華潤置地有限公司
China Resources Land Limited

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1109)

ANNOUNCEMENT OF 2007 INTERIM RESULTS

Highlights

- Sales for the six months ended 30 June 2007 amounted to HK$1,810 million, increased by 80.8% as compared with the corresponding period of 2006.
- Net profit attributable to shareholders amounted to HK$575 million, representing a growth of 63.0%, as compared with the corresponding period of 2006.
- Gross profit margin for the period was 38.3%, increased from 27.5% of the yearly average of 2006.
- Net profit margin for the period was 31.7%, increased from 21.8% of the yearly average of 2006.
- Earning per share amounted to HK16.76 cents, increased by 45.9% as compared with the corresponding period of 2006.
- As of 31 August 2007, total landbank was 10 million sqm, increased by 1.67 million sqm in 2007.
- The Board of Directors declared an interim dividend of HK2.4 cents per share.

The directors of China Resources Land Limited (the "Company") are pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2007 as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE SIX MONTHS ENDED 30TH JUNE, 2007

	NOTES	Six months ended 30th June, 2007 HK$'000 (Unaudited)	2006 HK$'000 (Unaudited)
Turnover		1,810,224	1,001,350
Cost of sales		(1,116,794)	(594,064)
Gross profit		693,430	407,286
Other income	5	355,901	277,780
Selling and marketing expenses		(53,597)	(47,195)
General and administration expenses		(109,796)	(101,374)
Share of results of associates		705	3,658
Finance costs	6	(66,550)	(76,725)
Profit before taxation		820,093	463,430
Taxation	7	(235,981)	(106,116)
Profit for the period	8	584,112	357,314

Attributable to:			
Equity holders of the Company		574,705	352,789
Minority interests		9,407	4,525
		584,112	357,314
Dividend paid	9	190,981	103,336
Earnings per share	10		
- Basic		HK16.76 cents	HK11.49 cents
- Diluted		HK16.51 cents	HK11.31 cents

CONDENSED CONSOLIDATED BALANCE SHEET
AT 30TH JUNE, 2007

	30.6.2007 HK$'000 (Unaudited)	31.12.2006 HK$'000 (Audited)
Non-current assets		
Property, plant and equipment	962,492	817,831
Prepaid lease payments	39,899	40,362
Investment properties	8,059,226	7,619,400
Investment in associates	502,981	489,394
Amount due from an associate	247,910	245,070
Long term receivable from an investee	77,821	-
Available-for-sale investments	207,109	197,305
Deferred taxation assets	308,129	369,403
	10,405,567	9,778,765
Current assets		
Inventory of properties	14,710,306	9,171,918
Prepaid lease payments	923	923
Other inventories	13,551	12,138
Trade receivables, other receivables and deposits paid	3,116,693	4,388,697
Amounts due from fellow subsidiaries	11,096	3,735
Tax recoverable	32,635	25,511
Cash and bank balances	4,963,873	3,357,628
	22,849,077	16,960,550
Current liabilities		
Trade payables, other payables and deposits received from pre-sales of properties	4,663,327	3,303,022
Amounts due to fellow subsidiaries	8,478	85,506
Amount due to immediate holding company	-	1,228,300
Bank borrowings - due within one year	2,802,229	3,434,031
Taxation payable	161,619	131,455
	7,635,653	8,182,314

Net current assets	15,213,424	8,778,236
	25,618,991	18,557,001
Capital and reserves		
Share capital	374,760	332,281
Reserves	15,817,585	11,181,076
Equity attributable to equity holders of the Company	16,192,345	11,513,357
Minority interests	235,385	219,817
	16,427,730	11,733,174
Non-current liabilities		
Bank borrowings - due after one year	8,503,621	6,157,538
Deferred taxation liabilities	687,640	666,289
	9,191,261	6,823,827
	25,618,991	18,557,001

Notes:

1. INDEPENDENT REVIEW

The interim results for half year ended 30 June 2007 are unaudited and have been reviewed by Deloitte Touche Tohmatsu.

2. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and with Hong Kong Accounting Standard 34 ("HKAS 34") "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments, which are measured at fair values.

