

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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 RESULTS FOR THE FINANCIAL YEAR
ENDED 31 DECEMBER 2015**

Highlights

- Consolidated revenue for Year 2015 amounted to HK\$103.39 billion, up by 15.3% YoY. Development property revenue up by 14.4% YoY to HK\$93.54 billion, rental income of investment property (including hotel operations) up by 21.4% YoY to HK\$6.65 billion.
- Consolidated gross profit margin improved to 31.2% in Year 2015 from 30.5% in Year 2014. Development property gross profit margin improved to 30.1% in Year 2015 from 29.2% in Year 2014, while investment property (including hotel operations) gross profit margin lowered slightly to 59.6% in Year 2015 from 62.0% in Year 2014.
- Core profit attributable to the owners of the Company excluding revaluation gain from investment properties reached HK\$14.21 billion, representing a YoY growth of 19.2%; profit attributable to the owners of the Company including the revaluation gain from investment properties increased by 15.8% YoY to HK\$17.53 billion.
- Booked GFA amounted to approximately 7.04 million square meters during the year, increased by 18.7% as compared with 5.93 million square meters for Year 2014.
- As of 31 December 2015, the Group has locked in unbooked contracted value of RMB88.76 billion that are subject to recognition in 2016 and years to come. Among which, RMB56.91 billion will be recognized in 2016 as development property revenue.
- During Year 2015, apart from the assets acquired from CRH, newly added land bank amounted to 5.11 million square meters. As of 31 December 2015, the Group's total land bank was approximately 41.26 million square meters.
- Earnings per share achieved HK259.2 cents, up by 11.8% as compared with HK231.8 cents for Year 2014, while core earnings per share attributable to the owners of the Company increased by 15.2% YoY to HK210.0 cents.
- The Board of the Company recommended a final dividend of HK48.7 cents per share. Together with the interim dividend of HK8.7 cents per share, the total dividend for Year 2015 was up by 16.0% YoY to HK57.4 cents per share, with a payout ratio of approximately 28.0% of core net profit attributable to the owners of the Company in Year 2015.

The board of directors (the "Board") of China Resources Land Limited (the "Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2015 ("Year 2015") as follows:

CONSOLIDATED INCOME STATEMENT

	<u>NOTES</u>	For year ended 31 December	
		<u>2015</u> HK\$'000	<u>2014</u> HK\$'000 (Restated)
Revenue	4	103,393,234	89,704,532
Cost of sales		<u>(71,095,093)</u>	<u>(62,351,242)</u>
Gross profit		32,298,141	27,353,290
Gain on changes in fair value of investment properties		4,602,361	4,966,811
Other income and other gains		2,556,439	1,139,194
Selling and marketing expenses		(3,305,809)	(3,071,358)
General and administrative expenses		(3,006,063)	(2,252,667)
Share of profit of investments in joint ventures		323,406	66,339
Share of loss of investments in associates		(25,271)	(4,042)
Finance costs	5	<u>(922,933)</u>	<u>(831,839)</u>
Profit before taxation		32,520,271	27,365,728
Income tax expenses	6	<u>(13,142,592)</u>	<u>(10,886,796)</u>
Profit for the year	7	<u>19,377,679</u>	<u>16,478,932</u>
Profit for the year attributable to:			
Owners of the Company		17,527,459	15,140,938
Non-controlling interests		<u>1,850,220</u>	<u>1,337,994</u>
		<u>19,377,679</u>	<u>16,478,932</u>
		HK cents	HK cents
Earnings per share	9		
Basic		259.2	231.8
Diluted		<u>259.1</u>	<u>231.7</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	For year ended 31 December	
	2015 HK\$'000	2014 HK\$'000 (Restated)
Profit for the year	<u>19,377,679</u>	<u>16,478,932</u>
Other comprehensive income		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Exchange loss arising on translation to presentation currency	(10,733,428)	(424,652)
Reversal of translation reserve on disposal of a subsidiary	<u>100,360</u>	<u>-</u>
Total comprehensive income for the year	<u>8,744,611</u>	<u>16,054,280</u>
Total comprehensive income attributable to:		
Owners of the Company	8,239,970	14,731,456
Non-controlling interests	<u>504,641</u>	<u>1,322,824</u>
	<u>8,744,611</u>	<u>16,054,280</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<u>NOTES</u>	<u>31.12.2015</u> HK\$'000	<u>31.12.2014</u> HK\$'000 (Restated)	<u>1.1.2014</u> HK\$'000 (Restated)
NON-CURRENT ASSETS				
Property, plant and equipment		7,159,369	6,960,903	5,899,608
Investment properties		88,319,071	79,239,669	60,438,178
Land use rights		2,097,459	2,239,020	1,849,693
Investments in joint ventures		4,234,510	3,542,441	2,907,902
Investments in associates		6,292,824	8,617	13,137
Available-for-sale investments		13,075	191,093	178,529
Prepayments for non-current assets		299,387	744,205	2,469,737
Deferred taxation assets		691,596	475,690	431,415
Amount due from a non-controlling interest		474,435	400,290	-
Amount due from a joint venture		985,946	-	-
		<u>110,567,672</u>	<u>93,801,928</u>	<u>74,188,199</u>
CURRENT ASSETS				
Properties for sale		188,339,658	186,402,200	161,516,666
Other inventories		626,188	609,430	447,627
Trade receivables, other receivables, prepayments and deposits	10	27,563,986	27,589,815	29,594,378
Amounts due from customers for contract works		330,086	268,119	210,461
Amounts due from intermediate holding companies		13,008	597,460	1,717,022
Amounts due from fellow subsidiaries		99,474	64,466	77,899
Amounts due from joint ventures		4,628,693	3,161,470	1,241,592
Amounts due from associates		6,707,495	1,510,871	806,142
Amounts due from non-controlling interests		1,089,412	319,366	146,114
Prepaid taxation		3,394,781	3,096,503	2,372,921
Available-for-sale investments		-	-	381,567
Cash and bank balances		45,874,885	44,857,414	28,923,195
		<u>278,667,666</u>	<u>268,477,114</u>	<u>227,435,584</u>
CURRENT LIABILITIES				
Trade and other payables	11	51,373,234	45,683,227	36,099,893
Advances received from pre-sales of properties		96,258,522	81,497,431	73,980,438
Amounts due to customers for contract works		162,059	99,437	141,015
Amount due to the ultimate holding company		110	117	117
Amounts due to intermediate holding companies		-	782,578	1,289,855
Amounts due to fellow subsidiaries		4,976,166	2,253,964	5,670,081
Amounts due to joint ventures		607,066	582,117	569,458
Amounts due to associates		168,602	-	-
Amounts due to non-controlling interests		5,070,745	3,066,587	3,135,175
Taxation payable		9,951,120	9,267,166	8,354,840
Bank and other borrowings - due within one year		6,369,155	21,218,979	16,256,126
Senior notes - due within one year		7,773,576	-	-
		<u>182,710,355</u>	<u>164,451,603</u>	<u>145,496,998</u>
NET CURRENT ASSETS		<u>95,957,311</u>	<u>104,025,511</u>	<u>81,938,586</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>206,524,983</u>	<u>197,827,439</u>	<u>156,126,785</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

