新城控股
FUTURE
HOLDINGS

Future Land Development Holdings Limited
新城發展控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1030)

DISCLOSEABLE TRANSACTION IN RELATION TO FORMATION OF JOINT VENTURE FOR THE DEVELOPMENT OF A LAND PARCEL IN JINSHAN DISTRICT, SHANGHAI

On 19 December 2013, the Company's subsidiary, Future Land Wanjia, and CIFI Group entered into the Agreement stipulated the Joint Venture in relation to the development of the Jinshan Land Parcel located in Jinshan District, Shanghai, PRC.

As the highest applicable percentage ratio under the Agreement exceeds 5% but is less than 25%, the formation of Joint Venture constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the announcement requirement but exempt from the Shareholders' approval under Chapter 14 of the Listing Rules.

Pursuant to the terms of the Agreement, CIFI Group will invest RMB10 million in equity capital in Xincheng Xudi, the project company for the Jinshan Land Parcel. After the equity capital injection, Xincheng Xudi will change from a wholly-owned subsidiary of Future Land Wanjia to an equity joint venture in which Future Land Wanjia and CIFI Group each holds 50% equity interest. Future Land Wanjia and CIFI Group will also provide shareholders' loans on a pro-rata basis to fund the development of the Jinshan Land Parcel as necessary.

JOINT VENTURE FORMATION

On 19 December 2013, Future Land Wanjia and CIFI Group entered into the Agreement stipulated the Joint Venture in relation to the development of the Jinshan Land Parcel located in Jinshan District, Shanghai, PRC.

Parties to the Joint Venture

(i) Future Land Wanjia; and

(ii) CIFI Group.

Shareholding in the Joint Venture

As at the date of this announcement, Future Land Wanjia is 96.22% held by Jiangsu Future Land, of which the Group holds 57.17% interest. CIFI Group is an indirect wholly-owned subsidiary of CIFI Holdings (Group) Co. Ltd..

As at the date of this announcement, Xincheng Xudi is the project company that was established for the development of Jinshan Land Parcel. Xincheng Xudi does not hold any asset other than Jinshan Land Parcel.

Pursuant to the terms of the Agreement, CIFI Group will invest RMB10 million in equity capital in Xincheng Xudi, the project company for the Jinshan Land Parcel within 15 working days in cash after signing of the Agreement. After the Capital Injection, Xincheng Xudi will change from a wholly-owned subsidiary of Future Land Wanjia to an equity joint venture in which Future Land Wanjia and CIFI Group each holds 50% equity interest. Future Land Wanjia and CIFI Group will each provide shareholders' loans of approximately RMB350 million to fund the development of the Jinshan Land Parcel as necessary. The amount of capital to be injected by CIFI Group and their pro-rata obligation to provide shareholder loans is determined by Future Land Wanjia and CIFI Group after arm's length negotiation based on the land premium of the Jinshan Land Parcel. The Company confirms that Xincheng Xudi is expected to be accounted for as a subsidiary of the Company after the Capital Injection.

Board Composition of the Joint Venture

The board of directors of the Joint Venture will comprise five directors, three of whom will be appointed by Future Land Wanjia and two of whom will be appointed by CIFI Group.

Profit and Loss Sharing

Future Land Wanjia and CIFI Group will be entitled to share the profits or to bear the losses of Xincheng Xudi in proportion to their respective equity interest.

Gain/Loss Recognition Resulting from the Joint Venture Formation and Use of Proceeds

The Company expects that no material gain or loss will be recognized as a result of the Joint Venture Formation. All of the proceeds from the Capital Injection and the pro-rata shareholder loan to be provided by CIFI Group will be used in the Joint Venture to pay the land premium of the Jinshan Land Parcel and property development.

INFORMATION OF THE JINSHAN LAND PARCEL

Land location:	Jin Shan New Town B-17 Site, Jinshan District, Shanghai, the PRC (中國上海市金山區金山新城B-17地塊)
Total site area:	108,392.9 square meter
Planned gross floor area:	195,107 square meter
Terms of land use rights:	70 years for residential use
Land premium:	RMB704,010,000

INFORMATION OF CIFI GROUP

CIFI Group is a domestic company incorporated in the PRC, principally engaged in property development and property investment in the PRC. The Company confirms that, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, CIFI Group and the ultimate beneficial owner of CIFI Group are third parties independent of the Group and connected persons of the Company.

REASONS FOR AND BENEFITS OF THE AGREEMENT

Both the Group and CIFI Group are principally engaged in the property development, property investment and property management business in the PRC. The Directors consider that the Agreement has been entered into through arm's length negotiation and in the ordinary course of business of the Group. The Agreement enables the Group to leverage the resources of CIFI Group in developing the Jinshan Land Parcel. The Directors believe that the terms and conditions therein are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio under the Agreement exceeds 5% but is less than 25%, the formation of Joint Venture constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the announcement requirement but exempt from the Shareholders' approval under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

"Agreement"	an agreement dated 19 December 2013 entered into between Future Land Wanjia and CIFI Group in relation to the Capital Injection and the Joint Venture co-operation
"Board"	the board of Directors
"Capital Injection"	the injection of RMB10 million by CIFI Group to Xincheng Xudi
"CIFI Group"	CIFI Group Co. Ltd. (旭輝集團股份有限公司), a domestic company incorporated in the PRC with limited liability
"Company"	Future Land Development Holdings Limited, a company incorporated in the Cayman Islands with limited liability whose shares are listed on the Stock Exchange
"Directors"	the directors of the Company

"Future Land Wanjia"	Shanghai Future Land Wanjia Real Estate Co., Ltd. (上海新城萬嘉房地產有限公司), a domestic company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Jinshan Land Parcel"	Jin Shan New Town B-17 Site, Jinshan District, Shanghai, the PRC (中國上海市金山區金山新城B-17地塊)
"Joint Venture"	Xincheng Xudi after the Capital Injection in accordance with the agreement, in which Future Land Wanjia and CIFI Group each holds 50% equity interest
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"PRC"	the People's Republic of China, which shall, for the purposes of this announcement, exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"RMB"	Renminbi, the lawful currency of the PRC
"Shareholder(s)"	holder(s) of the Shares
"Shares"	ordinary share(s) of HK$0.001 each in the share capital of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Xincheng Xudi"	Shanghai Xincheng Xudi Real Estate Co., Ltd. (上海新城旭地房地產有限公司), a domestic company incorporated in the PRC with limited liability
"%"	per cent

By order of the Board
Future Land Development Holdings Limited
WANG Zhenhua
Chairman

PRC, 20 December 2013

As at the date of this announcement, our Directors are Mr. Wang Zhenhua, Mr. Min Yuansong, Mr. Liu Yuanman and Madam Huang Maoli as executive Directors, Mr. Lv Xiaoping and Mr. Wang Xiaosong as non-executive Directors and Mr. Chen Huakang, Madam Nie Meisheng and Mr. Zhu Zengjin as independent non-executive Directors.