



CHINA RESOURCES LAND LIMITED

2009 Interim Results Review

18 September 2009

Agenda

Highlights

Financial Review

Land Bank

Completion Schedule

Business Strategy

Highlights

- Net profit in 1H 2009 rose 58.9% yoy to HK\$1,319.1mn on the back of 14.3%yoy increase in revenue (HK\$3,377.9mn vs. HK\$2,956.3mn) and margin improvement;
- Overall margin improved to 39.0%, against 35.1% for 1H 2008. While IP gross margin stayed high at over 70%, development margin rose to 33.9% (vs. 32.9% for 1H 2008);
- On an adjusted basis, basic EPS in1H 2009 rose 74.2% yoy (HK 27.1cents vs. HK15.6cents);
- Development operation saw a respective yoy growth of 36.5% in revenue and 41.0% in gross profit, although the change in revenue recognition from completion to delivery led to deferment in revenue recognition by Rmb2.2bn in 1H 2009;
- IP sustained its strong underlying performance, with 11.0% and 9.6% yoy growth in revenue and gross profit;
- We added 5.15mn sqm GFA in new land bank this year as of Oct. 30th at a total cost of Rmb15.2bn, thus further enhancing its strong earnings growth profile;
- As at Oct. 30th, the Group had locked in a total of Rmb26.6bn contracted but unbooked sales (including Rmb6.1bn sales contracted in 2008), of which Rmb11.5bn is to be recognized in 2009 and Rmb12.1bn in 2010, indicating high earnings certainty both for 2009 and 2010;
- Differentiated business model, unparalleled parent supports, strong balance sheet and low funding costs put the Group in an unrivalled position to deliver strong and sustained growth.

Income statement

6 Months Ended 30 Jun (HK\$ mn)	1H 2009	% of Sales	1H 2008	% of Sales	YOY Change
Turnover	3,377.9		2,956.3		14.3%
<i>Development</i>	2,360.8	69.9%	1,729.3	58.5%	36.5%
<i>Investment Property</i>	604.4	17.9%	544.3	18.4%	11.0%
Gross Profit	1,315.9	39.0%	1,038.5	35.1%	26.7%
<i>Development</i>	801.1	33.9%	568.3	32.9%	41.0%
<i>Investment Property</i>	427.5	70.7%	390.1	71.7%	9.6%
IP Revaluation Gain	1,238.7		256.1		
Taxation	-628.9		-243.2		
Minority Interest	-244.3		-33.7		
Attributable Net Profit	1,319.1	39.1%	830.4	28.1%	58.9%
<i>Core Profit</i>	609.9	18.1%	435.1	14.7%	40.2%
<i>IP Revaluation Gain</i>	688.0		192.1		
<i>One-off Items</i>	21.2		203.2		
EPS - Basic (HK\$)	0.275		0.206		33.7%
EPS - Fully Diluted (HK\$)	0.274		0.204		34.1%
DPS (HK\$)	0.054		0.034		58.8%

Net Profit grew 58.9% yoy, driven by a rise in revenue and overall margin improvement

Agenda

Highlights

Financial Review

Land Bank

Completion Schedule

Business Strategy

Adjusted Net Profit and EPS Adjusted for Apple-to-Apple Comparison

6 Months Ended 30 Jun (HK\$ mn)	1H 2009	1H 2008	YOY Change
Reported Attributable Net Profit	1,319.1	830.4	58.9%
Reported EPS (HK\$)			
- Basic	0.275	0.206	33.7%
- Fully Dilluted	0.274	0.204	34.1%
Adjustments for Non-recurrent or Non-comparable Items			
Less:			
Gain on changes in fair value of derivative financial instruments	(19.7)	(62.0)	
Net exchange gain, net of taxation	(1.5)	(141.3)	
Adjusted Underlying Attributable Net Profit	1,297.9	627.2	106.9%
<i>of which,</i>			
<i>Core net profit</i>	609.9	435.1	40.2%
<i>Revaluation gain, net of deferred tax+minority interests*</i>	688.0	192.1	
Adjusted Underlying EPS (HK\$)			
- Basic	0.271	0.156	74.2%
- Fully Dilluted	0.269	0.154	74.7%

* *The jump in revaluation gain is due to adoption of new accounting policy to measure IP under construction also at fair value.*

