首創置業股份有限公司
BEIJING CAPITAL LAND LTD.

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2868)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2017

FINANCIAL HIGHLIGHTS

For the six months ended 30 June 2017	
Revenue	RMB7,368,346,000
Gross profit	RMB2,275,693,000
Profit attributable to owners of the Company	RMB646,199,000
Earnings per share	RMB21 cents
The board has resolved not to declare any interim dividend in respect of the six months ended 30 June 2017.	

The board of directors ("the Board") of Beijing Capital Land Ltd. (the "Company") is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 June 2017 and comparative figures of 2016, which have been prepared in accordance with the Accounting Standards for Business Enterprises.

The 2017 consolidated interim financial information of the Group has not been audited but has been reviewed by the Audit Committee and approved by the Board of the Company on 17 August 2017.

CONSOLIDATED INCOME STATEMENTS

(All amounts in thousands of RMB unless otherwise stated)

	Note	**Six months ended 30 June 2017 Unaudited**	Six months ended 30 June 2016 (Restated)
Revenue	*3*	**7,368,346**	5,135,091
Less: Cost of sales	*3*	**(4,721,477)**	(4,287,310)
Taxes and surcharges	*4*	**(371,176)**	(411,261)
Selling and distribution expenses		**(222,911)**	(254,939)
General and administrative expenses		**(313,126)**	(200,868)
Financial (expenses)/income – net		**(46,483)**	217,941
Asset impairment losses		**(252,137)**	–
Add: (Losses)/gains arising from changes in fair value		**(37,506)**	892,400
Investment income		**104,815**	289,024
Including: Share of profit of joint ventures and associates		**89,228**	199,516
Other income		**67,412**	–
Operating profit		**1,575,757**	1,380,078
Add: Non-operating income		**4,765**	61,600
Including: Gains on disposal of non-current assets		**9**	134
Less: Non-operating expenses		**(3,258)**	(3,448)
Including: Losses on disposal of non-current assets		**–**	(58)
Total profit		**1,577,264**	1,438,230
Less: Income tax expenses	*6*	**(555,244)**	(301,340)
Net profit		**1,022,020**	1,136,890
Attributable to:			
– Owners of the Company		**646,199**	573,484
– Non-controlling interests		**375,821**	563,406
Earnings per share for profit attributable to the owners of the Company	*7*		
– Basic earnings per share (RMB Yuan)		**0.21**	0.19
– Diluted earnings per share (RMB Yuan)		**0.21**	0.19

CONSOLIDATED INCOME STATEMENTS (Continued)

(All amounts in thousands of RMB unless otherwise stated)

	Six months ended 30 June 2017 Unaudited	Six months ended 30 June 2016 (Restated)
Net profit	**1,022,020**	1,136,890
Other comprehensive income for the period, net of tax	**19,515**	(46,060)
Attributable to owners of the Company	**19,515**	(46,060)
Items that may be reclassified to profit or loss	**19,515**	(46,060)
– Changes in fair value of available-for-sale financial assets	**–**	(1,790)
– Recycling of changes in fair value of investment properties previously recognized in other comprehensive income	**(60,095)**	(30,329)
– Currency translation differences	**12,481**	10,795
– Effective portion of cash flow hedges	**67,129**	(24,736)
Total comprehensive income	**1,041,535**	1,090,830
Attributable to:		
– Owners of the Company	**665,714**	527,424
– Non-controlling interests	**375,821**	563,406

CONSOLIDATED BALANCE SHEETS

(All amounts in thousands of RMB unless otherwise stated)

	Note	**30 June 2017 Unaudited**	31 December 2016 (Restated)
Current assets			
Cash at bank and on hand		**16,934,497**	17,926,073
Financial assets at fair value through profit or loss		**255,963**	217,141
Trade receivables	*9*	**1,829,491**	995,223
Advances to suppliers		**2,325,138**	372,047
Interests receivable		**141**	30,581
Dividends receivable		**17,600**	12,000
Other receivables		**3,917,983**	3,349,177
Inventories		**63,446,395**	64,876,885
Assets of disposal group classified as held for sale		**9,921**	9,921
Current portion of non-current assets		**4,707,050**	3,957,937
Other current assets		**2,974,876**	2,841,299
Total current assets		**96,419,055**	94,588,284
Non-current assets			
Available-for-sale financial assets		**2,390,462**	2,390,462
Long-term equity investments		**3,239,431**	3,078,429
Investment properties		**16,804,565**	15,146,259
Fixed assets		**136,437**	134,630
Long-term receivables		**3,126,784**	2,798,495
Goodwill		**–**	172,137
Long-term prepaid expenses		**101,450**	100,940
Deferred income tax assets		**826,348**	655,196
Other non-current assets		**197,415**	394,808
Total non-current assets		**26,822,892**	24,871,356
TOTAL ASSETS		**123,241,947**	119,459,640

CONSOLIDATED BALANCE SHEETS (Continued)

(All amounts in thousands of RMB unless otherwise stated)

	Note	**30 June 2017 Unaudited**	31 December 2016 (Restated)
Current liabilities			
Short-term borrowings		**1,562,717**	1,909,327
Financial liabilities at fair value through profit or loss		**67,189**	–
Notes payable		**69,083**	26,223
Trade payables	*10*	**5,818,432**	7,186,846
Advances from customers		**21,704,210**	15,930,980
Employee benefits payable		**106,811**	119,548
Taxes payable		**1,976,282**	2,232,093
Interests payable		**495,445**	547,854
Dividends payable		**515,475**	257,272
Other payables		**6,307,901**	4,888,089
Current portion of non-current liabilities		**15,600,188**	14,967,002
Total current liabilities		**54,223,733**	48,065,234
Non-current liabilities			
Long-term borrowings		**18,756,603**	20,520,263
Debentures payable		**16,692,796**	16,985,512
Long-term payables		**3,805,775**	3,806,675
Deferred income tax liabilities		**2,449,755**	2,352,530
Derivative financial liabilities		**265,289**	178,724
Total non-current liabilities		**41,970,218**	43,843,704
Total liabilities		**96,193,951**	91,908,938
Equity			
Share Capital		**3,027,960**	3,027,960
Other equity instruments		**2,895,291**	2,895,291
Capital reserve		**653,652**	716,380
Other comprehensive income		**389,922**	370,407
Surplus reserve		**543,169**	543,169
Retained earnings		**9,034,070**	9,109,165
Total equity attributable to owners of the Company		**16,544,064**	16,662,372
Non-controlling interests		**10,503,932**	10,888,330
Total equity		**27,047,996**	27,550,702
TOTAL LIABILITIES AND EQUITY		**123,241,947**	119,459,640

(All amounts in thousands of RMB unless otherwise stated)

NOTES:

The Group completed the transaction of acquiring equity interests of Shenyang Haohua Real Estate Co., Ltd. (hereinafter "Shenyang Haohua") in March 2017, and the transactions of acquiring equity interests of Beijing Liujin Real Estate Co., Ltd.(hereinafter "Liujin Real Estate") and Beijing Donghuan Xinrong Investment and Management Co., Ltd.(hereinafter "Donghuan Xinrong") in September and December 2016 separately. As the Group and the acquirees are under common control of Beijing Capital Group Co., Ltd., such transactions were treated as business combination involving enterprises under common control. The financial information as at 31 December 2016 and for six months ended 30 June 2016 is restated accordingly. All corresponding figures of 2016 are restated unless otherwise stated.