	<u>31.12.2015</u> HK\$'000	<u>31.12.2014</u> HK\$'000 (Restated)	<u>1.1.2014</u> HK\$'000 (Restated)
EQUITY			
Share capital	693,094	583,122	583,063
Reserves	<u>114,272,681</u>	<u>105,048,121</u>	<u>84,690,047</u>
Equity attributable to owners of the Company	114,965,775	105,631,243	85,273,110
Non-controlling interests	<u>16,858,423</u>	<u>11,491,779</u>	<u>8,899,521</u>
	<u>131,824,198</u>	<u>117,123,022</u>	<u>94,172,631</u>
NON-CURRENT LIABILITIES			
Bank and other borrowings - due after one year	46,665,670	44,568,365	44,306,017
Senior notes - due after one year	15,341,724	23,113,386	7,755,279
Amount due to an intermediate holding company	-	1,589,342	1,958,484
Amount due to a fellow subsidiary	-	76,058	-
Amount due to an associate	202,917	-	-
Amounts due to non-controlling interests	1,293,381	1,433,261	-
Deferred taxation liabilities	<u>11,197,093</u>	<u>9,924,005</u>	<u>7,934,374</u>
	<u>74,700,785</u>	<u>80,704,417</u>	<u>61,954,154</u>
TOTAL OF EQUITY AND NON-CURRENT LIABILITIES	<u><u>206,524,983</u></u>	<u><u>197,827,439</u></u>	<u><u>156,126,785</u></u>

Notes:

1. MERGER ACCOUNTING RESTATEMENT

Merger accounting for business combination involving entities under common control

During the year ended 31 December 2015, Central New Investments Limited ("Central New"), a subsidiary of China Resources (Holdings) Company Limited ("CRH"), transferred the entire equity interest in Top Virtue Enterprises Limited and its subsidiaries and Shenzhen Runyue Investment Development Co., Ltd. (the "Top Virtue Group") to the Group. The principal activities of Top Virtue Group are development and sale of developed properties and property investments in the People's Republic of China (the "PRC").

Before August 2015, China Resources Land (Nanjing) Company Limited ("CR Land (Nanjing)") was 60% held by China Resources Land (Suzhou) Company Limited ("CR Land (Suzhou)"), a wholly-owned subsidiary of the Company, and 40% held by Shenzhen Runxin No. 3 Investment Partnership Enterprise (Limited Partnership) ("Shenzhen Runxin III"). Huawei Yongsheng Enterprise Management Limited ("Huawei Yongsheng"), 51% owned by a wholly owned subsidiary of CRH, is the general partner and has control of Shenzhen Runxin III by virtue of its power to make investment decisions for and on behalf of Shenzhen Runxin III. The principal activity of CR Land (Nanjing) is property development.

The interest in CR Land (Nanjing) was accounted for as a joint venture under HKFRS 11 as all of the strategic financial and operating decisions must be approved by all of the joint venture partners with unanimous consent.

During August 2015, CR Land (Suzhou) and Shenzhen Runxin III revised the memorandum and association of CR Land (Nanjing) and stipulated that the decision for operating, investing and financing activities (the "relevant activities") was made by simple majority of voting rights. Since CR Land (Suzhou) has simple majority of voting rights on the relevant activities on CR Land (Nanjing), CR Land (Nanjing) became a subsidiary of the Group.

The directors of the Company have determined that the application of merger accounting to acquisition of Top Virtue Group and CR Land (Nanjing) (together "Acquired Businesses"), being a business combination involving entities under common control, under Accounting Guideline 5 Merger Accounting for Common Control Combinations ("AG 5") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), will provide more relevant and useful information to financial statement users as it better reflects the economic substance of the transactions. The Group and the entities acquired are regarded as continuing entities.

Under merger accounting, based on the guidance set out in AG 5, the consolidated financial statements incorporate the financial statement items of the combining entities or businesses in which the common control combination occurs as if they had been combined from the date when the combining entities or businesses first came under the control of the controlling party.

The effect of restatements described above on the consolidated income statement for the year ended 31 December 2014 has resulted in an increase in the Group's revenue of HK\$1,323,189,000, and increase in the Group's total comprehensive income attributable to the owners of the Company of HK\$412,812,000 and an increase in the Group's profit attributable to the owners of the Company of HK\$432,462,000, respectively. The effect of restatements described above on the consolidated statement of financial position as at 31 December 2014 has resulted an increase in the Group's total assets by HK\$31,964,065,000.

1. MERGER ACCOUNTING RESTATEMENT (CONTINUED)

Merger accounting for business combination involving entities under common control (continued)

The effect of restatements described above on the consolidated income statement for the year ended 31 December 2014 by line items is as follows:

	Year ended 31 December 2014 HK\$'000 (Audited and originally stated)	Business combination of entities under common control HK\$'000	Year ended 31 December 2014 HK\$'000 (Restated)
Revenue	88,381,343	1,323,189	89,704,532
Cost of sales	<u>(61,337,798)</u>	<u>(1,013,444)</u>	<u>(62,351,242)</u>
Gross profit	27,043,545	309,745	27,353,290
Gain on changes in fair value of investment properties	4,520,368	446,443	4,966,811
Other income and other gains	1,105,503	33,691	1,139,194
Selling and marketing expenses	(2,958,619)	(112,739)	(3,071,358)
General and administration expenses	(2,183,431)	(69,236)	(2,252,667)
Share of profit of investments in joint ventures	61,614	4,725	66,339
Share of loss of investments in associates	(4,042)	-	(4,042)
Finance costs	<u>(799,108)</u>	<u>(32,731)</u>	<u>(831,839)</u>
Profit before taxation	26,785,830	579,898	27,365,728
Income tax expenses	<u>(10,744,930)</u>	<u>(141,866)</u>	<u>(10,886,796)</u>
Profit for the year	<u>16,040,900</u>	<u>438,032</u>	<u>16,478,932</u>
Profit for the year attributable to:			
Owners of the Company	14,708,476	432,462	15,140,938
Non-controlling interests	<u>1,332,424</u>	<u>5,570</u>	<u>1,337,994</u>
	<u>16,040,900</u>	<u>438,032</u>	<u>16,478,932</u>

1. MERGER ACCOUNTING RESTATEMENT (CONTINUED)

Merger accounting for business combination involving entities under common control (continued)

The effect of restatements described above on the consolidated statement of comprehensive income for the year ended 31 December 2014 by line items is as follows:

	Year ended 31 December <u>2014</u> HK\$'000 (Audited and originally stated)	Business combination of entities under <u>common control</u> HK\$'000	Year ended 31 December <u>2014</u> HK\$'000 (Restated)
Profit for the year	16,040,900	438,032	16,478,932
Other comprehensive income <i>Item that may be reclassified subsequently to profit or loss</i>			
Exchange loss arising on translation to presentation currency	<u>(404,731)</u>	<u>(19,921)</u>	<u>(424,652)</u>
Total comprehensive income for the year	<u>15,636,169</u>	<u>418,111</u>	<u>16,054,280</u>
Total comprehensive income attributable to:			
Owners of the Company	14,318,644	412,812	14,731,456
Non-controlling interests	<u>1,317,525</u>	<u>5,299</u>	<u>1,322,824</u>
	<u>15,636,169</u>	<u>418,111</u>	<u>16,054,280</u>

1. MERGER ACCOUNTING RESTATEMENT (CONTINUED)

Merger accounting for business combination involving entities under common control (continued)

The effect of restatements on the consolidated statement of financial position as at 1 January 2014 is as follows:

	1 January 2014 HK\$'000 (Audited and originally stated)	Business combination of entities under common control HK\$'000	1 January 2014 HK\$'000 (Restated)
Non-current assets			
Property, plant and equipment	5,881,581	18,027	5,899,608
Investment properties	59,611,449	826,729	60,438,178
Land use rights	1,833,901	15,792	1,849,693
Investments in joint ventures	2,907,902	-	2,907,902
Investments in associates	13,137	-	13,137
Available-for-sale investments	178,529	-	178,529
Prepayments for non-current assets	2,464,553	5,184	2,469,737
Deferred taxation assets	387,150	44,265	431,415
	<u>73,278,202</u>	<u>909,997</u>	<u>74,188,199</u>
Current assets			
Properties for sale	150,010,531	11,506,135	161,516,666
Other inventories	447,627	-	447,627
Trade receivables, other receivables, prepayments and deposits	22,695,073	6,899,305	29,594,378
Amounts due from customers for contract works	210,461	-	210,461
Amounts due from intermediate holding companies	1,310,017	407,005	1,717,022
Amounts due from fellow subsidiaries	709,600	(631,701)	77,899
Amounts due from joint ventures	1,241,592	-	1,241,592
Amount due from an associate	806,142	-	806,142
Amounts due from non-controlling interests	146,114	-	146,114
Prepaid taxation	2,280,776	92,145	2,372,921
Available-for-sale investments	381,567	-	381,567
Cash and bank balances	28,238,904	684,291	28,923,195
	<u>208,478,404</u>	<u>18,957,180</u>	<u>227,435,584</u>
Current liabilities			
Trade and other payables	32,556,534	3,543,359	36,099,893
Advances received from pre-sales of properties	70,571,822	3,408,616	73,980,438
Amounts due to customers for contract works	141,015	-	141,015
Amount due to the ultimate holding company	117	-	117
Amounts due to intermediate holding companies	167	1,289,688	1,289,855
Amounts due to fellow subsidiaries	188,124	5,481,957	5,670,081
Amounts due to joint ventures	569,458	-	569,458
Amounts due to non-controlling interests	3,135,175	-	3,135,175
Taxation payable	8,341,291	13,549	8,354,840
Bank and other borrowings - due within one year	16,256,126	-	16,256,126
	<u>131,759,829</u>	<u>13,737,169</u>	<u>145,496,998</u>
Net current assets	<u>76,718,575</u>	<u>5,220,011</u>	<u>81,938,586</u>
Total assets less current liabilities	<u>149,996,777</u>	<u>6,130,008</u>	<u>156,126,785</u>

1. MERGER ACCOUNTING RESTATEMENT (CONTINUED)

Merger accounting for business combination involving entities under common control (continued)

The effect of restatements on the consolidated statement of financial position as at 1 January 2014 is as follows: (continued)

	1 January 2014 HK\$'000 (Audited and originally stated)	Business combination of entities under common control HK\$'000	1 January 2014 HK\$'000 (Restated)
Equity			
Share capital	583,063	-	583,063
Reserves	84,219,125	470,922	84,690,047
Equity attributable to owners of the Company	84,802,188	470,922	85,273,110
Non-controlling interests	8,784,531	114,990	8,899,521
	<u>93,586,719</u>	<u>585,912</u>	<u>94,172,631</u>
Non-current liabilities			
Bank and other borrowings			
- due after one year	40,889,848	3,416,169	44,306,017
Senior notes - due after one year	7,755,279	-	7,755,279
Amount due to an intermediate holding company	-	1,958,484	1,958,484
Deferred taxation liabilities	7,764,931	169,443	7,934,374
	<u>56,410,058</u>	<u>5,544,096</u>	<u>61,954,154</u>
Total of equity and non-current liabilities	<u>149,996,777</u>	<u>6,130,008</u>	<u>156,126,785</u>

The financial effect of restatements to the Group's equity on 1 January 2014 is summarised below:

	1 January 2014 HK\$'000 (Audited and originally stated)	Business combination of entities under common control HK\$'000	1 January 2014 HK\$'000 (Restated)
Share capital	583,063	-	583,063
Share premium	35,528,946	-	35,528,946
Translation reserve	12,247,646	108,504	12,356,150
Other reserves	(4,746,091)	1,272	(4,744,819)
Retained profits	41,188,624	361,146	41,549,770
Non-controlling interests	8,784,531	114,990	8,899,521
	<u>93,586,719</u>	<u>585,912</u>	<u>94,172,631</u>

1. MERGER ACCOUNTING RESTATEMENT (CONTINUED)

Merger accounting for business combination involving entities under common control (continued)

The effect of restatements on the consolidated statement of financial position as at 31 December 2014 is as follows:

	31 December 2014 HK\$'000 (Audited and originally stated)	Business combination of entities under common control HK\$'000	31 December 2014 HK\$'000 (Restated)
Non-current assets			
Property, plant and equipment	6,939,305	21,598	6,960,903
Investment properties	75,270,688	3,968,981	79,239,669
Land use rights	1,973,748	265,272	2,239,020
Investments in joint ventures	4,754,650	(1,212,209)	3,542,441
Investments in associates	8,617	-	8,617
Available-for-sale investments	191,093	-	191,093
Prepayments for non-current assets	740,639	3,566	744,205
Deferred taxation assets	427,112	48,578	475,690
Amount due from a non-controlling interest	400,290	-	400,290
	<u>90,706,142</u>	<u>3,095,786</u>	<u>93,801,928</u>
Current assets			
Properties for sale	167,484,086	18,918,114	186,402,200
Other inventories	609,430	-	609,430
Trade receivables, other receivables, prepayments and deposits	21,615,800	5,974,015	27,589,815
Amounts due from customers for contract works	268,119	-	268,119
Amounts due from intermediate holding companies	13,169	584,291	597,460
Amounts due from fellow subsidiaries	1,538,934	(1,474,468)	64,466
Amounts due from joint ventures	3,304,353	(142,883)	3,161,470
Amounts due from associates	1,510,871	-	1,510,871
Amounts due from non-controlling interests	315,563	3,803	319,366
Prepaid taxation	2,659,115	437,388	3,096,503
Cash and bank balances	40,289,395	4,568,019	44,857,414
	<u>239,608,835</u>	<u>28,868,279</u>	<u>268,477,114</u>
Current liabilities			
Trade and other payables	41,544,683	4,138,544	45,683,227
Advances received from pre-sales of properties	71,358,673	10,138,758	81,497,431
Amounts due to customers for contract works	99,437	-	99,437
Amount due to the ultimate holding company	117	-	117
Amounts due to intermediate holding companies	1,447	781,131	782,578
Amounts due to fellow subsidiaries	1,485,796	768,168	2,253,964
Amounts due to joint ventures	581,564	553	582,117
Amounts due to non-controlling interests	3,066,587	-	3,066,587
Taxation payable	9,267,166	-	9,267,166
Bank and other borrowings - due within one year	19,414,456	1,804,523	21,218,979
	<u>146,819,926</u>	<u>17,631,677</u>	<u>164,451,603</u>
Net current assets	<u>92,788,909</u>	<u>11,236,602</u>	<u>104,025,511</u>
Total assets less current liabilities	<u>183,495,051</u>	<u>14,332,388</u>	<u>197,827,439</u>

1. MERGER ACCOUNTING RESTATEMENT (CONTINUED)

Merger accounting for business combination involving entities under common control (continued)

The effect of restatements on the consolidated statement of financial position as at 31 December 2014 is as follows: (continued)

	31 December 2014 HK\$'000 (Audited and originally stated)	Business combination of entities under common control HK\$'000	31 December 2014 HK\$'000 (Restated)
Equity			
Share capital	583,122	-	583,122
Reserves	<u>95,977,428</u>	<u>9,070,693</u>	<u>105,048,121</u>
Equity attributable to owners of the Company	96,560,550	9,070,693	105,631,243
Non-controlling interests	<u>10,560,217</u>	<u>931,562</u>	<u>11,491,779</u>
	<u>107,120,767</u>	<u>10,002,255</u>	<u>117,123,022</u>
Non-current liabilities			
Bank and other borrowings			
- due after one year	42,206,435	2,361,930	44,568,365
Senior notes - due after one year	23,113,386	-	23,113,386
Amount due to an intermediate holding company	-	1,589,342	1,589,342
Amount due to a fellow subsidiary	76,058	-	76,058
Amounts due to non-controlling interests	1,336,920	96,341	1,433,261
Deferred taxation liabilities	<u>9,641,485</u>	<u>282,520</u>	<u>9,924,005</u>
	<u>76,374,284</u>	<u>4,330,133</u>	<u>80,704,417</u>
Total of equity and non-current liabilities	<u><u>183,495,051</u></u>	<u><u>14,332,388</u></u>	<u><u>197,827,439</u></u>

1. MERGER ACCOUNTING RESTATEMENT (CONTINUED)

Merger accounting for business combination involving entities under common control (continued)

The effect of restatement on the Group's basic earnings per share for the year ended 31 December 2014 is as follow:

<u>Impact on basic earnings per share</u>	<u>For the year ended 31 December 2014 HK cents</u>
As audited and originally stated	252.2
Adjustments arising from business combination under common control	<u>(20.4)</u>
Restated	<u>231.8</u>

2. BASIS OF PREPARATION

The consolidated financial statements of the Company have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties and certain financial instruments, which are carried at fair value.