Core net profit growth was strong at 40.2% yoy

Booking of property development income

6 Months Ended 30 Jun (HK\$ mn)	Turnover	GFA
	HK\$ mn	sqm
Beijing Phoenix City 2	76.1	3,795
Beijing Phoenix City 3	455.8	17,255
Beijing Oak Bay	120.6	10,568
Beijing Others	4.0	286
Shanghai The Bund side	96.9	2,466
Shanghai Oak Bay	132.7	3,071
Chengdu Jade City	913.9	120,030
Chengdu Phoenix City	358.8	55,270
Wuhan Phoenix City	54.0	6,265
Hefei French Annecy	129.0	22,435
Wuxi Taihu Int'l Community	19.0	1,916
1H 2009 Total:	2,360.8	243,357
1H 2008 Total	1,729.3	234,110
YOY Change, %	36.5%	3.9%

FINANCIAL REVIEW

Development revenue rose strongly, despite the change in revenue recognition from completion to delivery leading to deferment of revenue recognition by about HK\$2.2bn in 1H 09

Average Selling Price of Key Projects

RMB/sqm	1H 2009	2008 FY	YOY Change	July & August 2009
Beijing Phoenix City 2	19,444	20,679	-6.0%	
Beijing Phoenix City 3	23,680	28,672	-17.4%	
Beijing Oak Bay	15,145	15,473	-2.1%	23,801
Beijing Eco Living	16,454	15,888	3.6%	23,776
Shanghai The Bund Side	34,629	33,835	2.3%	44,784
Shanghai Oak Bay	23,649	23,707	-0.2%	33,740
Chengdu Jade City 4	6,731	6,551	2.7%	7,747
Chengdu 24 City	6,240	6,514	-4.2%	7,408
Chengdu Phoenix City	5,722	6,139	-6.8%	5,990
Wuhan Phoenix City	7,707	7,784	-1.0%	8,763
Wuhan Central Park	11,955	N.A.	N.A.	8,351
Hefei French Ancey	5,145	5,705	-9.8%	5,934
Hefei Park Lane Manor	5,122	5,263	-2.7%	5,862
Wuxi Taihu Int'l Community	6,461	7,359	-12.2%	9,002
Hangzhou MIXc	31,550	27,566	14.5%	32,880
Ningbo Tuscany Lake	14,977	14,689	2.0%	17,903
Ningbo Central Park	10,352	9,475	9.3%	13,352
Dalian Oriental Xanadu	30,075	26,719	12.6%	29,005
Dalian Maritime	7,113	7,242	-1.8%	10,204
Hunan Phoenix City	3,445	3,242	6.3%	3,658
Suzhou Villa	29,950	28,974	3.4%	34,004
Chongqing 24 City	4,587	4,152	10.5%	4,980
Weighted average price	8,908	11,403	-21.9%	

A fall in weighted avg. selling prices in 1H 09 against FY08 levels was due to a change in product mix and relatively low prices in 1Q 09, yet reflecting price recovery from late 2Q 09.

Income from IP + Property Management

6 Months Ended 30 Jun (HK\$ mn)

	1H 2009	1H 2008	YOY Change	1H 2009	1H 2008
	Turnover HK\$ mn			Occupancy Rate %	
Beijing China Resources Building	78.4	78.2	0.3%	93.9%	95.2%
Shanghai China Resources Times Square	92.9	82.5	12.6%	92.5%	95.8%
Shenzhen City Crossing Phase 1	287.6	286.6	0.4%	99.0%	97.7%
Other Investment Properties	50.8	38.9	30.6%	95.5%	90.9%
Residential Property Management Fee	94.7	58.1	63.1%	NA	NA
Total Rental Income:	604.4	544.3	11.0%		

IP sustained its strong momentum with a 11% yoy growth in revenue

Margins

6 Months Ended 30 Jun (HK\$ mn)	1H 2009	1H 2008	YOY Change	2008 FY
Turnover				
Development	2,360.8	1,729.3	36.5%	6,949.4
Investment & Others	604.4	544.3	11.0%	1,131.2
Gross Profit				
Development	801.1	568.3	41.0%	2,344.7
Investment & Others	427.5	390.1	9.6%	787.0
Gross Profit Margin				
Development	39.0%	35.1%		35.7%
Investment & Others	70.7%	71.7%		69.6%