1. BASIS OF PREPARATION

The financial statements were prepared in accordance with the Application Guidance for Accounting Standards for Business Enterprises issued by the Ministry of Finance on 15 February 2006, and the Application Guidance for Accounting Standards for Business Enterprises, Interpretations of Accounting Standards for Business Enterprises and other relevant regulations issued thereafter (hereinafter collectively referred to as the "Accounting Standards for Business Enterprises" or "CAS").

The financial statements were prepared in basis of going concern.

2. SEGMENT INFORMATION

The reportable segments of the Group are the business units that provide different products or service, or operate in different areas. Different businesses or areas require different marketing strategies, the Group, therefore, separately manages the production and operation of each reportable segment and valuates their operating results respectively, in order to make decisions about resources allocation to these segments and to assess their performance.

For the six months ended 30 June 2017 and at 31 December 2016, the Group identified seven reportable segments as follows:

- Beijing segment, which is mainly engaged in real estate development, sales and related business in Beijing region.

- Shanghai segment, which is mainly engaged in real estate development, sales and related business in Shanghai region.

- Tianjin segment, which is mainly engaged in real estate development, sales and related business in Tianjin region.

- Chengyu segment, which is mainly engaged in real estate development, sales and related business in Chengdu and Chongqing region.

- Other segment, which is mainly engaged in real estate development, sales and related business in other regions, including Shenyang, Xi'an, Huzhou, Wanning and etc.

(All amounts in thousands of RMB unless otherwise stated)

– Outlets business segment, which is mainly engaged in outlets businesses in different regions.

– Other investment property segment, which is mainly engaged in the investment property operations other than outlets business.

For the six months ended 30 June 2016, the Group identified six reportable segments as follows: Beijing segment, Tianjin segment, Chengyu segment, Shanghai segment, Other segment and Investment property segment. Due to the substantial expansion of the development and operation of outlets business in different regions, it becomes a core business unit of the Group and constitutes an individual reporting segment, which was included in Investment property segment previously. The segment information for the six months ended 30 June 2016 was restated as disclosed in unit of investment properties separately.

Inter-segment transfer prices are determined by referring to sales price to third parties.

Assets are allocated to segments based on the location of assets and the segments' operation. Liabilities are allocated to segments based on the segments' operation. Indirect expenses of the segments are allocated to the segments based on the proportion of each segments' revenue.

(1) Segment information for the six months ended 30 June 2017and as at 30 June 2017 are as follows:

	Real estate development and sales					Investment properties				
	Beijing	Shanghai	Tianjin	Chengyu	Others	Outlets business	Others	Unallocated	Inter-segments Elimination	Total
Revenue from external customers	2,192,316	70,725	2,683,632	913,763	1,303,635	134,018	59,191	11,066	–	7,368,346
Inter-segment revenue	–	–	–	–	3,003	–	–	–	(3,003)	–
Cost of sales from main operation	(1,787,633)	(35,688)	(1,059,890)	(815,994)	(1,014,392)	–	(4,392)	–	–	(4,717,989)
Interest income	144,480	1,535	39,426	709	8,146	371	502	421,008	(53,880)	562,297
Interest expenses	(133,699)	(5,895)	(21,706)	(139)	(11,261)	(71,476)	(19)	(395,160)	53,880	(585,475)
Share of (loss)/profit of associates and joint ventures	(9,117)	134,796	(3,382)	(38,522)	(117)	(12)	5,582	–	–	89,228
Asset impairment loss	–	–	–	–	–	–	–	(252,137)	–	(252,137)
Depreciation and amortization	(2,059)	(242)	(805)	(193)	(1,151)	(6,697)	(1,087)	(4,434)	–	(16,668)
Profits/(losses) before income tax	243,131	140,986	1,514,071	17,998	148,506	(40,419)	70,462	(517,471)	–	1,577,264
Income tax expenses	(93,771)	(6,326)	(389,726)	(35,866)	(45,270)	8,489	(16,244)	23,470	–	(555,244)
Profit/(losses) for the period	149,360	134,660	1,124,345	(17,868)	103,236	(31,930)	54,218	(494,001)	–	1,022,020
Total assets	39,537,955	17,727,833	13,171,808	3,926,650	11,390,415	9,096,665	9,012,098	34,640,614	(15,262,091)	123,241,947
Total liabilities	(37,033,193)	(16,118,064)	(8,614,280)	(1,509,098)	(4,144,782)	(3,116,239)	(2,154,272)	(37,524,844)	14,020,821	(96,193,951)
Long-term equity investments on associates and joint ventures	489,433	994,218	533,887	–	628,956	73,289	519,648	–	–	3,239,431
Increase to other non-current assets (i)	340,969	54	201	–	7,904	834,449	362,720	822,198	–	2,368,495

(i) Non-current assets do not include financial assets, long-term equity investments and deferred income tax assets.

