

**FY2018 Interim Results Highlights**

(27 February 2018, 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 December 2017.

**Financials – Robust financial position. Net gearing further improved**

- Revenues: HK\$27,935.4 million, up 4.9%. Segment results: HK\$8,077.5 million, up 4.3%
- Profit attributable to shareholders of the Company: HK\$11,269.9 million, up 159.9%. Underlying profit: HK\$4,198.6 million
- FY2018 interim dividend: HK\$0.14 per share, up 7.7%
- Cash on hand and bank balances: HK\$65.5 billion; Net gearing: 32.7%, down 2.1 percentage points

**HK property sales – Diversified saleable resources. 4 new projects are well poised**

- As at mid-February 2018, attributable contracted sales amounted to HK\$7.1 billion, achieved 71% of the HK\$10 billion full year target
- Contracted sales was mainly attributable to MOUNT PAVILIA, ARTISAN HOUSE and THE PARKVILLE
- Upcoming launches include the pending for sale units of MOUNT PAVILIA, FLEUR PAVILIA, Tai Tong Road project, Waterloo Road project and Sheung Heung Road project
- Upcoming launches + remaining units of previously launched projects: Over 2,500 units of saleable resources
- Majority projects to be booked in FY2019 have achieved their sales targets, of which PAVILIA BAY nearly sold out with exceeded HK\$9 billion in total contracted sales proceeds

**HK landbank – Actively manage via various methods. First mover, well positioned in Cheung Sha Wan**

- As at 31 December 2017, attributable GFA of landbank: approximately 10.66 million sq ft, of which approximately 4.8 million sq ft is of residential. Meanwhile, the Group has attributable land area of farmland: approximately 17 million sq ft
- In August 2017, the Group won the tender for the commercial site at Wing Hong Street, Cheung Sha Wan, Kowloon. Together with the winning bids for King Lam Street project and Cheung Shun Street project, both located in Cheung Sha Wan, Kowloon, the Group currently has three grade A office projects in that district with a total GFA of 1.9 million sq ft
- In August 2017, the Group has taken another step forward to unlock the hidden value of the farmland. The agricultural land use conversion of Lung Tin Tsuen Phase 3 project located in Yuen Long town centre was completed with total GFA 121,148 sq ft

**HK property investment – Pioneered operation concepts. New catalyst is ready to shine**

- Gross rental income amounted to HK\$822.7 million, up 13.7%, mainly attributed to the newly commenced operations of K11 Atelier and THE FOREST
- K11 recorded 100% occupancy rate with an average monthly footfall of approximately 1.4 million. D•PARK recorded an occupancy rate of 93% with an average monthly footfall of approximately 3.4 million
- THE FOREST had its grand opening during the period under review and recorded an occupancy rate of 97%
- Victoria Dockside is an integrated commercial development project with a GFA of approximately 3 million sq ft. The project is set to open in 2019
- Project development is progressing smoothly. The 273-meter high tower was the first completed, of which K11 Atelier commenced operation in 4Q2017 and recorded over 70% occupancy rate, rental per sq ft set a record in that district

**Mainland China property sales – Satisfactory gross margin achieved. Completion is accelerating**

- Contracted sales reached 440,000 sq m in GFA and RMB8.64 billion in gross sales proceeds, achieved 54% of the RMB16 billion full year target. Southern region had the largest contribution which amounted to 28%
- The average selling price of overall residential contracted sales is RMB20,400 per sq m
- Property sales gross margin over 40%
- The expected completion in FY2018 will up 24% to GFA of 1.14 million sq m, of which 80% is residential

**Mainland China landbank – Riding on the development of Greater Bay Area. Asset enhancement in good progress**

- In October 2017, the Group succeeded in acquiring the complex project located at the transportation hub in Zengcheng District, Guangzhou, covering a GFA of approximately 382,000 sq m, at a consideration of RMB2.085 billion
- As at 31 December 2017, GFA of landbank excluding carpark: approximately 8 million sq m, of which approximately 4.7 million sq m is residential
- GFA of landbank of the core property development projects excluding carpark: approximately 6.5 million sq m, of which approximately 3.5 million sq m is residential, spreading across eight cities including Guangzhou, Foshan, Shenzhen, Wuhan, Ningbo, Beijing, Langfang and Shenyang. 41% are located in the Southern region
- In January 2018, NWCL signed the “Strategic Cooperation Agreement for Economic Belt at Man Kam To Crossing” with Lo Wu Government for in-depth cooperation on the construction of the “Port Economic Belt” and the modification, operation consolidation and investment attraction in relation to the commercial districts in “One River Six Circles”

**Mainland China property investment – In-line performance. New K11 Art Mall started operations**

- Gross rental income amounted to HK\$521.6 million, up 13.2%. Satisfactory occupancy rates of key projects were recorded
- Rental income of Shanghai K11 up 7% with the average monthly footfall over 790,000
- The pioneered concepts of K11 has further expanded. Located at the heart of Wuhan Guanggu, the design capital, the world’s third K11 Art Mall made its debut in Central China with an official soft opening in November 2017

*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, property investment, infrastructure and services, department stores and hotels. As at 31 December 2017, the total asset value of the Group amounted to HK\$468.1 billion. The Group has an effective interest of approximately 61% in NWS Holdings Limited (Hong Kong stock code: 0659), approximately 75% in New World Department Store China Limited (Hong Kong stock code: 0825) and wholly owned New World China Land Limited.

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