

Beijing Capital Land Ltd

Annual Results 2013

February 2014



Agenda

1. Results Highlights
2. Financial Highlights
3. Performance Review
4. Prospects & Strategies
5. Appendices

Section I

Results Highlights



Results Highlights

Steady growth in major operating indicators

- Contracted sales reached a record high of RMB19.61 billion, up 48% yoy
- Net profit increased to RMB1.52 billion, up 37% yoy; EPS reached RMB75 cents; Dividend per share RMB22 cents
- Gross profit margin and net profit margin reached 27% and 16.9%, respectively

Focus on three core business lines

- Residential: high turnover projects resulted in improved operating results; Multiple projects launched in the same year following land acquisition and achieved solid sales performance.
- “Residence + Outlets” Complex: Fangshan and Huzhou Outlet projects were launched and achieved remarkable sales results. Established the “Capital Outlets” brand and strategic partnership with over 100 renowned international and domestic retailers.
- Urban Core Complex: acquired Lize business financial district project situated in the 2nd ring road core urban area with aggregate planned GFA of 500,000 sq.m approx. The project will be developed as a sizable urban core complex connecting to the subway station comprising office, retail, hotel and apartments.

Focus on core cities, expand superior land bank

- Acquired 9 new projects in 2013, aggregate GFA totaled 2.18 million sq.m.
- Secured land banks in homelands of Beijing and Tianjin; land investments in Beijing and Jing-Jin amounted to 52% and 77% of total new investments respectively.
- Successfully entered Shanghai; Important expansion into a tier-1 city in core geographic region for BCL.
- Land bank as of Dec 31, 2013: Aggregate GFA of 9.95 million sq.m.

Effectively diversified financing channels with enhanced capital utilization efficiency

- Innovative fund-raising: successfully issued a US\$400M perpetual bond; partnership with China Life (RMB\$2 Bn)
- Successfully obtained access to a red-chip listing platform by acquiring Juda international Holdings Ltd.(01329.HK)
- Net gearing ratio dropped significantly to 58.5% from 99.4% in 2012

Section II

Financial Results

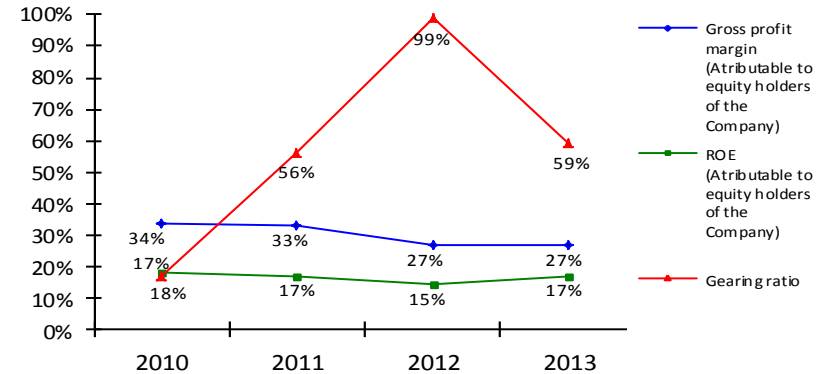
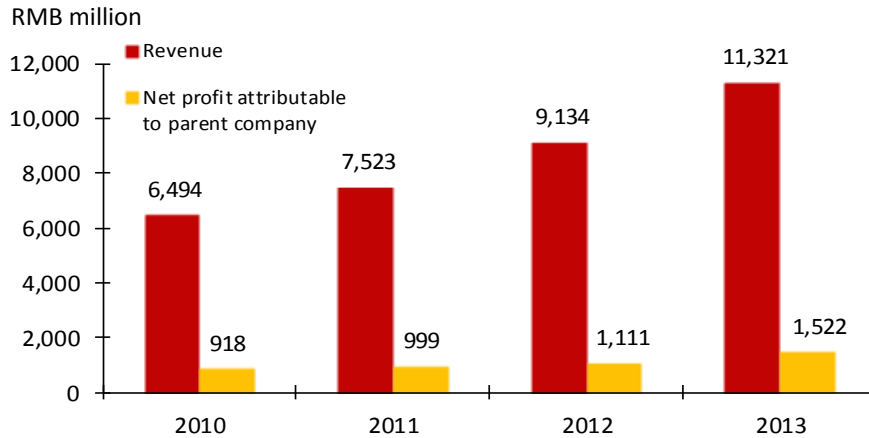


