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 **越秀地產股份有限公司**  
YUEXIU PROPERTY COMPANY LIMITED  
(Incorporated in Hong Kong with  
limited liability)  
(Stock code: 00123)

 **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

Financial advisers to the REIT Manager  
(in alphabetical order)

 BOC INTERNATIONAL  Goldman Sachs  J.P.Morgan  Morgan Stanley  Standard Chartered

- (I) VERY SUBSTANTIAL DISPOSAL BY YUEXIU PROPERTY COMPANY LIMITED AND RELATED ARRANGEMENTS IN RESPECT OF GUANGZHOU INTERNATIONAL FINANCE CENTER;  
(II) VERY SUBSTANTIAL ACQUISITION BY AND CONNECTED PARTY TRANSACTIONS OF YUEXIU REAL ESTATE INVESTMENT TRUST IN RESPECT OF GUANGZHOU INTERNATIONAL FINANCE CENTER;  
(III) UNIT PLACEMENT OF YUEXIU REAL ESTATE INVESTMENT TRUST;  
(IV) CONTINUING CONNECTED PARTY TRANSACTIONS;  
(V) PROPOSED AMENDMENTS TO TRUST DEED OF YUEXIU REAL ESTATE INVESTMENT TRUST;  
(VI) SUPPLEMENTAL SUBSCRIPTION DEED;  
(VII) SUPPLEMENTAL INDEBTEDNESS AGREEMENT;  
(VIII) DESPATCH OF REIT CIRCULAR AND YUEXIU PROPERTY CIRCULAR; AND  
(IX) CLOSURE OF REGISTER OF MEMBERS AND UNITHOLDERS

On 27 June 2012, the Trustee (as subscriber, on behalf of the REIT and acting on the instructions of the REIT Manager), the REIT Manager, Tower Top and Yuexiu Property entered into a supplemental deed to amend the Subscription Deed. Pursuant to this supplemental deed, the parties agreed to (among other things) amend the agreed form of the Deed of Top-up Payments (attached as a schedule to the Subscription Deed) to change the commencement date for the provision of income support (by Yuexiu Property to the REIT pursuant to the terms described therein) from the Completion Date to 1 July 2012 (irrespective of the actual Completion Date) and for making consequential amendments as a result of the entry into the Supplemental Indebtedness Agreement.

On 27 June 2012, the Trustee (as assignee, on behalf of the REIT and acting on the instructions of the REIT Manager), the REIT Manager and Yuexiu Property entered into a supplemental agreement to amend the Indebtedness Agreement. Pursuant to this supplemental agreement, the parties agreed to (among other things) amend the issue price of the Deferred Units from the Issue Price (being the price per Unit for the Placement Units and Consideration Units to be issued, to be determined between the REIT Manager and the Unit Placement Underwriter(s) (as defined in the REIT Circular) upon commencement of the Unit Placement (as defined in the Yuexiu Property Circular and the REIT Circular) having regard to market conditions) to the higher of: (a) the Issue Price; and (b) HK\$4.00 and for making consequential amendments as a result of the entry into the Supplemental Subscription Deed.

The Yuexiu Property Circular and the REIT Circular, which (among other things) contain further details regarding the Supplemental Subscription Deed and the Supplemental Indebtedness Agreement, will be despatched to Shareholders and Unitholders, respectively, on 30 June 2012.

Reference is made to: (a) the announcement dated 28 May 2012 jointly made by the REIT and Yuexiu Property relating to, among other things, the very substantial disposal and the very substantial acquisition, respectively, by Yuexiu Property and the REIT, in respect of Guangzhou International Finance Center (the “**Joint Announcement**”); and (b) the announcement dated 15 June 2012 jointly made by the REIT and Yuexiu Property relating to the delay in despatch of the REIT Circular and Yuexiu Property Circular.

The terms “REIT Circular” and “Yuexiu Property Circular”, as well as other capitalised terms used in this announcement, shall have the same meanings as those defined in the Joint Announcement, unless the context herein otherwise requires.

### **Supplemental Subscription Deed**

On 27 June 2012, the Trustee (as subscriber, on behalf of the REIT and acting on the instructions of the REIT Manager), the REIT Manager, Tower Top and Yuexiu Property entered into a supplemental deed to amend the Subscription Deed (the “**Supplemental Subscription Deed**”).

Pursuant to this supplemental deed, the parties agreed to (among other things) amend the agreed form of the Deed of Top-up Payments (attached as a schedule to the Subscription Deed) to change the commencement date for the provision of income support (by Yuexiu Property to the REIT pursuant to the terms described therein) from the Completion Date to 1 July 2012 (irrespective of the actual Completion Date) and for making consequential amendments as a result of the entry into the Supplemental Indebtedness Agreement.

