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## **Announcement**

### **Land Acquisition**

On 11 December 2012, the Company acquired by way of open tender through its 51%-owned subsidiary a parcel of land with a total permissible gross floor area of approximately 429,515 sq.m. at Huaqiao Town, Kunshan City, Jiangsu Province, for a consideration of RMB495,594,000.

The board of Directors (“Board”) of Yuexiu Property Company Limited (“Company”) is pleased to announce that, on 11 December 2012, the Company acquired a parcel of land located at Huaqiao Town, Kunshan City, Jiangsu Province, (the “Kunshan Huaqiao Land Parcel”) by way of open tender through its 51%-owned subsidiary for a consideration of RMB495,594,000. The average land cost amounted to approximately RMB1,150 per sq.m..

#### **Kunshan Huaqiao Land Parcel**

Kunshan Huaqiao Land Parcel has a total site area of approximately 165,198 sq.m. and a total permissible gross floor area of approximately 429,515 sq.m.. The parcel of land has been approved for residential and commercial uses. As of the date of this announcement, the Company’s total landbank amounted to approximately 13.90 million sq.m.. In terms of the attributable interest, the Company’s landbank amounted to approximately 13.50 million sq.m..

The parcel of land is located at Huaqiao Town, Kunshan City, Jiangsu Province, with Huaji Road and Jishan Road at the south and the west respectively. Its northern boundary is adjacent to a natural river. The land parcel is situate close to the boundary line between Shanghai City and Kunshan City and is about 10-minute drive from Anting station of Shanghai Metro Line No.11. According to the development plan of Shanghai Metro lines, an extension line of Line No.11 will be constructed and two of the new stations will be in the vicinity of the land parcel. As well, the land parcel is only 5-minute drive from the centre of Kunshan City. It is expected that the economic development of Shanghai City and Kunshan City will drive the development of property market in the surrounding areas of the land parcel, thereby giving it great future development potential.

### **Joint Venture**

Party A, a 95%-owned subsidiary of the Company established in the PRC, and Guangzhou Guangdian Property Development Group Co., Ltd (廣州市廣電房地產開發集團股份有限公司\*) (“Party B”) have formed a 51:49 joint venture (the “JV Company”) in the PRC for the development of the Kunshan Huaqiao Land Parcel. Party A and Party B shall share the profit and loss of the JV Company proportionately in accordance their respective shareholding interests in the JV Company.

Party B is a subsidiary of Guangzhou Radio Group Co, Ltd (廣州無線電集團公司\*).

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, Party B and its ultimate beneficial owners are independent third parties not connected with the Company and its connected persons.

### **Reasons For and Benefits of the Joint Venture**

The Directors believe that the acquisition of the Kunshan Huaqiao Land Parcel is in line with the Company’s strategy of “home based in Guangzhou and strategic expansion nationwide”, and will further expand the layout of the Company nationwide. As of the date of this announcement, the Company’s land bank has covered 11 cities. The development of the Kunshan Huaqiao Land Parcel through the JV Company will also enable it to fully leverage on the respective strengths of the Company and Guangzhou Guangdian Property Development Group Co., Ltd to forge a quality project.

The Directors (including the independent non-executive Directors) consider that the JV Company has been formed on normal commercial terms which are fair and reasonable and in the interests of the Company and its shareholders as a whole.

By Order of the Board  
**Yuexiu Property Company Limited**  
**Yu Tat Fung**  
*Company Secretary*

Hong Kong, 11 December 2012

*As at the date of this announcement, the Board comprises:*

*Executive Directors:* LU Zhifeng (Chairman), ZHANG Zhaoxing, LIANG Yi,  
TANG Shouchun, CHEN Zhihong and LAM Yau Fung Curt

*Independent Non-executive Directors:* YU Lup Fat Joseph, LEE Ka Lun and LAU Hon Chuen Ambrose

*\* For identification purpose only*