

2013 Interim Results Presentation

19 August 2013

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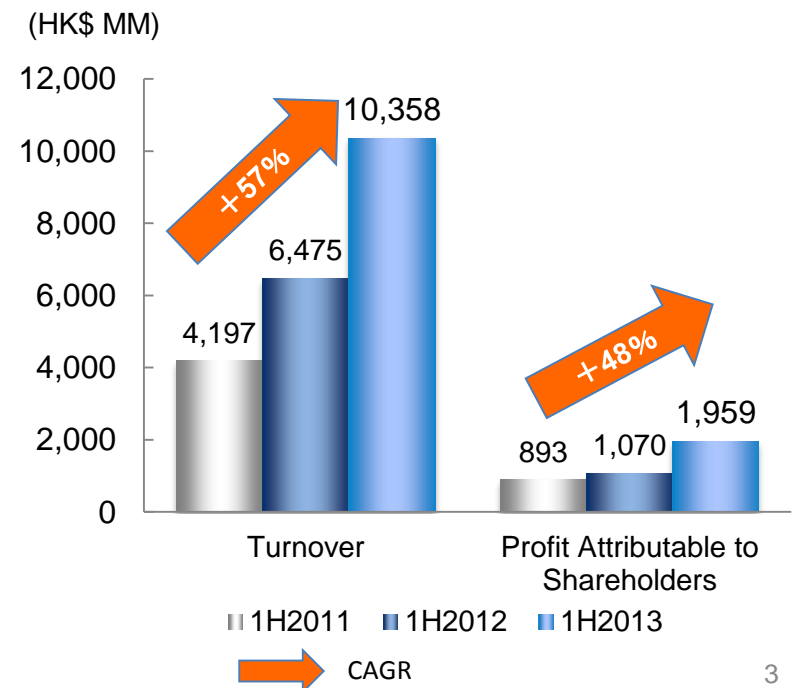
1. 2013 Interim Results

Turnover

- In 1H2013, the Group's unaudited turnover surged by 60% to HK\$10,358 million and profit attributable to shareholders increased by 83% to HK\$1,959 million compared with the corresponding period last year. Basic EPS rose 82% to HK54.07 cents, compared to the corresponding period last year

Consolidated Income	6 months ended 30 June 2013 (unaudited)			
		1H2013	1H2012	Change(%)
Turnover	(HK\$ million)	10,358	6,475	+60%
Profit Attributable to Shareholders	(HK\$ million)	1,959	1,070	+83%
Basic EPS	HK cents	54.07	29.65	+82%