(All amounts in thousands of RMB unless otherwise stated)

(2) Segment information for the six months ended 30 June 2016 and as at 31 December 2016 are as follows (restated):

(a) Segment information for the six months ended 30 June 2016 (restated):

	Real estate development and sales					Investment properties				
	Beijing	**Shanghai**	**Tianjin**	**Chengyu**	**Others**	**Outlets business**	**Others**	**Unallocated**	**Inter-segments Elimination**	**Total**
Revenue from external customers	1,344,779	73,129	2,069,796	482,079	1,020,472	96,178	48,658	–	–	5,135,091
Inter-segment revenue	–	–	–	–	–	–	–	–	–	–
Cost of sales from main operation	(1,091,227)	(63,169)	(1,777,760)	(450,195)	(896,721)	–	(3,480)	–	–	(4,282,552)
Interest income	306,273	4,560	51,121	970	19,140	785	758	194,697	(63,502)	514,802
Interest expenses	(159,855)	(179)	(2,247)	(18,524)	(33,481)	(99,222)	(950)	(45,259)	63,502	(296,215)
Share of profit/(loss) of associates and joint ventures	18,695	(7,000)	(1,919)	51,154	4,762	–	133,824	–	–	199,516
Asset impairment loss	–	–	–	–	–	–	–	–	–	–
Depreciation and amortization	(2,794)	(305)	(988)	(174)	(872)	(15,630)	(4,354)	(1,414)	–	(26,531)
Profits/(losses) before income tax	482,822	(17,132)	141,786	(21,040)	(79,273)	255,666	602,606	72,795	–	1,438,230
Income tax expenses	(48,144)	3,329	(33,266)	589	13,088	(96,387)	(119,604)	(20,945)	–	(301,340)
Profits/(losses) for the period	434,678	(13,803)	108,520	(20,451)	(66,185)	159,279	483,002	51,850	–	1,136,890

(All amounts in thousands of RMB unless otherwise stated)

(b) Segment information as at 31 December 2016 (restated):

	Real estate development and sales					Investment properties				
	Beijing	**Shanghai**	**Tianjin**	**Chengyu**	**Others**	**Outlets business**	**Others**	**Unallocated**	**Inter-segments Elimination**	**Total**
Total assets	64,828,253	17,527,457	12,741,767	4,509,723	15,994,567	7,634,733	9,281,359	5,670,784	(18,729,003)	119,459,640
Total abilities	(59,062,541)	(15,540,370)	(8,953,529)	(1,504,032)	(8,088,299)	(2,828,346)	(1,623,954)	(6,811,189)	12,503,322	(91,908,938)
Long-term equity investments on associates and joint ventures	822,075	899,423	537,268	–	629,122	–	190,541	–	–	3,078,429
Increase to non-current assets (i)	1,097,633	265	216	–	2,236	1,819,387	1,789,561	378,820	–	5,088,118

(i) Non-current assets do not include financial assets, long-term equity investments and deferred income tax assets.

The revenue generated and total non-current assets apart from financial assets and deferred income tax assets from mainland China and overseas countries or regions are as follows:

Revenue from external customers

	Six months ended 30 June 2017	Six months ended 30 June 2016 (Restated)
China	**7,368,346**	5,135,091

Total non-current assets

	30 June 2017	31 December 2016 (Restated)
China	**20,214,657**	18,601,911
France	**151,994**	145,358
Total	**20,366,651**	18,747,269

Most business of the Company and the subsidiaries are operated in mainland China. For the six months ended 30 June 2017 and 2016, the Group has no revenue generated from overseas transactions.

For the six months ended 30 June 2017, the Group has revenue amounted to RMB1, 368,885,000 generated from a single significant customer, which is included in Tianjin Segment, accounted for 19% of the Group`s total revenue for the period (for the six months ended 30 June 2016: Nil).

(All amounts in thousands of RMB unless otherwise stated)

3. REVENUE AND COST OF SALES

	Six months ended 30 June 2017	Six months ended 30 June 2016 (Restated)
Revenue from main operations (a)	**7,325,694**	5,071,562
Revenue from other operations (b)	**42,652**	63,529
Total	**7,368,346**	5,135,091

	Six months ended 30 June 2017	Six months ended 30 June 2016 (Restated)
Cost of sales from main operations (a)	**4,717,989**	4,282,552
Cost of sales from other operations (b)	**3,488**	4,758
Total	**4,721,477**	4,287,310

(a) Revenue and cost of sales from main operations

	Six months ended 30 June 2017		Six months ended 30 June 2016	
	Main operating revenue	**Main operating costs**	Main operating revenue (Restated)	Main operating costs (Restated)
Sale of properties	**5,677,420**	**4,446,796**	4,744,207	4,133,726
Consulting services	**7,385**	**–**	12,199	–
Primary land development	**1,447,680**	**266,801**	170,320	145,346
Rental revenue of investment properties	**193,209**	**4,392**	144,836	3,480
Total	**7,325,694**	**4,717,989**	5,071,562	4,282,552

(All amounts in thousands of RMB unless otherwise stated)

(b) Revenue and cost of sales from other operations

	Six months ended 30 June 2017		Six months ended 30 June 2016	
	Other operating revenue	**Other operating costs**	Other operating revenue (Restated)	Other operating costs (Restated)
Temporarily rental revenue	**18,299**	**–**	41,645	1,718
Other operations	**24,353**	**3,488**	21,884	3,040
Total	**42,652**	**3,488**	63,529	4,758

4. TAX AND SURCHARGES

	Six months ended 30 June 2017	Six months ended 30 June 2016 (Restated)
Business tax	**90,037**	239,678
Land appreciation tax	**188,752**	122,221
Others	**92,387**	49,362
Total	**371,176**	411,261

5. GROSS PROFIT

	Six months ended 30 June 2017	Six months ended 30 June 2016 (Restated)
Revenue	**7,368,346**	5,135,091
Less: Cost of sales	**(4,721,477)**	(4,287,310)
Business tax	**(90,037)**	(239,678)
Other tax	**(281,139)**	(171,583)
Gross profit	**2,275,693**	436,520

(All amounts in thousands of RMB unless otherwise stated)

6. INCOME TAX EXPENSES

PRC income tax is computed according to the relevant laws and regulations in the PRC. The applicable PRC income tax rate is 25% (for the six months ended 30 June 2016: 25%).

According to the current tax law in Hong Kong, profit tax in Hong Kong is calculated by 16.5% of taxable profit. Except for several subsidiaries in Hong Kong are subject to Hong Kong profits tax, other subsidiaries in Hong Kong have no Hong Kong taxable profits.

Withholding income tax should be charged against income from taxable dividends of non-resident enterprises in mainland China and investments disposal in mainland China with the tax rate of 5%–10% according to the relevant laws and regulations in the PRC.

