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中國海外發展有限公司

CHINA OVERSEAS LAND & INVESTMENT LTD.

(incorporated in Hong Kong with limited liability)

(Stock Code: 688)

INSIDE INFORMATION

FINANCIAL AND BUSINESS REVIEW FOR THE THIRD QUARTER OF 2017

THIS ANNOUNCEMENT IS MADE BY CHINA OVERSEAS LAND & INVESTMENT LIMITED (THE “COMPANY”) PURSUANT TO THE INSIDE INFORMATION PROVISIONS 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 RULES GOVERNING THE LISTING OF SECURITIES ON THE STOCK EXCHANGE OF HONG KONG LIMITED.

The following description provides certain unaudited financial data relating to the performance of the Company and its subsidiaries (collectively referred to as the “Group”) in the third quarter of 2017 and also the business review and prospect of the Group.

Financial Performance

For the nine months ended 30 September 2017, the revenue of the Group’s operations was HK\$108.41 billion, representing an increase of 1.7% comparing with the same period last year; while the operating profit was HK\$39.96 billion, recording an increase of 13.7% comparing with the same period last year. Based on the unaudited interim result announcement made on 21 August 2017, the revenue and operating profit of the Group for the third quarter of 2017 was HK\$21.21 billion and HK\$7.83 billion respectively.

The Group together with its joint ventures and associates secured property contracted sales amounting to HK\$183.64 billion for the nine months ended 30 September 2017. The aggregate property contracted sales for the first nine months have already made up 79.5% of the annual target revised in August, and representing an increase of 7.1% comparing with the

same period last year. The Group will strive to meet the revised annual sales target of HK\$231.00 billion.

Financial Position

As at 30 September 2017, the Group's financial position was good. Mainly due to active land replenishment, the bank balances and cash on hand reduced from HK\$119.50 billion at end June to HK\$107.58 billion while the net gearing of the Group increased to 21.2%. The Group is still well positioned to seize opportunities in the market.

Business Review and Prospect

The global economic condition has remained complicated amid mild economic recovery during the third quarter. The overall economic development in China showed some signs of slow down. The China property market in some cities remained hot leading to implementation of tightening measures by more local governments. As a result, increases in home prices and transaction volumes continued but at a slower pace. Accelerated market consolidation and increased centralisation of the industry has become more obvious. During the third quarter, the Group acquired 29 land parcels in 18 mainland cities at an aggregated costs of HK\$33.49 billion. In the first 9 months of the year, land resources amounting to 12.00 million sq m (attributable interest of 10.26 million sq m) were added thus providing the Group with solid supply of saleable resources for the next 3 years.

It is expected that the China property market will continue to achieve mild growth.

The property market in Hong Kong and Macau performed well. The Group will focus in the sale for the projects on hand especially the "Marina South" in Hong Kong Island and the "One Kai Tak" in Kowloon.

General

This announcement may contain forward-looking statements that involve risks and uncertainties. The shareholders of the Company and potential investors should not place undue reliance on these forward-looking statements, which reflect only our belief as of the date of these statements. These forward-looking statements are based on the Group's own information and on information from other sources we believe to be reliable. The Group's actual results may be materially different from those expressed or implied by these forward-looking statements, which could affect the market price of the Company's share.

The shareholders of the Company and potential investors should note that **all the figures**

contained herein are unaudited. Accordingly, figures and discussions contained in this announcement should in no way be regarded as to provide any indication or assurance on the financial results of the Group for the nine months ended 30 September 2017.

The shareholders of the Company and potential investors are urged to exercise caution in dealing in the securities of the Company and are recommended to consult their own professional advisers if they are in doubt as to their investment positions.

By order of the Board
China Overseas Land & Investment Limited
Yan Jianguo
Chairman and Chief Executive Officer

Hong Kong, 20 October 2017

As at the date of this announcement, Messrs. Yan Jianguo (Chairman and Chief Executive Officer), Luo Liang and Nip Yun Wing are the executive directors; Mr. Chang Ying is the non-executive director; and Mr. Lam Kwong Siu, Madam Fan Hsu Lai Tai, Rita and Mr. Li Man Bun, Brian David are the independent non-executive directors of the Company.

The review for third quarter 2017 is published on the Company's website (<http://www.coli.com.hk>) and the website of the Stock Exchange (<http://www.hkexnews.hk>).