

Xinyuan Real Estate Co., Ltd. Announces Second Quarter 2017 Financial Results

August 11, 2017 6:00 AM ET

BEIJING, Aug. 11, 2017 /PRNewswire/ -- Xinyuan Real Estate Co., Ltd. ("Xinyuan" or the "Company") (NYSE: XIN), an NYSE-listed real estate developer and property manager primarily in China and recently in other countries, today announced its unaudited financial results for the second quarter ended June 30, 2017.

Second Quarter 2017 Highlights

- Contract sales increased 54.4% to US\$732.4 million from US\$474.4 million in the second quarter of 2016 and increased 139.8% from US\$305.4 million in the first quarter of 2017.
- Total revenue increased 29.6% to US\$488.2 million from US\$376.6 million in the second quarter of 2016 and increased 73.9% from US\$280.7 million in the first quarter of 2017.
- Gross profit increased 39.6% to US\$107.9 million (or 22.1% of total revenue) from US\$77.3 million (or 20.5% of total revenue) in the second quarter of 2016, and increased 72.4% from US\$62.6 million (or 22.3% of total revenue) in the first quarter of 2017.
- Selling, General and Administrative ("SG&A") expenses as a percentage of total revenue decreased to 9.9% from 10.9% in the second quarter of 2016 and decreased from 12.6% in the first quarter of 2017.
- Net income was US\$20.6 million, compared to US\$27.8 million in the second quarter of 2016 and US\$7.4 million in the first quarter of 2017.
- Diluted net earnings per American Depositary Share ("ADS") attributable to shareholders were US\$0.14, compared to US\$0.39 in the second quarter of 2016 and US\$0.11 in the first quarter of 2017.
- The Company repurchased through its share repurchase program 952,231 ADSs at a total cost of approximately US\$4.7 million in the second quarter of 2017.

Mr. Yong Zhang, Xinyuan's Chairman, stated, "Our second quarter results were generally in line with our expectations under the current government's restrictive policies impacting China's overall housing market. We achieved 54.4% contract sales growth and 29.6% revenue growth compared to the same quarter last year, which was attributable to strong and solid performance of our active projects.

We were also pleased to increase our number of strategic land acquisitions. During the second quarter, we increased our presence in several existing markets where we have a sound track record, including Zhengzhou, Xi'an and Kunshan, and established our presence in a new market with national geographical significance - Zhuhai, an important location in the "Guangdong-Hong Kong-Macao Greater Bay Area". A total of five new projects with an aggregate GFA of 795,000 square meters were acquired in the second quarter, which we expect to support our growth in the years to come.

Furthermore, we are pleased to pay our 22nd consecutive quarterly dividend. The ongoing US\$40 million share repurchase as well as the full redemption of our outstanding US\$200 million senior notes in early July also demonstrate our commitment to delivering value to our shareholders," concluded Mr. Zhang.

Second Quarter 2017 Financial Results

Contract Sales

Contract sales in China totaled US\$711.8 million in the second quarter compared to US\$474.4 million in the second quarter of 2016 and US\$240.8 million in the first quarter of 2017.

The Company's GFA sales in China were 409,700 square meters in the second quarter of 2017 compared to 344,600 square meters in the second quarter of 2016 and 140,300 square meters in the first quarter of 2017.

The ASP per square meter sold in China was RMB11,946 (US\$1,739) in the second quarter of 2017 compared to

RMB8,992 (US\$1,377) in the second quarter of 2016 and RMB11,820 (US\$1,717) in the first quarter of 2017.

Contract sales in the United States totaled US\$20.6 million in the second quarter of 2017.

The Company commenced pre-sales of one new project in the second quarter of 2017, Xingyang Splendid III, which contributed 3.8% of total GFA sales.