The amount of taxation charged to the consolidated income statement represents:

	Six months ended 30 June 2017	Six months ended 30 June 2016 (Restated)
Current income tax	**606,158**	108,198
Deferred income tax	**(50,914)**	193,142
Total	**555,244**	301,340

Reconciliations from income tax calculated based on the applicable tax rates and total profit presented in the consolidated financial statements to the income tax expenses are listed below:

	Six months ended 30 June 2017	Six months ended 30 June 2016 (Restated)
Total profit	**1,577,264**	1,438,230
Income tax expenses calculated at applicable tax rates (25%)	**394,316**	359,558
Impact of different tax rate of investees	**(24)**	–
Share of net profit of joint ventures and associates	**(22,307)**	(49,879)
Profit not subject to tax	**(13,628)**	(24,973)
Writing off deferred income tax assets recognized in previous years	**19,615**	–
Utilisation of deductible temporary differences in previous years	**(1,487)**	(12,288)
Deductible losses for which no deferred income tax asset was recognized	**111,867**	26,071
Impairment provision for which no deferred income tax asset was recognized	**63,034**	–
Expenses, costs and losses not deductible for tax purposes	**3,858**	2,851
Income tax expenses	**555,244**	301,340

(All amounts in thousands of RMB unless otherwise stated)

7. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the consolidated net profit attributable to owners of the Company by the weighted average number of ordinary shares issued during the period:

	Six months ended 30 June 2017	Six months ended 30 June 2016 (Restated)
Consolidated net profit attributable to owners of the Company	**646,199**	573,484
Weighted average number of ordinary shares issued (thousands)	**3,027,960**	3,027,960
Basic earnings per share (RMB cents per share)	**21**	19
Including:		
– Basic earnings per share relating to continuing operations (RMB cents per share)	**21**	19

Diluted earnings per share are equal to the basic earnings per share since the Company has no dilutive potential ordinary shares during the year.

8. DIVIDENDS

In accordance with the resolutions of shareholder's meeting on 20 April 2017, the Company distributed the cash dividends of 2016 to all shareholders with RMB 0.20 per share. The Company distributed cash dividends of RMB605,592,000 calculated at 3,027,960,000 issued shares. (2016: dividend of 2015 with RMB0.20 per ordinary share amounting to RMB605,592,000).

The Board has resolved not to declare any interim dividend in respect of the six months ended 30 June 2017 (For the six months ended 30 June 2016: Nil).

9. TRADE RECEIVABLES

	30 June 2017	31 December 2016
Trade receivables	**1,836,491**	1,002,223
Less: provision for bad debts	**(7,000)**	(7,000)
Trade receivables – net	**1,829,491**	995,223

Most sales of the Group are in the form of cash and advanced payment. Other sales are collected subject to the agreed terms on sales contract.

(All amounts in thousands of RMB unless otherwise stated)

The ageing of trade receivables based on their recording dates is analyzed as follows:

	30 June 2017	31 December 2016
Within 1 year	**1,683,223**	370,636
1 to 2 years	**8,127**	47,907
2 to 3 years	**46,319**	470,967
Over 3 years	**98,822**	112,713
Total	**1,836,491**	1,002,223

As at 30 June 2017, trade receivables amounted to RMB1,122,000 (31 December 2016: RMB1,122,000) are overdue but not impaired. Trade receivables amounted to RMB7,000,000 (31 December 2016: RMB7,000,000) with the aging of over three years is overdue and fully impaired at the amount of RMB7,000,000 (31 December 2016: RMB7,000,000).

The trade receivables classified by their categories are analyzed as follows:

	30 June 2017	31 December 2016
Primary land developments (i)	**1,667,951**	636,858
Property sales	**145,862**	339,223
Investment properties	**13,324**	10,909
Other	**9,354**	15,233
Total	**1,836,491**	1,002,223

(i) The amount is due from Land Reserve Centers of Tianjin arising from primary land development in Wuqing District cooperated by the Group and Land Reserve Centers of Tianjin.

(All amounts in thousands of RMB unless otherwise stated)

10. TRADE PAYABLES

The aging analysis of trade payables is as follows:

	30 June 2017	31 December 2016 (Restated)
Within 1 year	**4,670,639**	5,858,185
Over 1 year	**1,147,793**	1,328,661
Total	**5,818,432**	7,186,846

11. NET CURRENT ASSETS

	30 June 2017	31 December 2016 (Restated)
Current assets	**96,419,055**	94,588,284
Less: Current liabilities	**(54,223,733)**	(48,065,234)
Net current assets	**42,195,322**	46,523,050

12. TOTAL ASSETS LESS CURRENT LIABILITIES

	30 June 2017	31 December 2016 (Restated)
Total assets	**123,241,947**	119,459,640
Less: Current liabilities	**(54,223,733)**	(48,065,234)
Total assets less current liabilities	**69,018,214**	71,394,406

(All amounts in thousands of RMB unless otherwise stated)

13. FINANCIAL GUARANTEES

The Group has arranged bank financing for certain customers and has provided guarantees to secure repayments obligations of these customers.

The Group provided guarantees in respect of mortgage facilities granted by certain banks relating to the mortgage loans arranged for certain purchasers of the Group's properties. These guarantees will be expired when relevant property ownership certificates are lodged with the various banks by the purchasers. As at 30 June 2017, outstanding guarantees amounted to RMB7,299,752,000 (31 December 2016: RMB6,648,906,000).

As at 30 June 2017, expect for the guarantees provided by the Company or certain subsidiaries for short-term borrowings, long-term borrowings, debentures payable, long-term payables and equity instruments acquired by the Group or joint ventures and associates, the Group has no other material external guarantee. The Group believes that the guarantees above will not have a significant impact on its financial position.

MANAGEMENT DISCUSSION AND ANALYSIS

RESULTS AND DIVIDEND

During the first half of 2017, the Group's revenue totaled RMB7,368,346,000 (first half of 2016: RMB5,135,091,000), up around 43% from the same period last year. Operating profit increase around 14% year-on-year to RMB1,575,757,000. Profit attributable to equity holders of the Company increase to RMB646,199,000 (first half of 2016: RMB573,484,000). Earnings per share (basic and diluted) were RMB0.21 cents (first half of 2016: RMB0.19 cents), representing an increase of around 11% compared with the first half of 2016. The Board resolved not to declare an interim dividend for the six months ended 30 June 2017.

PROPERTY SALES PERFORMANCE

During the first half of 2017, the Group focused on achieving "quality growth". The Group's strategy revolved around developing high quality products, capturing opportunities presented by the various market conditions in key cities, and adjusting sales strategies to maintain a balanced pace in new project launches and inventory destocking in non-core cities. Additionally, the Group worked to improve the all-round capabilities of its in-house sales management in Beijing, Tianjin and Shanghai. An information communication mechanism that centered on marketing management was also built up. All these measures helped the Group to achieve substantial growth in its sales.

During the first half of 2017, the total contracted sales area of the Group's projects totaled approximately 1,079,000 sq.m., up 18.8% from the same period last year. Total contracted sales were RMB24.51 billion, up 50.5% from the same period last year. Average selling price was RMB22,721 per sq.m., up 26.7% from the same period last year. The Group continued to strategically focus on its core cities and effectively generated RMB22.46 billion, or 91.6% of its total contracted sales, from five core cities and the Australian market, representing a year-over-year increase of 47.0%. In particular, Beijing was the major driver of sales growth as the city alone contributed RMB10.61 billion, or 43.3% of total contracted sales, representing a year-over-year increase of 150.0%.