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies of the Group.

3. CHANGE IN ACCOUNTING POLICIES AND DISCLOSURES

- a) In the current year, the Group has applied, for the first time, the following new and revised HKFRSs issued by the HKICPA:

Amendments to HKAS 19	Defined Benefit Plans: Employee Contributions
Amendments to HKFRSs	Annual Improvements to HKFRSs 2010 - 2012 Cycle
Amendments to HKFRSs	Annual Improvements to HKFRSs 2011 - 2013 Cycle

The application of the amendments to HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years.

- b) The Group has not applied any new and revised HKFRSs that have been issued but are not yet effective.

4. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision makers ("CODM") of the Group, was specifically focused on the segments of sale of developed properties, property investments and management, hotel operations and construction, decoration services and others for the purpose of resource allocation and performance assessment. These divisions are the basis on which the Group reports its segment information under HKFRS 8 Operating Segments. Segment results represent the profit earned or loss incurred before taxation by each segment without allocation of income or expenses which are not recurring in nature or unrelated to the CODM's assessment of the Group's operating performance, e.g. gain on changes in fair value of investment properties, central administration costs, share of profit of investments in joint ventures and associates and finance costs. Segment revenues and results are the measure reported to the CODM for the purposes of resource allocation and performance assessment.

The following is an analysis of the Group's revenue and results by reportable and operating segments:

Year ended 31 December 2015

	Sale of developed properties HK\$'000	Property investments and management HK\$'000	Hotel operations HK\$'000	Construction, decoration services and others HK\$'000	Consolidated HK\$'000
Revenue					
External sales	93,536,184	5,685,431	969,134	3,202,485	103,393,234
Result					
Segment results	24,723,773	2,355,014	(49,410)	(67,895)	26,961,482
Unallocated other income					2,556,439
Gain on changes in fair value of investment properties					4,602,361
Unallocated expenses					(975,213)
Share of profit of investments in joint ventures					323,406
Share of loss of investments in associates					(25,271)
Finance costs					(922,933)
Profit before taxation					<u>32,520,271</u>

Year ended 31 December 2014

	Sale of developed properties HK\$'000 (Restated)	Property investments and management HK\$'000 (Restated)	Hotel operations HK\$'000	Construction, decoration services and others HK\$'000	Consolidated HK\$'000 (Restated)
Revenue					
External sales	81,759,146	4,672,938	809,540	2,462,908	89,704,532
Result					
Segment results	20,720,636	2,174,329	(157,784)	(111,084)	22,626,097
Unallocated other income					1,139,194
Gain on changes in fair value of investment properties					4,966,811
Unallocated expenses					(596,832)
Share of profit of investments in joint ventures					66,339
Share of loss of investments in associates					(4,042)
Finance costs					(831,839)
Profit before taxation					<u>27,365,728</u>

5. FINANCE COSTS

	<u>Year ended 31 December</u>	
	<u>2015</u>	<u>2014</u>
	HK\$'000	HK\$'000
		(Restated)
Total interests and bank charges on bank borrowings, other borrowings and senior notes wholly repayable:		
Within five years	(3,890,119)	(2,944,505)
Over five years	(540,566)	(662,263)
Less: Amount capitalised in properties under development for sale, investment properties under development and construction in progress	<u>3,251,328</u>	<u>2,832,909</u>
	(1,179,357)	(773,859)
Exchange gain /(loss)	<u>256,424</u>	<u>(57,980)</u>
	<u>(922,933)</u>	<u>(831,839)</u>

6. INCOME TAX EXPENSES

	<u>Year ended 31 December</u>	
	<u>2015</u> HK\$'000	<u>2014</u> HK\$'000 (Restated)
The income tax expenses comprise of:		
Hong Kong Profits Tax	(358)	(4)
PRC Enterprise Income Tax ("EIT") and withholding income tax	(5,837,924)	(4,679,958)
PRC land appreciation tax ("LAT")	(5,720,350)	(4,246,731)
Deferred taxation	<u>(1,583,960)</u>	<u>(1,960,103)</u>
	<u>(13,142,592)</u>	<u>(10,886,796)</u>

(a) Hong Kong Profits Tax

Hong Kong Profits Tax is calculated at 16.5% (2014: 16.5%) of the estimated assessable profits.

(b) EIT

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the Group's PRC subsidiaries is 25% from 1 January 2008 onwards.

(c) PRC withholding income tax

PRC withholding income tax of 10% shall be levied on the dividends declared by the companies established in the PRC to their foreign investors out of their profits earned after 1 January 2008. A lower 5% withholding tax rate may be applied when the immediate holding companies of the PRC subsidiaries are incorporated or operated in Hong Kong and fulfil the requirements to the tax treaty arrangements between the PRC and Hong Kong.

(d) LAT

The provision for LAT is estimated according to the requirements set forth in the relevant PRC tax laws and regulations. LAT has been provided at ranges of progressive rates of the appreciation value, with certain allowable deductions.

(e) Overseas income tax

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law, Cap. 22 of Cayman Islands and accordingly, is exempted from Cayman Islands income tax. The Company's subsidiaries in the British Virgin Islands were incorporated under the International Business Companies Act of the British Virgin Islands and, accordingly, are exempted from British Virgin Islands income tax.

7. PROFIT FOR THE YEAR

	Year ended 31 December	
	2015 HK\$'000	2014 HK\$'000 (Restated)
Profit for the year has been arrived at after charging the following items:		
Depreciation of property, plant and equipment	428,445	450,780
Amortisation of land use rights	25,589	18,755
	<u>454,034</u>	<u>469,535</u>

8. DIVIDENDS

	Year ended 31 December	
	2015 HK\$'000	2014 HK\$'000
2015 Interim dividend, HK8.7 cents (2014: HK8.5 cents) per ordinary share	599,534	494,097
2015 Final dividend, proposed, of HK48.7 cents (2014: HK41.0 cents) per ordinary share (Note)	3,375,368	2,840,865
	<u>3,974,902</u>	<u>3,334,962</u>

Note:

At a meeting held by the Board on 21 March 2016, the Board proposed a final dividend in respect of the year ended 31 December 2015 of HK48.7 cents per ordinary share of the Company, totalling approximately HK\$3,375,368,000 based on the latest number of ordinary shares of 6,930,939,579 shares of the Company. This proposed dividend is not reflected as a dividend payable in these consolidated financial statements, but will be reflected as a profit appropriation in the consolidated financial statements of the Company for the year ending 31 December 2016.

A final dividend for the year ended 31 December 2014 of HK41.0 cents per ordinary share, totalling approximately HK\$2,840,865,000 has been approved in the Company's Annual General Meeting on 3 June 2015 and paid during the year.

