远洋地产

SINO-OCEAN

遠洋地產控股有限公司

Sino-Ocean Land Holdings Limited

(incorporated in Hong Kong with limited liability under the Hong Kong Companies Ordinance)

(Stock Code: 03377)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2010

HIGHLIGHTS

- Revenue up 37% to RMB4,753 million in the first half of 2010
- Profit attributable to equity holders of the Company increased by 72% to RMB1,152 million
- Total contracted sales amount up 19% to RMB8,303 million with outstanding contracted sales to be recognized amounted to RMB15,402 million
- Total assets up 24% to RMB76,934 million
- At at 30 June 2010, cash resources amounted to RMB14,359 million
- Our land-bank reached approximately to 14.42 million sq.m.
- Earnings per share up 43% to RMB0.20
- Declared interim dividend of HKD0.05 per share, up 25%

The Board of Directors (the "Board") of Sino-Ocean Land Holdings Limited (the "Company") is pleased to announce the unaudited consolidated results of the Company and its subsidiaries ("our Group" or "We") for the six months ended 30 June 2010.

Review of the Interim Results

We were able to deliver satisfactory results to our shareholders. Our contracted sales grew by 19% to RMB8,303 million during the six months ended 30 June 2010, up from RMB7,002 million for the corresponding period in 2009. Our revenue increased by 37% to RMB4,753 million and profit attributable to equity holders of the Company increased significantly by 72% to RMB1,152 million in the first six months of 2010. As a result, earnings per share (basic) were about RMB0.20, representing a 43% increase from RMB0.14 for the same period in 2009.

With reference to the profit attributable to the equity holders of the Company during the period under review, the Board is pleased to declare an interim dividend for the six months ended 30 June 2010 of HKD0.05 per share.

Market Overview and Outlook

The development of the property market in the first half of 2010 could be roughly divided into two phases: Before April, very strong flow of speculative purchases emerged again in some first tier cities at the expectation on insufficient supply and price hike. This has led to a continuous rapid surge in property prices. To curb the soaring property prices in some over-heated cities, the Central Government of the PRC ("Central Government") launched a series of measures since April 2010. The "New Ten Measures" issued on 17 April 2010 had the largest impact among all, aimed to suppress speculation activities, enhance the effective supply of housing, speed up the development of policy housing and strengthen property market regulatory forces. Since April, although the National Real Estate Climate Index was still 8.51 points higher than that in the same period last year, it has declined for three consecutive months. In addition, we also observed the gradual drop in transaction volume and softening of property prices in the second quarter of 2010.

Looking forward into the second half of 2010, from the supply and demand perspective, GFA in new constructions in the first six months of 2010 amounted to 805 million sq.m., representing a growth of 67.9% over the same period in 2009. Increase in new supply coupled with slower sales growth will put pressure on property prices and moderate decline will be expected. From a regional perspective, market maturity among the Pan Bohai Rim, the Yangtze River Delta, the Pearl River Delta and the mid-western region of China is quite differential. The trend of rapidly rising property prices in certain first tier cities will be tempered, while in most second tier and third tier cities the overall market performance will be more persuasive and move gradually upward.

Overall, we support the policies implemented by the Central Government as we believe the intention of these policies is consistent and clear – to stabilize the growth of property price and curb speculations for the steady and sustainable development of the property market.

Financial Review

The following table sets forth our revenue breakdown for the six-month periods ended 30 June 2010 and 2009.

(RMB million)	**First half 2010**	First half 2009	YoY (%)
Property development	**4,443**	3,240	37%
Property investment	**95**	72	32%
Property management	**113**	81	40%
Other real estate related businesses	**102**	75	36%
Total	**4,753**	3,468	37%

Property development cost continued to be the most significant cost of sales, accounting for approximately 92% of our Group's total cost of sales for the period under review. Excluding car parks, average land cost per sq.m. of the property development business for the period under review was approximately RMB3,159 (first half of 2009: RMB1,682). Average construction cost per sq.m. (excluding car parks) for property development for the period under review was approximately RMB4,275, comparable to RMB4,161 for the corresponding period in 2009.

Gross profit for the period under review amounted to RMB1,206 million, representing a 22% increase compared to the corresponding period in 2009. Gross profit margin decreased from 29% in the first half of 2009 to 25% in the first half of 2010.

Other gains increased by RMB174 million to approximately RMB183 million in the first half of 2010, as compared to RMB9 million for the same period in 2009. This increase in other gains was mainly attributable to the disposal gain of our Beijing Best Western Premier Hotel Limited during the first half of 2010.

Selling and marketing expenses for the first half of 2010 were RMB158 million, representing a 17% increase compared to RMB135 million of the corresponding period in 2009. These costs, however, were only approximately 2% of the total contracted sales amount for the first half of 2010, the same as 2009.

Administrative expenses increased by 66% to RMB156 million in the first half of 2010 (first half of 2009: RMB94 million). Overall administrative expenses only represented 3.3% of revenue (first half of 2009: 2.7%) and 1.9% of the total contracted sales (first half of 2009: 1.3%) during the period under review.

