雅居樂

AGILE PROPERTY HOLDINGS LIMITED

(*Incorporated in the Cayman Islands with limited liability*)

(Stock Code: 3383)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2013

HIGHLIGHTS

Financial Highlights

	For the six months ended 30 June		
	2013	2012	Change
Revenue *(RMB million)*	**15,216**	11,848	+28.4%
Gross profit *(RMB million)*	**5,511**	5,364	+2.7%
Profit for the period *(RMB million)*	**2,587**	2,151	+20.2%
Basic earnings per share *(RMB)*	**0.619**	0.600	+3.2%
Interim dividend per share (HK cents)	**14.5**	14.5	-

Operational Highlights

- As at 15 August 2013, the Group had a land bank of total planned GFA of 41.21 million sq.m. in 35 cities and districts in China. Average land cost was RMB1,206 per sq.m. only.

- During the Review Period, the Group acquired a number of land parcels in Foshan, Zhongshan, Huadu, Yangzhou, Shanghai, Nanjing, Chuzhou, Hainan Province and Yunnan Province. Total planned GFA of those land parcels was 4.87 million sq.m.. As at 30 June 2013, the Group's outstanding land premium payable was RMB4,040 million and is expected to be fully paid by the end of 2014.

- During the Review Period, there were a total of 52 projects on sale in 19 cities and districts in China. The Group's contracted sales was RMB16,140 million, contracted GFA sold was 1.362 million sq.m. and contracted average selling price was RMB11,851 per sq.m..

- During the Review Period, the Company successfully issued US$700 million (equivalent to RMB4,400 million) 8.25% Subordinated Perpetual Capital Securities, which was oversubscribed by 10 times.

- The Company successfully obtained a 3-year syndicated loan in an aggregate amount of HK$5,628 million, of which HK$3,978 million and the remaining HK$1,650 million were drawn down in May 2013 and July 2013 respectively.

- Raffles Sanya Clearwater Bay, the first international five-star hotel resort in Hainan Clearwater Bay, is expect to commence soft opening in the second half of 2013.

- As at 30 June 2013, the total cash and bank balances of the Group were RMB15,548 million, while the undrawn borrowing facilities were RMB2,543 million.

CHAIRMAN'S STATEMENT

Dear shareholders,

I am pleased to report the interim results of Agile Property Holdings Limited ("Agile" or the "Company") and its subsidiaries (collectively, the "Group") for the six months ended 30 June 2013 ("Review Period").

Results and dividends

For the Review Period, the revenue of the Group was RMB15,216 million, representing an increase of 28.4% when compared with the corresponding period of last year. Gross profit was RMB5,511 million, representing an increase of 2.7% when compared with the corresponding period of last year. Profit attributable to shareholders of the Company was RMB2,134 million, representing an increase of 3.1% when compared with the corresponding period of last year.

The board of directors of the Company (the "Board") has declared an interim dividend of HK14.5 cents per share, which is the same as the corresponding period of last year. We believe that we have achieved a balance between the Group's business development needs and shareholders' expectation for investment return.

Business review

In the first half of 2013, the recovery of the global economy was sluggish, and the prospect remains uncertain. In China, the overall economy continued to grow steadily at a moderate pace and the Government maintained its tightening policies over the property market. However, driven by strong end users' demand and upgraders' demand, land and housing prices continued a steady upward trend with active trading.

During the Review Period, the Group recorded contracted sales of RMB16,140 million, representing a year-on-year growth of 14.8%. The contracted GFA sold was 1.362 million sq.m., which is comparable to the corresponding period of last year. The contracted average selling price was RMB11,851 per sq.m.. The overall sales performance of the Group was in line with expectation.

During the Review Period, the Group had 52 projects on sale which were located in 19 cities and districts, including 3 new projects in Xiqiao, Chancheng and Sanshui. A number of projects including Agile Cambridgeshire Guangzhou, Agile Mountain Guangzhou, Metro Agile Zhongshan, Imperial Palace Nanhai, Agile Metropolis Xiqiao, Agile Garden Heyuan, The Magnificence Nanjing, Agile International Garden Chongqing and Hainan Clearwater Bay have achieved encouraging sales.

During the Review Period, the Group received a number of awards in recognition of its outstanding comprehensive strength and good corporate governance. Three of these awards were given to the Group for the second consecutive year, including "Asia's Outstanding Company on Corporate Governance", "Best Investor Relations (China)" and "Best Investor Relations Website/Promotion" from *Corporate Governance Asia* magazine. Furthermore, the Group was also voted Top 10 "Best Investor Relations" in China for "Asia's Best Managed Companies 2013" held by *FinanceAsia*, a highly reputable financial magazine in Asia.

A diversified commercial property portfolio to balance operational risks effectively

The Group believes that a diversified commercial property portfolio, including hotels, shopping malls and office buildings can disperse operational risks and generate steady revenue. Furthermore, benefiting from the synergy arising from the hotels and commercial properties located within the Group's property development projects or in adjacent areas, the value of these projects has also been enhanced.

During the Review Period, 5 hotels of the Group located in Shanghai, Guangzhou, Zhongshan, Foshan and Nanlang, including Shanghai Marriott Hotel City Centre, were in operation. Raffles Sanya Clearwater Bay is expected to commence soft opening in second half of 2013, while Sheraton Egret Lake Resort Huizhou and Howard Johnson Agile Plaza Hotel Chengdu are expected to commence operation during the second half of 2013. More than 10 other hotels are under construction or planning. During the Review Period, revenue from hotel business increased by 20.8% compared with the corresponding period of last year.

Agile International Plaza Shanghai and Xiqiao Metropolis Plaza recorded satisfactory occupancy rates. Agile Hongxi Yoha Center Guangzhou is expected to commence operation during the second half of 2013. Five other major projects are either under construction or being offered for leasing, including shopping centres and office buildings. During the Review Period, revenue from property investment grew by 93.3% compared with the corresponding period of last year.

Strategic acquisition of land for regional expansion

During the Review Period, the Group implemented its geographical diversification strategy and acquired land in line with its land acquisition strategy of "Shorter cycle, Lower cost and Quicker turnover" while maintaining a sound financial position. The Group acquired a number of land parcels in Southern China Region, Eastern China Region, Hainan Province Region and Yunnan Province Region at reasonable prices. Of these, the land parcels for Zhongshan Jibian Town Project, Nanjing Gaochun District Project, Chuzhou Chahe New Town Project, Xi'an Changning New District Project and Yunnan Tengchong Project were acquired at reserve prices. The future developments on the newly acquired land parcels are expected to create synergy with the Group's existing projects in the vicinity, thus consolidating the Group's competitive position in different regional property markets. During the Review Period, the average land cost of the newly acquired land parcels was only RMB1,365 per sq.m., and the total planned GFA is estimated to be 4.87 million sq.m..

As at 15 August 2013, the Group had a land bank with a total planned GFA of 41.21 million sq.m. in 35 cities and districts in China. The average land cost was RMB1,206 per sq.m. only. Newly commenced GFA and completed GFA of the Group during the Review Period were 3.01 million sq.m. and 1.35 million sq.m. respectively.

