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*This presentation contains projections and forward-looking statements regarding the Group's objectives and expectations with respect to property development plans, and its opportunities and business prospects. Such forward-looking statements are not guarantees of future performance of the Group and are subject to factors that could cause actual results and company plans and objectives to differ materially from those expressed in the forward-looking statements. These factors include, but are not limited to, timing and price of sales of land in public bidding process; adverse changes in the Chinese economy and property market; fluctuations in the availability and pricing of residential and commercial properties; performance of construction and other contractors; and competition. The Group undertakes no obligation to update or revise any forward-looking statements to reflect subsequent events or circumstances.*

## **CHINA NEW TOWN DEVELOPMENT COMPANY LIMITED**

(Incorporated as a business company limited by shares under the laws of the British Virgin Islands)

(Company Registration Number: 1003373)

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Unaudited Third Quarter and Nine Months Financial Statements for the Financial Period Ended 30 September 2009

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### **PART I – INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS**

**1(a) A statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

**1(a)(i) Statement of comprehensive income for the third quarter and nine months ended 30 September 2009**

Group	3Q 2009	3Q 2008	Increase (Decrease)	9 months	9 months	Increase (Decrease)
	1 Jul 2009 to 30 Sep 2009	1 Jul 2008 to 30 Sep 2008		ended 30 Sep 2009	ended 30 Sep 2008	
	RMB'000	RMB'000	%	RMB'000	RMB'000	%
Revenue	838,572	357,058	135	1,137,705	800,754	42
Cost of sales	(212,012)	(136,881)	55	(361,528)	(327,827)	10
<b>Gross profit</b>	<b>626,560</b>	<b>220,177</b>	<b>185</b>	<b>776,177</b>	<b>472,927</b>	<b>64</b>
Other income	177	3,699	(95)	1,185	15,052	(92)
Gain on repurchase of senior notes	24,744	-	-	24,744	-	-
Selling and distribution costs	(88,235)	(8,263)	968	(112,279)	(27,376)	310
Administrative expenses	(34,088)	(49,797)	(32)	(81,919)	(102,250)	(20)
Other expenses	(315)	(16,352)	(98)	(808)	(32,325)	(98)
Loss on convertible bonds other than interest cost, net	-	(287,343)	-	-	(287,343)	-
(Decrease)/Increase in fair values of investment properties	-	(400,000)	-	-	(400,000)	-
<b>Operating profit/(loss)</b>	<b>528,843</b>	<b>(537,879)</b>	<b>(198)</b>	<b>607,100</b>	<b>(361,315)</b>	<b>(268)</b>

Group	3Q 2009	3Q 2008	Increase	9 months	9 months	Increase
	1 Jul 2009 to 30 Sep 2009	1 Jul 2008 to 30 Sep 2008	(Decrease)	ended 30 Sep 2009	ended 30 Sep 2008	(Decrease)
	RMB'000	RMB'000	%	RMB'000	RMB'000	%
Finance costs	(17,296)	(34,249)	(49)	(56,445)	(139,169)	(59)
<b>Profit/(loss) before tax</b>	<b>511,547</b>	<b>(572,128)</b>	<b>(189)</b>	<b>550,655</b>	<b>(500,484)</b>	<b>(210)</b>
Income tax	(125,531)	56,405	(323)	(141,329)	18,210	(876)
<b>Profit/(loss) after tax</b>	<b>386,016</b>	<b>(515,723)</b>	<b>(175)</b>	<b>409,326</b>	<b>(482,274)</b>	<b>(185)</b>
Attributable to:						
Owners of the parent	283,802	(467,332)	(161)	297,731	(459,458)	(165)
Non-controlling interests	102,214	(48,391)	(311)	111,595	(22,816)	(589)
	<b>386,016</b>	<b>(515,723)</b>	<b>(175)</b>	<b>409,326</b>	<b>(482,274)</b>	<b>(185)</b>

## 1(a)(ii) Notes to the statement of comprehensive income

### a) Revenue, other income and other expenses

#### Revenue

	3Q 2009	3Q 2008	Increase	9 months	9 months	Increase
	1 Jul 2009 to 30 Sep 2009	1 Jul 2008 to 30 Sep 2008	(Decrease)	ended 30 Sep 2009	ended 30 Sep 2008	(Decrease)
	RMB'000	RMB'000	%	RMB'000	RMB'000	%
Development of land infrastructure	857,941	359,205	139	1,130,714	789,995	43
Hotel operations	7,765	7,799	(0)	21,473	23,121	(7)
Golf course operations	11,966	14,468	(17)	33,261	38,488	(14)
Golf club membership fees	4,412	4,000	10	12,967	11,077	17
Investment property leasing	911	1,050	(13)	1,594	3,150	(49)
Others	2,141	1,295	65	4,475	3,307	35
Less: Business tax and surcharges	(46,564)	(30,759)	51	(66,779)	(68,384)	(2)
	<b>838,572</b>	<b>357,058</b>	<b>135</b>	<b>1,137,705</b>	<b>800,754</b>	<b>42</b>