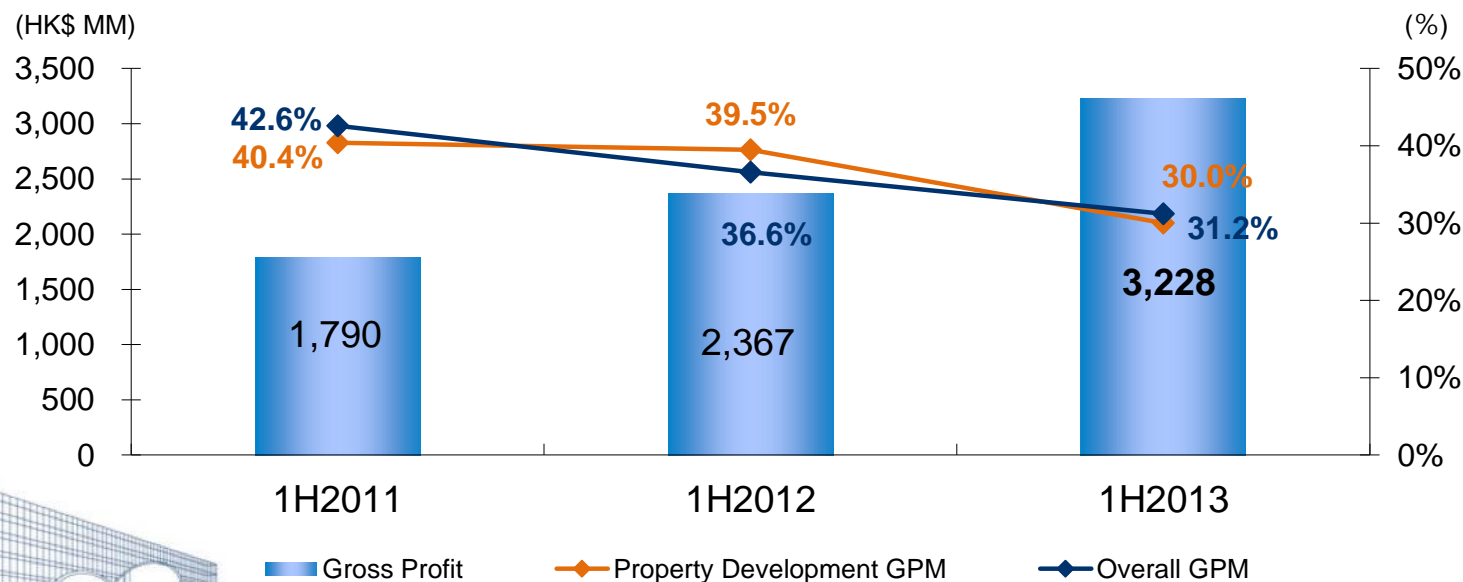
Turnover and Profit



Gross Profit and Gross Profit Margin

- The overall gross profit was HK\$3,228 million, representing an increase of 36.4% from the corresponding period in 2012
- Overall gross profit margin was 31.2%; the gross profit margin from property development was about 30%

Gross Profit Margin of Overall Business and Property Development

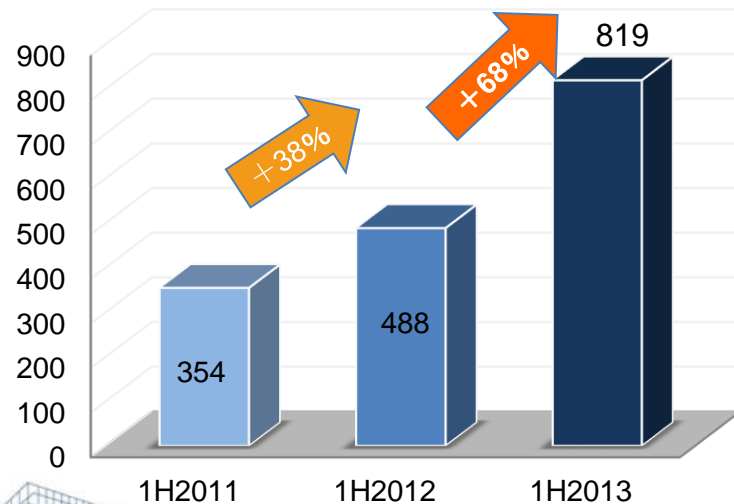


Recognised Area Sold and Sales - Property Development

- The surge in turnover was led by a significant increase in recognised area sold in 1H2013
- Recognised area sold reached 819,100 sq.m. and recognised contracted sales amounted to RMB8,280 million, up 68% and 62% respectively compared with the corresponding period last year. Recognised average selling price slipped 4% to about RMB 10,109/sq.m.

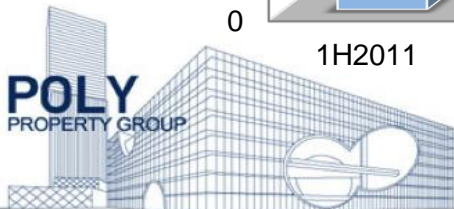
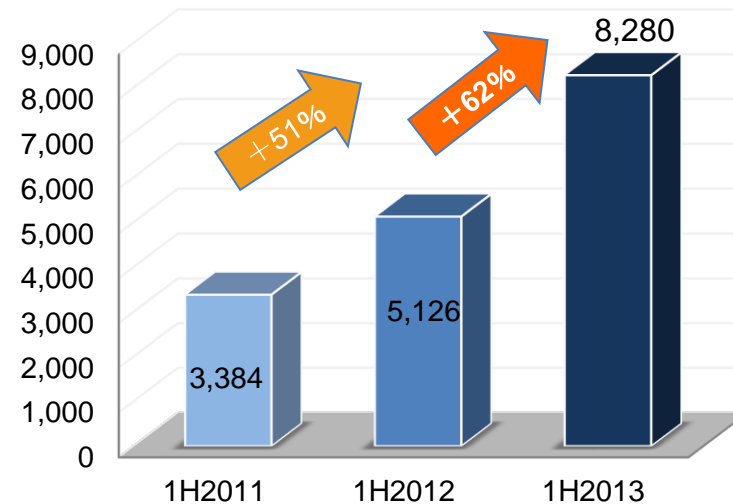
Recognised Area Sold

('000 sq.m.)



