



禹洲地產股份有限公司

YUZHOU PROPERTIES COMPANY LIMITED

Stock Code 股份代號: 01628.HK

2018 Interim Results
中期業績發佈會

Aug 2018

千億征程
全國深耕

A Journey to 100 Billion
with Nationwide
Cultivation





Speakers



**Mr. LAM Lung On,
J.P.**

**Deputy to the National People's Congress,
Founder & Chairman**



Mr. CAI Minghui

Executive President



Mr. Jacky WONG

CFO & Company Secretary



Deputy to the National People's Congress **Mr. Lam Lung On, J.P.**

Founder & Chairman

- Vice Chairman of the All-China General Chamber of Industry and Commerce (Member of the All-China Federation of Industry and Commerce (“ACFIC”))
- Visiting Professor of the University of Science and Technology of China



Highlights

Prudent & active land acquisition through multiple strategies

Acquired **Coastal Greenland** package at RMB3.8bn, including **7** premium projects

Aerospace Smart Town in Chengde

Entered 7 cities: Beijing, Chongqing, Foshan, Shenyang, Zhengzhou, Bozhou & Xuzhou

Widely recognized across multiple financing channels

Offshore: issued in total US1bn senior notes due 2021

Onshore: no repurchase in RMB 2bn private bond puttable in June 2018

Maximize shareholders' returns with sound operation

Gross profit margin: **31.5%**

Net profit growth: **83.5%**

Net profit margin/Core profit margin: **15.0%/12.5%**

Interim Dividend: HK **11 cents**

Payout ratio: **34.9%**

Net gearing: **63.0%**

A 100bn Journey started with

26 cities in **6** metropolitan areas

Dual Drivers: Residential + commercial development

Share options covering core mid-high level management, launched **co-investment** (As at the Date of Announcement)

Premium landbank

with **17.25 mn sq.m. +**, **RMB300 bn+** salable resources

Avg. land cost c. **RMB 4,995**

Abundant salable resources

1H18 achieved RMB21.5bn

FY18 target: RMB60bn

FY18 salable resources RMB92bn

Launching schedule: 1H 35% Vs 2H65%

Widely recognized capital markets KPI

Hang Seng Composite Large Cap & Mid Cap Indexes

Southbound Trading under Hong Kong – Shanghai Stock Connect

MSCI China Index

A Journey to 100 bn+ with Nationwide Cultivation



Prioritized quality and services

3 product lines : Honor, Langham & Royale

3 service offerings: Housekeeping, circle & refined services

Award-winning quality including but not limited to:

Yuzhou Properties- Most Influential Property Company in Suzhou

Nanjing Lakeside- Safe and Civilized Construction Demonstration Site in Jiangsu Province

Suzhou Royale Aqua Mansion- 2018 Most Awaited Property Project in Suzhou



Yuzhou · Royale Aqua Mansion

Business Overview

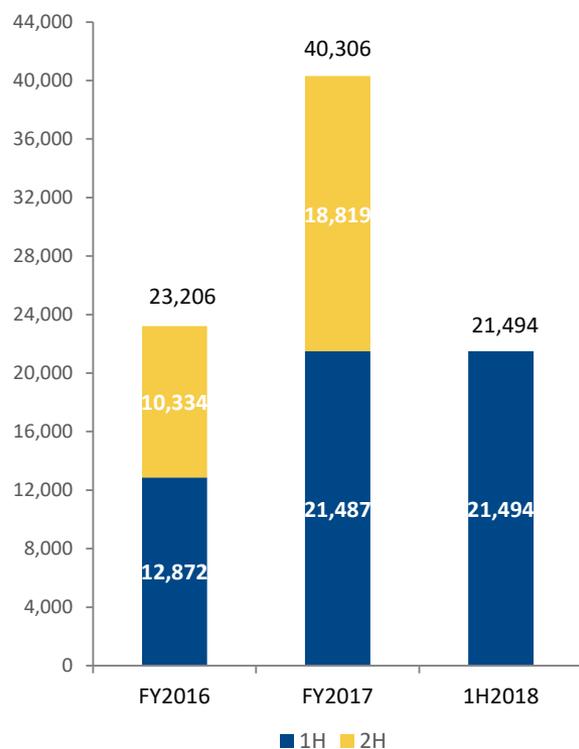
Stay well-poised to embrace vibrant growth in 2H2018

Contracted Sales on Track with Strong Growth Outlook in 2H2018

- ✓ Sales performance has grown dramatically over the past few years. Contracted sales in line with projected launching schedule
- ✓ More projects will launch in 2H2018, as new strong growth catalysts for 2H2018 performance
- ✓ Responding to market changes, launched in-demand quality residential products that cater to upgraded modern consumer tastes
- ✓ Accelerated the project development cycle and actively expanded in core first- and second-tier cities and their satellite cities

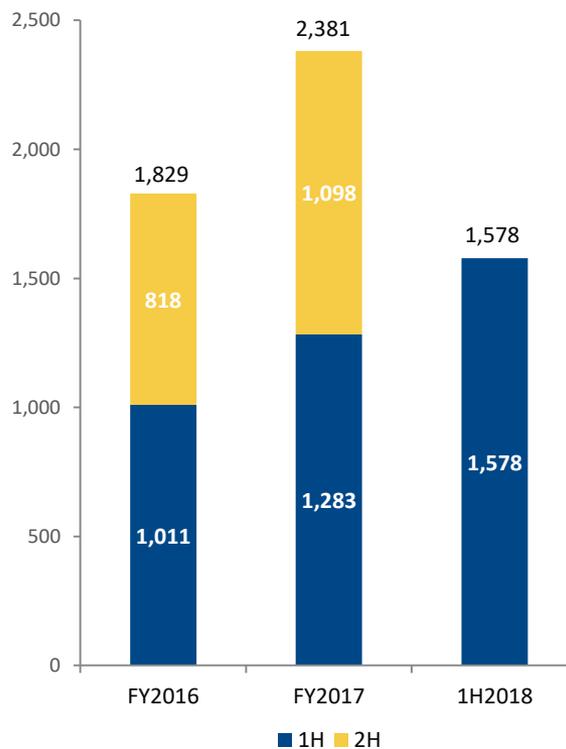
Contracted Sales

RMB mn



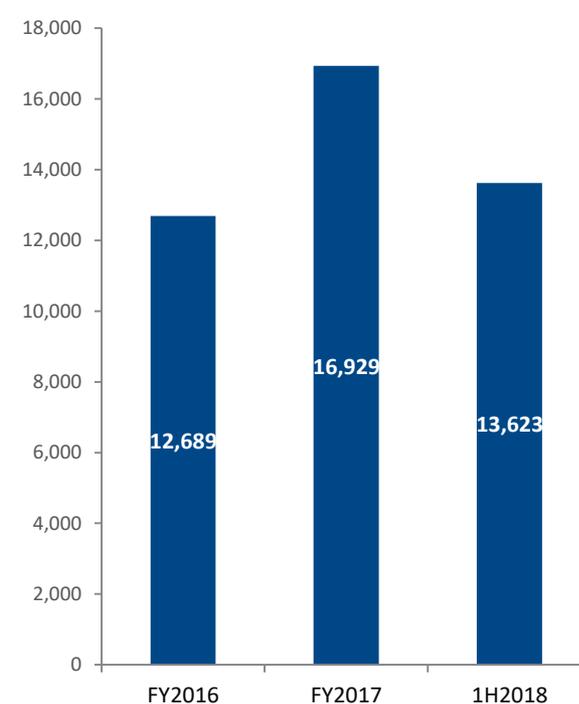
Contracted GFA

'000 sq.m.



Contracted ASP

RMB/sq.m.

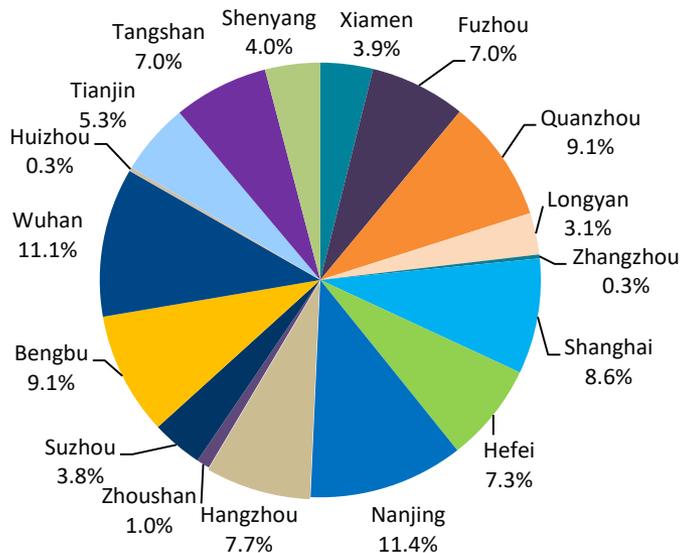




Contracted Sales in 1H2018

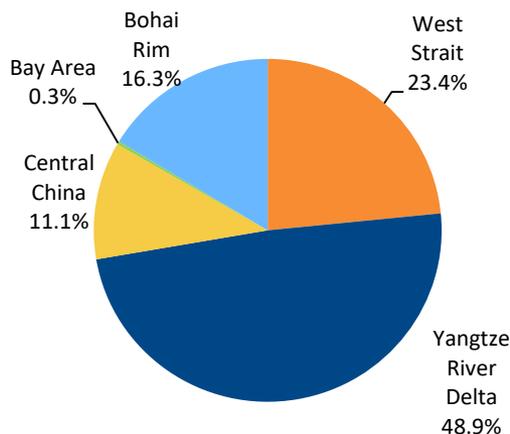
✓ In 1H2018, Yuzhou achieved a total contracted sales of approximately RMB21,494 mn; contracted GFA was 1,577,755 sq.m.; and the contracted ASP was RMB 13,623/sq.m.

1H2018 Contracted Sales by City

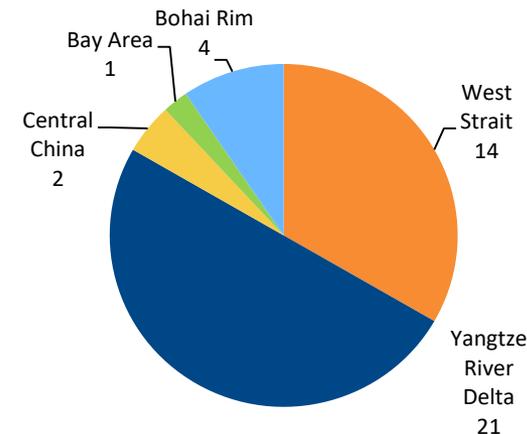


Region	Project #	City	Interest in Project (%)	Contracted Sales (RMB mn)	As of Total (%)	Contracted GFA (Sq.m.)	Contracted ASP (RMB / sq.m.)
West Strait	14	5	92%	5,034	23.4%	441,421	11,401
Yangtze River Delta	21	7	47%	10,504	48.9%	676,103	15,538
Central China	2	1	100%	2,382	11.1%	150,184	15,860
GHM Bay Area	1	1	51%	64	0.3%	5,805	11,020
Bohai Rim	4	3	78%	3,510	16.3%	304,242	11,538
Total				21,494		1,577,755	13,623

Contracted Sales by Region



Number of Projects by Region



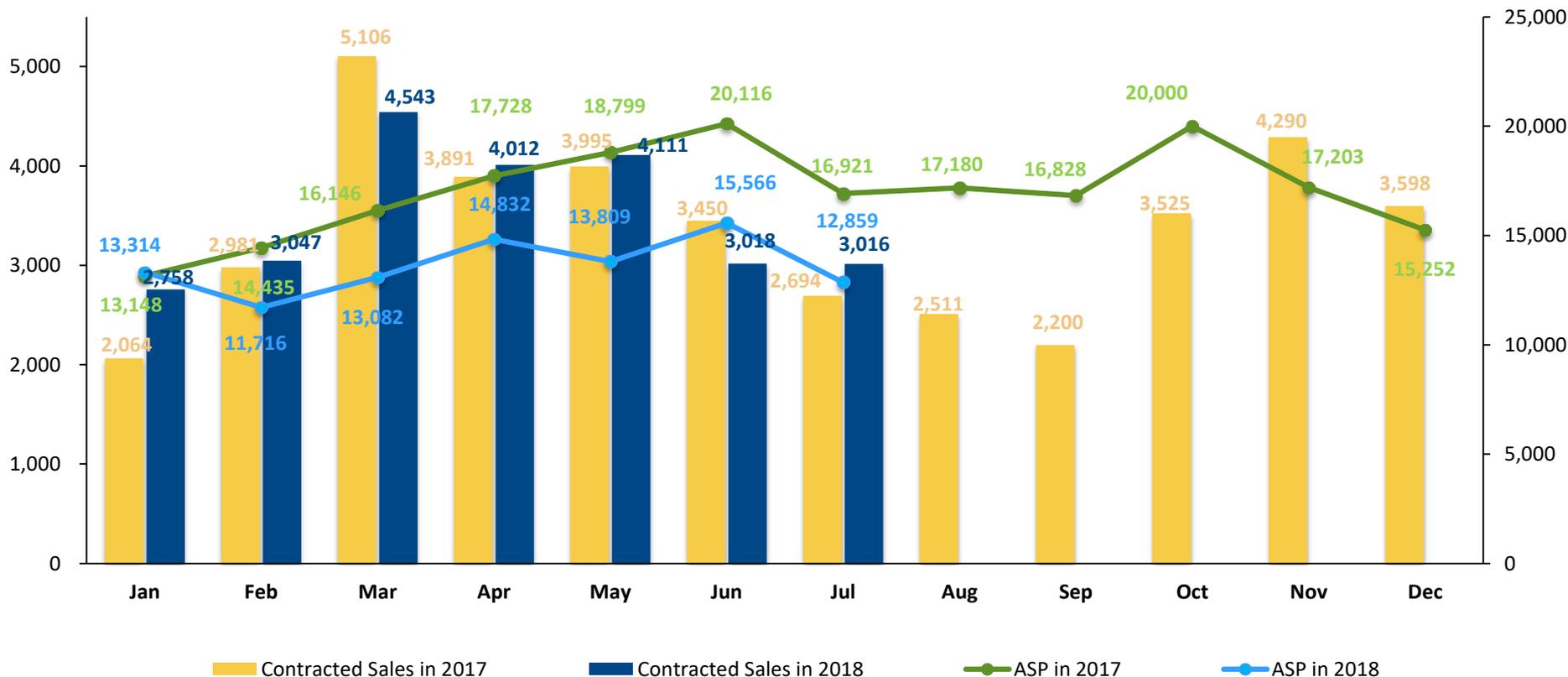
	1H2018	FY2017	FY2016
# of Cities	17	12	9
Contracted ASP (RMB / sq.m.)	13,623	16,929	12,689



Monthly Contracted Sales & Contracted ASP (Jan 2017 - Jul 2018)

Contracted Sales
(RMB mn)

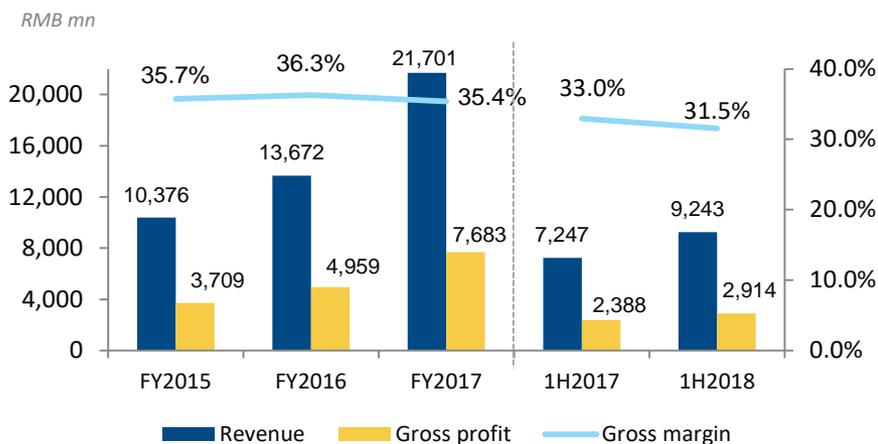
Contracted ASP
(RMB/sq.m.)