Stable financial position and flexible financing

The Group adopted various financing channels for the purpose of strengthening and optimising its financial structure. The Group believes that a sound financial position and good corporate governance would help strengthen the market confidence in the Group and reduce borrowing costs.

During the Review Period, the Company successfully issued US$700 million (equivalent to RMB4,400 million) 8.25% Subordinated Perpetual Capital Securities, which was oversubscribed by 10 times. Also, the Company successfully obtained a 3-year syndicated loan in an aggregate amount of HK$5,628 million, of which HK$3,978 million and the remaining HK$1,650 million were drawn down in May 2013 and July 2013 respectively. These signal a high degree of capital market confidence in the prospect of the Group. In the meantime, the Group has repaid existing loans of higher costs before maturity to reduce loan interests. The two international rating agencies, Moody's Investors Service, Inc. and Standard & Poor's Ratings Services, maintained their credit ratings on the Group and its bonds at "Ba2" and "BB" respectively (both with a "Stable" outlook), one of the best in the industry, fully reflecting the sound financial position and promising outlook of the Group.

As at 30 June 2013, the total cash and bank balances of the Group were RMB15,548 million and undrawn borrowing facilities were RMB2,543 million.

Good corporate governance and multi-channel communications

The Group upholds the concept of "mutual communication for a win-win situation" to retain good investor relations, and has also taken a proactive approach to promote effective communication and build long-standing, stable relationships with commercial banks, investment banks, investors and analysts, thereby expanding its financing channels, reducing financing costs and optimising its financial structure.

During the Review Period, the Group communicated with over 400 investors and analysts by holding various activities, including organising 2012 annual results investor presentation, conducting 12 non-deal roadshows at home and abroad, attending 13 investor summits or seminars held by well-known investment banks or securities dealers at home and abroad, holding 56 meetings and conference calls with investors and arranging 52 project site visits.

A responsible corporate citizen

Upholding the belief of "benefiting from society, giving back to society", the Group is committed to fulfilling its corporate social responsibilities. During the Review Period, the Group's accumulated volunteer days achieved by over 29,000 participants were equivalent to over 9,900 days, while RMB33 million charitable donations was made. During the year, the Group continued to support the "Agile Special Fund for Chinese Culture Continuation Work" of the Chinese Language and Culture Education Foundation for promotion of Chinese culture, and became the principal sponsor of "30-Hour Famine" and "Macau Famine" organised by the World Vision Hong Kong for the fourth consecutive year. The Group's efforts in respect of corporate social responsibility have been recognised and affirmed. During the Review Period, the Group was awarded the title "Enterprise of Outstanding Contributions to Philanthropy" by Guangzhou Municipal Government and was also honoured with "Corporate Social Responsibility Award" presented by *Capital* and *Capital Weekly* for the third consecutive year.

Pursuit of sustainable development

The Group firmly believes that environmental protection is a key part in its sustainable development, and strives to contribute to environmental protection through project planning to completion and sale, as well as property management and hotel operations. Furthermore, the Group actively promotes environmental education and encourages the staff to practise low carbon living. During the Review Period, the Group participated in the "Earth Hour" initiated by World Wide Fund for Nature for the fourth consecutive year, and organised the "Ecological Environmental Protection Day" for the seventh year with over 2,000 trees planted. In addition, the Group gave support to the “Lai See Packets Recycling Programme” organised by Greeners Action, a Hong Kong environmental group, for the third consecutive year. More than 30 recycling points were set up at the Group’s hotels and project companies across the nation to collect and distribute “Reborn Lai See Packets”. The programme attracted participation from over 10,000 staff and members of the public across the nation. During the Review Period, the Group took the role as key sponsor for the second consecutive year for the “Joint-University Eco-Business Innovation Award” jointly hosted by student groups of The Hong Kong University of Science and Technology, The Chinese University of Hong Kong, The Hong Kong Polytechnic University, Hong Kong Baptist University, Hang Seng Management College and The Open University of Hong Kong, with a view to supporting green education.

Development strategy and prospects

Looking ahead, China’s economy is expected to grow steadily at a moderate pace in the second half of 2013. However, China still needs to drive its reform and transformation, in order to maintain its proactive fiscal policies and prudent monetary policies. The tightening policies introduced by the Government over the property market have shown results and are believed to continue.

With a sound financial position, the future land acquisition strategy of the Group is to implement its investment strategy that highlights “Shorter cycle, Lower cost and Quicker turnover”. The Group will mainly seek relatively smaller land parcels in the proximity of its existing projects of a cost between RMB500 million to RMB1,000 million, for the purpose of developing products catering for end users’ demand and upgraders’ demand, thereby shortening development cycle and accelerating its capital turnover rate. Meanwhile, the Group will also bid for large land parcels of low prices but with excellent development potential. The Group believes that by replenishing its land bank in Southern China Region and increasing the number of projects in Eastern China Region and Western China Region through the above strategies, supplemented by operations of hotels, shopping malls and office buildings, it will diversify the operational risk effectively and further optimise its geographical diversification across the nation. The Group will also increase the proportion of products catering for end users’ demand to address the long-term market demand and ensure the profitability of the projects.

In respect of tourism property, the Group will introduce products catering for the market in a strategic manner and actively explore the feasibility of further development in Hainan and Yunnan. With its extensive experience and a proven track record in this sector, the Group is confident that it will continue to deliver satisfactory results.

In the second half of 2013, the Group intends to launch over 10 new projects across the nation, including Changzhou Longcheng Avenue Project, Nanjing Pukou District Project, The Classics Nanjing, Zhengzhou Zhongmou County Project, Yunnan Ruili Project and Yunnan Tengchong Project. In addition, new phases will also be launched for existing projects, bringing the number of projects on sale over 60 for the year. With a sufficient supply of new projects, new products and new phases available for sale, the Group strives to achieve remarkable results.

In respect of operational management, the Group will continue to broaden sources of income and reduce unnecessary expenditure, further improve the core competitiveness of each segment, enhance internal monitoring system and raise internal management standard by rigorously implementing proactive cost control system. The Group will continue to drive the optimisation of work flow and the reform of systems, encourage local project companies to lead project development, establish an accountability system and provide more incentives to increase morale and efficiency. In addition, the Group will introduce advanced information technology to provide more efficient and comprehensive support for optimised management.

Looking ahead, the Group is committed to enhancing its competitive position in different regions of China's property industry, in order to maximise values for its shareholders. While maintaining healthy and sustainable development, the Group will also continue its promise of undertaking corporate social responsibilities and contributing to society by taking part in charity affairs.

Acknowledgement

On behalf of the Board, I would like to extend my heartfelt gratitude to the enormous support of our shareholders and customers, as well as the dedicated efforts of all our staff members, which enables Agile to achieve steady growth and satisfactory results.

