



CHINA RESOURCES LAND LIMITED

2008 Interim Results Review

12th Sep, 2008

Agenda

Highlights

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Business Strategy

Highlights

- Net profit in 1H 2008 rose 44.3% yoy to HK\$829.4mn on the back of 58.4% yoy increase in revenue (HK\$2,780.7mn vs. HK\$1,755.0mn);
- Overall gross and net profit margins were 35.3% and 29.8% respectively. While development margins were largely flat yoy, IP margin continued to see improvement;
- Development operation saw a respective yoy growth of 34.2% in revenue and 23.8% in gross profit, thanks to rising revenue, higher selling prices and cost optimization;
- IP sustained its strong underlying performance, with a 16.6% and 22.6% yoy growth in revenue and gross profit respectively;
- As many projects launched or are scheduled to launch presales in 2H, as those projects start to meet presale conditions, we are confident of achieving satisfactory sales results for full year;
- With our unique advantages in terms of differentiated business model, unparalleled parent supports, strong balance sheet and low funding costs, the Group is poised to deliver strong and sustained growth and to emerge ever stronger.

Income statement

6 Months Ended 30 Jun (HK\$ mn)	1H 2008	% of Sales	1H 2007	% of Sales	YOY Change
Turnover	2,780.7		1,755.0		58.4%
<i>Development</i>	1,729.3	62.2%	1,288.4	73.4%	34.2%
<i>Investment Property</i>	544.3	19.6%	466.8	26.6%	16.6%
Gross Profit	982.2	35.3%	777.2	44.3%	26.4%
<i>Development</i>	568.3	32.9%	458.9	35.6%	23.8%
<i>Investment Property</i>	390.1	71.7%	318.3	68.2%	22.6%
IP Revaluation Gain	256.1		239.4		
Taxation	-239.4		-319.7		
Minority Interest	-43.4		-9.4		
Attributable Net Profit	829.4	29.8%	574.7	32.7%	44.3%
<i>Core Profit</i>	575.4	20.7%	425.7	24.3%	35.2%
<i>IP Revaluation Gain</i>	192.1		196.0		
<i>One-off Items</i>	62.0		-47.0		
EPS - Basic (HK\$)	0.206		0.168		22.7%
EPS - Fully Diluted (HK\$)	0.204		0.165		23.5%
DPS (HK\$)	0.034		0.024		41.7%

Net Profit grew 44% yoy, driven by surge of revenue + IP contribution

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Adjusted Attributable Net Profit and EPS

6 Months Ended 30 Jun (HK\$ mn)	1H 2008	1H 2007	YOY Change
Reported Attributable Net Profit	829.4	574.7	44.3%
Reported EPS (HK\$)			
- Basic	0.206	0.168	22.7%
- Fully Dilluted	0.204	0.165	23.5%
Adjustments for Non-recurrent or Non-comparable Items			
Less: Gain on changes in fair value of derivative financial instruments	(62.0)	-	
Add: Difference in net profit arising from change in tax rate for deferred tax calculatior	-	47.0	
Adjusted Underlying Attributable Net Profit	767.4	621.7	23.4%
<i>of which,</i>			
<i>Core net profit</i>	575.4	425.7	35.2%
<i>Revaluation gain, net of deferred tax</i>	192.1	196.0	
Adjusted Underlying EPS (HK\$)			
- Basic	0.143	0.124	14.9%
- Fully Dilluted	0.141	0.122	15.7%

Core net profit growth was strong at 35% yoy

Booking of property development income

6 Months Ended 30 Jun (HK\$ mn)

	Turnover	GFA
	HK\$ mn	sqm
Beijing Phoenix City	147.7	3,625
Beijing Oak Bay	3.8	917
Beijing Other Residential	58.6	7,739
Chengdu Jade City	640.5	98,439
Wuhan Phoenix City	49.7	4,851
Hefei French Annecy	327.9	54,968
Wuxi Taihu Int'l Community	501.3	63,571
1H 2008 Total:	1,729.3	234,110
1H 2007 Total	1,288.4	157,686
YOY Change, %	34.2%	48.5%

Development revenue rose strongly on increases in completion area and ...