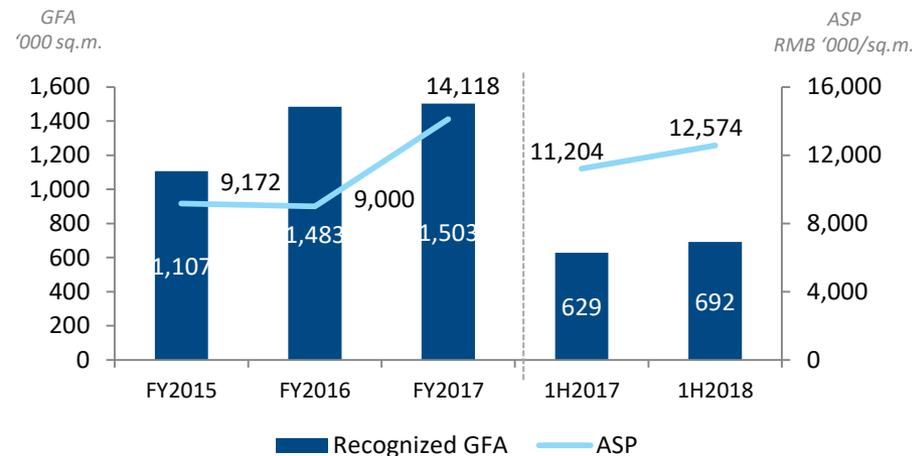


Win-Win of Scale & Profitability

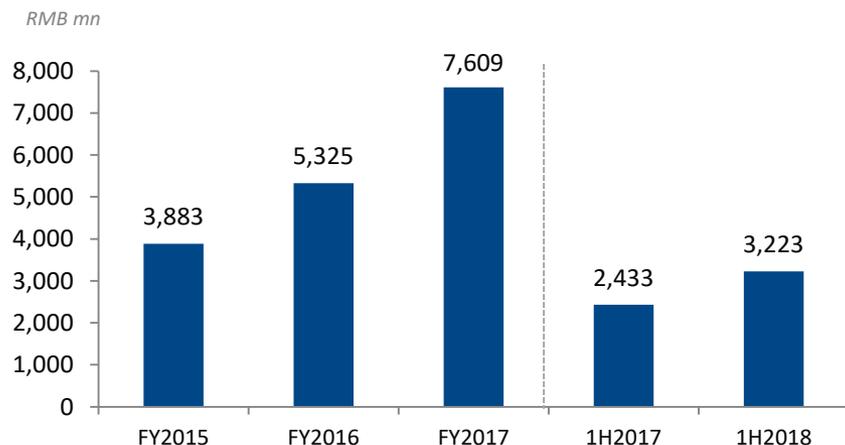
Revenue, Gross profit & Gross profit margin



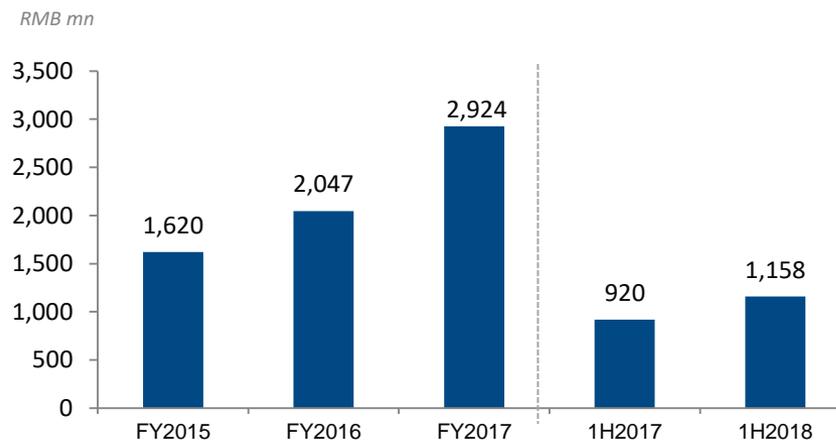
Recognized GFA & ASP



EBITDA (a)



Core net profit (b)



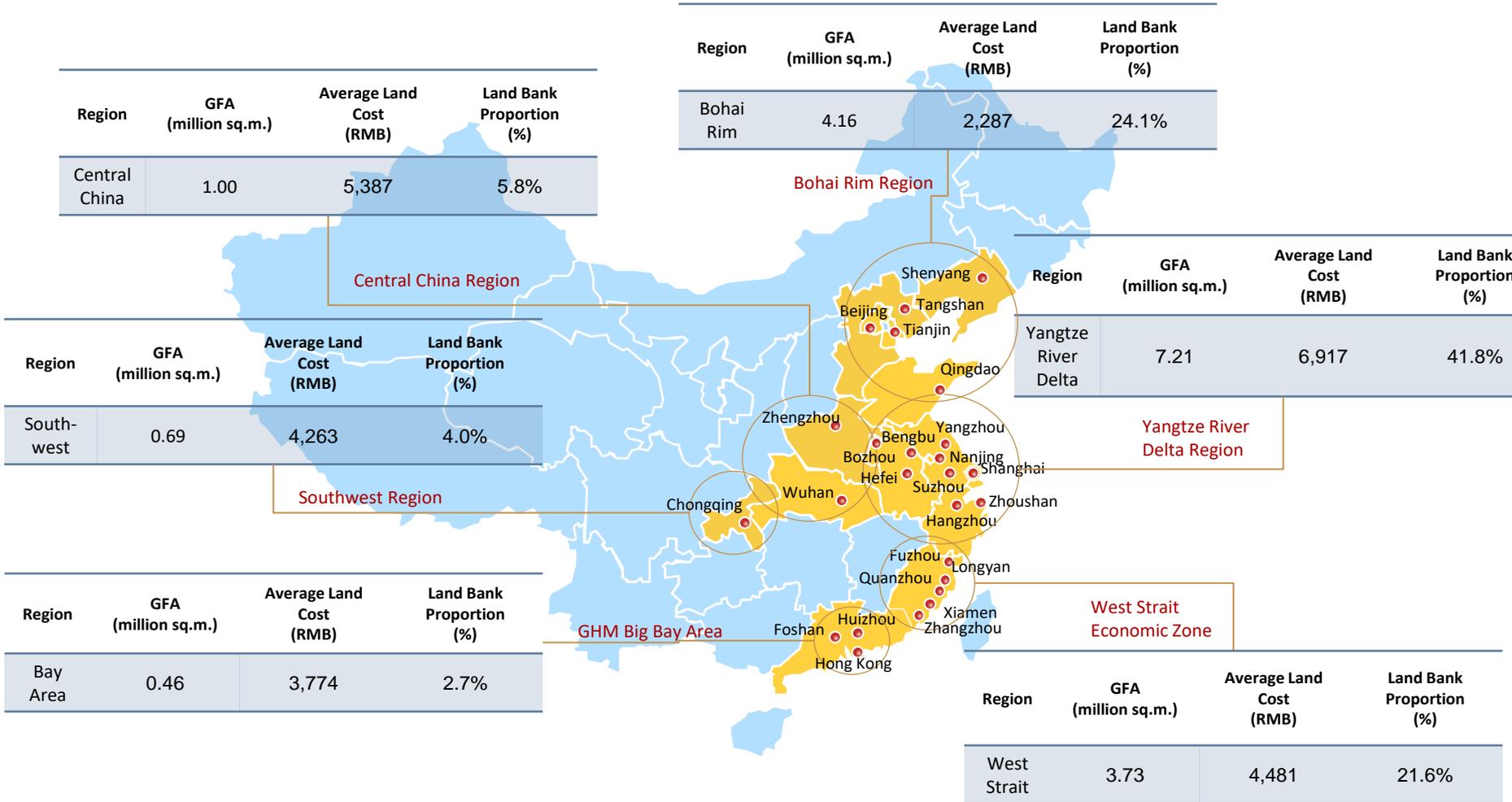
(a) EBITDA = net income + capitalized borrowing cost under cost of sales + finance cost + income tax expense + depreciation + fair value loss on derivative financial instruments + realized loss on derivative financial instruments – interest income – fair value gain on investment properties – unrealized fair value gain arising from remeasurement of equity interests of joint ventures

(b) Core net profit is the net profit attributable to owners of the parents adjusted for mainly the after-tax fair value gain/(loss) on investment properties and fair value gain (loss) on derivative financial instruments, exchange differences and unrealized fair value gain arising from remeasurement of equity interests in joint ventures



Strategic Planning of Land Acquisition at Attractive Value

- ✓ As of Jun 30, 2018, cultivating 6 metropolitan areas with a footprint in 25 cities
- ✓ The land bank was approximately 17.25 mn sq.m. with the average land cost of RMB4,995

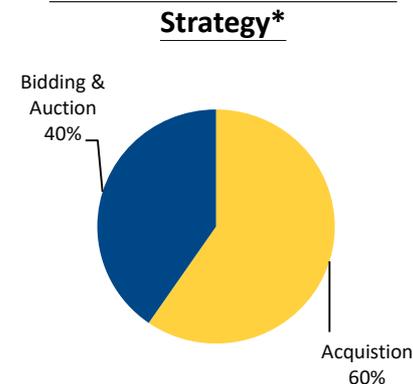




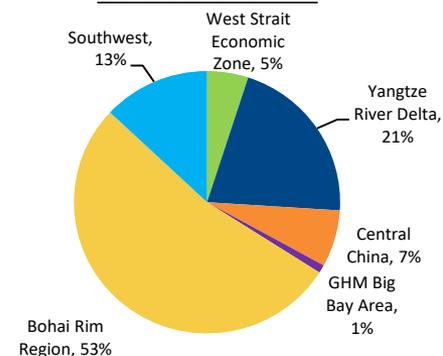
New Land Bank since Beginning of 2018

Time	City	Project type	Methodology	%	Site area (sq.m.)	Saleable GFA (sq.m.)	Att. GFA (sq.m.)	Total land cost (RMB mn)	Att. land cost (RMB mn)	Avg. land cost (RMB/sq. m.)
Jan	Suzhou	Resi	Bidding	20%	42,481	76,466	15,293	1,032	206	13,500
Jan	Suzhou	Resi	Bidding	19%	100,887	201,774	38,337	2,754	523	13,649
Feb	Chongqing	Resi	Bidding	100%	194,489	250,970	250,970	1,290	1290	5,140
Mar	Huizhou	Resi / Com	Bidding	51%	4,304	15,775	8,045	38	19	2,383
Mar	Huizhou	Resi / Com	Bidding	51%	12,919	36,173	18,448	177	90	4,894
Mar	Quanzhou	Resi / Com	Bidding	100%	17,473	52,419	52,419	161	161	3,071
Mar	Hangzhou	Resi	Bidding	34%	61,030	122,060	41,500	922	314	7,555
Apr	Quanzhou	Resi	M&A	100%	56,146	140,365	140,365	225	225	1,603
Apr	Nanjing	Resi	Bidding	20%	102,787	143,901	28,780	577	115	4,010
Apr	Nanjing	Resi / Com	Bidding	49%	188,420	266,923	130,792	972	476	3,641
Apr	Chongqing	Resi	M&A	51%	14,785	53,816	27,446	73	37	1,347
May	Bozhou	Resi	Bidding	50%	63,011	113,400	56,700	284	142	2,506
May	Hangzhou	Resi	Bidding	49%	31,033	55,860	27,371	857	420	15,350
May	Zhengzhou	Resi / Com	Bidding	51%	51,674	258,370	131,769	326	166	1,262
May	Chongqing	Resi / Com	Bidding	49%	200,568	387,677	189,962	1,590	779	4,100
Jun	Fuzhou	Resi	Bidding	100%	26,557	58,491	58,491	559	559	9,558
Jul	Xuzhou	Resi	Bidding	70%	127,243	203,588	142,512	191	134	937
Sub-Total					1,295,807	2,438,028	1,359,201	12,028	5,659	4,933
Coastal Greenland's Package Acquisition							3,106,900			1,600
Total							4,466,101			3,042

2018YTD Land Acquisition Strategy*



Saleable GFA*



*Based on saleable GFA

- (a) Acquired the package of 7 quality projects from Coastal Greenland (located in Beijing, Tianjin, Wuhan, Foshan and Shenyang) for a total consideration of RMB 3.8bn, with the attributable saleable GFA of 3,106,900 sq.m. at average land cost of approximately RMB 1,600.
- (b) The equity interest listed in the table is for reference only as a result of introduction of partners for some of these projects.



