011	2010	Changes
Total Revenue ⁽¹⁾	10.27	6.98	+47%
Fair Value Gains	4.96	0.26	+1,816%
Operating Profit	8.08	1.80	+349%
Net Profit	5.14	0.92	+459%
Core Net Profit*	1.61	0.73	+121%
Earnings per Share (RMB)	0.5533	0.1228	+351%
Core EPS* (RMB)	0.1730	0.0974	+78%
Dividend per Share (HKD) [^]	0.085	-	-

Note: ⁽¹⁾ Including Sales of IPs

*Excluding fair value gains

[^] Final Dividend for 2011: \$0.045

Balance Sheet

RMB bn.	2011	2010	Changes
Cash	6.13	7.47	-18.0%
Incl. Charged Bank Deposits	1.31	1.02	+27.8%
Total Bank Borrowings	21.78	17.69	+23.2%
Gearing Ratio (1)	45.5%	41.6%	+3.9ppt
Net Gearing Ratio (2)	75.5%	62.8%	+12.7ppt
Total Asset	61.20	50.78	+20.5%
Shareholder's Equity (3)	20.29	15.86	+27.9%
Book Value per Share (HKD)	2.696	2.007	+34.3%

(1) Gearing Ratio = (Total Bank Borrowings – Cash)/(Total Bank Borrowings – Cash + Equity)

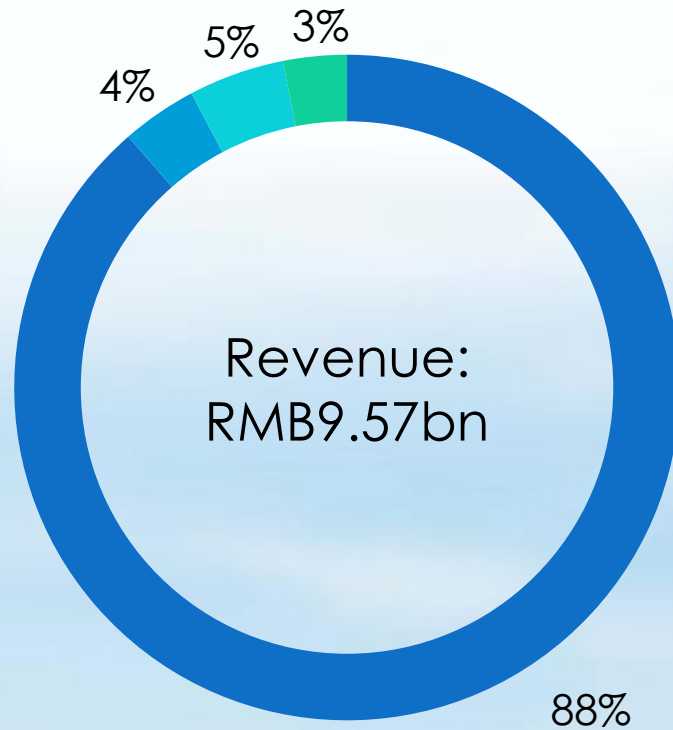
(2) Net Gearing Ratio = (Total Bank Borrowings – Cash)/ Equity

(3) Excluding Minority Interests

Revenue Breakdown & Gross Margin

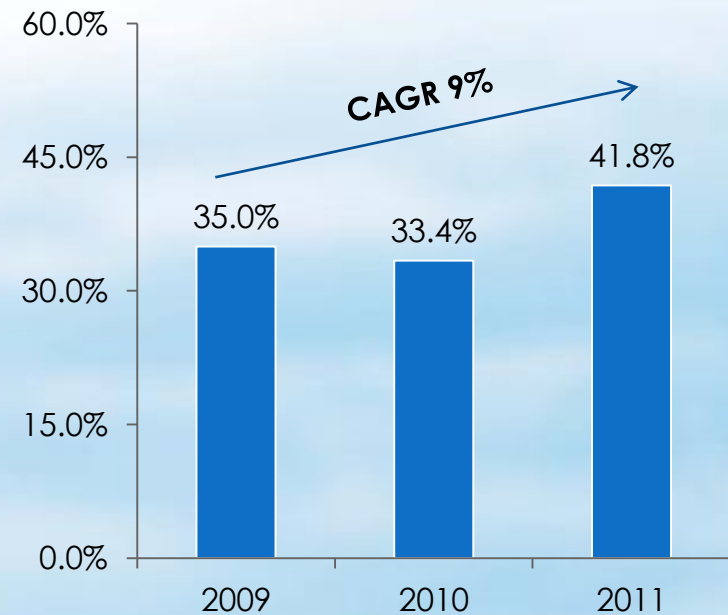


Revenue



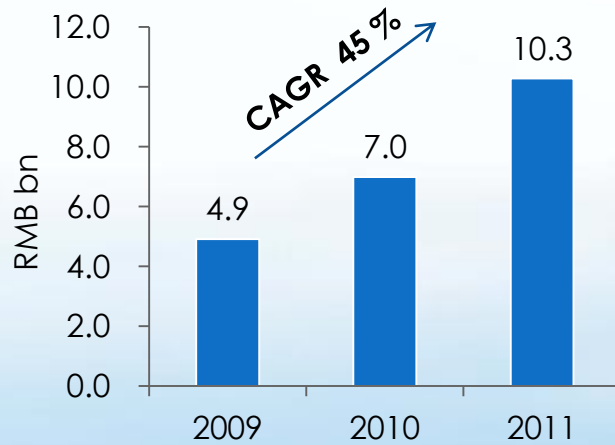
- Property Development
- Property Management
- Property Investment
- Others

Gross Margin

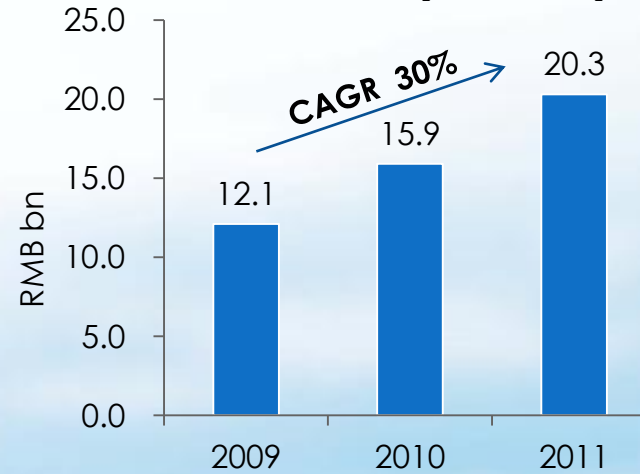


Performance Trends (I)