Average Selling Price of Key Projects

RMB/sqm	1H 2008	2007 FY	YOY Change
Beijing Phoenix City	36,908	21,581	71.0%
Beijing Oak Bay	15,216	14,957	1.7%
Shanghai The Bund Side	41,423	27,425	51.0%
Shanghai Oak Bay	40,075	N.A.	N.A.
Chengdu Jade City	7,391	7,375	0.2%
Chengdu 24 City	7,374	7,318	0.8%
Chengdu Phoenix City	6,340	6,846	-7.4%
Wuhan Phoenix City	9,303	7,386	26.0%
Hefei French Annecy	5,494	4,645	18.3%
Wuxi Taihu Int'l Community	8,887	7,112	25.0%

... strong gains in selling prices

Income from IP + Property Management

6 Months Ended 30 Jun (HK\$ mn)					
	1H 2008	1H 2007	YOY Change	1H 2008	1H 2007
	Turnover HK\$ mn			Occupancy Rate %	
Beijing China Resources Building	78.2	64.9	20.4%	95.2%	99.4%
Shanghai China Resources Times Square	82.5	75.4	9.5%	95.8%	93.4%
Shenzhen City Crossing Phase 1	286.6	230.6	24.3%	99.6%	99.7%
Other Investment Properties	38.9	45.8	-15.0%	91.3%	87.5%
Residential Property Management Fee	58.1	50.1	15.9%	NA	NA
Total Rental Income:	544.3	466.8	16.6%		

IP sustained its strong revenue growth of 17%

Margins

6 Months Ended 30 Jun (HK\$ mn)

	1H 2008	1H 2007	YOY Change	2007 FY
Turnover				
Development	1,729.3	1,288.4	34.2%	4,333.5
Investment & Others	544.3	466.8	16.6%	986.4
Gross Profit				
Development	568.3	458.9	23.8%	1,406.8
Investment & Others	390.1	318.3	22.6%	655.1
Gross Profit Margin				
Development	32.9%	35.6%		32.5%
Investment & Others	71.7%	68.2%		66.4%

Note: A mild reduction in GP margin in 1H 2008 due to higher margin Beijing Phoenix City 3 being booked in 1H 2007 as compared with lower margin projects in Chengdu and Wuxi in 1H 2008.

IP margins saw sustained improvement while development margin remained stable

Other income

6 Months Ended 30 Jun (HK\$ mn)	1H 2008	% of Total	1H 2007	% of Total
Re-valuation of Investment Properties *	256.1	46.5%	239.4	67.3%
Interest Income	30.8	5.6%	35.6	10.0%
Exchange Gain	188.3	34.2%	76.1	21.4%
Gain on Change in Derivative Instruments Value	62.0	11.3%	-	0.0%
Others	13.4	2.4%	4.8	1.3%
Total:	550.6	100%	355.9	100%

*After-tax impact of revaluation gains, net of deferred taxation, is HK\$192mn in 1H 2008 vs. HK\$196mn in 1H 2007

Investment properties appreciate steadily reflecting increases in rental and margin expansion

Finance costs

6 Months Ended 30 Jun (HK\$ mn)	1H 2008	1H 2007	YOY Change
Interest on Bank Loans	445.1	300.3	48.2%
<i>Less: Capitalisation</i>	-367.7	-233.7	57.3%
Finance Costs on P/L	77.4	66.6	16.3%
Average Interest Rate (p.a.)	4.88%	5.76%	

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

Financial position

6 Months Ended 30 Jun (HK\$ mn)	1H 2008	1H 2007	YOY Change
Total Borrowings	21,000.3	11,305.9	85.7%
<i>% in HK\$</i>	49%	59%	
<i>% in RMB</i>	51%	41%	
Cash On Hand	4,852.9	4,963.9	-2.2%
<i>% in HK\$</i>	2%	72%	
<i>% in RMB</i>	98%	28%	
Net Borrowings	16,147.4	6,342.0	154.6%
<i>% in HK\$</i>	63%	49%	
<i>% in RMB</i>	37%	51%	
Equity	24,366.2	16,192.3	50.5%
Net Debt to Equity Ratio	66.3%	39.2%	N.A.
Book Value (HK\$)	6.04	4.72	28.0%

- As of end-July 2008, new loans totaling HK\$2.65bn at HIBOR+80/105bp and RMB4.52bn at 7.56%-8.47% were raised.
- If adjusting for the issuance of 675,799,850 new shares (at 13.34 per share) as consideration for asset injection from CRH in Jul., net debt to equity ratio would have been lowered to 48.4% with the book value @ HKD7.1/share.

