

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made, reports contained, or opinions expressed in this announcement.



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

VALUNTARY ANNOUNCEMENT

**ENTERING INTO MEMORANDUM OF UNDERSTANDING WITH
INDUSTRIAL AND COMMERCIAL BANK OF CHINA SHANGHAI BRANCH**

The Board (the "**Board**") of China New Town Development Company Limited (the "**Company**", together with its subsidiaries, collectively the "**Group**") is pleased to announce that on 4 January 2015, the Company has signed a memorandum of understanding (the "**MOU**") with Industrial and Commercial Bank of China Shanghai Branch ("**ICBC Shanghai Branch**") to establish a close long-term financing partnership.

Pursuant to the MOU, ICBC Shanghai branch intends to provide financing support to the Company with aggregate amount up to RMB 10 billion in the cooperative period, preferentially used for supporting the large-scale urbanization projects located in the major cities in China that the Company plans and operates, especially the current projects in Shanghai, Nanjing and Shenyang. In addition, ICBC Shanghai Branch shall provide cross-border RMB business services to the Company leveraging off relevant free trade zone policies, and explore multiple innovative financing structures to support the Company's mid-to-long term funding needs.

In addition, pursuant to the MOU, the Company shall designate ICBC Shanghai Branch as a key cooperative bank, and preferentially use ICBC Shanghai Branch's project financing, current accounts and financial settlement services, among other things. At the same time, the Company shall provide ICBC Shanghai Branch with information relevant to the development of new towns in major cities of China, to facilitate its full-fledged financial services support to the Group.

The two parties agreed that the cooperative period shall expire on 31 December 2017, by which time the parties can elect to enter into agreements to extend the cooperation.

The MOU is a framework agreement to in-principle agree on the rights and obligations of the parties under the strategic partnership. The two parties shall separately enter into specific formal agreements and make announcements in compliance with the relevant listing rules in due course.

The Board believes that the entering into of the MOU marks the establishment of an important relationship with the Industrial and Commercial Bank of China (“**ICBC**”), which is well positioned to provide strong credit support for the Company in the development of new town projects in China's major cities. As China's largest commercial bank, ICBC has extensive financial resources both onshore and overseas. The potential 10 billion RMB of total new credit and the cross-border RMB services in the future will help to meet the Company's long-term funding needs for development, supporting rapid growth of the Company. In the future, the Company will continue to leverage off the strong financial background of China Development Bank, our controlling shareholder, and the national macroeconomic policy support on urbanization, to continuously enhance the Group's financing capability and optimize funding structures through our strategic partnerships. At the same time, we will continue to actively look for township development projects with attractive potential to create value for shareholders.

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

Singapore and Hong Kong, 6 January 2014

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Shi Jian (Vice Chairman), Mr. Liu Heqiang, Ms. Yang Meiyu and Mr. Ren Xiaowei, four nonexecutive Directors, namely Mr. Fan Haibin (Chairman), Mr. Zuo Kun (Vice Chairman), Mr. Li Yao Min (Vice Chairman) and Mr. Zhang Yan and four independent non-executive Directors, namely Mr. Henry Tan Song Kok, Mr. Kong Siu Chee, Mr. Zhang Hao and Mr. E Hock Yap.