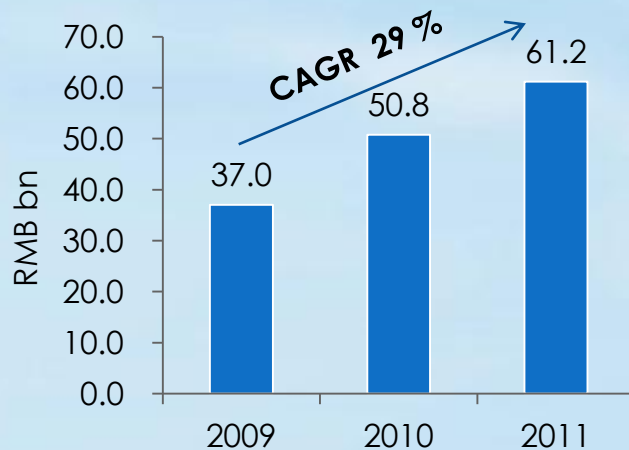
Total Revenue



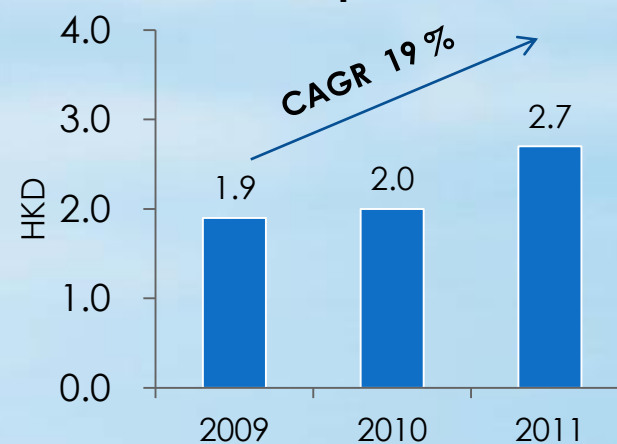
Net Asset (excl. MI)



Total Asset

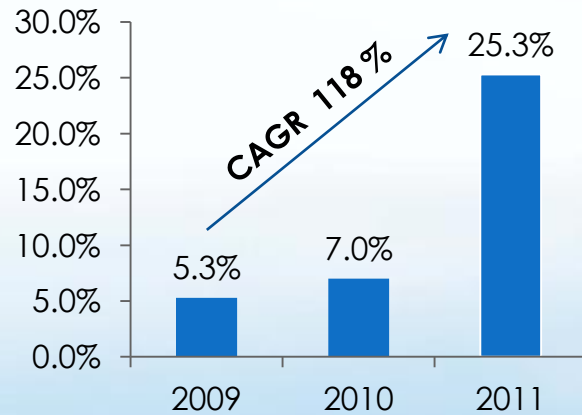


NAV per Share

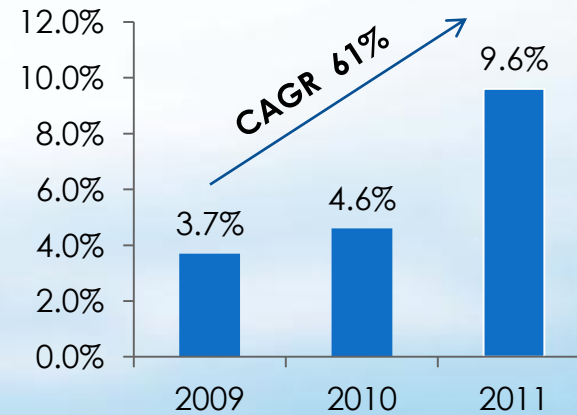


Performance Trends (II)