Balance sheet remains strong

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Land Bank: Total attributable land bank up to 20.8mn sqm

City	Residential Property (sqm)	Investment Property (sqm)	Total GFA (sqm)
Beijing	2,316,478	643,452	2,959,930
Shanghai	483,177	97,139	580,316
Shenzhen	111,039	434,766	545,805
Chengdu	4,600,838	61,167	4,662,005
Wuhan	544,427	-	544,427
Hefei	440,593	-	440,593
Hangzhou	349,503	463,477	812,980
Wuxi	1,418,856	350,000	1,768,856
Ningbo	565,754	-	565,754
Dalian	1,722,176	91,138	1,813,314
Changsha	2,205,213	-	2,205,213
Suzhou	130,393	-	130,393
Chongqing	2,248,317	240,000	2,488,317
Mianyang	861,916	-	861,916
Xiamen	380,771	-	380,771
Tianjin	152,200	-	152,200
Shenyang	1,025,300	-	1,025,300
Grand Total:	19,556,951	2,381,139	21,938,090
Attributable GFA:	18,796,162	1,993,124	20,789,286

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
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
Hua Rui Building	Shenzhen	100%	13,789	13,789	Hotel
CR Times Square	Shanghai	100%	97,139	97,139	
Mall			51,190	51,190	Retail
Office			36,843	36,843	Office
China Resources Building	Beijing	100%	65,222	65,222	Office
Xidan Cultural Centre	Beijing	95.80%	36,184	34,664	Retail
Grand Constellation	Beijing	95.80%	16,787	16,082	Retail
U-Space	Beijing	95.80%	10,685	10,236	Retail
Jing Tong	Beijing	95.80%	17,952	17,198	Retail
Phoenix City Commercial	Beijing	95.80%	13,210	12,655	Retail
Huawei Centre	Beijing	47.90%	54,214	25,969	Res./Retail
Huanan Building	Beijing	15.29%	70,058	10,712	Retail/Office
Others	Beijing	95.80%	53,459	51,214	Office/Retail
Total			678,637	584,817	
	Retail		506,115	413,586	
	Office		172,522	171,231	

LAND BANK

Substantial IP assets solidify future earnings while mitigating earnings risks

Land Bank: Held by CRH (parent co.)

City	Acquisition Date	Total GFA (sqm)	Use	Interest	Attributable Land Cost (RMB mn)	AV (RMB/sqm)
Shenyang	Jan. 2007	729,900	Residential	100%	558	765
Shenyang	Feb. 2007	695,850	Commercial	100%	1,040	1,495
Wuhan	Apr. 2007	540,497	Residential	100%	1,621	2,999
Wuhan	Sep. 2007	536,889	Commercial	100%	2,692	5,014
Wuxi	Nov. 2007	312,300	Residential	100%	1,278	4,092
Nanning	Dec. 2007	569,000	Commercial	100%	953	1,676
Fuzhou	May 2008	603,108	Residential	100%	1,815	3,009
Total:		3,987,544			9,958	

Pipelines for potential injections are strong and continue to be enriched

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Sales Contracted in 1H2008

City	6 Months Ended 30 Jun	Product Type	Estimated Completion	Total GFA (sqm)	Accumulated GFA Sold (sqm)	GFA Sold in 1H 2008 (sqm)	Contracted Value (RMB mn)
Beijing	Phoenix City	High Rise Res.	Completed	171,583	100,518	3,625	133.79
	Oak Bay	High Rise Res.	Dec. 2008	867,500	151,466	10,003	152.21
	Other Residential	Residential	Completed	N.A.	N.A.	506	8.24
	Car Park	Car Park	Completed	N.A.	N.A.	7,224	41.48
Shanghai	The Bund Side	High Rise Res.	Dec. 2008	94,222	66,778	2,475	102.52
	Oak Bay	Low Rise Res.	Dec. 2008	83,126	2,555	2,555	102.39
Chengdu	Jade City 3	Low Rise Res.	Completed	189,409	174,057	3,118	35.53
	Jade City 4	Low Rise Res.	Dec. 2008	333,426	87,156	25,910	191.51
	Twenty-four City	High Rise Res.	Jun. 2009	362,764	90,754	23,816	175.63
	Phoenix City	High Rise Res.	Dec. 2008	394,255	88,474	24,203	153.45
	Car Park	Car Park	Completed	N.A.	N.A.	1,057	4.01
Wuhan	Phoenix City	High Rise Res.	Completed	157,300	111,805	4,851	45.13
Hefei	French Annecy	Low Rise Res.	Completed	226,892	166,293	36,625	201.20
	Car Park	Car Park	Completed	N.A.	N.A.	313	0.86
Wuxi	Taihu Int'l Community	High Rise Res.	Dec. 2008	204,464	91,485	26,306	233.78
1H 2008 Total:						172,587	1,581.72
1H 2007 Total:						206,512	2,015.00

