



【Press Release】

## S&P Upgrades Aoyuan's Credit Rating to "B+" with "Stable" Outlook

(20 July 2017 - Hong Kong) **China Aoyuan Property Group Limited** ("Aoyuan" or the "Company", Stock Code: 3883), a renowned property developer in China, is pleased to announce that the Company's corporate credit ratings has been upgraded to "B+" from "B" by S&P Global Ratings ("S&P"), a global leader in credit ratings, with a "stable" outlook.

According to S&P, the upgrade reflects Aoyuan's strong sales performance, good cash collection, disciplined land acquisitions, and stable profit margin. In the first six months of 2017, Aoyuan's contracted sales reached RMB16.5 billion, increasing 57% year on year. Aoyuan exceeded its annual sales target in 2015 and 2016, demonstrating its enhanced execution capability. Aoyuan is expected to focus on improving its asset turnover and lower operating costs. S&P expects Aoyuan's leverage and business operations will continue to improve in the next 12 to 18 months while it maintains a sound liquidity position. At the same time, S&P believes Aoyuan to maintain a disciplined approach toward land acquisitions and new investment. The reasonable cost and geographic distribution of its land bank should support stable margin growth over the next two years.

Aoyuan management commented, "Aoyuan has maintained strong growth momentum in the first half of 2017 and achieved 50% of its full-year sales target. Since the end of 2016, Aoyuan's corporate credit rating was upgraded to 'BB-' and 'B1' by Fitch and Moody's, respectively. It was then upgraded to 'B+' today by S&P, which made Aoyuan the only PRC developer whose credit rating was upgraded by all three major international rating agencies since last year. This reaffirmed that Aoyuan's business development and profitability are well recognized by capital markets and the public. Looking forward, Aoyuan will maintain its rapid sales growth while maintaining healthy financial profile, thus delivering satisfactory returns to our shareholders and investors."

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### About Aoyuan

China Aoyuan Property Group Limited (stock code: 3883) is a renowned property developer and a pioneer of composite real estate in China, with projects mainly located in the Pearl River Delta, the core region of Central and Western China, the Yangtze River Delta, Beibuwan and Bohai Rim in China. Aoyuan has also expanded to Sydney, Australia, and Vancouver, Canada. As of 31 December 2016, the total GFA of its land bank was approximately 14.65 million sq.m. On the back of its sound financial position and outstanding development and operating capabilities, Aoyuan has achieved steady development and maintained a growth rate higher than the industry average over the years. To mirror its branding philosophy of "Building a Healthy Lifestyle", Aoyuan endeavors to promote a composite real estate model for upgraders and lead a healthy urban lifestyle.



中國奧園地產集團股份有限公司  
China Aoyuan Property Group Limited

For more information, please visit the company website of Aoyuan: <http://www.aoyuan.com.cn>

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