CHEN Zhuo Lin
Chairman

Hong Kong, 15 August 2013

RESULTS

Unaudited interim results for the six months ended 30 June 2013:

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

	Note	Six months ended 30 June	
		2013	2012
		Unaudited	Unaudited
			Restated
			(note 2(a))
		(RMB'000)	*(RMB'000)*
Revenue	*3*	**15,215,531**	11,847,870
Cost of sales		**(9,704,789)**	(6,483,488)
Gross profit		**5,510,742**	5,364,382
Selling and marketing costs		**(585,043)**	(328,827)
Administrative expenses		**(668,908)**	(561,182)
Fair value gains on investment properties	*8*	**178,426**	43,218
Other income	*4*	**103,628**	51,984
Other expenses		**(38,104)**	(51,666)
Exchange (losses)/gains, net		**(51,784)**	48,353
Operating profit		**4,448,957**	4,566,262
Fair value gains on embedded financial derivatives		**151,929**	50,594
Finance income/(costs), net	*5*	**312,712**	(109,192)
Share of post-tax loss of an associate		**(26,744)**	(53,969)
Share of post-tax loss of jointly controlled entities		**(11,641)**	(4,071)
Profit before income tax		**4,875,213**	4,449,624
Income tax expenses	*6*	**(2,288,479)**	(2,298,180)
Profit for the period		**2,586,734**	2,151,444
Attributable to:			
- Shareholders of the Company		**2,133,878**	2,070,475
- Holders of perpetual capital securities		**159,311**	-
- Non-controlling interests		**293,545**	80,969
		2,586,734	2,151,444
Earnings per share for profit attributable to the shareholders of the Company during the period (expressed in Renminbi per share)			
- Basic	*7*	**0.619**	0.600
- Diluted	*7*	**0.528**	0.553

	Six months ended 30 June	
	2013	2012
	Unaudited	Unaudited
		Restated
		(note 2(a))
	(RMB'000)	*(RMB'000)*
Dividends	**397,693**	408,389

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

	Six months ended 30 June	
	2013	2012
	Unaudited	Unaudited
		Restated
		(note 2(a))
	(RMB'000)	*(RMB'000)*
Profit for the period	**2,586,734**	2,151,444
Other comprehensive income for the period, net of tax	**-**	-
Total comprehensive income for the period	**2,586,734**	2,151,444
Total comprehensive income attributable to:		
- Shareholders of the Company	**2,133,878**	2,070,475
- Holders of the perpetual capital securities	**159,311**	-
- Non-controlling interests	**293,545**	80,969
	2,586,734	2,151,444

CONDENSED CONSOLIDATED INTERIM BALANCE SHEET

	Note	**As at 30 June 2013 Unaudited (RMB'000)**	As at 31 December 2012 Audited *Restated (note 2(a))* *(RMB'000)*	As at 1 January 2012 Audited *Restated (note 2(a))* *(RMB'000)*
ASSETS				
Non-current assets				
Property, plant and equipment		**5,663,959**	5,222,680	3,573,015
Land use rights		**2,865,226**	2,810,175	2,455,028
Properties under development		**16,814,201**	14,790,727	13,865,049
Intangible assets		**56,730**	61,263	19,192
Investment properties	*8*	**5,887,900**	5,589,600	5,248,000
Interests in an associate		**90,994**	117,738	204,762
Interests in jointly controlled entities		**941,517**	943,158	943,466
Prepayments for acquisition of equity interests		**102,850**	102,850	102,850
Deferred income tax assets		**194,778**	268,564	162,068
		32,618,155	29,906,755	26,573,430
Current assets				
Properties under development		**29,388,127**	33,775,215	30,298,717
Completed properties held for sale		**11,285,054**	7,935,975	3,637,562
Prepayments for acquisition of land use rights		**5,088,329**	2,949,391	7,993,747
Trade and other receivables	*9*	**8,559,000**	6,596,434	4,813,013
Prepaid taxes		**125,985**	57,059	68,887
Restricted cash		**5,512,339**	3,880,085	2,644,128
Cash and cash equivalents		**10,035,917**	5,748,597	4,582,591
		69,994,751	60,942,756	54,038,645
Total assets		**102,612,906**	90,849,511	80,612,075
EQUITY				
Capital and reserves attributable to the shareholders of the Company				
Share capital and premium		**3,642,725**	3,658,542	3,658,542
Other reserves		**1,266,100**	1,190,094	946,992
Retained earnings				
- Proposed dividend		**397,693**	665,211	657,319
- Unappropriated retained earnings		**21,764,884**	20,099,616	16,411,680
		27,071,402	25,613,463	21,674,533
Perpetual capital securities		**4,481,249**	-	-
Non-controlling interests		**2,315,677**	2,298,344	2,082,310
Total equity		**33,868,328**	27,911,807	23,756,843

CONDENSED CONSOLIDATED INTERIM BALANCE SHEET (Continued)

	Note	**As at 30 June 2013**	As at 31 December 2012	As at 1 January 2012
		Unaudited	Audited *Restated* *(note 2(a))*	Audited *Restated* *(note 2(a))*
		(RMB'000)	*(RMB'000)*	*(RMB'000)*
LIABILITIES				
Non-current liabilities				
Borrowings		**24,289,102**	18,452,325	12,170,458
Convertible Bonds - debt component		**2,423,435**	2,370,111	2,200,997
Convertible Bonds - embedded financial derivatives		**508,799**	660,728	860,497
Deferred income tax liabilities		**1,259,354**	1,753,072	1,549,574
		28,480,690	23,236,236	16,781,526
Current liabilities				
Borrowings		**8,447,069**	6,192,561	6,608,260
Trade and other payables	*10*	**12,705,768**	13,970,598	11,535,376
Advanced proceeds received from customers		**9,599,980**	9,682,304	13,511,865
Current tax liabilities		**9,511,071**	9,856,005	8,418,205
		40,263,888	39,701,468	40,073,706
Total liabilities		**68,744,578**	62,937,704	56,855,232
Total equity and liabilities		**102,612,906**	90,849,511	80,612,075
Net current assets		**29,730,863**	21,241,288	13,964,939
Total assets less current liabilities		**62,349,018**	51,148,043	40,538,369

Notes:

1 Basis of preparation

This interim financial information for the six months ended 30 June 2013 has been prepared in accordance with Hong Kong Accounting Standard 34 ("HKAS 34") "Interim Financial Reporting". The interim financial information should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2012, which have been prepared in accordance with Hong Kong Financial Reporting Standards (the "HKFRS") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

2 Accounting policies

Except as described below, the accounting policies applied are consistent with those of the annual consolidated financial statements of the Group for the year ended 31 December 2012, as described in those annual consolidated financial statements.

(a) Change in accounting policy for investment in jointly controlled entities

Prior to 1 January 2013, the Group's interests in jointly controlled entities were proportionately consolidated.