As of 10 Sep., contracted sales amounted to RMB 4.7bn, representing a yoy growth of 54.6%

New Project Launches in 2H 2008

City	Project	Description	Planned Launch Date	Sales RMB mn	Approx. ASP RMB/sqm
Beijing	Eco Living	Apartment in 3rd Ring	Oct.		
Shanghai	Oak Bay	Apartment in city centre	Sep.		
Wuhan	Central Park	Apartment in city centre	Oct.		
Hefei	Park Lane Manor	Apartment in 2nd Ring	3 Aug.	115	5,200
Shenzhen	City Crossing 2 Res.	High-end res. next to mall	Oct.		
Ningbo	Tuscany Lake	High-end town house	16 Aug.	278	22,500
Ningbo	Central Park	Mass residential	Oct.		
Changsha	Phoenix City	Mass residential	Sep.		
Suzhou	Suzhou Villa	High-end villa in city centre	Nov.		
Chongqing	Twenty-four City	Apartment in city centre	Dec.		
Hangzhou	Hangzhou MIXc Res.	High-end res. next to mall	21 Aug.	1,725	28,000
Dalian	Maritime	Mass residential	31 Aug.	301	7,400
Dalian	Oriental Xanadu	High-end res. in city centre	10 Sep.	275	28,400

Notes: The launch date are estimates only.

Completion Schedule for 2008- post 2010

City	Project	Total GFA (sqm)	GFA (sqm) Yet Completed	Projected Completion Schedule (sqm)		
				2008E	2009E	Post 2010E
Beijing	Oak Bay	917,889	826,912	83,843	83,627	659,442
	Phoenix Plaza	248,025	248,025	131,937	116,088	-
	Majestic Garden	92,000	92,000	-	-	92,000
	Eco Living	280,385	280,385	-	-	280,385
	Daxing Project #15	153,956	153,956	-	-	153,956
	Mentougou Project	348,048	348,048	-	-	348,048
	Daxing Project #17	227,323	227,323	-	-	227,323
Shanghai	The Bund Side	241,404	189,490	19,407	23,857	146,226
	Oak Bay	293,687	293,687	18,849	42,877	231,961
Chengdu	Jade City	1,202,311	701,737	413,772	121,481	166,484
	Phoenix City	851,487	851,487	371,925	196,729	282,833
	Twenty-four City	2,519,458	2,519,458	-	360,839	2,158,619
	Oak Bay	528,156	528,156	-	37,740	490,416
Wuhan	Minzhu Road Project	61,228	61,228	-	53,000	8,228
	Central Park	423,315	423,315	-	74,264	349,051
Hefei	French Ancecy	226,009	65,115	87,832	8,476	-
	Park Lane Manor	375,478	375,478	-	120,457	255,021
Shenzhen	City Crossing 2	302,078	302,078	-	302,078	-
Ningbo	Tuscany Lake	190,339	190,339	-	140,785	49,554
	Central Park	375,416	375,416	-	36,220	339,196
Changsha	Phoenix City	1,616,072	1,616,072	-	129,240	1,486,832
	Hanpu Project	589,141	589,141	-	-	589,141
Suzhou	Suzhou Villa	130,393	130,393	-	42,630	87,763
Xiamen	Oak Bay	380,771	380,771	-	-	380,771
Tianjin	Xinjiayuan Project	152,200	152,200	-	-	152,200
Chongqing	Jiangbei Project	572,306	572,306	-	-	572,306
	Twenty-four City	1,916,011	1,916,011	-	112,706	1,803,305
Mianyang	Entrepreneur Park Project	861,916	861,916	-	-	861,916
Hangzhou	Hangzhou MIXc	812,980	812,980	-	252,234	560,746
Wuxi	Taihu International Community	1,832,426	1,768,856	166,135	120,000	1,482,721
Dalian	Maritime	1,501,151	1,501,151	-	244,609	1,256,542
	Oriental Xanadu	312,164	312,164	-	106,556	205,608
Shenyang	Oak Bay	1,025,300	1,025,300	-	30,000	995,300
Total completion in the year:				1,293,700	2,756,493	16,673,894

Notes: The above does not include land bank of CRH (parent co.).