Breakdown of GFA Sales and ASPs by Project in China

| Project | Q2 2016 | | Q1 2017 | | Q2 2017 | | Unsold |
|------------------------------------|------------------------|--------------|------------------------|---------------|------------------------|---------------|------------------------|
| | GFA | ASP | GFA | ASP | GFA | ASP | GFA |
| | (m ² '000s) | (RMB) | (m ² '000s) | (RMB) | (m ² '000s) | (RMB) | (m ² '000s) |
| Zhengzhou Xin City | -0.1 | 13,136 | 0.2 | 52,821 | 0.1 | 4,005 | 5.3 |
| Zhengzhou Thriving Family | 0.1 | 10,446 | 0.3 | 5,913 | - | - | 15.7 |
| Xingyang Splendid I | 2.1 | 5,281 | 6.2 | 6,626 | 0.4 | 7,115 | 28.9 |
| Xingyang Splendid II | 8.6 | 5,253 | 8.6 | 6,710 | 15.4 | 5,265 | 58.8 |
| Kunshan Royal Palace | 29.0 | 15,586 | 2.3 | 21,222 | 5.3 | 24,173 | 8.8 |
| Suzhou Lake Royal Palace | 10.6 | 21,575 | 2.8 | 19,906 | 3.8 | 20,094 | 10.5 |
| Jinan Xinyuan Splendid | 1.3 | 9,499 | 0.2 | 4,417 | 0.2 | 4,263 | 8.8 |
| Jinan Royal Palace | 32.0 | 6,874 | 22.4 | 9,280 | 13.2 | 10,508 | 164.9 |
| Xuzhou Colorful City | 2.9 | 9,895 | 1.7 | 15,131 | 2.8 | 13,385 | 47.1 |
| Beijing Xindo Park | -0.3 | 31,469 | 0.1 | 19,697 | 0.2 | 4,235 | 10.4 |
| Chengdu Thriving Family | 30.7 | 5,639 | 4.7 | 11,277 | 6.0 | 19,194 | 54.6 |
| Changsha Xinyuan Splendid | 39.2 | 6,355 | 9.7 | 9,050 | 28.2 | 9,521 | 24.6 |
| Sanya Yazhou Bay No.1 | 4.2 | 12,438 | 26.3 | 15,432 | 8.1 | 15,888 | 65.6 |
| Xi'an Metropolitan | 21.7 | 7,133 | 3.1 | 8,889 | 9.5 | 9,553 | 65.3 |
| Shanghai Royal Palace | 7.0 | 30,594 | -0.1 | 28,707 | - | - | 11.4 |
| Zhengzhou Xindo Park | 10.2 | 6,448 | 13.2 | 6,342 | 22.9 | 6,998 | 37.1 |
| Jinan Xin Central | 11.9 | 10,793 | 6.8 | 11,777 | 8.3 | 13,928 | 65.0 |
| Henan Xin Central I | 29.9 | 8,083 | 0.5 | 11,568 | 3.4 | 16,229 | 53.7 |
| Zhengzhou Fancy City I | 29.0 | 8,970 | 0.8 | 21,739 | 2.6 | 19,015 | 29.2 |
| Zhengzhou Fancy City II (South) | 5.6 | 8,897 | 10.1 | 12,394 | 7.6 | 12,649 | 13.3 |
| Tianjin Spring Royal Palace | 68.5 | 7,429 | -0.1 | 6,844 | 11.0 | 11,118 | 157.7 |
| Kunshan Xindo Park | - | - | 4.4 | 18,244 | 10.6 | 20,523 | 42.5 |
| Zhengzhou International New City I | - | - | 0.9 | 10,834 | 207.4 | 12,084 | 102.1 |
| Henan Xin Central II | - | - | 15.0 | 10,955 | 27.2 | 11,293 | 58.6 |
| Xingyang Splendid III | - | - | - | - | 15.5 | 6,981 | 108.1 |
| Others | 0.5 | - | 0.2 | - | - | - | 3.2 |
| Total | 344.6 | 8,992 | 140.3 | 11,820 | 409.7 | 11,946 | 1,251.2 |

Revenue

In the second quarter of 2017, the Company's total revenue increased 29.6% to US\$488.2 million from US\$376.6 million in the second quarter of 2016 and increased 73.9% from US\$280.7 million in the first quarter of 2017.