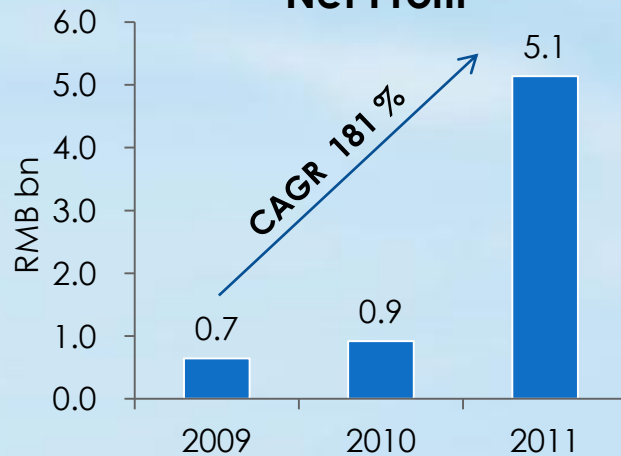
ROE



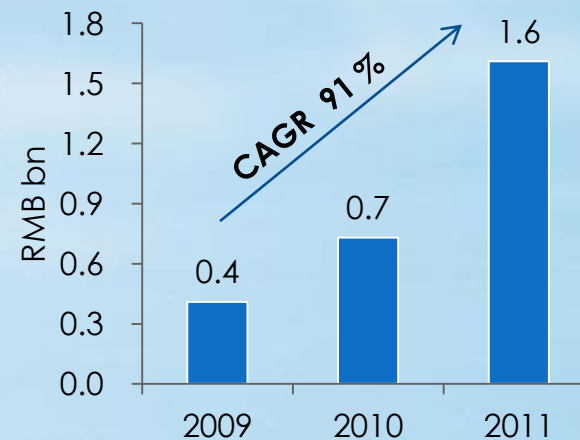
Core ROE



Net Profit

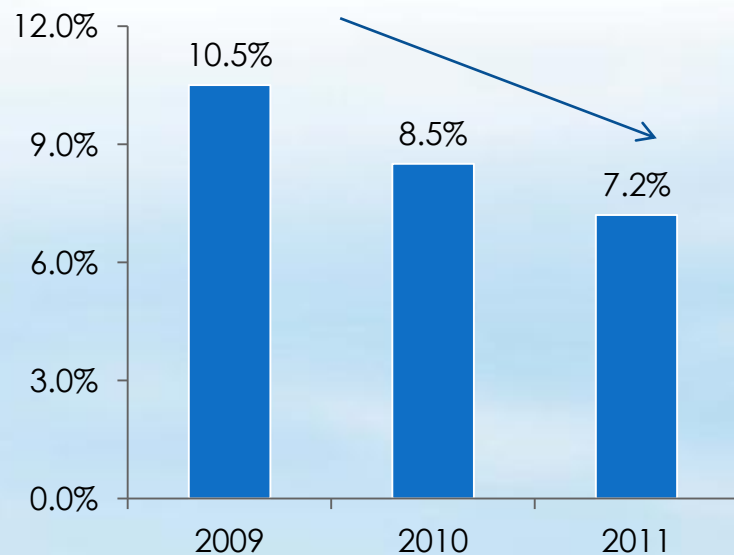


Core Net Profit



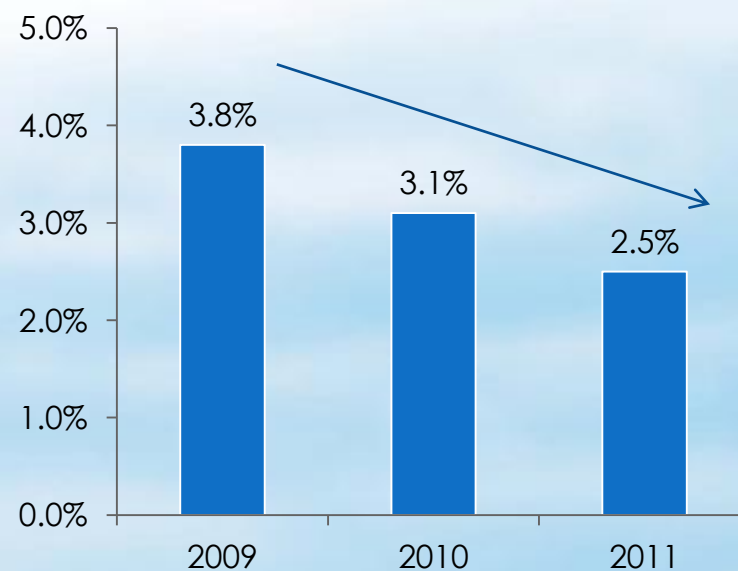
Expenses Ratio

Administrative Expenses



Administrative Expenses Ratio =
Administrative Expenses/Total Revenue

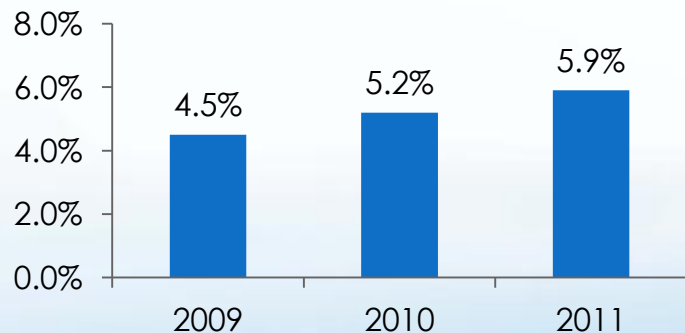
Selling and Marketing Costs



Selling Expenses Ratio =
Selling and Marketing Costs/Total Revenue

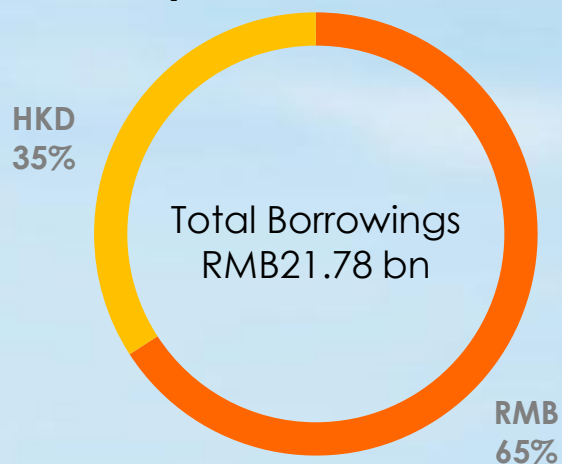
Bank Borrowings Analysis

Effective Interest Rate



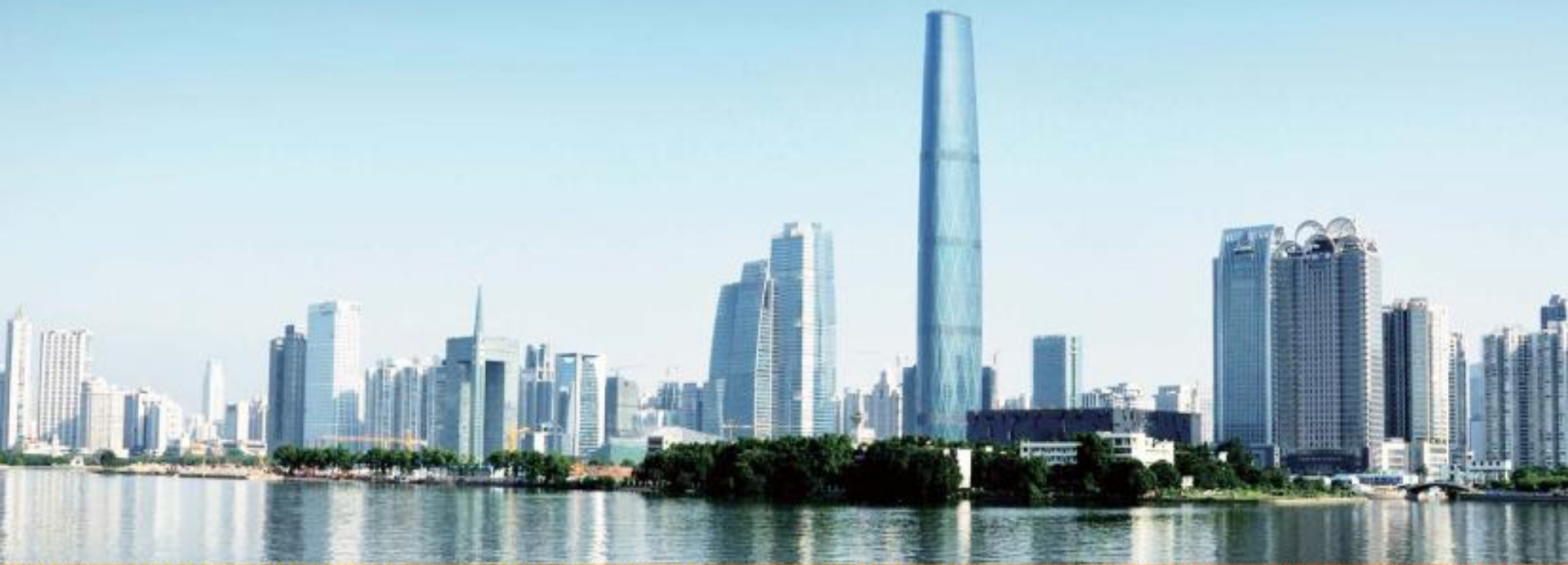
By Years (RMB bn)	Total Borrowings	Ratio
Within 1 Yr	10.59	49%
Within 2 Yrs	8.19	37%
3 rd – 5 th Yrs	3.00	14%
Total	21.78	100%