Establishing Three Popular Product Lines with Superior Craftsmanship

✓ 3 Popular Product Lines with priority on safety and quality



Target Group : First-time Buyer and Upgrader



First-time Upgrader



Upgrader

✓ Delineated the product lines from 4 dimensions based on 4 aspects and developed standardized modules





- ✓ Adhering to the operating philosophy of “Refined system, regulated management, procedural operation and friendly service”, Yuzhou Commercial provides customers with a comfortable and premium residential experience while realizing diversified innovation and development, as well as striving to strengthen business benefits

Projects in Operation : 14

Name	Business Form	City
Yuzhou World Trade Centre	MALL	Xiamen
Haicang Yuzhou Living Plaza	Community Commercial	
Yuzhou Central Coast	Community Commercial	
Yuzhou Plaza	Office Building	
Yuzhou City Plaza	MALL	Quanzhou
Huian Golden Street	Community Commercial	
Huian Plaza	Office Building	
Yuzhou Commercial Plaza	MALL	
Yuzhou Plaza	Office Building	Shanghai
Research Building	Office Building	
Yuzhou Jingqiao International	Community Commercial	
Yuzhou Land Dream	Community Commercial	
Yuzhou Central Plaza	MALL	Hefei
Yuzhou Central Plaza	Community Commercial	
Commercial Street		

Projects in Preparation : 13

Name	Business Form	City
Yuzhou Central Town (Main Street)	Commercial Street	Hefei
Yuzhou Sky Aqua Mall	MALL	
Yuzhou Galaxy Park	MALL	
Riverside Sapphire Commercial Villa	Commercial Villa	Hangzhou
Riverside Sapphire	Office Building	
Suzhou Wangting Town Project	MALL	Suzhou
Wuyan Bay Hotel	Commercial Floor in Hotel	Xiamen
Yuzhou Commercial Plaza	MALL	Nanjing
Yuzhou Commercial Plaza	MALL、Office Building	Wuhan
Lingjiao River No. One	Community Commercial	
Coastal International Commercial Plaza	Community Commercial	
Yuzhou Plaza	Commercial Floor in Office Building	Shenyang
Yuzhou Commercial Plaza	Community Commercial	Yangzhou



Hotel Operations - Vigorous development & growth

- ✓ Focusing on the development of serviced apartments as well as medium-to-high-end business hotels in order to establish premium hotel brands
- ✓ Developing resort hotels while improving the existing hotel portfolio to strengthen the brand's core competitiveness



Xiamen Yuzhou Camelon Hotel Apartment
- In operation



Xiamen Wyndham Grand Plaza Royale Hotel and Howard Johnson Residence
- Grand opening in 2H 2018 (est.)



Xiamen Tong'an Camelon Hotel and Spa
- Grand opening in 2019 (est.)



Quanzhou Huian Hotel Project
- In preparation



Hefei Feidong Hotel Project
- In preparation



Wuhan Taizihu Hotel Project
- In preparation



Property Management

Establishing a Distinguished Service System

- ✓ Upholding the philosophy of “Customer First, Service Oriented “ under the management concept of “Refinement, Professionalism, Integrity and Harmony”
- ✓ Launched the “Royal Service” luxury service system at all high-end sales offices under the theme of “Relax your mind with a comfortable experience, enjoy the moment with our consistent service”, aimed at offering a memorable, comfortable, enjoyable and consistent on-site experience



Based on different target customers, the system is divided into two series (Royal·Comfortable, Royal·Privileged), while Property Management provides three kinds of services (house keeping, circle, and refined services). This allows clients to experience warmth, pleasure and honor in our sales offices first to convey the notion that Yuzhou Properties is a quality service provider.

As at Jun 30, 2018

Cities Covered:	10
Managed Projects:	44
Managed Area:	Approx. 12 mn sq.m.
No. of Flats:	Approx. 100K
1H2018 Revenue:	RMB158 mn, +35.18% YoY





Expanding Branding Advantages

Named the Headquarters-level Key Bank Client by China Construction Bank



- Headquarter-level key clients serve as the core client base of China Construction Bank's differentiated services with priority being provided to them in terms of service efficiency, credit access, credit approval, comprehensive pricing, project assessment, product innovation, resource allocation and other aspects.

MSCI China Index



HS Composite Large Cap & Mid Cap Indexes



恒生綜合大中小型股指數



2018 Best 50 China Real Estate Listed Companies with Strongest Comprehensive Strengths (Rank 35th)



- By China Real Estate Research Association, China Real Estate Appraisal Center

2018 Best Chinese Real Estate Companies by Brand Value (Rank 39th)



- China Real Estate Chamber of Commerce, China Real Estate Business, China Real Estate Website, China Real Estate Think Tank

The 15th China Blue Chip Real Estate Award

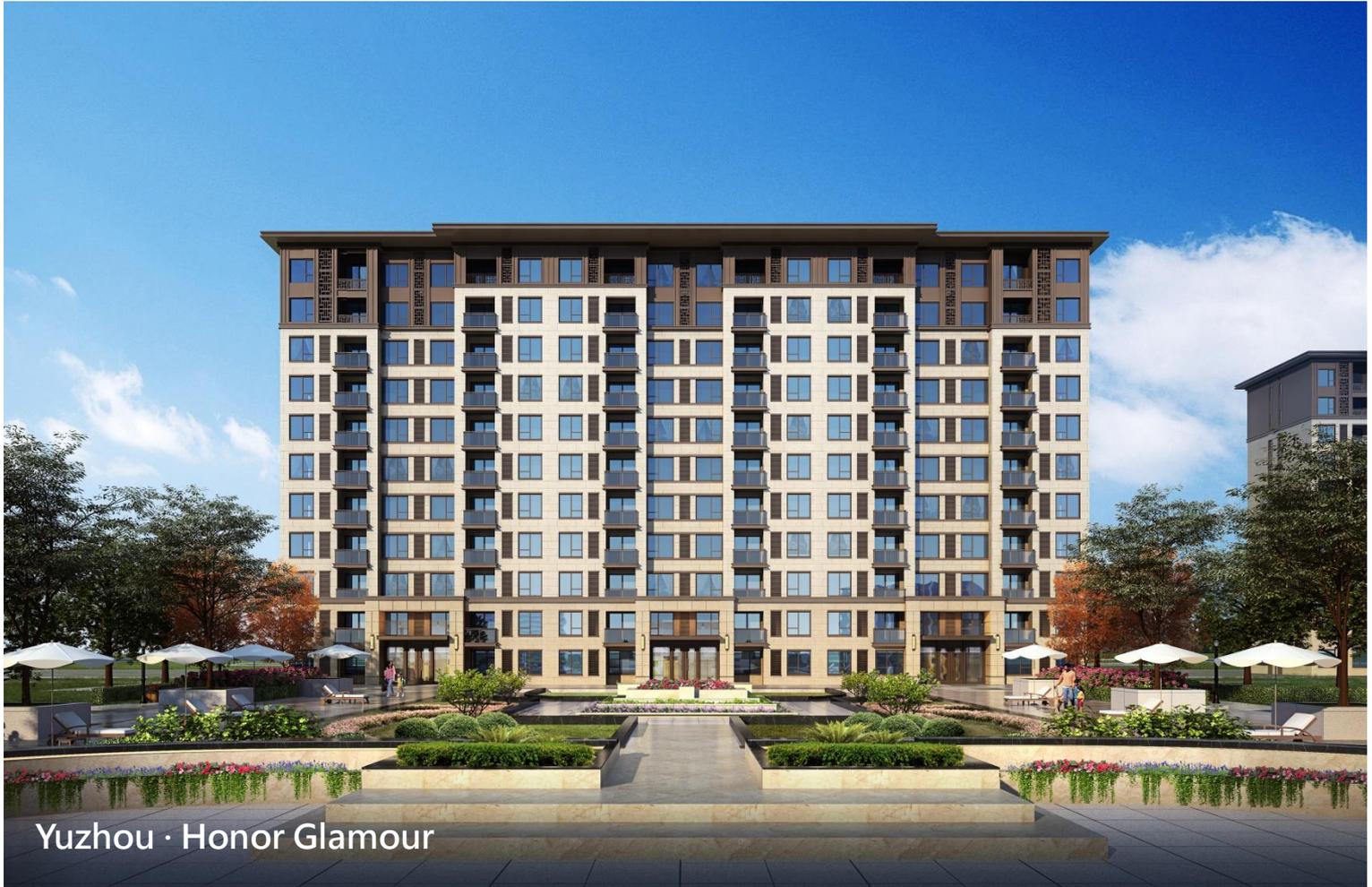


- The Economic Observer

2018 Corporate Social Responsibility Exemplar Award



- China Finance Summit



Yuzhou · Honor Glamour

Financial Highlights

A journey to 100 billion with highly-efficient operation



Highlights of 1H2018

RMB bn	1H2018	1H2017	Changes
Contracted sales	21.49	21.49	+0.03%
Recognized revenue	9.24	7.25	+27.54%
Gross profit margin	31.53%	32.95%	-1.42pp
Net profit	1.39	0.76	+83.45%
Core profit	1.16	0.92	+25.90%
Interim Dividend (HK cents/share)	11.0	8.5	+29.41%

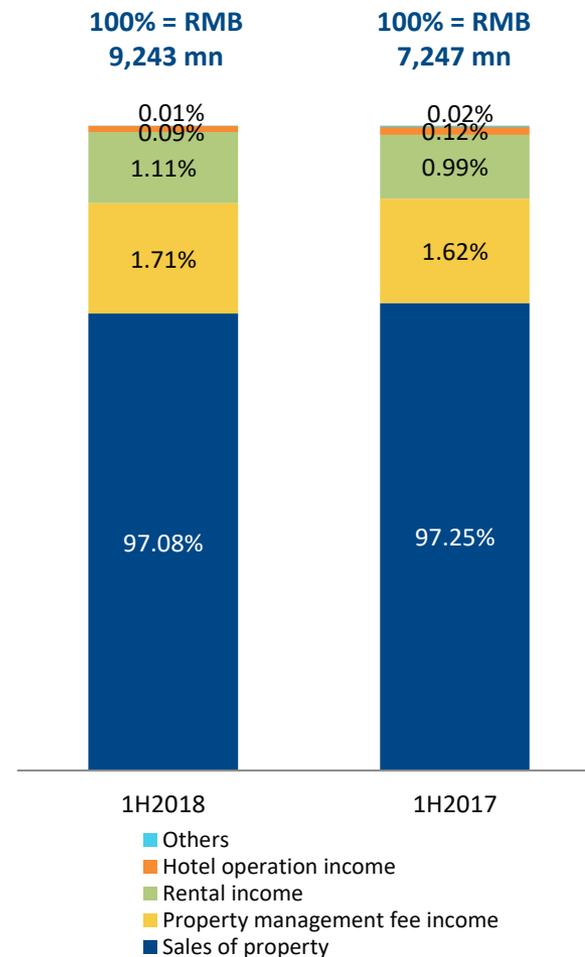
RMB bn	2018 As at 30 Jun	2017 As at 31 Dec	Changes
Total equity	18.20	17.44	+4.35%
Cash on hand	25.09	17.50	+43.37%
Net gearing ratio	62.96% (including senior perpetual securities 82.09%)	57.73% (including senior perpetual securities 77.14%)	+5.23pp



Highlights of 1H2018 (Cont'd)

- ✓ Increasingly diversified revenue streams, with rising contributions from recurring rental income and property management

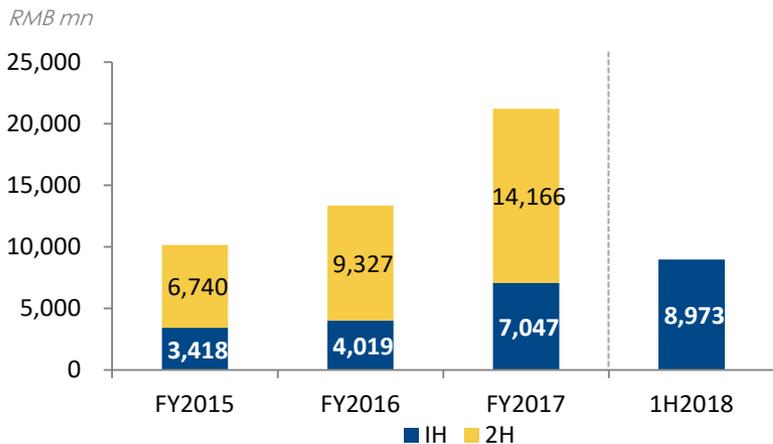
RMB mn	1H2018	1H2017	Changes
Sales of properties	8,972.99	7,047.38	+27.32%
Property management fee income	158.31	117.11	+35.18%
Rental income	102.19	71.67	+42.58%
Hotel operation income	8.64	8.87	-2.59%
Others	0.49	1.72	-70.41%
Total	9,242.62	7,246.75	+27.54%



