

**1HFY2017 Interim Results Highlights**

(22 February 2017, Hong Kong) New World Development Company Limited (“NWD” or the “Group”; stock code: 0017) today announced the unaudited consolidated interim results for the period ended 31 Dec 2016.

**Financials – Underlying profit up 52%; Robust financial position**

- Underlying profit: HK\$5,001.3 million, up 52%
- Revenues: HK\$26,639.4 million
- Profit attributable to shareholders of the Company: HK\$4,335.7 million, up 31%
- FY2017 interim dividend: HK\$0.13 per share
- Cash on hand and bank balances: HK\$68 billion; Net gearing: 34.4%, down 4 percentage points

**HK property sales – Sustainable and diversified saleable resources**

- Property development segment was mainly attributable to the sales of residential units of the projects including SKYPARK, THE PAVILIA HILL, The Masterpiece, Double Cove Summit and 55 Conduit Road
- As at mid Feb 2017, the attributable contracted sales has surpassed the FY2017 HK\$10 bn target
- Stable launch pipeline with balanced product mix. Key projects to be launched include MOUNT PAVILIA, PARK VILLA, ARTISAN HOUSE, Tuen Mun Heung Sze Wui Road project and Yuen Long Tong Yan San Tsuen project
- Upcoming launches + remaining units of those previous launched projects: Over 1,700 units of saleable resources

**HK landbank – Actively manage development resources via various methods**

- Currently, attributable GFA of ready landbank: 10 million sq ft, of which 5 million sq ft for residential usage
- In the period under review:
  - The acquisition procedures of the joint-development old building redevelopment project of 4A-4P Seymour Road in Mid-levels were completed
  - Land premium for change in use of land from industrial to residential/commercial of Nos. 27-29 Tonkin Street project in Cheung Sha Wan were completed
  - Three industrial property development projects, located at Tsun Yip Street, Kwun Tong and Luk Hop Street, San Po Kong, were added
- In Feb 2017, the Group won the tender for the commercial site at King Lam Street, Cheung Sha Wan
- Attributable land area of farmland: 17.6 million sq ft

**HK property investment – Pioneered operation concepts and defensive rental portfolio**

- Gross rental income amounted to HK\$778.9 million, If stripping out the effect from the contract expiry of 2 MacDonnell Road and disposal of certain area in Chevalier Commercial Centre in Kowloon Bay during the period under review, the Group’s gross rental income in Hong Kong up 5.5% year-on-year

- Key investment properties maintained satisfactory occupancy
- K11 recorded 100% occupancy rate with an average monthly pedestrian flow approximately 1.4 million
- New World Centre Redevelopment in TST, with GFA of 3 million sq ft, is progressing smoothly as scheduled

**China property business – Enhance the operation and management to lift-up the performance**

- Overall contracted property sales in Mainland China for the period from July to December 2016 reached RMB12.8 billion in gross sales proceeds, and the average selling price is RMB 19,500 per sq m
- The Group has been optimistic on the prospects of Mainland China. Our Mainland China operations will learn from our Hong Kong operations strategies and its niche to strengthen and pro-actively manage its development resources with potentials
- In August 2016, the Group and Chow Tai Fook Enterprises Limited jointly acquired a premium commercial site at Shenzhen Qianhai
- In December 2016, the Group entered into joint development arrangements with China Merchants Shekou Industrial Zone Holdings Co., Ltd in respect of the development of four premium sites in Prince Bay, Shenzhen

**HK hotel operations – Stable contribution with business travellers focus**

- Stable contribution from hotels: Grand Hyatt Hong Kong (ADR HK\$3,100, Average occupancy 78%), Renaissance Harbourview (ADR HK\$1,900, Average occupancy 83%), Hyatt Regency TST (ADR HK\$1,900, Average occupancy 92%) and Hyatt Regency Sha Tin (ADR HK\$1,300, Average occupancy 89%)

This media information is also available at NWD's website ([www.nwd.com.hk](http://www.nwd.com.hk)).

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Founded in 1970, **New World Development Company Limited** (“the Group”, Hong Kong stock code: 0017) was publicly listed in Hong Kong in 1972 and is a constituent stock of the Hong Kong Hang Seng Index. A premium brand infused with a unique personality defined by The Artisanal Movement, New World Group's core business areas include property development, infrastructure and services, department stores and hotels. As at 31 Dec 2016, the total asset value of the Group amounted to HK\$420.4 billion. The Group has an effective interest of approximately 61% in NWS Holdings Limited (Hong Kong stock code: 0659), approximately 72% in New World Department Store China Limited (Hong Kong stock code: 0825). New World China Land Limited is wholly owned by the Group.

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