By Currency



Interest Cost (RMB bn)	2011	2010
Interest on Bank Borrowings	1.19	0.76
Interest Capitalized	0.72	0.54
Interest Expensed	0.47	0.22
Effective Interest Rate	5.9%	5.2%
Interest Rate in HK	2.4%	2.4%
Interest Rate in China	7.7%	6.3%

2. Business Overview



Adjustment & Optimization (2009-2011)

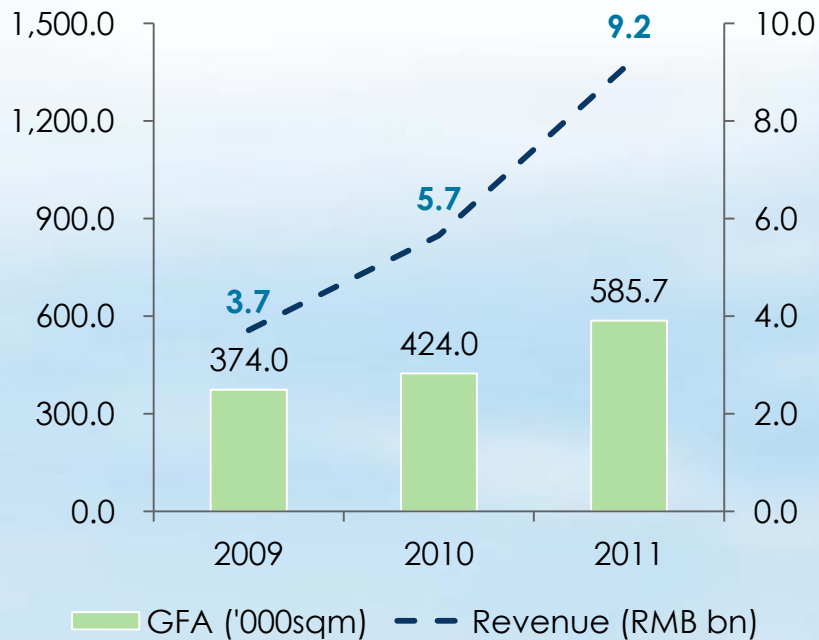
- Capital Structure Adjustment
2009: Separation of Toll Road Business
2010: HKD3.4bn raise from a Right Issues
- Disposal of Non-property Businesses
2008: Newsprint Business
2010: Supermarket Business
- Disposal of Non-core Investment Properties



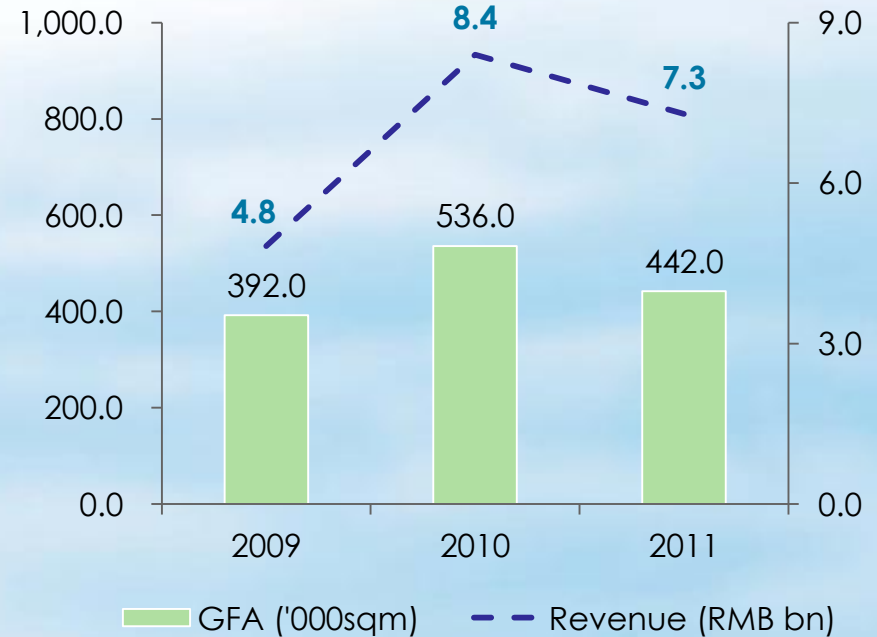
Year	GFA (sqm)	Revenue (RMB mil)	Cost (RMB mil)
2008	33,700	492	334
2009	12,400	236	197
2010	81,000	1,345	876
2011	36,500	703	596
Total	163,600	2,776	2,003

Recognized & Unrecognized Sales

Recognized Sales



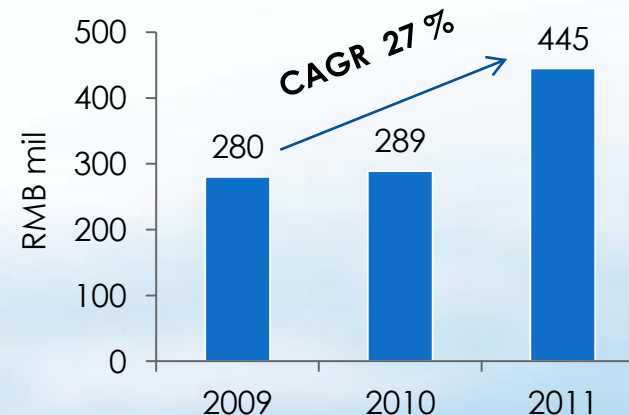
Unrecognized Sales



Rental Revenue

- Quality of rental income has improved through disposal of non-core IPs in the last 3 years
- GZ IFC office became fully operational in July 2011

Rental Income



IP Portfolio Summary

	Office	Commercial	Carpark & Others	Total
2009 Rental Income (RMB mil)	151	109	20	280
2010 Rental Income (RMB mil)	111	157	21	289
2011 Rental Income (RMB mil)	155	209	81	445
Guangzhou IFC (sqm)	182,000	47,000	71,000	302,000
GFA Leased (sqm)	283,500	200,200	213,700	697,400
Evaluated Value (RMB bn)	7.22	3.38	1.32	11.92

Investment Properties – Up and Coming

- About 30% of Yuexiu Property's total landbank are in quality commercial developments

Fortune Center 財富中心



- High-end commercial development in Pearl River New City with a GFA of 210,000 sqm
- To be the 3rd tallest building in PRNC at 310 meters
- Estimated completion in 2014