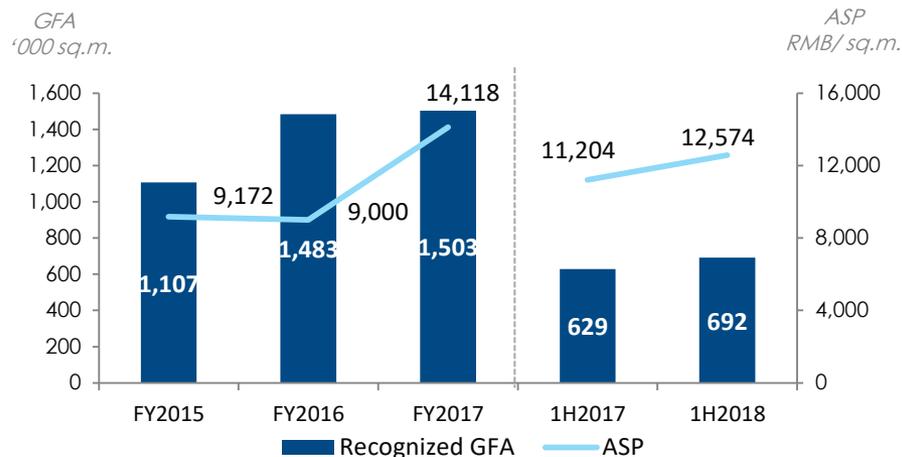


Analysis on Recognized Property Sales

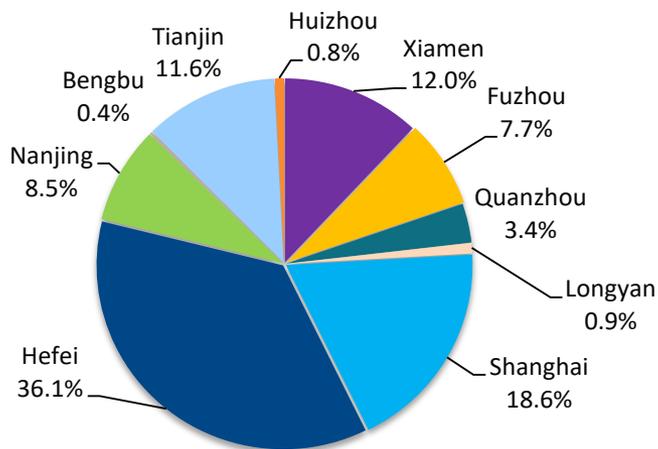
Recognized property sales*



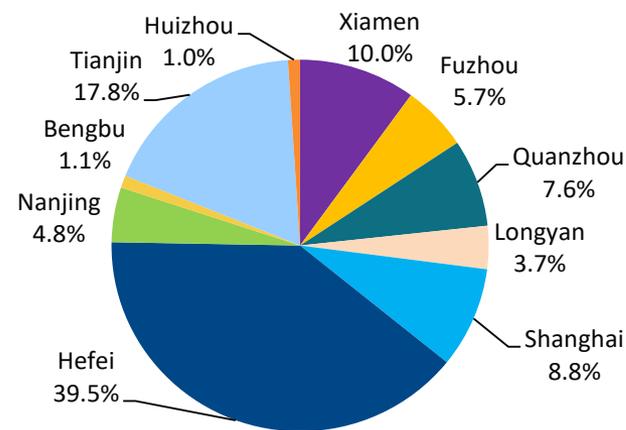
Recognized GFA & ASP



Recognized sales by city



Recognized GFA by city

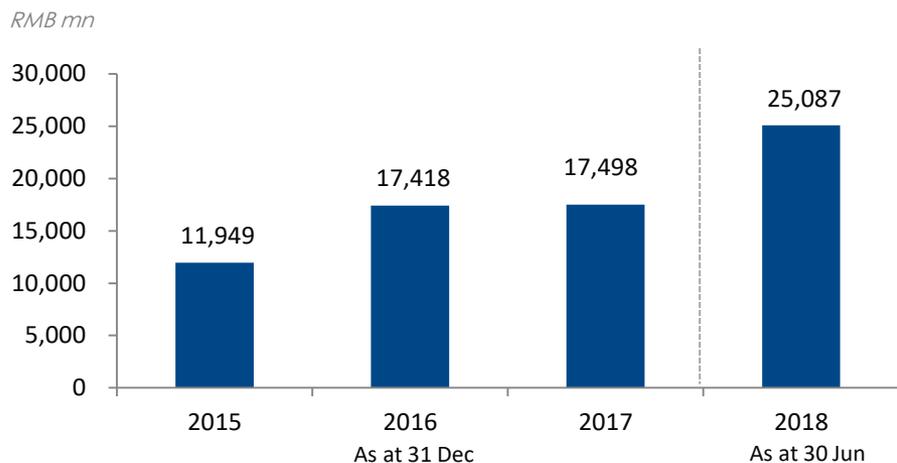


*After tax

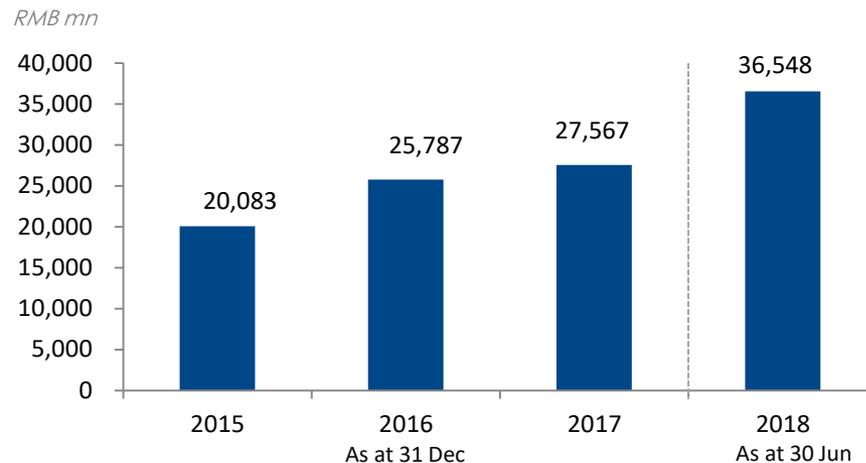


Strong Balance Sheet

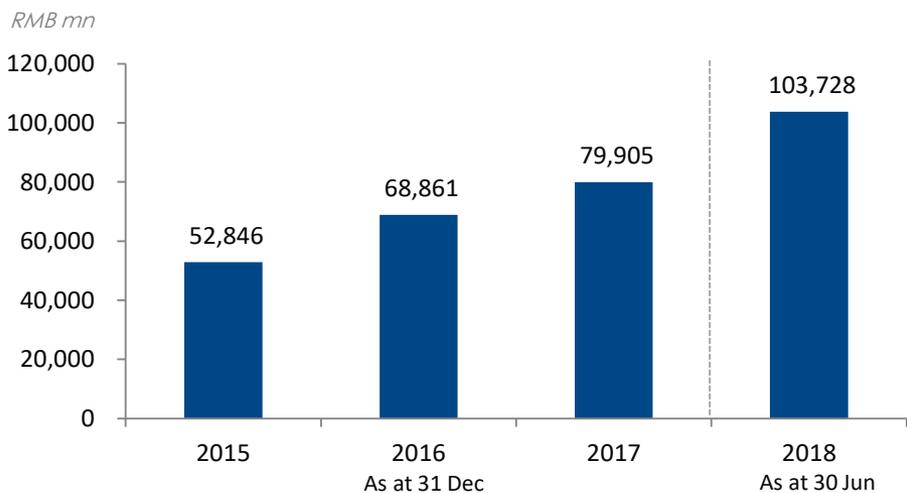
Cash Position



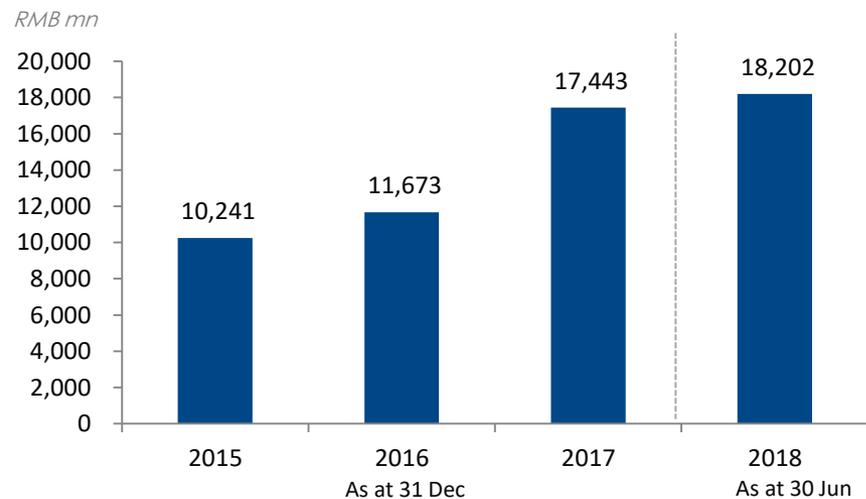
Total Debt



Total Assets



Total Equity



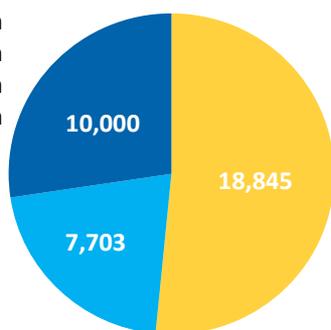
Stable Financial Position & Diversified Financing Channels

- ✓ Sustained a manageable net gearing ratio, with successful financing measures that further reduced the average funding cost
- ✓ Moody's, S&P and Fitch retained our ratings at Ba3, BB- and BB- respectively
- ✓ Golden Credit Rating International and China Chengxin Securities Rating issued AA+ rating respectively

Optimized Financing Structure (RMB mn)

Corporate bonds

Due in 2018: 2,000 mn
Due in 1H2019: 2,000 mn
Due in 2H2019: 3,000 mn
Due in 2020: 3,000 mn



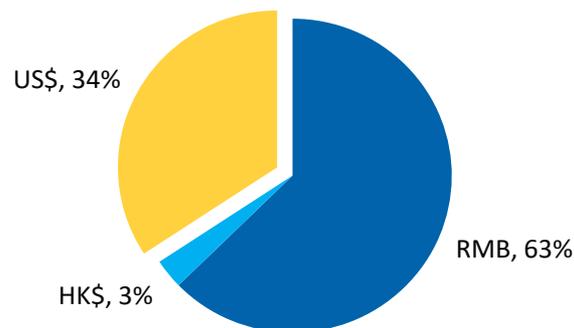
Senior notes

Due in 2021: 3,773 mn
Due in 2022: 2,293 mn
Due in 2023: 1,637 mn

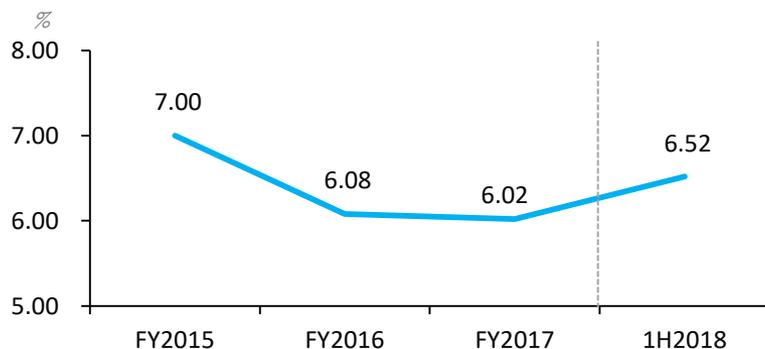
Bank and other loans

Due within first year: 7,406 mn
In the second year: 5,334 mn
In the third to fifth year: 5,480 mn
Beyond fifth year: 625 mn

Proportion of Foreign Currency Debt



Low Weighted Average Financing Cost

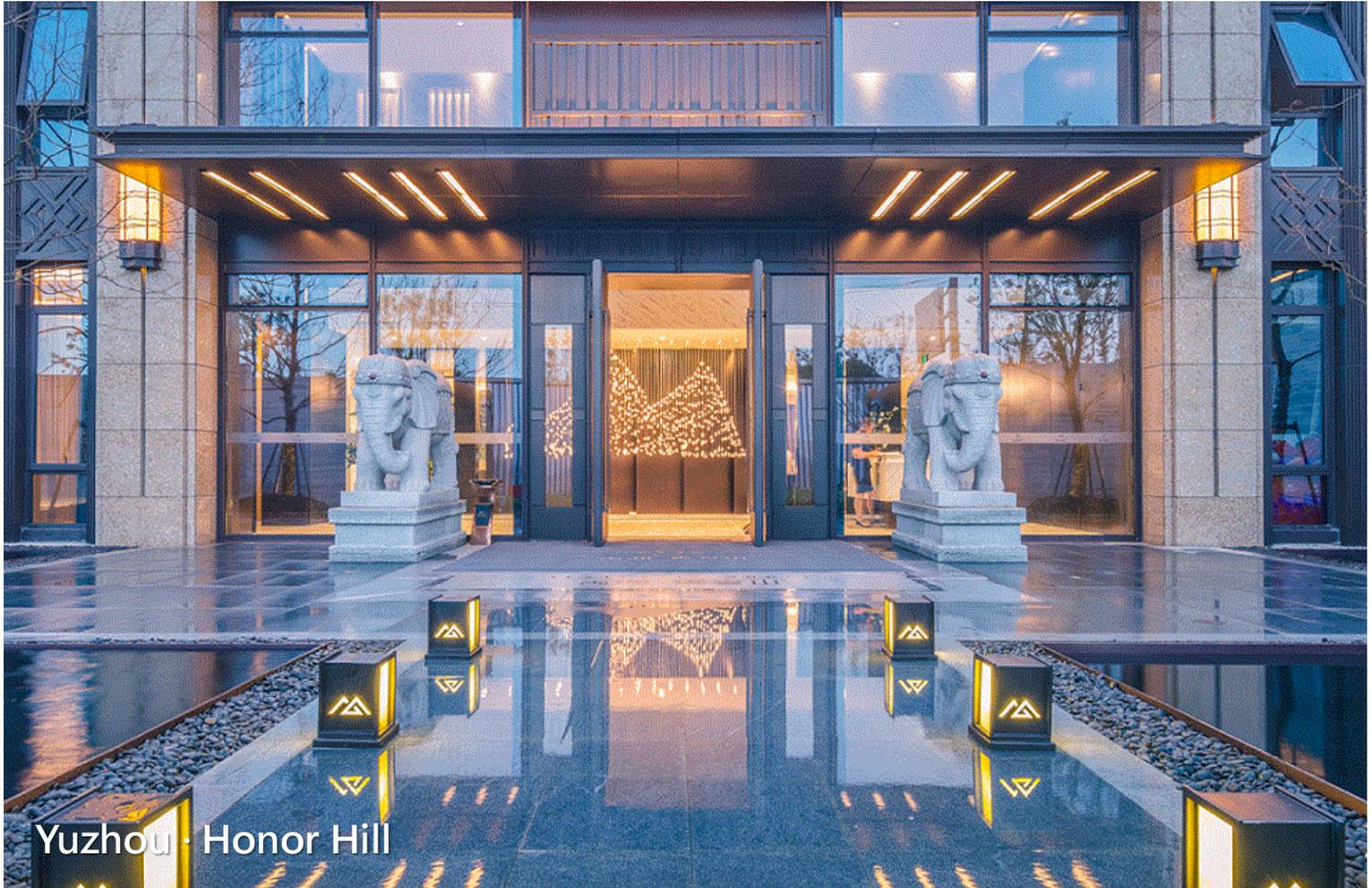


	1H2018	FY2017
Onshore	6.77%	6.41%
Offshore	6.21%	5.57%
Weighted Average	6.52%	6.02%



1H2018 Cash Position

(RMB bn)	1H2018	FY2018E
<i>Cash Inflow</i>		
Cash proceeds from contracted sales and other income	+17.5	+37.3
<i>Cash Outflow</i>		
Land premium paid	-10.6	-21.3
Construction cost capex	-4.5	-9.0
Other expenses – Interest, tax, dividends and others	-4.4	-10.2



Yuzhou · Honor Hill

Future Perspective

Rise to the challenge and achieve good quality



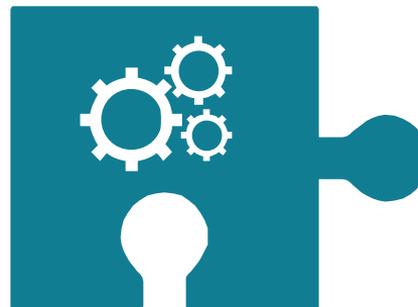
Tightened Industry Policies Normalized

We expect regulation to become the norm during the second half of 2018 in order to stabilize the market with local regulation entering a fine-tuning stage.