We were able to capitalize most of the interest expenses and thus leave RMB31 million to be charged through income statement during the first half of 2010, compared to RMB82 million for the first half of 2009. The average interest rate dropped from 6.1% for the first half of 2009 to only 5.09% for the first half of 2010.

The aggregate of enterprise income tax and deferred tax increased by 28% to RMB334 million during the first half of 2010 (first half of 2009: RMB260 million). Land appreciation tax for the same period reduced to RMB114 million, a fall of 21% compared to the amount of RMB144 million for the same period in 2009.

Profit attributable to equity holders of the Company recorded a significant growth of 72% to RMB1,152 million during the first half of 2010, as compared to RMB670 million for the first half of 2009.

As at 30 June 2010, total cash resources amounted to approximately RMB14.4 billion. Together with unutilized credit facilities of about RMB21.9 billion, the total funds that will be available for future operation and expansion amounted to approximately RMB36.3 billion. Adding the USD900 million raised after the interim period, our Group is ensured to be financially sound. We have ample financial resources and an adaptable financial management policy to meet our business expansion.

As at 30 June 2010, our total outstanding land premium was only RMB1,842 million. As a result of land premium settlement, our net gearing ratio (total debt less cash resources divided by equity attributable to equity holders of the Company) increased to about 68% (31 December 2009: 14%).

Business Review

Property Development

Recognized Sales

Revenue from property development business grew by 37% for the first half of 2010 to RMB4,443 million, compared to RMB3,240 million for the corresponding period in 2009. The growth in revenue from property development business was mainly due to the increase of saleable GFA delivered from approximately 359,000 sq.m. for the first half of 2009 to approximately 422,000 sq.m. in the first half of 2010; and the 20% rise in average selling price excluding car parks from RMB9,369 per sq.m. in the first half of 2009 to RMB11,210 per sq.m. in the first half of 2010.

	Revenue (RMB million)	Saleable GFA delivered (sq.m.)	Average selling price recognized (RMB/sq.m.)	Interest attributable to our Group (%)
Beijing				
Ocean Great Harmony 遠洋 • 萬和城	43	1,868	23,019	100%
Ocean Honored Chateau 遠洋公館	345	8,130	42,435	100%
Ocean Landscape 遠洋山水	133	11,759	11,310	100%
Ocean Landscape Eastern Area 遠洋 • 沁山水	1,680	145,234	11,568	100%
Ocean Office Park 遠洋 • 光華國際	323	19,923	16,212	100%
Ocean Seasons 遠洋 • 自然	41	4,572	8,968	70%
Poetry of River 遠洋一方	24	1,937	12,390	100%
Dalian				
Ocean Prospect 遠洋風景	40	2,577	15,522	100%
Ocean Worldview 紅星海世界觀	569	39,385	14,447	100%
Xiangsong Project 香頌花城	17	3,442	4,939	100%
Shenyang				
Ocean Paradise 遠洋天地	188	32,078	5,861	100%
Tianjin				
Ocean City 遠洋城	212	37,338	5,678	100%
Ocean Express 遠洋新幹線	81	6,710	12,072	97.05%
Ocean Paradise 遠洋天地	83	6,993	11,869	96.99%
Zhongshan				
Ocean City 遠洋城	518	61,364	8,441	100%
Subtotal	4,297	383,310	11,210	
Car parks (various projects)	146	38,876	3,756	
Total	**4,443**	**422,186**	**10,524**	

Contracted Sales

Our contracted sales in the first half of 2010 amounted to RMB8,303 million, representing an approximately 19% increase compared to RMB7,002 million for the corresponding period in 2009. The increase was mainly a result of the higher average selling price per sq. m. for the first half of 2010. It went up by 39% to RMB13,706 (first half of 2009: RMB9,829) excluding car parks and by 40% to RMB13,265 (first half of 2009: RMB9,480) including car parks.

As at 30 June 2010, our Group's outstanding contracted sales to be recognized amounted to RMB15,402 million, providing a strong and solid foundation for our Group's future revenue growth.

	Contracted sales amount (RMB million)	**Saleable area sold (sq.m.)**	**Average selling price (RMB/ sq.m.)**	**Interest attributable to our Group (%)**
Beijing				
Ocean Great Harmony 遠洋•萬和城	814	18,754	43,404	100%
Ocean Honored Chateau 遠洋公館	311	7,224	43,051	100%
Ocean Landscape 遠洋山水	109	7,791	13,991	100%
Ocean Landscape Eastern Area 遠洋•沁山水	721	29,315	24,595	100%
Ocean Office Park 遠洋•光華國際	319	19,923	16,012	100%
Ocean Season 遠洋•自然	35	4,572	7,655	70%
Poetry of River 遠洋一方	358	14,718	24,324	100%
Dalian				
Ocean Prospect 遠洋風景	237	14,491	16,355	100%
Ocean Season 遠洋•自然	386	37,735	10,229	100%
Ocean Worldview 紅星海世界觀	1,073	81,380	13,185	100%
Xiangsong Project 香頌花城	172	40,386	4,259	100%
Hangzhou				
Canal Commercial District 遠洋公館	1,246	37,340	33,369	70%
Shenyang				
Ocean Paradise 遠洋天地	870	112,537	7,731	100%
Tianjin				
Ocean City 遠洋城	445	41,014	10,850	100%
Ocean Express 遠洋新幹線	121	10,740	11,266	97.05%
Ocean Paradise 遠洋天地	41	3,118	13,149	96.99%
Zhongshan				
Ocean City 遠洋城	898	114,034	7,875	100%
Subtotal	8,156	595,072	13,706	
Car parks (various projects)	147	30,883	4,760	
Total	**8,303**	**625,955**	**13,265**	