Financial Highlights

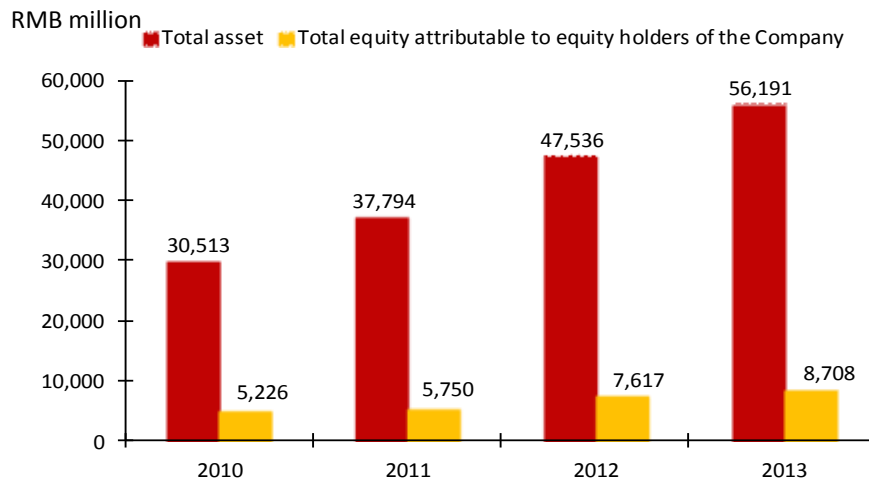
RMB '000	2013	2012	Change
Revenue	11,320,840	9,134,054	+23.9%
Gross profit	3,102,048	2,436,270	+27.4%
Operating profit	2,426,553	1,892,280	+28.2%
Net profit attributable to parent company	1,522,006	1,110,925	+37.0%
EPS (Fully-diluted, RMB cents)	75	55	+20
ROE	17.5%	14.6%	+3.2ppt
Gross profit margin	27%	27%	-
Net profit margin	16.9%	14.6%	+2.3ppt
Net gearing ratio	58.5%	99.4%	-40.9ppt
Cash on hand (RMB)	11.35 billion	8.62 billion	+31.7%

Stable Financial Performance

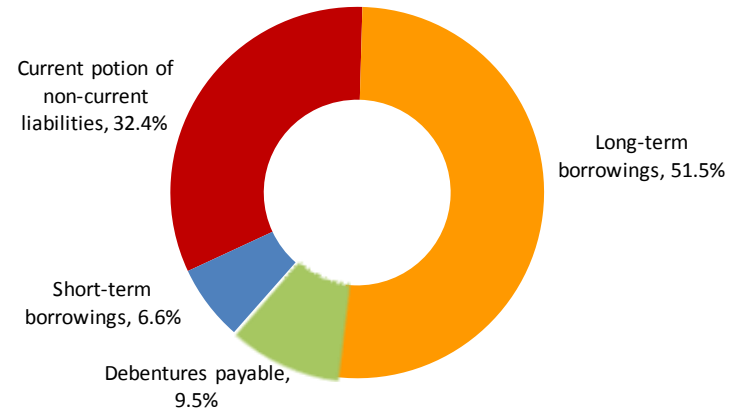
Stable Growth Financial Performance



Increasing Asset Scale



Optimized Loan Structure



Weighted average interest rate

7.54%
(at 31 Dec 2013)

