



越秀地產股份有限公司
YUEXIU PROPERTY COMPANY LIMITED

[For Immediate Release]

Yuexiu Property Announces 2017 Annual Results ***Strong Growth in Net Profit and Dividends***

(28 February 2018 – Hong Kong) **Yuexiu Property Company Limited** (HKEx Stock Code: 00123) and its subsidiaries (which are collectively referred to as “Yuexiu Property” or the “Group”) is pleased to announce its annual results for the year ended 31 December 2017.

Strong Growth in Net Profit and Dividends

In 2017, the Group realized revenue of approximately RMB23.79 billion, representing a year-on-year increase of 14.0%. The gross profit margin reached approximately 25.7%, representing a year-on-year increase of 4.9 percentage points. Profit attributable to equity holders rose by 46.8% to approximately RMB2.26 billion. Core net profit (excluding net revaluation gain or loss on investment properties and net foreign exchange gain or loss) increased by 36.7% to approximately RMB2.35 billion.

The Board proposed to declare a final dividend for 2017 of HKD0.052 per share (equivalent to RMB0.042 per share). Together with the interim dividend, total dividends for the full year of 2017 was HKD0.092 per share (equivalent to RMB0.076 per share), representing a year-on-year increase of 41.5% in terms of HKD. Total dividends for the full year of 2017 accounted for approximately 40% of the core net profit.

Contracted Sales Hit A New High

In 2017, the Group’s aggregate contracted sales value (including contracted sales at joint venture projects) rose by 35.1% to approximately RMB40.87 billion, which was equal to 113.5% of the Group’s full-year sales target of RMB36.0 billion. The average selling price was RMB18,400 per sq.m., representing an increase of 41.5% on a year-on-year basis.

The Group set its contracted sales target of RMB55.0 billion for 2018 and is confident to achieve it.

Fast Growth in Landbank

In 2017, the Group acquired 19 land parcels in 6 cities including Guangzhou, Hangzhou, Wuhan, Foshan, Jiangmen and Qingdao, with total GFA of approximately 5.05 million sq.m., representing a year-on-year increase of 62.9%. As of the end of 2017, the total landbank of the Group was approximately 16.27 million sq.m., representing a year-on-year increase of 20.4%

Penetrations in Core Regions

In accordance with the development strategy of the “13th Five-year Plan”, in terms of regional expansion layout, the Group made the Greater Bay Area, the Yangtze River Delta and the Central China Region as its three major growth poles and achieved significant results. The Group has already established operations in Guangzhou, Hong Kong, Foshan, Jiangmen and Zhongshan within the Greater Bay Area. In 2017, the contracted sales value in the Greater Bay Area amounted to approximately RMB24.4 billion, up 25.1% year on year. The contracted sales value in the Yangtze River Delta amounted to approximately RMB8.6 billion, up 72.0% year on year. The contracted sales value in the Central China Region amounted to approximately RMB4.5 billion, up 12.5% year on year.

The Group’s landbank was located in 12 cities, of which about 90% was located in the Greater Bay Area, the Yangtze River Delta and the Central China Region. During the year, the Group increased its resource allocation to these three regions, where approximately 85% of the newly added land reserve of the Group is located.

Mr. Lin Zhaoyuan, Vice Chairman and General Manager of the Group, said, “In 2018, with the aim to accomplish sales and operating targets for the full year and by conforming to the themes of “business-driven quality improvement, innovation-driven development”, the Group will focus on three core regions, namely Greater Bay Area, Yangtze River Delta and Central China Region, and strive to strengthen and optimise the development and operation of residential and commercial properties. The Group will keep fostering

new businesses such as urban renewal, elderly-care home and apartments for lease. The Group is dedicated to becoming an outstanding enterprise with distinct competitive edge and leading comprehensive strength in the industry.”

Mr. Zhang Zhaoxing, Chairman of the Group, said, “As a pillar industry, the property industry will continue to play an important role in stabilising the economy and boosting growth. It is estimated that the government will keep the sustainability and stability of its policies for regulating the property market, adhering to the keynote of “the house is for living in rather than for speculation”. The government will expedite establishment of a housing system encompassing multi-suppliers, multi-channels and both leasing and purchase, and improve the long-acting mechanisms to promote steady and healthy development of the property market. Urban agglomeration effects appear gradually in the Guangdong-Hong Kong-Macau Greater Bay Area, the Yangtze River Delta, and the middle reaches of the Yangtze River, providing developers with further growth opportunities. Capitalising on the strategic opportunities for development, Yuexiu Property will continuously create value for shareholders by enhancement and optimisation in operations, management upgrading and breakthroughs in innovation.”

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Disclaimer

The above-mentioned data are based on the summary of internal information of the Company, which may differ from figures to be disclosed in the audited or unaudited consolidated financial statements to be published by the Company on an annual or semi-annual basis due to various uncertainties during the process of collection and collating of such information. As such, the above data are provided for investors’ reference only. Investors are advised to exercise caution and not to place undue reliance on such information when dealing in the securities of the Company. When in doubt, investors are advised to seek professional advice from professional or financial advisers.

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 Guangzhou area and expanded into Pearl River Delta, Yangtze River Delta, Pan-Bohai Rim and Central

Region. As of the end of 2017, the Company's total GFA of properties under development and undeveloped properties was approximately 16.27 million sq.m..

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