Recognised Sales

(RMB MM)

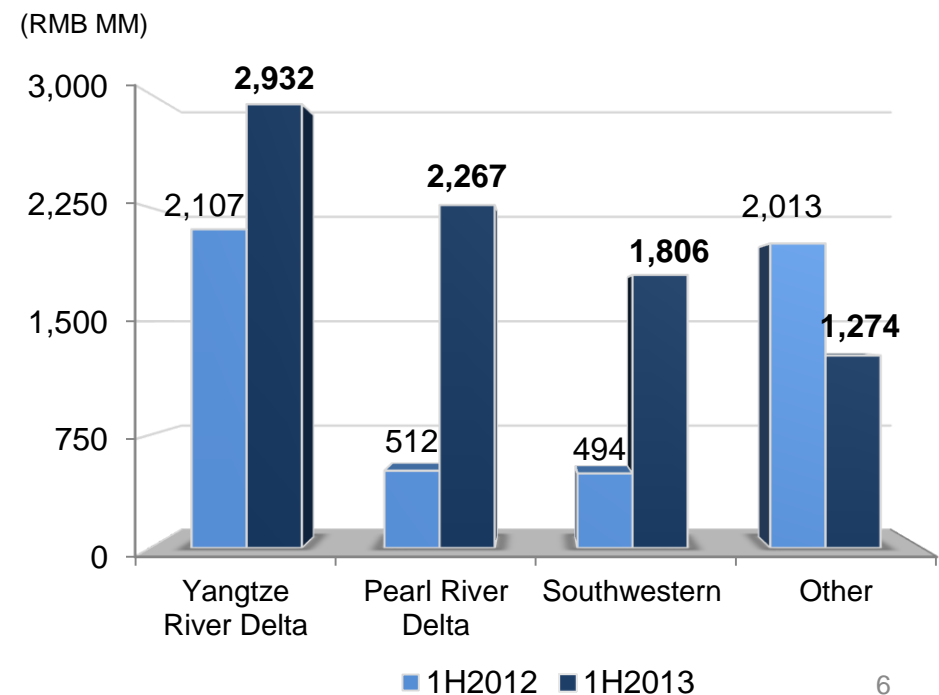
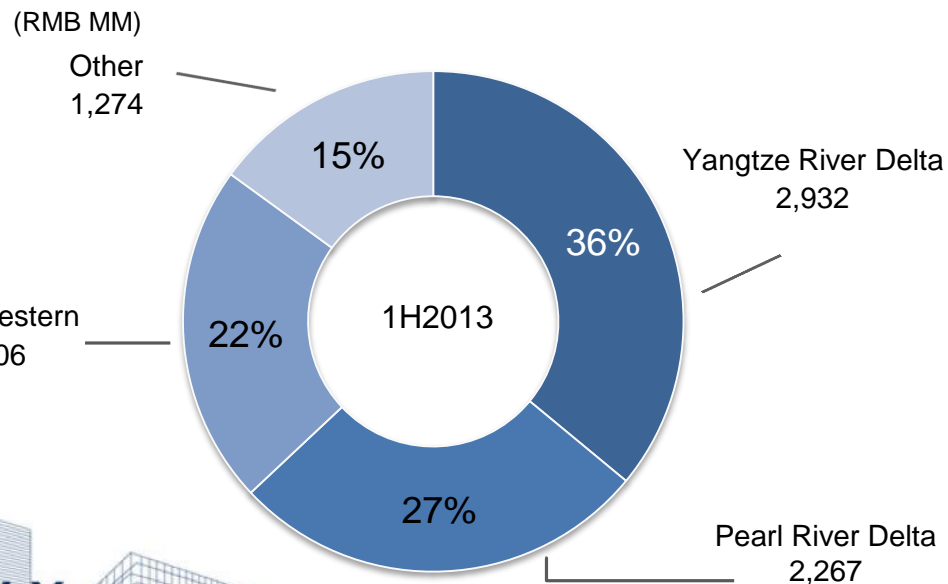


Turnover Breakdown - Property Development

- Of the RMB8,280 million booked contracted sales from property development, the Yangtze River Delta region accounted for 35%, the Pearl River Delta region 27%, the southwestern region 22% and other regions 15%