Section III

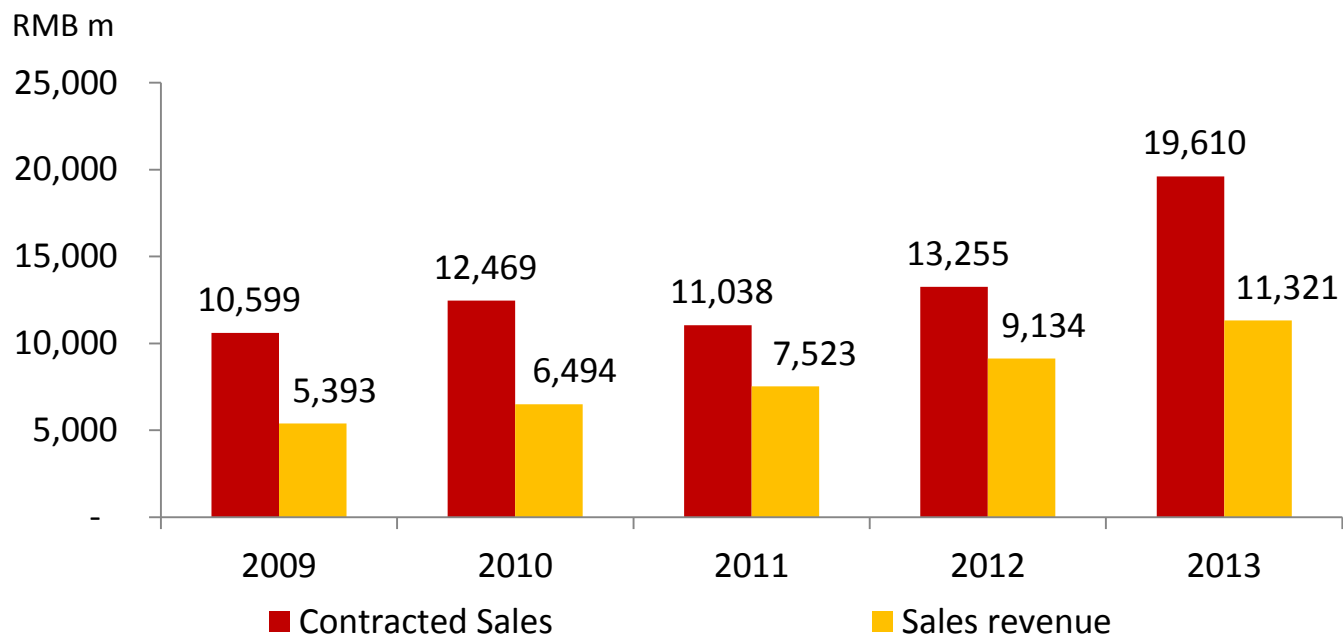
Business Performance



Contracted sales and sales revenue

Unbooked amount of core pre-sales before 2013	Contracted amount of core pre-sales in 2013	Booked amount in 2013	Accumulated unbooked amount of core projects
10.2 billion	15.0 billion	11.3 billion	13.9 billion

Stable growth of contracted sales and sales revenue

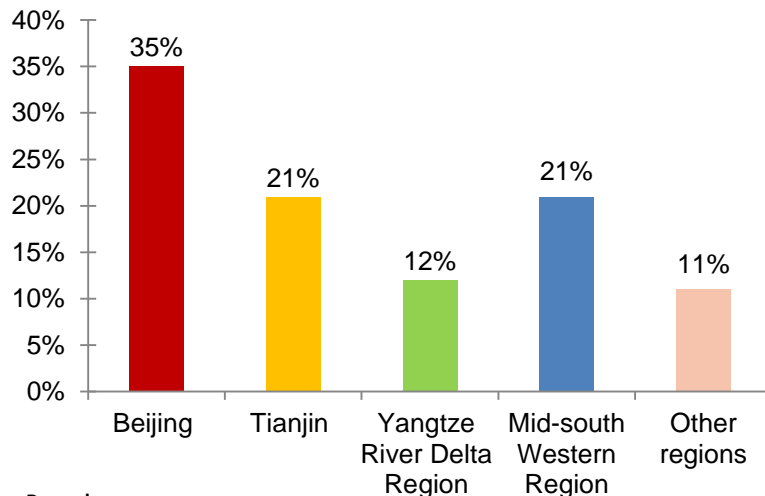


Contracted sales in 2013 reached a historical high of **RMB19.61B**

Contracted Sales Performance in 2013

Contracted Sales		Contracted Sold GFA		Avg. Sales Price	
RMB billion	Y-o-Y Change	'000 sq. m	Y-o-Y Change	RMB/sq. m.	Y-o-Y Change
19.61	+48%	1,923	+11%	10.200	33%