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31st December, 2006.

In the current interim period, the Group has applied, for the first time, the following new standard, amendment and interpretations ("new HKFRSs") issued by the HKICPA which are effective for the Group's financial year beginning 1st January, 2007.

HKAS 1 (Amendment)	Capital Disclosures[1]
HKFRS 7	Financial Instruments: Disclosures[1]
HK(IFRIC) - INT 7	Applying the Restatement Approach under HKAS 29 Financial Reporting in Hyperinflationary Economies[2]
HK(IFRIC) - INT 8	Scope of HKFRS 2[3]
HK(IFRIC) - INT 9	Reassessment of Embedded Derivatives[4]
HK(IFRIC) - INT 10	Interim Financial Reporting and Impairment[5]

[1] Effective for annual periods beginning on or after 1st January, 2007.
[2] Effective for annual periods beginning on or after 1st March, 2006.
[3] Effective for annual periods beginning on or after 1st May, 2006.
[4] Effective for annual periods beginning on or after 1st June, 2006.
[5] Effective for annual periods beginning on or after 1st November, 2006.

The adoption of these new HKFRSs had no material effect on the results or financial position of the Group for the current or prior accounting periods. Accordingly, no prior period adjustment has been recognised.

The Group has not early applied the following new standards or interpretations that have been issued but are not yet effective.

HKAS 23 (Revised)	Borrowing Costs[1]
HKFRS 8	Operating Segments[1]
HK(IFRIC) - INT 11	HKFRS 2: Group and Treasury Share Transactions[2]
HK(IFRIC) - INT 12	Service Concession Arrangements[3]

[1] Effective for annual periods beginning on or after 1st January, 2009.
[2] Effective for annual periods beginning on or after 1st March, 2007.
[3] Effective for annual periods beginning on or after 1st January, 2008.

The directors of the Company anticipate that the application of these standards or interpretations will have no material impact on the results and financial position of the Group.

4. SEGMENT INFORMATION

The Group's primary format for reporting segment information is business segments. An analysis of the Group's turnover and results for the period by business segments is as follows:

Results for the six months ended 30th June, 2007

	Sale of developed properties HK$'000	Property investments and management HK$'000	Consolidated HK$'000
Turnover			
External sales	1,288,408	521,816	1,810,224
Results			
Segment results	413,366	399,561	812,927
Unallocated other income			35,571
Unallocated corporate expenses			(29,110)
Share of results of associates			705
Profit before taxation			820,093
Taxation			(235,981)
Profit for the period			584,112

Results for the six months ended 30th June, 2006

	Sale of developed properties HK$'000	Property investments and management HK$'000	Consolidated HK$'000
Turnover			
External sales	602,882	398,468	1,001,350
Results			
Segment results	120,233	327,689	447,922
Unallocated other income			35,061
Gain on changes in fair value of derivative financial instrument			5,843
Unallocated corporate expenses			(29,054)
Share of results of associates			3,658
Profit before taxation			463,430
Taxation			(106,116)
Profit for the period			357,314

5. OTHER INCOME

	Six months ended 30th June, 2007 HK$'000	2006 HK$'000
Net exchange gain	76,139	41,672
Gain on changes in fair value of derivative financial instrument	-	5,843
Gain on changes in fair value of investment properties	239,436	193,250
Interest income	35,571	35,061
Others	4,755	1,954
	355,901	277,780

6. FINANCE COSTS

	Six months ended 30th June, 2007 HK$'000	2006 HK$'000
Interest on borrowings wholly repayable within five years	(299,419)	(138,803)
Less: Amount capitalised in properties under development included in inventory of properties	233,701	62,127
	(65,718)	(76,676)
Other bank charges	(832)	(49)
Total finance costs	(66,550)	(76,725)

7. TAXATION

	Six months ended 30th June, 2007 HK$'000	2006 HK$'000
The charge comprises:		
Current tax:		
The PRC Enterprise Income Tax	(133,551)	(50,288)
Deferred taxation		
Current year	(55,419)	(55,828)
Attributable to change in tax rate	(47,011)	-
	(102,430)	(55,828)
	(235,981)	(106,116)

Provision for the PRC Enterprise Income Tax for current period was made based on the Group's estimated assessable profits calculated in accordance with the relevant income tax laws applicable to the subsidiaries in the PRC.

