



合生創展集團有限公司

HOPSON DEVELOPMENT HOLDINGS LIMITED

Hopson Announces 2014 Annual Results
Revenue Increased by 9% to HK\$17,045 million
Anchored in Residential Real Estate
Prudently Develop Commercial and Industrial Real Estate

Financial Highlights

For the year ended 31 December	2014 HK\$ million (Audited)	2013 HK\$ million (Audited)
Revenue	17,045	15,648
Profit attributable to shareholders	2,947	3,852
Underlying profit*	2,027	2,060
Basic earnings per share	1.313	2.100

*Excluding revaluation surplus and non-controlling interests

(31 March 2015 — Hong Kong) – Hopson Development Holdings Limited (“Hopson” or the “Company”, together with its subsidiaries, the “Group”; Stock code: 754) announced today its annual results for the year ended 31 December 2014.

In 2014, China’s property market entered into in-depth adjustment phase. Based on the development needs of the market, the Group gradually adjusted its development strategy, actively optimized product structure and created greater potential for generating value with a view to realizing our operating goals. While anchored in residential real estate, the Group also actively engaged in the development of commercial and industrial real estate in a prudent manner. During the period under review, the Group’s revenue was HK\$17,045 million, representing an increase of 9% compared to the year of 2013. Profit attributable to shareholders was HK\$2,947 million. Basic earnings per share amounted to HK\$1.313. Excluding the effect of the net of tax gain from investment property revaluation and the net of tax gain from investment property revaluation of a joint venture, underlying profit was HK\$2,027 million. The Board of Directors did not recommend the payment of any final dividend for the year ended 31 December 2014 (2013: nil).

Commenting on the annual results for 2014, Ms Chu Kut Yung, Executive Director & Deputy Chairman of Hopson said, “After nearly three years of in-depth adjustment for the real estate sector, much had changed in the market and business landscape. On the whole, supply and demand for the market was reaching equilibrium while some cities even witnessed excess of supply over demand. A shift in demographic composition led to a more stable number of main consumer group. A “New Norm” has likewise come into being for the real estate sector. Although the industry saw a rebound at the end of 2014, it is unlikely that the market will experience growth both in quantity and price as before.”

During the reporting period, GFA delivered was 735.2 thousand square meters in total. The average selling price for delivered properties was HK\$20,978 per square meter. The Group's strategy to optimize income structure and make the various sources of income balanced had been proven to be successful. Income from property development was HK\$15,674 million, income from property management was HK\$816 million, income from property investment and income from hotel operation were HK\$303 million and HK\$252 million respectively.

In 2014, the Group achieved contracted sales of approximately HK\$6,745 million and gross floor area sold of approximately 420,372 square meters. The average contracted selling price was HK\$16,045 per square meter. With Beijing, Shanghai and Guangzhou as the hubs, the Group has established an integrated business turf encompassing the three core economic zones in Huanbohai, Yangtze River Delta and Pearl River Delta. The Group has been committed to optimizing the product structure and ancillary facilities of residential property business while on the other hand, actively engaging in the development of commercial and industrial real estate in a prudent manner in order to gradually develop a versatile development strategy of the Group which encompasses residential, commercial and industrial property businesses.

During 2014, the commercial property business of the Group was in good shape. Office premises for investment and leasing purposes, including Hopson Zhujiang International Tower, Hopson Fortune Plaza, Hangzhou Hopson World Trade Centre and the integrated commercial premises in Kylin Xintiandi Community were almost fully leased.

As for land bank, the Group will unleash the potentials of our lands in the Bohai Economic Rim, the Yangtze River Delta and the Pearl River Delta, and explore potential markets, thereby strengthening the strategic deployment across the country. As at 31 December 2014, the Group had a land bank of 32.69 million square meters.

Looking ahead, Mr. Chu Mang Yee, Chairman of the Group concluded, "As the regulatory measures are further loosened regarding China's real estate sector, the sector will be more market oriented. In response, the Group will follow the guidance of the State's policies while adjusting itself to the market trends, so as to ensure good performance amid a new environment characterized by the "New Norm" control measures and market reform. With the maximization of shareholders' value as the ultimate goal, the Group will keep up an optimistic yet prudent attitude and fully utilize the advantages of our sound financial and operation strategy and diversified financing channels. Banking on our core assets, the Group will continue to improve its monitoring system, contrive new investment structure, establish brand equity, promote the transformation of corporate strategy and create the highest value for the society."

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