### **Supplemental Indebtedness Agreement**

On 27 June 2012, the Trustee (as assignee, on behalf of the REIT and acting on the instructions of the REIT Manager), the REIT Manager and Yuexiu Property entered into a supplemental agreement to amend the Indebtedness Agreement (the “**Supplemental Indebtedness Agreement**”).

Pursuant to this supplemental agreement, the parties agreed to (among other things) amend the issue price of the Deferred Units from the Issue Price (being the price per Unit for the Placement Units and Consideration Units to be issued, to be determined between the REIT Manager and the Unit Placement Underwriter(s) (as defined in the REIT Circular) upon commencement of the Unit Placement (as defined in the Yuexiu Property Circular and the REIT Circular) having regard to market conditions) to the higher of: (a) the Issue Price; and (b) HK\$4.00 and for making consequential amendments as a result of the entry into the Supplemental Subscription Deed.

## **Reasons for the Supplemental Subscription Deed and the Supplemental Indebtedness Agreement**

Yuexiu Property has agreed to enter into the Supplemental Subscription Deed and the Supplemental Indebtedness Agreement to demonstrate its long-term support for the REIT. Such arrangements which benefit the REIT are also expected to benefit Yuexiu Property as a significant and the single largest Unitholder. By fixing the issue price of the Deferred Units, which will begin to be issued on 31 December 2016, from the Issue Price to the Deferred Units Issue Price (as defined in the Yuexiu Property Circular and the REIT Circular), it is expected to have a positive impact on the DPU of the REIT which will, in turn, translate into long-term benefits for Yuexiu Property.

Further, such arrangements support the Transaction, which is part of an interactive and capital efficient model adopted by Yuexiu Property and the REIT whereby Yuexiu Property focuses on the development and incubation of commercial investment properties and the REIT acts as the designated property-owning platform that will hold its completed investment properties. This interactive model is expected to drive the long-term growth for both Yuexiu Property and the REIT, and through its unitholding interest in the REIT (which is expected to increase over time through the issuance of Deferred Units), will enable Yuexiu Property to share in the long-term growth potential of the Property specifically and of the entire portfolio of the REIT.

For the above reasons: (a) the Yuexiu Property Board is of the view that the Transaction and Yuexiu Property Related Arrangements, as modified by the Supplemental Subscription Deed and Supplemental Indebtedness Agreement, have been or will at Completion be entered into on normal commercial terms at arm's length and are fair and reasonable and in the interests of the Shareholders as a whole; and (b) the REIT Manager Board is of the view that the Transaction Matters Requiring Approval, as modified by the Supplemental Subscription Deed and Supplemental Indebtedness Agreement, have been, or will, at Completion be entered into on normal commercial terms at arm's length and are fair and reasonable and in the interests of the Unitholders as a whole, as applicable.

## **Despatch of the REIT Circular and Yuexiu Property Circular**

The REIT Circular, which among other things contains (i) a letter from the REIT Manager Board to the Unitholders containing (among other things) further details regarding the Supplemental Subscription Deed and the Supplemental Indebtedness Agreement; (ii) the opinion of the Independent Financial Adviser (as defined in the REIT Circular) with respect to the Transaction Matters Requiring Approval (as

defined in the REIT Circular); (iii) the opinion of the Independent Board Committee (as defined in the REIT Circular) with respect to the Transaction Matters Requiring Approval (as defined in the REIT Circular); (iv) the views of the Trustee in respect of the REIT's proposed investment in the Property and the CPT Waiver (as defined in the REIT Circular); (v) Property Valuation Report, Existing Properties Valuation Report, Market Consultants' Reports and other expert reports; (vi) a notice of the REIT EGM (as defined in the Yuexiu Property Circular); and (vii) form of proxy for the REIT EGM (as defined in the Yuexiu Property Circular) will be despatched to Unitholders on 30 June 2012.

The Yuexiu Property Circular, which among other things contains (i) a letter from the Yuexiu Property Board to the Shareholders containing (among other things) further details regarding the Supplemental Subscription Deed and the Supplemental Indebtedness Agreement; (ii) the valuation in respect of the Property prepared by the Principal Valuer; (iii) a notice of the Yuexiu Property EGM (as defined in the REIT Circular); and (iv) form of proxy for the Yuexiu Property EGM (as defined in the REIT Circular) will be despatched to Shareholders on 30 June 2012.