Turnover from Property Development by Geographical Presence

turnover from Property Development by Geographical Presence: YoY Comparison

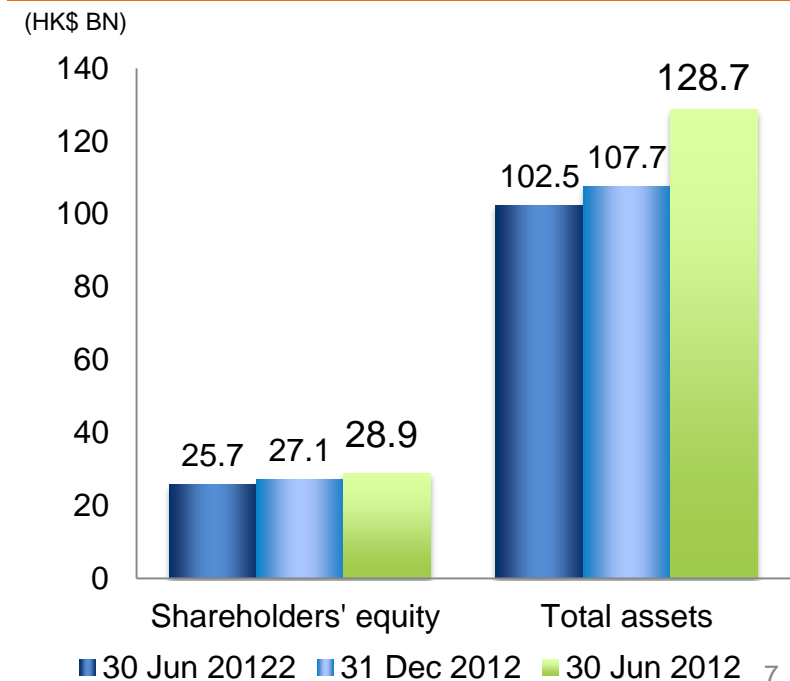


Assets and Liabilities

- Total assets grew 20% to HK\$128.7 billion as at 30 June 2013, compared to HK\$107.7 billion as at the end of 2012. Cash on hand increased 62% to HK\$24.7 billion compared to the beginning of the year. Net asset value per share also increased from HK\$7.5 to HK\$7.9. The Group's net gearing ratio has improved further from 94% as at the end of 2012 to 92%

		30 June 2013	31 Dec 2012	Change (%)
Cash	(HK\$ bn)	24.7	15.3	+62%
Total assets	(HK\$ bn)	128.7	107.7	+20%
Total liabilities	(HK\$ bn)	96.5	77.7	+25%
Shareholders' Equity	(HK\$ bn)	28.9	27.1	+7%
Bank borrowings & Bonds	(HK\$ bn)	51.3	40.8	+26%
Net gearing ratio (bank loans + bonds - cash)/ shareholder equity	(%)	92%	94%	-2%
Net asset value per share	(HK\$)	7.9	7.5	+5%

Shareholders' Equity and Total Assets



2. Business Review

Business Review

- The Group's property development and property sales made steady progress in the first half as planned:
 - **Property sales:** By adhering to its concept of being a sales focused and market-oriented operation, the Group has actively studied to meet customers' demands and requirements. Brand differentiation strategies were adopted, and its marketing system was further improved. Based on this year's theme, the "Quality of Life", the Group has carried out marketing campaigns and workshops, namely the "Journey in Beautiful China" (美麗中國行) cultural brand campaign, the "Quality Service" (優+服務) campaign series, the "House of Peace and Happiness" (悠悅置家) brand promotion campaign, as well as a series of campaign activities that were interpreted from the "Quality of Life" theme. The four projects were simultaneously carried out to boost project sales through brand promotion.
 - **Risk management:** endeavored to expand various financing channels and further adjusted its debt structure, successfully issuing USD\$500 million worth of five-year USD-denominated bonds with a coupon rate of 4.75%. Borrowings were strictly controlled to lower the percentage of trust loans. As a result, the average combined costs of trust and institutional loans decreased from approximately 8.4% as at the beginning of the year to approximately 7.8%.
 - **Business expansion:** made investments on the back of cash flow and maintained a balanced cash position. The net gearing ratio has also been improved further.