The Group has adopted HKFRS 11, 'Joint arrangements', on 1 January 2013. This resulted in the Group changing its accounting policy for its interests in joint arrangements. The Group also adopted HKFRS 10, 'Consolidated financial statements', HKFRS 12, 'Disclosure of interests in other entities', and consequential amendments to HKAS 28, 'Investments in associates and joint ventures' and HKAS 27, 'Separate financial statements', at the same time.

Under HKFRS 11, investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor has rather than the legal structure of the joint arrangement. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures.

The Group has applied the new policy for interests in joint ventures occurring on or after 1 January 2012 in accordance with the transition provisions of HKFRS 11. The Group recognised its investment in joint ventures at the beginning of the earliest period presented (1 January 2012), as the total of the carrying amounts of the assets and liabilities previously proportionately consolidated by the Group. This is the deemed cost of the Group's investments in joint ventures for applying equity accounting.

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition of profits or losses and movements in other comprehensive income. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group. The change in accounting policy has been applied as from 1 January 2012. There is no impact on the net assets of the periods presented.

The tables below show the effect from the change of accounting policy on the consolidated balance sheet as of 31 December 2012 and 1 January 2012, the consolidated statement of comprehensive income and the consolidated statement of cash flows for the year ended 31 December 2012 and six months ended 30 June 2012. There was no effect on the earnings per share.

Impact on consolidated balance sheet Increase/(decrease)	As at 31 December 2012	As at 1 January 2012
	(RMB'000)	*(RMB'000)*
ASSETS		
Non-current assets		
Property, plant and equipment	(718)	(787)
Interest in jointly controlled entities	943,158	943,466
Deferred income tax assets	(11,928)	(11,278)
	930,512	931,401
Current assets		
Properties under development	(2,488,898)	(1,993,135)
Trade and other receivables	737,770	(1,458)
Prepaid taxes	(6,185)	(1,832)
Restricted cash	(5,545)	-
Cash and cash equivalents	(55,195)	(101,123)
	(1,818,053)	(2,097,548)
Total assets	(887,541)	(1,166,147)
LIABILITIES		
Non-current liabilities		
Borrowings	(550,000)	-
Current liabilities		
Borrowings	-	(1,051,450)
Trade and other payables	(204,473)	(114,697)
Advanced proceeds received from customers	(133,068)	-
	(337,541)	(1,166,147)
Total liabilities	(887,541)	(1,166,147)

Impact on consolidated statement of comprehensive income Increase/(decrease)	**Year ended 31 December 2012**	**Six months ended 30 June 2012**
	(RMB'000)	*(RMB'000)*
Revenue	(182,297)	-
Cost of sales	(175,704)	-
Gross profit	(6,593)	-
Selling and marketing costs	(5,830)	-
Administrative expenses	(4,310)	(5,973)
Other income	(947)	(545)
Operating profit	2,600	5,428
Share of post-tax loss of jointly controlled entities	1,950	4,071
Profit before income tax	650	1,357
Income tax expense	650	1,357
Profit for the year/period	-	-

Impact on consolidated statement of cash flows Increase/(decrease)	**Year ended 31 December 2012**	**Six months ended 30 June 2012**
	(RMB'000)	*(RMB'000)*
Net cash generated from operating activities	282,746	(42,614)
Net cash generated from investing activities	(743,254)	(274,959)
Net cash generated from financing activities	506,450	350,000
Exchange gains on cash and cash equivalents	(14)	-
Increase in cash and cash equivalents	45,928	32,427

(b) Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

(c) There are no other amended standards or interpretations that are effective for the first time for this interim period that could be expected to have a material impact on this Group.

(d) New and amended standards and interpretations issued but are not effective for period commencing on 1 January 2013 and have not been early adopted by the Group

		Effective for annual periods beginning on or after
HKFRS 9	Financial instruments	1 January 2015
HKFRS 7 and HKFRS 9 (Amendment)	Mandatory effective date and transition disclosures	1 January 2015
HKAS 32 (Amendment)	Financial instruments: Disclosures - Offsetting financial assets and financial liabilities	1 January 2014
Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (revised 2011)	Investment entities	1 January 2014
Amendments to HKAS 36	Recoverable amount disclosures for non-financial assets	1 January 2014
IFRIC/HK (IFRIC) Interpretation 21	Levies	1 January 2014

Management is in the process of making an assessment of their impact and is not yet in a position to state whether any substantial changes to the Group's significant accounting policies and presentation of the financial information will be resulted.

3 Segment information

The executive directors of the Company, which are the chief operating decision-maker of the Group, review the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on reports reviewed by the executive directors of the Company that are used to make strategy decision.

The Group is organised into four business segments: property development, property management, hotel operations and property investment. The associate and joint ventures of the Group are principally engaged in property development and are included in the project development segment. As the executive directors of the Company consider most of the Group's consolidated revenue and results are attributable to the market in the PRC and less than 10% of the Group's consolidated assets are located outside the PRC, geographical segment information is not considered necessary.

The executive directors of the Company assess the performance of the operating segments based on a measure of segment results. Fair value gains on embedded financial derivatives, finance income/(costs), net, share of post-tax loss of an associate and share of post-tax loss of jointly controlled entities are not included in the result of each operating segment.

Segment results and capital expenditure for the six months ended 30 June 2013 and 2012 are as follows:

Six months ended 30 June 2013

	Property development (RMB'000)	**Property management** (RMB'000)	**Hotel operations** (RMB'000)	**Property investment** (RMB'000)	**Group** (RMB'000)
Gross segment sales	14,779,280	364,297	161,167	20,055	15,324,799
Inter-segment sales	-	(109,268)	-	-	(109,268)
Sales to external customers	14,779,280	255,029	161,167	20,055	15,215,531
Segment results	4,368,947	(14,351)	(86,452)	180,813	4,448,957
Fair value gains on embedded financial derivatives					151,929
Finance income, net (note 5)					312,712
Share of post-tax loss of an associate	(26,744)	-	-	-	(26,744)
Share of post-tax loss of jointly controlled entities	(11,641)	-	-	-	(11,641)
Profit before income tax					4,875,213
Income tax expenses (note 6)					(2,288,479)
Profit for the period					2,586,734
Capital expenditure	407,094	2,700	195,400	119,874	725,068
Depreciation	37,992	2,267	74,566	-	114,825
Amortisation of land use rights and intangible assets	19,771	111	23,587	-	43,469
Fair value gains on investment properties (note 8)	-	-	-	178,426	178,426

Six months ended 30 June 2012

(Restated)

	Property development (RMB'000)	**Property management** (RMB'000)	**Hotel operations** (RMB'000)	**Property investment** (RMB'000)	**Group** (RMB'000)
Gross segment sales	11,503,517	266,083	133,415	10,376	11,913,391
Inter-segment sales	-	(65,521)	-	-	(65,521)
Sales to external customers	11,503,517	200,562	133,415	10,376	11,847,870
Segment results	4,614,524	(11,641)	(81,914)	45,293	4,566,262
Fair value gains on embedded financial derivatives					50,594
Finance costs, net (note 5)					(109,192)
Share of post-tax loss of an associate	(53,969)	-	-	-	(53,969)
Share of post-tax loss of jointly controlled entities	(4,071)	-	-	-	(4,071)
Profit before income tax					4,449,624
Income tax expenses (note 6)					(2,298,180)
Profit for the period					2,151,444
Capital expenditure	158,972	1,554	139,408	51,782	351,716
Depreciation	27,903	2,383	51,252	-	81,538
Amortisation of land use rights and intangible assets	7,764	35	22,095	-	29,894
Fair value gains on investment properties (note 8)	-	-	-	43,218	43,218