#### Other income

	3Q 2009	3Q 2008	Increase	9 months	9 months	Increase
	1 Jul 2009 to 30 Sep 2009	1 Jul 2008 to 30 Sep 2008	(Decrease)	ended 30 Sep 2009	ended 30 Sep 2008	(Decrease)
	RMB'000	RMB'000	%	RMB'000	RMB'000	%
Foreign exchange gain, net	(2)	-	-	482	-	-
Interest income	81	2,668	(97)	400	10,951	(96)
Others	98	1,031	(90)	304	4,101	(93)
	<b>177</b>	<b>3,699</b>	<b>(95)</b>	<b>1,186</b>	<b>15,052</b>	<b>(92)</b>

## Other expenses

	3Q 2009 1 Jul 2009 to 30 Sep 2009	3Q 2008 1 Jul 2008 to 30 Sep 2008	Increase (Decrease)	9 months ended 30 Sep 2009	9 months ended 30 Sep 2008	Increase (Decrease)
	RMB'000	RMB'000	%	RMB'000	RMB'000	%
Foreign exchange loss, net	-	15,890	-	-	30,712	-
Bank charges	245	462	(47)	738	981	(25)
Others	70	-	-	70	632	(89)
	315	16,352	(98)	808	32,325	(98)

## b) Expenses by business units

	3Q 2009 1 Jul 2009 to 30 Sep 2009	3Q 2008 1 Jul 2008 to 30 Sep 2008	Increase (Decrease)	9 months ended 30 Sep 2009	9 months ended 30 Sep 2008	Increase (Decrease)
	RMB'000	RMB'000	%	RMB'000	RMB'000	%
Development of land infrastructure	202,781	115,620	75	311,684	264,762	18
Hotel operations	(3,256)	9,327	(135)	14,082	28,087	(50)
Golf course operations	5,047	5,173	(2)	13,393	14,892	(10)
Golf club membership fees	5,617	5,194	8	16,831	15,518	8
Others	1,823	1,567	16	5,538	4,568	21
	212,012	136,881	55	361,528	327,827	10

## c) Finance costs

	3Q 2009 1 Jul 2009 to 30 Sep 2009	3Q 2008 1 Jul 2008 to 30 Sep 2008	Increase (Decrease)	9 months ended 30 Sep 2009	9 months ended 30 Sep 2008	Increase (Decrease)
	RMB'000	RMB'000	%	RMB'000	RMB'000	%
Interest on bank and borrowings	17,048	31,647	(46)	55,385	95,932	(42)
Interest on convertible bonds	1,009	37,545	(97)	1,009	168,094	(99)
Interest on high yield notes	24,075	6,204	288	86,600	6,204	1296
Less: Interest capitalised	(24,836)	(41,147)	(40)	(86,549)	(131,061)	(34)
	17,296	34,249	(49)	56,445	139,169	(59)