Contracted sales amount breakdown by region



Remarks

Yangtze River Delta Region includes: Wuxi, Zhenjiang, Kunshan, Jiangyin, Huzhou

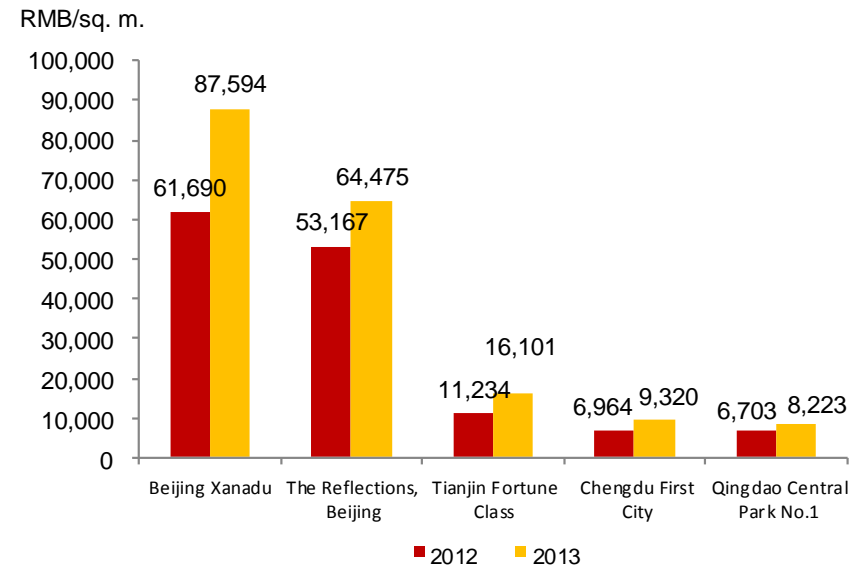
Mid-south Western Region includes: Chengdu and Chongqing and Xi'an

Other Regions include: Shenyang, Qingdao, Yantai, Hainan

□ Ealing County

- A representative projects for capturing owner occupiers launched in Dec 2013;
- A total of 560 units appropriated for sale in this launch were all sold out on the debut day, achieving subscription sales area aggregating 53,000 sq. m., with the corresponding subscription sales amounting to approximately RMB927 million;
- Demonstrated the Company's capabilities of acquiring resources in core cities and developing products to meet market demand.

Average contracted selling price



□ Kunshan Outlets

- Phase 1 "Fun Town" – was officially launched for sale on 2 June 2013;
- Received subscriptions for almost 500 units, that were worth RMB300 million in aggregate, on the launch day, making this the best-selling project in Kunshan on the launch day.

GFA Completed Construction in 2013

Project	Approximate GFA (sq. m.)	Type	Attributable Interest
Tianjin International Peninsula	92,297	Residential	100%
Tianjin Fortune Class	47,445	Residential	55%
Tianjin – A-Z Town	189,778	Residential	55%
Tianjin Noble City	72,597	Residential	40%
Tianjin Landing House	34,456	Residential	40%
Tianjin Mangrove	60,391	Residential	90%
Xi'an First City	302,164	Residential / Commercial	40%
Qingdao Airport International Centre	94,122	Commercial	100%
Zhenjiang Joyous House	142,243	Residential	100%
Chengdu Wanjuanshan	220,850	Residential	55%
Chengdu Cittá Villa	254,191	Residential	55%
Chengdu First City	60,473	Residential	100%
Wuxi Joyous House	48,493	Residential	100%
Chongqing Hong'en International Living District	314,853	Residential	50%
Shenyang First City	142,251	Residential	30%
Huzhou Outlets Integrated Project	42,841	Commercial	100%
Hainan Outlets Integrated Project	118,346	Residential / Commercial	55%
Total	2,237,791		