Segment assets and liabilities as at 30 June 2013 are as follows:

	Property development (RMB'000)	Property management (RMB'000)	Hotel operations (RMB'000)	Property investment (RMB'000)	Elimination (RMB'000)	Group (RMB'000)
Segment assets	89,196,155	475,820	7,099,093	5,887,900	(366,825)	102,292,143
Unallocated assets						320,763
Total assets						102,612,906
Segment liabilities	18,387,070	577,838	3,605,443	102,222	(366,825)	22,305,748
Unallocated liabilities						46,438,830
Total liabilities						68,744,578
Segment assets include:						
Interests in an associate	90,994	-	-	-		90,994
Interests in jointly controlled entities	941,517	-	-	-		941,517

Segment assets and liabilities as at 31 December 2012 are as follows:

(Restated)

	Property development (RMB'000)	Property management (RMB'000)	Hotel operations (RMB'000)	Property investment (RMB'000)	Elimination (RMB'000)	Group (RMB'000)
Segment assets	78,114,697	425,029	6,727,104	5,589,600	(332,542)	90,523,888
Unallocated assets						325,623
Total assets						90,849,511
Segment liabilities	19,373,584	480,925	3,568,614	562,321	(332,542)	23,652,902
Unallocated liabilities						39,284,802
Total liabilities						62,937,704
Segment assets include:						
Interests in an associate	117,738	-	-	-		117,738
Interests in jointly controlled entities	943,158	-	-	-		943,158

Except for the impact from change in accounting policy as detailed in note 2(a), there are no differences from the latest annual financial statement in the basis of segmentation or in the basis of measurement of segment profit or loss.

Inter-segment transfers or transactions are entered into at terms and conditions agreed upon by respective parties.

Eliminations comprise inter-segment trade and non-trade balances.

Pricing policy for inter-segment transactions is determined by reference to market price.

Segment assets consist primarily of property, plant and equipment, land use rights, properties under development, completed properties held for sale, investment properties, receivables and cash balances. Unallocated assets comprise deferred tax assets and prepaid taxes. Segment liabilities comprise operating liabilities. Unallocated liabilities comprise taxation, borrowings and Convertible Bonds.

Capital expenditure comprises additions to property, plant and equipment, investment properties and intangible assets.

4 Other income

	Six months ended 30 June	
	2013	2012
		Restated
	(RMB'000)	*(RMB'000)*
Interest income of bank deposits	**54,910**	36,689
Forfeited deposits from customers	**22,232**	4,996
Miscellaneous	**26,486**	10,299
	103,628	51,984

5 Finance income/(costs), net

	Six months ended 30 June	
	2013	2012
		Restated
	(RMB'000)	*(RMB'000)*
Borrowing costs:		
- Bank borrowings and syndicated loans	**(452,325)**	(386,830)
- Senior notes	**(511,664)**	(412,747)
- Other borrowings	**(91,346)**	(153,813)
- Convertible Bonds	**(156,725)**	(147,071)
Exchange gains/(losses) from borrowings and Convertible Bonds	**347,776**	(70,276)
Less: borrowing costs capitalised	**1,176,996**	1,061,545
	312,712	(109,192)

6 Income tax expenses

	Six months ended 30 June	
	2013	2012
		Restated
	(RMB'000)	*(RMB'000)*
Current income tax		
- PRC enterprise income tax	**1,462,970**	1,027,252
- PRC land appreciation tax	**1,126,714**	1,406,817
- PRC withholding income tax	**118,727**	69,390
Deferred income tax		
- PRC enterprise income tax	**(419,932)**	(205,279)
	2,288,479	2,298,180

PRC enterprise income tax

PRC enterprise income tax is provided for on the profit for the PRC statutory financial reporting purpose, adjusted for those items which are not assessable or deductible for the PRC enterprise income tax purpose.

PRC land appreciation tax

PRC land appreciation tax is levied at progressive rate ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including land use rights and expenditures directly related to property development activities.

PRC withholding income tax

According to the Enterprise Income Tax Law of the PRC, starting from 1 January 2008, a withholding tax of 10% will be levied on the immediate holding companies outside the PRC when their PRC subsidiaries declare dividend out of profits earned after 1 January 2008. A lower 5% withholding tax rate may be applied when the immediate holding companies of the PRC subsidiaries are established in Hong Kong and fulfill requirements under the tax treaty arrangements between the PRC and Hong Kong.

7 Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to shareholders of the Company by the weighted average number of ordinary shares in issue during the period.

	Six months ended 30 June	
	2013	2012
Profit attributable to shareholders of the Company *(RMB'000)*	**2,133,878**	2,070,475
Weighted average number of ordinary shares in issue *(thousands)*	**3,447,839**	3,449,450
Basic earnings per share *(RMB per share)*	**0.619**	0.600

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company's only dilutive potential ordinary shares are derived from the Convertible Bonds. When calculating the dilutive earnings per share, the Convertible Bonds are assumed to have been converted into ordinary shares, and the net profit is adjusted to eliminate the interest expenses, exchange gains or losses on debt component and the fair value gains on embedded financial derivatives less the tax effect.

	Six months ended 30 June	
	2013	2012
Profit attributable to shareholders of the Company *(RMB'000)*	**2,133,878**	2,070,475
Interest expenses charged to the income statement for the period *(RMB'000)*	**-**	-
Exchange (gains)/losses on debt component *(RMB'000)*	**(41,614)**	8,663
Fair value gains on embedded financial derivatives *(RMB'000)*	**(151,929)**	(50,594)
Profit used to determine diluted earnings per share *(RMB'000)*	**1,940,335**	2,028,544
Weighted average number of ordinary shares in issue *(thousands)*	**3,447,839**	3,449,450
Assumed conversion of Convertible Bonds *(thousands)*	**229,824**	219,620
Weighted average number of ordinary shares for diluted earnings per share *(thousands)*	**3,677,663**	3,669,070
Diluted earnings per share *(RMB per share)*	**0.528**	0.553

8 Investment properties

	Six months ended 30 June	
	2013	2012
	(RMB'000)	*(RMB'000)*
Opening net book amount	**5,589,600**	5,248,000
Additions	**119,874**	51,782
Fair value gains on investment properties	**178,426**	43,218
Closing net book amount	**5,887,900**	5,343,000

As at 30 June 2013, investment properties comprised completed properties of RMB4,297,410,000 (31 December 2012: RMB4,275,348,000) and properties under construction of RMB1,590,490,000 (31 December 2012: RMB1,314,252,000) respectively.