Fortune World Plaza 財富天地廣場



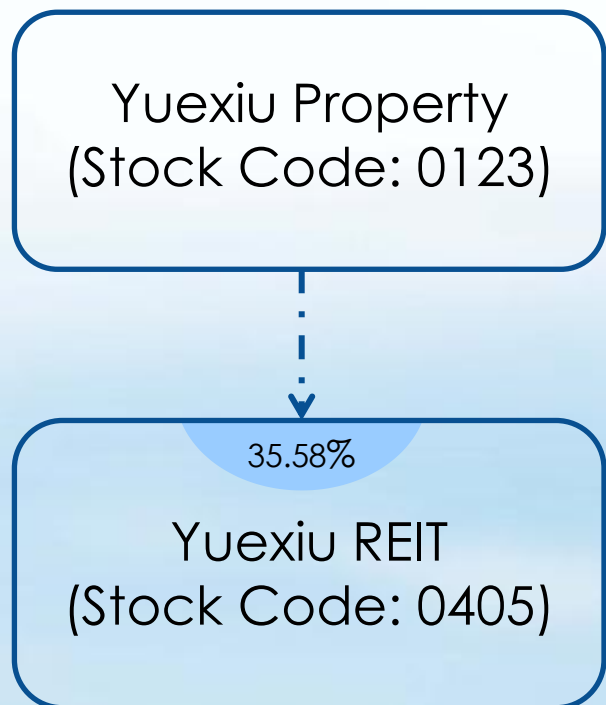
- An integrated wholesale and retail shopping mall with a GFA of 266,000 sqm
- Total investment of RMB 2.5bn
- Preleasing to commence in 2012
- Target opening in 2013

Asia Pacific Century Plaza 亞太世紀廣場



- Flagship commercial development in Tianhe CBD
- Integrated mixed-use commercial complex featuring high-end shopping mall, grade A offices and 5-star hotel

Yuexiu REIT - A Unique Platform



- Yuexiu Property is the only listed Chinese developer who owns a listed REIT platform in HK
- Yuexiu REIT is to become the commercial property management arm of Yuexiu Property
- The interaction between Yuexiu Property and Yuexiu REIT will be an important part of the Group's future strategy

Yuexiu REIT - Particulars of Properties



White Horse Building
(白馬大廈)



Fortune Plaza
(財富廣場)



City Development Plaza
(城建大廈)



Victory Plaza
(維多利廣場)



Neo Metropolis
(越秀新都會大廈)

Type	Wholesale shopping center	Grade A office	Grade A office	Retail shopping center	Commercial complex
Total Rental Area(sqm)	50,100	41,400	42,400	27,300	49,900 ⁽¹⁾
Area of Ownership	50,200	41,400	42,400	27,700	62,000
Year completed	1990	2003	1997	2003	2007
LUR tenure	2045–2055	2042–2052	2037	2044	2045–2055
Valuation (RMB mil.)	3,651	750	612	747	712
Occupancy	100.00%	99.05%	98.61%	99.96%	98.81% ⁽¹⁾

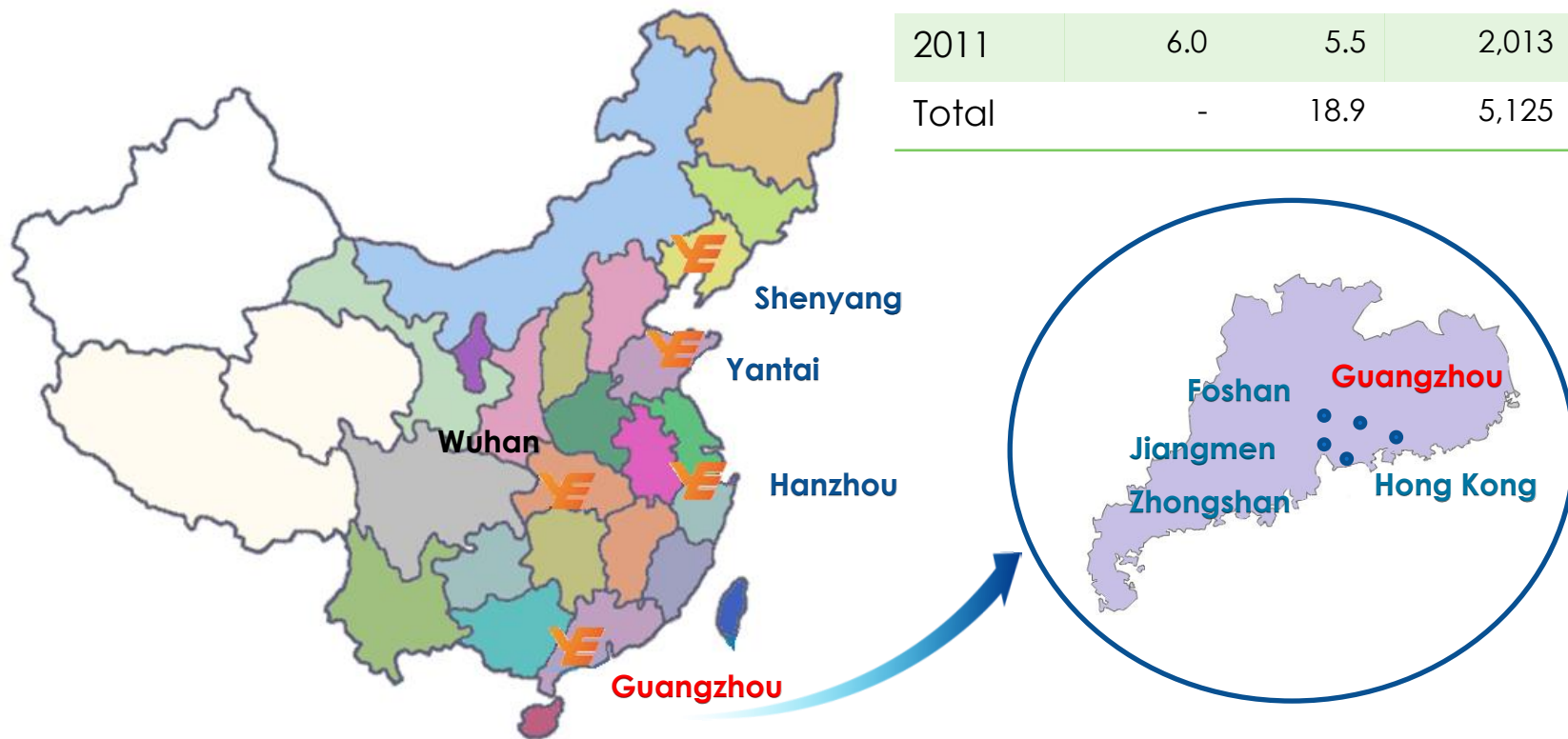
Note:

⁽¹⁾ Excluding 7,500sqm of parking space and 4,500sqm of clubhouse and common facilities area

Land Acquisitions (2009-2011)