Land Acquisition in 2013

- **RMB11.7 billion:** nine new projects in 2013 with an aggregate GFA of 2.19 million sq. m. and a total cost of RMB11.7 billion
- **Expansion in Beijing and Tianjin:** Beijing and Tianjin accounted for 77% of the total new land bank, of which 52% was in Beijing. This further strengthened the Company's position around its regional headquarters of Beijing and Tianjin
- **Entered Shanghai:** successfully entered Shanghai, the centre of the Yangtze River Delta area, by acquiring the Shanghai Songjiang project
- **Latest update:** in January 2014, the company acquired Plot 3 of 200,000 sq.m. in Zhaoquanying Town, Shunyi District, Beijing, Plot F1-01 of 54,000 sq.m. in Shunyi District, Beijing and Daxingzhuang Project of 150,000 sq.m. in Pinggu, Beijing

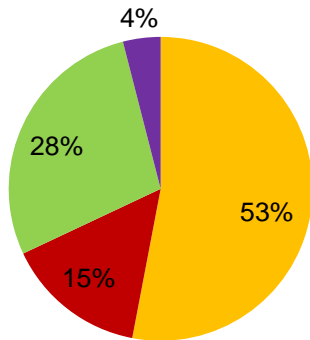
Land Acquisition in 2013

Cities	Project Name	Site Area of lands ('0000 sq.m.)	GFA ('0000 sq.m.)	BCL's equity
Beijing	Lize Financial Business District Project	4.5	38.0	
	F02	1.6	15.0	68.5%
	F03	1.9	16.0	100%
	F05	1	7.0	100%
	Daxing Sun Village Project	6.2	11.1	100%
Shanghai	Songjiang Project	6.5	11.8	100%
Tianjin	Eco Village	25.7	51.2	16.4%
	Cambridge County	11.7	13.4	100%
	Lishuang Road Project	10.8	19.8	100%
	Wuqing 4-2 Project	18.7	20.5	100%
Chongqing	Eco Village	14.6	38.8	28.24%
Wanning	Liji Town Project	7.3	13.8	100%
Subtotal		106.2	218.4	

Land Bank Portfolio

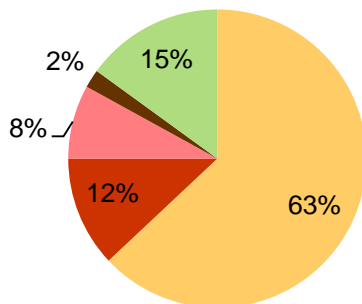
As at the end of 2013, Beijing Capital Land had invested in 50 different projects over 15 cities all over the country, the Group's land bank had aggregate GFA of 9.95 million sq. m., total saleable GFA of 8.41 million sq. m. and saleable GFA attributable to the Group's equity interests was 6.75 million sq. m.