**1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of immediately preceding financial year.**

**Statement of Financial Position as at 30 September 2009**

(In RMB'000)	Group		Company	
	30 September 2009	31 December 2008	30 September 2009	31 December 2008
<b>Non-current assets</b>				
Investments in subsidiaries	-	-	3,133,472	2,968,699
Investments in associated companies	200	200	-	-
Property, plant and equipment	1,223,225	1,255,185	273	323
Investment properties	497,010	497,010	-	-
Property under development for long-term investment	39,740	39,740	-	-
Prepaid land lease payments	312,765	320,273	-	-
Non-current trade receivables	162,819	124,841	-	-
Deferred tax assets	129,816	129,816	-	-
Other assets	51,194	50,749	-	-
	<u>2,416,769</u>	<u>2,417,814</u>	<u>3,133,745</u>	<u>2,969,022</u>
<b>Current assets</b>				
Land infrastructure under development for sale	3,346,830	3,470,967	-	-
Inventories	4,033	3,459	-	-
Amounts due from subsidiaries	-	-	74,265	74,265
Amounts due from related parties	2,144	1,757	-	-
Prepayments and other receivables	57,745	31,860	7	269
Trade receivables	1,097,236	290,012	-	-
Cash and bank balances	198,452	184,253	12,239	47,411
<b>Total current assets</b>	<u>4,706,440</u>	<u>3,982,308</u>	<u>86,511</u>	<u>121,945</u>
<b>Total assets</b>	<u>7,123,209</u>	<u>6,400,122</u>	<u>3,220,256</u>	<u>3,090,967</u>
<b>Equity</b>				
Owners of the parent:				
Share capital	2,491,818	2,115,240	2,491,818	2,115,240
Treasury shares	(180)	(180)	(180)	(180)
Other reserves	742,085	604,670	2,075,498	1,938,083
Accumulated losses	(705,065)	(1,002,796)	(1,570,493)	(1,549,915)
Non-controlling interests	471,196	359,101	-	-
<b>Total equity</b>	<u>2,999,854</u>	<u>2,076,035</u>	<u>2,996,643</u>	<u>2,503,228</u>
<b>Non-current liabilities</b>				
Senior notes	78,853	518,809	78,853	518,809
Convertible bonds	139,266	-	139,266	-
Deferred income from sale of golf club membership	578,198	591,165	-	-
Interest bearing bank borrowings	1,067,000	-	-	-
	<u>1,863,317</u>	<u>1,109,974</u>	<u>218,119</u>	<u>518,809</u>

**Statement of Financial Position as at 30 September 2009 (continued)**

(In RMB'000)	Group		Company	
	30 September 2009	31 December 2008	30 September 2009	31 December 2008
<b>Current liabilities</b>				
Trade payables	985,797	1,036,291	-	-
Other payables and accruals	320,831	301,616	5,494	61,339
Amounts due to related parties	31	117,437	-	7,591
Advances from customers	89,012	89,161	-	-
Interest-bearing bank borrowings	124,000	1,137,000	-	-
Deferred income arising from construction of ancillary public facilities	338,012	271,443	-	-
Current income tax liabilities	402,355	261,165	-	-
<b>Total current liabilities</b>	<b>2,260,038</b>	<b>3,214,113</b>	<b>5,494</b>	<b>68,930</b>
<b>Total liabilities</b>	<b>4,123,355</b>	<b>4,324,087</b>	<b>223,613</b>	<b>587,739</b>
<b>Total equity and liabilities</b>	<b>7,123,209</b>	<b>6,400,122</b>	<b>3,220,256</b>	<b>3,090,967</b>

**1(b)(ii) Aggregate amount of the group's borrowings and debt securities.**

**i) Borrowings**

Group	30 September 2009 RMB'000	31 December 2008 RMB'000
Bank loans – collateralised	1,191,000	1,137,000

**a) Amount repayable in one year or less, or on demand**

The bank borrowings are repayable as follows:

	30 September 2009 RMB'000	31 December 2008 RMB'000
Bank loan - collateralised	124,000	1,137,000

**b) Amount repayable after one year**

	30 September 2009 RMB'000	31 December 2008 RMB'000
Bank loan - collateralised	1,067,000	-

**c) Whether the amounts are secured or unsecured.**

See table above

d) **Details of any collateral.**

As at 30 September 2009, bank borrowings of RMB1,191million were collateralised by pledges of the Group's property, plant and equipment, investment properties and prepaid land lease payments, whose net carrying amounts at 31 December 2008 were RMB716.17 million, RMB497.01 million and RMB306.74 million, respectively.

ii) **Senior Notes**

(In RMB'000)	30 September 2009	31 December 2008
At the beginning of the period/ year	550,835	-
Carrying amount on initial recognition upon issuance(fair value)	-	514,078
Repurchase	(454,992)	-
Interest expense (amortized upon effective interest rate of 25.75%)	86,600	36,757
Interest paid	(102,815)	-
<b>Carrying amount at end of period/year</b>	<b>79,628</b>	<b>550,835</b>
Less: current portion-accrued coupon interest	(775)	(32,026)
<b>Non-current portion as at the end of the period/year</b>	<b>78,853</b>	<b>518,809</b>

On 12 September 2008, the Company issued a 17.75% senior secured guaranteed notes in aggregate principal amount of RMB 593,300,000 due 2011 and settled in US\$.

The Company pledged all of its interest in the shares of its current and future non-PRC subsidiaries.

During the period, the Company has completed the repurchase of RMB 505,940,000 in principal amount of Senior Notes from the Noteholders by an aggregate 229,596,468 ordinary new shares in capital of the Company by way of a private placement and pay the Noteholders in cash an aggregate amount of the US\$ equivalent of RMB332.3million as consideration for Purchase.