While IP margin stayed high at over 70% and exceeded FY08 level, development margin continued to rise yoy and against FY08 level

Finance costs

6 Months Ended 30 Jun (HK\$ mn)	1H 2009	1H 2008	YOY Change
Interest on Bank Loans	302.2	456.0	-33.7%
<i>Less: Capitalisation</i>	-243.2	-367.7	-33.9%
Finance Costs on P/L	59.0	88.3	-33.2%
Average Interest Rate (p.a.)	3.20%	4.88%	

Ready access to low cost debt funding offers CRL a unique competitive advantage

Sales contracted in 1H 2009

City	Project	Product Type	Bookable Date	Total GFA (sqm)	Accumulated GFA Sold (sqm)	GFA Sold in 1H 2009 (sqm)	Contracted Value (RMB mn)	Ave. Price (RMB/sqm)
Beijing	Phoenix City 2	High Rise Res.	Completed	185,030	125,148	3,320	64.55	19,444
	Phoenix City 3	High Rise Res.	Completed	171,583	126,250	16,857	399.17	23,680
	Oak Bay 1	High Rise Res.	Dec.2009	307,157	210,283	60,450	915.52	15,145
	Eco Living	Mid-low Rise Res.	Dec.2010	283,129	96,256	90,664	1,491.79	16,454
	Other Residential	Residential	Completed	NA	NA	286	3.55	12,398
	Car Park	Car Park	Completed	NA	NA	8,256	33.72	4,084
Shanghai	The Bund Side 1	High Rise Res.	Completed	107,764	81,149	2,466	85.40	34,629
	Oak Bay 1	High Rise Res.	Dec.2009	79,318	36,290	17,485	413.50	23,649
Chengdu	Jade City 3	Mid-low Rise Res.	Completed	189,409	174,931	763	9.22	12,090
	Jade City 4	Mid-low Rise Res.	Completed	333,426	264,713	116,737	785.76	6,731
	Twenty-four City 1	High Rise Res.	Dec.2009	362,764	272,021	142,380	888.45	6,240
	Phoenix City 1	High Rise Res.	Completed	394,255	158,543	55,270	316.25	5,722
	Jade City Car Park	Car Park	Completed	136,685	31,278	2,000	10.53	5,267
Wuhan	Phoenix City	High Rise Res.	Completed	157,300	132,824	6,181	47.64	7,707
	Central Park 1	High Rise Res.	Dec.2009	164,837	24,755	24,755	295.95	11,955

Sales contracted in 1H 2009(continue)

City	Project	Product Type	Bookable Date	Total GFA (sqm)	Accumulated GFA Sold (sqm)	GFA Sold in 1H 2009 (sqm)	Contracted Value (RMB mn)	Ave. Price (RMB/sqm)
Hefei	French Anney	Mid-low Rise Res.	Completed	200,503	187,405	21,797	112.15	5,145
	French Anney Car Park	Car Park	Completed	24,983	10,277	637	1.54	2,410
	Park Lane Manor 1	High Rise Res.	Dec.2009	264,566	64,653	38,413	196.75	5,122
Hangzhou	MIXc Residence	High Rise Res.	Jun.2010	147,900	97,033	773	24.39	31,550
Wuxi	Taihu Int'l Community 1	Mid-low Rise Res.	Dec.2009	204,464	148,350	52,830	383.07	7,251
	Taihu Int'l Community 2	Mid-low Rise Res.	Dec.2009	230,859	61,700	50,220	281.83	5,612
	Taihu Int'l Community 3	Mid-low Rise Res.	Dec.2010	150,478	38,036	38,036	246.59	6,483
Ningbo	Tuscany Lake 1	Low Rise Res.	Dec.2009	77,152	66,401	46,503	696.48	14,977
	Central Park Phase 1	High Rise Res.	Dec.2010	31,832	27,168	23,219	240.36	10,352
Dalian	Oriental Xanadu 1	Mid-low Rise Res.	Jun.2010	108,916	32,480	19,434	584.48	30,075
	Maritime 1	High Rise Res.	Jun.2010	244,312	148,971	84,107	598.25	7,113
Suzhou	Suzhou Villa	Low Rise Res.	Jun.2010	105,961	6,276	5,541	165.95	29,950
Changsha	Phoenix City 1	High Rise Res.	Dec.2009	224,636	166,830	125,264	431.53	3,445
Chongqing	Twenty-four City 1	High Rise Res.	Dec.2010	179,485	111,483	76,254	349.78	4,587
1H 2009 Total:						1,130,898	10,074.14	8,908
1H 2008 Total:						172,587	1,581.72	9,165

Together with Rmb6.1bn sales contracted in 2008, the Group has a total of Rmb26.6bn contracted but unbooked sales as of Oct. 30th, 2009;

of which Rmb11.5bn is to be recognized in 2009 and Rmb12.1bn in 2010.