9. EARNINGS PER SHARE

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

	<u>Year ended 31 December</u>	
	<u>2015</u>	<u>2014</u>
	HK\$'000	HK\$'000 (Restated)
Earnings		
Earnings for the purposes of basic and diluted earnings per share (profit for the year attributable to owners of the Company)	<u>17,527,459</u>	<u>15,140,938</u>
	<u>Year ended 31 December</u>	
	<u>2015</u>	<u>2014</u>
		(Restated)
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	6,762,139,237	6,530,678,387
Effect of dilutive potential ordinary shares on share options	<u>2,303,920</u>	<u>4,604,358</u>
Weighted average number of ordinary shares for the purpose of diluted earnings per share	<u>6,764,443,157</u>	<u>6,535,282,745</u>

The Company issued 699,595,789 ordinary shares as part of the consideration for the acquisition of Acquired Businesses which are under common control and accounted for using merger accounting, the ordinary shares issued are included in the calculation of the weighted average number of shares for year ended 31 December 2015 and 31 December 2014 as if these ordinary shares are issued and the acquisition of the Acquired Businesses had completed on 1 January 2014.

10. TRADE RECEIVABLES, OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

	<u>31.12.2015</u> HK\$'000	<u>31.12.2014</u> HK\$'000 (Restated)	<u>1.1.2014</u> HK\$'000 (Restated)
Trade receivables (Note a)	878,604	697,339	776,987
Less: allowance for doubtful debts (Note a)	<u>(116,611)</u>	<u>(125,185)</u>	<u>(136,756)</u>
	<u>761,993</u>	<u>572,154</u>	<u>640,231</u>
Prepayments for acquisition of land use rights (Note b)	<u>6,768,361</u>	<u>12,846,755</u>	<u>16,320,996</u>
Other receivables	13,018,391	9,755,240	7,781,712
Less: allowance for doubtful debts	<u>(392,504)</u>	<u>(508,453)</u>	<u>(508,584)</u>
	<u>12,625,887</u>	<u>9,246,787</u>	<u>7,273,128</u>
Prepayments and deposits	<u>7,407,745</u>	<u>4,924,119</u>	<u>5,360,023</u>
	<u><u>27,563,986</u></u>	<u><u>27,589,815</u></u>	<u><u>29,594,378</u></u>

Notes:

(a) Trade receivables

Proceeds receivable in respect of sale of properties are settled in accordance with the terms stipulated in the sale and purchase agreements. Generally, purchasers of properties are required to settle the balance within 30 days as specified in the sales and purchase agreements or not granted with any credit period.

Except for the proceeds receivable from sale of properties, rental income from lease of properties and proceeds from construction contracts which are payable in accordance with the terms of the relevant agreements, the Group generally allows a credit period not exceeding 45 days to its customers.

The following is an aging analysis of trade receivables (net of allowance of doubtful debts) at the end of the reporting period:

	<u>31.12.2015</u> HK\$'000	<u>31.12.2014</u> HK\$'000 (Restated)	<u>1.1.2014</u> HK\$'000 (Restated)
Within one year	625,193	467,875	550,375
Over one year	<u>136,800</u>	<u>104,279</u>	<u>89,856</u>
	<u><u>761,993</u></u>	<u><u>572,154</u></u>	<u><u>640,231</u></u>

(b) Prepayments for acquisition of land use rights

The amount represents the prepayments made by the Group for the acquisition of land use rights in the Chinese Mainland for property development for sale. The land use right certificates have not yet been obtained by the Group at the end of the reporting period.

11. TRADE AND OTHER PAYABLES

	<u>31.12.2015</u> HK\$'000	<u>31.12.2014</u> HK\$'000 (Restated)	<u>1.1.2014</u> HK\$'000 (Restated)
Trade payables (Note a)	37,120,183	35,533,212	27,846,992
Other payables (Note b)	<u>14,253,051</u>	<u>10,150,015</u>	<u>8,252,901</u>
	<u>51,373,234</u>	<u>45,683,227</u>	<u>36,099,893</u>

Notes:

- (a) The following is an aging analysis of trade payables at the end of the reporting period based on the invoice date:

	<u>31.12.2015</u> HK\$'000	<u>31.12.2014</u> HK\$'000 (Restated)	<u>1.1.2014</u> HK\$'000 (Restated)
Within one year	26,728,996	28,584,159	26,036,844
Over one year	<u>10,391,187</u>	<u>6,949,053</u>	<u>1,810,148</u>
	<u>37,120,183</u>	<u>35,533,212</u>	<u>27,846,992</u>

- (b) Amounts include mainly receipt in advance, other taxes payable, temporary receipts and accrued salaries.

FOREWORD

In Year 2015, benefiting from China's stable economic growth and favourable industry policies, national sales of commodity housing recovered steadily, while high-end shopping mall and hotel businesses endured greater pressure when seeking for growth due to oversupply. Under the complex operating environment, the Group maintained notable growth in property sales, revenue and profit attributable to the owners, via enhanced operation and management adapting to market trend.

Results Review

In Year 2015, the Group achieved total consolidated revenue of HK\$103.39 billion, representing a year-on-year ("YoY") growth of 15.3%; core net profit attributable to the owners of the Company excluding revaluation gain from investment properties reached HK\$14.21 billion, up by 19.2% YoY; profit attributable to the owners of the Company including revaluation gain from investment properties increased by 15.8% YoY to HK\$17.53 billion. During the year, the Group's earnings per share achieved HK 259.2 cents, up by 11.8% YoY, while core earnings per share attributable to the owners of the Company increased by 15.2% YoY to HK210.0 cents. As of 31 December 2015, the net asset per share increased by 2.6% YoY to HK\$16.59.

The Board resolved to declare a final dividend of HK48.7 cents per share, together with the interim dividend of HK8.7 cents per share, the 2015 full-year dividend amounted to HK57.4 cents, representing an increase of 16.0% over that of 2014.

Development Property

In Year 2015, revenue from development property amounted to HK\$93.54 billion, representing a YoY growth of 14.4%. With recent years' persistence in precise positioning and cost standardization, the Group effectively improved its gross profit margin of development property to 30.1% in Year 2015.

During the Year 2015, the Group further improved its management expertise in the following aspects: strengthening product positioning, optimizing launching schedule to achieve sales target, enhancing product category management, balancing between volume and margin, actively destocking while optimizing new investments. As a result, the Group exceeded its annual property sales target in 2015 and achieved contracted sales of RMB85.15 billion with a contracted gross floor area ("GFA") of 6.76 million square meters, up by 23.0% and 2.4% YoY respectively.

Investment Property

In Year 2015, the rental income of the Group's investment properties (including hotel operations) increased by 21.4% YoY to HK\$6.65 billion. As at 31 December 2015, total GFA of the Group's operational investment properties reached 4.91 million square meters, including 11 Mixc, 7 Hi5/Mixc One and 2 other shopping malls. The Group's investment property scale is one of the largest in the industry.

During the Year, six shopping malls commenced operation successively, including Qingdao Mixc, Ganzou Mixc, Hefei Mixc, Zibo Mixc One, Shenyang Tiexi Mixc One and Changsha Xingsha Mixc One. The average opening rate of the above malls achieved 87.9% on the grand opening day, outperforming the market average.

In 2015, shopping malls encountered greater operational pressure as new openings continue to increase and on-line retail sales sustained fast growth. The Group adapted proactively to the ever-challenging commercial environment and delivered an outperforming retail sales growth in the year through continuous tenant mix optimization by reducing less-performing leasable area to increase unit efficiency, and by boosting foot traffic through creative tenant mix and better customer experience.

Land Bank

The Group maintained an active yet prudent investment principle, monitored closely to the land market, strengthened its research in investment opportunities among different cities and focused on tier 1 and core

tier 2 cities with healthy supply and demand dynamics. In addition to acquiring incubated projects from its parent CRH, the Group also actively acquired quality land bank through public land auctions.