The following indicative timetable shows the key dates of the relevant events:

<b>Event</b>	<b>Date &amp; Time</b>
Date of despatch of the Yuexiu Property Circular	30 June 2012
Date of despatch of the REIT Circular	30 June 2012
In the case of the Shareholders, latest date and time for lodging transfers of Shares to participate in the Yuexiu Property EGM	19 July 2012 at 4:30 p.m.
In the case of the Unitholders, latest date and time for lodging transfers of Units to participate in the REIT EGM	19 July 2012 at 4:30 p.m.
Book closure period (both days inclusive) to determine the eligibility of Shareholders to participate and vote in the Yuexiu Property EGM	20 July 2012 to 23 July 2012

<b>Event</b>	<b>Date &amp; Time</b>
Book closure period (both days inclusive) to determine the eligibility of Unitholders to participate and vote in the REIT EGM	20 July 2012 to 23 July 2012
Latest date and time for lodging proxy forms for the Yuexiu Property EGM	21 July 2012 at 9:00 a.m.
Latest date and time for lodging proxy forms for the REIT EGM	21 July 2012 at 10:30 a.m.
EGM Record Date	23 July 2012
Date and time of the Yuexiu Property EGM	23 July 2012 at 9:00 a.m.
Date and time of the REIT EGM	23 July 2012 at 10:30 a.m.
<b>If the approvals sought at the REIT EGM and the Yuexiu Property EGM are obtained:</b>	
In the case of the Unitholders, last day of dealings in the Units to qualify for entitlement to the Special Distribution	24 July 2012
In the case of the Unitholders, first day of dealings in the Units ex-entitlement to the Special Distribution	25 July 2012
In the case of the Unitholders, latest date and time for lodging transfers of Units to qualify for entitlement to the Special Distribution	26 July 2012 at 4:30 p.m.
Distribution Record Date	26 July 2012 at 5:00 p.m.
Drawdown under the New Bank Facility	To be determined by the REIT Manager (but no later than 31 December 2012, being the Long Stop Date, or such other date agreed by the relevant parties in writing)

<b>Event</b>	<b>Date &amp; Time</b>
Completion of the Unit Placement	To be determined by the REIT Manager (but no later than 31 December 2012, being the Long Stop Date, or such other date agreed by the relevant parties in writing)
Completion of the Subscription	To be determined by the REIT Manager (but no later than 31 December 2012, being the Long Stop Date, or such other date agreed by the relevant parties in writing)
Completion of the Assignment	To be determined by the REIT Manager (but no later than 31 December 2012, being the Long Stop Date, or such other date agreed by the relevant parties in writing)
Issue of the Consideration Units	To be determined by the REIT Manager (but no later than 31 December 2012, being the Long Stop Date, or such other date agreed by the relevant parties in writing)

Further announcement(s) will be made in relation to those events which are scheduled to take place after the REIT EGM (as defined in the Yuexiu Property Circular) and the Yuexiu Property EGM (as defined in the REIT Circular) as and when appropriate in accordance with applicable regulatory requirements.

**The Transaction and the Unit Placement (as defined in the Yuexiu Property Circular and the REIT Circular) are conditional upon, among others, Unitholders' approval being obtained at the REIT EGM (as defined in the Yuexiu Property Circular) and Shareholders' approval being obtained at the Yuexiu Property EGM (as defined in the REIT Circular), and are also subject to the entering into of an underwriting agreement by the REIT Manager and the Unit**



**Placement Underwriters (as defined in the REIT Circular), and accordingly, may or may not complete, Shareholders and Unitholders, as well as any prospective investors of Yuexiu Property and the REIT, should note that the Unit Placement (as defined in the Yuexiu Property Circular and the REIT Circular) has not been launched and there is therefore no assurance that the Unit Placement will proceed or, if it proceeds, on what terms it may proceed. Shareholders and Unitholders, as well as any prospective investors of Yuexiu Property and the REIT, are advised to exercise caution when dealing in the Shares or Units.**

**Unitholders are reminded that: (a) the Distribution Record Date may occur before the interim results of the REIT for the first six months of 2012 are available; and (b) the Special Distribution may or may not be paid as it is conditional upon Completion. Accordingly, Unitholders should exercise caution when dealing in the Units prior to publication of such interim results and/or Completion.**

By order of the board of directors of  
**Yuexiu Property Company Limited**  
**YU Tat Fung**  
*Company Secretary*

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, 29 June 2012

*As at the date of this announcement, the Yuexiu Property Board comprises:*

<i>Executive Directors:</i>	<i>Messrs. LU Zhifeng (Chairman), ZHANG Zhaoxing, LIANG Yi, TANG Shouchun, CHEN Zhihong and LAM Yau Fung Curt</i>
<i>Independent Non-executive Directors:</i>	<i>Messrs. YU Lup Fat Joseph, LEE Ka Lun and LAU Hon Chuen Ambrose</i>

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

<i>Executive Directors:</i>	<i>Messrs. LIANG Ningguang (Chairman) and LIU Yongjie</i>
<i>Non-executive Director:</i>	<i>Mr. Li Feng</i>
<i>Independent Non-executive Directors:</i>	<i>Messrs. CHAN Chi On Derek, LEE Kwan Hung Eddie and CHAN Chi Fai Brian</i>