Financial position

6 Months Ended 30 Jun (HK\$ mn)	1H 2009	1H 2008	YOY Change
Total Borrowings	16,648.0	21,000.3	-20.7%
<i>% in HK\$</i>	58.5%	49.1%	
<i>% in RMB</i>	41.5%	50.9%	
Cash On Hand	9,543.4	4,852.9	96.7%
<i>% in HK\$</i>	32.5%	2.0%	
<i>% in RMB</i>	67.5%	98.0%	
Net Borrowings	7,104.6	16,147.4	-56.0%
<i>% in HK\$</i>	93.4%	63.2%	
<i>% in RMB</i>	6.6%	36.8%	
Equity	36,020.3	24,366.2	47.8%
Net Debt to Equity Ratio*	19.7%	66.3%	N.A.
Book Value (HK\$)	7.52	6.04	24.4%

* Net debt to equity ratio was at 23.2% as of 15th Sept., after effecting cash payment of HK\$3.57bn land bank acquisition from CRH

Balance sheet remains strong

Agenda

Highlights

Financial Review

Lank Bank

Completion Schedule

Business Strategy

Land Bank: Total attributable land bank up to 25.89mn sqm

City	Residential Property (sqm)	Investment Property (sqm)	Total GFA (sqm)
Beijing	2,277,525	639,992	2,917,517
Shanghai	1,053,408	119,998	1,173,406
Shenzhen	143,851	434,766	578,617
Chengdu	4,292,331	725,919	5,018,250
Wuhan	468,552		468,552
Hefei	476,615	93,883	570,498
Hangzhou	495,268	635,729	1,130,997
Wuxi	1,266,524	453,000	1,719,524
Ningbo	556,090		556,090
Dalian	1,722,157	91,138	1,813,295
Changsha	1,984,242		1,984,242
Suzhou	509,561		509,561
Chongqing	2,723,535	303,723	3,027,258
Shenyang	1,833,348	683,133	2,516,481
Mianyang	947,000	60,000	1,007,000
Xiamen	361,287		361,287
Tianjin	177,182		177,182
Fuzhou	715,533		715,533
Nantong	415,200		415,200
Anshan	586,400		586,400
Grand Total:	23,005,610	4,241,281	27,246,890
Attributable GFA:	22,233,119	3,662,537	25,895,656

LAND BANK

Land bank sufficient to meet development needs in the next few years

Land Bank: Up-and-running investment properties

Property Name	City	Interest	GFA (sqm)	Attributable (sqm)	Use	Completion Schedule
City Crossing 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	
City Crossing 2			191,039	191,039		
Shop			26,304	26,304	Retail	Dec. 09
Hyatt Hotel			67,506	67,506	Hotel	Mar. 10
Car Park			97,229	97,229	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	
Frasers residence	Shanghai	100%	22,859	22,859	serviced apartment	Sep-10
City Crossing ph.1	Hangzhou		376,943	226,166		
Commercial			132,328	79,397	Retail	Jul-10
Office		60%	101,220	60,732	Office	Dec-11
Park Hyatt			32,878	19,727	Hotel	Dec-12
Car Park			110,517	66,310	Car Park	
City Crossing ph.1	Shenyang	100%	395,115	395,115		
Commercial			156,396	156,396	Retail	Dec-10
Office			59,679	59,679	Office	Dec-11
Hotel			57,040	57,040	Hotel	Dec-12
Car Park			122,000	122,000	Car Park	
China Resources Building	Beijing	100%	65,222	65,222	Office	
Oak Bay Center ph.1	Beijing	96.17%	35,000	33,660	Retail	Jul-11
Landmark Square A#	Beijing	96.17%	39,096	37,599	Office	
Xidan Cultural Centre	Beijing	96.17%	36,184	34,798	Retail	
Others	Beijing	96.17%	233,404	141,567	Retail/Office	
Total			1,735,728	1,488,890		