Construction Progress

Total GFA completed and total saleable GFA completed in the first half of 2010 was approximately 370,000 sq.m. and 329,000 sq.m., which slightly dropped by 6% and 1% respectively compared to the corresponding period in 2009. Following that, according to our usual construction cycle, we will have more GFA completed in the second half of the year. As according to our construction schedule, we expect to complete about 1,283,000 sq.m. during 2010.

Land-Bank

Our land-bank increased by 4.4% to 14,418,000 sq.m. as at 30 June 2010 (31 December 2009: 13,808,000 sq.m.); while land-bank with attributable interest increased to 14,140,000 sq.m. (31 December 2009: 13,549,000 sq.m.). During the first half of 2010, we acquired six plots of land. Located in Beijing, Dalian, Qingdao and Hainan with approximate GFA of 216,000 sq.m., 406,000 sq.m., 248,000 sq.m. and 67,000 sq.m., respectively. The average land cost per sq.m. for our land-bank as at 30 June, 2010 was approximately RMB2,835 compared to RMB2,251 as at 31 December 2009.

Location	Project	Approximate total GFA (sq.m.)	Approximate total saleable GFA (sq.m.)	Remaining land-bank (sq.m.)	Interest attributable to our Group (%)
Completed properties held for sale					
Beijing	Ocean Express 遠洋新幹線	191,000	173,000	17,000	100%
Beijing	Ocean Honored Chateau 遠洋公館	52,000	39,000	1,000	100%
Beijing	Ocean Landscape 遠洋山水	1,401,000	1,193,000	13,000	100%
Beijing	Ocean Seasons 遠洋 • 自然	381,000	237,000	15,000	70%
Subtotal		2,025,000	1,642,000	46,000	
Properties under development					
Beijing	Jiangtai Business Center (INDIGO) 將台商務中心(頤提港)*	295,000	269,000	295,000	50%
Beijing	Ocean Great Harmony 遠洋 • 萬和城	435,000	373,000	305,000	100%
Beijing	Ocean Landscape Eastern Area 遠洋 • 沁山水	597,000	513,000	410,000	100%
Beijing	Poetry of River 遠洋一方	793,000	703,000	643,000	100%
Beijing	Tongzhou Yuqiao Project (Ocean Oriental) 通州玉橋項目(遠洋 • 東方)*	174,000	150,000	174,000	100%
Dalian	Nanguan Ling Project (Ocean Seasons) 南關嶺項目(遠洋 • 自然)*	138,000	103,000	138,000	100%
Dalian	Ocean Prospect 遠洋風景	178,000	160,000	50,000	100%
Dalian	Ocean Worldview 紅星海世界觀	1,945,000	1,518,000	1,848,000	100%
Dalian	Xiangsong Project 香頌花城	188,000	176,000	103,000	100%
Hainan	Ocean Olympics 遠洋奧林匹克公館	53,000	51,000	53,000	70%
Hangzhou	Canal Commercial District 運河商務區 (遠洋公館)*	866,000	612,000	866,000	100%
Shenyang	Ocean Paradise 遠洋天地	779,000	747,000	662,000	100%
Tianjian	Ocean City 遠洋城	2,363,000	1,768,000	2,313,000	100%
Tianjian	Ocean Express 遠洋新幹線	328,000	282,000	210,000	97.05%
Tianjian	Ocean Paradise 遠洋天地	578,000	452,000	274,000	96.99%
Zhongshan	Ocean City 遠洋城	1,919,000	1,704,000	1,565,000	100%
Subtotal		11,629,000	9,581,000	9,909,000	

