

## SALES OVERVIEW

In January of 2017, Aoyuan recorded contracted sales totaling approximately RMB1.69 billion, with contracted gross floor area (GFA) sold amounting to approximately 169,000 sq.m., representing y-o-y increases of approximately 12% and 5% respectively.

### Contracted Sales in January 2017:

Project	Contracted Sales (RMB million)	Contracted GFA Sold (sq.m.)	Average Selling Price (RMB/sq.m.)
Guangzhou Aoyuan International Center	830	63,800	13,014
Foshan Aoyuan Prime Palace	86	3,100	27,926
Bengbu Aoyuan Hanlin Huafu	81	11,900	6,784
Chongqing Aoyuan Beyond Era	68	11,600	5,862
Zhuhai Aoyuan Plaza	66	4,600	14,228
Guangzhou Luogang Aoyuan Plaza	60	3,100	19,016
Chongqing Aoyuan City Plaza	53	5,700	9,340
Aoyuan Shaoguan Lingnan Impression	38	6,400	5,916
Chengdu Chenghua Aoyuan Plaza	37	2,400	15,696
Chongqing Aoyuan Panlong Yihao	36	4,500	8,132
Others	333	51,700	6,441
<b>Total</b>	<b>1,688</b>	<b>168,800</b>	<b>10,003</b>

## COMPANY NEWS

### **Aoyuan Became the first Asian Issuer to Tap the Dollar Bond Market in 2017 with the Successful Issuance of US\$250 million 6.35% Senior Notes at Par Due 2020**

On 4 Jan, Aoyuan announced that the Company successfully issued US\$250 million 6.35% Senior Notes at par due 2020.

The estimated net proceeds of the Notes (after deducting the underwriting commission and other expenses incurred in the Notes Issue) will amount to approximately US\$244.5 million. The Company intends to use the proceeds to refinance its existing indebtedness and for general working capital purposes. AMTD Asset Management, BofA Merrill Lynch, China Merchants Securities (HK), Deutsche Bank, Guotai Junan International, Haitong International, SC Lowy and UBS are the joint lead managers and the joint bookrunners of the Notes Issue.

Aoyuan's management commented, "The issuance of the Notes has again been well-received by the capital markets and was 8 times oversubscribed, which will help lower our borrowing costs and further optimize our debt structure. As a result of rapid sales growth, disciplined land acquisitions and a healthy financial profile, the credit rating outlook of Aoyuan has been upgraded to 'Positive' by three major international rating agencies, namely Moody's, S&P and Fitch, during the year. Recently Fitch has further upgraded the Company's long-term corporate credit rating to 'BB-', which reaffirmed the wide recognition and confidence by capital markets and the public.

### **Aoyuan Secures HK\$1.5 billion Three-year Club Loan**

On 26 Jan, Aoyuan announced that the Company has signed a three-year US dollar/Hong Kong dollar dual currency club loan facility agreement amounting to approximately HK\$1.5 billion with Bank of East Asia, Chiyou Banking Corporation, Chong Hing Bank, Hang Seng Bank, Nanyang Commercial Bank and Wing Lung Bank.

The loan agreement will bear interest at the rate of LIBOR/HIBOR plus 4.5% per annum. Substantially all of the proceeds will be used for refinancing the Company's existing debts, and the remaining amount will be used for general working capital.

Aoyuan's management commented, "This loan facility reaffirms the banks' confidence in Aoyuan, and it helps to further lower the borrowing cost and optimize the debt structure. Aoyuan will continue to strive for robust business growth, while maintaining its prudent financial management and diversifying its onshore and offshore financing channels, so as to deliver satisfactory returns to our shareholders and investors."

### **Aoyuan Acquires Projects in Zhuhai, Guangdong, and Yangzhou, Jiangsu**

On 16 Jan, Aoyuan has acquired a quality commercial and residential land parcel in Yangzhou of Jiangsu for a total consideration of approximately RMB1.29 billion through land auction, as well as a 60% equity interest of a quality commercial project in Zhuhai of Guangdong for a total consideration of RMB830 million.

The Yangzhou project has a total GFA of approximately 300,000 sq. m., representing an average land cost of approximately RMB4,318 per sq. m. Well located in Hanjiang District, Yangzhou, the project is in close proximity to Slender West Lake, a UNESCO World Cultural Heritage site and a national 5A tourism site. It enjoys convenient access to transportation as well as comprehensive amenities. Yangzhou, located in the east of Nanjing, is a major city in the Yangtze River Delta metropolitan region with a long history and rich tourism resources. In recent years, Yangzhou's economy has seen robust growth which is driven by the development of High-tech and modern services industry.

The Zhuhai project has a total GFA of approximately 206,000 sq.m., representing an average land cost of approximately RMB4,054 per sq. m. Located at the Zhuhai Bonded Area, the project is in close proximity to the Zhuhai Hengqin Free Trade Zone and Shizimen Central Business District. Following the development of the Hengqin Free Trade Zone and Shizimen Central Business District as well as the completion of the Hong Kong-Zhuhai-Macao Bridge, the Zhuhai Bonded Area enjoys immense development potential.

## COMPANY NEWS

### **Aoyuan Completes 151% of 2016 Full-year Target with Contracted Sales of RMB25.6 Billion**

On 3 Jan, Aoyuan announced that the Company recorded 2016 contracted sales of approximately RMB25.6 billion with a y-o-y increase of approximately 69%, and achieved approximately 151% of its full year target.

In 2016, Aoyuan has made significant achievements in business expansion. A number of projects achieved excellent performance with each over RMB1 billion contracted sales recorded. During the year, Aoyuan replenished quality projects in Guangzhou and Foshan, etc., and also established footprints in new cities, including Shenzhen, Chengdu and Ningbo. Aoyuan has optimized its strategic land bank in the Pearl River Delta Region as well as first-tier and second-tier cities, laying solid foundation for further business expansion.

Aoyuan's management commented, "Aoyuan maintained its robust growth momentum in contracted sales throughout 2016 and achieved an approximately fivefold increase since 2012. Looking forward to 2017, Aoyuan will maintain its growth at a rate above industry average while maintaining its steady land acquisition strategy and prudent financial management."

## LAND BANK

As of 30 June 2016, Aoyuan had 61 projects with a total land bank of 13.76m sqm. of GFA located in Pearl River Delta, Core region of Central and Western China, Yangtze River Delta, Beibuwan and Bohai Rim in China and Sydney of Australia. Of the total land bank, 5.35 million sq.m. were properties under development, 1.83 million sq.m. were completed properties and the remaining 6.59 million sq.m. were held for future development. The current reserve will be sufficient to meet Aoyuan's development needs in over 5 years.

For details on the Aoyuan's land bank, please click on the following link:

<http://www.aoyuan.com.cn/siteen/asp/ProjectSingle.aspx>

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