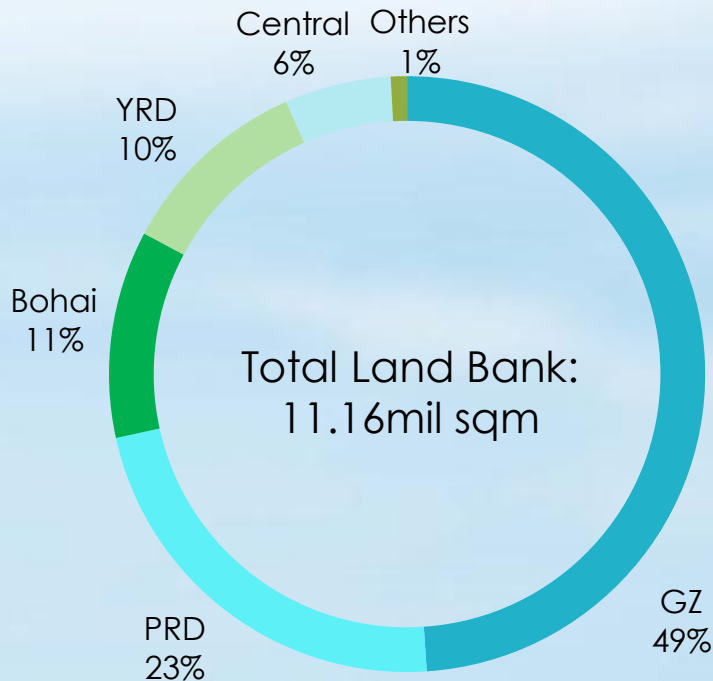
	Planned (RMB bn)	Actual (RMB bn)	GFA (000'sqm)	AV (RMB/sqm)
2009	5.5	5.1	1,379	3,698
2010	5.5	8.3	3,112	2,673
2011	6.0	5.5	2,013	2,740
Total	-	18.9	5,125	3,688



Landbank Analysis

- Avg. Cost/sqm: < RMB3,000
- Outstanding Premium:
RMB1.08bn (2011/12/31)
RMB0.4bn (2012/03/01)

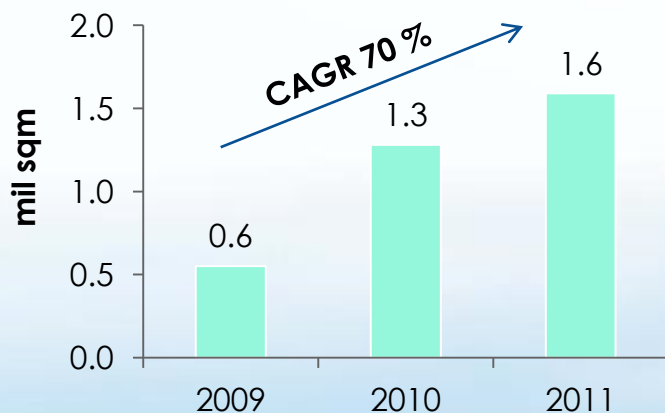
By Region



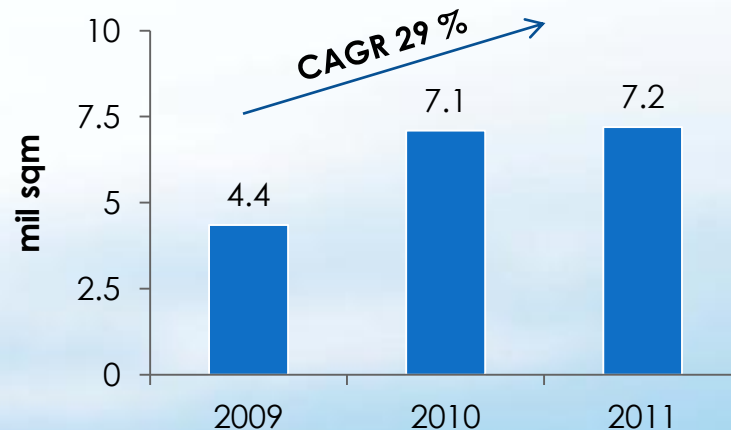
Region	GFA (sqm)
Guangzhou	5,460,000
Pearl River Delta	2,522,000
Zhongshan	1,647,000
Jiangmen	584,000
Foshan	291,000
Bohai Rim	1,256,000
Yantai	220,000
Shenyang	1,036,000
Yangtze River Delta	1,175,000
Hangzhou	1,175,000
Central Regions	644,000
Wuhan	644,000
Others	98,000

Operational Statistics

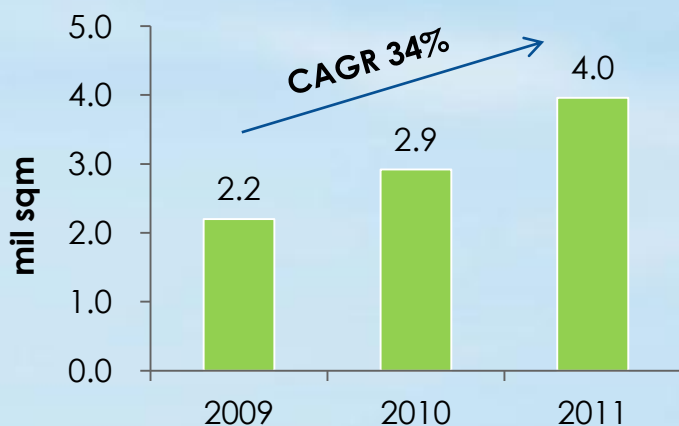
New Construction Starts



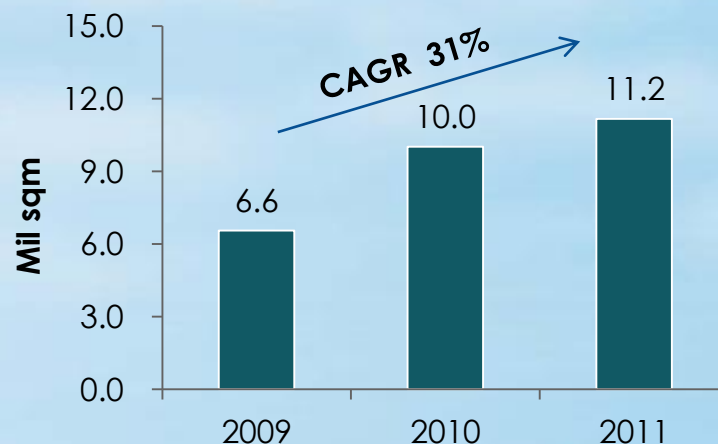
Properties for Future Development



Properties Under Development



Total Landbank



Investment Property - Guangzhou IFC (I)