In the first half of 2017, "Tian Yue" and "Xi Yue" series, the two high-end product lines that the Group has been focusing on, continued to provide quality products and services that cater to customer demand and thus created product premiums. During the period, the average selling price of the two projects - the Capital of Western Village project ("Tian Yue" product line) and the Tian Xi project ("Xi Rui" product line) - recorded an average selling price of more than RMB80,000 per sq.m. and over RMB160,000 per sq.m. respectively.

City	**Contracted Sales Area** *(sq.m.)*	**Contracted Average Selling Price** *(RMB/sq.m.)*	**Contracted Sales Revenue** *('000 RMB)*
Beijing	270,639	39,207	10,611,033
Tianjin	187,569	23,175	4,346,931
Shanghai	58,922	30,211	1,780,123
Chengdu	159,185	10,827	1,723,456
Chongqing	106,216	8,532	906,273
Sydney and Brisbane	74,886	41,267	3,090,355
Others	221,424	9,278	2,054,283
Total	**1,078,841**	**22,721**	**24,512,454**

COMMERCIAL PROPERTY

During the first half of 2017, Beijing Capital Grand (1329.HK), a subsidiary of Beijing Capital Land and the commercial property arm of the Group, acquired the Kunming outlets project and the Zhengzhou outlets project A2 land plot. It has now deployed outlets projects in 14 cities and remains No.1 nationwide in terms of number of outlets. The Group leveraged the advantage of franchise operations across the nation, forging ahead with a number of strategic partnerships with various brands across different projects as well as introducing brands to new outlets. This business model is shaping up to be systematically replicable,and would allow the commercial property business to scale up.

During the first half, the Group strove to improve the efficiency of outlet operations and increase brand awareness. Concurrently, the Group actively expanded online channels and developed new business categories. In addition, the Group worked closely with Beijing Capital Grand's strategic shareholders on multiple fronts, including commercial resources, operational management and capital operations. As a result, the operating results of the outlets business improved steadily, with four existing outlets generating turnover of nearly RMB1.7 billion, an increase of 33% year-over-year. Foot traffic reached more than 10 million, an increase of 23% year-over-year. During the period, the Group officially launched the self-operating e-commerce platform "鉅 MAX", successfully integrating online and offline through business expansion.

PROPERTY DEVELOPMENT

In the first half of 2017, the Group, together with its joint ventures and associated companies, completed construction of projects with an aggregate GFA of approximately 521,242 sq.m.

Project	Type	Approximate Completed Total GFA *(sq.m.)*	Attributable Interest
Beijing Central Park 北京公園城	Commercial	34,083	100%
Beijing Xanadu Villa- Hezhu/ River Story	Residential	118,380	100%
Beijing Xanadu Villa	Residential	77,134	100%
Chengdu Flora City 成都花與城	Residential	149,464	100%
Chongqing Eco Village	Residential	101,798	96.39%
Shenyang Qipan Hills First Villa	Residential	40,383	50%
Total		**521,242**	

LAND BANK

In the first half of 2017, the Group continued to focus investment on its six core cities, and actively acquired land resources for primary land development and industrial property development in the Beijing-Tianjin-Hebei region. The Group added eight new secondary land development projects in Beijing, Tianjin, Shenzhen and overseas market, with a total GFA of 1.517 million sq.m. and an aggregate amount of RMB11.53 billion. Investment in Beijing, Tianjin and Shenzhen accounted for 86% in terms of the land premium. During the first half of the year, the Group entered the Shenzhen market for the first time by acquiring a project in the Longhua area, further expanding its roll-out in core cities. The project is located in a popular area of central Shenzhen and has a planned total GFA of 68,000 sq.m. The project will benefit from well-established amenities nearby and will be positioned as a high-end project. In Tianjin, the Group acquired a new project called "Tian Yue Hai He" via merger and acquisition, a core project acquired at low cost. This project is a complex above a metro-station that located in the heart of the Hebei District of Tianjin and has a total GFA of 436,000 sq.m.

During the period, the Group proceeded to work on its primary land and industrial property business in the Beijing-Tianjin-Hebei region, and this will be one of its key business lines for the long term. In the first half of 2017, BCL won a bid for the Beishicao Shanty Town Renovation Project in the Shunyi District, Beijing. The project has a site area of 60.8 hectares and is expected to help replenish the Group's land resources in its core cities. Additionally, the Company accelerated its acquisition of primary land and industrial property, including the Hebei Baoding project and Phase II of the Tianjin Wuqing project in the Beijing-Tianjin-Hebei region. The Company will continue to rapidly secure new land resources to effectively take advantage of opportunities arising from the Beijing-Tianjin-Hebei integrated development program and the new development zone Xiong'an New Area. In terms of primary land development, the Company signed a strategic cooperation agreement with Everbright Financial Holding Asset Management on their development of municipal infrastructure projects and shanty town renovation projects in the Beijing-Tianjin-Hebei region, including projects that are either ongoing or in the pipeline. This cooperation should help to effectively expand the Group's primary land development and create a unique and compelling business model.

As at 30 June 2017, the Company's total land bank consisted of a GFA of 11.21 million sq.m., and a total ground area of 8.68 million sq.m. The aggregate GFA attributable to the Company's equity interests was 8.19 million sq.m., and the ground area attributable to the Company's equity interests was 6.33 million sq.m. Of the total land bank, approximately 79% is for property development, and 21% is for investment properties and other uses. The existing land bank is considered to be sufficient for the Group's development over the coming three years.

HUMAN RESOURCES

As of 30 June 2017, the Group employed 2,084 professionals who had an average age of 33.7. In terms of education, 75% of employees held a bachelor's degree or higher and 11.9% of employees held a master's degree or higher. Employees with intermediate or senior professional titles accounted for 22.2%.

In the first half of 2017, the Group focused on executing its strategy of achieving "quality growth" by building a robust platform for sustainable development and upgrading its organizational structure. The Group continued to strengthen its business platform in core regions and integrated its business and teams in areas including Beijing and Jiangsu. Under the new organizational structure, the Group was able to actively accelerate the development of innovative businesses and unleash its potential for greater success throughout China's 13th Five-year Plan period.