LAND BANK

Substantial IP assets solidify future earnings while mitigating earnings risks

Remaining Land Bank held by CRH

City	Acquisition Date	Total GFA (sqm)	Use	Interest	Attributable GFA (sqm)	Attributable Land Cost (RMB mn)	AV (RMB/sqm)
Wuhan	Apr. 2007	476,000	Residential	100%	476,000	1,621	3,405
Wuhan	Sep. 2007	433,650	Commercial	100%	433,650	2,692	6,208
Wuxi	Nov. 2007	260,000	Residential	100%	260,000	1,278	4,915
Nanning	Dec. 2007	569,000	Commercial	55%	312,950	524	1,676
Shenzhen*	Dec 2008	330,000	Re+Office	100%	330,000	N.A.	N.A.
Changzhou	Jun 2009	1,345,903	Residential	100%	1,345,903	1,811	1,345
Nanjing	Sep. 2009	277,793	Residential	100%	277,793	2,220	7,992
Total:		3,692,346			3,436,296		

* CRH is negotiating with Shenzhen government on a relocation program, involving a total GFA of 2.8mn sqm. When acquired, CRH will become the largest land bank holder in Shenzhen, with its land bank all located in prime areas.

Agenda

Highlights

Financial Review

Land Bank

Completion Schedule

Business Strategy

New Project Launches in remaining period of 2009

City	Project	Description	Approx. market value RMB mn	Approx. ASP RMB/sqm
Beijing	Oak Bay	Apartment in city centre	2,610	22,000
Shanghai	The Bund side 2	High-end res. in city centre	5,148	70,000
Chengdu	Jade City 5	Apartment in city centre	1,448	8,000
Chengdu	Twenty-four City 2	Apartment in city centre	1,770	8,000
Ningbo	Tuscany Lake 2	High-end town house	1,455	21,310
Ningbo	Central Park 2	Mass residential	1,052	10,500
Fuzhou	Hongwan Project	Garden View Villas	659	13,000

Schedule for bookable areas for 2009- post 2011

City	Project	Projected For Bookable Area Schedule (sqm)		
		2009E	2010E	2011E
Beijing	Oak Bay	41,024	93,244	145,199
	Phoenix Plaza	47,380	-	-
	Eco Living	-	-	60,578
	Daxing Project #15	-	-	40,000
	Mentougou Project	-	-	-
	Daxing Project #17	-	-	40,000
Shanghai	The Bund Side	17,158	-	120,062
	Oak Bay	72,065	86,918	117,172
Chengdu	Jade City	220,711	56,921	287,090
	Phoenix City	263,242	219,553	-
	Twenty-four City	345,997	-	466,361
	Oak Bay	45,896	19,946	-
Wuhan	Minzhu Road Project	-	-	43,819
	Central Park	-	154,466	151,253
Hefei	Park Lane Manor	18,400	219,261	-
	French Annecy	42,802	-	-
Shenzhen	City Crossing 2	300,551	-	-
Ningbo	Tuscany Lake	82,842	78,463	-
	Central Park	-	34,564	125,997
Changsha	Phoenix City	123,933	152,439	155,752
	Hanpu Project	-	-	-

Schedule for bookable areas for 2009- post 2011(continue)

City	Project	Projected For Bookable Area Schedule (sqm)		
		2009E	2010E	2011E
Suzhou	Suzhou Villa	-	41,607	17,097
Xiamen	Oak Bay	-	-	-
Tianjin	Xinjiayuan Project	-	-	-
Chongqing	Jiangbei Project	-	-	-
	Twenty-four City	-	175,614	243,499
Mianyang	Entrepreneur Park Project	-	-	62,714
Hangzhou	Hangzhou MIXc	-	374,421	-
Wuxi	Taihu International Community	121,026	205,791	331,026
Dalian	Maritime	-	241,603	-
	Oriental Xanadu	-	106,989	-
Shenyang	Oak Bay	-	-	31,429
	City Crossing	-	-	156,396
	China Resources Arch	-	-	102,858
	The Landmark	-	-	-
Fuzhou	Hongwan	-	-	68,026
Total bookable area in the year:		1,743,026	2,261,798	2,766,327

Notes:

1. The above areas include commercial areas and car parks, does not include land bank of CRH (parent co.).
2. The booking criteria was changed in 1H 2009 from completion now to delivery
3. The attributable interests of projects in Beijing (except Oak Bay is 98.05%, Mentougou & Daxing #17 are 100%), Hangzhou, Wuxi and Dalian (Oriental Xanadu only) are 96.17%, 60%, 60% and 55% respectively. The rest are all 100%.