The Company has raised (i) Rmb276million by means of issuing convertible bonds and (ii) RMB84million by way of private placement of 222,296,064 shares to the controlling shareholder, Sinopower Investment Limited and paid Rmb332million to the Noteholders in exchange of bonds of Rmb506 million in principal. The repurchased Senior Notes are cancelled and the outstanding principal is reduced to RMB87,360,000.

iii) **Convertible bond**

(In RMB'000)	30 September 2009	31 December 2008
Carrying amount on initial recognition upon issuance(fair value)	138,579	-
Interest expense (amortized upon effective interest rate of 13.44%)	1,009	-
Interest paid	-	-
<b>Carrying amount at end of period/year</b>	<b>139,588</b>	<b>-</b>
Less: current portion-accrued coupon interest	(322)	-
<b>Non-current portion as at the end of the period/year</b>	<b>139,266</b>	<b>-</b>

On 9 September 2009, the Company has issued a 2% convertible bond in aggregate principal amount of RMB275,994,230 due 2016 to Sinopower Investment Limited. The proceeds were used to repurchase the senior notes.

**1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

**Consolidated Cash Flow Statement**

	3Q 2009 1 Jul 2009 to 30 Sep 2009	3Q 2008 1 Jul 2008 to 30 Sep 2008	9 months ended 30 Sep 2009	9 months ended 30 Sep 2008
	RMB'000	RMB'000	RMB'000	RMB'000
<b>Cash flows from operating activities</b>				
Profit/(Loss) before tax	511,547	(572,128)	550,655	(500,484)
Adjustments for:				
Depreciation of property, plant and equipment	8,112	14,517	42,033	43,004
Amortisation of prepaid land lease payments	2,546	2,083	7,508	6,248
Gain on repurchase of Senior Notes	(24,744)	-	(24,744)	
Fair value loss/(gain) on investment properties	-	400,000	-	400,000
Fair value loss on embedded derivatives within convertible bonds	-	287,343	-	287,343
Foreign exchange (gain)/loss	2	15,890	(482)	30,712
Interest income	(81)	(2,668)	(400)	(10,951)
Interest expense	17,026	34,249	56,445	139,169
	514,408	179,286	631,015	395,041
Decrease/(increase) in land infrastructure under development for sale	112,141	(111,075)	124,137	(596,237)
(Increase)/Decrease in inventories	564	(540)	(574)	(443)
(Increase)/Decrease in amounts due from related parties	(319)	-	(387)	(12)
(Increase)/Decrease in prepayments and other current assets	(7,688)	25,172	(25,885)	1,975
(Increase)/Decrease in trade receivables	(680,330)	(295,545)	(845,202)	(757,990)
Increase in deferred income	21,522	45,257	12,967	257,670
Increase/(Decrease) in trade and other payables	(184,596)	118,787	(191,075)	565,888
Decrease in amounts due to related parties	(615)	-	(117,406)	(986)
<b>Net Cash inflow/(outflow) from operating activities</b>	<b>144,278</b>	<b>(38,658)</b>	<b>(30,260)</b>	<b>(135,094)</b>
<b>Cash flows from investing activities</b>				
Purchases/constructions of property, plant and equipment	(16,861)	(11,386)	(46,003)	(78,831)
Payment for properties under development for long-term investments/investment properties	(7,638)	(456)	(27,535)	(44,176)
Interest received	81	2,668	400	10,951
<b>Net cash (outflow)/inflow from investing activities</b>	<b>(24,418)</b>	<b>(9,174)</b>	<b>(73,138)</b>	<b>(112,056)</b>

## Consolidated Cash Flow Statement (continued)

	3Q 2009 1 Jul 2009 to 30 Sep 2009	3Q 2008 1 Jul 2008 to 30 Sep 2008	9 months ended 30 Sep 2009	9 months ended 30 Sep 2008
	RMB'000	RMB'000	RMB'000	RMB'000
<b>Cash flows from financing activities</b>				
Issue of shares in subsidiaries to minority shareholders	-	-	500	-
Issue of shares to the owner of parent	83,926	-	244,254	-
Loans from bank	-	-	80,000	-
Proceeds from issuance of convertible bonds	275,994	-	275,994	-
Repurchase of high yield notes	(332,395)	-	(332,395)	-
Repurchase of convertible bonds	-	(639,450)	-	(639,450)
Repurchase of shares	-	(179)	-	(179)
Repayment of borrowings	-	(31,000)	(26,000)	(52,000)
Repayment of loans to related parties	-	-	-	(350,000)
Restricted cash for high yield notes interest	(7,753)	(48,526)	(7,753)	(48,526)
Restricted cash for convertible bonds coupon	-	26,717	46,134	-
Interest paid	(32,742)	(61,744)	(124,706)	(154,841)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>(12,970)</b>	<b>(754,182)</b>	<b>156,028</b>	<b>(1,244,996)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>106,890</b>	<b>(802,014)</b>	<b>52,630</b>	<b>(1,492,146)</b>
<b>Net foreign exchange difference</b>		-		-
<b>Cash and cash equivalents at beginning of period</b>	<b>83,716</b>	<b>1,028,363</b>	<b>137,976</b>	<b>1,718,495</b>
<b>Cash and cash equivalents at end of period</b>	<b>190,606</b>	<b>226,349</b>	<b>190,606</b>	<b>226,349</b>