Location	Project	Approximate total GFA (sq.m.)	Approximate total saleable GFA (sq.m.)	Remaining land-bank (sq.m.)	Interest attributable to our Group (%)
Properties held for future development					
Beijing	Beiqijia Project (Ocean Manor) 北七家(遠洋•傲北)*	268,000	118,000	268,000	100%
Beijing	Dawangjing Project 大望京項目	216,000	194,000	216,000	100%
Beijing	Jingmian Project 京棉項目	79,000	70,000	79,000	100%
Beijing	Ocean La Vie 遠洋•La Vie	208,000	130,000	208,000	85.72%
Beijing	Ocean Wangfujing Project 王府井項目	50,000	45,000	50,000	100%
Beijing	Poetry of River - Eastern Area 遠洋一方東區(遠洋•新悅)*	94,000	80,000	94,000	100%
Beijing	Yizhuang Sanyang (Ocean Palace) 亦庄三羊(遠洋•天著)*	345,000	251,000	345,000	100%
Dalian	IT Zone - Residential (Ocean Valley Lafite) IT 產業園－住宅部分 (遠洋拉斐庄園)*	400,000	362,000	400,000	100%
Dalian	IT Zone - Industrial IT 產業園－工業部份	835,000	399,000	835,000	100%
Dalian	Ocean Plaza中華路項目(遠洋廣場)*	406,000	353,000	406,000	100%
Dalian	University Zone (Ocean Times) 大學城(遠洋時代城)*	537,000	488,000	537,000	100%
Dalian	Xishan Project (Ocean Midtown) 西山項目 (遠洋MIDTOWN)*	90,000	74,000	90,000	100%
Hainan	Tang Di Project 棠棣項目	14,000	12,000	14,000	52.5%
Hangzhou	Hang Yimian 杭一棉	199,000	176,000	199,000	70%
Huangshan	Taohuadao Project 桃花島項目	140,000	135,000	140,000	100%
Qingdao	Fushan Project 浮山項目(遠洋風景)*	143,000	102,000	143,000	100%
Qingdao	Quanzhoulu Project 泉州路項目 (遠洋公館)*	105,000	77,000	105,000	100%
Tianjian	Ocean Great Harmony 倪黃庄項目(遠洋•萬和城)*	334,000	324,000	334,000	100%
Subtotal		4,463,000	3,390,000	4,463,000	
Total		**18,117,000**	**14,613,000**	**14,418,000**	

* Projects' new names shown for reference.

Property Investment

Revenue from property investment increased by 32% to RMB95 million during the first half of 2010 (first half of 2009: RMB72 million). The rise in rental income was mainly due to higher occupancy rate for Ocean Office Park (Beijing). We are optimistic about the appreciation in value and rental income generated by these grade A investment properties in view of their prime locations in Beijing.

Employees and Human Resources

As at 30 June 2010, our Group had 5,397 employees (31 December 2009: 4,111), a 31% increase in headcount. We set up offices in several new cities which we entered or intended to enter, including Shanghai, Chongqing and Hainan. The increase in the number of headcount is in line with our business expansion to support sales growth and increasing number of properties under construction in other cities across the PRC.

The unaudited consolidated results of our Group for the six months ended 30 June 2010 are as follows:

Condensed Consolidated Interim Balance Sheet

	Note	**As at 30 June 2010 RMB'000 (Unaudited)**	As at 31 December 2009 RMB'000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		**207,050**	324,867
Land use rights		**68,819**	38,964
Investment properties		**4,614,000**	3,984,000
Goodwill		**637,437**	662,602
Interest in a jointly controlled entity		**670,226**	671,685
Interests in associates		**288,462**	294,462
Available-for-sale financial assets		**492,006**	592,648
Derivative financial instrument		**–**	8,331
Other receivables	9	**72,205**	893,590
Deferred income tax assets		**388,744**	305,539
Total non-current assets		**7,438,949**	7,776,688
Current assets			
Deposits for land use rights		**20,768,489**	7,371,019
Properties under development		**25,709,477**	22,254,218
Inventories, at cost		**168,752**	99,503
Land under development		**2,019,501**	926,828
Completed properties held for sale		**2,428,936**	3,483,588
Derivative financial instrument		**8,331**	–
Trade and other receivables	9	**4,032,373**	1,720,294
Restricted bank deposits		**773,740**	896,442
Cash and cash equivalents		**13,585,311**	17,619,619
Total current assets		**69,494,910**	54,371,511
Total assets		**76,933,859**	62,148,199

	As at 30 June 2010 RMB'000 (Unaudited)	As at 31 December 2009 RMB'000 (Audited)
EQUITY		
Equity attributable to equity holders of the Company		
Share capital and premium	**20,119,263**	20,117,523
Reserves	**(570,982)**	(485,282)
Retained earnings		
– proposed dividends	**245,904**	248,154
– others	**4,394,787**	3,487,484
	24,188,972	23,367,879
Non-controlling interests	**781,030**	518,535
Total equity	**24,970,002**	23,886,414
LIABILITIES		
Non-current liabilities		
Borrowings	**21,985,651**	17,186,844
Deferred income tax liabilities	**1,481,569**	999,182
Total non-current liabilities	**23,467,220**	18,186,026
Current liabilities		
Borrowings	**8,828,311**	4,653,168
Trade and other payables	**4,689,117**	4,526,103
Advances from customers	**13,761,369**	9,494,610
Current income tax liabilities	**1,217,840**	1,401,878
Total current liabilities	**28,496,637**	20,075,759
Total liabilities	**51,963,857**	38,261,785
Total equity and liabilities	**76,933,859**	62,148,199
Net current assets	**40,998,273**	34,295,752
Total assets less current liabilities	**48,437,222**	42,072,440