The attributable interests of projects in Beijing (except Oak Bay is 97.8%, Mentougou & Daxing #17 are 100%), Hangzhou, Wuxi and Dalian (Oriental Xanadu only) are 95.8%, 60%, 60% and 55% respectively. The rest are all 100%.

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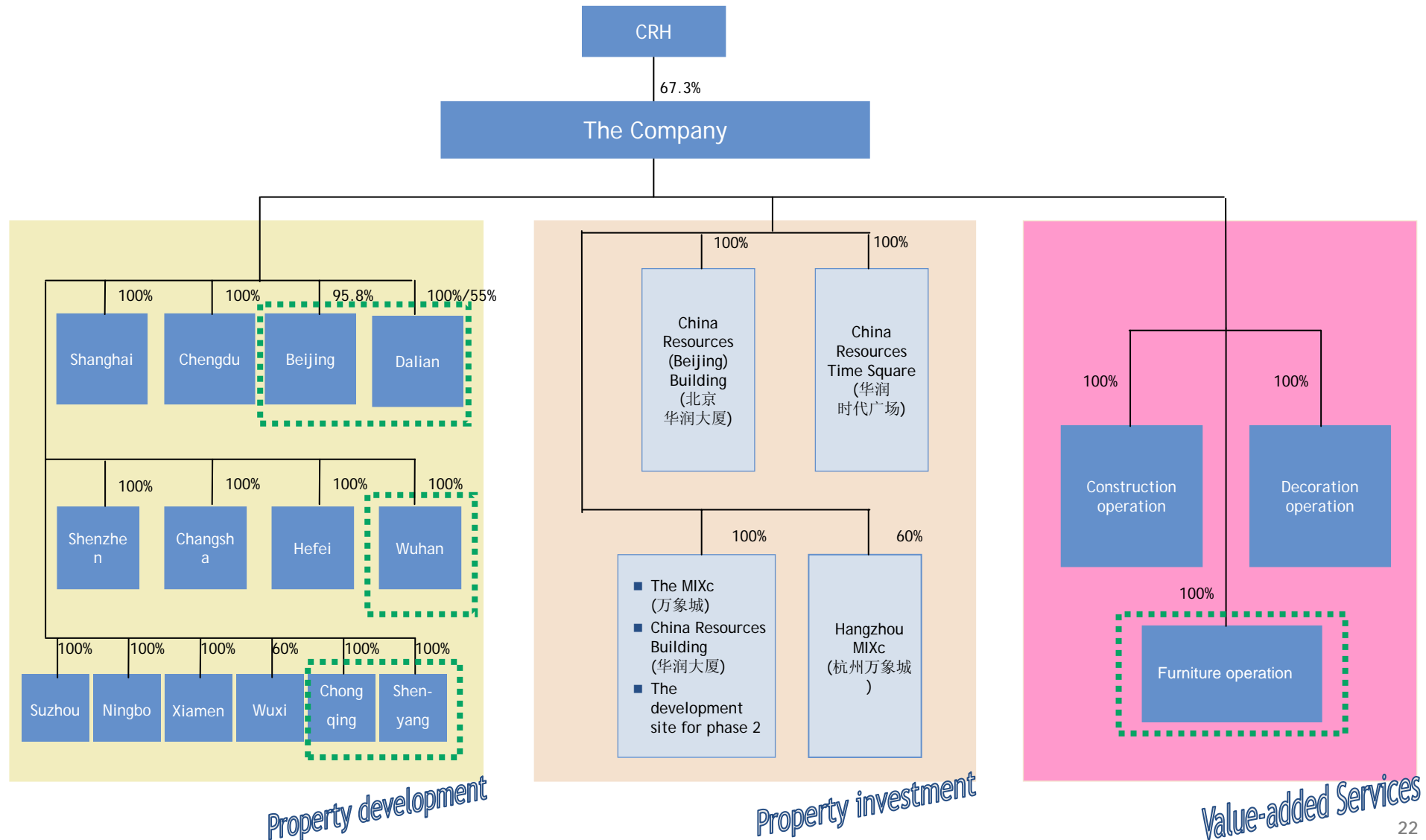