In January 2015, the Group and Central New, a wholly-owned subsidiary of CRH, entered into an acquisition agreement with a total consideration of approximately HK\$18.64 billion (comprising share consideration of approximately HK\$12.60 billion and cash consideration of HK\$6.04 billion). Pursuant to the agreement, the Group acquired from CRH certain projects located in Shenzhen and Jinan with total GFA of approximately 4 million square meters. The acquisition enriched the Group's land bank in tier-1 cities, hence further ensured the Company's sustainable earnings growth.

During the Year 2015, apart from the assets acquired from CRH, the Group acquired 18 land parcels in Beijing, Shanghai, Suzhou and other cities with a total land premium of RMB59.21 billion (of which attributable land premium was RMB29.36 billion). Total GFA acquired reached 5.11 million square meters, of which 4.81 million square meters were for development properties and 0.30 million square meters were for investment properties.

As of 31 December 2015, the Group's geographical presence had been expanded to 53 cities nationwide, with a total land bank GFA of 41.26 million square meters, of which 35.75 million square meters were for development properties, and 5.51 million square meters were for investment properties. The Group's land bank is sufficient for development needs for the next three to five years, while the land bank mix matches well with the Group's business model.

Financial Policy

The Group adheres to its prudent financial policies. As of 31 December 2015, total interest-bearing debt and net interest-bearing debt ratios remained at relatively low levels in the sector at 36.6% and 23.0% respectively, significantly lower than those of 43.5% and 38.7% by 2014 year end. During the year, Standard and Poor's, Moody's and Fitch maintained the Company's credit ratings at "BBB+/stable", "Baa1/stable" and "BBB+/stable" respectively.

During the year, through reasonable early repayment of existing loans and increments in offshore RMB borrowings, the Group has extended the average debt tenor and increased RMB denominated portion of total interest bearing debt, which effectively lowered exchange rate risk while maintaining its advantage in low financing cost.

Corporate Social Responsibility

The Group continues to uphold its green principles of "no corporate development at the expense of environment, no sacrifice of long-term interests of the environment in exchange for corporate's short-term benefits". The Group has incorporated social responsibility into its business and is committed to the quality of products and services for customers through supply chain enhancement, safety responsibility conviction, energy-saving and emission-reduction enforcement, as well as extensive green building development.

For years, the Group has assigned volunteers to participate in new countryside construction. Construction of Zunyi Hope Town, the seventh "China Resources Hope Town" sponsored by CRH, was completed by the Group in the year and gained widespread social recognition.

In Year 2015, the Group achieved a 4.5 star rating from the China Academy of Social Science Research Center on its Corporate Social Responsibility Report, which is the highest rated report in the property sector of China. The Group was also ranked number 1 in Social Responsibility Development Index among 31 sampled property developers and received award from Hong Kong Business Sustainability Index.

Outlook

Looking into 2016, the Group expects China's economy to maintain steady growth in the "new normal" state. Property sector shall benefit from supportive policies including moderate monetary environment, the acceleration in new-round urbanization, further Hukou reform, inventory clearance measures as well as two-child policy. The Group remains positive on property market prospects.

The landscape of investment properties is expected to remain competitive. To reinforce its leading position in China's commercial property market, the Group will enhance its shopping mall operations by reasonably adjusting the development schedule of pipeline projects, by actively exploring new tenant mix, and by piloting the eco operation system of "shopping mall + internet" in selected projects.

2016 is the beginning year of "the 13th Five-year" development plan, the Group will continue to enhance and improve its existing competitive advantages in both development and investment property businesses to maintain earnings growth, and to proactively explore business innovations to achieve long-term sustainable development.

MANAGEMENT DISCUSSION AND ANALYSIS

In Year 2015, the Group's development property and investment property both sustained stable growth and achieved satisfactory results, both contracted sales and construction progress of projects were in line with management's expectations, laying down a solid foundation for 2016.

Review of Contracted Sales of Development Property Business in Year 2015

In Year 2015, the Group achieved contracted sales of RMB85.15 billion with contracted GFA of 6.76 million square meters, up by 23.0% and 2.4% YoY respectively.

Contracted sales breakdown by region in Year 2015 is set out in the table below:

Region	Contracted Sales		Contracted GFA	
	RMB'000	%	Sqm	%
Beijing	7,961,036	9.3%	414,956	6.1%
Shanghai	8,708,845	10.2%	346,526	5.1%
Shenzhen	22,967,650	27.0%	841,024	12.4%
Chengdu	7,105,185	8.3%	931,795	13.8%
Shenyang	9,081,913	10.7%	1,103,881	16.3%
Shandong	7,780,112	9.1%	831,026	12.3%
Jiangsu	10,103,517	11.9%	1,029,443	15.2%
Wuhan	6,961,252	8.2%	864,137	12.8%
Fujian	4,480,333	5.3%	395,892	6.0%
Total	85,149,843	100.0%	6,758,680	100.0%

Review of Development Property Revenue in Year 2015

In Year 2015, the Group achieved development property revenue of HK\$93.54 billion with booked GFA of 7.04 million square meters, representing a YoY growth of 14.4% and 18.7% respectively. Gross profit margin of development property reached 30.1% in year 2015, higher than 29.2% in year 2014.

Revenue breakdown by region in Year 2015 is listed below:

Region	Revenue	GFA Booked
	HK\$'000	Sqm
Beijing	9,853,311	550,309
Shanghai	12,361,283	419,690
Shenzhen	6,265,166	213,249
Chengdu	12,145,791	1,126,676
Shenyang	13,437,708	1,309,757
Shandong	12,409,004	879,250
Jiangsu	9,870,684	856,424
Wuhan	11,229,588	1,203,903
Fujian	5,963,649	477,024
Total	93,536,184	7,036,282

As of 31 December 2015, the Group has locked in unbooked contracted value of RMB88.76 billion that are subject to recognition in 2016 and years to come. Among which, RMB56.91 billion will be recognized in 2016, thereby laying down a solid foundation for the Group's performance in 2016.

Review of Investment Property Business in Year 2015

As of 31 December 2015, the book value of the investment properties of the Group amounted to HK\$88.32 billion, accounting for 22.7% of the Group's total assets value. In compliance with accounting policies, the Group engaged an independent appraiser to revalue its investment properties, including those under construction, and a revaluation gain of HK\$3.32 billion (net off taxation and minority interests) was booked for the year 2015 based on the appraisal report. In Year 2015, rental income of investment properties, including hotel operation, amounted to HK\$6.65 billion, representing a 21.4% YoY growth.

The following table sets out the rental income and occupancy rates of key investment properties in year 2015:

Investment Property	Open Date	Rental Income (HK\$'000)			Avg. Occupancy Rate (%)		
		2015	2014	% YoY	2015	2014	Pt YoY
Shenzhen Mixc	19/12/2004	1,050,494	990,698	6.0%	99.4%	99.7%	-0.3
Hangzhou Mixc	22/04/2010	488,284	486,184	0.4%	97.4%	98.5%	-1.1
Shenyang Mixc	15/05/2011	420,122	399,436	5.2%	95.1%	96.2%	-1.1
Chengdu Mixc	11/05/2012	284,011	258,170	10.0%	96.7%	98.4%	-1.7
Nanning Mixc	01/09/2012	487,060	454,216	7.2%	98.9%	99.1%	-0.2
Zhengzhou Mixc	19/04/2014	137,319	103,017	33.3%	92.9%	94.7%	-1.8
Chongqing Mixc	19/09/2014	195,230	41,249	373.3%	91.4%	87.7%	3.7
Wuxi Mixc	20/12/2014	124,250	19,730	529.8%	77.3%	75.3%	2.0
Qingdao Mixc	30/04/2015	224,423	N/A	N/A	83.0%	N/A	N/A
Hefei Mixc	25/09/2015	60,124	N/A	N/A	89.8%	N/A	N/A
Ganzhou Mixc	19/09/2015	50,257	N/A	N/A	95.0%	N/A	N/A
Shanghai Times Square Commercial	18/01/1997	115,784	134,983	-14.2%	88.0%	94.4%	-6.4
Beijing Phoenix Plaza Commercial	01/02/2010	82,637	80,176	3.1%	97.2%	97.1%	0.1
Beijing Qinghe Hi5	28/06/2011	262,790	228,860	14.8%	100.0%	99.9%	0.1
Hefei Shushan Hi5	01/05/2014	30,548	28,132	8.6%	96.1%	95.1%	1.0
Ningbo Yuyao Hi5	28/06/2014	60,249	26,255	129.5%	90.2%	90.8%	-0.6
Shanghai Nanxiang Hi5	25/10/2014	39,730	6,940	472.5%	98.1%	100.0%	-1.9
Zibo Mixc One	27/05/2015	80,182	N/A	N/A	84.5%	N/A	N/A
Shenyang Tiexi Mixc One	30/09/2015	28,033	N/A	N/A	86.5%	N/A	N/A
Changsha Xingsha Mixc One	28/11/2015	11,487	N/A	N/A	100.0%	N/A	N/A
Beijing CR Building	18/06/1999	228,340	224,217	1.8%	88.7%	90.5%	-1.8
Shenzhen CR Building	09/12/2004	163,169	160,162	1.9%	98.9%	99.8%	-0.9
Shenyang CR Building	09/05/2011	107,930	120,763	-10.6%	90.4%	95.8%	-5.4
Chengdu CR Building	20/04/2012	75,704	74,010	2.3%	73.0%	69.7%	3.3
Nanning CR Building	06/06/2012	25,701	21,083	21.9%	80.1%	96.7%	-16.6
Hangzhou CR Building	23/03/2015	4,713	N/A	N/A	15.0%	N/A	N/A
Shanghai Times Square Office	01/07/1997	121,460	122,679	-1.0%	96.7%	99.2%	-2.5
Beijing Phoenix Plaza Office	01/12/2011	351,595	335,491	4.8%	92.2%	95.9%	-3.7
Beijing Qinghe Hi5 Office	25/02/2013	24,188	25,126	-3.7%	100.0%	100.0%	0.0
Others	N/A	349,617	341,463	2.4%	N/A	N/A	N/A
Shenzhen Grand Hyatt Hotel	01/07/2010	502,375	485,764	3.4%	74.4%	69.8%	4.6
Shimei Bay Le Meridien Hotel	01/11/2008	66,112	81,534	-18.9%	35.9%	37.2%	-1.3
Shenyang Grand Hyatt Hotel	30/08/2013	230,719	203,232	13.5%	68.5%	66.7%	1.8
Dalian Grand Hyatt Hotel	12/09/2014	169,928	28,908	487.8%	42.1%	28.1%	14.0
Total		6,654,565	5,482,478	21.4%	N/A	N/A	N/A

Details of the Group's key investment properties opened in 2015 are listed below:

Property	City	Interest Attributable to the Group (%)	Total GFA (Sqm)	Attributable GFA (Sqm)	Usage
Qingdao Mixc	Qingdao	97.33%	362,945	353,254	
The Mixc			264,245	257,190	Commercial
Car Park			98,700	96,064	Car Park
Zibo Mixc One	Zibo	100.0%	259,908	259,908	
Mixc One			154,805	154,805	Commercial
Car Park			105,103	105,103	Car Park
Shenyang Tiexi Mixc One	Shenyang	100.0%	242,735	242,735	
Mixc One			154,401	154,401	Commercial
Car Park			88,334	88,334	Car Park
Hefei Mixc	Hefei	100.0%	322,362	322,362	
The Mixc			198,074	198,074	Commercial
Car Park			124,288	124,288	Car Park
Ganzhou Mixc	Ganzhou	55.0%	182,900	100,595	
The Mixc			139,900	76,945	Commercial
Car Park			43,000	23,650	Car Park
Changsha Xingsha Mixc One	Changsha	100.0%	73,139	73,139	
Mixc One			50,539	50,539	Commercial
Car Park			22,600	22,600	Car Park
Hangzhou Mixc Phase 2	Hangzhou	60.0%	15,825	9,495	
The Mixc Phase 2			15,825	9,495	Commercial
Hangzhou CR Building	Hangzhou	60.0%	39,433	23,660	
Office			36,688	22,013	Office
Car Park			2,745	1,647	Car Park
Total GFA			1,499,247	1,385,148	
Comprising: Commercial			977,789	901,449	
Office			36,688	22,013	
Car Park			484,770	461,686	

As of 31 December 2015, the Group's investment properties in operation achieved 4.91 million square meters in total GFA, while that under construction and planning reached 5.51 million square meters in total GFA. Details are listed below:

	Investment Properties In Operation		Investment Properties Under Construction and Planning	
	Total GFA (Sqm)	Attributable GFA (Sqm)	Total GFA (Sqm)	Attributable GFA (Sqm)
Total GFA	4,911,846	4,369,067	5,505,608	4,684,287
Comprising: Commercial	2,938,496	2,561,367	3,892,450	3,317,241
Office	407,044	389,919	954,186	836,887
Hotel	225,709	199,052	541,729	431,243
Others	1,340,597	1,218,729	117,243	98,916

Investment property business, particularly shopping malls, is one of the Group's primary focuses. The Group's shopping malls in the pipeline will come on stream in the next few years, with 2015 to 2018 being the peak years for new completions. In the future, the Group will continue to improve development and operating capabilities to ensure stable growth in recurrent rental income, and further enhances the Group's unique competitiveness from its "double-engine" business strategy to strengthen earnings sustainability.

Review of Value-added Services Business in Year 2015

In Year 2015, the Group continued to expand its value-added services in areas of residential development, investment properties and property management. For residential development, fitted products were continuously introduced, with coverage GFA of 1.63 million square meters as at 31 December 2015.

Going forward, the Group will establish a standardized system of products for residential value-added services based on changes in market conditions and customer demand, with a pursuit to provide better product experience for our property owners. For investment properties, the Group will explore the "Shopping mall + internet" eco operation system in selected projects. On-line networks for community value-added services will be consolidated to explore and gradually refine the "property + internet" service model.

Land Bank

In Year 2015, apart from the assets acquired from CRH, the Group acquired 18 quality projects totalling 5.11 million square meters in GFA with a total consideration of RMB59.21 billion. As of 31 December 2015, the total GFA of the Group's land bank amounted to 41.26 million square meters. Region breakdown is set out below:

Region	Total GFA	Attributable GFA
	(Sqm)	(Sqm)
Beijing	3,472,988	2,663,112
Shanghai	1,872,970	1,162,267
Shenzhen	8,099,509	6,319,048
Chengdu	7,543,490	7,146,775
Shenyang	3,660,469	3,217,292
Shandong	5,039,209	4,865,565
Jiangsu	6,200,282	5,226,721
Wuhan	3,350,821	3,029,661
Fujian	2,018,027	1,761,613
Total	41,257,765	35,392,054

Sufficient land bank further reinforced foundation for the Group's sustainable growth in the future. As of 31 December 2015, the Group's geographic presence had been extended to 53 cities.

Going forward, while maintaining healthy financial position with an optimal capital structure, the Group will focus on core strategic cities, strictly follow its financial return criteria and diversify access to land bank through joint ventures and other channels in replenishing quality land bank to match its development strategies and business model. Further land bank acquisitions will be funded by the Group's internal resources together with external financing.