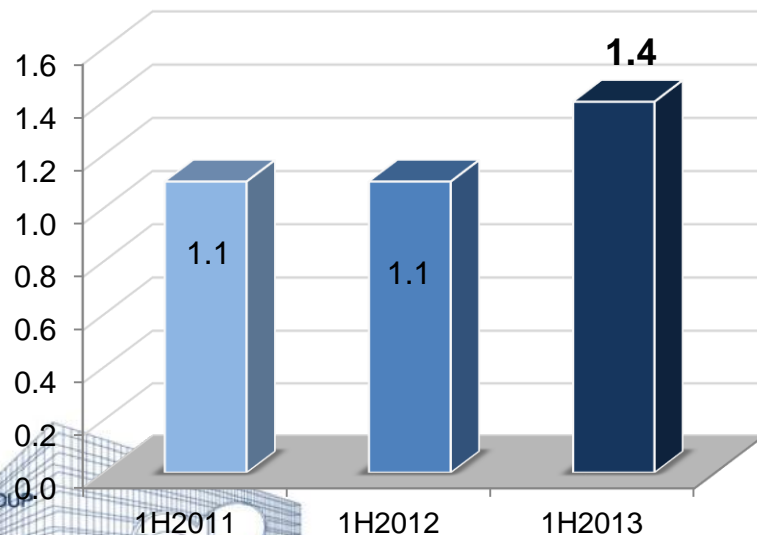


Contracted Sales

- Contracted sales made significant progress in 1H2013, which were ahead of scheduled sales plans set at the beginning of the year. Contracted area sold totalled 1.4 million sq.m. and contracted sales reached RMB14.6 billion, representing a year-on-year growth of 27% and 45%, respectively. Contracted sales accounted for 56% of the annual sales target of RMB26 billion
- The Group launched a total of 42 projects for sale in 1H2013, including 5 debut commodity residential projects and 1 affordable housing project

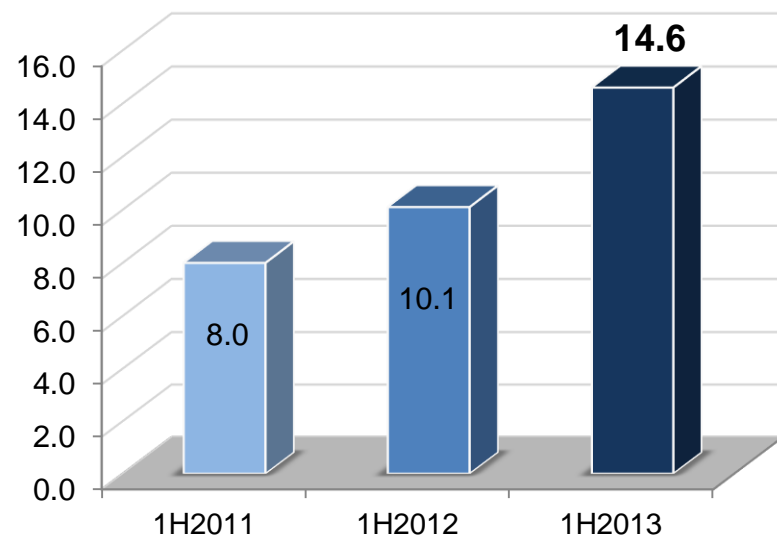
Contracted Area Sold

(million sq.m.)



Contracted Sales

(RMB billion)

