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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
Acquisition of Land

On 26 October 2011, the Company acquired the Lin-an Land Parcels Phase II with a total permissible gross floor area of approximately 186,600 sq.m. in Lin-an, Hangzhou, Zhejiang Province through its 100%-owned subsidiary at a consideration of RMB396,410,000.

The board of Directors (“Board”) of Yuexiu Property Company Limited (“Company”) is pleased to announce that, on 26 October 2011, the Company acquired three parcels of land, namely “Land Lot 1”, “Land Lot 2” and “Land Lot 3” (collectively known as the “Lin-an Land Parcels Phase II”) from an open tender, with a total permissible gross floor area of approximately 186,600 sq.m., located in Lin-an, Hangzhou, Zhejiang Province through its 100%-owned subsidiary at an aggregate acquisition price of RMB396,410,000, representing an average acquisition price of approximately RMB2,100 per sq.m.

Land Lot 1

Land Lot 1 has a site area of approximately 61,300 sq.m. and a permissible gross floor area of approximately 73,600 sq.m. The price of acquisition is RMB156,380,000.

Land Lot 2

Land Lot 2 has a site area of approximately 54,200 sq.m. and a permissible gross floor area of approximately 65,100 sq.m. The price of acquisition is RMB138,260,000.

Land Lot 3

Land Lot 3 has a site area of approximately 40,000 sq.m. and a permissible gross floor area of approximately 47,900 sq.m. The price of acquisition is RMB101,770,000.

The three parcels of land of Lin-an Land Parcels Phase II have a total site area of approximately 155,500 sq.m. and a total permissible gross floor area of approximately 186,600 sq.m. The total price of acquisition is RMB396,410,000, representing an average acquisition price of approximately RMB2,100 per sq.m. in average. The land parcels are mainly large-scale low-density residential uses.

In addition to the five parcels of land of Lin-an Land Parcels Phase I acquired by the Company last December with a total permissible gross floor area of approximately 818,000 sq.m. (after planning and adjustment, the total construction area is approximately 963,000 sq.m.), the Company's landbank in Lin-an, Hangzhou has exceeded over 1,000,000 sq.m. of gross floor area. Up to the announcement date, the Company's total landbank nationwide is 10,870,000 sq.m.

Hangzhou is the capital of Zhejiang Province and is the political, economic, cultural and science and education centre of the Province. Hangzhou has a permanent population of approximately 8 million and ranked among the top 10 cities in terms of the gross regional product in China in 2010. The Lin-an Land Parcels are located in Qingshan Village, Qingshanhu Street, Lin-an Economic Development Zone, Hangzhou, Zhejiang Province and is approximately 30 kilometres from the urban area of Hangzhou and approximately 10 kilometres from the urban area of Lin-an. The region in which the Lin-an Land Parcels are located has a beautiful ecological environment with a greening rate of over 70% and has always been a travel resort yearned for by people in Hangzhou. The region has bright prospects for planned development and will be built into the "New Lin-an City" in the future. Besides, it is also a key scientific research and innovation base of the Zhejiang Province and will introduce 17 key national scientific research institutions.

The Board considers that the acquisition of the Lin-an Land Parcels Phase II is an important step to reinforce the "home base in Guangzhou and strategic expansion nationwide" strategy and to achieve economy of scale.

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

Hong Kong, 26 October 2011

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

<i>Executive Directors:</i>	LU Zhifeng (Chairman), ZHANG Zhaoxing, LIANG Yi, TANG Shouchun, CHEN Zhihong and LAM Yau Fung Curt
<i>Independent Non-executive Directors:</i>	YU Lup Fat Joseph, LEE Ka Lun and LAU Hon Chuen Ambrose