- 1(d)(i) **A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

## Statements of changes in equity

### Group

#### 9 months ended 30 September 2008

(In RMB'000)	Owners of the parent						
	Share Capital	Treasury shares	Other reserves	Retained earnings (accumulated losses)	Total	Non-controlling interests	Total equity
Balance as at 1 January 2008	1,891,080	-	435,976	(157,253)	2,169,803	500,908	2,670,711
Total comprehensive income for the period	-	-	-	(459,458)	(459,458)	(22,816)	(482,274)
Shares placement	201,811	-	-	-	201,811	-	201,811
Embedded derivatives – top up arrangement granted by holding company	-	-	151,810	-	151,810	-	151,810
Refund of excessive IPO expense	22,349	-	-	-	22,349	-	22,349
Repurchase of shares	-	(179)	-	-	(179)	-	(179)
Balance as at 30 September 2008	<u>2,115,240</u>	<u>(179)</u>	<u>587,786</u>	<u>(616,711)</u>	<u>2,086,136</u>	<u>478,092</u>	<u>2,564,228</u>

#### 9 months ended 30 September 2009

(In RMB'000)	Owners of the parent						
	Share Capital	Treasury shares	Other reserves	Retained earnings (accumulated losses)	Total	Non-controlling interests	Total equity
Balance as at 1 January 2009	2,115,240	(180)	604,670	(1,002,796)	1,716,934	359,101	2,076,035
Total comprehensive income for the period	-	-	-	(38,431)	(38,431)	(12,954)	(51,385)
Capital contributions from non-controlling interests of subsidiaries	-	-	-	-	-	500	500
Balance as at 31 March 2009	<u>2,115,240</u>	<u>(180)</u>	<u>604,670</u>	<u>(1,041,227)</u>	<u>1,678,503</u>	<u>346,647</u>	<u>2,025,150</u>
Total comprehensive income for the period	-	-	-	52,360	52,360	22,335	74,695
Capital contributions from owner of parent	160,328	-	-	-	160,328	-	160,328
Balance as at 30 June 2009	<u>2,275,568</u>	<u>(180)</u>	<u>604,670</u>	<u>(988,867)</u>	<u>1,891,191</u>	<u>368,982</u>	<u>2,260,173</u>
Total comprehensive income for the period	-	-	-	283,802	283,802	102,214	386,016
Capital contributions from owner of parent	216,250	-	-	-	216,250	-	216,250
Equity component of convertible bonds	-	-	137,415	-	137,415	-	137,415
Balance as at 30 September 2009	<u>2,491,818</u>	<u>(180)</u>	<u>742,085</u>	<u>(705,065)</u>	<u>2,528,658</u>	<u>471,196</u>	<u>2,999,854</u>

## The Company

### 9 months ended 30 September 2008

	Share capital	Treasury shares	Other reserves	Accumulated losses	Total
Balance as at 1 January 2008	1,891,080	-	1,769,389	(308,962)	3,351,507
Total comprehensive income for the period		-	-	(397,926)	(397,926)
Shares placement	201,811	-	-	-	201,811
Embedded derivatives – top up arrangement granted by holding company	-	-	151,810	-	151,810
Refund of excessive IPO expense	22,349	-	-	-	22,349
Repurchase of shares	-	(179)	-	-	(179)
	<u>2,115,240</u>	<u>(179)</u>	<u>1,921,199</u>	<u>(706,888)</u>	<u>3,329,372</u>
Balance as at 30 September 2008					