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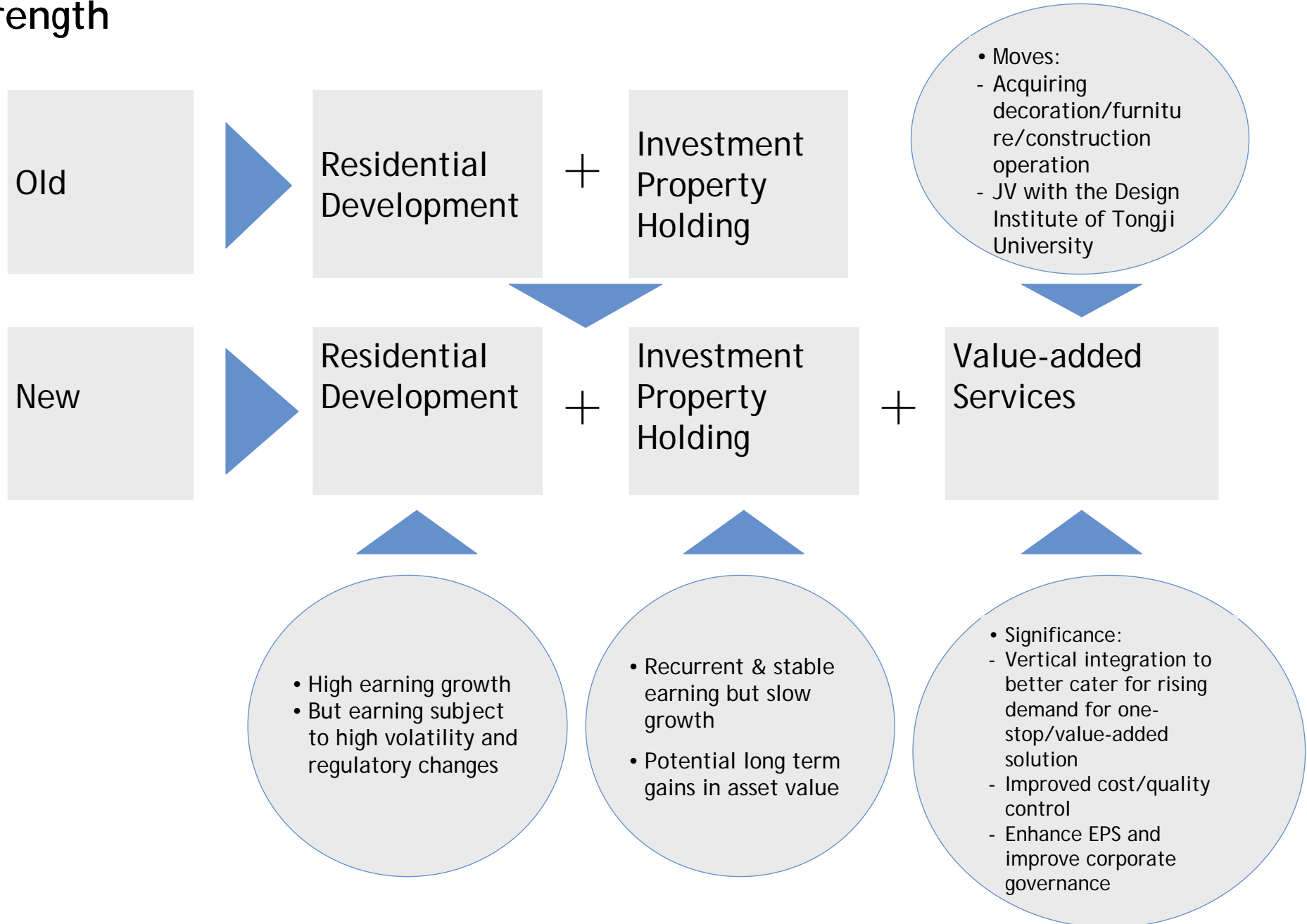
Completion Schedule

Business Strategy

Major corporate developments in 1H 2008: acquisition of land bank & furniture business from CRH



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 17 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.

