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

(Incorporated in Hong Kong with limited liability)

(Stock code: 123)

ANNOUNCEMENT
LAND ACQUISITION

On 31 December 2010, the Company acquired the Qiaokou Parcel with a total permissible gross floor area of approximately 514,000 sq.m. in Wuhan City, Hubei Province through its 95%-owned subsidiary at a consideration of RMB2,820,000,000.

The board of Directors (“**Board**”) of Yuexiu Property Company Limited (“**Company**”) is pleased to announced that, on 31 December 2010, the Company acquired a parcel of land in Qiaokou Road, Qiaokou District, Wuhan City, Hubei Province (“**Qiaokou Parcel**”) by way of tender through its 95%-owned subsidiary.

Qiaokou Parcel

The Qiaokou Parcel has a site area of approximately 105,000 sq.m. and a permissible gross floor area of approximately 514,000 sq.m. The price of acquisition is RMB2,820,000,000, and the price of acquisition per square metre is RMB5,486. The Parcel has been approved for residential and commercial uses (including office, hotel, retailing and catering), of which commercial area and residential area shall account for 40% and 60% of the total gross floor area respectively, and residential flats with area of less than 90 sq.m. shall account for not less than 36% of the total gross floor area of the residential properties.

The Qiaokou Parcel is located in Qiaokou District, Wuhan City, Hubei Province, and surrounded by three main city roads, being Jinghan Boulevard, Yanhe Boulevard and Qiaokou Road. The Parcel enjoys an excellent panoramic view with frontier riverside landscape to the south. It is easily accessible, with Qiaokou station of Line 1 of Wuhan Light Railway at its north eastern corner. With a thriving business atmosphere in its surrounding area, the Parcel is in the heart of Baofeng Road Commercial Zone where a large number of star hotels, office buildings, shopping malls and cuisine streets scatter. It has a promising commercial outlook.

Wuhan, the capital of Hubei Province, has a permanent population of approximately 9.1 million. Its GDP was RMB456.1 billion in 2009, ranking the 13th in China. Wuhan is an important national industrial base and a renowned commercial market. It is also a water, land and air transportation hub in the central region, the largest goods distribution centre in the middle reaches of Yangtze River, and the political, economic, cultural and financial centre in Central China.

The acquisition of the Qiaokou Parcel represents an attractive investment opportunity to the Company. It is consistent with the Company's objective of strategically expanding its footprint into the Bohai Rim and the central regions, in addition to its home base in the Pearl River Delta Region. The Company is optimistic about investing in these vibrant regions which are witnessing substantial economic growth and favorable demographic shifts. The Board considers such a land acquisition strategy essential in implementing the growth vision of the Company.

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

Hong Kong, 3 January 2011

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

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

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