### 9 months ended 30 September 2009

	Share capital	Treasury shares	Other reserves	Accumulated losses	Total
Balance as at 1 January 2009	2,115,240	(180)	1,938,083	(1,549,915)	2,503,228
Total comprehensive income for the period	-	-	-	(1,717)	(1,717)
	<u>2,115,240</u>	<u>(180)</u>	<u>1,938,083</u>	<u>(1,551,632)</u>	<u>2,501,511</u>
Balance as at 31 March 2009					
Capital contributions from owner of parent	160,328	-	-	-	160,328
Total comprehensive income for the period	-	-	-	(2,436)	(2,436)
	<u>2,275,568</u>	<u>(180)</u>	<u>1,938,083</u>	<u>(1,554,068)</u>	<u>2,659,403</u>
Balance as at 30 June 2009					
Capital contributions from owner of parent	216,250	-	-	-	216,250
Total comprehensive income for the period	-	-	-	16,425	16,425
Equity component of convertible bonds	-	-	137,415	-	137,415
	<u>2,491,818</u>	<u>(180)</u>	<u>2,075,498</u>	<u>(1,537,643)</u>	<u>3,029,493</u>
Balance as at 30 September 2009					

**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

On 9 September 2009, the Company has allotted and issued 222,295,064 new shares, 52,393,286 new shares and 177,193,182 new shares at the issue price of S\$0.07872 each to Sinopower Investment Limited, Forum and OZ respectively for the repurchase of high yield notes.

On 5 May 2009, the Company has allotted and issued 680,000,000 shares at the issue price of S\$0.051 each to Sinopower Investment Limited. Please refer to announcement dated 27 July 2009 for the use of proceeds.

In addition, the management has exercised the management grant and the Company has issued 2,752,500 new shares to the founding management team members in May 2009.

The numbers of shares that may be issued on conversion of all the outstanding convertibles as at 30 September 2009 and as at 30 September 2008 are as follows:

	As at 30 September 2009	As at 30 September 2008
	No. of Shares	No. of Shares
Shares to be issued pursuant to the full conversion of the CB2 (Note A)	-	618,525,000
Shares to be issued pursuant to the full conversion of the CB3 (Note B)	754,145,894	-
Shares to be issued pursuant to the release of all the awards granted under the management grant	24,772,500	27,750,000
Total	778,918,394	646,275,000

#### Notes

**A:** On 13 February 2007, the Company issued CB2 to various third-party investors. On 5 November 2007, the Company had allotted and issued 62,550,000 shares (after adjusting for the Share Split) to one of the investors pursuant to the partial conversion of the CB2. On 12 September 2008, the Company has fully repurchased the CB2. Please see note 1(b)(ii)(ii) for details.

**B:** On 9 September 2009, the Company issued CB3 to Sinopower Investment Limited, the controlling shareholder. For further details, please refer to the Circular dated 13 August 2009.

For further details on the CB2 and management grant, please refer to the Company's prospectus dated 5 November 2007 and Annual Report 2008.

Except the management grant and convertible bonds (CB3), the Company has no other outstanding convertibles as at 30 September 2009.

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	As at 30 September 2009	As at 31 December 2008
	No. of Shares	No. of Shares
Total number of issued shares excluding treasury shares as at the beginning of the period	2,688,777,500	1,401,025,000
Issue of new shares	451,881,532	605,000,000
No. of treasury shares	(600,000)	(600,000)
Total number of issued shares excluding treasury shares as at the end of the period	3,140,059,032	2,005,425,000

**1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

In September 2008, the Company has repurchased 600,000 shares from open market and these shares are held as treasury shares.

**2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have not been audited nor reviewed by the auditors.

**3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

**4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as compared with the most recently audited financial statements for the financial year ended 31 December 2008.

**5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group and the Company have adopted all the new and revised International Financial Reporting Standards ("IFRSs") that are relevant in the current financial period. Except for the revised IAS 1 as mentioned below, the adoption of these new/revised IFRSs has no material effect on the financial statements.

On 1 January 2009, the Group adopted the revised International Accounting Standard (IAS) 1 – Presentation of financial statements. IAS 1 requires all changes in equity arising from transactions with owners in their capacity as owners to be presented separately from components of comprehensive income. Components of comprehensive income are presented in the Consolidated Statement of Comprehensive Income.

The "Balance Sheets" have been re-titled to "Statements of Financial Positions".

There was no impact on prior period earnings as per ordinary share and net asset value per ordinary share on the adoption of the revised IAS 1 which is a presentation standard.

**6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

		Group			
Earning per ordinary share for the year based on profit attributable to shareholders after deducting any provision for preference dividends		3Q from 1 Jul 2009 to 30 Sep 2009	3Q from 1 Jul 2008 to 30 Sep 2008	9 months ended 30 Sep 2009	9 months ended 30 Sep 2008
(i)	Based on the weighted average number of ordinary shares on issue (RMB)	0.1042	(0.3112)	0.1248	(0.3203)
(ii)	On a fully diluted basis (RMB)	0.1024	(0.3112)	0.1222	(0.3203)

The calculation of basic earnings per share amounts is based on the profit attributable to ordinary equity holders of the Company for the period ended 30 September 2008 and the period ended 30 September 2009.

