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中國奧園地產集團股份有限公司
China Aoyuan Property Group Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 3883)

VOLUNTARY ANNOUNCEMENT
ACQUISITION OF LAND USE RIGHTS

The Board is pleased to announce that the Purchaser acquired the Lands through public auction at a total consideration of RMB746,250,000 (equivalent to approximately HK\$928,000,000) on 29 November 2012.

The Land and the auction sale by Listing

The Lands were put up for auction sale by listing by Zhuzhou City Land and Mining Market Exchange Centre. On 31 December 2012, the Purchaser entered into the Land Use Rights Transfer Contracts with the Vendor. To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, Zhuzhou City Land and Mining Market Exchange Centre and the Vendor are Independent Third Parties.

The Lands are situated at the south side of Tai Shan Road, Tian Yuan District, Zhuzhou City, Hunan Province, the PRC (中國湖南省株洲市天元區泰山路南側), with a total site area of approximately 151,403 sq. m. and the plot ratio of less than 2.5 for residential use and less than 3.7 for commercial use. The Lands are designated with a site area of approximately 46,876 sq.m. for commercial use and a site area of approximately 104,526 for residential use. The Land Use Rights for commercial use shall last for 40 years and for residential use shall last for 70 years.

The total consideration for the Acquisition is in the sum of RMB746,250,000 (equivalent to approximately HK\$928,000,000), of which RMB320,000,000 (equivalent to approximately HK\$398,000,000) has been paid by the Purchaser, RMB180,000,000 (equivalent to approximately HK\$224,000,000) shall be paid by the Purchaser on or before 30 April 2013 and the remaining RMB246,250,000 (equivalent to approximately HK\$306,000,000) shall be paid by 29 November 2013. Since the Purchaser is indirectly owned as to 60% by the Company, the Group shall pay 60% of the total consideration in the sum of RMB447,750,000 (equivalent to approximately HK\$556,800,000) at the respective due dates. The consideration of the Acquisition will be funded by internal resources of the Group.

Reasons for, and benefits of, the Acquisition

The principal activities of the Group comprise property development and property investment in the PRC.

The Land situated in a prime location in Zhuzhou City. The Board considers that the Acquisition complements the Group's strategy in expanding its development in Hunan Province, the PRC.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Acquisition”	the acquisition of the Land Use Rights by the Purchaser;
“Board”	the board of Directors of the Company;
“Company”	China Aoyuan Group Property Limited (中國奧園地產集團股份有限公司), a company incorporated under the laws of the Cayman Islands, the shares of which are listed on the Stock Exchange (stock code: 3883);
“Directors”	directors of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Independent Third Party(ies)”	a party(ies) who is/are not connected person(s) (as defined in the Listing Rules) of the Company and who together with its/their beneficial owner(s) are independent to the Company and to the connected persons (as defined in the Listing Rules) of the Company;
“Lands”	three parcels of land with a total site area of approximately 151,403 sq. m. situated at the south side of Tai Shan Road, Tian Yuan District, Zhuzhou City, Hunan Province, the PRC* (中國湖南省株州市天元區泰山路南側);
“Land Use Rights”	the land use rights in relation to the Lands;
“Land Use Rights Transfer Contracts”	three contracts for the Acquisition entered into between the Purchaser and the Vendor all dated 31 December 2012;
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	The People's Republic of China;

“Purchaser”	株州奧園房地產開發有限公司 (in English, for identification purpose only, Zhuzhou Aoyuan Property Development Company Limited), a company incorporated under the laws of the PRC and indirectly owned as to 60% by the Company and 40% by Independent Third Parties;
“RMB”	Renminbi, the lawful currency of the PRC;
“sq. m.”	square meters;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Vendor”	中華人民共和國湖南省株洲市國土資源局 (in English, for identification purpose only, Zhuzhou City Land Resources Bureau, Hunan Province, the PRC); and
“Zhuzhou City Land and Mining Market Exchange Centre”	株州市土地礦產市場交易管理中心 (in English, for identification purpose only, Zhuzhou City Land and Mining Market Exchange Center).

By order of the Board
China Aoyuan Property Group Limited
Guo Zi Wen
Chairman

Hong Kong, 3 January 2013

As at the date of this announcement, the executive directors of the Company are Mr. Guo Zi Wen, Mr. Guo Zi Ning, Mr. Yang Zhong and, Ms. Xin Zhu; the non-executive directors of the Company are Mr. Wu Jie Si and Mr. Paul Steven Wolansky; and the independent non-executive directors of the Company are Mr. Ma Kwai Yuen, Mr. Song Xian Zhong, Mr. Tsui King Fai and Mr. Cheung Kwok Keung.

For the purpose of this announcement, the translation of RMB into HK\$ is based on the exchange rate of RMB0.8043 = HK\$1.00, which was the closing middle point spot rate for HK\$ against RMB quoted by the Bank of China (Hong Kong) Limited on 2 January 2013.

* *The unofficial English transliterations or translations are for identification purposes only.*