

**【For Immediate Release】**



**C C LAND ANNOUNCES INTERIM RESULTS 2010**

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**Net Profit Surged to HK\$73.2 Million**

**Contract Sales Surged by 2.3 Times y-o-y to RMB1,819 million**

**Moving into a harvest stage despite market challenges**

**Financial Highlights**

	For the six months ended 30 June		
<i>HK\$' 000</i>	2010	2009	Change
Revenue	<b>678,682</b>	372,976	+82%
Gross profit	<b>114,356</b>	67,097	+70%
Other income and gains	<b>216,266</b>	50,845	+325%
Profit/(Loss) attributable to ordinary equity holders	<b>73,227</b>	(110,672)	N/A
Earnings per share ( <i>HK cents</i> ) Basic and Diluted	<b>2.85</b>	(5.16)	N/A
Interim dividend ( <i>HK cents</i> )	<b>Nil</b>	Nil	N/A

**Operation Highlights**

	For the six months ended 30 June		
	2010	2009	Change
Contract Sales (RMB'000)	<b>1,819,100</b>	557,300	+2.3 times
ASP for Contract Sales (RMB per sqm)	<b>6,200</b>	5,500	+13%
Completed Area (sqm)	<b>86,000</b>	Nil	N/A

(1 September 2010 – 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) is pleased to announce its interim results for the six months ended 30 June 2010.

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For the six months ended 30 June 2010, the Group's revenue surged by 82% to HK\$678.7 million from the corresponding period last year. The increase in revenue was mainly attributable to increased revenue from the property business as more projects were completed and delivered to buyers, as well as increased sales from the packaging and luggage business. Profit attributable to ordinary equity holders amounted to HK\$73.2 million.

Basic earnings per share amounted to HK2.85 cents (1H 2009: loss per share was HK5.16 cents). The Board of Directors does not recommend the payment of any interim dividend (1H 2009: nil).

During the reporting period, the Group's recognized revenue from property sales rose significantly by 1.5 times to approximately RMB358.6 million, corresponding to a gross floor area (GFA) of 81,330 sqm. The strong growth in recognized revenue was due to the on-schedule completion of two projects during the interim period, namely Verakin New Park City Zone H and i-City Phase I, with a GFA of 86,000 sqm. As at 30 June 2010, the unrecognized revenue was approximately RMB2,959 million.

During the period under review, the Group's contract sales surged by 2.3 times to RMB1,819.1 million and the corresponding GFA sold rose by 1.9 times to 292,200 sqm. The strong contract sales were contributed by the sales of One Central @Midtown, Verakin New Park City in Chongqing and Sky Villa in Chengdu. During the period, the average selling price (ASP) of contract sales increased by about 13% to RMB6,200 per sqm over the same period last year.

Commenting on the Company's interim results, Dr. Peter Lam, Deputy Chairman and Managing Director of C C Land said, "The strong economic growth in Chongqing and Chengdu continues to provide support to the property market. In addition, being end-user driven, the market is less affected by the tightening of second home mortgage as most of the buyers are first-time buyers. In view of our low inventory and strong financial position, the Group does not see the need to lower prices for projects that were already launched. As most of the Group's projects are in prime locations and well-executed, they are well-received by customers. Our turnaround interim results meant that C C Land has moved onto a harvest stage of development despite market challenges."

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On 30 June 2010, the Group had 16 land lots in its land bank portfolio of about 10.9 million sqm in GFA and about 8.4 million sqm in terms of attributable GFA held for development. The average land cost is about RMB1,680 per sqm. The Group's land bank portfolio covers key Western China cities including Chongqing, Chengdu, Kunming and key cities in Sichuan, which is sufficient for 7 to 8 years of development. Around 73% of the land bank is located in Chongqing whilst 27% is in Chengdu, key cities in Sichuan and Kunming. In terms of usage, about 73% of the land bank is for residential, hotel and serviced apartment as well as townhouse and villa use and the remaining 27% for offices, commercial and other developments. At present, the Group has 16 projects at various stages of development.

C C Land maintains a prudent financial position with strong liquidity and a healthy capital structure. On 30 June 2010, the Group's cash and bank balances amounted to HK\$4,183 million. The Group was in a net cash position.

The Group has been focusing on the development of property projects in Western China, predominantly in Chongqing and Chengdu. In the first half of 2010, Chongqing and Chengdu recorded strong GDP growth of 17.6% and 16.8% respectively, which are significantly higher than the national average of 11.1%. The strong economic growth together with the strong user-driven demand contributed to the sustainable growth of the property markets in Western China.

Dr. Lam concluded, "During the first half of the year, we achieved an impressive sales performance despite market challenges. The growth was mainly attributable to the Group's projects being in prime locations of its respective areas/districts. The designs are well received and the high standard of execution recognized by the end-users. As a result, the Group's products are sold at a premium to their counterparts in the vicinity. The fundamental demand for housing remains huge in Western China as it is mainly end-user driven and, based on the relatively lower ASP, affordability is still high. The ongoing urbanization process and the massive infrastructure expansion will support the property sector in the long run. The setting up of the Liangjiang New Area is an important catalyst for the economic growth of Chongqing. With a low inventory and enjoying a net cash position, the Group has decided to maintain its construction schedule planned in early 2010. The new construction area for the second half of 2010 would be 400,000 sqm, together with the construction area of 2 million sqm as at 30 June 2010, making the total construction area as at the end of 2010 to be about 2.4 million sqm which is about 4.5 times of the target sales area for 2010. The target completion GFA for the second half of 2010 and 2011 are approximately 131,000 sqm and 777,000 sqm respectively, with 97% and 36% target completion residential area respectively having been pre-sold as at 30 June 2010. About 55% of the target contract sales GFA have been sold as at 30 June 2010. The Group remains confident in achieving its 2010 target contract sales of RMB3,400 million and 536,000 sqm of GFA."

### **About C C Land**

C C Land is principally engaged in the property development business in Western China. It has a total land bank of about 10.9 million sqm in terms of GFA and about 8.4 million sqm in terms of attributable GFA, covers key Western China cities including Chongqing, Chengdu, key 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.

### **For enquiries, please contact:**

#### **iPR Ogilvy Ltd.**

Natalie Tam / Crystal Chan / Janette Lo / Vicki Fong

Tel: (852) 2136 6182 / 2169 0049 / 3920 7647 / 2136 6184

Fax: (852) 3170 6606

Email: natalie.tam@iprogilvy.com / crystal.chan@iprogilvy.com /  
janette.lo@iprogilvy.com / vicki.fong@iprogilvy.com