

**【For Immediate Release】**



**C C LAND ANNOUNCES 2009 INTERIM RESULTS**

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**Contracted Sales increased by 98% and 145% y-o-y  
to 101,200 sqm & RMB557.3 million respectively**

**Ready for Exponential growth**

**Financial Highlights**

	For the six months ended 30 June		
<i>HK\$' 000</i>	<b>2009</b>	2008	Change
Revenue	<b>372,976</b>	479,831	-22%
Gross profit	<b>67,097</b>	35,589	+89%
Other income and gains	<b>50,845</b>	225,017	-77%
Profit/(loss) attributable to equity holders	<b>(110,672)</b>	39,620	N/A
Earnings/(loss) per share ( <i>HK cents</i> )			
Basic	<b>(5.16)</b>	1.83	N/A
Diluted	<b>N/A</b>	1.82	N/A
Interim dividend	-	-	<b>N/A</b>

(21 September 2009 – Hong Kong) C C Land Holdings Limited (“C C Land” or the “Company”, together with its subsidiaries collectively known as the “Group”; stock code: 1224) announced its interim results for the six months ended 30 June 2009.

For the six months ended 30 June 2009, as a result of the decrease in revenue from its packaging and luggage business, the Group’s revenue reduced to HK\$373.0 million, representing a decrease of 22% from the corresponding period last year. Gross profit increased by 89% to HK\$67.1 million. Loss attributable to equity holders amounted to HK\$110.7 million. The property business recorded a loss because there was no project completion in the first half of 2009. Zone G of the Verakin New Park City with a GFA of approximately 146,000 sqm is expected to be completed in the second half of 2009. Basic loss per share amounted to 5.16 HK cents (1H2008: earnings per share 1.83 HK cents). The Group did not recommend the payment of any interim dividend (1H2008: nil).

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During the period, the Group's recognized sales was approximately 26,987 sqm in GFA. The recognized sales revenue amounted to HK\$161.1 million, representing an increase of 7% when compared with the same period of previous year. The revenue was mainly attributable to the sales of 210 residential units of No.1 Peak Road, which was completed in late 2008. Excluding the business tax, the average selling price ("ASP") was RMB5,450 per sqm, representing an increase of 6% when comparing with the ASP of the same project achieved in 2008. Such increase evidently proves that the Group's quality projects are resilient to the market downturn while the Group has the ability to raise the price despite the weak market sentiment. The gross profit margin for No. 1 Peak Road is 15% based on the book cost but would be 43% if excluding the fair value adjustment arising from the acquisition in late 2006.

During the period under review, the Group contracted sales increased by 98% to 101,200 sqm in terms of GFA. The corresponding sales amount increased by 145% to RMB557.3 million. For the six months ended 30 June 2009, the unrecognized contracted sales was RMB791.0 million, which included the sales of No. 1 Peak Road, Verakin New Park City and i-City in Chongqing and Sky Villa in Chengdu. During the period, the property selling price increased by about 10% to 15% from the end of last year. Moreover, our projects have received numerous awards and were sold at the highest prices in their respective districts. These showcased that our projects are in premium quality and are well-received by the market.

In the first half of 2009, Chongqing ranked number one among all cities over China in terms of the number of units sold; while it ranked number two in terms of area sold in China. This shows Chongqing, a market predominantly driven by end-users, has a strong demand for housing.

Commenting on the Company's interim results, Dr. Peter Lam, Deputy Chairman and Managing Director of C C Land said, "In the first half of 2009, with the effective implementation of the PRC Government's RMB4 trillion economic stimulus package, the relaxed monetary policies and supportive measures for both home buyers and developers, we saw a recovery in the property market. To capture the business opportunities from the recovering market and further strengthen our foothold in Western China, the Group accelerated the property development progress and continued to acquire premium land sites with huge appreciation potential at reasonable prices during the period."

The Group endeavors to adopt a prudent strategy in land bank replenishment. The land bank portfolio is sufficient for 7 to 8 years of development. The Group will only consider to acquire land when the project possesses extremely attractive development potential. During the period, C C Land acquired three land lots, with two in Chengdu and one in Chongqing, totalling approximately 760,000 sqm in GFA at a total consideration of RMB834 million. As of 30 June 2009, the Group possesses an aggregate land bank of about 13.3 million sqm in GFA and about 9.6 million sqm in attributable GFA spanning Chongqing, Sichuan, Chengdu and Kunming. The average land cost is about RMB1,100 per sqm which is relatively low given that most of the land sites are situated in prime locations of city or town centers. In terms of location, around 59.3% of the land bank is located in Chongqing whilst 40.7% is in Sichuan, Chengdu, and Kunming. In terms of usage, about 79.1% of the land bank is for residential, hotel and serviced apartment use and the remaining 20.9% for offices, commercial and other developments. At present, the Group has 12 projects at various stages of development.

The Group also formed a strategic partnership with New World China Land Limited ("NWCL"), a leading property developer and hotel operator in China, in jointly developing the five-star luxury hotel and serviced apartment project on Lot # 10. The equity interest of this jointly-developed project will be held as to 80% by the Group and 20% by NWCL. The hotel and serviced apartment project has an aggregate GFA of approximately 81,000 sqm and is scheduled to be completed by the year 2012.

To maintain strong liquidity and a healthy capital structure, C C Land maintains a prudent financial position. As of 30 June 2009, the Group's cash and bank balances amounted to HK\$1,477.2 million. Net gearing ratio was at a relatively low level of 12.8%. To further strengthen its financial position, on 28 July 2009, the Group placed 428,000,000 new shares to independent investors at a price of HK\$5.92 per share, raising approximately HK\$2.5 billion for the acquisition of land bank in future.

The Group has been focusing on the development of property projects in Western China, predominantly in Chongqing and Chengdu. In the first half of 2009, Chongqing and Chengdu recorded strong GDP growth of 12.5% and 14.3% respectively, which are significantly higher than the national average of 7.1%. Furthermore, in view of various supportive government policies, such as the Special Economic Zone status of Chengdu and Chongqing, the Third New District in Chongqing's New North Zone, the first and only Inland Free-Trade Zone in Chongqing and massive government spending on infrastructure, the property markets of Chongqing and Chengdu are well positioned to benefit from these favourable measures in the near future.

Dr. Lam concluded, "Thanks to the favorable and effective government policies as well as prosperous economies in Chongqing and Chengdu, the property markets of Western China outperformed the rest of China. C C Land will continue to closely monitor the market and take proactive measures to capture the recovering market sentiments. We accelerated our development schedule with a new construction area of 310,000 sqm in the first half of 2009. Since the end of 2006, C C Land has been transformed to a listed property developer. We believe that it is necessary for us to build up our land bank, project teams, and to streamline our operations in preparation for a serious expansion. Leveraging our premium land portfolio, strong financial position, sound local knowledge and seasoned management team, C C Land has laid a solid foundation for future profitability. "

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### **About C C Land**

C C Land is principally engaged in the property development business in Western China. It has projects with a total GFA about 13.3 million sqm and about 9.6 million sqm in terms of attributable GFA spanning key Western China cities including Chongqing, Chengdu and various other cities in Sichuan and Kunming. Capitalizing on its management expertise, quality land banks, and solid financial position, C C Land is well positioned to develop into one of the leading property developers in Western China. The Company is a constituent stock of Hang Seng Composite Index Series and Hang Seng Free-float Index Series.

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