Condensed Consolidated Interim Income Statement

	Note	**Unaudited Six months ended 30 June 2010 RMB'000**	2009 RMB'000
Continuing Operations:			
Revenue	4	**4,753,217**	3,468,172
Cost of sales		**(3,547,088)**	(2,475,867)
Gross profit		**1,206,129**	992,305
Other income		**109,028**	70,875
Other gains – net	5	**183,100**	9,037
Fair value gain on investment properties		**462,949**	398,180
Selling and marketing expenses		**(157,685)**	(134,984)
Administrative expenses		**(155,702)**	(93,598)
Operating profit		**1,647,819**	1,241,815
Finance costs		**(30,534)**	(81,659)
Share of loss of a jointly controlled entity		**(1,459)**	(24,834)
Share of losses of associates		**(6,002)**	(1,303)
Profit before income tax		**1,609,824**	1,134,019
Income tax expense	6	**(448,027)**	(403,533)
Profit from continuing operations		**1,161,797**	730,486
Loss from discontinued operations		**(5,378)**	(1,019)
Profit for the period		**1,156,419**	729,467
Profit attributable to:			
Equity holders of the Company		**1,152,099**	669,634
Non-controlling interests		**4,320**	59,833
		1,156,419	729,467

	Note	Unaudited Six months ended 30 June **2010** **RMB'000**	 2009 RMB'000
Basic earnings per share for profit/(loss) attributable to the equity holders of the Company (expressed in RMB)			
– Continuing operations	7	**0.205**	0.143
– Discontinued operations	7	**(0.001)**	–
		0.204	0.143
Diluted earnings per share for profit/(loss) attributable to the equity holders of the Company (expressed in RMB)			
– Continuing operations	7	**0.205**	0.142
– Discontinued operations	7	**(0.001)**	–
		0.204	0.142
Interim dividends	8	**245,904**	165,734

Condensed Consolidated Interim Statement of Comprehensive Income

	Unaudited	
	Six months ended 30 June	
	2010	2009
	RMB'000	RMB'000
Profit for the period	**1,156,419**	729,467
Other comprehensive (losses)/income:		
Fair value (losses)/gains on available-for-sale financial assets	**(95,507)**	18,490
Currency translation differences	**(5,135)**	(172)
Other comprehensive (losses)/income for the period	**(100,642)**	18,318
Total comprehensive income for the period	**1,055,777**	747,785
Total comprehensive income attributable to:		
– Equity holders of the Company	**1,051,457**	687,952
– Non-controlling interests	**4,320**	59,833
	1,055,777	747,785

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

1. General information

Sino-Ocean Land Holdings Limited (the "Company") is a limited liability company incorporated in Hong Kong on 12 March 2007. The address of its registered office is Suite 601, One Pacific Place, 88 Queensway, Hong Kong. The Company and its subsidiaries (together, the "Group") are principally engaged in investment holding, property development and property investment in the People's Republic of China (the ''PRC'').

The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

These condensed consolidated interim financial information are presented in Renminbi, unless otherwise stated. This condensed consolidated interim financial information has not been audited, and was approved by the board of directors for issue on 18 August 2010.

2 Basis of preparation

This condensed consolidated interim financial information for the six months ended 30 June 2010 has been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants. These condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2009, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS").

3 Significant accounting policies

Except as described below, the accounting policies applied are consistent with those used in the annual financial statements for the year ended 31 December 2009, as described in those annual financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

The following new standards, amendments to standards or interpretations are mandatory for the first time for financial year beginning 1 January 2010.

HKFRS 3 (revised), 'Business combinations', and consequential amendments to HKAS 27, 'Consolidated and separate financial statements', HKAS 28, 'Investments in associates', and HKAS 31, 'Interests in joint ventures', are effective prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009.

HKAS 17 (amendment), 'Leases', deletes specific guidance regarding classification of leases of land, so as to eliminate inconsistency with the general guidance on lease classification.