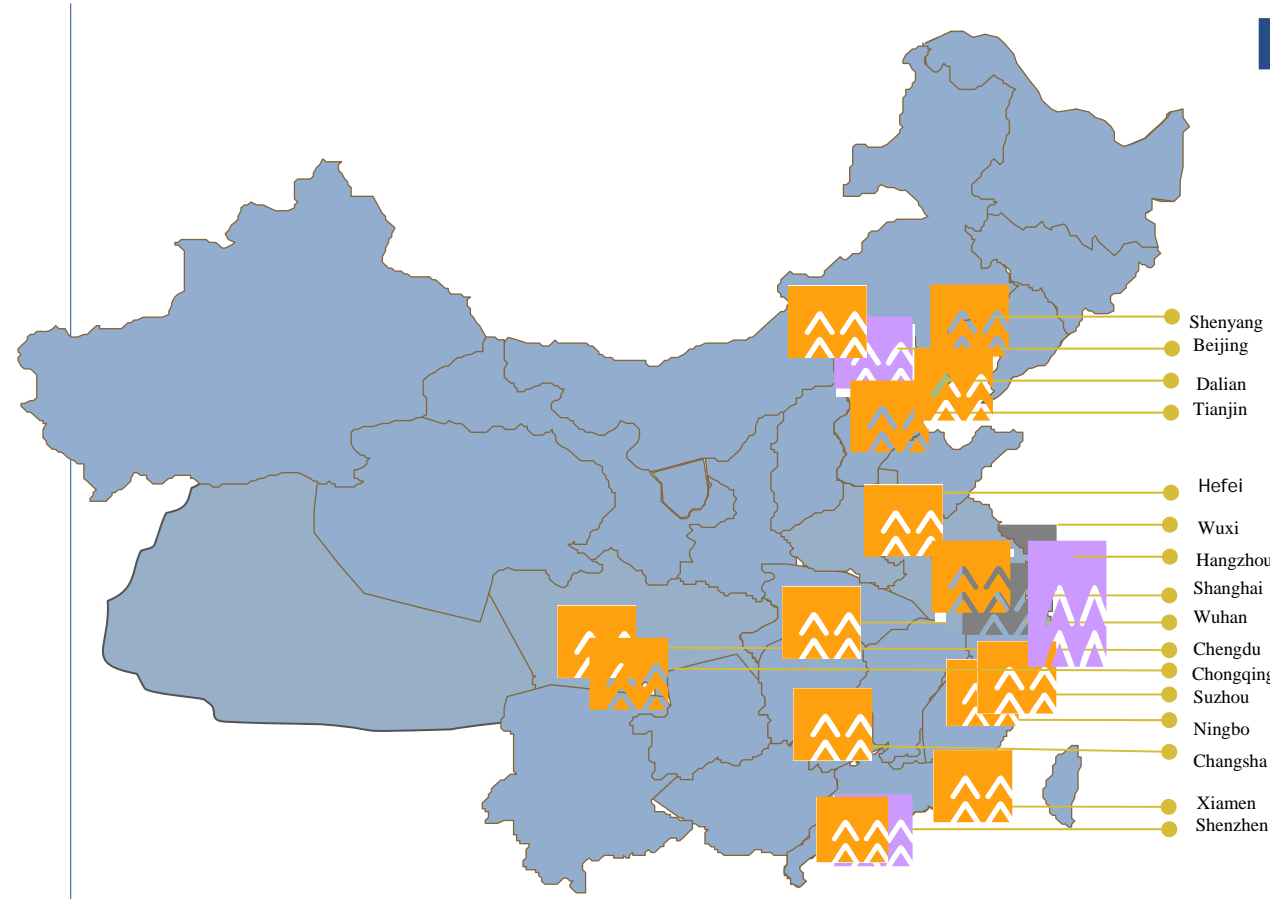
Where to?

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



- Shenyang
- Beijing
- Dalian
- Tianjin
- Hefei
- Wuxi
- Hangzhou
- Shanghai
- Wuhan
- Chengdu
- Chongqing
- Suzhou
- Ningbo
- Changsha
- Xiamen
- Shenzhen



Development
Investment

BUSINESS STRATEGY

END