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## **Announcement**

### **Land Acquisition**

On 13 December 2012, the Company acquired by way of open auction through its 100%-owned subsidiary two parcels of land with a total permissible gross floor area of approximately 353,880 sq.m. in Licang District, Qingdao City, Shandong Province, for a total consideration of RMB1,011,150,000.

The board of Directors (“Board”) of Yuexiu Property Company Limited (“Company”) is pleased to announce that, on 13 December 2012, the Company acquired two parcels of land with a total site area of approximately 128,545 sq.m. and a total permissible gross floor area of approximately 353,880 sq.m. located in Licang District, Qingdao City, Shandong Province, (namely “Land Parcel A” and “Land Parcel D1”, collectively referred to as “Qingdao Licang District Land Parcel”) by way of open auction through its 100%-owned subsidiary for a total consideration of approximately RMB1,011,150,000. The average land cost amounted to approximately RMB2,860 per sq.m.. As of the date of this announcement, the Company’s total landbank is approximately 14.25 million sq.m. In terms of the attributable interest, the Company’s landbank amounted to approximately 13.85 million sq.m.

#### **Land Parcel A**

Land Parcel A is located in Licang District, Qingdao City and is south of the Banqiaofang River, west of Anshun Road (as planned), north of Second Road (as planned) and east of Huanwan Avenue. It has a site area of approximately 68,072 sq.m. and a total permissible gross floor area of approximately 190,602 sq.m. and the consideration is approximately RMB546,460,000. The average land cost is approximately RMB2,870 per sq.m.. The land parcel has been approved for residential and commercial uses.

## **Land Parcel D1**

Land Parcel D1 is located in Licang District, Qingdao City and is south of the Second Road (as planned), west of Anshun Road (as planned), north of Cang'an Road and east of Huanwan Avenue. It has a site area of approximately 60,473 sq.m. and a permissible gross floor area of approximately 163,278 sq.m. and the consideration is approximately RMB464,690,000. The average land cost is approximately RMB2,850 per sq.m.. The land parcel has been approved for residential and commercial uses.

The above two land parcels are adjacent to each other and will be developed by the Company as a single project. To the west of the land parcels is the mother bay of Qingdao City — Jiaozhou Bay, a natural deep water port which is calm and ice-free all year round. The land parcels enjoy a frontline bayview with a beautiful environment and fresh air. The land parcels are situate within a transportation hub area in Licang District with sound ancillary transport facilities. Besides, the land parcels are close to Qingdao North Train Station as well as Qingdao Metro Lines No.1, No.3 and No.8. Among the three metro lines, Line No.1 is under construction and is expected to be completed in 2014, Line No.3 and No.8 are undergoing planning.

The Board believes that Qingdao is one of the important cities in the Bohai Rim and the expansion of the Company's operations into Qingdao City is in line with its strategy of "Home base in Guangzhou and strategic expansion nationwide" and strengthens the Company's layout in the Bohai Rim. The landbank of the Company in the Bohai Rim has reached 2.25 million sq.m. following the acquisition of the land parcels in Licang District, Qingdao, which has further expanded the Company's development scale in the region, which can enhance brand image and generate economies of scale more effectively.

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

Hong Kong, 13 December 2012

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

*Executive Directors:* LU Zhifeng (Chairman), ZHANG Zhaoxing, 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