9 Trade and other receivables

	30 June 2013	31 December 2012
		Restated
	(RMB'000)	*(RMB'000)*
Trade receivables (note (a))	**2,363,637**	1,933,595
Other receivables due from:		
- Third parties	**1,928,818**	1,656,764
- An associate	**1,243,792**	1,139,716
- Jointly controlled entities	**1,080,854**	987,921
Prepaid business taxes and other taxes	**359,964**	305,644
Deposits for acquisition of land use rights	**1,388,139**	375,320
Prepayments	**193,796**	197,474
	8,559,000	6,596,434

As at 30 June 2013, the fair value of trade and other receivables approximated their carrying amounts. All the balances are fully performing except the balances which were past due but not impaired amounting to RMB492,706,000 (31 December 2012: RMB399,877,000).

Notes:

(a) Trade receivables mainly arose from sale of properties. Trade receivables in respect of sale of properties are settled in accordance with the terms stipulated in the sales and purchase agreements. As at 30 June 2013 and 31 December 2012, the ageing analysis of the trade receivables is as follows:

	30 June 2013	31 December 2012
		Restated
	(RMB'000)	*(RMB'000)*
Within 90 days	**1,745,070**	1,391,634
Over 90 days and within 365 days	**492,068**	339,551
Over 365 days and within 2 years	**126,499**	202,410
	2,363,637	1,933,595

(b) The carrying amounts of trade and other receivables are mainly denominated in RMB.

10 Trade and other payables

	30 June 2013	31 December 2012
		Restated
	(RMB'000)	*(RMB'000)*
Trade payables (note (a))	**9,905,347**	11,189,613
Other payables due to:		
- Related parties	**501,298**	349,485
- Third parties (note (b))	**1,417,723**	1,317,056
Staff welfare benefit payable	**30,741**	33,629
Accruals	**611,600**	793,846
Other taxes payable	**239,059**	286,969
	12,705,768	13,970,598

Notes:

(a) The ageing analysis of trade payables of the Group as at 30 June 2013 and 31 December 2012 is as follows:

	30 June 2013	31 December 2012
		Restated
	(RMB'000)	*(RMB'000)*
Within 90 days	**8,132,942**	9,326,895
Over 90 days and within 180 days	**938,175**	884,144
Over 180 days and within 365 days	**469,684**	597,732
Over 365 days	**364,546**	380,842
	9,905,347	11,189,613

(b) A local government appointed the Group to carry out a project of land clearance and primary infrastructure construction for the local government. The government shall make progress payments to the Group, which are interest free, and the construction cost incurred by the Group will be reimbursed or off set against the progress payments of the government on an actual basis. As at 30 June 2013, the project was in progress. The advances received from the government after net of the relevant construction cost incurred, which amounted to RMB259,004,000 (31 December 2012: RMB299,397,000), was recognised in other payables.

MANAGEMENT DISCUSSION AND ANALYSIS

Overall performance

During the Review Period, the Group's revenue was RMB15,216 million (the corresponding period in 2012: RMB11,848 million), representing an increase of 28.4% when compared with the corresponding period of last year. The operating profit was RMB4,449 million (the corresponding period in 2012: RMB4,566 million), which was comparable with the corresponding period of last year. Profit attributable to shareholders (including after-tax fair value gains on investment properties) was RMB2,134 million (the corresponding period in 2012: RMB2,070 million), which was comparable with the corresponding period of last year. Basic and diluted earnings per share were RMB0.619 and RMB0.528 (the corresponding period in 2012: RMB0.600 and RMB0.553). Basic earnings per share excluding after-tax fair value gains on investment properties was RMB0.580 (the corresponding period in 2012: RMB0.591) which was comparable with the corresponding period of last year.

Land bank

In line with the Group's long-term development strategy, the Group continued to adopt its strategic land replenishment plan through the Review Period while optimizing the existing land bank in accordance with the development needs and market conditions. As at 15 August 2013, the Group has a land bank with a total planned GFA of 41.21 million sq.m. in 35 cities and regions across China, including Southern China Region, Eastern China Region, Western China Region, Central China Region, Hainan Province Region, Yunnan Province Region, Northeast China Region and Northern China Region. The average land cost was RMB1,206 per sq.m. only.

During the Review Period, the Group acquired land parcels with a total planned GFA of 4.87 million sq.m. and with a total consideration of RMB6,648 million. These newly acquired sites are located in Chuzhou, Foshan, Guangzhou, Hainan Province, Nanjing, Shanghai, Xi'an, Yangzhou, Yunnan Province and Zhongshan. Among which, Chuzhou and Yangzhou were the newly explored markets of the Group.

The following table sets forth the details of the newly acquired sites:

Land parcel name	City/District	GFA (sq.m.)
Southern China Region		
Site in Foshan New City	Foshan / Shunde	131,081
Site in New City District, Shunde	Foshan / Shunde	308,066
Site in Xi'nan Street, Sanshui	Foshan / Sanshui	107,300
Site in Huashan Town, Huadu	Guangzhou / Huadu	279,270
Site in Jibian Town, Zhongshan	Zhongshan	142,924
Subtotal		**968,641**
Eastern China Region		
Site in Chahe New Town, Chuzhou	Chuzhou	677,266
Site in Gaochun District, Nanjing	Nanjing	512,074
Site in Songjiang District, Shanghai	Shanghai	148,025
Site in Shuangzixing, Yangzhou	Yangzhou	436,858
Subtotal		**1,774,223**
Hainan Province Region		
Site in Hainan Clearwater Bay	Hainan / Lingshui	372,710
Yunnan Province Region		
Site in Tengchong	Yunnan / Tengchong	1,755,221
Total (As at 30 June 2013)		**4,870,795**

Property development and sales

During the Review Period, the Group's total recognised sales was RMB14,779 million, representing an increase of 28.5% when compared with the corresponding period in 2012, and the total recognised GFA sold was 1.45 million sq.m., representing an increase of 42.4% when compared with the corresponding period in 2012. The recognised average selling price of the Group's projects on sale decreased by 9.8% from RMB11,298 per sq.m. in the first half of 2012 to RMB10,192 per sq.m. in the first half of 2013, mainly due to the change of geographical distribution and product mix of recognised sales.

Property investment

In line with the prudent development strategy of the Group and to further diversify the business portfolio so as to generate a stable income to the Group, the Group has designated certain properties for long-term rental yields. During the Review Period, revenue of the property investment of the Group was RMB20 million, representing an increase of 93.3% when compared with the corresponding period in 2012.

Hotel operations

The Group continued to develop its hotel business in a prudent and cautious manner with a view to developing a diversified business portfolio and generating a stable and reliable revenue stream for the Group. During the Review Period, the Group recorded the revenue from hotel operations of RMB161 million, representing an increase of 20.8% when compared with the corresponding period in 2012, which was primarily attributable to the revenues generated from Shanghai Marriott Hotel City Centre, Guangzhou Agile Hotel and Foshan Agile Hotel.