Gross Profit

Gross profit for the second quarter of 2017 was US\$107.9 million, or 22.1% of revenue, compared to a gross profit of US\$77.3 million, or 20.5% of revenue, in the second quarter of 2016 and a gross profit of US\$62.6 million, or 22.3% of revenue, in the first quarter of 2017.

Selling, General and Administrative Expenses

SG&A expenses were US\$48.2 million for the second quarter of 2017 compared to US\$41.0 million for the second quarter of 2016 and US\$35.5 million for the first quarter of 2017. As a percentage of total revenue, SG&A expenses were 9.9% compared to 10.9% in the second quarter of 2016 and 12.6% in the first quarter of 2017.

Net Income

Net income for the second quarter of 2017 was US\$20.6 million compared to US\$27.8 million for the second quarter of 2016 and US\$7.4 million for the first quarter of 2017. Net margin was 4.2%, compared to 7.4% in the second quarter of 2016 and 2.6% in the first quarter of 2017. Diluted earnings per ADS were US\$0.14, compared to US\$0.39 per ADS in

the second quarter of 2016 and US\$0.11 per ADS in the first quarter of 2017.

The lower net income compared with the second quarter of 2016 was mainly due to (i) an increase in selling and distribution expenses related to commercial sales under a more challenging market environment, (ii) an increase in the un-capitalized portion of the Company's interest expenses due to some debt not yet allocated into real estate projects, and (iii) a one-time Land Value-Added Tax (LVAT) refund of approximately US\$9 million in the prior year period related to a final settlement at one of the Company's projects.

Balance Sheet

As of June 30, 2017, the Company's cash and cash equivalents (including restricted cash) increased to US\$1,276.8 million from US\$1,245.9 million as of March 31, 2017. Total debt outstanding was US\$2,647.8 million, which reflected an increase of US\$320.7 million compared to US\$2,327.1 million at the end of the first quarter of 2017. The balance of the Company's real estate properties under development at the end of the second quarter of 2017 was US\$2,135.2 million, compared to US\$1,848.5 million at the end of the first quarter of 2017.

Real Estate Project Status in China

Below is a summary table of projects that were active and available for sale in the second quarter of 2017.