Pursuant to the PRC Enterprise Income Tax law passed by the Tenth National People's Congress on 16 March 2007, the new Enterprise Income Tax rates for domestic and foreign enterprises are unified at 25 per cent. and will be effective from 1 January 2008. For subsidiaries which are currently subject to statutory tax rate at 33 per cent., deferred tax is recognised based on the tax rate of that is expected to the period when asset is realised or the liability is settled. For other subsidiaries which are currently subject to preferential tax rate, deferred tax is recognised on the current tax rates since the implementation measure on transitional policy of preferential tax rate granted under current tax law and administrative regulations were not yet announced.

No provision for Hong Kong Profits Tax has been made in the financial statements as the Group did not have any assessable profits in Hong Kong for both periods.

8. PROFIT FOR THE PERIOD

Profit for the period has been arrived at after charging:

	Six months ended 30th June, 2007 HK$'000	2006 HK$'000
Amortisation of prepaid lease payments	(463)	(463)
Depreciation of property, plant and equipment	(18,256)	(12,043)
Loss on disposal of property, plant and equipment	(12)	(95)

9. DIVIDEND PAID

On 15th June, 2007, final dividend of HK5.1 cents per share for the year ended 31st December, 2006 amounting to HK$190,981,000 was approved at the shareholders' meeting and was charged to the retained profits during the current period. Final dividend of HK3.3 cents per share for the year ended 31st December, 2005 amounting to HK$103,336,000 was approved at the shareholders' meeting held on 15th June, 2006.

The directors have determined that an interim dividend of HK2.4 cents per share (six months ended 30th June, 2006: HK2.0 cents) should be paid to the shareholders of the Company whose names appear in the Register of Members on 12th October, 2007.

10. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the equity holders of the Company is based on the following data:

	Six months ended 30th June, 2007 HK$'000	2006 HK$'000
Earnings for the purposes of basic and diluted earnings per share (Profit for the period attributable to equity holders of the Company)	574,705	352,789

	Number of shares 2007	2006
Weighted average number of shares for the purpose of basic earnings per share	3,429,417,870	3,071,058,069
Effect of dilutive potential ordinary shares - share options	50,977,831	47,386,417
Weighted average number of shares for the purpose of diluted earnings per share	3,480,395,701	3,118,444,486

CHAIRMAN STATEMENT

In the first half of 2007, the Group saw satisfactory results in its various operations. During the period, the Group acquired the construction and decoration business of China Resources （Holdings） Co. Ltd., our majority shareholder, as an important part of our efforts to adjust and further refine its development strategy and business model on a continuing basis. This strategic acquisition will facilitate the Group’s efforts to explore its potential for further internal integration and to enhance the competitive edge of the

Group through differentiation, as well as laying a foundation for a continuous, healthy, and rapid development of the Group in the future.

According to the unaudited consolidated accounts of the Group for the six months ended 30th June 2007, the Group's consolidated turnover and profit attributable to shareholders during the period were HK$1.81billion and HK$575million respectively, representing a respective year-on-year increase of 80.8% and 63.0%. The earnings per share based on the weighted average number of shares in the first half of the year was HK16.76cents, representing a 45.9% increase over the same period last year. The Group declared an interim dividend of HK2.4 cents per share, increased by HK0.4 cents or 20% when compared with an interim dividend of HK2 cents for the corresponding period last year.

The profit margin of the Group continued to increase significantly. Gross and net profit margin of the Group surged to 38.3% and 31.7% respectively during the first half of 2007 from 27.5% and 21.8% of the yearly average of the previous year. The further enhancement in the Group's overall profit margin was attributable to a substantial growth year-on-year in the completion area of the residential property development and the continuing rising trend of booked price, as well as the sustained growth in our rental business. The completion area and booked income of residential property development for the first half of the year were 157,686 square meters and RMB 1.288billion respectively, representing an increase of 132.0% and 113.6% year-on-year respectively. With an almost saturated occupancy rate, a rental income of HK$ 426millions, or an increase of 34.0% year-on-year, was realized for the rental properties in the first half this year, thanks to our effective efforts to maximize rental income through various means, such as adjusting and optimizing the tenant mix, uplifting rental rates and etc.