Land Bank distribution by region

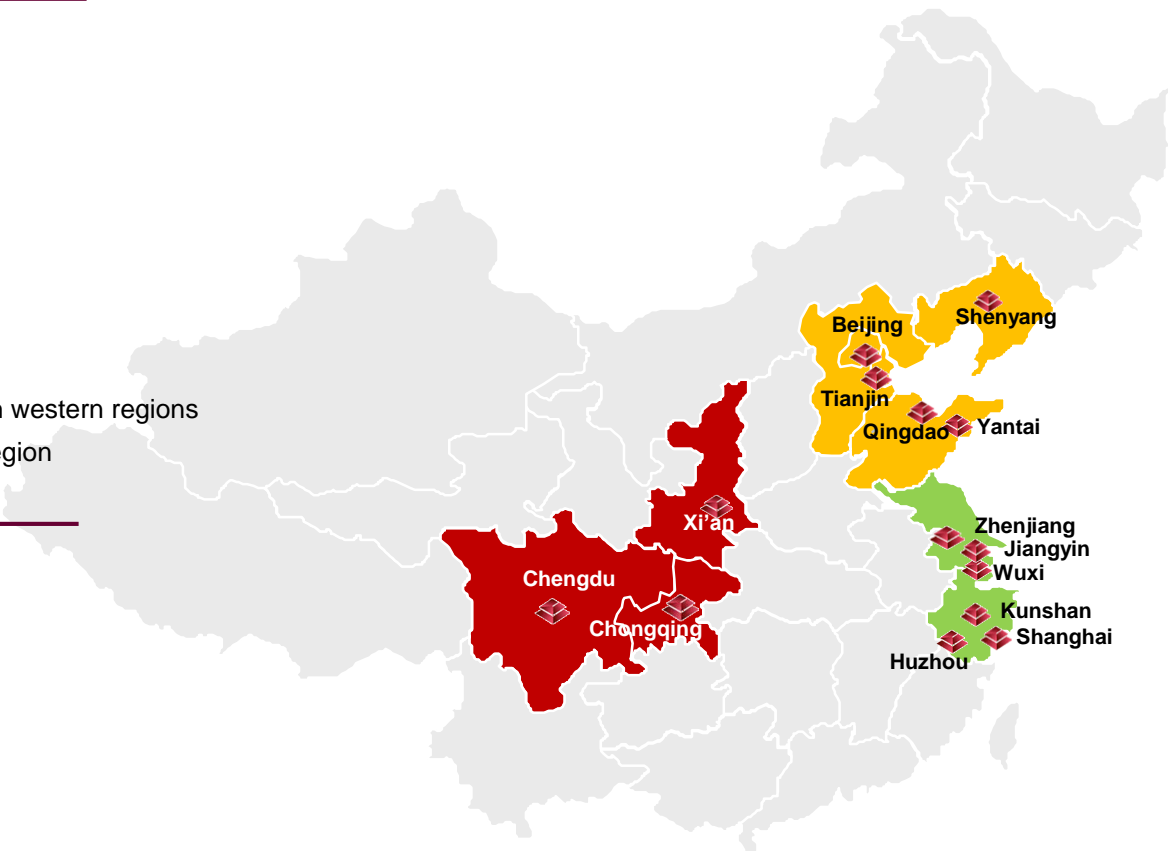


- Bohai Rim Region
- Yangtze River Delta Region
- Mid-south western regions
- Hainan region

Land Bank by usage



- Residential
- Commercial
- Office
- Hotels
- Car Parks and Others



Section V

Prospects & Strategies



□ Challenges

- Central Government maintain tight austerity measures for property sector, suppressing speculation and supporting owner-occupation demand;
- Liquidity from central government does not appear to be loosening; Funding costs could potentially rise;
- Soaring land prices in 2013 may squeeze gross margins of real estate companies in 2014;
- Product integration and diversification sustained in the market, creating a more competitive environment;
- Industry segmentation is intensifying, and breakthroughs in terms of business scale will be critical.

□ Opportunities

- Accelerating urbanization ensures healthy development of China property market;
- Urbanization benefits mainly tier 1-2 cities which fuels the demand and development of urban core complexes;
- Population growth and strong demand for end-user products are major factors in promoting China property market development;
- Sizable market amid slower growth rate still enable developers to grasp a larger market share in the long run;
- The Third Plenary advocates deepen reforms on state-owned enterprises.

60 Billion

China's Most Valuable
Integrated Property Developer

2018 Strategic Goal

Development Scale

- ◆ Contracted Sales: 60 bn
- ◆ Industry Ranking: TOP20
- ◆ Investment Property: 20 bn

Corporate Structure

- ◆ Initiative and Innovative Corporate Culture
- ◆ Clearly Defined Management Structure
- ◆ Market Oriented Incentive Schemes
- ◆ Professional and Excellent Team Leadership

Development Focus

Three main business lines:

Residential Property Development, 'Residence + Outlets' Developments, and Urban Core Complex Developments