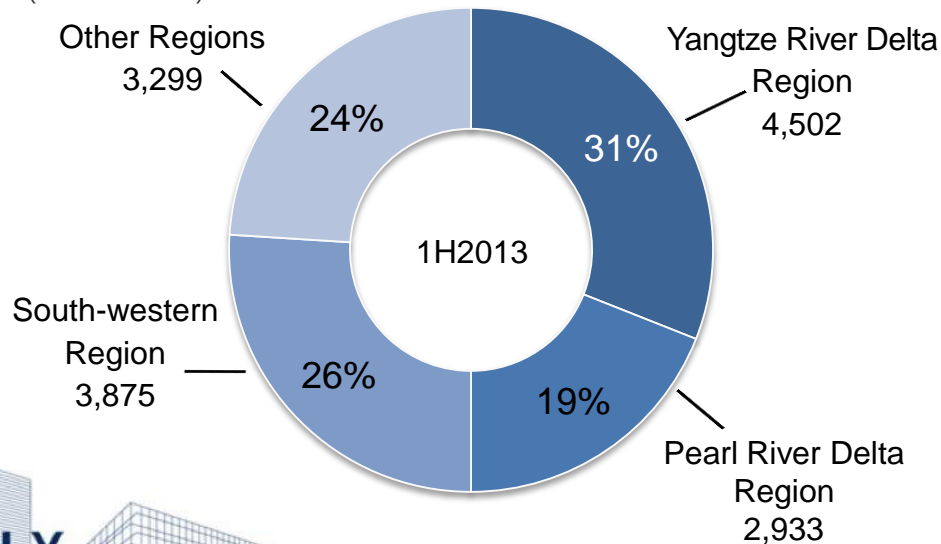


Contracted Sales – By Region

- Facing regulatory measures by the government, the Group focused on products that met real housing demand and boosted sales through marketing campaigns under different themes. The Group's contracted sales from different regions continued to grow steadily

1H2013 Contracted Sales - Geographical Breakdown

(RMB million)



1H2013 Contracted Sales - ASP by Region

Region	1H2013 ASP (RMB/ sq. m.)	1H2012 ASP (RMB/ sq. m.)	Change %
Yangtze River Delta	13,686	10,213	+34%
Pearl River Delta	11,019	9,006	+22%
Southwestern	7,910	6,751	+16%
Other	9,535	9,430	+2%

*Not including the Sales of Shanghai Poly Plaza in 1H2012 in Yangtze River Delta

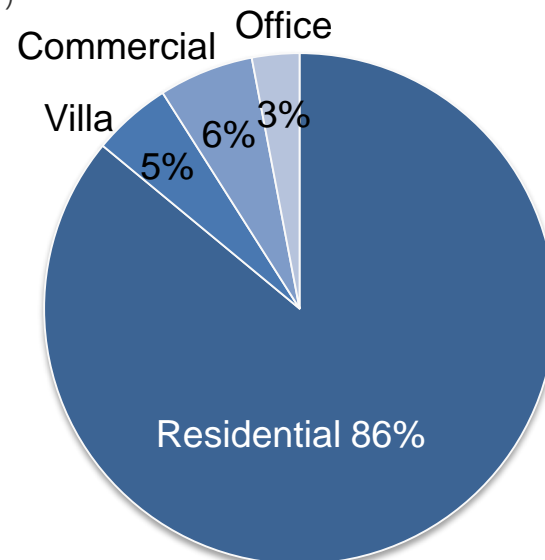


Contracted Sales – By Product

- Small-to-medium sized and ordinary residential housing has been the Group's main focus; This accounted for up to 86% of the Group's total contracted sales
- By contracted area sold, residential units smaller than 90 sq.m. accounted for 32% of the total; residential units from 90-144 sq.m. 51% (small to medium size units together 83%); units which are larger than 144 sq.m. in size 17%

1H2013 Contracted Sales by Product Type

(RMB Billion)

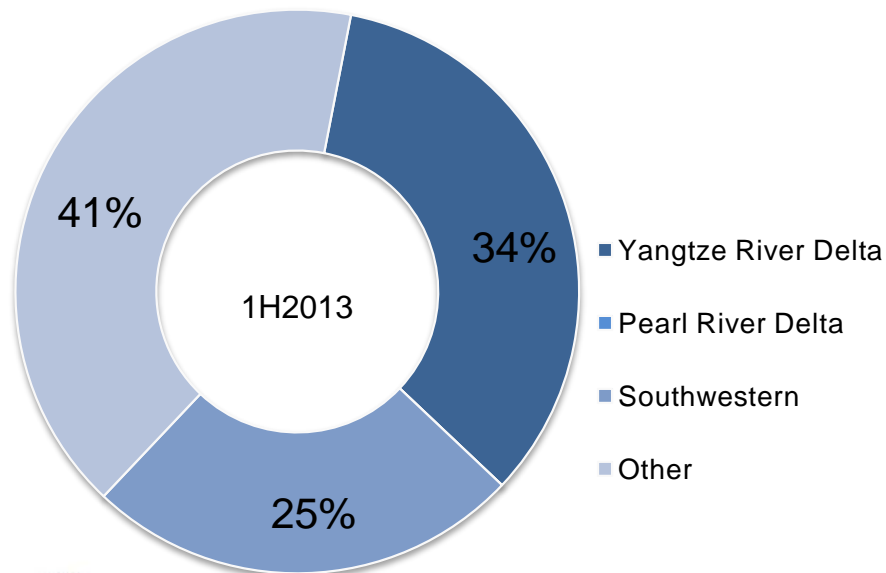


Newly Commenced Construction Area

- Construction work commenced on 12 projects with an approximate GFA of 1.23 million sq.m., remaining basically even compared to 1H2012. Nanning Poly Jun Yue Wan was acquired in 1H2013 and was a newly commenced construction project