4 Segment information

	Unaudited									
	Property development				Investment property	Total	All other Businesses	Inter-company elimination	Discontinued operations	Group total
	Beijing RMB'000	Tianjin RMB'000	North-east RMB'000	Others RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Six months ended 30 June 2010										
Total segment revenue	**2,702,278**	**377,671**	**830,952**	**532,410**	**98,024**	**4,541,335**	**473,820**	**–**	**17,113**	**5,032,268**
Inter-segment revenue	**–**	**–**	**–**	**–**	**(3,359)**	**(3,359)**	**(258,579)**	**–**	**–**	**(261,938)**
Revenue (from external customers)	**2,702,278**	**377,671**	**830,952**	**532,410**	**94,665**	**4,537,976**	**215,241**	**–**	**17,113**	**4,770,330**
Adjusted profit before income tax	**645,737**	**38,410**	**212,148**	**127,217**	**63,342**	**1,086,854**	**367,598**	**(134,687)**	**(1,119)**	**1,318,646**
Depreciation and amortization	**(3,762)**	**(601)**	**(3,286)**	**(1,885)**	**(1,016)**	**(10,550)**	**(5,679)**	**–**	**(1,844)**	**(18,073)**
Finance income	**39,232**	**14,517**	**56,895**	**21,742**	**1,555**	**133,941**	**60,252**	**(161,844)**	**–**	**32,349**
Six months ended 30 June 2009										
Total segment revenue	1,867,101	245,267	622,883	517,276	74,507	3,327,034	539,434	–	20,103	3,886,571
Inter-segment revenue	–	–	–	–	(2,367)	(2,367)	(395,929)	–	–	(398,296)
Revenue (from external customers)	1,867,101	245,267	622,883	517,276	72,140	3,324,667	143,505	–	20,103	3,488,275
Adjusted profit before income tax	612,093	19,099	146,350	36,841	63,363	877,746	170,253	(137,578)	(2,184)	908,237
Depreciation and amortization	(793)	(420)	(2,453)	(829)	(103)	(4,598)	(5,645)	–	(2,262)	(12,505)
Finance income	60,245	4,721	22,161	437	5,234	92,798	69,884	(135,602)	–	27,080

	Property development				Investment property RMB'000	Total RMB'000	All other Businesses RMB'000	Inter-company elimination RMB'000	Group total RMB'000
	Beijing RMB'000	Tianjin RMB'000	North-east RMB'000	Others RMB'000					
As at 30 June 2010 (Unaudited)									
Segment assets	**33,194,011**	**6,774,723**	**14,254,571**	**15,639,596**	**5,134,590**	**74,997,491**	**6,028,165**	**(16,309,491)**	**64,716,165**
Additions to non-current assets (other than financial instruments and deferred tax assets)	**14,512**	**2,038**	**4,837**	**90,973**	**215**	**112,575**	**29,800**	**–**	**142,375**
Segment Liabilities	**19,938,033**	**2,579,965**	**6,114,241**	**5,549,055**	**1,268,625**	**35,449,919**	**2,939,419**	**(18,721,012)**	**19,668,326**
As at 31 December 2009 (Audited)									
Segment assets	19,549,097	4,696,369	9,038,347	10,092,367	4,180,120	47,556,300	8,238,678	(7,287,088)	48,507,890
Additions to non-current assets (other than financial instruments and deferred tax assets)	515	2,072	21,618	4,486	638	29,329	15,271	–	44,600
Segment Liabilities	12,033,464	2,385,794	3,968,744	2,550,981	910,747	21,849,730	1,503,032	(7,930,171)	15,422,591

5 Other gains - net

	Unaudited Six months ended 30 June	
	2010	2009
	RMB'000	RMB'000
Gain on disposal of a subsidiary	**187,168**	–
Negative goodwill from acquisition of a subsidiary	**2,512**	10,867
Loss on disposal of an available-for-sale financial asset	**–**	(675)
(Loss)/gain on disposal of property, plant and equipment	**(516)**	111
Exchange losses	**(6,064)**	(1,266)
	183,100	9,037

6 Income tax expense

Vast majority of the group entities are subjected to PRC enterprise income tax, which has been provided based on the statutory income tax rate of 25% of the assessable income of each of these group entities for the six months ended 30 June 2010 and 2009. Other companies are mainly subjected to Hong Kong income tax.

The amount of income tax expense charged to the combined income statements represents:

	Unaudited Six months ended 30 June	
	2010	2009
	RMB'000	RMB'000
Current income tax:		
– PRC enterprise income tax	**256,944**	175,883
– PRC land appreciation tax	**114,139**	143,520
Deferred tax	**76,944**	84,130
	448,027	403,533

7 Earnings per share

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of shares in issue during the period.

	Unaudited Six months ended 30 June	
	2010	2009
Profit from continuing operations attributable to the equity holders of the Company (RMB'000)	**1,157,477**	670,653
Weighted average number of ordinary shares in issue (thousands)	**5,636,792**	4,698,396
Basic earnings per share for profit from continuing operations attributable to the equity holders of the Company (RMB per share)	**0.205**	0.143
Loss from discontinued operations attributable to the equity holders of the Company (RMB'000)	**(5,378)**	(1,019)
Weighted average number of ordinary shares in issue (thousands)	**5,636,792**	4,698,396
Basic earnings per share for loss from discontinued operations attributable to the equity holders of the Company (RMB per share)	**(0.001)**	–

(b) Diluted

	Unaudited Six months ended 30 June 2010	2009
Profit from continuing operations attributable to the equity holders of the Company (RMB'000)	**1,157,477**	670,653
Weighted average number of ordinary shares in issue (thousands)	**5,636,792**	4,698,396
Adjustment for: – share options (thousands)	**8,724**	19,411
Weighted average number of ordinary shares for diluted earnings per share (thousands)	**5,645,516**	4,717,807
Diluted earnings per share for profit from continuing operations attributable to the equity holders of the Company (RMB per share)	**0.205**	0.142
Loss from discontinued operations attributable to the equity holders of the Company (RMB'000)	**(5,378)**	(1,019)
Weighted average number of ordinary shares in issue (thousands)	**5,636,792**	4,698,396
Adjustment for: – share options (thousands)	**8,724**	19,411
Weighted average number of ordinary shares for diluted earnings per share (thousands)	**5,645,516**	4,717,807
Diluted earnings per for loss share from discontinued operations attributable to the equity holders of the Company (RMB per share)	**(0.001)**	–

8 Dividends

On 18 August 2010, the Board has resolved to declare an interim dividend of RMB245,904,000 for the six months ended 30 June 2010 (six months ended 30 June 2009: RMB165,734,000).

