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## **越秀房地產投資信託基金**

**YUEXIU REAL ESTATE INVESTMENT TRUST**

*(A Hong Kong collective investment scheme authorised under section 104 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong))*  
**(Stock code: 00405)**

**Managed by**



## **越秀房託資產管理有限公司**

**YUEXIU REIT ASSET MANAGEMENT LIMITED**

### **ANNOUNCEMENT**

#### **(I) VERY SUBSTANTIAL ACQUISITION BY AND CONNECTED PARTY TRANSACTION OF YUEXIU REAL ESTATE INVESTMENT TRUST IN RESPECT OF GUANGZHOU INTERNATIONAL FINANCE CENTER**

#### **(II) COMPLETION OF PICC PLACEMENT**

Reference is made to: (a) the joint announcements of the REIT and Yuexiu Property dated 28 May 2012, 29 June 2012 and 8 October 2012; (b) the circular of the REIT dated 30 June 2012; (c) the announcement of the REIT dated 27 September 2012; and (d) the announcement of the REIT dated 15 November 2012.

On 15 November 2012, based the Investor's confirmation that all outstanding conditions to the modified PICC Placing Agreement had been fulfilled, the REIT Manager issued a notice to the Investor (in its capacity as agent acting for and on behalf of the Subscriber) confirming that the conditions to the modified PICC Placing Agreement had been fulfilled. On 19 November 2012, the placement of 117,479,000 PICC Placement Units to the Subscriber at an Issue Price of HK\$3.30 per Unit was completed.

The gross proceeds of the PICC Placement was approximately HK\$388 million, and the net proceeds (after deduction of the placing commission) is approximately HK\$380 million. As contemplated in the Launch Announcement and Completion Announcement, the entire net proceeds of the PICC Placement will be used to partially repay the amount drawn down under the New Bank Facility.

Reference is made to: (a) the joint announcements of Yuexiu Real Estate Investment Trust (the “**REIT**”) and Yuexiu Property Company Limited (“**Yuexiu Property**”) dated 28 May 2012 and 29 June 2012; (b) the circular of the REIT (the “**Circular**”) dated 30 June 2012; (c) the announcement of the REIT dated 27 September 2012 (the “**Launch Announcement**”); (d) the joint announcement of the REIT and Yuexiu Property dated 8 October 2012 (the “**Completion Announcement**”); and the announcement of the REIT dated 15 November 2012 (the “**PICC Announcement**”). Unless the context requires otherwise, terms used in this announcement shall have the same meaning as those defined in the PICC Announcement.

### **Completion of the PICC Placement**

On 15 November 2012, based on the Investor’s confirmation that all outstanding conditions to the modified PICC Placing Agreement had been fulfilled, the REIT Manager issued a notice to the Investor (in its capacity as agent acting for and on behalf of the Subscriber) confirming that the conditions to the modified PICC Placing Agreement had been fulfilled. On 19 November 2012, the placement of 117,479,000 PICC Placement Units to the Subscriber at an Issue Price of HK\$3.30 per Unit was completed.

The gross proceeds of the PICC Placement was approximately HK\$388 million, and the net proceeds (after deduction of the placing commission in relation to the PICC Placement) is approximately HK\$380 million. As contemplated in the Launch Announcement and Completion Announcement, the entire net proceeds of the PICC Placement will be used to partially repay the amount drawn down under the New Bank Facility. The REIT Manager expects to make the partial repayment of the New Bank Facility in the amount of at least HK\$380 million on or about 10 December 2012.

The REIT Manager confirms that the Subscriber has not become a significant holder (as defined in the REIT Code) of the REIT as at the date of this announcement.

## Changes to the Unitholding Structure

As at the date of this announcement, as far as the REIT Manager is aware, the holdings of Units after the completion of the PICC placement and the issuance of the Deferred Units is as follows