Newly Commenced Construction Area by Region

(GFA)



*No construction commenced in the Pearl River Delta Region during 1H2013

Newly Commenced Construction Projects in 1H2013

Region	Project
Yangtze River Delta	Shanghai Poly Star Island
	Suzhou Poly West Bank Villa
	Deqing Poly Origin
Southwestern	Guiyang Poly Spring Street
	Nanning Poly Aegean Sea
	Nanning Poly Jun Yue Wan
Other	Liuzhou Poly Merization World
	Jinan Poly Elegant Garden
	Yantai Poly Champs Elysees Mansion
	Weihai Poly Triumph Mansion
	Weihai Poly Blossom Garden
	Hainan Poly Peninsula No.1

New Land Reserves

- The Group obtained five land parcels through listing, acquiring, and auctioning; they are located in Yantai, Foshan, Guiyang, Nanning and Wuhan. The new land reserves have a total gross floor area of approximately 2,750,000 square metres. In addition to developing new profitable projects, the Group maintained land costs at a reasonable level. The construction of Nanning Poly Jun Yue Wan commenced during the period

New Land Reserves / Projects	Usage	Total Planned GFA ('000 sq.m.)	Interest Attributable to the Group	Status
1. Yantai Poly Blossom Garden	Residential	143	55%	Under Preparation
2. Foshan Poly Shunde New City	Residential & Commercial	673	100%	Under Preparation
3. Guiyang Poly Phoenix Bay	Residential & Commercial	929	51%	Under Preparation
4. Nanning Poly Jun Yue Wan	Residential	210	30%	Under Construction
5. Wuhan Feng Huo Cun Project	Residential & Commercial	799	50%	Under Preparation
Total		2,754		

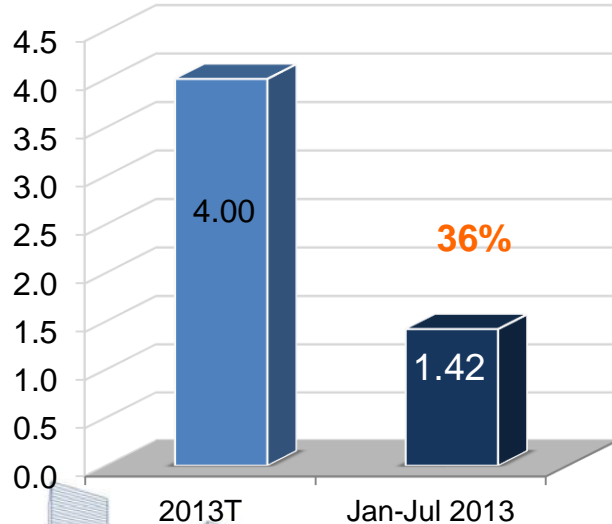
3. Outlook for 2H2013

2013 Target and Completion Status

- As at 31 July 2013, newly commenced construction GFA aggregated 1.42 million sq.m. and contracted sales reached RMB16.8 billion, representing 36% and 65% of the Group's respective annual target

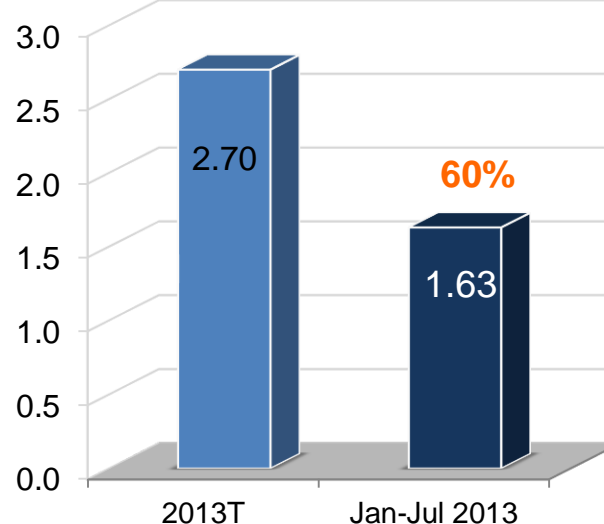
Newly Commenced Construction GFA

(million sq.m.)



