

FY2016 Interim Results Highlights

(23 February 2016, Hong Kong) New World Development Company Limited (“NWD” or the “Group”; stock code: 00017) today announced the unaudited results for the six months ended 31 December 2015.

**Structure streamlining, resources enhancement and synergy uplifting
Focus on Core Businesses**

Business Review – Revenue up 25%, underlying profit maintained stable year-on-year

- Revenues amounted to HK\$33,778.2 million, up 25%.
- Profit attributable to shareholders of the Company amounted to HK\$3,300.0 million
- If stripping out the impact from the exchange attributable to NWD as a result of RMB devaluation during the period and other customary adjustments made, the Group's underlying profit amounted to HK\$4,349.4 million, maintained stable
- FY2016 interim dividend: HK\$0.13 per share, up 8% year-on-year

Financial – Stable financial position ready for opportunities

- Cash on hand and bank balances: HK\$64.7 bn
- Net gearing of NWD (excl. NWSH, NWCL and NWDS): 25.6%; net gearing of the Group: 31.4%

HK property sales – Sustainable and diversified saleable resources with artisanal element

- From January to December in 2015, the Group's attributable contracted sales amounted to HK\$6.6 billion
- During the period under review, property development segment was mainly attributable to the sales of residential units completed and recognised within this financial year, including “THE PAVILIA HILL” in North Point, “THE PARKHILL” in Yuen Long and “Double Cove Starview Prime” in Ma On Shan, the attributable contracted sales amounted to HK\$2.8 billion
- Four new projects launched during the period under review
- Stable launch pipeline with balanced product mix, plan to launch over 2,900 units. Key projects including “BOHEMIAN HOUSE” in Western District, “MOUNT PAVILIA” in Clear Water Bay, “FLEUR PAVILIA” in North Point, “Double Cove Summit” in Ma On Shan and Tsuen Wan West Station project
- Maintain over 3,000 units of saleable resources

HK landbank – Actively manage development resources via various methods

- Attributable GFA of ready landbank: 8.9 mn sq ft, of which 5.3 mn sq ft were residential GFA
- Attributable land area of farmland: 17 mn sq ft
- Replenish landbank by public auction and tender, old building acquisition and agricultural land conversion actively
- Acquisition of over 80% ownership on JV's projects: Seymour Road in Mid-Levels & Waterloo Road in Ho Man Tin
- In January 2016, the Group won URA's Kowloon City Road/ Sheung Heung Road project in Ma Tau Kok (around 110,000 sq ft residential GFA, about 216 residential units)

HK property investment – Pioneered concepts in operations & defensive rental portfolio

- Gross rental income amounted to HK\$780 mn, up 8%
- Key investment properties maintained satisfactory occupancy
- New World Centre Redevelopment in TST, with total GFA of 3 mn sq ft, is progressing smoothly
- Successful overcomes led by pioneered concepts
 - The revolutionary formation of the world’s first museum retail concept by K11, combining the arts and commercial elements, creates new consumption experience
 - 70% of the stores in D · PARK incorporated kid elements to fully address the needs of children, together with the exclusive introduction of the trendy brands in Korea, it becomes the 1st parent-child mall landmark in New Territories West
 - CTF HOKO with total GFA of 19,000 sq m: an innovative shopping platform which gathers online and offline resources, while integrating intelligence, shopping and recreation

HK hotel operations – prime assets with stable contribution, crystallising value via structure enhancement

- Stable contribution from hotels: Grand Hyatt Hong Kong (ADR HK\$3,200, Average occupancy 64%), Renaissance Harbourview (ADR HK\$2,000, Average occupancy 80%), Hyatt Regency TST (ADR HK\$2,000, Average occupancy 89%) and Hyatt Regency Sha Tin (ADR HK\$1,300, Average occupancy 83%)
- Enhancement of the hotel structure, crystallising hotel value: Consistent with the core business strategies of the Group, the hotel properties will provide flexibility and a wider platform for investments which will enhance recurrent income and facilitate future merger or joint venture opportunities.

This media information is also available at NWD’s website (www.nwd.com.hk).

New World Development Company Limited (the “Group”; stock code: 00017) is a Hong Kong-based leading property developer. Established in 1970, the Group has been listed in Hong Kong since 1972 and is now a constituent stock of the benchmark Hang Seng Index. As at 31 December 2015, the total asset value of the Group amounted to HK\$409.7 bn.

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