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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)

PROFIT WARNING

This announcement is made by the Company pursuant to rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board wishes to inform the shareholders of the Company and potential investors that it is expected that the Company may have a significant decrease in the consolidated net profit attributable to the equity holders of the Company for the six months ended 30 June 2013 as compared to the corresponding period of 2012.

The information contained in this announcement is only based on the preliminary assessment by the Company according to the unaudited consolidated management accounts of the Group which has not been reviewed nor audited by the Company's auditors.

Shareholders of the Company and potential investors should exercise caution when dealing in the securities of the Company.

This announcement is made by Future Land Development Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap.571, Law of Hong Kong) (the “**SFO**”).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company and potential investors that it is expected that the Company may have a significant decrease in the consolidated net profit attributable to the equity holders of the Company for the six months ended 30 June 2013 as compared to the corresponding period for the six months ended 30 June 2012.

Such decrease was primarily attributable to (i) an increase in uncapitalised finance costs incurred in the six months ended 30 June 2013, as compared with the amount of such uncapitalised finance costs incurred in the corresponding period of 2012; and (ii) an expected decrease in the Group's gross profit margin during the six months ended 30 June 2013 as compared with the corresponding period of 2012.

The increase in the Group's uncapitalised finance costs was due to the Company's issuance of its US\$200,000,000 10.25% Senior Notes due 2018 in January 2013 and CNY1,500,000,000 9.75% Senior Notes due 2016 in April 2013, of which the finance costs are not attributable to any particular project. The expected decrease in the Group's gross profit margin was due to the changes in product mix and geographic breakdown of properties we delivered in the six months ended 30 June 2013, as compared to those properties we delivered in the corresponding period for the six months ended 30 June 2012.

As the Company is still in the process of preparing and finalising the financial results of the Group for the six months ended 30 June 2013, the information contained in this announcement is only based on the preliminary assessment by the Company on the financial statements of the Group which has not been reviewed nor audited by the Company's auditors and the actual results for the Group may be different from what is disclosed in this announcement. Shareholders of the Company and potential investors should read the Group's interim results announcement for the six months ended 30 June 2013 carefully.

Shareholders of the Company and potential investors should exercise caution when dealing in the securities of the Company.

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

The PRC, 19 July 2013

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