The Group adopted a strategy for human capital that revolves around attracting the highest quality talents in the industry. With an ever evolving and ever-improving approach to talent development, the Group looked to lure top professionals from the industry. The Group provided tailor-made training schemes to arm employees with the skills that the Company's development strategy requires, and provided various learning platforms for employees to nurture leadership skills, sharpen professional expertise, and practice new skills in the field. BCL is dedicated to upgrading its pool of talent to ensure that the Group can achieve sustainable growth over the long term.

The Group continually strives to promote a corporate culture based on passion and trust, and endeavors to foster a work environment that is full of joy, collaboration and innovation. The Group's corporate culture is closely tied to its strategic goals, and is able to better focus the Group's corporate strategies.

OUTLOOK

Looking out to the second half of 2017, China property sector will have "housing is for people to live in, not for speculation" as an overarching theme. The Chinese government will continue to enact city-specific measures and category-based regulations over the property market, and tightening polices in first- and hot second-tier cities are not expected to be loosened in the near term. Monetary policy is expected to be moderately tightened, resulting in stiffer credit conditions for the property sector. The traditional business model of property companies will be challenged as competition has shifted in areas such as lean management, property + innovation, and financial risk management.

In the second half of 2017, the Group will adopt the following development strategies:

1 Execute "BCL Made 2020" product strategy and focus on achieving "Quality Growth". Led by the Group's "Tian Yue" and "Xi Rui" product lines, the Group will focus on building products with high quality craftsmanship, enhancing product innovation through precise research and development, and building research systems that can take advantage of big data. The Group also plans to reinforce its contract-signing center and in-house sales team to create a full ecosystem of client resources in core cities. For BCL's newly launched customer service strategies, the Group will focus on improving service quality and the brand value of Shouwan Yuye. The Group will also apply customized strategies in different cities and optimize its sales and marketing efforts as it strives to achieve a full-year target of RMB50 billion contracted sales.

2. Acquire resources in an innovative manner and shift investment focus from individual core cities to core metropolitan areas. The Group's investment focus will be extended from focusing on six core cities to core metropolitan areas around Beijing, Shanghai and Shenzhen to meet the Company's goal of scaling up, and the new strategic focus will allow BCL to make better use of its resources in core cities. The Group will further enhance its synergies with Beijing Capital Group and New Town Fund, in particular for primary land development in Beijing, Tianjin and Hebei, as well as industrial property, to effectively take advantage of the Group's resources for potential major projects. The Group will expand its efforts in acquiring projects through mergers and acquisitions while continuing to keep an eye on opportunities in the auction market. The Group will also create its own asset management platform for investment properties, team up with strategic partners, and speed up inventory clearance, including commercial and office properties, and residential investment properties.

3. Accelerate nationwide expansion of the outlets business and promote lean operations management. Leveraging Beijing Capital Grand's red chip platform, the Group will continue to execute its strategic goal of "Twenty Cities in Five Years" by adopting an expanding strategy of "Precise Expansion with Lean Operations Management". The Group will step up its efforts to deploy quality outlets projects in target cities, and also ensure that new projects will be launched on-schedule with a high standard. The Group will adopt the approach of lean operations management and take advantage of the resources from Beijing Capital Grand's strategic shareholders. With the aim of improving consumer experience and increasing brand value, the Group plans to utilize digital innovations to build an efficient system in order to closely monitor consumption demand. Through all of these efforts, the Group strives to become an industry benchmark in China's outlets retail sector.

4. Focus on equity financing and proactively respond to market and policy risks. The Group will continue to follow up and respond to feedback on its A-share IPO, and update application materials as required so as to ultimately achieve a breakthrough in A-share equity financing. In terms of debt financing, the Group will focus on controlling gearing ratios while looking to manage the financing schedule, the debt amount and the financing costs according to actual needs. The Group will acquire more land in core cities through joint ventures and expand cooperation on project financing. BCL will also explore cooperation opportunities to securitize its commercial and office properties, as well as investment properties. Supported by policy-backed projects, including shanty town renovation projects and government-subsidized housing projects, the Group aims to achieve financing breakthroughs in corporate debt, medium-term notes and other bond financings.

FINANCIAL ANALYSIS

In the first half of 2017, revenue of the Group was approximately RMB7,368,346,000 (2016 1H: RMB5,135,091,000), representing an increase of approximately 43% from 2016. The increase in revenue was mainly attributable to the increase in projects completed and occupied as well as the revenue from primary land development business during the period.

In the first half of 2017, the Group achieved a gross profit margin after business tax of approximately 31%, representing an increase of 22 percentage points as compared to 9% in the first half of 2016, mainly attributable to the increase in gross profit margin of projects completed and occupied as well as the primary land development business during the period.

In the first half of 2017, operating profit of the Group was approximately RMB1,575,757,000 (20161H: RMB1,380,078,000), representing an increase of approximately 14% as compared to the first half of 2016.

1. Financial Resources, Liquidity and Liability Position

During the period of review, the Group maintained a healthy liquidity position and a reasonable appropriation of financial resources. As at 30 June 2017, the Group's total assets were RMB123,241,947,000 (31 December 2016: RMB119,459,640,000), of which current assets were RMB96,419,055,000 (31 December 2016: RMB94,588,284,000) and non-current assets were RMB26,822,892,000 (31 December 2016: RMB24,871,356,000); and total liabilities were RMB96,193,951,000 (31 December 2016: RMB91,908,938,000), of which, current liabilities were RMB54,223,733,000 (31 December 2016: RMB48,065,234,000) and non-current liabilities were RMB41,970,218,000 (31 December 2016: RMB43,843,704,000), and owners' equity was RMB27,047,996,000 (31 December 2016: RMB27,550,702,000).

The Group has sound liquidity and solvency. Current ratio of the Group as at 30 June 2017 was 1.78 (31 December 2016: 1.97).

As at 30 June 2017, the Group's cash at bank and on hand amounted to RMB16,934,497,000 (31 December 2016: RMB17,926,073,000), which represented sufficient cash flow for operations. As at 30 June 2017, bank loans and debentures of the Group amounted to RMB52,612,304,000 (31 December 2016: RMB54,382,104,000) in aggregate, of which the long-term loans and debentures amounted to RMB35,449,399,000 (31 December 2016: RMB37,505,775,000). The bank loans were mainly used to satisfy the capital requirements of the Group's property development projects.

As at 30 June 2017, the Group's gearing ratio was approximately 78% (31 December 2016: 77%). The gearing ratio of the Group is calculated as the total liabilities divided by total assets.

2. Changes in major subsidiaries, principal jointly controlled entities and associates

Beijing Xiangneng Real Estate Co., Ltd. (北京翔能置業有限公司), a subsidiary of the Group, was established in January 2017, and 100% of its equity interest was held by the Group.