Rational Land Market

With a price cap policy in place and a tightening of funds, the investment and land acquisition strategies for major real estate enterprises in the second half of the year will become increasingly rational.



Tightening Financing Environment

Cornerstone monetary policies remained stable and neutral. As a result small-size real estate enterprises will encounter financing difficulties under this environment while larger firms will enjoy incomparable advantages due to diversified financing channels and sound credit ratings, which will further increase industry consolidation.



Steady Growth Period

Relying on greater civil development, demand in the real estate industry will continue to be strong. Policy normalization will lead the entire sector into an era of steady growth.



Operational Strategy

Maintain a balance between profit, scale and risk to ensure quality growth and maximized corporate value, as well as protecting shareholders' interests.

Win-win Cooperation

In line with industry trends, increase M&A opportunities to obtain land at low prices and strengthen business cooperation.

High Quality Products

Strictly control quality with standard landscaping, building as well as mechanical and electrical fixtures. Further enhance building quality and delivery levels. High quality products have laid a solid foundation for Yuzhou's trusted brand reputation.



Land Acquisition

Focus on first- and second-tier cities and their surrounding satellite cities that offer tremendous growth potential. Invest in potential projects and locations with attractive prices.

Financing Channels

Always maintain diversified financing channels. Explore and aim to adopt innovative financing tools. Company is now better poised to contribute to the Group's overall sustained and steady development.

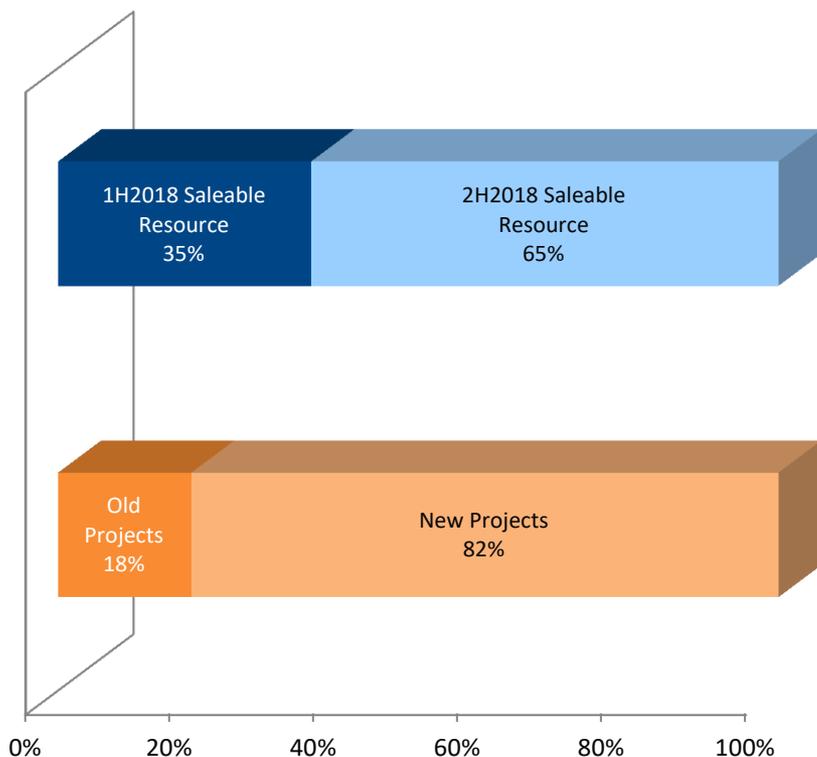
Talent Cultivation

Nurture new staff with a comprehensive internal training system, and retain employees with a generous incentive system and positive work atmosphere.

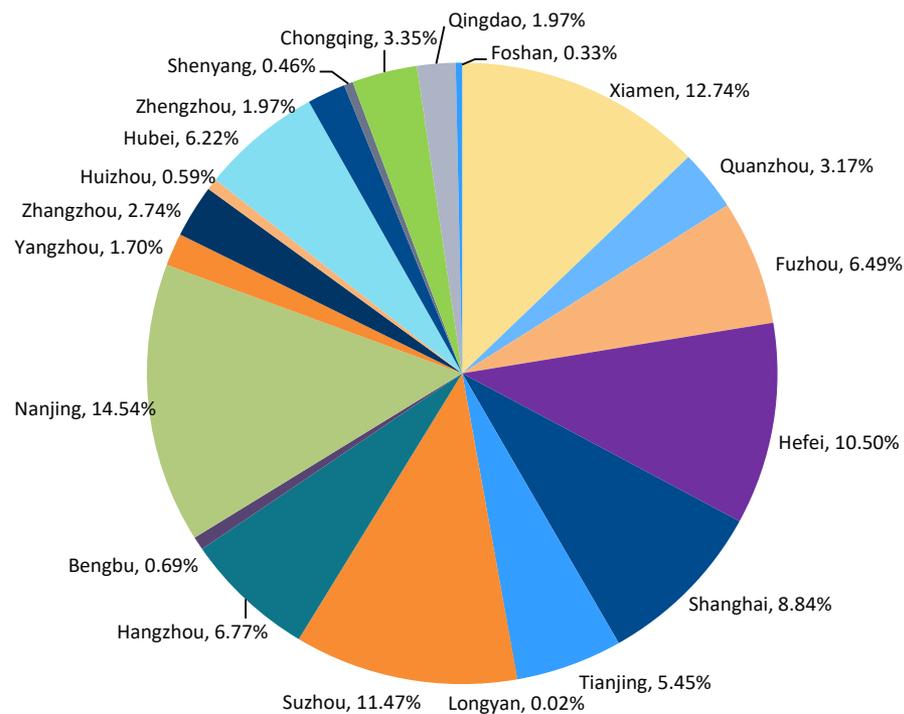


✓ Confident of achieving full year target of RMB60billion in contracted sales for 2018

2018 Total Saleable Resource Amounts to 92bn



2H2018 Accumulated Saleable Resource Amounts to 70.5bn and breakdown by City





Hangzhou Yuzhou Riverside Sapphire (杭州 禹洲·濱之江)



- Located in West Lake District, Hangzhou, Zhejiang, and being connected by Zhijiang Bridge and Zizhi tunnel with the main city. This project has convenient transportation and complete supporting facilities and is in the most livable urban area
- GFA: 298,733 sq.m.
- Unit size: 89 - 140 sq.m.
- Land cost: RMB 13,738/sq.m.
- ASP: ≈RMB 30,000/sq.m.

Shanghai Yuzhou Noble Mansion (上海 禹洲·雍賢府)



- The center of the south area of Qiantan, gifted with the largest wild wetlands/Central Park in Shanghai, and regarded as an oriental aesthetics masterpiece
- GFA: 174,826 sq.m.
- Unit size: 85 - 145 sq.m.
- Land cost: RMB 13,242/sq.m.
- ASP: ≈RMB 35,000/sq.m.

Nanjing Yuzhou Honor Galaxy (南京 禹洲·嘉蒼星島)



- Located in the core area of Tiexin bridge communities, Yuhuatai district, Nanjing. This project is a TOD urban complex above subway station in Nanjing main urban area with high-end residential buildings, commercial center and public facility
- GFA: 61,152 sq.m.
- Unit size: 89 - 129 sq.m.
- Land cost: RMB 11,610/sq.m.
- ASP: ≈RMB 35,000/sq.m.

Tianjin Yuzhou Joy Country (天津 禹洲·悅府)

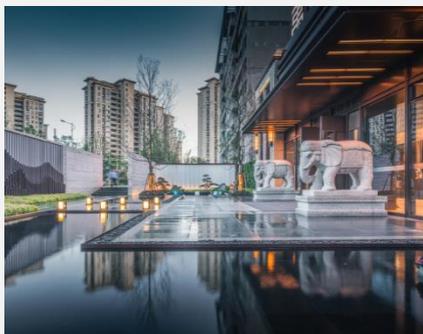


- Located in Tianjing Binhai New Area with complete supporting facilities including education, education, health care, recreation and other living facilities and landscape resources
- GFA: 76,296 sq.m.
- Unit size: 85 - 115 sq.m.
- Land cost: RMB 4,456/sq.m.
- ASP: ≈RMB 17,000/sq.m.



Key Projects in 2H2018

Suzhou Yuzhou Honor Hill (蘇州 禹洲·嘉譽山)



- Located in High-tech zoon, Suzhou, next to central ring express, north of Dayang hill ecopark, east of Suzhou Science & Technology Town (SSTT) . Complete surrounding facilities and shopping mall
- GFA: 221,847 sq.m.
- Unit size: 99 - 107 sq.m.
- Land cost: RMB 8,866/sq.m.
- ASP: ≈RMB 20,000/sq.m.

Wuhan Taizi Lake Project (武漢 太子湖項目)



- Located in Wuhan's economic and technological development zone, on the Jiangcheng and Taizi North Roads. Supporting facilities include a well-developed shopping mall. Taizi Lake and golf courses.
- GFA: 598,179 sq.m.
- Unit size: 95 - 165 sq.m.
- Land cost: RMB 6,000/sq.m.
- ASP: ≈RMB 20,000/sq.m.

Hefei Yuzhou Sky Aqua Mall (合肥 禹洲·天河茂)



- Located in the core area among Yaohai, Xinzhan and Luyang district. The location advantage and surrounding facilities are unparalleled. Yuhzhou updated the high-rise product, which aim to build a high-end communities in Hefei
- GFA: 144,923 sq.m.
- Unit size: 90 - 122 sq.m.
- Land cost: RMB 4,830/sq.m.
- ASP: ≈RMB 14,800/sq.m.

Yangzhou Yuzhou Honor Glamour (揚州 禹洲·嘉譽風華)



- Located in the core area of Lingang harbour city , next to Jiulong Fengxi Lake and Yangzhou Zijing eco-center, north of Sports park with abundant education resources
- GFA: 174,100 sq.m.
- Unit size: 87 - 135 sq.m.
- Land cost: RMB 1,838/sq.m.
- ASP: ≈RMB 9,000/sq.m.



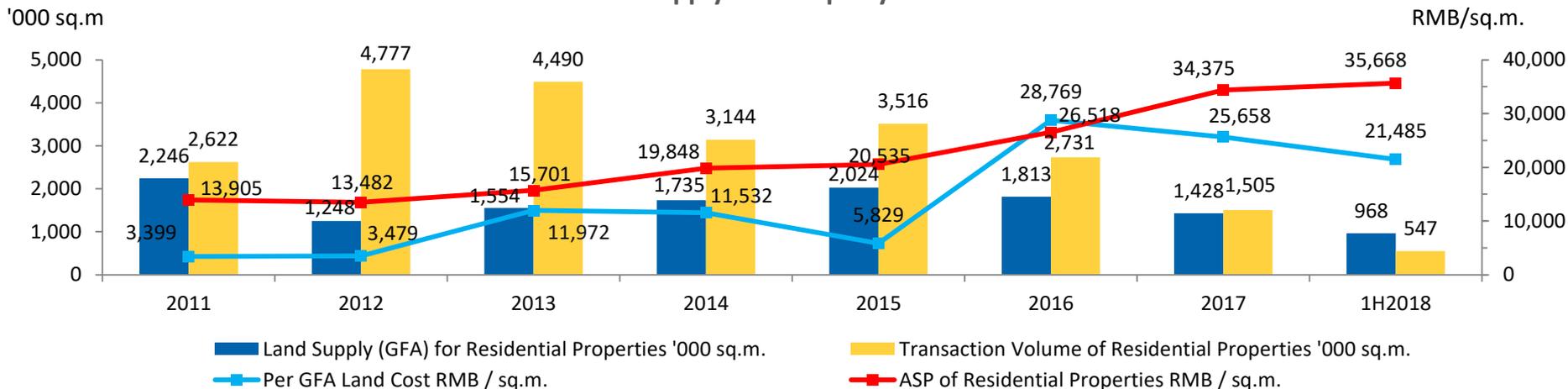
Yuzhou · Riviere Mansion

Appendix



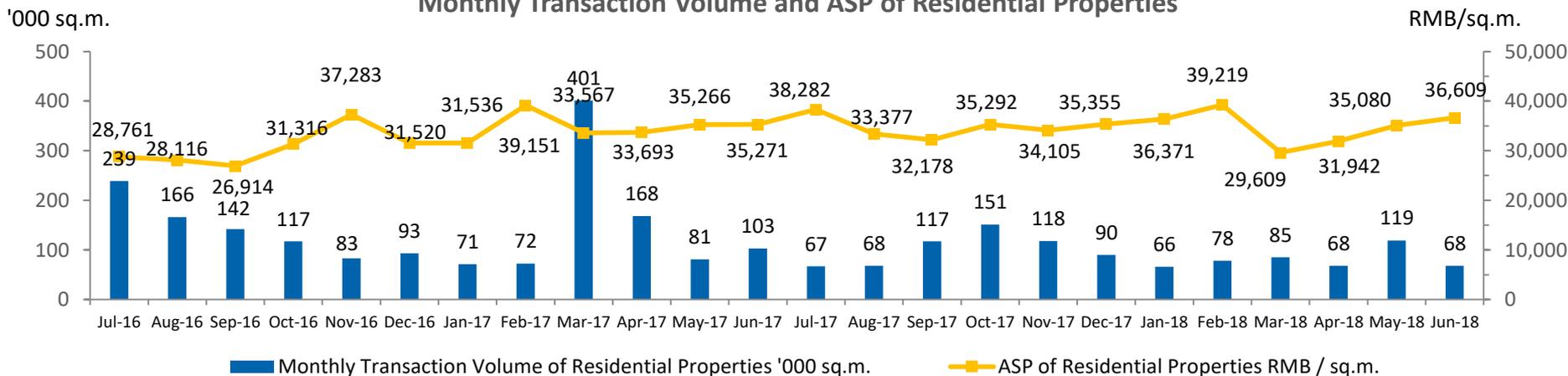
Xiamen Real Estate Market Overview

Residential Land Supply and Property Transactions – Xiamen



Source: CRIC, pure residential and commercial land obtained by bidding and auction in open market (excluding subsidized housing)