Property management

During the Review Period, the property management fee income of the Group was RMB255 million, representing an increase of 27.2% when compared with the corresponding period in 2012, which was mainly attributable to the total GFA managed increased to 17.48 million sq.m. (the corresponding period in 2012: 15.49 million sq.m.) and serving approximately 490,000 residents. The Group provides property management service in 16 large and medium-sized cities and districts throughout the county, covering a diversified and high-end customer base including residence, clubhouses, commercial buildings, integrated resort communities and commercial centres.

Cost of sales

Cost of sales of the Group mainly refers to the costs incurred directly from its property development activities, including construction, fitting-out and design, land use rights, interest capitalised and business tax.

Cost of sales increased by 49.7% to RMB9,705 million in first half of 2013 from RMB6,483 million in the corresponding period in 2012, which was mainly attributable to the land cost of certain projects of the recognized sales relatively higher.

Gross profit

Gross profit of the Group (before the provision for land appreciation tax) increased by 2.7% to RMB5,511 million in the first half of 2013 from RMB5,364 million in the corresponding period in 2012. Gross profit margin decreased to 36.2% in the first half of 2013 from 45.3% in the corresponding period in 2012, which was mainly attributable to the decrease in the recognised average selling price and the increase in the average land cost.

Fair value gains on investment properties

During the Review Period, the Group recorded fair value gains on investment properties of RMB178 million. After deducting the amount of RMB44 million for deferred income tax on fair value gains, the after-tax fair value gains on investment properties was RMB134 million.

Other income

During the Review Period, the Group recorded other income of RMB104 million, mainly including interest income of bank deposits and forfeited deposits from customers.

Selling and marketing costs

Selling and marketing costs of the Group increased by 77.9% to RMB585 million in the first half of 2013 from RMB329 million in the corresponding period in 2012, which was mainly attributable to the increase in promotional and advertising expense, sales commission fee and agency service charge caused by a series of promotional activities.

Administrative expenses

Administrative expenses of the Group increased by 19.2% to RMB669 million in the first half of 2013 from RMB561 million in the corresponding period in 2012, which was mainly attributable to the Group's continuous business expansion.

Other expenses

During the Review Period, the Group recorded other expenses of RMB38 million. It mainly included charitable donations of RMB33 million.

Finance income/(costs), net

During the Review Period, finance income of the Group was RMB313 million while finance costs was RMB109 million in the corresponding period in 2012. Finance income mainly included the exchange gains of RMB348 million from the borrowings and bonds denominated in United States dollars and Hong Kong dollars. It was mainly attributable to the depreciation of the exchange rate of United States dollars and Hong Kong dollars against Renminbi in the first half of 2013, while the costs from exchange losses was RMB70 million in the first half of 2012, mainly due to the appreciation of United States dollars against Renminbi.

Share of post-tax loss of an associate

During the Review Period, the share of after-tax loss of an associate was RMB27 million, which arose from the Group's 20% equity interest of Guangzhou Li He Property Development Company Limited (廣州利合房地產開發有限公司) ("Li He").

Fair value gains on embedded financial derivatives

On 28 April 2011, the Group issued 4% Convertible Bonds in an aggregate principal amount of US$500 million due 2016. For the six months ended 30 June 2013, the gains from change in fair value of embedded financial derivatives was RMB152 million.

Profit attributable to shareholders

Profit attributable to shareholders was RMB2,134 million (the corresponding period in 2012: RMB2,070 million), which was comparable with the corresponding period in 2012. After deducting the after-tax fair value gains on investment properties, the profit attributable to shareholders was RMB2,000 million (the corresponding period in 2012: RMB2,039 million), which was also comparable with the corresponding period in 2012.

Liquidity, financial and capital resources

Cash position and fund available

As at 30 June 2013, the total cash and bank deposits of the Group were RMB15,548 million (31 December 2012: RMB9,629 million), in which the unrestricted cash was RMB10,036 million (31 December 2012: RMB5,749 million) and restricted cash was RMB5,512 million (31 December 2012: RMB3,880 million).

As at 30 June 2013, the undrawn borrowing facilities were RMB2,543 million (31 December 2012: RMB1,484 million).

As at 30 June 2013, the Group's available financial resources amounted to RMB18,091 million (31 December 2012: RMB11,113 million). The Group has adequate financial resources to meet future funding requirements.

Perpetual Capital Securities

In January 2013, the Company successfully issued US$700 million (equivalent to RMB4,400 million) 8.25% Subordinated Perpetual Capital Securities, further optimising its capital structure and maintaining stable and sufficient cash flows.

Borrowings

During the Review Period, given the volatile capital market environment, the Group has proactively diversified its funding sources to lengthen its debt maturity profile and properly minimised refinancing risk. By way of various onshore and offshore funding sources, the Group successfully raised new borrowings amounting to RMB12,344 million, and borrowings of RMB4,098 million were repaid.

The Group was also granted banking facilities for RMB7,694 million, of which onshore new borrowings were RMB4,107 million and offshore new borrowings were RMB3,587 million.

As at 30 June 2013, the bank borrowings, senior notes, debt component of Convertible Bonds and other borrowings of the Group was RMB18,065 million, RMB10,023 million, RMB2,423 million and RMB4,648 million respectively.

Repayment schedule	**As at 30 June 2013 (RMB million)**	As at 31 December 2012 (RMB million)
Bank borrowings		
Within 1 year	**6,693**	6,193
Over 1 year and within 2 years	**5,256**	3,357
Over 2 year and within 5 years	**5,059**	2,689
Over 5 years	**1,057**	1,027
Subtotal	**18,065**	13,266
Senior notes		
Over 2 years and within 5 years	**10,023**	10,179
Convertible Bonds - debt component		
Over 2 years and within 5 years	**2,423**	2,370
Other borrowings		
Within 1 year	**1,754**	-
Over 1 year and within 2 years	**2,170**	1,200
Over 2 year and within 5 years	**525**	-
Over 5 years	**199**	-
Subtotal	**4,648**	1,200
Total	**35,159**	27,015

As at 30 June 2013, the Group's bank borrowing of RMB10,833 million are secured by its land use rights, properties and bank deposits (31 December 2012: RMB8,491 million). The Group's other borrowing of RMB950 million are pledge by its bank deposits. The offshore loans, senior notes and Convertible Bonds were jointly and severally guaranteed by certain subsidiaries of the Group and were secured by the pledges of their shares. The net assets of these subsidiaries were RMB5,624 million as at 30 June 2013 (31 December 2012: RMB5,486 million).

The gearing ratio is the ratio of net borrowing (total borrowings less total cash and cash equivalents and restricted cash) against total equity. As 30 June 2013, the gearing ratio was 57.9% (31 December 2012: 62.3%), demonstrating that the Group's gearing ratio is at a reasonable level.

Currency risk

The Group conducts its business primarily in Renminbi. Certain bank deposits and bank loans are denominated in Hong Kong dollars and United States dollars, and the Group's Convertible Bonds, senior notes and Subordinated Perpetual Capital Securities are denominated in United States dollars. Other than those disclosed, the Group does not have any material exposures to foreign exchange fluctuations.