Agenda

Highlights

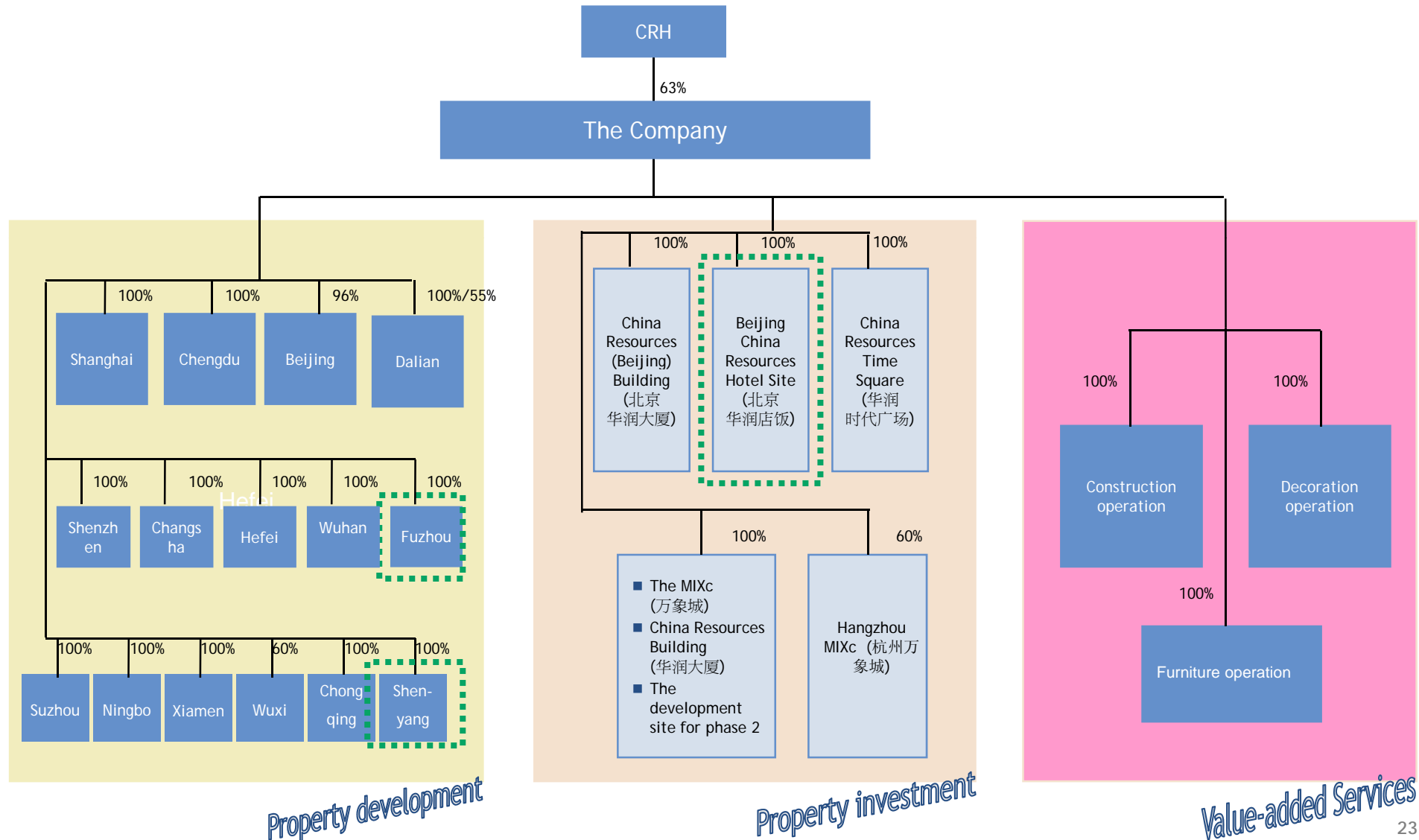
Financial Review

Land Bank

Completion Schedule

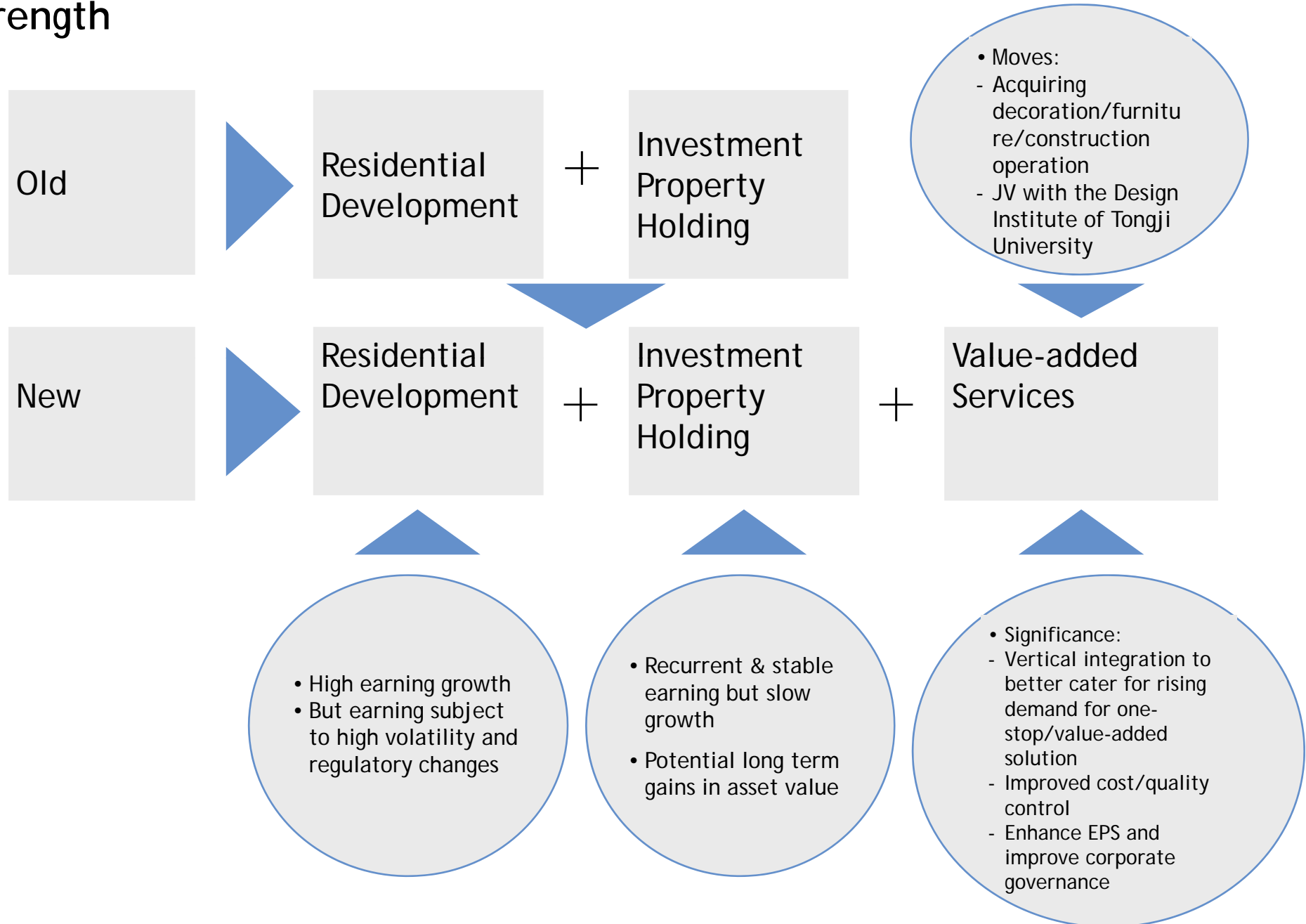
Business Strategy

Major corporate developments in 2009: acquisition of land bank from CRH



BUSINESS STRATEGIES

Business model refined to strengthen CRL's "differentiation" competitive strength



Geographical Strategy: rolling out national footprint

Where is our next market?

We currently operate in 18 cities and we plan to expand to more cities in China in the next few years. At expansion, we prefer buying land directly, taking advantage of China Resources' good relationship with local governments, to acquiring other companies.