A diluted earnings per share amounts is calculated by dividing the profit attributable to ordinary equity holders of the Company (after adjusting income statement effects of dilutive convertible bonds) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

In April 2008, the Company has resolved to adopt CNTD Stock Option Scheme ("Scheme") and CNTD Performance Share Plan ("Plan"). The Scheme and Plan are to provide an opportunity for the eligible employees to participate in the Company's financial success. The vesting of shares is contingent upon certain performance targets and conditions, which are so determined to ensure alignment of interests with shareholders.

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	3Q from 1 Jul 2009 to 30 Sep 2009	3Q from 1 Jul 2008 to 30 Sep 2008	9 months ended 30 Sep 2009	9 months ended 30 Sep 2008
	RMB'000	RMB'000	RMB'000	RMB'000
Profit /(loss) attributable to ordinary equity holders of the Company	283,802	(467,332)	297,731	(459,458)
Add/(Less): Exchange gain and change in fair value of the embedded derivative, net of interest expenses of the dilutive convertible bond	1,009	-	1,009	-
Profit /(loss) attributable to ordinary equity holders of the parent adjusted for effect of dilutive convertible bond	284,811	(467,332)	298,740	(459,458)
Weighted average number of ordinary shares outstanding	2,722,810,756	1,501,758,333	2,386,207,143	1,434,602,778
Add: Weighted average number of ordinary shares resulting from conversion of the dilutive convertible bond/stock option	57,569,576	-	57,569,576	-
Number of ordinary shares used to calculate the diluted earnings per share	2,780,380,332	1,501,758,333	2,443,776,719	1,434,602,778

Management Stock Option Plan is treated as options and outstanding from the date of grant. Since it is anti-dilutive, then it has not been included in the dilutive EPS calculation.

**7 Net asset value (for the issuer and the group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:- (a) current financial period reported on; and (b) immediately preceding financial year.**

	Group		Company	
	30 September 2009	31 December 2008	30 September 2009	31 December 2008
Net asset value per ordinary share based on the total number of issued shares excluding treasury shares of the issuer as at the end of the period reported on (RMB, after share split)	0.8053	1.2786	0.9648	1.6602

**8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

**Operating Results**

Our results of operations are primarily driven by the frequency and achieved selling prices of public auction of land use rights.

On 24 August 2009, we have handed over the one residential plot (D1-2) from our Shanghai Luodian Project for public listing. The land parcels were sold at RMB1.4billion on 25 September 2009. The land sale contributed RMB857.9million revenue to the Group. The total revenue for the quarter amounted to Rmb838.6 million, which is 135% above the same period last year as a result. Trade receivable and deferred income arising from construction of ancillary public facilities balance increased by 50% and 30% to RMB436million and RMB338million respectively.

For this round of public listing, we engaged a domestic property agent, whom, for its marketing and promotional efforts, we agreed to pay a sliding scale of commissions depending on the eventual bidding interests and selling price. The commission incurred for this land sales transaction amounted to RMB78million. This compares with the total selling & marketing expenses of Rmb8.8million last period, which contains only regular marketing activities.

Trade payables decreased by RMB50million as a result of scheduled payment to contractors. In addition, deposit of RMB110million for acquisition of land parcels were returned to SRE Group Ltd as the transaction was cancelled in Q2 2009. Further, the Wuxi project has prepaid approximately RMB20million for the installation of high-voltage cable.

On the liability side, the Company has completed the repurchase of RMB 505,940,000 in principal amount of Senior Notes from the Noteholders by an aggregate 229,596,468 ordinary new shares in capital of the Company by way of a private placement and pay the Noteholders in cash an aggregate amount of the US\$ equivalent of RMB332.3million as consideration for Purchase. The Company has raised (i) Rmb276million by means of issuing convertible bonds and (ii) RMB84million by way of private placement of 222,296,064 shares to the controlling shareholder, Sinopower Investment Limited and paid Rmb332million to the Noteholders in exchange of Senior Notes of Rmb506 million in principal. The carrying value of the Senior Notes is reduced to RMB79million and a gain on repurchase of RMB24.7million was recognised.

The total administrative expenses reduced by 32% as the Company incurred a one-off professional fee of RMB 29.7million for the purpose of effecting the repurchase of convertible bond (CB2) last year. The repurchase of the Senior Notes, this year however, incurred total professional fees of approximately Rmb4million.