Grade A offices	High-end Retail Mall	Five-star Hotel	Service Apartment
<ul style="list-style-type: none"> GFA: 182,000sqm Floors: 1-66F Occupancy¹: 54% Opened in July 2011 	<ul style="list-style-type: none"> GFA: 47,000sqm Occupancy: 100% Master leased to Guangzhou Friendship Store Opened in November 2010 	<ul style="list-style-type: none"> GFA: 89,000sqm Floors: 67-100F 344 rooms Managed by Four Seasons Opening in 2Q of 2012 	<ul style="list-style-type: none"> GFA: 53,000sqm Floors: 6-28F 314 units Managed by Ascott Opening after 2Q of 2012

Note: excludes car parks (GFA 71,000sqm)
NFA 442,000sqm

Investment Property - Guangzhou IFC (II)

◆ Cost and Investment

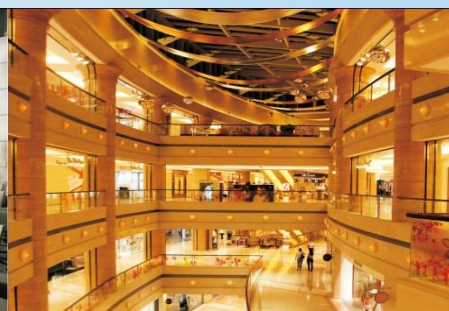
2005/09	Purchased land at RMB2,800/sqm
2008/12	IFC building structure completed and topped out
2011	Total investment reached RMB6.1bn
2012+	RMB7.9bn expected total cost (including the land cost)

◆ Operation Timeline

2010/11	Commercial area opened with Guangzhou Friendship Store
2011/07	Office commenced full operation
2012/2Q	Four Seasons Hotel to soft open
2012/After2Q	Ascott Service Apartment to start operation

- ◆ 2011 Office occupancy rate reached 54% with average rental at about RMB210
- 2012 Year end occupancy rate target : 80%