Outlook of the Mainland Property Market

Chinese economy has maintained its course of a steady but rapid growth during the year. Thanks to strong performance in consumption, export and investment, Chinese GDP grew at a rate of 11.5% year-on-year in the first half of the year. The strong economic growth has brought about a 17.6% rise year-on-year in national income, as well as favorable conditions for the demand of the real estate market in China.

On the basis of the austerity measures adopted over the past two years, in the first half of the year, the PRC Government introduced certain new measures, which were focused in various respects, such as land supply, financing, taxation, industry regulation and market access, and were aimed at promoting a stable, rational, and sustainable development environment for the real estate industry, an industry which has emerged as a pillar of the national economy. As such, the austerity measures are long-term positive as those measures should help ensure healthy development of the real estate market in the PRC in the long run.

Given its quality professional team, solid financial resources, well recognized and reputable brand name, strong development execution capability, and its in-depth understanding of the domestic real estate market of China, the Group can catch up a valuable opportunity provided by the austerity measures to achieve rapid expansion and development through industry consolidation.

Business Model and Development Strategy

The core of our well-formulated competition strategy is its persistent pursuit of differentiation and individuality in our products and services, which are regarded by the Group as the key attributes for our continued success in innovation and enhanced brand images. As an important step to strengthen the Group's competitive advantage in differentiation, the Group acquired the construction and decoration business from its major shareholder China Resources Holdings at a consideration of HK$170 million during the first half of the year.

The acquisition of the construction and decoration business from its major shareholder, China Resources Holdings, offers several advantages: it helps further vertically integrate the Group's business, facilitates the Group's efforts to tap into the value potential in the value chain of property development to the fullest extent, enhances the earnings per share of the Group, while, at the same time, improves the corporate governance of the Group by reducing connected transactions. Also equally important, the acquisition will significantly enhance the Group's capability in respect of project construction, quality control, and product innovation, should thus allow the Group to meet the ever-rising demand in the market place for value-added services in a more effective manner.

Through the abovementioned measures, the Group has successfully completed its transition in its business model from its original form, namely "residential development + investment properties", to a new one, i.e. "residential development + investment properties + value-added services". Such evolution in our business model in its aim should further strengthen the Group's competitive edge in differentiation.

Land resource is the blood and lifeline of real estate enterprises. To ensure the sustainability of its high-speed development, the Group adjusted its land bank strategy in a timely manner to expand the sources of its quality land bank and increase its land bank by various means, of which the important measures comprise: 1) Entering into the second- and third-tier cities in a well-planned, strategy-guided and differentiated manner and with priorities given to medium-sized lands and first-tier and relatively well-developed cities in resources allocation; 2) strengthening land replacement efforts by means of cooperative development, merger and acquisition, and old town redevelopment, while continuing to participate actively in land acquisition activities through tendering and auction; 3) fully leveraging land resources across the country in subsidiaries and affiliates of our major shareholder China Resources Holdings, making use of the Group's synergistic advantage to obtain lands which are originally occupied for industrial use by those enterprises but are to be subsequently converted for commercial development under the government sponsored "relocation to industrial zone" plan.

As of 30 August this year, the Group added six pieces of land to its portfolio, totaling 1.67million square meters, raising total size of its land bank to 10million square meters. Correspondingly, the number of cities in which the Group had entered into increased from nine as of the end of last year to ten (newly entered into Xiamen), thus has further broaden its geographical reach in China market.

Looking ahead, the Board of Directors is full of confidence to our ever promising future. The Board believes that, by thoroughly implementing its long-held principle of "advancing with time and striving for excellence", the Group can definitively make further accomplishments and achieve multi-wins for all interested parties in maximizing shareholders' value, contributing to harmonious society, and providing a platform for staff to pursue career with respect and enjoyment at work.