Monthly Transaction Volume and ASP of Residential Properties

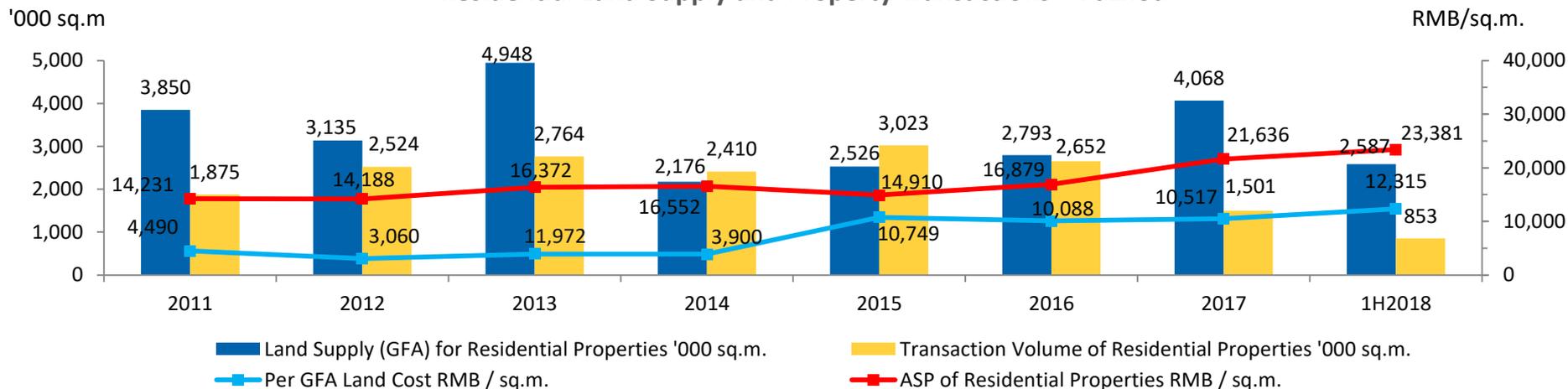


Source: CRIC, residential housing (excluding subsidized housing)



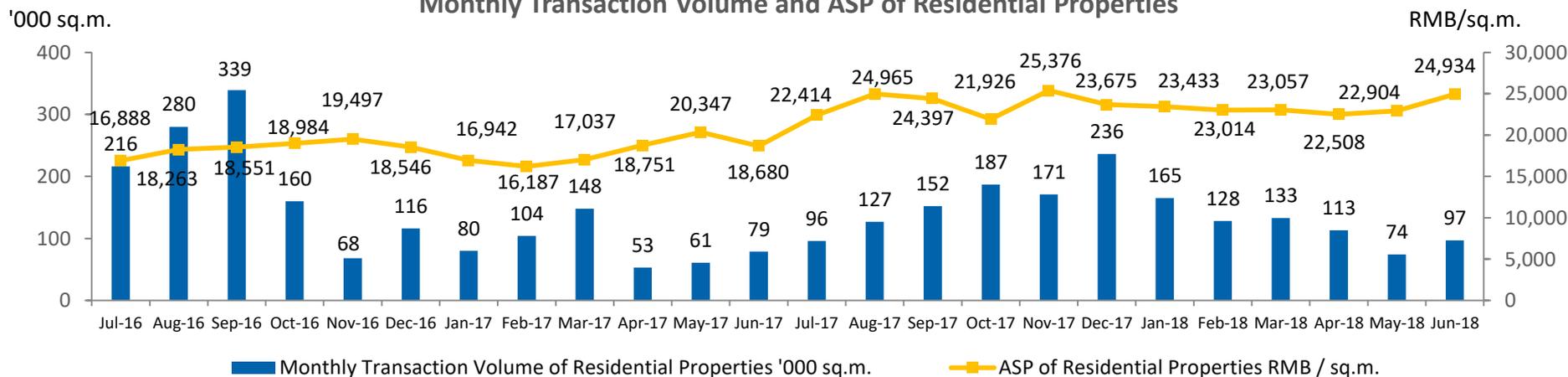
Fuzhou Real Estate Market Overview

Residential Land Supply and Property Transactions – Fuzhou



Source: CRIC, pure residential and commercial land obtained by bidding and auction in open market (excluding subsidized housing)

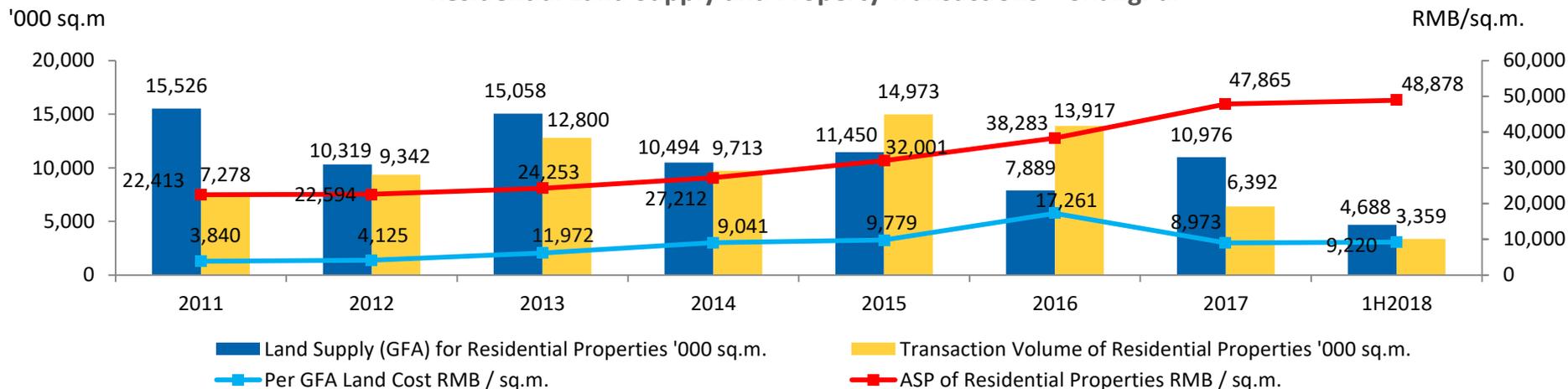
Monthly Transaction Volume and ASP of Residential Properties



Source: CRIC, residential housing (excluding subsidized housing)

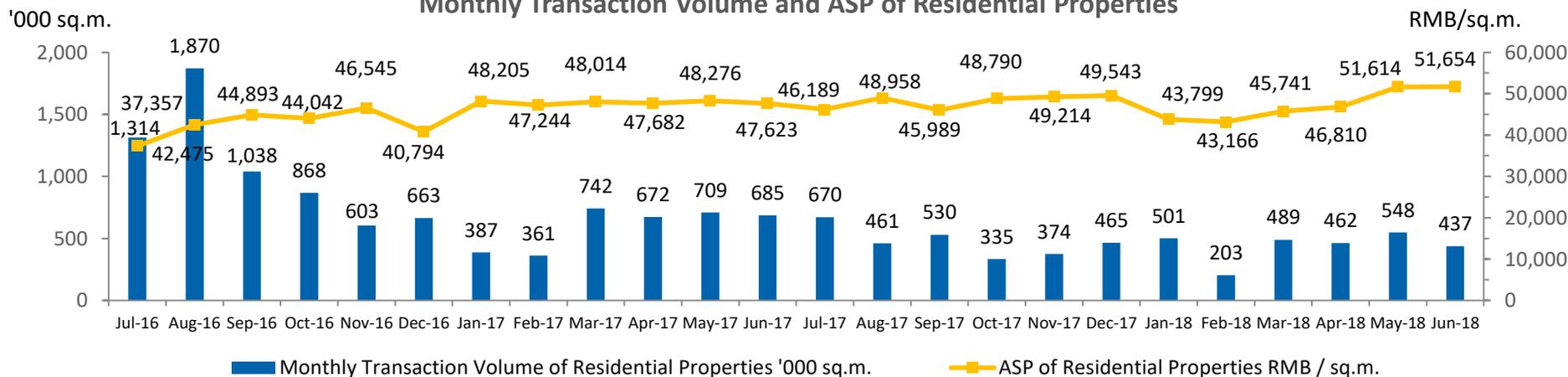


Residential Land Supply and Property Transactions – Shanghai



Source: CRIC, pure residential and commercial land obtained by bidding and auction in open market (excluding subsidized housing)

Monthly Transaction Volume and ASP of Residential Properties

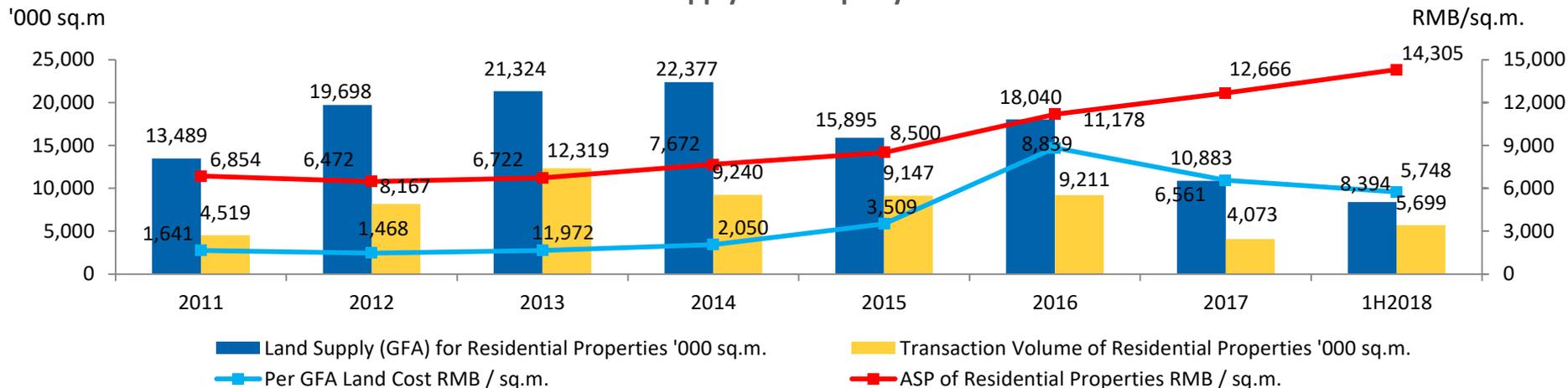


Source: CRIC, residential housing (excluding subsidized housing)



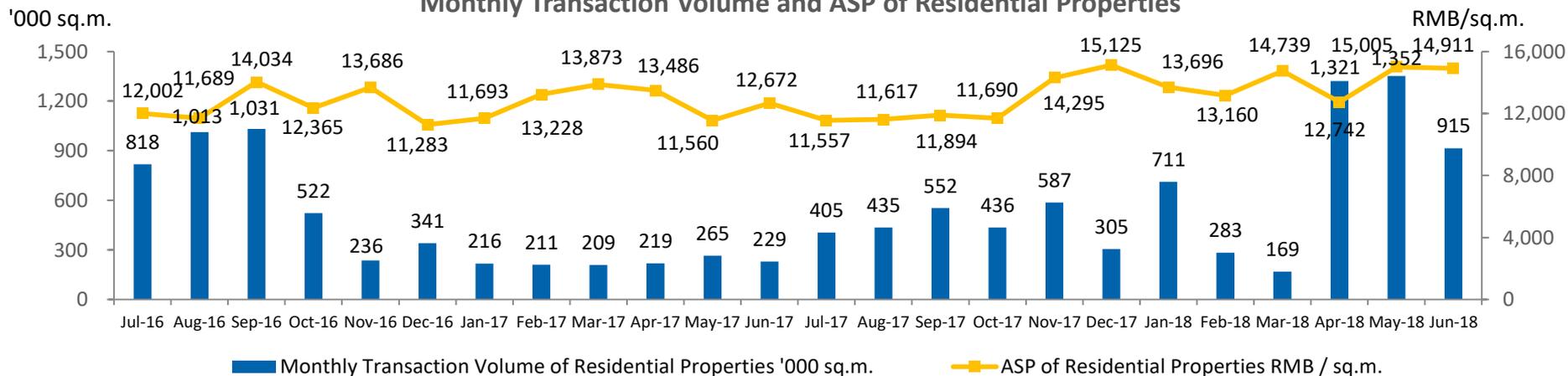
Hefei Real Estate Market Overview

Residential Land Supply and Property Transactions – Hefei



Source: CRIC, pure residential and commercial land obtained by bidding and auction in open market (excluding subsidized housing)

Monthly Transaction Volume and ASP of Residential Properties

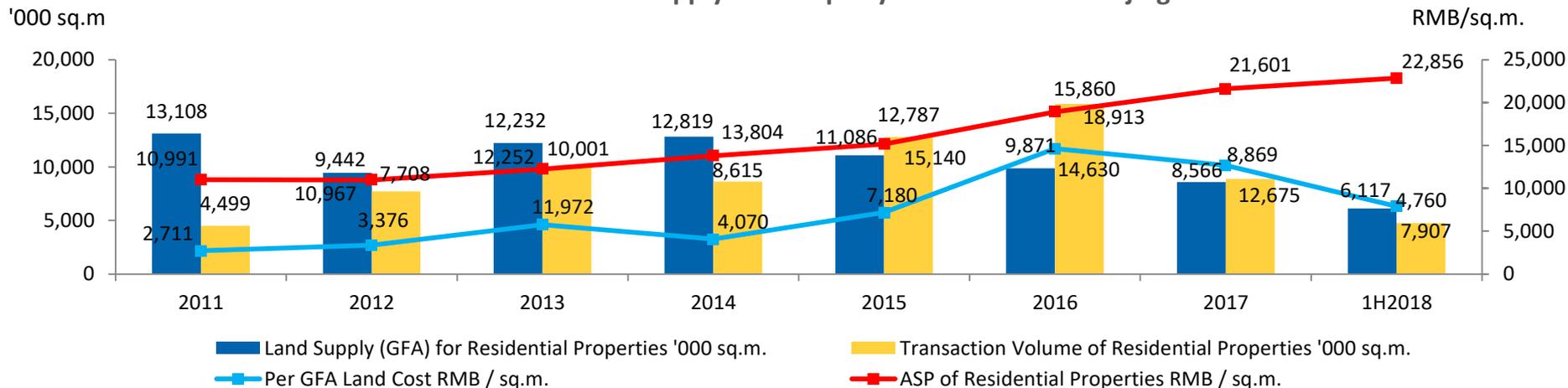


Source: CRIC, residential housing (excluding subsidized housing)