	As at the date of this announcement (before completion of the PICC Placement) (Note 5)		As at the date of this announcement (immediately after completion of the PICC Placement) (Note 5)			After issue of the Deferred Units (assuming that no additional Units are issued post -Completion other than Manager Fee Units issued pursuant to the Manager Fee Units Arrangement)		
	Total number of Units	% Unit-holding	Newly issued Units	Total number of Units	% Unit-holding	Newly issued Units	Total number of Units	% Unit-holding
Yuexiu Property (Note 1)	963,845,236	36.71%	—	963,845,236	35.14%	733,280,494	1,697,125,730	48.82%
Yue Xiu (Notes 2 and 3)	9,261,585	0.35%	—	9,261,585	0.34%	—	9,261,585	0.27%
Mr. Tang Shouchun (Note 4)	4,750	0.00%	—	4,750	0.00%	—	4,750	0.00%
Mr. Chen Zhihong (Note 4)	45,450	0.00%	—	45,450	0.00%	—	45,450	0.00%
Mr. Lee Ka Lun (Note 4)	2,625	0.00%	—	2,625	0.00%	—	2,625	0.00%
Mr. Li Feng (Note 4)	1,825	0.00%	—	1,825	0.00%	—	1,825	0.00%
<b>Subtotal</b>	<b>973,161,471</b>	<b>37.06%</b>	<b>—</b>	<b>973,161,471</b>	<b>35.48%</b>	<b>733,280,494</b>	<b>1,706,441,965</b>	<b>49.09%</b>
Existing Public Unitholders	677,403,270	25.80%	—	677,403,270	24.69%	—	677,403,270	19.49%
Unit Placement Unitholders								
- Placees	975,166,000	37.14%	—	975,166,000	35.55%	975,166,000	975,166,000	28.05%
- PICC	—	0.00%	117,479,000	117,479,000	4.28%	117,479,000	117,479,000	3.38%
<b>Subtotal</b>	<b>1,652,569,270</b>	<b>62.94%</b>	<b>117,479,000</b>	<b>1,770,048,270</b>	<b>64.52%</b>	<b>1,092,645,000</b>	<b>1,770,048,270</b>	<b>50.91%</b>
<b>Total</b>	<b>2,625,730,741</b>	<b>100.00%</b>	<b>117,479,000</b>	<b>2,743,209,741</b>	<b>100.00%</b>	<b>2,410,517,810</b>	<b>3,476,490,235</b>	<b>100.00%</b>

Note 1: The Units are held by Yuexiu Property indirectly (through its wholly-owned subsidiary).

Note 2: 100% of the issued share capital of Yue Xiu is owned by GZYX.

Note 3: The Units are held by Yue Xiu directly and indirectly (through its various wholly-owned subsidiaries).

Note 4: Mr. Tang Shouchun, Mr. Chen Zhihong, Mr. Lee Ka Lun and Mr. Li Feng are non-public Unitholders.

Note 5: Includes the Consideration Units and the Placement Units (pursuant to the Placing and Underwriting Agreement) issued on 8 October 2012.

## **Gearing Ratio**

Based on the information provided by the unaudited pro forma consolidated balance sheet of the REIT set out in Appendix 3 to the Circular, which is based on the Illustrative Financing Structure, the gearing ratio of the Enlarged Portfolio taking into consideration the New Bank Facility is expected to be approximately 33% as at 31 December 2011, reflecting certain permissible pro forma adjustments as at that date.

To reflect the latest valuation of the Enlarged Portfolio and the New Bank Facility, the REIT Manager considers that the calculation of gearing ratio can take into account: (a) the Appraised Value (being RMB15,370 million as at 31 March 2012) and a corresponding increase in the asset base of the Enlarged Portfolio; and (b) the Actual Financing Structure which supersedes the Illustrative Financing Structure upon which the unaudited pro forma consolidated balance sheet of the REIT was based. On this basis, the gearing ratio of the Enlarged Portfolio (taking into consideration the New Bank Facility, and the proposed use of the entire net proceeds of the PICC Placement to partially repay the same) will be approximately 34% following the partial repayment of the New Bank Facility.

## **Further Announcements**

A further announcement will be issued by the REIT Manager as soon as practicable after the completion accounts and the working capital statement have been finalised.

By order of the board of directors of  
**Yuexiu REIT Asset Management Limited**  
(as manager of Yuexiu Real Estate Investment Trust)  
**YU Tat Fung**  
*Company Secretary*

Hong Kong, 19 November 2012

*As at the date of this announcement, the REIT Manager Board comprises:*

*Executive Directors: Messrs. LIANG Ningguang (Chairman) and LIU Yongjie*

*Non-executive Director: Mr. LI Feng*

*Independent Non-executive Directors: Messrs. CHAN Chi On Derek, LEE Kwan Hung Eddie and CHAN Chi Fai Brian*