| Project | GFA | | Contract Sales | | | Project Cost % Complete |
|------------------------------------|--------------------------|----------------|----------------------|----------------|--------------|-------------------------|
| | (m ² · '000s) | | (US\$ millions) | | | |
| | Total Active Project | Sold to date | Total Active Project | Sales to date | % Sold | |
| Zhengzhou Xin City | 211.1 | 205.8 | 345.1 | 315.4 | 91.4% | 98.2% |
| Zhengzhou Thriving Family | 131.5 | 115.8 | 148.3 | 122.4 | 82.5% | 96.7% |
| Xingyang Splendid I | 117.4 | 88.5 | 90.7 | 68.8 | 75.9% | 75.7% |
| Xingyang Splendid II | 137.2 | 78.4 | 137.3 | 67.1 | 48.9% | 58.6% |
| Kunshan Royal Palace | 280.0 | 271.2 | 467.9 | 431.7 | 92.3% | 95.2% |
| Suzhou Lake Royal Palace | 169.6 | 159.1 | 349.3 | 297.7 | 85.2% | 99.6% |
| Jinan Xinyuan Splendid | 572.2 | 563.4 | 722.2 | 716.0 | 99.1% | 99.5% |
| Jinan Royal Palace | 449.7 | 284.8 | 638.0 | 301.8 | 47.3% | 76.2% |
| Xuzhou Colorful City | 130.2 | 83.1 | 193.1 | 115.7 | 59.9% | 83.4% |
| Beijing Xindo Park | 133.1 | 122.7 | 435.8 | 364.7 | 83.7% | 99.8% |
| Chengdu Thriving Family | 211.4 | 156.8 | 363.1 | 151.7 | 41.8% | 96.5% |
| Changsha Xinyuan Splendid | 251.6 | 227.0 | 345.0 | 223.2 | 64.7% | 90.0% |
| Sanya Yazhou Bay No.1 | 117.2 | 51.6 | 288.3 | 109.3 | 37.9% | 86.2% |
| Xi'an Metropolitan | 290.7 | 225.4 | 459.5 | 233.9 | 50.9% | 97.4% |
| Shanghai Royal Palace | 57.8 | 46.4 | 273.0 | 170.5 | 62.5% | 99.3% |
| Zhengzhou Xindo Park | 144.4 | 107.3 | 192.3 | 113.0 | 58.8% | 84.5% |
| Jinan Xin Central | 194.7 | 129.7 | 347.8 | 191.7 | 55.1% | 82.2% |
| Henan Xin Central I | 262.2 | 208.5 | 351.2 | 254.0 | 72.3% | 75.7% |
| Zhengzhou Fancy City I | 166.8 | 137.6 | 229.6 | 180.2 | 78.5% | 67.0% |
| Zhengzhou Fancy City II (South) | 84.1 | 70.8 | 142.2 | 109.7 | 77.1% | 63.3% |
| Tianjin Spring Royal Palace | 278.6 | 120.9 | 484.5 | 141.7 | 29.2% | 47.7% |
| Kunshan Xindo Park | 89.0 | 46.5 | 265.5 | 128.7 | 48.5% | 68.7% |
| Zhengzhou International New City I | 360.5 | 258.4 | 648.5 | 444.2 | 68.5% | 39.1% |
| Henan Xin Central II | 109.8 | 51.2 | 178.5 | 83.0 | 46.5% | 53.6% |
| Xingyang Splendid III | 123.5 | 15.4 | 135.2 | 15.7 | 11.6% | 33.7% |
| Others remaining GFA | 3.2 | | | | | |
| Total active projects | 5,077.5 | 3,826.3 | 8,231.9 | 5,351.8 | 65.0% | 78.5% |

As of June 30, 2017, the Company's total saleable GFA was approximately 2,947,100 square meters for active projects and under planning stage projects in China. Below is a summary of all of the Company's planning stage projects:

| | Unsold GFA (m² '000s) | Pre-sales Scheduled |
|--|---|--------------------------------|
| Zhengzhou Fancy City II(North) | 119.6 | Q3 2017 |
| Zhengzhou International New City II | 175.7 | Q3 2017 |
| Beijing Liyuan project | 102.3 | To be determined |
| Changsha Mulian Royal Palace | 93.3 | Q3 2017 |
| Zhengzhou International New City III | 337.0 | To be determined |
| Changsha Renmin East Road project | 73.0 | To be determined |
| Xian Aerospace City Project | 226.0 | To be determined |
| Zhengzhou Heizhuzhuang Project | 340.0 | To be determined |
| Kunshan Zhongyu Project | 113.0 | To be determined |
| Zhengzhou International New City IV | 46.0 | To be determined |
| Zhuhai Prince Project | 70.0 | To be determined |
| Total projects under planning | 1,695.9 | |
| Total active projects | 1,251.2 | |
| Total of all Xinyuan unsold projects in China | 2,947.1 | |

Real Estate Project Update in the United States

In the second quarter of 2017, our Oosten project in Brooklyn, New York recognized revenue of approximately US\$21 million. As of June 30, 2017, we had sold and closed a total of 161 units out of 216 total units and revenue from this project had reached US\$238 million. The construction loan for this project was fully paid off. As a testament to this project's success in the New York market, the Oosten project was recently awarded the "Best Residential Condominium Building" award by the Brooklyn Chamber of Commerce at the 2017 Building Brooklyn Awards, which represents the first win by a non-US-based developer in the award's history.

During the second quarter of 2017, local market demand and price trends remained stable in both Manhattan and Brooklyn. Both saw modest year-on-year unit price increases, with Brooklyn enjoying slightly higher increases.