9 Trade and other receivables

	As at 30 June 2010 RMB'000 (Unaudited)	As at 31 December 2009 RMB'000 (Audited)
Trade receivables	**229,324**	55,336
Amounts due from customers for contract work	**14,197**	9,315
Less: provision for impairment of receivables	**(6,417)**	(5,388)
Trade receivables - net (a)	**237,104**	59,263
Prepayments for acquisition (b)	**—**	158,439
Prepaid tax - income tax	**529,059**	414,948
Prepaid tax - others	**716,398**	509,762
Entrusted loan to third parties (c)	**1,110,800**	118,680
Entrusted loan to an associate (d)	**323,280**	307,770
Notes receivables	**195,799**	196,543
Other prepayments	**175,960**	17,598
Other receivable from a third party (b)	**—**	483,926
Other receivables	**816,178**	346,955
	4,104,578	2,613,884
Less: non-current portion	**(72,205)**	(893,590)
Current portion	**4,032,373**	1,720,294

The carrying amounts of trade and other receivables approximated to their respective fair values as at 30 June 2010 and 31 December 2009.

(a) Ageing analysis of trade receivables and amounts due from customers for contract work at the respective balance sheet dates are as follows:

	As at 30 June 2010 RMB'000 (Unaudited)	As at 31 December 2009 RMB'000 (Audited)
Less than 6 months	**212,152**	52,282
6 months to 1 year	**21,846**	4,973
1 year to 2 years	**3,234**	1,875
2 years to 3 years	**1,449**	969
Over 3 years	**4,840**	4,552
	243,521	64,651

(b) Prepayments for acquisition amounting to RMB158,439,000 represents amounts paid to Tianjin Equity Exchange for the acquisition of 55% interest in Chongqing Golf Club Company Limited ("Chongqing Golf"). Other receivable from a third party amounting to RMB483,926,000 represents amounts lent to Chongqing Golf as its working capital. Such receivable is interest free and repayable on demand.

Such acquisition was completed on 5 January 2010.

(c) Entrusted loans amounting to RMB1,110,800,000 represents amounts lent to certain third parties. These balances are unsecured, with interest bearing from 5.31% to 10% and are repayable before 17 May 2011. The balance included RMB1,005,000,000 lent to Tianjin Yuhua Real Estate Development Company, Limited ("Tianjin Yuhua"), further details are given in Note 10(d).

(d) Entrusted loans to an associate are unsecured, interest bearing at rate 5.31% (31 December 2009: 5.31%) and are repayable before 15 March 2011.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The carrying amounts of the Group's trade and other receivables are mainly denominated in RMB.

10 Event after balance sheet date

(a) On 7 July 2010, the Group announced its acquisition plan for purchase of a 69.02% equity interest in Kee Shing (Holdings) Limited (Stock code:174), whose shares are listed on the Main Board of the Stock Exchange of Hong Kong Limited at a consideration of HKD474,000,000. The acquisition is in progress as at the date of this report.

(b) On 27 July 2010, the Group successfully issued and listed certain perpetual subordinated convertible securities ("securities"), with an aggregate principal amount of USD900,000,000, on the Singapore Exchange Securities Trading Limited. Such securities bear distribution at 8%, and would become callable in 2015, at the option of the issuer. Any payments of distribution can be deferred, at the sole discretion of the issuer. Holders of the securities have the option to convert such securities into shares of the Company at a conversion price of HKD6.85 per share from the date of 27 July 2011.

(c) On 4 August 2010, the Group successfully bid for two pieces of land located within the Baoshan District of Shanghai, PRC., with a consideration of RMB1,377,300,000 and RMB522,500,000 respectively. These lands occupy a total area of 107,825 sq.m. and 43,326 sq.m. respectively, and are planned for residential use.

(d) On 9 August 2010, the Group entered into an agreement to acquire 90% ownership in TianjinYuhua through capital injection, for a total consideration of RMB90,000,000.

(e) On 11 August 2010, the Group entered into an agreement to acquire 55% ownership in Wuhan HongFu Land Development Company, Limited for a total consideration of RMB285,000,000, which are going to be settled in cash. Such acquisition is in progress as at the date of this report.

