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China New Town Development Company Limited **中國新城鎮發展有限公司**

(Incorporated as a business company limited by shares under the laws of the British Virgin Islands)

Hong Kong Stock Code: 1278

Singapore Stock Code: D4N.sj

VOLUNTARY ANNOUNCEMENT

Series of Investment Projects funded by CDB (Beijing) New-Type Urbanization Development Fund

Reference is made to the announcement (the “**Announcement**”) of China New Town Development Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on entering into limited partnership agreement in respect of the setting up of an investment partnership on 16 June 2015. Capitalized terms in this announcement shall, unless otherwise specified, have the same meaning defined in the Announcement.

The Board of Directors (the “**Board**”) is pleased to announce that in accordance with the funding notice from the General Partner, among the total RMB 950 million invested by the Partnership in the Dachang Industrial New Town Project (the “**Dachang Project**”), the Sanya Shanty-town Reformation Project (the “**Sanya Shanty-town Reformation Project**”) and the Beijing Enterprises’ Gaoliying Town Project (the “**Beijing Enterprises’ Project**”), the Company’s wholly-owned subsidiary CDB New Town shall contribute a total of RMB 14,250,000 as the Junior-Tranche Limited Partner of the Partnership.

The Dachang Project

China Fortune Land Development Co. Ltd.’s (“**CFLD**”) Dachang Industrial Park is located in the southwest of Dachang Hui Autonomous County in the city of Langfang, Hebei Province, with a total planning area of about 80 square kilometers. As CFLD’s wholly-owned subsidiary company, the investee company Dinghong Investment and Development Co.,Ltd (“**Dinghong**”) is the project company responsible for the development, construction and operations in the area, with its main business including land consolidation, infrastructure construction, industrial development services and comprehensive services for the area. The Partnership will provide debt financing to Dinghong.

The Sanya Shanty-Town Reformation Project

There are 18 shanty-town reformation projects to be launched by the Sanya Municipal Government, which has been included in the National and Hainan province's shanty-town reformation plan between 2015 and 2017. It is intended to be implemented by the mode of government procurement, and Sanya Associates Investment Company, as the wholly-owned subsidiary of Sanya Municipal Investment and Construction Co., Ltd., shall be the main project company to implement the reformation. To support the shanty-towns reformation, the Partnership will invest in Sanya Associates Investment Company for the capital expenditure of the project.

The Beijing Enterprises' Project

Beijing Enterprises Holdings Property Management Co. Ltd. is the wholly-owned subsidiary of Beijing Enterprises Group Real-Estate Co. Ltd., and is responsible for the primary land development of Shunyi Gaoliying town project in Beijing. The total site area planned of the project is 185,000 square meters, and the relevant gross floor area is 82,000 square meters. The Partnership will provide debt financing to the company to finance land acquisition expenses.

The details of the Projects are as follows:

City	Project Company	Type	Investment amount	Investment period	Guaranteed annualised investment return	Exit mechanism	Credit enhancement measures
Langfang	Dinghong Investment and Development Co.,Ltd	debt	500 million	2 years	12.0%	Interest will be paid on quarterly basis, and the principal will be paid back in lump-sum at the expiry date	CFLD and its ultimate beneficial owner provides irrevocable guarantee, and project equity pledged as security.
Sanya	Sanya Associates Investment Company	equity	1. Total investment is RMB 3.1billion, to be launched in accordance with the reformation progress and	8 years, including 3 years to invest and 5 years to exit	10.0%	The investment will be withdrawn by capital reduction in Sanya Associates Investment	1. Sanya City Investment and Construction Co., Ltd, as the beneficial owner, will provide

			CDB's project loan progress 2. The initial investment scale is RMB300 million.			Company by stages. If the capital reduction cannot be achieved, Sanya City Investment and Construction Co., Ltd will repurchase the equity, which will be included in municipal financial budget.	equity pledge; 2. Rights and benefits from the procurement contract with the government as security.
Beijing	Beijing Enterprises Holdings Property Management Co., Ltd	debt	150 million	1.5 years	13.5%	Interest will be paid on semi-annual basis, and the principal will be paid back in lump-sum at the expiry date	The parent group will provide irrevocable guarantee

Riding on the Partnership's investment, the Company is expected to continuously participate in the new type of urbanization projects throughout the country, and create better returns for our shareholders.

By Order of the Board
China New Town Development Company Limited
Liu Heqiang
Chief Executive Officer

Hong Kong and Singapore, 2 November 2015

As at the date of this announcement, the executive directors of the Company are Mr. Shi Jian (Vice Chairman), Mr. Liu Heqiang (Chief Executive Officer), Ms. Yang Meiyu and Mr. Ren Xiaowei; the non-executive directors of the Company are Mr. Fan Haibin (Chairman), Mr. Zuo Kun (Vice Chairman), Mr. Li Yao Min (Vice Chairman) and Mr. Zhang Yan; and the independent non-executive directors of the Company are Mr. Henry Tan Song Kok, Mr. Kong Siu Chee, Mr. Zhang Hao and Mr. E Hock Yap.