Song Lin
Chairman

14 September 2007, Hong Kong

Management Discussion and Analysis

During the first half of the year, both the residential development and rental operations of the Group had satisfactory performances. During the period, all project progressed smoothly according to their respective target schedules, laying down a solid foundation for promising results for the full year 2007 and the coming year.

Review of Residential Development Business in the first half of 2007

During the first half of the year, the Group formulated different marketing strategies catering to varying situations in different local markets and according to availability of saleable resources, with an aim to maximize premium in selling prices and to explore value potential of land resources while, at the same time, to achieve satisfactory amount in contracted value. Under guidance of such effective marketing strategy, the Group realized a substantial year-on-year increase during the period in contracted value, contracted area and sales prices. As of end of June, the contracted value from residential development amounted to RMB2.015billion while the contracted area reached 206,512 square meters, representing remarkable increases of 32.1% and 27.2% respectively over the same period of the previous year. Except for Hefei French Annecy Project, the average prices of other major projects recorded increases in the region of 5－29% over their average prices of the full year of 2006.

Detailed sales breakdown for the first half of the year in various cities are set out below：

City		Contracted value RMB'000	%	Sales area Sqm	%
北京	Beijing	765,067	38.0	45,932	22.2
上海	Shanghai	283,047	14.1	12,433	6.0
成都	Chengdu	740,732	36.8	109,003	52.8
武汉	Wuhan	142,285	7.1	21,053	10.2
合肥	Hefei	83,576	4.0	18,091	8.8
合计	Total	2,014,707	100	206,512	100

Comparison in achieved selling prices of major projects in the first half of the year：

Project Name	Average selling prices in 1H 2007	Average selling prices in FY2006	Growth
	（RMB／Sqm）	（RMB／Sqm）	%
Beijing Phoenix City Phase 2	16,009	15,121	6
Beijing Phoenix City Phase 3	18,380	14,407	28
Oak Bay Commercial	25,663	24,387	5
The Bund Side 1	22,766	20,106	13
Chengdu Jade City Phase 2 - Garden Villa	5,844	4,963	18
Chengdu Jade City Phase 2 - Escalator Apartments	7,158	4,667	53
Chengdu Jade City Phase 3 - Garden Villa	8,096	7,122	14
Chengdu Jade City Phase 3 - Escalator Apartments	5,808	5,383	8
Wuhan Phoenix City	6,758	5,228	29
Hefei French Annecy Phase 1	4,412	4,602	-4
Hefei French Annecy Phase 2	4,958	5,182	-4

Beijing was still the main source of the Group's contracted value during the first half of the year, representing 38% of the total contracted value of residential property projects. However, following the implementation of the national strategy of the Group and the maturity of projects in other cities, Beijing region will saw its share in the Group's total contracted value to fall gradually. During the first half of the year, the contracted value in Beijing was mainly from the Phoenix City Phase 3 (Blocks F/G/H) and Area B2 of Oak Bay. In order to obtain higher sales price premium, the Group purposely adjusted the sale order and launch timing of the Oak Bay project and such strategy has yielded desired results.

During the period, Chengdu became the second major source of contracted value immediately after Beijing. During the first half of the year, the contracted value of Chengdu totaled RMB 741million and the major sales contributor was Jade City Phase 3.

In Shanghai, the launch of the first two blocks of the second batch of the Group's The Bund Side Phase 1, in September 2006 and March 2007 respectively, was well received by the market, and was largely sold out as of the end of the first half. The average achieved selling price during the first half of the year amounted to RMB22,766 per square meter, representing an increase of 13% over the average of the previous year.

With regards to Wuhan, the sale of Phoenix City Phase 2 of the Group was satisfactory. Launched onto the market in May, Phase 2 generated better-than-expected results both in contracted value and in prices, thanks to keen demand of the local market, and the Group's ample customer base and effective marketing strategy. The average price of Phase 2 was RMB6,758 per square meter, representing an increase of 29% over the average price of Phase 1 in the previous year. The project recorded the highest increase in average price as compared with that of other projects of the Group during the period.