Chongqing Shouju Outlets Real Estate Co., Ltd. (重慶首鉅奧特萊斯置業有限公司), a subsidiary of the Group, was established in January 2017, and 72.13% of its net assets was held by the Group.

Shanghai Jusu Trading Co., Ltd. (上海鉅溧商貿有限公司), a subsidiary of the Group, was established in January 2017, and 72.13% of its net assets was held by the Group.

Kunming Capital Outlets Business Operation Management Limited. (昆明首創奧萊商業運營管理有限公司), a subsidiary of the Group, was established in May 2017, and 61.31% of its net assets was held by the Group.

The Group acquired 100% equity interest of Shenyang Haohua Land Limited (瀋陽昊華置業有限公司) during the period.

During the period, the Group has entered into an agreement with the partner in relations to the joint development project of the property on the land at No. 19, Wuqing through Tianjin Yongyuan Real Estate Co., Ltd (天津永元置業有限公司) (the "Tianjin Yongyuan"), a subsidiary of the Group, as the platform. The Group and the partner agreed that, the finance, assets and business in the existing real estate projects of Tianjin Yongyuan shall be separated from those in the new cooperative real estate project, and the accounts shall also be maintained separately and be audited individually.

The Group held 100% of net assets in the existing real estate projects of the Tianjin Yongyuan, while in the new cooperative project, 30% of the net assets was held by the Group and 70% by the partner.

3. Entrusted Deposits and Overdue Time Deposits

As at 30 June 2017, the Group did not have any entrusted deposits in financial institutions in the PRC. All of the Group's cash was held in commercial banks in the PRC in compliance with applicable laws and regulations. The Group has no bank deposits which are not recoverable upon maturity.

4. Borrowings

As at 30 June 2017, bank loans of RMB4,473,890,000 (31 December 2016: RMB3,636,190,000) were secured by certain properties under development.

As at 30 June 2017, bank loans of RMB2,193,000,000 (31 December 2016: RMB743,000,000) were secured by buildings and land use rights in investment properties.

As at 30 June 2017, bank loans of RMB2,936,405,000 (31 December 2016: RMB3,343,360,000) were secured by the guarantee provided by the Group for its subsidiaries.

As at 30 June 2017, bank loans of RMB2,093,144,000 (31 December 2016: RMB2,802,040,000) were secured by the guarantee provided by the Group for its subsidiaries, and secured by certain properties under development of the subsidiaries.

As at 30 June 2017, bank loans of RMB700,000,000 (31 December 2016: RMB700,000,000) were secured by the guarantee provided by the subsidiaries of the Group for the Company.

As at 30 June 2017, bank loans of RMB680,000,000 (31 December 2016: RMB540,000,000) were secured by the guarantee provided by the Group for its subsidiaries, and secured by investment properties of the subsidiaries and their land use rights.

As at 30 June 2017, bank loans of RMB888,000,000 (31 December 2016: RMB720,000,000) were pledged by the corresponding income right of land use rights under development of the subsidiaries of the Group.

As at 30 June 2017, bank loans of RMB733,717,000 (31 December 2016: RMB739,327,000) were pledged by bank deposits of the Group.

As at 30 June 2017, bank loans of RMB6,613,202,000 (31 December 2016: RMB7,773,813,000) were credit loans obtained by the Group.

As at 30 June 2017, bank loans of RMB1,220,000,000 (31 December 2016: RMB1,220,000,000) were secured by the guarantee provided by Capital Group for the Group, and secured by land use rights under development of the Group.

As at 30 June 2017, bank loans of RMB6,500,000,000 (31 December 2016: RMB6,500,000,000) were secured by the guarantee provided by Capital Group for the Group.

5. Corporate Bonds

In May 2015, the Group issued 5-year RMB listed bonds in a principal amount of RMB3,000,000,000 with an interest rate of 4.58% per annum.

In October 2015, the Group issued 3-year RMB private bonds in a principal amount of RMB2,500,000,000 with a prevailing interest rate of 4.7% per annum. The issuer shall be entitled to adjust the coupon rate and the investors shall be entitled to sell back the bonds at the end of the second year.

In December 2015, the Group issued 3-year RMB private bonds in a principal amount of RMB2,500,000,000 with an interest rate of 4.78% per annum.

In April 2016, the Group issued 3-year RMB private bonds in a principal amount of RMB700,000,000 with a prevailing interest rate of 4% per annum. The issuer shall be entitled to adjust the coupon rate and the investors shall be entitled to sell back the bonds at the end of the second year.

In April 2016, the Group issued 5-year RMB private bonds in a principal amount of RMB2,300,000,000 with a prevailing interest rate of 4.2% per annum. The issuer shall be entitled to adjust the coupon rate and the investors shall be entitled to sell back the bonds at the end of the third year.

In June 2016, the Group issued 3-year RMB private bonds in a principal amount of RMB2,300,000,000 with a prevailing interest rate of 4.1% per annum. The issuer shall be entitled to adjust the coupon rate and the investors shall be entitled to sell back the bonds at the end of the second year.

In June 2016, the Group issued 5-year RMB private bonds in a principal amount of RMB1,700,000,000 with a prevailing interest rate of 4.26% per annum. The issuer shall be entitled to adjust the coupon rate and the investors shall be entitled to sell back the bonds at the end of the third year.

In July 2016, the Group issued 3-year RMB private bonds in a principal amount of RMB2,000,000,000 with a prevailing interest rate of 3.71% per annum. The issuer shall be entitled to adjust the coupon rate and the investors shall be entitled to sell back the bonds at the end of the second year.

In July 2016, the Group issued 5-year RMB private bonds in a principal amount of RMB1,000,000,000 with a prevailing interest rate of 3.84% per annum. The issuer shall be entitled to adjust the coupon rate and the investors shall be entitled to sell back the bonds at the end of the third year.

6. Notes

In February 2014, Central Plaza Development Ltd. ("Central Plaza") established a Guaranteed Medium Term Notes and Perpetual Securities Scheme (the "Scheme"), guaranteed by International Financial Center Property Ltd. ("IFC") or, as the case may be, the Company, for securities to be issued thereunder. Under the Scheme, Central Plaza may offer and issue securities in a principal amount of up to USD1,000,000,000.

In February 2014, Central Plaza made a drawdown under the Scheme to offer and issue 3-year notes in a total principal amount of RMB2,000,000,000 at an interest rate of 5.75% per annum. In February 2017, the notes have been repaid.