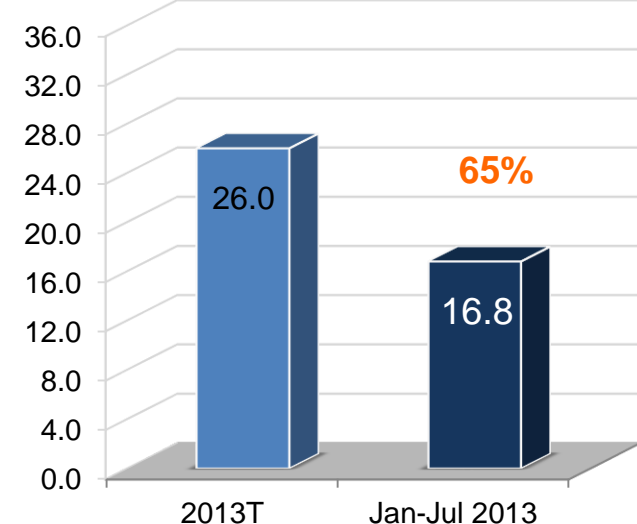
Contracted GFA

(million sq.m.)



Contracted Sales

(RMB billion)

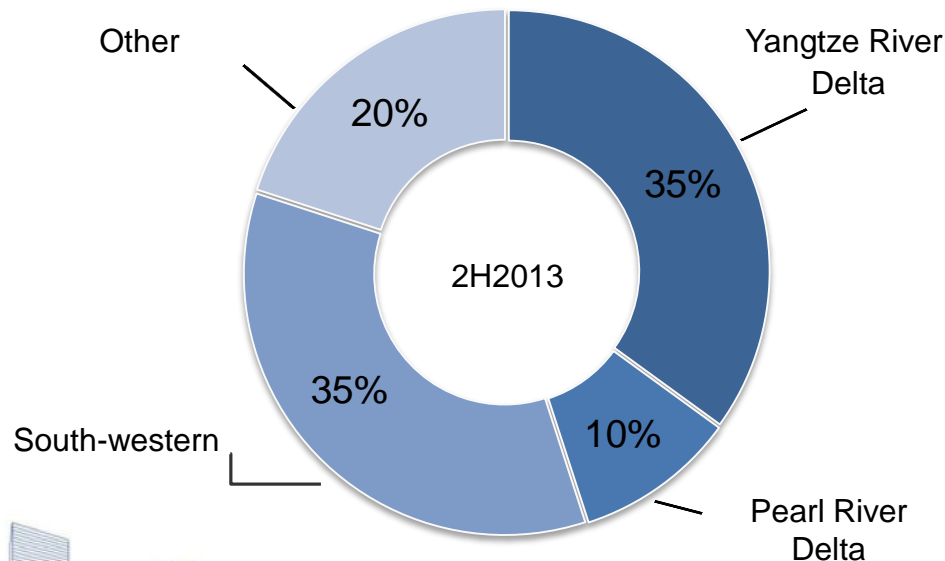


Saleable Resources and Sales Pipeline

- The Group will continue to increase the supply of ordinary commodity homes and will launch more small-to-medium-sized homes that cater to genuine housing demand
- 2 new projects are planned to launch in 2H2013

Saleable Resources by Region

(GFA)



Sales Pipeline – New Project Launches

Region	Project
Pearl River Delta	Huizhou Poly Sunshine Town
Southwestern	Nanning Poly Jun Yue Wan



Summary

- It is expected that in the second half of the year, the government will focus on creating a long-term market mechanism by adjusting the supply and demand structure and establishing an optimal tax system in order to maintain a balanced market. Genuine demand will remain to be a major force behind the growth of the property market. As such, the Group will continue to increase the supply of commodity housing, launch small to medium-sized products to meet real housing demand, launch new projects at a reasonable pace while pricing in line with market changes. The Group is confident about reaching its annual sales target.



Thank you