- ◆ IFC is expected to generate income of RMB0.9bn by 2014



3. Future Prospects



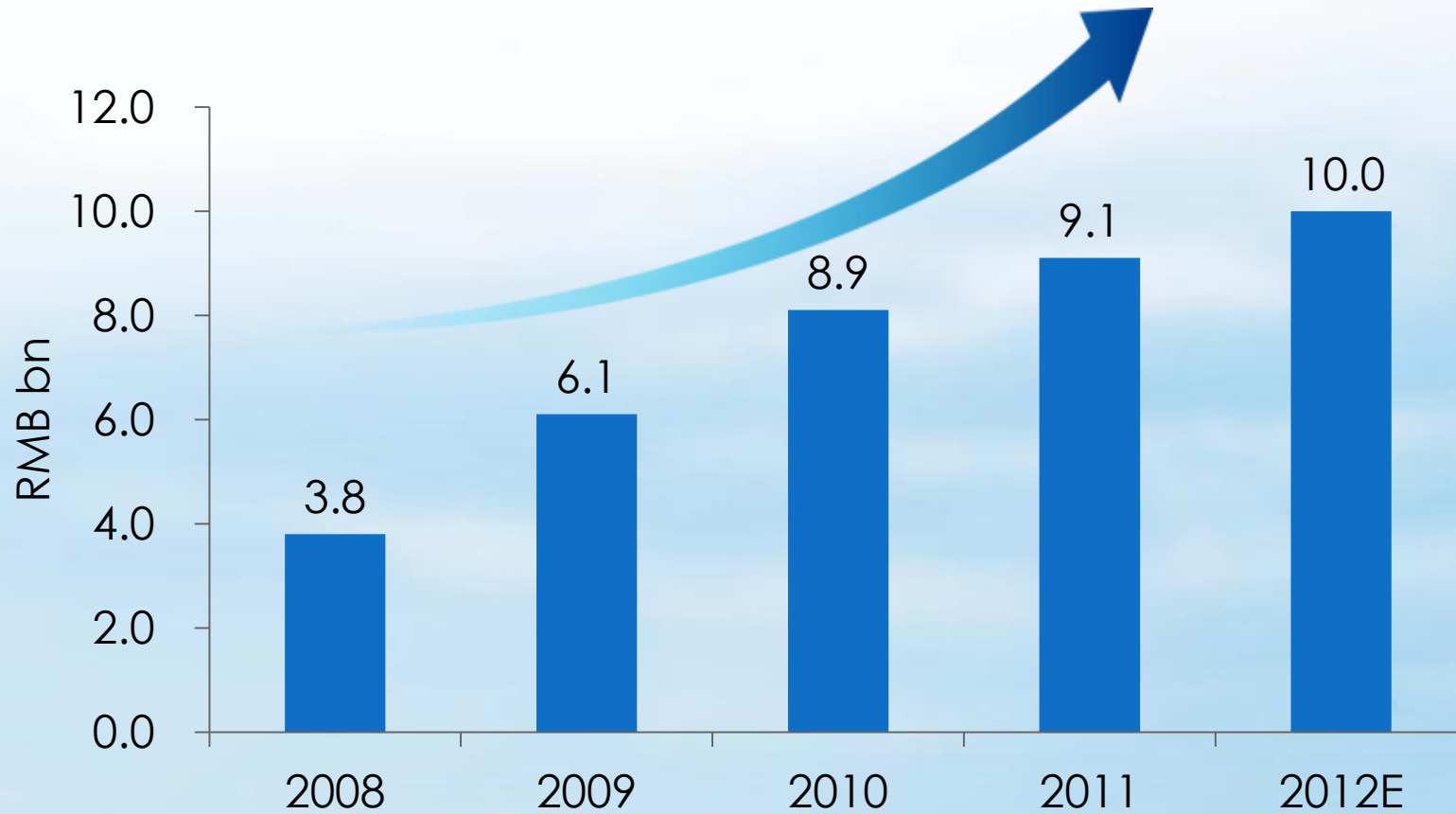
2012 Available for Sales



	Project (sqm)	Chinese Name	Type*	Avg. Salable GFA (sqm)	Launch Date	Contracted Sales GFA Target (sqm)	Location
1	Fortune Apartment	財富公館	S/C	78,700	2012	73,500	Liwan, Guangzhou
2	Southern Le Sand	南沙海濱花園	R	163,300	2011	142,400	Nansha, Guangzhou
3	Huadu Glade Greenland	花都逸泉韻翠	R	59,500	2011	35,700	Huadu, Guangzhou
4	Jiangmen Starry Regal Court	江門星匯名庭	R	74,700	2011	56,900	Beixin, Jiangmen
5	Zhongshan Starry Winking	中山星匯雲錦	R	95,800	2012	62,100	Nanqu, Zhongshan
6	Zhongshan Starry Junting	中山星匯隼庭	R	36,500	2012	38,300	Shiqi, Zhongshan
7	Shenyang Yuexiu Hill Lake	瀋陽越秀玥湖郡	R	73,600	2011	33,300	Xinqu, Shenyang
8	Fortune Century Square	財富世紀廣場	O/S	70,800	2011	36,300	Tianhe, Guangzhou
9	Yantai Starry Phoenix	煙台星匯鳳凰	R	95,400	2011	57,200	Zhifu, Yantai
10	Starry Golden Sands	星匯金沙	R	114,200	2011	52,900	Baiyun, Guangzhou
11	Starry Wenhua	星匯文華	R	104,500	2011	26,100	Panyu, Guangzhou
12	Starry Wenyu	星匯文宇	R	37,200	2012	22,300	Panyu, Guangzhou
13	Starry Wenhan	星匯文翰	R	54,600	2012	27,300	Panyu, Guangzhou
14	Panyu Southern District Plot	番禺南區項目	R	63,300	2012	51,700	Panyu, Guangzhou
15	Wuhan Qiankou Project	武漢硤口項目	R	62,200	2012	32,000	Qiaokou, Wuhan
16	Hangzhou Lin'an Land	杭州臨安項目	R	128,000	2012	110,100	Linan, Hangzhou
	Others		-	79,100	-	74,000	
	Investment Properties		C	55,500	-	29,100	
	Total		-	1,446,900		961,200	

Note: Type* C: Commercial O: Office R: Residential S: Service Apartment

2012 Contract Sales Target



2012 Key CAPEX Plan

Available Capital (RMB bn.)	2012
Cash on Hand at Start	6.1
Contracted Sales	10.0
Undrawn Bank Facilities	2.8
Total	18.9

Key CAPEX (RMB bn.)	2012
Land Premium Payable*	1.1
Construction Costs	7.6
Total	8.7

*As at 1 March, 2012, the land premium payable is about RMB0.4bn



Strategies

2012 – 2015 “Refine and Increase Execution Capabilities”

- **Property Development**

Strengthen “Development & Construction Capability” to shorten development cycle and increase asset turnover rate

Increase product quality and range from “Personalized High-end” to “Standardized Mid-end” developments

- **Selling Capability**

To maintain strong sales forces from both internal and external sources

Well planned marketing strategy to lead ahead of the project starts

- **Commercial Property Operation**

“Residential + Commercial” project development are “Twin Engines”

To create a strong commercial property operation with professional management team

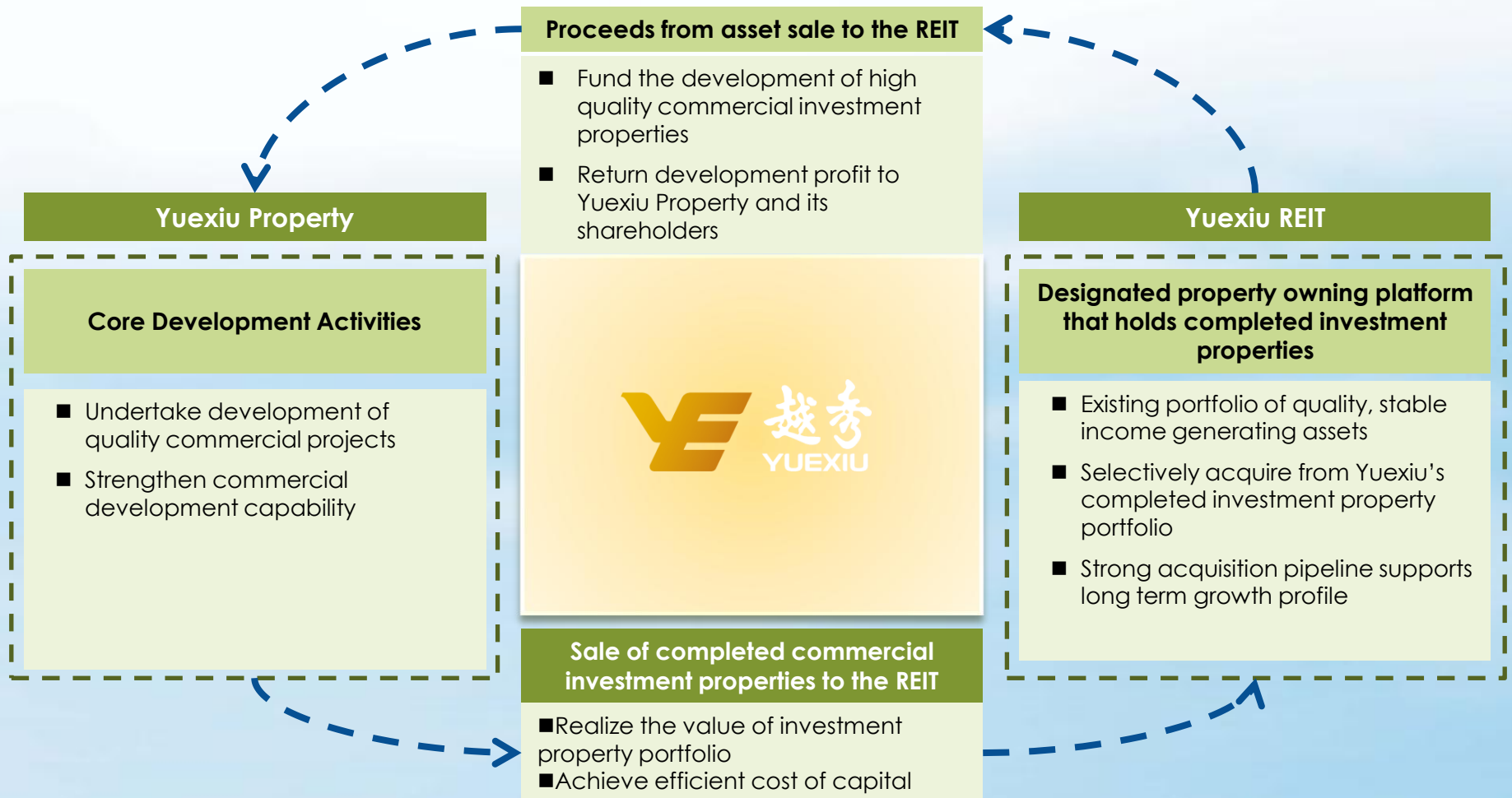
- **Yuexiu Property and Yuexiu REIT**

To fully utilize the REIT platform

To pursue an active interactive strategy

Interactive Model

An interactive and capital-efficient model to foster long term growth



Thank You



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