During the financial period, the net finance costs reduced by 49% from the 3Q and 59% from the first 9 months as a result of moderated bank borrowing and substantially reduced Senior Notes.

For the movement of the cash balance, please refer to the Consolidation Cash Flow Statement.

### Liquidity

On 9 April 2009, Shanghai Golden Luodian Company Limited, project company of our Shanghai Luodian New Town has entered into agreements with the Agricultural Bank of China, Baoshan Branch to replace the existing short term loan facilities of aggregate principal of RMB1.137 billion by a new loan facility with details as follows:

Term: 6 year

Expiry date: 20 November 2015

Principal: RMB1.137 billion

Repayment schedule:

<u>Repayment date</u>	<u>Repayment Principal (RMB' Million)</u>
December 2009	70
December 2010	180
December 2011	190
December 2012	200
December 2013	210
December 2014	220
November 2015	67
Total	1,137

Interest rate: People's Bank of China base rate

We subsequently repaid Rmb26 million of this new Shanghai project loan in Q2.

Further, the Shanghai Golden Luodian Company Limited has obtained additional financing for its Luodian project, a 15 years working capital loan facility of RMB600million in October 2009 from the Industrial and Commercial Bank of China, Huang Pu Branch. Please see Subsequent Event (Note 14) for details.

**9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable.

**10 A commentary at the date of this announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

Recent relaxation of mortgage lending and project financing have sent the Shanghai property market into sharp recovery. Title-catching land sale prices reappeared. Notwithstanding the recent tightening of the home mortgage policies, the current optimistic sentiment in the property market is likely to remain.

Our objective is to continue to capitalize on the current market strength without risking oversupply. The management has been working hard with various land administrative bodies to procure land listings from Luodian. Approvals for the next public listing are likely in the Q4 provided there are no unforeseeable reversals of macro-economic policies. Contribution from this public listing, however, may only affect 2010 financials.

We have reinstituted land sales from our Wuxi project. The land price achieved is slightly higher than the average cost of sales and, therefore, will not contribute significantly to the bottom line. Yet, the Management is pleased to see new operating cash flow to the project. This resembles our experience in Luodian that we first sold land at cost in 2003 when the project was at early stage of development.

**11 Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on? **No**

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year? **No**

**(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated)**

Not applicable

**(d) Date payable**

Not applicable

**(e) Books closure date**

Not applicable

**12 If no dividend has been declared/recommendeded, a statement to that effect.**

No dividend has been declared or recommended for the third quarter ended 30 September 2009.

**13 Negative assurance confirmation by the Board of Directors pursuant to Rule 705 (5) of the Listing Manual of the Singapore Exchange Securities Trading Limited**

The Directors of the Company confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the interim unaudited financial statements of China New Town Development Company Limited for the third quarter and nine months ended 30 September 2009 presented in this announcement to be false or misleading in any material aspect.

**14 Subsequent event**

On 28 October 2009, the land auction of land use rights of the residential land parcel 2009-54 located at our Wuxi New Town was completed by the relevant Wuxi land administrative bodies. The buyer is Wuxi New District Economic Development Group General Corporation, a stated-owned enterprise. The land parcel of approximately 135,073.7 sq.m in site area was sold at about RMB 202.61million, which is equivalent to RMB1,875.1per sq.m in terms of gross floor area. The land sales is expected to contribute the total revenue of approximately RMB172.2million, of which RMB55million will be recognised in the 4<sup>th</sup> quarter 2009. No significant profit contribution to the Company's net profit for the 4<sup>th</sup> quarter 2009 is expected.

In October 2009, Shanghai Golden Luodian Development Co., Ltd. ("SGLD") has obtained additional financing for its Luodian project, a 15 year working capital loan facility of RMB600million from the Industrial and Commercial Bank of China, Huang Pu Branch. The loan bears an annual interest rate at 10% below the People's Bank of China base rate, which is currently at 5.94% per annum. The loan is secured by the convention centre and shopping mall owned by SGLD. This is an additional project loan facility for Luodian project in addition to our existing facility from Agricultural Bank. The repayment terms is over 15 years and repayment amount is RMB40million per annum. The loan proceed of RMB600million has been drawn down on 29 October 2009.

The initial public offering of the Company's shares was jointly sponsored by Citigroup Global Markets Singapore Pte. Ltd. and Deutsche Bank AG, Singapore Branch.

By order of the Board

Cheng Wai Ho  
Chief Executive Officer/ Executive Director

9 November 2009