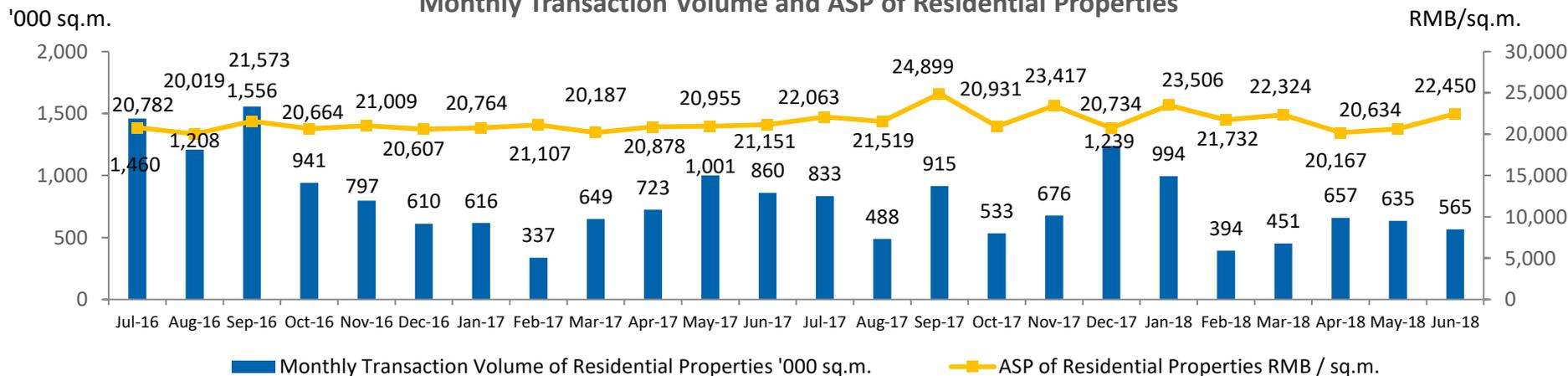
Nanjing Real Estate Market Overview

Residential Land Supply and Property Transactions – Nanjing



Source: CRIC, pure residential and commercial land obtained by bidding and auction in open market (excluding subsidized housing)

Monthly Transaction Volume and ASP of Residential Properties

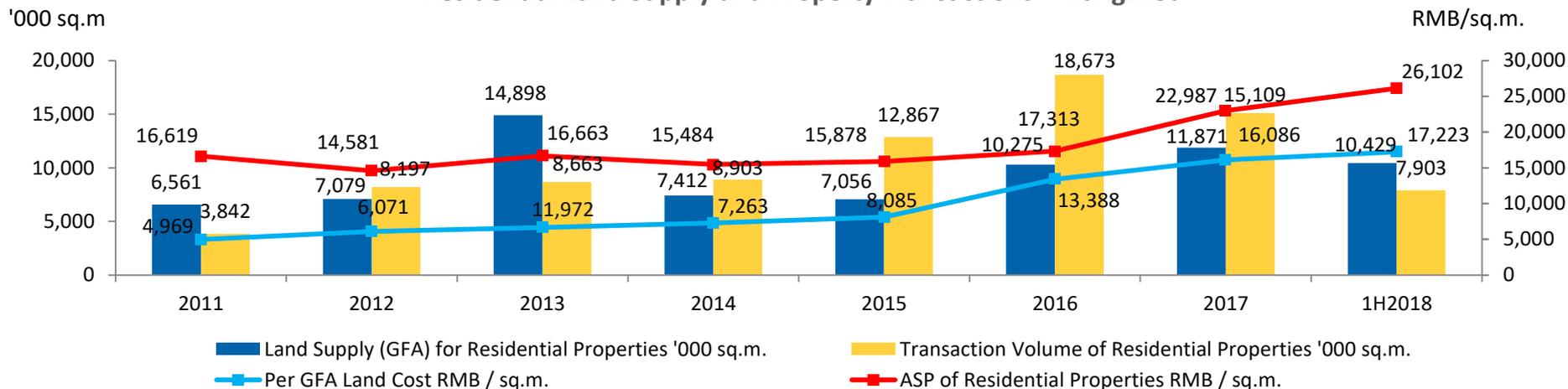


Source: CRIC, residential housing (excluding subsidized housing)



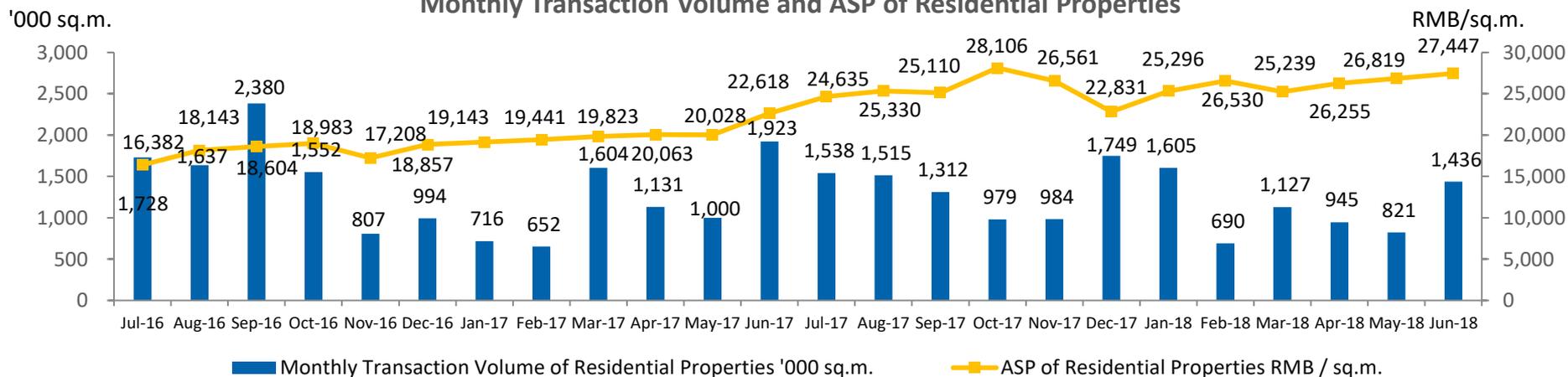
Hangzhou Real Estate Market Overview

Residential Land Supply and Property Transactions – Hangzhou



Source: CRIC, pure residential and commercial land obtained by bidding and auction in open market (excluding subsidized housing)

Monthly Transaction Volume and ASP of Residential Properties

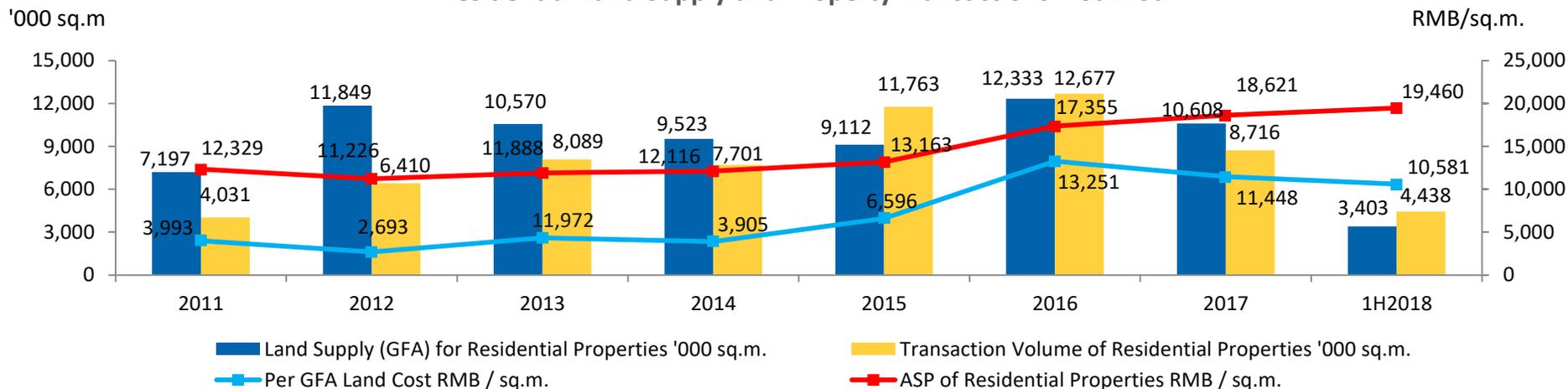


Source: CRIC, residential housing (excluding subsidized housing)



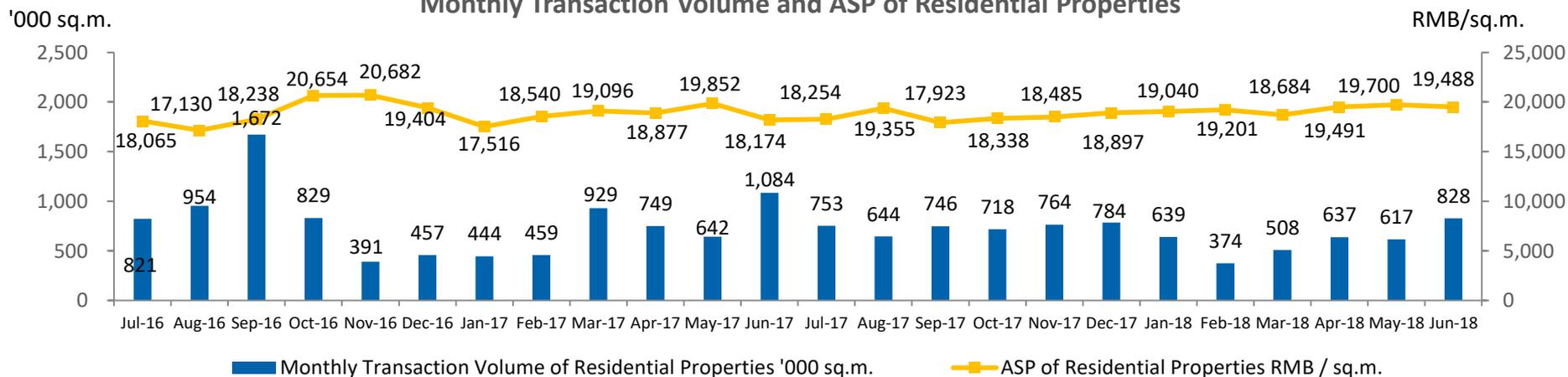
Suzhou Real Estate Market Overview

Residential Land Supply and Property Transactions – Suzhou



Source: CRIC, pure residential and commercial land obtained by bidding and auction in open market (excluding subsidized housing)

Monthly Transaction Volume and ASP of Residential Properties

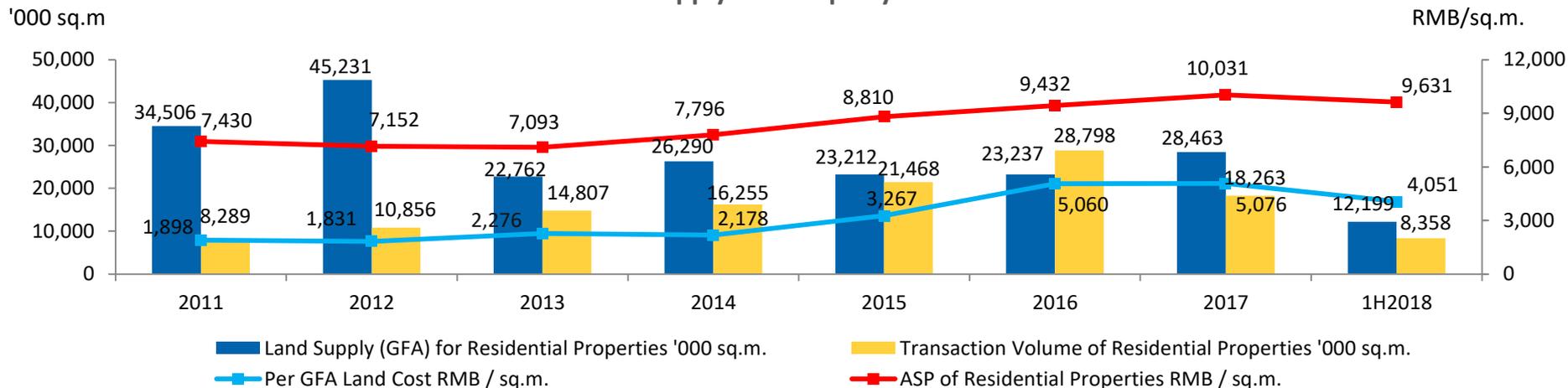


Source: CRIC, residential housing (excluding subsidized housing)



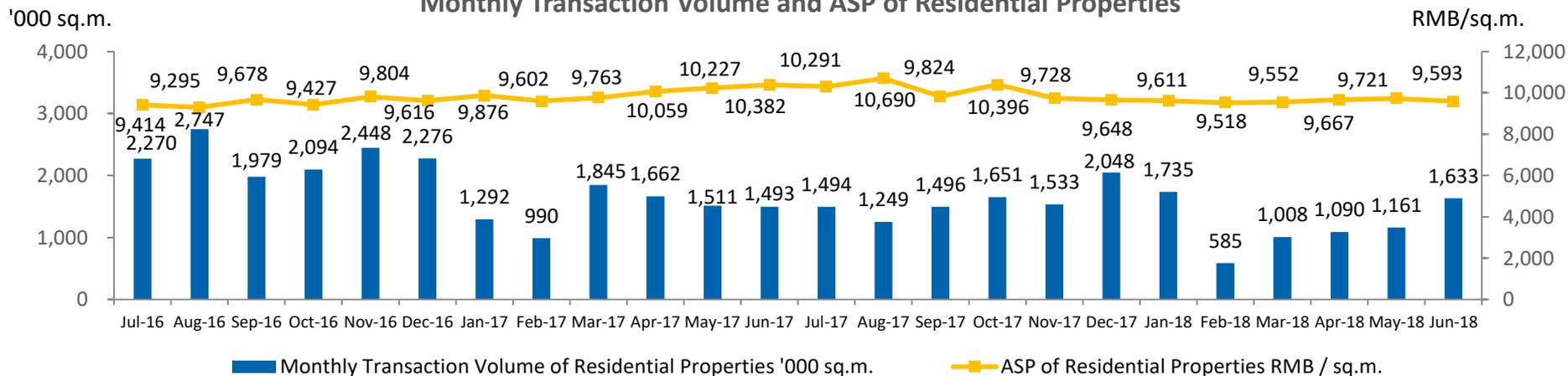
Wuhan Real Estate Market Overview

Residential Land Supply and Property Transactions – Wuhan



Source: CRIC, pure residential and commercial land obtained by bidding and auction in open market (excluding subsidized housing)