Convertible Securities

As announced by the Company on 27 July 2010, the perpetual subordinated convertible securities (the "Convertible Securities") issued by a wholly owned subsidiary of the Company, in an aggregate principal amount of USD900 million, have been fully subscribed by certain investors. The net proceeds from the issue of the Convertible Securities were approximately USD882 million and will, in majority if not all, be used by the Company to finance new and existing projects (including construction costs and land costs) and for general corporate purpose.

Purchase, Sale or Redemption of the Company's Listed Securities

During the six months ended 30 June 2010, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the listed securities of the Company.

Review of Interim Results

The unaudited interim results for the six months ended 30 June 2010 have been reviewed by the auditors of the Company, PricewaterhouseCoopers, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

Audit Committee

The audit committee of the Company (the "Audit Committee") consists of three independent non-executive directors of the Company, namely Mr. TSANG Hing Lun, Mr. GU Yunchang and Mr. HAN Xiaojing. Mr. TSANG Hing Lun, who has professional qualifications in accountancy, is the chairman of the Audit Committee. The Audit Committee has reviewed the accounting principles and practices adopted by the Group and the unaudited condensed consolidated financial statements for the six months ended 30 June 2010.

Code on Corporate Governance Practices

In the opinion of the Board, the Company has complied with the provisions of the Code on Corporate Governance Practices (the "CG Code") as set out in Appendix 14 to the Listing Rules of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") throughout the six months ended 30 June 2010, except for the deviation from the codes A.4.1 and A.2.1 of the CG Code with the explanation as below:

Under code A.4.1 of the CG Code, non-executive directors should be appointed for a specific term, subject to re-election. One non-executive director and four independent non-executive directors of the Company are not appointed for a specific term as they are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the articles of association of the Company (the "Articles of Associations"). According to Article 110 of the Articles of Association, one-third of the directors for the time being, or if their number is not three or a multiple of three, the number which is nearest to one-third and is at least one-third, shall retire from office by rotation at least once every three years. A retiring director shall be eligible for re-election. Therefore, the Board considers that the non-compliance with code A.4.1 of the CG Code is acceptable since, with at least one-third of all directors being subject to retirement at every annual general meeting, all of them should be retired by rotation at least once every three years so as to comply with code A.4.2 of the CG Code.

The code A.2.1 of the CG Code provides that the roles of chairman and chief executive officer should be separate and should not be performed by the same individuals.

Effective from 23 March 2010, Mr. LI Jianhong resigned as the chairman of the Company and Mr. LI Ming was appointed as the chairman (the "Chairman") and remains as the chief executive officer of the Company (the "Chief Executive Officer"). Given the current corporate structure, there is no separation between the roles of the Chairman and the Chief Executive Officer as required under code A.2.1 of the CG Code. Although the responsibilities of the Chairman and the Chief Executive Officer are vested in one person, all major decisions are made in consultation with the Board members and the senior management of the Company. There are four independent non-executive directors and three non-executive directors in the Board. The Board considers that there is sufficient balance of power and that the current arrangement maintains a strong management position and also facilities the ordinary business activities of the Company.

Model Code for Securities Transactions by Directors of Listed Companies

The Group has adopted a code of conduct regarding directors' securities transactions (the "Code of Conduct") on standards no less exacting than those required in the Model Code for Securities Transactions by Directors of Listed Issures set out in Appendix 10 of the Listing Rules. The Company has made specific enquiries with all the directors of the Company and each of them has confirmed that he or she had complied with all required standard set out in the Code of Conduct.

INTERIM DIVIDEND AND BOOK CLOSURE

The Board has declared an interim dividend of HKD0.05 per share (2009: HKD0.04 per share) to shareholders whose names appear on the Company's register of members on 17 September 2010. The interim dividend will be paid on or about 5 October 2010. The register of members of the Company will be closed from 15 September 2010 to 17 September 2010, both days inclusive, during which period no transfer of shares will be effected. To qualify for the interim dividend, all transfer documents together with relevant share certificates must be lodged with the share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on 14 September 2010.

PUBLICATION OF THE INTERIM RESULTS ANNOUNCEMENT AND THE INTERIM REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and the Company's website (http://www.sinooceanland.com). The interim report for the six months ended 30 June 2010 will be despatched to shareholders on or before 9 September 2010 and will be available on the Company's and the Stock Exchange's websites in due course.

APPRECIATION

I would like to take this opportunity to express my gratitude to everyone's support for the growth of our Group, including our shareholders, customers, local government authorities, business partners, members of the Board, our management team and dedicated staff.

By Order of the Board
Sino-Ocean Land Holdings Limited
LI Ming
Executive Director

Hong Kong, 18 August 2010

As at the date of this announcement, the directors of the Company comprise:

Executive directors:	*Non-executive directors:*	*Independent non-executive directors:*
Mr. LI Ming	Ms. LIU Hui	Mr. TSANG Hing Lun
Mr. WANG Xiaoguang	Mr. LIANG Yanfeng	Mr. GU Yunchang
Mr. CHEN Runfu	Mr. WANG Xiaodong	Mr. HAN Xiaojing
		Mr. ZHAO Kang