Loans, Debt Ratios, Asset Pledge and Foreign Exchange Risk

Benefiting from strong operating cash inflow and prudent financial management, the Group further strengthened its balance sheet in Year 2015 and maintained relatively low debt ratios. As at 31 December 2015, the Group's total debt was HK\$76.15 billion equivalent while its cash and bank balance amounted to HK\$45.87 billion. The Group's net interest-bearing debt to equity ratio (including minority interests) was 23.0%, which was substantially lower than that of 2014 at 38.7% (restated).

The Group continues to strengthen its financial management and optimize its debt profile. In May 2015, the Group raised HK\$10.1 billion by issuing a total of 400,000,000 shares at the price of HK\$25.25 per share and hence effectively enhanced its financial resources. As of 31 December 2015, 53% of the Group's interest-bearing debt was denominated in RMB and 47% in HK\$ and US\$. Approximately 19% of the interest-bearing debt is repayable within one year while the rest is long term debt. The Group has

maintained its borrowing cost at a relatively low level in the sector, with the weighted average cost of funding at 4.63% as at 31 December 2015.

In Year 2015, the international credit rating agencies Standard and Poor's, Moody's and Fitch maintained the Company credit ratings at "BBB+/stable", "Baa1/stable" and "BBB+/stable" respectively.

As of 31 December 2015, the Group had total loan facilities of RMB25.09 billion through asset pledge with pledge tenor ranging from 3 to 15 years, and the Group's total balance of asset-pledged loan was RMB17.69 billion, which equivalents to HK\$18.30 billion.

The Group's residential and investment properties are all located in Mainland China. We estimate Renminbi exchange rate to continue its two-way volatility as Renminbi exchange mechanism becomes more market-oriented. However, the foreign exchange risk of the Group is expected to be under control, and not to pose a material impact on the Group's financial position. The Group will closely monitor its exchange risk exposure and will adjust its debt profile when necessary based on market changes.

Employee and Compensation Policy

As of 31 December 2015, the Group had 31,481 full time employees in Mainland China and Hong Kong (including property management and agency subsidiaries). The Group remunerates its employees based on their performance, working experience and market salary levels. In addition, performance bonus is granted on a discretionary basis. Other employee benefits include provident fund, insurance and medical coverage.

Contingent Liabilities

Temporary guarantees are provided to banks with respect to mortgage loans procured by some purchasers of the Group's properties. Such guarantees will be released by banks upon the issuance of the real estate ownership certificate to the purchasers or the satisfaction of mortgaged loan by the purchasers, whichever is earlier. In the opinion of the Board, the fair value of the financial guarantee contracts is not significant.

Corporate Governance

The Company and the Board strive to establish good corporate governance standards and procedures. The Company recognizes the importance of maintaining high standards of corporate governance to the long-term stable development of the Group. Hence, the Company has adopted all the code provisions set out in the Corporate Governance Code (the "CG Code") in the Appendix 14 to the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange of Hong Kong Limited (the "Stock Exchange").

During Year 2015, Mr. Tang Yong, the Vice Chairman of the Company, has effectively presided over the daily operations and management of the Board. Meanwhile, Mr. Tang Yong was also responsible for managing daily operations of the Company. To maintain the operational continuity of the nomination committee, Mr. Wu Xiangdong remained as chairman of the nomination committee after his resignation as Chairman of the Company in 2014. The Company believes that the aforesaid arrangements do not have negative impact on the Group's effective operations and execution. The Company will review the Board and Board Committees so as to maintain the quality of the Board and the Company's business operations.

Mr. Wang Yan was appointed as Non-executive Director of the Company on 13 August 2014. At the annual general meeting held on 3 June 2015, a resolution was approved by shareholders regarding appointment of Mr. Wang Yan as Director of the Company. However, according to the code provision, director appointed to fill a casual vacancy shall be subject to election by shareholders at the first general meeting after his appointment, i.e. the general meeting of the Company held on 21 January 2015.

Besides, composition of the Board of the Company remained unchanged in Year 2015. No meeting was held by the Nomination Committee to review the structure, size and composition of the Board.

Save for the above arrangements, the Company complied with all the code provisions set out in the Corporate Governance Code from 1 January to 31 December 2015.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules as code of conduct regarding securities transactions by the Directors of the Company (the “Model Code”). Having made specific enquiry with all Directors, all Directors confirmed that they have complied with the required standard set out in the Model Code during the year under review.

STRATEGIC INCENTIVE AWARD SCHEME

As an incentive to retain and encourage the employees for the continual operation and development of the Group, the Board resolved to adopt an incentive scheme, which is presently named as Strategic Incentive Award Scheme (the “Scheme”) on 30 May 2008 (the “Adoption Date”). The Scheme was subsequently amended on 8 December 2009. Unless earlier terminated by the Board, the Scheme shall be effective from the Adoption Date and shall continue in full force and effect for a term of 10 years. According to the Scheme, shares up to 2.5% of the issued share capital of the Company as at the Adoption Date will be purchased by the trustee of the Company from the market out of cash contributed by the Group and be held in trust for the relevant selected employees until such shares are vested with the relevant selected employees in accordance with the provisions of the Scheme.

As of 31 December 2015, the Company had through trustee of the Company purchased 85,101,259 shares of the Company, representing 2.1088% of the issued share capital of the Company as at the Adoption Date, from the market at an aggregate consideration of HK\$1,128,677,715.23 (including transaction costs), among which, 5,439,259 shares of the Company were purchased in Year 2015 at an aggregate consideration of HK\$119,635,389.92 (including transaction costs). During the year ended 31 December 2015, a total number of 10,279,734 shares were vested and sold through trustee, the sale proceeds of the vested shares have been and will be transferred to the relevant selected employees in accordance with the provisions of the Scheme.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Save as disclosed above under “Strategic Incentive Award Scheme”, neither the Company nor its subsidiaries purchased, sold or redeemed any of the Company’s listed securities during Year 2015.

AUDIT COMMITTEE AND AUDITOR

Final results of Year 2015 have been reviewed by the Audit Committee which comprises four independent non-executive directors and two non-executive directors. The financial information included in this preliminary results announcement for Year 2015 has been agreed by the auditor of the Company.

FINAL DIVIDEND

The Board recommended a final dividend of HK48.7 cents per share for Year 2015 (2014: HK41.0 cents) payable on or about 5 July 2016 to shareholders whose names appear on the Register of Members of the Company on 16 June 2016.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the annual general meeting of the Company to be held on 3 June 2016, the register of members of the Company will be closed from 2 June 2016 to 3 June 2016 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the above meeting, unregistered holders of shares of the Company should ensure that all transfer forms accompanied by the relevant share certificates must be lodged with the Branch Share Registrar, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration no later than 4:30 p.m. on 1 June 2016.

For determining the entitlement to the proposed final dividend for Year 2015 (subject to approval by the shareholders at the annual general meeting), the register of members of the Company will be closed from 15 June 2016 to 16 June 2016 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to be eligible for the above proposed final dividend, unregistered holders of shares of the Company should ensure that all transfer forms accompanied by the relevant share certificates must be lodged with the Branch Share Registrar, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on 14 June 2016.

PUBLICATION OF ANNUAL RESULTS ON THE WEBSITE OF THE STOCK EXCHANGE

The Company's 2015 Annual 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.

By Order of the Board
China Resources Land Limited
Tang Yong
Vice Chairman

Hong Kong, 21 March 2016

As at the date of this announcement, the executive Directors are Mr. Wu Xiangdong, Mr. Tang Yong (Vice Chairman) and Mr. Yu Jian; the non-executive Directors are Mr. Yan Biao, Mr. Du Wenmin, Mr. Ding Jiemin, Mr. Wei Bin, Mr. Chen Ying and Mr. Wang Yan; and the independent non-executive Directors are Mr. Wang Shi, Mr. Andrew Y. Yan, Mr. Ho Hin Ngai, Bosco, Mr. Wan Kam To, Peter and Mr. Ma Weihua.