Monthly Transaction Volume and ASP of Residential Properties

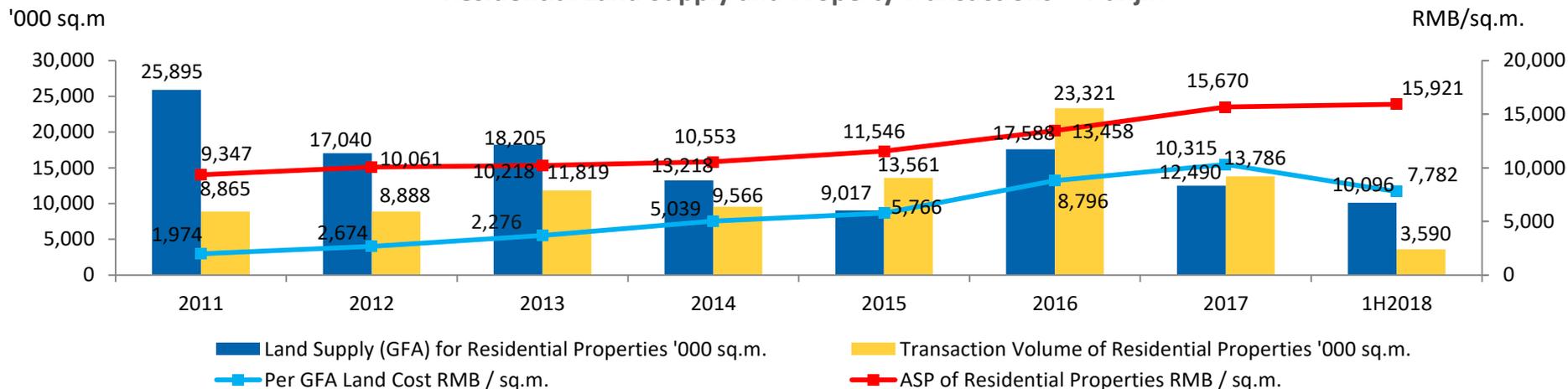


Source: CRIC, residential housing (excluding subsidized housing)



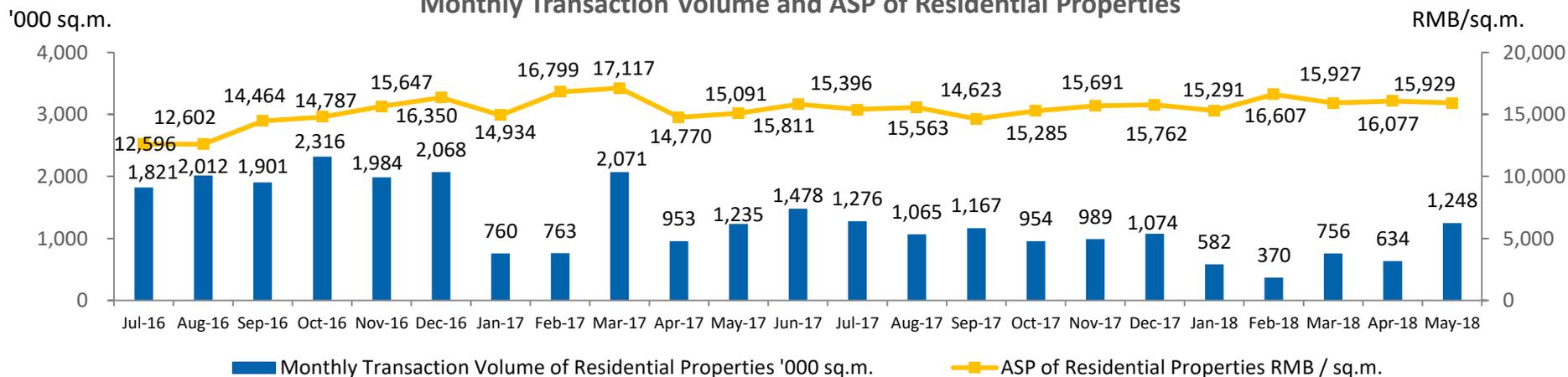
Tianjin Real Estate Market Overview

Residential Land Supply and Property Transactions – Tianjin



Source: CRIC, pure residential and commercial land obtained by bidding and auction in open market (excluding subsidized housing)

Monthly Transaction Volume and ASP of Residential Properties

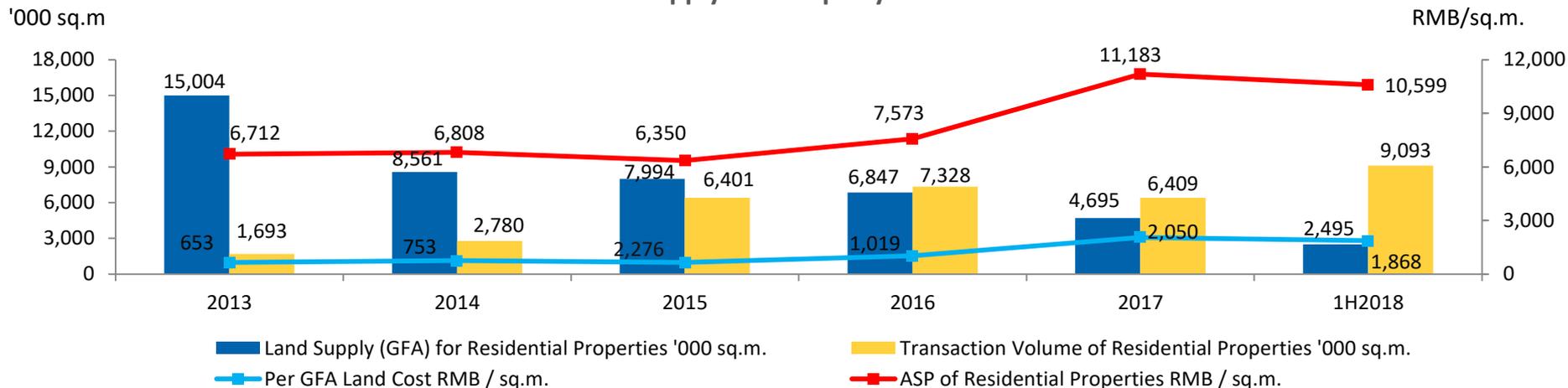


Source: CRIC, residential housing (excluding subsidized housing)



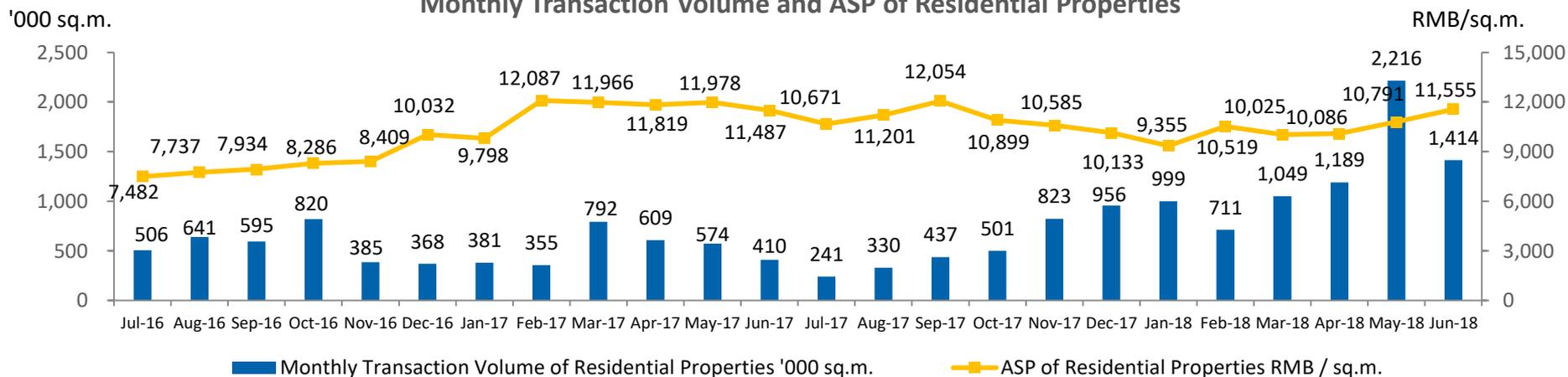
Huizhou Real Estate Market Overview

Residential Land Supply and Property Transactions – Huizhou



Source: CRIC, pure residential and commercial land obtained by bidding and auction in open market (excluding subsidized housing)

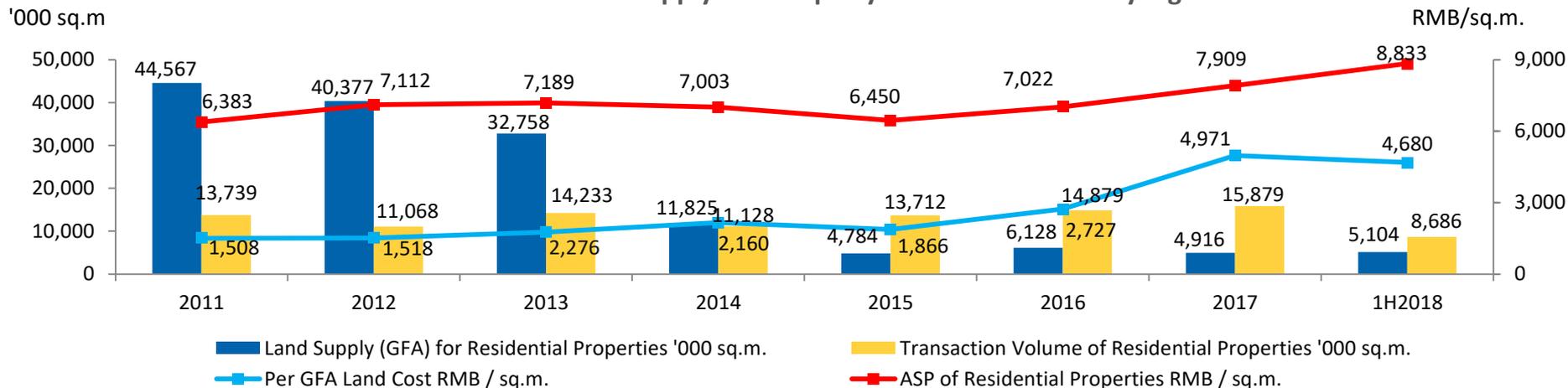
Monthly Transaction Volume and ASP of Residential Properties



Source: CRIC, residential housing (excluding subsidized housing)

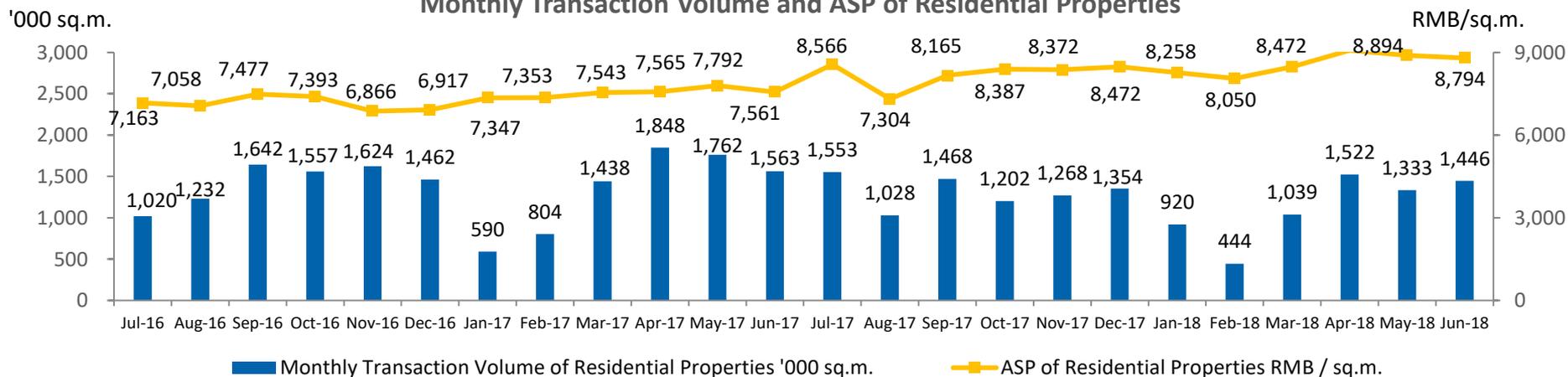


Residential Land Supply and Property Transactions – Shenyang



Source: CRIC, pure residential and commercial land obtained by bidding and auction in open market (excluding subsidized housing)

Monthly Transaction Volume and ASP of Residential Properties



Source: CRIC, residential housing (excluding subsidized housing)



1H2018 Key Financials

	1H2018	1H2017	Changes
Revenue (RMB'000)	9,242,624	7,246,747	+27.54%
Gross profit (RMB'000)	2,914,092	2,387,975	+22.03%
Gross profit margin (%)	31.53%	32.95%	-1.42pp
Core profit (RMB'000)	1,158,064	919,831	+25.90%
Core profit margin (%)	12.53%	12.69%	-0.16pp
EPS (RMB fen/share)	30.55	20.57	+48.52%
CEPS (RMB fen/share)	27.67	24.09	+14.86%



1H2018 Key Financials (Cont'd)

<i>(RMB'000)</i>	As at 30 Jun 2018	As at 31 Dec 2017	Changes
Total assets	103,728,142	79,904,817	+29.81%
Total liabilities	85,525,838	62,461,581	+36.93%
Total equity	18,202,304	17,443,236	+4.35%
Total cash	25,087,294	17,498,208	+43.37%
Total debt	36,547,535	27,567,486	+32.57%
Net debt	11,460,241	10,069,278	+13.81%
Net gearing ratio (%)	62.96% (including senior perpetual securities 82.09%)	57.73% (including senior perpetual securities 77.14%)	+5.23pp

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