The Company is continuing its foundation work for its second New York City project which is located in midtown Manhattan.

The Company continues to execute its planning, governmental approvals and pre-development of its ground-up development project located in Queens, New York.

Conference Call Information

The Company will hold a conference call at 8:00 am ET on August 11, 2017 to discuss second quarter 2017 results. Listeners may access the call by dialing:

US Toll Free: 1-888-857-6931

China: +86-400-120-2694

International: 1-719-457-2601

A webcast will also be available through the Company's investor relations website at <http://ir.xyre.com>.

A replay of the call will be available through August 18, 2017 by dialing:

US: 1-844-512-2921

International: 1-412-317-6671

Access code: 4856564

About Xinyuan Real Estate Co., Ltd.

Xinyuan Real Estate Co., Ltd. ("Xinyuan") is an NYSE-listed real estate developer and property manager primarily in China and recently in other countries. In China, Xinyuan develops and manages large scale, high quality real estate projects in over ten tier one and tier two cities, including Beijing, Shanghai, Zhengzhou, Jinan, Xi'an, Suzhou, among others. Xinyuan was one of the first Chinese real estate developers to enter the U.S. market and over the past few years has been active in real estate development in New York. Xinyuan aims to provide comfortable and convenient real estate related products and services to middle-class consumers. For more information, please visit <http://www.xyre.com>.

Forward Looking Statements

Certain statements in this press release constitute "forward-looking statements". These statements are made under the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements includes statements about estimated financial performance and sales performance and activity, among others, and can generally be identified by terminology such as "will", "expects", "anticipates", "future", "intends", "plans", "believes", "estimates" and similar statements. Statements that are not historical statements are forward-looking statements. Forward-looking statements involve inherent risks and uncertainties that could cause actual results to differ materially from those projected or anticipated, including, but not limited to, our ability to continue to implement our business model successfully; our ability to secure adequate financing for our project development; our ability to successfully sell or complete our property projects under construction and planning; our ability to enter successfully into new geographic markets and new business lines and expand our operations; the marketing and sales ability of our third-party sales agents; the performance of our third-party contractors; the impact of laws, regulations and policies relating to real estate developers and the real estate industry in the countries in which we operate; our ability to obtain permits and licenses to carry on our business in compliance with applicable laws and regulations; competition from other real estate developers; the growth of the real estate industry in the markets in which we operate; fluctuations in general economic and business conditions in the markets in which we operate; and other risks outlined in our public filings with the Securities and Exchange Commission, including our annual report on Form 20-F for the year ended December 31, 2016. Except as required by law, we undertake no obligation to update or review publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statement is made.

Notes to Unaudited Financial Information

This release contains unaudited financial information which is subject to year-end audit adjustments. Adjustments to the financial statements may be identified when the audit work is completed, which could result in significant differences between our audited financial statements and this unaudited financial information.

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XINYUAN REAL ESTATE CO., LTD. AND ITS SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(All US\$ amounts and number of shares data in thousands, except per share data)

