FRANSHION PROPERTIES (CHINA) LIMITED
方興地產（中國）有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00817)

ANNOUNCEMENT
PROFIT WARNING FOR 2015 INTERIM RESULTS

This announcement is made by Franshion Properties (China) Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to the Inside Information Provisions (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**")) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and Rule 13.09(2)(a) of the Listing Rules.

The board of directors (the "**Board**") of the Company hereby informs the shareholders of the Company and potential investors that, based on the information currently available to the Board, it is expected that the Group will record a significant decrease in the unaudited profit attributable to owner of the parent for the six months ended 30 June 2015 as compared to the corresponding period of 2014. The decrease is mainly due to the difference between the delivery and settlement progress of the Company in the first half of 2015 and that in the second half of 2015, which in turn resulted in the decrease in number of sale properties which were delivered and settled during the six months ended 30 June 2015 as compared to the corresponding period of 2014. It is expected that more properties for sale will be delivered and settled in the second half of 2015.

The Board remains optimistic about the prospects of the long-term development of the Group. During the six months ended 30 June 2015, the Group achieved property contracted sales of RMB10,245.7 million, representing an increase of approximately 32.6% as compared to approximately RMB7,724.3 million during the corresponding period of 2014. As at 30 June 2015, the Group's accumulative (but not delivered and settled) property contracted sales amounted to RMB20.6 billion. In the second half of 2015, it is expected that the Group will have more properties available for sale, some of which will also be ready for delivery and settlement.

The information contained in this announcement is only a preliminary assessment made by the Board based on the management accounts of the Group and the information currently available to the Board, which have not been confirmed or reviewed by the auditors of the Company or the audit committee of the Company as at the date of this announcement. Details of the financial information of the Group for the six months ended 30 June 2015 will be published in August 2015.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Franshion Properties (China) Limited
HE Cao
Chairman

Hong Kong, 23 July 2015

As at the date of this announcement, the Directors of the Company are Mr. HE Cao (Chairman), Mr. LI Congrui and Mr. HE Binwu as Executive Directors; Mr. YANG Lin and Mr. CUI Yan as Non-executive Directors; Mr. LAU Hon Chuen, Ambrose, Mr. SU Xijia and Mr. LIU Hongyu as Independent Non-executive Directors.