Development Strategies

1

Maximize scale, accelerate turnover, lower outstanding inventory levels, and optimize business structure; Focus on end-user demands; Accelerate turnover and sales of new projects and secure **contracted sales target of RMB28 Billion**

2

“Residential Properties”: focus on core cities
“Residential + Outlets”: establish a nationwide industry-leading “Capital Outlets” brand
“Urban Core Complex”: establish branding and operational excellence by introducing international JV partners and investors

3

Refine existing products in accordance with customer feedbacks, professional operations and management. Improve customer services quality and product differentiation by enhancing professionalism of the team

4

Optimize corporate governance and incentive schemes with innovative measures, improving corporate efficiency, profitability and aligning the interests of company managers and investors.

5

Fully utilize the onshore/offshore financing platforms through debt/equity fund-raising to decrease the costs of capital and optimize the Group’s financial structure.

Abundant Supply Supporting Growth

- As at the end of 2013, the group's available GFA for sale was approximately 1.08 million sq. m.
- In 2014, the projects to be launched had reached approximately 2.18 million sq.m.
- In 2014, the Group had approximately 3.25 million sq.m. of supply available for sale
- **Target contracted sales for 2014 is RMB 28 billion.**

Project Name	Available GFA as of Dec 31, 2013 (sq.m.)	To be launched GFA in 2014 (sq.m.)	Approximate GFA available for sale in 2014 (sq.m.)
The Reflections, Beijing	4,442		4,442
Ealing County, Beijing	524	166,033	166,557
Landscape Villa, Beijing	44,108	59,587	103,696
Ballet Town	480	15,787	16,267
Xanadu, Beijing	25,463		25,463
Zhao Quan Ying Project, Project		123,625	123,625
Da Xing Zhuang, Ping Gu Qu Project		132,629	132,629
Beijing Daxing Village Project		86,751	86,751
Shanghai Songjian Project		32,400	32,400
International Peninsula, Tianjin	100,000	228,169	328,169
Fortune Class, Tianjin	14,610		14,610
Noble City, Tianjin	27,691		27,691
Landing House, Tianjin	11,646		11,646
Tianjin First City	97		97
Mangrove Bay, Tianjin	22,967		22,967

Abundant Supply Supporting Growth (con.)

Project Name	Available GFA as of Dec 31, 2013 (sq.m.)	To be launched GFA in 2014 (sq.m.)	Approximate GFA available for sale in 2014 (sq.m.)
Cambridge County, Tianjin	8,835	39,428	48,263
Tianjin Eco Village	28,115	108,975	137,090
Tianjin Lishuang Road Project		152,370	152,370
Xi'an First City	104,927	118,955	223,882
Airport Intl Center, Qingdao	25,691		25,691
Qingdao Central Park No.1	6,619	28,467	35,086
Qingdao Yangbuzhai Project	10,403	55,172	65,575
Qingdao Sunny Xiangmi Lake	28,643		28,643
Sunny Chief Yard, Qingdao	23,908	82,327	106,235
Joyous House, Zhenjiang	28,956	47,111	76,067
Kunshan Eastern Mystery, Kunshan	22,924	63,240	86,164
Wanjuanshan, Chengdu	70,866		70,866
Cittá Villa, Chengdu	57,725		57,725
Chengdu First City	25,950		25,950
Gentle House, Wuxi	8,882		8,882
Joyous House, Wuxi	43,530		43,530
Auspicious House, Jiangyin	35,514		35,514
Chongqing Xiyong Project	51,730	111,284	163,015
Hong'en International Living District, Chongqing	22,147	164,891	187,038
Shenyang First City	96,969		96,969
Qipan Hills First Villa, Shenyang	12,002		12,002
Shenyang Eco Village	25,669	114,286	139,955
Beijing – Novotown	2,446		2,446
Joyous House, Huzhou	39,683	19,916	59,599
Huzhou Integrated Outlets Project		51,765	51,765
Kunshan Outlets Integrated Project	10,362	129,598	139,960
Hainan Integrated Outlets Project	31,790	42,526	74,316
Total	1,076,315	2,175,293	3,251,609

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Q&A