| | Three months ended | | |
|---|---------------------------------|----------------------------------|---------------------------------|
| | June 30, 2017 (unaudited) | March 31, 2017 (unaudited) | June 30, 2016 (unaudited) |
| Total revenue | 488,165 | 280,714 | 376,623 |
| Total costs of revenue | <u>(380,242)</u> | <u>(218,147)</u> | <u>(299,317)</u> |
| Gross profit | 107,923 | 62,567 | 77,306 |
| Selling and distribution expenses | (18,219) | (10,488) | (8,801) |
| General and administrative expenses | <u>(29,965)</u> | <u>(25,017)</u> | <u>(32,197)</u> |
| Operating income | 59,739 | 27,062 | 36,308 |
| Interest income | 4,375 | 2,599 | 4,223 |
| Interest expense | (20,195) | (9,325) | (5,063) |
| Net realized gain on short-term investments | 2,257 | 588 | 807 |
| Unrealized gain/(loss) on short-term investments | 524 | 1,254 | (153) |
| Other income | - | 159 | 4,101 |
| Exchange (loss)/gains | (46) | (51) | 182 |
| Share of loss of equity investees | <u>(265)</u> | <u>(243)</u> | <u>(641)</u> |
| Income from operations before income taxes | 46,389 | 22,043 | 39,764 |
| Income taxes | <u>(25,769)</u> | <u>(14,625)</u> | <u>(11,960)</u> |
| Net income | <u>20,620</u> | <u>7,418</u> | <u>27,804</u> |
| Net (income)/loss attributable to non-controlling interest | (11,698) | 42 | (1,278) |
| Net income attributable to Xinyuan Real Estate Co., Ltd. shareholders | <u>8,922</u> | <u>7,460</u> | <u>26,526</u> |
| Earnings per ADS: | | | |
| Basic | 0.14 | 0.12 | 0.40 |
| Diluted | 0.14 | 0.11 | 0.39 |
| ADS used in computation: | | | |
| Basic | 64,324 | 63,995 | 66,005 |
| Diluted | 65,622 | 64,944 | 68,164 |

XINYUAN REAL ESTATE CO., LTD. AND ITS SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(All US\$ amounts and number of shares data in thousands, except per share data)

| | Six months ended | |
|---|------------------|-------------|
| | June 30, | June 30, |
| | 2017 | 2016 |
| | (unaudited) | (unaudited) |
| Total revenue | 768,879 | 612,007 |
| Total costs of revenue | (598,389) | (485,807) |
| Gross profit | 170,490 | 126,200 |
| Selling and distribution expenses | (28,707) | (16,922) |
| General and administrative expenses | (54,982) | (55,605) |
| Operating income | 86,801 | 53,673 |
| Interest income | 6,974 | 12,694 |
| Interest expense | (29,520) | (10,063) |
| Net realized gain on short-term investments | 2,845 | 916 |
| Unrealized gain on short-term investments | 1,778 | 767 |
| Other income | 159 | 4,108 |
| Exchange (loss)/gains | (97) | 236 |
| Share of loss of an equity investee | (508) | (599) |
| Income from operations before income taxes | 68,432 | 61,732 |
| Income taxes | (40,394) | (27,033) |
| Net income | 28,038 | 34,699 |
| Net income attributable to non-controlling interest | (11,656) | (2,054) |
| Net income attributable to Xinyuan Real Estate Co., Ltd. shareholders | 16,382 | 32,645 |
| Earnings per ADS: | | |
| Basic | 0.26 | 0.49 |
| Diluted | 0.25 | 0.47 |
| ADS used in computation: | | |
| Basic | 64,159 | 67,309 |
| Diluted | 65,779 | 69,492 |

XINYUAN REAL ESTATE CO., LTD. AND ITS SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(All US\$ amounts and number of shares data in thousands)

June 30, March 31, December 31,

| | 2017 | 2017 | 2016 |
|--|------------------|------------------|------------------|
| | (unaudited) | (unaudited) | (audited) |
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | 955,209 | 916,029 | 578,244 |
| Restricted cash | 321,615 | 329,909 | 328,499 |
| Short-term investments | 49,686 | 41,113 | 39,311 |
| Accounts receivable | 27,669 | 26,884 | 32,704 |
| Other receivables | 38,714 | 31,804 | 31,822 |
| Deposits for land use rights | 80,376 | 100,804 | 153,252 |
| Other deposits and prepayments | 492,429 | 276,914 | 525,263 |
| Advances to suppliers | 38,569 | 30,433 | 27,457 |
| Real estate properties development completed | 381,238 | 429,254 | 477,179 |
| Real estate properties under development | 2,135,226 | 1,848,471 | 1,719,135 |
| Amounts due from related parties | 6,155 | 20,284 | 17,732 |
| Amounts due from employees | 1,582 | 2,277 | 621 |
| Other current assets | <u>704</u> | <u>140</u> | <u>226</u> |
| Total current assets | <u>4,529,172</u> | <u>4,054,316</u> | <u>3,931,445</u> |
| Real estate properties held for lease, net | 191,021 | 163,541 | 159,874 |
| Property and equipment, net | 33,455 | 33,610 | 34,090 |
| Other long-term investment | 9,099 | 8,938 | 242 |
| Investment in joint ventures | 7,502 | 7,541 | 7,556 |
| Deferred tax assets | 50,190 | 49,701 | 49,690 |
| Deposits for land use rights | 29,523 | 28,988 | 28,831 |
| Other assets | <u>57,060</u> | <u>24,740</u> | <u>24,717</u> |
| TOTAL ASSETS | <u>4,907,022</u> | <u>4,371,375</u> | <u>4,236,445</u> |