In Hefei, the main sales contributor of the Group during the first half of the year from this city was Phase 1 Area B and the Phase 2 Garden Villa of Hefei French Annecy. The performance exceeded the Group's estimates made at the beginning of the year both in contracted value and contracted area.

Based on the projected completion schedule, the booked value and booked area realized by the Group during the first half of the year surged by113.6% and 132.0 % year-on-year to RMB 1.288billion and 157,686 square meters respectively. The Group expects five more projects with a total gross floor area of 351,087 square meters to be completed in the second half of 2007. As of 30 June 2007, the Group had an inventory of completed and saleable properties of approximately 130,993 square meters. Adding the two together, total areas available for booking by the Group in the second half of the year will amount to approximately 482,100 square meters.

Details of the contracted sales for major projects of the Group during the first half of the year are set out below：

	Location	Expected Completion Date	Usage	Total GFA	Accumulated GFA Sold up to 30th June 2007 (Sqm)	GFA sold in the first half of 2007 (Sqm)	Average price in the first half of 2007 (Sqm)
La Firenze Phase 1	Beijing	Completed	Middle-Low Density Residential	63,222	62,019	2,126	5,065
Phoenix City Phase 2	Beijing	Completed	High Density Residential	186,450	120,064	5,866	16,009
Phoenix City Phase 3	Beijing	December 2007	High Density Residential	171,105	78,334	22,596	18,914
Oak Bay	Beijing	December 2009	High Density Residential	867,500	100,125	15,907	14,454
The Bund Side 1	Shanghai	December 2006	High Density Residential	107,765	49,037	12,433	22,766
Chengdu Jade City Phase 2	Chengdu	December 2006	Middle-Low Density Residential	170,487	167,192	3,597	11,315
Chengdu Jade City Phase 3	Chengdu	December 2007	Middle-Low Density Residential	181,797	153,130	104,200	6,651
Wuhan Phoenix City	Wuhan	December 2007	High Density Residential	159,046	96,506	21,053	6,757
Hefei French Annecy	Hefei	June 2008	Middle-Low Density Residential	66,475	66,475	18,091	4,620

Details of breakdown in the booking and turnover of individual projects during the first half of the year are set out below：

	GFA booked in the first half of the year (Sqm)	Turnover in the first half of the year (HK$'000)
Fortune Island	27,428	150,929
Phoenix City Phase 2	5,866	95,051
Phoenix City Phase 3	28,585	510,785
Others	1,169	19,654
Beijing Subtotal	63,048	776,419
The Bund Side 1	1,115	27,331
Chengdu Jade City Phase 2	68,390	363,557
Wuhan Phoenix City Phase 1	2,405	16,283
Hefei French Annecy	22,728	104,818
Total	157,686	1,288,408

Review of the rental operation in the first half of 2007

As of 30 June 2007, the total book value of the investment properties of the Group was HK$ 8.059billions, making up 24.2 % of the total assets of the Group. According to an appraisal conducted by an independent third party, the investment properties contributed a re-valuation gain of HK$239 millions during the period. In first half of 2007, the turnover of rental properties amounted to RMB 426million, up 34.0% over the last corresponding period. As a result of surge in rental revenue, the EBITDA MARGIN of the rental properties increased accordingly from 63.3% in 2006 to 64.4% in the first half of 2007.

With the occupancy rate of rental properties nearly reaching a saturation point, it is a significant achievement for investment properties to have sustained its high growth. On the one hand, this reflects the excellent quality of the investment properties of the Group and its established market position, and the strong bargaining power thus resulted in. On the other hands, it also reflects the Group's continuing efforts to adjust its tenant mix with a view to enhance the effective rental level. Shenzhen City Crossing, being the core of the investment assets of the Group, had the most outstanding performance. Since its operation commenced in late 2004, the property has been maintaining a high growth rate. On top of a 49.7% year-on-year revenue growth recorded in 2006, its turnover soared another 46.5% over the corresponding period in the previous year.

