

[For Immediate Release]



**China New Town 2017 Operating Income Soars Threefold
to RMB1.2 Billion
Distributes First Dividend of HK\$0.0116 Per Ordinary Share
Since Shareholding by CDB**

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**Investment Portfolio Delivers Stable Revenue
Education and Tourism Downstream Businesses Achieve Progress**

(Hong Kong, 23 March 2018) **China New Town Development Company Limited** (“the **Company**” or “**CNTD**,” HKSE: 1278.HK) has announced its audited annual results for the year ended 31 December 2017.

In 2017, CNTD continued to deliver solid results, with operating income achieving a new record high, rocketing up 3.07 times to approximately RMB1.232 billion. Profit attributable to equity holders of the parent increased by 4.0% year-on-year to approximately RMB336 million. As at 31 December 2017, the Company had a portfolio of approximately RMB2.1 billion fixed income investments in aggregate, securing a total guaranteed annual return on investment of approximately RMB260 million, representing an average annualized pre-tax return on investment of about 11.9%. The Board has recommended the payment of a final dividend of HK\$0.0116 per ordinary share for the year ended 31 December 2017. This is the first dividend distribution since China Development Bank (“CDB”) became a shareholder of the Company.

During the year, the Company’s results from operation mainly included fixed-income investments in urbanization projects, sharing of land sale proceeds in some projects and downstream operations in urbanization. In 2017, the Company recorded revenue of RMB1.15 billion, increased by 370.9% as compared to 2016, primarily because the Company recorded revenue of RMB881 million from land development in 2017, 39.3 times more than that of 2016. RMB287 million was derived from the development of land infrastructure. RMB593 million was derived from construction of ancillary public facilities based on the proceeds allocated to the completed ancillary public facilities. In 2017, CNTD recorded revenue of RMB268 million related to urbanization development, increased by 30.1% compared to 2016.

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The Company followed the strategy of “New-type Urbanization Investment + Downstream Operation” to promote its business development. In the urbanization investment sector, with the de-leveraging in the domestic financial market, the Company has taken full advantage of the CDB network as well as its own experience in urbanization investment, prudently chose high-quality projects to invest in and managed the risks of its investment well while ensuring the revenue.

In downstream operation in urbanization, the Company continued to work in the industry of tourism, education, and industrial park, and made good progress. In 2017, the Company signed a memorandum of understanding with MGM Resorts International and will establish a fund that focuses on non-gaming tourism, leisure and culture. The fund will invest in non-gaming tourism projects in China and provide new partners and deal sources to facilitate the Company’s investment and operation in tourism sector.

As for investment and operation in industrial property, in 2017, the Company established a joint venture with partners. The joint venture will develop and manage a business and office complex in Tiexin Bridge area in Yuhuatai District in Nanjing. The Company will also acquire the Lenovo Industrial Base located at the Donghu Optical Valley High-tech Development Zone of Wuhan and earn long-term revenue through leasing after development and construction.

The Company has also made positive achievements in the education industry, with the establishment of the “Industry Fund Investment + Construction and Operation of Schools” format for the K-12 integrated school industry. In January 2018, New Town Education Company Limited (a wholly-owned subsidiary of CNTD), participated in the establishment of an education investment fund. New Town Education commits to invest no more than US\$50 million as a limited partner, and holds 40% shares in the general partner of the investment fund (the “General Partner”) as a main strategic shareholder. The fund will mainly invest in companies, projects and businesses in the education industry within the Greater China region and such other global regions as identified by the General Partner in its discretion from time to time. Meanwhile, CNTD will also construct and build an international school in Jiangning District of Nanjing with partners. The school will be a private “all-through” school covering pre-primary education to secondary education, providing bilingual internationalization curriculum (K12 bilingual curriculum). It will seek to earn revenue in the long run by renting school houses to the operating party of the school. By investing in and acquiring education brands through the fund, combining the school houses and facilities the Company owns, and cooperating with the partners in the industry, CNTD can promote its education platform nationwide and realize sustainable revenue and profit in education sector.

Looking ahead for 2018, the Company will continue to adapt to the country’s economic development and the policies in the industry, strengthen the synergistic with its controlling shareholder in resources and business. CNTD will continue to develop education, tourism, healthcare and industrial park projects, while keep a stable return in the urbanization investment portfolio. The Company will cooperate with both domestic and overseas brands, develop more ways to create profit and bring stable and continuing revenue for shareholders.

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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 31 December 2017, the Group had invested a total of approximately RMB2.1 billion in the integrated development projects with an annualised average return of 11.9%, thereby contributing to an improvement of financial performance. It realised a net profit of RMB336 million in the year of 2017.

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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