

[For Immediate Release]



China New Town Revenue in the First Half of 2017 Skyrocketed 2.67 Times Y-o-Y to RMB397 Million

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Continues to Stabilize Fixed-Income Projects Plans to Advance Education and Industrial Parks Downstream Business in the Second Half of the Year

(Hong Kong, 13 August 2017) **China New Town Development Company Limited** (“the **Company**” or “**CNTD**,” HKSE: 1278.HK) has announced its unaudited interim results for the six months ended 30 June 2017.

During the first half of 2017, CNTD achieved a remarkable performance. Operating income reached a peak, surging 2.67 times to RMB397 million compared with the corresponding period of last year. Profit attributable to owners of the parent reached approximately RMB117 million. As of 30 June 2017, the Company’s urbanization projects under its fixed income investment portfolio amounted to a total of RMB2.445 billion, with an annualized investment return of more than RMB290 million for the Group before taxes. The average annual investment return rate before tax exceeded 12%.

During the period, the Company’s income has been mainly generated from fixed-income investments in new town projects and income from the construction of ancillary public facilities at the project in Shanghai. The growth of its principal business moved along a positive development track. In the first half of 2017, the major contribution to operating income mainly came from the revenue of RMB232 million related to land development derived from the development of ancillary public facilities of the projects of Shanghai Golden Luodian Development Co., Ltd progressing towards completion. Besides, the Company recorded a revenue of RMB117 million from fixed-income investments in new town projects, mainly including those from the CDB Yuhua Project, Danyang Flood Discharge Public Private Partnership Project, Zhenjiang Hi-tech District Affordable Housing Project, Yangzhou Airport New Town Project, Danyang Zhongbei College Development Project, Qinhuangdao Project and Changzhou New-Tech Economic Development Zone. Besides, the Company recorded an income of RMB5.72 million from dividends of the CDB (Beijing) New-type Urbanization Development Fund Phase II (Limited Partnership) and from assets management fees of RMB3.58 million.

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Since CDB Capital became the Company's controlling shareholder, the Company's business model has been further enhanced, transforming from solely engaging in land development to nationwide urbanization projects encompassing investment, development and operation. The projects involved include the Beijing Mentougou Junzhuang Project, Shanghai Luodian Project, Nanjing Yuhuatai Two Bridges Project and Yangzhou Airport New Town Project. The Company has also engaged in strategic cooperation with a number of partners, which include the IC Industry Fund, Vanke and Shenzhen Capital Group. By leveraging the resources and brand advantages of the controlling shareholder CDB, the Company is focusing on core national economic regions such as the Yangtze River Delta region and the Beijing-Tianjin-Hebei region, while constantly expanding and diversifying the urbanization projects under its fixed income investment portfolio. At the same time, the Company is investing in other urbanization projects such as education, senior housing, tourism and medical and healthcare in order to strengthen its leading position and brand recognition in the industry.

In the first half of 2017, the Company completed the voluntary delisting from the SGX-ST by way of selective share buyback. In January 2017, the Delisting Resolution was approved at the Extraordinary General Meeting of the Company with 98.24% of the voting shares in favor of the resolution by the public shareholders. The shares of the Company were delisted from the SGX-ST on February 17. Upon completion of the delisting, the Company has maintained its listing status in Hong Kong. In the future, CDB Capital will provide long-term support for the sustainable development of the Company, strengthen the cooperation and synergies among the resources and business segments, build a listed urbanization platform in CDB Capital as well as a unique listed company brand through the CDB business network.

On 7 August 2017, the Company announced that it has entered into a Memorandum of Understanding (the "MOU") with MGM Resorts International (the "MGM"). According to the MOU, both parties agree to establish an industry fund focusing on non-gaming tourism, leisure and cultural development. The Company and MGM intend to subscribe for US\$200 million and US\$100 million in the Fund respectively. After the entering into the Limited Partnership Agreement (LPA) and the establishment of the Fund, the parties agree to complete the initial contribution of 10% of their respective committed capital. The rest of funding will be gradually contributed subject to the actual investment progress of projects. Entering into an MOU with MGM represents another solid step of CNTD in the tourism industry and establishes its solid foundation for development of the tourism industry.

Looking ahead, the Company will continue to stabilize its fixed-income investment portfolio, in order to generate a stable cash flow. Moreover, the Company will continue to speed up the execution of the quality development and operation projects in the downstream industry segments, such as education, industrial parks and tourism, thereby generating substantial operating income, so as to effectively replenish income from fixed investments. A number of projects such as those in education and industrial parks are expected to be implemented in the second half of this year, boosting the Group's ongoing business development.

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Moreover, in order to contribute income to its principal business the Company will continue to step up land sales at the Shanghai project. Since the ongoing efforts made in the initial stage, Plot H-02 in the eastern part of the Shanghai Luodian Project has been included within Baoshan District's land reserve plan for 2017. The transferable residential land area is 55,632 sq.m., with a gross floor area of approximately 89,011 sq.m. and a plot ratio of approximately 1.6, meeting the major requirements for land transfer. In the second half of the year, the Company continues to seek other approvals for the transfer of Plot H-02 this year, aiming to complete the transfer within the year to realize the proceeds from the land sale so as to improve its principal business and cash flow.

On top of our constant business growth, the Company will proactively operate our business in a diverse manner, develop CDBC's listing and operating asset platform, and strive to build the position and brand of the CDB system in the capital market. The management is confident that the Company will continue to leverage our advantages of resources and overseas investment and financing platform. Apart from constantly enhancing our own vitality, we will unite as one in good faith and with concerted efforts to build an outstanding powerhouse to provide leading domestic urbanization products, continue improving our results and performance.

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About China New Town Development Company Limited (“CNTD”)

(HKEX: 1278.HK)

China New Town is the only listing platform for the urbanisation business of China Development Bank (“CDB”), China’s largest financial institutions engaged in the business of urban development. Since China Development Bank Capital Corporation (“CDB Capital”) became the controlling shareholder of the Company in 2014, the Company has capitalised on this strong shareholder background and its expertise in urbanisation policy to re-optimize its business model, expanding the scope of its business from primary land development exclusively to include investment, development and operation of urbanisation projects across China. The Company has participated in numerous projects including the Junzhuang Project in Beijing Mentougou District, Shanghai Luodian New Town, Nanjing Yuhuatai Twin Bridges and Yangzhou Airport City. As at 30 June 2017, the Group has a portfolio of RMB2.445 billion fixed income investments in aggregate, securing a total contractually guaranteed annual return before tax of approximately RMB290million, representing an average annualized pre-tax return of approximately 12%.

Looking ahead, riding on the resource and brand advantages of its controlling shareholder CDB and CDB’s subsidiaries and member companies, the Company will focus on China’s core economic regions such as the Yangtze River Delta and Beijing-Tianjin-Hebei region and will continue to broaden and enrich its fixed income investment portfolio for urbanisation. It will also devote itself to develop and create urbanisation projects in relation to education, elderly care, tourism and medical and healthcare through collaboration with quality partners such as Vanke, with the aim to reinforce its leading position and brand in the industry.

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