The following table sets out the turnover breakdown and average occupancy rates of the key investment properties:

Investment property company	Turnover（HK$'000）			Average occupancy rate（%）		
	First half of 2007	First half of 2006	% yoy	First half of 2007	First half of 2006	% yoy
Beijing China Resources Building	64,905	58,337	11.3	99.4	97.8	1.6
CR Times Square	75,353	65,285	15.4	93.4	95.6	-2.2
Shenzhen City Crossing	285,614	194,957	46.5	99.7	98.6	1.1
CR Land Beijing	45,816	38,628	18.6	87.5	95.0	-7.5
Beijing Property	49,023	41,261	18.8	-	-	-

Management

The details of the Group's key rental properties in the PRC are set out as follows:

Property Name	Location	Interest attributable to the Group	Total GFA	Attributable GFA (Sqm)	Usage
City Crossing Phase 1	Shenzhen	100%	229,938	229,938	
The MIXc			133,281	133,281	Retail
China Resources Building			40,990	40,990	Office
Car Park			55,667	55,667	Car park
Hua Rui Building	Shenzhen	100%	13,789	13,789	Hotel
CR Times Square	Shanghai	100%	97,139	97,139	
Mall			51,190	51,190	Retail
Office			36,843	36,843	Office
China Resources Building	Beijing	100%	65,222	65,222	Office
Xidan Cultural Centre	Beijing	91.90%	36,184	33,253	Retail
Grand Constellation Shopping Area	Beijing	91.90%	14,105	12,962	Retail
U-Space Mall	Beijing	91.90%	10,685	9,920	Retail
Jing Tong Shops	Beijing	91.90%	17,952	16,498	Retail
Phoenix City Commercial Street	Beijing	91.9%	15,354	14,110	Retail
Huawei Centre	Beijing	45.95%	54,214	24,911	Resid-ential/ Retail
Huanan Building	Beijing	15.20%	70,058	10,649	Retail /Office
Others	Beijing	91.90%	41,208	37,870	Office /Retail
Total GFA			665,848	566,261	
Comprising: Retail			497,481	399,929	
Office			168,367	166,332	

**Not including the office and others in Shenzhen City Crossing Phase 2 (90,933 square meters), which is under construction, Beijing Oak Bay (150,000 square meters, Beijing Phoenix Plaza (*160,358 *square meters) and self-use properties (6,752 square meters).*

Land Bank

As at end August 2007, the Group added 167,000 square meters to its land bank portfolio at total costs of RMB 4.201billions.

The table below shows the details of the Group's newly added land bank in 2007:

Project Name	Interest attributable to the Group	Location	Total GFA	Total land price	Product form	Expected Phase 1 Completion Date
				RMB million		
Chengdu Pixian Project	100%	Chengdu	510,000	834.65	High rise residential	2009
Wuhan Zhongnan Project	100%	Wuhan	41,231	161.26	High rise Com/res	2009
Hefei Shushan District	100%	Hefei	351,334	359.61	Res/com	2010
New land parcel in Ningbo	100%	Ningbo	11,554	49.7	Low rise residential	2009
Changsha Wangjiang Project	100%	Changsha	450,000	840	High rise residential	2010
Xiamen Jimei District Project	100%	Xiamen	310,813	1,956	High rise residential	2009
Total			**1,674,932**	**4,201.16**		

With the additions to the new land bank, the latest total land bank of the Group amounts to 10million square meters in terms of GFA.

Details are set out below:

Location	Property under Development	Completed Property	Total GFA
	（Sqm）	（Sqm）	（Sqm）
Beijing	1,429,682	90,158	1,519,840
Shanghai	463,004	836	463,840
Shenzhen	109,068		109,068
Chengdu	4,859,778	5,735	4,865,513
Wuhan	111,577	1,925	113,502
Hefei	488,831	32,339	521,170
Ningbo	317,155		317,155
Changsha	1,714,556		1,714,556
Suzhou	66,896		66,896
Xiamen	310,813		310,813
Total	9,871,360	130,993	10,002,353

**The Group has 91.96% interest in the land bank in Beijing.*

The increase in land bank has laid down a solid foundation for the sustainable growth in financial results of the Group, and, as a result, the Group has also extended its geographic reach from 9 cities originally to 10 as of now (newly entered into Xiamen).