Cost of borrowings

During the Review Period, the total cost of borrowings of the Group was RMB1,212 million, representing an increase of 8.5% when compared with the corresponding period in 2012. The increase was mainly attributable to higher average balance of bank borrowings in the first half of 2013. The weighted average interest cost was reduced from 8.5% to 8.1%.

Financial guarantee

The Group has cooperated with certain financial institutions arranged mortgage loan facility for its purchasers of property and provided guarantees to secure obligations of such purchasers for repayments. As at 30 June 2013, the outstanding guarantees were RMB14,163 million (31 December 2012: RMB13,211 million). Such guarantees shall terminate upon the earlier of (i) issuance of the real estate ownership certificate which will generally be available within one year after the purchasers take over the possession of the relevant property; or (ii) the satisfaction of relevant mortgage loan by purchasers.

Pursuant to the terms of the guarantees, upon default in mortgage payments by the purchasers, the Group is liable to repay the outstanding mortgage principals together with any accrued interest and penalty owed by the defaulted purchasers to the banks, and the Group is entitled to take over the legal title and possession of the related properties. The Group's guarantee starts from the dates the mortgagees grant the mortgage loans. No provision has been made for the guarantees as the net realisable value of the related properties can cover the repayment of the outstanding mortgage principals together with the accrued interest and penalty in case of default in payments.

In addition, the Group and other four parties (the "Five Shareholders") have evenly provided a guarantee in proportional to their shareholding in Li He in respect of certain loan facilities amounting to RMB3,500 million (31 December 2012: RMB2,650 million). The Group's share of the guarantee amounted to RMB700 million (31 December 2012: RMB530 million).

In the first half year of 2013, the Five Shareholders have provided a guarantee in respect of another loan facility of Li He amounting to RMB987 million (31 December 2012: RMB2,702 million). The Group's share of the guarantee amounted to RMB247 million (31 December 2012: RMB675 million).

A subsidiary of the Group and three PRC real estate developers (collectively refer to as "JV Parties") have provided a guarantee in proportional to their shareholding in a jointly controlled entity, Tianjin Jinnan Xincheng Real Estate Development Company Limited ("Tianjin Jinnan"), in respect of a loan facility amounting to RMB1,200 million (31 December 2012: RMB2,200 million). The Group's share of the guarantee amounted to RMB300 million (31 December 2012: RMB550 million).

A subsidiary of the Group and a PRC real estate developer ("Yahong JV Party") have evenly provided a guarantee in respect of a loan facility of another jointly controlled entity, Zhongshan Yahong Real Estate Development Co., Ltd. ("Zhongshan Yahong") amounting to RMB200 million (31 December 2012: nil), the Group's share of the guarantee amounted to RMB100 million (31 December 2012: nil).

Commitments

As at 30 June 2013, commitments of the Group in connection with the property development activities were RMB20,983 million (31 December 2012: RMB21,703 million). The Group committed payments of land acquisition costs and land premium were RMB4,040 million (31 December 2012: RMB612 million).

Human resources

As at 30 June 2013, the Group had a total of 15,448 employees, among which 124 were senior management and 350 were middle management. By geographical locations, there were 15,370 employees in the Mainland and 78 employees in Hong Kong and Macau. For the six months ended 30 June 2013, the total remuneration costs, including directors' remuneration, were RMB708 million (the corresponding period in 2012: RMB576 million).

INTERIM DIVIDEND

The Board has declared an interim dividend of HK14.5 cents (the corresponding period in 2012: HK14.5 cents) per share payable in cash to shareholders of the Company.

Interim dividend will be payable on or about Wednesday, 18 September 2013 to the shareholders whose names appear on the register of members of the Company on Friday, 6 September 2013.

CLOSURE OF REGISTER OF MEMBERS

The Company's register of members will be closed from Wednesday, 4 September 2013 to Friday, 6 September 2013 (both dates inclusive), during such period no transfer of shares will be effected. To qualify for the interim dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong for registration not later than 4:00pm on Tuesday, 3 September 2013.

AUDIT COMMITTEE

The Company's audit committee had reviewed the unaudited interim results of the Group for the six months ended 30 June 2013, and reviewed with the management of the Group regarding the accounting principles and practices adopted by the Group, and discussed with them the internal controls and financial reporting matters.

The interim results for the six months ended 30 June 2013 has not been audited but has been reviewed by PricewaterhouseCoopers, the auditor of the Company, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has its own code for securities transactions by directors ("Securities Dealing Code for Directors"), which is on terms no less exacting than the required standard as set out in the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). After the enquiry made, each of the directors of the Company has confirmed to the Company that he or she had completely complied with the Securities Dealing Code for Directors during the six months ended 30 June 2013.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

During the six months ended 30 June 2013, the Company has complied with all code provisions of the Corporate Governance Code contained in Appendix 14 to the Listing Rules, and complied with certain recommended best practices.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

For the six months ended 30 June 2013, the Company repurchased from the market a total of 2,100,000 shares at an average price of HK$9.29 per share for a total consideration of HK$19,511,100, excluding the related expenses on shares repurchased. After the cancellation of the repurchased shares, the issued share capital of the Company was diminished by the nominal value thereof. The premium paid on repurchases was charged against the share premium account of the Company. Repurchases of shares were made by the Board for enhancing the long-term interest of the shareholders. Particulars of the repurchases of shares were as follows:

Month of repurchase	Total number of shares repurchased	Repurchase price per share		Consideration
		Highest	Lowest	
		(HK$)	*(HK$)*	*(HK$)*
March 2013	2,100,000	9.32	9.27	19,511,100

Save as disclosed above, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2013.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT ON THE WEBSITES OF THE COMPANY, HONG KONG EXCHANGES AND CLEARING LIMITED AND SINGAPORE EXCHANGE LIMITED

This announcement is published on the websites of the Company (www.agile.com.cn), Hong Kong Exchanges and Clearing Limited (www.hkex.com.hk) and Singapore Exchange Limited (www.sgx.com). The interim report of the Company for the six months ended 30 June 2013 containing all the information required by the Listing Rules will be dispatched to the Company's shareholders and will be posted on the above websites in due course.

BOARD OF DIRECTORS

As at the date of this announcement, the Board comprises Mr. Chen Zhuo Lin (Chairman), Mr. Chan Cheuk Yin (Vice Chairperson and Co-President), Ms. Luk Sin Fong, Fion (Vice Chairperson and Co-President), Mr. Chan Cheuk Hung, Mr. Chan Cheuk Hei and Mr. Chan Cheuk Nam as executive directors; and Dr. Cheng Hon Kwan, Mr. Kwong Che Keung, Gordon and Mr. Cheung Wing Yui as independent non-executive directors.

By Order of the Board
Agile Property Holdings Limited
CHEN Zhuo Lin
Chairman

Hong Kong, 15 August 2013