In February 2014, Central Plaza made a drawdown under the Scheme to offer and issue 5-year notes in a total principal amount of RMB250,000,000 at an interest rate of 6.875% per annum.

In April 2014, Central Plaza made a drawdown under the Scheme to offer and issue 3-year notes in a total principal amount of RMB1,000,000,000 at an interest rate of 5.75% per annum. In February 2017, the notes have been repaid.

In July 2015, Rosy Capital, a subsidiary of the Group, issued 3-year RMB term notes in a principal amount of RMB1,300,000,000 with an interest rate of 5.25% per annum, which were guaranteed by subsidiaries of the Group and a keepwell and liquidity support deed provided by Capital Group.

In January 2017, Central Plaza renewed a Guaranteed Medium Term Notes and Perpetual Securities Scheme (the "Scheme"), guaranteed by IFC or, as the case may be, the Company, for securities to be issued thereunder. Under the Scheme, Central Plaza may offer and issue securities in a principal amount of up to USD1,000,000,000.

In January 2017, Central Plaza made a drawdown under the Scheme to offer and issue 3-year notes in a total principal amount of USD 400,000,000 at an interest rate of 3.875% per annum.

7. Equity Instrument

As of 30 June 2017, Central Plaza issued a total amount of USD850,000,000 senior perpetual securities. Such securities were guaranteed by certain subsidiaries of the Group including IFC. Such securities have no maturity date and are redeemable at the option of Central Plaza as the issuer. Central Plaza as the issuer may elect to defer distribution with no times limit only if Central Plaza or the Company does not declare or pay a dividend. The securities are classified as equity instrument, where:

In April 2013, Central Plaza issued USD400,000,000 senior perpetual capital securities at a distribution rate of 8.375%. In November 2014, Central Plaza issued USD450,000,000 perpetual securities under the Medium Term Notes and Perpetual Securities Scheme at a distribution rate of 7.125%.

In January 2015, Tiandi Fangzhong raised a total amount of RMB1,200,000,000. According to the terms of Investment Agreement, the amount of non-controlling interests recognized amounted to RMB1,075,200,000 after deducting the inevitable dividend payable in the foreseeable future. In July 2016, it is declared that the 50% of the assets management plan's principal would be settled by the Group in January 2017. As at 31 December 2016, the remaining non-controlling interests recognized amounted to RMB537,600,000 after deducting the amount was reclassified to current portion of non-current liabilities. In January 2017, the above assets management plan was settled.

In July 2016, Xinghan Assets raised a total amount of RMB3,000,000,000. According to the terms of Investment Agreement, the amount of other equity instruments recognized amounted to RMB2,895,291,000 after deducting the inevitable dividend payable in the foreseeable future.

8. Contingent Liabilities

The Group had arranged bank facilities for certain purchasers of its properties and provided guarantees to secure the repayment obligations of such purchasers. The outstanding balances of guarantees amounted to RMB7,299,752,000 at 30 June 2017 (31 December 2016: RMB6,648,906,000).

Such guarantees will be terminated upon (i) the issuance of the real estate interestship certificate which will generally be available within six months to two years after the Group transfers the interestship of the relevant property to its purchasers; (ii) the completion of the mortgage registration; and (iii) the issuance of the real estate miscellaneous right certificate relating to the relevant property. As at 30 June 2017, the Group provided a guarantee for its subsidiaries' borrowing of RMB10,881,421,000 (31 December 2016: RMB13,487,075,000).

As at 30 June 2017, IFC, a subsidiary of the Group, provided guarantees for the guaranteed notes of RMB250,000,000 and the senior perpetual capital securities of USD850,000,000 issued by Central Plaza, a subsidiary of the Group.

As at 30 June 2017, Capital Grand, a subsidiary of the Group, provided a guarantee for the guaranteed notes of RMB1,300,000,000 issued by Rosy Capital, a subsidiary of the Group.

As at 30 June 2017, IFC, a subsidiary of the Group, provided guarantees for the guaranted notes of USD400,000,000 issued by Central Plaza, a subsidiary of the Group.

As at 30 June 2017, the Group provided a guarantee amounted to RMB600,000,000 to Capital Jiaming New Town Investment and Development Ltd. ("Capital Jiaming"), a joint venture, for a long term borrowing amounted to RMB1,200,000,000.

As at 30 June 2017, the Group provided a guarantee amounted to RMB100,000,000 to Shenyang Jitian Real Estate Co., Ltd ("Shengyang Jitian"), a joint venture, for a long term borrowing amounted to RMB200,000,000.

Save as the above, the Group had no other material external guarantee.

AUDIT COMMITTEE

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial report matters, including the review of the unaudited interim report for the six months ended 30 June 2017.

PURCHASE, SALES OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the six months ended 30 June 2017, the Company had not redeemed any of its shares. Neither the Company nor any of its subsidiaries purchased or sold any of the Company's listed securities during the period.

LONG TERM INCENTIVE FUND SCHEME

On 27 September 2007, the Company had adopted the long term incentive fund scheme (the "Scheme") which was subsequently amended on 25 September 2009 and 14 March 2014 respectively. The Scheme is proposed to encourage the directors, supervisors, senior management and core staff members of the Company for closer ties of their personal interests with the interests of the Company and of the shareholders, as well as for alignment of their personal goals with the common goal of the Company.

For the six months ended 30 June 2017, the Company had not purchased any shares of the Company under the Scheme.

CORPORATE GOVERNANCE

During the period from 1 January 2017 to 30 June 2017, the Company has complied with all the code provisions of the "Corporate Governance Code and Corporate Governance Report" as set out in Appendix 14 to the "Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited" (the "Listing Rules").

COMPLIANCE WITH THE CODE FOR SECURITIES TRANSACTIONS

The Company has adopted a code which is on terms no less exacting than the required standard set out in the "Model Code for Securities Transactions by Directors of Listed Issuers" (the "Model Code") in Appendix 10 of the Listing Rules.

All directors have confirmed, following specific enquiry by the Company that they have complied with the required standards set out in the Model Code and the company code throughout the period.

By Order of the Board
Beijing Capital Land Ltd.
Lee Sze Wai
Company Secretary

Beijing, 17 August 2017

The Board as of the date of this announcement comprises Mr. Li Songping (Chairman) who is Non-Executive Director, Mr. Tang Jun (President) and Mr. Li Xiaobin who are Executive Directors, Ms. Sun Baojie, Mr. Sun Shaolin and Mr. Su Jian who are Non-Executive Directors, and Mr. Wang Hong, Mr. Li Wang and Mr. Wong Yik Chung, John who are Independent Non-Executive Directors.