Fund-raising through Share Placing, Borrowings and Financial Leverage

In May this year, the Group raised a net proceed of approximately HK$3.928 billion by placing 400 million new shares to independent investors at a net price of HK$9.81 per share. The share placement further solidified the Group's financial strength and expanded the room for raising finance for its future development. As of 30th June, 2007, the Group's consolidated borrowings were equivalent to HK$11.306 billion, total cash and bank balances amounted to HK$4.964billion. The Group's net debt to equity ratio stood at 39.2%.

As of 30th June, 2007, the Group's deposit currency comprised Renminbi, HK dollars and US dollars, each accounting for 28.7%, 55.0% and 16.3% of total respectively. Among the total borrowings, about 24.8% of the bank borrowings are repayable within one year while the others are long term borrowings. The Group has managed to maintain its borrowing cost at a relatively low level. Current borrowing costs of the Group are at less than 4.98% per annum for the HK dollars loans and those for Renminbi loans all at 10% below the benchmark interest rate, which are the lowest level permitted by relevant regulations. The weighted average interest rate for bank loans was around 5.76% per annum during the year.

Employee and Compensation Policy

The number of employees and the compensation policy of the Group is basically the same as what is set out in the annual report recently published by the Group.

Other Information

Corporate Governance

Throughout the period ended June 30, 2007, the Company has complied with the code provisions set out in Appendix 14 (Code on Corporate Governance Practices) with the exception of the following deviations. The considered reasons are as follows:

Code provision A.4.1: non-executive directors should be appointed for a specific term, subject to retirement and re-election by rotation at annual general meetings.

Except Mr. Chan Mo Po, Paul and Mr. AndrewY. Yan, other directors of the Company (including executive or non-executive directors) are not appointed for a fixed term. The Articles of Association of the Company stipulate that every director (including executive or non-executive directors) retire and be re-elected at least once every three years. Therefore, the Company has adopted adequate measures to ensure the corporate governance of the Company complies with the same level to that required under the Code.

Code provision E.1.2: Chairman should attend the annual general meeting.

Due to business trip, Chairman of the Company did not attend the annual general meeting held on June 4, 2007.

Model Code

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rule as code of conduct regarding securities transactions by the directors. Having made specific enquiry with all directors, the Company confirmed that all directors has complied with the required standard set out in the Model Code during the period under review.

Purchase, Sale or Redemption of Listed Securities

Neither the Company nor its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended June 30, 2007.

Review by Audit Committee

The 2007 Interim Report has been reviewed by Audit Committee which comprises four independent non-executive directors.

Interim Dividend

The Board has resolved to declare an interim dividend of HK2.4 cents per share for the six months ended June 30, 2007 (2006: HK2 cents) payable on or about October 23, 2007 to shareholders whose names appear in the Register of Members of the Company on October 12, 2007.

Closure of Register

The Register of Members will be closed from October 12, 2007 (Friday) to October 18, 2007 (Thursday), both days inclusive. In order to be eligible for the interim dividend, all completed transfer forms accompanied by the relevant share certificates must be lodged with the share registrars of the Company, Tricor Standard Limited of 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 pm on October 11, 2007 (Thursday).

Publication of Information on the Website of the Stock Exchange

The Company's 2007 Interim Report containing the relevant information required by the Listing Rules will be published on the website of the Stock Exchange and the Company in due course.

Wang Yin
Managing Director

14 September 2007, Hong Kong

As at the date of this announcement, the executive directors of the Company are Mr. Song Lin (Chairman) and Mr. Wang Yin (Managing Director); the non-executive directors are Mr. Jiang Wei, Mr. Yan Biao, Mr. Liu Yan Jie, Mr. Li Fu Zuo and Mr. Du Wen Min; and the independent non-executive directors are Mr. Wang Shi, Mr. Ho Hin Ngai, Bosco, Mr. Chan Mo Po, Paul and Mr. Andrew Y.Yan.