XINYUAN REAL ESTATE CO., LTD. AND ITS SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(All US\$ amounts and number of shares data in thousands)

| | June 30, | March 31, | December 31, |
|--|-------------|-------------|--------------|
| | <u>2017</u> | <u>2017</u> | <u>2016</u> |
| | (unaudited) | (unaudited) | (audited) |
| LIABILITIES AND | | | |
| SHAREHOLDERS' EQUITY | | | |
| Current liabilities | | | |
| Accounts payable and notes payable | 482,009 | 423,413 | 524,663 |
| Short-term bank loans and other debt | 109,856 | 130,448 | 178,576 |
| Customer deposits | 173,326 | 168,829 | 150,545 |
| Income tax payable | 102,736 | 106,396 | 120,573 |
| Other payables and accrued liabilities | 242,940 | 208,466 | 199,661 |
| Payroll and welfare payable | 12,247 | 4,626 | 19,522 |
| Current portion of long-term bank loans and other debt | 1,074,467 | 574,802 | 704,695 |
| Current maturities of capital lease obligations | 4,314 | 3,945 | 3,923 |
| Mandatorily redeemable non-controlling interests | 12,916 | - | 12,614 |

| | | | |
|--|-------------------------|-------------------------|-------------------------|
| Amounts due to related parties | 69,307 | 67,949 | 66,230 |
| Total current liabilities | <u>2,284,118</u> | <u>1,688,874</u> | <u>1,981,002</u> |
| Non-current liabilities | | | |
| Long-term bank loans | 363,898 | 350,887 | 235,885 |
| Other long term debt | 1,099,563 | 1,270,978 | 974,791 |
| Deferred tax liabilities | 172,763 | 105,086 | 93,107 |
| Unrecognized tax benefits | 20,494 | 20,492 | 20,492 |
| Capital lease obligations, net of current maturities | 13,093 | 14,876 | 15,016 |
| Due to related parties | <u>1,543</u> | <u>-</u> | <u>-</u> |
| TOTAL LIABILITIES | <u>3,955,472</u> | <u>3,451,193</u> | <u>3,320,293</u> |
| Shareholders' equity | | | |
| Common shares | 16 | 16 | 16 |
| Treasury shares | (65,590) | (60,915) | (53,734) |
| Additional paid-in capital | 542,040 | 539,763 | 538,414 |
| Statutory reserves | 95,965 | 95,965 | 95,973 |
| Retained earnings | 356,990 | 354,905 | 354,274 |
| Accumulated other comprehensive income | <u>(11,227)</u> | <u>(30,652)</u> | <u>(34,683)</u> |
| Total Xinyuan Real Estate Co., Ltd. shareholders' equity | <u>918,194</u> | <u>899,082</u> | <u>900,260</u> |
| Non-controlling interest | 33,356 | 21,100 | 15,892 |
| Total equity | <u>951,550</u> | <u>920,182</u> | <u>916,152</u> |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | <u><u>4,907,022</u></u> | <u><u>4,371,375</u></u> | <u><u>4,236,445</u></u> |

View original content: <http://www.prnewswire.com/news-releases/xinyuan-real-estate-co-ltd-announces-second-quarter-2017-financial-results-300503189.html>

SOURCE Xinyuan Real Estate Co., Ltd.