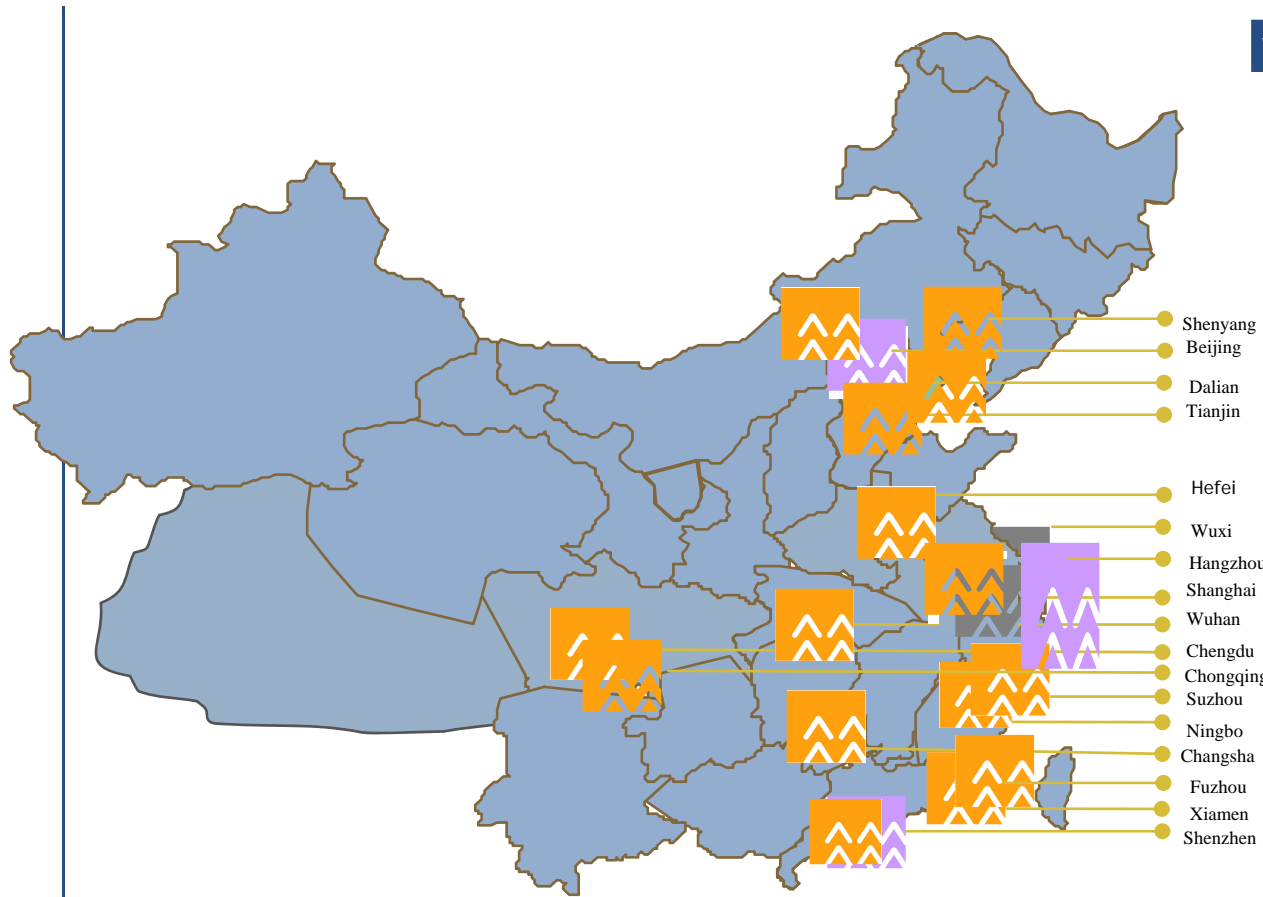
Where to?

Residential (IRR > 20%)

- Per capita GDP > US\$1,500; population > 2 million, being a regional or local hub attracting emigration and investment interests from neighboring provinces; local property market starts to grow but lagging behind the coastal areas; local projects less sophisticated and local developers less competitive

Cosmopolitan complex (cash IRR > 12%)

- Major cities, central location, landmark status; per capita GDP > US\$3,500, fast urbanization, lack of quality large scale shopping mall



END